



**CITY OF LAGUNA HILLS
CITY COUNCIL/PLANNING AGENCY
REGULAR MEETING AGENDA
OCTOBER 08, 2013
Closed Session at 6:00 PM (*when scheduled*)
General Business Session at 7:00 PM**

Barbara D. Kogerman, Mayor

**Andrew Blount, Mayor Pro Tempore
Randal Bressette, Council Member**

**Melody Carruth, Council Member
Dore J. Gilbert, M.D., Council Member**

Location: City Council Chamber, 24035 El Toro Road, Laguna Hills, California 92653

Any person wishing to address the City Council/Planning Agency on any matter, whether or not it appears on this Agenda, is asked to complete a pink "Request to Speak" form available on the table at the back of the Chamber. The completed form is to be submitted to the City Clerk prior to an individual being heard by the City Council/Planning Agency. Completion of the form is voluntary. All persons may attend the meeting regardless of whether this form is completed.

Members of the public wishing to address the City Council can do so during the Public Comments portion of the Agenda with a time limitation of three minutes per person, an overall time limit of ten minutes for any one subject, and a total time limit of thirty minutes for Public Comments. If you are commenting on an Agenda item, your comments will be heard at the time that item is scheduled on the Agenda. If you are addressing the City Council on an item not listed on the Agenda, the City Council is prohibited by law from discussing or taking any action on that item.

GENERAL BUSINESS - CONVENING AT 7:00 PM

CALL TO ORDER

Resolution No. 96-04-09-1 established rules of decorum for public meetings held by the City of Laguna Hills. Resolution No. 96-04-09-1 is available on the table at the back of the City Council Chamber.

PLEDGE OF ALLEGIANCE: MAYOR PRO TEMPORE BLOUNT

ROLL CALL OF CITY COUNCIL MEMBERS

CLOSED SESSION REPORT

There was no Closed Session scheduled.

1. PRESENTATIONS AND PROCLAMATIONS**1.1 LAGUNA HILLS HIGH SCHOOL STUDENT LIAISON**

RECOMMENDATION: THAT THE CITY COUNCIL RECEIVE AN ORAL REPORT FROM LAGUNA HILLS HIGH SCHOOL STUDENT LIAISON KERSTYN GONZALES.

1.2 CERTIFICATE OF RECOGNITION - SOUTH COAST SYMPHONY

RECOMMENDATION: THAT MAYOR KOGERMAN PRESENT A CERTIFICATE OF RECOGNITION TO THE SOUTH COAST SYMPHONY.

1.3 LAGUNA HILLS 3/5 MARINE SUPPORT COMMITTEE

RECOMMENDATION: THAT THE CITY COUNCIL RECEIVE AN ORAL PRESENTATION FROM LT. COLONEL RICE AND SERGEANT MAJOR RUIZ FROM THE 3/5 MARINE BATTALION ON UPCOMING ACTIVITIES.

2. PUBLIC COMMENTS

This is the time to address the City Council on any matter not listed on this Agenda that is within the subject matter jurisdiction of the City Council. Public Comments are limited to three minutes per person, an overall time limit of ten minutes for any one subject, and a total time limit of thirty minutes.

3. CONSENT CALENDAR

All matters listed under "CONSENT CALENDAR" are considered to be routine and will be enacted by one motion approving the recommendation listed on the Agenda. There will be no separate discussion unless Members of the City Council or Staff request specific items be removed from the Consent Calendar.

3.1 WAIVE READING IN FULL OF ALL ORDINANCES AND RESOLUTIONS ON THE AGENDA

RECOMMENDATION: THAT THE CITY COUNCIL WAIVE READING IN FULL OF ALL ORDINANCES AND RESOLUTIONS ON THE AGENDA AND DECLARE THAT SAID TITLES WHICH APPEAR ON THE PUBLIC AGENDA SHALL BE DETERMINED TO HAVE BEEN READ BY TITLE AND FURTHER READING WAIVED.

3.2 APPROVAL OF MINUTES FOR SEPTEMBER 24, 2013

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE THE MINUTES OF THE SEPTEMBER 24, 2013, REGULAR MEETING.

3.3 APPROVAL OF WARRANT REGISTER FOR PERIOD ENDED
OCTOBER 8, 2013

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE THE WARRANT REGISTER IN THE AMOUNT OF \$395,560.62.

3.4 GRANT OF EASEMENT TO SAN DIEGO GAS & ELECTRIC
COMPANY ALONG THE EASTERLY SIDE OF ALISO HILLS DRIVE
NORTHERLY OF LA PAZ ROAD

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE THE GRANTING OF A NON-EXCLUSIVE EASEMENT AND RIGHT OF WAY TO INSTALL AND MAINTAIN ABOVE-GROUND AND BELOW-GROUND ELECTRICAL FACILITIES TO SAN DIEGO GAS & ELECTRIC COMPANY (SDG&E) ALONG THE EASTERLY SIDE OF ALISO HILLS DRIVE NORTHERLY OF LA PAZ ROAD WITHIN LOT B OF TRACT NO. 9044, APN 625-091-09, SUBJECT TO SDG&E MAKING A PAYMENT OF \$5,000 FOR THE CITY'S USE FOR PLANTING SCREENING MATERIALS AROUND THE ABOVE-GROUND FACILITY AND AUTHORIZE THE MAYOR TO SIGN THE GRANT OF EASEMENT.

3.5 CONSTRUCTION SURVEY AND LANDSCAPE ARCHITECTURE
SUPPORT SERVICES FOR THE LA PAZ OPEN SPACE
IMPROVEMENTS, CIP NO. 615A

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE AND AUTHORIZE THE CITY MANAGER TO ISSUE A TASK ORDER TO RICHARD FISHER ASSOCIATES (RFA) FOR CONSTRUCTION SUPPORT SERVICES FOR THE LA PAZ OPEN SPACE IMPROVEMENTS, CIP NO. 615A, IN ACCORDANCE WITH THE SEPTEMBER 18, 2013, PROPOSAL.

3.6 AUTHORIZATION TO PURCHASE CITY VEHICLE FOR COMMUNITY
SERVICES DEPARTMENT RECREATION PROGRAMS

RECOMMENDATION: THAT THE CITY COUNCIL AUTHORIZE THE COMMENCEMENT OF THE PROCUREMENT PROCESS TO PURCHASE A CITY VEHICLE.

3.7 AUTHORIZATION TO PURCHASE CITY VEHICLE

RECOMMENDATION: THAT THE CITY COUNCIL AUTHORIZE STAFF TO PURCHASE A CITY VEHICLE.

3.8 AWARD OF CONTRACT FOR PRINTING OF CITY VIEWS AND
COMMUNITY SERVICES ACTIVITY GUIDE

RECOMMENDATION: THAT THE CITY COUNCIL AWARD THE CONTRACT FOR PRINTING OF CITY VIEWS AND COMMUNITY SERVICES ACTIVITY GUIDE AND AUTHORIZE THE CITY MANAGER TO SIGN THE CONTRACT DOCUMENTS.

ITEMS REMOVED FROM THE CONSENT CALENDAR

4. PLANNING AGENCY

4.1 ROLL CALL OF PLANNING AGENCY MEMBERS

4.2 PUBLIC COMMENTS

This is the time to address the Planning Agency on any matter not listed on this Agenda that is within the subject matter jurisdiction of the Planning Agency. Public Comments are limited to three minutes per person, an overall time limit of ten minutes for any one subject, and a total time limit of thirty minutes.

4.3 MINUTES

4.3.1 REGULAR MEETING, SEPTEMBER 24, 2013

RECOMMENDATION: THAT THE PLANNING AGENCY APPROVE THE MINUTES OF THE SEPTEMBER 24, 2013, REGULAR MEETING.

4.4 ADMINISTRATIVE REPORTS

4.5 PLANNING AGENCY PUBLIC HEARINGS

PLANNING AGENCY ADJOURNMENT

5. CITY COUNCIL PUBLIC HEARINGS

5.1 CITY OF LAGUNA HILLS 2013-2021 HOUSING ELEMENT

RECOMMENDATION: THAT THE CITY COUNCIL ADOPT A NEGATIVE DECLARATION FOR THE 2013-2021 HOUSING ELEMENT AND ADOPT A RESOLUTION ENTITLED: "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, ADOPTING A NEGATIVE DECLARATION FOR THE 2013-2021 HOUSING ELEMENT AND GENERAL PLAN AMENDMENT (GPAM) NO. 8-13-2654, AN UPDATE TO THE CITY'S HOUSING ELEMENT OF THE GENERAL PLAN (2013-2021 HOUSING ELEMENT) AS REQUIRED BY STATE LAW."

6. ADMINISTRATIVE REPORTS

6.1 City Manager

6.2 Public Services Director/City Engineer

6.2.1 REQUEST FOR STREET TREE REMOVAL AT 25252
MAWSON DRIVE

RECOMMENDATION: THAT THE CITY COUNCIL RECIEVE AND FILE THE
REPORT.

**7. MATTERS AGENDIZED AND PRESENTED BY CITY COUNCIL MEMBERS
AND MAYOR**

7.1 MAYOR KOGERMAN

7.1.1 LANDSCAPE RENOVATION OF POORLY MAINTAINED
AND/OR POORLY LANDSCAPED CITY-OWNED
PROPERTIES

RECOMMENDATION: THAT THE CITY COUNCIL DIRECT STAFF TO
DEVELOP A PLAN TO EVALUATE ALL CITY-OWNED PUBLIC PROPERTIES
VIEWABLE BY THE PUBLIC, DETERMINE WHETHER DETERIORATED
PARCELS ADVERSELY CONTRIBUTE TO A SIGNIFICANT NEGATIVE
AESTHETIC OR SAFETY STANDARD REQUIRING REMEDIATION, AND
RECOMMEND APPROPRIATE ACTIONS AS DISCUSSED IN THE REPORT.

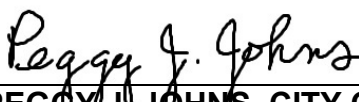
8. CITY COUNCIL MEMBER COMMENTS

ADJOURNMENT

The next Regular Meeting of the City Council will be October 22, 2013, in the City Council Chamber, located at 24035 El Toro Road, Laguna Hills, California.

CERTIFICATION

I, PEGGY J. JOHNS, City Clerk of the City of Laguna Hills, do hereby certify that a copy of the foregoing Agenda was posted at Laguna Hills City Hall, Laguna Hills Community Center, and La Paz Center by October 4, 2013, at 5:00 PM.



PEGGY J. JOHNS, CITY CLERK

October 4, 2013

DATE

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, you should contact the office of the City Clerk at (949) 707-2635. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to assure accessibility to this meeting.

Materials related to an item on this Agenda submitted to the City Council after distribution of the agenda packet are available for public inspection in the City Clerk's Office at 24035 El Toro Road, Laguna Hills, California, during normal business hours.

City Council Members receive no additional compensation or stipend as a result of simultaneously convening meetings of the Laguna Hills Planning Agency.



City of Laguna Hills

City Council Meeting Agenda

Staff Report

DATE: OCTOBER 8, 2013

TO: MAYOR AND COUNCIL MEMBERS

FROM: PEGGY J. JOHNS
CITY CLERK

ISSUE: CERTIFICATE OF RECOGNITION - SOUTH COAST SYMPHONY

RECOMMENDATION: THAT MAYOR KOGERMAN PRESENT A CERTIFICATE OF RECOGNITION TO THE SOUTH COAST SYMPHONY.

SUMMARY:

South Coast Symphony is a non-profit corporation that resides and performs in Laguna Hills at Crossline Church. The Symphony's mission is to provide South Orange County with a professional, accessible, and affordable symphonic musical experience.

South Coast Symphony has created two educational outreach programs to benefit the youth of Orange County. The Young STARS of the Future Competition and Concert, and Koncert for Kids, which has been on-going for the last decade and has provided educational opportunities to more than 36,000 elementary students and their teachers in South Orange County completely free of charge.

Barry Silverman, Music Director and Conductor, and several members of the Board and Orchestra, will be in attendance to receive the Certificate of Recognition.

ATTACHMENTS:

- Certificate of Recognition

CERTIFICATE OF RECOGNITION

SOUTH COAST SYMPHONY

WHEREAS, South Coast Symphony, a non-profit, public benefit corporation, resides and performs here in Laguna Hills at Crossline Church as the "Unstuffy Symphony for the OC"; and

WHEREAS, the Symphony's mission is to provide South Orange County's diverse communities with a professional, accessible and affordable symphonic musical experience; and

WHEREAS, the Symphony's eclectic programming is designed to entertain and educate while also attracting a whole new generation of patrons; and

WHEREAS, the Symphony has created two educational outreach programs to benefit the youth of Orange County, those being the Young STARS of the Future Competition and Concert, and Koncert for Kids; and

WHEREAS, Young STARS of the Future has provided both a stepping stone and performance opportunity for exceptional young talent as well as scholarships towards college; and

WHEREAS, for more than a decade the Symphony has presented an educational outreach program known as Koncert for Kids to more than 36,000 elementary students and their teachers here in South Orange County, completely free of charge.

NOW, THEREFORE, I, Barbara D. Kogerman, Mayor, on behalf of the City Council of the City of Laguna Hills, California, do hereby recognize South Coast Symphony for its work on behalf of the youth in Orange County and encourage all residents to pay tribute to the Symphony for offering many years of arts education and enrichment in presenting Koncert for Kids.

Dated this 8th day of October 2013.

BARBARA D. KOGERMAN, MAYOR



City of Laguna Hills

City Council Meeting Agenda

Staff Report

DATE: OCTOBER 8, 2013

TO: MAYOR AND COUNCIL MEMBERS

FROM: PEGGY J. JOHNS
CITY CLERK

ISSUE: LAGUNA HILLS 3/5 MARINE SUPPORT COMMITTEE

RECOMMENDATION: THAT THE CITY COUNCIL RECEIVE AN ORAL PRESENTATION FROM LT. COLONEL RICE AND SERGEANT MAJOR RUIZ FROM THE 3/5 MARINE BATTALION ON UPCOMING ACTIVITIES.

SUMMARY:

Mike Bland, Chair of the 3/5 Darkhorse Committee, will be introducing Lt. Colonel Robert Rice and Sergeant Major Carlos Ruiz, who will be speaking before the City Council to provide an update on the vision for the 3/5 and activities planned for next year. Attached are copies of the biographies for Lt. Colonel Rice and Sergeant Major Ruiz.

ATTACHMENTS:

- Biographies



Professional Resume For Lieutenant Colonel Robert C. Rice

UNITED STATES MARINE CORPS



Battalion Commander 3d Battalion, 5th Marines

3D BATTALION, 5TH MARINES
1ST MARINE DIVISION (REIN)
PSC BOX 555483
CAMP PENDLETON, CA 92055-5483
Comm: (760) 763-2438
Email: Robert.c.rice@usmc.mil

PERSONAL INFORMATION

Date of Rank: 1 July 2008
Wife's Name: Megan
Children: Emily, Clara, and Matthew
POB/Date: Richland, WA/1 Sep 1971
Languages: German (DLPT IV 3/3)
PMOS: 0302 Infantry Officer
AMOS: 0303 LAV Officer; 8247 Western European
FAO

MAJOR AWARDS & DECORATIONS

Bronze Star Medal with gold star
Meritorious Service Medal with two gold stars
Navy Commendation with gold star
Navy Achievement with gold star
Army Achievement with bronze cluster
Combat Action Ribbon
Outstanding Military Volunteer Service Medal

EDUCATION (Civilian & Military)

Date	School / Degree
1989	American International School in Vienna, Austria (High School)
1992	University of Washington, B.A. in Political Science
1993	The Basic School
1993	Infantry Officers Course
1994	Winter Mountain Leader Course
1996	Recruiting Management Course
2000	Amphibious Warfare School
2002	M.A. in Organization Management from the University of Phoenix
2003	Command & Staff College (non-resident)
2000	Basic Airborne
2000	Calvary Leaders
2005	High Risk Personnel
2010	Security Assistance Management Executive Course
2011	Fellow in the MIT Seminar XXI program
2012	Senior Officer Legal Course
2013	Aviation Commander's Safety Course
2013	M.A. in Strategic Studies from the U.S. Army War College
	Western European Foreign Area Officer

CHRONOLOGY OF ASSIGNMENTS

1993-1996	2d Bn, 3d Mar, Kaneohe Bay, HI	Platoon and Company Commander, Executive Officer
1996-1999	Recruiting Station Portland, OR	Executive Officer
1999-2000	Amphibious Warfare School	Student
2000-2002	1st LAR Bn, Camp Pendleton, CA	Operations Officer, Company Commander
	13th Marine Expeditionary Unit	LAR Company Commander
2002-2004	LAV Training Company (SOI West)	Company Commander
2004-2006	HQMC, Officer Assignments (MMAO)	Plans Officer
	II MEF IA, OIF 05-07	OIC, Police Partnership Program, Ramadi, Iraq
2006-2008	3d Bn, 5th Mar, Camp Pendleton, CA	Executive Officer
2008-2010	11th Marine Expeditionary Unit	Operations Officer
2010-2013	HQMC, Plans, Policy, & Operations (PP&O)	Section Head/Action Officer



Professional Resume For SgtMaj Carlos A. Ruiz

UNITED STATES MARINE CORPS



**3rd Battalion, 5th Marines
1st Marine Division (Reinf)
Comm. 760-468-0124
Email: carlos.ruiz1@usmc.mil**

PERSONAL INFORMATION

Date of Rank: 090801
Wife's Name: Erin M. Ruiz
Children: Isabella, Sofia, Ava
POB/Date: Sonora, Mexico 19750419

MAJOR AWARDS & DECORATIONS

Bronze Star w/Combat V
Navy/Marine Corps Commendation Medal w/2 Gold Stars
Navy/Marine Corps Achievement Medal w/1 Gold Star
Combat Action Ribbon w/1 Gold Star

COMBAT TOURS

0301-0306, OIF
0910-1004, OEF
1104-1110, OEF 1-1

EDUCATION (Civilian & Military)

1993 High School Diploma
1994 Enlisted Warehousing Basic
1996 Sgt Non-Res Program
1997 Corporals Course
1998 SNCO Career Non-Res Program
1998 Sergeants Course
1998 Recruiters School
2000 SNCO Advanced Non-Res Program
2002 SNCO Career Course
2003 Warfighting Skills Program
2004 Drill Instructor School

2006 Anti-Terrorism/Force Protection
2007 Basic Instructor Course
2007 SNCO Advance Course
2008 Waterfront Training Course
2009 First Sergeant/MSgt Seminar
2009 First Sergeant's Course
2012 Senior Enlisted PME
2012 Family Readiness Officer
2012 L.I.N.K.S
2012 Casualty Assistance Call Officer
2013 Equal Opportunity Senior Enlisted Course
2013 SgtMaj Course

CHRONOLOGY OF ASSIGNMENTS

9311-9401 MCRD San Diego, Recruit
9401-9405 Basic Warehousing School Warehouse Clerk
9405-9605 3d Supply Battalion, 3d FSSG, Okinawa, Company Clerk
9605-9810 Marine Corps Logistics Base, Barstow, Purchasing and Contracting Clerk
9810-0110 Recruiting Station, Los Angeles, Recruiter
0110-0404 Supply Co, 1st Sup BN, 1st FSSG, Camp Pendleton, ASNCOIC Shipping and Receiving/Storage Ops
0404-0610 Co L, 3d RTBN, MCRD San Diego, CA, DI/SDI/CDI
0610-0804 Drill Instructor School, Drill Master/PT Instructor/Chief Instructor
0804-0902 Supply Co, CSSG-15, Camp Pendleton, Company Gunnery Sergeant/First Sergeant
0902-1006 Co L, 3d Battalion, 4th Marines, Company First Sergeant
1006-1205 H&S Co, 3d Battalion, 4th Marines, Company First Sergeant
1205-1308 I&I Staff, Sacramento, CA, Inspector-Instructor First Sergeant
1309-PRES 3d Battalion, 5th Marines, Sergeant Major

10/8/2013 ITEM NO. 1.3

**CITY OF LAGUNA HILLS, CALIFORNIA
CITY COUNCIL REGULAR MEETING
MINUTES
SEPTEMBER 24, 2013**

GENERAL BUSINESS - CONVENING AT 7:00 PM

CALL TO ORDER

Mayor Kogerman called the Regular Meeting of the City Council of the City of Laguna Hills, California, to order at 7:02 PM in the Laguna Hills City Council Chamber, 24305 El Toro Road, Laguna Hills, California.

PLEDGE OF ALLEGIANCE: Council Member Bressette

ROLL CALL OF CITY COUNCIL MEMBERS

Present: Mayor Kogerman, Mayor Pro Tempore Blount, Council Member Bressette, and Council Member Carruth.

Absent: Council Member Gilbert

TRIBUTE TO FALLEN LAGUNA BEACH POLICE OFFICER JON COUTCHIE

Mayor Kogerman noted the passing of Laguna Beach Police Officer Jon Coutchie this past weekend. Jon was involved in an auto collision during a high speed chase while on duty. Jon Coutchie graduated from Laguna Hills High School in 1989, and joined the Army after 9/11. Jon completed four tours of duty in Iraq and Afghanistan as an Army Ranger and was highly decorated and honorably discharged. Jon became a police officer for the City of Laguna Beach to continue his service to the American people. Mayor Kogerman indicated the meeting this evening would be adjourned in memory of Laguna Beach Police Officer Jon Coutchie.

Mayor Kogerman asked Karin Caputo, a family friend, and Lieutenant Tom Behrens, Orange County Sheriff Department, to come forward to say a few words about Jon's life and service to his community.

CLOSED SESSION REPORT

There was no Closed Session scheduled.

1. PRESENTATIONS AND PROCLAMATIONS

1.1 LAGUNA HILLS HIGH SCHOOL STUDENT LIAISON

THE CITY COUNCIL RECEIVED AN ORAL PRESENTATION FROM LAGUNA HILLS HIGH SCHOOL STUDENT LIAISON KERSTYN GONZALES.

1.2 PROCLAMATION, FIRE PREVENTION WEEK, OCTOBER 6, 2013 - OCTOBER 12, 2013

MAYOR KOGERMAN PRESENTED A PROCLAMATION TO BATTALION CHIEF MICHAEL CONTRERAS FROM THE ORANGE COUNTY FIRE AUTHORITY, PROCLAIMING OCTOBER 6, 2013, THROUGH OCTOBER 12, 2013, AS FIRE PREVENTION WEEK.

2. PUBLIC COMMENTS

There were no public comments.

3. MINUTES

3.1 REGULAR MEETING, SEPTEMBER 10, 2013

Mayor Kogerman indicated there was a correction to the minutes regarding Item 1.2, Letter of Support for the proposed Saddleback Stadium renovations.

MOTION TO AMEND THE MINUTES TO STATE IN THE LETTER THAT "THE CITY OF LAGUNA HILLS NOTES THIS LETTER IS NOT AN INDICATION OF SUPPORT OF A BOND INITIATIVE IN ORDER TO FINANCE THE STADIUM IMPROVEMENTS," BY M/MAYOR KOGERMAN, S/MAYOR PRO TEMPORE BLOUNT.

APPROVED BY A VOTE OF 4-0-1 (MAYOR KOGERMAN, MAYOR PRO TEMPORE BLOUNT, COUNCIL MEMBER BRESSETTE, AND COUNCIL MEMBER CARRUTH VOTING YES; COUNCIL MEMBER GILBERT ABSENT).

4. CONSENT CALENDAR

MOTION TO APPROVE THE CONSENT CALENDAR WITH MAYOR KOGERMAN REMOVING ITEM NO. 4.4 AND NO. 4.5, BY M/COUNCIL MEMBER CARRUTH, S/COUNCIL MEMBER BRESSETTE.

APPROVED BY A VOTE OF 4-0-1 (MAYOR KOGERMAN, MAYOR PRO TEMPORE BLOUNT, COUNCIL MEMBER BRESSETTE, AND COUNCIL MEMBER CARRUTH VOTING YES; COUNCIL MEMBER GILBERT ABSENT).

4.1 WAIVE READING IN FULL OF ALL ORDINANCES AND RESOLUTIONS ON THE AGENDA

THE CITY COUNCIL WAIVED READING IN FULL OF ALL ORDINANCES AND RESOLUTIONS ON THE AGENDA AND DECLARED THAT SAID TITLES WHICH APPEARED ON THE PUBLIC AGENDA SHALL BE DETERMINED TO HAVE BEEN READ BY TITLE AND FURTHER READING WAIVED.

4.2 APPROVAL OF WARRANT REGISTER FOR PERIOD ENDED
SEPTEMBER 24, 2013

THE CITY COUNCIL APPROVED THE WARRANT REGISTER IN THE
AMOUNT OF \$771,237.09.

4.3 CLAIM AGAINST THE CITY, RONALD MILFS

THE CITY COUNCIL REJECTED THE CLAIM AND DIRECTED THE CITY
CLERK TO SEND A CLAIM REJECTION LETTER.

ITEMS REMOVED FROM THE CONSENT CALENDAR

4.4 REJECTION OF BID PROTESTS, WAIVER OF MINOR BID
IRREGULARITIES, AND AWARD OF CONTRACT FOR THE LA PAZ OPEN
SPACE IMPROVEMENTS, CIP NO. 615A

Staff removed this item from the Consent Calendar to indicate that the report
had been amended to add required CEQA language; and also indicated that
removing this item from Consent would allow for discussion on the color
selection of the horse corral and appurtenances for the project.

**THE CITY COUNCIL REJECTED ALL BID PROTESTS, WAIVED MINOR BID
IRREGULARITIES OF THE APPARENT LOW BIDDER, AND AWARDED THE
CONTRACT FOR THE LA PAZ OPEN SPACE IMPROVEMENTS, CIP NO. 615A,
TO THE APPARENT LOW BIDDER, ENVIRONMENTAL CONSTRUCTION, INC.,
IN THE LOW BID AMOUNT OF \$1,073,627.85, AUTHORIZED THE MAYOR TO
SIGN THE CONTRACT DOCUMENTS, AND THAT THE COLOR "BEIGE" WAS
SELECTED FOR THE HORSE CORRAL AND APPURTENANCES, BY
M/COUNCIL MEMBER BRESSETTE, S/COUNCIL MEMBER CARRUTH.**

**APPROVED BY A VOTE OF 4-0-1 (MAYOR KOGERMAN, MAYOR PRO
TEMPORE BLOUNT, COUNCIL MEMBER BRESSETTE, AND COUNCIL
MEMBER CARRUTH VOTING YES; COUNCIL MEMBER GILBERT ABSENT).**

4.5 BICYCLE CORRIDOR IMPROVEMENT PROGRAM FUNDING
APPLICATION

Mayor Kogerman removed this item from the Consent Calendar to thank
Public Services Director Rosenfield for his work and efforts in obtaining grant
funds for the City towards this important project.

**THE CITY COUNCIL: (1) APPROVED THE GRANT APPLICATION FOR THE
BICYCLE CORRIDOR IMPROVEMENT PROGRAM; AND (2) ADOPTED
RESOLUTION NO. 2013-09-24-1, A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF LAGUNA HILLS, CALIFORNIA, AUTHORIZING AN APPLICATION
FOR FUNDS FOR THE BICYCLE CORRIDOR IMPROVEMENT PROGRAM
FUNDED WITH CONGESTION MITIGATION AND AIR QUALITY PROGRAM
FUNDING UNDER THE MOVING AHEAD FOR PROGRESS IN THE 21ST**

CENTURY FEDERAL TRANSPORTATION ACT FOR THE LA PAZ OPEN SPACE CLASS 1 BIKEWAY PROJECT, BY M/MAYOR KOGERMAN, S/COUNCIL MEMBER BRESSETTE.

APPROVED BY A VOTE OF 4-0-1 (MAYOR KOGERMAN, MAYOR PRO TEMPORE BLOUNT, COUNCIL MEMBER BRESSETTE, AND COUNCIL MEMBER CARRUTH VOTING YES; COUNCIL MEMBER GILBERT ABSENT).

5. PLANNING AGENCY

Mayor Kogerman recessed the City Council meeting and acting in the capacity of Chair, called the regular meeting of the Planning Agency of the City of Laguna Hills, California, to order at 7:31 PM.

5.1 ROLL CALL OF PLANNING AGENCY MEMBERS

Present: Chair Kogerman, Vice Chair Blount, Agency Member Bressette, Agency Member Carruth

Absent: Agency Member Gilbert

5.2 PUBLIC COMMENTS

There were no Public Comments.

5.3 MINUTES

5.3.1 REGULAR MEETING, SEPTEMBER 10, 2013

MOTION TO APPROVE THE MINUTES OF THE SEPTEMBER 10, 2013, REGULAR MEETING, BY M/AGENCY MEMBER CARRUTH, S/AGENCY MEMBER BRESSETTE.

APPROVED BY A VOTE OF 4-0-1 (CHAIR KOGERMAN, VICE CHAIR BLOUNT, AGENCY MEMBER BRESSETTE, AND AGENCY MEMBER CARRUTH VOTING YES; AGENCY MEMBER GILBERT ABSENT).

5.4 ADMINISTRATIVE REPORTS

5.5 PLANNING AGENCY PUBLIC HEARINGS

5.5.1 CONDITIONAL USE PERMIT (CUP), PARKING USE PERMIT (PUP), AND SITE DEVELOPMENT PERMIT (SDP) NO. 01-12-2174, A REQUEST TO MAKE COURTYARD RENOVATIONS AND TO CONSTRUCT A POOL AND FITNESS CENTER AT THE HILLS HOTEL, 25205 LA PAZ ROAD, IN THE (FC) FREEWAY COMMERCIAL ZONING DISTRICT

THE PLANNING AGENCY MADE A MOTION TO TABLE CONDITIONAL USE PERMIT, PARKING USE PERMIT, AND SITE DEVELOPMENT PERMIT NO. 01-12-2174 FROM CONSIDERATION AT THIS TIME, BY M/AGENCY MEMBER BRESSETTE, S/AGENCY MEMBER CARRUTH.

APPROVED BY A VOTE OF 4-0-1 (CHAIR KOGERMAN, VICE CHAIR BLOUNT, AGENCY MEMBER BRESSETTE, AND AGENCY MEMBER CARRUTH VOTING YES; AGENCY MEMBER GILBERT ABSENT).

PLANNING AGENCY ADJOURNMENT

Mayor Kogerman reconvened the City Council Meeting at 7:34 PM. All Council Members were present.

6. CITY COUNCIL PUBLIC HEARINGS

6.1 ZONE CHANGE AND ZONING TEXT AMENDMENT NO. 06-13-2608, AN AMENDMENT TO TITLE 9 OF THE LAGUNA HILLS MUNICIPAL CODE (ZONING AND SUBDIVISIONS) TO ESTABLISH A HOSPITALITY OVERLAY ZONE.

THE CITY COUNCIL MADE A MOTION TO TABLE ZONE CHANGE AND ZONING TEXT AMENDMENT NO. 06-13-2608, FROM CONSIDERATION AT THIS TIME, BY M/COUNCIL MEMBER CARRUTH, S/COUNCIL MEMBER BRESSETTE.

APPROVED BY A VOTE OF 4-0-1 (MAYOR KOGERMAN, MAYOR PRO TEMPORE BLOUNT, COUNCIL MEMBER BRESSETTE, AND COUNCIL MEMBER CARRUTH VOTING YES; COUNCIL MEMBER GILBERT ABSENT).

7. ADMINISTRATIVE REPORTS

7.1 City Manager

The City Manager was absent.

7.2 Public Services Director/City Engineer

7.2.1 PUBLIC COMMENT ON THE INITIAL STUDY WITH PROPOSED MITIGATED NEGATIVE DECLARATION / ENVIRONMENTAL ASSESSMENT FOR THE I-5 WIDENING PROJECT FROM STATE ROUTE 73 TO EL TORO ROAD

THE CITY COUNCIL DIRECTED STAFF TO PREPARE AND SUBMIT WRITTEN COMMENTS ON THE INITIAL STUDY WITH PROPOSED MITIGATED NEGATIVE DECLARATION / ENVIRONMENTAL ASSESSMENT FOR THE I-5 WIDENING PROJECT FROM STATE ROUTE 73 TO EL TORO ROAD, AND ENCOURAGED PUBLIC PARTICIPATION IN THE SEPTEMBER 25, 2013, PUBLIC HEARING TO BE HELD AT THE NORMAN P. MURRAY COMMUNITY AND SENIOR CENTER, MISSION VIEJO, CALIFORNIA, BY M/COUNCIL MEMBER BRESSETTE,

S/COUNCIL MEMBER CARRUTH.

APPROVED BY A VOTE OF 4-0-1 (MAYOR KOGERMAN, MAYOR PRO TEMPORE BLOUNT, COUNCIL MEMBER BRESSETTE, AND COUNCIL MEMBER CARRUTH VOTING YES; COUNCIL MEMBER GILBERT ABSENT).

8. MATTERS AGENDIZED AND PRESENTED BY CITY COUNCIL MEMBERS AND MAYOR

There were no matters agendized and presented by City Council Members.

9. CITY COUNCIL MEMBER COMMENTS

MAYOR PRO TEMPORE BLOUNT

Mayor Pro Tempore Blount indicated he had concerns regarding construction at the Village at Nellie Gail Ranch Shopping Center. Mayor Pro Tempore Blount stated that businesses at the center were getting power outage notices from Southern California Edison Company. Mayor Pro Tempore Blount indicated the businesses were closing as a result of the request by Edison but the power was not being shut-off. Mayor Kogerman asked if staff would find out what the issue was. Community Development Director Chantarangsu indicated he would look into the issue and report back to the City Council.

COUNCIL MEMBER CARRUTH

Council Member Carruth indicated that she had concerns with the new stop signs at Nellie Gail Road and Gallup Circle. Council Member Carruth inquired if there could be some type of temporary additional advance warning that would help the residents be aware of the new stop sign. Public Services Director Rosenfield indicated that there could be some type of temporary warning barricade off to the side of the new stop sign.

MAYOR KOGERMAN

Mayor Kogerman stated that this Saturday, September 28, 2013, she would be starting a new "Walk with the Mayor" event from 9 AM – 12 noon every Saturday. The walks would be on a different trail each Saturday.

Mayor Kogerman indicated that Mike Bland, Chair of the 3/5 Committee, had distributed a DVD to the City Council entitled: *Warriors...in Their Own Words*, which were donated by the non-profit organization, LOOC (Lives Out Of Combat) Foundation, that aids wounded warriors, their families and the families of the warriors killed in action.

Mayor Kogerman reported that she and Mayor Pro Tempore Blount attended the League of California Cities Conference, September 18-20, 2013, held in Sacramento, and highlighted the workshops that they attended. Mayor Kogerman also distributed a report that she had co-authored, along with Mayor Pro Tempore Blount, regarding important information from the Conference.

ADJOURNMENT

There being no further business before the City Council at this session, Mayor Kogerman declared the meeting adjourned in memory of Laguna Beach Police Officer, Jon Couchie at 9:03 PM.

PEGGY J. JOHNS, CITY CLERK

ATTEST:

BARBARA D. KOGERMAN, MAYOR

APPROVED AT MEETING OF _____.



City of Laguna Hills

City Council Meeting Agenda

Staff Report

DATE: OCTOBER 08, 2013

TO: MAYOR AND COUNCIL MEMBERS

FROM: DONALD J. WHITE, ASSISTANT CITY MANAGER

ISSUE: APPROVAL OF WARRANT REGISTER FOR PERIOD ENDED OCTOBER 08, 2013.

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE THE WARRANT REGISTER IN THE AMOUNT OF \$395,560.62.

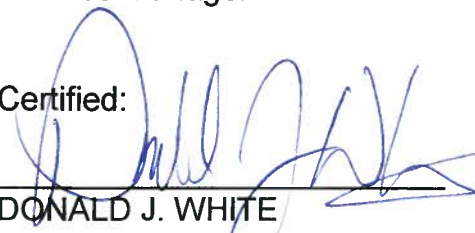
SUMMARY:

In accordance with Government Code Section 37202, the attached Warrant Register reflects the disbursements of the City of Laguna Hills for the period reported thereon. The Assistant City Manager certifies and attests to its accuracy and the availability of funds for the payment thereof. These warrants are hereby submitted to the City Council for approval of payment.

Prepared by:

JANICE MATEO REYES
Finance Manager

Certified:


DONALD J. WHITE
Assistant City Manager

10-1-13
DATE

FISCAL IMPACT:

The warrant register total is \$395,560.62.

ATTACHMENTS:

- 1. Warrant Register**

**CITY OF LAGUNA HILLS
WARRANT REGISTER
October 8, 2013**

VENDOR		DESCRIPTION	CHECK NO.	AMOUNT
PREPAID WARRANTS:				
AT&T		Communication Expense, Administrative Services Fax Line, Sep '13	8806071	\$ 73.70
BALL, DAVID		Refund, Deposit Fees, CR# 46673	8806073	662.50
CHANTARANGSU, DAVID		Travel Advance, Community Development, Sep '13	8806058	225.00
COX COMMUNICATION		Communication Expense, Traffic Control, Sep '13	8806060	179.00
CYBERSOURCE CORPORATION		eCommerce Payment Gateway Service, Online Permits, Community Development, Aug '13	8806061	29.00
EL TORO WATER DISTRICT		Water Usage, Parks, Aug '13	8806085	17,605.22
EVERBANK COMMERCIAL FINANCE		Lease - Copier, City Hall, Sep '13	8806087	221.55
IRVINE RANCH WATER DISTRICT		Water Usage, Parks, Aug '13	8806062	176.39
LONG, AURORA		Contract Instructor Fee, Theatre, Summer Session, Community Services	8806099	2,142.00
MAILFINANCE, INC.		Lease, Postage Meter, Aug - Oct '13	8806101	583.26
REFUND, COMMUNITY SVCS PROGRAM		J. Sommers, V# 2002916.002	8806063	168.00
REFUND, FACILITY RENTAL DEPOSIT		L. Tate, V# 2002802.002	8806064	212.50
REFUND, FACILITY RENTAL DEPOSIT		OC Tri, V# 2002909.002	8806065	500.00
REYES, JANICE MATEO		Petty Cash Replenishment, Departmental Operating Expenditures, Jul - Sep '13	8806059	526.41
REYES, JANICE MATEO		Petty Cash Replenishment, Departmental Operating Expenditures, Sep '13	8806112	612.42
SAN DIEGO GAS & ELECTRIC		Electric Usage, Community Center, Traffic Control and Street Lights, Aug '13	8806066	24,268.82
SAN DIEGO GAS & ELECTRIC		Electric Usage, Street Lights, Aug '13	8806115	43.54
SCHWARZ CUSTOM POOLS		Refund, Pool Bond, CR# 45978	8806067	500.00
SOUTHERN CALIFORNIA EDISON		Electric Usage, Street Lights and Traffic Control, Aug '13	8806068	1,021.67
SOUTHERN CALIFORNIA EDISON		Electric Usage, Street Lights and Traffic Control, Sep '13	8806117	1,499.29
SPRINT		Communication Expense, Community Services, Aug '13	8806069	149.33
Total Prepaid Warrants:				\$ 51,399.60

REGULAR WARRANTS:

A. C. LANDSCAPE, INC.	Water Management Services, Irrigation Repairs, Aug - Sep '13	8806070	\$ 3,556.91
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CITY OF LAGUNA HILLS
WARRANT REGISTER
October 8, 2013

VENDOR	DESCRIPTION	CHECK NO.	AMOUNT
ATHALYE CONSULTING ENGINEERING	Professional Services, La Paz Widening @ I-5 CIP # 159	8806072	360.00
BEE MAN, THE	Bee Removal, Parks, Sep '13	8806074	345.00
BRAME, MARILYN	Contract Instructor Fee, Drawing Summer Session, Community Services	8806075	210.00
C&D ELECTRIC, INC.	Lighting Repairs, Parks, Sep '13	8806076	594.44
CALIFORNIA MUN STATISTICS, INC.	Overlapping and Direct Debt Statement 6/30/13, CAFR FY 12/13	8806077	475.00
CALIFORNIA OFFICE SYSTEMS	Usage - Copier, City Hall, Aug '13	8806078	456.18
CARL WARREN & COMPANY	Processing Fee, Small Claims, May - Aug '13	8806079	1,832.41
CHARLES ABBOTT ASSOCIATES, INC.	Professional Services, Plan Checking and Building & Safety Services, Aug '13	8806080	15,690.95
COMMUNICATIONS LAB	Professional Services, Combined Issue, City Views/Community Services Fall 2013 Activity Guide	8806081	12,884.18
COMPLETE OFFICE OF CALIFORNIA	Office Supplies, Community Center, Sep '13	8806082	722.22
ECONOMICS, INC.	Professional Services, Recycling Program, Aug '13	8806083	1,375.00
EISENBERG, DALE	Contract Instructor Fee, Aikido Summer Session, Community Services	8806084	689.50
ELKINS, CHRISTINA	Contract Instructor Fee, Dancing Summer Session, Community Services	8806086	377.30
FEDERAL EXPRESS CORPORATION	Delivery Services, Sep '13	8806088	85.12
GOVPARTNER	Hosting Fees, Request Partner, Sep '13	8806089	500.00
HARTZOG & CRABILL, INC.	Professional Services, Traffic Engineering and Paseo de Valencia Widening CIP # 145 and Traffic Signal Improvement Coordination CIP # 168	8806090	7,446.43
HDL, COREN & CONE	CAFR Statistical Data, FY 12/13	8806091	695.00
HYDROPOINT DATA SYSTEMS, INC.	Subscription, Smart Irrigation Program Solutions, Parks, FY 13/14	8806092	120.00
IRON MOUNTAIN OFFSITE	Off Site Data Storage, Aug '13	8806093	220.89
JAMEY CLARK, INC.	Park Repairs, Janitorial Services and Graffiti Removal, Jul - Sep '13	8806095	6,473.07
JCTEES.COM CORPORATION	Uniforms, Community Services, Sep '13	8806096	2,285.93
JOE A. GONSALVES & SON	Professional Services, Legislative Services, Oct '13	8806097	2,900.00
LINDY OFFICE PRODUCTS	Operating Supplies, Sep '13	8806098	85.94
LUCY, STEVEN	Program Expense, Community Services, Oct '13	8806100	450.00
MARTIN-RUSK, DINA	Contract Instructor Fee, Zumba Summer Session, Community Services	8806102	215.60

CITY OF LAGUNA HILLS
WARRANT REGISTER
October 8, 2013

10/8/2013 ITEM NO. 3.3

VENDOR	DESCRIPTION	CHECK	
		NO.	AMOUNT
MEDLOCK, GEORGE	Contract Instructor Fee, Drumming Summer Session, Community Services	8806103	34.30
MOUNTAIN PACIFIC, INC.	Professional Services, Traffic Study, Laguna Hills Mall, Sep '13	8806104	4,700.00
NIEVES LANDSCAPE, INC.	Other Assorted Landscape Services, Sep '13	8806105	2,060.00
OFFICE SOLUTIONS	Office and Operating Supplies, Sep '13	8806106	319.54
ORANGE COUNTY FIRE AUTHORITY	Remittance, Fire Fees Collected, Aug '13	8806107	3,598.00
ORANGE COUNTY REGISTER	Subscription, City Hall, 9/15/13 - 12/15/13	8806108	252.73
ORANGE COUNTY REGISTER-FREEDOM	Legal Advertising, City Clerk, Aug '13	8806109	254.92
ORANGE COUNTY TREASURER	Road Maintenance, Aug '13	8806114	38,832.87
ORANGE COUNTY TREASURER	Traffic Signal Maintenance, Apr '13	8806119	16,782.14
PARSONS BRINCKERHOFF	Professional Services, La Paz Widening @ I-5 CIP # 159	8806110	4,189.67
QUESTYS SOLUTIONS	Annual Maintenance, Questys Software, FY 13/14	8806111	3,873.00
RICHARD FISHER ASSOCIATES	Professional Services, Plan Checking and On-Call Inspections, Traffic Engineering Paseo de Valencia Widening CIP # 145 and NPDES CIP # 410	8806113	15,329.38
SAN JOAQUIN HILLS TRANSPORT	Remittance, Transportation Corridor, Fees Collected, Aug '13	8806116	157,771.98
STV INCORPORATED	Professional Services, Paseo de Valencia Widening CIP # 145	8806118	2,310.00
TYLER TECHNOLOGIES, INC.	Annual Maintenance, FundBalance Software, Oct '13 - Sep '14	8806120	3,499.34
UNITED PARCEL SERVICE	Delivery Service, Sep '13	8806121	103.00
WELLS SIGNS MANUFACTURING	LED Street Signage, Public Works, Sep '13	8806122	2,805.00
WEST COAST ARBORISTS, INC.	Tree Trimming, Aug '13	8806123	26,208.00
WEST PUBLISHING CORPORATION	Subscription, City Clerk, Aug '13	8806124	190.08
Total Regular Warrants:			\$ 344,161.02
**WARRANT REGISTER TOTAL **			\$ 395,560.62



City of Laguna Hills

City Council Meeting Agenda

Staff Report

DATE: OCTOBER 8, 2013

TO: MAYOR AND COUNCIL MEMBERS

FROM: KENNETH H. ROSENFELD
DIRECTOR OF PUBLIC SERVICES/CITY ENGINEER

ISSUE: GRANT OF EASEMENT TO SAN DIEGO GAS & ELECTRIC COMPANY
ALONG THE EASTERLY SIDE OF ALISO HILLS DRIVE NORTHERLY OF LA
PAZ ROAD

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE THE GRANTING OF A NON-EXCLUSIVE EASEMENT AND RIGHT OF WAY TO INSTALL AND MAINTAIN ABOVE-GROUND AND BELOW-GROUND ELECTRICAL FACILITIES TO SAN DIEGO GAS & ELECTRIC COMPANY (SDG&E) ALONG THE EASTERLY SIDE OF ALISO HILLS DRIVE NORTHERLY OF LA PAZ ROAD WITHIN LOT B OF TRACT NO. 9044, APN 625-091-09, SUBJECT TO SDG&E MAKING A PAYMENT OF \$5,000 FOR THE CITY'S USE FOR PLANTING SCREENING MATERIALS AROUND THE ABOVE-GROUND FACILITY AND AUTHORIZE THE MAYOR TO SIGN THE GRANT OF EASEMENT.

SUMMARY:

The San Diego Gas & Electric Company (SDG&E) has requested an easement from the City, in order to install new facilities to improve the reliability of their electrical distribution system, located in the open space parcel at the northeasterly corner of La Paz Road at Aliso Hills Drive. The easement, consisting of approximately 952 square feet, will allow for the installation of underground electrical cable and an above-ground "Trayer Switch" box. The location of the above-ground box has been situated approximately 14' easterly of the curb line of Aliso Hills Drive and 85' northerly of the curb line of La Paz Road. In addition to other provisions in the easement language, SDG&E will be responsible for timely response to graffiti incidents and will provide the City with funding to purchase and install screening shrubbery. Approval of the Grant of Easement is recommended.

BACKGROUND:

SDG&E has approached the City with a request for an easement to allow for the installation of new electrical facilities as a part of their efforts to improve electricity

reliability. The easement request is within the City's open space located at the northeasterly corner of La Paz Road at Aliso Hills Drive. This area is within Lot B of Tract No. 9044, Assessor Parcel Number 625-091-09. Please see the attached aerial photograph Vicinity Map, Exhibit 1, depicting the site. This area is landscaped and comprised of turf with background shrubs and trees.

The proposed new SDG&E facilities consist of underground electrical lines and an above-ground box known as a Trayer Switch. A photograph of a typical Trayer Switch installation in a turf area has been provided by SDG&E and is attached as Exhibit 2. Staff and SDG&E worked together on the placement of the new equipment to cause it to be at a substantial distance from La Paz Road and at the maximum set back from Aliso Hills Drive that will still allow SDG&E to service the equipment. The location of the above-ground box has been situated approximately 14' easterly of the curb line of Aliso Hills Drive and 85' northerly of the curb line of La Paz Road. There are no homes on the easterly side of Aliso Hills Drive in this area and no fronting homes on the westerly side of Aliso Hills Drive. The majority of the landscaping in this area is turf with some trees and background shrubs. In the future, and unrelated to the SDG&E request being considered, it is anticipated that this turf area and irrigation system will be converted to low growing and water conserving ground cover and shrubbery. SDG&E has agreed to fund the City's purchase and placement of screening shrubbery around the Trayer Switch installation. Due to Public Utility Commission regulations, no shrubbery is allowed immediately in front of the access doors of this equipment. The proposed shrubbery will grow to partially screen the Trayer Switch from a side view. In addition to the screening shrubbery, SDG&E has agreed to timely response to graffiti incidents. SDG&E has a history of being very responsive to City calls for service for graffiti on their facilities.

The City Attorney's office prepared the proposed Grant of Easement, attached as Exhibit 3, to include a number of protections for the City. Among the protections is a requirement that if SDG&E ever ceases to utilize the easement area, then the easement will expire and all equipment will have to be removed. Approval of the Grant of Easement is recommended.

FISCAL IMPACT:

SDG&E will bear all costs to install and maintain their electrical system. The granting of the easement is conditioned upon SDG&E providing the City a payment of \$5,000 to cover the cost of the City's purchase and installation of screening shrubbery.

ATTACHMENTS:

- Exhibit 1 - Vicinity Map
- Exhibit 2 - Trayer Switch photographs
- Exhibit 3 - Grant of Easement

EXHIBIT 1

Vicinity Map

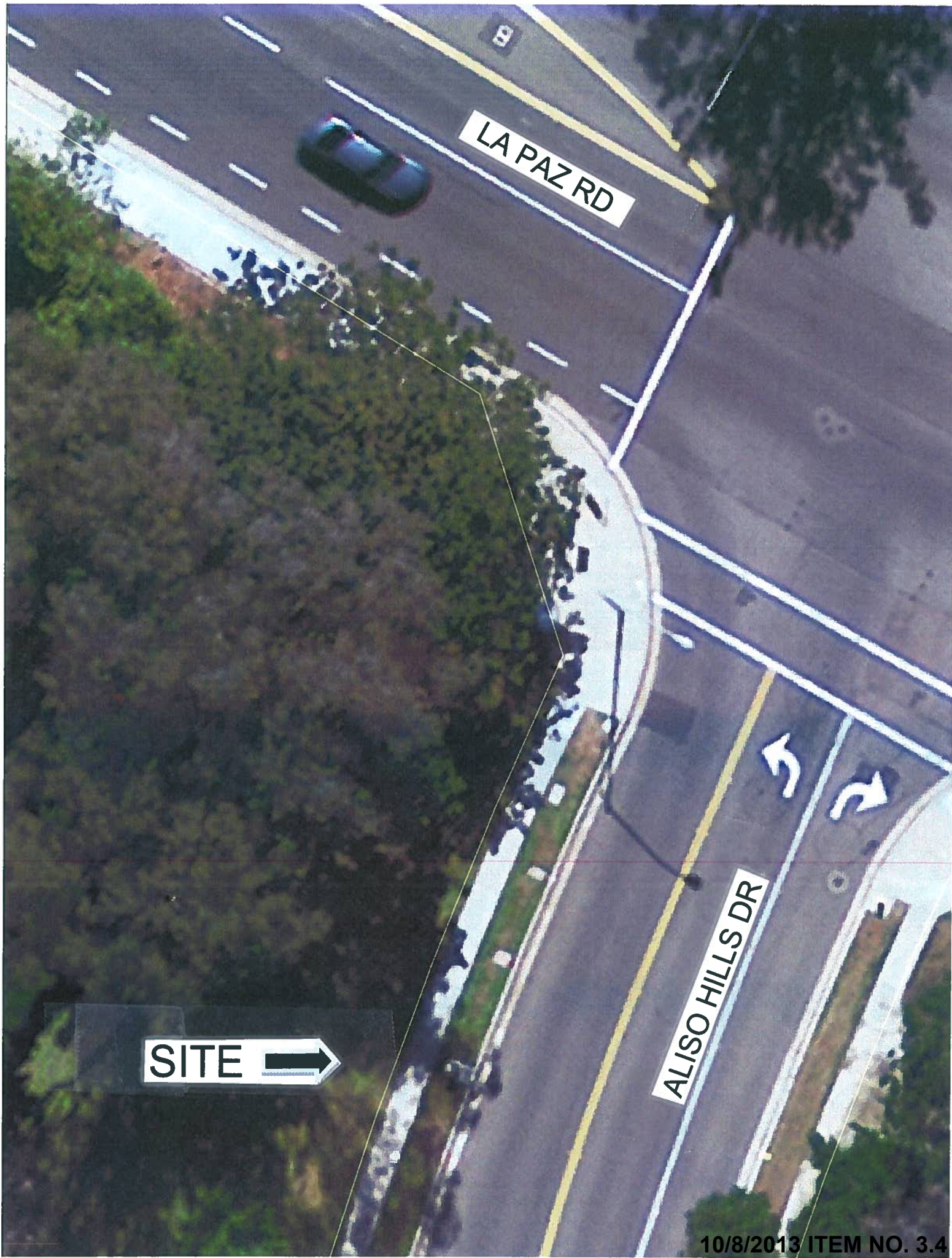


EXHIBIT 2

Trayer Switch



EXHIBIT 3

Grant of Easement With Legal Description and Plat

Recording Requested by
San Diego Gas & Electric Company

When recorded, mail to:

**San Diego Gas & Electric Company
8335 Century Park Court, Suite 100
San Diego, CA 92123-1569
Attn: Real Estate Records - CP11D**

SPACE ABOVE FOR RECORDER'S USE

Project No.: 060787-010

Const. No.: 2942860

A.P.N.: 625-091-09

Sketch No.: C-5085

Transfer Tax None

SAN DIEGO GAS & ELECTRIC COMPANY

GRANT OF EASEMENT

THIS GRANT OF EASEMENT is made and executed this _____ day of _____ 2013, by and between the CITY OF LAGUNA HILLS, a municipal corporation and general law city organized and existing under the laws of the State of California ("GRANTOR") and SAN DIEGO GAS AND ELECTRIC COMPANY, a California corporation ("GRANTEE").

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, GRANTOR hereby grants to GRANTEE a non-exclusive easement and right of way to erect, construct, improve, reconstruct, repair, maintain and use facilities consisting of: (1) Underground electric facilities and appurtenances for the transmission and distribution of electricity; (2) Underground communication facilities and appurtenances; and (3) One above-ground 4-Way Trayer Switch, fully enclosed within a metal utility box, with dimensions not to exceed 6.5' in length, 4.5' in width and 5.5' in height (collectively, the "Utility Improvements"), together with the right of ingress thereto and egress therefrom over said easement and over other practical routes across GRANTOR's land situated in the County of Orange, State of California described as follows:

Parcel B of Tract No. 9044, according to Map thereof filed in Book 419,
Pages 1 through 9, inclusive, of Miscellaneous Maps, records of said
Orange County.

The easement in the aforesaid property shall be more particularly described in Exhibit "A" (consisting of one (1) page) and shown and delineated on Exhibit "B" (consisting of two (2) pages), both attached hereto and made a part hereof ("Easement Area").

BY ACCEPTANCE OF THIS GRANT, GRANTEE agrees that this grant is subject to the following express limitations:

1. GRANTOR will exercise only such reserved rights in the Easement Area as will not interfere with or prohibit the free and complete use and enjoyment by GRANTEE, its successors or assigns, of the rights hereby granted.

2. GRANTEE shall exercise the rights herein granted in accordance with all applicable laws, rules, and regulations and in such a manner as to interfere as little as possible with such uses as GRANTOR may now or hereafter establish in the Easement Area, including open space, recreational open space, and roadways, provided uses are not inconsistent with the rights granted herein.

3. GRANTEE shall use its best efforts to minimize alteration, removal, or damage to any improvements, landscaping, natural terrain and natural vegetation in the Easement Area in connection with GRANTEE's exercise of the rights herein granted, and GRANTEE shall, at its own expense and to the reasonable satisfaction of GRANTOR, replace or otherwise restore any improvements, landscaping, natural terrain and natural vegetation in the Easement Area, that do not interfere with GRANTEE's use and enjoyment of the Easement Area, which are altered, removed, or damaged as a result of or in connection with GRANTEE's exercise of the rights herein granted and/or GRANTEE's negligence or willful misconduct.

4. Following GRANTEE's installation of the above-ground 4-Way Trayer Switch utility box ("Utility Box"), GRANTOR may, at its own expense, procure and plant shrubs in the Easement Area to screen the Utility Box from view, provided that any such shrubs must be planted at least eight feet from the front of the door providing access to the Utility Box. Once planted, GRANTOR shall remain responsible for irrigation and maintenance of the shrubs.

5. GRANTEE shall have the right to top, cut, remove, or trim interfering plants and trees, and to keep said easement free from and to prevent any person, including GRANTOR and its successors and assigns, from erecting, placing, or storing on said easement any flammable or other hazards and any structures, objects, or earth fills/cuts or other obstructions.

6. Except for the Utility Improvements, GRANTEE shall not construct, place, maintain, erect, operate, or use any additional infrastructure or other structure, equipment, or facilities of any nature whatsoever within the Easement Area without prior written approval of GRANTOR.

7. Prior to installation of the Utility Improvements within the Easement Area and any subsequent modifications or alterations of said improvements, GRANTEE shall obtain the prior written consent of GRANTOR, which consent shall not be unreasonably withheld, but shall be subject to all applicable governmental laws, rules, and regulations. The prior written consent of GRANTOR is not required for emergency maintenance activities. In the event that GRANTEE performs emergency maintenance activities in the Easement Area, it shall provide written notice to GRANTOR as soon as possible and as reasonable under the circumstances. The required notice shall describe the nature of the emergency, the scope of maintenance activities performed in response to the emergency, and the date of performance.

8. All Utility Improvements constructed or placed within the Easement Area by GRANTEE shall be operated and maintained at no cost to GRANTOR. GRANTEE shall maintain the Utility Improvements in good repair and working order at all times.

9. GRANTEE shall, at its own expense and to the reasonable satisfaction of GRANTOR, remove or cause to be removed any graffiti on the Utility Box within 48 hours of either: (1) GRANTEE's discovery of such graffiti; or (2) GRANTOR notifying GRANTEE of such graffiti. Graffiti shall include without limitation any painting, cutting, scratching, affixing, or attaching of anything to the Utility Box. Graffiti removal may be accomplished by painting with color-matched paint, soda/sand blasting, or pressure washing.

10. GRANTEE shall have the right to assign any or all rights granted in this easement in whole or in part to other companies providing utility or communication services on behalf of the GRANTEE, subject to the prior written consent of GRANTOR, which consent shall not be unreasonably withheld.

11. GRANTOR shall not increase or decrease the ground surface elevations within this easement after installation of GRANTEE's Utility Improvements, without prior written consent of GRANTEE, which consent shall not unreasonably be withheld.

12. GRANTOR shall have the right to access, at its sole authority and discretion, the Easement Area to inspect and/or perform maintenance to any municipal infrastructure located within or adjoining the Easement Area. Except in an emergency, or where entry upon the Easement Area is made to plant, irrigate and maintain shrubs pursuant to paragraph 4, GRANTOR covenants and agrees to provide GRANTEE with thirty (30) days prior written notice of the request to enter the Easement Area, which notice shall contain reasonable information regarding the work to be performed and the anticipated duration of the entry. GRANTEE agrees to cooperate and coordinate with GRANTOR to facilitate any entry upon the Easement Area. Except in an emergency, GRANTOR agrees to comply with any reasonable requests of GRANTEE in connection with any entry upon the Easement Area and to not unreasonably interfere with GRANTEE's use therein.

13. In the event of an emergency, as determined by GRANTOR, in its sole discretion, and in the reasonable exercise of GRANTOR to protect the public health, safety and welfare, GRANTOR shall have the right to immediately enter the Easement Area to perform work on any municipal infrastructure located within or adjoining the Easement Area necessitated by the emergency. If GRANTOR enters the Easement Area pursuant to this paragraph, GRANTOR shall provide notice to GRANTEE as soon as possible and as reasonable under the circumstances. In connection with any entry within the Easement Area pursuant to this paragraph, GRANTOR covenants and agrees to promptly restore the Easement Area to substantially the same condition as existing prior to the entry.

14. GRANTEE shall, to the fullest extent permitted by law, defend (at GRANTEE's sole cost and expense with legal counsel reasonably acceptable to GRANTOR), indemnify, protect, and hold harmless GRANTOR, its elected and appointed officers and officials, employees, agents, volunteers, and representatives (collectively, "Indemnified Parties"), from and against any and all liabilities, actions, suits, claims, demands, losses, costs, judgments, arbitration awards, settlements, damages, demands, orders, penalties, and expenses including legal costs and attorney fees (collectively, "Claims"), including but not limited to Claims arising from injuries to or death of persons (GRANTEE's employees included), for damage to property, including property owned by GRANTOR, or from any violation of any federal, state, or local law or ordinance, which Claims arise out of, pertain to, or are related to, either directly or indirectly, GRANTEE's exercise of any rights granted by, or obligations imposed by, this easement, including but not limited to construction, installation, repair, maintenance, operation, and use of the Utility Improvements and all necessary and proper fixtures and equipment for use in connection

therewith, but excluding such Claims arising from the sole negligence or willful misconduct of GRANTOR, its elected or appointed officers and officials, employees, agents, volunteers, and representatives.

15. This easement shall terminate upon the occurrence of any of the following: (a) there is a modification or alteration of the Utility Improvements within the Easement Area by GRANTEE that is inconsistent with the exclusive purpose for the grant of the rights herein; (b) there is a change in the use of the Easement Area by GRANTEE that is not specifically authorized by this easement; (c) the Utility Improvements are relocated or removed; (d) GRANTEE is in continuing violation of any of the terms or express limitations of the easement rights granted herein; or (e) the easement is abandoned. Upon termination of this easement, GRANTEE shall, at its sole cost and expense, furnish GRANTOR a good and sufficient quitclaim deed of all rights, title, and interest herein granted and shall promptly restore the Easement Area to substantially the same condition as existing prior to the grant of this easement.

16. Should GRANTEE abandon the easement, then the easement rights granted hereunder shall lapse and revert to GRANTOR, its successors and assigns. Such abandonment shall be conclusively presumed following non-use of the Easement Area by GRANTEE for a period of one (1) year and with use not being resumed within sixty (60) days following receipt of written notice of abandonment (sent certified, return-receipt-requested) from GRANTOR to GRANTEE. On such abandonment, and upon GRANTOR's request, GRANTEE shall execute any and all necessary documents to evidence such abandonment. If GRANTEE fails to execute such documents within thirty (30) days after receipt, GRANTOR is hereby authorized, as GRANTEE's attorney-in-fact, to execute all necessary documents evidencing such abandonment on behalf of GRANTEE.

17. Nothing contained herein shall result in a forfeiture or reversion of GRANTOR's fee title to the Easement Area in any respect.

18. This easement shall be binding upon and inure to the benefit of successors, heirs, executors, administrators, permittees, licensees, agents or assigns of GRANTOR and GRANTEE.

19. The legal description for this easement was prepared by San Diego Gas & Electric Company pursuant to Section 8730 of the Business and Professions Code, State of California.

[SIGNATURES ON NEXT PAGE]

GRANTOR
CITY OF LAGUNA HILLS, a California municipal corporation and general law city

Dated: _____

By: _____
Barbara D. Kogerman, Mayor

ATTEST:

Peggy J. Johns, City Clerk

APPROVED AS TO FORM:

Gregory E. Simonian, City Attorney

GRANTEE
SAN DIEGO GAS & ELECTRIC COMPANY, a California corporation

Dated: _____

By: _____

Its: _____

APPROVED AS TO FORM:

Hollie Bierman, Senior Counsel
San Diego Gas & Electric Company

STATE OF _____)

COUNTY OF _____)SS.

On _____, before me _____
_____ (name, title of officer), personally appeared _____

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

(Notary Seal)

STATE OF _____)

COUNTY OF _____)SS.

On _____, before me _____
_____ (name, title of officer), personally appeared _____

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

(Notary Seal)

EXHIBIT "A"

LEGAL DESCRIPTION

THAT PORTION OF LOT B OF TRACT NO. 9044, ACCORDING TO MAP THEREOF RECORDED OCTOBER 13, 1977 IN BOOK 417, PAGES 1 THROUGH 9 OF MISCELLANEOUS MAPS IN THE OFFICE OF THE COUNTY RECORDER OF ORANGE COUNTY, IN THE CITY OF LAGUNA HILLS, COUNTY OF ORANGE, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

COMMENCING AT A FOUND ORANGE COUNTY TYPE "A" SURVEY MONUMENT AS SET PER SAID MISCELLANEOUS MAP, SAID MONUMENT MARKS A POINT OF CURVE ON THE CENTERLINE OF ALISO HILLS DRIVE LYING BETWEEN LUNA BONITA DRIVE AND TERRA BELLA AVENUE AND BEARS NORTH 89°49'42" EAST 381.93 FEET (381.98 FEET RECORD PER SAID MISCELLANEOUS MAP) FROM A FOUND ORANGE COUNTY TYPE "A" SURVEY MONUMENT AS SET PER SAID MISCELLANEOUS MAP, SAID MONUMENT MARKS A POINT OF CURVE ON THE CENTERLINE OF ALISO HILLS DRIVE; THENCE NORTH 87°38'29" EAST 210.75 FEET TO THE TRUE POINT OF BEGINNING OF THE HEREIN DESCRIBED PARCEL OF LAND; THENCE SOUTH 69°52'47" EAST 17.37 FEET; THENCE SOUTH 20°28'42" WEST 4.40 FEET TO THE BEGINNING OF A NON-TANGENT 20.00 FOOT RADIUS CURVE CONCAVE TO THE NORTHEAST, A RADIAL LINE TO SAID BEGINNING BEARS SOUTH 51°07'47" WEST; THENCE ALONG SAID CURVE SOUTHEASTERLY 9.85 FEET THROUGH A CENTRAL ANGLE OF 28°12'38"; THENCE SOUTH 67°04'50" EAST 31.66 FEET TO THE BEGINNING OF A TANGENT 20.00 FOOT RADIUS CURVE CONCAVE TO THE NORTH; THENCE ALONG SAID CURVE EASTERLY 13.08 FEET THROUGH A CENTRAL ANGLE OF 37°28'30"; THENCE NORTH 75°26'40" EAST 18.87 FEET TO THE BEGINNING OF A TANGENT 30.00 FOOT RADIUS CURVE CONCAVE TO THE SOUTH; THENCE ALONG SAID CURVE EASTERLY 19.25 FEET THROUGH A CENTRAL ANGLE OF 36°45'23" TO THE BEGINNING OF A NON-TANGENT 1650.00 FOOT RADIUS CURVE CONCAVE TO THE SOUTHEAST, SAID BEGINNING ALSO BEING A POINT ON THE NORTHWESTERLY RIGHT-OF-WAY LINE OF LA PAZ ROAD AS SHOWN ON SAID MISCELLANEOUS MAP, A RADIAL LINE TO SAID BEGINNING BEARS NORTH 59°18'08" WEST; THENCE ALONG SAID CURVE SOUTHWESTERLY 7.14 FEET THROUGH A CENTRAL ANGLE OF 00°14'52"; THENCE CONTINUING ALONG SAID NORTHWESTERLY RIGHT-OF-WAY LINE SOUTH 75°26'40" WEST 6.65 FEET TO THE BEGINNING OF A NON-TANGENT 20.00 FOOT RADIUS CURVE CONCAVE TO THE SOUTH, A RADIAL LINE TO SAID BEGINNING BEARS NORTH 03°38'22" EAST; THENCE LEAVING SAID RIGHT-OF-WAY LINE, ALONG SAID CURVE WESTERLY 6.35 FEET THROUGH A CENTRAL ANGLE OF 18°11'42"; THENCE SOUTH 75°26'40" WEST 23.53 FEET TO THE BEGINNING OF A NON-TANGENT 630.00 FOOT RADIUS CURVE CONCAVE TO THE SOUTHWEST, SAID BEGINNING ALSO BEING A POINT ON THE NORTHERLY RIGHT-OF-WAY LINE OF ALISO HILLS DRIVE, A RADIAL LINE TO SAID BEGINNING BEARS NORTH 25°30'28" EAST; THENCE ALONG SAID CURVE NORTHWESTERLY 72.31 FEET THROUGH A CENTRAL ANGLE OF 06°34'34"; THENCE LEAVING SAID NORTHERLY RIGHT-OF-WAY LINE NORTH 18°55'53" EAST 13.48 FEET TO THE TRUE POINT OF BEGINNING.

CONTAINING 0.022 ACRE MORE OR LESS.



Peter C. Golding
PETER C. GOLDING
LS 4768

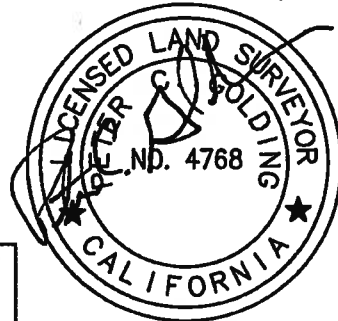
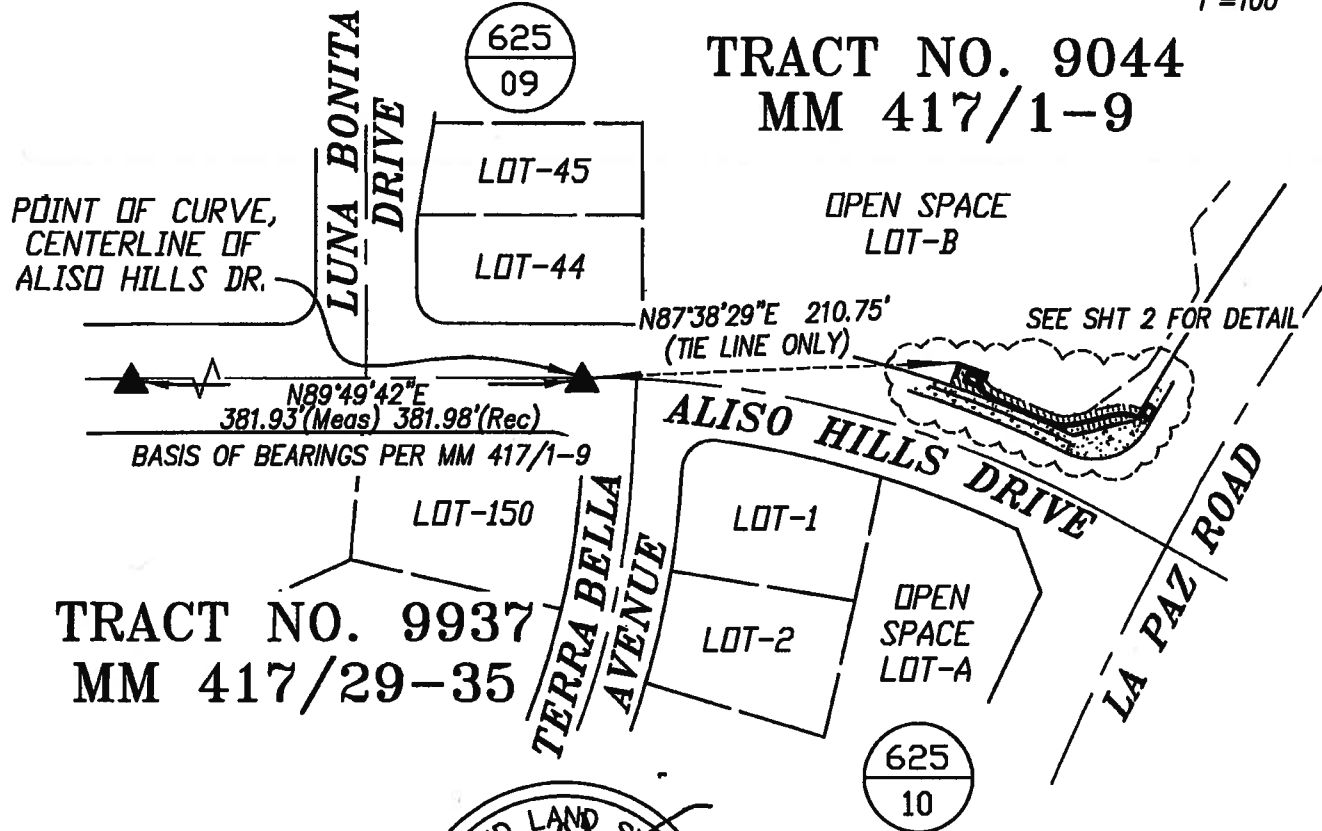
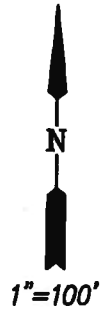
11-3-11
DATE

EXHIBIT "B"

LEGEND

▲ INDICATES FOUND ORANGE COUNTY TYPE "A" SURVEY MONUMENT PER MM 417/1-9.

□□□□ INDICATES PROPOSED EASEMENT.
AREA = 952 SQ. FT. / 0.022 AC.



P.D.C. FILE: 3980-94.DWG
SDG&E JOB: R110158/S110552

SHT 1 OF 2

REF: MM 417/1-9
MM 417/29-35

SAN DIEGO GAS & ELECTRIC
SAN DIEGO, CALIFORNIA

**C557: 2010 DOE
SWITCH REPLACEMENT**
ALISO HILLS DR & LA PAZ RD
LAGUNA HILLS, CA

ORIGINATOR: G. MAYO
SURVEYED BY: PDC/AAA
DRAWN BY: PDC/RMN
DATE: 7-11-11
SCALE: 1"=100'

OK TO INSTALL:
R/W OK:
DATE:
THOS. BROS. 921-E5

PROJECT NO.
060787-010
CONST. NO.
2942860
DRAWING NO.
C-5085

NO.	SUPPLEMENTS	DATE:	BY	APP'D
1	REVISED UGE ALIGNMENT & SHEET SIZE	10/14/11	RMN	PCG

EXHIBIT "B"

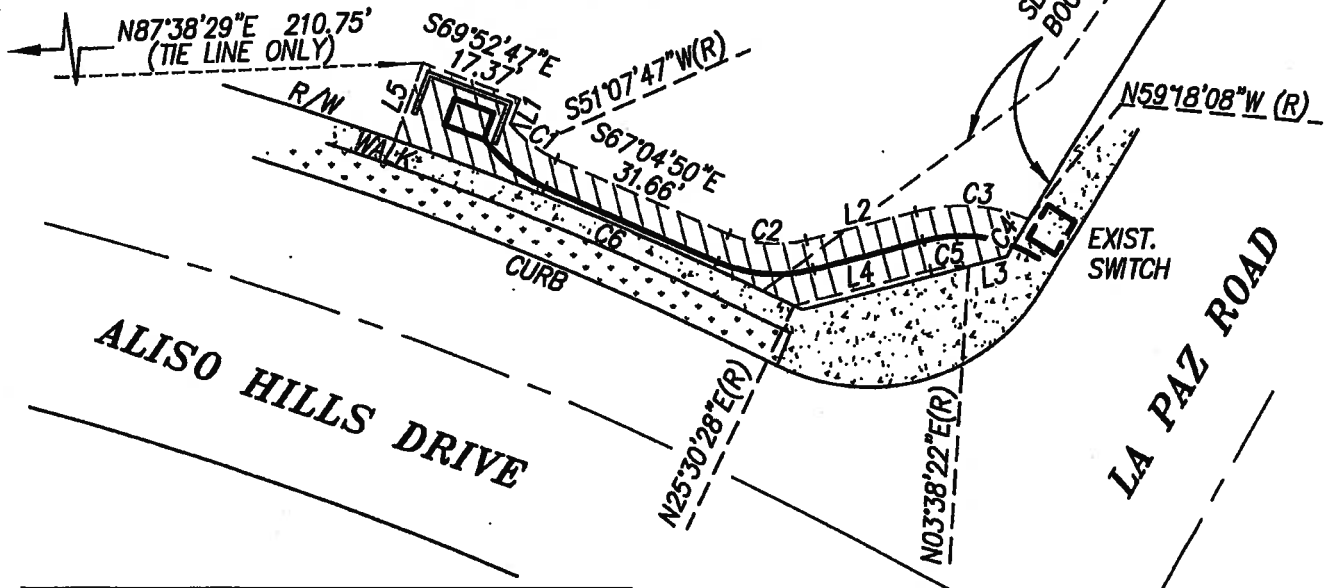
TRACT NO. 9044
MM 417/1-9



625
09

OPEN SPACE
LOT-B

PROPOSED SWITCH
& RETAINING WALL



LINE TABLE		
LINE	BEARING	LENGTH
L1	S20°28'42"W	4.40
L2	N75°26'40"E	18.87
L3	S75°26'40"W	6.65
L4	S75°26'40"W	23.53
L5	N18°55'53"E	13.48

CURVE TABLE			
CURVE	DELTA	RADIUS	LENGTH
C1	28°12'37"	20.00'	9.85'
C2	37°28'30"	20.00'	13.08'
C3	36°45'23"	30.00'	19.25'
C4	00°14'52"	1650.00'	7.14'
C5	18°11'42"	20.00'	6.35'
C6	06°34'35"	630.00'	72.31'

P.D.C. FILE: 3980-94.DWG

SDG&E JOB: R110158/S110552

SHT 2 OF 2

SAN DIEGO GAS & ELECTRIC SAN DIEGO, CALIFORNIA		ORIGINATOR: G. MAYO	OK TO INSTALL:	PROJECT NO. 060787-010
		SURVEYED BY: PDC/AAA	R/W OK:	CONST. NO. 2942860
C557: 2010 DOE SWITCH REPLACEMENT ALISO HILLS DR & LA PAZ RD LAGUNA HILLS, CA		DRAWN BY: PDC/RMN	DATE:	DRAWING NO. C-5085
		DATE: 7-11-11	THOS. BROS. 921-E5	
		SCALE: 1"=30'		
NO.	SUPPLEMENTS			DATE:
	REVISED UGE ALIGNMENT & SHEET SIZE			10/14/11
				BY RMN
				APP'D PCG



City of Laguna Hills

City Council Meeting Agenda

Staff Report

DATE: OCTOBER 8, 2013

TO: MAYOR AND COUNCIL MEMBERS

**FROM: KENNETH H. ROSENFELD
DIRECTOR OF PUBLIC SERVICES/CITY ENGINEER**

**ISSUE: CONSTRUCTION SURVEY AND LANDSCAPE ARCHITECTURE SUPPORT
SERVICES FOR THE LA PAZ OPEN SPACE IMPROVEMENTS,
CIP NO. 615A**

**RECOMMENDATION: THAT THE CITY COUNCIL APPROVE AND AUTHORIZE
THE CITY MANAGER TO ISSUE A TASK ORDER TO RICHARD FISHER ASSOCIATES
(RFA) FOR CONSTRUCTION SUPPORT SERVICES FOR THE LA PAZ OPEN SPACE
IMPROVEMENTS, CIP NO. 615A, IN ACCORDANCE WITH THE SEPTEMBER 18,
2013, PROPOSAL.**

SUMMARY:

The construction of the La Paz Open Space Improvements, from Moulton Parkway to Alameda Avenue, will require construction survey and staking services, the assistance of the design landscape architect to review contractor submittals and progress, daily inspection services and material testing services. In accordance with existing Professional Services Agreements, the material testing services will be provided by staff from GMU Geotechnical, the inspection services will be provided by staff from Bureau Veritas and the landscape architecture support services, along with subconsultant survey services, are proposed to be provided by Richard Fisher Associates (RFA). The proposal for the work by RFA exceeds the City Manager's fiscal authorization limit and is presented to the City Council for approval. Staff has reviewed the RFA proposal dated September 18, 2013, and it is recommended the City Council authorize the City Manager to issue a Task Order for this work.

BACKGROUND:

The construction contract for the La Paz Open Space Improvements, CIP No. 615A, was awarded at the September 10, 2013, City Council meeting. In order to implement the project, a number of staff support services are also required. For this project, the support services included daily inspection of the work, as needed material testing, construction

surveying and staking, and landscape architecture support to review contractor submittals, requests for information, and overview of the contractor's work for conformance with the intent of the plans.

The City maintains Professional Services Agreements with multiple consultants to provide staff support services for Capital Improvement Projects. For this project, material testing services will be provided by staff from GMU Geotechnical, the inspection services will be provided by staff from Bureau Veritas, and the landscape architecture support services, along with subconsultant survey services, are proposed to be provided by Richard Fisher Associates (RFA), the design landscape architect. Task Orders have been issued to GMU Geotechnical and to Bureau Veritas for their respective work efforts. RFA has provided the attached September 18, 2013, proposal for the support services that their survey subconsultant and RFA staff will provide. The proposal for the work by RFA exceeds the City Manager's fiscal authorization limit and is presented to the City Council for approval.

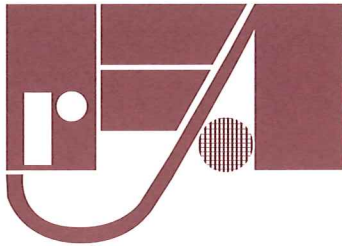
The project cannot proceed without the necessary construction survey work and without the landscape architect's support to review the Contractor's submittals, requests for information, and to overview the contractor's compliance with the plans and specifications. Staff has reviewed RFA proposal and recommends its approval.

FISCAL IMPACT:

The La Paz Open Space Improvements is included in the current fiscal year Capital Improvement Program Budget in the amount of \$1,200,000 and the proposal by RFA is within the budgeted funds.

ATTACHMENTS:

- September 18, 2013, proposal by Richard Fisher Associates



Richard
Fisher
Associates

SSOCIATES

September 18, 2013

Ken Rosenfield
Director of Public Services / City Engineer
City of Laguna Hills
24035 El Toro Road
Laguna Hills, CA 92657

**Subject: Proposal to Provide Construction Support Services for the
La Paz Open Space Project, CIP #615A**

Dear Ken:

Thank you for the opportunity to propose to provide Construction Support Services for the La Paz Open Space Project, CIP #615A. We look forward to working with you and your Public Works Inspector, Bill Krelle, during the Construction Period for this project.

Through Fuscoe Engineering, we will provide Survey Services in two types of services.

A. Construction Staking

Construction Staking will be provided for all appropriate improvements, to include:

Task 1: Survey Control

Establish and maintain control throughout the life of the construction project.

Task 2: Rough Grade Stakes

Provide one set of Rough Grade stakes along approximately 2,600 LF of the proposed trails alignments @ 50' intervals, including grade breaks and changes of direction.

Task 3: Trail Stakes

Provide one set of line and grade stakes at 25' intervals; plus all points of curvature, angle points, grade brakes, and at centerline of Grooved Panels.

B. Residential Lots Rear Fence Pilasters Monitoring

Surveying will be provided to monitor all rear fence pilasters, to include:

Task 1: Survey Control

Establish a control line specifically for monitoring of the pilasters. Set targets on and near the top of each of 16 pilasters.

Task 2: Monitoring

Provide horizontal and vertical monitoring for 16 pilasters. Allow for three monitoring sessions, as follows:

- Prior to commencement of project site work
- Once mid-way through the construction period
- At the conclusion of project site work

C. Construction Support Services

Construction Support Services are anticipated for several types of activities during the construction period to include:

Task 1: Pre-Construction Conference

RFA staff will attend the Pre-Construction Conference at the City.

Task 2: Field Reviews & Observations

With RFA staff, provide Construction Observation Support, working closely with Bill Krelle on important field inspection participations. This is anticipated to include such observations as the following:

- Review of staked trails alignments
- Review of trails grading / soil preparation and site contour grading
- Interface of commercial center improvements with open space improvements
- Review of horse corral improvements
- Staking locations for benches and trash receptacles
- Review of staked tree locations
- Soil Preparation process
- Irrigation Coverage Tests
- Weed Abatement program
- Shrub planting program

Task 3: Tree Inspections at Nursery Locations

RFA staff will conduct inspections of all trees while still at the nurseries locations; tagging selected specimens for delivery to site

Task 4: Reviews and Approvals of Submittals

RFA staff will review and respond to all Shop Drawings / Submittals and RFI's.

Task 5: Final Inspection and Punchlist

RFA staff will assist with Final Inspections / Punchlists at the conclusion of the project, and assist in the notification to commence the one-year Landscape Maintenance Program.

Task 6: One-Year Landscape Maintenance Program (TBD)

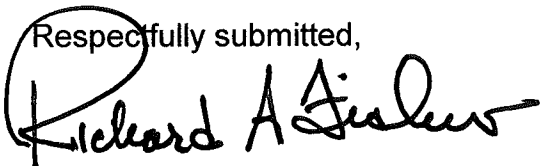
RFA staff will be available to conduct such monitoring services as bi-weekly or monthly inspections (depending on the needs to review progress and any problems) and provide communications to the Contractor / City on issues of concern.

It is proposed that the Professional Services desired by the **City of Laguna Hills** for Task 6: One-Year Maintenance Program will be determined just prior to the commencement of this program.

Professional Fees for the above-described Services, for Tasks 1-5, are detailed on the following Spreadsheet.

Again, thank you for the opportunity to submit this Proposal. As usual, we enjoy providing consulting support to you and the whole **Laguna Hills** staff, and are pleased to continue those services for this project.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Richard A. Fisher". The signature is written in a cursive, flowing style.

Richard A. Fisher, LA 1429
President

We are prepared to begin work upon your authorization. If the Scope of Work and Fees are satisfactory, please sign the authorization below, and return one original to our office. We are prepared to proceed immediately upon notification of approval and commencement of field work by the Contractor.

Approved:

Bruce E. Channing, City Manager

Date

CONSTRUCTION SUPPORT SERVICES - LA PAZ OPEN SPACE CIP 615A							
TASK	DESCRIPTION	PROJ MGR	ASSOCIATE	AUTOCAD OPERATOR	WORD PROCESSOR	SUB- CONTRACT	EST TOTAL
		\$145	\$110	\$85	\$60	LUMP SUM \$	COST
A	Construction Staking	2				\$12,650	\$12,940
B	Residential Lots Rear Pilaster Monitoring	2				\$11,270	\$11,560
		Subtotal:					\$24,500
C	Construction Support Services						
1	Pre-Construction Conference	2	2				4
2	Construction Observations	140	10	16			166
3	Tree Inspections Nurseries	12					12
4	Reviews/ Approvals of Submittals	10	34		4	\$935	983
5	Final Inspections & Punchlists	8	8		4	\$1,620	\$3,900
		Subtotal C1 - C5:					\$35,275
6	One-year Maintenance Program						0
		Subtotal C-6:					TBD
ESTIMATED LABOR HOURS		176	54	16	8		1169
PROPOSED PROFESSIONAL FEE							\$59,775
DENOTES SUBCONSULTANT'S SERVICES (fees include 15% mark-up)							

DENOTES SUBCONSULTANT'S SERVICES (fees include 15% mark-up)

PAGANO

FUSCOE ENGINEERING



City of Laguna Hills

City Council Meeting Agenda

Staff Report

DATE: OCTOBER 8, 2013

TO: MAYOR AND COUNCIL MEMBERS

**FROM: DAVID REYNOLDS
DEPUTY CITY MANAGER/COMMUNITY SERVICES**

**ISSUE: AUTHORIZATION TO PURCHASE CITY VEHICLE FOR COMMUNITY
SERVICES DEPARTMENT RECREATION PROGRAMS**

**RECOMMENDATION: THAT THE CITY COUNCIL AUTHORIZE THE
COMMENCEMENT OF THE PROCUREMENT PROCESS TO PURCHASE A CITY
VEHICLE.**

SUMMARY:

The purchase of a City vehicle was included in the Biennial Budget for FY 2013/14-2014/15. The City Council is requested to authorize the commencement of the procurement process at this time. Upon approval, the Purchasing Officer will initiate the acquisition process for a 15-passenger van to replace the 1997 van, pursuant to Chapter 3-08.130 of the Laguna Hills Municipal Code. Once acquired, the van will be used by the Community Services Department to support recreation programs.

BACKGROUND:

The City Council amended the City's purchasing procedures by the adoption of Ordinance No. 2011-1 on February 22, 2011. One of the revisions to the purchasing procedures was the addition of a new requirement to seek City Council authorization prior to beginning the procurement process for any vehicle with an estimated value greater than twenty thousand (\$20,000).

The new Chapter reads as follows:

“3-08.130 Vehicle Purchases.

Any vehicle(s) with an estimated value greater than twenty thousand dollars (\$20,000.00) to be purchased by the City shall be approved in advance by the City Council prior to commencement of the procurement process.”

The Biennial Budget for FY 2013/14-2014/15 includes funding for the purchase of a new vehicle to be utilized by the Community Services Department. The new van will replace the existing 1997 van that has been used to transport program participants during summer camps and on cultural excursions for adults. In staff's opinion, the increased maintenance and repair costs of the older van and the possession of a reliable vehicle in which to transport recreation participants warrant the purchase of a new vehicle.

FISCAL IMPACT:

The purchase of this City vehicle was included in the Biennial Budget for FY 2013/14 – 2014/15 in the amount of \$29,500. The estimated cost of this proposed purchase is within budget.



City of Laguna Hills City Council Meeting Agenda Staff Report

DATE: OCTOBER 8, 2013

TO: MAYOR AND COUNCIL MEMBERS

**FROM: DONALD J. WHITE
ASSISTANT CITY MANAGER**

ISSUE: AUTHORIZATION TO PURCHASE CITY VEHICLE

RECOMMENDATION: THAT THE CITY COUNCIL AUTHORIZE STAFF TO PURCHASE A CITY VEHICLE.

SUMMARY:

The Biennial Budget for FY 2013/14 – 2014/15 includes funding for the lease of a City vehicle. At the July 9, 2013, meeting, City Council considered the commencement of a proposed lease and staff was directed to pursue a purchase instead of a lease. The City Council is requested to authorize the purchase of a 2014 Ford XLT. Upon approval, the Purchasing Officer will initiate the purchase. Once acquired, the City vehicle will be assigned to the Assistant City Manager.

BACKGROUND:

The Biennial Budget for FY 2013/14 – FY 2014/15 includes funding for the lease of a new vehicle to be assigned to the Assistant City Manager: \$6,065 in FY 2013/14 and \$5,220 in FY 2014/15. These estimates were based on a thirty six (36) month lease of a Mazda model CX-9 or equivalent model. At the July 9, 2013, meeting, City Council considered the proposed commencement of the procurement process for a lease. The City Council instead directed staff to begin the procurement process to purchase a City vehicle.

The MSRP (manufacturer's suggested retail price) on a 2013 Mazda CX-9 is between \$29,785 and \$36,375. The 2013 "middle-of-the-road" Mazda CX-9 Touring model is priced at roughly \$33,850. However, staff found it difficult to obtain quotes from Mazda dealerships on the 2013 model due to a shortage of supply throughout the State of California. Additionally, staff was informed by the dealerships that the 2014 CX-9's are not currently in production and could not obtain an expected date of delivery from any local dealership.

The City vehicle currently in use by the Assistant City Manager is a 2005 Ford Explorer. The MSRP on a 2014 Ford Explorer is between \$29,600 and \$40,780. Staff received the following quotes. Please note that these quotes include taxes and fees.

- | | |
|---|----------|
| • Santa Margarita Ford | \$31,789 |
| • David Wilson's Ford & Mazda of Orange | \$32,438 |
| • Wondries Fleet Group | \$34,013 |

Staff is requesting authorization from City Council to purchase the 2014 Ford XLT from Santa Margarita Ford.

FISCAL IMPACT:

The total appropriation for the lease of a City vehicle in the Biennial Budget for FY 2013/14 – FY 2014/15 is \$11,285 (\$6,065 in year 1 and \$5,220 in year 2). The short fall in the appropriation during the biennial period to purchase the 2014 Ford Explorer XLT is \$20,504 (\$31,789 less \$11,285). The difference can most likely be absorbed in the budget. Later in the year if it is determined that it is needed, staff will bring a budget amendment to the City Council.



City of Laguna Hills City Council Meeting Agenda Staff Report

DATE: OCTOBER 8, 2013

TO: MAYOR AND COUNCIL MEMBERS

**FROM: DON J. WHITE
ASSISTANT CITY MANAGER**

ISSUE: AWARD OF CONTRACT FOR PRINTING OF CITY VIEWS AND COMMUNITY SERVICES ACTIVITY GUIDE

RECOMMENDATION: THAT THE CITY COUNCIL AWARD THE CONTRACT FOR PRINTING OF CITY VIEWS AND COMMUNITY SERVICES ACTIVITY GUIDE AND AUTHORIZE THE CITY MANAGER TO SIGN THE CONTRACT DOCUMENTS.

SUMMARY:

Recently, the City Council expressed interest in reducing costs associated with the development of the City's quarterly City Views and Community Services Activity Guide publication. Consequently, staff provided the City Council with various cost savings options at its April 23, 2013, City Council meeting. At that time, the City Council established an ad-hoc committee to examine the options presented by staff as well as additional ideas to reduce costs. Based on direction received from the ad-hoc committee, staff recommended modifying the City Views format and bringing the development and coordination for the publication in-house. Additionally, the City Council directed staff to issue Requests for Proposals (RFP) for services associated with the development of the publication.

Subsequently, staff prepared and released an RFP for printing services. The City received five responses. Staff recommends the award of contract for printing services of the City Views and Community Services Activity Guide to PSB Integrated Marketing.

BACKGROUND:

At its April 23, 2013, City Council meeting, the City Council considered various cost savings options associated with the development of the City Views and Community Services Activity Guide. As noted in the staff report presented at that time, the City Views and Community Services Activity Guide is a 28 page, 9" x 12" publication sent out on a

quarterly basis to all households and businesses within the City. The City Views portion of the publication provides residents with important City information and updates while the Community Services Activity Guide provides residents with the Community Services class and program schedule, registration information and contact information for community and sports groups.

At that meeting, the City Council established an ad-hoc committee to examine the various cost savings options presented by staff and additional ideas to possibly reduce costs.

Staff met with the ad-hoc committee and, pursuant to the recommendations of the committee, staff recommended substantially reducing the City Views section of the publication. Modifying the City Views format by reducing the number of pages provided the opportunity to bring the development and coordination for the publication in-house, resulting in immediate savings through eliminating the use of a consultant to coordinate and develop the publication. As part of this recommendation, the City Council directed staff to issue Requests for Proposals (RFP) for services associated with the development of the publication.

In August 2013, staff prepared and released an RFP for printing services associated with the printing of the City Views and Community Services Activity Guide. The City ultimately received five responses to the RFP, ranging in cost from \$39,480 to \$108,130, from the following firms:

1. I Color Printing & Mailing
2. PSB Integrated Marketing
3. Innovative Printing Solutions
4. San Dieguito Printers
5. Sir Speedy Printing & Marketing

After thorough review of the firms' responses, staff believes a majority of the firms would work well with City staff and could provide outstanding services to the City. Staff is recommending that the City award the contract for printing services of City Views and Community Services Activity Guide to PSB Integrated Marketing for the following reasons:

- They have extensive experience providing printing services to a number of governmental and non-profit organizations.
- Experience working with City staff successfully on past City publications.
- They are able to provide the requisite services within the City's anticipated budget.

The total cost per issue for printing services (including preparation for mailing) is \$7,395, for a total proposed contract amount of \$51,765. The duration of the contract will continue

through the remainder of the current 2013/2014 fiscal year as well as the entirety of fiscal year 2014/2015.

FISCAL IMPACT:

The City currently budgets \$75,000 annually to develop and publish the City Views and Community Services Activity Guide, of which the majority of the costs are for printing services. The total proposed cost for printing services for the City Views and Community Services Activity Guide for the duration of the 2013-2015 Biennial Budget cycle is \$51,765.

ATTACHMENT:

- Proposal from PSB Integrated Marketing



City of Laguna Hills

Printing of City Views & Community Services Activity Guide Publication

Respectfully Submitted by:
PSB Integrated Marketing Inc.
26012 Atlantic Ocean
Lake Forest, California 92630

Melissa Au-Yeung
Senior Management Analyst
City of Laguna Hills
24035 El Toro Road
Laguna Hills, CA 92653

Dear Melissa,

Thank you for the opportunity to provide you with a proposal regarding the printing of the City of Laguna Hill's City Views and Community Services Activity Guide Publication.

I believe we can deliver a high quality solution to you, your team, and your city.

PSB Integrated Marketing is a full-service marketing agency based in Lake Forest, California. We bring together the best of traditional and digital printing, creative design and mailing services. Our design, print and mail services are all produced and managed in house, under one roof; we have a seamless production process, faster turnaround and more efficient economies through our one stop service.

PSB prides itself on our ability to come through for our clients, even in the most challenging circumstances. Our clients come to depend on the personalized service and quick response of their account manager to oversee their projects from concept, through design, to final print and mailing.

You will find our depth of experience and creative horsepower refreshing.

Since 1991, PSB has been servicing municipalities, the financial industry, financial trade associations, non-profits, professional groups, utilities and many other clients throughout the United States.

The City of Laguna Hills will be assigned to our experienced account manager, June Gay Cassidy. June will be your person of contact and she always makes sure she is available to her clients.

PSB embraces the GREEN principles in our work and the work we do for our clients. If fortunate enough to be chosen, we would love the opportunity to work with the City of Laguna Hills.

Thank you again for your consideration.

Sincerely,

Mark DeBellis, President
PSB Integrated Marketing
26012 Atlantic Ocean Drive
Lake Forest, CA 92630
949.340.8929
markd@psbonline.com



History & Background

PSB Inc.

Founded by Bill Berndt in 1991, PSB is an established and innovative leader in the printing and marketing services industry. Building on roots in financial management, marketing management and manufacturing, PSB has grown from a client base of four in 1991 to a nationwide customer base. PSB quickly learned that establishing a vertically integrated operation would not only provide a tremendous competitive advantage, but would also deliver services and support well in excess of traditional printing and marketing agencies.



Building company value through integration and process engineering, PSB has combined the best of traditional printing, creative design and mailing services into one comprehensive process...all managed under one roof. PSB manages each project entirely through in-house resources...project concept and design, print production, finishing and mailing services. Because everything operates as one continuous process, projects are completed faster than traditional project options. The value as an integrated company is reflected in lower total project costs, faster project turnaround and comparable quality levels to other solutions. Because of this vertical integration, PSB can control costs throughout the entire process from start to finish, eliminating wasted time and resources while providing faster service and individual attention to each client. Few companies have integrated a free-flowing "creative" business (such as design) with the strict manufacturing requirement (such as printing) and succeeded. PSB has!

PSB is acutely aware of environmental issues. As an eco-friendly print facility and an award recipient for ecologically-responsible business practices, we understand that the sum of our work should not exceed the total cost of the environment. From aggressive internal recycling of materials, chemicals, and resources to the use of paper stocks from responsibly managed forests, PSB leads the way.

A growing company with satisfied clients, PSB has created a better way of marketing that provides added value to clients. Simply put, the ability to deliver on the "one-stop shop" promise to a busy client base has resulted in satisfied clients, extensive word-of-mouth referrals and industry accolades. With one phone call or Internet contact (psbonline.com), PSB customers have an entire company, a staff of designers, a print operation, friendly support personnel and thousands of print/design options at their fingertips. PSB continues to work with a growing roster of top-flight clients.

We are proud of our past, excited about our future and confident of our continued success.



Qualifications of Personnel

No company can be successful without highly qualified employees. PSB maintains a high level of expectation for each employee. And that shows in our work.

Minimum Employee Requirements:

PSB maintains a high level of expectation for all applicants that are considered for employment. In addition to extensive professional requirements, all PSB employees are thoroughly vetted before any employment offer is provided. Standard pre-employment requirements include:

- Criminal Background Check
- Driving Record
- Credit Screening
- Drug Screening

Because PSB works with client data and often-sensitive client information, we have to maintain a high level of professionalism and confidentiality. Each employee understands that our client information and that security is of the utmost importance. We are a supplier that can be trusted.

Employee Tenure and Industry Experience:

Our average employee tenure at PSB is approximately 7 years with each employee representing a minimum of 10 years experience in their field.

Employee Training and Certifications:

Employees are encouraged to maintain their proficiency through on-site training, online training, industry/supplier training, and professional organization involvement. Our printing department has obtained the G7 Master Printer designation and all employees are proficient on requirements to deliver high quality print outcomes.



Organizational Structure, Equipment, Departments and Personnel

Facility: 45,000 square foot freestanding facility

Personnel/Staffing by Department: Total Employees: 60

Number of Clients: Over 500

Process Flow:

As a guard and protection for the highest quality output, we have the following production flow processes in place. Each project is managed within our Job Manager/Virtual Ticket system so timelines, deliverables, and updates can be followed along by all stakeholders.

Administration/Support

- General Management
- IT/Systems

Creative Services

- In house graphic designers
- Freelance/contract
- In house copywriter
- Freelance/contract copy

Account Management

- Director of Client Services
- SuperSource Direct Account Supervisor
- Account Managers
- Coordinators

Print Operations

- Pre-press technicians
- Print operators
- In-house bindery

Shipping Fulfillment

- Manager
- Delivery
- Packaging Team
- Company Trucks

Mailhouse Services

- Data/Analytics
- Laser Operations
- Digital Print Operations
- Lettershop/Production



Print Expertise:

As a printer, PSB offers extensive options to ensure that our clients' work is produced in the optimal manner. With both digital and offset lithography on-site, we can use the right technology for each project, optimizing costs, print quality and turnaround time.

PSB maintains a concern for print quality and uses professional industry resources to ensure we operate at the highest level. Our commitment to quality is evident in our investment in technology and training.

We have enriched our color services by adopting G7® standards. The methodology was developed to reliably produce high-end commercial printing with a close visual appearance from proof-to-press and from press-to-press.

As a result of our extensive G7® training, PSB is now qualified as a G7® Master Printer. This designation signifies that we have been trained to print to the new G7® methodology and can produce a press sheet to GRACoL® (General Requirement for Applications in Commercial Offset Lithography) aims within acceptable tolerances.

PSB has the utility industry knowledge base, marketing experience and production savvy to help meet your ongoing communication goals in the 2013 fiscal year.



OUR PRINT TEAM

With the experience of our team,
every project is over 100 years in the making.

In our commercial print services division, our people bring out the best in your project and the most in your budget. Each person's role combines physical and intellectual elements, but it's the attitude that makes the difference.

Every team member is groomed to think ingeniously, and devise techniques and systems that will first and foremost bring it all together for the client.

Our roster of seasoned employees includes:

Name	Position	Years Experience
Lair Hull	VP Operations	30
Mark Wheel	Pressman	35
Steve Spear	Pressman	32
Jeff Stevenson	Pressman	23
Jason Keys	Pressman	18
Steve Urban	Pressman	14
Bernie Cruz	Assistant Pressman	12
Perry Flores	Assistant Pressman	11
Victor Lozano	Assistant Pressman	10
Gilbert Hernandez	Pressroom Assistant	5

Our Production Tools

Heidelberg Speedmaster 74-8 (8 color perfecting press + in-line coater)

Heidelberg Speedmaster 74-8 (8 color perfecting press)

Heidelberg Speedmaster 74-6 (6 color perfecting press + in-line coater)

Heidelberg Quickmaster 52 (4 color press)

Heidelberg Quickmaster 46 (2 color press)



PREPRESS DEPARTMENT

We question things because the right answer is not having it wrong on press.

With the quantum leaps in technology, parts of the world have become push-button societies. Sure, we have the software to precisely flight your files, but we never approach your projects on autopilot. Across the board, the job description of everyone in our Pre-Press Department is “ownership.” Our “job ownership” philosophy ensures that your projects are scrutinized before they go on press.

The result? It's not uncommon that we catch typos that went unnoticed on clients' files. Or images that were prepared incorrectly. Or projects that were built at sizes different than intended. And if your file is 100% accurate every time, having a passionate brain trust backing you up is still a comforting feeling.

You'll find that your total satisfaction is never in question with the right people behind every project.

Name	Department	Years Experience
Tony Ferraro	Pre-Press/Print Operations Manager	35
Greg Gatz	Prepress Technician	15
Jason Audiss	Prepress Technician	10

Pre-Press Tools

Macintosh (state of the art workstations)
PC (state of the art workstations)
Oris Color Tuner Pro (digital contract proofing system)
2 Epson Stylus Pro 9800 Proofing Engines (8 color UltraChrome pigment-based inks)
HP 5000 Digital Imposition Color Proofer (6 color die-based inks)
Fuji Saber Luxel Vx9600 Dual Violet Laser Internal Drum Platesetter (press match)
Heidelberg Delta Rip & Pro Hercules Imagesetter



BINDERY DEPARTMENT

About the only cuts this department doesn't take are short ones.

The guys in our Bindery Department like to say that they're the ones that "pull it all together." Touché! As long as they keep doing what they're doing, we'll keep giving them the applause. Their loyalty to client projects is unquestioned. Each person's role combines physical and intellectual elements, but it's the attitude that makes the difference.

Every team member in Bindery is groomed to think ingeniously, and devise techniques and systems that will first and foremost bring it all together for the client ... if they don't say so themselves.

Name	Years Experience
Mark Smith, Bindery Supervisor	26
Ron Abbate	25
Patrick Nguyen	14
Lewis Allison	12

Bindery Tools

2 MBO B-23 (continuous folders)
MBO B-16 (pile feed folder)
Stahl 26" (continuous feed folder)
Stahl 30" (continuous feed folder)
Polar 36" (cutter)
Polar 45" (cutter)
2 Wohlenberg 36" (cutters)
Heidelberg 6-Pocket Stitchmaster
30" Cylinder (die-cutting press)
High Speed Automatic (shrink wrapping machine)
Drill Press



Our fulfillment team gets it where it needs to go when it needs to get there.

With a full complement of logistics professionals on board, PSB makes sure your material gets to its final destination in showroom condition. We don't cross our fingers here, we manage the shipment from our dock to the end point.

With UPS, FedEx, common carriers, and our own fleet of local trucks, your material is never far from delivery.

At PSB, we "triple-check" all shipments and code each to minimize any possibility for missing a delivery. Our triple check includes: copies of internal contents labeled and taped on the outside, detailed packing slip, and an emergency contact phone number in the event the recipient needs our assistance.

Whether you need your shipment shrink-wrapped, kitted, tubed, collated, or sent out to 100 individual locations, we have the resources and support to take the pressure off your staff to focus on other important areas.

Shipping Tools

- Fed-Ex Terminal
- UPS World Ship Network
- US Postal Service capabilities
- Freight company relationships



You'll stamp our mailhouse team as the most secure around.

Very few mailhouse operations in the nation can lay claim to the stringent layers of security we have in place. With all the reports of ID loss throughout the country, our Mailhouse Team set out to blaze a trail in facility and operations security. Goal accomplished.

With our lock-down facility (surveillance cameras, military-grade encryption, firewalls and malicious code protection, high-tech interior and exterior cameras, etc.) you'll know real peace-of-mind. And since our Mailhouse is a division of PSB, you'll also know savings by avoiding unnecessary printer shipping costs, and extra shipping days.

While the state-of-the-art facility puts you at ease, it's our staff that will really make you feel secure. Top down, our team is notoriously friendly, and even better, extensively knowledgeable about getting your message in the right hands. Their thorough procedures, and unwavering professionalism are the keys to our success managing over five million pieces each month.

Our seasoned line-up of employees ensures top quality output:

Name	Position	Years Experience
Jim Nazario	Production Manager	20
Junior Marin	Laser Production Manager	8
Marco Gonzales	Production Supervisor	20
Samuel Guerrero	Data Administrator	17
John Brayley	Sr. Account Manager	17

Mailhouse Tools

Ricoh Pro C-900 (4/4)	File Maker Pro
Xerox Nuvera 100 (single color – black)	Print Shop Mail
Xerox Docuprint 115 (single color – black)	Enfocus PitStop Pro
Scitex Inkjet 5200	Office XP
Kirk Rudy Inkjet	Docuform
Bell & Howell Mailstar 500	FedEx Terminal
MailCrafter Inserter 9800	UPS World Ship Network
Kirk Rudy Tabber 535	US Postal Service Network
PC Data Stations	Freight Company Network
Postal Soft Business Edition	



Statement of Financial Condition

Data Through: 12/31/2012

Revenue/Sales	\$9,508,600
Cash	269,000
Accounts Receivable	892,000
Current Assets	1,236,000
Total Assets	1,722,360
Current Liabilities	374,000
Total Liabilities	551,905

Corporate Information/Ownership/Scope

PSB, Inc.

William E. Berndt (Owner)

26012 Atlantic Ocean Drive, Lake Forest, CA 92630

TIN: 33-0736621

Employees: 60

Years in Business: 22

Senior Management/Tenure

William Berndt (Founder/owner/CEO)	23 years
Mark DeBellis (President)	17
Lair Hull (Vice President/Operations)	21
Stephen Fite (Controller)	12



Samples

City of Laguna Hills City Views & Community Services Activity Guide

City of Mission Viejo Leisure Time Recreation Guide

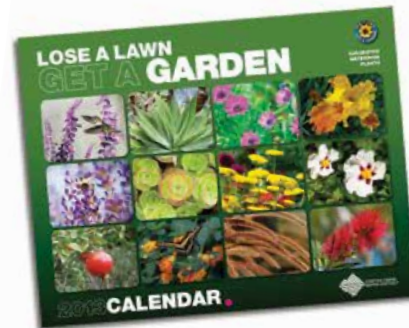
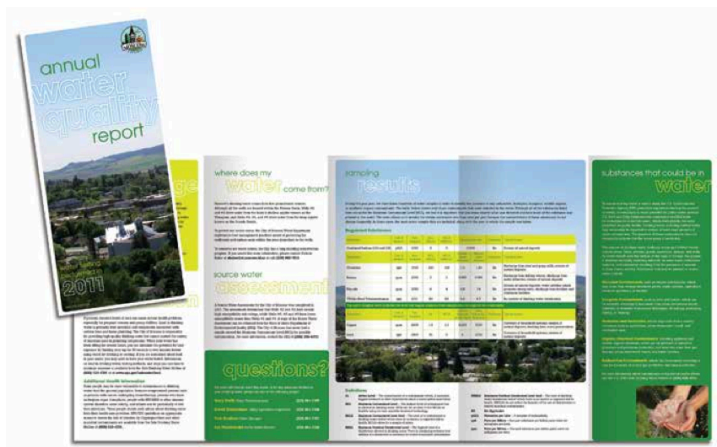
Contra Costa Water District Newsletter

Los Angeles Firemen's Credit Union Newsletter

Rivals United for a Cure Annual Report

PSB's Innovate and Create Marketing Magazine

Variety of Samples



Contra Costa Water District Collateral Development

CCWD is a large utility serving California's East Bay community of nearly 500,000 residents. As a manager of California's scarce water resources, they place a high degree of importance on conservation and education.

In 2008, CCWD selected PSB as their agency of record to update their entire communications platform including their quarterly newsletter, Annual Report, Web-site Corporate Calendar, and various educational initiatives.

CCWD has realized a faster turnaround and high quality messaging allowing them to generate stronger customer engagement.



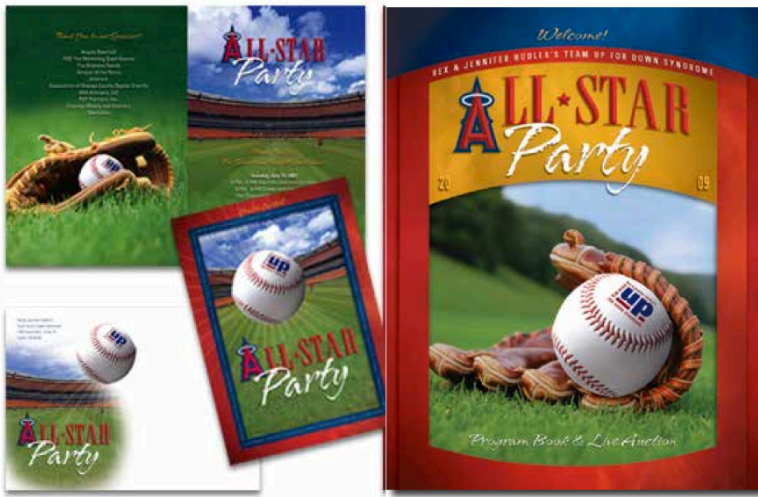
Shimano American

For the past 5 years PSB has provided Shimano American's Fishing Tackle Division with high quality marketing support. Their most recent catalog produced at PSB's facility features extensive graphic services, photography, creative conceiving and print production.

Orange County Performing Arts Center

PSB has been proud to support the Orange County Performing Arts Center with creative and print services in both a pro-bono and paid capacity. Newsletters and other program materials have been produced on their behalf.





Angels Baseball Players Non-profit Initiatives

As an integral part of orange County, PSB has built strong relationships and provided creative support to various non-profit groups with ties to Angels Baseball.

Former players Rex Hudler and Tim Salmon came to PSB for support in the creation of materials for their respective non-profit organizations.

Rex and his family is the spark behind team Up for Down syndrome, a non-profit agency dedicated to helping those with Downs syndrome. Today Rex is a sportscaster and author of his recent book, splinters.

Tim and his family support local charities in the community and are a major donor to Laura's House for battered women.

Hoya Federal Credit Union

Georgetown University's Hoya Federal Credit Union came to PSB for a new idea to generate membership.

Our creative team developed a themed program around the concept of "Switching to Better Banking". Using a travel mug and a free gourmet coffee card as elements to incent new accounts, clever die-cut packets were created for direct distribution to the faculty and staff.

The coffee theme was integrated into individual product offers using both web and print mediums.

To date, the program has generated new accounts and increased profitability.



U.cu

Arizona based, AEA Federal Credit Union, created U.cu or "U Credit Union" to meaningfully reach the young adult "Generation Y" population. From conception to creation, the U.cu program required a two year investment of time — researching, questioning, brainstorming, designing, testing, and finally, implementing.

PSB's role as marketing partner was to create the complementary components and establish the brand look outside the electronic space. As part of the introduction of the new service, PSB created newspaper, collateral, newsletters and even signage to support the brand launch.

After acquiring the program from AEA, PSB markets this program throughout the US and has infused it with interactive new features and marketing muscle.





Color My World Home Equity Lending Campaign

Chemung Canal Trust is an upstate New York financial institution. When they wanted to increase their home equity loan accounts they came to PSB for a comprehensive campaign featuring multi-channel media.

The PSB creative team developed several original creative approaches. CCT selected the concept of an artist's palette as the platform for showing the consumer benefits of their loan.

Radio and TV commercials were used in conjunction with outdoor billboards, newspaper advertising, in branch merchandising, and web graphics.

The campaign resulted in significant growth in lending production during the campaign.



Wireless Capital / Southern California Gas Company

Wireless Capital, a national leasing and marketing company serving municipal governments across the country to Southern California Edison to assist the education of consumers and the value of tankless hot water systems. This unique program combines the cost savings benefits of tankless hot water, with the added benefit of reduced impact to the environment. The offer was packaged as a convenient daily rate that would be added to the customer's utility bill. Direct mail letters, door hangers, truck decals, postcards, and meter tags were designed to increase awareness and encourage web site visits. The program is currently under review by SCE.

Bios and Experience

Mark DeBellis, President

Mark DeBellis has spent over half of his life in the Marketing profession and in the promotion and management of consumer brands and services.

He received his Bachelor of Science in Business Administration/Marketing from California State Polytechnic University, and completed his MBA at the University of Southern California.

He honed his marketing experience with major consumer product companies including The Pillsbury Company, Pepsi-Cola, and Sunkist where he held positions in Sales, Sales Management and Marketing.

Later in his career, he joined Imperial Savings, a \$10B institution with an eighty-branch network. As Director of Field Marketing, he built a staff of Regional Marketing Managers with accountability for field promotion and branch sales productivity. Later, as Vice President of Retail Marketing, he worked on broader strategic initiatives before leaving the institution in 1990.

During his career, Mark has held teaching posts at the university level lecturing to both undergraduate and graduate classes in Consumer Behavior and Marketing Management. He has also been a guest lecturer and featured speaker at industry conferences and educational venues.

In 1996, Mark joined PSB and now serves as President. He has led the national expansion of PSB throughout the US to establish the company as a premier marketing services firm. He continues to seek new ways to provide value-added services and product marketing strategies for the growing list of general marketing clients.

Mark makes his home in Portola Hills, CA with Kayla, his wife of 28 years and their two children, Lauren and Danielle, a cat and three dogs. Mark is passionate about playing the guitar and writing music and hopes one day to write a hit song.

Lair Hull, Vice President, Operations

Lair Hull has over 30 years of printing, pre-press and production experience. He joined PSB in 1993 as the Pre-Press Supervisor. Lair's extensive knowledge and industry experience in pre-press and graphic arts production has led him to oversee and manage all of the production and operations for PSB, Inc. as Vice President, Operations.

Prior to joining PSB, Inc., Hull held executive positions at Crest Marketing & Printing and Pacific Design, Inc. in the Los Angeles area.

Lair maintains an operation that can proudly boast a 99.5% on-time record.

Lair currently resides in Portola Hills. In his spare time he enjoys golf, boating, traveling, wine collecting, and going to the beach with his dog, Duke.

June Gay Cassidy, Account Manager

June Gay Cassidy has an extensive background in printing and mailing. Prior to joining PSB Integrated Marketing in 2009, she and her husband founded and operated a printing company for several years. She has worked in every aspect of the business with the exception of running a printing press. She thrives on finding not just a solution, but the Most Effective solution for design and production challenges.

June manages many projects at PSB, including the Laguna Hills City Views Magazine. She is acutely aware of the quality required and the importance of



getting it into the homes of the residents of Laguna Hills on a timely basis.

June has a profound interest in history and travel. She enjoys movies, music and walking her Miniature Schnauzer, Salty Dog.

Tony Ferraro, Production Supervisor

Tony Ferraro has more than 35 years pre-press and printing experience with maintaining color fidelity between the proof and the printed piece being one of his specialties. Tony manages the Pre-Press and Press Room functions and represents our companies "can do" attitude by being a "hands on" guy. He can work with a client on color or design issues one moment and later you may find him working with a technician to get a downed press going.

Tony has been with PSB since 2001. Prior to that he has been employed by high end printers such as Overland printing, Color Graphics, Calsonic Muira Graphics and George Rice and Sons. He honed much of his color retouching skills on high end car brochures for Nissan, Mitsubishi, Chrysler, Ford Motor Company and Mercedes Benz.

He Currently resides in Rancho Capistrano, an equestrian community located deep within the Cleveland National Forest.

Together with his wife Maureen, daughter Jessica and son Michael, he enjoys country living, horseback riding, off road motorcycling. He also enjoys cruising on his Harley, fishing and playing and singing in a rock and roll band.

Jim Nazario, Mailhouse General Manager

Joining the PSB family in September 2009, Jim brings nearly 30 years of combined marketing, advertising and management experience to PSB. He holds a BS in photography and Graphic Design with an emphasis in Advertising from LLU, La Sierra University in Riverside CA. For the past 6 years, he served as Director of Marketing Operations for both Nationwide Marketing Solutions and Color Tech Printing & Mailing. Now, Jim oversees all mailhouse activity as the current mailhouse general manager.

During Jim's career history, he successfully owned his own advertising agency for 7 years. With a well established skill set, he was presented with a senior management positions with Smith+Noble, a leading catalog window treatment company based out of Corona, CA where he develop a successful print catalog and online e-commerce division that grossed \$700M in annual revenue.

Molly Hervey, Art Director/Marketing Manager

Molly has been an artist for most of her life. Attending the Orange County High School of the Arts for Visual Arts and also graduating from Chapman University with a BA in Advertising Communications and Graphic Design, Molly shares a passion for fine art and design education.

Today, Molly utilizes her eye for color and form in her graphic design and art direction responsibilities. Starting at PSB as Graphic Designer in the Design Department, Molly now works directly with brand management inside the Marketing Department.

As the Senior Graphic Designer/Marketing Coordinator, Molly organizes and oversees all internal marketing projects and also works on client projects.



Vito Labellarte, Design Supervisor and Traffic Manager

Vito was born in Los Angeles, but raised in Southern Italy where most of his education focused around art. Art quickly became one of his favorite subjects throughout college where he received his BFA from California State University Fullerton.

Vito has 15 years of experience as a graphic designer. Before joining PSB in 2002, Vito worked at Knott's Berry Farm as a designer for their Surf Wear division. He was in charge of marketing, creating mailers, logos, and ads.

Currently, Vito works as a graphic designer, manages the PSB work schedule and project trafficking. His strong eye is helpful as he reviews all client projects prior to production.

"Q" Aloï, Senior Art Director

Q (extremely short for Suzanne) is an award winning graduate of Art Center College of Design with 35 years of experience and has worked with such top brands as; Shimano, Discovery Channel, Smithsonian, Mattel and Disney.

She is a highly versatile designer and illustrator and has been with PSB for 13 years. Her talents reveal themselves in all areas of the creative process including; logos, branding, print, web, packaging and exhibit design.

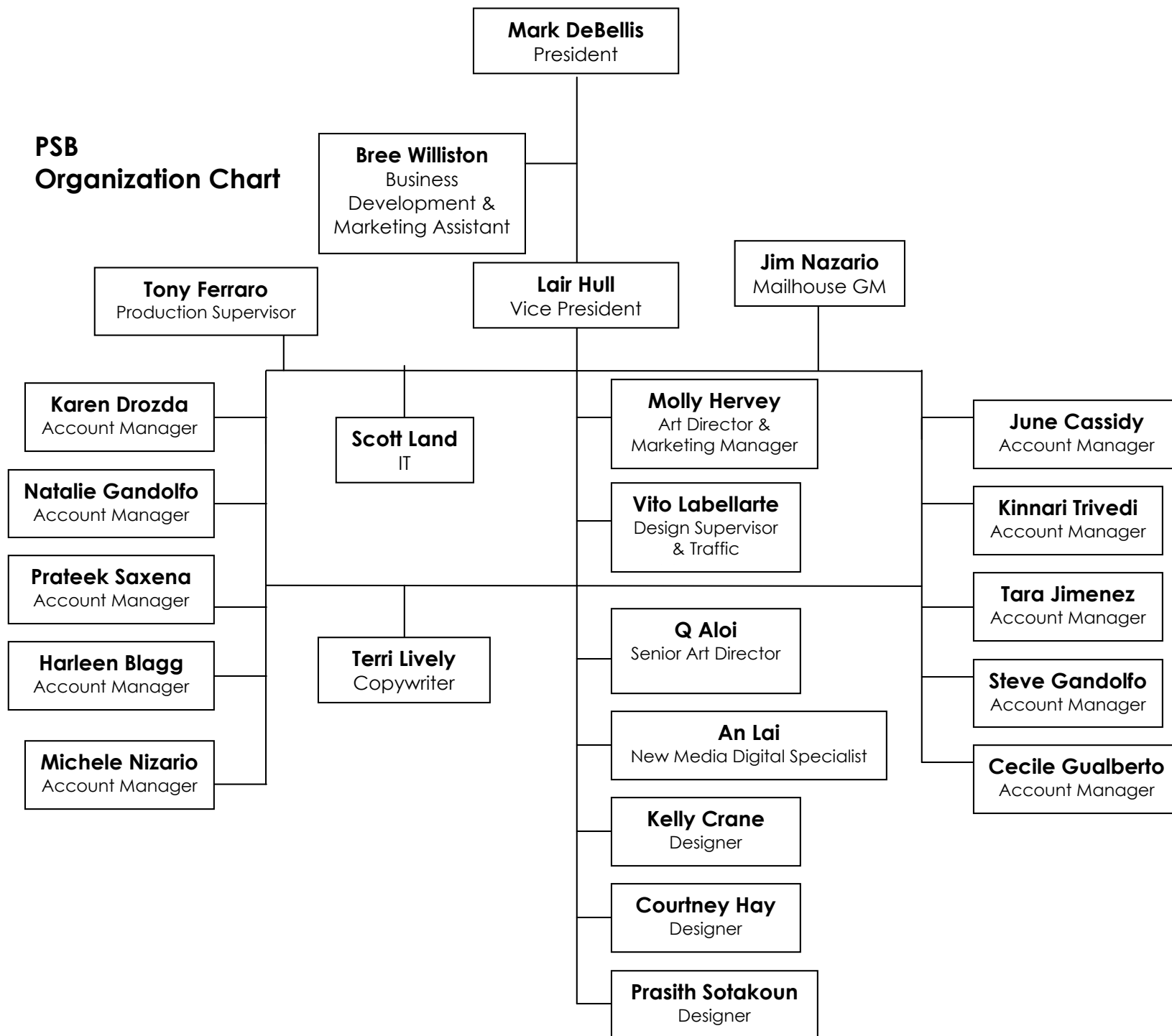
In her spare time she enjoys donating her talents to benefit local and international nonprofit organizations. She is passionate when it comes to inspiring creativity in children and has even traveled to remote villages in Africa to teach drawing classes.

An Lai, New Media Digital Specialist

An's passion for design was shaped long before she started school. Pursuing her dream in digital art, she self-learned image manipulation and digital painting in high school. She then attended The Art Institute of California and received her Bachelor degree in Media Arts and Design. Immediately after graduation, she was hired by a local TV station as the lead digital artist.

An currently works as the digital specialist at PSB, focusing on design with technical media, including motion graphics, web and interactive media design. She continues to adapt and grow her skills to accommodate the market's demand.

**PSB
Organization Chart**



References with Contact Information

City of Mission Viejo

Production of Mission Viejo Recreation Brochure
Karen Hamman - City Clerk, Director of Communications
Mission Viejo 200 Civic Center, Mission Viejo, CA 92691
949.470.3033
khamman@cityofmissionviejo.org

Communications Lab

Production of Laguna Hills City Views and Community Service Activity Guide
Brian Lochrie - President
25 Orchard, Lake Forest, CA 92630
949.215.5539
brian@communicationslab.com

Contra Costa Water District

Monthly Newsletter Program, Annual Reports, Corporate Material
Gina Oltman – Public Information Specialist
1331 Concord Ave., Concord, CA 94520
925.688.8010
goltman@ccwater.com

Beach Cities Health District

Posters, Post Cards, Directories, Brochures, Newsletters
Cristan Higa - Communications Manager
514 N. Prospect Avenue, Redondo Beach, CA 90277
310.374.3426 – ext.117
Cristan.Higa@bchd.org

Discovery Science Center

Signs, Booklets, Brochures, Calendars, Post Cards, Catalogs, Newsletters
Marcella Surra - Marketing Director
2500 No. Main Street, Santa Ana, CA 92705
714.913.5023
msurra@discoverycube.com

Auction.com

Post Cards, Brochures, Handbooks
Patrick Mansour - Marketing Director
1 Mauchly, Irvine, CA 92618
949.672.3653
patrickm@auction.com

Testimonials

"We can depend on PSB to present high-quality work on the first draft, making adjustments without drama, and deliver final products that meet our needs without missing a deadline."

—Gina Oltman, *Public Information Specialist, Contra Costa Water District*

"The quality and workmanship are top notch. Please extend my great thanks and appreciation to everyone there who had a hand in creating a positively marvelous promotional piece."

—Marcella Surra, *Discovery Science Center*

"They're local, creative and incredibly responsive to any needs I've ever had. I know they will do a bang-up job in whatever you end up with."

—Stacy R. Thorn, *Shimano American Corporation*

"I realize that we came to PSB with a short time frame and blank sheet of paper to get this project rolling. I want to tell you how much I appreciate everyone there stepping up and helping us to hit our deadline."

—Dan Malloy, *Green Street Advisors*

"Whoohoo! They're beauteous! They look – and feel – so much better 'in person.' I'll go spread the magic word 'dropped,' which will cause much rejoicing in the land of VQ!"

—Cathy Mestas, *VQ OrthoCare*

"Yes, even our remote creative and graphic service providers have been impressed with the quality of service."

—Ted Ramirez, *AMVAC*

"I have used PSB for a wide range of projects and never once have I been behind schedule or over budget. I have found their service, product quality and creativity to be consistently outstanding."

—Delynn Byars, *SVP of Marketing, First South CU*

"We had a terrific response, which well exceeded our goals. We couldn't have done it without them!"

—Kimberly Wert, *Marketing Coordinator, NIH FCU*

"As always, thank you all for your great work and on-time delivery."

—Bill Prystauk, *Marketing Manager, ECUUS*

"You all make our jobs so much easier." "I turn to PSB for support, advice and ideas. Their service is absolutely second to none."

—Jeffrey Deck, *Marketing Representative, Delta Community CU*

"PSB is so great to work with ... they know what we expect and always deliver."

—Evelyn Hobbs, *Director of Marketing, Mid-Atlantic FCU*





Certification of Understanding

PSB here by states that we understand the requirements stated in this Request For Proposal

(Signature required)

Work Plan

PSB has been fortunate enough to be a current supplier to other organizations with similar product requirements. We are able to maintain a consistent and dependable output because of our ongoing commitment to quality and excellence.

We would provide the following approach to the accomplishment of your project objectives:

- 1) Initial discovery meeting with the project manager at City of Laguna Hills and the PSB team to discuss all details pertaining to the printing of City Views and Community Services Activity Guide.
- 2) At the start of each project cycle, we would meet with our project liaison from the city to discuss the following:
 - a. Objectives for the issue
 - b. Theme overview
 - c. Content overview
- 3) Our account manager will put together the project parameters and enter the project into our job management system.
- 4) Our Account Manager will then provide a project timeline to the city.
- 5) After communicating with the city, our Account Manager prepares an internal project file with specifications and critical details. Then, communicates the project timeline to our entire organization through individual face-to-face staff meetings and our Virtual Ticket/Job Manager project workflow database.
- 6) The project is scheduled with the goal of meeting The City of Laguna Hill's target dates.
PSB guarantees that the material will be completed on time.
- 7) ** If contracted to complete the design as well as the printing of the City Views and Community Services Activity Guide, PSB's graphic designers will come up with creative design and layout of the project.*
- 8) PSB's creative team will develop three alternative creative layouts for the project. These concepts will then be fine-tuned to develop the artwork and color palette to manage the entire project layout.
- 9) A high resolution PDF of the project will be provided to The City of Laguna Hills upon design completion.
- 10) After receiving edits from both parties, via email or upload, the designer will have a final copy of the project ready to receive final approval. PSB understands that there may be multiple rounds of PDF drafts required to accommodate changes to either text or images.
- 11) After receiving approval on the documents, the designer will prepare and deliver files for print. **PSB can also prepare files to be placed on the web.*
- 12) Lastly, the project manager will provide via email, a final, print-quality PDF of each project to the City of Laguna Hills.



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- 13) After receiving a print ready file for the project, we then produce color proofs and review internally for any errors or mistakes. We run "spell check" and also look for the most common forms of errors found in similar documents.
 - 14) We order the paper for the project and place it into our "work in process" inventory.
 - 15) We preflight the file in our pre-press department and check for any errant issues with photos, images or settings.
 - 16) We produce a final proof and prepare for client and internal review.
 - 17) We will then submit a high resolution proof for approval prior to printing.
 - 18) Upon approval we produce plates for print production.
 - 19) The project is put on press.
 - 20) After the initial production of the first press proof, we review the proof against the press sample to ensure consistency. Both the account manager and the production supervisor sign off on the project. We check for color densities and print consistency. Throughout the print run, we check for consistency and densities to ensure we have the highest level of quality.
 - 21) After review, the press run continues to its completion and the project is allowed to dry to ensure that the ink cures. Then the project is then moved to our finishing department where it is trimmed, bound and packaged to specifications.
 - 22) The project is labeled/boxed according to the requirements of the post office where the and prepared for delivery and distribution.

We currently manage similar projects for other municipalities. Our project work flow/turnaround time for **print only** is as follows:

Day 1: Receipt of artwork

Day 2: PSB receives internal proof, confirms quantities/stock and schedules for production.

Day 3-6: Proof and bindery complete (all work done in-house)

Day 7: Mail processing

Day 8: Delivery to the Post Office

CITY OF LAGUNA HILLS
COST SUMMARY SHEET
FOR
PRINTING SERVICES
FOR CITY VIEWS &
COMMUNITY SERVICES ACTIVITY GUIDE PUBLICATION

Please use this Cost Summary Sheet to provide a quote for this project (fill in each item).
Proposals must be received by 5:00 p.m. on Friday, September 13, 2013.

ITEM NO.	DESCRIPTION	15,010 copies of City Views & Community Services Activity Guide (20 pages, 12" x 18" sheets)	Up to Seven (7) Issues	TOTAL AMOUNT
1	Print, Collate, Saddle Stitch, and Trim	\$ 6,895.00	x 7	\$ 48,265.00
2	Preparation for Mailing (Mailhouse Services)	\$ 500.00	x 7	\$ 3,500.00
3	Sales Tax (if applicable)	\$ NA	x 7	NA
4	Delivery to USPS	\$ No charge	x 7	No charge
5	Applicable Discounts	\$ NA	x 7	NA
6	Additional Charges (if applicable)	\$ NA	x 7	NA
7	Total Cost per Issue	\$ 7,395.00	x 7 =	\$ 51,765.00
TOTAL BID				\$ 51,765.00

TOTAL BID IN WORDS:

Fifty-one thousand, seven hundred and
sixty-five dollars DOLLARS

AND _____ CENTS

Certificate of Warranty Regarding Nondiscrimination

As required by 49 U.S.C. 5332 (which prohibits discrimination on the basis of race, color, creed, national origin, sex, or age, and prohibits discrimination in employment or business opportunity), by Title VI of the Civil Rights Act of 1964, as amended, 42 U.S.C. 2000d, and by U.S. DOT regulations, "Nondiscrimination in Federally- Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act," 49 CFR part 21 at 21.7, the firm assures that it will comply with all requirements imposed by or issued pursuant to 49 U.S.C. 5332, 42 U.S.C. 2000d, and 49 CFR part 21, so that no person in the United States, on the basis of race, color, national origin, creed, sex, or age will be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination in any program or activity (particularly in the level and quality of transportation services and transportation-related benefits) for which the firm receives Federal assistance awarded by the U.S. DOT or FTA.

(Signature required)

Conflict of Interest

PSB has disclosed any financial, business or other relationship with The City of Laguna Hills or other entity that the City of Laguna Hills Board of Supervisors governs, which may have an impact, effect or influence on the outcome of the services you propose to provide. Provided is a list of current clients, employees, principals or shareholders (including family members) who may have a financial interest in the outcome of services we proposed to provide. Disclosed is any financial, business or other relationship within the last three (3) years with any firm or member of any firm who may have a financial interest in the outcome of the work. We believe that no conflict of interest exists or would exist.

(Signature required)

Validity of Proposal

PSB certifies that this proposal be valid for at least 60 days. Offeror shall state the length of time for which the submitted proposal shall remain valid below:

Validity of Response (in days)

Signature required



Summary

Our role at PSB is clear: to get the job done. You can rely on us to come through every time.

PSB represents the *new spirit of communications*...the effective integration and optimization of mindset, message and medium. PSB assures you of the fastest response time, highest quality solutions, and ensured delivery of project timelines and goals.

It's a lofty service level only PSB can promise after two decades of precisely integrating clients' unique visions with our experience – and creating relevant solutions for the most viable consumer medium.

The reliable spirit of “can-do”. PSB is your clutch partner, never missing a deadline – even the most challenging ones. The old step-by-step agency model simply cannot keep pace with the ever-multiplying marketing demands. PSB can, and we do!

PSB Integrated Marketing delivers the unified resources to multiply and maximize your effectiveness, keeping you ahead of the new business world. Let us spoil you with service and knowhow.

Our people and processes have been developed with creativity, expertise and quality in mind.

PSB has embraced the GREEN principles in our work and the work we do for our clients. Responding to the global climate concern, PSB Integrated Marketing took proactive steps in protecting our nation's forests. In April 2007, our firm joined forces with the Forest Stewardship Council (FSC) to offer its clients FSC-certified papers. FSC is an international organization, which brings people together to find solutions that promote responsible stewardship of the world's forests – our best line of defense against carbon dioxide build-up in the atmosphere. It is the only forest management program to provide a global set of standards for responsible logging; and the only such program to be endorsed by industry, environmental groups, and indigenous peoples alike. Although PSB no longer carries the FSC stamp, we still follow all of the FSC standards when running our business. We also utilize our own designation showing that we use eco-friendly paper stock and soy ink.

We exist to make your job easier and hope to have the chance to share our story with the City of Laguna Hills.



CENTURY FEDERAL TRANSPORTATION ACT FOR THE LA PAZ OPEN SPACE CLASS 1 BIKEWAY PROJECT, BY M/MAYOR KOGERMAN, S/COUNCIL MEMBER BRESSETTE.

APPROVED BY A VOTE OF 4-0-1 (MAYOR KOGERMAN, MAYOR PRO TEMPORE BLOUNT, COUNCIL MEMBER BRESSETTE, AND COUNCIL MEMBER CARRUTH VOTING YES; COUNCIL MEMBER GILBERT ABSENT).

5. PLANNING AGENCY

Mayor Kogerman recessed the City Council meeting and acting in the capacity of Chair, called the regular meeting of the Planning Agency of the City of Laguna Hills, California, to order at 7:31 PM.

5.1 ROLL CALL OF PLANNING AGENCY MEMBERS

Present: Chair Kogerman, Vice Chair Blount, Agency Member Bressette, Agency Member Carruth

Absent: Agency Member Gilbert

5.2 PUBLIC COMMENTS

There were no Public Comments.

5.3 MINUTES

5.3.1 REGULAR MEETING, SEPTEMBER 10, 2013

MOTION TO APPROVE THE MINUTES OF THE SEPTEMBER 10, 2013, REGULAR MEETING, BY M/AGENCY MEMBER CARRUTH, S/AGENCY MEMBER BRESSETTE.

APPROVED BY A VOTE OF 4-0-1 (CHAIR KOGERMAN, VICE CHAIR BLOUNT, AGENCY MEMBER BRESSETTE, AND AGENCY MEMBER CARRUTH VOTING YES; AGENCY MEMBER GILBERT ABSENT).

5.4 ADMINISTRATIVE REPORTS

5.5 PLANNING AGENCY PUBLIC HEARINGS

5.5.1 CONDITIONAL USE PERMIT (CUP), PARKING USE PERMIT (PUP), AND SITE DEVELOPMENT PERMIT (SDP) NO. 01-12-2174, A REQUEST TO MAKE COURTYARD RENOVATIONS AND TO CONSTRUCT A POOL AND FITNESS CENTER AT THE HILLS HOTEL, 25205 LA PAZ ROAD, IN THE (FC) FREEWAY COMMERCIAL ZONING DISTRICT

THE PLANNING AGENCY MADE A MOTION TO TABLE CONDITIONAL USE PERMIT, PARKING USE PERMIT, AND SITE DEVELOPMENT PERMIT NO. 01-12-2174 FROM CONSIDERATION AT THIS TIME, BY M/AGENCY MEMBER BRESSETTE, S/AGENCY MEMBER CARRUTH.

APPROVED BY A VOTE OF 4-0-1 (CHAIR KOGERMAN, VICE CHAIR BLOUNT, AGENCY MEMBER BRESSETTE, AND AGENCY MEMBER CARRUTH VOTING YES; AGENCY MEMBER GILBERT ABSENT).

PLANNING AGENCY ADJOURNMENT

Mayor Kogerman reconvened the City Council Meeting at 7:34 PM. All Council Members were present.

6. CITY COUNCIL PUBLIC HEARINGS

- 6.1 ZONE CHANGE AND ZONING TEXT AMENDMENT NO. 06-13-2608, AN AMENDMENT TO TITLE 9 OF THE LAGUNA HILLS MUNICIPAL CODE (ZONING AND SUBDIVISIONS) TO ESTABLISH A HOSPITALITY OVERLAY ZONE.

THE CITY COUNCIL MADE A MOTION TO TABLE ZONE CHANGE AND ZONING TEXT AMENDMENT NO. 06-13-2608, FROM CONSIDERATION AT THIS TIME, BY M/COUNCIL MEMBER CARRUTH, S/COUNCIL MEMBER BRESSETTE.

APPROVED BY A VOTE OF 4-0-1 (MAYOR KOGERMAN, MAYOR PRO TEMPORE BLOUNT, COUNCIL MEMBER BRESSETTE, AND COUNCIL MEMBER CARRUTH VOTING YES; COUNCIL MEMBER GILBERT ABSENT).

7. ADMINISTRATIVE REPORTS

7.1 City Manager

The City Manager was absent.

7.2 Public Services Director/City Engineer

- 7.2.1 PUBLIC COMMENT ON THE INITIAL STUDY WITH PROPOSED MITIGATED NEGATIVE DECLARATION / ENVIRONMENTAL ASSESSMENT FOR THE I-5 WIDENING PROJECT FROM STATE ROUTE 73 TO EL TORO ROAD

THE CITY COUNCIL DIRECTED STAFF TO PREPARE AND SUBMIT WRITTEN COMMENTS ON THE INITIAL STUDY WITH PROPOSED MITIGATED NEGATIVE DECLARATION / ENVIRONMENTAL ASSESSMENT FOR THE I-5 WIDENING PROJECT FROM STATE ROUTE 73 TO EL TORO ROAD, AND ENCOURAGED PUBLIC PARTICIPATION IN THE SEPTEMBER 25, 2013, PUBLIC HEARING TO BE HELD AT THE NORMAN P. MURRAY COMMUNITY AND SENIOR CENTER, MISSION VIEJO, CALIFORNIA, BY M/COUNCIL MEMBER BRESSETTE,



City of Laguna Hills

City Council Meeting Agenda

Staff Report

DATE: OCTOBER 8, 2013

TO: MAYOR AND COUNCIL MEMBERS

**FROM: DAVID CHANTARANGSU, AICP
DIRECTOR OF COMMUNITY DEVELOPMENT**

ISSUE: CITY OF LAGUNA HILLS 2013-2021 HOUSING ELEMENT

RECOMMENDATION: THAT THE CITY COUNCIL ADOPT A NEGATIVE DECLARATION FOR THE 2013-2021 HOUSING ELEMENT AND ADOPT A RESOLUTION ENTITLED: "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, ADOPTING A NEGATIVE DECLARATION FOR THE 2013-2021 HOUSING ELEMENT AND GENERAL PLAN AMENDMENT (GPAM) NO. 8-13-2654, AN UPDATE TO THE CITY'S HOUSING ELEMENT OF THE GENERAL PLAN (2013-2021 HOUSING ELEMENT) AS REQUIRED BY STATE LAW."

SUMMARY:

The City is required by state law to maintain a plan for the orderly growth and development of the city in order to guide decisions about the intensity and use of land and manage the physical, social, and economic changes that occur within a community. This document is known as a "general plan" and it includes seven mandatory elements that must be addressed. These elements cover land use, housing, transportation/circulation, open space, recreation, noise, and conservation. Of these mandated elements, only the housing element is reviewed by the State for compliance with state law.

The City last updated its General Plan in 2009, including the current Housing Element which was approved (certified) by the State in October 2009. The Housing Element is the only element of the City's General Plan which must be updated in accordance with a state-mandated schedule. State law requires the Housing Element to be updated for the 2013-2021 planning period by October 15, 2013. The proposed 2013-2021 Housing Element would replace the City of Laguna Hills 2008-2014 Housing Element. Staff notes that the state generally sees this housing element cycle as a continuation of the current 2008-2013

Housing Element. Therefore, there are no significant changes in housing goals or policies from the 2008-2013 Housing Element.

BACKGROUND:

California Government Code Section 65302(c) mandates that each city shall include a housing element in its General Plan. The housing element is required to identify and analyze existing and projected housing needs, and include statements of the city's goals, policies, quantified objectives, and scheduled programs for the preservation, improvement, and development of housing. The City, in adopting its Housing Element, must consider economic, environmental, and fiscal factors, as well as community goals as set forth in the General Plan, in compliance with California Government Code Section 65580 et seq.

The Housing Element consists of the following major components:

- An Analysis of the City's demographic and housing characteristics and trends;
- An evaluation of land, and financial and administrative resources available to address the City's housing goals;
- A review of potential constraints, both governmental and non-governmental, to meeting the City's housing needs;
- An Implementation Program for addressing the City's identified RHNA number (as described below), including housing goals, policies, and programs; and
- An evaluation of the appropriateness and effectiveness of previous goals, policies, and programs in achieving the City's objectives.

A key housing element requirement is the identification of the City's obligation to plan for new housing during a planning period. This is accomplished through a regional process known as the Regional Housing Needs Assessment (RHNA). Laguna Hills' assigned "fair share" of the regional housing need for this planning period is one extremely low income unit and one low income unit for a total of two units. It is important to note that the City is not required to construct the two units; rather, the City must demonstrate it has adequate land capacity and zoning to provide for the development of the two units.

State law also includes specific requirements regarding local policies and regulations to encourage and facilitate the provision of housing for various special needs groups such as persons with disabilities and those in need of temporary housing.

Since the adoption of the City's current Housing Element in 2009, new laws pertaining to housing have been enacted. These laws require new analysis and implementation plans for the City's zoning regulations to be consistent with state law. The most significant is SB 812, which requires the housing element to provide an analysis of the housing needs and potential resources for persons with developmental disabilities, such as mental retardation, cerebral palsy, epilepsy and autism. The Housing Element update addresses these regulations and provides a plan for City conformance.

Historically, the housing element has been required to be updated and reviewed by the State Housing and Community Development Department (HCD) every five years. However, this Housing Element update covers an eight year period spanning 2013-2021. Senate Bill 375 (SB 375) tied the adoption of housing elements to the adoption of the Regional Transportation Plan (RTP), which made it necessary to realign review periods and expand the number of plan year coverage. In addition, SB 375 requires housing elements to be adopted no later than 18 months after adoption of the RTP. On April 4, 2012, the Southern California Association of Governments (SCAG) adopted the Regional Transportation Plan/Sustainable Communities Strategy. As a result, housing elements within the SCAG region are required to be adopted by October 15, 2013.

Consultation with the HCD

The Housing Element is unique in the level of involvement given to HCD in the review process. Under state law, cities and counties are required to submit their draft housing elements to HCD prior to adoption. HCD then issues its findings as to whether, in its opinion, the element is in compliance with state law. A finding of compliance by HCD is referred to as “certification.” Housing element certification is important in preserving the City’s eligibility for some State grant programs, in maintaining the legal adequacy of the General Plan, and in maintaining the City’s local control of land use decisions.

At the June 25, 2013 City Council Meeting, the City Council reviewed the Draft 2013-2021 Housing Element and directed staff to forward the document to the State for review. The Draft Housing Element was forwarded to the State on July 1, 2013, for review and comment, in accordance with State law, and on September 6, 2013, HCD provided written correspondence indicating that the Draft 2013-2021 Housing Element is in compliance with State housing law (Attachment 2).

Public Outreach

In February and May of 2013, City staff held two housing stakeholder workshops targeting residents, the general public, and various organizations that provide housing services in Laguna Hills. During the workshops, participants were provided with an overview of the Housing Element update process and content. Participants identified and discussed challenges, opportunities, and resources related to housing in Laguna Hills. Comments received through the outreach activities have been considered in the development of the Draft Housing Element for the City.

The Housing Element Update is considered a “project” pursuant to the California Environmental Quality Act (CEQA). An environmental assessment in the form of an Initial Study was undertaken for the purpose of determining whether the proposed General Plan Amendment (the Housing Element Update) may have a significant effect on the environment. On the basis of that study, it was determined by staff that the Amendment

would not have a significant effect on the environment, and therefore a Negative Declaration has been prepared.

In accordance with the 30-day public review period required under CEQA, the draft Initial Study/Negative Declaration and Draft 2013-2021 Housing Element were made available for public review in advance of the public hearing. The public review period extended from August 30, 2013, to September 30, 2013. A public notice for the 30-day public review period was published in the *Saddleback Valley News*. Additionally, public notices were mailed to utility companies, the Saddleback Valley Unified School District, and State and local agencies. A public notice was also posted at City Hall, the Laguna Hills Community Center, and the La Paz Center. Prior to the October 8, 2013 City Council Meeting, a public notice was published in the *Saddleback Valley News*, and was posted at City Hall, the Laguna Hills Community Center, and one other offsite location. Public notices were also mailed prior to the City Council meeting.

During the public review period, the City received comments from the Native American Heritage Commission (NAHC) regarding potential impacts to Native American cultural resources, the Public Utilities Commission regarding proposed development adjacent to or near railroad right-of-way, and The Kennedy Commission urging the City to support and create effective policies that incentivize the development of affordable homes to lower income working families. A copy of each comment letter is attached. While comments received may represent best practices and good housing policies, the City is not required to incorporate those recommendations into its housing plan in order to comply with State housing law.

Staff notes that the State is requiring the City to make one amendment to the Development Code to comply with state housing law. Staff's understanding is that the State's certification of the 2013-2021 Housing Element is conditional upon the City revising the Development Code within 12 months to remove an occupancy limitation for housing facilities that may support Extremely Low¹ or Very Low Income residents². The City's current regulations limit housing that could support Extremely Low and Very Low Income residents to six or fewer people. The State believes this limitation is contrary to housing law that was enacted in 2007. The change is described as a "Specific Implementation Program" at the end of the document under Section H-8. Other Implementation Programs described are merely updated descriptions from the current Housing Element containing no substantive changes.

Staff is recommending that the City Council adopt a Resolution (Attachment 1) to approve an Initial Study/Negative Declaration as environmental clearance under CEQA and adopt the 2013-2021 Housing Element Update (Exhibit A of Attachment 1). To approve the proposed Resolution, the City Council must make findings, including: consistency with the General Plan's goals and policies; compatibility with surrounding land uses; providing

¹ Extremely Low Income residents (or households) earn 30% of the County median income (\$84,100).

² Very Low Income residents (or households) earn 50% of the County median income.

reasonable property development rights while protecting the environment; correcting discrepancies in standards and policies within the plan area or land use category; and protecting the health, safety, and general welfare of the community. Staff believes these findings can be made as demonstrated in the attached proposed Resolution of Approval. Once the City Council approves the 2013-2021 Housing Element Update, it will be sent to HCD for certification. As stated previously, State law mandates that the City adopt the Update by October 15, 2013.

FISCAL IMPACT:

The City completed an in-house update at a cost of staff time and materials. The State is now requiring a certified housing element to be eligible for many State housing, transportation, and infrastructure funding grants. The failure to enact a certified housing element could impact the City's ability to compete for this State funding as well as expose the City to potential litigation.

CEQA FINDINGS:

Pursuant to Public Resources Code Section 21080(c)(1), and Section 15070(a) of the CEQA Guidelines, set forth in the California Code of Regulations, Title 14, a Negative Declaration has been prepared and is being considered for adoption in conjunction with this project. Environmental impacts have been determined to be less than significant in all categories and no mitigation measures have been deemed necessary. Pursuant to CEQA Guidelines Sections 15072(a) and 15072(b), a Notice of Intent to adopt a Negative Declaration was prepared and distributed to the public, and a public review period for the Draft Negative Declaration was held from August 30, 2013 through September 30, 2013.

ATTACHMENTS:

1. Proposed Resolution to Adopt a Negative Declaration and General Plan Amendment (GPAM) No. 8-13-2654: 2013-2021 Housing Element Update
Exhibit A: Draft 2013-2021 Housing Element
2. Letter of Preliminary Compliance from HCD, dated September 6, 2013
3. Native American Heritage Commission comment letter, dated September 10, 2013
4. Public Utilities Commission comment letter, dated September 9, 2013
5. The Kennedy Commission comment letter, dated August 29, 2013
6. 2013-2021 Housing Element Update (redlined format)
7. Initial Study/Negative Declaration for the 2013-2021 Housing Element Update

**- GENERAL PLAN AMENDMENT
(GPAM) NO. 8-13-2654-
- Attachment #1
City Council Resolution**

RESOLUTION 2013-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, ADOPTING A NEGATIVE DECLARATION FOR THE 2013-2021 HOUSING ELEMENT AND GENERAL PLAN AMENDMENT (GPAM) NO. 8-13-2654, AN UPDATE TO THE CITY'S HOUSING ELEMENT OF THE GENERAL PLAN (2013-2021 HOUSING ELEMENT) AS REQUIRED BY STATE LAW

The City Council of the City of Laguna Hills, California, hereby finds, determines, declares, and resolves as follows:

WHEREAS, pursuant to Government Code Section 65300 et seq., cities and counties are required to adopt a comprehensive, long-term General Plan to guide the social, economic, and physical development of their communities; and

WHEREAS, Government Code Section 65302(c) mandates that said General Plan include a Housing Element to adequately plan for the City's existing and projected housing needs, including its share of the regional housing need; and

WHEREAS, the City Council adopted the 2009 Comprehensive General Plan Update for the City of Laguna Hills on July 14, 2009, which included the 2008-2014 Housing Element; and

WHEREAS, State law requires that each jurisdiction within the Southern California Association of Governments (SCAG) region, update its Housing Element for the 2013-2021 planning period; and

WHEREAS, the City of Laguna Hills has completed a comprehensive update to the City's General Plan Housing Element for the 2013-2021 planning period, which included stakeholder meetings, consultations with Native American tribes, and public workshops; and

WHEREAS, the Draft 2013-2021 Housing Element Update was prepared in accordance with Government Code Sections 65580 through 65589; and

WHEREAS, the City Council at the June 25, 2013 City Council Meeting directed staff to forward the Draft 2013-2021 Housing Element Update to the State Department of Housing and Community Development (HCD) for review, in accordance with State housing law; and

WHEREAS, as directed by City Council, the Draft 2013-2021 Housing Element Update was submitted to HCD on July 1, 2013, for review and comment, in accordance with State housing law (Government Code Section 65585); and

WHEREAS, on September 6, 2013, HCD provided written correspondence indicating that the Draft of the City's Housing Element Update is in compliance with State housing law; and

WHEREAS, a public notice of the City Council public hearing on October 8, 2013, to consider adoption of the Negative Declaration and the proposed 2013-2021 Housing Element, was published in the *Saddleback Valley News*, posted on the City's website, posted at City hall, and sent to all parties who have demonstrated an interest in the project, describing the project, date, time, and location of hearing; and

WHEREAS, General Plan Amendment (GPAM) No. 8-13-2654 is considered a "project" pursuant to the California Environmental Quality Act (CEQA); and

WHEREAS, in accordance with the CEQA Guidelines, a Public Notice of Availability and Intent to Adopt a Negative Declaration was advertised in the *Saddleback Valley News*, posted on the City's website, and sent to the County Clerk, initiating a 30-day public review period for the Negative Declaration that commenced August 30, 2013, and ended September 30, 2013; and

WHEREAS, the draft Initial Study and Negative Declaration were submitted to the State Clearinghouse for a 30-day review by state agencies on September 1, 2013; and

WHEREAS, comments received from the public and state agencies on the proposed Initial Study provided general comments regarding the City's Housing Element and identified other general environmental concerns, no issues were raised that identified potential significant effects on the environment and no substantial changes to the Initial Study were made that require recirculation of the proposed Initial Study as described by Section 15073 of Title 14, Chapter 3 of the California Code of Regulations; and

WHEREAS, the City Council of the City of Laguna Hills has considered the draft Initial Study and Negative Declaration including all comments received, and finds that, in light of the whole record before it, environmental impacts of the project would be less than significant; and

WHEREAS, the City Council has considered information and testimony presented by City staff, community residents and other interested parties at a public hearing held on October 8, 2013.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

SECTION 1. Environmental Documentation.

Pursuant to Section 15070 of State CEQA Guidelines, and Initial Study has been prepared, and the City Council finds, based on the Initial Study and all the evidence presented to it before and during the consideration of the proposed project including all written comments received, that there is no substantial evidence that the proposed project may have a significant adverse environmental impact, and therefore the City Council hereby adopts a Negative Declaration for the project.

SECTION 2. Based on a review of the project as proposed, the Department of Fish and Wildlife has determined that for purposes of the assessment of CEQA filing fees (Fish and Game Code Section 711.4 (c)) the project has no effect on fish, wildlife or their habitat and the project as described does not require payment of a CEQA filing fee.

SECTION 3. In accordance with Section 9-92.080 of the City of Laguna Hills Development Code, the following findings for approving General Plan Amendment No. 8-13-2654 are made:

1. That the amendment or plan is consistent with the intent of the goals and policies of the General Plan as a whole, and is not inconsistent with any element thereof:

The Amendment will replace the current Housing Element with the 2013-2021 Housing Element Update as required by State law. The GPAM is internally consistent with the goals and objectives, and policies of the General Plan, particularly the Land Use Element. The Housing Element Update identifies the availability of adequate sites to accommodate the City's share of the Regional Housing Need on sites that have been previously identified for residential development, including the Urban Village Specific Plan and Alicia Gateway areas, as consistent with the City's Land Use Element.

2. That the amendment or plan is necessary to prescribe reasonable controls and standards for affected land uses to insure compatibility and integrity of those uses with other established uses:

The Amendment identifies issues, strategies, and programs that focus on neighborhood and housing preservation. The Amendment will protect and enhance established neighborhoods while helping the City evolve into a more integrated, walkable, and cohesive community with an identifiable center.

3. That the amendment or plan is necessary to provide reasonable property development rights while protecting environmentally sensitive land uses and species:

The Amendment provides an eight year housing plan for the City, fulfilling the state laws related to housing elements, including requirements set forth in SB375. The Amendment also comprehensively addresses recent conditions in the City, and implements smart growth principles, concepts of sustainable development, and resource management, and environmental protection. The proposed Housing Element does not propose to decrease any development rights by altering density, development standards, or use of property.

4. That the plan or amendment is necessary to correct discrepancies in standards or policies within the plan area or land use category:

The Amendment is necessary to update the City's current Housing Element consistent with State housing law, which requires that the Housing Element be updated for the 2013-2021 planning period in the SCAG region. The Amendment includes updating the City's Regional Housing Needs Assessment number, which is two units for this next planning period, the demographic and housing characteristics and trends, and residential sites inventory.

5. That the plan or amendment is necessary to protect the general health, safety, or general welfare of the community as a whole:

The Amendment identifies issues, strategies, and programs that focus on neighborhood and housing preservation, housing availability, equal housing opportunity, and implementation and monitoring of the Housing Element. Preserving the City's residential neighborhoods and maintaining the City's housing stock are essential steps to retaining the City's livability and character. Providing a greater diversity of housing types, such as multifamily apartments, condominiums, townhomes, and senior housing facilities, will allow both younger and older generations of Laguna Hills' residents to remain in the community. Housing variety will also enable citizens from a wide range of economic levels to live within the City. Lastly, an effective monitoring program provides the City with an important tool to gauge the success of the City's housing programs and to address emerging housing needs as appropriate.

SECTION 4. Based on the above findings, the City Council does hereby approve and adopt a Negative Declaration and General Plan Amendment (GPAM) No. 8-13-2654: the 2013-2021 Housing Element Update as set forth in Exhibit A.

PASSED, APPROVED, AND ADOPTED this 8th day of October 2013.

BARBARA D. KOGERMAN, MAYOR

ATTEST:

PEGGY J. JOHNS, CITY CLERK

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

I, Peggy J. Johns, City Clerk of the City of Laguna Hills, California, DO
HEREBY CERTIFY that the foregoing is a true and correct copy of Resolution
No. 2013- adopted by the City Council of the City of Laguna Hills, California, at a
Regular Meeting thereof held on the 8th day of October, 2013, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

PEGGY J. JOHNS, CITY CLERK

**- GENERAL PLAN AMENDMENT
(GPAM) NO. 8-13-2654-
Attachment #1
Exhibit A Housing Element**

Housing



Introduction

The residents of Laguna Hills take great pride in their city. Preserving the City's small town feel by maintaining the existing housing stock and the scale and character of the community is particularly important to the City's residents. Residents also recognize the importance of providing housing opportunities for all members of the community by providing more diverse housing types. A variety of housing options will enable older and younger generations to remain in the community as well as those of all economic levels and those with special needs. Providing housing opportunities to all, on an equal basis, is important to the community.

Accordingly, this Housing Element identifies issues, strategies, and programs that focus on:

1. Neighborhood and housing preservation;
2. Housing availability;
3. Equal housing opportunity; and
4. Implementation and monitoring of the Housing Element.

The Laguna Hills Housing Element comprises the following major components:

- An analysis of the City's population, housing, and employment base, and the characteristics of the City's housing stock to define the nature and extent of unmet housing needs (Housing Needs Assessment).
- A review of potential constraints to meeting the City's identified housing needs (Constraints on Housing Production).
- An evaluation of opportunities that will further the development of new housing (Housing Resources).
- A plan to address the identified housing needs in Laguna Hills by reviewing past accomplishments, establishing goals and policies, and crafting programs that will enable the City to achieve housing objectives (Housing Plan).

Purpose and Scope of the Housing Element

Every California city and county is required to include a housing element in its general plan

which establishes housing goals, policies, and programs that respond to community housing conditions and needs. The purpose of this Housing Element is to identify housing opportunities and solutions specific to the housing issues of the City of Laguna Hills (City).

Related Plans and Programs

The City's 2013-2021 Housing Element is directly related to a number of State and federally mandated requirements for housing policy and planning. A description of these plans and programs follows.

REGIONAL HOUSING NEEDS ASSESSMENT

State housing element law requires that Southern California Association of Governments (SCAG) determine the amount of housing needed in its region and allocate the need to each community. The allocation of housing need is based on statewide and local projections of population, employment, and housing need. State law requires cities to ensure that adequate sites, public facilities, and services are available to facilitate housing production commensurate with their housing need. Laguna Hills' Housing Element identifies programs to address its share of the region's housing need.

HOUSING ELEMENT CYCLE

This Element has been prepared in compliance with the 2013-2021 planning cycle for cities within the SCAG region. The Housing Element covers an eight year planning period from October 15, 2013 - October 15, 2021, and the SCAG RHNA period from January 1, 2014 - 2021.

Relationship to Other General Plan Elements

The Laguna Hills General Plan includes the following components: (1) Introduction to the General Plan; (2) seven elements, including, Land Use, Mobility, Conservation and Open Space, Community Services and Facilities, Safety, Noise and Housing; and (3) an Implementation Program. Background information and policy direction presented in one element are also reflected in other General Plan elements. For example, residential development capacities established in the Land Use Element are incorporated into the Housing Element.

This Housing Element builds upon other General Plan Elements and is consistent with the policies and proposals set forth by the General

Plan. For example, the Land Use Element identifies use designations at densities that will facilitate the provision of a range of residential housing products for all income groups. The Mobility Element plays a role in the location of residential development in relation to roads, transit, pedestrian, and bicycle facilities. The Noise Element establishes noise levels appropriate for residential uses. Whenever an element in the General Plan is amended, the Housing Element will be reviewed and modified, as necessary, to ensure the continued consistency between elements.

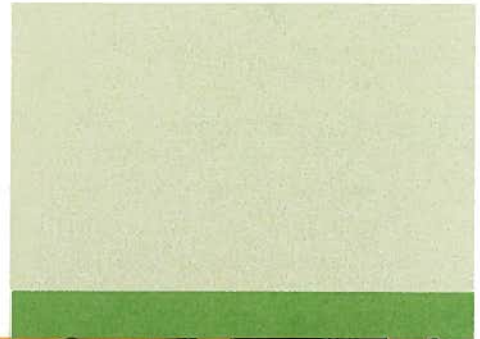
Citizen Participation

California law requires that local governments make a diligent effort to achieve public participation from all economic segments of the community in the development of the Housing Element. Public participation played an important role in the formulation and refinement of the City's housing goals and policies and in the development of the housing plan for the City of Laguna Hills. Laguna Hills' residents had several opportunities to recommend strategies, review, and comment on the Housing Element. The following information details outreach efforts and citizen participation efforts by the City of Laguna Hills:

- Information posted on the City's website.
- Articles about the Housing Element update in the City's quarterly newsletter, which is sent to every household in the City.
- **City Council Meetings:** Two City Council meetings occurred on June 25, 2013, and October 8, 2013 in which the public had the opportunity to address decision makers directly regarding housing issues, goals, and policies, as well as other general comments and concerns regarding housing. These meetings were advertised in a manner consistent with City policy for public meetings.
- **Housing Stakeholder Workshops:** On February 7 and May 9, 2013, the City held workshops targeting residents, the general public, and various organizations that provide housing services to Laguna Hills. Table H-1 identifies the housing-related organizations that were invited to participate in the workshop.

SUMMARY OF INPUT

During the meetings and workshops, participants were provided with an overview of the Housing Element update process and content. Participants, which included residents and other stakeholders, identified and discussed challenges, opportunities, and resources related to housing



in Laguna Hills. Comments received through the outreach activities have been considered in the development of the housing plan for the City of Laguna Hills.

Valuable input on the Laguna Hills Housing Element occurred during the Housing Stakeholder Workshops (summarized below). Although additional input was received, community input centered around two recurring themes: senior housing needs and affordable housing in Laguna Hills. Many community members and stakeholders commented on the aging population in the region and a need for additional senior housing in the City. Affordable housing concerns in Laguna Hills centered on understanding what constitutes affordable housing in Laguna Hills, where existing affordable housing is located, and the need to provide additional affordable housing opportunities in the City.

Housing Stakeholder Workshops Summary

On February 7, 2013 and May 9, 2013, the representatives from the City of Laguna Hills Community Development Department held Housing Stakeholder Workshops targeting residents, the general public, and various organizations that provide housing services to Laguna Hills. Table H-1 identifies the housing-related organizations that were invited to participate in the workshops. Thirty-two stakeholders were mailed announcements and phoned by City Staff inviting them to attend the workshop.

Participants

Representatives from the following organizations participated in the Housing Stakeholder Workshops:

- Kennedy Commission
- Orange County Association of Realtors (OCAR)
- Regional Center of Orange County

Comments

During the Housing Stakeholder Workshops the following comments and ideas were provided by stakeholders:

- What about the housing recently approved for the Oakbrook Village project?
- Did the City have to change the zoning for the Oakbrook project because it is a residential project in a commercial area?
- Did the City Council change the plan a bit to allow less open space for the Oakbrook Village project? How were they able to do that?
- OCAR offers its support to the City in whatever way they can.
- What will the cost be to put together the Housing Element? What

Table H-1
Housing Stakeholders

Kennedy Commission	Society of St. Vincent De Paul, Laguna Hills
Fair Housing Council of Orange County	Catholic Charities of Orange County
Salvation Army, Orange County	Jewish Family Service of Orange County
Shelter For the Homeless	Lutheran Social Services of Southern California
OC Partnership	Orange County Association of Realtors
Families Forward	Habitat for Humanity – Orange County
Southern California Association of Nonprofit Housing	Orange County Housing Authority
Mercy House	Orange County Housing and Community Services
Orange County Rescue Mission	Jamboree Housing Corporation
Friendship Shelter	Bridge Housing
South County Outreach	Legal Aid Society of Orange County and Community Legal Services
Regional Center of Orange County	Senior Legal Advocacy Program
Orange County Business Council	Public Law Center
Florence Sylvester Memorial Senior Center	Orange County Office on Aging
South Orange County Regional Chamber of Commerce	Orange County Housing Providers
Building Industry Association of Orange County	South County Senior Services

is the benefit of doing one? Are there funds from the State available for this?

- Does the City have a redevelopment agency? Does the City have any in-lieu fees for affordable housing? Has the City ever gotten involved in directly funding affordable housing?
- Home prices are going up. Rents are going up, too. Orange County has the 5th highest apartment rent in the State. Suggests the City create a plan for providing housing for seniors, low-income families, and disabled persons who want to live here.
- 17,000 disabled persons in Orange County, 186 with developmental disabilities in Laguna Hills. One hundred percent of individuals living on a maximum of \$890 per month. Without subsidy or voucher of some sort, living on own is impossible. The Regional Center of Orange County offers its support to the City in whatever way they can.
- The City needs to pave the way for people to develop the housing.
- The City's RHNA number is a minimum- a starting point. There is hope the City will go above and beyond that number. The Kennedy Commission offers its support in whatever way they can.

- Does the City have any apartment complexes applying for ownership or condominium conversion?
- Why doesn't the City have any information on its Hispanic population?

Letters Received

The City also received one survey addressing housing issues from Age Well Senior Services since a representative was not able to attend the Workshop. The survey identifies affordable housing for the elderly as the housing-related challenge faced by their organization. Age Well Senior Services is a nonprofit organization providing critical services, resources, and programs to home bound and low income senior citizens living in South Orange County.

Housing Needs Assessment

This section of the Housing Element describes the supply and demand for housing in Laguna Hills and is divided into subsections that address the characteristics of population, employment, households, special needs populations, and housing stock. This analysis provides the basis for developing a successful housing strategy that meets the needs of the community.

Community Profile

The City of Laguna Hills is located in the San Joaquin Hills in southern Orange County, approximately 60 miles south of Los Angeles and 70 miles north of San Diego. Laguna Hills is bounded by the cities of Irvine and Lake Forest to the north; Interstate 5 and the cities of Mission Viejo and Lake Forest to the east; the City of Laguna Niguel to the south; and, the cities of Aliso Viejo and Laguna Woods to the west.

In 1991, the City of Laguna Hills incorporated with an original land area of 3,325 acres. Two subsequent annexations in 1995 and 2000 have increased the land area of the City to 4,234 acres or 6.6 square miles.

The City is predominantly residential in character and contains a variety of diverse residential neighborhoods, ranging from estate residences to high density districts. The City is also home to over 500 businesses and contains a strong commercial base anchored by the regional Laguna Hills Mall, the Oakbrook Village Shopping Center, and Saddleback Memorial Hospital.

Population Characteristics

POPULATION GROWTH TRENDS

According to the Census, the population of Laguna Hills was 30,344 in 2010 (Table H-2). The California Department of Finance estimates the population was 30,618 in 2012, representing a small increase in population from 2010-2012. However, overall population change from the 2000 Census to the 2012 Department of Finance estimates show a slight decrease in population of about 1.8 percent.

By contrast, all cities surrounding Laguna Hills had positive population growth between 2000 and 2012, except Laguna Woods, which showed a 1 percent decrease in population. The population growth rate in Orange County also exceeded that of Laguna Hills during this period.

Table H-2 Population Growth 2000-2012				
	2000	2010	2012	% Change 2000-2012
Laguna Hills	31,178	30,344	30,618	-1.8
Aliso Viejo	40,166*	47,823	48,988	22
Mission Viejo	93,102	93,305	94,196	1.2
Laguna Woods	16,507	16,192	16,334	-1
Laguna Niguel	61,891	62,979	63,691	2.9
Lake Forest	58,707	77,264	78,036	32.9
Orange County	2,846,289	3,010,232	3,055,792	7.4

Sources: 2000 Census; 2010 Census; California Department of Finance.
 *Date is for Aliso Viejo CDP because Aliso Viejo incorporated in 2001.

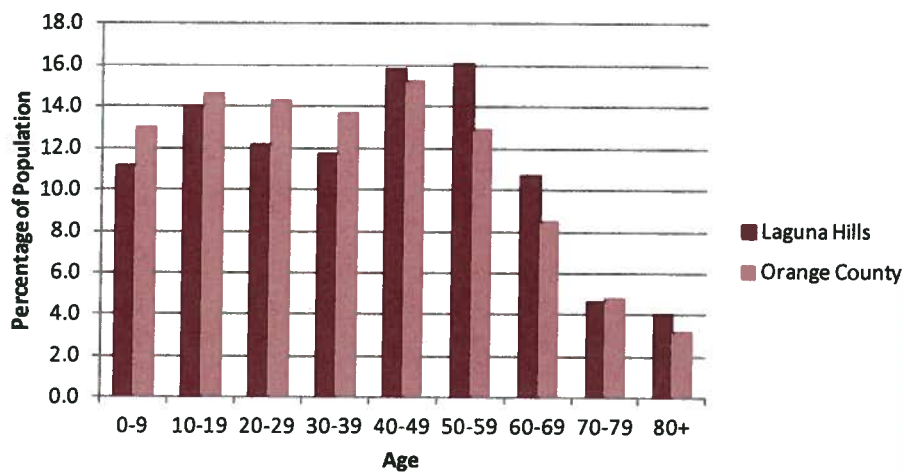
AGE CHARACTERISTICS

The age distribution of a population is an important factor in evaluating housing and community development needs and determining the direction of future housing development. Typically, each age group has distinct lifestyles, family types and sizes, income and housing preferences. As people move through each stage of life, housing needs and preferences change. For example, young householders without children will have different housing preferences than middle-age householders with children or senior householders living alone. Consequently, evaluating the age characteristics of a community is important in determining the housing needs of residents.

As illustrated in Figure H-1, the 2010 population of Laguna Hills was older on average than that of the county as a whole, with a higher distribution of residents between the ages of 40-69. The median age for residents in Laguna Hills was 40.8 years, while the county median age was 36.2.

Since 2000, the median age has increased in the City. The median age for the City of Laguna Hills in 2000 was 37.7. A similar increase in median age can be seen in Orange County with the median age increasing from 33.3 years in 2000 to the 2010 median age of 36.2. The Orange County Business Council indicates that the population of Orange County is growing older rapidly, with Laguna Hills expected to experience a similar trend. This may indicate a need for more housing targeted to seniors, support for more accessible units, and/or assisted living facilities in Laguna Hills.

**Figure H-1
Age Distribution, 2010**



Source: 2010 Census

RACE/ETHNICITY CHARACTERISTICS

The racial and ethnic composition of a population affects housing needs because of the unique household characteristics of different racial/ethnic groups. These characteristics tend to correlate with other factors, such as family size, housing location choices, and mobility. As shown in Table H-3, the majority (73 percent) of the 2010 population in Laguna Hills was White, with Asians making up the next largest ethnic group (13 percent). In Orange County, Whites constituted a lower proportion (61

**Table H-3
Race and Ethnicity, 2010**

Race	Laguna Hills Residents*	% of Laguna Hills Population*	Orange County Residents*	% of Orange County Population*
White	22,045	72.7	1,830,758	60.8
Black or African American	420	1.4	50,744	1.7
American Indian and Alaska Native	101	0.3	18,132	0.6
Asian	3,829	12.6	537,804	17.9
Native Hawaiian and Other Pacific Islander	58	0.2	9,354	0.3
Some Other Race	2,470	8.1	435,641	14.5
Two or More Races	1,421	4.7	127,799	4.2
Total	30,344	100	3,010,232	100

* A portion of each of the race categories may also contain those identifying as Hispanic.
Source: 2010 Census

percent) of the population than in Laguna Hills. Twenty-one percent of residents in Laguna Hills of any race identified as Hispanic or Latino, compared with 34 percent of people county-wide (Table H-3a).

Table H-3a Population Identifying as Hispanic or Latino

	Laguna Hills		Orange County	
	Number	Percent	Number	Percent
Total population	30,344	100	3,010,232	100
Hispanic or Latino (of any race)	6,242	20.6	1,012,973	33.7
Not Hispanic or Latino	24,102	79.4	1,997,259	66.3

Source: 2010 Census

Employment Characteristics

OCCUPATION AND LABOR PARTICIPATION

Employment has an important impact on housing needs. Different jobs and income levels determine the type and size of housing a household can afford. In addition, employment growth within a region typically results in an increase in housing demand.

Table H-4
Employment Profile, 2009-2011*

Occupation of Residents	Laguna Hills		Orange County	
	Estimate**	Percent of Total	Estimate**	Percent of Total
Management, business, science, and arts occupations:	6,919	46.1%	564,052	39.5%
Sales and office occupations:	4,044	26.9%	381,501	26.7%
Service occupations:	2,090	13.9%	240,170	16.8%
Production, transportation, and material moving occupations:	834	5.6%	143,170	10.0%
Natural resources, construction, and maintenance occupations:	1,131	7.5%	99,272	7.0%
Total*	15,018	100.0%	1,428,165	100.0%

Source: 2009-2011 American Community Survey 3-Year Estimates

*ACS numbers are estimates; there is a variable margin of error for all numbers.

**Civilian employed population 16 years and over.

According to the American Community Survey (2009-2011) 16,678 Laguna Hills residents were in the civilian labor force, representing a labor participation rate of approximately 67 percent. (The labor force includes employed and unemployed persons aged 16 years and above.) Similar to Orange County, Laguna Hills residents were employed in three major occupation categories, management, business, science, and arts; sales and office; and service occupations (Table H-4). The first two categories tend to provide higher paying jobs than service occupations, which tend to be lower paying (Table H-5). According to the State Employment Development Department, the unemployment rate in April 2013 in Laguna Hills was 4.8 percent, lower than the countywide rate of 5.7 percent and the statewide rate of 9.0 percent.

Table H-5
Average Yearly Salary by Occupation
Orange County MSA, 2012

Occupations	Average Salary
Architecture and Engineering	\$87,056
Arts, Design, Entertainment, Sports, and Media	\$53,520
Building and Grounds Cleaning and Maintenance	\$26,141
Business and Financial Operations	\$73,187
Community and Social Services	\$51,991
Computer and Mathematical	\$85,644
Construction and Extraction	\$52,247
Education, Training, and Library	\$60,659
Farming, Fishing, and Forestry	\$23,058
Food Preparation and Serving Related	\$22,801
Healthcare Practitioners and Technical	\$81,240
Installation, Maintenance, and Repair	\$47,953
Legal	\$107,520
Life, Physical, and Social Science	\$72,501
Management	\$125,218
Office and Administrative Support	\$38,614
Personal Care and Service	\$26,502
Production	\$33,129
Protective Service	\$51,495
Sales and Related	\$45,147
Transportation and Material Moving	\$32,108
All Occupations	\$51,672

Source: State Employment Development Department, 2012

Table H-6 provides the employment structure of Laguna Hills. Approximately 15,300 jobs were located in the City in 2011. The largest employment classifications included educational services (18.4 percent); professional, scientific, and technical services (14.3 percent); retail (14.2 percent); and manufacturing (11.8 percent). Although specific wage levels are not available, wage data for the employment structure of Laguna Hills can be inferred from Table H-5. Of the largest employment sectors in Laguna Hills, professional, scientific, and technical services, and finance and insurance sectors appear to provide higher wages, while retail jobs appear to provide lower wages.

Table H-6 Employment Structure by North America Industry Classification System (NAICS) Sector, 2011		
Employment Sectors	Employment	Percentage
Agriculture	5	0.03
Arts, Entertainment, and Recreation	1,237	8.1
Construction	1,063	7
Education Services	2,809	18.4
Finance and Insurance	1,693	11.1
Information	230	1.5
Manufacturing	1,804	11.8
Other Services	690	4.5
Professional, Scientific, and Technical Services	2,180	14.3
Public Administration	485	3.2
Retail Trade	2,167	14.2
Transportation and Warehousing	520	3.4
Wholesale Trade	408	2.7
Total	15,291	100.0

Source: American Community Survey, 2007-2011.

Housing Characteristics

HOUSEHOLD TYPE AND SIZE

Household characteristics are important indicators of the type of housing needed in a community. The Census defines a household as all persons who occupy a housing unit, which may include families related through marriage or blood, unrelated individuals living together, or individuals living alone. People living in group quarters, such as retirement or convalescent homes, dormitories, or other group living situations, are not considered households.

In 2010, there were 10,469 households in Laguna Hills (Table H-7). Families constituted 74 percent of households in the City, a proportion slightly greater than that found in Orange County (71.4 percent). For Hispanic and Asian households within Laguna Hills, families accounted for 84 percent and 81 percent of those households, respectively (Table H-7a). Families with children represented 32 percent of households in Laguna Hills and 34 percent in Orange County. Single-person households represented approximately 20 percent of households in Laguna Hills, while single-person households in Orange County were slightly greater at approximately 21 percent.

Housing needs generally vary by household type. Families typically occupy single-family homes. However, some families are unable to purchase or rent a home and may reside in multifamily apartments, condominiums, or townhome units. Single-person households, typified by seniors or young adults, tend to reside in apartment units, condominiums, townhomes, or smaller single-family homes. The Laguna Hills housing stock (Figure H-2) provides a range of unit types. The housing stock comprises 56 percent single-family detached units, 26 percent single-family attached units, 11 percent multifamily units, such as apartments and condominiums, and 2 percent mobile homes or other units.

Household size identifies sources of population growth and household overcrowding. A city's average household size will increase over time if there is a trend toward larger families. In communities where the population is aging, the average household size may decline. The average household size in Laguna Hills in 2010 (2.86) was lower than the County average household size (2.99). For Hispanic and Asian households, household size was larger than the average household size for Laguna Hills as a whole, at 4.04 and 3.16, respectively.

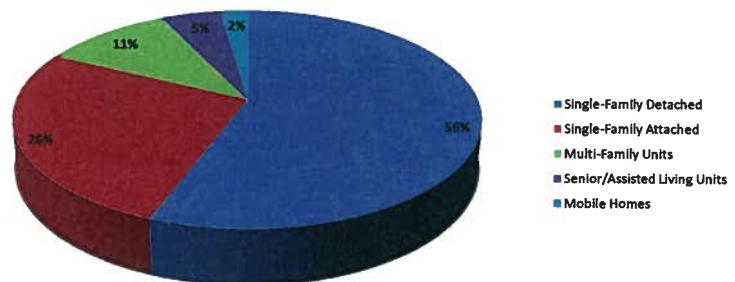


Table H-7 Household Characteristics				
Household Type	Orange County		Laguna Hills	
	Number of Households	Percent of Households	Number of Households	Percent of Households
Families	708,491	71.4%	7,733	73.9%
With Children	335,587	33.8%	3,327	31.8%
Single Persons	207,849	20.9%	2,041	19.5%
65 Years and Older	78,985	8.0%	822	7.9%
Other	76,441	7.7%	695	6.6%
Total Households	992,781	100.0%	10,469	100.0%
Average Persons per Household	3.0		2.9	
Source: 2010 Census				

	Hispanic Households*		Asian Households**	
	Number of Households	Percent of Households	Number of Households	Percent of Households
Families	1,227	84.0%	922	80.8%
Total Households	1,461	100.0%	1,141	100.0%
Average Persons per Household	4.0		3.2	

Source: 2010 Census
*Households where householder identifies as Hispanic (any race)
**Household where householder identifies as Asian only.

Figure H-2
Laguna Hills Housing Stock Composition



Source: City of Laguna Hills, 2009

Figure H-2
Housing Stock Composition

HOUSEHOLD INCOME

The income earned by a household is an important indicator of the household's ability to acquire adequate housing. While upper income households have more discretionary income to spend on housing, lower and moderate income households are more limited in the range of housing that they can afford. Typically, as household income decreases, the incidence of overpayment and overcrowding increases.

HCD has developed the following income categories:

- Extremely low income households earn between 0 and 30 percent of the County Median Family Income (MFI), adjusted for household size;
- Very low income households earn between 0 and 50 percent of the County MFI, adjusted for household size;
- Low income households earn between 51 and 80 percent of the County MFI, adjusted for household size;
- Moderate income households earn between 81 and 120 percent of the County MFI, adjusted for household size; and
- Above moderate/upper income households earn over 120 percent of the County MFI, adjusted for household size.

Similarly, the U.S. Department of Housing and Urban Development (HUD) uses Census data to develop special tabulation by HUD income group and household type. This data set is known as the Comprehensive Housing Availability Strategy (CHAS). The federal CHAS data separates California's very low income category into extremely low (0–30 percent MFI) and very low (31–50 percent MFI) incomes, and combines California's moderate income and upper income categories.

CHAS income distributions for Laguna Hills and Orange County are presented in Table H-8. According to CHAS data, almost 11 percent of the City's households in 2009 qualified as extremely low income (0–30 percent MFI), more than 10 percent as very low income (31–50 percent MFI), and greater than 12 percent as low income (51–80 percent MFI). More than 50 percent of renter households qualified as low income or below, compared with 24 percent of owner households. In Orange County, over 42 percent of households were considered low income or below, compared with 33 percent of households in the City of Laguna Hills. During the planning period, the extremely low income housing need is one unit, which is derived from presuming 50 percent of the very low income housing need (1 unit) from the Regional Housing Need Assessment.

Table H-8
Household Income by Income Group, 2009

Income Group	City of Laguna Hills			Orange County
	Owner Households	Renter Households	Total Households	
Extremely Low Income	7%	24%	11%	11.7%
Very Low Income	6%	22%	10%	12.4%
Low Income	11.0%	12%	12%	18.3%
Moderate and Above	75%	42%	68%	57.6%
Total	100.0%	100.0%	100.0%	100.0%

Source: CHAS Data, 2005-2009.

There were several questions and comments from community members and stakeholders regarding affordable housing in Laguna Hills. City staff informed the General Plan Advisory Committee and the City Council about the location and quantity of affordable housing in Laguna Hills. The Housing Element contains programs that may benefit extremely low, very low, and low income households. Some of these programs include: Promote the Urban Village Specific Plan Area for Housing Opportunities; Promote Alicia Gateway for Housing Opportunities; Second Units; Section 8 Rental Assistance, and Partner with Affordable Housing Developers.

OVERCROWDING

An overcrowded household is typically defined as one with more than one person per room, excluding bathrooms, kitchens, hallways, and porches. A severely overcrowded household is defined as one with more than 1.5 persons per room. Overcrowding results from either a lack of affordable housing and/or lack of available housing units of adequate size.

According to the American Community Survey estimates (2009-2011), approximately 390 households or 3.6 percent of the households in Laguna Hills were living in overcrowded conditions (Table H-9). Less than 1 percent of households experienced severely overcrowded conditions. The rate of overcrowding in Laguna Hills is significantly lower than the rate in Orange County, which is approximately 10 percent. In both the City of Laguna Hills and county-wide, owner-occupied households experienced overcrowded or severely overcrowded conditions less than renter-occupied households.

Table H-9
Overcrowded Households, 2009-2011*

	Owner	Renter	Total	Percentage of Occupied Units
Occupied Units:	8,175	2,675	10,850	100.0%
Overcrowded Units	271	119	390	3.6%
Severely Overcrowded Units	45	20	65	0.6%

Source: 2009-2011 American Community Survey 3-Year Estimates

*ACS numbers are estimates; there is a variable margin of error for all numbers.

OVERPAYMENT

State and federal standards for housing cost burden (overpayment) consider a household as overpaying for housing if it spends more than 30 percent of its gross income on housing. A household spending more than it can afford for housing has less money available for other necessities and emergency expenditures. Very low income households overpaying for housing are more likely to be at risk of becoming homeless than other households. Renter households overpay for their housing costs more often than owner households because of their typically lower incomes.

Table H-10
Overpayment by Income and Tenure, 2009-2011*

Household Income	Renter			Owner			Total		
	Total HH	Overpaying HH	Percentage Overpaying	Total HH	Overpaying HH	Percentage Overpaying	Total HH	Overpaying HH	Percentage Overpaying
Less than \$20,000	433	418	96.5%	479	452	94.4%	912	870	95.4%
\$20,000 to \$34,999	510	489	95.9%	402	299	74.4%	912	788	86.4%
\$35,000 to \$49,999	305	305	100.0%	741	457	61.7%	1,046	762	72.8%
\$50,000 to \$74,999	617	334	54.1%	1,384	735	53.1%	2,001	1,069	53.4%
\$75,000 or more	700	226	32.3%	5,124	1,550	30.2%	5,824	1,776	30.5%
All Income Categories	2,675	1,772	66.2%	8,175	3,493	42.7%	10,850	5,265	48.5%

Source: 2009-2011 American Community Survey 3-Year Estimates

*ACS numbers are estimates; there is a variable margin of error for all numbers.

Table H-10 shows the number and proportion of households with housing cost burden by income range and tenure. According to the American Community Survey estimates (2009-2011), approximately 49 percent of Laguna Hills households overpaid for housing. Approximately 66 percent of renter households and 43 percent of owner households in the City use more than 30 percent of their incomes to cover housing costs. Not surprisingly, the percentage of households overpaying declines significantly as household income rises.

For Orange County, American Community Survey (2009-2011) data indicate that approximately 47 percent of households overpaid for housing, which is 2 percentage points lower than in Laguna Hills.

Special Needs Populations

Certain segments of the population may have more difficulty in finding decent, affordable housing due to special needs or circumstances. Special circumstances may be related to one's employment and income, family characteristics, disability, and household size, among other things. As a result, certain segments of residents in Laguna Hills may experience a higher prevalence of overpayment, overcrowding, or other housing problems. "Special needs" groups include senior households, agricultural workers, female-headed households, disabled persons, large households, and the homeless.

SENIOR HOUSEHOLDS

Senior or elderly households are those headed by individuals aged 65 or older. The special needs of the elderly are a function of their often lower or fixed incomes, disabilities or limitations, and dependency needs. There are four main concerns with this group of the population: limited and often fixed income; poor health and associated high health care costs; mobility limitations and transit dependency; and high costs of housing. In addition, housing for the elderly often requires special attention to design to allow greater access and mobility. Housing located within the vicinity of community facilities and public transportation also facilitates mobility of the elderly in the community.

According to the 2010 Census, Laguna Hills had 3,890 residents age 65 or older, representing 13 percent of the total population. Also in 2010, 2,210 senior households existed in Laguna Hills, constituting roughly 21 percent of the City's total households (Table H-11). Of these households, about 75 percent were owner households, while almost 25 percent were renter households.

Table H-11
Senior Households, 2010

Householder Age	Owners		Renters		Total Senior Households	
	Number of Households	% of Senior Households	Number of Households	% of Senior Households	Number of Households	% of Senior Households
65 - 74 years	1,074	48.6%	135	6.1%	1,209	54.7%
75 - 84 years	438	19.8%	128	5.8%	566	25.6%
85 years plus	151	6.8%	284	12.9%	435	19.7%
Total:	1,663	75.2%	547	24.8%	2,210	100.0%

Source: 2010 Census

According to CHAS data, over 46 percent of all senior households were of extremely low, very low, or low incomes (Table H-12). Approximately 67 percent of total senior renter households were of extremely low, very low, or low incomes compared with 39 percent of senior owner households.

According to the Census, a substantial increase in the number of older people will occur during the 2010 to 2030 period, after the first Baby Boomers turn 65 in 2011. The older population in 2030 is projected to be twice as large as that in 2000, representing nearly 20 percent of the total U.S. population at the latter date. Orange County including Laguna Hills is expected to experience similar trends.

Table H-12
Senior Households by Income and Tenure, Laguna Hills, 2000

Income Group	Senior Owner Households	% of Total Senior Households	Senior Renter Households	% of Total Senior Households	Total Senior Households	% of Total Senior Households
Extremely Low Income	<u>185</u>	<u>9.0</u>	<u>155</u>	<u>7.5</u>	<u>340</u>	<u>16.5</u>
Very Low Income	<u>205</u>	<u>10.0</u>	<u>130</u>	<u>6.3</u>	<u>335</u>	<u>16.3</u>
Low Income	<u>220</u>	<u>10.7</u>	<u>55</u>	<u>2.7</u>	<u>275</u>	<u>13.3</u>
Moderate Income and Above	<u>945</u>	<u>45.9</u>	<u>165</u>	<u>8.0</u>	<u>1,110</u>	<u>53.9</u>
Total	<u>1,555</u>	<u>75.5</u>	<u>505</u>	<u>24.5</u>	<u>2,060</u>	<u>100.0</u>

Source: CHAS Data, 2005-2009

California Department of Finance projections indicate that the population aged 65 and over in Orange County will increase from 282,479 in 2000 to 504,266 in 2020, an increase of over 78 percent. By 2030, the senior population will increase to 693,602, a 146 percent increase from 2000.

As the number of older people and life expectancies increase, the demand for a variety of senior housing options will also increase. In addition to traditional facilities that offer independent living units, demand for intermediate care and assisted living will also increase, as well as for facilities offering a full range of living arrangements.

Laguna Hills currently has two housing developments that provide housing for seniors. The Willows contains 152 ground level housing units and Villa Valencia contains 396 units with options for independent living, assisted living, and nursing care.

Concerns were voiced during the Housing Stakeholder meeting in February 2013 and other public meetings about an aging population in Orange County and Laguna Hills and the need to provide additional senior housing. The Housing Element contains programs that may benefit the senior population and could provide additional senior housing opportunities, including Senior/Disabled or Limited Income Repair Loan and Grant Program; Promote the Urban Village Specific Plan Area for Housing Opportunities; Promote Alicia Gateway for Housing Opportunities, and Second Units.

AGRICULTURAL WORKERS

The special housing needs of farm workers result from their low wages and the seasonal nature of their employment. According to the American Community Survey (2009-2011) no residents of Laguna Hills were employed in farming, forestry, or fishing occupations. Therefore, demand for housing generated by agricultural workers in the City is nominal and could be addressed adequately by overall housing affordability programs in the City and County.

FEMALE-HEADED HOUSEHOLDS

Single-parent families with children often require special attention due to their needs for affordable childcare, health care, and housing assistance. Female-headed families with children particularly tend to have lower incomes, thus limiting housing availability for this group. According to the American Community Survey (2009-2011), of the 7,723 family households in Laguna Hills, 973 were female-headed family households, or about 13%. In the 2009-2011 estimates, approximately 5 percent of all families in Laguna Hills were under the poverty level, with that

number jumping to 7.4 percent of female-headed families with children under 18. It is important to note, however, that only 2.6 percent of female-headed families were under the poverty level.

The Housing Element contains programs that could benefit single-parent, female-headed households. These programs include: Promote the Urban Village Specific Plan Area for Housing Opportunities; Promote Alicia Gateway for Housing Opportunities; Continuum of Care Funding and Consolidated Plan Participation; and Partner with Affordable Housing Developers. The Housing Element also contains programs targeted to low income households which may benefit female-headed households.

Table H-13
Female-Headed Family Households, 2009-2011*

	Estimate	% under Poverty Level
Total Family Households	7,723	5.0%
Total Female-Headed Family Households	973	4.6%
Female-Headed Family HH with Children Under 18	405	7.4%
Female-Headed Family HH without Children Under 18	568	2.6%

Source: 2009-2011 ACS

*ACS numbers are estimates; there is a variable margin of error for all numbers.

PERSONS WITH DISABILITIES

Disability is a physical or mental condition that substantially limits one or more major life activities. Physical disabilities can hinder access to housing units of conventional design, as well as limit the ability to earn adequate income. The American Community Survey defines six types of disabilities: hearing, vision, cognitive, ambulatory, self-care, and independent living difficulty. A more detailed description of each disability is provided below:

- Hearing difficulty: Deaf or having serious difficulty hearing.
- Vision difficulty: Blind or having serious difficulty seeing, even when wearing glasses.
- Cognitive difficulty: Because of a physical, mental, or emotional problem, having difficulty remembering, concentrating, or making decisions.
- Ambulatory difficulty: Having serious difficulty walking or climbing stairs.
- Self-care difficulty: Having difficulty bathing or dressing.
- Independent living difficulty: Because of physical, mental, or

emotional problem, having difficulty doing errands alone such as visiting a doctor's office or shopping.

The 2011 American Community Survey 3-year estimates show approximately 2,185 people or approximately 7.2 percent of Laguna Hills residents reported having one or more disabilities (Table H-14). The senior population in Laguna Hills has a higher incidence of disability, with approximately 33percent of the population 65 and older reporting a disability.

Physical and mental disabilities can hinder a person's access to traditionally designed housing units (and other facilities) as well as potentially limit the ability to earn income. The most obvious housing need for persons with disabilities is housing that is adapted to their needs. Most multistory 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

Table H-14
Disabled Population, 2009-2011*

	Estimate	% of Total Population
Total Population (civilian noninstitutionalized)	30,288	100.0%
<5 Years with Disability	0	0.0%
5 to 17 years with Disability	93	0.3%
18 to 64 Years with Disability	816	2.7%
65 Years + with Disability	1,276	4.2%
Total Population with Disability	2,185	7.2%
Source: 2009-2011 American Community Survey 3-Year Estimates *ACS numbers are estimates; there is a variable margin of error for all numbers.		

Table H-14a
Employment for Disabled Population Age 18-64, 2009-2011*

	Estimate	% of Population Age 18-64
Total Population	20,057	100.0%
Employed with Disability	254	1.3%
Unemployed with Disability	57	0.3%
Not in Labor Force with Disability	505	2.5%
Total Population with Disability	816	4.1%
Source: 2009-2011 American Community Survey 3-Year Estimates *ACS numbers are estimates; there is a variable margin of error for all numbers.		

countertops, and other features necessary for accessibility. The cost of retrofitting a home often prohibits homeownership, even for individuals or families who could otherwise afford a home. Furthermore, some providers of basic home buying services do not have offices or materials that are accessible to people with mobility, visual, or hearing impairments.

A recent change in state law required 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; and
- Reflects the individual’s need for a combination and sequence of special, interdisciplinary, or generic services, individualized supports, or other forms of assistance that are of lifelong or extended duration and are individually planned and coordinated.

The Census does not record developmental disabilities. According to the U.S Administration on Developmental Disabilities, an accepted estimate of the percentage of the population that can be defined as developmentally disabled is 1.5 percent. This equated to approximately 456 persons in the City of Laguna Hills with developmental disabilities, based on the 2010 Census population.

According to the State’s Department of Developmental Services, approximately 186 Laguna Hills residents with developmental disabilities sought services at the Regional Center of Orange County. Most of these individuals reside in a private home with a parent or guardian.

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. Because developmental disabilities exist before adulthood, the first issue in supportive housing for the developmentally disabled is the transition from the person’s living situation as a child to an appropriate level of interdependence as an adult.



RESOURCES

The State Department of Developmental Services (DDS) currently provides community-based services to approximately 243,000 persons with developmental disabilities and their families through a statewide system of 21 regional centers, four developmental centers, and two community-based facilities. The Regional Center of Orange County (RCOC) is one of 21 regional centers in California that provides point of entry services for people with developmental disabilities. The RCOC is a private, non-profit community agency that contracts with local businesses to offer a wide range of services to individuals with developmental disabilities and their families.

Any resident of Orange County who has a developmental disability that originated before age 18 is eligible for services. Services are offered to people with developmental disabilities based on Individual Program Plans and may include: Adult day programs; advocacy; assessment/consultation; behavior management programs; diagnosis and evaluation; independent living services; infant development programs; information and referrals; mobility training; prenatal diagnosis; residential care; respite care; physical and occupational therapy; transportation; consumer, family vendor training; and vocational training. RCOC also coordinates the state-mandated Early Start program, which provides services for children under age three who have or are at substantial risk of having a developmental disability. According to the RCOC February 2010 Facts and Statistics data, the RCOC currently serves approximately 16,728 individuals.

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

Vocational Visions, a non-profit organization located in Mission Viejo, has provided services to south Orange County residents with developmental disabilities in partnership with Saddleback Valley Unified School District since 1974 when the program began with 30 clients and staff of five. This organization currently has over 400 clients and a staff of over 100 people.

Vocational Visions has helped thousands of men and women with disabilities obtain employment, further education and reach both professional and personal goals. Effective treatment increases the level of functioning for many of these clients, thus maximizing their quality of life vocationally, economically, and socially. Services are provided to qualifying persons at no charge.

Vocational Visions is accredited by the Commission on Accreditation of Rehabilitation Facilities (CARF) and is the only family-based program in south Orange County. It offers eight comprehensive programs

Table H-15 Persons with Disability by Type, 2009-2011*

	Persons with a Disability	Percentage of Disabled Population
Total Disabled Population	2,185	100.0%
5-17 Years	93	4.3%
With a hearing difficulty	0	0.0%
With a vision difficulty	0	0.0%
With a cognitive difficulty	93	4.3%
With an ambulatory difficulty	28	1.3%
With a self-care difficulty	0	0.0%
18-64 Years	816	37.3%
With a hearing difficulty	153	7.0%
With a vision difficulty	143	6.5%
With a cognitive difficulty	384	17.6%
With an ambulatory difficulty	433	19.8%
With a self-care difficulty	170	7.8%
With an independent living difficulty	323	14.8%
65 Plus Years	1,276	58.4%
With a hearing difficulty	627	28.7%
With a vision difficulty	211	9.7%
With a cognitive difficulty	371	17.0%
With an ambulatory difficulty	802	36.7%
With a self-care difficulty	382	17.5%
With an independent living difficulty	643	29.4%

Source: 2009-2011 American Community Survey 3-Year Estimates

*ACS numbers are estimates; there is a variable margin of error for all numbers.

including: Day Training Activity Program, Health Related Services Program, Emeritus Program, Adult Development Program, Work Activity Program, Vocational Rehabilitation Work Activity Program, Supported Employment, and South County Clubhouse.

Housing opportunities for disabled persons can be addressed through the provision of affordable, barrier-free housing. In addition to the development of new units, rehabilitation assistance can also be provided to disabled residents to make necessary improvements to remove architectural barriers to existing units. The Housing Element contains programs to create reasonable accommodations procedures and to consider the provision of universal design features. These programs address concerns from the Fall Prevention Center of Excellence and other stakeholders regarding incorporating universal design features and reasonable accommodations procedures into the Housing Element. Examples of universal design features include roll-in showers and grab bars, push/pull lever faucets, wide swing hinges, and additional stairwell and task lighting.

LARGE HOUSEHOLDS

Large households (with five or more persons) are identified as a group with special housing needs based on the limited availability of adequately sized, affordable housing units. Large households are often of lower income, frequently resulting in the overcrowding of smaller dwelling units and, in turn, accelerating unit deterioration. The American Community Survey (2009-2011) estimates that 1,007 households in Laguna Hills have five or more members, representing 9 percent of all City households. Among the large households, 74 percent were owner households and 26 percent were renter households.

Typically, the availability of adequately sized and affordable housing units is an obstacle facing large households. Since only 9 percent of Laguna Hills households are large households, Laguna Hills' housing stock should be adequate to meet the needs of larger households. According to American Community Survey estimates (2009-2011), Laguna Hills had 3,285 three-bedroom housing units and another 4,484 housing units with four or more bedrooms. However, lower income large renter households may have greater difficulty securing adequately sized units than other large renter households.

HOMELESS

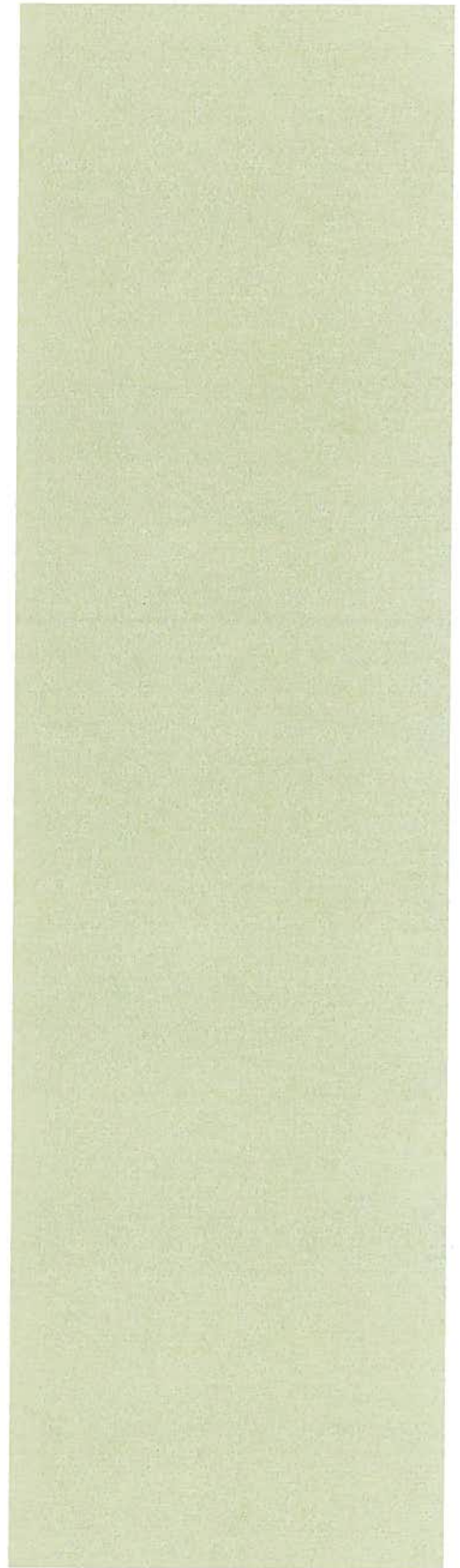
According to HUD, a person is considered homeless if he/she is not imprisoned and:

- Lacks a fixed, regular, and adequate nighttime residence;
- The primary nighttime residence is a publicly or privately operated shelter designed for temporary living arrangements;
- The primary residence is an institution that provides a temporary residence for individuals that should otherwise be institutionalized; or
- The primary residence is a public or private place not designed for or ordinarily used as a regular sleeping accommodation.

Homelessness is a regional problem throughout Southern California. The Orange County homeless population includes families and individuals representing every race, age group, and community in Orange County. Much of Orange County's homeless population consists of working families and individuals. Many live in cars, parks, under bridges, motels, and in homeless shelters. Many homeless within the County remain hidden.

The City of Laguna Hills is part of the Orange County Continuum of Care System. HUD created the Continuum of Care process in 1994 to foster a single, coordinated, comprehensive planning process to create long-term solutions to the problem of homelessness and to serve as an application mechanism to apply for HUD homeless assistance program funds. Continuum of Care is an umbrella term that covers the planning process involving government agencies, service providers, and advocates in the creation of a plan to assess the needs of homeless people and to devise a plan for delivering housing and services to meet those needs. Once a plan is developed, "the Continuum" or "the CoC," as these planning bodies are generically called, apply for homeless assistance funds to develop and/or operate transitional housing, supportive services, and permanent housing for homeless people.

Orange County's Continuum of Care System comprises a network of public, private, faith-based, for-profit, and nonprofit service providers. County agencies such as the Housing and Community Services Department (HCS), Health Care Agency, Social Services Agency, and other county agencies provide direct services for the homeless and/or significant resources for agencies serving the homeless. The region's 34 municipalities also provide substantial resources for services that assist the homeless and those at risk of becoming homeless. A partnership exists between HCS's Homeless Prevention Programs, 211 (formally known as Info Link Orange County), and OC Partnership (formerly known as Shelter and Hunger Partnership) to conduct community forums to focus on the entire system of care. These forums provide regional and coordinated meetings that focus on all issues relating to the County's Continuum of Care System. Issues include temporary shelter and affordable housing, health care, case management, education,



legal issues, transportation, supportive services, legislation, funding, and other related issues. Numerous public/private partnerships and collaboratives have been and continue to be developed and have enabled Orange County to expand the system of care through year-round, regional planning and coordinated efforts to better assist the homeless. When combined, these coordinated efforts decrease fragmentation and strengthen Orange County's Continuum of Care System.

The estimate of the number of homeless people in Orange County consists of a point-in-time count of the homeless, a needs assessment which estimates the number of homeless over a given year, and a housing inventory that identifies the number of beds available to house the homeless. The housing inventory is conducted annually, whereas the comprehensive needs assessment and the point-in-time count are biennial.

Table H-16 details the estimate of the homeless in Orange County. According to the point in time survey, 6,939 unduplicated persons were found to be homeless in shelters and on the streets in Orange County on January 22, 2011. According to HUD, counting only the homeless persons found in the point-in-time count could under-represent the number of individuals who experience homelessness during other times of the year. Point-in-time estimates capture a higher share of chronically homeless individuals and families who use shelters or transitional shelters for long periods of time and under represent people whose homelessness is episodic. To obtain an accurate annual estimation of the number of homeless persons in Orange County, the 2011 Orange County Homeless Census & Survey combined data from the point-in-time count with data on homeless persons who had become homeless within the last 7 days of the count and those who had previously experienced a homeless episode

Table H-16
Summary of Homeless Estimates

Homeless Episodes Source	Estimate of Homeless
Point-in-time Count*	6,939 (one day)
Point-in-time Count Annualized	18,325 (annual)
Point-in-time Survey for Laguna Hills in 2008	20
Point-in-time Survey for Laguna Hills in 2011	8
*Point-in-time count occurred on January 22, 2011. Source: www.ocpartnership.net	

within the past 12 months. This methodology resulted in an estimated total of 18,325 homeless incidents (incidents of homelessness) over a 12-month period in Orange County.

According to the 2007 needs assessment, total homeless episodes in Orange County amounted to 35,065 in 2006. This number is derived from 2006 caseload data collected from shelter providers and indicates the total number of times homeless persons were sheltered and turned away from shelters over a 12-month period. Also included is the total number of chronically homeless individuals (street homeless) that typically do not seek shelter.

The 2006 housing inventory survey identified 68 temporary shelters providing 3,400 beds for the homeless on any given night. These beds consist of 1,512 emergency shelter beds, 1,888 transitional shelter beds, and 1,875 permanent supportive housing beds. Most of these shelters are located in central and north Orange County. While shelters provide emergency and transitional housing for the homeless, most shelters provide services to designated subpopulations such as veterans, victims of domestic violence, and persons with HIV/AIDS, etc., which limits the availability of shelters to serve all populations.

Between 1996 and 2012, HUD has conditionally awarded Orange County \$169.9 million in homeless assistance grants under the SuperNOFA Continuum of Care Homeless Assistance Grant funding program. The SuperNOFA is an annual process and the grant award to the County of Orange, with Housing and Community Services as the lead agency, is a direct result of the County's partnership with cities and hundreds of nonprofit organizations to address the issue of homelessness in Orange County. The grant award provides transitional shelter and supportive services for families and individuals as well as permanent supportive housing for the disabled and special needs homeless populations.

The Constraints on Housing Production section did not identify any constraints to the provision of housing facilities for homeless in Laguna Hills. The City's Zoning Ordinance defines an emergency shelter as "housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less by a homeless person, or as may be amended by Health and Safety Code Section 50801(e). No individual or household may be denied emergency shelter because of an inability to pay." The City permits supportive and transitional housing facilities for six (6) or fewer persons in all residential zones as a residential use. Emergency shelters are permitted by right in the Mixed Use zone and are subject to development and management standards. As of May 2013, the City has not received applications to construct emergency shelters, and none have been constructed.



Based on the information available, it is not possible to accurately estimate the number of homeless in Laguna Hills, although it does appear that a small number of homeless persons in Orange County lived in Laguna Hills at some point.

Housing Stock Characteristics

A community's housing stock is defined as the collection of all housing units located within the jurisdiction. The characteristics of the housing stock, including growth, type, age and condition, tenure, vacancy rates, costs, and affordability are important in determining the housing needs for the community. This section details the housing stock characteristics of Laguna Hills in an attempt to identify how well the current housing stock meets the needs of current and future residents of the City.

HOUSING GROWTH TRENDS

The 2010 Census reported that Laguna Hills had 11,046 housing units. On January 1, 2012, the California Department of Finance reported that Laguna Hills had a total of 11,049 housing units (Table H-17). From 2008 to 2012, the housing stock decreased in Laguna Hills by approximately 104 units. As of January 2008, single-family homes constituted over 75 percent of the City's housing stock. Multifamily units constituted 9 percent, while mobile homes constituted 3 percent of the City's housing stock (Figure H-2).

Table H-17
Housing Stock Composition

Housing Type	January 2012	
	Number	Percentage
Single-family Detached	6,431	58.2
Single-family Attached	1,927	17.4
Multifamily 2-4 Units	574	5.2
Multifamily 5+ Units	1,763	16.0
Mobile Homes and Other	354	3.2
Total Units	11,049	100.0

Source: State Department of Finance January 2012.

TENURE

The tenure distribution of a community's housing stock (owner versus renter) influences several aspects of the local housing market. Residential stability is influenced by tenure, with ownership housing evidencing a much lower turnover rate than rental housing. Housing overpayment, while faced by many households, is far more prevalent among renters. Tenure preferences are primarily related to household income, composition, and age of the householder.

Table H-18 details tenure by housing unit type for Laguna Hills and Orange County for 2009-2011. Approximately 75 percent of Laguna Hills residents owned the units they occupied, while approximately 25 percent rented. This rate of homeownership is over 16 percentage points higher than the countywide rate.

Table H-18
Housing Tenure by Units in Structure, 2009-2011*

	Laguna Hills		Orange County	
	Estimate	Percentage	Estimate	Percentage
Owner-occupied housing units:	8,175	75.3%	585,483	59.2%
Single-family (attached or detached)	7,472	68.9%	519,868	52.6%
2-4 units	218	2.0%	13,627	1.4%
5 or more units	299	2.8%	29,564	3.0%
Mobile home	186	1.7%	22,087	2.2%
Other	0	0.0%	337	0.0%
Renter-occupied housing units:	2,675	24.7%	402,871	40.8%
Single-family (attached or detached)	987	9.1%	115,384	11.7%
2-4 units	468	4.3%	73,012	7.4%
5 or more units	1,136	10.5%	208,179	21.1%
Mobile home	84	0.8%	5,778	0.6%
Other	0	0.0%	518	0.1%
Total:	10,850	100.0%	988,354	100.0%

Source: 2009-2011 American Community Survey 3-Year Estimates

*ACS numbers are estimates; there is a variable margin of error for all numbers.

VACANCY

A certain number of vacant units are needed to moderate the cost of housing, allow sufficient choice for residents, and provide an incentive for unit upkeep and repair. Specifically, vacancy rates of 1.5 to 2 percent for ownership housing and 5 to 6 percent for rental housing are considered optimal to balance demand and supply for housing.

In 2010, the Census indicated that the overall vacancy rate in Laguna Hills was 5.2 percent (Table H-19). Specifically, the vacancy rate for ownership housing was 1.0 percent, while the rental vacancy rate was 3.0 percent.

The low ownership housing vacancy rate in Laguna Hills is attributed to the lack of developable land for additional housing unit construction and pent-up demand for ownership housing opportunities.

Table H-19
Vacancy Rates, 2010

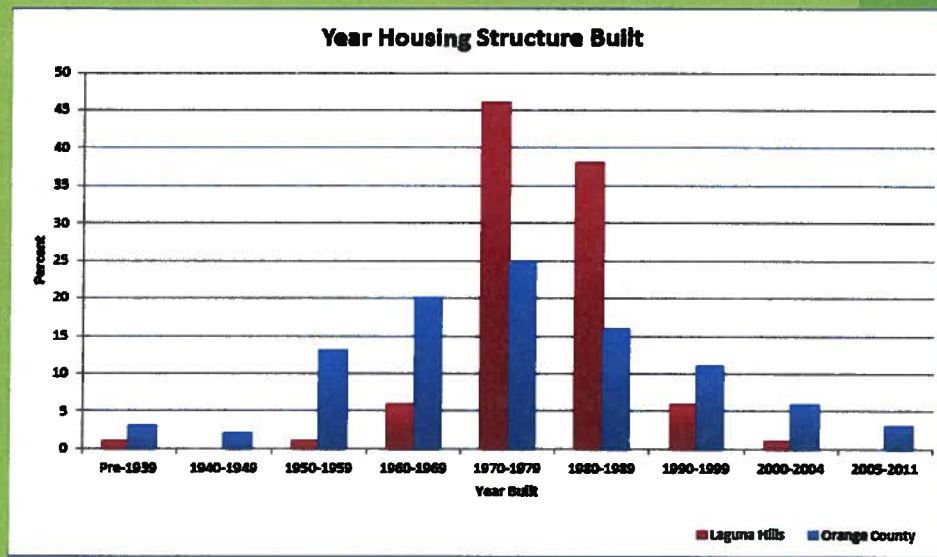
	Number	Percentage
Total Housing Units	11,046	100.0%
Occupied	10,469	94.8%
Vacant	577	5.2%
For rent	335	3.0%
For sale only	110	1.0%
Rented or sold, not occupied	34	0.3%
For seasonal, recreational, or occasional use	46	0.4%
For migrant workers	0	0.0%
Other vacant	52	0.5%

Source: 2010 Census

AGE AND HOUSING STOCK CONDITIONS

The age of housing is commonly used as a measure of when housing may begin to require major repairs. In general, housing units over 30 years old are likely to exhibit signs of rehabilitation needs, such as new roofing, foundation work, and new plumbing.

As depicted in Figure H-3, the housing stock in Laguna Hills is newer than that of Orange County. About 49 percent of the City's housing stock was constructed after 1980 versus 35 percent for Orange County.



Source: American Community Survey, 2009-2011

Figure H-3
Year Structure Built

At the same time, about 51 percent of the housing stock in Laguna Hills was constructed prior to 1980. Therefore, nearly half of the housing stock is of sufficient age to be susceptible to deterioration, requiring maintenance or rehabilitation by the end of this planning period (2013-2021).

Citywide windshield surveys were conducted to identify general housing conditions within Laguna Hills. The majority of the City's housing stock is not considered substandard or in need of rehabilitation or replacement. However, many of the units within the Aliso Meadows Condominium Development may be considered substandard due to pest damage, dry rot, heating ductwork issues, and water heater closet issues. As of early 2008, the City has used Community Development Block Grant (CDBG) funds to renovate 136 housing units in the 248-unit Aliso Meadows Condominium Development. The City continues to use CDBG funds to renovate units with this development. The Housing Element contains the Housing Rehabilitation Program to rehabilitate the remaining units (approximately 112.)

Housing Costs and Affordability

The cost of housing is directly related to the extent of housing problems in a community. If housing costs are relatively high in comparison to household income, there will be a correspondingly higher prevalence of



housing cost burden and overcrowding. This section summarizes the cost and affordability of the housing stock to Laguna Hills residents.

HOMEOWNERSHIP MARKET

Prices for single-family homes and condominiums in Laguna Hills were collected using data provided by the Orange County Association of Realtors. Prices for single-family homes and condominiums in Laguna Hills during the period from January 1, 2012 to January 1, 2013, by housing type, number sold, price range, and median sale price are shown in Table H-20. According to the Orange County Association of Realtors, 433 homes and condominiums were sold during the 1-year period. The median resale price for condominiums was \$225,000 and the median resale price for single-family homes was \$580,000. The overall median sales price for both condominiums and single-family homes was \$425,000.

Market data for October 2012 housing prices for the City of Laguna Hills and nearby communities is shown in Table H-21. As the table indicates, after Laguna Niguel, Laguna Hills has the second highest median selling prices for single-family homes.

RENTAL MARKET

With renters constituting approximately 24 percent of the City's households, it is important to understand the rental market in Laguna Hills. Rental price information was collected for five apartment communities in January 2013 by calling the apartment complexes identified in Table H-22. The rental range for one-bedroom units ranged from \$1,190 to \$1,525. Two-bedroom units were offered at rents ranging from \$1,325 to \$1,825. No apartment complexes offering market rate studio units or three-bedroom units or greater were identified.

HOUSING AFFORDABILITY BY HOUSEHOLD INCOME

Housing affordability is dependent upon income and housing costs. Using set income guidelines, current housing affordability can be estimated. According to the HCD income guidelines for 2013, the Area Median Income (AMI) in Orange County was \$87,200 (adjusted for household size). Assuming that the potential homebuyer within each income group has sufficient credit, downpayment (10 percent), and maintains affordable housing expenses (i.e., spends no more than 30 percent of their gross income on the mortgage, taxes, and insurance), the maximum affordable home price can be determined for each income group. Table H-23 shows the maximum housing prices affordable to the

Table H-20
House and Condominium Sales
January 1, 2012 through January 1, 2013

Unit Type/Size	Number Sold	Range	Median Sale Price
Homes	249	\$265,000 - \$2,700,000	\$580,000
2 BR	7	\$319,199 - \$390,000	\$338,000
3 BR	68	\$265,000 - \$1,325,000	\$450,000
4 BR	119	\$362,000 - \$1,516,000	\$630,000
5+ BR	55	\$465,000 - \$2,700,000	\$925,000
Condominiums	184	\$85,000 - \$590,000	\$225,000
1 BR	32	\$121,000 - \$243,000	\$150,000
2 BR	81	\$85,000 - \$355,000	\$205,000
3+ BR	71	\$132,000 - \$320,000	\$275,000
TOTAL	433	\$85,000 - \$2,700,000	\$425,000

Source: Len Herman, Orange County Association of Realtors, June, 2013.

Table H-21
Housing Values, City of Laguna Hills and Surrounding Jurisdictions
October 2012

City	Zip Code	Single-family Units Sold	Median Sale Price	% Change from October 2011	Condo Units Sold	Median Sale Price	% Change from October 2011
Laguna Hills	92653	21	\$666,000	33%	26	\$270,000	24%
Aliso Viejo	92656	24	\$565,000	-8%	72	\$333,000	10%
Mission Viejo	92691 92692	118	\$508,000	10%	49	\$299,000	24%
Laguna Woods	92637	N/A	N/A	N/A	53	\$207,000	14%
Laguna Niguel	92677	84	\$671,000	0.6%	48	\$321,000	9%
Lake Forest	92630	58	\$511,000	6%	33	\$239,000	15%

Source: www.zillow.com

Table H-22 Apartment Rental Rates January 2013	
Apartment Complex	Rental Price Range
Alicia Plaza	
1 Br	\$1,190-\$1,340
2 Br	\$1,325-\$1,785
Alicia Village	
1 Br	\$1,215-\$1,360
2 Br	\$1,360-\$1,645
Villa Solana	
1 Br	\$1,410-\$1,505
2 Br	\$1,570-\$1,625
Creekside Laguna	
1 Br	\$1,525
2 Br	\$1,825
Prado at Laguna Hills	
1 Br	\$1,290-\$1,420
2 Br	\$1,595-\$1,705
Average	
1 BR	\$1,378
2 BR	\$1,626

various income groups. Households in the lower end of each category can afford less by comparison than those at the upper end. The market affordability of Laguna Hills' housing stock for each income group is discussed below.

Extremely Low Income Households: Extremely low income households earn 30 percent or less of the AMI. The maximum affordable rental payment ranges from \$406 per month for a one person household to \$531 per month for a family of five. The maximum affordable home purchase price for extremely low income households ranges from \$83,059 for a one-person household to \$128,780 for a five-person household (Table H-23).

Very Low Income Households: Very low income households are classified as those earning 50 percent or less of the AMI. The maximum affordable rental payment ranges from \$744 per month for a one-person household to \$1,051 per month for a family of five. The maximum affordable home purchase price for very low income households ranges from \$146,571 for a one-person household to \$229,396 for a five-person household (Table H-23).

Based on the rental data presented in Table H-22, extremely low and very low income households of all sizes would be unlikely to secure adequately sized and affordable rental housing in Laguna Hills. According to the Orange County Association of Realtors real estate sales data, no condominiums or houses were sold at prices affordable to extremely low and very low income households (Table H-20).

Low Income Households: Low income households earn 51 to 80 percent of the County AMI. The maximum home price that a low income household can afford ranges from \$239,186 for a one person household to \$377,869 for a five-person family. Affordable rental rates for low income households would range from \$1,249 for a one-person household to \$1,831 for a five-person household.

Table H-23
Housing Affordability Matrix Orange County

Income Group	Income Levels		Housing Cost		Maximum Affordable Price	
	Annual Income	Affordable Payment	Utilities	Taxes and Insurance	Home	Rental
Extremely Low (0–30% AMI)						
One Person	\$20,250	\$506	\$100	\$100	\$83,059	\$406
Small Family	\$26,050	\$651	\$150	\$125	\$107,339	\$501
Large Family	\$31,250	\$781	\$250	\$150	\$128,780	\$531
Very Low (31–50%)						
One Person	\$33,750	\$844	\$100	\$125	\$146,571	\$744
Small Family	\$43,350	\$1,084	\$150	\$150	\$190,471	\$934
Large Family	\$52,050	\$1,301	\$250	\$175	\$229,396	\$1,051
Low (51–80% AMI)						
One Person	\$53,950	\$1,349	\$100	\$175	\$239,186	\$1,249
Small Family	\$69,350	\$1,734	\$150	\$200	\$312,037	\$1,584
Large Family	\$83,250	\$2,081	\$250	\$225	\$377,869	\$1,759 \$1,831
Moderate (81–120% AMI)						
One Person	\$71,650	\$1,791	\$100	\$225	\$319,557	\$1,691
Small Family	\$92,100	\$2,303	\$150	\$275	\$413,467	\$2,153
Large Family	\$110,550	\$2,764	\$250	\$325	\$497,866	\$2,514

Source: California Department of Housing and Community Development 2013; www.bankrate.com

Notes: 2013 AMI = \$87,200

Small Family = three persons; Large Families = five or more persons.

Utility costs for renters assumed at \$100/\$150/\$250 per month.

Monthly affordable rent based on payment of no more than 30% of household income.

Property taxes and insurance based on estimated averages for the region.

Calculation of affordable home sales prices assumes affordable payment, down payment of 30% annual income, annual interest rate of 4%, 30-year mortgage, and housing costs.

Based on the sales data provided by the Orange County Association of Realtors, low income households can afford some condominiums within Laguna Hills. However, no single-family homes were sold at prices affordable to low income households (Table H-20). Many low income households can afford rental housing within Laguna Hills (Table H-22).

Moderate Income Households: Moderate income households earn up to 120 percent of the County AMI. The maximum affordable home price for moderate income households ranges from \$319,557 for a one-person household to \$497,866 for a family of five. A moderate income household can afford rental rates of \$1,691 to \$2,514 per month depending on household size.

Based on these maximum affordable home prices and the real estate data provided by the Orange County Association of Realtors and presented in Table H-20, moderate income households could afford a number of condominiums sold in Laguna Hills, but moderate income households would have difficulty purchasing a single-family home that could accommodate their household size.

Moderate income households can comfortably afford rental housing within Laguna Hills (Table H-22). However, the number of apartment complexes offering three-bedroom units in Laguna Hills is limited, so moderate income households with large households may have difficulty finding housing.

This Housing Element includes a variety of programs designed to improve the adequacy and affordability of housing in Laguna Hills and to assist renters and homeowners who cannot afford housing (see the Housing Plan section).

Table H-24 presents a summary of housing affordability and availability in Laguna Hills. The table indicates that extremely low and very low income households cannot afford to rent market rate rentals in Laguna Hills. Low income and moderate income households in Laguna Hills can generally afford market rate rentals. Additionally, there were homes and condominiums available for purchase within all income category ranges according to sale prices over the previous year. It should be noted that at the extremely low and very low income levels, housing stock for sale is much more limited than at higher income levels.

Figure H-4 summarizes the availability of multifamily housing sites in Laguna Hills. The figure depicts the location of affordable condo sales (low income and above) during the 1-year period May 1, 2007, to May 1, 2008, affordable apartments (extremely low income and above), moderate income apartments, and all other multifamily units in the City.

Table H-24
Summary of Housing Affordability and Availability

Income Group	Annual Income (Family of Four)	Monthly Rental Range	Available	Sales Price	Available
Extremely Low (0–30% AMI)	\$28,900	\$406 - \$531	No	\$83,059 - \$128,780	Yes
Very Low (31–50%)	\$48,150	\$744 - \$1,051	No	\$146,571 - \$229,396	Yes
Low (51–80% AMI)	\$77,050	\$1,249 - \$1,831	Yes	\$239,186 - \$377,869	Yes
Moderate (81–120% AMI)	\$102,350	\$1,691 - \$2,514	Yes	\$319,557 - \$497,866	Yes

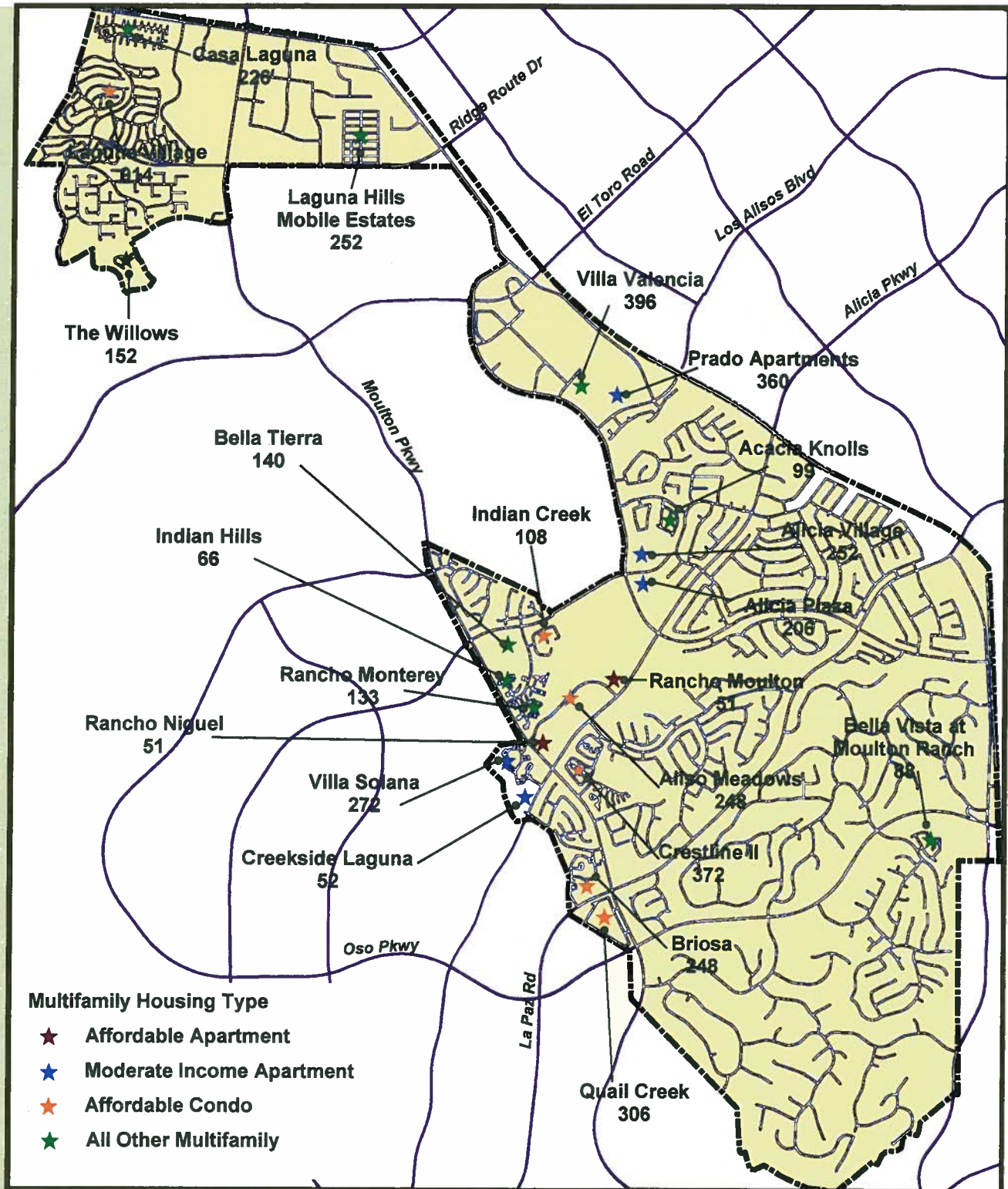
At-Risk Rental Housing

Existing housing that receives governmental assistance is often a significant source of affordable housing in many communities. This section identifies the publicly assisted rental housing in Laguna Hills, evaluates the potential for those units to convert to market rates during a 10-year period (2013-2023), and analyzes the cost to preserve those units. Laguna Hills has two assisted housing developments that provide 102 affordable housing units (Table H-25).

ASSISTED HOUSING INVENTORY

State housing element law requires cities to prepare an inventory including all assisted multifamily rental units that are eligible to convert to non-low income housing uses due to termination of subsidy contract, mortgage prepayment, or expiring use restrictions.

Table H-25 is an inventory of assisted rental housing projects in Laguna Hills. A total of 102 assisted units are provided by the Rancho Moulton and Rancho Niguel developments. Both Rancho Moulton and Rancho Niguel are projects built in the early 1980s with Section 8 construction funds. The projects were approved in one action by the County of Orange in 1980 as affordable to low and moderate income residents. Project approval included first-time homebuyer/renter qualifications, an anti-speculation program, and a method of assuring continued affordability of the units to low and moderate income individuals or families. Furthermore, project approval mandated that 29 percent of total units be made available to individual or families earning 80 percent and below AMI, 30 percent of total units be made available to individuals or families earning 81 percent to 100 percent of AMI, and 41 percent of total units be made available to individuals or families earning 101 to 120 percent AMI.



Source: EDAW, 2008

Figure H-4
Multifamily Housing Sites, Laguna Hills



Table H-25
Inventory of Assisted Rental Housing

Project Name	Type	Total Units	Assisted Units	Number of Bedrooms	Funding Source	Earliest Potential Conversion Date	At Risk?
Rancho Moulton	Family	51	51	40 – 2 BR 6 – 3 BR 5 – 4 BR	Section 8	2022	Yes
Rancho Niguel	Family	51	51	40 – 2 BR 6 – 3 BR 5 – 4 BR	Section 8	2024	No

Source: Orange County Housing Authority 2013.

AT-RISK HOUSING

During the 2013-2023 planning period, the Rancho Moulton federally assisted housing project in Laguna Hills is at risk of converting to market rate housing. The Section 8 contract for Rancho Moulton was set to expire in 2012, and was recently renewed for 10 years. The new contract will expire in 2022, near the end of the planning period. This project, totaling 51 affordable units, is assisted with project-based Section 8 rental assistance. The Section 8 contract for Rancho Niguel was extended for 20 years in 2004 and is due to expire in 2024. The City continues to pursue the extension of affordability controls with the owners of the Rancho Moulton development.

The City will continue to monitor the status of at-risk units. Should a notice of intent to convert to market rate be filed, the City will work with potential purchasers to preserve the units and ensure that tenants are properly notified of their rights under California law.

PRESERVATION OPTIONS

Preservation of the at-risk units can be achieved in several ways: (1) facilitate transfer of ownership of these projects or purchase of similar units by nonprofit organizations; (2) purchase of affordability covenant; and (3) provide rental assistance to tenants using funding sources other than Section 8.

Transfer of Ownership

Long-term affordability of low income units can be secured by transferring ownership of these projects to nonprofit housing organizations. By doing so, these units would be eligible for a greater range of government assistance. Table H-26 presents the estimated



market value for the 51 units at Rancho Moulton Apartments and establishes an order of magnitude for assessing preservation costs. As shown, the total market value of these units is over \$10,089,000. Assuming a 5-percent down payment is made on the project, at least a \$504,000 down payment would be required to transfer ownership of these buildings to nonprofit organizations. Unless some form of mortgage assistance is available to interested nonprofit organizations, rental income alone from the low income tenants would not likely be adequate to cover the mortgage payment, and rental subsidy would be required.

Purchase of Affordability Covenant

Another option to preserve the affordability of at-risk projects is to provide an incentive package to the owners to maintain the projects as low income housing. Incentives could include writing down the interest rate on the remaining loan balance, and/or supplementing the Section 8 subsidy amount received to market levels.

Rent Subsidy

Tenant-based rent subsidies could be used to preserve the affordability of housing. Similar to Section 8 vouchers, the City through a variety of potential funding sources may provide a voucher to lower income households. The level of the subsidy required to preserve the at-risk affordable housing is estimated to equal the fair market rent for a unit minus the housing cost affordable by a very low income household. Table H-27 estimates the rent subsidies required to preserve the housing affordability for the residents of the 51 at-risk units. Based on the estimates and assumptions shown in this table, approximately \$356,000 in rent subsidies would be required annually.

Table H-26
Market Value of At-Risk Housing Units

Project Units	Rancho Moulton
2 BR (954 sq. ft.)	40
3 BR (1,187 sq. ft.)	6
4 BR (1,420 sq. ft.)	5
Total	51
Annual Operating Cost	\$235,719
Gross Annual Income	\$1,042,872
Net Annual Income	\$807,153
Market Value	\$10,089,413

Table H-27
Rent Subsidies Required

Project Units	Rancho Moulton
2 BR (954 sq. ft.)	40
3 BR (1,187 sq. ft.)	6
4 BR (1,420 sq. ft.)	5
Total	51
Total Monthly Rent Income Supported by Affordable Housing Cost of Very Low Income Households	\$61,391
Total Monthly Rent Allowed by Fair Market Rents	\$91,073
Total Annual Subsidies Required	\$356,184
Average Annual Subsidy per Unit	\$6,984
Average Monthly Subsidy per Unit	\$582

Average subsidy per unit is estimated with the following assumptions:

A 2-BR unit is assumed to be occupied by a three-person household, a 3-BR unit by a five-person household, and a 4 BR unit by a seven-person household.

Vacancy rate = 5%.

Based on 2011 AMI in Orange County, affordable monthly housing cost for a three-person very low income household is \$948, \$1,053 for a five-person household, and \$1,137 for a seven-person household. HUD 2013 fair market rent in the Orange County MSA is \$1,527 for a 2-BR, \$2,137 for a 3-BR, and \$2,379 for a 4-BR.

REPLACEMENT COSTS

The cost of developing new housing depends on a variety of factors such as density, size of units, location and related land costs, and type of construction. A typical two-bedroom apartment costs approximately \$200,000 to develop. Assuming a three-bedroom apartment would cost 20 percent more to develop than a two-bedroom unit, and a four-bedroom unit would cost 20 percent more than a three-bedroom unit, the total cost of constructing 51 new units to replace at risk units would be approximately \$10,880,000.

COST COMPARISON

The cost to build new housing to replace the 51 at-risk units was estimated at more than \$10,880,000. This cost estimate is higher than the cost associated with transfer of ownership (\$10,089,000). This analysis indicated that providing rent subsidies similar to Section 8 vouchers for 20 years (\$7,600,000) could cost less than building new housing and transferring ownership.

ESTIMATES OF HOUSING NEEDS

The CHAS developed by the Census for HUD provides detailed information on housing needs by income level for different types of households in Laguna Hills. Detailed CHAS data based on the 2012

Census are displayed in Table H-28. Based on CHAS, housing problems in Laguna Hills include:

- Units with physical defects (lacking complete kitchen or bathroom);
- Overcrowded conditions (housing units with more than one person per room);
- Housing cost burden, including utilities, exceeding 30 percent of gross income; or
- Severe housing cost burden, including utilities, exceeding 50 percent of gross income.

Disproportionate Needs

The types of problems vary according to household income, type, and tenure. Some highlights include:

- In general, renter households had a higher level of housing problems (40 percent) than owner households (16 percent).
- Small family renter households had the highest level of housing problems regardless of income level (56 percent).
- Approximately 70 percent of extremely low income renters, 76 percent of very low income renters, and 54 percent of low income renters had a housing problem.
- Approximately 51 percent of extremely low income owners, 33 percent of very low income owners, and 27 percent of low income owners had a housing problem.
- Approximately 100 percent of the extremely low and very low income large family owners and 92 percent of low income large family owners suffered from a housing problem.

Constraints on Housing Production

Despite the great need for housing in general and the demand for affordable housing in particular, a number of constraints exist that could limit the development, preservation, and improvement of housing. These barriers or constraints include governmental, environmental, infrastructure, and market-related factors. These constraints may result in housing that is not affordable to extremely low, very low, low, and moderate income households; not available to households with special needs; or may render residential construction economically infeasible for developers. These factors are discussed in this section. Constraints on the production of housing related to the national economy cannot be effectively mitigated by local government and, accordingly, are beyond the scope of this section.

Table H-28
Housing Assistance Needs of Low and Moderate Income Households in Laguna Hills

Household by Type, Income and Housing Problem	Renters				Owners			Total Households
	Elderly	Small Families	Large Families	Total Renters	Elderly	Large Families	Total Owners	
Extremely Low Income (0–30% MFI)	155	325	0	600	185	120	545	1,145
% with any housing problem	61.3	100	0	70	83.8	100.0	50.5	60.7
% with cost burden >30%	61.3	100	0	70	83.8	100.0	50.5	60.7
% with cost burden >50%	54.8	100	0	68.3	59.5	75	36.7	53.3
Very Low Income (31–50% MFI)	130	270	70	535	205	55	520	1,055
% with any housing problem	73.1	94.4	100	78.5	56.1	100.0	32.7	55.9
% with cost burden >30%	15.4	94.4	100	64.5	56.1	100.0	32.7	48.8
% with cost burden >50%	57.7	46.3	0	37.4	48.8	81.8	27.9	32.7
Low Income (51–80% MFI)	55	135	15	305	220	195	930	1,235
% with any housing problem	72.7	81.5	100	54.1	34.1	92.3	27.4	34
% with cost burden >30%	72.7	7.4	100	21.3	34.1	79.5	24.7	23.9
% with cost burden >50%	27.3	0	100	9.8	18.2	30.8	10.8	10.5
Total Households	505	1,235	165	2,485	1,555	1,025	8,135	10,620
% with any housing problem	46	56	52	40	22	35	9	16

Source: HUD Comprehensive Housing Affordability Strategy (CHAS), 2012.

Notes: Data presented in this table are based on special tabulations from sample Census data. The number of households in each category usually deviates slightly from the 100.0% count due to the need to extrapolate sample data out to total households. Interpretations of these data should focus on the proportion of households in need of assistance rather than on precise numbers.

Governmental Constraints

The intent of local government regulations is to protect public health and safety, and to ensure a decent quality of life for the community. However, local policies and regulations affect the price and availability of housing and, in particular, the provision of affordable housing. Land use controls, site improvement requirements, fees and exactions, permit processing procedures, and other factors can constrain the maintenance, development, and improvement of housing.

State and federal regulations also affect the availability of land for housing and the cost of producing housing. Regulations related to environmental protection, building codes, and other topics have significant, often adverse, impacts on housing cost and availability. Perhaps one of the greatest constraints to the production of housing

affordable to lower income households is the chronic shortage of state and federal financial assistance for such housing.

While constraints exist at other levels of government, the City has little or no control over these regulations and no ability to directly mitigate their effects on housing. The City's efforts, therefore, emphasize policies and regulations that can be mitigated by the City.

LAND USE CONTROLS

The Laguna Hills General Plan and Zoning Ordinance provide for a wide range of residential land use designations/zoning districts in the City, as illustrated in Table H-29.

Table H-29
Residential Land Uses and Zones

General Plan Land Use Designation	Maximum Use Intensity	Corresponding Zoning District
Estate Residential	3.5 du/ac	Estate Residential (ER)
Low Density	3.0 to 6.5 du/ac	Low Density Residential (LDR)
Medium-Low Density	6.5 to 12.5 du/ac	Medium-Low Density Residential (MLDR)
Medium Density	12.5 to 18.0 du/ac	Medium Density Residential (MDR)
High Density	18.0 to 30.0 du/ac	High Density Residential (HDR)
Mixed Use	20.0 du/ac	Mixed Use (MU)
Neighborhood Mixed Use ¹	.08 FAR residential	Neighborhood Mixed Use (MX-UN)
Planned Community ²	0.5 to 18.0 du/ac	Laguna Hills Planned Community (PC)
Planned Community ² Residential	up to 600 units	Planned Community - Via Lomas (PCR)
Village Commercial ²	30 to 50 du/ac ³	Village Commercial (VC)

1. General Plan Land Use Designation.

2. These nonresidential General Plan land use designations allow residential development.

3. The allowed development intensity is regulated based upon trip generation limits to ensure that the City's General Plan Circulation Element level of service standard "D" is not exceeded at any of the intersections within the area. du/ac = dwelling units per acre.

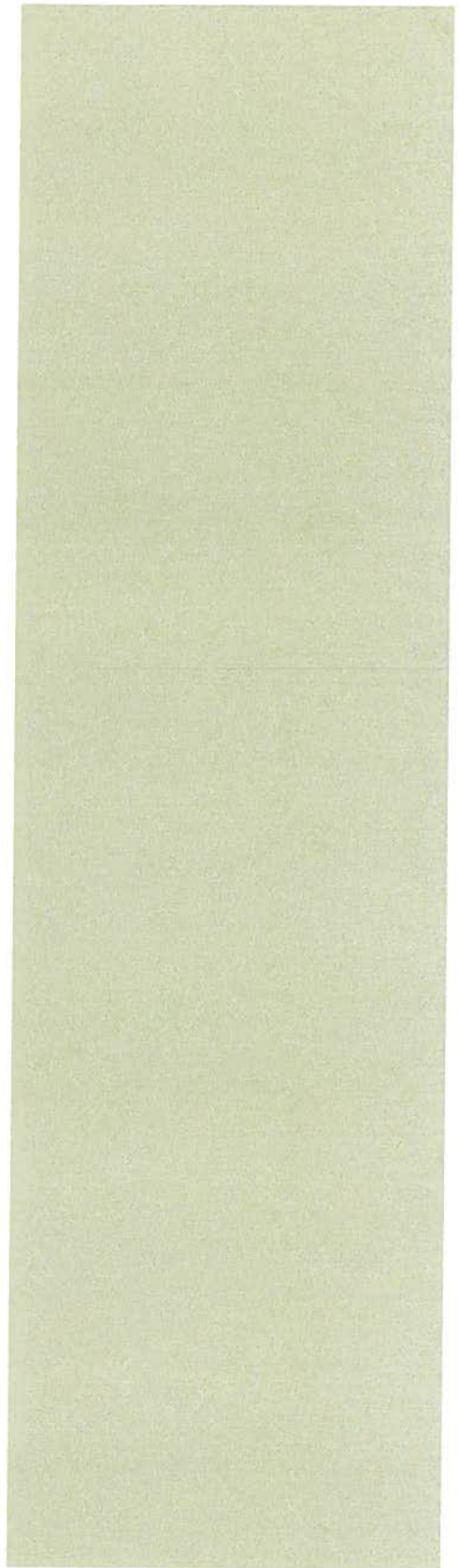
ZONING DISTRICTS ALLOWING RESIDENTIAL DEVELOPMENT

The intent and purpose of the zoning districts allowing residential development are as follows:

- **Estate Residential (ER)** – The Estate Residential district is established to provide for low density, rural, and equestrian

oriented residential neighborhoods in hillside areas. This district is characterized by large lot single-family homes permitting large animal husbandry.

- **Low Density (LDR)** – The Low Density Residential district is established to provide for low density, single-family detached housing neighborhoods. Typically this district is characterized by medium to large lot single-family homes.
- **Medium-Low Density (MLDR)** – The Medium-Low Density Residential district is established to provide for medium low density attached or detached residential neighborhoods. This district is characterized by small lot single-family homes, patio homes, duplexes, condominiums, and townhouses.
- **Medium Density (MDR)** – The Medium Density Residential district is established to provide for medium density attached or detached residential neighborhoods. This district is characterized by condominiums, apartments, and townhouses.
- **High Density (HDR)** – The High Density Residential district is established to provide for high density attached or detached residential neighborhoods compatible with adjacent or abutting urban uses. This district is characterized by condominiums, apartments, and residential towers.
- **Mixed Use District (MXU)** – The Mixed Use district provides for areas where a variety of goods and services can be obtained within an overall planned environment. This zone permits commercial, recreational, residential, and light industrial uses.
- **Neighborhood Mixed Use District (NMU)** – The intent of the Neighborhood Mixed Use designation is to provide a variety of compact, multi-family housing types close to jobs and services; create a more active, vibrant street life; increase pedestrian activity and reduce vehicular traffic; provide storefront style shopping streets; and/or encourage walking and social interaction. Within the Neighborhood Mixed Use designation, appropriate land uses include mid-box anchors; administrative and professional uses; grocery and specialty stores; business support uses; eating and drinking establishments; cinemas; personal services; residential condos, apartments, and townhomes; and mixed use structures.
- **Planned Community (PC) and Planned Community Residential (PCR)** – The Planned Community districts provide the authority, regulations, and procedures whereby large land areas can be



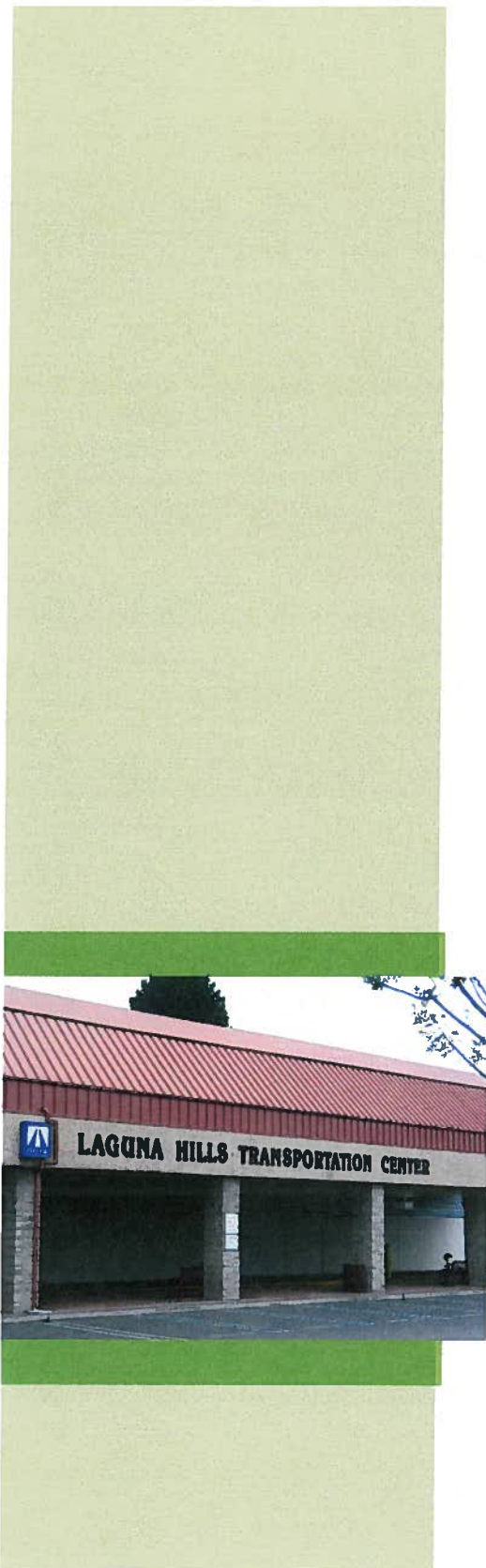
planned, zoned, developed and administered as individual integrated communities.

- **Village Commercial (VC)** – The Village Commercial district is established to develop an urban core in which a variety of public, regional commercial, recreational, and high density residential uses work in concert to create an urban village. All development within the village commercial district is subject to the Urban Village Specific Plan.

The City's General Plan, which was updated in 2009, added additional development capacity in the Urban Village Specific Plan (UVSP) area of 117,000 square feet of retail space, and included an Implementation Program requiring that the information be inserted into the UVSP. The updated General Plan's Housing Element (Housing Element 2008-2014) also required that the UVSP be amended to establish a minimum residential density of 30 units per acre and reduce high open space standards that discourage affordable housing. In 2011, the City amended the UVSP to ensure consistency with the General Plan and to help implement the General Plan goals and policies.

Development standards for residential development established in the City's Zoning Ordinance are designed to protect and promote the health, safety, and general welfare of residents, as well as implement the General Plan. These standards also help preserve the character and integrity of existing neighborhoods.

The development standards in Table H-30 can have an effect on the ability of property owners to construct and maintain housing. The City has very few opportunities for new development, as there is little vacant, buildable land remaining in the City. Selected residential development standards in Laguna Hills were compared to those in jurisdictions surrounding Laguna Hills (Table H-31). The comparison indicates that the minimum open space percentage of 40 percent for the HDR district in Laguna Hills may be high compared to that for Laguna Niguel (25 percent) and that for Mission Viejo (80 sq. ft. of private open space), which could discourage the construction of high density residential projects in the City. The City will decrease the open space requirement for the HDR district. Additionally, maximum lot coverage in the MXU district in Laguna Hills may be considered low at 40 percent, which could also discourage the construction of mixed use projects in the City. The City will increase the maximum lot coverage requirement for the MXU district. These recommendations are included in the Programs section of this Housing Element. As illustrated in Table H-31, many residential development standards in some of the jurisdictions surrounding Laguna Hills are not specified to the same level of detail as



they are in Laguna Hills. Therefore, an exact comparison of residential development standards with Laguna Hills is not possible.

Overall, the City's development standards for residential development have not constrained housing development in the City as development can still occur up to the maximum densities allowed by the General Plan and zoning regulations.



Table H-30
Basic Standards for Residential Development

Characteristic of Lot, Location, Height	ER	LDR	MLDR	MDR	HDR	VC	MXU	NMU ⁴
Minimum Lot Size (sq. ft.)	10,000	7,200	7,200	7,200	7,200	10,000	7,200	10,000
Minimum Lot Width (sq. ft.)								
Standard	80	60	60	50	50	100	60	50
Cul-de-sac	30	30	30	30	30	-	-	
Flag	20	20	20	20	20	-	-	
Minimum Lot Depth (sq. ft.)	100	80	80	100	100	100	100	100
Maximum Lot Coverage (%)	35	35	60	50	50	70 ¹	40	50
Maximum Density (du/gross acre)	0-3.5	3.0-6.5	6.5-12.5	12.5-18.0	12.5-18.0	50.0	20.0	10-20 ²
Maximum Building Height (ft.)	35	35	35	35	35	75	35	40
Minimum Front Setback								
From Ultimate Right of Way	20	20	20	20	20	-	-	10 ³
From Access Connection to Main Lot	15	15	15	15	15	-	-	
for Flag Lots	-	-	-	-	-	20	20	
From Parking Lot, Structure, or Building								
Minimum Side Yard Setback								
Interior	8	5	5	5	5		5	10
Street	10	10	10	15	15	10-	15	
Flag	10	10	10	10	10		0	
Minimum Rear Yard Setback								
Standard	25	20	25	25	25		20	10 ⁵
Through	25	20	25	25	25		-	
Cul-de-sac/Gore Shaped Lots	15	15	25	25	25	20	-	
Laguna Terrace Tracts	-	15	15	15	15		-	
Minimum Open Space (percentage)	-	-	-	-	40	10	35	N/A

¹ Unlimited for projects with density over 30 du/ac. ² 110 maximum units. ³ 10 ft. from parking lot, 20 ft. from parking structure, 10 ft. from building. ⁴ setbacks may be modified in connection with a precise plan of development as set forth in Section 9-29.050 of the City's Development Code. ⁵ 20 ft. abutting residential, Sq. ft. = square feet; du/gross acre = dwelling units per gross acre.

Source: City of Laguna Hills Municipal Code 2013.

Table H-31
Comparison of Residential Development Standards – Surrounding Jurisdictions

Residential District	Development Standard	Irvine	Lake Forest*	Laguna Niguel	Mission Viejo
Estate Residential	Maximum Density	1.0 du/acre	Not specified	Not specified	3.5 du/acre
	Maximum Height	50 ft.	35 ft.	35 ft.	35 ft.
	Maximum Lot Coverage	25%	35%	Not specified	60%
	Minimum Open Space	Not specified	Not specified	Not specified	500 sq. ft. (private outdoor living space)
Low Density, Single-family Residential	Maximum Density	6.5 du/ac	Not specified	Not specified	6.5 du/ac
	Maximum Height	35 ft.	35 ft.	35 ft.	35 ft.
	Lot Coverage	50%	Not specified	Not specified	60%
	Minimum Open Space	Not specified	Not specified	Not specified	450 sq. ft. (private outdoor living space)
Medium Density Residential	Maximum Density	12.5 du/ac	Not specified	Not specified	14 du/ac
	Maximum Height	35 ft.	35 ft.	35 ft.	35 ft.
	Lot Coverage	Not specified	35%	Not specified	50%
	Minimum Open Space	Not specified	Not specified	Not specified	200 sq. ft. (private outdoor living space)
High Density Residential	Maximum Density	50 du/ac	43.5 du/ac	Not specified	30 du/ac
	Maximum Height	50 ft.	35 ft.	35 ft.	35 ft.
	Lot Coverage	Unlimited	Not specified	Not specified	50%
	Minimum Open Space	Not specified	Not specified	25%	80 sq. ft. (private outdoor living space)
Mixed Use	Maximum Density	50 du/ac	14.5 du/ac	No Comparable Zone	No Comparable Zone
	Maximum Height	70 ft.	35 ft.		
	Lot Coverage	65%	Not specified		
	Minimum Open Space	15% site landscaping	Not specified		

* The City of Lake Forest has adopted major portions of the Orange County Municipal Code. Unless specified, regulations cited for Lake Forest are based upon the Orange County Municipal Code.

du/ac = dwelling units per acre., sq. ft. = square feet.

Land Uses Compared:

Estate Residential: Irvine = 2.1; Lake Forest = RE; Laguna Niguel = RS-2; Mission Viejo = RPD 3.5;

Low Density, Single-family Residential: Irvine = 2.2; Lake Forest = R1; Laguna Niguel = RS-3; Mission Viejo = RPD 6.5;

Medium Density Residential: Irvine = 2.3; Lake Forest = RS; Laguna Niguel = RS-4; Mission Viejo = RPD 14.0.

High Density Residential: Irvine = 2.4; Lake Forest = R2; Laguna Niguel = RM; Mission Viejo = RPD 30.0.

Mixed Use: Irvine = 3.1; Lake Forest = RP.

PARKING STANDARDS

Excess parking requirements can reduce the number of housing units that can be achieved on a given site. The City's parking requirements are illustrated in Table H-32, while Table H-33 shows parking requirements for surrounding jurisdictions. The parking requirements in Laguna Hills are not considered overly excessive when compared with those in surrounding jurisdictions. For affordable housing projects qualified for a density bonus, the City has adopted the parking requirements mandated by state density bonus law (refer to Section 9-72.030 of the Laguna Hills Municipal Code).

PROVISION FOR A VARIETY OF HOUSING

The City recognizes the need for a variety of housing types to meet the needs of the City's diverse population, particularly segments with special housing needs. The following analysis reviews the City's Zoning Ordinance to evaluate potential constraints to developing housing for persons with special needs. Table H-34 summarizes the key zoning provisions for various housing types in the City. As shown, the City's zoning provisions for special needs housing are flexible and offer ample opportunities for such uses.

SINGLE-FAMILY DWELLINGS

Detached, single-family dwellings are permitted in all residential zones. As the City is nearly built out, only six vacant single-family home parcels remain within the Nellie Gail Ranch area.

SINGLE-FAMILY ATTACHED DWELLINGS

Attached single-family dwellings are permitted in the medium-low, medium, and high density zoning districts of the City.

DUPLEX DWELLINGS

Duplex dwellings are permitted in the medium-low, medium, and high density zoning districts of the City.

MULTIFAMILY DWELLINGS

Multifamily developments are permitted in the medium-low, medium, and high density zoning districts of the City, subject to a site development permit. The maximum density in these districts ranges from 12.5 dwelling units per acre in the medium-low district to 30.0 dwelling units per acre in the high density residential zone. Multifamily development in the Urban Village Specific Plan area is permitted at a minimum density of 30.0 dwelling units per acre to a maximum density of 50.0 dwelling units per acre.



Table H-32
Parking Requirements for Residential Uses

Use	Parking Requirement		
Single-family, detached Up to 4 BR Over 4 BR	2 garage spaces 2 garage spaces, plus 1 covered stall for every 2 BR over 4 BR		
Single-family, attached	2 assigned and covered parking stalls within a garage or parking structure, plus .3 stalls unassigned per dwelling unit		
Duplex	2 car garage (for each unit)		
Second Unit	1 covered parking stall per bedroom		
Mobile Home Park	1 covered and assigned parking stall, plus 2 visitor stalls per mobile home		
Senior Citizen Housing Complex	1 covered and assigned parking stall, plus 2 visitor stalls per dwelling unit, plus 1 stall for the resident manager		
Multifamily Units	Covered	Uncovered ¹	Visitor
1 BR or less	1.0	0.5	0.2
2 BR	1.0	1.0	0.2
3 BR	2.0	0.5	0.2
More than 3 BR	2.0	0.5 ²	0.2

¹ Covered stalls shall be assigned; uncovered stalls shall not be assigned.

² Plus 0.5 uncovered parking stalls per additional bedroom in excess of three.

Source: City of Laguna Hills Municipal Code 2013.

Table H-33
Regional Comparison of Parking Requirements

Use	Requirement			
	Irvine ¹	Lake Forest	Laguna Niguel	Mission Viejo
Single-family	2.0/unit 3.0/unit for 4 BR or more	2.0/unit	2.0/unit	2.0/unit
Multifamily Units	1.5 2.0 2.0	1.5 2.0 2.5 ²	1.5 2.0 2.52	1.5 2.0 2.5
1 BR or less	0.7/unit if resident garages	0.2/unit	0.5/unit	1.0/3 units
2 BR	0.4/unit if resident carports			
3 BR or more	Or 1.0/4 units			
Visitor				
Second Unit	1.0/unit	1.0/unit	1.0/unit for units 640 sq. ft. or less 2.0/unit for units greater than 640 sq. ft.	1.0/unit or bedroom, whichever is greater

1. The Irvine Zoning Ordinance distinguishes between ownership and rental attached housing (multifamily). The more rigorous parking requirements were listed in this table for comparison purposes.

2. For each bedroom in excess of three, add 0.5 additional off-street parking spaces.

Table H-34
Provisions for a Variety of Housing

Housing Type	Zone											PC	PCR	NMU
	ER	LDR	MLDR	MDR	HDR	OP	VC	FC	CC	MXU	C/PI			
Accessory Living Quarters/ Second Unit Housing	P	P	P	P	P									
Boarding House			C	C	C	S	P	S	S	S				
Community Care Facilities ≤6)	P	P	P	P	P					P	P	P	P	P
Community Care Facilities (7+)						◇	◇				◇			
Duplex			P	P	P							S		
Family Day Care Home – Large	C	C	C	C	C		C			C	C	C	C	C
Family Day Care Home – Small ≤8)	P	P	P	P	P		P			P	P	P	P	P
Manufactured Housing (Mobile Homes)	S	S	S	S	S							S		
Mobile Home Park				C	C					C		S		
Multifamily Dwellings			S	S	S		P			C	C	S		P
Single-family, Attached			P	P	S		P			S		S		P
Single-family Detached	P	P	P	P	P							S		
Single Room Occupancy Housing Facility						S	C	S	S	C				
Transitional Housing	◇	◇	◇	◇	◇		◇			◇	◇	◇	◇	◇
Supportive Housing	◇	◇	◇	◇	◇		◇			◇	◇	◇	◇	◇
Emergency Shelter										◇				

P = Permitted; C = Conditional Use; S = Site Development Permit Required;

T = Temporary Use; ◇ = Special Requirements (refer to Chapter 9-64 of the Zoning Ordinance); U = See Urban Village Specific Plan.

Accessory Living Quarters/ Second Unit Housing	A structure attached to or detached from a principal building or incorporated within such buildings located on the same lot and customarily incidental to the principal structure, including living areas such as employee quarters and second unit housing.
Boarding House	A dwelling unit or part thereof in which, for compensation, lodging and meals are provided; personal and financial services may be offered as well. Any facility, place, or building that is maintained and operated to provide nonmedical residential care, day treatment, adult day care, or foster family agency services for children and/or adults, including but not limited to the physically handicapped, mentally impaired, incompetent persons, and abused or neglected children.
Community Care Facility	Community care facilities for six or fewer individuals include: (1) residential care facilities for the elderly; (2) drug abuse and alcoholism recovery facilities; (3) intermediate care facilities; (4) dependent and neglected children homes (foster homes); (5) social rehabilitation facility; (6) congregate living health facility; (7) facilities for people with HIV or AIDS; (8) home for the mentally and physically disabled; and (9) transitional shelter care facilities/emergency shelters.
Duplex	A building containing two single-family dwelling units totally separated from each other by a common wall (the wall may only go to the ceiling)
Multifamily Dwellings	A building on a single lot containing two or more dwelling units, each of which is totally separated from the other by an unpierced wall extending from ground to roof or an unpierced ceiling and floor extending from exterior wall to exterior wall, except for a common stairwell exterior to both dwelling units.
Single-family, Attached	Residential housing units where independent units are created but are attached by common walls such that not more than three units are so joined.
Single-family Detached	A building containing one dwelling unit that is not attached to any other dwelling by any means and is surrounded by open space and yards.
Family Day Care Home – Large	A home that provides family day care for 7 to 14 children, including children under the age of 10 years who reside at the home.

Table H-34 (continued)
Provisions for a Variety of Housing

Housing Type	Zone										
	ER	LDR	MLDR	MDR	HDR	OP	VC	FC	CC	MXU	C/PI
Family Day Care Home – Small	A home that provides family day care for 8 or fewer children, including children under the age of 10 years who reside at the home.										
Manufacturing Housing (Mobile Homes)	Factory built, single-family structures that meet the National Manufactured Home Construction and Safety Standards Act (42 U.S.C. Sec. 54010), commonly known as HUD (U.S. Department of Housing and Urban Development) code.										
Mobile Home Park	A site containing spaces with required improvements and utilities that are leased for the long-term placement of manufactured houses and that may include services and facilities for the residents.										
Single Room Occupancy Housing Facility	A housing type consisting of one room, often with cooking facilities and with private or shared bathroom facilities.										
Emergency Shelter	Housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less by a homeless person, or as may be amended by Health and Safety Code Section 50801(e). No individual or household may be denied emergency shelter because of an inability to pay.										
Supportive Housing	Housing with no limit on length of stay that is occupied by the target population, and that is linked to on-site or off-site services that assist the supportive housing resident in retaining housing, improving his or her health status, and maximizing his or her ability to live, and, when possible, work in the community, or as may be amended by Health and Safety Code Section 50675.14(b).										
Transitional Housing	Buildings configured as rental housing developments, but operated under program requirements that call for the termination of assistance and recirculation of the assisted unit to another eligible program recipient at some predetermined future point in time, which shall be no less than six months, or as may be amended by Health and Safety Code Section 50675.2(h).										

Notes:

1 The land use matrix for the Village Commercial district is provided in the Urban Village Specific Plan.

Zoning District Key:

ER = Estate Residential

MLDR = Medium-Low Density Residential

HDR = High Density Residential

VC = Village Commercial

CC = Community Commercial

C/PI = Community/Private Institution

LDR = Low Density Residential

MDR = Medium Density Residential

OP = Office Professional

FC = Freeway Commercial

MXU = Mixed Use

MANUFACTURED HOUSING (MOBILE HOMES)

Manufactured housing offers an affordable housing option to many low and moderate income households. According to the California Department of Finance, there were 217 mobile homes in the City in January 2008. The City permits manufactured housing placed on a permanent foundation in all residential districts, subject to a site development permit. The City also conditionally permits mobile home parks in the MDR, HDR, and MXU districts.

BOARDING HOUSE

The City's Zoning Ordinance defines a boarding house as a dwelling unit or part thereof, at which, for compensation, lodging and meals are provided; personal and financial services may be offered as well. The City

permits boarding homes in the VC district. In the FC, CC, and MXU districts, boarding homes are permitted subject to a site development permit.

ACCESSORY LIVING QUARTERS/SECOND UNIT HOUSING

Accessory living quarters/second unit housing provide complete independent living facilities for one or more persons, including permanent provisions for living, sleeping, cooking, and sanitation. These units may be an alternative source of affordable housing for lower income households and seniors.

California law requires local jurisdictions to adopt ordinances that establish the conditions under which second dwelling units are permitted (Government Code, Section 65852.2). A jurisdiction cannot adopt an ordinance that precludes the development of second units unless findings are made acknowledging that allowing second units may limit housing opportunities of the region and result in adverse impacts on public health, safety, and welfare. An amendment to the state's second unit law in September 2002 requires local governments to use a ministerial rather than discretionary process for approving second units (i.e., second units otherwise compliant with local zoning standards can be approved without a public hearing).

Second dwelling units are permitted in all residential zones in Laguna Hills pursuant to Section 9-68 of the Zoning Ordinance. Section 9-68 contains the following standards and criteria for accessory living quarters/second unit housing:

- The second unit is not intended for sale and may be rented.
- The lot must contain at least, but not more than, one single-family unit.
- Attached second units shall not exceed 30 percent of the existing dwelling unit living area.
- Detached second units shall not exceed one 1,200 sq. ft. of floor area.
- The second unit shall be compatible in materials, colors, and architecture to the primary dwelling unit.
- Second units must conform to development standards and all other applicable requirements of the zone in which developed.
- One parking spot per unit is required.
- The owner of both units shall occupy either the primary or the second unit.
- The owner shall record a use restriction with the Orange County Recorder's Office so that all present and future property owners

understand the obligations and limitations of these standards and criteria (Section 9-68 of the Zoning Ordinance).

The City's criteria and standards for second unit developments are not considered overly excessive. As of May 2013, four accessory living quarters/second units have been constructed in the City.

SINGLE-ROOM OCCUPANCY HOUSING FACILITY

The City's Zoning Ordinance defines a single room occupancy housing facility (SRO) as a housing type consisting of one room, often with cooking facilities and with private or shared bathroom facilities. As of May 2013, no SRO has been constructed in the City.

The City provides opportunities for the location of SROs in nonresidential districts. SROs are permitted in the VC and MXU districts with a conditional use permit subject only to those restrictions or conditions that may apply to other residential uses of the same type in the same zone. In the OP, FC, and CC districts, SROs are permitted with a site development permit. Site development permits involving projects that have four or fewer residential units and non-residential uses of less than 20,000 square feet may be processed by the Community Development Director administratively. Anything above those thresholds must go to the City Council acting as the Planning Agency. However, whether a project goes to the City Council or is approved by staff (administratively), the findings are the same:

1. That the site design complies with standards of the development code;
2. That the site is suitable for the proposed development;
3. That the project is consistent with the general plan and applicable design guidelines;
4. That the site design and structural components are appropriate for the site and function of the proposed uses.

The findings for a site development permit do not require "that the use be compatible with surrounding uses/properties." Therefore, it is not considered discretionary from a "use" perspective.

Chapter 9-72 of the Zoning Ordinance describes housing development incentives that are available to developers of affordable housing, which could include SROs. Incentives include both fiscal and procedural incentives, such as:

- A 50% reduction in application fees;

- Waiver or reduction in building permit fees;
- Financial assistance for acquisition of property, mortgage assistance, sale of housing bonds, rent subsidies, or provision of improvements to serve the site;
- Combining all required applications for one review hearing;
- Fast-tracking; and
- Providing priority processing and scheduling for review.

The procedural incentives noted above ensure priority processing of SROs. With the City's already streamlined review process (1-2 months for administrative and 2-3 months for discretionary projects) and the ability for priority processing, no governmental constraint to developing SROs exists in Laguna Hills.

COMMUNITY CARE FACILITIES (SIX OR FEWER INDIVIDUALS)

Community care facilities for six or fewer individuals consist of the following per the City's Zoning Ordinance:

- Residential care facilities for the elderly;
- Drug abuse and alcoholism recovery facilities;
- Intermediate care facilities;
- Dependent and neglected children homes (foster homes);
- Social rehabilitation facility;
- Congregate living health facility;
- Facilities for people with HIV or AIDS;
- Homes for the mentally and physically disabled;
- Supportive housing facilities; and
- Transitional housing facilities; and
- Facilities for wards of the juvenile court.

These facilities are permitted by right in all residential zones, with the exception of facilities for wards of the juvenile court which require a conditional use permit.

COMMUNITY CARE FACILITIES (SEVEN OR MORE INDIVIDUALS)

Table H-35 shows where various community care facilities for seven or more individuals may be permitted or conditionally permitted in Laguna Hills. The table also indicates when a conditional use permit may be required.

LARGE FAMILY DAY CARE HOMES

Large family day care homes, for 7 to 14 children under the age of 10 years are conditionally permitted in all residential zones of the City.



SMALL FAMILY DAY CARE HOMES

Small family day care homes for eight or fewer children are permitted by right in all of the City's residential districts.

Table H-35
Required Permit for Community Care Facilities (≥ Seven Individuals)

Land Use	Zones	Permitted	Permits Required
Large Family Day Care (14 children maximum)	All Residential Zones	C	CUP*
Day Care Center	OP VC MXU	C C C	CUP CUP CUP
Residential Care Facility for the Elderly	VC MXU	C C	CUP CUP
Drug Abuse and Alcoholism Recover Facility (Community Treatment/Rehabilitation Facility)	VC MXU	C C	CUP CUP
Dependent and Neglected Children Homes (Foster Homes)	VC MXU	C C	CUP CUP
Facilities for People with HIV or AIDS	VC MXU	C C	CUP CUP
Homes for the Mentally and Physically Disabled	VC MXU	C C	CUP CUP
Facilities for Wards of the Juvenile Court	VC MXU	C C	CUP CUP
Social Rehabilitation Facility	VC MXU C/PI	C C C	CUP CUP CUP
Intermediate Care Facility/Nursing Facility	VC MXU	C C	CUP CUP
Supportive Housing	All Residential Zones	C	CUP
Transitional Housing	All Residential Zones	C	CUP

P = Permitted; C = Conditional Use; CUP = Conditional Use Permit.

Zoning District Key:

OP = Office Professional

VC = Village Commercial

MXU = Mixed Use

C/PI = Community/Private Institution

*Refer to Chapter 9-92 of the Laguna Hills Zoning Ordinance for special process requirements.

TRANSITIONAL CARE FACILITIES/ EMERGENCY SHELTERS

The City's Zoning Ordinance provides definitions for "supportive housing," "transitional housing," and "emergency shelter" that are consistent with the California Health and Safety Code. Supportive housing and transitional housing for six or fewer individuals are treated as residential uses subject only to those restrictions that apply to other residential uses in the same zone.

The following community care facilities are located in the City of Laguna Hills as of January 31, 2008.

- Adult residential facility (developmentally disabled) - 1 facility
- Child care center (commercial) - 3 facilities
- Large family day care homes - 8 homes
- Small family day care homes - 32 homes
- Infant centers (commercial) - 1 facility
- Residential care for the elderly - 43 facilities
- Alcoholism or drug abuse recovery, residential (state licensed) - 1 facility
- Alcoholism or drug abuse recovery, commercial/office (state licensed) - 3 facilities
- Sober living homes - 2 homes

As noted above, the City does not require permits for community care facilities serving six or fewer individuals. Therefore, additional community care facilities may exist within the City.

In accordance with SB2, the Municipal Code was amended to allow emergency shelters "by right" within the defined emergency shelter overlay area of the Mixed Use (MXU) district subject to objective development standards without a conditional use permit or other discretionary approval. The MXU district encompasses approximately 284 acres, 20% (55 acres) of which meets the overlay criteria for emergency shelters sites (See Figure H-4a). The MXU district is served by transit and commercial services. Development Code Section 9-64.040.(D) establishes the following standards for emergency shelters:

1. An emergency shelter shall be located at least five hundred (500) feet from any residential use, public or private park, public or private K-12 school, church, or other religious institution.
2. An emergency shelter shall be located at least three hundred (300) feet from other emergency shelters.

3. The cumulative total of the number of beds provided by all emergency shelters established within the mixed use zone shall not exceed twenty (20).

4. The maximum stay at the emergency shelter shall not exceed one hundred and eighty (180) consecutive days.

5. Off-street parking shall be provided in the ratio of one space for every three beds, plus one parking space for each staff member.

6. A client intake and waiting area shall be provided that is at least two hundred (200) square feet in size. A client intake and waiting area less than two hundred (200) square feet in size may be provided if it can be demonstrated that the size of the intake and waiting area is sufficient to accommodate the demand for the facility.

7. Lighting shall be provided in accordance with the standards set in Sections 9-40.170 and 9-44.060(I) of the Development Code.

8. An operational plan shall be provided prior to the issuance of a certificate of use and occupancy for review and approval by the Community Development Director. At minimum, the plan shall contain provisions addressing the following:

a. Security and Safety. The plan shall include provision of on-site management, facility rules, and procedures for maintaining a safe environment within and outside the shelter.

b. Management of Outdoor Areas. The plan shall describe procedures for admittance and discharge of clients, and describe measures aimed at minimizing the congregation of clients outside the shelter when not accepting clients.

c. Staff Training. The plan shall describe the staffing required for the shelter and outline required training programs that provide staff with the knowledge and skills to assist clients in obtaining permanent shelter.

d. Referral Service. The plan shall include provision of a kiosk providing information on other programs available to clients for obtaining permanent shelter, mental and health counseling, job placement, educational, legal, and other supportive services.

Factors 1 and 2 define the overlay area, and parcels meeting these criteria are shown in Figure H-4a.

A critical component of SB 2 is identifying the City's need for an

emergency shelter. Many jurisdictions determine this by estimating the homeless population using “point-in-time” counts of the number of people using existing shelters within their jurisdiction on a given day and time and averaging the data. Since Laguna Hills does not operate its own shelter or currently have an operating private, faith-based or non-profit shelter in the city to draw data from, the City has relied on data provided by the County to estimate the homeless population in Laguna Hills. Each year, the County conducts a point-in-time count of the homeless population at its shelters and conducts a demographic survey which includes a question about where the individual was living prior to becoming homeless. The Laguna Hills 2008-2014 Housing Element cites a 2008 survey, which showed that a total of 20 people served by Orange County shelters reported living in Laguna Hills prior to becoming homeless. The most recent survey available from 2011 indicates that this number has since dropped to eight. However, the more conservative need of 20 persons was used as the basis for planning for emergency shelters since the County’s point-in-time survey is taken once per year and a need of 20 persons will better take into account fluctuations in the homeless population throughout the year.

The standards for the MXU overlay area do not significantly constrain the location of emergency shelters within the MXU district because the overlay area contains approximately 55 acres of land and more than a sufficient number of parcels to accommodate the City’s need for emergency shelters.

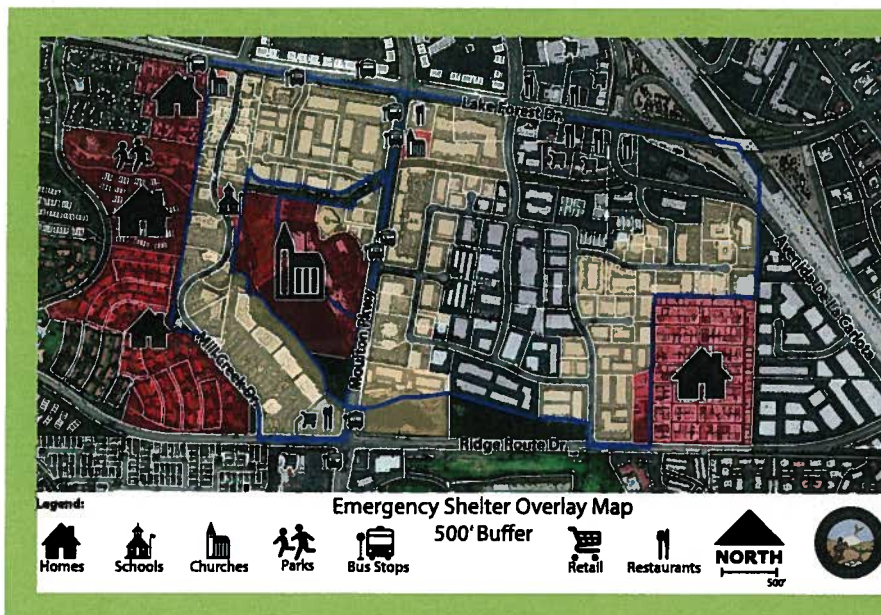


Figure H-4a
Emergency Shelter Overlay Map

The MXU Zone contains primarily offices and businesses. No vacant land is available in this zone for construction of a new shelter. However, as identified in the City's Land Use Element, the Mixed Use Zone contains underutilized parcels with one-story, tilt-up buildings. One-story tilt-up concrete buildings are very easy to convert to other uses, including emergency shelters and transitional housing. Additionally, larger and better designed buildings could be built, which would also provide opportunities for emergency shelters. This area is also served by transit and is located within an area providing significant employment resources.

FARM WORKER HOUSING

No land within the City of Laguna Hills is designated for agricultural use. The 2000 U.S. Census identified zero persons employed in farm, fishing, or forestry occupations. Therefore, Laguna Hills has no specific need for farm worker housing.

Housing for Persons with Disabilities

Land Use Controls: The Lanterman Development Disabilities Service Act (Sections 5115 and 5116) of the California Welfare and Institutions Code declares that mentally and physically disabled persons are entitled to live in normal residential surroundings. The use of property for the care of six or fewer persons with disabilities is a residential use for the purposes of zoning. A state-authorized or certified family care home, foster home, or group home serving six or fewer persons with disabilities or dependent and neglected children on a 24-hour-a-day basis is considered a residential use that is permitted in all residential zones.

As demonstrated in Table H-34 and discussions above, the City's Zoning Ordinance complies with the Lanterman Act and permits small community care facilities (including adult and senior residential facilities, as well as small family homes) in all residential zones. Facilities for more than six persons are conditionally permitted in most the VC and MXU districts (Table H-34). Potential conditions for approval of a conditional use permit may include hours of operation, security, loading requirements, and management. Conditions would be similar to those for other similar uses in the same zones and would not serve to constrain the development of such facilities.

Definition of Family: The City's Zoning Ordinance defines "family" as a group of individuals not necessarily related by blood, marriage,

adoption, or guardianship living together in a dwelling unit as a single housekeeping unit under a common housekeeping management plan based on an intentionally structured relationship providing organization and stability. This definition is not considered restrictive or constraining to the development of housing for persons with disabilities.

Reasonable Accommodation: Under state and federal laws, local governments are required to provide “reasonable accommodation” to persons with disabilities when exercising planning and zoning powers. The City has a formal policy for processing requests for reasonable accommodation for persons with disabilities and special housing needs.

Development Fees and Entitlements

Various types of development impact fees and entitlement fees to cover the cost of processing permits to provide necessary services and facilities may add substantially to the cost of housing. These include road assessments, park, and permit/development processing fees. The City does not charge library development impact fees. Additionally, an applicant pays water, storm drain, and sewer fees directly to the provider(s). Development impact fees can be a constraint on housing development and compromise market rate affordability because the additional cost borne by developers contributes to overall increased housing unit cost. However, the fees are necessary to maintain adequate planning services and other public services and facilities in the City.

A typical new, single family unit that requires no discretionary review from the City would only be required to pay the City public park in-lieu fee of \$7,392. An infill, 4-unit, multifamily residential development project outside of the Urban Village area that required approval of a Major Site Development Permit would cost approximately \$8,392 per unit (\$4,000 site development permit deposit plus \$7,392 per unit for the public park in-lieu fee). In the Urban Village area, a recently approved 489 unit multifamily residential project (with mixed use commercial) will pay approximately \$7,902 per unit in development and entitlement fees (approximately \$160 per unit in entitlement processing fees, \$7,392 per unit for the public park in-lieu fee, and approximately \$350 per unit for the urban village traffic impact fee).

The City’s fee schedule is provided in Table H-36. Table H-37 compares various planning fees in surrounding jurisdictions with those in Laguna Hills. Planning fees in Laguna Hills are in most cases consistent with or lower than those in surrounding jurisdictions and, therefore, do not present a constraint to development.

Table H-36
Planning and Development Fees

Impact Fees and Exactions	Fee/Deposit	
	Single-family	Multifamily
Roads (per unit costs)		
San Joaquin Hills Transportation Corridor	\$4,902	\$2855
Moulton Parkway	\$361	\$211
CARITS¹ Zone 2D	\$1751	\$1401
School (Saddleback Valley Unified School District Fees)	\$3.20/sq. ft. on new residential development except for areas already within community facilities districts.	
Water and Storm Drain Improvement Fees	Applicant pays directly to provider	
Sewer Impact Fees	Applicant pays directly to provider	
Processing and Permit Procedures		
Annexation/Detachment	\$6,000 deposit	
Conditional Use Permit	\$4,000 deposit	
Development Agreement	\$10,000 deposit	
Environmental Impact Report	\$10,000 deposit	
Extension of Time	\$1,000 actual cost deposit	
General Plan Amendment	\$6,000 deposit	
Lot Line Adjustment	\$1,000 deposit	
Precise Plan (Mixed Use District Only)	\$4,000 deposit	
Preliminary Project Review	\$600 set fee	
Site Development Minor (Administrative)	\$800 deposit	
Site Development Major (Planning Agency)	\$4,000 deposit	
Specific Plan	\$10,000 deposit	
Specific Plan Amendment	\$5,000 deposit	
Tentative Tract Map	\$6,000 deposit	
Tentative Parcel Map	\$4,500 deposit	
Variance to Planning Agency	\$3,500 deposit	
Zone Change	\$6,000 deposit	

Source: City of Laguna Hills Community Development Department 2013.

1 CARITS = Coastal Area Road Improvements and Traffic Signals Fee Program.

Table H-37
Planning Application Fees — Surrounding Jurisdictions

Planning Case Type	Laguna Hills	Irvine	Lake Forest	Laguna Niguel	Mission Viejo
Conditional Use Permit	\$4,000 deposit	\$12,000 deposit; \$1,500 minor deposit	\$6,500 deposit	\$3,800 deposit; \$1,600 minor deposit	\$2,500
General Plan Amendment	\$6,000 deposit	\$12,000 deposit	\$10,000 deposit	\$5,000 deposit	\$5,000 deposit
Site Development Permit ¹	\$800 minor (administrative) deposit; \$4,000 major (Planning Agency), \$3,000 deposit	No comparable permit	\$2,500 administrative review; \$7,000 discretionary review	\$4,400 deposit; \$2,000 minor deposit	\$2,500 administrative action; \$4,200 planning commission action
Tentative Tract Map	\$6,000 deposit	\$4,000 deposit	\$8,000 deposit	\$1,425 screencheck; \$2,925 filing + \$20/each number of lots	\$3,900 filing
Variance	\$3,500 deposit	\$1,500 deposit	\$6,000 deposit	\$3,800 deposit	\$2,100 single-family dwelling; \$4,500 all others
Zone Change	\$6,000 deposit	\$12,000 deposit	\$10,000 deposit	\$5,000 deposit	\$5,000 deposit

Source: Cities of Laguna Hills, Irvine, Lake Forest, Laguna Niguel, Mission Viejo 2013.

¹ The City of Mission Viejo uses the term planned development permit, which is generally comparable to a site development permit in Irvine, Lake Forest, and Laguna Niguel.

On- and Off-site Improvement Requirements

The City adopted the County of Orange subdivision ordinance and manual as the City's subdivision ordinance upon incorporation on December 20, 1991.

Commonly required on-site improvements for residential projects include the following:

- Internal circulation system – public/private roads, drives, curbs, gutters, vehicle (including fire protection and emergency vehicle) turnarounds
- Water and wastewater disposal systems

- Utilities systems
- Walls/fencing
- Landscaping
- Recreational facilities for multifamily projects
- Parking facility (covered/uncovered)

Commonly required off-site improvements for residential projects include the following:

- Traffic signalization
- Roadway improvements
- Water and wastewater disposal systems
- Schools (fee program)

The City's few vacant parcels are located in the Nellie Gail Ranch area, where there are likely to be very few site improvement requirements. Therefore, the costs of on-site and off-site improvements do not serve as constraints on development.

The City's street improvement requirement and/or dedication requirements are determined as part of the process for a tentative subdivision map and/or conditions of approval. Improvement and/or dedication requirements must be consistent with public streets in the area. The requirements are necessary to achieve the health and safety requirements of the City and are not considered a constraint to affordable housing development.

Building Codes and Enforcement

Building and safety codes are adopted to preserve public health and safety and ensure the construction of safe and decent housing. These codes and standards also have the potential to increase the cost of housing construction or maintenance.

The City of Laguna Hills has adopted the 2010 California Building Code, which establishes construction standards for all residential buildings. The City amends the code as needed to further define requirements based on the unique local conditions. The code is designed to protect the public health, safety, and welfare of Laguna Hills' residents. Code enforcement in the City is performed proactively and on a complaint basis.

Processing and Permit Procedures

The City's Zoning Ordinance defines requisite discretionary permits and establishes requirements for submission of applications for the discretionary permits. The City's Community Development Department prepares and maintains information and materials for each permit required by the Zoning Ordinance. These materials include application forms, questionnaires, and other information that addresses content of applications, fee information, and general processing procedures and requirements.

The City's established processing and permit procedures are designed to expedite project approvals to avoid unnecessary timing constraints on development. For a typical project, Community Development Department staff conduct an initial discussion with applicants/developers and provide information about the subject property's zoning, permitted uses, development standards, approval authority (administrative or discretionary), and required environmental documentation. During the next step of the process, initial plan review, Planning Staff review the project site plan and determine if the project complies with the Zoning Code, development standards and design guidelines. Project applicants then formally submit materials to the Community Development Department, where Planning Staff has 30 days to determine the completeness of the application. Once the application is deemed complete, the next step, plan check, is initiated. Initial plan check takes approximately 3 weeks. Plan check two, if necessary, takes 1–2 weeks, while subsequent plan checks require approximately 1 week of processing time.

Those discretionary permits pertaining most closely to provision of housing affordable to low and moderate income and special needs populations are general plan amendments, precise (specific) plans, conditional use permits, site development permits and variances. The permit, processing time, and approval bodies are described below. (Note that the Planning Agency refers to the City Council serving in its dual role as the planning commission, or hearing body for planning related matters.)

- **General Plan Amendments** – A general plan amendment may be proposed to change general plan land use designations. A general plan amendment may require a processing time of 12 months or more, depending in part on the environmental determination accompanying the amendment processing. The City Council is the

approval body for both major and minor general plan amendments, while the Community Development Director approves minor, technical general plan amendments.

- **Precise (Specific) Plan** – A precise (specific) plan is required for developments within the Mixed Use and Neighborhood Mixed Use districts whenever more than one variety of land use is proposed for a single property or a limited collection of abutting properties. Processing time is approximately 6 to 12 months or more, depending in part on the environmental determination. The City Council approves specific plans and amendments to specific plans.
- **Conditional Use Permit** – A conditional use permit is used to evaluate uses that may have a moderate to high potential for adverse impact to adjacent or abutting uses or the surrounding community due to operating characteristics. Processing time is approximately 3 to 4 months. Conditional use permits are approved by the Planning Agency.
- **Site Development Permit** – A site development permit is used to evaluate site planning and design considerations and is the lowest level planning permit for development projects. A site development permit is required for most development projects, is issued in absence of any other specified permit or approval, and may be required in addition to other approvals. A minor site development permit takes 4 to 6 weeks to review. A major site development permit takes 2 to 3 months to review and requires that a noticed public hearing be held prior to a decision on the application by the Planning Agency. The notice must be published/ provided at least 10 days prior to the public hearing. Minor site development permits are approved by the Community Development Director, while major site development permits are approved by the Planning Agency.

The Community Development Director has the authority to review and approve all site development permits meeting the following criteria:

- Developments of nonresidential uses and or buildings not exceeding twenty thousand (20,000 square feet whether in one or more structures on a single parcel;
- Four or fewer residential structures or dwellings in a single project;
- Temporary uses not involving use or public facilities or rights-of-way;
- Master sign programs for properties containing less than five nonresidential units;
- Change plans, or minor changes to any plan or permit previously approved provided such change does not exceed ten percent of the gross square footage of the original project;
- Site development permits for retaining walls that are greater than thirty (30) inches in height.

The Planning Agency has jurisdiction and review authority over all site development permits exceeding the criteria specified above. Additionally, the Community Development Director may forward any project over which he or she has authority or which he or she shall deem of sufficient interest on a broader land use policy scale to the Agency for their consideration. The Community Development Director reviews and makes recommendations regarding all site development permits forwarded to the Agency and insures all environmental and notice requirements are met.

Prior to issuing a site development permit, the Community Development Director or Planning Agency shall make the following findings:

- That the site design complies with standards of the development code;
- That the site is suitable for the proposed development;
- That the project is consistent with the general plan and applicable design guidelines; and
- That the site design and structural components are appropriate for the site and function of the proposed uses.

The findings relate back to whether or not the site is suitable for development and is limited to physical development of the site. Since the SDP process relies exclusively on the Development Code for determining whether or not the project complies with the Development Code, it also incorporates Chapter 9-72 of the Development Code which identifies housing development incentives available to a developer who may be seeking to develop affordable housing. These incentives are completely consistent with state law.

- **Variance** – A variance may be granted from any development standard or criteria affecting establishment of a use in a zoning district but may not be granted to approve a use which would otherwise be prohibited by a zoning district. A variance takes approximately 3 weeks to 3 months to review. The Planning Agency is the approval body for variances.

SITE DEVELOPMENT PERMIT

For residential projects, a major site development permit that is approved by the Planning Agency is required as follows:

- Estate Residential district – manufactured housing
- Low Density Residential district – manufactured housing
- Medium-Low Density Residential district – manufactured housing

and multifamily dwellings

- Medium Density Residential district – manufactured housing and multifamily dwellings
- High Density Residential district – manufactured housing, multifamily dwellings, and single-family attached dwellings

The City has previously eliminated the conditional use permit process for the residential projects discussed above. Instead, the City uses the site development permit process to assess site planning and design issues.

DISCRETIONARY PERMIT(S) PROCESSING TIMES

Laguna Hills does not have a separate Planning Commission (the City Council acts as its own Planning Agency) so the processing of all projects is more streamlined than in other municipalities. Permit processing times differ for various discretionary permits in the City. Typically in Laguna Hills, a project receives a final decision within 2 to 3 months of having submitted a complete application. Projects requiring an EIR generally take 6 to 9 months.

A general plan amendment may take 12 or more months to process should an environmental impact report be required. A precise plan (specific plan) may take between 6 to 12 months to process, depending on the required and appropriate environmental documentation. The precise plan is required for developments with more than one proposed land use for a single property or for a limited collection of abutting properties. The processing time for a conditional use permit is approximately 2 to 3 months, unless detailed environmental documentation is required that would lengthen the processing time. This permit evaluates uses that may adversely impact adjacent or abutting uses or the surrounding community due to operating characteristics of the proposed use. A major or discretionary (Planning Agency) site development permit takes 2 to 3 months to process in the City. This permit type is required for some residential (and nonresidential) development projects and is issued in absence of another specified permit or approval. A site development permit may be required in addition to other discretionary or ministerial permits. A discretionary variance application takes 2 to 3 months to process. The Planning Agency may grant a variance from any development standard or criteria affecting the establishment of a use in a zoning district, but may not be granted to approve a use that would otherwise be prohibited by a zoning district.

As indicated above, the processing time for various land use actions within the City depends on the type of development or action requested and whether environmental documentation is required and the scope of

that environmental documentation. Each development project does not necessarily require multiple discretionary actions (i.e., small scale projects consistent with general plan and zoning designations do not generally require general plan amendments, rezones, or variances).

The City does not have a backlog of development applications and is able to process applications in a timely manner. As already indicated, the City has very little vacant land available for development. Remaining parcels are designated as estate residential within the Nellie Gail Ranch area of the City. According to the City's Building Division, the majority of single-family residential development applications involve redevelopment/demolition of existing single-family homes and construction of much larger single-family homes. The City will continue to pursue the extension of affordability controls for 51 units, either in the existing Rancho Moulton housing development or as part of new or redevelopment activities in the Via Lomas area or other areas of the City. The City will annually prepare a "Risk of Assessment" report provided by the California Housing Partnership Corporation (CHPC). Projects determined high risk are those most likely to decline continued federal assistance because they currently have rents below market rate(s) and are owned by profit-motivated entities. Should a notice of intent to convert to market rate be filed, the City will work with potential purchasers to preserve 51 units in the existing development or in new development by finding an interested non-profit entity and securing funding to acquire and preserve the property. The City will use HCD resources listed on the HCD website, as well as other resources, to locate potential funding sources as needed for the preservation of affordable housing. The City will work with tenants of at-risk units and provide them with education regarding tenant rights, notification procedures, and conversion procedures. The City will also provide tenants in at-risk projects information from the Orange County Housing Authority regarding Section 8 rental assistance.

Processing Times for New Housing

As indicated in the Housing Resources section, underutilized land in Laguna Hills will be used to meet the City's Regional Housing Need Assessment requirements. The underutilized areas include the Urban Village Specific Plan area and the Alicia Gateway. Within the UVSP area, high density, multiple family housing or single family attached housing can be constructed. Both multiple family and single family attached projects in the Urban Village area are permitted uses, subject only to a site development permit. A major site development permit is required for five or more residential units. A minor site development permit is required for four or fewer residential structures or dwellings in a single project. Development requests for the UVSP area would

likely involve more than five units; hence, a major site development permit would be required. A major site development permit would require 2 to 3 months for approval by the Planning Agency; 3 to 4 months if a negative declaration prepared; and, 6 to 9 months if an EIR is required. A minor site development permit would require 1 to 2 months for approval because limited environmental review is required and the Community Development Department Director is the approval authority.

Within the Alicia Gateway area, the existing Mixed Use Zone requires a conditional use permit for multiple-family housing and a site development permit for single-family attached housing. The processing time is typically the same for a major site development permit and a conditional use permit.

The City's processing and permit procedures do not appear to unduly constrain the development of housing. Nevertheless, the City will continue to monitor its development review procedures to ensure a streamlined processing procedure. Section 9-92 of the City's Zoning Ordinance details the specific application process and submittal requirements for various land use actions in the City.

Measure M

In November 1990, Orange County voters approved the Revised Traffic Improvement and Growth Management Ordinance (Measure M).

Measure M implemented a half-cent local transportation sales tax to fund transportation improvements. The Measure M sales tax includes an apportionment to local jurisdictions for street maintenance and improvements. The Orange County Transportation Authority (OCTA) is the agency responsible for administering proceeds of the Measure M sales tax.

On November 7, 2006, Orange County voters approved the renewal of Measure M, for an additional 30 years beginning in 2011 until 2041. Renewed Measure M is expected to raise \$11.8 billion to improve Orange County's transportation system.

Every year, OCTA determines if a local jurisdiction is eligible to receive Measure M turnback funds. Prior to the renewal of Measure M, the City received approximately \$500,000 per year in turnback funds. Under the Measure M Renewal, the City anticipates receiving an increased allocation of \$750,000 per year beginning in 2011. In addition, the Measure M renewal will enable the City to compete for discretionary Measure M funding, for which the City has historically been very successful. To date, the City of Laguna Hills has received approximately \$11.4 million from Measure M funds to improve its

transportation. Among the several requirements a local jurisdiction must satisfy to receive turnback funds, they must be in compliance with the requirements of a Countywide Growth Management Program. Each local jurisdiction is required to produce a Growth Management Element as part of its participation in the Countywide Growth Management Program. The Growth Management Element must contain eight elements. Three of these elements relate directly to the Laguna Hills Housing Element: a development phasing program; a development mitigation program; and a program addressing balanced housing options and employment opportunities within the City. The Laguna Hills General Plan Growth Management Element has as its goal to reduce traffic congestion, mitigate traffic impacts of new development by requiring new development to pay its fair share toward local and regional roadway/transportation improvements, and tie timing of new development to availability of facilities needed to support that development.

The City of Laguna Hills has based its approach to the Measure M requirement for adoption of a Growth Management Element on the Model Growth Management Element developed jointly by the County of Orange and the Orange County Division of the League of California Cities. The Growth Management Element of the Laguna Hills General Plan encompasses all required policy provisions necessary to comply with Measure M. The City Growth Management Element contains an implementation plan to ensure that required programs (Development Mitigation Program; Development Phasing Program; Annual Monitoring Program) in the Growth Management Element are applied consistently to the City development review process.

Implementation of the City of Laguna Hills Growth Management Element – Growth Management Program will result in a more equitable balance between housing opportunities and employment opportunities within the City, which will allow residents to live closer to their jobs and thereby reduce commuting distance and times. A complementary commitment of development mitigation, development phasing, and performance monitoring is necessary to achieve a coordinated land use development and transportation infrastructure. The City of Laguna Hills will ensure that the actions described below will be applied to applicable development projects and a citywide assessment of land use development/transportation infrastructure capacity will be conducted in conjunction with fee program implementation and capital improvement program development.

Development Mitigation Program – To compensate the public for any increased burden on public services attributed to new development, jurisdictions have the authority to impose reasonable fees or required



related improvements. The County of Orange and the City of Laguna Hills have imposed development fees on development transportation improvements within the City. The City of Laguna Hills Development Mitigation Program requires that development proposals be reviewed so new development may pay its share of costs associated with that development on existing and planned transportation facilities.

Development Phasing Program – The City of Laguna Hills will review traffic levels of service on City arterials, contrast operating levels of service with General Plan performance standards, and program necessary improvements in conjunction with the annual development of its Capital Improvement Program. This information will be shared with participating jurisdictions in applicable Growth Management Area Interjurisdictional Planning Forums.

The City of Laguna Hills will also maintain adopted traffic performance standards by outlining and coordinating necessary transportation improvements, including a 7-Year Capital Improvements Program, and Traffic Improvement/Public Facilities Development Agreements consistent with the Growth Management Element, and its implementing ordinances, plans, and programs. In addition, the City is an active participant in interjurisdictional forums for Orange County jurisdictions that address area-wide transportation improvement projects. Furthermore, the City of Laguna Hills endorses alternative transportation modes and strategies to reduce vehicular trips and has adopted programs to reduce trip generation, including a Transportation Demand Management Ordinance to assist in reducing trips to and from employment.

The goals and implementation programs described above enable the City of Laguna Hills to attain the most equitable balance possible between housing opportunities and employment opportunities within the City. This balance is maintained further by planning and housing opportunities affordable to low income and moderate income families within the Urban Village Specific Plan area of Laguna Hills because this additional housing opportunity is located close to a collection of land uses (existing and planned) that are employment intensive. The urban village context represents land uses within the area designated on the City of Laguna Hills General Plan land use map as Village Commercial that would create pedestrian-oriented mixed use retail, office service, and multifamily residential area.

Regulatory Concessions and Incentives

To mitigate the impacts of government policies, rules, and regulations on the development and improvement of housing, the City offers a number of regulatory concessions and incentives to help offset the costs.

In 2005, the City amended its Zoning Ordinance to define specific housing development incentives, to implement General Plan Housing Element objectives, including incentives for the production of housing for very low to moderate income, and senior citizens in accordance with state density bonus law under Section 65915 of the Government Code. Chapter 9-72 of the City's Zoning Ordinance enumerates the housing development incentives approved by the City.

The City offers a density bonus and/or concessions or incentives for:

(1) at least 10 percent of the total units of a housing development are affordable to lower income households; (2) at least 5 percent of the total units of a housing development are affordable to very low income households; (3) senior citizen housing developments; and (4) at least 10 percent of the total units in a condominium project or in a planned development are affordable to moderate income households.

The City also offers a density bonus for condo conversions, where 33 percent of the total units of the proposed condominium project are affordable to low or moderate income households, or 15 percent of the total units are affordable to low income households.

The City also provides opportunities to develop housing in certain nonresidential districts of the City, which includes boarding homes, community care facilities, emergency shelters, single room occupancy housing facilities, and mobile home parks. Chapter 9-72.030(C) of the Zoning Ordinance details the requirements and location of housing in nonresidential districts throughout the City.

Fiscal incentives available to developers of affordable housing include waiver or reduction in fees, low interest loans or subsidies, and financial or mortgage assistance for acquisition of property.

Procedural incentives available to developers of affordable housing include consolidation of applications for consideration at one hearing, fast tracking of all housing development projects, and priority processing and scheduling for review of housing projects.

Market Constraints

Locally and regionally there are several constraints that hinder the ability to accommodate affordable housing demand in Laguna Hills. The high cost of land, rising development costs, and neighborhood

opposition make it expensive for developers to build affordable housing. These constraints may result in housing that is not affordable to low and moderate income households or may render residential construction economically infeasible for developers.

LAND COSTS

The cost of land is another major impediment to production of affordable housing. Land costs are influenced by many variables, including scarcity and developable density, location, unique features, and the availability of public utilities. The cost of land in Laguna Hills reflects its proximity to major employment centers and the rapid appreciation of land cost throughout Southern California in the past decade. Besides the few vacant remaining parcels within the Nellie Gail Ranch section of the City, vacant land available for development of any type is nonexistent within the City.

CONSTRUCTION AND LABOR COSTS

The cost of construction is dependent primarily on the cost of labor and materials. Construction factors such as type of construction, custom versus tract development, materials, site conditions, finishing details, amenities, square footage, and structural configuration can increase the cost of housing. Table H-38 summarizes the estimated construction costs based on type of development in the City of Laguna Hills.

Future costs are difficult to predict given the cyclical fluctuations in demand and supply that in large part are created by fluctuations in the state and national economies. Such fluctuations do not usually result in favoring development in one geographic area over another and, therefore, are not considered a major constraint to housing production.

Table H-38
Construction Cost Estimates (2007)

Development Type	Cost per Square Foot
Single-family Residential	\$100 - \$1125
Townhomes/Condominiums	\$150 - \$180
Multifamily (garden style apartments)	\$200
Multifamily (stacked flats with structured parking)	\$250

Source: RBF Consulting as cited in the City of Orange 2006-2014 Housing Element.

FINANCING

Construction Financing

Prior to the recession of the early 1990s, and significant changes in lending practices following the savings and loan scandal of the late 1980s, developers could receive loans for 100 percent or more of a project's estimated future value. Now, construction and permanent loans are almost never available for over 75 percent of the future project value for multifamily developments. This means that developers must usually supply at least 25 percent of the project value.

The financing of a residential project, particularly affordable housing, is quite complex. No firm threshold determines an acceptable "return" on investment or the maximum equity contribution at which an otherwise feasible project becomes infeasible. Upfront cash commitment may not be problematic for some developers as long as the project can generate an acceptable net cash flow to meet the acceptable returns. Although financing costs impact project feasibility, these problems are generally equal across jurisdictions and thus are not a unique constraint to housing production in Laguna Hills.

Mortgage Financing

The availability of financing affects a person's ability to purchase a home or to perform necessary maintenance and repairs. The availability of financing can also serve as a constraint to housing production. Many communities have experienced a pattern where households looking to purchase a home have had more difficulty in obtaining financing in lower income neighborhoods. The Community Reinvestment Act was passed in an effort to address this issue. In tandem with the Home Mortgage Disclosure Act (HMDA), lenders must now disclose information on the disposition of home loan applications by the income, gender, and race/ethnicity of the applicants.

The Federal Financial Institutions Council (FFIEC) compiles HMDA data according to the income characteristics of the census tracts where the dwelling units are located, based on the following FFIEC definitions. Income limits are determined based upon the MFI for the relevant Metropolitan Statistical Area (MSA). Low to moderate income tracts have a MFI below 80 percent of the MFI for the MSA. Middle income tracts have a median family income from 80 to 120 percent of the MFI for the MSA. Finally, upper income tract have a MFI above 120 percent of the MFI for the MSA.

Table H-39 illustrates the disposition of home purchase loans by census tract based upon information provided by the FFIEC for loan

applications in 2011. During 2011, 404 applications were filed for home purchase loans in the City of Laguna Hills. It is important to note that in many cases census tracts are not contiguous with the City's jurisdictional boundary. Therefore, some census tracts were excluded from this analysis because they contain a preponderance of nonresidential uses or contain only small geographic areas within the City of Laguna Hills and much larger geographic areas located within another jurisdiction.

Overall, the upper income census tracts showed the highest loan origination rate (68 percent).

Because income is often a limiting factor in securing home purchase loans, the percentage of loan originations was lower in both the middle and the low/moderate income census tracts, at 61 percent and 63 percent, respectively. Denial rates were 15 percent, 14 percent, and 23 percent, in the upper, middle, and low/moderate income census tracts, respectively.

Table H-39
Disposition of Home Purchase Loans by Census Tract

Census Tract	Tract Income Level	Total Applications	% Originated ¹	% Approved but not Accepted	% Denied	% Other ²
0423.27	Upper	96	66	6	17	11
0423.28	Upper	35	60	11	20	8
0423.33	Upper	36	78	5	8	8
Total Upper Income		167	68	7	15	9
0423.07	Middle	75	69	4	8	19
0626.21	Middle	105	53	15	20	11
Total Middle Income		180	61	10	14	15
0626.25	Low/Moderate	57	61	9	23	7
Total Low/Moderate Income		57	61	9	23	7
City Total		404	63	9	52	10

1. Originated applications are those approved by the lenders and bought by the applicants.

2. "Other" includes applications that were withdrawn by the applicants and those closed by the lenders due to incomplete information.

Source: Home Mortgage Disclosure Act (HMDA) data for 2011, FFIEC.

Troubled Subprime Loans and Foreclosures

The growing use of alternative mortgage products (graduated payment mortgages, variable and adjustable rate mortgages, interest-only loans, "stated income" loans with no income verification, zero down payment loans, etc.) has allowed more individuals to qualify for home loans.

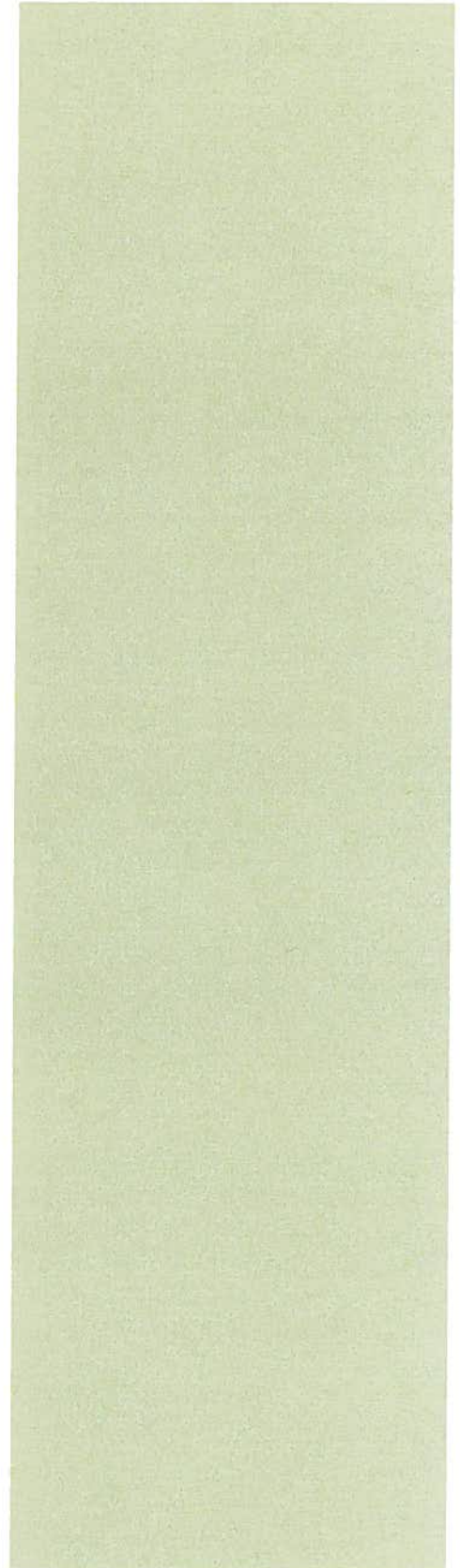
Loans with low initial payments often had provisions for substantial payment increases after several years (usually between 1 and 3 years). These loan products enticed many investors into the single-family market in the Orange County region, including Laguna Hills. The increasing availability of these loan products also allowed homebuilders to qualify many more households for home purchase and provided more business opportunities for virtually every profession linked to the homebuilding and residential real estate markets (mortgage brokers, real estate agents, title companies, etc.).

Rapidly rising housing prices since the late 1990s provided homebuyers and investors a sense of security that, even if loan payments adjusted upward significantly after an initial period, the growth in home equity would allow the borrower to either refinance or resell the home and thus avoid financial difficulties. The ability to “grow” one’s way out of potential financial trouble with equity growth changed dramatically after 2005, when home prices began to level off and then decline in many parts of the Orange County region for both new and existing homes.

Many borrowers who purchased homes in the past 2 years, particularly those with subprime loans, found that they owed more on their homes than their homes were worth. The changing mortgage market also affected borrowers without subprime loans in more expensive housing markets in California. In these more expensive markets (such as Laguna Hills), borrowers have to qualify for “jumbo” loans—relatively large loans that are not federally backed. A jumbo mortgage is a loan amount above conventional conforming loan limits set by Fannie Mae (FNMA) and Freddie Mac (FHLMC), federally chartered financial institutions that purchase the bulk of residential mortgages in the United States. Individuals who, 2 or 3 years ago, could qualify to purchase high-priced homes with jumbo loans have found it increasingly difficult to find willing lenders. They set a limit on the maximum dollar value of any mortgage they will purchase from an individual lender.

The confluence of flattening or declining home prices and the growing number of subprime and alternative loans resulted in a spike in defaults on home loans beginning in 2007. The number of defaults continued rising through 2008 and began to decline after the volume of troubled subprime and alternative mortgages funded between 2004 and 2006 resolved (either through refinancing, the sale of homes with troubled mortgages, or foreclosures). In 2011, almost forty percent of home sales were distressed sales in Laguna Hills. In January of 2013, the percentage of distressed sales made up less than ten percent of total sales in Laguna Hills.

The American Community Survey estimates that between 2009-2011,



approximately 50 percent of Orange County homeowners spent more than 30 percent of their gross income on housing. The high percentage of homeowners spending a disproportionate percentage of income on housing combined with a large number of troubled subprime loans suggest that homebuyers in the Orange County region will continue to face near-term challenges in making mortgage payments.

Environmental Constraints

Laguna Hills is impacted by various environmental hazards that include steep slopes/hillsides, flooding, and earthquakes.

Hillsides: The City has special development regulations that apply to all property within the City having a slope gradient, whether natural or manufactured, of 15 percent or greater.

Flooding: Portions of the City's Open Space – 2 Drainage Facilities District may be located in the flood plain overlay zone established by the Federal Emergency Management Administration (FEMA) maps. The City does not allow any permanent building or structure development to occur within a floodplain except those that meet FEMA standards and criteria.

Earthquakes: There are no active or potentially active faults known within the City of Laguna Hills. However, the active Newport Inglewood Fault Zone is 3 miles southwest of the City.

Development in areas with known hazards must ensure that adequate precaution and mitigation are afforded to protect public health and safety. No vacant, developable land and no infill development is planned in the City that is located in proximity to areas subject to flooding or in areas subject to special hillside development regulations. Potential infill or redevelopment sites within the City are located in areas that are generally level. Infill and/or redevelopment activities within Laguna Hills would be subject to seismic activity, as is all of Southern California.

Infrastructure Constraints

Another factor adding to the cost of new home construction is the cost of providing adequate infrastructure, such as streets, curbs, gutters, sidewalks, water and sewer lines, and street lighting. The cost of these additions or improvements is borne by developers and then, to the extent possible, added to the cost of new housing units, impacting affordability.

As redevelopment or infill development occurs within the City, infrastructure may need to be upgraded to accommodate intensification which could present a constraint to development.

Housing Resources

State housing element law requires that a local jurisdiction accommodate a share of the region's projected housing needs for the planning period. This share, called the Regional Housing Needs Allocation, is important because state law mandates that jurisdictions provide sufficient land to accommodate a variety of housing opportunities for all economic segments of the community. Compliance with this requirement is measured by the jurisdiction's ability to provide adequate land to accommodate the RHNA. This section summarizes the resources available for the development of housing in Laguna Hills. The analysis includes an evaluation of the adequacy of the City's land inventory to accommodate Laguna Hills' regional housing needs goals for the 2013-2021 planning period. This section also analyzes the financial resources available to support housing activities and the administrative resources available to assist in implementing the City's housing programs. Finally, this section documents the City's accomplishments during the 2008-2014, Housing Element planning period.

Available Sites for Housing

State law requires communities to play an active role in ensuring that enough housing is available to meet expected population growth in the Southern California region. Approximately every 8 years, the SCAG is authorized to set forth specific goals for the amount of new housing that should be planned in each jurisdiction over a specified time period, in this case 2013-2021. This section discusses how Laguna Hills will plan for the provision of housing for all economic segments by 2021.

FUTURE HOUSING NEED

For the 2013-2021 Housing Element cycle, HCD projected a need for 412,137 new housing units in a six-county Southern California region (encompassing the counties of Los Angeles, Orange, Riverside, San Bernardino, Ventura, and Imperial). The SCAG is responsible for allocating this future housing need to the 193 jurisdictions within the region. In this capacity, SCAG developed a Regional Housing Needs Assessment that determines each jurisdiction's share of the forecasted growth. Laguna Hills' share of the regional housing need for the period 2013-2021 is allocated by SCAG based on a number of factors,



including recent growth trends, income distribution, and capacity for future growth.

The RHNA is divided into the four income groups established by HCD. Pursuant to state housing element law, a jurisdiction must demonstrate in its housing element that it has adequate residential sites at appropriate densities and development standards to accommodate its RHNA.

According to the RHNA, Laguna Hills has a RHNA of two additional units. This need for new housing is divided into two income categories as follows:

- Extremely low income (0-30 percent MFI) - one unit
- Low income (51 to 80 percent MFI) – one unit

CREDITS TOWARD THE RHNA

The City has no units that can be credited toward the RHNA.

RESIDENTIAL SITES INVENTORY

An important component of the Laguna Hills Housing Element is the identification of sites for future housing development and evaluation of the adequacy of this site inventory in accommodating the City's share of regional housing growth.

Vacant Land

Because of the built out nature of Laguna Hills, the supply of vacant land suitable for residential development is very limited. A GIS and building permit analysis of land resources identified six vacant parcels located in the Nellie Gail Ranch area of the City. Each of the vacant sites has public infrastructure to accommodate development and is currently zoned for residential development. The capacity of each site was based on established land use controls and development standards. Figure H-5 depicts the location of available, vacant land suitable for residential development in the City.

Table H-41 quantifies the number and type of housing units that could be accommodated on the City's vacant residential land.

Underutilized Land

Local governments with limited vacant land resources may rely on nonvacant and underutilized residential sites to accommodate their respective portion of the regional housing need. For the Housing Element, underutilized parcels are defined as property that is either

developed but could accommodate greater intensity or vacant land that is not currently zoned for residential uses. Underutilized land may address the City's future housing needs if the element describes the realistic development potential based on several factors, including existing uses, proposed uses, recent development trends, recent market conditions, and existing or proposed incentives.

Table H-41
Vacant Sites Inventory

Vacant Site No.	APN	General Plan	Zone	Maximum Density	Potential New Units	Affordability
1	627-192-07	ER	ER	3.5 du/ac	1	Above moderate
2	636-211-05	ER	ER	3.5 du/ac	1	Above moderate
3	636-342-05	ER	ER	3.5 du/ac	1	Above moderate
4	636-351-10	ER	ER	3.5 du/ac	1	Above moderate
5	636-351-04	ER	ER	3.5 du/ac	1	Above moderate
6	627-482-05	ER	ER	3.5 du/ac	1	Above moderate
Total					6	Above moderate

Source: City of Laguna Hills Community Development Department, 2013.

Urban Village Specific Plan

The Urban Village Specific Plan (UVSP), adopted in November 2002, is a 240-acre area bounded by Paseo de Valencia on the north and west, Los Alisos Boulevard on the south, and Interstate 5 on the east.

The UVSP provides for a continuing mixture of land uses, including retail, residential hotel, medical offices, and general offices. The UVSP allows residential development at high density development only, up to 50 dwelling units per acre. The UVSP area is designated in the City's General Plan and Zoning Ordinance as Village Commercial. All new development within the Village Commercial district is subject to the UVSP.

Existing Use. Existing uses include a mix of retail, office, financial, medical, residential, and transportation uses. The area currently consists of approximately 527,000 sq. ft. medical center, approximately 633,000 sq. ft. of office space and 1,124,000 sq. ft. of retail space. The employment base within the UVSP area contains approximately 5,000 workers. The existing 756 residential uses in the UVSP area include the Prado apartment complex (360 units) and the Villa Valencia senior citizen development (396 units).

The size of the UVSP area allows residential development and adjacent

uses will not impede residential development.

Proposed Use. The purpose of the UVSP area is to develop an urban core in which a variety of public, regional commercial, recreational, and high density residential uses work in concert to create an urban village. The UVSP area allows residential development at high density development only, at a maximum of 50 dwelling units per acre. This is in addition to the existing 756 units within the UVSP area, none of which will be removed as development/redevelopment occurs within this area. The City amended the UVSP in 2011 to establish a minimum residential development density of 30 dwelling units per acre in the UVSP area. No pre-established limit of residential units previously existed in the UVSP.

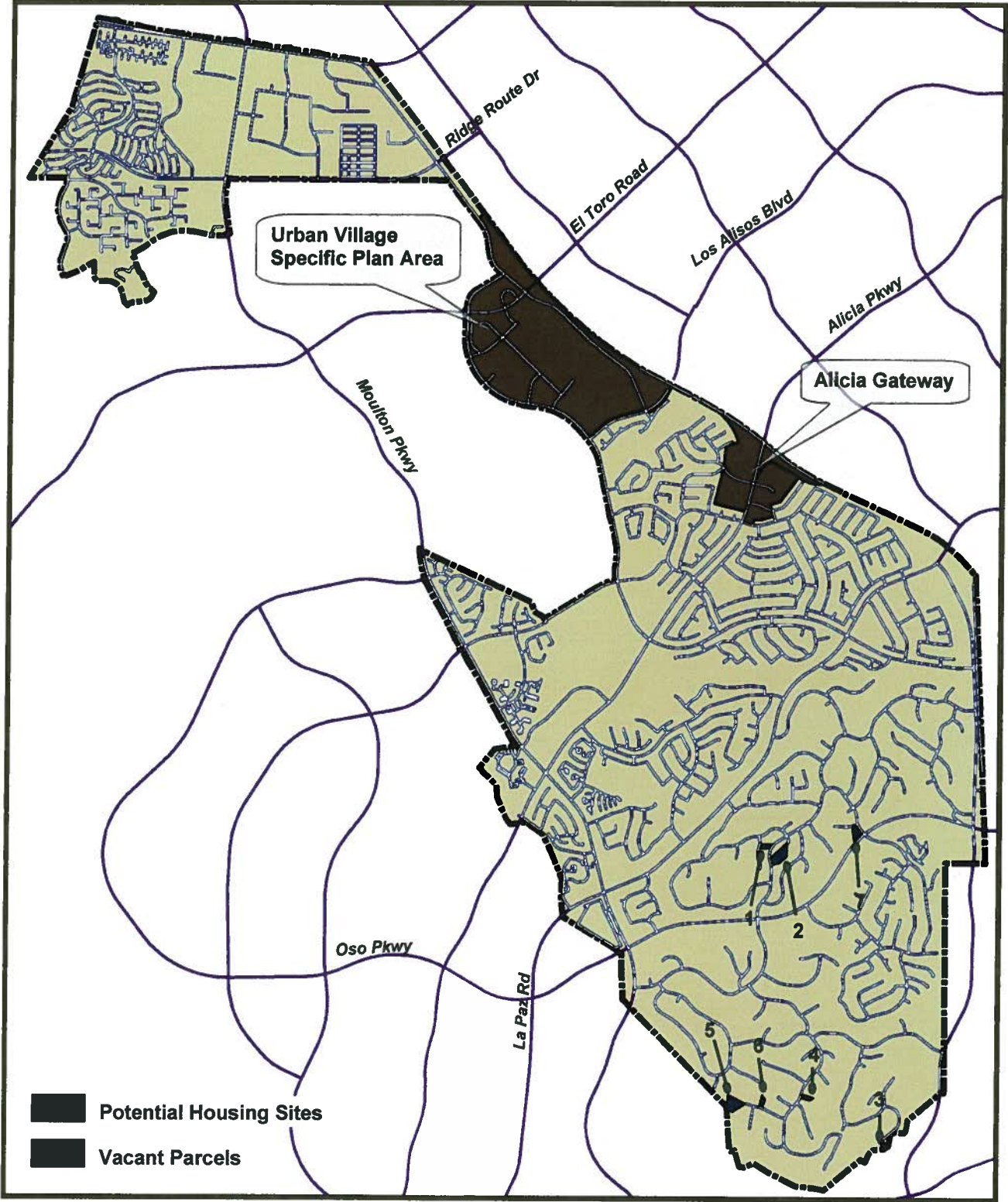
The allowed development intensity in the UVSP area is regulated based on trip generation limits to ensure that the City's General Plan Circulation Element Level of Service Standard D is not exceeded at any of the intersections within the area. A traffic study analyzed "trip budgets" available to accommodate new development within the UVSP area. At present, the remaining trip budget from the Urban Village area is 1,049 AM peak hour trips and 2,228 PM peak hour trips. Prior to redevelopment or new development, project proponents must provide an analysis that indicates that the proposed project does not exceed the remaining trip budgets allowed in the UVSP area.

The City has taken steps toward attracting residential development to the UVSP area. The City has worked with real estate and development interests to develop residential mixed use in the UVSP area. Over the past eight years, the City has held numerous meetings with property owners and residential builders to promote new residential development in the UVSP area.

In 2012, the City worked with the Fritz Duda Company (owner of the Oakbrook Village Shopping Center) for almost a year to approve plans for a two-phased, redevelopment project of a portion of the Oakbrook Village Shopping Center. The mixed-use, redevelopment project includes the development of up to 489 residential units (289 in Phase One and up to 200 in Phase Two) in multi-story residential buildings and up to 82,574 square feet of retail space (23,974 in Phase One and 58,600 in Phase Two).

The City continues to engage residential builders about development opportunities that exist in the UVSP area, and other locations in the community.

Figure H-6 depicts the parcels and acreage within the UVSP area, and potential development areas.



Source: EDAW, 2008

Figure H-5
Housing Opportunity Areas



Infrastructure Availability. Infrastructure and public services are readily available within the UVSP area. Water is provided to the UVSP area by El Toro Water District (ETWD). Water service is provided through a network of pipelines varying from 6 to 24 in. in size. ETWD will review proposed site-specific projects as they are proposed to determine if upgrades to existing facilities or construction of new facilities will be required. Wastewater services are also provided by ETWD with treatment provided by the ETWD Water Recycling Plant through a series sanitary sewer pipelines varying from 6 to 24 in. in size. ETWD will review proposed site-specific projects as they are proposed to determine if upgrades to existing facilities or construction of new facilities will be required. The recent update to the El Toro Water District's Water and Sewer Master Plan accounted for the potential water and sewer needs within the Urban Village Specific Plan. The District has adequate water supply and sewage treatment capacity to accommodate the development as proposed. Specific improvements to the water distribution system or sewer collection system that may be necessary to accommodate the development would be evaluated and defined at the time development occurs. The cost of any improvements necessary to provide water or sewer service to the development would be borne by the developer.

Recent Development Trends. Several redevelopment projects have occurred in Laguna Hills during the past several years. The old Circuit City site at Avenida de la Carlota and El Toro has been redeveloped to add an additional 5,949 square feet of retail space that now serves as the new home to Ashley Furniture, Total Wine and More, and Chick-Fil-A. The Taj Mahal Office Complex was renovated to include expanding the complex by 6,100 square feet to provide medical office space. In April 2012, the City approved plans for the redevelopment of the Moulton Las Paz Shopping Center to include the addition of 29,098 square feet of general commercial space. The Center will be anchored by The Fresh Market, the chain's first store in Southern California and the second in the State.

Market Conditions. Although the housing market in southern California has softened, home prices in Laguna Hills remain high. The median home price for single-family homes during the period January 1, 2012, to January 1, 2013, was \$580,000, while the median home price for condominiums was \$225,000. The City continues to experience high land and construction costs. Furthermore, as already noted, besides the vacant Estate Residential parcels within the Nellie Gail Ranch area, Laguna Hills contains no vacant residential land for new housing development. Therefore, conditions for redevelopment and reuse are favorable in Laguna Hills.



Source: EDAW, 2008

Figure H-6
Urban Village Specific Plan Area



Concessions and Incentives. The Regulatory Concessions and Incentives section of this Housing Element (see Constraints on Housing Production section) describes the numerous regulatory concessions and incentives available to developers of affordable housing in Laguna Hills. These concessions and incentives include density bonuses, opportunities to develop housing in certain nonresidential districts of the City, fiscal incentives, and procedural incentives. Refer to the Regulatory Concessions and Incentives section for a detailed discussion.

Potential UVSP Area Housing Development Summary

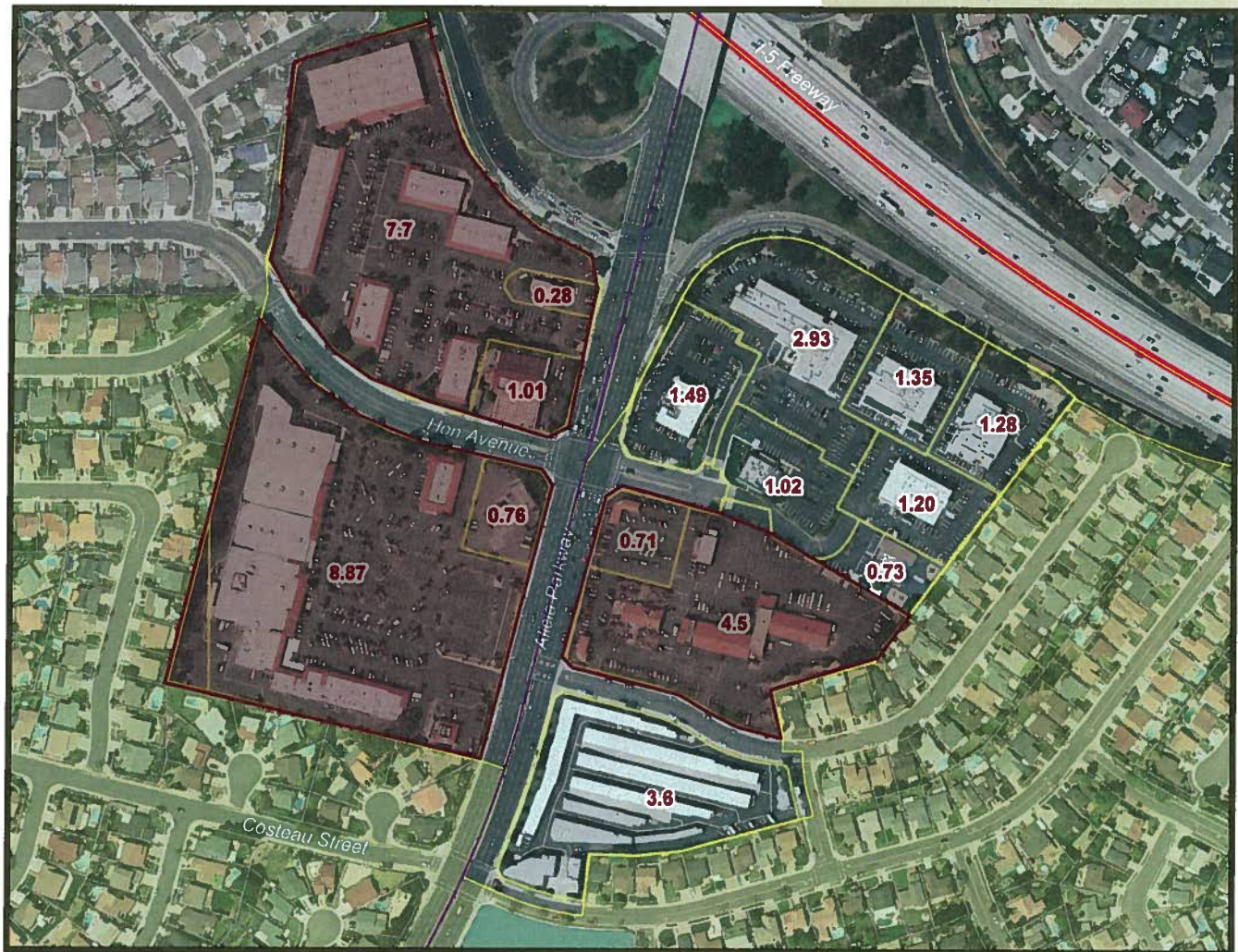
- Density: Minimum 30 dwelling units per acre;
Maximum 50 dwelling units per acre; high density residential only
- Maximum Units: Maximum determined by trip limits
- Potential Units: At least 489
- Affordability: Extremely low income through moderate income and above

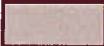
Alicia Gateway

The Alicia Gateway area is a 40.4-acre site located just west of Interstate 5 and is bisected by Alicia Parkway from north to south, and Hon Avenue and Paseo de Alicia from east to west. The City's General Plan and Zoning Ordinance designate the site as Neighborhood Mixed Use. The site contains approximately 439,263 square feet of commercial development. No residential development is located within the current boundaries of Alicia Gateway. The area is generally surrounded by single-family homes on the east, south, and west.

Existing Use. Existing land uses consist of a variety of commercial and office uses, including retail sites, restaurants, local services, fast food establishments, medical offices, and two gas stations. Additionally, the site contains a business park, a used car lot, and a public storage facility.

The southeast portion of Alicia Gateway contains a parcel of approximately 5.1 acres, containing approximately 20,777 sq. ft. of improvements supporting a used car lot and car repair services. The property owner of this site has engaged in extensive discussions with the City to discontinue the current use of automobile sales and services. Discontinuation of the present use is expected within the Housing Element planning period and redevelopment is anticipated to occur. Environmental constraints may be present on this site due to the current use.

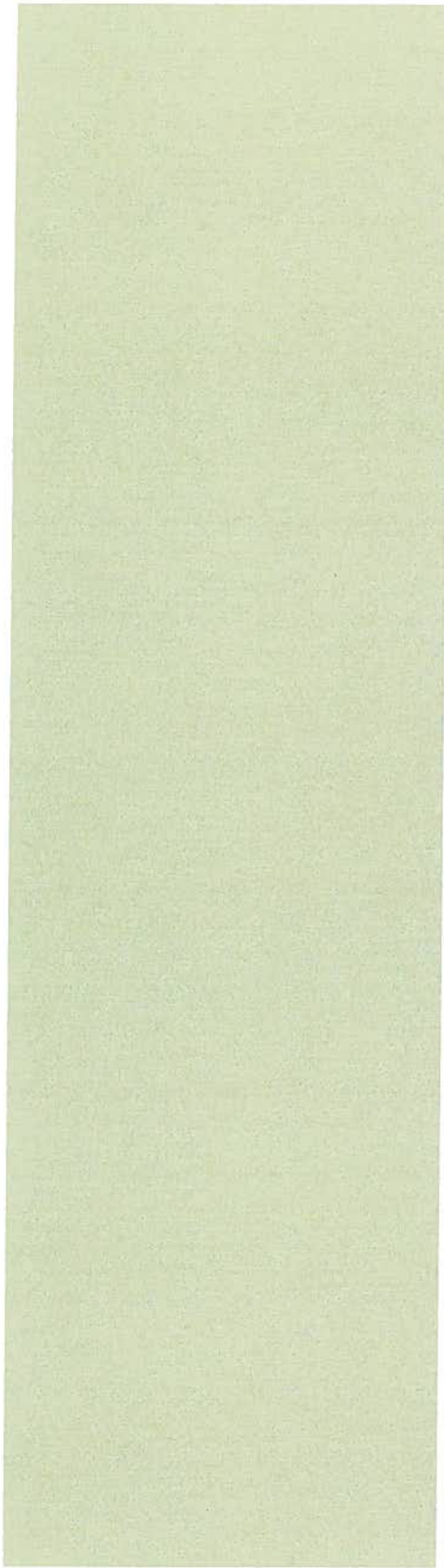


 Commercial Underutilized Sites (see Table H-41a)

Source: EDAW, 2008

Figure H-7
Alicia Gateway





Proposed Use. The City's General Plan designates the entire Alicia Gateway as neighborhood mixed use. The neighborhood mixed use designation will create a moderate density center and gathering place. This designation will promote a mix of retail, housing, and office uses; walkable connections, plazas and green space for community gathering; high quality design and architecture; orientation of buildings toward the street and pedestrians; and accessibility to transit. The neighborhood mixed use designation promotes the development of vertical and horizontal mixed use. Allowed uses include commercial, retail, office, and residential. Standalone residential is prohibited. The maximum height is three stories, and the expected housing density range is between 10 and 20 dwelling units per acre with a maximum of 110 dwelling units on this site.

A preliminary traffic review of Alicia Gateway indicated that the mixture of uses proposed under the neighborhood mixed use designation (including 110 dwelling units) actually results in a slight decrease in traffic currently being generated. As a result, daily trip generation would not be expected to cause any adverse impacts to surrounding traffic operations.

Figure H-7 depicts the parcels and acreage within the Alicia Gateway area.

Infrastructure Availability. Infrastructure and public services are readily available within Alicia Gateway. Water and sewer service is provided by MNWD. MNWD has adequate wastewater treatment capacity and sufficient potable water capacity to serve the development of the area with a mixture of commercial and residential uses. However, some replacement of the transmission systems may be required to meet MNWD standards. It is expected that any proposed redevelopment would require an assessment of the adequacy of water and sewer services to determine if upgrades to existing facilities or construction of new facilities would be required.

Recent Development Trends. Several redevelopment projects have occurred in Laguna Hills during the past several years. The old Circuit City site at Avenida de la Carlota and El Toro has been redeveloped to add an additional 5,949 square feet of retail space that now serves as the new home to Ashley Furniture, Total Wine and More, and Chick-Fil-A. The Taj Mahal Office Complex was renovated to include expanding the complex by 6,100 square feet to provide medical office space. In April 2012, the City approved plans for the redevelopment of the Moulton Las Paz Shopping Center to include the addition of 29,098 square feet of general commercial space. The Center will be anchored by The Fresh

Market, the chain's first store in Southern California and the second in the State.

Market Conditions. As noted previously, although the housing market in southern California has softened, home prices in Laguna Hills remain high, as do land and construction costs. Additionally, besides the vacant Estate Residential parcels within the Nellie Gail Ranch area, Laguna Hills contains no vacant residential land for new housing development. The neighborhood mixed use land use designation may stimulate interest in residential development of this area by allowing mixed use residential development by right. Therefore, conditions for redevelopment and reuse are favorable in Laguna Hills.

Concessions and Incentives. The Regulatory Concessions and Incentives section of this Housing Element (see Constraints on Housing Production section) describes the numerous regulatory concessions and incentives available to developers of affordable housing in Laguna Hills. These concessions and incentives include density bonuses, opportunities to develop housing in certain nonresidential districts of the City, fiscal incentives, and procedural incentives. Refer to the Regulatory Concessions and Incentives section for a detailed discussion.

Potential Alicia Gateway Housing Development

Summary

- Density: 10–20 dwelling units per acre
- Maximum Units: 110
- Potential Units: 110
- Affordability: Moderate income and above

Table H-41a summarizes the inventory of commercial underutilized sites in Laguna Hills.

COMPARISON OF SITES INVENTORY AND RHNA

Properties identified in the sites inventory have the combined capacity to accommodate sufficient housing units on vacant and underutilized properties in Laguna Hills (Table H-42) and meet the remaining RHNA for the 2013-2021 planning period. The UVSP was amended to accommodate residential development at a minimum of 30 dwelling units per acre to its current maximum of 50 dwelling units per acre. The UVSP will continue to allow residential development “by right.” The UVSP site provides opportunities at a density suitable to accommodate the development of lower income housing in Laguna Hills.

Table H-41a
Commercial Underutilized Sites Inventory

Underutilized sites	Acres	APN	General Plan	Zone	Maximum Density	Potential New Units in this Housing Element Cycle	Existing Uses
UVSP							
Oakbrook Village (Fritz Duda)	9.8	621-491-07 621-491-08 621-051-10 621-051-11 621-051-12	VC	VC	30-50 du/ac	489	Strip Mall
Alicia Gateway*							
Laguna Hills Plaza (Sylmar Apts., LLC)	9.6	620-011-89	NMU	NMU	.08 FAR	28	Strip Mall
Honali Plaza (Alicia Center Co.)	7.9	620-461-10 620-461-12	NMU	NMU	.08 FAR	23	Strip Mall
Phillips Auto Dealership (EMJ Ltd.)	5	620-231-08 620-231-09	NMU	NMU	.08 FAR	15	Auto Dealership
*Total potential units in Alicia Gateway is 110 dwelling units.							

Table H-42
Summary of Residential Sites Inventory

Income Category	Vacant Residential Sites	Underutilized Sites	Total Sites	Remaining RHNA	Difference
Total	6	599	605	2	-

Financial Resources

The City of Laguna Hills has access to several federal and local resources to achieve its housing and community development goals. Specific funding sources will be utilized based on the eligibility and requirements of each project or program. The City leverages, to the maximum extent feasible, local funds with federal and state funds in meeting its housing and community development objectives.

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

The Community Development Block Grant (CDBG) Program is administered by HUD. Through this program, the federal government provides monies to cities to undertake certain kinds of community development and housing activities.

Activities proposed by the City must meet the objectives and eligibility criteria of CDBG legislation. The primary CDBG objective is the development of viable urban communities, including decent housing and a suitable living environment, and expanding economic opportunity, principally for persons of low and moderate income. Each activity must meet one of the three broad national objectives:

- Benefit low and moderate income families
- Aid in the prevention or elimination of slums or blight
- Meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community

Over the past 8 years, the City has been awarded CDBG funds totaling approximately \$2.1 million. These funds were used to renovate over 136 housing units in the 248-unit Aliso Meadows Condominium Development, which primarily houses low income households, although is not deed restricted as such.

SECTION 8 HOUSING CHOICE VOUCHER PROGRAM

The Housing Choice (Section 8) voucher program (HCVP) is the federal government's major program for assisting very low income families, seniors, and the disabled to rent decent, safe, and sanitary housing in the private market. Since the rental assistance is provided on behalf of the family or individual, participants are able to find and lease privately owned housing, including single-family homes, townhouses, and apartments from landlords who accept vouchers.

The Orange County Housing Authority (OCHA) coordinates and administers Section 8 rental assistance on behalf of the City of Laguna Hills. According to OCHA, approximately 19 households are receiving Section 8 assistance in Laguna Hills.

Like many other urban areas, the demand for rental assistance in Orange County is very high. For the first time in more than 4 years, OCHA opened the HCVP waiting list during the month of November 2005. Approximately 20,000 applications were received within this 30-day period. By June 1, 2006, OCHA had established a new wait list containing 18,601 applicant names and began processing elderly

and disabled veterans and families headed by a veteran from the list. At the end of December 2006, OCHA had issued 1,064 Housing Choice Vouchers to applicants on the new waiting list. It could take several years to deplete the current waiting list and accept applications for a new list.

Energy Conservation

Government Code Section 65583(a)(78) requires that the City of Laguna Hills Housing Element include an analysis of opportunities for energy conservation with respect to residential development.

The City of Laguna Hills fully enforces provisions of Title 24 of the California Administrative Code, which requires energy conservation measures in all new residential buildings (and additions to residential buildings) except hotels, motels, and buildings with four or more habitable stories and hotels. The regulations specify energy saving design for walls, ceilings, and floor installations, as well as heating and cooling equipment and systems, gas cooling devices, conservation standards, and the use of nondepleting energy sources, such as solar energy or wind power. Standards in Title 24 create energy savings of approximately 50 percent over residential construction practices utilized prior to the Title 24 enactment.

Planning to maximize energy efficiency and the incorporation of energy conservation and green building features can contribute to reduced housing costs for homeowners and renters, in addition to promoting sustainable community design, reduced dependence on vehicles, and reduced greenhouse gases.

The City updated its General Plan and incorporated sustainability measures into the General Plan, including energy conservation opportunities.

The City will adopt a sustainable development program (Land Use Implementation Program LU-8) with the goal of reducing ownership costs, reducing water and energy consumption, reducing driving, and reducing greenhouse gas emissions.

The current General Plan incorporates sustainability by establishing implementation programs that address the following: green building standards; mixed use; additional bikeways, sidewalks, walkways, crosswalks to reduce driving; increasing transit use by coordinating with the Orange County Transportation Authority; drafting a climate action plan; increasing water conservation; increasing recycled and reclaimed water; and promoting community gardens. In addition to the above implementation programs in the General Plan, the City will also consider

incorporating additional components into the Sustainable Development Program not directly addressed in these implementation programs such as:

- Adopting a formal green building program, such as Leadership in Energy and Environmental.
- Design (LEED), GreenPoint Rated and/or other programs applicable to Laguna Hills.
- Providing developer incentives for green buildings.
- Adopting a native tree preservation ordinance and encourage planting of new, drought-tolerant trees.
- Promoting and incentivizing alternative energy such as wind and solar in new development and revitalization projects.
- Instituting green purchasing practices in all City operations, including alternative or very fuel efficient vehicles.
- Establishing a marketing and education plan for City residents to encourage green building standards, alternatives to driving, energy conservation through high efficiency lighting and appliances, and alternative energy such as wind and solar.
- Measuring annual progress in City operations, and private development as applicable.
- Participating in utility-sponsored (e.g., Southern California Edison) sustainability programs.

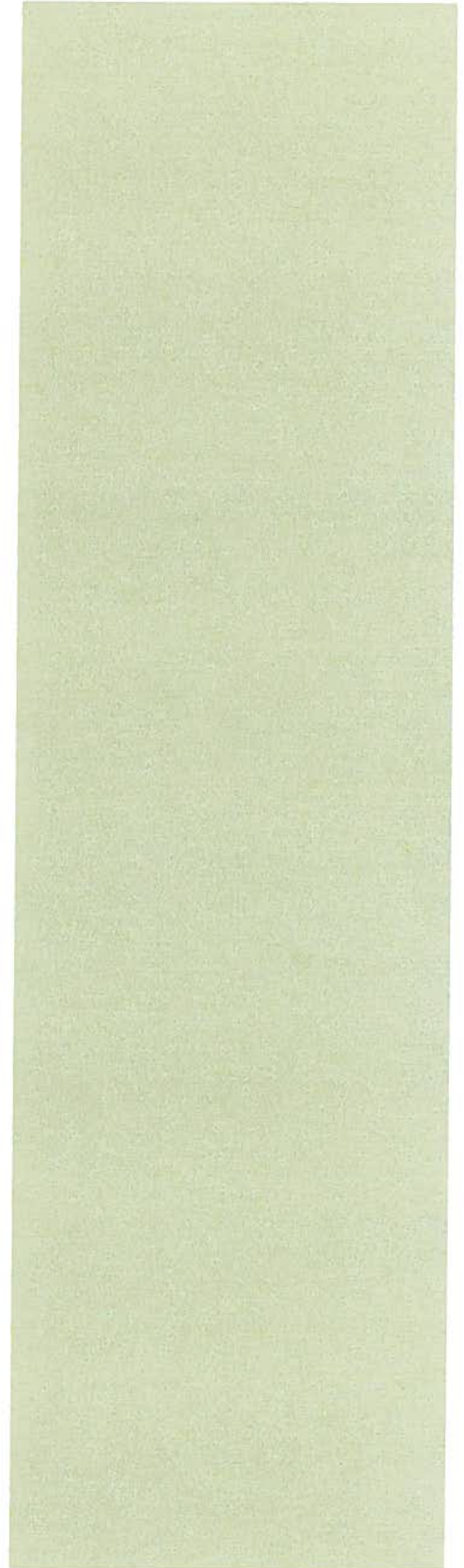
Housing Plan

Evaluation of Accomplishments under Adopted Housing Element

Government Code Section 65588(a) requires each jurisdiction to review its housing element as frequently as appropriate to evaluate:

- The appropriateness of the housing goals, objectives, and policies in contributing to the attainment of the state housing goal;
- The effectiveness of the housing element in attainment of the community's housing goals and objectives; and
- The progress of the city, county, or city and county in implementation of the housing element.

This section documents the City's achievements under the 2008-2014



Housing Element. This section describes the relative success of the City's efforts to implement the programs identified in the previous housing element and contains recommendations for program retention, revision, deletion, or addition to address current and projected needs and state requirements between 2013-2021.

Table H-43 lists the housing programs found in the 2008-2014 Housing Element and provides a summary of accomplishments under the Housing Element cycle.

Table H-43 Review of Accomplishments under 2008 Housing Element		
Program	Objectives	Accomplishments
H-1. Code Enforcement Program	Enforce zoning and building codes to reduce health and safety hazards.	Zoning and building code enforcement is provided by the Laguna Hills Community Development Department (CDD) and the City Attorney. Annually, approximately 100 health and safety violations are addressed and abated. Continued Appropriateness: This program is included in the 2013-2021 Housing Element.
H-2 State Franchise Tax Board Code Enforcement	Enforce California Revenue and Taxation Code prohibiting owners of rental property from claiming certain tax benefits if they maintain substandard rental housing.	Zoning and building code enforcement are provided by the City. At present, the City has no substandard housing and has not had to notify the Franchise Tax Board of substandard rental housing. Continued Appropriateness: This program is included in the 2013-2021 Housing Element.
H-3 Housing Rehabilitation	Institute rehabilitation loan and grant program with assistance from OCHA and HCD for low and moderate income homeowners and rental property landlords.	To date, the City has been awarded CDBG funds totaling approximately \$2.1 million, which resulted in the rehabilitation of 136 affordable housing units for low and moderate income households. Continued Appropriateness: This program is included in the 2013-2021 Housing Element.
H-4 At-Risk Units	Contact owners of affordable units to discern plans for continuing affordability of those units.	The City continues to pursue the extension of affordability controls for the Rancho Moulton housing development. The City prepares a Risk Management Assessment report provided by the California Housing Partnership Corporation. Continued Appropriateness: This program is included in the 2013-2021 Housing Element.
H-5 Foreclosure Referral Program	Address increased incidence of residences facing foreclosure.	Provide foreclosure information on City's website. Refer residents to external agencies to assist in reducing incidence of foreclosures. Continued Appropriateness: This program is included in the 2013-2021 Housing Element.

Table H-43 (continued)
Review of Accomplishments under 2008 Housing Element

Program	Objectives	Accomplishments
H-6 UVSP Area for Housing Opportunities	• Provide housing opportunities in the UVSP area.	City continues to inform existing property owners and prospective developers that housing opportunities are available in the UVSP area. In November 2012, the City approved a mixed use project at Oakbrook Village (in the UVSP area), which includes the development of 489 multi-family residential units in two phases. Continued Appropriateness: This program is included in the 2013-2021 Housing Element.
H-7 Alicia Gateway for Housing Opportunities	• Provide housing opportunities in the Alicia Gateway area.	City continues to inform prospective developers that housing opportunities are available in the Alicia Gateway area. Continued Appropriateness: This program is included in the 2013-2021 Housing Element.
H-8 Neighborhood Mixed Use Land Use Designation and Zone District	• Promote the development of mixed use to create a moderate density center and gathering place in key, centrally located areas in Laguna Hills.	The City adopted a Neighborhood Mixed Use designation and zone district. Continued Appropriateness: This program was completed in 2009 and is not included in the 2013-2021 Housing Element.
H-9 Zoning Ordinance Update	• Remove constraints for the development of housing for affordable to low and moderate income households with special needs.	The City adopted an amendment to the UVSP in April 2011. Continued Appropriateness: This program is included in the 2013-2021 Housing Element.
H-10 Second Units	• Provide housing opportunities	The City continues to implement the Second Unit provisions of the Zoning Ordinance consistent with state law-City permits second units by right in all residential zones of the City, requiring only ministerial approval. Continued Appropriateness: This program is included in the 2013-2021 Housing Element.
H-11 CDBG Funding for Shelter for the Homeless	• Housing Apply for HUD CDBG funds and allocate a portion of such funds to subrecipients who provide shelter for the homeless.	The City participates in the County's Continuum of Care Program, which addresses homeless needs on a regional basis. Continued Appropriateness: This program is included in the 2013-2021 Housing Element.

Table H-43 (continued)
Review of Accomplishments under 2008 Housing Element

Program	Objectives	Accomplishments
H-12 Continuum of Care Funding and Consolidated Plan Participation	Affordable housing and related social services for special needs.	The City continues to participate in the OC Consolidated Plan Programs and in the OC Continuum of Care local housing process to facilitate obtaining funds for affordable housing and related social services for special needs populations. Continued Appropriateness: This program is included in the 2013-2021 Housing Element.
H-13 Section 8 Rental Assistance	Cooperate with the Orange County Housing Authority (OCHA), who currently administers the Section 8 Rental Assistance program on behalf of the City.	The City continues to cooperate with OCHA and provide referral services and information to the City's residents. Continued Appropriateness: This program included in the 2013-2021 Housing Element.
H-14 Affordable Housing Developer Partnerships	Partner with mainstream and/or special needs affordable housing developers that could result in set-asides for low income housing projects and/or provide a range of housing options.	City does not have a redevelopment agency. City has contacted mainstream affordable housing developers regarding housing development opportunities in the City. Continued Appropriateness: This program is included in the 2013-2021 Housing Element.
H-15 Fair Housing Program	- Distribute fair housing education services. - Receive and refer fair housing complaints.	Periodically, the City requests, and receives, Fair Housing Educational Brochures for distribution to the public. The City regularly receives phone calls and emails requesting the Fair Housing Council contact information, which is provided. Continued Appropriateness: This program is included in the 2013-2021 Housing Element.
H-16 Reasonable Accommodation Procedures	Adopt a Reasonable Accommodation Ordinance	The City adopted a formal Reasonable Accommodation procedure in 2012. Continued Appropriateness: This program is completed and not included in the 2013-2021 Housing Element.
H-17 Universal Design Features in Housing	Provide equal housing opportunities	The City is exploring programs, an ordinance, and incentives to encourage provision of universal design features in housing. The City's Building Code allows builders to develop units that support universal design. Continued Appropriateness: This program is included in the 2013-2021 Housing Element.
H-18 Annual Progress Reports	- Prepare annual reports on citywide housing programs as part of annual General Plan review. - Distribute annual report on Housing Element implementation to HCD.	The City prepares an annual progress report each year and submits it to HCD. Continued Appropriateness: This program is included in the 2013-2021 Housing Element.

Table H-43 (continued)
Review of Accomplishments under 2008 Housing Element

Program	Objectives	Accomplishments
H-19 Housing Issues Monitoring	• Monitor existing and proposed affordable housing developments in the City. • Monitor legislation, trends, and policy issues related to the development and maintenance of affordable housing in Laguna Hills.	Ongoing. The City continues monitor housing issues in the City. Continued Appropriateness: This program is included in the 2013-2021 Housing Element.
H-20 Local Housing Efforts Coordination	• Coordinate local housing efforts with appropriate jurisdictions and agencies and cooperate with intergovernmental housing program implementation. • Submit CDBG applications to assist in preserving existing affordable units.	The City continues to apply for (and receive) CDBG funds each year to rehabilitate and preserve existing affordable housing units. 136 units have been rehabilitated. Continued Appropriateness: This program is included in the 2013-2021 Housing Element.

Goals and Policies of 2013-2021 Housing Element

The goals and policies described in this section will formulate the City's housing strategy and guide the implementation of the Housing Element programs. The policies are intended to guide the City in making decisions related to housing issues, the City staff in the daily administration of the General Plan, and the public in understanding the general direction of the City's housing policies.

NEIGHBORHOOD AND HOUSING PRESERVATION

Preserving the City's residential neighborhoods and maintaining the City's housing stock are essential steps to retaining the City's livability and character. Preserving and or replacing units affordable to low income households and those with special needs is also important. Preservation efforts must carefully consider environmental, physical, and economic constraints. To this end, the following policies seek to facilitate neighborhood and housing preservation in Laguna Hills.

GOAL H-1: Maintain and preserve existing housing and residential neighborhoods in Laguna Hills.

Policy H-1.1: Invest public and private resources in the maintenance and rehabilitation of existing housing to prevent or reverse neighborhood deterioration.

Policy H-1.2: Allocate federal and state resources toward the preservation of residential units, particularly those that are affordable to extremely low, very low, and lower income households.

Policy H-1.3: Maintain and improve community facilities, public housing services, and infrastructure, where necessary, to enhance the livability and vitality of neighborhoods.

Policy H-1.4: Support neighborhood preservation programs, such as graffiti abatement, code enforcement, abandoned or inoperative automobile removal, tree planting, and trash and debris removal.

Policy H-1.5: Preserve the City's affordable housing stock for low and moderate income households and special needs households.

HOUSING AVAILABILITY

Residents of Laguna Hills recognize the need to provide housing opportunities for all segments of the community. Providing a greater diversity of housing types, such as multifamily apartments, condominiums, townhomes, and senior housing facilities, will allow both younger and older generations of Laguna Hills's residents to remain in the community. Housing variety will also enable citizens from a wide range of economic levels to live within the City. Accordingly, the following policies are designed to facilitate a diverse housing supply. The amount, type, and design of new development should be compatible with existing neighborhoods.

GOAL H-2: Facilitate the development of a range of housing types, densities, and affordability levels to meet the diverse needs of the community for all economic levels and age groups and special needs groups, such as large families, female-headed households, the disabled, seniors, and the homeless.

Policy H-2.1: Provide opportunities for higher density residential development, mixed use residential/commercial development, and transit-oriented development in appropriate areas of the City.

Policy H-2.2: Promote zoning designations and commensurate development standards for residential development that encourage flexibility in permitted land use types, which also respond to changing market forces and/or urban planning trends.

Policy H-2.3: Consider standards and incentives that encourage higher density and mixed use development in appropriate areas such as the Urban Village Specific Plan area, Via Lomas housing area, and Alicia Gateway.

Policy H-2.4: Support the development of more sustainable projects that reduce demand for water and energy resources, reduce commute times, and incorporate alternative modes of travel.

Policy H-2.5: Revise governmental regulations and policies that constrain the provision of housing production, including affordable housing and housing for persons with special needs.

Policy H-2.6: Coordinate with the private sector in the development of affordable and special needs, rental, and ownership housing.

Policy H-2.7: Continue to support public and private sector organizations in their efforts to construct, acquire, and improve housing to provide access to housing affordable to lower and moderate income households.

Policy H-2.8: Expand and extend affordability of Rancho Niguel and Rancho Moulton apartments.

Policy H-2.9: Work with nonprofit agencies and private sector developers to encourage development of housing and services that meet the needs of the disabled and elderly, such as assisted living facilities (single-story houses and apartments), and the use of universal design features.

EQUAL HOUSING OPPORTUNITY

Obtaining adequate housing without discrimination is an important component of a diverse housing supply. Laguna Hills will support the provision of fair housing opportunities through the following goal and policies.

GOAL H-3: Ensure that adequate housing opportunities are available to all persons in Laguna Hills without discrimination in accordance with federal and state fair housing laws.

Policy H-3.1: Support the enforcement of laws against illegal acts of housing discrimination based on race, color, ancestry, national origin, religion, sexual orientation, marital status, familial status, age, disability, source of income, or any arbitrary reason excluding persons from housing choice.

Policy H-3.2: Promote equal opportunity in housing and community development programs citywide.

Policy H-3.3: Encourage housing design to accommodate the special needs of the disabled, seniors, large families, single-parent households, and low income households. Designs may include single-story units, units with three, four, or five bedrooms; on site child care facilities; or on-site job training facilities.

IMPLEMENTATION AND MONITORING

Monitoring, enforcement, and preservation in housing should be established and maintained as an ongoing function of the City. An effective monitoring program provides the City with an important tool to gauge the success of the City's housing programs and to address emerging housing needs as appropriate.

GOAL H-4: Plan for and monitor the long-term affordability of sound, quality housing.

Policy H-4.1: Enforce and enhance the housing monitoring system to ensure compliance with funding program regulations and compliance with local, state, and federal laws.

Policy H-4.2: Ensure collaboration among various City departments in the delivery of housing and related services.

Summary of Approach

The goals, policies, and programs of the Housing Element will help the City to provide housing opportunities for all segments of the community while enhancing the quality of its neighborhoods and housing stock. Table H-44 identifies the four major issues guiding the Housing Element. These major issues represent the direction the City will take in its goals, policies, and programs to implement the vision of Laguna Hills as captured in the Guiding Themes and expressed in the Housing Plan.

Quantified Objectives

Table H-45 summarizes the City's quantified objectives for construction, rehabilitation, and preservation over the 2013-2021 Housing Element planning period.

As indicated in Table H-45, the City's new construction objective totals two units. The City's rehabilitation objective is 216 units at the Aliso

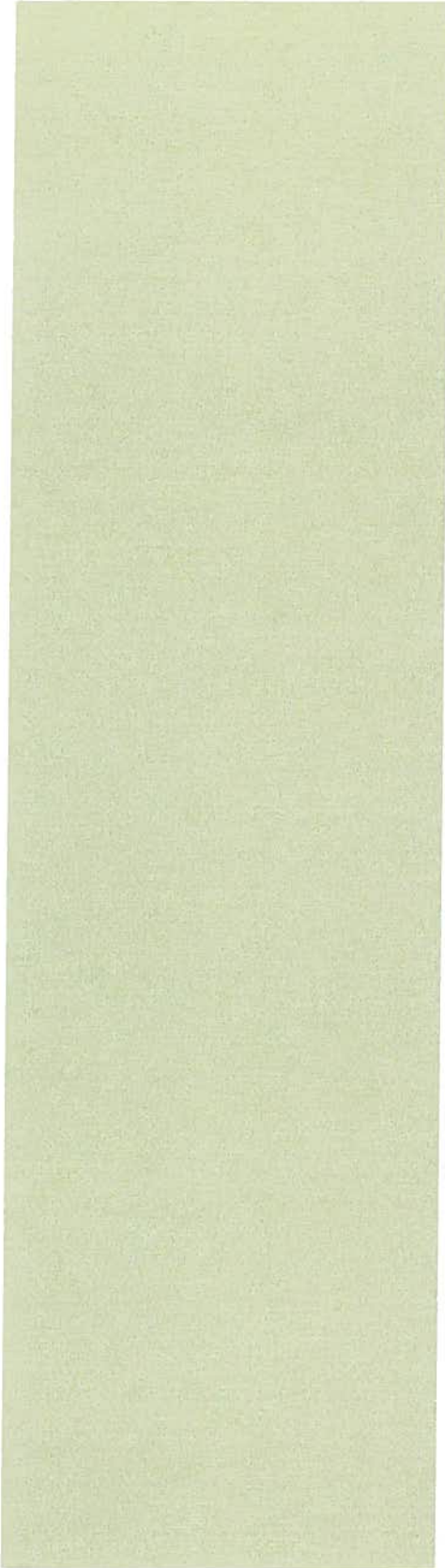
Table H-44
Description of Actions to Address Housing Issues

Issue	Element	Section	Policy	Program	Figure	Table
Neighborhood and Housing Preservation	Land Use	Respect for Existing Neighborhoods	LU-2.1 through LU-2.8	LU-6		
	Housing	Neighborhood and Housing Preservation	H-1.1 through H-1.5	H-1 through H-5		
Housing Availability	Land Use	Sustainable and Creative Infill Development	LU-3.1 through LU-3.13	LU-3, LU-4, LU-8, LU-9, LU-10	LU-7 through LU-13 (Opportunity Areas)	LU-1 (Land Use Designations)
	Housing	Housing Availability	H-2.1 through H-2.9	H-6 through H-14	H-5 through H-7	H-40, H-41, H-41a, H-42
Equal Housing Opportunity	Housing	Equal Housing Opportunity	H-3.1 through H-3.4	H-15 through H-17		
Implementation and Monitoring	Housing	Implementation and Monitoring	H-4.1 and H-4.2	H-18 through H-20		H-43, H-45

Table H-45
Quantified Objective Summary (2013-2021)

Income	New Construction	Rehabilitation	Conservation
Extremely Low (<30% AMI)	-	-	-
Very Low (<50% AMI)	1	-	25
Low (51–80% AMI)	1	-	26
Moderate (81%–120% AMI)	-	-	-
Above Moderate (>120% AMI)	-	-	-
Total	2	216	51

Meadows Condominium development, which is a nonincome-restricted development. Therefore, the objectives are not quantified by income level. The rehabilitation objective is contingent upon current federal funding levels being maintained.



The City also has two publicly assisted rental housing developments, Rancho Moulton and Rancho Niguel. Affordability controls extend well beyond the planning period of this Housing Element for the Rancho Niguel housing development. The City's preservation goal is 51 units at risk of converting to market rate, currently located in the Rancho Moulton housing development.

APPENDIX A.

Implementation Program

SPECIFIC IMPLEMENTATION PROGRAMS

Housing

NEIGHBORHOOD AND HOUSING PRESERVATION

H-1. Code Enforcement Program

The City of Laguna Hills will enforce building code regulations and abate code violations, nuisances, and existing uses, activities, buildings, or structures that pose a threat to public health, safety, or welfare. Enforcement activities will focus on property maintenance, such as eliminating derelict or abandoned vehicles, outdoor storage, or other situations that may constitute health, safety, or fire hazards.

Responsible Agency:	Community Development
Funding Source:	General fund
Time Frame:	Ongoing

H-2. State Franchise Tax Board Code Enforcement

To promote maintenance of existing rental properties, the City shall work with the California State Franchise Tax Board to enforce provisions of California Revenue and Taxation code Sections 17274 and 24436.5, which prohibit owners of substandard rental housing from claiming depreciation, amortization, mortgage interest, and property tax deductions of state income tax. The City will notify the State Franchise Tax Board if substandard rental housing is identified.

Responsible Agency:	Community Development
Funding Source:	General Fund
Time Frame:	Ongoing

H-3. Housing Rehabilitation

The City will continue to work with the Orange County Housing and Community Services Department to receive rehabilitation loans and grants for low and moderate income homeowners and rental property owners, including senior/disabled households, to maintain housing stock. Efforts will focus on rehabilitating approximately 148 units in the Aliso Meadows Condominium Development. The rehabilitation loan and grant program will use CDBG funds distributed by the County as appropriate. The City will publicize the availability of this program in local newspapers, on the City's website, at the Community Development

Department, and in information items at Planning Agency Public Hearings. Modifications for accessibility/universal design are eligible activities under this program (see also Housing Element Implementation Program H-6 and H-17).

Responsible Agency: Community Development
 Funding Source: CDBG
 Time Frame: Annually by September of each year or as otherwise required by the County CDBG schedule

H-4. At-Risk Units

The City will continue to pursue the extension of affordability controls for 51 units, either in the existing Rancho Moulton housing development or as part of new or redevelopment activities in the Via Lomas area or other areas of the City. . The City will annually prepare a “Risk Assessment” report provided by the California Housing Partnership Corporation (CHPC). Projects determined high risk are those most likely to decline continued federal assistance because they currently have rents below market rate(s) and are owned by profit-motivated entities. The City will work with potential purchasers to preserve 51 units in the existing development or in new development by finding an interested non-profit entity and securing funding to acquire and preserve the property. The City will use HCD resources listed on the HCD website, as well as other resources, to locate potential funding sources as needed for the preservation of affordable housing. As needed, the City will work with tenants of at-risk units and provide them with education regarding tenant rights, notification procedures, and conversion procedures. The City will also provide tenants in at-risk projects information from the Orange County Housing Authority regarding Section 8 rental assistance.

Responsible Agency: Community Development
 Funding Source: General Fund
 Time Frame: By January of each year.

H-5. Foreclosure Referral Program

Based on current dynamics, the City seeks to address the increased incidence of residents facing foreclosure. The City will provide foreclosure information on the City’s website, and provide resources at the City to refer residents to external agencies to assist in reducing incidents of foreclosures in Laguna Hills.

Responsible Agency: Community Development
 Funding Source: General Fund
 Time Frame: January 2014

HOUSING AVAILABILITY

H-6. Urban Village Specific Plan Area for Housing Opportunities

The City shall inform existing property owners and prospective developers that housing opportunities are available in the Urban Village Specific Plan area. Housing opportunities include market rate housing units and could also include housing for low and moderate income households, families, seniors, and special needs households. City staff will inform prospective developers at time of project application meeting(s). Additionally, the City will promote the UVSP area on the City's website and will also promote housing development incentives consistent with Chapter 9-72 of the Zoning Ordinance. The UVSP area will also be promoted through the City's Economic Development Strategy (see the Land Use Element Implementation Program LU-14).

Responsible Agency: Community Development
 Funding Source: CDBG
 Time Frame: Ongoing; The City will post the information on the website by December 2013 and it will be updated annually.

H-7. Alicia Gateway for Housing Opportunities

The City shall inform existing property owners and prospective developers that housing opportunities are available in the Alicia Gateway. Housing opportunities could include market rate housing units and could also include housing for low and moderate income households, families, seniors and special needs households. City staff will inform prospective developers at time of project application meeting(s). Additionally, the City will promote Alicia Gateway on the City's website and will also promote housing development incentives consistent with Chapter 9-72 of the Zoning Ordinance. Alicia Gateway will also be promoted through the City's Economic Development Strategy (see the Land Use Element Implementation Program LU-14).

Responsible Agency: Community Development
 Funding Source: CDBG
 Time Frame: The information will be posted on the website by December 2013 and will be updated annually.

Additionally, the City participates annually in the ICSC conferences to promote the opportunity areas in the City.

H-8. Zoning Ordinance Update

The implementation of housing goals, policies, and programs will require updating the City's Zoning Ordinance. In addition, certain City rules and regulations may constrain the development of housing affordable to low and moderate income households with special needs. To mitigate potential constraints and implement housing goals, policies, and programs, the City will update the following regulations in the Zoning Ordinance:

1. Consolidate and remove duplicitous definitions of manufactured housing and mobile homes and ensure consistency in the Zoning Ordinance, use regulations, and development standards.
2. Reduce the open space requirement in the High Density Residential district;
3. Increase the maximum lot coverage requirement in the Mixed Use district.
4. Transitional and supportive housing will be permitted as a residential use and only subject to those restrictions that apply to other residential dwellings of the same type in the same zone (Government Code Section 65583 (a)(5)).

Responsible Agency:	Community Development
Funding Source:	General Fund
Time Frame:	October 2014

H-9. Second Units

The City shall continue to implement the Second Unit provisions of the Zoning Ordinance consistent with state law. The City will continue to permit second units by right in all residential zones of the City, requiring only ministerial approval. Residential second units provide a viable option for providing additional housing opportunities which could include affordable housing for lower income seniors, single persons, or small households within existing neighborhoods.

Responsible Agency:	Community Development
Funding Source:	General Fund
Time Frame:	Ongoing

H-10. CDBG Funding for Shelter for the Homeless

The City shall apply for United States Department of Housing and Urban Development CDBG funds and allocate a portion of such funds to subrecipients who provide shelter for the homeless.

Responsible Agency: Community Development

Funding Source: CDBG

Time Frame: Annually by September of each year or as otherwise required by the County CDBG schedule

H-11. Continuum of Care Funding and Consolidated Plan Participation

The City shall continue to participate in the Orange County Consolidated Plan Programs and in the Orange County Continuum of Care local housing planning process to facilitate obtaining funds for affordable housing and related social services for special needs populations. The Continuum of Care local housing and service delivery system focuses on homeless prevention, outreach, and assessment, emergency shelters, transitional housing, supportive services, and permanent supportive housing for homeless individuals and families. The City shall pursue homeless assistance grants through the Continuum. The City will assist public and private nonprofit housing developers in preparation of funding applications for special needs populations.

Responsible Agency: Community Development

Funding Source: CDBG

Time Frame: Annually by September of each year or as otherwise required by the County CDBG schedule

H-12. Section 8 Rental Assistance

The Orange County Housing Authority currently administers the Section 8 Rental Assistance program on behalf of the City. Currently the program assists renter households in the City of Laguna Hills. Based on future congressional appropriations, the County Housing Authority will apply for additional funding which will enable the Housing Authority to administer additional vouchers for families, seniors, and disabled persons over the Housing Element planning period. The City of Laguna Hills will continue to provide referral services and information to the City's residents.

Responsible Agency: Community Development
 Funding Source: HUD
 Time Frame: Ongoing

H-13. Affordable Housing Developer Partnerships

The City will continue to develop partnerships with mainstream and/or special needs affordable housing developers that could result in set-asides in existing and planned low income housing projects. These partnerships may include incentives (such as expedited processing, fee waivers, and density bonuses) provided by the City to facilitate the set-asides for planned low income units and actively cooperating with the owners of existing units to secure appropriate federal funding necessary to maintain existing affordability. The City will promote lower income housing development incentives on the City's website, consistent with Chapter 9-72 of the Zoning Ordinance. The City will use HCD's housing resources website to locate available sites and potential funding sources as needed for the development of affordable housing.

Responsible Agency: Community Development
 Funding Source: General Fund
 Time Frame: Ongoing; The information will be posted on the website by December 2013 and updated annually.

EQUAL HOUSING OPPORTUNITY

H-14. Fair Housing Program

The City will continue to maintain services and personnel to receive housing complaints and continue to address or resolve complaints. The City will also continue to refer fair housing complaints to the Fair Housing Council if they cannot be resolved at the City level. The City will also continue to disseminate written literature about fair housing laws, resident rights, and remedies for fair housing complaints. The City will ensure that fair housing literature is available in the Community Development Department, on the City's website, and at the Laguna Hills Technology Library. The City will monitor these sites to ensure timely, accurate information is available.

Responsible Agency: Community Development
 Funding Source: General Fund
 Time Frame: Ongoing; The information will be posted on the website by December 2013 and updated annually.

H-15. Universal Design Features in Housing

The City recognizes that all people have varying abilities and that many people will encounter temporary or permanent changes in ability to conduct the tasks necessary for daily living throughout their lives. Universal design features create housing suited for people of all abilities and can allow residents to stay in their homes over their lifetime. The City will explore programs, an ordinance, and incentives to encourage provision of universal design features in housing. The City will refer to the HCD website for guidelines and a model ordinance consistent with the principles of universal design. The universal design ordinance will address such topics as findings, definitions, scope and application, standards, and enforcement. City staff will encourage prospective developers to provide universal design features at the time of project application meeting(s).

Responsible Agency:	Community Development
Funding Source:	General Fund
Time Frame:	October 2014

IMPLEMENTATION AND MONITORING

H-16. Annual Progress Reports

The City will report annually on progress toward implementation of the Housing Element and residential development activities citywide.

State law requires that each local jurisdiction submit an annual progress report on the implementation of its General Plan. For the Housing Element, the reporting must include the following:

1. Annual building activity by unit type, tenure, affordability level, deed restriction, and financial assistance;
2. Progress in achieving its RHNA;
3. Program-by-program account of implementation status; and
4. Outcome/disposition of development applications identifying location, size, type, and status of residential development proposals for citywide use and for submittal to Center for Demographic Research at California State University and to the California Department of Finance.

Responsible Agency:	Community Development
Funding Source:	General Fund
Time Frame:	Prepare an annual report for submittal to HCD by April 1 of each year in the planning period

H-17. Housing Issues Monitoring

The City will monitor existing and proposed affordable housing developments in the City. The City will also monitor legislation, trends, and policy issues related to the development and maintenance of affordable housing in Laguna Hills. Ongoing efforts throughout the planning period include but are not limited to:

1. Monitoring development proposals in the City that could be used to maintain, increase, or enhance affordable housing opportunities;
2. Monitoring and market housing opportunities in the UVSP area, including affordable housing opportunities, through Planning Agency public hearings and project preapplication meetings;
3. Monitoring existing programs designed to preserve assisted housing developments for low income households to determine whether additional actions are needed to protect these developments;
4. Monitoring of mobile home park for conversion to nonresidential use;
5. Attending housing and legislative review conferences;
6. Attending training workshops;
7. Participating in regional planning efforts coordinated by the SCAG; and
8. Interfacing with City agencies and the public.

Responsible Agency: Community Development
 Funding Source: General Fund
 Time Frame: Ongoing

H-20. Local Housing Efforts Coordination

The City shall coordinate local housing efforts with appropriate federal, state, regional, and local government and/or agencies and cooperate in implementation of intergovernmental housing programs to ensure maximum effectiveness in solving local and regional housing problems. The City will submit CDBG applications to assist in preserving existing affordable housing stock.

Responsible Agency: Community Development
 Funding Source: CDBG and General Fund
 Time Frame: December 2009

**- GENERAL PLAN AMENDMENT
(GPAM) NO. 8-13-2654-
Attachment #2
Letter of Approval (HCD)**

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

2020 W. El Camino Avenue, Suite 500
Sacramento, CA 95833
(916) 263-2911 / FAX (916) 263-7453
www.hcd.ca.gov

**RECEIVED**

SEP 12 2013

CITY OF LAGUNA HILLS

September 6, 2013

Mr. David Chantarangsu
Community Development Director
City of Laguna Hills
24035 El Toro Road
Laguna Hills, CA 92653

Dear Mr. Chantarangsu:

RE: Review of the City of Laguna Hills' 5th Cycle (2013-2021) Draft Housing Element

Thank you for submitting the City of Laguna Hills' draft housing element update received for review on July 8, 2013 along with additional revisions received on August 22, 28 and September 3, 2013. Pursuant to Government Code Section 65585(b), the Department is reporting the results of completing a streamlined review of the element based on the City meeting criteria detailed in the Department's Housing Element Update Guidance.

Communications with Julie Molloy, Senior Planner, facilitated the review. In accordance with Government Code Section 65585(c), the Department must consider third party comments in the preparation of its findings. The Department received comments from the Kennedy Commission on August 29, 2013, but was unable to fully examine the information and consider the comments as part of this review. Consequently, the Department will retain the comments for full consideration in the next review of the housing element.

The draft element meets the statutory requirements of State housing element law. The element will comply with State housing element law (Article 10.6 of the Government Code) when adopted and submitted to the Department, pursuant to Government Code Section 65585(g).

To remain on an eight year planning cycle, pursuant to Senate Bill 375 (Chapter 728, Statutes of 2008) the City must adopt its housing element within 120 calendar days from the statutory due date of October 15, 2013 for SCAG localities. If adopted after this date, the City will be required to revise the housing element every four years until adopting at least two consecutive revisions by the statutory deadline (Government Code Section 65588(e)(4)). For more information on housing element adoption requirements, please visit http://www.hcd.ca.gov/hpd/hrc/plan/he/he_review_adoptionsteps110812.pdf.

Public Participation in the development, adoption and implementation of the housing element is essential to effective housing planning. Throughout the housing element process, the City should continue to engage the community, including organizations that represent lower-income and special needs households, by making information regularly available and considering and incorporating comments, such as those provided by the Kennedy Commission, where appropriate.

The Department is pleased to inform the City that prior 4th cycle housing element compliance makes the City eligible to meet one of the threshold requirements of the Housing Related (HRP) Parks Program that rewards local governments for approving housing affordable to lower-income households. The HRP Program, funded by Proposition 1C, provides grant funds to eligible local governments for every qualifying unit permitted since 2010. Grant awards can be used to fund park-related capital asset projects. More specific information about the Program is available on the Department's website at <http://www.hcd.ca.gov/hpd/hrpp/>.

The Department looks forward to receiving Laguna Hills' adopted housing element. If you have any questions or need additional technical assistance, please contact Jennifer Seeger, of our staff, at (916) 263-7421.

Sincerely,



Glen A. Campora
Assistant Deputy Director

**- GENERAL PLAN AMENDMENT
(GPAM) NO. 8-13-2654-
Attachment #3
NAHC Comment Letter**

NATIVE AMERICAN HERITAGE COMMISSION

1550 Harbor Boulevard
West Sacramento, CA 95691
(916) 373-3715
(916) 373-5471 – FAX
e-mail: ds_nahc@pacbell.net

September 10, 2013

RECEIVED

Ms. Julie Molloy, Senior Planner

SEP 13 2013

City of Laguna Hills

CITY OF LAGUNA HILLS

24035 El Toro Road
Laguna Hills, CA 92653

RE: SCH#2013091001 CEQA Notice of Completion Negative Declaration for the
"2013-2021 Laguna Hills Housing Element Project," located the City
of Laguna Hills; Orange County, California

Dear Ms. Molloy

The Native American Heritage Commission (NAHC) has reviewed the CEQA Notice regarding the above referenced project. In the 1985 Appellate Court decision (170 Cal App 3rd 604), the court held that the NAHC has jurisdiction and special expertise, as a state agency, over affected Native American resources impacted by proposed projects, including archaeological places of religious significance to Native Americans, and to Native American burial sites.

This project is also subject to California Government Code Sections 65040.2, *et seq.*

The California Environmental Quality Act (CEQA) states that any project which includes archeological resources, is a significant effect requiring the preparation of an EIR (CEQA guidelines 15064.5(b)). To adequately comply with this provision and mitigate project-related impacts on archaeological resources, the Commission recommends the following actions be required:

Contact the appropriate Information Center for a record search to determine :If a part or all of the area of project effect (APE) has been previously surveyed for cultural places(s), The NAHC recommends that known traditional cultural resources recorded on or adjacent to the APE be listed in the draft Environmental Impact Report (DEIR).

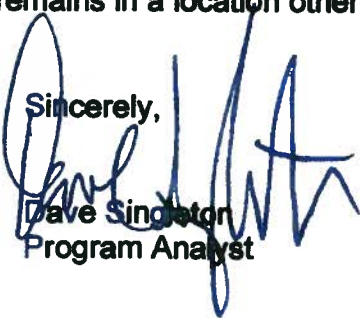
If an additional archaeological inventory survey is required, the final stage is the preparation of a professional report detailing the findings and recommendations of the records search and field survey. We suggest that this be coordinated with the NAHC, if possible. This area is known to the NAHC to

be very culturally sensitive. The final report containing site forms, site significance, and mitigation measures should be submitted immediately to the planning department. All information regarding site locations, Native American human remains, and associated funerary objects should be in a separate confidential addendum, and not be made available for public disclosure pursuant to California Government Code Section 6254.10.

A list of appropriate Native American Contacts for consultation concerning the project site has been provided and is attached to this letter to determine if the proposed activity might impinge on any cultural resources. Lack of surface evidence of archeological resources does not preclude their subsurface existence.

Lead agencies should include in their mitigation plan provisions for the identification and evaluation of accidentally discovered archeological resources, pursuant to California Health & Safety Code Section 7050.5 and California Environmental Quality Act (CEQA) §15064.5(f). In areas of identified archaeological sensitivity, a certified archaeologist and a culturally affiliated Native American, with knowledge in cultural resources, should monitor all ground-disturbing activities. Also, California Public Resources Code Section 21083.2 require documentation and analysis of archaeological items that meet the standard in Section 15064.5 (a)(b)(f). Lead agencies should include in their mitigation plan provisions for the disposition of recovered artifacts, in consultation with culturally affiliated Native Americans. Lead agencies should include provisions for discovery of Native American human remains in their mitigation plan. Health and Safety Code §7050.5, CEQA §15064.5(e), and Public Resources Code §5097.98 mandates the process to be followed in the event of an accidental discovery of any human remains in a location other than a dedicated cemetery.

Sincerely,


Dave Singleton
Program Analyst

CC: State Clearinghouse

Attachment: Native American Contacts list

**Native American Contacts
Orange County
September 10, 2013**

Juaneno Band of Mission Indians Acjachemen Nation
David Belardes, Chairperson
32161 Avenida Los Amigos Juaneno
San Juan Capistrano CA 92675 m
chiefdavidbelardes@yahoo.
(949) 493-4933 - home
(949) 293-8522

Gabrielino/Tongva San Gabriel Band of Mission
Anthony Morales, Chairperson
PO Box 693 Gabrielino Tongva
San Gabriel , CA 91778
GTTribalcouncil@aol.com
(626) 286-1632
(626) 286-1758 - Home
(626) 286-1262 -FAX

Gabrielino /Tongva Nation
Sandonne Goad, Chairperson
P.O. Box 86908 Gabrielino Tongva
Los Angeles , CA 90086
sgoad@gabrielino-tongva.com
951-845-0443

Juaneno Band of Mission Indians Acjachemen Nation
Teresa Romero, Chairwoman
31411-A La Matanza Street Juaneno
San Juan Capistrano CA 92675-2674
(949) 488-3484
(949) 488-3294 - FAX
(530) 354-5876 - cell

Juaneno Band of Mission Indians
Alfred Cruz, Cultural Resources Coordinator
P.O. Box 25628 Juaneno
Santa Ana , CA 92799
alfredgcruz@sbcglobal.net
714-998-0721
714-998-0721 - FAX
714-321-1944 - cell

Gabrielino-Tongva Tribe
Bernie Acuna, Co-Chairperson
P.O. Box 180 Gabrielino
Bonsall , CA 92003
(619) 294-6660-work
(310) 428-5690 - cell
(760) 636-0854- FAX
bacuna1@gabrielinotribe.org

Juaneno Band of Mission Indians Acjachemen Nation
Joyce Perry, Representing Tribal Chairperson
4955 Paseo Segovia Juaneno
Irvine , CA 92612
kaamalam@gmail.com
949-293-8522

Gabrielino-Tongva Tribe
Linda Candelaria, Co-Chairperson
P.O. Box 180 Gabrielino
Bonsall , CA 92003
palmsprings9@yahoo.com
626-676-1184- cell
(760) 636-0854 - FAX

This list is current only as of the date of this document.

Distribution of this list does not relieve any person of the statutory responsibility as defined in Section 7050.5 of the Health and Safety Code, Section 5097.94 of the Public Resources Code and Section 5097.98 of the Public Resources Code.

This list is only applicable for contacting local Native Americans with regard to cultural resources for the proposed SCH#2013091001; CEQA Notice of Completion; proposed Negative Declaration for the 2013-2021 Laguna Hills Housing Element; located in the City of Laguna Hills; Orange County, California.

**Native American Contacts
Orange County
September 10, 2013**

**Gabrieleno Band of Mission Indians
Andrew Salas, Chairperson
P.O. Box 393 Gabrielino
Covina , CA 91723
gabrielenoindians@yahoo.
(626) 926-4131**

**Gabrielino /Tongva Nation
Sam Dunlap, Cultural Resources Director
P.O. Box 86908 Gabrielino Tongva
Los Angeles , CA 90086
samdunlap@earthlink.net
909-262-9351**

This list is current only as of the date of this document.

Distribution of this list does not relieve any person of the statutory responsibility as defined in Section 7050.5 of the Health and Safety Code, Section 5097.94 of the Public Resources Code and Section 5097.98 of the Public Resources Code.

This list is only applicable for contacting local Native Americans with regard to cultural resources for the proposed SCH#2013091001; CEQA Notice of Completion; proposed Negative Declaration for the 2013-2021 Laguna Hills Housing Element; located in the City of Laguna Hills; Orange County, California.

**- GENERAL PLAN AMENDMENT
(GPAM) NO. 8-13-2654-
Attachment #4
CPUC Comment Letter**

PUBLIC UTILITIES COMMISSION

320 WEST 4TH STREET, SUITE 500
LOS ANGELES, CA 90013
(213) 576-7083



September 9, 2013

Julie Molloy
City of Laguna Hills
24035 El Toro Road
Laguna Hills, CA 92653

Dear Keri:

Re: SCH 2013091001 Laguna Hills Housing Element - DND

The California Public Utilities Commission (Commission) has jurisdiction over the safety of highway-rail crossings (crossings) in California. The California Public Utilities Code requires Commission approval for the construction or alteration of crossings and grants the Commission exclusive power on the design, alteration, and closure of crossings in California. The Commission Rail Crossings Engineering Section (RCES) is in receipt of the Draft *Negative Declaration (DND)* for the proposed City of Laguna Hills (City) Housing Element project.

The project area includes active railroad tracks. RCES recommends that the City add language to the Housing Element so that any future development adjacent to or near the railroad/light rail right-of-way (ROW) is planned with the safety of the rail corridor in mind. New developments may increase traffic volumes not only on streets and at intersections, but also at at-grade crossings. This includes considering pedestrian circulation patterns or destinations with respect to railroad ROW and compliance with the Americans with Disabilities Act. Mitigation measures to consider include, but are not limited to, the planning for grade separations for major thoroughfares, improvements to existing at-grade crossings due to increase in traffic volumes and continuous vandal resistant fencing or other appropriate barriers to limit the access of trespassers onto the railroad ROW.

If you have any questions in this matter, please contact me at (213) 576-7076,
ykc@cpuc.ca.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Ken Chiang'.

Ken Chiang, P.E.
Utilities Engineer
Rail Crossings Engineering Section
Safety and Enforcement Division

C: State Clearinghouse

**- GENERAL PLAN AMENDMENT
(GPAM) NO. 8-13-2654-
Attachment #5
Kennedy Commission Comment
Letter**



August 29, 2013

www.kennedycommission.org
17701 Cowan Ave., Suite 200
Irvine, CA 92614
949 250 0909
Fax 949 263 0647

Ms. Julie Molloy, Senior Planning
City of Laguna Hills
24035 El Toro Rd.
Laguna Hills, CA 92653

RE: Comments on Draft 2014-2021 Housing Element Update

Dear Ms. Molloy:

Thank you for the opportunity to review and comment on the City of Laguna Hill's 2014-2021 draft Housing Element. We have reviewed the draft and are submitting this letter to provide public comments.

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 \$20,000 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 has led to the new construction of homes affordable to lower income working families.

As the City moves forward with the draft Housing Element update, the Commission urges the City to support and create effective policies that incentivize the development of homes affordable to lower income working families. Although for this new planning period the City has a total Regional Housing Needs Assessment (RHNA) of two homes for very low- and low-income households, it is important to note that the RHNA is the bare minimum and not a maximum ceiling for future development in the City. Significantly, the City's draft Housing Element makes clear that the RHNA does not reflect or address the *existing rental* housing needs for lower income working families and special needs residents living in the City.

Default densities alone will not facilitate or encourage the development of affordable homes for lower income families. The Commission has provided the following recommendations for the City to incorporate:

1. Continue the City's partnership with the Commission to facilitate the development of affordable rental homes for lower income working families in the City.
2. Provide by-right incentives and concessions of certain development standards that developers are not entitled to, in exchange for a dedication of 20 percent of homes affordable to families at extremely low-, very low- and low-income levels in the City, especially in the Urban Village Specific Plan.

Working for systemic change resulting in the production of homes affordable to Orange County's extremely low-income households

3. Prioritize and commit potential funding sources for proposed extremely low-income affordable rental developments that leverage additional funding sources (e.g., Low-Income Housing Tax Credits).
4. Encourage the development of housing affordable to extremely low-income households through application processing fee waivers for proposed developments with a minimum of ten percent very low-income homes (e.g., please refer to Huntington Beach's 2014-2021 Housing Element Program 14).
5. Evaluate on an annual basis how successful the identified Mixed Use zone has been to facilitate the development of emergency homeless shelters.

The need to increase quality affordable rental homes remains a high priority in the City. While the economic downturn is slowly recovering and for-sale homes have been on the rise in the County, the cost to rent apartment homes are also on the rise. In the City, the average two-bedroom rent (collected in the City's five apartment communities) was \$1,325 per month¹; however, affordable rent for an extremely low-income household ranged between \$406 - \$531 a month and \$744 - \$1,051 a month for very low-income households.² According to the California Department of Housing and Community Development, a household of four that earn less than \$77,000 fall under the lower income categories³ and 58 percent of the City's renter households earned lower incomes.⁴ Approximately 66% of the City's renter household overpaid for housing costs.⁵ With lower wages that are not keeping up with rising rents, many renting families continue to struggle financially to live and work in this City.

Conclusion

Given the importance of the draft 2014-2021 Housing Element update, the Commission welcomes the opportunity to continue our dialogue on how we can partner with City staff to ensure that the draft Housing Element includes specific policies that will result in new affordable homes for extremely low, very low and low-income working families.

¹ City of Laguna Hills Draft 2014-2021 Housing Element, p. H-47, July 2013.

² City of Laguna Hills Draft 2014-2021 Housing Element, p. H-48, July 2013.

³ "State Income Limits for 2013 Reflecting New State Hold Harmless Policy", California Department of Housing and Community Development, p. 10, Feb. 25, 2013.

⁴ City of Laguna Hills Draft 2014-2021 Housing Element, p. H-21, July 2013.

⁵ City of Laguna Hills Draft 2014-2021 Housing Element, p. H-23, July 2013.

Ms. Julie Molloy
August 29, 2013
Page 3 of 3

Please keep us informed of any revisions, updates and meetings regarding the draft 2014-2021 Housing Element and if you have any questions, please free to contact me at (949) 250-0909 or cesarc@kennedycommission.org.

Sincerely,

A handwritten signature in black ink, appearing to read 'Cesar', with a long, sweeping horizontal line extending to the right.

Cesar Covarrubias
Executive Director

cc: Celia Yniguez, California Department of Housing and Community Development

**- GENERAL PLAN AMENDMENT
(GPAM) NO. 8-13-2654-
Attachment #6
Redline Housing Element Copy**

Housing



Introduction

The residents of Laguna Hills take great pride in their city. Preserving the City's small town feel by maintaining the existing housing stock and the scale and character of the community is particularly important to the City's residents. Residents also recognize the importance of providing housing opportunities for all members of the community by providing more diverse housing types. A variety of housing options will enable older and younger generations to remain in the community as well as those of all economic levels and those with special needs. Providing housing opportunities to all, on an equal basis, is important to the community.

Accordingly, this Housing Element identifies issues, strategies, and programs that focus on:

1. Neighborhood and housing preservation;
2. Housing availability;
3. Equal housing opportunity; and
4. Implementation and monitoring of the Housing Element.

The Laguna Hills Housing Element comprises the following major components:

- An analysis of the City's population, housing, and employment base, and the characteristics of the City's housing stock to define the nature and extent of unmet housing needs (Housing Needs Assessment).
- A review of potential constraints to meeting the City's identified housing needs (Constraints on Housing Production).
- An evaluation of opportunities that will further the development of new housing (Housing Resources).
- A plan to address the identified housing needs in Laguna Hills by reviewing past accomplishments, establishing goals and policies, and crafting programs that will enable the City to achieve housing objectives (Housing Plan).

Purpose and Scope of the Housing Element

Every California city and county is required to include a housing element in its general plan

which establishes housing goals, policies, and programs that respond to community housing conditions and needs. The purpose of this Housing Element is to identify housing opportunities and solutions specific to the housing issues of the City of Laguna Hills (City).

Related Plans and Programs

The City's ~~2008-2014~~ 2013-2021 Housing Element is directly related to a number of State and federally mandated requirements for housing policy and planning. A description of these plans and programs follows.

REGIONAL HOUSING NEEDS ASSESSMENT

State housing element law requires that Southern California Association of Governments (SCAG) determine the amount of housing needed in its region and allocate the need to each community. The allocation of housing need is based on statewide and local projections of population, employment, and housing need. State law requires cities to ensure that adequate sites, public facilities, and services are available to facilitate housing production commensurate with their housing need. Laguna Hills' Housing Element identifies programs to address its share of the region's housing need.

HOUSING ELEMENT CYCLE

~~State law requires housing elements to be updated at least every 5 years to reflect a community's changing housing needs. However, state legislation has previously extended housing element cycles past 5 years. Due to changes requested by SCAG and approved by the Department of Housing and Community Development (HCD), the planning period for housing elements in the SCAG region for the next planning period, beginning July 1, 2008, is 6 years.~~

~~Pursuant to the provisions of Government Code Section 65584.02, SCAG requested that the Regional Housing Need Assessment (RHNA) be coordinated with the Regional Transportation Plan (RTP) process to better coordinate housing and transportation planning. HCD accepted SCAG's request to combine the RHNA process with the forecasting process for the update of the 2007 RTP. As a result, the final adoption of the RHNA by SCAG was extended from July 1, 2005, to July 1, 2007. As the final RHNA adoption must occur at least 1 year prior to the housing element due date (Government Code Section 65584), the next (Fourth) statutory deadline for housing elements within the SCAG region was extended from July 1, 2006, to July 1, 2008. This Element has been prepared in compliance with the 2013-2021 planning cycle for~~

cities within the SCAG region. The Housing Element covers an eight year planning period from October 15, 2013 - October 15, 2021, and the SCAG RHNA period from January 1, 2014 - 2021.

Relationship to Other General Plan Elements

The Laguna Hills General Plan includes the following components: (1) Introduction to the General Plan; (2) seven elements, including, Land Use, Mobility, Conservation and Open Space, Community Services and Facilities, Safety, Noise and Housing; and (3) an Implementation Program. Background information and policy direction presented in one element are also reflected in other General Plan elements. For example, residential development capacities established in the Land Use Element are incorporated into the Housing Element.

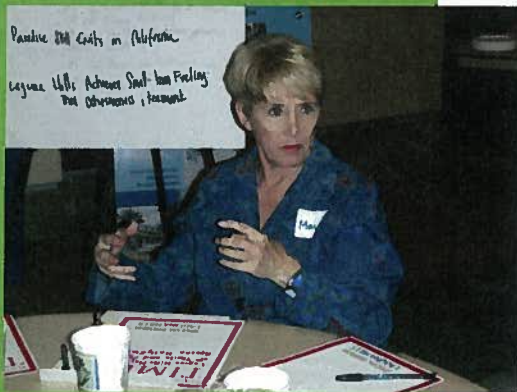
This Housing Element builds upon other General Plan Elements and is consistent with the policies and proposals set forth by the General Plan. For example, the Land Use Element identifies use designations at densities that will facilitate the provision of a range of residential housing products for all income groups. The Mobility Element plays a role in the location of residential development in relation to roads, transit, pedestrian, and bicycle facilities. The Noise Element establishes noise levels appropriate for residential uses. Whenever an element in the General Plan is amended, the Housing Element will be reviewed and modified, as necessary, to ensure the continued consistency between elements.

Citizen Participation

California law requires that local governments make a diligent effort to achieve public participation from all economic segments of the community in the development of the Housing Element. Public participation played an important role in the formulation and refinement of the City's housing goals and policies and in the development of the housing plan for the City of Laguna Hills. Laguna Hills' residents had several opportunities to recommend strategies, review, and comment on the Housing Element. The following information details outreach efforts and citizen participation efforts by the City of Laguna Hills:

- Information posted on the City's website.
- ~~Newsletters about the General Plan update~~ Articles about the Housing Element update in the City's quarterly newsletter, which is sent to every household in the City.





- Community Workshops:** From September 18, 2007, to May 22, 2008, three community workshops were held that encouraged residents and other stakeholders to identify issues to address in the General Plan, including the Housing Element, and to solicit input on the General Plan Program. The first workshop was announced in a City newsletter, which was sent to every household in the City. The second and third workshops were announced via newsletters sent to citizens and stakeholder that indicated interest in receiving General Plan Program updates as well as via the City's CityViews newsletter, which is sent to all residents. The workshops were also announced on the City's website. Additionally, members of the City's General Plan Advisory Committee were encouraged to distribute workshop announcements to their neighbors, friends, and colleagues.
- General Plan Advisory Committee (GPAC) Meetings:** From July 21, 2007, to September 21, 2008, eight GPAC meetings were conducted. The GPAC consists of City residents, local businesses, and institutions. The GPAC formulated a long-range vision for the future and assisted in translating this vision into General Plan issues, goals, and policies, as well as suggestions for land-use alternatives. The public was invited to share their comments and concerns with the members of the GPAC during these workshops. The November 15, 2007, and June 26, 2008, meetings specifically presented housing issues and information to the GPAC and solicited input from the GPAC and the community. These meetings were advertised consistent with City policy for public meetings and at Community Workshops.
- City Council Workshops Meetings:** Two City Council workshops meetings occurred on January 15, 2008, and July 15, 2008; June 25, 2013, and October 8, 2013 in which the public had the opportunity to address decision makers directly regarding housing issues, goals, and policies, as well as other general comments and concerns regarding housing. These workshops meetings were advertised in a manner consistent with City policy for public meetings and Community Workshops.
- Housing Stakeholder Workshops:** On December 4, 2007 February 7 and May 9, 2013, the City held workshops targeting residents, the general public, and various organizations that provide housing services to Laguna Hills. Table H-1 identifies the housing-related organizations that were invited to participate in the workshop.

SUMMARY OF INPUT

Table H-1
Housing Stakeholders

Kennedy Commission	Society of St. Vincent De Paul, Laguna Hills
Fair Housing Council of Orange County	Catholic Charities of Orange County
Salvation Army, Orange County	Jewish Family Service of Orange County
Shelter For the Homeless	Lutheran Social Services of Southern California
OC Partnership	Laguna Hills Community Center Orange County Association of Realtors
Families Forward	Habitat for Humanity – Orange County
Southern California Association of Nonprofit Housing	Orange County Housing Authority
Mercy House	Orange County Housing and Community Services
Orange County Rescue Mission	Jamboree Housing Corporation
Friendship Shelter	Bridge Housing
South County Outreach	Legal Aid Society of Orange County and Community Legal Services
Regional Center of Orange County	Senior Legal Advocacy Program
Orange County Business Council	Public Law Center
Florence Sylvester Memorial Senior Center	Orange County Office on Aging
<u>South Orange County Regional Chamber of Commerce</u>	<u>Orange County Housing Providers</u>
<u>Building Industry Association of Orange County</u>	<u>South County Senior Services</u>

During the meetings and workshops, participants were provided with an overview of the Housing Element update process and content. Participants, which included residents and other stakeholders, identified and discussed challenges, opportunities, and resources related to housing in Laguna Hills. Comments received through the outreach activities have been considered in the development of the housing plan for the City of Laguna Hills.

Valuable input on the Laguna Hills Housing Element occurred during the Housing Stakeholder Workshops (summarized below). Although additional input was received, community input centered around two recurring themes: senior housing needs and affordable housing in Laguna Hills. Many community members and stakeholders commented on the aging population in the region and a need for additional senior housing in the City. Affordable housing concerns in Laguna Hills centered on understanding what constitutes affordable housing in Laguna Hills, where existing affordable housing is located, and the need to provide additional affordable housing opportunities in the City.

Housing Stakeholder Workshops Summary

On ~~December 4, 2007~~ February 7, 2013 and May 9, 2013, the representatives from the City of Laguna Hills Community Development Department held ~~a~~ Housing Stakeholder Workshops targeting residents, the general public, and various organizations that provide housing services to Laguna Hills. Table H-1 identifies the housing-related organizations that were invited to participate in the workshops. ~~Twenty-nine~~ Thirty-two stakeholders were mailed announcements and phoned by City Staff inviting them to attend the workshop.

Participants

Representatives from the following organizations participated in the Housing Stakeholder Workshops:

- Kennedy Commission
- Orange County Association of Realtors (OCAR)
- ~~South County Senior Services~~ Regional Center of Orange County
- ~~South County Outreach~~

Handouts

~~The City of Laguna Hills provided workshop participants with the following handouts:~~

- ~~Laguna Hills General Plan Newsletter #1~~
- ~~Laguna Hills General Plan: A Step-by-Step Process~~
- ~~Laguna Hills Housing Element Key Tasks and Schedule~~
- ~~Housing Element 2008-2014 Questions for Service Providers~~
- ~~Mixed Use District Development Standards and Permitted Uses (Chapter 9-30 of the Laguna Hills Municipal Code (LHMC))~~
- ~~Urban Village Specific Plan Land Use and Development Standards~~
- ~~Accessory Living Quarters/Second Unit Housing (Chapter 9-68 of the LHMC)~~
- ~~Community Care Facilities (Chapter 9-64 of the LHMC)~~
- ~~Housing Development Incentives (Chapter 9-72 of the LHMC)~~

Comments

During the Housing Stakeholder Workshops the following comments and ideas were provided by stakeholders:

- ~~Provide workforce housing around the Laguna Hills Mall.~~
- ~~Is there any local interest for churches to partner with housing developers?~~
- ~~Will the City be looking at creating mixed use overlays, increasing densities, etc.?~~

- What is the City expected to do with their RHINA number? The City must provide the housing units but where can they provide the housing since the City is built-out. Are there any consequences if the City can't provide the RHINA?
- Potential affordable housing opportunities were identified near the mobile home park and near the Tuesday Morning building. Two to three older buildings could be demolished.
- Partner with existing building owners and work with existing buildings. Since the buildings are in good condition, and won't likely be demolished, can't we build over existing levels?
- Organizations are finding that multiple wage earners are living together to make rent affordable. Need to look at the long term picture. If we are not providing housing for low wage earners, it will eventually affect our economy. These people will eventually leave the community.
- The group discussed if any transitional housing was being provided by the City.
- We are seeing and will continue to see an aging population in Laguna Hills. The need for caregivers for seniors will increase. These caregivers are going to the Food Pantry.
- People need to be educated in our community. "Workforce housing" is a phrase that is being used to get rid of the slum image of affordable housing. Need to open people's minds to approving/agreeing to affordable housing. Need to overcome stereotype associated with affordable housing and low income. It is working people. It is public workers—fire, police, teachers, etc.
- The City's eight-unit RHINA number is a minimum. There is hope that the City will use that number as a starting point but go above and beyond. The Kennedy Commission offers its support to the City in whatever way they can. Will help gain support for projects/help with approval process.
- Six hundred plus individuals from Laguna Hills visit the Food Pantry in Lake Forest—3,000 times per year.
- There are over 500 realtors who live and/or do business in Laguna Hills. The City should use these resources.
- Constraints to affordable housing in the City include a lack of willingness of the City to buy into these projects. The City needs to find sites, make them accessible to building, help with funding, and partner with other cities if need be (form collaborative partnership). The City needs to either build affordable housing, shelters, etc. or fund the building.
- There is a public misperception that we don't need housing for low wage earners in our area or low wage earners in our community. But who will do these jobs?
- There is a perception that with low wage earners comes crime, traffic, etc.
- The City needs to plan and anticipate. The City needs to be more creative when it comes to finding solutions. The City needs to



~~utilize all of the resources that are out there—builders, realtors, and the whole community should be looking for answers to affordable housing.~~

- ~~The City needs to check all codes/ordinances to make sure that the codes aren't restrictive, and that they aren't a road block to creating opportunities.~~
- What about the housing recently approved for the Oakbrook Village project?
- Did the City have to change the zoning for the Oakbrook project because it is a residential project in a commercial area?
- Did the City Council change the plan a bit to allow less open space for the Oakbrook Village project? How were they able to do that?
- OCAR offers its support to the City in whatever way they can.
- What will the cost be to put together the Housing Element? What is the benefit of doing one? Are there funds from the State available for this?
- Does the City have a redevelopment agency? Does the City have any in-lieu fees for affordable housing? Has the City ever gotten involved in directly funding affordable housing?
- Home prices are going up. Rents are going up, too. Orange County has the 5th highest apartment rent in the State. Suggests the City create a plan for providing housing for seniors, low-income families, and disabled persons who want to live here.
- 17,000 disabled persons in Orange County. 186 with developmental disabilities in Laguna Hills. One hundred percent of individuals living on a maximum of \$890 per month. Without subsidy or voucher of some sort, living on own is impossible. The Regional Center of Orange County offers its support to the City in whatever way they can.
- The City needs to pave the way for people to develop the housing.
- The City's RHNA number is a minimum- a starting point. There is hope the City will go above and beyond that number. The Kennedy Commission offers its support in whatever way they can.
- Does the City have any apartment complexes applying for ownership or condominium conversion?
- Why doesn't the City have any information on its Hispanic population?

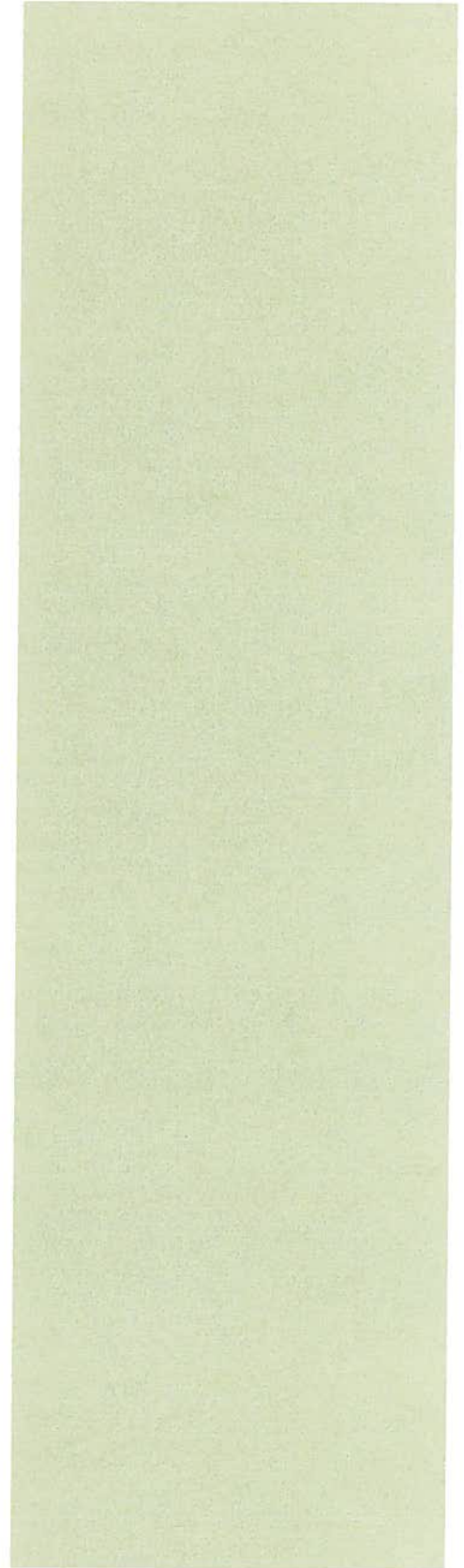
Letters Received

The City also received ~~two letters~~ one survey addressing housing issues from ~~housing stakeholders~~ Age Well Senior Services since a representative was not able to attend the Workshop. The survey identifies affordable housing for the elderly as the housing-related challenge faced by their organization. Age Well Senior Services is a nonprofit organization providing critical services, resources, and programs to home bound and low income senior citizens living in South Orange County. ~~The subject~~

of the Kennedy Commission letter was a desire to collaborate with City staff on studying barriers and proposing solutions to affordable housing development by participating in Housing Element outreach efforts. The Kennedy Commission is a collaborative of community leaders that advocates for the production of housing for Orange County families earning less than \$20,000 annually.

The City also received a letter from the Fall Prevention Center of Excellence about incorporating universal design features into the Housing Element. The Fall Prevention Center of Excellence is an organization that identifies best practices in fall prevention and helps communities offer fall prevention programs to older people who are at risk of falling.

Housing Needs Assessment



This section of the Housing Element describes the supply and demand for housing in Laguna Hills and is divided into subsections that address the characteristics of population, employment, households, special needs populations, and housing stock. This analysis provides the basis for developing a successful housing strategy that meets the needs of the community.

Community Profile

The City of Laguna Hills is located in the San Joaquin Hills in southern Orange County, approximately 60 miles south of Los Angeles and 70 miles north of San Diego. Laguna Hills is bounded by the cities of Irvine and Lake Forest to the north; Interstate 5 and the cities of Mission Viejo and Lake Forest to the east; the City of Laguna Niguel to the south; and, the cities of Aliso Viejo and Laguna Woods to the west.

In 1991, the City of Laguna Hills incorporated with an original land area of 3,325 acres. Two subsequent annexations in 1995 and 2000 have increased the land area of the City to 4,234 acres or 6.6 square miles.

The City is predominantly residential in character and contains a variety of diverse residential neighborhoods, ranging from estate residences to high density districts. The City is also home to over 500 businesses and contains a strong commercial base anchored by the regional Laguna Hills Mall, the Oakbrook Village Shopping Center, and Saddleback Memorial Hospital.

Population Characteristics

POPULATION GROWTH TRENDS

According to the Census, the population of Laguna Hills was ~~31,178 in 2000 (Table H-2). The California Department of Finance estimates that the population was 33,421 as of January 2008, an increase of approximately 7 percent. The majority of the population growth is attributed to the "Westside Annexation," which occurred in September 2000. The annexation added approximately 149 acres of residential land to the City and 1,800 residents.~~ 30,344 in 2010 (Table H-2). The California Department of Finance estimates the population was 30,618 in 2012, representing a small increase in population from 2010-2012. However, overall population change from the 2000 Census to the 2012 Department of Finance estimates show a slight decrease in population of about 1.8 percent.

~~Even with the Westside Annexation, the population growth rate was greater in all of the cities surrounding Laguna Hills except Mission Viejo. The population growth rate in Orange County was also higher than that of Laguna Hills during this period.~~

By contrast, all cities surrounding Laguna Hills had positive population growth between 2000 and 2012, except Laguna Woods, which showed a 1 percent decrease in population. The population growth rate in Orange County also exceeded that of Laguna Hills during this period.

AGE CHARACTERISTICS

The age distribution of a population is an important factor in evaluating

Table H-2 Population Growth Trends			
	2000	2007	% Change 2000-2007
Laguna Hills	31,178	33,391	7.1
Aliso Viejo	40,166*	45,037	12.1
Mission Viejo	93,102	98,483	5.8
Laguna Woods	16,507	16,426	11.6
Laguna Niguel	61,891	66,608	7.6
Lake Forest	58,707	78,243	33.3
Orange County	2,846,289	3,098,124	8.9

Sources: 2000 Census; California Department of Finance.

*Date is for Aliso Viejo CDP because Aliso Viejo incorporated in 2001.

Table H-2 Population Growth 2000-2012				
	2000	2010	2012	% Change 2000-2012
Laguna Hills	31,178	30,344	30,618	-1.8
Aliso Viejo	40,166*	47,823	48,988	22
Mission Viejo	93,102	93,305	94,196	1.2
Laguna Woods	16,507	16,192	16,334	-1
Laguna Niguel	61,891	62,979	63,691	2.9
Lake Forest	58,707	77,264	78,036	32.9
Orange County	2,846,289	3,010,232	3,055,792	7.4

Sources: 2000 Census; 2010 Census; California Department of Finance.

*Date is for Aliso Viejo CDP because Aliso Viejo incorporated in 2001.

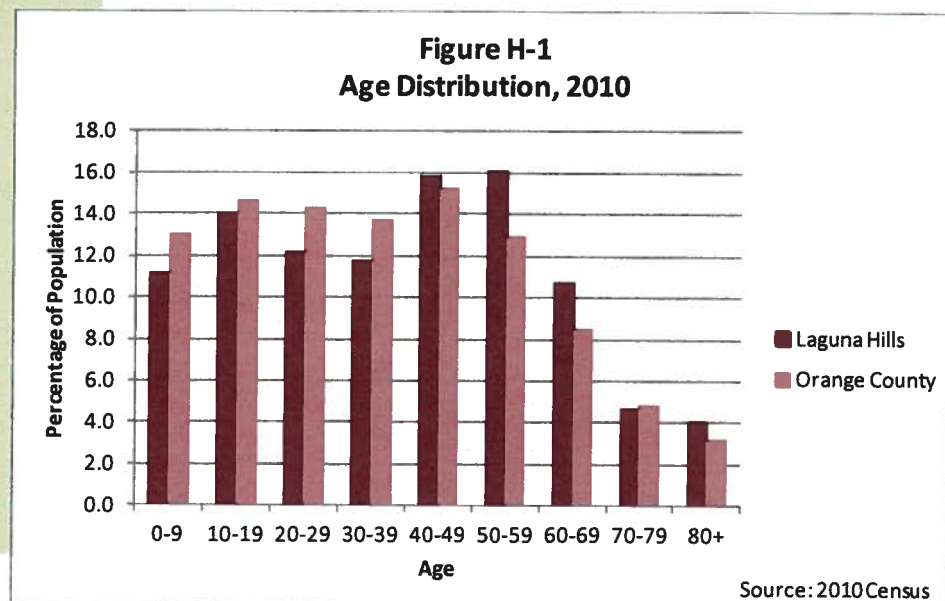
housing and community development needs and determining the direction of future housing development. Typically, each age group has distinct lifestyles, family types and sizes, income and housing preferences. As people move through each stage of life, housing needs and preferences change. For example, young householders without children will have different housing preferences than middle-age householders with children or senior householders living alone. Consequently, evaluating the age characteristics of a community is important in determining the housing needs of residents.

As illustrated in Figure H-1, the ~~2000~~ 2010 population of Laguna Hills was older on average than that of the county as a whole, with a higher distribution of residents between the ages of 40-69. The median age for residents in Laguna Hills was 40.8 ~~37.7~~ years, while the county median age was 36.2 ~~33.3~~.

Since ~~1990~~ 2000, the median age has increased in the City. The median age for the City of Laguna Hills in ~~1990~~ 2000 was ~~31.9~~ 37.7. A similar increase in median age can be seen in Orange County with the median age increasing from 33.3 years in 2000 to the 2010 median age of 36.2, in what was then the southerly incorporated portion and 33.6 in what was then the City northerly sphere of influence. The Orange County Business Council indicates that the population of Orange County is growing older rapidly, with Laguna Hills expected to experience a similar trend. This may indicate a need for more housing targeted to seniors, support for more accessible units, and/or assisted living facilities in Laguna Hills.

RACE/ETHNICITY CHARACTERISTICS

The racial and ethnic composition of a population affects housing



needs because of the unique household characteristics of different racial/ethnic groups. These characteristics tend to correlate with other factors, such as family size, housing location choices, and mobility. As shown in Table H-3, the majority (~~69.73~~ 68.9 percent) of the ~~2000~~ 2010 population in Laguna Hills was White, with ~~Hispanics~~ Asians making up the next largest ethnic group (~~16.13~~ 12.6 percent). In Orange County, Whites constituted a ~~much~~ lower proportion (~~51.61~~ 60.8 percent) of the population than in Laguna Hills, ~~while Hispanics represented a much larger proportion of the population (31 percent) than in Laguna Hills.~~ Twenty-one percent of residents in Laguna Hills of any race identified as Hispanic or Latino, compared with 34 percent of people county-wide (Table H-3a).

Table H-3
Race and Ethnicity-2000

Race/Ethnicity	Laguna Hills-Residents	% of Laguna Hills-Population	Orange County-Residents	% of Orange County-Population
White	21,474	68.9	1,458,978	51.3
Black	404	1.3	42,639	1.5
Asian/Pacific Islander	3,198	10.3	391,896	13.8
Native American and Other	450	0.5	12,939	0.5
Two or more Races	842	2.7	64,258	2.3
Hispanic	5,413	16.4	875,579	30.8
Total	31,178	100.0	2,846,289	100.0

Source: 2000 Census.

Table H-3
Race and Ethnicity, 2010

Race	Laguna Hills Residents*	% of Laguna Hills Population*	Orange County Residents*	% of Orange County Population*
White	22,045	72.7	1,830,758	60.8
Black or African American	420	1.4	50,744	1.7
American Indian and Alaska Native	101	0.3	18,132	0.6
Asian	3,829	12.6	537,804	17.9
Native Hawaiian and Other Pacific Islander	58	0.2	9,354	0.3
Some Other Race	2,470	8.1	435,641	14.5
Two or More Races	1,421	4.7	127,799	4.2
Total	30,344	100	3,010,232	100

* A portion of each of the race categories may also contain those identifying as Hispanic.

Source: 2010 Census

Table H-3a Population Identifying as Hispanic or Latino

	Laguna Hills		Orange County	
	Number	Percent	Number	Percent
Total population	30,344	100	3,010,232	100
Hispanic or Latino (of any race)	6,242	20.6	1,012,973	33.7
Not Hispanic or Latino	24,102	79.4	1,997,259	66.3
Source: 2010 Census				

Employment Characteristics

OCCUPATION AND LABOR PARTICIPATION

Employment has an important impact on housing needs. Different jobs and income levels determine the type and size of housing a household can afford. In addition, employment growth within a region typically results in an increase in housing demand.

According to the American Community Survey (2009-2011) ~~2000 Census~~, ~~15,788~~ 16,678 Laguna Hills residents were in the civilian labor force, representing a labor participation rate of approximately ~~66~~ 67 percent. (The labor force includes employed and unemployed persons aged 16 years and above.) Similar to Orange County, Laguna Hills residents were employed in three major occupation categories, ~~managerial and professional~~ management, business, science, and arts; sales and office; and service occupations (Table H-4). The first two categories tend to provide higher paying jobs than service occupations, which tend to be lower paying (Table H-5). According to the State Employment Development Department, the unemployment rate in ~~June 2008~~ April 2013 in Laguna Hills was ~~4.4~~ 4.8 percent, lower than the countywide rate of ~~5.2~~ 5.7 percent and the statewide rate of ~~6.9~~ 9.0 percent.

Table H-6 provides the employment structure of Laguna Hills. Approximately ~~25,000~~ 15,300 jobs were located in the City in ~~2003~~ 2011. The largest employment classifications included educational services (~~20.5~~ 18.4 percent); professional, scientific, and technical services (~~19.7~~ 14.3 percent); retail (~~14.1~~ 14.2 percent); and ~~finance and insurance~~ (~~12.0~~ percent) manufacturing (11.8 percent). Although specific wage levels are not available, wage data for the employment structure of Laguna Hills can be inferred from Table H-5. Of the largest employment sectors in Laguna Hills, professional, scientific, and technical services, and finance and insurance sectors appear to provide higher wages, while retail jobs appear to provide lower wages.

Table H-4 Employment Profile-2000				
Occupation of Residents	Laguna Hills		Orange County	
	Number of Jobs	% of Total	Number of Jobs	% of Total
Managerial and Professional	6,814	45.3	509,542	38.1
Sales and Office	4,619	30.7	383,888	28.7
Service Occupations	2,026	13.5	177,001	13.2
Production, Transportation, and Material Moving	832	5.5	166,884	12.5
Construction, Extraction, and Maintenance	760	5.0	97,456	7.3
Farming, Forestry, and Fishing	6	0.0	4,067	0.3
Total	15,057	100.0	1,338,838	100.0

Source: 2000 Census.

Table H-4 Employment Profile, 2009-2011*				
Occupation of Residents	Laguna Hills		Orange County	
	Estimate**	Percent of Total	Estimate**	Percent of Total
Management, business, science, and arts occupations:	6,919	46.1%	564,052	39.5%
Sales and office occupations:	4,044	26.9%	381,501	26.7%
Service occupations:	2,090	13.9%	240,170	16.8%
Production, transportation, and material moving occupations:	834	5.6%	143,170	10.0%
Natural resources, construction, and maintenance occupations:	1,131	7.5%	99,272	7.0%
Total*	15,018	100.0%	1,428,165	100.0%
Source: 2009-2011 American Community Survey 3-Year Estimates				
*ACS numbers are estimates; there is a variable margin of error for all numbers.				
**Civilian employed population 16 years and over.				

Table H-5
Average Yearly Salary by Occupation
Orange County MSA. 2012

Occupations	Average Salary
Architecture and Engineering	\$74,664 \$87,056
Arts, Design, Entertainment, Sports, and Media	\$49,019 \$53,520
Building and Grounds Cleaning and Maintenance	\$23,295 \$26,141
Business and Financial Operations	\$66,826 \$73,187
Community and Social Services	\$47,739 \$51,991
Computer and Mathematical	\$74,509 \$85,644
Construction and Extraction	\$44,118 \$52,247
Education, Training, and Library	\$55,575 \$60,659
Farming, Fishing, and Forestry	\$20,461 \$23,058
Food Preparation and Serving Related	\$19,547 \$22,801
Healthcare Practitioners and Technical	\$74,158 \$81,240
Installation, Maintenance, and Repair	\$42,504 \$47,953
Legal	\$105,389 \$107,520
Life, Physical, and Social Science	\$69,265 \$72,501
Management	\$108,572 \$125,218
Office and Administrative Support	\$34,734 \$38,614
Personal Care and Service	\$23,863 \$26,502
Production	\$28,834 \$33,129
Protective Service	\$38,835 \$51,495
Sales and Related	\$42,389 \$45,147
Transportation and Material Moving	\$26,127 \$32,108
All Occupations	\$45,354 \$51,672

Source: State Employment Development Department, ~~2007~~ 2012

Table H-6
Employment Structure by
North America Industry Classification System (NAICS) Sector: ~~2003~~ 2011

Employment Sectors	Employment	Percentage
Agriculture	80 <u>5</u>	0.3 <u>0.03</u>
Arts, Entertainment, and Recreation	2,190 <u>1,237</u>	8.8 <u>8.1</u>
Construction	1,326 <u>1,063</u>	5.3 <u>7</u>
Education Services	5,137 <u>2,809</u>	20.5 <u>18.4</u>
Finance and Insurance	3,003 <u>1,693</u>	12.0 <u>11.1</u>
Information	597 <u>230</u>	2.4 <u>1.5</u>
Manufacturing	1,314 <u>1,804</u>	5.3 <u>11.8</u>
Other Services	1,013 <u>690</u>	4.0 <u>4.5</u>
Professional, Scientific, and Technical Services	4,929 <u>2,180</u>	19.7 <u>14.3</u>
Public Administration	549 <u>485</u>	2.1 <u>3.2</u>
Retail Trade	3,520 <u>2,167</u>	14.1 <u>14.2</u>
Transportation and Warehousing	439 <u>520</u>	1.8 <u>3.4</u>
Wholesale Trade	954 <u>408</u>	3.8 <u>2.7</u>
Total	25,048 <u>15,291</u>	100.0

Source: ~~Stanley R. Hoffman Associates, 2007~~; American Community Survey, 2007-2011.

Housing Characteristics

HOUSEHOLD TYPE AND SIZE

Household characteristics are important indicators of the type of housing needed in a community. The Census defines a household as all persons who occupy a housing unit, which may include families related through marriage or blood, unrelated individuals living together, or individuals living alone. People living in group quarters, such as retirement or convalescent homes, dormitories, or other group living situations, are not considered households.

Table H-7 Household Characteristics								
Household Type	Orange County		Laguna Hills		Laguna Hills—Hispanic Households		Laguna Hills—Asian Households	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
Families	667,917	71.4	7,947	73.0	1,095	86.8	772	85.3
— With Children	373,104	40.0	4,273	39.2	648	51.4	374	41.3
Single Persons	197,650	21.1	2,356	21.6	123	9.8	124	13.7
— 65 Years and Older	67,247	7.2	1,090	10.0	45	4.2	7	0.4
Other	69,720	7.5	592	5.4	29	2.3	9	0.4
Total	935,287	100.0	10,895	100.0	1,262	100.0	905	100.0
Average Persons per Household	3.00		2.82		4.19		3.34	

Source: 2000 Census. Percentages may not add to 100 percent due to rounding.

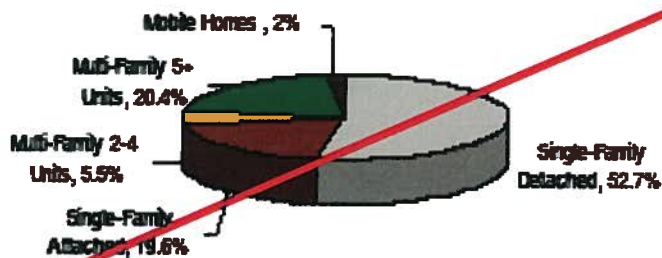
Table H-7 Household Characteristics				
Household Type	Orange County		Laguna Hills	
	Number of Households	Percent of Households	Number of Households	Percent of Households
Families	708,491	71.4%	7,733	73.9%
With Children	335,587	33.8%	3,327	31.8%
Single Persons	207,849	20.9%	2,041	19.5%
65 Years and Older	78,985	8.0%	822	7.9%
Other	76,441	7.7%	695	6.6%
Total Households	992,781	100.0%	10,469	100.0%
Average Persons per Household	3.0		2.9	
Source: 2010 Census				

Table H-7a Asian and Hispanic Households in Laguna Hills

	Hispanic Households*		Asian Households**	
	Number of Households	Percent of Households	Number of Households	Percent of Households
Families	1,227	84.0%	922	80.8%
Total Households	1,461	100.0%	1,141	100.0%
Average Persons per Household	4.0		3.2	

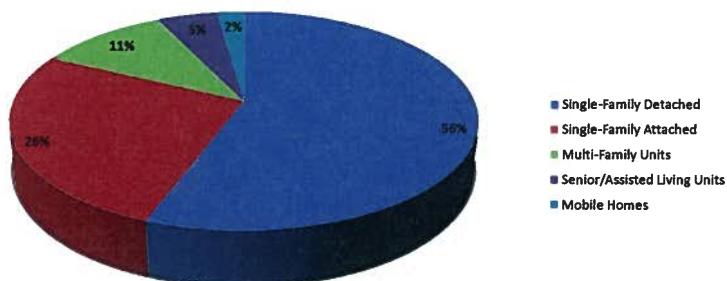
Source: 2010 Census
 *Households where householder identifies as Hispanic (any race)
 **Household where householder identifies as Asian only.

In ~~2000~~ 2010, there were ~~10,895~~ 10,469 households in Laguna Hills (Table H-7). Families constituted ~~73~~ 74 percent of households in the City, a proportion slightly greater than that found in Orange County (71.4 percent). For Hispanic and Asian households within Laguna Hills, families accounted for ~~86.8~~ 84 percent and ~~85.3~~ 81 percent of those households, respectively (Table H-7a). Families with children represented ~~39.2~~ 32 percent of households in Laguna Hills and ~~40.0~~ 34 percent in Orange County. ~~Hispanic households with children constituted 51.4 percent of total Hispanic households.~~ Single-person households represented ~~almost 22~~ approximately 20 percent of households in Laguna Hills, while single-person households in Orange County were slightly ~~less~~ greater at



Source: California Department of Finance 2008

Figure H-2
Laguna Hills Housing Stock Composition



Source: City of Laguna Hills, 2009

Figure H-2
Housing Stock Composition

~~approximately 21 percent. Single-person households constituted 2.3 percent and 0.1 percent of Hispanic and Asian households, respectively.~~

Housing needs generally vary by household type. Families typically occupy single-family homes. However, some families are unable to purchase or rent a home and may reside in multifamily apartments, condominiums, or townhome units. Single-person households, typified by seniors or young adults, tend to reside in apartment units, condominiums, townhomes, or smaller single-family homes. The Laguna Hills housing stock (Figure H-2) provides a range of unit types. The housing stock comprises ~~53~~56 percent single-family detached units, ~~20~~26 percent single-family attached units, ~~26~~11 percent multifamily units, such as apartments and condominiums, and 2 percent mobile homes or other units.

Household size identifies sources of population growth and household overcrowding. A city's average household size will increase over time if there is a trend toward larger families. In communities where the population is aging, the average household size may decline. The average household size in Laguna Hills in 2010 (~~2.82~~ 2.86) was lower than the County average household size (~~3.00~~ 2.99) in 2000. For Hispanic and Asian households, household size was ~~much~~ larger than the average household size for Laguna Hills as a whole, at ~~4.19~~ 4.04 and ~~3.34~~ 3.16, respectively. ~~The State Department of Finance reported that the overall average household size in both Laguna Hills and Orange County has increased since the 2000 Census, with an average of 3.05 and 3.09 persons per household respectively, as of January 1, 2008.~~

HOUSEHOLD INCOME

The income earned by a household is an important indicator of the household's ability to acquire adequate housing. While upper income households have more discretionary income to spend on housing, lower and moderate income households are more limited in the range of housing that they can afford. Typically, as household income decreases, the incidence of overpayment and overcrowding increases.

HCD has developed the following income categories:

- Extremely low income households earn between 0 and 30 percent of the County Median Family Income (MFI), adjusted for household size;
- Very low income households earn between 0 and 50 percent of the County MFI, adjusted for household size;
- Low income households earn between 51 and 80 percent of the County MFI, adjusted for household size;
- Moderate income households earn between 81 and 120 percent of the County MFI, adjusted for household size; and

- Above moderate/upper income households earn over 120 percent of the County MFI, adjusted for household size.

Table H-8
Household Income by Income Group, ~~2000~~ 2009

Income Group	City of Laguna Hills			Orange County
	Owner Households	Renter Households	Total Households	
Extremely Low Income	4.6% 7%	14.0% 24%	6.7% 11%	10.2% 11.7%
Very Low Income	5.7% 6%	12.0% 22%	7.2% 10%	10.9% 12.4%
Low Income	11.0%	24.9% 12%	14.3% 12%	16.0% 18.3%
Moderate and Above	70.7% 75%	49.1% 42%	71.8% 68%	62.9% 57.6%
Total	100.0%	100.0%	100.0%	100.0%

Source: CHAS Data, ~~2000~~ 2005-2009.

Similarly, the U.S. Department of Housing and Urban Development (HUD) uses Census data to develop special tabulation by HUD income group and household type. This data set is known as the Comprehensive Housing Availability Strategy (CHAS). The federal CHAS data separates California's very low income category into extremely low (0–30 percent MFI) and very low (31–50 percent MFI) incomes, and combines California's moderate income and upper income categories.

CHAS income distributions for Laguna Hills and Orange County are presented in Table H-8. According to CHAS data, almost ~~7~~ 11 percent of the City's households in ~~2000~~ 2009 qualified as extremely low income (0–30 percent MFI), more than ~~7~~ 10 percent as very low income (31–50 percent MFI), and greater than ~~14~~ 12 percent as low income (51–80 percent MFI). More than 50 percent of renter households qualified as low income or below, compared with ~~21~~ 24 percent of owner households. In Orange County, over ~~37~~ 42 percent of households were considered low income or below, compared with ~~28~~ 33 percent of households in the City of Laguna Hills. During the planning period, the extremely low income housing need is one unit, which is derived from presuming 50 percent of the very low income housing need (~~2 units~~ 1 unit) from the Regional Housing Need Assessment.

There were several questions and comments from community members and stakeholders regarding affordable housing in Laguna Hills. City staff informed the General Plan Advisory Committee and the City Council about the location and quantity of affordable housing in Laguna Hills. The Housing Element contains programs that may benefit extremely

low, very low, and low income households. Some of these programs include: Promote the Urban Village Specific Plan Area for Housing Opportunities; Promote Alicia Gateway for Housing Opportunities; Second Units; Section 8 Rental Assistance, and Partner with Affordable Housing Developers.

Table H-9 Overcrowded Households, 2000-2009-2011*				
	Owner	Renter	Total	Percentage
Occupied Units	8,374	2,559	10,930	100.0
Overcrowded Units	357	366	723	6.6
Severely Overcrowded Units	160	202	362	3.3

Source: Census 2000.

Table H-9 Overcrowded Households, 2009-2011*				
	Owner	Renter	Total	Percentage of Occupied Units
Occupied Units:	8,175	2,675	10,850	100.0%
Overcrowded Units	271	119	390	3.6%
Severely Overcrowded Units	45	20	65	0.6%

Source: 2009-2011 American Community Survey 3-Year Estimates
 *ACS numbers are estimates; there is a variable margin of error for all numbers.

OVERCROWDING

An overcrowded household is typically defined as one with more than one person per room, excluding bathrooms, kitchens, hallways, and porches. A severely overcrowded household is defined as one with more than 1.5 persons per room. Overcrowding results from either a lack of affordable housing and/or lack of available housing units of adequate size.

According to the ~~2000 Census~~ American Community Survey estimates (2009-2011), approximately ~~723~~ 390 households or ~~7~~ 3.6 percent of the households in Laguna Hills were living in overcrowded conditions (Table H-9). ~~In Orange County, approximately 16 percent of total households were overcrowded. Of the 7 percent of households living in overcrowded conditions in 2000, over 3~~ Less than 1 percent of those households experienced severely overcrowded conditions. The rate of overcrowding in Laguna Hills is significantly lower than the rate in Orange County, which is approximately 10 percent. ~~Renter and owner~~

households in Laguna Hills experienced similar levels of overcrowding: In both the City of Laguna Hills and county-wide, owner-occupied households experienced overcrowded or severely overcrowded conditions less than renter-occupied households.

Table H-10 Overpayment by Income and Tenure, 2000						
Household Income	Renter		Owner		Total	
	Households	Percentage	Households	Percentage	Households	Percentage
Less than \$10,000	444	59.4	447	77.5	234	6.2
\$10,000 to \$19,999	254	88.7	408	67.7	359	9.6
\$20,000 to \$34,999	422	85.6	327	74.2	749	20.0
\$35,000 to \$49,999	359	58.8	437	70.5	796	24.2
\$50,000 to \$74,999	435	34.4	768	55.7	903	24.4
\$75,000 to \$99,999	27	44.5	260	25.2	287	7.7
\$100,000 or more	8	2.3	413	22.6	421	11.2
All Income Categories	1,346	54.6	2,430	36.4	3,746	400.0

Source: Census, 2000.

Table H-10 Overpayment by Income and Tenure, 2009-2011*									
Household Income	Renter			Owner			Total		
	Total HH	Overpaying HH	Percentage Overpaying	Total HH	Overpaying HH	Percentage Overpaying	Total HH	Overpaying HH	Percentage Overpaying
Less than \$20,000	433	418	96.5%	479	452	94.4%	912	870	95.4%
\$20,000 to \$34,999	510	489	95.9%	402	299	74.4%	912	788	86.4%
\$35,000 to \$49,999	305	305	100.0%	741	457	61.7%	1,046	762	72.8%
\$50,000 to \$74,999	617	334	54.1%	1,384	735	53.1%	2,001	1,069	53.4%
\$75,000 or more	700	226	32.3%	5,124	1,550	30.2%	5,824	1,776	30.5%
All Income Categories	2,675	1,772	66.2%	8,175	3,493	42.7%	10,850	5,265	48.5%

Source: 2009-2011 American Community Survey 3-Year Estimates

*ACS numbers are estimates; there is a variable margin of error for all numbers.

OVERPAYMENT

State and federal standards for housing cost burden (overpayment) consider a household as overpaying for housing if it spends more than 30 percent of its gross income on housing. A household spending more than it can afford for housing has less money available for other necessities and emergency expenditures. Very low income households overpaying for housing are more likely to be at risk of becoming homeless than other households. Renter households overpay for their housing costs more often than owner households because of their typically lower incomes.

Table H-10 shows the number and proportion of households with housing cost burden by income range and tenure. According to the American Community Survey estimates (2009-2011), ~~over 40~~ approximately 49 percent of Laguna Hills households overpaid for housing. Approximately ~~52~~ 66 percent of renter households and ~~36~~ 43 percent of owner households in the City use more than 30 percent of their incomes to cover housing costs. ~~Overpayment was most prevalent among households earning less than \$35,000 per year. Not surprisingly, the percentage of households overpaying declines significantly as household income rises.~~

~~According to CHAS data, 941 of 1,283 (74 percent) of lower-income renter households and 1,243 of 1,786 (70 percent) of lower-income owner households paid more than 30 percent of their income on housing. Additionally, CHAS data indicates that almost 65 percent of senior renter households overpaid for housing compared to 29 percent of seniors who owned their own homes. For large households (households with five or more members), almost 32 percent of renters overpaid for housing, while approximately 38 percent of renters overpaid for housing. In total, CHAS data indicate that approximately 38 percent of Laguna Hills households overpaid for housing (slightly lower than 2000 Census estimates). Almost 16 percent of households in Laguna Hills severely overpaid for housing (pay more than 50 percent of gross income on housing).~~

For Orange County, ~~CHAS~~ American Community Survey (2009-2011) data indicate that approximately ~~34~~ 47 percent of households overpaid for housing, which is ~~4~~ 2 percentage points lower than in Laguna Hills. ~~Almost 14 percent of households in Orange County severely overpaid for housing, compared with 16 percent of households in Laguna Hills.~~

Special Needs Populations

Certain segments of the population may have more difficulty in finding decent, affordable housing due to special needs or circumstances. Special circumstances may be related to one's employment and income, family characteristics, disability, and household size, among other things. As

Table H-11
Households by Tenure by Age, Laguna Hills, 2000

Householder Age	Owners	% of Total Senior Households	Renters	% of Total Senior Households	Total Senior Households	% of Total Senior Households
65-74 years	778	33.7	449	5.4	897	38.8
75 plus years	895	38.7	519	22.5	1,414	61.2
Total	1,673	72.4	638	27.6	2,311	100.0

Source: Census, 2000.

Table H-11
Senior Households, 2010

Householder Age	Owners		Renters		Total Senior Households	
	Number of Households	% of Senior Households	Number of Households	% of Senior Households	Number of Households	% of Senior Households
65 - 74 years	1,074	48.6%	135	6.1%	1,209	54.7%
75 - 84 years	438	19.8%	128	5.8%	566	25.6%
85 years plus	151	6.8%	284	12.9%	435	19.7%
Total:	1,663	75.2%	547	24.8%	2,210	100.0%

Source: 2010 Census

a result, certain segments of residents in Laguna Hills may experience a higher prevalence of overpayment, overcrowding, or other housing problems. "Special needs" groups include senior households, agricultural workers, female-headed households, disabled persons, large households, and the homeless.

SENIOR HOUSEHOLDS

Table H-12
Senior Households by Income and Tenure, Laguna Hills, 2000

Income Group	Senior Owner Households	% of Total Senior Households	Senior Renter Households	% of Total Senior Households	Total Senior Households	% of Total Senior Households
Extremely Low Income	204 185	8.4 9.0	144 155	5.9 7.5	348 340	14.3 16.5
Very Low Income	249 205	9.9 10.0	124 130	5.1 6.3	373 335	14.1 16.3
Low Income	339 220	13.9 10.7	105 55	4.3 2.7	444 275	18.2 13.3
Moderate Income and Above	1,039 945	42.6 45.9	263 165	10.8 8.0	1,302 1,110	53.4 53.9
Total	1,804 1,555	73.9 75.5	636 505	26.1 24.5	2,437 2,060	100.0

Source: CHAS Data, 2000-2005-2009.

Senior or elderly households are those headed by individuals aged 65 or older. The special needs of the elderly are a function of their often lower or fixed incomes, disabilities or limitations, and dependency needs. There are four main concerns with this group of the population: limited and often fixed income; poor health and associated high health care costs; mobility limitations and transit dependency; and high costs of housing. In addition, housing for the elderly often requires special attention to design to allow greater access and mobility. Housing located within the vicinity of community facilities and public transportation also facilitates mobility of the elderly in the community.

According to the ~~2000~~ 2010 Census, Laguna Hills had ~~3,788~~ 3,890 residents age 65 or older, representing ~~12~~ 13 percent of the total population. Also in ~~2010~~ 2000, ~~2,311~~ 2,210 senior households existed in Laguna Hills, constituting roughly 21 percent of the City's total households (Table H-11). Of these households, about ~~72~~ 75 percent were owner households, while almost ~~28~~ 25 percent were renter households.

According to CHAS data, over 46 percent of all senior households were of extremely low, very low, or low incomes (Table H-12). ~~Almost 59-~~ Approximately 67 percent of total senior renter households were of extremely low, very low, or low incomes compared with ~~42~~ 39 percent of senior owner households. ~~Additionally, CHAS data indicate that approximately 29 percent of the senior owner households overpaid for housing, compared to 65 percent of the senior renter households in 2000. Also in 2000, about 38 percent of the senior residents were reported to have a disability, which may require special housing design.~~

According to the Census, a substantial increase in the number of older people will occur during the 2010 to 2030 period, after the first Baby Boomers turn 65 in 2011. The older population in 2030 is projected to be twice as large as that in 2000, representing nearly 20 percent of the total U.S. population at the latter date. Orange County including Laguna Hills is expected to experience similar trends.

California Department of Finance projections indicate that the population aged 65 and over in Orange County will increase from 282,479 in 2000 to 504,266 in 2020, an increase of over 78 percent. By 2030, the senior population will increase to 693,602, a 146 percent increase from 2000.

As the number of older people and life expectancies increase, the demand for a variety of senior housing options will also increase. In addition to traditional facilities that offer independent living units,

demand for intermediate care and assisted living will also increase, as well as for facilities offering a full range of living arrangements. Laguna Hills currently has two housing developments that provide housing for seniors. The Willows contains 152 ground level housing units and Villa Valencia contains 396 units with options for independent living, assisted living, and nursing care.

Concerns were voiced during the Housing Stakeholder meeting in ~~December 2007~~ February 2013 and other public meetings about an aging population in Orange County and Laguna Hills and the need to provide additional senior housing. The Housing Element contains programs that may benefit the senior population and could provide additional senior housing opportunities, including Senior/Disabled or Limited Income Repair Loan and Grant Program; Promote the Urban Village Specific Plan Area for Housing Opportunities; Promote Alicia Gateway for Housing Opportunities, and Second Units.

AGRICULTURAL WORKERS

Table H-13
Tenure in Female-Headed Households, Laguna Hills, 2000

Householder Type	Number	Percentage
Total Households	41,028	100.0
Total Female-Headed Householders	2,708	24.6
— Female Heads with Children under 18	374	3.4
— Female Heads without Children under 18	415	3.4
Total Families Under the Poverty Level	289	100.0
Female-Headed Households Under the Poverty Level	406	36.7

Source: Census, 2000.

Table H-13
Female-Headed Family Households, 2009-2011*

	Estimate	% under Poverty Level
Total Family Households	7,723	5.0%
Total Female-Headed Family Households	973	4.6%
Female-Headed Family HH with Children Under 18	405	7.4%
Female-Headed Family HH without Children Under 18	568	2.6%

Source: 2009-2011 ACS

*ACS numbers are estimates; there is a variable margin of error for all numbers.

The special housing needs of farm workers result from their low wages and the seasonal nature of their employment. According to the American Community Survey (2009-2011) ~~2000 Census~~, ~~only six~~ no residents of Laguna Hills were employed in farming, forestry, or fishing occupations. Therefore, demand for housing generated by agricultural workers in the City is nominal and could be addressed adequately by overall housing affordability programs in the City and County.

FEMALE-HEADED HOUSEHOLDS

Single-parent families with children often require special attention due to their needs for affordable childcare, health care, and housing assistance. Female-headed families with children particularly tend to have lower incomes, thus limiting housing availability for this group. ~~According to the 2000 Census, approximately 25 percent of all households in the City were headed by females (Table H-13). Female-headed households with children under 18 accounted for over 3 percent of the City's total households or almost 14 percent of total female-headed households. The Census indicated that Laguna Hills had 289 families under the poverty level, with 106 or nearly 37 percent of female-headed households falling below the poverty level.~~ According to the American Community Survey (2009-2011), of the 7,723 family households in Laguna Hills, 973 were female-headed family households, or about 13%. In the 2009-2011 estimates, approximately 5 percent of all families in Laguna Hills were under the poverty level, with that number jumping to 7.4 percent of female-headed families with children under 18. It is important to note, however, that only 2.6 percent of female-headed families were under the poverty level.

The Housing Element contains programs that could benefit single-parent, female-headed households. These programs include: Promote the Urban Village Specific Plan Area for Housing Opportunities; Promote Alicia Gateway for Housing Opportunities; Continuum of Care Funding and Consolidated Plan Participation; and Partner with Affordable Housing Developers. The Housing Element also contains programs targeted to low income households which may benefit female-headed households.

PERSONS WITH DISABILITIES

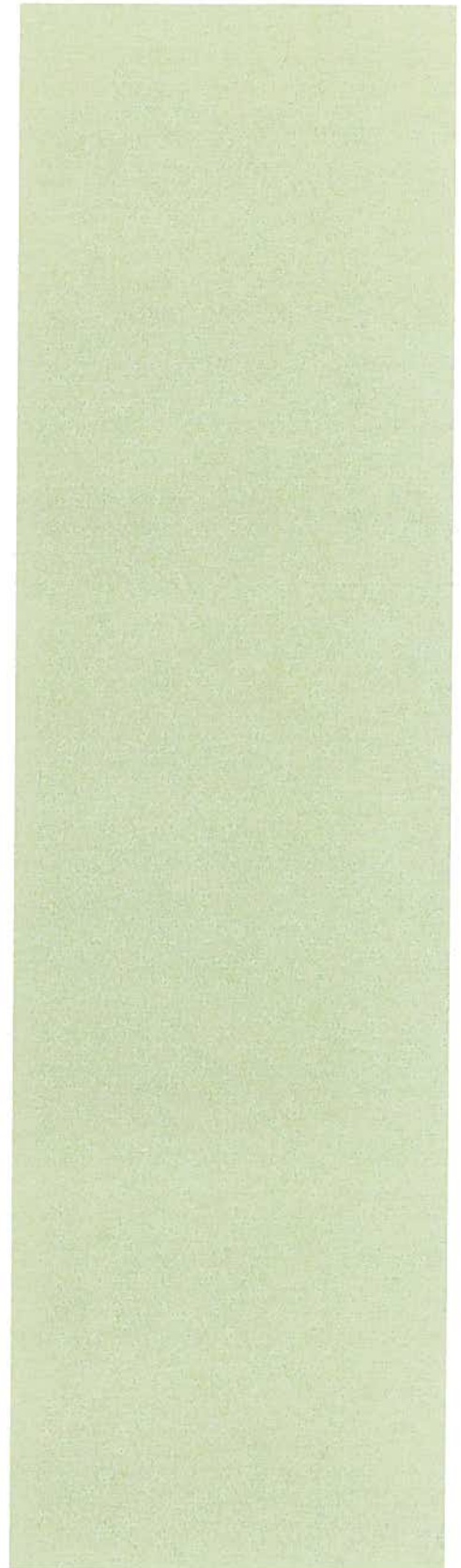
Disability is a physical or mental condition that substantially limits one or more major life activities. Physical disabilities can hinder access to housing units of conventional design, as well as limit the ability to earn adequate income. The ~~2000 Census~~ American Community Survey defines six types of disabilities: hearing, vision, cognitive, ambulatory, self-care, and independent living difficulty. ~~sensory, physical, mental, self-care, go-outside-home, and employment. The Census defines sensory~~

and physical disabilities as “long-lasting conditions.” Mental, self-care, go-outside-home, and employment disabilities are defined as conditions lasting 6 months or more that make it difficult to perform certain activities. A more detailed description of each disability is provided below:

- Hearing difficulty: Deaf or having serious difficulty hearing. ~~Sensory disability: Refers to blindness, deafness, or severe vision or hearing impairment.~~
- Vision difficulty: Blind or having serious difficulty seeing, even when wearing glasses. ~~Physical disability: Refers to a condition that substantially limits one or more basic physical activities, such as walking, climbing stairs, reaching, lifting, or carrying.~~
- Cognitive difficulty: Because of a physical, mental, or emotional problem, having difficulty remembering, concentrating, or making decisions. ~~Mental disability: Refers to a mental condition lasting more than 6 months that impairs learning, remembering, or concentrating.~~
- Ambulatory difficulty: Having serious difficulty walking or climbing stairs. ~~Self-care disability: Refers to a condition that restricts ability to dress, bathe, or get around inside the home.~~
- Self-care difficulty: Having difficulty bathing or dressing. ~~Go outside-home: Refers to a condition that restricts ability to go outside the home alone to shop or visit a doctor's office.~~
- Independent living difficulty: Because of physical, mental, or emotional problem, having difficulty doing errands alone such as visiting a doctor's office or shopping. ~~Employment disability: Refers to a condition that restricts ability to work at a job or business.~~

In 2000, approximately 4,266 people or more than 14 percent of the Laguna Hills residents age 5 or over were recorded by the Census as having a disability (Table H-14). The 2011 American Community Survey 3-year estimates show approximately 2,185 people or approximately 7.2 percent of Laguna Hills residents reported having one or more disabilities (Table H-14). The senior population in Laguna Hills has a higher incidence of disability, with approximately ~~38~~ 33 percent of the population 65 and older reporting a disability. (Table H-15). ~~As illustrated in Table H-15, among the disabled population, the Census tallied 7,901 total disabilities, 23 percent of which were work place disabilities, 20 percent were conditions that restrict the ability to go outside the home, 22 percent were physical disabilities, 17 percent were mental disabilities that lasted longer than 6 months, and the remaining 18 percent consisted of self-care or sensory disabilities.~~

Physical and mental disabilities can hinder a person's access to traditionally designed housing units (and other facilities) as well as potentially limit the ability to earn income. ~~In 2000, 10 percent of~~



~~the 4,266 people with disabilities in Laguna Hills had incomes below the poverty level.~~ The most obvious housing need for persons with disabilities is housing that is adapted to their needs. Most multistory 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. The cost of retrofitting a home often prohibits homeownership, even for individuals or families who could otherwise afford a home. Furthermore, some providers of basic home buying services do not have offices or materials that are accessible to people with mobility, visual, or hearing impairments.

A recent change in state law required 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; and
- Reflects the individual’s need for a combination and sequence of special, interdisciplinary, or generic services, individualized supports, or other forms of assistance that are of lifelong or extended duration and are individually planned and coordinated.

The Census does not record developmental disabilities. According to the U.S Administration on Developmental Disabilities, an accepted estimate of the percentage of the population that can be defined as developmentally disabled is 1.5 percent. This equated to approximately 456 persons in the City of Laguna Hills with developmental disabilities, based on the 2010 Census population.

According to the State’s Department of Developmental Services, approximately 186 Laguna Hills residents with developmental disabilities sought services at the Regional Center of Orange County. Most of these individuals reside in a private home with a parent or guardian.

Table H-14
Persons with Disability by Employment Status: 2000

	Number	Percentage
Age 5-64, Employed Persons with a Disability	1,545	5.3
Age 5-64, Not Employed with a Disability	1,054	3.6
Persons Age 65 Plus with a Disability	1,430	4.9
Total Persons with a Disability	4,266	14.6
Total Population (Civilian Noninstitutional)	29,177	100.0

Source: Census, 2000.

Table H-14
Disabled Population, 2009-2011*

	Estimate	% of Total Population
Total Population (civilian noninstitutionalized)	30,288	100.0%
<5 Years with Disability	0	0.0%
5 to 17 years with Disability	93	0.3%
18 to 64 Years with Disability	816	2.7%
65 Years + with Disability	1,276	4.2%
Total Population with Disability	2,185	7.2%

Source: 2009-2011 American Community Survey 3-Year Estimates

*ACS numbers are estimates; there is a variable margin of error for all numbers.

Table H-14a
Employment for Disabled Population Age 18-64, 2009-2011*

	Estimate	% of Population Age 18-64
Total Population	20,057	100.0%
Employed with Disability	254	1.3%
Unemployed with Disability	57	0.3%
Not in Labor Force with Disability	505	2.5%
Total Population with Disability	816	4.1%

Source: 2009-2011 American Community Survey 3-Year Estimates

*ACS numbers are estimates; there is a variable margin of error for all numbers.

Table H-16 Persons with Disability by Disability Type, 2000		
	Number	Percentage of Total Disabilities
Total Disabilities Tallied	7,904	100.0
Total Disabilities for Ages 5–64	4,564	57.7
—Sensory Disability	498	2.5
—Physical Disability	700	8.9
—Mental Disability	754	9.5
—Self-Care Disability	269	3.4
—Go Outside Home Disability	833	10.5
—Employment Disability	1,807	22.9
Total Disabilities for Ages 65 and Over	3,340	42.3
—Sensory Disability	602	7.6
—Physical Disability	1,015	12.8
—Mental Disability	554	7.0
—Self-Care Disability	387	4.9
—Go Outside Home Disability	785	9.9

Source: Census, 2000.

Table H-15 Persons with Disability by Type, 2009-2011*

	Persons with a Disability	Percentage of Disabled Population
Total Disabled Population	2,185	100.0%
5-17 Years	93	4.3%
With a hearing difficulty	0	0.0%
With a vision difficulty	0	0.0%
With a cognitive difficulty	93	4.3%
With an ambulatory difficulty	28	1.3%
With a self-care difficulty	0	0.0%
18-64 Years	816	37.3%
With a hearing difficulty	153	7.0%
With a vision difficulty	143	6.5%
With a cognitive difficulty	384	17.6%
With an ambulatory difficulty	433	19.8%
With a self-care difficulty	170	7.8%
With an independent living difficulty	323	14.8%
65 Plus Years	1,276	58.4%
With a hearing difficulty	627	28.7%
With a vision difficulty	211	9.7%
With a cognitive difficulty	371	17.0%
With an ambulatory difficulty	802	36.7%
With a self-care difficulty	382	17.5%
With an independent living difficulty	643	29.4%

Source: 2009-2011 American Community Survey 3-Year Estimates

*ACS numbers are estimates; there is a variable margin of error for all numbers.

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. Because developmental disabilities exist before adulthood, the first issue in supportive housing for the developmentally disabled is the transition from the person's living situation as a child to an appropriate level of interdependence as an adult.

RESOURCES

The State Department of Developmental Services (DDS) currently provides community-based services to approximately 243,000 persons.

with developmental disabilities and their families through a statewide system of 21 regional centers, four developmental centers, and two community-based facilities. The Regional Center of Orange County (RCOC) is one of 21 regional centers in California that provides point of entry services for people with developmental disabilities. The RCOC is a private, non-profit community agency that contracts with local businesses to offer a wide range of services to individuals with developmental disabilities and their families.

Any resident of Orange County who has a developmental disability that originated before age 18 is eligible for services. Services are offered to people with developmental disabilities based on Individual Program Plans and may include: Adult day programs; advocacy; assessment/consultation; behavior management programs; diagnosis and evaluation; independent living services; infant development programs; information and referrals; mobility training; prenatal diagnosis; residential care; respite care; physical and occupational therapy; transportation; consumer, family vendor training; and vocational training. RCOC also coordinates the state-mandated Early Start program, which provides services for children under age three who have or are at substantial risk of having a developmental disability. According to the RCOC February 2010 Facts and Statistics data, the RCOC currently serves approximately 16,728 individuals.

The mission of the Dayle McIntosh Disability Resource Centers is to advance the empowerment, equality, integration and full participation of people with disabilities in the community. The Center is not a residential program, but instead promotes the full integration of disabled persons into the community. Dayle McIntosh Center is a consumer-driven organization serving all disabilities. Its staff and board are composed of

Table H-16
Summary of Homeless Estimates

Homeless Episodes Source	Estimate of Homeless
Point-in-time Count*	3,649 6,939 (one day)
Point-in-time Count Annualized	27,732 18,325 (annual)
Total Needs Assessment Estimate	35,065 (annual)
— Persons in Families with Children	24,543
— Unaccompanied Individuals	10,520
Point-in-time Survey for Laguna Hills in 2008	20
Point-in-time Survey for Laguna Hills in 2011	8
*Point-in-time count occurred on January 25, 2007 January 22, 2011. Source: www.ocpartnership.net.	

over 50% of people with disabilities. Its two offices service over 500,000

people in Orange County and surrounding areas with disabilities. The Center's South County branch is located in Laguna Hills.

Vocational Visions, a non-profit organization located in Mission Viejo, has provided services to south Orange County residents with developmental disabilities in partnership with Saddleback Valley Unified School District since 1974 when the program began with 30 clients and staff of five. This organization currently has over 400 clients and a staff of over 100 people.

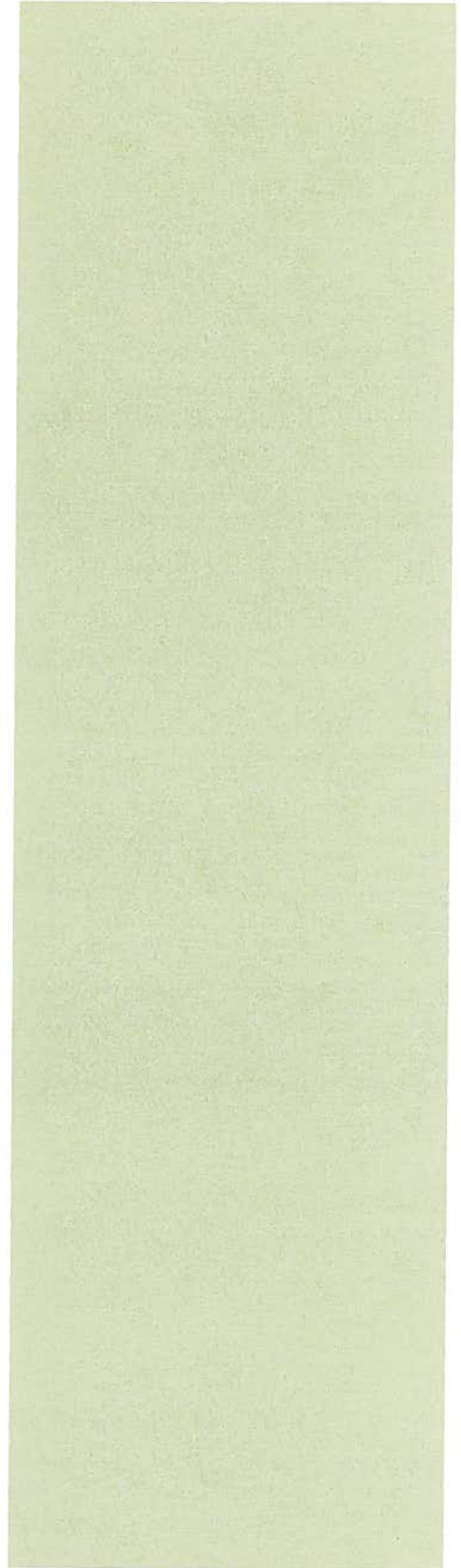
Vocational Visions has helped thousands of men and women with disabilities obtain employment, further education and reach both professional and personal goals. Effective treatment increases the level of functioning for many of these clients, thus maximizing their quality of life vocationally, economically, and socially. Services are provided to qualifying persons at no charge.

Vocational Visions is accredited by the Commission on Accreditation of Rehabilitation Facilities (CARF) and is the only family-based program in south Orange County. It offers eight comprehensive programs including: Day Training Activity Program, Health Related Services Program, Emeritus Program, Adult Development Program, Work Activity Program, Vocational Rehabilitation Work Activity Program, Supported Employment, and South County Clubhouse.

Housing opportunities for disabled persons can be addressed through the provision of affordable, barrier-free housing. In addition to the development of new units, rehabilitation assistance can also be provided to disabled residents to make necessary improvements to remove architectural barriers to existing units. The Housing Element contains programs to create reasonable accommodations procedures and to consider the provision of universal design features. These programs address concerns from the Fall Prevention Center of Excellence and other stakeholders regarding incorporating universal design features and reasonable accommodations procedures into the Housing Element. Examples of universal design features include roll-in showers and grab bars, push/pull lever faucets, wide swing hinges, and additional stairwell and task lighting.

LARGE HOUSEHOLDS

Large households (with five or more persons) are identified as a group with special housing needs based on the limited availability of adequately sized, affordable housing units. Large households are often of lower income, frequently resulting in the overcrowding of smaller dwelling units and, in turn, accelerating unit deterioration. The ~~2000 Census~~



American Community Survey (2009-2011) ~~reported estimates~~ that ~~1,533~~ 1,007 households in Laguna Hills have five or more members, representing ~~14~~ 9 percent of all City households. Among the large households, ~~76~~ 74 percent were owner households and ~~24~~ 26 percent were renter households. ~~According to CHAS data, about 12 percent of large rental households were considered low income and below, while more than 17 percent of large owner households were considered low income and below.~~

Typically, the availability of adequately sized and affordable housing units is an obstacle facing large households. Since only ~~14~~ 9 percent of Laguna Hills households are large households, Laguna Hills' housing stock should be adequate to meet the needs of larger households. ~~In~~ 2000 ~~According to American Community Survey estimates (2009-2011),~~ Laguna Hills had ~~2,424~~ 3,285 three-bedroom housing units and another ~~4,263~~ 4,484 housing units with four or more bedrooms. However, lower income large renter households may have greater difficulty securing adequately sized units than other large renter households.

HOMELESS

According to HUD, a person is considered homeless if he/she is not imprisoned and:

- Lacks a fixed, regular, and adequate nighttime residence;
- The primary nighttime residence is a publicly or privately operated shelter designed for temporary living arrangements;
- The primary residence is an institution that provides a temporary residence for individuals that should otherwise be institutionalized; or
- The primary residence is a public or private place not designed for or ordinarily used as a regular sleeping accommodation.

Homelessness is a regional problem throughout Southern California. The Orange County homeless population includes families and individuals representing every race, age group, and community in Orange County. Much of Orange County's homeless population consists of working families and individuals. Many live in cars, parks, under bridges, motels, and in homeless shelters. Many homeless within the County remain hidden.

The City of Laguna Hills is part of the Orange County Continuum of Care System. HUD created the Continuum of Care process in 1994 to foster a single, coordinated, comprehensive planning process to create long-term solutions to the problem of homelessness and to serve as an

application mechanism to apply for HUD homeless assistance program funds. Continuum of Care is an umbrella term that covers the planning process involving government agencies, service providers, and advocates in the creation of a plan to assess the needs of homeless people and to devise a plan for delivering housing and services to meet those needs. Once a plan is developed, “the Continuum” or “the CoC,” as these planning bodies are generically called, apply for homeless assistance funds to develop and/or operate transitional housing, supportive services, and permanent housing for homeless people.

Orange County’s Continuum of Care System comprises a network of public, private, faith-based, for-profit, and nonprofit service providers. County agencies such as the Housing and Community Services Department (HCS), Health Care Agency, Social Services Agency, and other county agencies provide direct services for the homeless and/or significant resources for agencies serving the homeless. The region’s 34 municipalities also provide substantial resources for services that assist the homeless and those at risk of becoming homeless. A partnership exists between HCS’s Homeless Prevention Programs, 211 (formally known as Info Link Orange County), and OC Partnership (formerly known as Shelter and Hunger Partnership) to conduct community forums to focus on the entire system of care. These forums provide regional and coordinated meetings that focus on all issues relating to the County’s Continuum of Care System. Issues include temporary shelter and affordable housing, health care, case management, education, legal issues, transportation, supportive services, legislation, funding, and other related issues. Numerous public/private partnerships and collaboratives have been and continue to be developed and have enabled Orange County to expand the system of care through year-round, regional planning and coordinated efforts to better assist the homeless. When combined, these coordinated efforts decrease fragmentation and strengthen Orange County’s Continuum of Care System.

The estimate of the number of homeless people in Orange County consists of a point-in-time count of the homeless, a needs assessment which estimates the number of homeless over a given year, and a housing inventory that identifies the number of beds available to house the homeless. The housing inventory is conducted annually, whereas the comprehensive needs assessment and the point-in-time count are biennial.

Table H-16 details the estimate of the homeless in Orange County. According to the point in time survey, ~~3,649~~ 6,939 unduplicated persons were found to be homeless in shelters and on the streets in Orange County on ~~January 25, 2007~~ January 22, 2011. According to

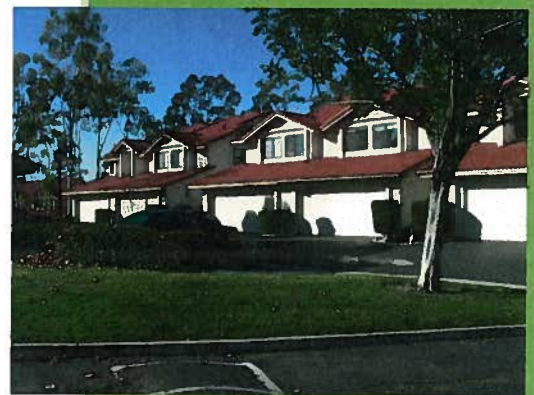


Table H-17
Housing Stock Composition

Housing Type	January 2008 2012	
	Number	Percentage
Single-family Detached	5,873 6,431	52.6 58.2
Single-family Attached	2,183 1,927	19.6 17.4
Multifamily 2-4 Units	608 574	5.5 5.2
Multifamily 5+ Units	2,272 1,763	20.4 16.0
Mobile Homes and Other	217 354	1.9 3.2
Total Units	11,453 11,049	100.0

Source: State Department of Finance January ~~2008~~ 2012.

HUD, counting only the homeless persons found in the point-in-time count could under-represent the number of individuals who experience homelessness during other times of the year. the population of people using homeless services over time is different than the population at a single point in time. Point-in-time estimates capture a higher share of chronically homeless individuals and families who use shelters or transitional shelters for long periods of time and under represent people whose homelessness is episodic. To account for this variation and in-keeping with previous point-in-time surveys, the 2007 point-in-time primary source data were multiplied by the average length of shelter stays (3,629 unduplicated point-in-time count number multiplied by the average number of homeless incidents per homeless client (7.6) as reported by shelter providers). To obtain an accurate annual estimation of the number of homeless persons in Orange County, the 2011 Orange County Homeless Census & Survey combined data from the point-in-time count with data on homeless persons who had become homeless within the last 7 days of the count and those who had previously experienced a homeless episode within the past 12 months. This methodology resulted in an estimated total of ~~27,732~~ 18,325 homeless incidents (incidents of homelessness) over a 12-month period in Orange County.

According to the 2007 needs assessment, total homeless episodes in Orange County amounted to 35,065 in 2006. This number is derived from 2006 caseload data collected from shelter providers and indicates the total number of times homeless persons were sheltered and turned away from shelters over a 12-month period. Also included is the total number of chronically homeless individuals (street homeless) that

Table H-18 Housing Tenure by Units in Structure, 2000				
Housing Type	Laguna Hills		Orange County	
	Number	Percentage	Number	Percentage
Owner-Occupied	8,374	76.6	574,193	61.4
—Single-family	7,082	64.8	506,243	54.1
—2-4 units	284	2.6	15,067	1.6
—5 or more units	789	7.2	27,016	2.9
—Mobile homes	216	2.0	25,184	2.7
—Other	0	0.0	683	0.1
Renter-Occupied	2,559	23.4	361,094	38.6
—Single-family	823	7.5	93,790	10.0
—2-4 units	349	3.2	69,718	7.5
—5 or more units	1,368	12.5	192,987	20.6
—Mobile homes	49	0.2	4,357	0.5
—Other	0	0.0	242	0.0
Total Units	10,930	100.0	935,287	100.0

Source: Census 2000.

Table H-18 Housing Tenure by Units in Structure, 2009-2011*				
	Laguna Hills		Orange County	
	Estimate	Percentage	Estimate	Percentage
Owner-occupied housing units:	8,175	75.3%	585,483	59.2%
Single-family (attached or detached)	7,472	68.9%	519,868	52.6%
2-4 units	218	2.0%	13,627	1.4%
5 or more units	299	2.8%	29,564	3.0%
Mobile home	186	1.7%	22,087	2.2%
Other	0	0.0%	337	0.0%
Renter-occupied housing units:	2,675	24.7%	402,871	40.8%
Single-family (attached or detached)	987	9.1%	115,384	11.7%
2-4 units	468	4.3%	73,012	7.4%
5 or more units	1,136	10.5%	208,179	21.1%
Mobile home	84	0.8%	5,778	0.6%
Other	0	0.0%	518	0.1%
Total:	10,850	100.0%	988,354	100.0%
Source: 2009-2011 American Community Survey 3-Year Estimates				
*ACS numbers are estimates; there is a variable margin of error for all numbers.				

typically do not seek shelter.

The 2006 housing inventory survey identified 68 temporary shelters providing 3,400 beds for the homeless on any given night. These beds consist of 1,512 emergency shelter beds, 1,888 transitional shelter beds, and 1,875 permanent supportive housing beds. Most of these shelters are located in central and north Orange County. While shelters provide emergency and transitional housing for the homeless, most shelters provide services to designated subpopulations such as veterans, victims of domestic violence, and persons with HIV/AIDS, etc., which limits the availability of shelters to serve all populations.

Table H-18
Vacancy Rates, 2000

	Number	Percentage
Total Housing Units	41,335	100.0
Occupied	40,930	96.4
Vacant	405	3.6
— For rent	495	1.7
— For sale only	54	0.5
— Rented or sold, not occupied	27	0.2
— For seasonal, recreational, or occasional use	38	0.3
— For migrant workers	0	0.0
— Other vacant	91	0.8

Source: Census 2000.

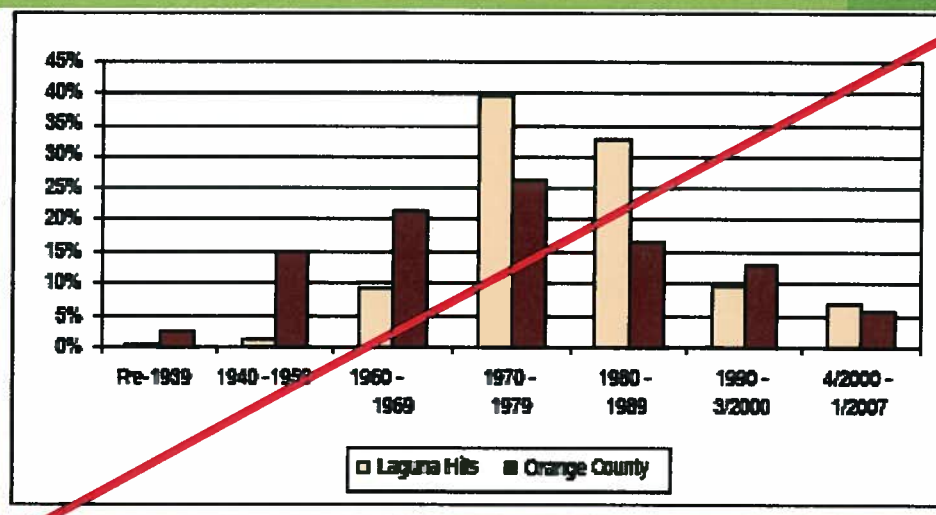
Table H-19
Vacancy Rates, 2010

	Number	Percentage
Total Housing Units	11,046	100.0%
Occupied	10,469	94.8%
Vacant	577	5.2%
For rent	335	3.0%
For sale only	110	1.0%
Rented or sold, not occupied	34	0.3%
For seasonal, recreational, or occasional use	46	0.4%
For migrant workers	0	0.0%
Other vacant	52	0.5%

Source: 2010 Census

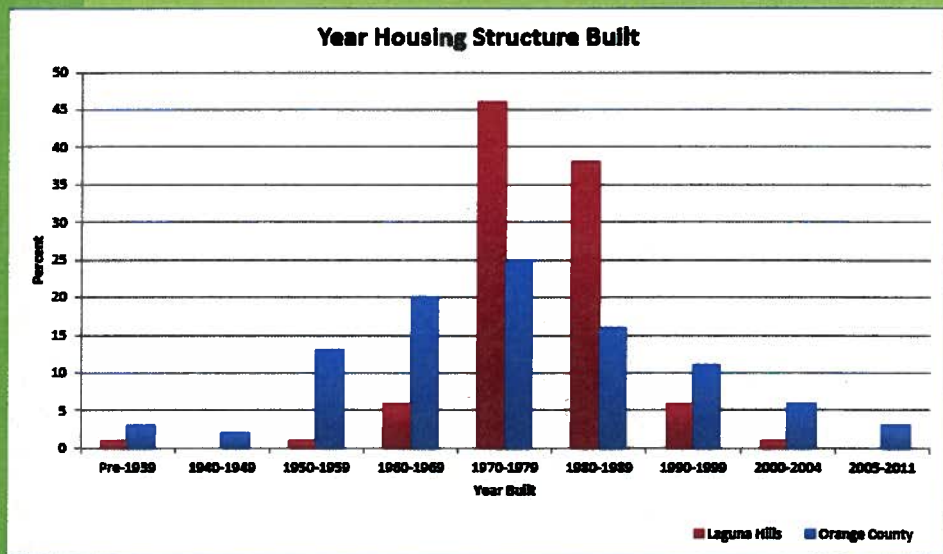
~~In December 2007, HUD conditionally awarded Orange County \$11.8 million in homeless assistance grants under the Continuum of Care Super Notice of Funding Availability (SuperNOFA). Between 1996 and 2012, HUD has conditionally awarded Orange County \$169.9 million in homeless assistance grants under the SuperNOFA Continuum of Care Homeless Assistance Grant funding program. The SuperNOFA is an annual process and the grant award to the County of Orange, with Housing and Community Services as the lead agency, is a direct result of the County's partnership with cities and hundreds of nonprofit organizations to address the issue of homelessness in Orange County. The grant award will provide transitional shelter and supportive services for families and individuals as well as permanent supportive housing for the disabled and special needs homeless populations. Since 1996, Orange County has received over \$97.2 million in the SuperNOFA Continuum of Care competition.~~

The Constraints on Housing Production section did not identify any constraints to the provision of housing facilities for homeless in Laguna Hills. The City's Zoning Ordinance defines an emergency shelter as ~~a community care facility providing temporary housing for one or more individuals who are otherwise temporarily or permanently homeless; "housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less by a homeless person, or as may be amended by Health and Safety Code Section 50801(e). No individual or household may be denied emergency shelter because of an inability to pay."~~ The City permits ~~by right transitional care facilities/ emergency shelters for twelve (12) or fewer persons in the Village Commercial district, the Mixed Use district, and the Community/~~



Source: Census 2000 and California Department of Finance 2007

Figure H-3
Year Structure Built



Source: American Community Survey, 2009-2011

Private Institution district supportive and transitional housing facilities for six (6) or fewer persons in all residential zones as a residential use. The transitional care facilities/emergency shelters are subject to the development standards of the zone in which the facility is located. Emergency shelters are permitted by right in the Mixed Use zone and are subject to development and management standards. As of May 2008-2013, no transitional care facilities/emergency shelter have been permitted or constructed in the City the City has not received applications to construct emergency shelters, and none have been constructed.

In October 2008, the City contacted various service agencies and homeless shelters in south Orange County. Agencies contacted included Orange County Sheriff's Department, OC Partnership, Families Forward, Family Assistance Ministries, Friendship Shelter, and Human Options. OC Partnership provided a report dated June 2008 that indicates the last known address for homeless clients served in Orange County shelters since June 2005. Twenty homeless people served by Orange County shelters indicated that Laguna Hills was their last address. It is important to note that only 27 percent of the Orange County shelter beds available reported this information to the OC Partnership. Therefore, the estimate of the number of homeless in Laguna Hills is incomplete. Additionally, the report only captures data from shelters and does not include any unsheltered homeless that may live in Laguna Hills. The Orange County Sheriff's department does not maintain any database indicating the number of homeless living in Laguna Hills.

Families Forward, Family Assistance Ministries, Friendship Shelter, and



Human Options were asked how many of their clients were from Laguna Hills. Only one shelter, Human Options, a domestic violence shelter, was able to provide information. In the past calendar year, one person

Table H-20
House and Condominium Sales
~~May 1, 2007 through May 1, 2008~~ January 1, 2012 through January 1, 2013

Unit Type/Size	Number Sold	Range	Median Sale Price
Homes	402 249	\$390,000 - \$4,300,000 \$265,000 - \$2,700,000	\$707,000 \$580,000
2 BR	6 7	\$440,000 - \$705,000 \$319,199 - \$390,000	\$472,500 \$338,000
3 BR	28 68	\$390,000 - \$1,700,000 \$265,000 - \$1,325,000	\$557,500 \$450,000
4 BR	50 119	\$420,000 - \$2,345,000 \$362,000 - \$1,516,000	\$757,000 \$630,000
5+ BR	18 55	\$560,000 - \$4,300,000 \$465,000 - \$2,700,000	\$1,560,000 \$925,000
Condominiums	80 184	\$173,500 - \$715,000 \$85,000 - \$590,000	\$387,250 \$225,000
1 BR	10 32	\$190,000 - \$350,000 \$121,000 - \$243,000	\$262,000 \$150,000
2 BR	30 81	\$173,500 - \$589,500 \$85,000 - \$355,000	\$370,000 \$205,000
3+ BR	40 71	\$200,000 - \$715,000 \$132,000 - \$320,000	\$416,000 \$275,000
TOTAL	482 433	\$173,500 - \$4,300,000 \$85,000 - \$2,700,000	\$525,500 \$425,000

Source: ~~Real Quest, June, 2008~~ Len Herman, Orange County Association of Realtors, June, 2013.

Note: ~~33 records were excluded due to incomplete information.~~

seeking assistance from Human Options was from Laguna Hills, and it is uncertain whether that person was homeless.

Based on the information available, it is not possible to accurately estimate the number of homeless in Laguna Hills, although it does appear that a small number of homeless persons in Orange County lived in Laguna Hills at some point.

Housing Stock



Table H-21
Housing Values, City of Laguna Hills and Surrounding Jurisdictions.
~~June 2008~~ October 2012

City	Zip Code	Single-family Units Sold	Median Sale Price	% Change from June 2007 October 2011	Condo Units Sold	Median Sale Price	% Change from June 2007 October 2011
Laguna Hills	92653	11 21	\$620,000 \$666,000	-11.4 33%	4 26	\$272,000 \$270,000	-36.3 24%
Aliso Viejo	92656	24 24	\$610,000 \$565,000	-25.0 -8%	37 72	\$410,000 \$333,000	-9.4 10%
Mission Viejo	92691 92692	29 118	\$528,000 \$508,000	-18.8 10%	7 49	\$230,000 \$299,000	-38.7 24%
Mission Viejo	92692	36	\$537,000	-24.9	5	\$425,000	-18.5
Laguna Woods	92637	n/a N/A	n/a N/A	n/a N/A	10 53	\$250,000 \$207,000	-5.8 14%
Laguna Niguel	92677	52 84	\$750,000 \$671,000	-16.6 0.6%	20 48	\$397,000 \$321,000	-11.3 9%
Lake Forest	92630	34 58	\$505,000 \$511,000	-23.5 6%	23 33	\$250,000 \$239,000	-35.1 15%

Source: DataQuick, July 2008. www.zillow.com

Table H-22 Apartment Rental Rates, April 2008 January 2013	
Apartment Complex	Rental Price Range
Alicia Plaza	
1 Br	\$1,350-\$1,450 <u>\$1,190-\$1,340</u>
2 Br	\$1,550-\$1,850 <u>\$1,325-\$1,785</u>
Alicia Village	
1 Br	\$1,350-\$1,470 <u>\$1,215-\$1,360</u>
2 Br	\$1,630-\$1,830 <u>\$1,360-\$1,645</u>
Villa Solana	
1 Br	\$1,340-\$1,500 <u>\$1,410-\$1,505</u>
2 Br	\$1,540-\$1,750 <u>\$1,570-\$1,625</u>
Creeside Laguna	
1 Br	\$1,495-\$1,550 <u>\$1,525</u>
2 Br	\$1,625-\$1,695 <u>\$1,825</u>
Prado at Laguna Hills	
1 Br	\$1,300-\$1,540 <u>\$1,290-\$1,420</u>
2 Br	\$1,575-\$1,820 <u>\$1,595-\$1,705</u>
Average	
1 BR	\$1,435 <u>\$1,378</u>
2 BR	\$1,687 <u>\$1,626</u>

Characteristics

A community's housing stock is defined as the collection of all housing units located within the jurisdiction. The characteristics of the housing stock, including growth, type, age and condition, tenure, vacancy rates, costs, and affordability are important in determining the housing needs for the community. This section details the housing stock characteristics of Laguna Hills in an attempt to identify how well the current housing stock meets the needs of current and future residents of the City.

HOUSING GROWTH TRENDS

The ~~2000~~ 2010 Census reported that Laguna Hills had ~~10,366~~ 11,046 housing units. ~~Originally, the Census reported that Laguna Hills had 11,303 housing units, but subsequently revised this figure downward by 937 housing units to 10,366.~~ On January 1, ~~2008~~ 2012, the California Department of Finance reported that Laguna Hills had a total of ~~11,153~~

Table H-23
Housing Affordability Matrix Orange County

Income Group	Income Levels		Housing Cost		Maximum Affordable Price	
	Annual Income	Affordable Payment	Utilities	Taxes and Insurance	Home	Rental
Extremely Low (0–30% AMI)						
One Person	\$19,550 \$20,250	\$489 \$506	\$100	\$100	\$56,511 \$83,059	\$389 \$406
Small Family	\$25,100 \$26,050	\$627 \$651	\$150	\$125	\$73,091 \$107,339	\$477 \$501
Large Family	\$30,150 \$31,250	\$754 \$781	\$250	\$150	\$80,045 \$128,780	\$504 \$531
Very Low (31–50%)						
One Person	\$32,550 \$33,750	\$814 \$844	\$100	\$125	\$100,671 \$146,571	\$714 \$744
Small Family	\$41,850 \$43,350	\$1,046 \$1,084	\$150	\$150	\$131,133 \$190,471	\$896 \$934
Large Family	\$50,220 \$52,050	\$1,255 \$1,301	\$250	\$175	\$158,153 \$229,396	\$1,005 \$1,051
Low (51–80% AMI)						
One Person	\$52,100 \$53,950	\$1,302 \$1,349	\$100	\$175	\$165,114 \$239,186	\$1,202 \$1,249
Small Family	\$66,950 \$69,350	\$1,674 \$1,734	\$150	\$200	\$216,124 \$312,037	\$1,524 \$1,584
Large Family	\$80,350 \$83,250	\$2,009 \$2,081	\$250	\$225	\$261,764 \$377,869	\$1,759 \$1,831

Moderate (81–120% AMI)						
One Person	\$70,600- \$71,650	\$1,765- \$1,791	\$100	\$225	\$225,668- \$319,557	\$1,665- \$1,691
Small Family	\$90,800- \$92,100	\$2,270- \$2,303	\$150	\$275	\$292,520- \$413,467	\$2,120- \$2,153
Large Family	\$100,000- \$110,550	\$2,725- \$2,764	\$250	\$325	\$351,964- \$497,866	\$2,475- \$2,514

Source: California Department of Housing and Community Development 2008-2013; EDAW-2009; www.timevalue.com; www.bankrate.com
Notes: 2008-2013 AMI = ~~\$84,100~~ \$87,200
Small Family = three persons; Large Families = five or more persons.
Utility costs for renters assumed at \$100/\$150/\$250 per month.
Monthly affordable rent based on payment of no more than 30% of household income.
Property taxes and insurance based on estimated averages for the region.
Calculation of affordable home sales prices assumes affordable payment, down payment of ~~10%~~ 30% annual income, annual interest rate of ~~7%~~ 4%, 30-year mortgage, and housing costs.

11,049 housing units (Table H-17). From ~~2000~~2008 to ~~2008~~2012, the housing stock ~~increased~~ decreased in Laguna Hills by approximately ~~787-~~104 units (~~about 7.6 percent~~). ~~The majority of the increase in housing units is attributed to the Westside Annexation, which added 770 single-family, single-family attached, and multifamily housing units to the City.~~ As of January 2008, single-family homes constituted over ~~72-75~~ percent of the City's housing stock. Multifamily units constituted ~~almost 26-19~~ percent, while mobile homes constituted ~~almost 2-3~~ percent of the City's housing stock (Figure H-2).

TENURE

The tenure distribution of a community's housing stock (owner versus renter) influences several aspects of the local housing market. Residential stability is influenced by tenure, with ownership housing evidencing a much lower turnover rate than rental housing. Housing overpayment, while faced by many households, is far more prevalent among renters. Tenure preferences are primarily related to household income, composition, and age of the householder.

Table H-18 details tenure by housing unit type for Laguna Hills and Orange County ~~in 2000~~ for 2009-2011. ~~Over 76~~ Approximately 75 percent of Laguna Hills residents owned the units they occupied, while ~~more than 23~~ approximately 25 percent rented. This rate of homeownership is over ~~15~~ 16 percentage points higher than the countywide rate.

VACANCY

A certain number of vacant units are needed to moderate the cost of housing, allow sufficient choice for residents, and provide an incentive for unit upkeep and repair. Specifically, vacancy rates of 1.5 to 2

percent for ownership housing and 5 to 6 percent for rental housing are considered optimal to balance demand and supply for housing.

In ~~2000~~ 2010, the Census indicated that the overall vacancy rate in Laguna Hills was ~~3.6~~ 5.2 percent (Table H-19). Specifically, the vacancy rate for ownership housing was ~~0.5~~ 1.0 percent, while the rental vacancy rate was ~~less than 2.0~~ 3.0 percent.

~~As already noted, the U.S. Census revised the number of housing units in Laguna Hills downward from 11,303 to 10,366 subsequent to the release of Census 2000. The number of vacant units was also revised downward from 408 to 326. The Census did not revise the information used to generate Table H-19; therefore, the numbers in this table may not correlate with other analyses used in this document.~~

~~According to 2008 Department of Finance data, the overall vacancy rate in Laguna Hills was 3.1 percent, a slight decline since the 2000 Census. The low ownership housing vacancy rate in Laguna Hills is attributed to~~

Table H-24
Summary of Housing Affordability and Availability

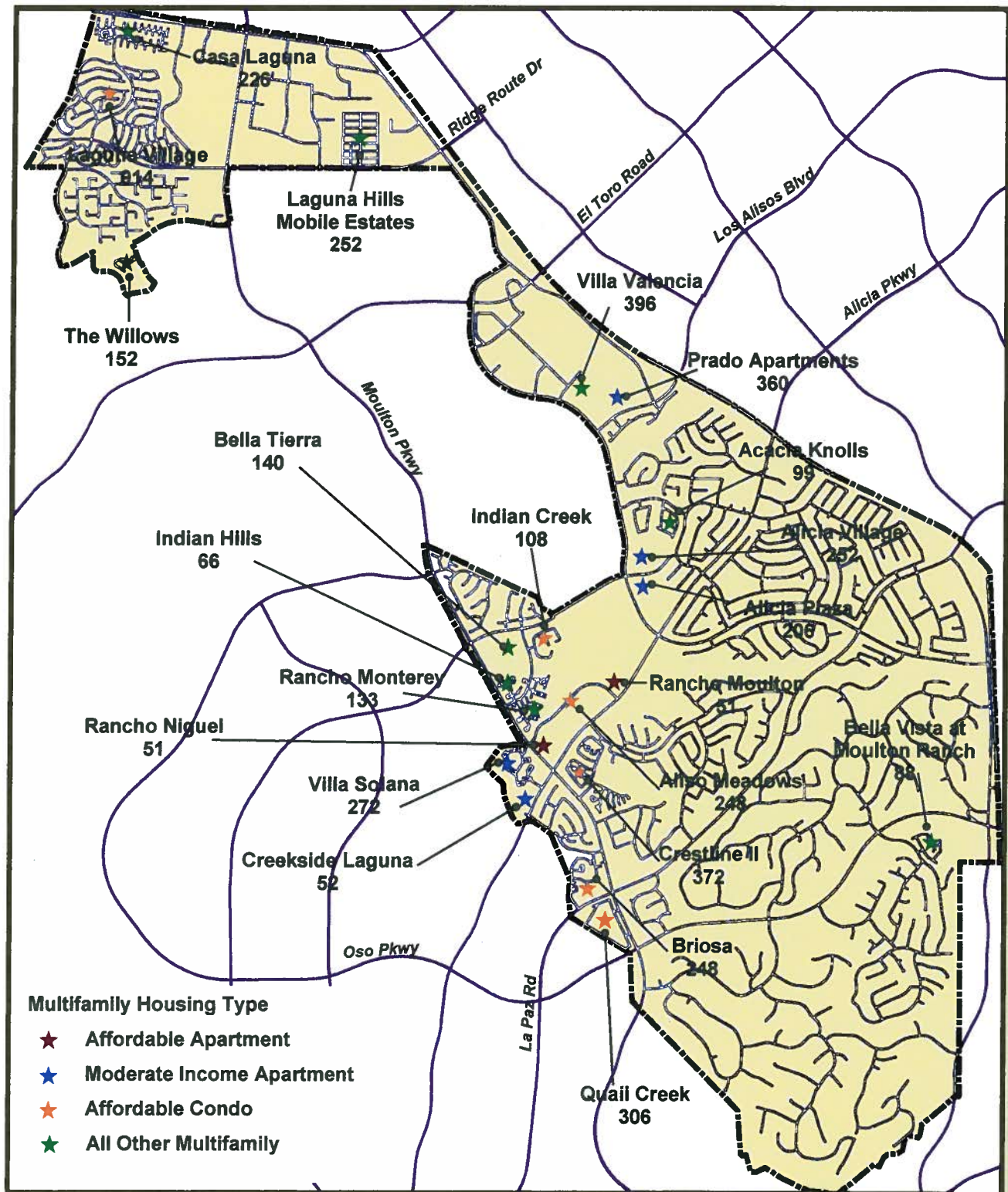
Income Group	Annual Income (Family of Four)	Monthly Rental Range	Available	Sales Price	Available
Extremely Low (0–30% AMI)	\$27,900 \$28,900	\$389–\$504 \$406 - \$531	No	\$56,511–\$80,045 \$83,059 - \$128,780	No Yes
Very Low (31–50%)	\$46,500 \$48,150	\$714–\$1,005 \$744 - \$1,051	No	\$100,671–\$158,153 \$146,571 - \$229,396	No Yes
Low (51–80% AMI)	\$74,400 \$77,050	\$1,202–\$1,759 \$1,249 - \$1,831	Yes	\$165,114–\$261,764 \$239,186 - \$377,869	Yes
Moderate (81–120% AMI)	\$100,900 \$102,350	\$1,665–\$2,475 \$1,691 - \$2,514	Yes	\$225,668–\$351,964 \$319,557 - \$497,866	Yes

the lack of developable land for additional housing unit construction and pent-up demand for ownership housing opportunities.

AGE AND HOUSING STOCK CONDITIONS

The age of housing is commonly used as a measure of when housing may begin to require major repairs. In general, housing units over 30 years old are likely to exhibit signs of rehabilitation needs, such as new roofing, foundation work, and new plumbing.

As depicted in Figure H-3, the housing stock in Laguna Hills is newer than that of Orange County. About 49 percent of the City's housing stock was constructed after 1980 versus 35 percent for Orange County. At the same time, about 51 percent of the housing stock in Laguna Hills



Source: EDAW, 2008

Figure H-4
Multifamily Housing Sites, Laguna Hills

was constructed prior to 1980. Therefore, nearly half of the housing stock is of sufficient age to be susceptible to deterioration, requiring maintenance or rehabilitation by the end of this planning period (~~2014~~2013-2021).

Citywide windshield surveys were conducted to identify general housing conditions within Laguna Hills. The majority of the City's housing stock is not considered substandard or in need of rehabilitation or replacement. However, many of the units within the Aliso Meadows Condominium Development may be considered substandard due to pest damage,

Table H-25
Inventory of Assisted Rental Housing

Project Name	Type	Total Units	Assisted Units	Number of Bedrooms	Funding Source	Earliest Potential Conversion Date	At Risk?
Rancho Moulton	Family	51	51	40 – 2 BR 6 – 3 BR 5 – 4 BR	Section 8	6/17/2012 2022	Yes
Rancho Niguel	Family	51	51	40 – 2 BR 6 – 3 BR 5 – 4 BR	Section 8	2024	No

Source: ~~City of Laguna Hills; County of Orange~~; Orange County Housing Authority ~~2013; 2007 and 2008~~.

dry rot, heating ductwork issues, and water heater closet issues. As of early 2008, the City has used Community Development Block Grant (CDBG) funds to renovate ~~over 100~~136 housing units in the 248-unit Aliso Meadows Condominium Development. The City continues to use CDBG funds to renovate units with this development. The Housing Element contains the Housing Rehabilitation Program to rehabilitate the remaining units (approximately ~~148~~112



Table H-26
Market Value of At-Risk Housing Units

Project Units	Rancho Moulton
2 BR (954 sq. ft.)	40
3 BR (1,187 sq. ft.)	6
4 BR (1,420 sq. ft.)	5
Total	51
Annual Operating Cost	\$235,719
Gross Annual Income	\$1,042,872
Net Annual Income	\$807,153
Market Value	\$10,089,413

).

Housing Costs and Affordability

The cost of housing is directly related to the extent of housing problems in a community. If housing costs are relatively high in comparison to household income, there will be a correspondingly higher prevalence of housing cost burden and overcrowding. This section summarizes the cost and affordability of the housing stock to Laguna Hills residents.

HOMEOWNERSHIP MARKET

Prices for single-family homes and condominiums in Laguna Hills were collected ~~from the Real Quest real estate database~~ using data provided by the Orange County Association of Realtors. ~~Real Quest is a company that assembles real estate data from the County Assessor's records.~~ Prices for single-family homes and condominiums in Laguna Hills during the period from ~~May 1, 2007, to May 1, 2008~~ January 1, 2012 to January 1, 2013, by housing type, number sold, price range, and median sale price are shown in Table H-20. According to ~~Real Quest~~ the Orange County Association of Realtors, ~~182~~ 433 homes and condominiums were sold during the 1-year period, ~~May 1, 2007 to May 1, 2008~~. The median resale price for condominiums was ~~\$387,250~~ \$225,000 and the median resale price for single-family homes was ~~\$707,000~~ \$580,000. The overall median sales price for both condominiums and single-family homes was ~~\$525,500~~ \$425,000.

Market data for ~~June 2008~~ October 2012 housing prices ~~based on DataQuick~~ for the City of Laguna Hills and nearby communities is shown in Table H-21. As the table indicates, after Laguna Niguel, Laguna Hills has the second highest median selling prices for single-family homes.

RENTAL MARKET

With renters constituting approximately 24 percent of the City's households, it is important to understand the rental market in Laguna Hills. Rental price information was collected for five apartment communities in ~~April 2008~~ January 2013 by calling the apartment complexes identified in Table H-22. The rental range for one-bedroom units ranged from ~~\$1,300~~ \$1,190 to ~~\$1,550~~ \$1,525. Two-bedroom units were offered at rents ranging from ~~\$1,540~~ \$1,325 to ~~\$1,850~~ \$1,825. No apartment complexes offering market rate studio units or three-bedroom units or greater were identified.

Table H-27
Rent Subsidies Required

Project Units	Rancho Moulton
2 BR (954 sq. ft.)	40
3 BR (1,187 sq. ft.)	6
4 BR (1,420 sq. ft.)	5
Total	52 51
Total Monthly Rent Income Supported by Affordable Housing Cost of Very Low Income Households	\$52,683 <u>\$61,391</u>
Total Monthly Rent Allowed by Fair Market Rents	\$84,355 <u>\$91,073</u>
Total Annual Subsidies Required	\$380,064 <u>\$356,184</u>
Average Annual Subsidy per Unit	\$7,309 <u>\$6,984</u>
Average Monthly Subsidy per Unit	\$609 <u>\$582</u>

Average subsidy per unit is estimated with the following assumptions:

A 2-BR unit is assumed to be occupied by a three-person household, a 3-BR unit by a five-person household, and a 4 BR unit by a seven-person household. Vacancy rate = 5%.

Based on ~~2007~~ 2011 AMI in Orange County, affordable monthly housing cost for a three-person very low income household is ~~\$974~~ \$948, ~~\$1,168~~ \$1,053 for a five-person household, and ~~\$1,343~~ \$1,137 for a seven-person household. HUD ~~2007~~ 2013 fair market rent in the Orange County MSA is ~~\$1,485~~ \$1,527 for a 2-BR, ~~\$2,125~~ \$2,137 for a 3-BR, and ~~\$2,441~~ \$2,379 for a 4-BR.

HOUSING AFFORDABILITY BY HOUSEHOLD INCOME

Housing affordability is dependent upon income and housing costs. Using set income guidelines, current housing affordability can be estimated. According to the HCD income guidelines for ~~2008~~ 2013, the Area Median Income (AMI) in Orange County was ~~\$84,100~~ \$87,200 (adjusted for household size). Assuming that the potential homebuyer within each income group has sufficient credit, downpayment (10 percent), and maintains affordable housing expenses (i.e., spends no more than 30 percent of their gross income on the mortgage, taxes, and insurance), the maximum affordable home price can be determined for each income group. Table H-23 shows the maximum housing prices affordable to the various income groups. Households in the lower end of each category can afford less by comparison than those at the upper end. The market affordability of Laguna Hills' housing stock for each income group is discussed below.

Extremely Low Income Households: Extremely low income

households earn 30 percent or less of the AMI. The maximum affordable rental payment ranges from ~~\$389~~ \$406 per month for a one person household to ~~\$504~~ \$531 per month for a family of five. The maximum affordable home purchase price for extremely low income households ranges from ~~\$56,511~~ \$83,059 for a one-person household to ~~\$80,045~~ \$128,780 for a five-person household (Table H-23).

Very Low Income Households: Very low income households are classified as those earning 50 percent or less of the AMI. The maximum affordable rental payment ranges from ~~\$714~~ \$744 per month for a one-person household to ~~\$1,005~~ \$1,051 per month for a family of five. The maximum affordable home purchase price for very low income households ranges from ~~\$100,671~~ \$146,571 for a one-person household to ~~\$158,153~~ \$229,396 for a five-person household (Table H-23).

Based on the rental data presented in Table H-22, extremely low and very low income households of all sizes would be unlikely to secure adequately sized and affordable rental housing in Laguna Hills.

Table H-28
Housing Assistance Needs of Low and Moderate Income Households in Laguna Hills

Household by Type, Income and Housing Problem	Renters				Owners			Total Households
	Elderly	Small Families	Large Families	Total Renters	Elderly	Large Families	Total Owners	
Extremely Low Income (0–30% MFI)	144 <u>155</u>	90 <u>325</u>	35 <u>0</u>	353 <u>600</u>	204 <u>185</u>	44 <u>120</u>	302 <u>545</u>	735 <u>1,145</u>
% with any housing problem	72.2 <u>61.3</u>	88.9 <u>100</u>	74.4 <u>0</u>	75.9 <u>70</u>	88.2 <u>83.8</u>	100.0	84.8 <u>50.5</u>	80.5 <u>60.7</u>
% with cost burden >30%	65.3 <u>61.3</u>	77.8 <u>100</u>	74.4 <u>0</u>	69.4 <u>70</u>	88.2 <u>83.8</u>	100.0	73.0 <u>50.5</u>	77.3 <u>60.7</u>
% with cost burden >50%	58.3 <u>54.8</u>	77.8 <u>100</u>	74.4 <u>0</u>	66.3 <u>68.3</u>	66.2 <u>59.5</u>	100.0 <u>75</u>	73.0 <u>36.7</u>	69.8 <u>53.3</u>
Very Low Income (31–50% MFI)	124 <u>130</u>	89 <u>270</u>	54 <u>70</u>	302 <u>535</u>	249 <u>205</u>	60 <u>55</u>	479 <u>520</u>	704 <u>1,055</u>
% with any housing problem	88.7 <u>73.1</u>	100.0 <u>94.4</u>	72.2 <u>100</u>	90.4 <u>78.5</u>	47.5 <u>56.1</u>	100.0	73.9 <u>32.7</u>	80.3 <u>55.9</u>
% with cost burden >30%	80.6 <u>15.4</u>	100.0 <u>94.4</u>	53.7 <u>100</u>	83.8 <u>64.5</u>	47.5 <u>56.1</u>	100.0	73.9 <u>32.7</u>	77.7 <u>48.8</u>
% with cost burden >50%	80.6 <u>57.7</u>	78.7 <u>46.3</u>	46.3 <u>0</u>	72.8 <u>37.4</u>	25.4 <u>48.8</u>	66.7 <u>81.8</u>	57.4 <u>27.9</u>	63.4 <u>32.7</u>
Low Income (51–80% MFI)	105 <u>55</u>	280 <u>135</u>	89 <u>15</u>	628 <u>305</u>	339 <u>220</u>	485 <u>195</u>	927 <u>930</u>	1,555 <u>1,235</u>
% with any housing problem	73.3 <u>72.7</u>	83.9 <u>81.5</u>	95.5 <u>100</u>	82.2 <u>54.1</u>	30.7 <u>34.1</u>	91.9 <u>92.3</u>	67.4 <u>27.4</u>	73.2 <u>34</u>
% with cost burden >30%	73.3 <u>72.7</u>	83.9 <u>7.4</u>	28.4 <u>100</u>	74.0 <u>21.3</u>	30.7 <u>34.1</u>	73.0 <u>79.5</u>	61.2 <u>24.7</u>	65.4 <u>23.9</u>
% with cost burden >50%	41.0 <u>27.3</u>	8.9 <u>0</u>	0.0 <u>100</u>	18.0 <u>9.8</u>	10.0 <u>18.2</u>	13.5 <u>30.8</u>	25.0 <u>10.8</u>	23.0 <u>10.5</u>
Total Households	636 <u>505</u>	949 <u>1,235</u>	358 <u>165</u>	2,524 <u>2,485</u>	1,804 <u>1,555</u>	4,144 <u>1,025</u>	8,385 <u>8,135</u>	10,906 <u>10,620</u>
% with any housing problem	60.8 <u>46</u>	54.7 <u>56</u>	64.0 <u>52</u>	58.7 <u>40</u>	29.5 <u>22</u>	47.0 <u>35</u>	37.4 <u>9</u>	42.3 <u>16</u>

Source: HUD Comprehensive Housing Affordability Strategy (CHAS), 2000 2012.

Notes: Data presented in this table are based on special tabulations from sample Census data. The number of households in each category usually deviates slightly from the 100.0% count due to the need to extrapolate sample data out to total households. Interpretations of these data should focus on the proportion of households in need of assistance rather than on precise numbers.

According to the ~~Real Quest~~ Orange County Association of Realtors real estate ~~database~~ sales data, no condominiums or houses were sold at prices affordable to extremely low and very low income households (Table H-20).

Low Income Households: Low income households earn 51 to 80 percent of the County AMI. The maximum home price that a low income household can afford ranges from ~~\$165,114~~ \$239,186 for a one person household to ~~\$261,764~~ \$377,869 for a five-person family. Affordable rental rates for low income households would range from ~~\$1,202~~ \$1,249 for a one-person household to ~~\$1,759~~ \$1,831 for a five-person household.

Based on the sales data provided by ~~Real Quest~~ the Orange County Association of Realtors, low income households can afford some condominiums within Laguna Hills. However, no single-family homes were sold at prices affordable to low income households (Table H-20).

Many low income households can afford rental housing within Laguna Hills (Table H-22). ~~However, the very limited number of apartment complexes offering three-bedroom units in Laguna Hills at prices affordable to larger low income households is indicative of the potential difficulty these households face.~~

Moderate Income Households: Moderate income households earn up to 120 percent of the County AMI. The maximum affordable home price for moderate income households ranges from ~~\$225,668~~ \$319,557 for a one-person household to ~~\$351,964~~ \$497,866 for a family of five. A moderate income household can afford rental rates of ~~\$1,665~~ \$1,691 to ~~\$2,475~~ \$2,514 per month depending on household size. Based on these maximum affordable home prices and the real estate data provided by ~~Real Quest~~ the Orange County Association of Realtors and presented in Table H-20, moderate income households could afford a number of condominiums sold in Laguna Hills, ~~but over the previous year.~~ ~~M~~moderate income households would have difficulty purchasing a single-family home that could accommodate their household size.

Moderate income households can comfortably afford rental housing within Laguna Hills (Table H-22). However, the ~~very limited~~ number of apartment complexes offering three-bedroom units in Laguna Hills ~~at prices affordable is limited, so to~~ moderate income households with large households ~~is indicative of the potential difficulty these households face.~~ may have difficulty finding housing.

This Housing Element includes a variety of programs designed to improve the adequacy and affordability of housing in Laguna Hills and

Table H-29
Residential Land Uses and Zones

General Plan Land Use Designation	Maximum Use Intensity	Corresponding Zoning District
Estate Residential	3.5 du/ac	Estate Residential (ER)
Low Density	3.0 to 6.5 du/ac	Low Density Residential (LDR)
Medium-Low Density	6.5 to 12.5 du/ac	Medium-Low Density Residential (MLDR)
Medium Density	12.5 to 18.0 du/ac	Medium Density Residential (MDR)
High Density	18.0 to 30.0 du/ac	High Density Residential (HDR)
Mixed Use	20.0 du/ac	Mixed Use (MU)
Neighborhood Mixed Use ¹	.08 FAR residential	Neighborhood Mixed Use (MX-UN)
Planned Community ²	0.5 to 18.0 du/ac	Laguna Hills Planned Community (PC)
Planned Community -Via Lomas ² Residential	up to 600 units	Planned Community - Via Lomas (PC- VL R)
Village Commercial ²	<u>30 to 50</u> du/ac ³	Village Commercial (VC)

1. ~~Proposed~~ General Plan Land Use Designation.

2. These nonresidential General Plan land use designations allow residential development.

3. The allowed development intensity is regulated based upon trip generation limits to ensure that the City's General Plan Circulation Element level of service standard "D" is not exceeded at any of the intersections within the area. du/ac = dwelling units per acre.

to assist renters and homeowners who cannot afford housing (see the Housing Plan section).

Table H-24 presents a summary of housing affordability and availability in Laguna Hills. The table indicates that extremely low and very low income households cannot afford to rent market rate rentals ~~or purchase homes~~ in Laguna Hills. Low income and moderate income households in Laguna Hills can generally afford market rate rentals. Additionally, ~~these households can purchase some condominiums within the City according to sale prices over the previous year. there were homes and condominiums available for purchase within all income category ranges according to sale prices over the previous year. It should be noted that at the extremely low and very low income levels, housing stock for sale is much more limited than at higher income levels.~~

Figure H-4 summarizes the availability of multifamily housing sites in Laguna Hills. The figure depicts the location of affordable condo sales (low income and above) during the 1-year period May 1, 2007, to May 1, 2008, affordable apartments (extremely low income and above), moderate income apartments, and all other multifamily units in the City.

At-Risk Rental Housing

Existing housing that receives governmental assistance is often a significant source of affordable housing in many communities. This section identifies the publicly assisted rental housing in Laguna Hills, evaluates the potential for those units to convert to market rates during a 10-year period (~~July 1, 2008, to June 30, 2018~~ 2013-2023), and analyzes the cost to preserve those units. Laguna Hills has two assisted housing developments that provide 102 affordable housing units (Table H-25).

ASSISTED HOUSING INVENTORY

State housing element law requires cities to prepare an inventory including all assisted multifamily rental units that are eligible to convert to non-low income housing uses due to termination of subsidy contract, mortgage prepayment, or expiring use restrictions.

Table H-25 is an inventory of assisted rental housing projects in Laguna Hills. A total of 102 assisted units are provided by the Rancho Moulton and Rancho Niguel developments. Both Rancho Moulton and Rancho Niguel are projects built in the early 1980s with Section 8 construction funds. The projects were approved in one action by the County of Orange in 1980 as affordable to low and moderate income residents. Project approval included first-time homebuyer/renter qualifications, an anti-speculation program, and a method of assuring continued affordability of the units to low and moderate income individuals or families. Furthermore, project approval mandated that 29 percent of total units be made available to individual or families earning 80 percent and below AMI, 30 percent of total units be made available to individuals or families earning 81 percent to 100 percent of AMI, and 41 percent of total units be made available to individuals or families earning 101 to 120 percent AMI.

AT-RISK HOUSING

During the ~~2008-2018~~ 2013-2023 planning period, the Rancho Moulton federally assisted housing project in Laguna Hills is at risk of converting to market rate housing. The Section 8 contract for Rancho Moulton was set to expire in 2012, and was recently renewed for 10 years. The new contract will expire in 2022, near the end of the planning period. This project, totaling 51 affordable units, is assisted with project-based Section 8 rental assistance. The Section 8 contract for Rancho Niguel was extended for 20 years in 2004 and is due to expire in 2024. The City continues to pursue the extension of affordability controls with the owners of the Rancho Moulton development.

The City will continue to monitor the status of at-risk units. Should a notice of intent to convert to market rate be filed, the City will work





with potential purchasers to preserve the units and ensure that tenants are properly notified of their rights under California law.

PRESERVATION OPTIONS

Preservation of the at-risk units can be achieved in several ways: (1) facilitate transfer of ownership of these projects or purchase of similar units by nonprofit organizations; (2) purchase of affordability covenant; and (3) provide rental assistance to tenants using funding sources other than Section 8.

Transfer of Ownership

Long-term affordability of low income units can be secured by transferring ownership of these projects to nonprofit housing organizations. By doing so, these units would be eligible for a greater range of government assistance. Table H-26 presents the estimated market value for the 51 units at Rancho Moulton Apartments and

Table H-30
Basic Standards for Residential Development

Characteristic of Lot, Location, Height	ER	LDR	MLDR	MDR	HDR	VC	MXU	NMU ⁴
Minimum Lot Size (sq. ft.)	10,000	7,200	7,200	7,200	7,200	7,200 10,000	7,200	10,000
Minimum Lot Width (sq. ft.)								
Standard	80	60	60	50	50	50 100	60	50
Cul-de-sac	30	30	30	30	30	-	-	
Flag	20	20	20	20	20	-	-	
Minimum Lot Depth (sq. ft.)	100	80	80	100	100	100	100	100
Maximum Lot Coverage (%)	35	35	60	50	50	60 70 ¹	40	50
Maximum Density (du/gross acre)	0-3.5	3.0-6.5	6.5-12.5	12.5-18.0	12.5-18.0	50.0	20.0	10-20 ²
Maximum Building Height (ft.)	35	35	35	35	35	65 75	35	40
Minimum Front Setback								
From Ultimate Right of Way	20	20	20	20	20	-	-	
From Access Connection to Main Lot	15	15	15	15	15	-	-	10 ³
for Flag Lots	-	-	-	-	-	20	20	
From Parking Lot, Structure, or Building								
Minimum Side Yard Setback								
Interior	8	5	5	5	5	5 10	5	10
Street	10	10	10	15	15	45	15	
Flag	10	10	10	10	10	-	0	
Minimum Rear Yard Setback								
Standard	25	20	25	25	25		20	
Through	25	20	25	25	25		-	10 ⁵
Cul-de-sac/Gore Shaped Lots	15	15	15	15	15	20	-	
Laguna Terrace Tracts	-	15					-	
Minimum Open Space (percentage)	-	-	-	-	40	30 10	35	N/A

¹ Unlimited for projects with density over 30 du/ac. ² 110 maximum units. ³ 10 ft. from parking lot, 20 ft. from parking structure, 10 ft. from building. ⁴ setbacks may be modified in connection with a precise plan of development as set forth in Section 9-29.050 of the City's Development Code. ⁵ 20 ft. abutting residential.

Sq. ft. = square feet; du/gross acre = dwelling units per gross acre.

Source: City of Laguna Hills Municipal Code 20072013.

establishes an order of magnitude for assessing preservation costs. As shown, the total market value of these units is over \$10,089,000. Assuming a 5-percent down payment is made on the project, at least a \$504,000 down payment would be required to transfer ownership of these buildings to nonprofit organizations. Unless some form of mortgage assistance is available to interested nonprofit organizations, rental income alone from the low income tenants would not likely be adequate to cover the mortgage payment, and rental subsidy would be required.

Table H-31
Comparison of Residential Development Standards – Surrounding Jurisdictions

Residential District	Development Standard	Irvine	Lake Forest*	Laguna Niguel	Mission Viejo
Estate Residential	Maximum Density	1.0 du/acre	Not specified	Not specified	3.5 du/acre
	Maximum Height	50 ft.	35 ft.	35 ft.	35 ft.
	Maximum Lot Coverage	25%	35%	Not specified	60%
	Minimum Open Space	Not specified	Not specified	Not specified	500 sq. ft. (private outdoor living space)
Low Density, Single-family Residential	Maximum Density	6.5 du/ac	Not specified	Not specified	6.5 du/ac
	Maximum Height	35 ft.	35 ft.	35 ft.	35 ft.
	Lot Coverage	50%	Not specified	Not specified	60%
	Minimum Open Space	Not specified	Not specified	Not specified	450 sq. ft. (private outdoor living space)
Medium Density Residential	Maximum Density	12.5 du/ac	Not specified	Not specified	14 du/ac
	Maximum Height	35 ft.	35 ft.	35 ft.	35 ft.
	Lot Coverage	Not specified	35%	Not specified	50%
	Minimum Open Space	Not specified	Not specified	Not specified	200 sq. ft. (private outdoor living space)
High Density Residential	Maximum Density	50 du/ac	43.5 du/ac	Not specified	30 du/ac
	Maximum Height	50 ft.	35 ft.	35 ft.	35 ft.
	Lot Coverage	Unlimited	Not specified	Not specified	50%
	Minimum Open Space	Not specified	Not specified	25%	80 sq. ft. (private outdoor living space)
Mixed Use	Maximum Density	50 du/ac	14.5 du/ac	No Comparable Zone	No Comparable Zone
	Maximum Height	70 ft.	35 ft.		
	Lot Coverage	65%	Not specified		
	Minimum Open Space	15% site landscaping	Not specified		

* The City of Lake Forest has adopted major portions of the Orange County Municipal Code. Unless specified, regulations cited for Lake Forest are based upon the Orange County Municipal Code.

du/ac = dwelling units per acre., sq. ft. = square feet.

Land Uses Compared:

Estate Residential: Irvine = 2.1; Lake Forest = RE; Laguna Niguel = RS-2; Mission Viejo = RPD 3.5;

Low Density, Single-family Residential: Irvine = 2.2; Lake Forest = R1; Laguna Niguel = RS-3; Mission Viejo = RPD 6.5;

Medium Density Residential: Irvine = 2.3; Lake Forest = RS; Laguna Niguel = RS-4; Mission Viejo = RPD 14.0.

High Density Residential: Irvine = 2.4; Lake Forest = R2; Laguna Niguel = RM; Mission Viejo = RPD 30.0.

Mixed Use: Irvine = 3.1; Lake Forest = RP.



Purchase of Affordability Covenant

Another option to preserve the affordability of at-risk projects is to provide an incentive package to the owners to maintain the projects as low income housing. Incentives could include writing down the interest rate on the remaining loan balance, and/or supplementing the Section 8 subsidy amount received to market levels.

Rent Subsidy

Tenant-based rent subsidies could be used to preserve the affordability of housing. Similar to Section 8 vouchers, the City through a variety of potential funding sources may provide a voucher to lower income households. The level of the subsidy required to preserve the at-risk affordable housing is estimated to equal the fair market rent for a unit minus the housing cost affordable by a very low income household. Table H-27 estimates the rent subsidies required to preserve the housing affordability for the residents of the 51 at-risk units. Based on the estimates and assumptions shown in this table, approximately ~~\$380,000~~ \$356,000 in rent subsidies would be required annually.

REPLACEMENT COSTS

The cost of developing new housing depends on a variety of factors such as density, size of units, location and related land costs, and type of construction. A typical two-bedroom apartment costs approximately \$200,000 to develop. Assuming a three-bedroom apartment would cost 20 percent more to develop than a two-bedroom unit, and a four-bedroom unit would cost 20 percent more than a three-bedroom unit, the total cost of constructing 51 new units to replace at risk units would be approximately \$10,880,000.

COST COMPARISON

The cost to build new housing to replace the 51 at-risk units was estimated at more than \$10,880,000. This cost estimate is higher than the cost associated with transfer of ownership (\$10,089,000). This analysis indicated that providing rent subsidies similar to Section 8 vouchers for 20 years (\$7,600,000) could cost less than building new housing and transferring ownership.

ESTIMATES OF HOUSING NEEDS

The CHAS developed by the Census for HUD provides detailed information on housing needs by income level for different types of households in Laguna Hills. Detailed CHAS data based on the ~~2000~~ 2012 Census are displayed in Table H-28. Based on CHAS, housing

problems in Laguna Hills include:

Table H-32
Parking Requirements for Residential Uses

Use	Parking Requirement		
Single-family, detached Up to 4 BR Over 4 BR	2 garage spaces 2 garage spaces, plus 1 covered stall for every 2 BR over 4 BR		
Single-family, attached	2 assigned and covered parking stalls within a garage or parking structure, plus .3 stalls unassigned per dwelling unit		
Duplex	2 car garage (for each unit)		
Second Unit	1 covered parking stall per bedroom		
Mobile Home Park	1 covered and assigned parking stall, plus 2 visitor stalls per mobile home		
Senior Citizen Housing Complex	1 covered and assigned parking stall, plus 2 visitor stalls per dwelling unit, plus 1 stall for the resident manager		
Multifamily Units	Covered	Uncovered ¹	Visitor
1 BR or less	1.0	0.5	0.2
2 BR	1.0	1.0	0.2
3 BR	2.0	0.5	0.2
More than 3 BR	2.0	0.5 ²	0.2

¹ Covered stalls shall be assigned; uncovered stalls shall not be assigned.

² Plus 0.5 uncovered parking stalls per additional bedroom in excess of three.

Source: City of Laguna Hills Municipal Code ~~2007~~2013.

Table H-33
Regional Comparison of Parking Requirements

Use	Requirement			
	Irvine ¹	Lake Forest	Laguna Niguel	Mission Viejo
Single-family	2.0/unit 3.0/unit for 4 BR or more	2.0/unit	2.0/unit	2.0/unit
Multifamily Units	1.5 2.0 2.0	1.5 2.0 2.5 ²	1.5 2.0 2.52	1.5 2.0 2.5
1 BR or less				
2 BR	0.7/unit if resident garages	0.2/unit	0.5/unit	1.0/3 units
3 BR or more	0.4/unit if resident carports			
Visitor	Or 1.0/4 units			
Second Unit	1.0/unit	1.0/unit	1.0/unit for units 640 sq. ft. or less 2.0/unit for units greater than 640 sq. ft.	1.0/unit or bedroom, whichever is greater

1. The Irvine Zoning Ordinance distinguishes between ownership and rental attached housing (multifamily). The more rigorous parking requirements were listed in this table for comparison purposes.

2. For each bedroom in excess of three, add 0.5 additional off-street parking spaces.

Table H-34
Provisions for a Variety of Housing

Housing Type	Zone													
	ER	LDR	MLDR	MDR	HDR	OP	VC	FC	CC	MXU	C/PI	PC	PCR	NMU
Accessory Living Quarters/ Second Unit Housing	P	P	P	P	P									
Boarding House			C	C	C	S	P	S	S	S				
Community Care Facilities ≤6)	P	P	P	P	P					P	P	P	P	P
Community Care Facilities (7+)						◊	◊			◊	◊			
Duplex			P	P	P							S		
Family Day Care Home – Large	C	C	C	C	C		C			C	C	C	C	C
Family Day Care Home – Small (≤8)	P	P	P	P	P		P			P	P	P	P	P
Manufactured Housing (Mobile Homes)	S	S	S	S	S							S		
Mobile Home Park				C	C					C		S		
Multifamily Dwellings			S	S	S		P			C	C	S		P
Single-family, Attached			P	P	S		P			S		S		P
Single-family Detached	P	P	P	P	P							S		
Single Room Occupancy Housing Facility						S	C	S	S	C				
Transitional Care Facilities/ Emergency Shelters ≤12) Housing	◊	◊	◊	◊	◊		◊			P◊	P◊	◊	◊	◊
Supportive Housing	◊	◊	◊	◊	◊		◊			◊	◊	◊	◊	◊
Emergency Shelter										◊				

P = Permitted; C = Conditional Use; S = Site Development Permit Required;

T = Temporary Use; ◊ = Special Requirements (refer to Chapter 9-64 of the Zoning Ordinance); U = See Urban Village Specific Plan.

Accessory Living Quarters/
Second Unit Housing

A structure attached to or detached from a principal building or incorporated within such buildings located on the same lot and customarily incidental to the principal structure, including living areas such as employee quarters and second unit housing.

Boarding House

A dwelling unit or part thereof in which, for compensation, lodging and meals are provided; personal and financial services may be offered as well.

Community Care Facility

Any facility, place, or building that is maintained and operated to provide nonmedical residential care, day treatment, adult day care, or foster family agency services for children and/or adults, including but not limited to the physically handicapped, mentally impaired, incompetent persons, and abused or neglected children.
Community care facilities for six or fewer individuals include: (1) residential care facilities for the elderly; (2) drug abuse and alcoholism recovery facilities; (3) intermediate care facilities; (4) dependent and neglected children homes (foster homes); (5) social rehabilitation facility; (6) congregate living health facility; (7) facilities for people with HIV or AIDS; (8) home for the mentally and physically disabled; and (9) transitional shelter care facilities/emergency shelters.

Duplex

A building containing two single-family dwelling units totally separated from each other by a common wall (the wall may only go to the ceiling)

Multifamily Dwellings

A building on a single lot containing two or more dwelling units, each of which is totally separated from the other by an unpierced wall extending from ground to roof or an unpierced ceiling and floor extending from exterior wall to exterior wall, except for a common stairwell exterior to both dwelling units.

Single-family, Attached

Residential housing units where independent units are created but are attached by common walls such that not more than three units are so joined.

Single-family Detached

A building containing one dwelling unit that is not attached to any other dwelling by any means and is surrounded by open space and yards.

Family Day Care Home – Large

A home that provides family day care for 7 to 14 children, including children under the age of 10 years who reside at the home.

Table H-34 (continued)
Provisions for a Variety of Housing

Housing Type	Zone										
	ER	LDR	MLDR	MDR	HDR	OP	VC	FC	CC	MXU	C/PI
Family Day Care Home – Small	A home that provides family day care for 8 or fewer children, including children under the age of 10 years who reside at the home.										
Manufacturing Housing (Mobile Homes)	Factory built, single-family structures that meet the National Manufactured Home Construction and Safety Standards Act (42 U.S.C. Sec. 54010), commonly known as HUD (U.S. Department of Housing and Urban Development) code.										
Mobile Home Park	A site containing spaces with required improvements and utilities that are leased for the long-term placement of manufactured houses and that may include services and facilities for the residents.										
Single Room Occupancy Housing Facility	A housing type consisting of one room, often with cooking facilities and with private or shared bathroom facilities.										
Emergency Shelter	A community care facility providing temporary housing for one or more individuals who are otherwise temporarily or permanently homeless. Housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less by a homeless person, or as may be amended by Health and Safety Code Section 50801(e). No individual or household may be denied emergency shelter because of an inability to pay.										
Supportive Housing	Housing with no limit on length of stay that is occupied by the target population, and that is linked to on-site or off-site services that assist the supportive housing resident in retaining housing, improving his or her health status, and maximizing his or her ability to live, and, when possible, work in the community, or as may be amended by Health and Safety Code Section 50675.14(b).										
Transitional Housing	Buildings configured as rental housing developments, but operated under program requirements that call for the termination of assistance and recirculation of the assisted unit to another eligible program recipient at some predetermined future point in time, which shall be no less than six months, or as may be amended by Health and Safety Code Section 50675.2(h).										

Notes:

1 The land use matrix for the Village Commercial district is provided in the Urban Village Specific Plan.

Zoning District Key:

ER = Estate Residential

LDR = Low Density Residential

MLDR = Medium-Low Density Residential

MDR = Medium Density Residential

HDR = High Density Residential

OP = Office Professional

VC = Village Commercial

FC = Freeway Commercial

CC = Community Commercial

MXU = Mixed Use

C/PI = Community/Private Institution

- Units with physical defects (lacking complete kitchen or bathroom);
- Overcrowded conditions (housing units with more than one person per room);
- Housing cost burden, including utilities, exceeding 30 percent of gross income; or
- Severe housing cost burden, including utilities, exceeding 50 percent of gross income.

Disproportionate Needs

The types of problems vary according to household income, type, and tenure. Some highlights include:

- In general, renter households had a higher level of housing problems (~~59-40~~ percent) than owner households (~~42-16~~ percent).
- ~~Elderly~~ Small family renter households had the highest level of housing problems regardless of income level (~~70-56~~ percent).
- Approximately ~~76-70~~ percent of extremely low income renters, ~~90-76~~ percent of very low income renters, and ~~82-54~~ percent of low income renters had a housing problem.
- Approximately ~~85-51~~ percent of extremely low income owners, ~~74-33~~ percent of very low income owners, and ~~68-27~~ percent of low income owners had a housing problem.
- Approximately 100 percent of the extremely low and very low income large family owners and 92 percent of low income large family owners suffered from a housing problem.

Constraints on Housing Production

Despite the great need for housing in general and the demand for affordable housing in particular, a number of constraints exist that could limit the development, preservation, and improvement of housing. These barriers or constraints include governmental, environmental, infrastructure, and market-related factors. These constraints may result in housing that is not affordable to extremely low, very low, low, and moderate income households; not available to households with special needs; or may render residential construction economically infeasible for developers. These factors are discussed in this section. Constraints on the production of housing related to the national economy cannot be effectively mitigated by local government and, accordingly, are beyond the scope of this section.

Governmental Constraints

The intent of local government regulations is to protect public health and safety, and to ensure a decent quality of life for the community. However, local policies and regulations affect the price and availability of housing and, in particular, the provision of affordable housing. Land use controls, site improvement requirements, fees and exactions, permit processing procedures, and other factors can constrain the maintenance, development, and improvement of housing.

State and federal regulations also affect the availability of land for housing and the cost of producing housing. Regulations related to environmental protection, building codes, and other topics have significant, often adverse, impacts on housing cost and availability. Perhaps one of the greatest constraints to the production of housing affordable to lower income households is the chronic shortage of state and federal financial

assistance for such housing.

While constraints exist at other levels of government, the City has little or no control over these regulations and no ability to directly mitigate their effects on housing. The City's efforts, therefore, emphasize policies and regulations that can be mitigated by the City.

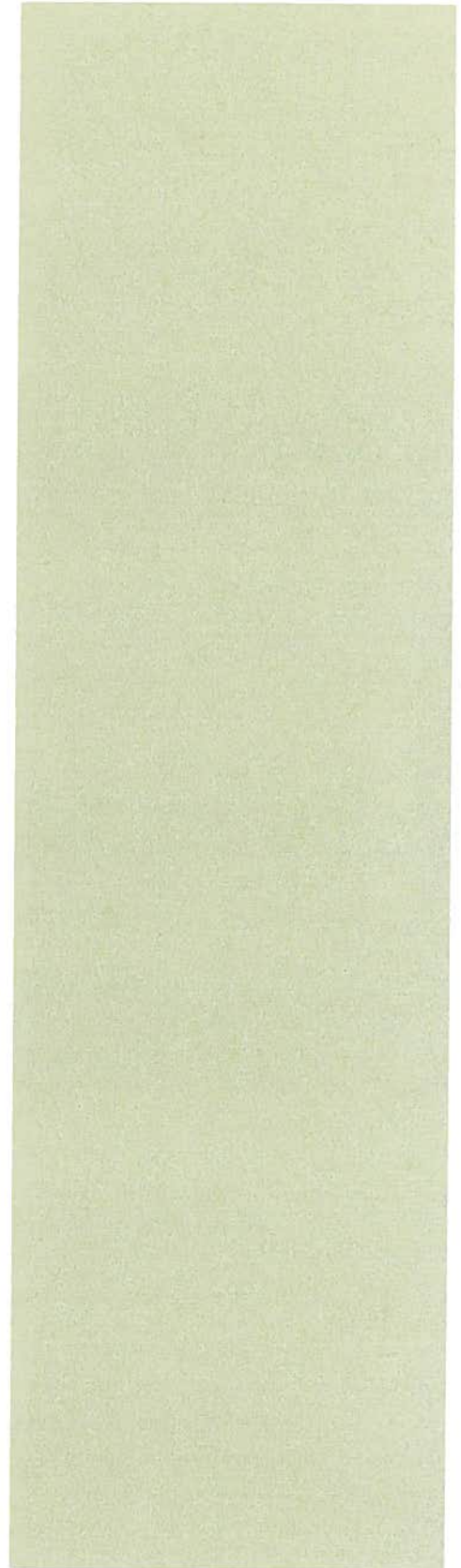
LAND USE CONTROLS

The Laguna Hills General Plan and Zoning Ordinance provide for a wide range of residential land use designations/zoning districts in the City, as illustrated in Table H-29.

ZONING DISTRICTS ALLOWING RESIDENTIAL DEVELOPMENT

The intent and purpose of the zoning districts allowing residential development are as follows:

- **Estate Residential (ER)** – The Estate Residential district is established to provide for low density, rural, and equestrian oriented residential neighborhoods in hillside areas. This district is characterized by large lot single-family homes permitting large animal husbandry.
- **Low Density (LDR)** – The Low Density Residential district is established to provide for low density, single-family detached housing neighborhoods. Typically this district is characterized by medium to large lot single-family homes.
- **Medium-Low Density (MLDR)** – The Medium-Low Density Residential district is established to provide for medium low density attached or detached residential neighborhoods. This district is characterized by small lot single-family homes, patio homes, duplexes, condominiums, and townhouses.
- **Medium Density (MDR)** – The Medium Density Residential district is established to provide for medium density attached or detached residential neighborhoods. This district is characterized by condominiums, apartments, and townhouses.
- **High Density (HDR)** – The High Density Residential district is established to provide for high density attached or detached residential neighborhoods compatible with adjacent or abutting urban uses. This district is characterized by condominiums, apartments, and residential towers.



- **Mixed Use District (MXU)** – The Mixed Use district provides for areas where a variety of goods and services can be obtained within an overall planned environment. This zone permits commercial, recreational, residential, and light industrial uses.
- **Neighborhood Mixed Use District (NMU)** – The intent of the Neighborhood Mixed Use designation is to provide a variety of compact, multi-family housing types close to jobs and services; create a more active, vibrant street life; increase pedestrian activity and reduce vehicular traffic; provide storefront style shopping streets; and/or encourage walking and social interaction. Within the Neighborhood Mixed Use designation, appropriate land uses include mid-box anchors; administrative and professional uses; grocery and specialty stores; business support uses; eating and drinking establishments; cinemas; personal services; residential condos, apartments, and townhomes; and mixed use structures.
- **Planned Community (PC) and Planned Community ~~Via Lomas~~ Residential (PC-~~VLR~~)** – The Planned Community districts provide the authority, regulations, and procedures whereby large land areas can be planned, zoned, developed and administered as individual integrated communities.
- **Village Commercial (VC)** – The Village Commercial district is established to develop an urban core in which a variety of public, regional commercial, recreational, and high density residential uses work in concert to create an urban village. All development within the village commercial district is subject to the Urban Village Specific Plan.

The City's General Plan, which was updated in 2009, added additional development capacity in the Urban Village Specific Plan (UVSP) area of 117,000 square feet of retail space, and included an Implementation Program requiring that the information be inserted into the UVSP. The updated General Plan's Housing Element (Housing Element 2008-2014) also required that the UVSP be amended to establish a minimum residential density of 30 units per acre and reduce high open space standards that discourage affordable housing. In 2011, the City amended the UVSP to ensure consistency with the General Plan and to help implement the General Plan goals and policies.

Development standards for residential development established in the City's Zoning Ordinance are designed to protect and promote the health, safety, and general welfare of residents, as well as implement the General Plan. These standards also help preserve the character and integrity of existing neighborhoods.

The development standards in Table H-30 can have an effect on the ability of property owners to construct and maintain housing. The City has very few opportunities for new development, as there is little vacant, buildable land remaining in the City. Selected residential development standards in Laguna Hills were compared to those in jurisdictions surrounding Laguna Hills (Table H-31). The comparison indicates that the minimum open space percentage of 40 percent for the HDR district in Laguna Hills may be high compared to that for Laguna Niguel (25 percent) and that for Mission Viejo (80 sq. ft. of private open space), which could discourage the construction of high density residential

Table H-35
Required Permit for Community Care Facilities (≥ Seven Individuals)

Land Use	Zones	Permitted	Permits Required
Large Family Day Care (14 children maximum)	All Residential Zones	C	CUP*
Day Care Center	OP VC MXU	C C C	CUP CUP CUP
Residential Care Facility for the Elderly	VC MXU	C C	CUP CUP
Drug Abuse and Alcoholism Recover Facility (Community Treatment/Rehabilitation Facility)	VC MXU	C C	CUP CUP
Dependent and Neglected Children Homes (Foster Homes)	VC MXU	C C	CUP CUP
Facilities for People with HIV or AIDS	VC MXU	C C	CUP CUP
Homes for the Mentally and Physically Disabled	VC MXU	C C	CUP CUP
Facilities for Wards of the Juvenile Court	VC MXU	C C	CUP CUP
Social Rehabilitation Facility	VC MXU C/PI	C C C	CUP CUP CUP
Intermediate Care Facility/Nursing Facility	VC MXU	C C	CUP CUP
Transitional Care Facility/Emergency Shelters (Serving 12 or Fewer Individuals)	VC MXU C/PI	P P P	- - -
<u>Supportive Housing</u>	<u>All Residential Zones</u>	<u>C</u>	<u>CUP</u>
<u>Transitional Housing</u>	<u>All Residential Zones</u>	<u>C</u>	<u>CUP</u>

P = Permitted; C = Conditional Use; CUP = Conditional Use Permit.

Zoning District-Key:

OP = Office Professional

VC = Village Commercial

MXU = Mixed Use

C/PI = Community/Private Institution

*Refer to Chapter 9-92 of the Laguna Hills Zoning Ordinance for special process requirements.

projects in the City. The City will decrease the open space requirement for the HDR district. Additionally, maximum lot coverage in the MXU district in Laguna Hills may be considered low at 40 percent, which could also discourage the construction of mixed use projects in the City. The City will increase the maximum lot coverage requirement for the MXU district. These recommendations are included in the Programs section of this Housing Element. As illustrated in Table H-31, many residential development standards in some of the jurisdictions surrounding Laguna Hills are not specified to the same level of detail as

Table H-35
Required Permit for Community Care Facilities (≥ Seven Individuals)

Land Use	Zones	Permitted	Permits-Required
Large Family Day Care (14 children maximum)	All Residential Zones	C	GUP*
Day Care Center	OP	C	GUP
	VG	C	GUP
	MXU	C	GUP
Residential Care Facility for the Elderly	VG	C	GUP
	MXU	C	GUP
Drug Abuse and Alcoholism Recover Facility (Community Treatment/Rehabilitation Facility)	VG	C	GUP
	MXU	C	GUP
Dependent and Neglected Children Homes (Foster Homes)	VG	C	GUP
	MXU	C	GUP
Facilities for People with HIV or AIDS	VG	C	GUP
	MXU	C	GUP
Homes for the Mentally and Physically Disabled	VG	C	GUP
	MXU	C	GUP
Facilities for Wards of the Juvenile Court	VG	C	GUP
	MXU	C	GUP
Social Rehabilitation Facility	VG	C	GUP
	MXU	C	GUP
	G/PI	C	GUP
Intermediate Care Facility/Nursing Facility	VG	C	GUP
	MXU	C	GUP
Transitional Care Facility/Emergency Shelters (Serving 12 or Fewer Individuals)	VG	P	-
	MXU	P	-
	G/PI	P	-

P = Permitted; C = Conditional Use; GUP = Conditional Use Permit

Zoning District Key:

OP = Office-Professional

VG = Village-Commercial

MXU = Mixed-Use

G/PI = Community/Private Institution

*Refer to Chapter 9-92 of the Laguna Hills Zoning Ordinance for special process requirements.

they are in Laguna Hills. Therefore, an exact comparison of residential development standards with Laguna Hills is not possible.

Overall, the City's development standards for residential development have not constrained housing development in the City as development can still occur up to the maximum densities allowed by the General Plan and zoning regulations.

PARKING STANDARDS

Excess parking requirements can reduce the number of housing units that can be achieved on a given site. The City's parking requirements are illustrated in Table H-32, while Table H-33 shows parking requirements for surrounding jurisdictions. The parking requirements in Laguna Hills are not considered overly excessive when compared with those in surrounding jurisdictions. For affordable housing projects qualified for a density bonus, the City has adopted the parking requirements mandated by state density bonus law (refer to Section 9-72.030 of the Laguna Hills Municipal Code).

PROVISION FOR A VARIETY OF HOUSING

The City recognizes the need for a variety of housing types to meet the needs of the City's diverse population, particularly segments with special housing needs. The following analysis reviews the City's Zoning Ordinance to evaluate potential constraints to developing housing for persons with special needs. Table H-34 summarizes the key zoning provisions for various housing types in the City. As shown, the City's zoning provisions for special needs housing are flexible and offer ample opportunities for such uses.

SINGLE-FAMILY DWELLINGS

Detached, single-family dwellings are permitted in all residential zones. As the City is nearly built out, only ~~seven~~six vacant single-family home parcels remain within the Nellie Gail Ranch area.

SINGLE-FAMILY ATTACHED DWELLINGS

Attached single-family dwellings are permitted in the medium-low, medium, and high density zoning districts of the City.

DUPLEX DWELLINGS

Duplex dwellings are permitted in the medium-low, medium, and high density zoning districts of the City.

MULTIFAMILY DWELLINGS

Multifamily developments are permitted in the medium-low, medium, and high density zoning districts of the City, subject to a site development permit. The maximum density in these districts ranges from 12.5 dwelling units per acre in the medium-low district to 30.0 dwelling units per acre in the high density residential zone. Multifamily development in the Urban Village Specific Plan area is permitted at a minimum density of 30.0 dwelling units per acre to a maximum density of 50.0 dwelling units per acre.

MANUFACTURED HOUSING (MOBILE HOMES)

Manufactured housing offers an affordable housing option to many low and moderate income households. According to the California Department of Finance, there were 217 mobile homes in the City in January 2008. The City permits manufactured housing placed on a permanent foundation in all residential districts, subject to a site development permit. The City also conditionally permits mobile home parks in the MDR, HDR, and MXU districts.

BOARDING HOUSE

The City's Zoning Ordinance defines a boarding house as a dwelling unit or part thereof, at which, for compensation, lodging and meals are provided; personal and financial services may be offered as well. The City permits boarding homes in the VC district. In the FC, CC, and MXU districts, boarding homes are permitted subject to a site development permit.

ACCESSORY LIVING QUARTERS/SECOND UNIT HOUSING

Accessory living quarters/second unit housing provide complete independent living facilities for one or more persons, including permanent provisions for living, sleeping, cooking, and sanitation. These units may be an alternative source of affordable housing for lower income households and seniors.

California law requires local jurisdictions to adopt ordinances that establish the conditions under which second dwelling units are permitted (Government Code, Section 65852.2). A jurisdiction cannot adopt an ordinance that precludes the development of second units unless findings are made acknowledging that allowing second units may limit housing opportunities of the region and result in adverse impacts on public

health, safety, and welfare. An amendment to the state's second unit law in September 2002 requires local governments to use a ministerial rather than discretionary process for approving second units (i.e., second units otherwise compliant with local zoning standards can be approved without a public hearing).

Second dwelling units are permitted in all residential zones in Laguna Hills pursuant to Section 9-68 of the Zoning Ordinance. Section 9-68 contains the following standards and criteria for accessory living quarters/second unit housing:

- The second unit is not intended for sale and may be rented.
- The lot must contain at least, but not more than, one single-family unit.
- Attached second units shall not exceed 30 percent of the existing dwelling unit living area.
- Detached second units shall not exceed one 1,200 sq. ft. of floor area.
- The second unit shall be compatible in materials, colors, and architecture to the primary dwelling unit.
- Second units must conform to development standards and all other applicable requirements of the zone in which developed.
- One parking spot per unit is required.
- The owner of both units shall occupy either the primary or the second unit.
- The owner shall record a use restriction with the Orange County Recorder's Office so that all present and future property owners understand the obligations and limitations of these standards and criteria (Section 9-68 of the Zoning Ordinance).

The City's criteria and standards for second unit developments are not considered overly excessive. As of May 20~~08~~¹³, ~~two~~ four accessory living quarters/second units have been constructed in the City.

SINGLE-ROOM OCCUPANCY HOUSING FACILITY

The City's Zoning Ordinance defines a single room occupancy housing facility (SRO) as a housing type consisting of one room, often with cooking facilities and with private or shared bathroom facilities. As of May 20~~08~~¹³, no SRO has been constructed in the City.

The City provides opportunities for the location of SROs in nonresidential districts. SROs are permitted in the VC and MXU districts with a conditional use permit subject only to those restrictions or conditions that may apply to other residential uses of the same type in the same zone. In the OP, FC, and CC districts, SROs are permitted



Table H-36
Planning and Development Fees

Impact Fees and Exactions	Fee/Deposit	
Roads (per unit costs) San Joaquin Hills Transportation Corridor Moulton Parkway CARITS' Zone 2D	Single-family	Multifamily
	\$3,242 4,902	\$1,892 2855
	\$373 361	\$248 211
	\$1,807 1751	\$1,445 1401
School (Saddleback Valley Unified School District Fees)	\$2.63 3.20/sq. ft. on new residential development except for areas already within community facilities districts.	
Water and Storm Drain Improvement Fees	Applicant pays directly to provider	
Sewer Impact Fees	Applicant pays directly to provider	
Processing and Permit Procedures		
Annexation/Detachment	\$2,000 6,000 actual cost deposit plus LAFCO application fee	
Conditional Use Permit	\$34,000 deposit	
Development Agreement	\$310,000 actual cost deposit	
Environmental Impact Report	Get fees per project application or actual cost projects. Additional deposit may be requested. \$10,000 deposit	
Extension of Time	\$1,000 actual cost deposit	
General Plan Amendment	\$36,000 deposit	
Lot Line Adjustment	\$1,000 actual cost deposit	
Precise Plan (Mixed Use District Only)	\$34,000 deposit	
Preliminary Project Review	\$3600 set fee	
Site Development Minor (Administrative)	\$6800 actual cost deposit	
Site Development Major (Planning Agency)	\$34,000 actual cost deposit	
Specific Plan	\$310,000 deposit	
Specific Plan Amendment	\$25,000 deposit	
Tentative Tract Map	\$16,000-set fee \$2,500-actual cost deposit \$2,000-actual cost deposit	
Screencheck		
Filing		
Revise Approved Map		
Tentative Parcel Map	\$24,500 actual cost deposit \$2,000-actual cost deposit	
Filing		
Revised Approved Map		
Variance to Planning Agency	\$23,500 actual cost deposit and change to Planning Agency	
Zone Change	\$36,000 actual cost deposit	

Source: City of Laguna Hills Community Development Department ~~2007 and 2008-2013.~~

¹ CARITS = Coastal Area Road Improvements and Traffic Signals Fee Program.

Table H-37
Planning Application Fees — Surrounding Jurisdictions

Planning Case Type	Laguna Hills	Irvine	Lake Forest	Laguna Niguel	Mission Viejo
Conditional Use Permit	\$34,000 deposit	\$12,000 deposit; \$1,500 minor deposit	\$56,500 deposit	\$3,800 deposit; \$1,600 minor deposit	\$4,72,500
General Plan Amendment	\$36,000 deposit	\$12,000 deposit	\$6,510,000 deposit	\$5,000 deposit	\$5,000 deposit
Site Development Permit ¹	\$6800 minor (administrative) actual-cost deposit; \$34,000 major (Planning Agency), \$3,000 actual-cost deposit	No comparable permit	\$2,500 administrative review; \$5,57,000 discretionary review	\$4,5400 deposit; \$2,000 minor deposit	\$4,2500 administrative action; \$3,64,200 planning commission action
Tentative Tract Map	\$16,000 screencheck; \$2,500-filing; actual-cost deposit	\$4,000 deposit	\$5,58,000 deposit	\$1,425 screencheck; \$2,925 filing + \$20/each number of lots	\$3,3900 filing
Variance	\$23,500 actual-cost deposit and change-to-Planning-Agency	\$1,500 deposit	\$5,56,000 deposit	\$3,800 deposit	\$4,72,100 single-family dwelling; \$2,14,500 all others
Zone Change	\$36,000 actual-cost deposit	\$12,000 deposit	\$5,510,000 deposit	\$5,000 deposit	\$5,000 deposit

Source: Cities of Laguna Hills, Irvine, Lake Forest, Laguna Niguel, Mission Viejo ~~2008~~2013.

¹ The City of Mission Viejo uses the term planned development permit, which is generally comparable to a site development permit in Irvine, Lake Forest, and Laguna Niguel.

with a site development permit. Site development permits involving projects that have four or fewer residential units and non-residential uses of less than 20,000 square feet may be processed by the Community Development Director administratively. Anything above those thresholds must go to the City Council acting as the Planning Agency. However, whether a project goes to the City Council or is approved by staff (administratively), the findings are the same:

1. That the site design complies with standards of the development code;
2. That the site is suitable for the proposed development;
3. That the project is consistent with the general plan and applicable design guidelines;

4. That the site design and structural components are appropriate for the site and function of the proposed uses.

The findings for a site development permit do not require “that the use be compatible with surrounding uses/properties.” Therefore, it is not considered discretionary from a “use” perspective.

Chapter 9-72 of the Zoning Ordinance describes housing development incentives that are available to developers of affordable housing, which could include SROs. Incentives include both fiscal and procedural incentives, such as:

- A 50% reduction in application fees;
- Waiver or reduction in building permit fees;
- Financial assistance for acquisition of property, mortgage assistance, sale of housing bonds, rent subsidies, or provision of improvements to serve the site;
- Combining all required applications for one review hearing;
- Fast-tracking; and
- Providing priority processing and scheduling for review.

The procedural incentives noted above ensure priority processing of SROs. With the City’s already streamlined review process (1-2 months for administrative and 2-3 months for discretionary projects) and the ability for priority processing, no governmental constraint to developing SROs exists in Laguna Hills.

COMMUNITY CARE FACILITIES (SIX OR FEWER INDIVIDUALS)

Community care facilities for six or fewer individuals consist of the following per the City’s Zoning Ordinance:

- Residential care facilities for the elderly;
- Drug abuse and alcoholism recovery facilities;
- Intermediate care facilities;
- Dependent and neglected children homes (foster homes);
- Social rehabilitation facility;
- Congregate living health facility;
- Facilities for people with HIV or AIDS;
- Homes for the mentally and physically disabled;
- ~~Transitional shelter care facilities/emergency shelters; and~~
- Supportive housing facilities; and
- Transitional housing facilities; and
- Facilities for wards of the juvenile court.

These facilities are permitted by right in all residential zones, with the

exception of facilities for wards of the juvenile court which require a conditional use permit.

COMMUNITY CARE FACILITIES (SEVEN OR MORE INDIVIDUALS)

Table H-35 shows where various community care facilities for seven or more individuals may be permitted or conditionally permitted in Laguna Hills. The table also indicates when a conditional use permit may be required.

LARGE FAMILY DAY CARE HOMES

Large family day care homes, for 7 to 14 children under the age of 10 years are conditionally permitted in all residential zones of the City.

SMALL FAMILY DAY CARE HOMES

Small family day care homes for eight or fewer children are permitted by right in all of the City's residential districts.

TRANSITIONAL CARE FACILITIES/ EMERGENCY SHELTERS

~~Transitional care facilities are not specifically defined in the City's Zoning Ordinance. In general, transitional housing provides a stay from six months to 2 years and includes a service component to help residents gain independent living skills and transition into permanent housing. The City's Zoning Ordinance does define emergency shelter as a community care facility providing temporary housing for one or more individuals who are otherwise temporarily or permanently homeless. The City's Zoning Ordinance provides definitions for "supportive housing," "transitional housing," and "emergency shelter" that are consistent with the California Health and Safety Code. The City's Zoning Ordinance permits by right transitional care facilities/community care facilities for 12 or fewer persons in the VC, MXU, and C/PI districts. The transitional care facilities/community care facilities Supportive housing and transitional housing for six or fewer individuals are treated as a residential uses subject only to those restrictions that apply to other residential uses in the same zone. As of May 2008, no transitional care facility or emergency shelter has been permitted or constructed in the City.~~

The following community care facilities are located in the City of Laguna Hills as of January 31, 2008.

- Adult residential facility (developmentally disabled) - 1 facility
- Child care center (commercial) – 3 facilities

- Large family day care homes – 78 homes
- Small family day care homes – 32 homes
- Infant centers (commercial) – 1 facility
- Residential care for the elderly – 46-43 facilities
- Alcoholism or drug abuse recovery, residential (state licensed) – 1 facility
- Alcoholism or drug abuse recovery, commercial/office (state licensed) – 3 facilities
- Sober living homes – 2 homes

As noted above, the City does not require permits for community care facilities serving six or fewer individuals. Therefore, additional community care facilities may exist within the City.

In accordance with SB2, the Municipal Code was amended to allow emergency shelters “by right” within the defined emergency shelter overlay area of the Mixed Use (MXU) district subject to objective development standards without a conditional use permit or other discretionary approval. The MXU district encompasses approximately 284 acres, 20% (55 acres) of which meets the overlay criteria for emergency shelters sites (See Figure H-4a). The MXU district is served by transit and commercial services. Development Code Section 9-64.040.(D) establishes the following standards for emergency shelters: ~~The City will amend the Zoning Ordinance to separate the transitional care facility/community care facility/emergency shelter definitions and explicitly permit emergency shelters by right in the MXU zone. Emergency shelters will be shown as a permitted use in the use tables for the zone and will not require discretionary approval. Emergency shelters will be subject only to the development standards allowed by State law, including:~~

- ~~1. The maximum number of beds or persons permitted to be served nightly by the facility.~~
- ~~2. Provision of Off-street parking based upon demonstrated need, provided that the standards do not require more parking for emergency shelters than for other residential or commercial uses within the same zone.~~
- ~~3. The size and location of exterior and interior onsite waiting and client intake areas.~~
- ~~4. The provision of onsite management.~~
- ~~5. The proximity to sensitive uses and other emergency shelters, provided that emergency shelters are not required to be more than 300 feet apart.~~
- ~~6. The length of stay.~~
- ~~7. Lighting.~~

8. ~~Security during hours that the emergency shelter is in operation:~~

1. An emergency shelter shall be located at least five hundred (500) feet from any residential use, public or private park, public or private K-12 school, church, or other religious institution.
2. An emergency shelter shall be located at least three hundred (300) feet from other emergency shelters.
3. The cumulative total of the number of beds provided by all emergency shelters established within the mixed use zone shall not exceed twenty (20).
4. The maximum stay at the emergency shelter shall not exceed one hundred and eighty (180) consecutive days.
5. Off-street parking shall be provided in the ratio of one space for every three beds, plus one parking space for each staff member.
6. A client intake and waiting area shall be provided that is at least two hundred (200) square feet in size. A client intake and waiting area less than two hundred (200) square feet in size may be provided if it can be demonstrated that the size of the intake and waiting area is sufficient to accommodate the demand for the facility.
7. Lighting shall be provided in accordance with the standards set in Sections 9-40.170 and 9-44.060(I) of the Development Code.
8. An operational plan shall be provided prior to the issuance of

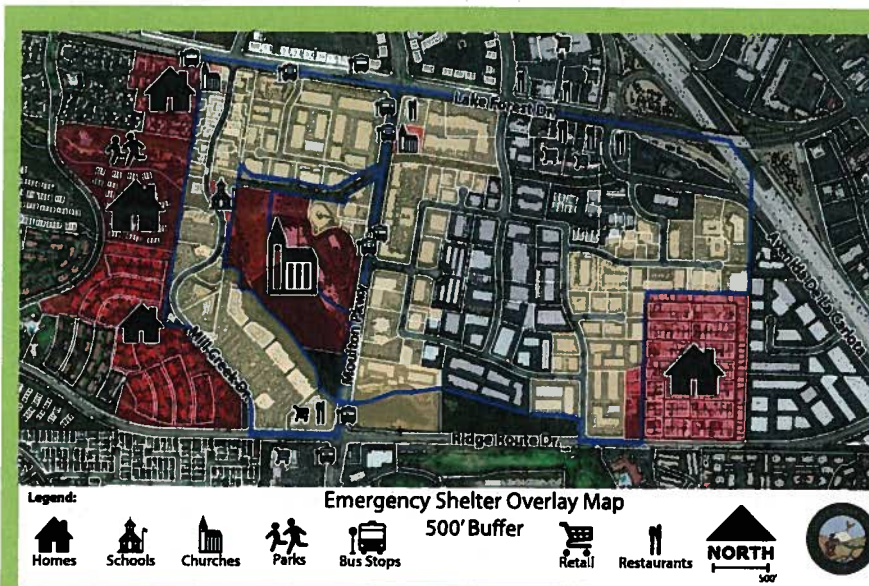


Figure H-4a
Emergency Shelter Overlay Map

a certificate of use and occupancy for review and approval by the Community Development Director. At minimum, the plan shall contain provisions addressing the following:

a. Security and Safety. The plan shall include provision of on-site management, facility rules, and procedures for maintaining a safe environment within and outside the shelter.

b. Management of Outdoor Areas. The plan shall describe procedures for admittance and discharge of clients, and describe measures aimed at minimizing the congregation of clients outside the shelter when not accepting clients.

c. Staff Training. The plan shall describe the staffing required for the shelter and outline required training programs that provide staff with the knowledge and skills to assist clients in obtaining permanent shelter.

d. Referral Service. The plan shall include provision of a kiosk providing information on other programs available to clients for obtaining permanent shelter, mental and health counseling, job placement, educational, legal, and other supportive services.

Factors 1 and 2 define the overlay area, and parcels meeting these criteria are shown in Figure H-4a.

A critical component of SB 2 is identifying the City's need for an emergency shelter. Many jurisdictions determine this by estimating the homeless population using "point-in-time" counts of the number of people using existing shelters within their jurisdiction on a given day and time and averaging the data. Since Laguna Hills does not operate its own shelter or currently have an operating private, faith-based or non-profit shelter in the city to draw data from, the City has relied on data provided by the County to estimate the homeless population in Laguna Hills. Each year, the County conducts a point-in-time count of the homeless population at its shelters and conducts a demographic survey which includes a question about where the individual was living prior to becoming homeless. The Laguna Hills 2008-2014 Housing Element cites a 2008 survey, which showed that a total of 20 people served by Orange County shelters reported living in Laguna Hills prior to becoming homeless. The most recent survey available from 2011 indicates that this number has since dropped to eight. However, the more conservative need of 20 persons was used as the basis for planning for emergency shelters since the County's point-in-time survey is taken once per year and a need of 20 persons will better take into account fluctuations in the homeless population throughout the year.

The standards for the MXU overlay area do not significantly constrain the location of emergency shelters within the MXU district because the overlay area contains approximately 55 acres of land and more than a sufficient number of parcels to accommodate the City's need for emergency shelters.

The MXU Zone contains primarily offices and businesses. No vacant land is available in this zone for construction of a new shelter. However, as identified in the City's Land Use Element, the Mixed Use Zone contains underutilized parcels ~~containing with~~ one-story, tilt-up buildings. One-story tilt-up concrete buildings are very easy to convert to other uses, including emergency shelters and transitional housing. Additionally, larger and better designed buildings could be built, which would also provide opportunities for emergency shelters. This area is also served by transit and is located within an area providing significant employment resources.

FARM WORKER HOUSING

No land within the City of Laguna Hills is designated for agricultural use. The 2000 U.S. Census identified ~~only six~~ zero persons employed in farm, fishing, or forestry occupations. Therefore, Laguna Hills has no specific need for farm worker housing.

Housing for Persons with Disabilities

Land Use Controls: The Lanterman Development Disabilities Service Act (Sections 5115 and 5116) of the California Welfare and Institutions Code declares that mentally and physically disabled persons are entitled to live in normal residential surroundings. The use of property for the care of six or fewer persons with disabilities is a residential use for the purposes of zoning. A state-authorized or certified family care home, foster home, or group home serving six or fewer persons with disabilities or dependent and neglected children on a 24-hour-a-day basis is considered a residential use that is permitted in all residential zones.

As demonstrated in Table H-34 and discussions above, the City's Zoning Ordinance complies with the Lanterman Act and permits small community care facilities (including adult and senior residential facilities, as well as small family homes) in all residential zones. Facilities for more than six persons are conditionally permitted in most the VC and MXU districts (Table H-34). Potential conditions for approval of a conditional use permit may include hours of operation, security, loading requirements, and management. Conditions would be similar to those

for other similar uses in the same zones and would not serve to constrain the development of such facilities.

Definition of Family: The City's Zoning Ordinance defines "family" as a group of individuals not necessarily related by blood, marriage, adoption, or guardianship living together in a dwelling unit as a single housekeeping unit under a common housekeeping management plan based on an intentionally structured relationship providing organization and stability. This definition is not considered restrictive or constraining to the development of housing for persons with disabilities.

Reasonable Accommodation: Under state and federal laws, local governments are required to provide "reasonable accommodation" to persons with disabilities when exercising planning and zoning powers. ~~Currently, the~~ The City ~~does not have~~ has a formal policy for processing requests for reasonable accommodation for persons with disabilities and special housing needs. ~~The City will develop and adopt a procedure for providing reasonable accommodation for housing for persons with disabilities. This is addressed in the Programs section of the Housing Plan.~~

Development Fees and Entitlements

Various types of development impact fees and entitlement fees to cover the cost of processing permits to provide necessary services and facilities may add substantially to the cost of housing. These include ~~school fees~~, road assessments, ~~park~~, and permit/development processing fees. The City does not charge ~~park or~~ library development impact fees. Additionally, an applicant pays water, storm drain, and sewer fees directly to the provider(s). Development impact fees can be a constraint on housing development and compromise market rate affordability because the additional cost borne by developers contributes to overall increased housing unit cost. However, the fees are necessary to maintain adequate planning services and other public services and facilities in the City.

A typical new, single family unit that requires no discretionary review from the City would only be required to pay the City public park in-lieu fee of \$7,392. An infill, 4-unit, multifamily residential development project outside of the Urban Village area that required approval of a Major Site Development Permit would cost approximately \$8,392 per unit (\$4,000 site development permit deposit plus \$7,392 per unit for the public park in-lieu fee). In the Urban Village area, a recently approved 489 unit multifamily residential project (with mixed use commercial) will pay approximately \$7,902 per unit in development and entitlement fees (approximately \$160 per unit in entitlement processing

fees, \$7,392 per unit for the public park in-lieu fee, and approximately \$350 per unit for the urban village traffic impact fee).

The City's fee schedule is provided in Table H-36. Table H-37 compares various planning fees in surrounding jurisdictions with those in Laguna Hills. Planning fees in Laguna Hills are in most cases consistent with or lower than those in surrounding jurisdictions and, therefore, do not present a constraint to development.

On- and Off-site Improvement Requirements

The City adopted the County of Orange subdivision ordinance and manual as the City's subdivision ordinance upon incorporation on December 20, 1991.

Commonly required on-site improvements for residential projects include the following:

- Internal circulation system – public/private roads, drives, curbs, gutters, vehicle (including fire protection and emergency vehicle) turnarounds
- Water and wastewater disposal systems
- Utilities systems
- Walls/fencing
- Landscaping
- Recreational facilities for multifamily projects
- Parking facility (covered/uncovered)

Commonly required off-site improvements for residential projects include the following:

- Traffic signalization
- Roadway improvements
- Water and wastewater disposal systems
- Schools (fee program)

The City's few vacant parcels are located in the Nellie Gail Ranch area, where there are likely to be very few site improvement requirements. Therefore, the costs of on-site and off-site improvements do not serve as constraints on development.

The City's street improvement requirement and/or dedication requirements are determined as part of the process for a tentative subdivision map and/or conditions of approval. Improvement and/

or dedication requirements must be consistent with public streets in the area. The requirements are necessary to achieve the health and safety requirements of the City and are not considered a constraint to affordable housing development.

Building Codes and Enforcement

Building and safety codes are adopted to preserve public health and safety and ensure the construction of safe and decent housing. These codes and standards also have the potential to increase the cost of housing construction or maintenance.

The City of Laguna Hills has adopted the ~~2007~~2010 California Building Code, which establishes construction standards for all residential buildings. The City amends the code as needed to further define requirements based on the unique local conditions. The code is designed to protect the public health, safety, and welfare of Laguna Hills' residents. Code enforcement in the City is performed proactively and on a complaint basis.

Processing and Permit Procedures

The City's Zoning Ordinance defines requisite discretionary permits and establishes requirements for submission of applications for the discretionary permits. The City's Community Development Department prepares and maintains information and materials for each permit required by the Zoning Ordinance. These materials include application forms, questionnaires, and other information that addresses content of applications, fee information, and general processing procedures and requirements.

The City's established processing and permit procedures are designed to expedite project approvals to avoid unnecessary timing constraints on development. For a typical project, Community Development Department staff conduct an initial discussion with applicants/developers and provide information about the subject property's zoning, permitted uses, development standards, approval authority (administrative or discretionary), and required environmental documentation. During the next step of the process, initial plan review, Planning Staff review the project site plan and determine if the project complies with the Zoning Code, development standards and design guidelines. Project applicants then formally submit materials to the Community Development Department, where Planning Staff has 30 days to determine the

completeness of the application. Once the application is deemed complete, the next step, plan check, is initiated. Initial plan check takes approximately 3 weeks. Plan check two, if necessary, takes 1–2 weeks, while subsequent plan checks require approximately 1 week of processing time.

Those discretionary permits pertaining most closely to provision of housing affordable to low and moderate income and special needs populations are general plan amendments, precise (specific) plans, conditional use permits, site development permits and variances. The permit, processing time, and approval bodies are described below. (Note that the Planning Agency refers to the City Council serving in its dual role as the planning commission, or hearing body for planning related matters.)

- **General Plan Amendments** – A general plan amendment may be proposed to change general plan land use designations. A general plan amendment may require a processing time of 12 months or more, depending in part on the environmental determination accompanying the amendment processing. The City Council is the approval body for both major and minor general plan amendments, while the Community Development Director approves minor,

Table H-38
Construction Cost Estimates (2007)

Development Type	Cost per Square Foot
Single-family Residential	\$100 - \$1125
Townhomes/Condominiums	\$150 - \$180
Multifamily (garden style apartments)	\$200
Multifamily (stacked flats with structured parking)	\$250

Source: RBF Consulting as cited in the City of Orange ~~Draft 2006-2014 Housing Element (EDAW-2008)~~.

technical general plan amendments.

- **Precise (Specific) Plan** – A precise (specific) plan is required for developments within the Mixed Use and Neighborhood Mixed Use districts whenever more than one variety of land use is proposed for a single property or a limited collection of abutting properties. Processing time is approximately 6 to 12 months or more, depending in part on the environmental determination. The City Council approves specific plans and amendments to specific plans.
- **Conditional Use Permit** – A conditional use permit is used to evaluate uses that may have a moderate to high potential for adverse impact to adjacent or abutting uses or the surrounding community due to operating characteristics. Processing time is approximately 3 to 4 months. Conditional use permits are approved by the Planning Agency.
- **Site Development Permit** – A site development permit is used to evaluate site planning and design considerations and is the lowest

level planning permit for development projects. A site development permit is required for most development projects, is issued in absence of any other specified permit or approval, and may be required in addition to other approvals. A minor site development permit takes 4 to 6 weeks to review. A major site development permit takes 2 to 3 months to review and requires that a noticed public hearing be held prior to a decision on the application by the Planning Agency. The notice must be published/ provided at least 10 days prior to the public hearing. Minor site development permits are approved by the Community Development Director, while major site development permits are approved by the Planning Agency.

The Community Development Director has the authority to review and approve all site development permits meeting the following criteria:

- Developments of nonresidential uses and or buildings not exceeding twenty thousand (20,000) square feet whether in one or more structures on a single parcel;
- Four or fewer residential structures or dwellings in a single project;
- Temporary uses not involving use of public facilities or rights-of-way;
- Master sign programs for properties containing less than five nonresidential units;
- Change plans, or minor changes to any plan or permit previously approved provided such change does not exceed ten percent of the gross square footage of the original project;
- Site development permits for retaining walls that are greater than thirty (30) inches in height.

The Planning Agency has jurisdiction and review authority over all site development permits exceeding the criteria specified above. Additionally, the Community Development Director may forward any project over which he or she has authority or which he or she shall deem of sufficient interest on a broader land use policy scale to the Agency for their consideration. The Community Development Director reviews and makes recommendations regarding all site development permits forwarded to the Agency and insures all environmental and notice requirements are met.

Prior to issuing a site development permit, the Community Development Director or Planning Agency shall make the following findings:

- That the site design complies with standards of the development code;
- That the site is suitable for the proposed development;
- That the project is consistent with the general plan and appli-

cable design guidelines; and

- That the site design and structural components are appropriate for the site and function of the proposed uses.

Table H-39
Disposition of Home Purchase Loans by Census Tract

Census Tract	Tract Income Level	Total Applications	% Originated ¹	% Approved but not Accepted	% Denied	% Other ²
0423.27	Upper	129 96	64 66	9 6	16 17	11
0423.28	Upper	54 35	46 60	7 11	15 20	32 8
0423.33	Upper	88 36	70 78	6 5	11 8	12 8
Total Upper Income		271 167	63 68	7 7	14 15	16 9
0423.07	Middle	207 75	52 69	11 4	25 8	12 19
0626.21	Middle	328 105	61 53	11 15	16 20	12 11
Total Middle Income		535 180	58 61	11 10	19 14	12 15
0626.25	Low/Moderate	330 57	52 61	9 9	24 23	15 7
Total Low/Moderate Income		330 57	52 61	9 9	24 23	15 7
City Total		1,136 404	57 63	9 9	28 52	14 10

1. Originated applications are those approved by the lenders and bought by the applicants.

2. "Other" includes applications that were withdrawn by the applicants and those closed by the lenders due to incomplete information.

Source: Home Mortgage Disclosure Act (HMDA) data for ~~2006~~ 2011, FFIEC.

The findings relate back to whether or not the site is suitable for development and is limited to physical development of the site. Since the SDP process relies exclusively on the Development Code for determining whether or not the project complies with the Development Code, it also incorporates Chapter 9-72 of the Development Code which identifies housing development incentives available to a developer who may be seeking to develop affordable housing. These incentives are completely consistent with state law.

- **Variance** – A variance may be granted from any development standard or criteria affecting establishment of a use in a zoning district but may not be granted to approve a use which would otherwise be prohibited by a zoning district. A variance takes approximately 3 weeks to 3 months to review. The Planning Agency is the approval body for variances.

SITE DEVELOPMENT PERMIT

For residential projects, a major site development permit that is approved

by the Planning Agency is required as follows:

- Estate Residential district – manufactured housing
- Low Density Residential district – manufactured housing
- Medium-Low Density Residential district – manufactured housing and multifamily dwellings
- Medium Density Residential district – manufactured housing and multifamily dwellings
- High Density Residential district – manufactured housing, multifamily dwellings, and single-family attached dwellings

The City has previously eliminated the conditional use permit process for the residential projects discussed above. Instead, the City uses the site development permit process to assess site planning and design issues.

DISCRETIONARY PERMIT(S) PROCESSING TIMES

Laguna Hills does not have a separate Planning Commission (the City Council acts as its own Planning Agency) so the processing of all projects is more streamlined than in other municipalities. Permit processing times differ for various discretionary permits in the City. Typically in Laguna Hills, a project receives a final decision within 2 to 3 months of having submitted a complete application. Projects requiring an EIR generally take 6 to 9 months.

A general plan amendment may take 12 or more months to process should an environmental impact report be required. A precise plan (specific plan) may take between 6 to 12 months to process, depending on the required and appropriate environmental documentation. The precise plan is required for developments with more than one proposed land use for a single property or for a limited collection of abutting properties. The processing time for a conditional use permit is approximately 2 to 3 months, unless detailed environmental documentation is required that would lengthen the processing time. This permit evaluates uses that may adversely impact adjacent or abutting uses or the surrounding community due to operating characteristics of the proposed use. A major or discretionary (Planning Agency) site development permit takes 2 to 3 months to process in the City. This permit type is required for some residential (and nonresidential) development projects and is issued in absence of another specified permit or approval. A site development permit may be required in addition to other discretionary or ministerial permits. A discretionary variance application takes 2 to 3 months to process. The Planning Agency may grant a variance from any development standard or criteria affecting the establishment of a use in a zoning district, but may not be granted to approve a use that would otherwise be prohibited by a zoning district.

As indicated above, the processing time for various land use actions within the City depends on the type of development or action requested and whether environmental documentation is required and the scope of that environmental documentation. Each development project does not necessarily require multiple discretionary actions (i.e., small scale projects consistent with general plan and zoning designations do not generally require general plan amendments, rezones, or variances).

The City does not have a backlog of development applications and is able to process applications in a timely manner. As already indicated, the City has very little vacant land available for development. Remaining parcels are designated as estate residential within the Nellie Gail Ranch area of the City. According to the City's Building Division, the majority of single-family residential development applications involve redevelopment/demolition of existing single-family homes and construction of much larger single-family homes. ~~Additionally, the City has not received an application for multifamily development in many years.~~ The City will continue to pursue the extension of affordability controls for 51 units, either in the existing Rancho Moulton housing development or as part of new or redevelopment activities in the Via Lomas area or other areas of the City. ~~The City will annually prepare a "Risk of Assessment" report provided by the California Housing Partnership Corporation (CHPC). Projects determined high risk are those most likely to decline continued federal assistance because they currently have rents below market rate(s) and are owned by profit-motivated entities. Should a notice of intent to convert to market rate be filed, the City will work with potential purchasers to preserve 51 units in the existing development or in new development by finding an interested non-profit entity and securing funding to acquire and preserve the property. The City will use HCD resources listed on the HCD website, as well as other resources, to locate potential funding sources as needed for the preservation of affordable housing. The City will work with tenants of at-risk units and provide them with education regarding tenant rights, notification procedures, and conversion procedures. The City will also provide tenants in at-risk projects information from the Orange County Housing Authority regarding Section 8 rental assistance.~~

Processing Times for New Housing

As indicated in the Housing Resources section, underutilized land in Laguna Hills will be used to meet the City's Regional Housing Need Assessment requirements. The underutilized areas include the Urban Village Specific Plan area and the Alicia Gateway. Within the UVSP



area, high density, multiple family housing or single family attached housing can be constructed. Both multiple family and single family attached projects in the Urban Village area are permitted uses, subject only to a site development permit. A major site development permit is required for five or more residential units. A minor site development permit is required for four or fewer residential structures or dwellings in a single project. Development requests for the UVSP area would likely involve more than five units; hence, a major site development permit would be required. A major site development permit would require 2 to 3 months for approval by the Planning Agency; 3 to 4 months if a negative declaration prepared; and, 6 to 9 months if an EIR is required. A minor site development permit would require 1 to 2 months for approval because limited environmental review is required and the Community Development Department Director is the approval authority.

Within the Alicia Gateway area, the existing Mixed Use Zone requires a conditional use permit for multiple-family housing and a site development permit for single-family attached housing. The processing time is typically the same for a major site development permit and a conditional use permit.

The City's processing and permit procedures do not appear to unduly constrain the development of housing. Nevertheless, the City will continue to monitor its development review procedures to ensure a streamlined processing procedure. Section 9-92 of the City's Zoning Ordinance details the specific application process and submittal requirements for various land use actions in the City.

Measure M

In November 1990, Orange County voters approved the Revised Traffic Improvement and Growth Management Ordinance (Measure M).

Measure M implemented a half-cent local transportation sales tax to fund transportation improvements. The Measure M sales tax includes an apportionment to local jurisdictions for street maintenance and improvements. The Orange County Transportation Authority (OCTA) is the agency responsible for administering proceeds of the Measure M sales tax.

On November 7, 2006, Orange County voters approved the renewal of Measure M, for an additional 30 years beginning in 2011 until 2041. Renewed Measure M is expected to raise \$11.8 billion to improve Orange County's transportation system.

Every year, OCTA determines if a local jurisdiction is eligible to receive Measure M turnback funds. Prior to the renewal of Measure

M, the City received approximately \$500,000 per year in turnback funds. Under the Measure M Renewal, the City anticipates receiving an increased allocation of \$750,000 per year beginning in 2011. In addition, the Measure M renewal will enable the City to compete for discretionary Measure M funding, for which the City has historically been very successful. To date, the City of Laguna Hills has received approximately \$11.4 million from Measure M funds to improve its transportation. Among the several requirements a local jurisdiction must satisfy to receive turnback funds, they must be in compliance with the requirements of a Countywide Growth Management Program. Each local jurisdiction is required to produce a Growth Management Element as part of its participation in the Countywide Growth Management Program. The Growth Management Element must contain eight elements. Three of these elements relate directly to the Laguna Hills Housing Element: a development phasing program; a development mitigation program; and a program addressing balanced housing options and employment opportunities within the City. The Laguna Hills General Plan Growth Management Element has as its goal to reduce traffic congestion, mitigate traffic impacts of new development by requiring new development to pay its fair share toward local and regional roadway/transportation improvements, and tie timing of new development to availability of facilities needed to support that development.

The City of Laguna Hills has based its approach to the Measure M requirement for adoption of a Growth Management Element on the Model Growth Management Element developed jointly by the County of Orange and the Orange County Division of the League of California Cities. The Growth Management Element of the Laguna Hills General Plan encompasses all required policy provisions necessary to comply with Measure M. The City Growth Management Element contains an implementation plan to ensure that required programs (Development Mitigation Program; Development Phasing Program; Annual

Table H-10
RHNA Credits and Remaining Need

Income	Extremely-Low	Very-Low	Low	Moderate	Above-Moderate	Total
RHNA	4	4	4	2	3	8
New-Construction	-	-	-	-	4	4
Preservation-	-	-	-	-	-	-
Remaining-RHNA	4	4	4	2	2	7

Monitoring Program) in the Growth Management Element are applied consistently to the City development review process.

Implementation of the City of Laguna Hills Growth Management Element – Growth Management Program will result in a more equitable balance between housing opportunities and employment opportunities within the City, which will allow residents to live closer to their jobs and thereby reduce commuting distance and times. A complementary commitment of development mitigation, development phasing, and performance monitoring is necessary to achieve a coordinated land use development and transportation infrastructure. The City of Laguna Hills will ensure that the actions described below will be applied to applicable development projects and a citywide assessment of land use development/ transportation infrastructure capacity will be conducted in conjunction with fee program implementation and capital improvement program development.

Development Mitigation Program – To compensate the public for any increased burden on public services attributed to new development, jurisdictions have the authority to impose reasonable fees or required related improvements. The County of Orange and the City of Laguna Hills have imposed development fees on development transportation

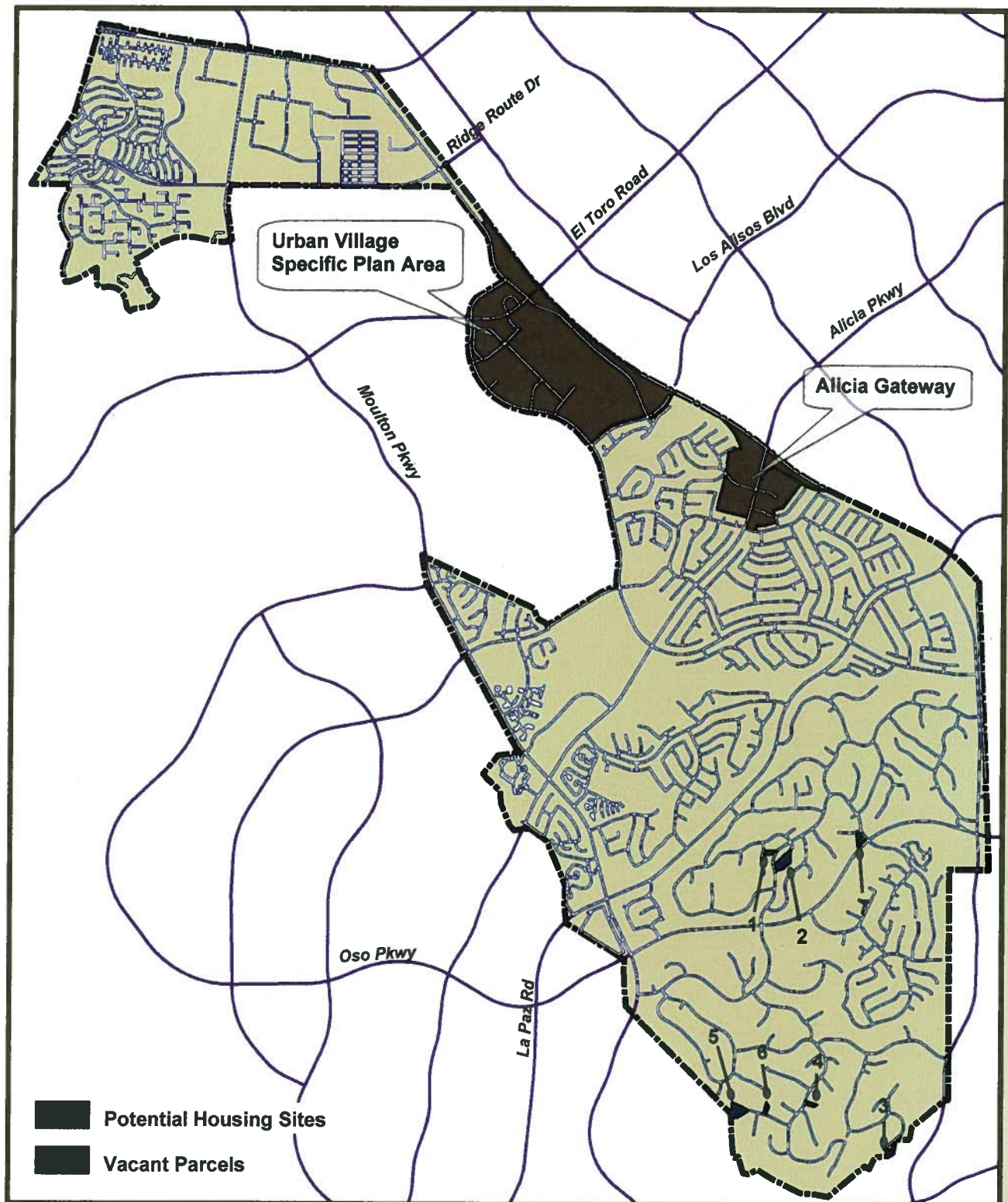
Table H-41
Vacant Sites Inventory

Vacant Site No.	APN	General Plan	Zone	Maximum Density	Potential New Units	Affordability
1	6327-192-07	ER	ER	3.5 du/ac	1	Above moderate
2	627-241-02	ER	ER	3.5 du/ac	1	Above moderate
3	636-211-05	ER	ER	3.5 du/ac	1	Above moderate
4	636-342-05	ER	ER	3.5 du/ac	1	Above moderate
5	636-351-0510	ER	ER	3.5 du/ac	1	Above moderate
6	636-351-04	ER	ER	3.5 du/ac	1	Above moderate
7	627-482-05	ER	ER	3.5 du/ac	1	Above moderate
Total					76	Above moderate

Source: City of Laguna Hills Community Development Department, 2008-2013.

improvements within the City. The City of Laguna Hills Development Mitigation Program requires that development proposals be reviewed so new development may pay its share of costs associated with that development on existing and planned transportation facilities.

Development Phasing Program – The City of Laguna Hills will review traffic levels of service on City arterials, contrast operating levels of service with General Plan performance standards, and program necessary



Source: EDAW, 2008

Figure H-5
Housing Opportunity Areas



improvements in conjunction with the annual development of its Capital Improvement Program. This information will be shared with participating jurisdictions in applicable Growth Management Area Interjurisdictional Planning Forums.

The City of Laguna Hills will also maintain adopted traffic performance standards by outlining and coordinating necessary transportation improvements, including a 7-Year Capital Improvements Program, and Traffic Improvement/Public Facilities Development Agreements consistent with the Growth Management Element, and its implementing ordinances, plans, and programs. In addition, the City is an active participant in interjurisdictional forums for Orange County jurisdictions that address area-wide transportation improvement projects. Furthermore, the City of Laguna Hills endorses alternative transportation modes and strategies to reduce vehicular trips and has adopted programs to reduce trip generation, including a Transportation Demand Management Ordinance to assist in reducing trips to and from employment.

The goals and implementation programs described above enable the City of Laguna Hills to attain the most equitable balance possible between housing opportunities and employment opportunities within the City. This balance is maintained further by planning and housing opportunities affordable to low income and moderate income families within the Urban Village Specific Plan area of Laguna Hills because this additional housing opportunity is located close to a collection of land uses (existing and planned) that are employment intensive. The urban village context represents land uses within the area designated on the City of Laguna Hills General Plan land use map as Village Commercial that would create pedestrian-oriented mixed use retail, office service, and multifamily residential area.

Regulatory Concessions and Incentives

To mitigate the impacts of government policies, rules, and regulations on the development and improvement of housing, the City offers a number of regulatory concessions and incentives to help offset the costs.

In 2005, the City amended its Zoning Ordinance to define specific housing development incentives, to implement General Plan Housing Element objectives, including incentives for the production of housing for very low to moderate income, and senior citizens in accordance with state density bonus law under Section 65915 of the Government Code. Chapter 9-72 of the City's Zoning Ordinance enumerates the housing

development incentives approved by the City.

The City offers a density bonus and/or concessions or incentives for:

- (1) at least 10 percent of the total units of a housing development are affordable to lower income households;
- (2) at least 5 percent of the total units of a housing development are affordable to very low income households;
- (3) senior citizen housing developments; and
- (4) at least 10 percent of the total units in a condominium project or in a planned development are affordable to moderate income households.

The City also offers a density bonus for condo conversions, where 33 percent of the total units of the proposed condominium project are affordable to low or moderate income households, or 15 percent of the total units are affordable to low income households.

The City also provides opportunities to develop housing in certain nonresidential districts of the City, which includes boarding homes, community care facilities, ~~transitional care facilities~~/emergency shelters, single room occupancy housing facilities, and mobile home parks. Chapter 9-72.030(C) of the Zoning Ordinance details the requirements and location of housing in nonresidential districts throughout the City.

Fiscal incentives available to developers of affordable housing include waiver or reduction in fees, low interest loans or subsidies, and financial or mortgage assistance for acquisition of property.

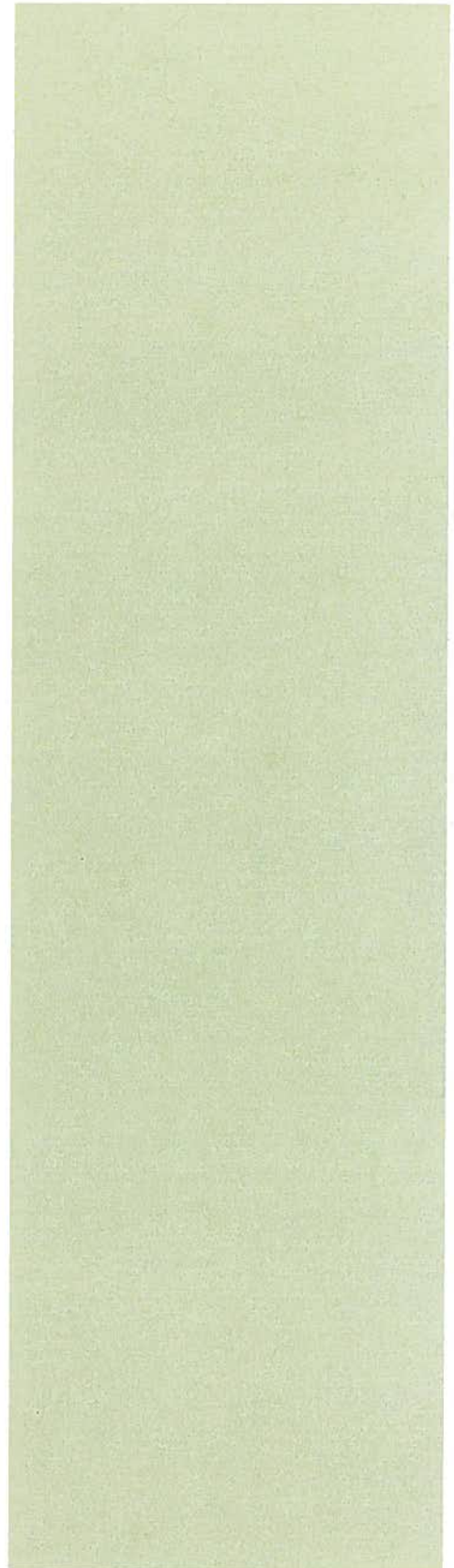
Procedural incentives available to developers of affordable housing include consolidation of applications for consideration at one hearing, fast tracking of all housing development projects, and priority processing and scheduling for review of housing projects.

Market Constraints

Locally and regionally there are several constraints that hinder the ability to accommodate affordable housing demand in Laguna Hills. The high cost of land, rising development costs, and neighborhood opposition make it expensive for developers to build affordable housing. These constraints may result in housing that is not affordable to low and moderate income households or may render residential construction economically infeasible for developers.

LAND COSTS

The cost of land is another major impediment to production of affordable housing. Land costs are influenced by many variables, including scarcity and developable density, location, unique features,



and the availability of public utilities. The cost of land in Laguna Hills reflects its proximity to major employment centers and the rapid appreciation of land cost throughout Southern California in the past decade. Besides the few vacant remaining parcels within the Nellie Gail Ranch section of the City, vacant land available for development of any type is nonexistent within the City.

CONSTRUCTION AND LABOR COSTS

The cost of construction is dependent primarily on the cost of labor and materials. Construction factors such as type of construction, custom versus tract development, materials, site conditions, finishing details, amenities, square footage, and structural configuration can increase the cost of housing. Table H-38 summarizes the estimated construction costs based on type of development in the City of Laguna Hills.

Future costs are difficult to predict given the cyclical fluctuations in demand and supply that in large part are created by fluctuations in the state and national economies. Such fluctuations do not usually result in favoring development in one geographic area over another and, therefore, are not considered a major constraint to housing production.

FINANCING

Construction Financing

Prior to the recession of the early 1990s, and significant changes in lending practices following the savings and loan scandal of the late 1980s, developers could receive loans for 100 percent or more of a project's estimated future value. Now, construction and permanent loans are almost never available for over 75 percent of the future project value for multifamily developments. This means that developers must usually supply at least 25 percent of the project value.

The financing of a residential project, particularly affordable housing, is quite complex. No firm threshold determines an acceptable "return" on investment or the maximum equity contribution at which an otherwise feasible project becomes infeasible. Upfront cash commitment may not be problematic for some developers as long as the project can generate an acceptable net cash flow to meet the acceptable returns. Although financing costs impact project feasibility, these problems are generally equal across jurisdictions and thus are not a unique constraint to housing production in Laguna Hills.

Mortgage Financing

The availability of financing affects a person's ability to purchase a home or to perform necessary maintenance and repairs. The availability of



Source: EDAW, 2008

Figure H-6
Urban Village Specific Plan Area



financing can also serve as a constraint to housing production. Many communities have experienced a pattern where households looking to purchase a home have had more difficulty in obtaining financing in lower income neighborhoods. The Community Reinvestment Act was passed in an effort to address this issue. In tandem with the Home Mortgage Disclosure Act (HMDA), lenders must now disclose information on the disposition of home loan applications by the income, gender, and race/ethnicity of the applicants.

The Federal Financial Institutions Council (FFIEC) compiles HMDA data according to the income characteristics of the census tracts where the dwelling units are located, based on the following FFIEC definitions. Income limits are determined based upon the MFI for the relevant Metropolitan Statistical Area (MSA). Low to moderate income tracts have a MFI below 80 percent of the MFI for the MSA. Middle income tracts have a median family income from 80 to 120 percent of the MFI for the MSA. Finally, upper income tract have a MFI above 120 percent of the MFI for the MSA.

Table H-39 illustrates the disposition of home purchase loans by census tract based upon information provided by the FFIEC for loan applications in ~~2006-2011~~. During ~~2006-2011~~, ~~1,136-404~~ applications were filed for home purchase loans in the City of Laguna Hills. It is important to note that in many cases census tracts are not contiguous with the City's jurisdictional boundary. Therefore, some census tracts were excluded from this analysis because they contain a preponderance of nonresidential uses or contain only small geographic areas within the City of Laguna Hills and much larger geographic areas located within another jurisdiction.

Overall, the upper income census tracts showed the highest loan origination rate (~~63-68 percent~~), ~~even though one of the upper income tracts had the lowest loan origination rate of all City census tracts (46 percent) due to a large percentage of application withdrawals (30 percent).~~

Because income is often a limiting factor in securing home purchase loans, the percentage of loan originations was lower in both the middle and the low/moderate income census tracts, at ~~58-61 percent~~ and ~~52-63 percent~~, respectively. Denial rates were ~~14-15 percent~~, ~~19-14 percent~~, and ~~24-23 percent~~, in the upper, middle, and low/moderate income census tracts, respectively.

Troubled Subprime Loans and Foreclosures

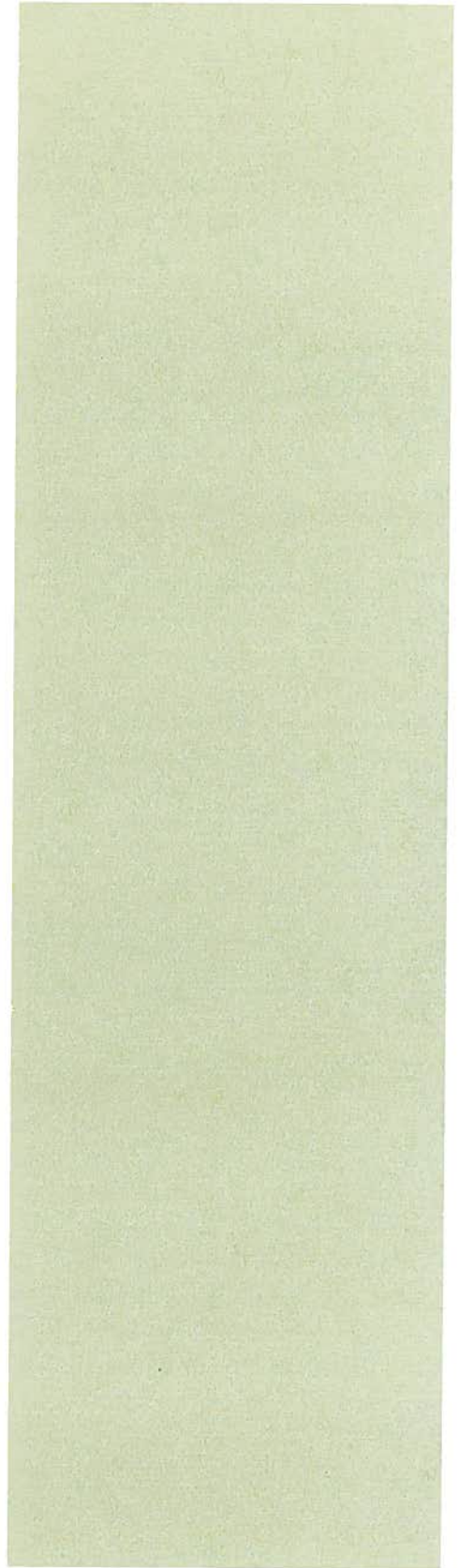
The growing use of alternative mortgage products (graduated payment mortgages, variable and adjustable rate mortgages, interest-only loans, "stated income" loans with no income verification, zero down payment

loans, etc.) has allowed more individuals to qualify for home loans. Loans with low initial payments often had provisions for substantial payment increases after several years (usually between 1 and 3 years). These loan products enticed many investors into the single-family market in the Orange County region, including Laguna Hills. The increasing availability of these loan products also allowed homebuilders to qualify many more households for home purchase and provided more business opportunities for virtually every profession linked to the homebuilding and residential real estate markets (mortgage brokers, real estate agents, title companies, etc.).

Rapidly rising housing prices since the late 1990s provided homebuyers and investors a sense of security that, even if loan payments adjusted upward significantly after an initial period, the growth in home equity would allow the borrower to either refinance or resell the home and thus avoid financial difficulties. The ability to “grow” one’s way out of potential financial trouble with equity growth changed dramatically after 2005, when home prices began to level off and then decline in many parts of the Orange County region for both new and existing homes.

Many borrowers who purchased homes in the past 2 years, particularly those with subprime loans, found that they owed more on their homes than their homes were worth. The changing mortgage market also affected borrowers without subprime loans in more expensive housing markets in California. In these more expensive markets (such as Laguna Hills), borrowers have to qualify for “jumbo” loans—relatively large loans that are not federally backed. A jumbo mortgage is a loan amount above conventional conforming loan limits set by Fannie Mae (FNMA) and Freddie Mac (FHLMC), federally chartered financial institutions that purchase the bulk of residential mortgages in the United States. Individuals who, 2 or 3 years ago, could qualify to purchase high-priced homes with jumbo loans have found it increasingly difficult to find willing lenders. They set a limit on the maximum dollar value of any mortgage they will purchase from an individual lender.

The confluence of flattening or declining home prices and the growing number of subprime and alternative loans resulted in a spike in defaults on home loans beginning in 2007. The number of defaults continued rising through 2008 and ~~may~~began to decline after the volume of troubled subprime and alternative mortgages funded between 2004 and 2006 ~~is~~ resolved (either through refinancing, the sale of homes with troubled mortgages, or foreclosures). In 2011, almost forty percent of home sales were distressed sales in Laguna Hills. In January of 2013, the percentage of distressed sales made up less than ten percent of total sales in Laguna Hills.



~~During 2006, The American Community Survey estimates that between 2009-2011, approximately 42 50 percent of Orange County homeowners spent more than 30 percent of their gross income on housing, compared with 32 percent in 2000 (2006 ACS, 2000 Census). The percentage of homeowners who spent more than 50 percent of their gross income on housing also increased from 2000 to 2006, from 11 percent to 18 percent.~~ The high percentage of homeowners spending a disproportionate percentage of income on housing combined with a large number of troubled subprime loans suggest that homebuyers in the Orange County region will continue to face near-term challenges in making mortgage payments.

Environmental Constraints

Laguna Hills is impacted by various environmental hazards that include steep slopes/hillsides, flooding, and earthquakes.

Hillsides: The City has special development regulations that apply to all property within the City having a slope gradient, whether natural or manufactured, of 15 percent or greater.

Flooding: Portions of the City's Open Space – 2 Drainage Facilities District may be located in the flood plain overlay zone established by the Federal Emergency Management Administration (FEMA) maps. The City does not allow any permanent building or structure development to occur within a floodplain except those that meet FEMA standards and criteria.

Earthquakes: There are no active or potentially active faults known within the City of Laguna Hills. However, the active Newport Inglewood Fault Zone is 3 miles southwest of the City.

Development in areas with known hazards must ensure that adequate precaution and mitigation are afforded to protect public health and safety. No vacant, developable land and no infill development is planned in the City that is located in proximity to areas subject to flooding or in areas subject to special hillside development regulations. Potential infill or redevelopment sites within the City are located in areas that are generally level. Infill and/or redevelopment activities within Laguna Hills would be subject to seismic activity, as is all of Southern California.

Infrastructure Constraints

Another factor adding to the cost of new home construction is the cost of providing adequate infrastructure, such as streets, curbs, gutters,



 Commercial Underutilized Sites (see Table H-41a)

Source: EDAW, 2008

Figure H-7
Alicia Gateway



sidewalks, water and sewer lines, and street lighting. The cost of these additions or improvements is borne by developers and then, to the extent possible, added to the cost of new housing units, impacting affordability.

As redevelopment or infill development occurs within the City, infrastructure may need to be upgraded to accommodate intensification which could present a constraint to development.

Housing Resources

State housing element law requires that a local jurisdiction accommodate a share of the region's projected housing needs for the planning period. This share, called the Regional Housing Needs Allocation, is important because state law mandates that jurisdictions provide sufficient land to accommodate a variety of housing opportunities for all economic segments of the community. Compliance with this requirement is measured by the jurisdiction's ability to provide adequate land to accommodate the RHNA. This section summarizes the resources available for the development of housing in Laguna Hills. The analysis includes an evaluation of the adequacy of the City's land inventory to accommodate Laguna Hills' regional housing needs goals for the ~~2008-~~ 2014 2013-2021 planning period. This section also analyzes the financial

Table H-41a
Commercial Underutilized Sites Inventory

Underutilized Sites	Acres	APN	General Plan	Zone	Maximum Density	Potential New Units in this Housing Element Cycle	Existing Uses
UVSP*							
LH Mall (Simon)	7.4	621-141-48 620-141-51	VG	VG	30-50 du/ac	222	Mall
Oakbrook Village (Fritz Duda)	2	620-491-11 620-491-19	VG	VG	30-50 du/ac	60	Strip Mall
Alicia**							
Laguna Hills Plaza (Sylmar Apts., LLC)	9	620-011-89	NMU	NMU	.08 FAR	28	Strip Mall
David J. Phillips (EMJ Ltd.)	5	620-231-08 620-231-09	NMU	NMU	.08 FAR	11	Auto Dealership
Shurgard Storage (Shurgard CA)	3.6	620-391-01	NMU	NMU	.08 FAR	7	Storage

*Total potential units in UVSP area is 400 dwelling units.

**Total potential units in Alicia Gateway is 110 dwelling units.

Table H-41a
Commercial Underutilized Sites Inventory

Underutilized sites	Acres	APN	General Plan	Zone	Maximum Density	Potential New Units in this Housing Element Cycle	Existing Uses
UVSP							
Oakbrook Village (Fritz Duda)	9.8	621-491-07 621-491-08 621-051-10 621-051-11 621-051-12	VC	VC	30-50 du/ac	489	Strip Mall
Alicia Gateway*							
Laguna Hills Plaza (Sylmar Apts., LLC)	9.6	620-011-89	NMU	NMU	.08 FAR	28	Strip Mall
Honali Plaza (Alicia Center Co.)	7.9	620-461-10 620-461-12	NMU	NMU	.08 FAR	23	Strip Mall
Phillips Auto Dealership (EMJ Ltd.)	5	620-231-08 620-231-09	NMU	NMU	.08 FAR	15	Auto Dealership
*Total potential units in Alicia Gateway is 110 dwelling units.							

resources available to support housing activities and the administrative resources available to assist in implementing the City's housing programs. Finally, this section documents the City's accomplishments during the ~~2000-2005~~ 2008-2014, Housing Element planning period, ~~which was extended by the California Legislature to June 30, 2008.~~

Available Sites for Housing

State law requires communities to play an active role in ensuring that enough housing is available to meet expected population growth in the Southern California region. Approximately every ~~58~~ years, the SCAG is authorized to set forth specific goals for the amount of new housing that should be planned in each jurisdiction over a specified time period,

Table H-42
Summary of Residential Sites Inventory

Income Category	Vacant Residential Sites	Underutilized Sites	Total Sites	Remaining RHNA	Difference
Total	76	540 599	540 605	72	-

in this case ~~2008=2014~~2013-2021. This section discusses how Laguna Hills will plan for the provision of housing for all economic segments by ~~2014~~2021.

FUTURE HOUSING NEED

For the ~~2008=2014~~2013-2021 Housing Element cycle, HCD projected a need for ~~699,368~~412,137 new housing units in a six-county Southern California region (encompassing the counties of Los Angeles, Orange, Riverside, San Bernardino, Ventura, and Imperial). The SCAG is responsible for allocating this future housing need to the 193 jurisdictions within the region. In this capacity, SCAG developed a Regional Housing Needs Assessment that determines each jurisdiction's share of the forecasted growth. Laguna Hills' share of the regional housing need for the period ~~2008=2014~~2013-2021 is allocated by SCAG based on a number of factors, including recent growth trends, income distribution, and capacity for future growth.

The RHNA is divided into the four income groups established by HCD. Pursuant to state housing element law, a jurisdiction must demonstrate in its housing element that it has adequate residential sites at appropriate densities and development standards to accommodate its RHNA.

According to the RHNA, Laguna Hills has a RHNA of ~~eight~~two additional units. This need for new housing is divided into ~~four~~ two income categories as follows:

- ~~Extremely low income (0-30 percent MFI) - one unit~~
- ~~Very low income (up to 50 percent MFI) - two unit~~
- Low income (51 to 80 percent MFI) – one unit
- ~~Moderate income (81 to 120 percent MFI) - two units~~
- ~~Above moderate income (more than 120 percent MFI) - three units~~

CREDITS TOWARD THE RHNA

~~The RHNA for the 2008=2014 Housing Element period in the SCAG region used January 1, 2006, as the baseline for projecting housing needs. As such, housing units that have been constructed, issued building permits, or approved since January 1, 2006, can be credited toward the RHNA. Since January 1, 2006, one new single-family home has been constructed in the City.~~

~~The City may also take credits for existing units made affordable through acquisition/substantial rehabilitation of dilapidated units, preservation of at-risk housing, and purchase of affordability covenants, subject to~~

~~specific state-established requirements. No units are applied as credits to the City's RHNA, however, as none have been identified that include mandatory preservation implementation mechanisms.~~

~~Table H-40 summarizes Laguna Hills' RHNA credits since January 1, 2006, and remaining housing needs through July 1, 2014. The City has no units that can be credited toward the RHNA.~~

RESIDENTIAL SITES INVENTORY

An important component of the Laguna Hills Housing Element is the identification of sites for future housing development and evaluation of the adequacy of this site inventory in accommodating the City's share of regional housing growth.

Vacant Land

Because of the built out nature of Laguna Hills, the supply of vacant land suitable for residential development is very limited. A GIS and building permit analysis of land resources identified ~~seven~~six vacant parcels located in the Nellie Gail Ranch area of the City. Each of the vacant sites has public infrastructure to accommodate development and is currently zoned for residential development. The capacity of each site was based on established land use controls and development standards. Figure H-5 depicts the location of available, vacant land suitable for residential development in the City.

Table H-41 quantifies the number and type of housing units that could be accommodated on the City's vacant residential land.

Underutilized Land

Local governments with limited vacant land resources may rely on nonvacant and underutilized residential sites to accommodate their respective portion of the regional housing need. For the Housing Element, underutilized parcels are defined as property that is either developed but could accommodate greater intensity or vacant land that is not currently zoned for residential uses. Underutilized land may address the City's future housing needs if the element describes the realistic development potential based on several factors, including existing uses, proposed uses, recent development trends, recent market conditions, and existing or proposed incentives.

Urban Village Specific Plan

The Urban Village Specific Plan (UVSP), adopted in November 2002, is a 240-acre area bounded by Paseo de Valencia on the north and west, Los



Alisos Boulevard on the south, and Interstate 5 on the east.

The UVSP provides for a continuing mixture of land uses, including retail, residential hotel, medical offices, and general offices. The UVSP allows residential development at high density development only, up to 50 dwelling units per acre. The UVSP area is designated in the City's General Plan and Zoning Ordinance as Village Commercial. All new development within the Village Commercial district is subject to the UVSP.

Existing Use. Existing uses include a mix of retail, office, financial, medical, residential, and transportation uses. The area currently consists of approximately 527,000 sq. ft. medical center, approximately 633,000 sq. ft. of office space and 1,124,000 sq. ft. of retail space. The employment base within the UVSP area contains approximately 5,000 workers. The existing 756 residential uses in the UVSP area include the Prado apartment complex (360 units) and the Villa Valencia senior citizen development (396 units).

The size of the UVSP area allows residential development and adjacent uses will not impede residential development.

Proposed Use. The purpose of the UVSP area is to develop an urban core in which a variety of public, regional commercial, recreational, and high density residential uses work in concert to create an urban village. The UVSP area allows residential development at high density development only, at a maximum of 50 dwelling units per acre. This is in addition to the existing 756 units within the UVSP area, none of which will be removed as development/redevelopment occurs within this area. The City ~~will~~ amended the UVSP in 2011 to establish a minimum residential development density of 30 dwelling units per acre in the UVSP area. No pre-established limit of residential units previously existed in the UVSP.

The allowed development intensity in the UVSP area is regulated based on trip generation limits to ensure that the City's General Plan Circulation Element Level of Service Standard D is not exceeded at any of the intersections within the area. A traffic study analyzed "trip

budgets” available to accommodate new development within the UVSP area. At present, the remaining trip budget from the Urban Village area is ~~1,035~~ 1,049 AM peak hour trips and ~~1,134~~ 2,228 PM peak hour trips. ~~However, the City is currently analyzing the expansion of these limits as part of the General Plan update and Environmental Impact Report processes.~~ Prior to redevelopment or new development, project proponents must provide an analysis that indicates that the proposed project does not exceed the remaining trip budgets allowed in the UVSP area.

The City has taken steps toward attracting residential development to the UVSP area. The City has worked with real estate and development interests to develop residential mixed use in the UVSP area. Over the past ~~thre~~eight years, the City has held ~~at least 20~~ numerous meetings with ~~numerous~~ property owners and residential builders to promote new residential development in the UVSP area.

In 2012, the City worked with the Fritz Duda Company (owner of the Oakbrook Village Shopping Center) for almost a year to approve plans for a two-phased, redevelopment project of a portion of the Oakbrook Village Shopping Center. The mixed-use, redevelopment project includes the development of up to 489 residential units (289 in Phase One and up to 200 in Phase Two) in multi-story residential buildings and up to 82,574 square feet of retail space (23,974 in Phase One and 58,600 in Phase Two).

The City continues to engage residential builders about development opportunities that exist in the UVSP area, and other locations in the community.

~~The City met with the Simon Group (owners of the Laguna Hills Mall) and the Fritz Duda Company (owner of the Oakbrook Village Shopping Center) on at least ten occasions to discuss additional residential development in the UVSP area. Both property owners have indicated an interest in residential development and have pursued residential~~

Table H-43
Review of Accomplishments under 2008 Housing Element

Program	Objectives	Accomplishments
Goal 1: Recognize the Need for Housing		
B-1.1.1 H-1. Code Enforcement Program	Enforce zoning and building codes to reduce health and safety hazards.	Zoning and building code enforcement is provided by the Laguna Hills Community Development Department (CDD) and the City Attorney. Annually, approximately 100 health and safety violations are addressed and abated. Continued Appropriateness: This program is included in the 2008-2014 <u>2013-2021</u> Housing Element.
B-1.1.2 Crime Prevention	Update standards and guidelines for on-site (including minimum site security lighting) and building design to minimize vulnerability to criminal activity.	The City adopted the new California Building Codes, which were effective 1/1/08. The new codes contain the latest standards relative to safety and design. Continued Appropriateness: This program has not been included in the 2008-2014 Housing Element as a specific housing program.
B-1.1.3 Abatement Program	Institute a program of abatement of existing uses, activities, buildings, or structures that pose a threat to health, safety, or welfare. Existing residential uses will be protected from disruptive, incompatible, or illegal uses and/or buildings.	The City administers a Code Enforcement Program that regularly abates health and safety violations, typically 100 violations annually. Continued Appropriateness: This program is included in the 2008-2014 Housing Element.
B-1.1.4 H-2 California Revenue and Taxation Code Enforcement State Franchise Tax Board Code Enforcement	Enforce California Revenue and Taxation Code prohibiting owners of rental property from claiming certain tax benefits if they maintain substandard rental housing.	Zoning and building code enforcement are provided by the City. At present, the City has no substandard housing and has not had to notify the Franchise Tax Board of substandard rental housing. Continued Appropriateness: This program is included in the 2008-2014 <u>2013-2021</u> Housing Element.
B-1.1.5 H-3 Housing Rehabilitation Loan and Grant Program	Institute rehabilitation loan and grant program with assistance from OCHA and HCD for low and moderate income homeowners and rental property landlords.	Over the past 4 years To date, the City has been awarded CDBG funds totaling approximately \$1.22 <u>\$1.22</u> million, which resulted in the rehabilitation of over 100 <u>136</u> affordable housing units for low and moderate income households. In 2007 alone, the City received \$302,184 in CDBG funds which were used to renovate 20 homes in the 248-unit Aliso Meadows Condominium Association. Continued Appropriateness: This program is included in the 2008-2014 <u>2013-2021</u> Housing Element.
B-1.2.1 H-4 Monitoring Affordable Housing Activities At-Risk Units	Monitor development proposals to maintain, increase, or enhance affordable housing opportunities. Market and monitor affordable housing opportunities in UVSP area. Contact owners of affordable units to discern plans for continuing affordability of those units.	The City used CDBG funds to enhance 100 affordable housing units over the past 4 years. The City contacted and worked with real estate and developer interests to develop residential mixed use within the UVSP area. As this time, however, the real estate and developer interests working with the City determined that residential activity within the UVSP was financially infeasible. <u>The City continues to pursue the extension of affordability controls for the Rancho Moulton housing development. The City prepares a Risk Management Assessment report provided by the California Housing Partnership Corporation.</u> Continued Appropriateness: This program is included in the 2008-2014 <u>2013-2021</u> Housing Element.

Table H-43 (continued)
Review of Accomplishments under ~~2008-2014~~ 2008 Housing Element

Program	Objectives	Accomplishments
B-1.2.2H-5 Compile an Annual Development Summary Report Foreclosure Referral Program	Compile annual development summary report identifying location, size, type, and status of residential development proposals. Address increased incidence of residences facing foreclosure.	The GDD provides an annual development summary report on citywide residential development activity. GDD provides information on housing construction to the Center for Demographic Research at California State University, Fullerton and to the California Department of Finance. Provide foreclosure information on City's website. Refer residents to external agencies to assist in reducing incidence of foreclosures. Continued Appropriateness: This program is included in the 2008-2014 2013-2021 Housing Element.
B-1.2.3H-6 Annual Report on Housing Element Accomplishments UVSP Area for Housing Opportunities	Prepare annual reports on citywide housing programs as part of annual General Plan review. Distribute annual report on Housing Element implementation to HGD. Provide housing opportunities in the UVSP area.	This is a practice that the City will initiate this year. City continues to inform existing property owners and prospective developers that housing opportunities are available in the UVSP area. In November 2012, the City approved a mixed use project at Oakbrook Village (in the UVSP area), which includes the development of 489 multi-family residential units in two phases. Continued Appropriateness: This program is considered a routine function of the GDD and is not included in the 2008-2014 Housing Element. This program is included in the 2013-2021 Housing Element.
B-1.2.4H-7 Monitor Existing Assisted Housing Developments Alicia Gateway for Housing Opportunities	Monitor existing programs that preserve assisted housing developments for low income households to determine whether additional actions are required to protect these developments. Provide housing opportunities in the Alicia Gateway area.	The City will continue to monitor the Rancho Niguel and Rancho Moulton Section 8 Apartment projects. City continues to inform prospective developers that housing opportunities are available in the Alicia Gateway area. Continued Appropriateness: This program is included in the 2008-2014 2013-2021 Housing Element.
B-1.2.5H-8 Mobile Home Park Conversion Neighborhood Mixed Use Land Use Designation and Zone District	Require submission of a report detailing impacts of any proposed mobile home park conversion to a nonresidential use. Promote the development of mixed use to create a moderate density center and gathering place in key, centrally located areas in Laguna Hills.	During the past Housing Element period, there have been no proposed conversions of MHP to nonresidential uses. The City adopted a Neighborhood Mixed Use designation and zone district. Continued Appropriateness: This program was completed in 2009 and is not included in the 2008-2014 2013-2021 Housing Element.
Goal 2: Define City's Role in Provision of Housing		
B-2.1.4H-9 Affordable Housing Opportunity Information Zoning Ordinance Update	Inform existing owners and prospective developers of affordable housing development opportunities in UVSP area. Remove constraints for the development of housing for affordable to low and moderate income households with special needs.	The City contacted and met with numerous real estate and developer interests to develop residential mixed use within the UVSP area. As this time, however, the real estate and developer interests working with the City determined that residential development within the UVSP was financially infeasible. The City adopted an amendment to the UVSP in April 2011. Continued Appropriateness: This program is included in the 2008-2014 2013-2021 Housing Element.

Table H-43 (continued)
Review of Accomplishments under ~~2008~~ 2008 Housing Element

Program	Objectives	Accomplishments
B.2.1.2 Demographic and Housing Information	Provide detailed demographic and housing information as the basis for assessing future housing needs.	The City routinely compiles detailed demographic information and housing information. Continued Appropriateness: This program is not considered a specific housing element program and is not included in the 2008-2014 Housing Element.
B.2.2.1 Apply for GDBG Funds	Apply for HUD GDBG funds and allocate a portion of such funds to subrecipients who provide shelter for the homeless.	The City participates in the County's Continuum of Care Program, which addresses homeless needs on a regional basis. Continued Appropriateness: This program is included in the 2008-2014 Housing Element.
B.2.2.2 H-10 Social Service Agency Reporting <u>Second Units</u>	Social service agencies that receive housing funds from City shall record client information and provide an annual activity audit. <u>Provide housing opportunities</u>	As a nonentitlement community, the City relies upon the County to address its social service needs. <u>The City continues to implement the Second Unit provisions of the Zoning Ordinance consistent with state law. City permits second units by right in all residential zones of the City, requiring only ministerial approval.</u> Continued Appropriateness: This program is not considered a specific housing element program and is not included in the 2008-2014 Housing Element. <u>This program is included in the 2013-2021 Housing Element.</u>
Goal 3: Provide Adequate Sites for Assisted Housing		
B.3.1.1 H-11 Affordable housing in UVSP area <u>CDBG Funding for Shelter for the Homeless</u>	Consider all or portions of UVSP area for affordable housing through land use and zoning designations and development standards. Incorporate provisions for commercial/residential developments in UVSP area. <u>Housing Apply for HUD CDBG funds and allocate a portion of such funds to subrecipients who provide shelter for the homeless.</u>	Within this past Housing Element period, the City increased the residential density from 20 to 50 dwelling units per acre. The UVSP allows residential densities up to 50 dwelling units per gross acre. The City also worked with real estate and developer interests to develop residential mixed use within the UVSP area. As this time, however, the real estate and developer interests working with the City determined that residential development within the UVSP was financially infeasible. The City participates in the County's Continuum of Care Program, which addresses homeless needs on a regional basis. <u>Continued Appropriateness: This program is included in the 2008-2014</u>2008-2014<u>2013-2021</u> Housing Element.
B.3.2.1 H-12 Expand Rancho Niguel and Rancho Moulton Housing Developments <u>Continuum of Care Funding and Consolidated Plan Participation</u>	Investigate constructing eight new one-to-two bedroom units on the Rancho Niguel and Rancho Moulton sites; four units for very low income and four units for low income families. <u>Affordable housing and related social services for special needs.</u>	The City spoke with the owners of the Rancho Niguel and Rancho Moulton sites (during the renovation of the Rancho Niguel Apartment Complex) about the opportunity to add additional units. The owners determined that it was infeasible to do so based upon existing site constraints, which would have required the demolition of existing affordable units to potentially add additional units. <u>The City continues to participate in the OC Consolidated Plan Programs and in the OC Continuum of Care local housing process to facilitate obtaining funds for affordable housing and related social services for special needs populations.</u> <u>Continued Appropriateness: This program is included in the 2008-2014</u>2008-2014<u>2013-2021</u> Housing Element.

Table H-43 (continued)
Review of Accomplishments under ~~2008-2014~~ 2008 Housing Element

B-3.2.2 <u>At-Risk Units</u>	• Contact owners of affordable units to discern plans for continuing affordability of those units.	In 2004, the City spoke with the owners of the Rancho Niguel and Rancho Moulton Apartment complexes to encourage the continued affordability of these affordable units. Rancho Niguel renovated and extended the affordability of their units by 20 years in 2004. The owners of the Rancho Moulton complex are currently discussing renovation, and extended affordability, plans with the City. Continued Appropriateness: This program is included in the 2008-2014 2008 Housing Element.
B-3.3.2 <u>Coordinate Local Housing Efforts</u>	• Coordinate local housing efforts with appropriate jurisdictions and agencies and cooperate with intergovernmental housing program implementation. • Submit GDBG applications to assist in preserving existing affordable units.	For the past 4 years, the City has applied for (and received) GDBG funds to rehabilitate and preserve existing affordable housing units. More than 100 units have been rehabilitated during this time frame. Continued Appropriateness: This program is included in the 2008-2014 2008 Housing Element.
B-3.3.2 <u>Urban Counties Program</u>	• Coordinate local housing efforts with appropriate jurisdictions and agencies and cooperate with intergovernmental housing program implementation. • Submit GDBG applications to assist in preserving existing affordable units.	For the past 4 years, the City has applied for (and received) GDBG funds to rehabilitate and preserve existing affordable housing units. More than 100 units have been rehabilitated during this time frame. Continued Appropriateness: This program is included in the 2008-2014 2008 Housing Element.
B-3.4.1H-13 <u>El Toro Housing Opportunities</u> <u>Section 8 Rental Assistance</u>	• Encourage rehabilitation and reuse of military housing at the former Marine Corps Air Station El Toro site for low and moderate income housing. • <u>Cooperate with the Orange County Housing Authority (OCHA), who currently administers the Section 8 Rental Assistance program on behalf of the City.</u>	The City has routinely encouraged the reuse of the military housing at the former Marine Corps Air Station at El Toro for affordable housing and for emergency/transitional housing for the homeless and special needs populations. The City continues to cooperate with OCHA and provide referral services and information to the City's residents. Continued Appropriateness: This program is removed from included in the 2008-2014 2013-2021 Housing Element.
B-3.4.2H-14 <u>Continuum of Care Affordable Housing Developer Partnerships</u>	• Increase role in Orange County Continuum of Care (Continuum) housing and delivery service system. • Pursue Homeless Assistance grant funds through Continuum. • <u>Partner with mainstream and/or special needs affordable housing developers that could result in set-asides for low income housing projects and/or provide a range of housing options.</u>	The City participates annually in the County's Continuum of Care programs. City does not have a redevelopment agency. City has contacted mainstream affordable housing developers regarding housing development opportunities in the City. Continued Appropriateness: This program is included in the 2008-2014 2013-2021 Housing Element.
B-3.4.3H-15 <u>Formulate Continuum Assessment Group</u> <u>Fair Housing Program</u>	• Formulate a Continuum Assessment Group to use MCAS El Toro former housing for emergency/transitional housing for homeless and special needs populations. • <u>Distribute fair housing education services.</u> • <u>Receive and refer fair housing complaints.</u>	The City has routinely encouraged the reuse of the military housing at the former Marine Corps Air Station at El Toro for affordable housing and for emergency/transitional housing for the homeless and special needs populations. Periodically, the City requests, and receives, Fair Housing Educational Brochures for distribution to the public. The City regularly receives phone calls and emails requesting the Fair Housing Council contact information, which is provided. Continued Appropriateness: This program is not included in the 2008-2014 2013-2021 Housing Element.

Table H-43 (continued)
Review of Accomplishments under ~~2008~~ 2008 Housing Element

Program	Objectives	Accomplishments
Goal 4: Maintain Existing Sound Housing		
B.4.1.1 H-16 Rehabilitate Existing Dwelling Units <u>Reasonable Accommodation Procedures</u>	• Apply for federal low interest loans or grants for rehabilitation of existing dwelling units. • <u>Adopt a Reasonable Accommodation Ordinance</u>	For the past 4 years, the City has applied for (and received) GDBG funds to rehabilitate and preserve existing affordable housing units. More than 100 units have been rehabilitated during this time frame. The City adopted a formal Reasonable Accommodation procedure in 2012. Continued Appropriateness: This program is <u>completed and not included</u> in the 2008-2014 <u>2013-2021</u> Housing Element.
B.4.1.2 H-17 Mobile Home Housing Stock Maintenance and Preservation <u>Universal Design Features in Housing</u>	• Maintain and preserve City mobile home housing stock through applying for financial assistance through deferred payment low interest loans. • <u>Provide equal housing opportunities</u>	The City has one existing mobile home park, which is very well maintained. The existing zoning of High Density Residential is consistent with the use of the property as a mobile home park and encourages its retention. The City is exploring programs, an ordinance, and incentives to encourage provision of universal design features in housing. The City's Building Code allows builders to develop units that support universal design. Continued Appropriateness: This program is included in the 2008-2014 <u>2013-2021</u> Housing Element.
B.4.1.3 Annual Review of Federally Assisted Units	• Conduct annual review of federally assisted units using the "Risk of Assessment" report prepared by California Partnership Corporation.	See B.3.2.2 Continued Appropriateness: This program is included in the 2008-2014 Housing Element.
Goal 5: Provide Housing for Special Needs Groups		
B.5.1.1 Partner with Affordable Housing Developers	• Partner with mainstream and/or special needs affordable housing developers that could result in set-asides for low income housing projects and/or provide a range of housing options.	City does not have a redevelopment agency. City has contacted mainstream affordable housing developers regarding housing development opportunities in the City. Continued Appropriateness: This program is included in the 2008-2014 Housing Element.
B.5.2.1 Section 8 Renewal Administration	• Prepare written communications regarding Section 8 renewals from tenants and other interested parties.	See B.3.2.2 Continued Appropriateness: This program is included in the 2008-2014 Housing Element.
B.5.2.2 H-18 Senior/Disabled or Limited Income Repair Loan and Grant Program <u>Annual Progress Reports</u>	• Work with OGHA, through provisions of the Consolidated Plan, to pursue Senior/Disabled or Limited Income Repair Loan and Grant Program for housing modifications and repairs. • <u>Prepare annual reports on citywide housing programs as part of annual General Plan review.</u> • <u>Distribute annual report on Housing Element implementation to HCD.</u>	No progress. The City prepares an annual progress report each year and submits it to HCD. Continued Appropriateness: This program is included in the 2008-2014 <u>2013-2021</u> Housing Element.

Table H-43 (continued)
Review of Accomplishments under ~~2008-2014~~ 2008 Housing Element

Program	Objectives	Accomplishments
B-5.2.3 H-19 Consolidated Plan and Continuum Participation Housing Issues Monitoring	Participate in Orange County Consolidated Plan programs and in Continuum housing planning process to obtain funds for affordable housing/ social services for special needs groups. <u>Monitor existing and proposed affordable housing developments in the City.</u> <u>Monitor legislation, trends, and policy issues related to the development and maintenance of affordable housing in Laguna Hills.</u>	The City has participated in these programs with the County for the past 10 years. Ongoing. The City continues monitor housing issues in the City. Continued Appropriateness: This program is included in the 2008-2014 2013-2021 Housing Element.
B-5.3.1 H-20 State Housing Opportunities for Persons With AIDS (HOPWA) Local Housing Efforts Coordination	Investigate state housing opportunities for persons with AIDS. <u>Coordinate local housing efforts with appropriate jurisdictions and agencies and cooperate with intergovernmental housing program implementation.</u> <u>Submit CDBG applications to assist in preserving existing affordable units.</u>	The City has not pursued this goal separate from working with responsible regional and/or state agencies that have experience administering to the needs of this population. The City continues to apply for (and receive) CDBG funds each year to rehabilitate and preserve existing affordable housing units. 136 units have been rehabilitated. Continued Appropriateness: This program is not included in the 2008-2014 2013-2021 Housing Element.
B-5.4.1 Design Considerations for Senior and Special Needs Housing	Investigate design opportunities and development considerations for senior citizen and other special needs affordable housing in the UVSP area.	The City has consistently pursued infill housing opportunities within the UVSP area, including affordable and senior citizen housing development. The City contacted and met with numerous real estate and developer interests to develop residential mixed use within the UVSP area. As this time, however, the real estate and developer interests working with the City determined that residential development within the UVSP was financially infeasible. Continued Appropriateness: This program is included in the 2008-2014 Housing Element.
Goal 6: Prevent Housing Discrimination		
B-6.1.1 Fair Housing Information	Distribute fair housing education services. Receive and refer fair housing complaints.	Periodically, the City requests, and receives, Fair Housing Educational Brochures for distribution to the public. The City regularly receives phone calls and emails requesting the Fair Housing Council contact information, which is provided. Continued Appropriateness: This program is included in the 2008-2014 Housing Element.

development over the past few years. At one time, the Simon Group worked with a residential builder (the Hanover Group out of Houston, Texas) to create a partnership to construct a mixed-use project that included four stories of residential over one story of retail, with a parking structure. Based upon market conditions at the time, the project was determined to be economically unfeasible and did not move forward.

During the past few years, the City has met with KB Urban, Trammell Crow Residential, the Olson Company, and BRE Properties, Inc., to discuss adding residential development to the Laguna Hills Mall property. All of those firms have shown an interest in working with Mall owners to construct a residential project on the Mall property. Likewise, the Fritz Duda Company has aggressively pursued a mixed-use project at the 20-acre Oakbrook Village Shopping Center, which includes a substantial residential component. During a meeting with City staff on October 2, 2008, Fritz Duda unveiled plans to add up to 400 residential apartment units (in two phases) on the Oakbrook Village site. The Oakbrook Village site contains 16 parcels of land, all owned by the Fritz Duda Company, ranging in size from 0.11 acres to 13.54 acres. The Oakbrook Village site currently contains 20,000 square feet of community shopping opportunities. The Oakbrook Village site is anchored by Trader Joe's, Marshall's and Charles Fine Furniture and features specialty retailers such as Yarn Lady and Roadrunner Sports. Current restaurants include national tenants such as Islands, Lone Star Steakhouse and El Torito as well as local tenants Mandarin Terrace, Kotobuki Sushi, and Break of Dawn. Fritz Duda has retained an architectural firm (Nadel Urban Design Studio of Costa Mesa, CA) to design the project and has indicated to City staff that a development application would be filed with the City early in 2009. The Fritz Duda website indicates that the Oakbrook Village site is undergoing plans for a significant redevelopment. Given the extensive interest shown during the past few years, redevelopment of this site with at least some residential uses is considered highly likely. The City has advised Fritz Duda that as much affordable housing as possible for the Oakbrook Village site will be requested (at least 8 units). Fritz Duda indicated willingness to work with the City on providing affordable housing. The concessions and incentives section (below) describes the incentives that are available to developers of affordable housing.

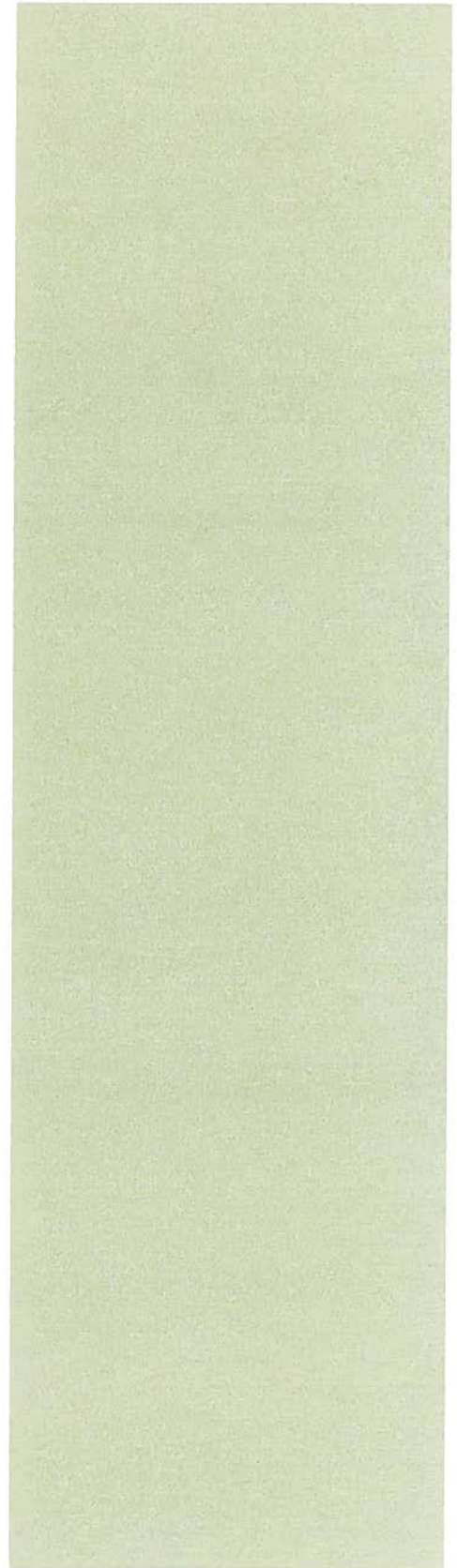
No lot consolidation would need to occur to facilitate residential development at either the Laguna Hills Mall or Oakbrook Village Shopping Center sites. Figure H-6 depicts the parcels and acreage within the UVSP area, and potential development areas.

Infrastructure Availability. Infrastructure and public services are readily available within the UVSP area. Water is provided to the UVSP area by El Toro Water District (ETWD). Water service is provided through

a network of pipelines varying from 6 to 24 in. in size. ETWD will review proposed site-specific projects as they are proposed to determine if upgrades to existing facilities or construction of new facilities will be required. Wastewater services are also provided by ETWD with treatment provided by the ETWD Water Recycling Plant through a series sanitary sewer pipelines varying from 6 to 24 in. in size. ETWD will review proposed site-specific projects as they are proposed to determine if upgrades to existing facilities or construction of new facilities will be required. The recent update to the El Toro Water District's Water and Sewer Master Plan accounted for the potential water and sewer needs within the Urban Village Specific Plan. The District has adequate water supply and sewage treatment capacity to accommodate the development as proposed. Specific improvements to the water distribution system or sewer collection system that may be necessary to accommodate the development would be evaluated and defined at the time development occurs. The cost of any improvements necessary to provide water or sewer service to the development would be borne by the developer.

Recent Development Trends. Several redevelopment projects have occurred in Laguna Hills during the past several years. ~~An approximate 20-acre school site in the Nellie Gail Ranch area of the City was redeveloped with 52 single-family, estate residential homes. The Moulton Plaza commercial retail area was redeveloped, which included the addition of a 14,000 sq. ft. commercial site. Additionally, the Alicia Office Park was redeveloped with office uses which included demolition and reconstruction activities. The old Circuit City site at Avenida de la Carlota and El Toro has been redeveloped to add an additional 5,949 square feet of retail space that now serves as the new home to Ashley Furniture, Total Wine and More, and Chick-Fil-A. The Taj Mahal Office Complex was renovated to include expanding the complex by 6,100 square feet to provide medical office space. In April 2012, the City approved plans for the redevelopment of the Moulton Las Paz Shopping Center to include the addition of 29,098 square feet of general commercial space. The Center will be anchored by The Fresh Market, the chain's first store in Southern California and the second in the State. The City has recently approved the demolition, reconfiguration, and addition of square footage at the La Paz shopping center.~~

Market Conditions. Although the housing market in southern California has softened, home prices in Laguna Hills remain high. The median home price for single-family homes during the period ~~May 1, 2007, to May 1, 2008~~ January 1, 2012, to January 1, 2013, was ~~\$707,000~~ \$580,000, while the median home price for condominiums was ~~\$387,250~~ \$225,000. The City continues to experience high land and construction costs. Furthermore, as already noted, besides the vacant Estate Residential parcels within the Nellie Gail Ranch area, Laguna



Hills contains no vacant residential land for new housing development. Therefore, conditions for redevelopment and reuse are favorable in Laguna Hills.

Concessions and Incentives. The Regulatory Concessions and Incentives section of this Housing Element (see Constraints on Housing Production section) describes the numerous regulatory concessions and incentives available to developers of affordable housing in Laguna Hills. These concessions and incentives include density bonuses, opportunities to develop housing in certain nonresidential districts of the City, fiscal incentives, and procedural incentives. Refer to the Regulatory Concessions and Incentives section for a detailed discussion.

Potential UVSP Area Housing Development Summary

- Density: Minimum 30 dwelling units per acre; Maximum 50 dwelling units per acre; high density residential only
- Maximum Units: Maximum determined by trip limits
- Potential Units: At least ~~400~~489
- Affordability: Extremely low income through moderate income and above

Alicia Gateway

The Alicia Gateway area is a 40.4-acre site located just west of Interstate 5 and is bisected by Alicia Parkway from north to south, and Hon Avenue and Paseo de Alicia from east to west. The City's ~~current~~ General Plan and Zoning Ordinance designate the site as ~~Community Commercial and Neighborhood~~ Mixed Use. ~~Approximately 19.1 acres are designated as Community Commercial and contain 211,838 sq. ft. of commercial development. The area designated as Mixed Use contains 21.2 acres and 227,425 sq. ft. of commercial development. The site contains approximately 439,263 square feet of commercial development.~~ No residential development is located within the current boundaries of Alicia Gateway. The area is generally surrounded by single-family homes on the east, south, and west.

Existing Use. Existing land uses consist of a variety of commercial and office uses, including retail sites, restaurants, local services, fast food establishments, medical offices, and two gas stations. Additionally, the site contains a business park, a used car lot, and a public storage facility.

The southeast portion of Alicia Gateway contains a parcel of approximately 5.1 acres, containing approximately 20,777 sq. ft. of improvements supporting a used car lot and car repair services. The property owner of this site has engaged in extensive discussions with the

City to discontinue the current use of automobile sales and services. Discontinuation of the present use is expected within the Housing Element planning period and redevelopment is anticipated to occur. Environmental constraints may be present on this site due to the current use.

Proposed Use. The City's ~~proposed~~ General Plan, ~~which is anticipated to be adopted in June 2009~~, redesignates the entire Alicia Gateway as neighborhood mixed use. The neighborhood mixed use designation will create a moderate density center and gathering place. This designation will promote a mix of retail, housing, and office uses; walkable connections, plazas and green space for community gathering; high quality design and architecture; orientation of buildings toward the street and pedestrians; and accessibility to transit. The neighborhood mixed use designation promotes the development of vertical and horizontal mixed use. Allowed uses include commercial, retail, office, and residential. Standalone residential is prohibited. The maximum height is three stories, and the expected housing density range is between 10 and 20 dwelling units per acre with a maximum of 110 dwelling units on this site. ~~The Housing Element contains a program, Neighborhood Mixed Use Land Designation and Zone District, which describes the redesignation objectives and actions. The adoption of the neighborhood~~

Table H-44
Description of Actions to Address Housing Issues

Issue	Element	Section	Policy	Program	Figure	Table
Neighborhood and Housing Preservation	Land Use	Respect for Existing Neighborhoods	LU-2.1 through LU-2.8	LU-6		
	Housing	Neighborhood and Housing Preservation	H-1.1 through H-1.5	H-1 through H-5		
Housing Availability	Land Use	Sustainable and Creative Infill Development	LU-3.1 through LU-3.13	LU-3, LU-4, LU-8, LU-9, LU-10	LU-7 through LU-13 (Opportunity Areas)	LU-1 (Land Use Designations)
	Housing	Housing Availability	H-2.1 through H-2.9	H-6 through H-14	H-5 through H-7	H-40, H-41, H-41a, H-42
Equal Housing Opportunity	Housing	Equal Housing Opportunity	H-3.1 through H-3.4	H-15 through H-17		
Implementation and Monitoring	Housing	Implementation and Monitoring	H-4.1 and H-4.2	H-18 through H-20		H-43, H-45

~~mixed use land use designation, rezoning, and zoning map amendment will occur concurrently and is expected to be complete by June 2009.~~

A preliminary traffic review of Alicia Gateway indicated that the mixture of uses proposed under the neighborhood mixed use designation

Table H-45 Quantified Objective Summary (2006-2014 2013-2021)			
Income	New Construction	Rehabilitation	Conservation/
Extremely Low (<30% AMI)	4 ₂	-	
Very Low (<50% AMI)	1	-	25
Low (51-80% AMI)	1	-	26
Moderate (81%-120% AMI)	2 ₂	-	-
Above Moderate (>120% AMI)	2 ₂	-	-
Total	7 ₂	448 ₂₁₆	51

(including 110 dwelling units) actually results in a slight decrease in traffic currently being generated. As a result, daily trip generation would not be expected to cause any adverse impacts to surrounding traffic operations.

Figure H-7 depicts the parcels and acreage within the Alicia Gateway area.

Infrastructure Availability. Infrastructure and public services are readily available within Alicia Gateway. Water and sewer service is provided by MNWD. MNWD has adequate wastewater treatment capacity and sufficient potable water capacity to serve the development

of the area with a mixture of commercial and residential uses. However, some replacement of the transmission systems may be required to meet MNWD standards. It is expected that any proposed redevelopment would require an assessment of the adequacy of water and sewer services to determine if upgrades to existing facilities or construction of new facilities would be required.

Recent Development Trends. Several redevelopment projects have occurred in Laguna Hills during the past several years. The old Circuit City site at Avenida de la Carlota and El Toro has been redeveloped to add an additional 5,949 square feet of retail space that now serves as the new home to Ashley Furniture, Total Wine and More, and Chick-Fil-A. The Taj Mahal Office Complex was renovated to include expanding the complex by 6,100 square feet to provide medical office space. In April 2012, the City approved plans for the redevelopment of the Moulton Las Paz Shopping Center to include the addition of 29,098 square feet of general commercial space. The Center will be anchored by The Fresh Market, the chain's first store in Southern California and the second in the State.

Market Conditions. As noted previously, although the housing market in southern California has softened, home prices in Laguna Hills remain high, as do land and construction costs. Additionally, besides the vacant Estate Residential parcels within the Nellie Gail Ranch area, Laguna Hills contains no vacant residential land for new housing development. ~~The area of Alicia Gateway currently designated as Mixed Use does not specifically allow residential land uses, although the zoning ordinance permits multifamily development with a conditional use permit, and single-family development with a site development permit.~~ The proposed neighborhood mixed use land use designation may stimulate interest in residential development of this area by allowing mixed use residential development by right. Therefore, conditions for redevelopment and reuse are favorable in Laguna Hills.

Concessions and Incentives. The Regulatory Concessions and Incentives section of this Housing Element (see Constraints on Housing Production section) describes the numerous regulatory concessions and incentives available to developers of affordable housing in Laguna Hills. These concessions and incentives include density bonuses, opportunities to develop housing in certain nonresidential districts of the City, fiscal incentives, and procedural incentives. Refer to the Regulatory Concessions and Incentives section for a detailed discussion.

Potential Alicia Gateway Housing Development Summary

- Density: 10–20 dwelling units per acre
- Maximum Units: 110
- Potential Units: 110
- Affordability: Moderate income and above

Table H-41a summarizes the inventory of commercial underutilized sites in Laguna Hills.

COMPARISON OF SITES INVENTORY AND RHNA

Properties identified in the sites inventory have the combined capacity to accommodate sufficient housing units on vacant and underutilized properties in Laguna Hills (Table H-42) and meet the remaining RHNA for the ~~2008–2014~~2013–2021 planning period. The UVSP ~~will be~~was amended to accommodate residential development at a minimum of 30 dwelling units per acre to its current maximum of 50 dwelling units per acre. The UVSP will continue to allow residential development “by right.” The UVSP site provides opportunities at a density suitable to accommodate the development of lower income housing in Laguna Hills.

Financial Resources

The City of Laguna Hills has access to several federal and local resources to achieve its housing and community development goals. Specific funding sources will be utilized based on the eligibility and requirements of each project or program. The City leverages, to the maximum extent feasible, local funds with federal and state funds in meeting its housing and community development objectives.

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

The Community Development Block Grant (CDBG) Program is administered by HUD. Through this program, the federal government provides monies to cities to undertake certain kinds of community development and housing activities.

Activities proposed by the City must meet the objectives and eligibility criteria of CDBG legislation. The primary CDBG objective is the development of viable urban communities, including decent housing and a suitable living environment, and expanding economic opportunity, principally for persons of low and moderate income. Each activity must meet one of the three broad national objectives:

- Benefit low and moderate income families

- Aid in the prevention of elimination of slums or blight
- Meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community

~~The City receives an allocation of approximately \$300,000 in CDBG funds annually.~~ Over the past ~~48~~ years, the City has been awarded CDBG funds totaling approximately \$~~1.22~~1 million. These funds were used to renovate over ~~100~~136 housing units in the 248-unit Aliso Meadows Condominium Development, which primarily houses low income households, although is not deed restricted as such.

SECTION 8 HOUSING CHOICE VOUCHER PROGRAM

The Housing Choice (Section 8) voucher program (HCVP) is the federal government's major program for assisting very low income families, seniors, and the disabled to rent decent, safe, and sanitary housing in the private market. Since the rental assistance is provided on behalf of the family or individual, participants are able to find and lease privately owned housing, including single-family homes, townhouses, and apartments from landlords who accept vouchers.

The Orange County Housing Authority (OCHA) coordinates and administers Section 8 rental assistance on behalf of the City of Laguna Hills. According to OCHA, approximately 19 households are receiving Section 8 assistance in Laguna Hills.

Like many other urban areas, the demand for rental assistance in Orange County is very high. For the first time in more than 4 years, OCHA opened the HCVP waiting list during the month of November 2005. Approximately 20,000 applications were received within this 30-day period. By June 1, 2006, OCHA had established a new wait list containing 18,601 applicant names and began processing elderly and disabled veterans and families headed by a veteran from the list. At the end of December 2006, OCHA had issued 1,064 Housing Choice Vouchers to applicants on the new waiting list. It could take several years to deplete the current waiting list and accept applications for a new list.

Energy Conservation

Government Code Section 65583(a)(~~7~~8) requires that the City of Laguna Hills Housing Element include an analysis of opportunities for energy conservation with respect to residential development.

The City of Laguna Hills fully enforces provisions of Title 24 of the

California Administrative Code, which requires energy conservation measures in all new residential buildings (and additions to residential buildings) except hotels, motels, and buildings with four or more habitable stores and hotels. The regulations specify energy saving design for walls, ceilings, and floor installations, as well as heating and cooling equipment and systems, gas cooling devices, conservation standards, and the use of nondepleting energy sources, such as solar energy or wind power. Standards in Title 24 create energy savings of approximately 50 percent over residential construction practices utilized prior to the Title 24 enactment.

Planning to maximize energy efficiency and the incorporation of energy conservation and green building features can contribute to reduced housing costs for homeowners and renters, in addition to promoting sustainable community design, reduced dependence on vehicles, and reduced greenhouse gases.

The City ~~is currently updating~~ its General Plan and ~~is incorporating~~ sustainability measures into the General Plan, including energy conservation opportunities.

The City will adopt a sustainable development program (Land Use Implementation Program LU-8) with the goal of reducing ownership costs, reducing water and energy consumption, reducing driving, and reducing greenhouse gas emissions.

~~Proposed changes to the~~ The current General Plan incorporates sustainability by establishing implementation programs that address the following: green building standards; mixed use; additional bikeways, sidewalks, walkways, crosswalks to reduce driving; increasing transit use by coordinating with the Orange County Transportation Authority; drafting a climate action plan; increasing water conservation; increasing recycled and reclaimed water; and promoting community gardens. In addition to the above implementation programs in the General Plan, the City will also consider incorporating additional components into the Sustainable Development Program not directly addressed in these implementation programs such as:

- Adopting a formal green building program, such as Leadership in Energy and Environmental.
- Design (LEED), GreenPoint Rated and/or other programs applicable to Laguna Hills.
- Providing developer incentives for green buildings.
- Adopting a native tree preservation ordinance and encourage planting of new, drought-tolerant trees.
- Promoting and incentivizing alternative energy such as wind and solar in new development and revitalization projects.

- Instituting green purchasing practices in all City operations, including alternative or very fuel efficient vehicles.
- Establishing a marketing and education plan for City residents to encourage green building standards, alternatives to driving, energy conservation through high efficiency lighting and appliances, and alternative energy such as wind and solar.
- Measuring annual progress in City operations, and private development as applicable.
- Participating in utility-sponsored (e.g., Southern California Edison) sustainability programs.

Housing Plan

Evaluation of Accomplishments under Adopted Housing Element

Government Code Section 65588(a) requires each jurisdiction to review its housing element as frequently as appropriate to evaluate:

- The appropriateness of the housing goals, objectives, and policies in contributing to the attainment of the state housing goal;
- The effectiveness of the housing element in attainment of the community's housing goals and objectives; and
- The progress of the city, county, or city and county in implementation of the housing element.

This section documents the City's achievements under the ~~2000=2005~~2008-2014 Housing Element. ~~State legislation subsequently extended the timeframe of the previous Housing Element to June 30, 2008, to align the Housing Element with the Regional Transportation Planning process and the RHNA analysis provided by the Southern California Association of Governments.~~ This section describes the relative success of the City's efforts to implement the programs identified in the previous housing element and contains recommendations for program retention, revision, deletion, or addition to address current and projected needs and state requirements between ~~2008 and 2014~~2013-2021.

Table H-43 lists the housing programs found in the ~~2000=2005~~2008-2014 Housing Element and provides a summary of accomplishments under the Housing Element cycle.

Goals and Policies of ~~2008-2014~~ 2013-2021 Housing Element

The goals and policies described in this section will formulate the City's housing strategy and guide the implementation of the Housing Element programs. The policies are intended to guide the City in making decisions related to housing issues, the City staff in the daily administration of the General Plan, and the public in understanding the general direction of the City's housing policies.

NEIGHBORHOOD AND HOUSING PRESERVATION

Preserving the City's residential neighborhoods and maintaining the City's housing stock are essential steps to retaining the City's livability and character. Preserving and or replacing units affordable to low income households and those with special needs is also important. Preservation efforts must carefully consider environmental, physical, and economic constraints. To this end, the following policies seek to facilitate neighborhood and housing preservation in Laguna Hills.

GOAL H-1: Maintain and preserve existing housing and residential neighborhoods in Laguna Hills.

Policy H-1.1: Invest public and private resources in the maintenance and rehabilitation of existing housing to prevent or reverse neighborhood deterioration.

Policy H-1.2: Allocate federal and state resources toward the preservation of residential units, particularly those that are affordable to extremely low, very low, and lower income households.

Policy H-1.3: Maintain and improve community facilities, public housing services, and infrastructure, where necessary, to enhance the livability and vitality of neighborhoods.

Policy H-1.4: Support neighborhood preservation programs, such as graffiti abatement, code enforcement, abandoned or inoperative automobile removal, tree planting, and trash and debris removal.

Policy H-1.5: Preserve the City's affordable housing stock for low

and moderate income households and special needs households.

HOUSING AVAILABILITY

Residents of Laguna Hills recognize the need to provide housing opportunities for all segments of the community. Providing a greater diversity of housing types, such as multifamily apartments, condominiums, townhomes, and senior housing facilities, will allow both younger and older generations of Laguna Hills's residents to remain in the community. Housing variety will also enable citizens from a wide range of economic levels to live within the City. Accordingly, the following policies are designed to facilitate a diverse housing supply. The amount, type, and design of new development should be compatible with existing neighborhoods.

GOAL H-2: Facilitate the development of a range of housing types, densities, and affordability levels to meet the diverse needs of the community for all economic levels and age groups and special needs groups, such as large families, female-headed households, the disabled, seniors, and the homeless.

Policy H-2.1: Provide opportunities for higher density residential development, mixed use residential/commercial development, and transit-oriented development in appropriate areas of the City.

Policy H-2.2: Promote zoning designations and commensurate development standards for residential development that encourage flexibility in permitted land use types, which also respond to changing market forces and/or urban planning trends.

Policy H-2.3: Consider standards and incentives that encourage higher density and mixed use development in appropriate areas such as the Urban Village Specific Plan area, Via Lomas housing area, and Alicia Gateway.

Policy H-2.4: Support the development of more sustainable projects that reduce demand for water and energy resources, reduce commute times, and incorporate alternative modes of travel.

Policy H-2.5: Revise governmental regulations and policies that constrain the provision of housing production, including affordable housing and housing for persons with special needs.

Policy H-2.6: Coordinate with the private sector in the development of affordable and special needs, rental, and ownership housing.

Policy H-2.7: Continue to support public and private sector organizations in their efforts to construct, acquire, and improve housing to provide access to housing affordable to lower and moderate income households.

Policy H-2.8: Expand and extend affordability of Rancho Niguel and Rancho Moulton apartments.

Policy H-2.9: Work with nonprofit agencies and private sector developers to encourage development of housing and services that meet the needs of the disabled and elderly, such as assisted living facilities (single-story houses and apartments), and the use of universal design features.

EQUAL HOUSING OPPORTUNITY

Obtaining adequate housing without discrimination is an important component of a diverse housing supply. Laguna Hills will support the provision of fair housing opportunities through the following goal and policies.

GOAL H-3: Ensure that adequate housing opportunities are available to all persons in Laguna Hills without discrimination in accordance with federal and state fair housing laws.

Policy H-3.1: Support the enforcement of laws against illegal acts of housing discrimination based on race, color, ancestry, national origin, religion, sexual orientation, marital status, familial status, age, disability, source of income, or any arbitrary reason excluding persons from housing choice.

Policy H-3.2: Promote equal opportunity in housing and community development programs citywide.

Policy H-3.3: Encourage housing design to accommodate the special needs of the disabled, seniors, large families, single-parent households, and low income households. Designs may include single-story units, units with three, four, or five bedrooms; on site child care facilities; or on-site job training facilities.

IMPLEMENTATION AND MONITORING

Monitoring, enforcement, and preservation in housing should be established and maintained as an ongoing function of the City. An effective monitoring program provides the City with an important tool to gauge the success of the City's housing programs and to address emerging housing needs as appropriate.

GOAL H-4: Plan for and monitor the long-term affordability of sound, quality housing.

Policy H-4.1: Enforce and enhance the housing monitoring system to ensure compliance with funding program regulations and compliance with local, state, and federal laws.

Policy H-4.2: Ensure collaboration among various City departments in the delivery of housing and related services.

Summary of Approach

The goals, policies, and programs of the Housing Element will help the City to provide housing opportunities for all segments of the community while enhancing the quality of its neighborhoods and housing stock. Table H-44 identifies the four major issues guiding the Housing Element. These major issues represent the direction the City will take in its goals, policies, and programs to implement the vision of Laguna Hills as captured in the Guiding Themes and expressed in the Housing Plan.

Quantified Objectives

Table H-45 summarizes the City's quantified objectives for construction, rehabilitation, and preservation over the ~~2008-2014~~2013-2021 Housing Element planning period.

As indicated in Table H-45, the City's new construction objective totals ~~seventwo~~ units. The City's rehabilitation objective is ~~148~~216 units at the Aliso Meadows Condominium development, which is a nonincome-restricted development. Therefore, the objectives are not quantified by income level. The rehabilitation objective is contingent upon current federal funding levels being maintained.

The City also has two publicly assisted rental housing developments, Rancho Moulton and Rancho Niguel. Affordability controls extend well beyond the planning period of this Housing Element for the Rancho Niguel housing development. The City's preservation goal is 51 units at risk of converting to market rate, currently located in the Rancho Moulton housing development.

NEIGHBORHOOD AND HOUSING PRESERVATION

H-1. Code Enforcement Program

The City of Laguna Hills will enforce building code regulations and abate code violations, nuisances, and existing uses, activities, buildings, or structures that pose a threat to public health, safety, or welfare. Enforcement activities will focus on property maintenance, such as eliminating derelict or abandoned vehicles, outdoor storage, or other situations that may constitute health, safety, or fire hazards.

Responsible Agency:	Community Development
Funding Source:	General fund
Time Frame:	Ongoing

H-2. State Franchise Tax Board Code Enforcement

To promote maintenance of existing rental properties, the City shall work with the California State Franchise Tax Board to enforce provisions of California Revenue and Taxation code Sections 17274 and 24436.5, which prohibit owners of substandard rental housing from claiming depreciation, amortization, mortgage interest, and property tax deductions of state income tax. The City will notify the State Franchise Tax Board if substandard rental housing is identified.

Responsible Agency:	Community Development
Funding Source:	General Fund
Time Frame:	Ongoing

H-3. Housing Rehabilitation

The City will continue to work with the Orange County Housing and Community Services Department to receive rehabilitation loans and grants for low and moderate income homeowners and rental property owners, including senior/disabled households, to maintain housing stock. Efforts will focus on rehabilitating approximately 148 units in the Aliso Meadows Condominium Development. The rehabilitation loan and grant program will use CDBG funds distributed by the County as appropriate. The City will publicize the availability of this program in local newspapers, on the City's website, at the Community Development Department, and in information items at Planning Agency Public Hearings. Modifications for accessibility/universal design are eligible activities under this program (see also Housing Element Implementation Program H-6 and H-17).

Responsible Agency:	Community Development
Funding Source:	CDBG
Time Frame:	Complete by end of planning

period Annually by September of each year or as otherwise required by the County CDBG schedule

H-4. At-Risk Units

The City will continue to pursue the extension of affordability controls for 51 units, either in the existing Rancho Moulton housing development or as part of new or redevelopment activities in the Via Lomas area or other areas of the City. . The City will annually prepare a “Risk Assessment” report provided by the California Housing Partnership Corporation (CHPC). Projects determined high risk are those most likely to decline continued federal assistance because they currently have rents below market rate(s) and are owned by profit-motivated entities. The City will work with potential purchasers to preserve 51 units in the existing development or in new development by finding an interested non-profit entity and securing funding to acquire and preserve the property. The City will use HCD resources listed on the HCD website, as well as other resources, to locate potential funding sources as needed for the preservation of affordable housing. As needed, the City will work with tenants of at-risk units and provide them with education regarding tenant rights, notification procedures, and conversion procedures. The City will also provide tenants in at-risk projects information from the Orange County Housing Authority regarding Section 8 rental assistance.

Responsible Agency: Community Development
 Funding Source: General Fund
 Time Frame: ~~Ongoing with annual Risk Assessment report~~ By January of each year.

H-5. Foreclosure Referral Program

Based on current dynamics, the City seeks to address the increased incidence of residents facing foreclosure. The City will provide foreclosure information on the City’s website, and provide resources at the City to refer residents to external agencies to assist in reducing incidents of foreclosures in Laguna Hills.

Responsible Agency: Community Development
 Funding Source: General Fund
 Time Frame: ~~July 2009~~ January 2014

HOUSING AVAILABILITY

H-6. Urban Village Specific Plan Area for Housing Opportunities

The City shall inform existing property owners and prospective developers that housing opportunities are available in the Urban Village Specific Plan area. Housing opportunities include market rate housing units and could also include housing for low and moderate income households, families, seniors, and special needs households. City staff will inform prospective developers at time of project application meeting(s). Additionally, the City will promote the UVSP area on the City's website and will also promote housing development incentives consistent with Chapter 9-72 of the Zoning Ordinance. The UVSP area will also be promoted through the City's Economic Development Strategy (see the Land Use Element Implementation Program LU-14).

Responsible Agency: Community Development
 Funding Source: CDBG
 Time Frame: Ongoing; The City will post the information on the website by December 2013 and it will be updated annually.

H-7. Alicia Gateway for Housing Opportunities

The City shall inform existing property owners and prospective developers that housing opportunities are available in the Alicia Gateway. Housing opportunities could include market rate housing units and could also include housing for low and moderate income households, families, seniors and special needs households. City staff will inform prospective developers at time of project application meeting(s). Additionally, the City will promote Alicia Gateway on the City's website and will also promote housing development incentives consistent with Chapter 9-72 of the Zoning Ordinance. Alicia Gateway will also be promoted through the City's Economic Development Strategy (see the Land Use Element Implementation Program LU-14).

Responsible Agency: Community Development
 Funding Source: CDBG
 Time Frame: **Ongoing**
The information will be posted on the website by December 2013 and will be updated annually. Additionally, the City participates annually in the ICSC conferences to promote the opportunity areas in the City.

~~H-8. Neighborhood Mixed Use Land Use Designation and Zone District~~

~~The City will adopt a new neighborhood mixed use designation~~

~~and zone district that will promote the development of vertical and horizontal mixed use. Neighborhood mixed use will create a moderate density center and gathering place in key, centrally located areas within Laguna Hills. This designation/district will promote a mix of retail, housing, and office uses; walkable connections, plazas, and green space for community gathering; high quality design and architecture; orientation of buildings toward the street and pedestrians; and accessibility to transit. Allowed uses would include commercial retail, office, and residential, while prohibiting stand-alone residential. The City will apply the new designation/district to the Alicia Gateway and could apply the neighborhood mixed use designation/district to other areas as applicable.~~

~~Responsible Agency: Community Development~~

~~Funding Source: General Fund~~

~~Time Frame: June 2009~~

H-98. Zoning Ordinance Update

The implementation of housing goals, policies, and programs will require updating the City's Zoning Ordinance. In addition, certain City rules and regulations may constrain the development of housing affordable to low and moderate income households with special needs. To mitigate potential constraints and implement housing goals, policies, and programs, the City will update the following regulations in the Zoning Ordinance:

1. Consolidate and remove duplicitous definitions of manufactured housing and mobile homes and ensure consistency in the Zoning Ordinance, use regulations, and development standards.
2. Reduce the open space requirement in the High Density Residential district;
3. Increase the maximum lot coverage requirement in the Mixed Use district.
4. ~~Amend the Urban Village Specific Plan to require residential densities between 30 and 50 dwelling units per acre.~~
5. ~~Separate the transitional care facility/community care facility/emergency shelter definitions and explicitly allow emergency shelters in the Mixed Use zone subject to the development standards allowed by State law.~~
6. ~~Update and include definitions for Emergency Shelter, Supportive Housing, and Transitional Housing, consistent with the provisions of the California Health and Safety Code. Transitional and supportive housing will be permitted as a residential use and~~

only subject to those restrictions that apply to other residential dwellings of the same type in the same zone (Government Code Section 65583 (a)(5)).

Responsible Agency: Community Development
Funding Source: General Fund
Time Frame: ~~June 2010~~ October 2014

H-~~102~~. Second Units

The City shall continue to implement the Second Unit provisions of the Zoning Ordinance consistent with state law. The City will continue to permit second units by right in all residential zones of the City, requiring only ministerial approval. Residential second units provide a viable option for providing additional housing opportunities which could include affordable housing for lower income seniors, single persons, or small households within existing neighborhoods.

Responsible Agency: Community Development
Funding Source: General Fund
Time Frame: Ongoing

H-~~110~~. CDBG Funding for Shelter for the Homeless

The City shall apply for United States Department of Housing and Urban Development CDBG funds and allocate a portion of such funds to subrecipients who provide shelter for the homeless.

**- GENERAL PLAN AMENDMENT
(GPAM) NO. 8-13-2654-
- Attachment #7
Initial Study/ Negative
Declaration**



INITIAL STUDY/NEGATIVE DECLARATION

2013-2021 Laguna Hills Housing Element

Prepared By:

**City of Laguna Hills
Community Development Department
24035 El Toro Road
Laguna Hills, CA 92653**

August 2013

Section 1: Project Description

1.1 – Project Title

2013-2021 Laguna Hills Housing Element

1.2 – Lead Agency Name and Address

City of Laguna Hills
24035 El Toro Road
Laguna Hills, CA 92653

1.3 – Contact Person and Phone Number

Julie Molloy
Senior Planner
City of Laguna Hills
Phone: 949.707.2671
Fax: 949.707.2633
Email: jmolloy@ci.laguna-hills.ca.us

1.4 – Project Location

Citywide

1.5 – Project Sponsor's Name and Address

City of Laguna Hills
24035 El Toro Road
Laguna Hills, CA 92653

1.6 – General Plan Land Use Designation

All designations Citywide

1.7 – Zoning District

All zoning districts Citywide

1.8 – Project Description

The Housing Element is one of the seven state-mandated elements of the City's General Plan, and must be updated pursuant to California Government Code Section 65588 for the 2013-2021 planning period. The proposed Housing Element would replace the City of Laguna Hills 2008-2014 Housing Element, adopted by the City of Laguna Hills in July 2009 and certified by the California Housing and Community Development Department (HCD) in October 2009. The remaining elements of the General Plan were most recently adopted by the City Council in July 2009 as part of the City of Laguna Hills General Plan Update.

The Housing Element identifies and assesses projected housing needs as determined by SCAG through the RHNA process and provides an inventory of constraints and resources relevant to meeting these needs. Major components of the Housing Element include:

- An analysis of the City's demographic and housing characteristics and trends;
- An evaluation of land, and financial and administrative resources available to address the City's housing goals;
- A review of potential constraints, both governmental and non-governmental, to meeting the City's housing needs;
- An Implementation Program for addressing the City's identified RHNA number including housing goals, policies, and programs; and
- An evaluation of the appropriateness and effectiveness of previous goals, policies, and programs in achieving the City's objectives.

The 2013-2021 Laguna Hills Housing Element identifies issues, strategies, and programs (the "Housing Plan") that focus on:

1. Neighborhood and housing preservation;
2. Housing availability;
3. Equal housing opportunity; and
4. Implementation and monitoring of the Housing Element.

All of the programs described in the Housing Plan are intended to maintain and improve the City's housing stock, preserve existing neighborhoods, increase housing affordability, and remove potential constraints to housing for persons with special needs. These programs represent a continuation of current City policy and would not change development patterns, increase density or create new programs.

Based on data from the Southern California Association of Governments (SCAG), Laguna Hills has an identified regional housing growth need, or Regional Housing Needs Assessment (RHNA), of 2 units for the 2013-2021 planning period (one extremely-low income unit and one very-low income unit). The Housing Element illustrates that under the current General Plan land use designations and zoning districts, the City has an estimated additional capacity for a minimum of 605 new residential units on underutilized and vacant parcels that allow residential uses (600 of these on underutilized sites and the remaining 6 on vacant residential parcels in the Estate Residential Zoning District). Therefore, Laguna Hills has sufficient capacity to accommodate the overall RHNA allocation, and there is no need to change any General Plan land use designations or zoning designations on parcels to accommodate the City's housing growth needs.

The analysis in this Initial Study/Negative Declaration (IS/ND) is limited to the review of potential environmental impacts resulting from the adoption of the Housing Element, including the Housing Element's consistency with the other elements of the City's General Plan. The Housing Element is a policy-level document that is consistent with existing City of Laguna Hills General Plan land use designations and densities. The environmental impacts associated with residential development under general plan land use designations and corresponding zoning ordinance development standards were considered under the California Environmental Quality Act (CEQA) analysis conducted for the Laguna Hills General Plan (The City of Laguna Hills General Plan Program Environmental Impact Report, June 2009). Although the Housing

Element is intended to encourage and facilitate the development of housing through the 2013-2021 planning period, it is a policy document, and includes no specific development proposal. The environmental effects of any future development projects would need to undergo environmental review pursuant to the California Environmental Quality Act (CEQA) as they are proposed, beyond this current document. Likewise, any future development projects are subject to regulations of the General Plan and the Urban Village Specific Plan (where applicable), performance standards and permitting processes of the Zoning Ordinance, and all mitigation measures contained in applicable documents.

The proposed discretionary action to be taken is adoption of the 2013-2021 Housing Element by the City of Laguna Hills. The City will submit the Housing Element to the California Department of Housing and Community Development (HCD) for certification of the document, upon adoption by the City of Laguna Hills. Although the 2013-2021 Housing Element represents a new cycle in the City's implementation of its community housing plan, the goals, policies and programs represent a continuation of the previous Housing Element that was adopted by the City in 2009 as part of the City's 2009 comprehensive general plan update program. The current General Plan anticipated a planning horizon that would carry the City through the year 2030, with the exception of the housing element which is updated in accordance with state requirements every 5 or so years.

The proposed Housing Element does not result in any new re-zonings or general plan land use changes, or significant modifications from the state of current regulatory or policy approaches the City is presently implementing to further the community's housing objectives. In addition to updating the City's housing and demographic statistics, providing current commentary on the state of the City's housing stock, housing needs, and housing and demographic trends occurring in the City of Laguna Hills, the proposed Housing Element also seeks to implement the City's obligations under state law in providing a plan to meet its fair share housing obligation which is allocated by the Southern California Association of Governments (SCAG) through regional planning documents such as the 2012 Regional Transportation Plan/ Sustainable Communities Strategy and the 2012 Air Quality Management Plan. The proposed 2013-2021 Housing Element effectively results in a continuation of policies from the 2009 General Plan Update.

1.9 – Surrounding Land Uses & Setting

The 2013-2021 Laguna Hills Housing Element applies Citywide. The City of Laguna Hills is comprised of approximately 6.6 square miles of land (or about 4,234 acres) and is located in southern Orange County approximately 45 miles southeast of the City of Los Angeles, 68 miles northwest of the City of San Diego, and 6 miles northeast of the Pacific Ocean. Laguna Hills is a suburban community where all public services, utilities, and other public infrastructure are available. The community is built-out with only a handful of single-family parcels remaining for development. Remaining opportunities for development may exist over underutilized commercial properties.

The City of Laguna Hills has a variety of land uses, including residential, commercial, office, mixed use, public and institutional, open space and recreational, as well as planned community areas. The predominant land use in Laguna Hills is moderate to low density single-family homes. This contributes to

the small-town character many residents identify with Laguna Hills. The City contains a range of housing types, including single-family detached and attached homes, apartments, condominiums, and mobile homes located throughout the City. Nonresidential uses in the City, such as commercial and office, provide valuable revenue to the City and provide jobs and services for the community and region. Most commercial uses in the City are concentrated along Interstate 5 (I-5) and the major roadways.

Several patterns of development exist throughout the City of Laguna Hills. The following fully describes how land is used in the northern, central, and southern portions of the City.

Northern Land Uses

The northern portion of the City is generally located between Ridge Route Drive and Lake Forest Drive. A variety of uses are located here, including a mobile home park designated as High Density Residential, open space and park areas, neighborhood and freeway commercial centers, and a designated Mixed Use area. The Mixed Use area provides the City with various goods and services needed to support the local community, including administrative and professional offices, institutional and government uses, business support uses, restaurants, personal services, and retail stores.

Central Land Uses

The central portion of Laguna Hills is generally located north of La Paz Road and south of Ridge Route Drive. This area of the City contains the City's downtown Urban Village, low, medium-low, and medium density residential neighborhoods. The medium density neighborhoods contain multi-family housing such as apartments and condominiums.

Pockets of this area also contain apartments and condominiums primarily southwest of Moulton Parkway. This area is designated as High Density Residential. Two apartment communities in this area, Rancho Moulton and Rancho Niguel, provide government-assisted affordable housing opportunities to Laguna Hills residents.

Land designated as Community Commercial is also integrated throughout this area, which provides valuable services to the surrounding neighborhoods. These sites provide retail, markets, commercial services, restaurants, commercial recreation, professional and business offices, financial institutions, and automotive sales. There are medium-intensity commercial sites along I-5 serving the needs of the motoring public both in Laguna Hills and surrounding areas.

This area of the City is also home to Laguna Hills High School, north of La Paz Road, as well as two elementary schools, the Community Center and Sports Complex, and several neighborhood parks. Cultural resources are located along Cousteau Street, and a historic adobe structure is located near Aliso Creek.

Urban Village

The civic and retail heart of Laguna Hills, the Urban Village, is also located in the central portion of the City (see Figure LU-2). This area is generally bounded by Paseo de Valencia on the north and west, Los Alisos Boulevard on the south, and I-5 on the east. This area is anchored by the Laguna Hills Mall and Saddleback Memorial Medical Center and is home to several retail stores as well as medical services and offices. The Laguna Hills Civic Center is also located within this area. The Urban Village Specific Plan (UVSP) guides new development in the Urban Village.

Southern Land Uses

The largest residential development in Laguna Hills is the Nellie Gail Ranch community. This community is bounded by I-5 on the east, State Route 73 (SR-73) on the west, and La Paz Road to the north. Located on 1,350 acres, Nellie Gail Ranch consists of 1,407 lots and is a mixture of tract and custom homes on large lots in an equestrian setting, with homes ranging from 1,700 to 17,000 square feet. The land use designation for this area is Estate Residential. Nellie Gail Ranch has an equestrian center, 20 miles of equestrian trails, and several parks and community areas, as well as substantial open space. The majority of Nellie Gail Ranch is developed, but there are a few vacant, buildable sites located throughout the community.

In addition to Nellie Gail Ranch, the southern portion of the City contains a few residential neighborhoods containing single-family detached homes, designated as Low and Medium-Low Density Residential. Community Commercial and Freeway Commercial uses serving local and regional residents are also located in the southern portion of the community.

Surrounding Land Uses

The cities of Mission Viejo and Lake Forest border Laguna Hills on the east. These cities are primarily residential, although there are a number of offices and businesses providing shopping and employment opportunities. Immediately north of Laguna Hills is the City of Irvine. Irvine provides much of the employment opportunities in the region, including large business parks, a commercial airport, and a university. To the west and south of Laguna Hills are the cities of Laguna Woods, Aliso Viejo, and Laguna Niguel, which are also predominantly residential communities with areas dedicated to office, business parks, and commercial developments.

West of Laguna Hills is the Laguna Coast Wilderness Park. This 6,500-acre regional open space preserve provides Laguna Hills residents with numerous recreation opportunities within a short distance from the City.

1.10 – Other Required Public Agency Approvals –

California Department of Housing and Community Development

Section 2: Determination

2.1 – Environmental Factors Potentially Affected

- | | | |
|--|---|---|
| ☐ Aesthetics | ☐ Agriculture Resources | ☐ Air Quality |
| ☐ Biological Resources | ☐ Cultural Resources | ☐ Geology /Soils |
| ☐ Hazards & Hazardous Materials | ☐ Hydrology / Water Quality | ☐ Land Use / Planning |
| ☐ Mineral Resources | ☐ Noise | ☐ Population / Housing |
| ☐ Public Services | ☐ Recreation | ☐ Transportation / Traffic |
| ☐ Utilities / Service Systems | ☐ Mandatory Findings of Significance | |

2.2 – Determination

☒ I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.

☐ I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.

☐ I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.

☐ I find that the proposed project MAY have a “potentially significant impact” or “potentially significant unless mitigated” impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.

☐ I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required pursuant to Title 14, Chapter 3, Section 15183 of the California Code of Regulations.


Julie A. Molloy
Senior Planner

City of Laguna Hills


Date

Section 3: Evaluation of Environmental Impacts

3.1 Aesthetics

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Have a substantial adverse effect on a scenic vista?	☐	☐	☐	☒
b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?	☐	☐	☐	☒
c) Substantially degrade the existing visual character or quality of the site and its surroundings?	☐	☐	☐	☒
d) Create a new source of substantial light or glare, which would adversely affect day or nighttime views in the area?	☐	☐	☐	☒

RESPONSES:

(Sources: Laguna Hills General Plan and City of Laguna Hills General Plan Program EIR)

a,c) No Impact. There are no scenic vistas or resources that would be adversely affected by the proposed Housing Element update. The Housing Element is a policy document that includes goals, policies, and programs to meet the existing and projected housing needs of the City. Goal H-1 of the Housing Element calls for maintaining and preserving existing housing and residential neighborhoods in Laguna Hills. The Housing Element does not include any specific development proposal, so any potential impacts related to scenic vistas and visual resources from future housing development described in the Housing Element would be analyzed under CEQA as each project is proposed. Laguna Hills has many regulations in place designed to preserve existing scenic vistas and scenic resources of the community. Such analysis would consider the various regulations and policies of the City to protect hillsides, scenic vistas, and other visual resources, including the Grading Regulations Ordinance and other portions of the Municipal Code; the Urban Village Specific Plan, the City's Design Regulations and Standards; and the General Plan. Since the Housing Element is not a development proposal, adoption of the Housing Element would not result in impacts to scenic vistas or degradation of the visual character or quality of the City.

b) No Impact. There are no state scenic highways within the City of Laguna Hills. Since there are no state scenic highways that could include scenic rock outcropping, trees or historic buildings, and that the Housing Element is a policy document that does not include any specific housing development proposal, there would be no impact to such resources with adoption of the Housing Element.

d) No Impact. As described above in item a,c), the Housing Element is a policy document, with one of the goals to maintain and preserve existing housing and residential neighborhoods. Since the Housing Element does

not include any specific development proposal that could contribute to light or glare in the City, no impact from new sources of light or glare would occur with adoption of the Housing Element. As particular development projects are proposed in the City that include light or glare sources, CEQA review would occur to address any project-specific impacts.

MITIGATION MEASURES:

Since there would be no impacts to aesthetics, no mitigation measures are required.

3.2 – Agriculture and Forest Resources

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?	☐	☐	☐	☒
b) Conflict with existing zoning for agriculture use, or a Williamson Act contract?	☐	☐	☐	☒
c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by PRC section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?	☐	☐	☐	☒
d) Result in loss of forest land or conversion of forest land to non-forest use?	☐	☐	☐	☒
e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland to non-agricultural use or conversion of forest land to non-forest use?	☐	☐	☐	☒

RESPONSES:

(Sources: Laguna Hills General Plan and City of Laguna Hills General Plan Program EIR)

a-e) No Impact. There are no farmland or forest resources in the City; therefore, adoption of the Housing Element would not result in impacts to agriculture and forest resources.

MITIGATION MEASURES:

Since there are no impacts to farmland or forest resources in the City, no mitigation measures are required.

3.3 – Air Quality. Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations.

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Conflict with or obstruct implementation of the applicable air quality plan?	☐	☐	☐	☒
b) Violate any air quality standard or contribute substantially to an existing or projected air quality violation?	☐	☐	☐	☒
c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions, which exceed quantitative thresholds for ozone precursors)?	☐	☐	☐	☒
d) Expose sensitive receptors to substantial pollutant concentrations?	☐	☐	☐	☒
e) Create objectionable odors affecting a substantial number of people?	☐	☐	☐	☒

RESPONSES:

(Sources: Laguna Hills General Plan and City of Laguna Hills General Plan Program EIR)

The federal and state governments have authority under the federal and state Clean Air Acts to regulate emissions of airborne pollutants and have established ambient air quality standards for the protection of public health. The Environmental Protection Agency is the federal agency designated to administer air quality regulation, while the California Air Resources Board (ARB) is the state equivalent in California. Local air quality management is provided by the ARB through county-level or regional (multi-county) Air Pollution Control Districts (APCDs). The ARB established air quality standards and is responsible for the control of mobile emission

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sources, while the APCDs are responsible for enforcing standards and regulating stationary sources. The ARB has 14 air basins statewide. The City of Laguna Hills is within the South Coast Air Basin (Basin), which is under the jurisdiction of the South Coast Air Quality Management District (SCAQMD). The SCAQMD is required to monitor air pollutant levels to ensure that air quality standards are met and, if they are not met, to develop strategies to meet the standards. Depending on whether the standards are met or exceeded, the local air basin is classified as being in "attainment" or "non-attainment." The Basin is a non-attainment area for both the federal and state standards for ozone and respirable particulate matter (PM₁₀). The Basin is in attainment for the state and federal standards for nitrogen dioxide (NO₂), and for carbon monoxide (CO).

Under state law, the SCAQMD is required to prepare a plan for air quality improvement for pollutants for which the District is in non-compliance. The SCAQMD updates the plan every three years. Each iteration of the SCAQMD's Air Quality Management Plan (AQMP) is an update of the previous plan and has a 20-year horizon. The most recently adopted AQMP is the 2012 AQMP, adopted on December 7, 2012.

- a) **No Impact.** A project may be inconsistent with the AQMP if it would generate population, housing or employment growth exceeding the forecasts used in the development of the AQMP. The 2012 AQMP incorporates, in part, local city general plans and the Southern California Association of Government's (SCAG) Regional Transportation Plan socioeconomic forecast projections of regional population, housing and employment growth. The City General Plan (2009) was used by SCAG to create the 2012 Sustainable Communities Strategy/Regional Transportation Plan (SCS/RTP). The Housing Element Update is consistent with the City General Plan. No rezoning or change in General Plan land use designations are necessary for the City to meet its RHNA allocation, and the amount of residential development assumed in the Housing Element is within the residential build-out estimates of the General Plan and General Plan PEIR. Therefore, there would be no impact with regard to consistency of the Housing Element Update with applicable air quality plans.
- b-e) **No Impact.** The SCAQMD has established significance thresholds for construction activities and project operations within the Basin for Reactive Organic Gases (ROG), Nitrogen Dioxide (NO_x), Carbon Monoxide (CO), Sulfur Dioxide (SO_x), Respirable Particulate Matter (PM₁₀), and Fine Particulate Matter (PM_{2.5}). Additionally, the SCAQMD has developed Localized Significance Thresholds (LSTs) in response to concern regarding the exposure of individuals to criteria pollutants in local communities. LSTs represent the maximum emissions from a project that will not cause or contribute to an air quality exceedance of the most stringent applicable federal or state ambient air quality standards at the nearest sensitive receptor.

The Housing Element identifies a variety of potential housing sites including mixed-use developments. Mixed-use development is one of the strategies identified in the Housing Element to meet the City's residential growth need (Policies H-2.1 and H-2.3). This type of development is seen as a potential way to reduce air pollution, as it places people near jobs, retail and other services, and promotes the use of alternative transportation and pedestrian linkages.

Nonetheless, since the Housing Element is a policy document, and not a specific development proposal, adoption of the Housing Element would not contribute to increases in air quality pollution emissions, violations of air quality standards, affect sensitive receptors (i.e., the portion of the public most susceptible

to respiratory distress, such as children under 14; the elderly over 65; persons engaged in strenuous work or exercise; and people with chronic respiratory and cardiovascular diseases), or cause objectionable odors. The air quality impacts of any future proposal to develop the residential sites identified in the Housing Element would be identified on a site-specific basis and mitigated in the future when they become ascertainable. Therefore the Housing Element adoption would have no impact on air quality.

MITIGATION MEASURES:

As there are no impacts to air quality, no mitigation measures are necessary.

3.4 – Biological Resources

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	☐	☐	☐	☒
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations, or by the California Department of Fish and Game or US Fish and Wildlife Service?	☐	☐	☐	☒
c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?	☐	☐	☐	☒
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?	☐	☐	☐	☒
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	☐	☐	☐	☒

f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?	☐	☐	☐	☒
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RESPONSES:

(Sources: Laguna Hills General Plan and City of Laguna Hills General Plan Program EIR)

a-c) No Impact. The majority of the land within Laguna Hills is developed. However, there are limited areas of native vegetation in the City, isolated to patches that occur in stream channels or drainages, hillsides paralleling some roadways, and small urban canyons. Some of these native habitats are interspersed with non-native, disturbed vegetation cover. Additionally, there are some sensitive vegetation communities in Laguna Hills: specifically, southern arroyo willow forest, coastal brackish marsh, coastal sage scrub, and mulefat scrub. The impacts to biological resources of any future proposal to develop the residential sites identified in the Housing Element would be identified on a site-specific basis and mitigated in the future when they become ascertainable. Therefore the Housing Element adoption would have no impact on biological resources.

- d) No Impact.** Although the majority of the City is characterized by urbanized areas with low habitat value for wildlife, the streams and riparian corridors that traverse the City may serve as limited corridors for wildlife species, including migratory birds such as the least Bell's vireo, yellow warbler, and lesser goldfinch. Aliso Creek has the potential to function as a wildlife corridor for migratory birds, dispersing wildlife, and various amphibian and reptile species. Aliso Creek and its associated vegetation communities traverse the middle of the City and assist in connecting various intact patches of native habitat. The San Diego Creek and its tributaries connect Veeh Reservoir to native habitat that has been preserved to the north and west of the City. To the west of the City lies the Laguna Coast Wilderness Park, a 6,500-acre regional open space preserve that functions as a key component of the larger South Coast Wilderness area. Within the City, the various creeks and drainages may function as wildlife corridors for migration, dispersal, and movement between patches of habitat. There are no native wildlife nursery sites within the City.

Therefore, there would be no impact to wildlife corridors, fish or wildlife movement, or wildlife nursery sites resulting from Housing Element adoption.

- e) No Impact.** The City of Laguna Hills Tree Protection Ordinance regulates the planting, maintenance, protection, and removal of City-owned trees and shrubs in City rights-of-way and in City parks and open space. A permit is required from the Public Services Director to plant, move, spray, trim, remove, prune, replace, cut, or otherwise disturb any tree in any public place. The City of Laguna Hills Municipal Code has no ordinance protecting trees on private property.

The impacts of any future proposal to develop the residential sites identified in the Housing Element would be identified on a site-specific basis and mitigated in the future when they become ascertainable, including

compliance with the City's Tree Protection Ordinance. Therefore the Housing Element adoption would have no impact on tree preservation.

- f) **No Impact.** While the Orange County Environmental Management Agency adopted the Orange County Coastal NCCP/NHP, Laguna Hills is not a "participating city," and further, no "reserve land" occurs within the City. Therefore, any future residential development proposals consistent with the Housing Element policies would have no impact to any habitat conservation plan or natural community plan.

MITIGATION MEASURES:

As there are no impacts to biological resources; no mitigation measures are necessary.

3.5 – Cultural Resources

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Cause a substantial adverse change in the significance of a historical resource as defined in § 15064.5?	☐	☐	☐	☒
b) Cause a substantial adverse change in the significance of an archeological resource pursuant to § 15064.5?	☐	☐	☐	☒
c) Directly or indirectly destroy a unique paleontological resource or site or unique geological feature?	☐	☐	☐	☒
d) Disturb any human remains, including those interred outside of formal cemeteries?	☐	☐	☐	☒

RESPONSES:

(Sources: Laguna Hills General Plan and City of Laguna Hills General Plan Program EIR)

a-d) No Impact. Based on the cultural resources site records search, no historical resources are located within the City. However, based on the records search, 14 archaeological sites are located within the City.

The NRHP is the nation's official list of cultural resources identified for preservation. Authorized under the National Historic Preservation Act of 1966 (NHPA), the NRHP is part of a national program to coordinate and support public and private efforts to identify, evaluate, and protect historic and archaeological resources. Properties listed in the NRHP include districts, sites, buildings, structures, and objects that are significant in

American history, architecture, archaeology, engineering, and culture. No site within the planning area is listed on the NRHP.

The CRHR includes historic resources of importance at the state level. All properties listed in the NRHP are automatically included in the CRHR. The State of California also maintains a historical resources inventory, which is administered by 12 regional offices. The Orange County records are maintained at the South Central Coastal Information Center at California State University, Fullerton. No site within the planning area is listed in the CRHR.

The geologic formations present within the Laguna Hills area consist of Sespe Formation, Vaqueros Formation, Monterey Formation, Capistrano Formation, Niguel Formation, Non- Marine Terrace deposits, and Young Alluvium (including slope wash and artificial fill). The paleontological resource sensitivity of these formations ranges from no sensitivity to high sensitivity.

Given the relatively high resource sensitivity of these underlying geologic formations, hundreds of Pleistocene fossils have been recovered in the Laguna Hills area from the Costeau Pit in the 1960s, and from the excavation for the Laguna Hills Community Center and Sports Complex in 1989 and 1999. Pleistocene taxa from alluvial and terrace deposits include amphibians, reptiles, birds, and mammals (including ground sloth, dire wolf, sabertooth cat, mammoth, mastodon, horse, camel, antelope, and bison).

The Housing Element is a policy document and no physical development is proposed at this time. The impacts to cultural resources of any future proposal to develop the residential sites identified in the Housing Element would be identified on a site-specific basis and mitigated in the future when they become ascertainable. Therefore the Housing Element adoption would have no impact on cultural resources.

This includes evaluating any potential impacts to historical, archaeological or paleontological resources, human remains or identified sacred places. Any necessary mitigation measures would be identified at that time. Therefore, adoption of the Housing Element would not result in any impacts to cultural resources.

MITIGATION MEASURES:

As there are no impacts to cultural resources; no mitigation measures are necessary.

3.6 – Geology and Soils

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:				
i) Rupture of a known earthquake fault, as	☐	☐	☐	☒

delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.				
ii) Strong Seismic ground shaking	☐	☐	☐	☒
iii) Seismic-related ground failure, including liquefaction?	☐	☐	☐	☒
iv) Landslides?	☐	☐	☐	☒
b) Result in substantial soil erosion or the loss of topsoil?	☐	☐	☐	☒
c) Be located on a geologic unit or soil that is unstable, or would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?	☐	☐	☐	☒
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?	☐	☐	☐	☒
e) Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?	☐	☐	☐	☒

RESPONSES:

(Sources: Laguna Hills General Plan and City of Laguna Hills General Plan Program EIR)

a-d) No Impact. The City is not located within a currently established Alquist-Priolo Earthquake Fault Zone. However, two faults have been documented to directly underlie the City. These active and potentially active faults are the San Joaquin Blind Thrust and an unnamed young fault at the west edge of the City. If movement were to occur on either of these faults, property in the City could be exposed to strong ground shaking. Additionally, because the City is in a seismically active region, occasional seismic ground shaking is likely to occur.

However, the aforementioned faults are not within State of California Alquist-Priolo Earthquake Fault Zones, which are subject to special land use controls and building standards. Additionally, the City is not at greater risk of seismic activity or impacts than other cities in southern California. Seismic shaking is a risk throughout southern California. Furthermore, the state regulates development in California through a variety of tools that reduce hazards from earthquakes and other geologic hazards. The 2013 California Building Code (CBC; California Code of Regulations, Title 24, Part 2) contains provisions to safeguard against major structural failures or loss of life caused by earthquakes or other geologic hazards. Any new

development in the City would be required to adhere to the provisions of the CBC, which are imposed on project developments by the City during the building plan check and development review process. Compliance with the requirements of the 2013 CBC for structural safety during a seismic event would reduce hazards from fault ruptures and strong seismic ground shaking and fault ruptures.

The Housing Element identifies potential sites and policies to accommodate all new housing developments within existing residential and specific plan area where housing is allowed, and does not call for land use designation or zone changes. Any potential impacts related to geological hazards, including the potential for liquefaction, erosion, subsidence or expansive soils, would be analyzed under CEQA as individual developments are proposed. Any needed mitigation measures would be identified at that time, including compliance with the City's Building Code and grading and engineering requirements. Therefore, adoption of the Housing Element would not have any impacts on geology and soils.

- e) **No Impact.** The City is served by sanitary sewer. Any future residential development anticipated by the Housing Element would connect with the local sewer system and would not involve the use of septic systems or alternative wastewater disposal systems. Therefore, no impact will occur.

MITIGATION MEASURES:

Because there would be no impacts to geology and soils, no mitigation measures are necessary.

3.7 – Greenhouse Gas Emissions

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?	☐	☐	☒	☐
b) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gasses?	☐	☐	☐	☒

RESPONSES:

(Sources: Laguna Hills General Plan and City of Laguna Hills General Plan Program EIR)

- a) **Less Than Significant.** Greenhouse gases (GHGs) are emitted by both natural processes and human activities. Of these gases, carbon dioxide (CO₂) and methane (CH₄) are emitted in the greatest quantities from human activities. Emissions of CO₂ are largely by-products of fossil fuel combustion, whereas CH₄ results from off-gassing associated with agricultural practices and landfills. Man-made GHGs, many of which have greater heat-absorption potential than CO₂, include fluorinated gases and sulfur hexafluoride (SF₆). Different types of GHGs have varying global warming potentials (GWPs). The GWP of a GHG is the potential

of a gas or aerosol to trap heat in the atmosphere over a specified timescale, generally 100 years. Because GHGs absorb different amounts of heat, a common reference gas (CO₂) is used to relate the amount of heat absorbed to the amount of the gas emissions, referred to as "carbon dioxide equivalent" (CO₂E), and is the amount of a GHG emitted multiplied by its GWP.

Future residential development in Laguna Hills will be designed and constructed in accordance with existing General Plan land use designations and zoning districts. The 2013-2021 Housing Element does not change any land use policy that would raise or otherwise change development levels that could contribute to an increase in greenhouse gases anticipated for the SCAG region from housing development in the 2012 RTP/SCS or from previously analyzed impacts from GHG that were identified by the 2009 General Plan Update. The proposed 2013-2021 Housing Element does not result in changes that have the potential to create new residential growth that is inconsistent with growth forecasted by the aforementioned plans.

The Laguna Hills General Plan identifies goals and policies that will contribute to better air quality in the City. In addition the City's Urban Village Specific Plan is intended to reduce air pollution and increase livability, and will also decrease greenhouse gas emissions by establishing a mix of land uses in proximity to jobs and transit that would reduce vehicle miles traveled. The proposed Housing Element encourages implementation of these plans. The Housing Element identifies a variety of potential housing sites, including mixed use developments. Mixed-use development is one of the policies identified in the Housing Element to meet the City's residential growth need. This type of development is seen as a potential way to reduce greenhouse gases, as it places people near jobs, retail and other services, and promotes the use of alternative transportation and pedestrian linkages. The Housing Element also addresses sustainable and green building, encouraging development that utilized materials, architectural design features, and interior features and furnishings to reduce energy and water consumption.

The 2013-2021 Housing Element does not include any regulations or other policies that would encourage inefficient building practices that could affect the volume of greenhouse gas emissions that would otherwise occur under existing General Plan policies. Additionally, as discussed in detail in the Project Description, the proposed Housing Element does not create the ability for any new development to occur that would not otherwise occur, and does not authorize any specific development project. As such, its adoption would not generate any greenhouse gas emissions that were not previously identified and analyzed in the City's General Plan PEIR. Adoption and implementation of the 2013-2021 Housing Element would not affect building energy demands or generate any additional vehicle trips, and more miles traveled, beyond those that would be associated with the existing General Plan. In addition, environmental review of future projects will continue to be carried out to ensure that the projects are consistent with all General Plan goals, objectives, and policies, including those that help the City contribute to regional greenhouse gas reduction efforts.

Future residential development in the City will be required to comply with Title 24 energy efficiency requirements of the California Building Code (CBC) as well as the California Green Building Standards Code (CGBSC). Compliance with these codes will further increase energy efficiency in new residential buildings, thus reducing total energy demand and thereby reducing the level of GHG emissions generated from coal,

natural gas, and oil-based energy sources. Adherence to such policies and guidelines will reduce potential impacts to a less than significant level.

There are currently no established regulatory thresholds for GHG emissions on a local, state, or national basis. Current State of California goals for reductions in GHG emissions are contained in Assembly Bill 32 (AB 32). Assembly Bill 32, the California Climate Solutions Act of 2006 (AB 32), is considered the most important legislation designed to decrease GHG emissions in California history. AB 32 requires that statewide GHG emissions be reduced to 2000 levels by the year 2010, 1990 levels by the year 2020, and to 80 percent less than 1990 levels by year 2050. These reductions will be accomplished through an enforceable statewide cap of GHG emissions that will be phased in over time. In 2008, Senate Bill 375 was adopted to implement AB 32 goals for reduction of transportation-based GHG emissions through the direct linkage between regional transportation and land use/housing planning.

The housing sites identified in the 2013-2021 Housing Element are all already designated for housing or mixed use development in the City's General Plan. The strategy is to encourage higher-density and/or mixed use infill development in an urban community served by transit. As such, the targeted housing sites will help achieve the goals of reducing vehicular trips and thereby help reduce total vehicular-based GHG emissions. The proposed 2013-2021 Housing Element Update is consistent with the City's General Plan. As such, the proposed Housing Element Update does not conflict with AB 32, SB 375, or any plans or programs that have been adopted to achieve those legislative mandates. In addition, the City's approach is consistent with SCAG's 2-Percent Strategy for smart growth development.

Therefore, impacts will be less than significant.

- b) No Impact.** Refer to response (a) above. In addition, SB 375 requires Metropolitan Planning Organizations (MPOs) to prepare a Sustainable Communities Strategy (SCS) in Regional Transportation Plans. SCAG is responsible for developing an overall strategy for the region including Orange, Riverside, San Bernardino, Ventura, and Imperial counties. On April 4, 2012, SCAG adopted the 2012-2035 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS): Towards a Sustainable Future. The RTP/SCS is the culmination of a multi-year effort involving stakeholders from across the SCAG Region. The SCAG RTP/SCS sets forth a development pattern for the region, which, when integrated with the transportation network and other transportation measures and policies, would reduce GHG emissions from transportation. The RTP/SCS is meant to provide individual jurisdictions with growth strategies that, when taken together, achieve the regional GHG emissions reduction targets.

The 2013-2021 Housing Element Update is consistent with and advances the goals and objectives of the SCAG RTP/SCS. For example, the Housing Element Update includes policies to ensure a mix of housing types is available to meet the City's regional share of the housing need for all economic segments of the community. Policy H-2-2.1 provides opportunities for higher density residential development, mixed use residential/commercial development, and transit-oriented development in appropriate areas of the City. Policy H-2.4 supports the development of more sustainable projects that reduce demand for water and energy resources, reduce commute times, and incorporate alternative modes of travel. These policies will reduce automobile trips and other sources of GHG emissions. Since the 2013-2021 Housing Element Update will not conflict with a greenhouse gas emissions plan, policy or regulation, no impact will occur.

MITIGATION MEASURES:

Because there would be no significant impacts regarding greenhouse gas emissions, no mitigation measures are necessary.

3.8 – Hazards and Hazardous Materials

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?	☐	☐	☐	☒
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?	☐	☐	☐	☒
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?	☐	☐	☐	☒
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would create a significant hazard to the public or the environment?	☐	☐	☐	☒
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?	☐	☐	☐	☒
f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?	☐	☐	☐	☒
g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?	☐	☐	☐	☒
h) Expose people or structures to a significant risk of loss,	☐	☐	☐	☒

injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?				
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RESPONSES:

(Sources: Laguna Hills General Plan and City of Laguna Hills General Plan Program EIR)

a,b) No Impact. The potential areas for residential development that are compatible with General Plan land use designations are located throughout the City and are surrounded by urbanized development. Construction activities associated with future development would involve the use of chemical substances such as solvents, paints, fuel for equipment, and other potentially hazardous materials. These materials are common to typical construction activities and do not pose a significant hazard to the public or the environment. Long-term operation of the future residential land uses would not involve substantial amounts of hazardous substances during operation. Future development of the sites would be consistent with the type and intensity of surrounding residential development, and typical hazardous substances that may be used include household cleaning agents, building maintenance and pool chemicals, and motor vehicle fuels and lubricants.

However, the use, storage, transport, and disposal of hazardous materials by construction workers and tenants and residents of any future residential development would be required to comply with existing regulations of several agencies, including the Department of Toxic Substances Control (DTSC), US Environmental Protection Agency (EPA), Occupational Safety & Health Administration (OSHA), California Department of Transportation (Caltrans), and Orange County Fire Authority (OCFA). Compliance with applicable laws and regulations governing the use, storage, transportation, and disposal of hazardous materials would ensure that all potentially hazardous materials are use and handled in an appropriate manner, and would minimize the potential for safety impacts to occur. Additionally, future residential development would be constructed and operated with strict adherence to all emergency response plan requirements set forth by the City and OCFA.

Since the adoption of the Housing Element does not result in a specific project or create new areas for housing to be developed, no impacts will occur. As a specific development project is proposed, any potential impacts related to hazardous materials would be analyzed under CEQA in conjunction with the approval of a particular project, and any necessary mitigation measures identified at that time. Therefore, adoption of the Housing Element would have no impact.

c,d) No Impact. The proposed project consists of an updated determination of housing needs within the City, and minor amendments to the policies and procedures the City uses in addressing those needs over an eight year period. The adoption of the Housing Element would not result in any new hazardous emissions, and would not increase the handling of hazardous or acutely hazardous materials. As a specific development project is proposed, any potential impacts related to hazardous materials would be analyzed under CEQA in conjunction with the approval of a particular project, and any necessary mitigation measures identified at that time. Therefore, adoption of the Housing Element would have no impact.

e,f) **No Impact.** No portions of the City are located within an airport land use plan, or in the vicinity of an airport or airstrip. Therefore, there would be no impact upon adoption of the Housing Element.

g) **No Impact.** The Housing Element is a policy document that does not include any specific development proposal. The impacts to hazards and hazardous materials of any future proposal to develop the residential sites identified in the Housing Element would be identified on a site-specific basis and mitigated in the future when they become ascertainable. Therefore the Housing Element adoption would have no impact on hazards and hazardous material.

h) **No Impact.** There are no areas of Laguna Hills that are located within designated mapped fire hazard zones according to the adopted Fire Safety Hazard Severity Zone Map for State Responsibility Areas. Neither does the housing Element propose to introduce new area for residential development in such designated area. Therefore, the adoption of the Housing Element, a policy document, would not increase risks related to wildland fires or expose people or structures to significant risk of wildland fires.

MITIGATION MEASURES:

Because there would be no impact to hazards and hazardous materials, no mitigation measures are necessary.

3.9 – Hydrology and Water Quality

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Violate any water quality standards or waste discharge requirements?	☐	☐	☐	☒
b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate or pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?	☐	☐	☐	☒
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream river, or substantial runoff in a manner, which would result in flooding on- or off-site?	☐	☐	☐	☒

d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner, which would result in flooding on- or off-site?	☐	☐	☐	☒
e) Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?	☐	☐	☐	☒
f) Otherwise substantially degrade water quality?	☐	☐	☐	☒
g) Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?	☐	☐	☐	☒
h) Place within a 100-year flood hazard area structures, which would impede or redirect flood flows?	☐	☐	☐	☒
i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?	☐	☐	☐	☒
j) Inundation by seiche, tsunami, or mudflow?	☐	☐	☐	☒

RESPONSES:

(Sources: Laguna Hills General Plan and City of Laguna Hills General Plan Program EIR)

a) No Impact. New development could impact water quality through runoff and wastewater discharge. However, all future developments will be required to comply with the City's Water Quality Control Ordinance implementing applicable federal, state, and local water quality requirements such as the Clean Water Act and the National Pollutant Discharge Elimination System (NPDES) program. As part of the City's development review process, future development projects will be required to prepare water quality plans and/or incorporate "Best Management Practices" (BMPs) into their construction operations to reduce erosion, siltation and water pollution both during and after construction. Compliance with these regulations would be expected to reduce water quality impacts to a level that is less than significant. Nonetheless, since the Housing Element is a policy document, and does not permit a specific development proposal, no water quality issues will result. The impacts of any future proposal to develop the residential sites identified in the Housing Element would be identified on a site-specific basis and mitigated in the future when they become ascertainable. Therefore the Housing Element adoption would have no impact on water quality standards or waste discharge requirements.

b) No Impact. The City's fair regional share of housing during the planning period ending in 2021 is 2 units. Most housing development is expected to consist of replacement of existing development, which would not

represent a substantial change in the amount of impervious surfaces and therefore no significant change in the rate of groundwater recharge would be expected. The City has adopted the California Green Building Code which requires runoff from a substantial portion of new impervious surfaces to be retained onsite and on vacant sites. The City has adopted a water conservation ordinance and a water efficient landscaping ordinance that requires all landscaping regardless of size to be water efficient.

Any new residential development and/or redevelopment would be situated either within the Moulton Niguel Water District (MNWD) or the El Toro Water District (ETWD) service areas. Both the MNWD and ETWD Urban Water Management Plans (2005) indicate that the districts expect to have adequate water supply available to meet the demand posed by growth within their jurisdictions. In addition, the Metropolitan Water District (MWD), the primary supplier of water for both districts, indicated in the MWD 2005 Regional UWMP that MWD can provide 100 percent of the supply demanded by its member agencies until 2030 (MNWD 2007). While the Housing Element is not subject to the requirements of SB 610 and/or SB 221 because it does not grant entitlements, individual projects envisioned under the document may create demand that exceeds expected water supplies. Any future residential development would be subject to CEQA review. Potential impacts to groundwater supply and recharge would be analyzed and, if necessary, mitigated. Therefore, no new significant impacts would occur and no mitigation measures are necessary at this time.

c-f) No Impact. Residential development could result in very minor modification to existing drainage on small lots through grading and construction of homes and internal circulation. However, since most new residential development would replace existing buildings, no substantial increase in runoff or major changes in drainage patterns would be expected. Also, since the Housing Element is a policy document, and does not result in a specific development proposal, there is no contribution to hydrology and water quality issues. The impacts of any future proposal to develop the residential sites identified in the Housing Element would be identified on a site-specific basis and mitigated in the future when they become ascertainable. These projects will be required to prepare storm water pollution prevention plans, demonstrate adequate storm water drainage facilities, and retain storm water onsite per the California Green Building Code. Therefore the Housing Element adoption would have no impact on hydrology and water quality.

g-i) No impact. All new development is required to comply with applicable regulations regarding mitigation of flood hazards. The City's Building Code addresses requirements for development in floodways and other flood hazard areas. The Housing Element does not include changing any land use designations or zoning to allow residential uses in a flood plain, nor does it include approval of any specific development proposals; therefore the Housing Element would not result in the exposure of people or structures to flood hazard areas. Any potential impacts related to flooding from possible future residential development described in the Housing Element would be analyzed separately under CEQA as the projects are proposed. Therefore adoption of the Housing Element would not result in any impacts.

j.) No Impact. Due to its inland location, the City of Laguna Hills will not be affected by tsunamis. Although seiches have not historically occurred within the City of Laguna Hills, it is possible that a seiche may occur if strong ground shaking causes structural damage to above-ground water tanks. There is also a potential for

mudflows from the hillsides, in the event the development removes natural vegetation and makes cuts into the earth that could generate mudflows. However, standard erosion-prevention practices and avoidance of steepened slopes near existing development would help to reduce impacts related to mudflows. In addition, the City would continue to require new development and redevelopment to comply with the City's Hillside Development Standards and Guidelines as set forth in the Laguna Hills Municipal Code. In the event that these potential hazards would occur, the City would implement measures set forth in the Laguna Hills Emergency Operation Plan (EOP) to respond to such an event. With implementation of the standard erosion-prevention practices, the Hillside Development Standards and Guidelines, and other related programs included in the City's General Plan, impacts related to seiche and mudflows would be reduced to a less than significant level.

Nonetheless, the Housing Element is a policy document, and does not result in a specific development proposal, or result in the allowance of new housing developments to occur in areas subject to flooding, seiche, or mudflows. The impacts of any future proposal to develop the residential sites identified in the Housing Element would be identified on a site-specific basis and mitigated in the future when they become ascertainable. Therefore the Housing Element adoption would have no impact on inundation by seiche, tsunami, or mudflow .

MITIGATION MEASURES:

Because there would be no impact to hydrology and water quality, no mitigation measures are necessary.

3.10 – Land Use and Planning

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Physically divide an established community	☐	☐	☐	☒
b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?	☐	☐	☐	☒
c) Conflict with any applicable habitat conservation plan or natural community conservation plan?	☐	☐	☐	☒

RESPONSES:

(Sources: Laguna Hills General Plan and City of Laguna Hills General Plan Program EIR)

a) **No Impact.** Adoption of the Housing Element would not physically divide an established community since the Housing Element does not propose any land use changes or rezoning of land for residential uses, nor does it involve any specific development proposal. The Housing Element includes policies aimed at maintaining and enhancing the quality of existing housing and neighborhoods. The impacts of any future proposal to develop the residential sites identified in the Housing Element would be identified on a site-specific basis and mitigated in the future when they become ascertainable. Therefore the Housing Element adoption would have no impact on land use and planning.

b) **No Impact.** The Housing Element is consistent with the other elements of the City's General Plan (2009), as well as the City's Municipal Code, and the Urban Village Specific Plan. Any future proposal to develop the residential sites identified in the Housing Element will be required to comply with applicable plans and regulations. The impacts of any future proposal to develop the residential sites identified in the Housing Element would be identified on a site-specific basis and mitigated in the future when they become ascertainable. Therefore the Housing Element adoption would have no impact on land use and planning.

c) **No Impact.** Laguna Hills is not part of any habitat conservation plan or natural communities conservation plan. Therefore, the Housing Element adoption would have no impact on such plans.

MITIGATION MEASURES:

Because there would be no impacts to land use and planning, no mitigation measures are necessary.

3.11 – Mineral Resources

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?	☐	☐	☐	☒
b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?	☐	☐	☐	☒

RESPONSES:

(Sources: Laguna Hills General Plan and City of Laguna Hills General Plan Program EIR)

a,b) No Impact. No significant mineral deposits are known to exist within the City of Laguna Hills (General Plan 2009). The Housing Element is a policy document that includes goals, policies and programs to meet the existing and projected housing needs of the City, but does not propose any specific development project. As a specific development project is proposed in the future, any potential impacts related to mineral resources onsite would be analyzed under CEQA in conjunction with the approval of a particular project, and any necessary mitigation measures identified at that time. Therefore, the adoption of the Housing Element would have no impact on mineral resources.

MITIGATION MEASURES:

Because there would be no impact to mineral resources, no mitigation measures are necessary.

3.12 – Noise

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Result in exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?	☐	☐	☐	☒
b) Result in exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?	☐	☐	☐	☒
c) Result in a substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?	☐	☐	☐	☒
d) Result in a substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?	☐	☐	☐	☒
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?	☐	☐	☐	☒

f) For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?	☐	☐	☐	☒
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RESPONSES:

(Sources: Laguna Hills General Plan and City of Laguna Hills General Plan Program EIR)

a-d) No Impact. Future residential developments would be expected to result in short-term construction-related noise impacts, including groundborne vibration. Required compliance with the City's noise regulations and restrictions on construction hours will mitigate these impacts below the level of significance. New residential development could also result in long-term noise due to vehicular traffic.

The Housing Element is a policy document, and does not result in approval of any specific development projects. The impacts of any future proposal to develop the residential sites identified in the Housing Element would be identified on a site-specific basis and mitigated in the future when they become ascertainable. The site-specific noise conditions, including permanent and temporary increases in noise levels due to traffic, construction, and possible groundborne vibrations, would be assessed at that time. Any needed mitigation measures would be identified during the individual project or plan review, including compliance with the General Plan Noise Element and the City's Noise Ordinance. As such, adoption of the Housing Element would result in no noise impacts.

e,f) No Impact. The City is not located within an Airport Land Use Plan or within the vicinity of an airport or airstrip. Therefore, there would be no impact from adoption of the Housing Element.

MITIGATION MEASURES:

Because there would be no impact to noise, no mitigation measures are necessary.

3.13 – Population and Housing

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?	☐	☐	☒	☐

b) Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?	☐	☐	☐	☒
c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?	☐	☐	☐	☒

RESPONSES:

(Sources: Laguna Hills General Plan and City of Laguna Hills General Plan Program EIR)

a) Less Than Significant. For the 2013-2021 Housing Element cycle, HCD projected a need for 412,137 new housing units in a six-county Southern California region (encompassing the counties of Los Angeles, Orange, Riverside, San Bernardino, Ventura, and Imperial). SCAG is responsible for allocating this housing need to the 193 jurisdictions within the region which includes the City of Laguna Hills. In this capacity, SCAG developed a Regional Housing Needs Assessment that determines each jurisdiction's share of the forecasted growth. Laguna Hills' share of the regional housing need for the period 2013-2021 is allocated by SCAG based on a number of factors, including recent growth trends, income distribution, and capacity for growth. The RHNA is divided into the four income groups established by HCD. Pursuant to state housing law, a jurisdiction must demonstrate in its housing element that it has adequate residential sites at appropriate densities and development standards to accommodate its RHNA. According to the RHNA, Laguna Hills has a need of two additional housing units for the 2013-2021 planning period (one extremely low income unit and one very low income unit).

As stated above, a jurisdiction must demonstrate it has adequate residential sites to accommodate its RHNA. An important component of the 2013-2021 Laguna Hills Housing Element is the identification of sites for future housing development and evaluation of the adequacy of this site inventory in accommodating the City's share of regional housing growth. A residential sites inventory was conducted and identified sites that could accommodate potentially 605 residential units (599 units on underutilized lots and 6 units on vacant lots). Therefore, the properties identified in the sites inventory have the combined capacity to accommodate sufficient housing units on vacant and underutilized properties in Laguna Hills and meet the RHNA for the 2013-2021 planning period. (All of the sites identified allow for residential uses and no changes to zoning or densities are proposed with this Housing Element.)

Although the City's RHNA is only 2 units, the Housing Element identifies a potential for residential growth of 605 units. Based on estimates of 3.22 persons per household for single-family units and 2.68 persons per household for multi-family units, a net population increase of approximately 1,628 persons could be expected with the potential residential growth identified in the Housing Element.

According to the Department of Finance, the City's population was 30,618 in 2012 and the 2010 Census reported that Laguna Hills had 11,046 housing units in 2010. As stated earlier, potential residential capacity identified in the proposed Housing Element is 605 additional residential units which could result in a population increase of approximately 1,628 persons over the life of the Housing Element (+/- 200 persons per year). The projected population increase is approximately 5.3 percent from the 2012 population reported for

the City by the Department of Finance. This represents a modest level of growth and does not constitute substantial growth given the capacity of services, utilities, and infrastructure available to accommodate growth analyzed elsewhere in this document. Likewise, the projected increase in the total number of dwelling units is approximately 5.5 percent from the existing number of housing units in the City. Again, this represents a modest increase and is not consistent with substantial growth. While residential growth is expected to occur during the 2013-2021 planning period of the proposed Housing Element, adoption of the Housing Element Update will not directly induce a substantial increase in housing or associated population growth and thus will not result in a significant impact but rather continues the land use and housing policies adopted from the current Housing Element and the General Plan.

The residential growth identified in the proposed Housing Element is consistent with the City's General Plan and General Plan PEIR. Because the City is almost entirely built out, most roads and other infrastructure are currently in place and few improvements and/or extensions are expected under implementation of the General Plan. In addition, any improvements and/or extensions of roads and other infrastructure that may occur would be sized to serve only new development anticipated under the General Plan. No roads or other infrastructure would be extended into areas that are not currently served. The potential residential growth identified in the proposed Housing Element would not cause significant indirect population impacts because population growth would be within projected capacity for the City. While some road and infrastructure improvements may occur to accommodate growth, adoption of the Housing Element will not indirectly induce substantial housing or associated population growth and thus will not result in a significant impact. No mitigation is required.

b,c) No Impact. As identified in the residential sites inventory in the 2013-2021 Laguna Hills Housing Element, residential growth would occur in the Urban Village and/or Alicia Gateway as part of mixed use developments, or on the six vacant parcels located in the Nellie Gail Ranch residential community. Although these sites are all already zoned to permit residential uses, no residential development currently exists on them. Further, the Housing Element does not propose any land use changes from residential to non-residential. Thus, future residential growth consistent with the proposed Housing Element would not result in the displacement of existing housing or people. No mitigation is required.

MITIGATION MEASURES:

Because there would be no impact to population and housing, no mitigation measures are necessary.

3.14 – Public Services

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically				

altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:				
a) Fire protection?	☐	☐	☒	☐
b) Police protection?	☐	☐	☒	☐
c) Schools?	☐	☐	☒	☐
d) Parks?	☐	☐	☒	☐
e) Other public facilities?	☐	☐	☒	☐

RESPONSES:

(Sources: Laguna Hills General Plan and City of Laguna Hills General Plan Program EIR)

- a) Less Than Significant.** The potential housing identified in the Housing Element would result in an increase in population and new development within the City, increasing the overall demand for fire protection and emergency services. The Orange County Fire Authority (OCFA) is contracted to provide fire protection and emergency services to Laguna Hills. The OCFA maintains a ratio of 0.75 firefighters per 1,000 residents for the City. Fire Station #22, which serves Laguna Hills, currently exceeds this ratio, and no additional personnel would be required due to implementation of the General Plan (OCFA 2008b) which takes into account housing growth that is consistent with the 2013-2021 Housing Element. In addition, it is anticipated that no new equipment would be needed to adequately serve the City.

Additionally, the City would continue to require all future development and redevelopment projects to be reviewed by the OCFA on an individual basis to ensure that an adequate level of fire protection and emergency services would be provided to the community. Therefore, impacts associated with fire protection and emergency services would be less than significant.

- b) Less Than Significant.** The City contracts its law enforcement services through the Orange County Sheriff's Department (OCSD). The potential housing growth identified in the Housing Element would result in an increase in population and new development within the City, increasing the demand for police protection and services; however, the overall level of police protection would not be reduced. The OCSD currently maintains a ratio of 1.2 sworn officers per 1,000 residents but does not utilize a standard personnel-to-population ratio to measure the adequacy of policing levels within the planning area. Instead, the OCSD analyzes demographics, calls for service, population, and crime trends to determine the level of police services needed in the planning area. Police service response times continue to remain within these expected parameters for all four priority levels as defined by the OCSD. Also, in an effort to maintain the low crime rate, the General Plan contains policies and programs that promote neighborhood safety through neighborhood watch and community-oriented policing programs as well as through the design principles, such as Crime Prevention through Environmental Design (CPTED).

Moreover, the City would continue to require all future development and redevelopment projects to be reviewed by the OCSD on an individual basis to ensure that an adequate level of police protection services would be provided to the community. Therefore, impacts associated with police protection would be less than significant.

- c) **No Impact.** Public schools serving students in Laguna Hills operate within the Saddleback Valley Unified School District (SVUSD). The table below highlights the student generation rates for SVUSD. Based on the SVUSD student generation rates and the approximate increase of 457 dwelling units pursuant to development from the General Plan, an estimated 115 new students would be generated due to the General Plan's implementation. This new development and redevelopment would occur in the Via Lomas area, Alicia Gateway, and the seven vacant estate residential parcels in the Nellie Gail Ranch community located in the southern are of the City.

Saddleback Valley Unified School District Student Generation Factors by New Residential Dwelling Unit Type and Education Level

Dwelling Unit Type	Proposed Dwelling Units	Education Level	Generation Factor	Students Generated
Single-Family (detached)	6	Elementary	.34	2.04
		Middle	.065	0.39
		High	.16	0.96
Total Students from Single-Family Residences				3.39
Multi-Family (attached)	600	Elementary	.10	60.00
		Middle	.046	27.60
		High	.10	60.00
Total Students from Multi-Family Residences				147.60
Total Potential Students Generated by Housing Element				150.99

Source: SVUSD 2008

As of November 2008, SVUSD data reported a remaining capacity of approximately 1,110 students at schools that serve the City. SVUSD periodically adjusts enrollment capacities in cooperation with the City to provide for optimum long-range facilities management.

Based on the SVUSD's student generation rates provided in the table above, an estimate of 151 new students could be generated in the City by potential housing growth identified in the 2013-2021 Housing Element. Assuming that current enrollment rates remain constant over the 2013-2021 planning period of the proposed Housing Element, it is not anticipated that district capacity would be exceeded in the future.

SVUSD as a whole is experiencing declining enrollment primarily at the elementary level; however, the pattern of declining enrollment is expected to continue through intermediate and high school levels over the next several years (SVUSD 2008). Changing demographics, including families with fewer children, have caused enrollment dips. As the local population increases over time, SVUSD has flexibility built into its enrollment strategy to accommodate new students who live in Laguna Hills. Also, SVUSD collects school fees to fund new construction needed as a result of new housing. With adoption of SB 50 and Proposition 1A in 1998, school districts that meet certain requirements now have the option of adopting school fees, also known as Level 2 Fees and Level 3 Fees (Public Resources Code Sections 65995.5, 65995.6 and 65995.7). School fees, which are calculated for each school district, allow districts to collect fees for new construction, including home additions. Current developer fees assessed for residential development is \$3.20 per square foot and \$0.51 per square for commercial and industrial development. Payment of alternative school fees would be used to offset the cost to SVUSD of providing education facilities to future students, if and when such facilities are needed. The environmental effects of expansion, construction, and operation of additional school facilities will be evaluated by SVUSD in its efforts to plan for construction of new schools or expansion of existing facilities. SB 50 states that for CEQA purposes, payment of fees to the affected school district reduces school facility impacts to a level less than significant.

- d) **No Impact.** The City currently has 13 public parks, 15 private parks, and 1 community center that offer diverse recreational programs depending on the size of the park and they type of facilities. The 13 public parks include amenities such as sports fields, ballparks, tennis courts, picnic shelter, playground, walking trails, fountains, restrooms, and lighting. The City of Laguna Hills Municipal Code requires that 5.0 net acres of usable parkland for each one thousand (1,000) persons residing within the City shall be devoted to public parks. The City's General Plan Program EIR analyzed 2007 and projected 2030 park acreage needs. The EIR notes that as of 2007 there was a surplus of 20.23 acres of parkland in Laguna Hills. Further, it anticipates that there will be a surplus of approximately 27.24 acres of parkland in the future (2030), which takes into account the housing growth called for in the 2013-2021 Housing Element.
- e) **No Impact.** Library services in Laguna Hills are provided regionally by the Orange County Public Library (OCPL) system. Taking into account the housing growth called for in the 2013-2021 Housing Element, additional library services and potentially new or expanded facilities would be required to adequately serve the planning area. The OCPL has established a recommended standard of 0.2 square feet of library space per capita, which is not currently being met by the existing library facilities. Residential development consistent with the proposed Housing Element could potentially require the provision of approximately 326 additional square feet of library space to be available within the City. The City has recognized this need and is continuing to work with the OCPL to ensure that library development keeps pace with overall City development and population growth. However, the specific environmental impact of constructing a new library or expanded facilities in the City cannot be determined at this Housing Element level of analysis because no specific projects are proposed. Development and operation of new or expanded public facilities, such as a library, may result in potentially significant impacts that are addressed by various City policies included in the General Plan, as well as site-specific mitigation measures identified once a project site and proposal are known. Therefore, impacts associated with libraries would be less than significant.

MITIGATION MEASURES:

As there are no impacts to public services, no mitigation measures are necessary.

3.15 – Recreation

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?	☐	☐	☐	☒
b) Does the project include recreational facilities or require the construction or expansion of recreational facilities, which might have an adverse physical effect on the environment?	☐	☐	☐	☒

RESPONSES:

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(Sources: Laguna Hills General Plan and City of Laguna Hills General Plan Program EIR)

a,b) No Impact. The City currently has 13 public parks, 15 private parks, and 1 community center that offer diverse recreational programs depending on the size of the park and they type of facilities. The 13 public parks include amenities such as sports fields, ballparks, tennis courts, picnic shelter, playground, walking trails, fountains, restrooms, and lighting. In addition to parklands, various recreation programs are available to City residents, including youth and adult sports leagues; seasonal or special events and classes; cooking, dance, and art classes; gallery exhibits; wellness series and lectures; and fossil exhibits, among other programs. The City of Laguna Hills Municipal Code requires that 5.0 net acres of usable parkland for each one thousand (1,000) persons residing within the City shall be devoted to public parks. The City's General Plan Program EIR analyzed 2007 and projected 2030 park acreage needs. The EIR notes that as of 2007 there was a surplus of 20.23 acres of parkland in Laguna Hills. Further, it anticipates that there will be a surplus of approximately 27.24 acres of parkland in the future (2030), which takes into account the housing growth called for in the 2013-2021 Housing Element.

The impacts of any future proposal to develop the residential sites identified in the Housing Element would be identified on a site-specific basis and mitigated in the future when they become ascertainable. Therefore, adoption of the Housing Element, a policy document, would not result in any impacts to recreation.

MITIGATION MEASURES:

As there are no impacts to recreation, no mitigation measures are necessary.

3.16 – Transportation and Traffic

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact

a) Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths and mass transit)?	☐	☐	☐	☒
b) Exceed, either individually or cumulatively, a level of service standard established by the county congestion management agency for designated roads or highways?	☐	☐	☐	☒
c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?	☐	☐	☐	☒
d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?	☐	☐	☐	☒
e) Result in inadequate emergency access?	☐	☐	☐	☒
f) Conflict with adopted policies, plans, or programs supporting alternative transportation (e.g., bus turnouts, bicycle racks)?	☐	☐	☐	☒

RESPONSES:

(Sources: Laguna Hills General Plan and City of Laguna Hills General Plan Program EIR)

a,b, d-f) No Impact. The City's local circulation network is connected to an efficient regional circulation system. I-5 is the major north-south transportation facility that defines the eastern boundary of the City of Laguna Hills. I-5 provides access to destinations throughout Southern California and beyond. Within the City, access to I-5 is provided from Lake Forest Drive, El Toro Road, Alicia Parkway, and La Paz Road. Access to I-5 is also provided by Oso Parkway, just east of the City limits. The San Joaquin Hills Transportation Corridor (SR-73) forms a portion of the City's western and southern border and is another north-south facility. SR-73 is a toll road which extends between the Interstate 404 interchange in Costa Mesa to the north, and an I-5 interchange in Laguna Niguel to the south. SR-73 on-and off-ramps are located adjacent to the City limits at La Paz Road, Moulton Parkway, and Greenfield Drive.

The City also includes a local street system as well as a system of recreational trails that accommodate a variety of different users such as bikers, walkers, and equestrians. The City is also served by public transit and a system of bike trails and bike lanes.

The City does not have any at-grade railroad crossings. There are no arterials that directly lead to at-grade crossings. However, in the event that a development project is proposed in the future that is adjacent to or near railroad right-of-way (ROW), the project will be reviewed with safety of the rail corridor in mind. The

City will consider pedestrian circulation patterns or destinations with respect to railroad ROW and compliance with the Americans with Disabilities Act.

The General Plan as a whole emphasizes sustainable development and alternative transportation. A majority of the sites included in the Housing Element residential lands inventory are within the Urban Village Specific Plan area, which calls for a mix of uses, and pedestrian and bike facilities.

The Housing Element is a policy document that includes goals, policies and programs to meet the existing and projected housing needs of the City. The Housing Element identifies policies and potential sites to accommodate all new housing within existing residential and specific plan area, and does not call for land use or zoning designation changes. The Housing Element does not include any specific development proposal. The transportation and traffic impacts of any future proposal to develop the residential sites identified in the Housing Element would be identified on a site-specific basis and mitigated in the future when they become ascertainable. Therefore the Housing Element adoption would have no impact on.

- c) **No Impact.** There are no airports or airfields in the vicinity of the City of Laguna Hills, so the Housing Element adoption would result in no impacts.

MITIGATION MEASURES:

As there are no impacts to transportation and traffic, no mitigation measures are necessary.

3.17 – Utilities and Service Systems

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact

a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?	☐	☐	☒	☐
b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?	☐	☐	☒	☐
c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?	☐	☐	☒	☐
d) Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?	☐	☐	☒	☐
e) Result in a determination by the wastewater treatment provider which serves or may serve the project that it had adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?	☐	☐	☒	☐
f) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?	☐	☐	☒	☐
g) Comply with federal, state, and local statutes and regulations related to solid waste?	☐	☐	☐	☒

RESPONSES:

(Sources: Laguna Hills General Plan and City of Laguna Hills General Plan Program EIR)

a-g) No Impact. The Housing Element is a policy document that includes goals, policies and programs to meet the existing and projected housing needs of the City. Anticipated new development for the Housing Element period is 2 units. The Housing Element identifies policies and potential sites to accommodate all new housing within existing residential and specific plan area, and does not call for land use or zoning designation changes. The Housing Element does not include any specific development projects. The specific environmental effects to utility and service systems of future residential development that may be proposed in the Housing Element policies and programs would be evaluated as individual project proposals or plans are submitted and CEQA review conducted. Any needed mitigation measures would be identified at that time. Therefore, adoption of the Housing Element would not result in a less than significant impact.

MITIGATION MEASURES:

As there are no impacts to utilities and service systems, no mitigation measures are necessary.

3.18 – Mandatory Findings of Significance

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?	☐	☐	☐	☒
b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?	☐	☐	☐	☒
c) Does the project have environmental effects, which will cause substantial adverse effects on human beings, whether directly or indirectly?	☐	☐	☐	☒

RESPONSES:

(Sources: Laguna Hills General Plan and City of Laguna Hills General Plan Program EIR)

a-c) No Impact. As described throughout this document, the Housing Element is one of the elements of the City of Laguna Hills General Plan, and must be updated pursuant to California Government Code Section 65588 for the 2013-2021 planning period. The Housing Element identifies and assess projected housing needs and provides an inventory of constraints and resources relevant to meeting these needs.

The City's RHNA for the 2013-2021 planning period is 2 units. The Housing Element illustrates that under current zoning and General Plan land use designations, the City has an estimated additional capacity for 605 residential units that can be developed on underutilized and vacant sites where residential use is currently allowed to accommodate the City's RHNA. No land use or zoning designation changes are required as part of the Housing Element; therefore, the Housing Element proposes no changes from existing conditions. The Housing Element does not include any specific development proposal for residential units. All environmental effects of future residential development would be evaluated as individual project proposals or plans are submitted to the City for consideration, pursuant to CEQA. Regional impacts, such as those related to GHG, air quality, and traffic, have been previously considered in regional planning documents such as SCAG's 2012 STP/ SCS and the 2012 AQMP. The proposed 2013-2021 Housing Element does not

deviate from the land use assumptions contained in those planning documents. Therefore, adoption of the Housing Element would not degrade the quality of the environment, result in cumulatively considerable impacts or cause substantial adverse effects on human beings.

Section 4: References.

Laguna Hills General Plan. July 2009.

Laguna Hills General Plan Program Environmental Impact Report. June 2009.

Laguna Hills Urban Village Specific Plan. November 2002.



City of Laguna Hills

City Council Meeting Agenda

Staff Report

DATE: OCTOBER 8, 2013

TO: MAYOR AND COUNCIL MEMBERS

FROM: KENNETH H. ROSENFELD
DIRECTOR OF PUBLIC SERVICES/CITY ENGINEER

ISSUE: REQUEST FOR STREET TREE REMOVAL AT 25252 MAWSON DRIVE

RECOMMENDATION: THAT THE CITY COUNCIL RECEIVE AND FILE THE REPORT.

SUMMARY:

The resident of 25252 Mawson Drive addressed the City Council at the meeting of August 27, 2013, to request the City remove the street tree located in the parkway in front of this home. Staff reviewed the condition of the California Sycamore tree at this location and determined that the tree should remain in place in accordance with the City Council Tree Preservation Policy No. 315; the tree is not diseased or declining, the tree is currently not damaging public property and the tree is not known to be a threat to private property. It is recommended the City Council receive and file this report.

BACKGROUND:

The City of Laguna Hills is a "Tree City USA" participant and prides itself on the number and types of healthy trees existing within the community. In 1998, the City Council adopted Policy No. 315 regarding Tree Preservation. A copy of this Policy is attached as Exhibit 1. In 2011/12, the City implemented a tree planting program in which approximately 600 new trees were planted in the traditional neighborhood parkway areas. The City maintains an annual budget of \$180,000 for tree trimming, tree planting and tree removal as needed.

The resident of 25252 Mawson Drive, Mr. Steve Epstein, previously contacted staff to request the removal of the California Sycamore that is located in the parkway in front of his home. Staff reviewed the condition of the tree and did not find that it qualified for removal per the Tree Preservation Policy. Please see Exhibit 2 for photographs of the tree. The tree is not diseased or declining, the tree is currently not damaging public property and the tree is not known to be a threat to private property. While it is recognized that this tree type is not an appropriate species to fully grow within the existing 3.5' wide parkway, there is no

current justification to remove the tree; the tree is healthy and not causing damage. The City does not remove trees due to litter or view obstruction concerns, if any. The property owner, Mr. Steve Epstein was previously advised of the staff conclusion regarding the tree and he requested a further review by the City Council through public comments provided at the August 27, 2013, City Council meeting.

The City's tree inventory identifies 42 existing street trees and 16 vacant tree sites on Mawson Drive. The trees consist of the following species:

<u>Number</u>	<u>Tree Type</u>	<u>Common Name</u>
1	Acacia baileyana	Acacia
3	Lagerstroemia indica	Crepe Myrtle
13	Cercis canadensis	Eastern Redbud
3	Jacaranda mimosifolia	Jacaranda
2	Liquidambar styraciflua	Liquidambar/American Sweetgum
4	Magnolia grandiflora	Magnolia
16	Platanus acerifolia	California Sycamore/London Planetree

Of the above species, only the three Crepe Myrtle and 13 Eastern Redbud trees are considered to have the appropriate growth characteristics for the width of the parkway on Mawson Drive. The balance of the trees, at some future time, will likely cause damage to the sidewalk or curbs and may then require root pruning with sidewalk repair or the removal of the tree. In the meantime, the trees add to the aesthetic of the street and provide many benefits to the community.

Staff does not recommend the pre-emptive removal of trees on the basis that some day they may cause damage to public property. In the case of Mawson Drive, should the City act in this manner, as many as 26 trees would be removed and, across the City, hundreds of trees would be removed. During the 2012 sidewalk repair project on Mawson Drive, three trees were too large for the parkway space, had damaged public property and did require removal. However, the balance of the trees on this street, with the exception of one newly declining Liquidambar tree, were not, and are not, proposed to be removed.

FISCAL IMPACT:

The cost for tree removal, depending upon the diameter of the tree, is approximately \$250.

ATTACHMENTS:

- Exhibit 1 – Tree Preservation Policy No. 315
- Exhibit 2 – Photographs of tree at 25252 Mawson Drive

EXHIBIT 1
Tree Preservation Policy

CITY OF LAGUNA HILLS



City Council Policy

Subject: TREE PRESERVATION

Policy No. 315

Effective Date: February 24, 1998

Last Revision: February 24, 1998

PURPOSE

To establish guidelines for public tree trimming and tree removal practices.

BACKGROUND:

Trees are an important asset in the community and their preservation is a goal of the City's General Plan. Maintenance of public trees is performed for the health of the tree, enjoyment of the residents, and for wildlife benefits. As existing trees reach a mature age, the City receives increasing requests for tree trimming and tree removal. This policy is provided to clarify the conditions which the City will utilize to evaluate such requests.

The City of Laguna Hills has an estimated 5,000 public trees located in its parks and open spaces and along the public streets. Unfortunately, some poor choices were made in the past as to the selection of tree types, locations of planting and maintenance practices, particularly in narrow residential parkway areas. Many tree species have grown or will grow too large for their settings. The root systems of some trees have caused sidewalks, curbs, and gutters to become damaged or infringed upon private properties. Other species have not thrived well in their Laguna Hills environment and are not healthy specimens.

As a result of these tree growth problems and normal tree maintenance practices, the City's Public Works Department has prepared the Tree Preservation Policy to provide guidance to mitigate the problems and expenses to the community caused by trees while preserving as many trees as possible.

POLICY:

Authorized Tree Trimming:

Laguna Hills is currently on a three year trimming cycle. Trees are pruned for the following reasons: (1) health maintenance, structural form and safety; (2) to provide vertical clearances in the public right-of-way (trees are raised to 9 feet over sidewalks and 16 feet over streets) for pedestrians and vehicles, and (3) to address trees which become larger than is desirable or safe for given site constraints.

**City Council Policy
No. 315
Tree Preservation**

Tree trimming involves thinning and raising branches. Thinning out can reduce the height and spread of a tree while retaining its natural shape and is the practice preferred rather than topping. Topping adversely impacts tree structure. Trees will not be topped. Trees will not be trimmed solely for the benefit of views or for litter control.

The appropriate time to fully trim a tree will depend on the type of tree, its condition, and the results desired. Light pruning can be done any time. Broken, dead, weak, or individual branches can be removed with little or no effect on a tree, no matter what time of the year. Generally, however, tree trimming will be scheduled in the Fall/Winter months.

No person, other than the City, is authorized to trim public trees without an appropriate permit. A tree trimming permit may be issued for the trimming or thinning of a tree only in accordance with guidelines established by the City. If a permit is issued and granted for a private entity to trim a tree, the permit shall be available on-site at all times during trimming activity.

Authorized Tree Removal

Upon request, and for the criteria described below, public trees will be inspected and authorized for removal:

1. Tree is diseased and declining.
2. Tree is damaging the sidewalk, curb or gutter, and is not receptive to preventative root pruning.
3. The tree and/or its roots are a threat to private property.

No person, other than the City, is authorized to remove public trees without a permit. Trees will not be removed solely for view enhancement. Tree removal includes stump and root removals in a manner meeting the approval of the City.

For the preservation of these assets, a resident requesting removal of a street tree, that has been justified for removal by the City, will be requested to donate and plant another tree in its place. The size, species type, and location will be specified by the Director of Public Works or his designee. If the resident will not replace the tree, the City will do so provided the tree is determined by the Director of Public Works to enhance the tree preservation goals.

Unauthorized Tree Removal or Trimming

Any person identified as having removed or trimmed a tree, so as to cause damage to the tree will be responsible for the full cost of replacement of the tree.

**City Council Policy
No. 315
Tree Preservation**

Street Tree List

The following list of tree species shall be used by the Director of Public Works or his designee when selecting a replacement tree for street parkways.

Species for 2-3 Foot Parkways, or 2'X2' Cut-Outs

Expected root flare diameter 1' to 1.5 ft. at 40 years

- Lagerstroemia indica "fauriei" (mildew resistant)
- Crape Myrtle
- Tristania laurina
- Brisbane Box
- Pyrus calleryana "Aristocrat"
- Aristocrat Pear
- Cercis occidentalis
- Western Redbud

Species for 3-5 Foot Parkways, or 4'X4' Cut-Outs

Expected root flare diameter 1.5' to 2 ft. at 40 years

- Pyrus calleryana "Bradford"
Bradford Pear
- Archontophoenix cunninghamiana
Queen Palm
- Metrosideros excelsus
New Zealand Christmas Tree
- Pistachia chinensis
Chinese Pistache
- Hymenosporum flavum
Sweetshade

Species for 5-6' Ft. Parkways or 5'X5' Cut-Outs

Expected root flare diameter 2' to 4 ft. at 40 years

- Melaleuca uuinquenervia
Paperbark; cajuput tree
- Geijera parviflora
Australian Willow
- Ulmus parvifolia
Chinese Elm
- Jacaranda acutifolia
Jacaranda
- Brachychiton populneus
Bottle Tree

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- Ginkgo biloba (grafted male only)
Ginkgo
- Bauhinia variegata
Purple Orchid Tree
- Pinus eldarica
Mondale Pine

ATTACHMENTS:

- None

EXHIBIT 2
Photographs of tree at 25252 Mawson Drive

Tree at 25252 Mawson Drive, Laguna Hills, CA





City of Laguna Hills

City Council Meeting Agenda

Staff Report

DATE: OCTOBER 8, 2013

TO: COUNCIL MEMBERS

FROM: MAYOR KOGERMAN

ISSUE: LANDSCAPE RENOVATION OF POORLY MAINTAINED AND/OR POORLY LANDSCAPED CITY-OWNED PROPERTIES

RECOMMENDATION: THAT THE CITY COUNCIL DIRECT STAFF TO DEVELOP A PLAN TO EVALUATE ALL CITY-OWNED PUBLIC PROPERTIES VIEWABLE BY THE PUBLIC, DETERMINE WHETHER DETERIORATED PARCELS ADVERSELY CONTRIBUTE TO A SIGNIFICANT NEGATIVE AESTHETIC OR SAFETY STANDARD REQUIRING REMEDIATION, AND RECOMMEND APPROPRIATE ACTIONS AS DISCUSSED IN THE REPORT.

SUMMARY:

Numerous City-owned, street-visible parcels are in disrepair, and the City has not been able to raise or maintain these parcels to acceptable esthetic standards. Such unsightly parcels are detrimental to property values and detract from the overall beauty of the City's neighborhoods. Current budget constraints suggest that a piecemeal renovation program would take more than 20 years to complete.

BACKGROUND:

According to City Engineer and Director of Public Works Ken Rosenfield: "The City has a very long list of slope areas with non-functioning irrigation systems . . . due to the age of the infrastructure and the inability to budget sufficient funds to repair all systems simultaneously." The City's CIP Budget documents the need. The City Council has funded many landscape improvement projects in the past. Every park has been renovated, many median islands have been renovated and several open spaces and slopes have been renovated. As a part of the routine CIP Budget approval process, the City Council has to make prioritization and resource allocation decisions.

Mr. Rosenfield also states: "The City has hundreds of acres of slope areas that were originally irrigated but, because the systems are up to 40+ years old, are antiquated and non-functional, many of these irrigation systems can no longer be utilized. The

consequence of non-functional irrigation is a decline in the condition of the landscaping. The irrigation systems implemented 40 years ago consisted of surface mounted galvanized pipes that are now rusted with numerous holes being common.”

It should also be noted that parched, unsightly, bare patches of dirt or slopes contain rusted and dysfunctional irrigation pipes that are subject to mud slippage. Failure to properly address these slopes not only adds to an image of blighted neighborhoods, but also portends public safety and potential property damage issues due to slope slippage and/or slope failure.

Recommended appropriate actions to pursue would include the following:

- Forming a taskforce consisting of the Mayor or his/her designee, the City Manager or his designee, the City Attorney, the City Engineer, a local Realtor recommended by the Orange County Association of Realtors, and at least one interested resident appointed by the City Council;
- Within six months following City Council approval, this taskforce shall provide to the City Council recommendations for designing a Landscape Renovation Program (LRP) to address City-owned, street-viewable parcels that exhibit unacceptable landscape or safety standards. Such a program should include the following:
 - Developing resolutions and identifying costs associated with implementing any timely solutions to deteriorated City-owned, street-viewable parcels;
 - Providing a restoration plan for parcels that remain under City ownership;
 - Analyzing deeding transfer issues of identified parcels to adjacent homeowners or neighborhood improvement associations formed for this purpose;
 - Providing the framework for City-sponsored, interest-free loans to private property owners interested in accepting ownership and responsibilities related to any transfer of City-owned properties;
 - Providing recommended terms and conditions, to include reversionary rights, for any property transferred by the City to a private property owner for the express purposes of improving and maintaining the landscape to City-approved aesthetic and integrity standards.
 - Exploring possible LRP grant funding.

The City Council has identified more than \$123,000,000 of projects in the CIP Budget. The City Council has also determined that the City is financially able to prudently budget \$3,000,000 to \$5,000,000 per year to address public parcel renovation. This piecemeal budgeting approach provides for a 20-year horizon to implement all of the necessary landscape improvements.

Capital Improvement Program Project No. 616 (Toluca Court) addresses all slopes bounded by Paseo de Valencia, Alicia Parkway, Moulton Parkway and La Paz Road, in the area referred as the "Aliso Hills Area Open Space." The overall budget for this project is \$4,700,000. If the City Council so directs, financing for certain discrete slope areas can be carved out of the budget and be implemented in a phased manner. The City is recorded using that approach several years ago when the Aliso Hills South Slope, from Alameda Avenue to Terra Bella Avenue, was fully renovated. In allocating funding for that particular slope, the City Council took the position that this was *the most viewable general public slope and therefore, was rated the highest priority renovation project in the area*. In the most recent CIP Budget approval process, however, the City Council did not fund the Aliso Hills Area Open Space projects.

FISCAL IMPACT:

Based upon the final outcome and recommendation, various costs will be presented as a part of the final report; costs are unknown until the studies are completed and the costs are identified.

