

# Response to HCD Comments Matrix

May 9, 2023

HCD Comments from January 10, 2022 & September 7, 2021 Letters	City Response
<p><b>A. Review and Revision:</b> The entire revised Housing Element has been substantially rewritten to address HCD comments and to be in compliance with Housing Element Law. More specific <b>City Response to HCD's January 10, 2022 letter is provided below.</b></p>	
<p><i>Review the previous element to evaluate the appropriateness, effectiveness, and progress in implementation, and reflect the results of this review in the revised element. (Gov. Code, § 65588 (a) and (b).)</i></p>	<p><b>Appendix B (Review of Past Accomplishments)</b> has been added to address Section 65588(a) of the California Government Code, which requires that jurisdictions evaluate the effectiveness of the existing Housing Element, including appropriateness of goals, objectives, and policies, and the progress in implementing programs for the previous planning period. A review of past accomplishments under the 2014-2021 Housing Element is included.</p> <p><b>Table A-1, pp B-3 - B-8</b> provides a comprehensive review and evaluation of the City's progress to date in implementing the housing programs and their continued appropriateness for the 2021-2029 Housing Element. There is also a review of the quantified objectives (<b>Chapter V (Housing Plan), Section C, page 95</b>).</p> <p>In addition, much greater explanation has been provided in these sections regarding the cumulative effectiveness of goals, policies, and related actions in meeting the housing needs of special needs populations (e.g., elderly, persons with disabilities, large households, female headed households, farmworkers and persons experiencing homelessness).</p> <p><b>See Appendix B, pp B-1 – B-8.</b></p>
<p><b>B. Housing Needs, Resources, and Constraints</b></p>	
<p><i>1 Affirmatively furthering fair housing Affirmatively further[ing] fair housing in accordance with Chapter 15 (commencing with Section 8899.50) of Division 1 of Title 2...shall include an assessment of fair housing in the jurisdiction. (Gov. Code, § 65583, subd. (c)(10)(A).)</i></p>	<p>Affirmatively Furthering Fair Housing has been completely rewritten and included as <b>Appendix D (Assessment of Fair Housing) pp D-1 - D-73</b>, to address this topic. This appendix provides a detailed analysis of fair housing issues in Mission Viejo, and each section discusses the site inventory as it relates to the geographic distribution of these issues. Other sections of the housing element also address these issues and are included in this appendix by reference. <b>Also see Chapter II (Housing Needs Assessment), pp11-38, and Chapter V, Section D, Housing Program 15 on page 98.</b></p> <p>Additional and more specific response is provided below.</p>

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	<p><b>Outreach:</b> A summary of outreach capacity as it relates to the Assessment of Fair Housing is included in Appendix D, pp D2 -D5. Additional, tailored public outreach was conducted via informal workshops and two different surveys and other opportunities for input. The City's Public Outreach is explained briefly in the <b>Chapter I, Section C (Public Participation), pp4-8</b>, and <b>Appendix A</b> sets forth in detail the City's Community Engagement.</p> <p><b>Assessment of Fair Housing: Appendix D, pp D-1 – D-73</b> has been significantly expanded and comprehensively examines patterns and trends in segregation and integration, racially/ethnically concentrated areas of poverty and affluence, access to opportunity, and disproportionate housing needs, comparing these factors to neighboring cities and Orange County as a whole.</p> <ul style="list-style-type: none"><li>• <b>Enforcement: Appendix D, Part 2, Section B, ppD-6 – D-9</b> provides information from the Fair Housing Foundation, and data on Housing Choice Vouchers.</li><li>• <b>Integration and Segregation: Appendix D, Part 2, Section C, ppD-9 – D-19</b> examines in detail trends in race/ethnicity in Mission Viejo, surrounding cities and Orange County, including how the Site Inventory location may impact these patterns. Multiple measures of integration and segregation are included, such as the Diversity Index and Dissimilarity Index, in addition to maps of the geographic distribution of racial/ethnic groups over time, and how the Site Inventory relates to these patterns (Table D-10). Section C also includes detailed analysis in a similar fashion of Persons with Disabilities (<b>ppD-19 – D-22</b>), Familial Status (<b>ppD-23 – D-32</b>), and Income (<b>pp D-33 – D-37</b>).</li><li>• <b>Racially/Ethnically Concentrated Areas of Poverty and Affluence: Appendix D, Part 2, Section D (ppD-38 – D-42)</b> include a description of these factors, including maps and income figures for Mission Viejo, surrounding cities, and Orange County.</li><li>• <b>Disparities in Access to Opportunity: Appendix D, Part 2, Section E (ppD-43 – D-60)</b> describes the various components – Economic, Education, Environmental and Composite Scores, including consideration of the Site Inventory in relation to these factors (Table D-17).</li><li>• <b>Disproportionate Housing Needs, Including Displacement: Appendix D,</b></li></ul>
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	<p><b>Part 2, Section F (ppD-61 – D-70)</b> covers cost burden/overpayment issues for owners and renters, overcrowding, displacement risk (utilizing information from the Urban Displacement Project), substandard housing and homelessness issues, as well as consideration of the Site Inventory as it relates to overpayment issues for owners and renters (Tables D-21 and D-22).</p> <ul style="list-style-type: none"><li>• <b>Local Data and Knowledge, Other Relevant Factors: Appendix D, Part 2, Section F (ppD-71 – D-73).</b> Appendix D includes use of information beyond federal census information, such as historical housing patterns, environmental issues. Information from local organizations such as the Fair Housing Foundation, County Analysis of Impediments to Fair Housing Choice, the Orange County Point in Time Homeless Survey, and the City of Mission Viejo planning, development, and housing quality information was used in Appendix D, as well as in Chapter 2 and Chapter 4 (Housing Needs Resources).</li><li>• <b>Site Inventory:</b> The Site Inventory in relation to fair housing issues is described and examined relative to the factors of racial/ethnic diversity (Table D-10), People with Disabilities (Table D-11), Familial Status (Tables D-12 and D-13), Income Level (Table D-14), TCAC Opportunity Area Composite Score (Table D-17), and Overpayment for Renters and Owners (Tables D-21 and D-22).</li><li>• <b>Contributing Factors:</b> Table V-2 provides a detailed summary of the City's AFFH actions based on the contributing factors.</li><li>• <b>Goals, Actions, Metrics and Milestones:</b> Table V-2 provides a detailed summary of the City's AFFH actions.</li></ul> <p><b>Chapter II, Section B (Household Profile), pp16–18,</b> describes data on household types, including Household Income and Tenure characteristics, including Extremely Low Income households, their demographic composition, use of Housing Choice Vouchers in the City, compared to neighboring cities, and Orange County as a whole. Affordability estimates for all income levels, including Extremely Low Income Households is described in Table II-20. Information on overpayment issues for renters and owners by income level for Mission Viejo, and surrounding cities, is shown in Tables II-23 and II-24. The percent of owner and renter households experiencing housing problems by</p>
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<p><i>2 Include an analysis of population and employment trends and documentation of projections and a quantification of the locality's existing and projected needs for all income levels, including extremely low-income households. (Gov. Code, § 65583, subd. (a)(1).)</i></p> <p><i>3. An inventory of land suitable and available for residential development, including vacant sites and sites having realistic and demonstrated potential for redevelopment during the planning period to meet the locality's housing need for a designated income level, and an analysis of the relationship of zoning and public facilities and services to these sites. (Gov. Code, § 65583, subd. (a)(3).)</i></p>	<p>income level, including Extremely Low Income households, and different household types (such as Elderly, Small and Large Households) is shown in Table II-26. Future housing needs by income level, including Extremely Low Income Households, is shown in Table II-27. Program 8 (<b>Chapter V, Section B, pp89-91</b>) describes actions the City is taking to encourage and facilitate production of housing to meet the needs of ELI households, and several other programs also address the special needs of the homeless and persons with disabilities, many of whom are extremely low income.</p> <p>Acknowledging that the HCD response letters of September, 2021 and January, 2022 expressed a number of concerns regarding the Site Inventory discussion in Mission Viejo's Housing Element, this section of the revised element was completely reworked and is now substantially different from the prior version. <b>Appendix C (Pages C1-C86), Sites Inventory</b>, provides in-depth description of the sites, along with individual Site Inventory fact sheets for each site. Together this gives a full description of the site characteristics. <b>Chapter IV (Housing Resources)</b> is completely rewritten and addresses specific concerns expressed by HCD. Also included in Appendix C are specific potential site feasibility plans developed for the City by the Related Company of California. The Related Company (<a href="http://www.relatedcalifornia.com">www.relatedcalifornia.com</a>) has a track record of experience in planning and developing affordable housing development, responsible for 19,500 units across the state. Additionally, text has been revised in Chapter IV (<b>pp 69-83</b>) to address concerns expressed:</p> <ul style="list-style-type: none"><li>• <b>Realistic Capacity:</b> This revised Element assumes 85% of maximum capacity as a realistic figure, based on the feasibility studies from the Related Company in Appendix C; examples of mixed-use developments in neighboring southern Orange County cities (<b>Chapter IV, p74</b>); and Mission Viejo's 5<sup>th</sup> Cycle site yields, which ranged from 73% to 100%.</li><li>• <b>Suitability of Nonvacant Sites:</b> In terms of impediments to redevelopment for commercial sites, the detailed site templates in Section C include discussion of existing use, condition, and interest of owners in redevelopment given assessment of market conditions (Example: Macy's Mall site), as factors demonstrating that the sites are feasible. Some lease expiration information was available, but not in all</li></ul>
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	<p>cases. For the two residential sites, supporting information includes Related California's assessment of how additional density could be added to these sites, as well as current owner engagement in redevelopment shown in the detailed site inventory information in Section C. The City's formal resolution adopting the Element includes these findings developed to support the Element.</p> <ul style="list-style-type: none"><li>• <b>Substantial Evidence:</b> Appendix C and the rewritten Chapter IV, Section B (<u>pp 68-76</u>), represent substantial evidence in support of the site inventory.</li><li>• <b>Replacement Housing: Program 4 (Chapter V, p87)</b> addresses replacement housing for sites with existing residential uses. Additionally, for Site 11 (Vista del Lago Apartments), the owners are developing plans to redevelop a section of the property to accommodate the increased density, and displacement could be accommodated through keeping units vacant and moving residents to vacant units. The City has been received correspondence from the owners, who are developing plans where they would be able to redevelop a section of the property by managing lease terms, relocating residents to different units within the complex, or to other complexes they own. For Site 4 (Idyllwillow Apartments), the owners (Saddleback College) have stated that they are open to increasing the density of the housing on the property and are open to revising the ground lease to make that happen.</li><li>• <b>Small and Large Sites:</b> More detailed analysis for Sites 3,4,8 and 11 is included in the site templates in <b>Section C</b>. In addition, <b>Program 1 (Chapter V, Page 85)</b> addresses lot consolidation and <b>Program 2 (Chapter V, Page 86)</b>, specifically refers to Site 3 and how to facilitate its development as a large site, and also as a site from a previous Housing Element.</li><li>• <b>Sites Identified in Prior Planning Period: Program 2</b> specifically addresses Site 3 as (partially) a site used in a prior planning period, including an Alternative Plan of Action if building permits are not issued by the stipulated deadline. (<b>Chapter V, Page 86</b>)</li><li>• <b>Infrastructure:</b> The element includes analysis regarding water and sewer capacity (existing and planned) and concludes that services are adequate to accommodate the level of development identified in the</li></ul>
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	<p>RHNA (<b>Chapter IV, p76</b>). In addition, Mission Viejo has made water and sewer providers aware of the potential impact to their services based on the Housing Element and has transmitted the Housing Sites map (and when approved will transmit the revised Housing Element), understanding that utility providers need to grant priority to new developments that will help meet the RHNA.</p> <ul style="list-style-type: none"><li>• <b>Zoning for a Variety of Housing Types (Emergency Shelters):</b> The Element describes regulations for emergency sites and includes potential sites for shelters. <b>Program 13 (Chapter V, Page 92)</b> has been revised to reflect recent changes to state law regarding emergency shelters. <b>Chapter III Pages 47-48</b> of the Housing Element provides an analysis of the City current requirements for emergency shelters. To comply with AB 2339, the City will be establishing an Emergency Shelter Overlay within the B-P zone and identifying emergency shelters and multi-family housing as permitted uses within the overlay. Other revisions to comply with AB 139 are also scheduled as part of the Zoning Code update. Program 13 on page 93 provides specific actions to amend the Zoning Code to address emergency shelters.</li></ul>
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<p><i>4. An analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the types of housing identified in paragraph (1) of subdivision (c), and for persons with disabilities as identified in the analysis pursuant to paragraph (7), including land use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures... (Gov. Code, § 65583, subd. (a)(5).)</i></p> <p><i>5. An analysis of potential and actual nongovernmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the availability of financing, the price of land, the cost of construction, the requests to develop housing at densities below those anticipated in the analysis required by subdivision (c) of Government Code section 65583.2, and the length of time between receiving approval for a housing development and submittal of an application for building permits for that housing development that hinder the construction of a locality's share of the regional housing need in accordance with Government Code section 65584. The analysis shall also demonstrate local efforts to remove nongovernmental constraints that create a gap between the locality's planning for the development of housing for all income levels and the construction of that housing. (Gov. Code, § 65583, subd. (a)(6).)</i></p>	<p><b>Governmental Constraints</b> The element has been substantially rewritten to provide detailed information regarding constraints. There is discussion of governmental constraints (land use and regulations, zoning, development standards, building codes, local processing and permitting, and fees); non-governmental constraints (market constraints, construction and land costs, and financing); environmental constraints (flood, seismic, hazardous materials, and fires); and infrastructure constraints (wastewater, sewer, requests to develop at lower density etc) constraints. <b>See Chapter III, Constraints, pp 39-64.</b></p> <p><b>Non-Governmental Constraints</b> As noted above, the element has been substantially rewritten to provide detailed information regarding all constraints, including governmental, non-governmental, environmental and infrastructure constraints. <b>See Chapter III, Constraints, Pages 39-64.</b></p>
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<p><i>6. Analyze any special housing needs such as elderly; persons with disabilities, including a developmental disability; large families; farmworkers; families with female heads of households; and families and persons in need of emergency shelter. (Gov. Code, § 65583, subd. (a)(7).</i></p>	<p><b>Chapter II (Housing Needs Assessment), Section B, pp18-25</b> of the Housing Needs Assessment describes in detail the Special Needs Populations of Mission Viejo, and their housing needs. In addition, <b>Chapter III, Housing Constraints, pp44-49</b> includes a detailed analysis of special housing needs, including residential care facilities, housing for persons with disabilities, agricultural employee housing, housing for the elderly, emergency shelters, transitional/supportive housing, single room occupancy, and low barrier navigation centers. See also <b>Chapter V, Housing Programs 1, 5, 8, 9, 10, 13, 15 and 16, beginning on page 85.</b></p>
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C. Housing Programs	
<p><i>1. Include a program which sets forth a schedule of actions during the planning period, each with a timeline for implementation, which may recognize that certain programs are ongoing, such that there will be beneficial impacts of the programs within the planning period, that the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the Housing Element through the administration of land use and development controls, the provision of regulatory concessions and incentives, and the utilization of appropriate federal and state financing and subsidy programs when available. The program shall include an identification of the agencies and officials responsible for the implementation of the various actions. (Gov. Code, § 65583, subd. (c).)</i></p> <p><i>2. Identify actions that will be taken to make sites available during the planning period with appropriate zoning and development standards and with services and facilities to accommodate that portion of the city's or county's share of the regional housing need for each income level that could not be accommodated on sites identified in the inventory completed pursuant to paragraph (3) of subdivision (a) without rezoning, and to comply City of Mission Viejo's 6th Cycle Adopted Housing Element Page 7 January 10, 2022 with the requirements of Government Code section 65584.09. Sites shall be identified as needed to facilitate and encourage the development of a variety of types of housing for all income levels, including multifamily rental housing, factory-built housing, mobilehomes, housing for agricultural employees, supportive housing, single-room occupancy units, emergency shelters, and transitional housing. (Gov. Code, § 65583, subd. (c)(1).)</i></p>	<p><b>C.1 Housing Programs</b> <b>Chapter V, Housing Plan</b>, has been rewritten to address these comments. Housing programs have been completely rewritten to include more discrete timelines and specific commitments. <b>See Chapter V beginning page 82, and more specifically, Housing Programs beginning page 85.</b></p> <p><b>C.2 Actions that will be taken to make sites available during the planning period</b> The Sites Inventory has been completely rewritten to address this comment and to better explain and justify the sites. As noted above, detailed individual Site Inventory fact sheets have been developed for each site, which give a full description of the site characteristics. <b>Appendix C, Sites Inventory</b>, provides in-depth description of the sites, along with individual Site Inventory fact sheets for each site, and studies prepared by <b>Related California</b>. In addition, The Housing Programs sections has been substantially revised to address specific HCD comments, including those comments related to City-Owned site, Sites Identified in Prior Planning Periods, and emergency shelter parking. In particular, note that the previous Housing Element's "Site C" is included <b>within</b> the new Site 3 in this 6<sup>th</sup> Cycle Housing Element. As mentioned above, the revised Element includes <b>Program 2</b>, which has measures to facilitate development of this site, including an <b>Alternative Plan of Action</b> if building permits are not issued by the stipulated deadline. <b>See Appendix C, Sites Inventory, pp1-86. Also see Chapter IV, Housing Resources, pp69-83; and Housing Programs 1, 2, 3, 5 and 8, pp85-91.</b></p>

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<p><i>3. The Housing Element shall contain programs which assist in the development of adequate housing to meet the needs of extremely low-, very low-, low- and moderate-income households. (Gov. Code, § 65583, subd. (c)(2).)</i></p> <p><i>4. Address and, where appropriate and legally possible, remove governmental and nongovernmental constraints to the maintenance, improvement, and development of housing, including housing for all income levels and housing for persons with disabilities. The program shall remove constraints to, and provide reasonable accommodations for housing designed for, intended for occupancy by, or with supportive services for, persons with disabilities. (Gov. Code, § 65583, subd. (c)(3).)</i></p> <p><i>5. Promote and affirmatively further fair housing opportunities and promote housing throughout the community or communities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability, and other characteristics protected by the California Fair Employment and Housing Act (Part 2.8 (commencing with Section 12900) of Division 3 of Title 2), Section 65008, and any other state and federal fair housing and planning law. (Gov. Code, § 65583, subd. (c)(5).)</i></p> <p><i>6. Develop a plan that incentivizes and promotes the creation of accessory dwelling units that can be offered at affordable rent, as defined in Section 50053 of the Health and Safety Code, for very low,</i></p>	<p><b>C.3 Programs to assist in the development of housing affordable to special needs households.</b> Program 8 and Program 15 address special housing needs. <b>(see Chapter V, pp 89-91 and Page 94)</b></p> <p><b>C.4 Removing constraints</b> As noted in a response above, the element has been substantially rewritten to provide detailed information regarding constraints. There is discussion of governmental constraints (land use and regulations, zoning, development standards, building codes, local processing and permitting, and fees); non-governmental constraints (market constraints, construction and land costs, and financing); environmental constraints (flood, seismic, hazardous materials, and fires); and infrastructure constraints (wastewater, sewer, requests to develop at lower density etc) constraints. In addition, Program has been added and modified as necessary and appropriate to address and mitigate any constraints. <b>See Chapter III, Constraints, pg 39-66. Also see Housing Programs in general, and in particular, Programs 1, 2, 7, 8, 11, 12 and 13 beginning on Page 85.</b></p> <p><b>C.5 Affirmatively furthering fair housing</b> The element has been revised to address AFFH issues as described above.</p> <p><b>C.6 ADUs</b> Program 6 has been completely rewritten to address this comment. See Chapter V, <b>page 88</b>. The City has already made good progress towards implementing additional incentives and tools to facilitate ADUs construction,</p>
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<p><i>low-, or moderate-income households. For purposes of this paragraph, “accessory dwelling units” has the same meaning as “accessory dwelling unit” as defined in paragraph (4) of subdivision (i) of Section 65852.2. (Gov. Code, § 65583, subd. (c)(7).)</i></p>	<p>and will have this fully implemented sometime in 2023.</p>
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<b>D. Public Participation</b>	
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<p><i>Local governments shall make a diligent effort to achieve public participation of all economic segments of the community in the development of the Housing Element, and the element shall describe this effort. (Gov. Code, § 65583, subd.(c)(8).)</i></p>	<p><b>E. Public Participation</b> <b>Chapter I</b> has been revised and summarizes the City's public engagement. Additionally, a new <b>Appendix A</b>, devoted to a discussion of Public Engagement, has been added to the element and provides detailed description of opportunities for public review and input that includes lower-income and special needs households. Further, Appendix A summarizes public comments received and describes how they were considered and incorporated into the element. <b>See Chapter I, Introduction, pp4-8 and Appendix A, Public Engagement, ppA1-A10.</b></p>

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