

Housing Element Update

Laguna Hills City Council

May 24, 2022



Process to Date

- » **Aug. 2020** – PlaceWorks Hired by City
- » **Nov. 10, 2020** - City Council Meeting
 - Topic: Introduction to Housing Element Process
- » **Jan. – Feb. 2021** - Stakeholder Consultations
- » **Jun. – Aug. 2021** Online Survey
- » **Jun. 30, 2021** - Virtual Public Workshop
- » **Aug. 5, 2021** - In-Person Public Workshop
- » **Oct. 18, 2021** - Public Review Draft Released and Announced
- » **Oct. 26, 2021** - City Council Meeting
 - Topic: Public Review Draft
- » **Nov. 4, 2021** - Draft Submitted to HCD
- » **Jan. 4, 2022** – HCD Comments to City
- » **Jan. 11, 2022** - City Council Meeting
 - Topic: HCD Review Comments
- » **Mar. 26, 2022** - City Council Public Workshop
 - Topic: Candidate Rezone Sites
- » **May 3, 2022** - City Council Public Workshop
 - Topic: Candidate Rezone Sites
- » **May 24, 2022** - City Council Meeting
 - Topic: Revised Public Review Draft, HCD Submittal

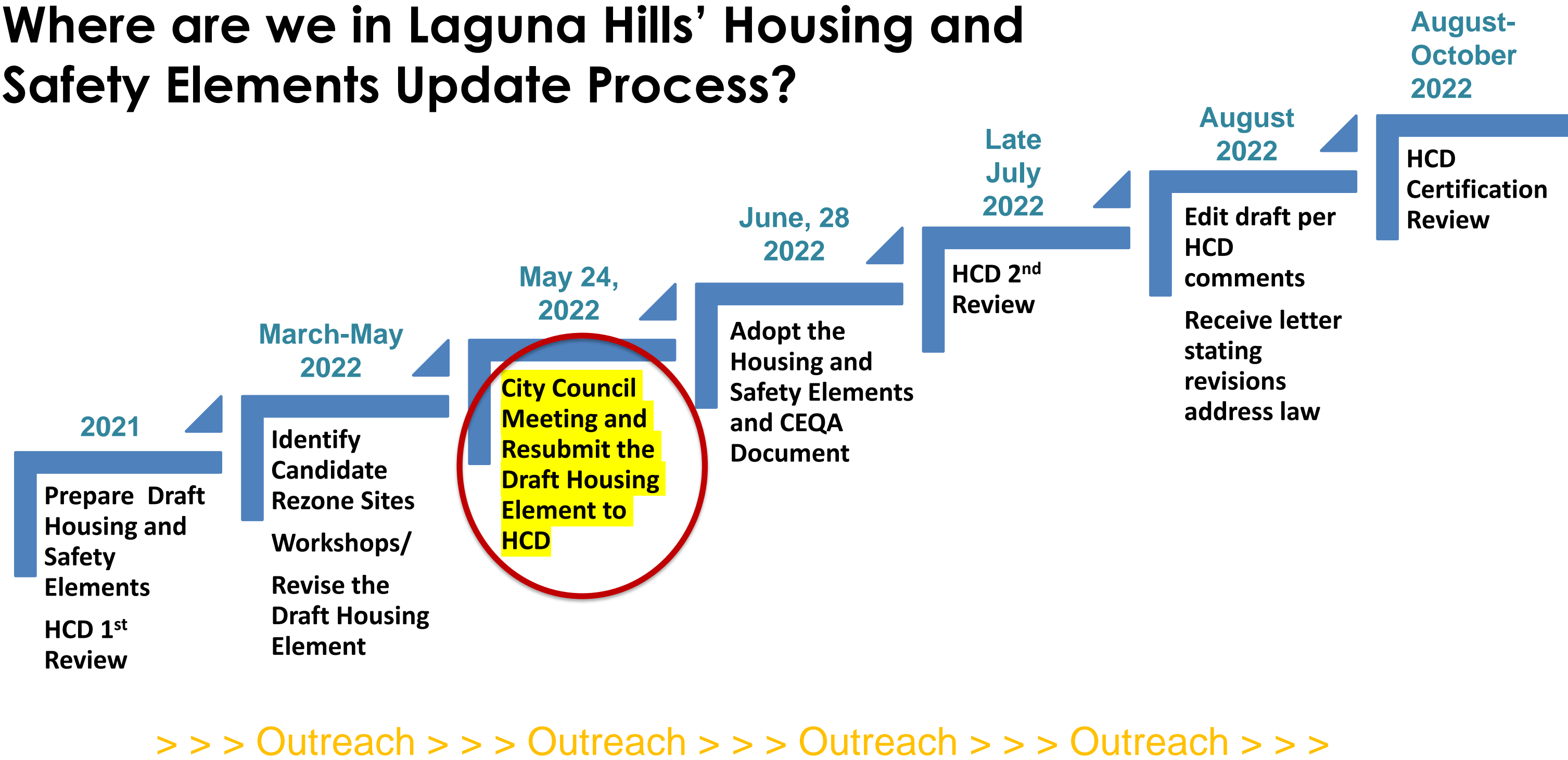


Presentation Agenda

- » Where are we?
- » Related Efforts
- » Housing Element Overview
- » State Regulatory Environment
- » Review Process and Key Changes
- » Comments and Discussion



Where are we in Laguna Hills' Housing and Safety Elements Update Process?





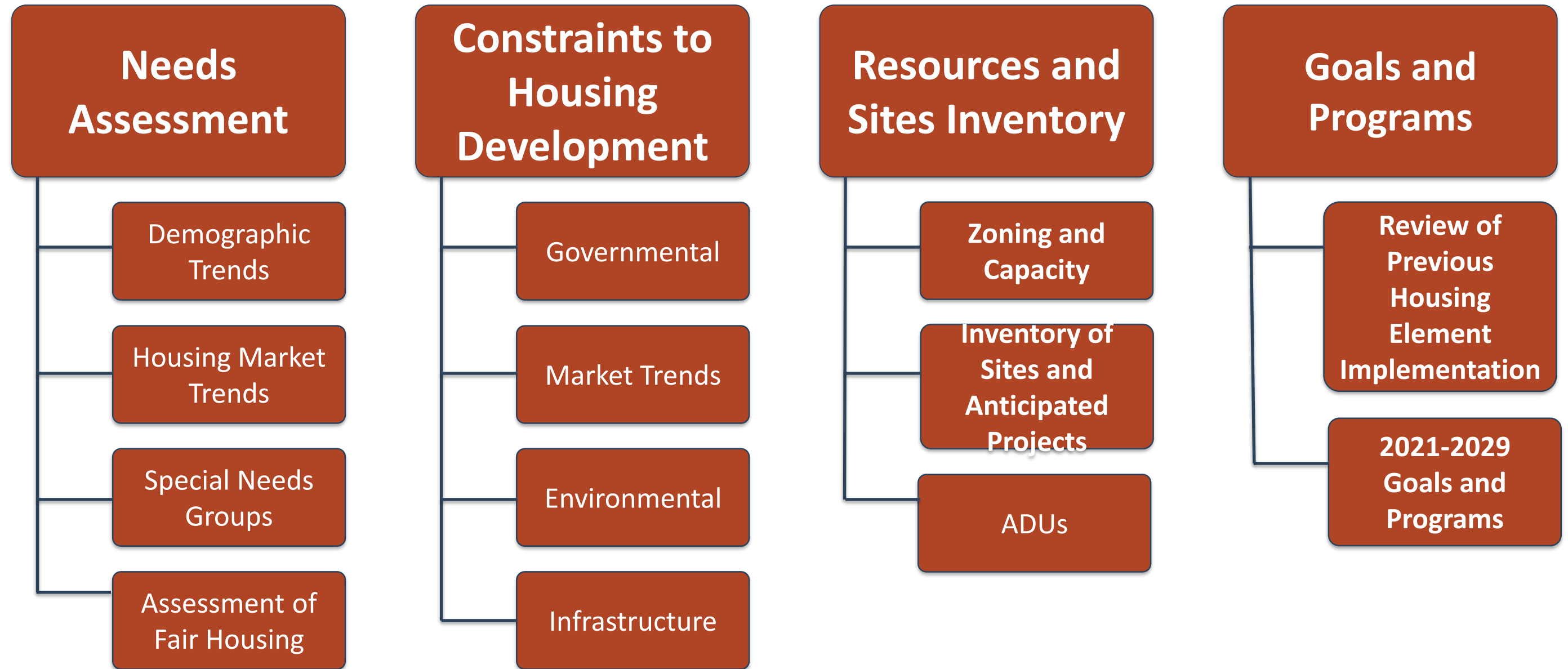
Housing Element Overview

About the Housing Element

- » Plans for housing needs of all economic segments of the community
 - Must have adequate zoning to meet the housing needs (ordinance and zoning changes may be required as a result of the Housing Element)
 - Must include goals and policies to ensure the City provides adequate housing opportunities for the entire community, including special needs households.
- » Does not:
 - Require the City to build homes
 - Provide funding to build homes
 - Approve specific residential developments or projects



Housing Element Contents





State Regulatory Environment

State Regulatory Environment, Since 5th Cycle

» The State of California is focused on housing supply and affordability:

- Accessory Dwelling Units (Multiple updates to state law in last 5 years)
- Sites Inventory Updates (AB 879, AB 1397)
- Streamlined Approval for Housing Projects (SB 35 and SB 330)
- No Net Loss of Housing (SB 166)
- Density Bonus Law Updates (AB 2753, AB 2372, AB 1227, AB 2345 and others)
- Housing Accountability Act (AB 3194, AB 72 and others)
- Supportive Housing Updates (AB 2162)
- Low Barrier Navigation Centers (AB 101)
- Government-Subsidized Affordable Units (SB 1521)
- Affirmatively Furthering Fair Housing (AB 686)



Affirmatively Furthering Fair Housing (AFFH) (AB 686)

» All state and local public agencies must facilitate deliberate action to combat discrimination and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics.

- New requirements for housing elements:
 - Outreach
 - New section with an analysis of fair housing issues and contributing factors (“Assessment of Fair Housing (AFH)”)
 - AFFH lens during sites analysis
 - Priorities, Goals, and Actions: remediate identified fair housing issues and/or further promote fair housing.





Review Process and Key Changes

Housing Element – Review Process

» Submitted Draft to HCD – November 5, 2021

- Call with HCD – December 13, 2021
- City received a findings letter – January 4, 2022
- City Council Meeting to discuss findings letter - January 11, 2022
- City Council Workshops to discuss candidate rezone sites – March 26 and May 3, 2022
- Revised Public Review Draft Released – May 19, 2022
- City Council Meeting to discuss key changes in Public Review Draft – May 24, 2022



Key Changes – Site Inventory

Narrowed down the list of candidate rezone sites to focus on those most likely to redevelop.

Added nonvacant/underutilized site analysis to show sites' likelihood for redevelopment.

Added descriptions of representative projects and market trends for mixed-use residential and affordable housing projects; adjusted realistic capacity assumptions on VC sites

Revised description of the mall redevelopment project to match the proposal for the Village at Laguna Hills, approved in April 2022.

Added an analysis of the affordability of going rents for moderate-income households to substantiate market-rate units counted in the moderate income RHNA category

Progress Towards RHNA

Income Category	RHNA	VC Zone Sites	Anticipated Projects			Anticipated ADUs	Subtotal Progress Towards RHNA	Remaining Need	Candidate Rezone Sites	RHNA Surplus
			Oakbrook Village	The Village at Laguna Hills	Planned Community Via Lomas (PCV)					
Lower	921	283 ¹	0	100 ²	0	10	393	528	1,452 ⁴	924
Moderate	354	0	50	350 ³	0	5	405	-51	-	51
Above Moderate	710	0	150	713	250	3	1,116	-406	-	406
Total	1985	283	200	1,163	250	18	1,914	528	1,452	1,381

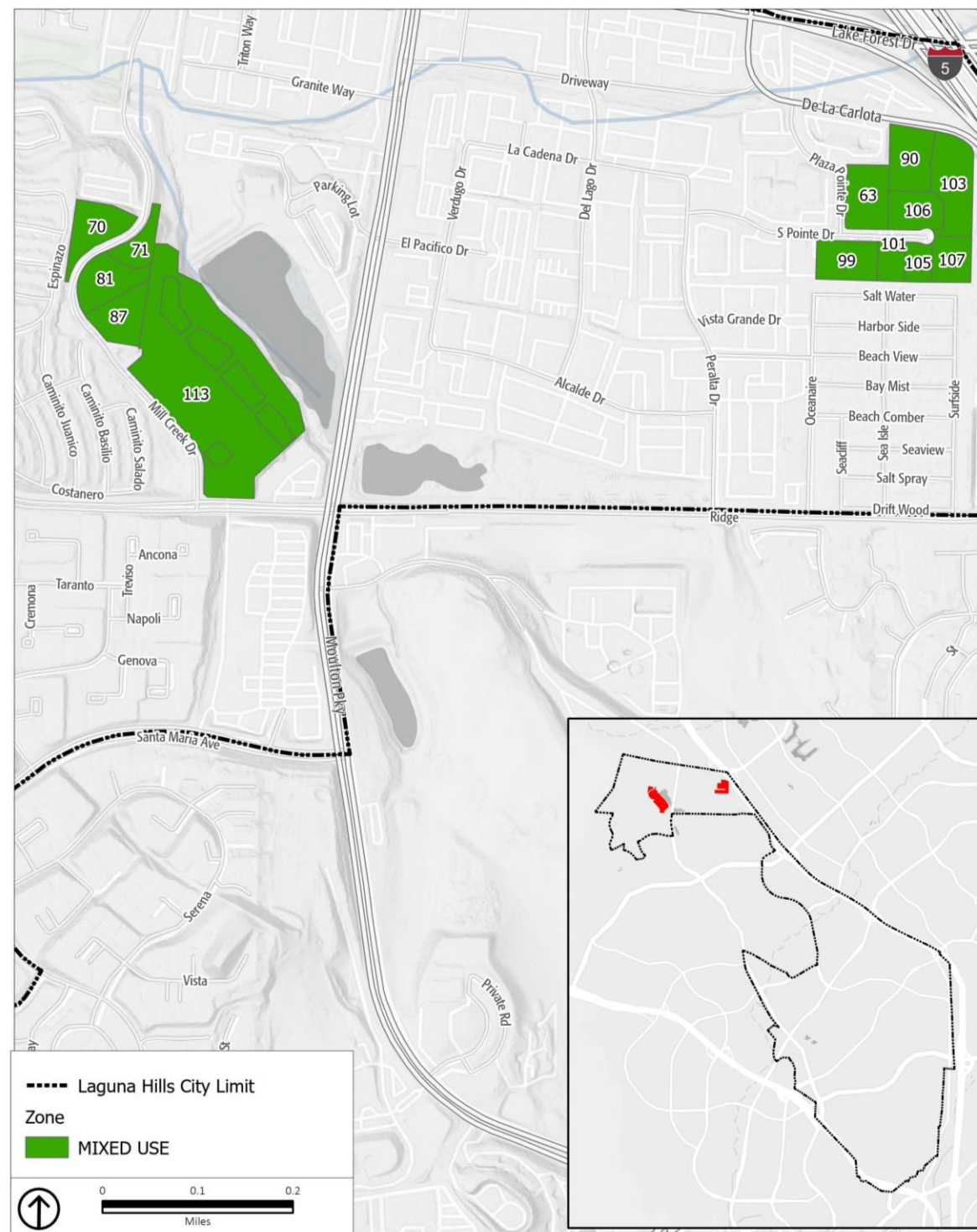
1. Based on existing Village Commercial zoning which allows 50 units per acre.

2. 100 low-income units deed restricted to remain affordable in perpetuity.

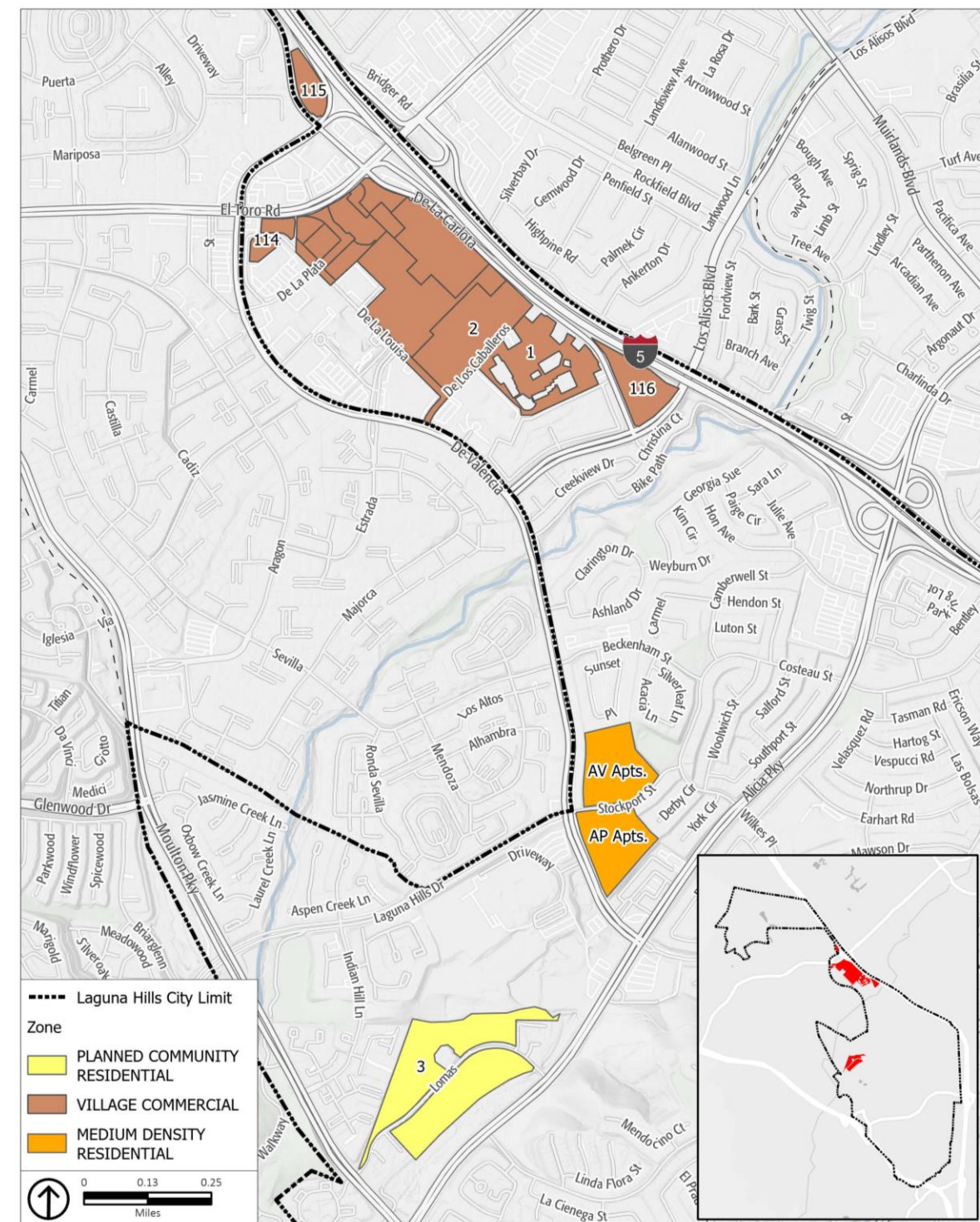
3. 100 moderate units deed restricted to remain affordable in perpetuity, 250 anticipated affordable to moderate income households at market rates.

4. Based on proposed rezoning to allow 50 units per acre.

Sites Inventory



Source: City of Laguna Hills, PlaceWorks, 2021; Esri, 2018.



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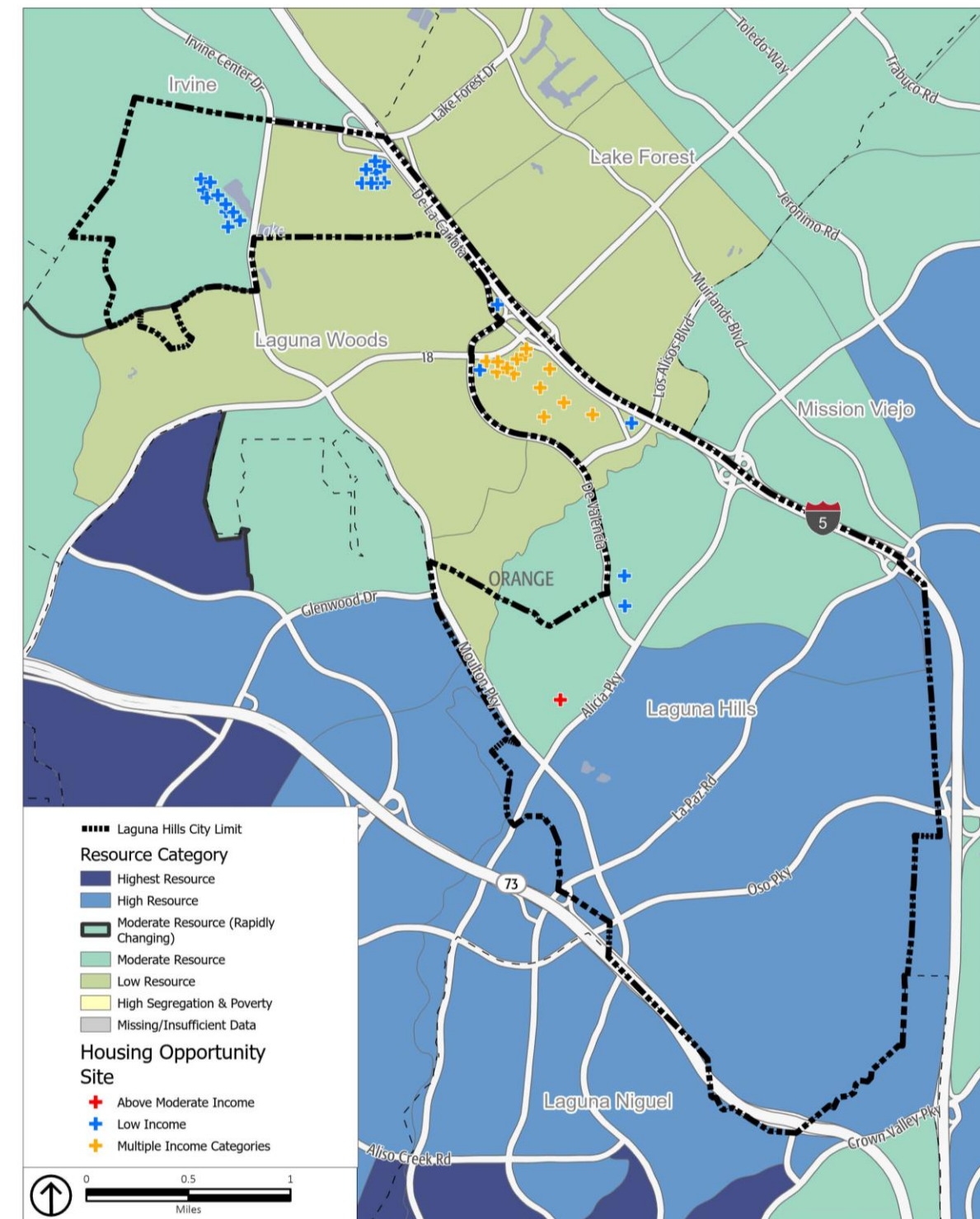
Key Changes – Sites and Fair Housing

Added fair housing assessment of the sites inventory: Analysis of the distribution of the units counted towards RHNA for each income level layered with fair housing factors including:

- TCAC/HCD Opportunity Areas*
- Diversity (racial/ethnic)
- Median income
- Persons with disabilities
- Familial status (single-parent female-headed households)
- Overpayment
- Overcrowding
- Access to employment and education opportunities; retail and services

**Right: Sites and TCAC/HCD Opportunity Areas*

Resource categories represent a composite score based on education, economic, and environmental indicators



Source: HCD, 2018; Esri, 2018.

Key Changes – Implementation Programs

H-8. ACCESSORY DWELLING UNITS

- Revised** to include several actions to promote ADU development:
- Coordination with non-profit organizations, builders, and banks
 - Training, educational materials, marketing and promotional materials
 - Explore funding options to create an ADU Forgivable Loan Program

H-14. SECTION 8 RENTAL ASSISTANCE

- Revised** to include several actions to promote housing mobility to high-resource neighborhoods for households relying on housing choice vouchers:
- Coordination with community-based organizations that serve Laguna Hills' special-needs populations and the Housing Authority
 - Landlord training and incentives
 - Referral information in multiple languages

H-21. FACILITATING HOUSING ON IDENTIFIED SITES

- Added a new program** with several steps the City will take to ensure that housing is developed that is appropriate for identified income categories on identified sites:
- Facilitate/incentivize lot consolidation or phased development on larger sites for the development of affordable housing
 - Reduce development standards where feasible
 - Developer/owner outreach, informational materials



City Council Comments and Discussion