

# **HOUSING ELEMENT**

**CITY OF MISSION VIEJO**

**ADOPTED  
MARCH 4, 2013**



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# 1. Introduction to the Housing Element

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In 1965, the area known today as the City of Mission Viejo was ranch land, consisting of rolling hills and grazing cattle. A year later the ground was broken for the first homes in this newly approved planned community in county unincorporated territory. In 1988, the Mission Viejo planned community was incorporated. Forty-six years later the City of Mission Viejo is almost completely built out, with a balanced provision of housing to jobs. The California Department of Finance estimated that the total number of dwelling units in the City was 34,254 with a population of 94,196 on January 1, 2012. The California State University, Fullerton Center for Demographic Research estimated the City's employment base at approximately 37,310 jobs as of 2010 (OCP-2010 Modified).

Unlike the other elements of the General Plan, state law explicitly requires that the Housing Element be updated on an eight-year cycle linked to the Regional Transportation Plan (*Government Code* §65588). This Housing Element covers the 2013-2021 planning period. The goals and policies of the 2013-2021 Housing Element carry forward much from the previous element, with refinements and new programs where necessary to address changed circumstances and new state laws. The housing development strategy and housing programs reflect the City's experience gained from previous efforts in the improvement, preservation and development of affordable housing. Nonetheless, the City's built-out status, in accordance with the master plan prepared by the Mission Viejo Company, continues to affect the City's ability to accommodate the housing needs of all economic segments of the community.

## 1.1 Purpose of the Housing Element

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The Land Use Element is concerned with housing in a spatial context, while the Housing Element identifies housing policies and programs aimed at meeting the identified housing needs of the City's current and anticipated future population. This Housing Element builds upon goals and policies that are primarily concerned with where new housing is to be located and at what density it will be constructed. Other concerns of the Housing Element include the identification of strategies and programs that focus on 1) housing affordability, 2) rehabilitation of substandard housing, 3) meeting the demand for new housing, 4) the conservation of the current housing stock, 5) providing equal opportunity to residents, and 6) preserving affordable units. This Housing Element addresses and complies with state housing element requirements that have been established by the legislature.

The State Legislature continues to declare that a severe shortage of affordable housing exists, especially for persons and families of low and moderate income. The Housing Element is the primary document in which a city identifies the measures taken to encourage the development of affordable housing. This document and its review by the California Department of Housing and Community Development are the primary means by which the state influences local governments to be responsive to the affordable housing shortage.

## 1.2 Scope and Content of the Element

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The Housing Element summarizes the City's existing and projected housing conditions and needs, providing the basis for policies and programs to address those needs. Specific housing programs that will implement the goals and policies are identified in the section entitled Housing Plan (Chapter 6) that follows the Goals and Policies.

The California Legislature recognizes the important role of local general plans, and housing elements in particular, in implementing statewide housing goals, which call for the provision of decent and sound

housing for all persons. In addition, the importance of continuing efforts toward providing housing that is affordable to all income groups is stressed. The major concerns of the Legislature with regard to the preparation of housing elements are included in the California *Government Code*, which states:

- Local governments should recognize their responsibility in contributing to the attainment of the State's housing goals;
- Cities and counties should prepare and implement housing elements coordinated with State and Federal efforts in achieving the State's housing goal;
- Each local jurisdiction should participate in determining the necessary efforts required to attain the State's housing goals;
- Each local government should cooperate with other local governments in addressing regional housing needs.

The State Department of Housing and Community Development is also very specific regarding the scope and content of housing elements prepared by cities and counties. Table H-1 summarizes state Housing Element requirements and identifies the applicable sections of the Mission Viejo Housing Element where these requirements are addressed.

**Table H-1  
State Housing Element Requirements**

Required Housing Element Component	Reference
<b>A. Housing Needs Assessment and Inventory of Resources and Constraints</b>	<b>Govt. Code §65583(a)</b>
1. Analysis of population and employment trends in Mission Viejo in relation to regional trends.	Chapter 2 Housing Needs Assessment – Population Characteristics & Employment
2. Documentation of projections and quantification of Mission Viejo's existing and projected housing needs for all income levels.	Chapter 2 Housing Needs Assessment
3. Analysis and documentation of Mission Viejo's housing characteristics including the following:	
a. level of housing cost compared to ability to pay;	Chapter 2 Housing Needs Assessment – Housing Stock Characteristics
b. overcrowding; and	Chapter 2 Housing Needs Assessment – Household Characteristics
c. housing stock condition.	Chapter 2 Housing Needs Assessment – Housing Stock Characteristics
4. An inventory of land suitable for residential development including vacant sites and sites having redevelopment potential and an analysis of the relationship of zoning, public facilities and services to these sites.	Chapter 3 Resources and Opportunities – Land Resources; Appendix B – Residential Land Inventory
5. Analysis of existing and potential governmental constraints upon the maintenance, improvement, or development of housing for all income levels.	Chapter 4 Housing Constraints – Governmental Constraints
6. Analysis of existing and potential non-governmental and market constraints upon maintenance, improvement, or development of housing for all income levels.	Chapter 4 Housing Constraints – Non-Governmental Constraints
7. Analysis of special housing needs: developmentally disabled, elderly, large families, female-headed households, and homeless.	Housing Needs Assessment –Special Needs

Required Housing Element Component	Reference
<p>8. Analysis of opportunities for energy conservation with respect to residential development.</p> <p>9. Analysis of existing assisted housing developments that are eligible to change from low-income housing uses during the next ten years including:</p> <ul style="list-style-type: none"> <li>a. listing of each development by project name and address, the type of governmental assistance received, the earliest possible date of change from low-income use and the total number of elderly and nonelderly units that could be lost from the locality's low-income housing stock in each year during the 10-year period;</li> <li>b. cost analysis for replacement housing;</li> <li>c. identify public and private non-profit corporations which have legal and managerial capacity to acquire and manage these housing developments; and</li> <li>d. identify and consider the use of all federal, state, and local financing and subsidy programs which can be used to preserve, for lower income households, the assisted housing developments.</li> </ul>	<p>Chapter 3 Resources and Opportunities – Energy Conservation Opportunities</p> <p>Chapter 2 Housing Needs Assessment – Assisted Housing at Risk of Conversion</p> <p>Not applicable</p> <p>Not applicable</p> <p>Not applicable</p>
<b>B. Goals and Policies</b>	<b>Govt. Code §65583(b)</b>
<p>1. Identification of Mission Viejo’s community goals relative to maintenance, improvement, and development of housing.</p> <p>2. Quantified objectives and policies relative to the maintenance, improvement, and development of housing in Mission Viejo.</p>	<p>Chapter 5 Housing Element Goals and Policies</p> <p>Chapter 6 Housing Plan</p>
<b>C. Implementation Program</b>	<b>Govt. Code §65583(c)</b>
<p>An implementation program should do the following:</p> <ul style="list-style-type: none"> <li>1. Identify adequate sites which will be made available through appropriate action with required public services and facilities for a variety of housing types for all income levels;</li> <li>2. Program to assist in the development of adequate housing to meet the needs of low- and moderate-income households;</li> <li>3. Identify and, when appropriate and possible, remove governmental constraints to the maintenance, improvement, and development of housing in Mission Viejo;</li> <li>4. Conserve and improve the condition of the existing housing stock in Mission Viejo;</li> <li>5. Promote housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin or color;</li> <li>6. Preserve for lower income households the assisted housing developments identified as being at-risk; and</li> <li>7. Identify the agencies and official responsible for the implementation of the various actions and the means by which consistency will be achieved with other general plan elements and community goals.</li> </ul>	<p>Chapter 6 Housing Plan</p>

Appendix A of this Housing Element contains an evaluation of the 2008-2014 Housing Element goals, policies, programs and quantified objectives compared with the actual results. Details are provided to explain the differences between the objectives and the results.

### **1.3 Citizen Participation**

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This document builds on and reflects the direct and indirect public participation rendered in the formulation of Mission Viejo's first General Plan in 1990, including the housing goals and policies. As part of the 1990 General Plan program, the public had the opportunity to participate at 19 General Plan Advisory Committee meetings, to answer a Community Attitude Survey (sent to 5,000 residents), to participate at a Saturday open house workshop, and to view the draft documents at City Hall and the library.

In 2007 the City amended the General Plan, the Housing Element, and the Zoning Code to identify and designate additional sites for high-density multi-family housing. The 2007 update included extensive public participation, including a joint workshop of the City Council and the Planning and Transportation Commission and four subsequent public hearings conducted by the Planning and Transportation Commission and the City Council. As part of the 2013 update of the City's Housing Element, citizens were given a variety of opportunities to submit written comments and public testimony at two public workshops held during the morning and evening of June 7, 2012. Approximately 10 persons attended these workshops. Issues raised included the capacity of infrastructure to support housing growth, the likelihood of meeting the identified housing needs, the status of City RFPs for affordable housing, the schedule for the update process, and questions regarding the experiences of other cities with voter referendums. Questions were also raised as to whether there would be opportunities for green building, solar energy and community gardens.

Prior to adoption of the Housing Element, public hearings were held by the Planning and Transportation Commission and the City Council on February 11, 2013 and March 4, 2013 respectively. Notices of the hearings were published in the *Saddleback Valley News* and posted at City Hall, the Mission Viejo Library, the Norman P. Murray Community and Senior Center, and the California Employment Development Department (located at 23456 Madero, Suite 150, Mission Viejo). In addition, non-profit groups, churches, community groups, and public service groups active in the community received notices for the Housing Element public hearings. Copies of the public hearing draft of the Housing Element were distributed to interested agencies and individuals; copies were available for review and for purchase at City Hall. A copy of the draft Housing Element was made available at the Mission Viejo Library and on the City website.

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## 2. Housing Needs Assessment

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Mission Viejo lies in southern Orange County, approximately midway between Los Angeles and San Diego. The city is economically diverse and provides a range of employment, lifestyle, and housing opportunities. Much of Mission Viejo's growth took place in the 1970s and 1980s prior to its incorporation in 1988. Rapid growth continued between 1990 and 2000. Since incorporation, Mission Viejo has grown from a population of approximately 72,800 to about 94,200 residents in 2012. Mission Viejo is approximately 17.4 square miles in area and is bounded by Lake Forest to the northwest, Rancho Santa Margarita to the north and east, Laguna Hills and Laguna Niguel to the west, San Juan Capistrano to the south, and unincorporated Orange County to the east. The population is relatively affluent with a median annual household income of nearly \$96,000 (see Table H-8). The Census Bureau reported that Mission Viejo's median household income was 29% greater than that of Orange County as a whole during the 2006-2010 period.

This chapter examines general population and household characteristics and trends, such as age, race and ethnicity, employment, household composition and size, household income, and special needs. Characteristics of the existing housing stock (e.g., number of units and type, tenure, age and condition, costs) are also addressed. Finally, the City's projected housing growth needs based on the 2014-2021 Regional Housing Needs Assessment (RHNA) are examined.

The Housing Needs Assessment utilizes the most recent data from the U.S. Census Bureau, California Department of Finance (DOF), California Employment Development Department (EDD), Southern California Association of Governments (SCAG) and other relevant sources. Supplemental data was obtained through field surveys or from private vendors. In addition, the City's Consolidated Plan provides useful information for this update of the Housing Element.

### 2.1 Population Characteristics

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#### 1. Population Growth Trends

Mission Viejo was incorporated in 1988 with a population of 72,820. From 1990 to 2000 the city experienced robust growth of approximately 30% to a population of 93,102. In 1992 the City annexed the 662-acre Community Service Area 12, known as the Aegean Hills neighborhood, with approximately 6,600 residents. From 2000 to 2012 the city experienced modest growth of approximately 1% to an estimated population of 94,196 (see Table H-2). The city's estimated population as of January 1, 2012 represented approximately 3.1% of the county's total population of 3,055,792.

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**Table H-2**  
**Population Trends, 1990-2012**  
**Mission Viejo vs. Orange County**

	1990	2000	2012	Growth 1990-2000	Growth 2000-2012
Mission Viejo	72,820	93,102	94,196	27.9%	1.2%
Orange County	2,410,556	2,846,289	3,055,792	18.1%	7.4%

Sources: U.S. Census; Calif. Dept. of Finance Table E-5 (2012)

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## 2. Age

Housing needs are influenced by the age characteristics of the population. Different age groups require different accommodations based on lifestyle, family type, income level, and housing preference. Table H-3 provides a comparison of the city's and county's population by age group in 2010. This table shows that the age distribution of the city's population is similar to Orange County as a whole with a somewhat higher percentage of the population in the 40 to 64 age range. The median age of the city's population exceeds the county median by approximately six years.

**Table H-3  
Age Distribution –  
Mission Viejo vs. Orange County**

Age Group	Mission Viejo		Orange County	
	Persons	%	Persons	%
Under 5 years	4,613	5%	191,691	6%
5 to 9 years	5,500	6%	198,769	7%
10 to 14 years	6,630	7%	210,195	7%
15 to 19 years	7,192	8%	227,689	8%
20 to 24 years	5,187	6%	213,601	7%
25 to 29 years	4,590	5%	215,362	7%
30 to 34 years	4,467	5%	198,166	7%
35 to 39 years	5,407	6%	213,605	7%
40 to 44 years	7,184	8%	225,438	7%
45 to 49 years	8,570	9%	230,596	8%
50 to 54 years	8,078	9%	213,589	7%
55 to 59 years	6,540	7%	175,127	6%
60 to 64 years	5,815	6%	146,727	5%
65 to 69 years	4,180	4%	107,421	4%
70 to 74 years	3,012	3%	80,033	3%
75 to 79 years	2,259	2%	63,133	2%
80 to 84 years	1,890	2%	49,570	2%
85 years and over	2,191	2%	49,520	2%
Total	93,305	100%	3,010,232	100%
Median age	42.2		36.2	

Source: 2010 Census, Table DP-1

## 3. Race and Ethnicity

The racial and ethnic composition of the city differs from the county in that a lower proportion of city residents are Hispanic/Latino or other racial minorities. Approximately 69% of city residents are non-Hispanic white, contrasted with 44% for the county as a whole. The percentage of Hispanics residing in the city, at 17%, is approximately half that of the county. Asians, at 9%, represent the largest non-Hispanic minority (Table H-4).

**Table H-4  
Race/Ethnicity  
Mission Viejo vs. Orange County**

Racial/Ethnic Group	Mission Viejo		Orange County	
	Persons	%	Persons	%
Not Hispanic or Latino	77,428	83%	1,997,259	66%
-White	64,276	69%	1,328,499	44%
-Black or African American	1,129	1%	44,000	1%
-American Indian/Alaska Native	176	0%	6,216	0%
-Asian	8,312	9%	532,477	18%
-Native Hawaiian/Pacific Islander	146	0%	8,357	0%
-Other races or 2+ races	3,389	4%	77,710	3%
Hispanic or Latino (any race)	15,877	17%	1,012,973	34%
Total	93,305	100%	3,010,232	100%

Source: 2010 Census, Table DP-1

## 2.2 Household Characteristics

### 1. Household Composition and Size

Household characteristics are important indicators of the type and size of housing needed in a city. The Census defines a “household” as all persons occupying a housing unit, which may include single persons

**Table H-5  
Household Composition –  
Mission Viejo vs. Orange County**

Household Type	Mission Viejo		Orange County	
	Households	%	Households	%
<b>Family households:</b>	25,065	75%	708,491	71%
Husband-wife family	20,792	63%	538,268	54%
With own children under 18 years	8,971	27%	258,719	26%
Male householder, no wife present	1,306	4%	54,615	6%
With own children under 18 years	586	2%	22,972	2%
Female householder, no husband present	2,967	9%	115,608	12%
With own children under 18 years	1,307	4%	53,896	5%
<b>Nonfamily households:</b>	8,143	25%	284,290	29%
Householder living alone	6,314	19%	207,849	21%
Households with individuals under 18 years	11,767	35%	375,387	38%
Households with individuals 65 years and over	9,335	28%	252,420	25%
Total households	33,208	100%	992,781	100%
Average household size	2.78		2.99	

Source: 2010 Census, Table DP-1

living alone, families related through marriage or blood, or unrelated persons sharing a single unit. Persons in group quarters such as dormitories, retirement or convalescent homes, or other group living situations are included in population totals, but are not considered households.

Table H-5 provides a comparison of households by type for the city and Orange County as a whole. Family households comprised approximately 75% of all households in the city, somewhat higher than the county with 71%. In general, household composition in the city is similar to that of the County although there is a higher proportion of traditional husband/wife families in the city as compared to the county as a whole (63% city vs. 54% countywide). The city’s average household size (i.e., the average number of persons in a household) of 2.78 is slightly lower than Orange County as a whole (2.99).

## 2. Housing Tenure and Vacancy

Housing tenure (owner vs. renter) is an important indicator of the housing market. Communities need an adequate supply of units available both for rent and for sale in order to accommodate a range of households with varying income, family size and composition, and lifestyle. Table H-6 provides a comparison of an estimate of the number of owner-occupied and renter-occupied units in the city in 2010 as compared to the county as a whole<sup>1</sup>. This table reveals that the level of homeownership for the city (76%) is substantially higher than for the county as a whole (56%). The vacancy rate in Mission Viejo was estimated to be 3% compared to 5% for the county as a whole.

**Table H-6**  
**Household Tenure and Vacancy –**  
**Mission Viejo vs. Orange County**

Housing Type	Mission Viejo		Orange County	
	Units	%	Units	%
<b>Occupied housing units</b>	33,208	97%	992,781	95%
Owner-occupied housing units	25,859	76%	588,313	56%
Average household size of owner-occupied units	2.80		2.98	
Renter-occupied housing units	7,349	21%	404,468	39%
Average household size of renter-occupied units	2.72		3.00	
<b>Vacant housing units</b>	1,020	3%	56,126	5%
For rent	381	1%	25,254	2%
Rented, not occupied	17	0.0%	1,327	0.1%
For sale only	232	1%	8,434	1%
Sold, not occupied	69	0.2%	2,096	0.2%
For seasonal, recreational, or occasional use	123	0%	10,806	1%
All other vacants	198	1%	8,209	1%
Homeowner vacancy rate (%)	0.9		1.4	
Rental vacancy rate (%)	4.9		5.9	
<b>Total housing units</b>	34,228	100%	1,048,907	100%

Source: 2010 Census, Table DP-1

<sup>1</sup> The 2010 Census housing unit count for Mission Viejo is under review and may undergo revision as part of the U.S. Census Bureau’s Count Question Resolution process.

### 3. Overcrowding

Overcrowding is often closely related to household income and the cost of housing. The U.S. Census Bureau considers a household to be overcrowded when there is more than one person per room, excluding bathrooms and kitchens, with severe overcrowding when there are more than 1.5 occupants per room. Table H-7 summarizes overcrowding for the City of Mission Viejo and Orange County as a whole.

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**Table H-7**  
**Overcrowding –**  
**Mission Viejo vs. Orange County**

Occupants per Room	Mission Viejo		Orange County	
	Units	%	Units	%
Owner occupied units	26,816	100%	599,032	100%
1.01 to 1.50	258	1%	18,297	3%
1.51 to 2.00	68	0%	4,962	1%
2.01 or more	0	0.0%	1,527	0.3%
Renter occupied units	6,783	100%	385,471	100%
1.01 to 1.50	457	7%	38,874	10%
1.51 to 2.00	71	1%	18,709	5%
2.01 or more	27	0%	7,508	2%

Source: Census 2006-2010 ACS, Table B25014

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This table shows that overcrowding was more prevalent among renters than for owner-occupied units. Approximately 8% of the city's renter-occupied households were overcrowded compared to only 1% of owner-occupants.

### 4. Household Income and Overpayment

Household income is a primary factor affecting housing needs in a community. According to the U.S. Census, the median household income in Mission Viejo during 2006-2010 was \$95,878, approximately 29% higher than the Orange County median income of \$74,344 (Table H-8). Median income in Mission Viejo was comparable to most of the adjacent cities.

**Table H-8**  
**Median Household Income –**  
**Orange County and Selected Cities**

Jurisdiction	Median Household Income	% of County Median Income
<b>Mission Viejo</b>	<b>\$95,878</b>	<b>129%</b>
Laguna Niguel	\$97,018	130%
Rancho Santa Margarita	\$99,722	134%
Laguna Beach	\$98,634	133%
Lake Forest	\$91,040	122%
Dana Point	\$80,609	108%
San Juan Capistrano	\$76,686	103%
Orange County	\$74,344	100%
California	\$60,883	82%

Source: U.S. Census, 2006-2010 ACS, Table DP-3

According to state housing policy, overpaying occurs when housing costs exceed 30% of gross household income. Table H-9 displays estimates for overpayment during 2005-2009 by income category. According to the U.S. Census, 65% of all lower-income owner households and 91% of all lower-income renter households in Mission Viejo were overpaying for housing. The incidence of overpayment was substantially lower for households in the moderate- and above-moderate-income categories. Extremely low-income owners appeared to suffer the greatest cost burden, with over 90% of both owners and renters in this category overpaying for housing.

**Table H-9**  
**Overpayment by Income Category –**  
**Mission Viejo**

Income Category	Owners		Renters	
	Households	Percent	Households	Percent
Extremely low households	710		465	
Households overpaying	665	93.7%	440	94.6%
Very low households	2,320		1,295	
Households overpaying	1,435	61.9%	1,185	91.5%
Low households	3,230		1,860	
Households overpaying	1,955	60.5%	1,670	89.8%
<b>Subtotal: All lower-income households</b>	<b>6,260</b>		<b>3,620</b>	
<b>Households overpaying</b>	<b>4,055</b>	<b>64.8%</b>	<b>3,295</b>	<b>91.0%</b>
Moderate households	5,370		1,355	
Households overpaying	3,180	59.2%	575	42.4%
Above moderate households	14,980		1,880	
Households overpaying	3,295	22.0%	90	4.8%

Source: U.S. Dept. of Housing and Urban Development, CHAS, based on the 2005-2009 ACS. Table 15.

Although homeowners enjoy income and property tax deductions and other benefits that help to compensate for high housing costs, lower-income homeowners may need to defer maintenance or repairs

due to limited funds, which can lead to deterioration. For lower-income renters, severe cost burden can require families to double up resulting in overcrowding and related problems. The federal Section 8 Housing Choice Voucher program is one of the largest sources of assistance for lower-income renters. Unfortunately, funding levels for this program do not match the level of need, and long waiting lists are the norm. Programs to facilitate the production of new affordable rental units can help to alleviate overpayment (see Chapter 5 for a discussion of City programs to encourage and facilitate the development of additional housing for lower-income residents).

## 2.3 Employment

Employment is an important factor affecting housing needs within a community. The jobs available in each employment sector and the wages for these jobs affect the type and size of housing residents can afford.

### 1. Current Employment

Current employment and projected job growth have a significant influence on housing needs during this planning period. Table H-10 shows that the city had a workforce of 50,341 persons, or 68% of the working-age population, as reported by the Census Bureau. This table shows that the characteristics of the city’s population are nearly identical to those countywide, With over two-thirds of those aged 16 and over in the labor force during 2006-2010.

**Table H-10**  
**Labor Force –**  
**Mission Viejo vs. Orange County**

Labor Force Status	Mission Viejo		Orange County	
	Persons	%	Persons	%
Population 16 years and over	73,894	100%	2,315,782	100%
In labor force	50,341	68%	1,559,264	67%
Civilian labor force	50,280	68%	1,556,696	67%
Employed	47,222	64%	1,442,008	62%
Unemployed	3,058	4%	114,688	5%
Armed Forces	61	0%	2,568	0%
Not in labor force	23,553	32%	756,518	33%

Source: Census 2006-2010 ACS, Table DP3

During 2006-2010, approximately 49% of the city’s working residents were employed in management and professional occupations (Table H-11). A significant percentage of workers (29%) were employed in sales and office related occupations. A relatively low percentage of workers (12%) were employed in service related occupations such as waiters, waitresses and beauticians. Blue collar occupations such as machine operators, assemblers, farming, transportation, handlers and laborers constituted approximately 11% of the workforce.

**Table H-11**  
**Employment by Occupation –**  
**Mission Viejo**

Occupation	Mission Viejo	
	Persons	%
Civilian employed population 16 years and over	47,222	100%
Management, business, science, and arts occupations	23,111	49%
Service occupations	5,571	12%
Sales and office occupations	13,672	29%
Natural resources, construction, and maintenance occupations	2,677	6%
Production, transportation, and material moving occupations	2,191	5%

Source: U.S. Census 2006-2010 ACS, Table DP3

## 2. Projected Job Growth

Future housing needs are affected by the number and type of new jobs created during this planning period. Table H-12 shows projected job growth by occupation for the Santa Ana-Anaheim-Irvine MSA (Orange County) for the period 2008-2018. Total employment in Orange County is expected to grow by 8.4% during this 10-year period. The overall growth is expected to add 135,500 new jobs and bring the total employment in Orange County to approximately 1.75 million by 2018.

**Table H-12  
2008-2018 Industry Employment Projections –  
Orange County**

NAICS Code	Industry Title	Annual Average Employment		Employment Change	
		2008	2018	Jobs	Percent
	Total Employment	1,620,600	1,756,100	135,500	8.4
	Self Employment (A)	124,300	127,800	3,500	2.8
	Unpaid Family Workers (B)	1,200	1,300	100	8.3
	Private Household Workers (C)	8,900	13,000	4,100	46.1
	Total Farm	4,600	4,600	0	0.0
	Total Nonfarm	1,481,600	1,609,400	127,800	8.6
1133,21	Mining and Logging	600	600	0	0.0
23	Construction	91,200	99,500	8,300	9.1
31-33	Manufacturing	174,100	168,000	-6,100	-3.5
22,42-49	Trade, Transportation, and Utilities	271,600	292,800	21,200	7.8
42	Wholesale Trade	86,700	92,000	5,300	6.1
44-45	Retail Trade	155,600	168,700	13,100	8.4
22,48-49	Transportation, Warehousing, and Utilities	29,300	32,100	2,800	9.6
48-49	Transportation and Warehousing	25,400	27,300	1,900	7.5
51	Information	30,100	29,800	-300	-1.0
52-53	Financial Activities	113,100	118,100	5,000	4.4
52	Finance and Insurance	76,100	80,500	4,400	5.8
53	Real Estate and Rental and Leasing	37,000	37,600	600	1.6
54-56	Professional and Business Services	266,600	300,100	33,500	12.6
55	Management of Companies and Enterprises	26,100	27,000	900	3.4
56	Admin/Support and Waste Mgmt & Remediation	124,500	136,400	11,900	9.6
61-62	Education Svcs, Health Care, and Social Assistance	150,700	183,900	33,200	22.0
61	Educational Services (Private)	23,600	27,400	3,800	16.1
62	Health Care and Social Assistance	127,100	156,500	29,400	23.1
71-72	Leisure and Hospitality	176,400	195,900	19,500	11.1
71	Arts, Entertainment, and Recreation	36,800	40,500	3,700	10.1
72	Accommodation and Food Services	139,700	155,400	15,700	11.2
81	Other Svcs (excludes Private Household Workers)	46,500	49,600	3,100	6.7
	Government	160,800	171,100	10,300	6.4
	Federal Government	11,700	11,600	-100	-0.9
	State and Local Government	149,000	159,500	10,500	7.0
	State Government	28,000	31,500	3,500	12.5
	Local Government	121,000	128,000	7,000	5.8

Source: California Employment Development Department, March 2009 Benchmark

Industry detail may not add up to totals due to independent rounding

(A) Self-Employed persons work for profit or fees in their own business, profession, trade, or farm. Only the unincorporated self-employed are included in this category. The estimated and projected employment numbers include all workers who are primarily self-employed and wage and salary workers who hold a secondary job as a self-employed worker.

(B) Unpaid family workers are those persons who work without pay for 15 or more hours per week on a farm or in a business operated by a member of the household to whom they are related by birth or marriage.

(C) Private Household Workers are employed as domestic workers whose primary activities are to maintain the household.

Industry employment is based on the Quarterly Census of Employment and Wages (QCEW) program.

According to the U.S. Census Bureau, about 91% of employed Mission Viejo residents worked in Orange County, and approximately 25% of all workers were employed within the city limits (Table H-13).

**Table H-13  
Job Location for Mission Viejo Residents**

Job Location	%
Worked in state of residence	99.40%
Worked in county of residence	91.10%
Worked in place of residence	24.80%
Worked outside county of residence	8.40%
Worked outside state of residence	0.60%

Source: Census 2006-2010 ACS, Table S0801

## **2.4 Housing Stock Characteristics**

This section presents an evaluation of the characteristics of the community’s housing stock and helps in identifying and prioritizing needs. The factors evaluated include the number and type of housing units, recent growth trends, age and condition, tenure, vacancy, housing costs, affordability, and assisted affordable units at-risk of loss due to conversion to market-rate. A housing unit is defined as a house, apartment, mobile home, or group of rooms, occupied as separate living quarters, or if vacant, intended for occupancy as separate living quarters.

### **1. Housing Type and Growth Trends**

The housing stock in Mission Viejo is comprised mostly of single-family detached homes, which made up 72% of all units in 2012, while multi-family units comprised about 16% of the total. About 12% of units were reported as single-family attached units (condos). Table H-14 provides a breakdown of the housing stock by type along with growth trends for the city compared to the county as a whole for the period 2000 - 2012. Compared to the entire county, the city has a significantly higher proportion of single-family detached units, which reflects the original land use plan for the Mission Viejo Planned Community.

Between 2000 and 2012, single-family detached homes represented 41% of all units added to the city’s housing stock while larger multi-family (5+) developments represented 69% of the units added. This rate of growth varies from the county, which experienced a 55% increase in single-family detached homes and a 36% increase in multi-family 5+ developments during the same period.

**Table H-14**  
**Housing by Type, 2000-2012 –**  
**Mission Viejo vs. Orange County**

Structure Type	2000		2012		Growth	
	Units	%	Units	%	Units	%
<b>Mission Viejo</b>						
Single-family detached	24,246	74%	24,770	72%	524	41%
Single-family attached	4,021	12%	4,121	12%	100	8%
Multi-family 2-4 units	1,117	3%	924	3%	-193	-15%
Multi-family 5+ units	3,512	11%	4,388	13%	876	69%
Mobile homes	89	0.3%	51	0.1%	-38	-3%
<b>Total units</b>	<b>32,985</b>	<b>100%</b>	<b>34,254</b>	<b>100%</b>	<b>1,269</b>	<b>100%</b>
<b>Orange County</b>						
Single-family detached	489,657	51%	535,361	51%	45,704	55%
Single-family attached	124,702	13%	127,669	12%	2,967	4%
Multi-family 2-4 units	88,804	9%	91,781	9%	2,977	4%
Multi-family 5+ units	233,871	24%	264,026	25%	30,155	36%
Mobile homes	32,450	3%	33,524	3%	1,074	1%
<b>Total units</b>	<b>969,484</b>	<b>100%</b>	<b>1,052,361</b>	<b>100%</b>	<b>82,877</b>	<b>100%</b>

Source: Cal. Dept. of Finance, Table E-5, 2012

Note: The net growth in housing units by type reflects adjustments in units that were incorrectly tabulated in Mission Viejo in the 2000 Census, and which were subsequently reconciled and reassigned to neighboring municipalities. Also, a correction to the tabulation of mobile home will be pursued through the 2010 Census Count resolution process, as there are no mobile home parks in the City.

## 2. Housing Age and Conditions

Housing age is often an important indicator of housing condition. Housing units built prior to 1978, before stringent limits on the amount of lead in paint were imposed, may have interior or exterior building components coated with lead-based paint. Housing units built before 1970 are the most likely to need rehabilitation and to have lead-based paint in deteriorated condition. Lead-based paint becomes hazardous to children under age six and to pregnant women when it peels off walls or is pulverized by windows and doors opening and closing.

Table H-15 shows the age distribution of the housing stock in Mission Viejo compared to Orange County as a whole.

**Table H-15**  
**Age of Housing Stock –**  
**Mission Viejo vs. Orange County**

Year Built	Mission Viejo		Orange County	
	Units	%	Units	%
Built 2005 or later	42	0%	21,184	2%
Built 2000 to 2004	1,161	3%	63,957	6%
Built 1990 to 1999	5,396	16%	120,798	12%
Built 1980 to 1989	9,093	26%	167,031	16%
Built 1970 to 1979	14,468	42%	262,455	25%
Built 1960 to 1969	3,774	11%	215,213	21%
Built 1950 to 1959	257	1%	138,061	13%
Built 1940 to 1949	114	0%	26,745	3%
Built 1939 or earlier	136	0%	26,810	3%
<b>Total units</b>	<b>34,441</b>	<b>100%</b>	<b>1,042,254</b>	<b>100%</b>

Source: Census 2006-2010 ACS, Table DP-4

Large-scale development in Mission Viejo began in the 1960s; therefore, relatively few housing units are more than 40 years old. Only about 12% of housing units were constructed prior to 1970. The largest portion of the city’s housing units (42%) were built during the 1970s and are now more than 30 years old. According to City Building and Code Enforcement staff, it is estimated that approximately 1% to 2% of the housing stock (340-680 units) are in need of some type of repair or rehabilitation. .

The goal of the City’s Code Enforcement program is to address housing concerns before they become serious problems, and staff responds to daily calls from citizens regarding code violations and informs eligible parties of available programs to assist in correcting problems. The proactive Code Enforcement program has helped to reduce structural deterioration by identifying problems and directing residents to available resources to assist with improvements.

### 3. Housing Cost

#### a. Housing Affordability Criteria

State law establishes five income categories for purposes of housing programs based on the area (i.e., county) median income (“AMI”): extremely-low (30% or less of AMI), very-low (31-50% of AMI), low (51-80% of AMI), moderate (81-120% of AMI) and above moderate (over 120% of AMI). Housing affordability is based on the relationship between household income and housing expenses. According to HUD and the California Department of Housing and Community Development<sup>2</sup>, housing is considered “affordable” if the monthly payment is no more than 30% of a household’s gross income. In some areas (such as Orange County), these income limits may be increased to adjust for high housing costs.

Table H-16 shows affordable rent levels and estimated affordable purchase prices for housing in Mission Viejo (and Orange County)<sup>3</sup> by income category. Based on state-adopted standards for a 4-person family, the maximum affordable monthly rent for extremely-low-income households is \$723, while the maximum

<sup>2</sup> HCD memo of 2/1/2012

<sup>3</sup> Affordable rent and purchase prices are based on county median income.

affordable rent for very-low-income households is \$1,204. The maximum affordable rent for low-income households is \$1,926, while the maximum for moderate-income households is \$2,559.

Maximum purchase prices are more difficult to determine due to variations in mortgage interest rates and qualifying procedures, down payments, special tax assessments, homeowner association fees, property insurance rates, etc. With this caveat, the maximum home purchase price by income category shown in Table H-16 are estimates based on typical conditions. Affordable purchase prices have only been estimated for moderate- and above-moderate-income households since those in the lower-income categories typically have a much more difficult time qualifying for a mortgage.

**Table H-16  
Income Categories and Affordable Housing Costs –  
Orange County**

2012 County Median Income = \$85,300	Income Limits	Affordable Rent	Affordable Price (est.)
Extremely Low (<30%)	\$28,900	\$723	--
Very Low (31-50%)	\$48,150	\$1,204	--
Low (51-80%)	\$77,050	\$1,926	--
Moderate (81-120%)	\$102,350	\$2,559	\$400,000
Above moderate (120%+)	>\$102,350	>\$2,559	>\$400,000

Assumptions:  
 -Based on a family of 4  
 -30% of gross income for rent or Principal/Interest/Taxes/Insurance  
 -10% down payment, 4.5% interest, 1.25% taxes & insurance, \$200 HOA dues  
 Source: Cal. HCD; J.H. Douglas & Associates

**b. For-Sale Housing**

Housing sales price statistics in Mission Viejo during 2012 (Table H-17) show that median single-family home prices were in the range of \$449,000 to \$515,000 while median condo prices ranged between \$189,000 and \$329,000 depending on zip code..

**Table H-17  
Housing Sales Prices 2012 –  
Mission Viejo**

Zip Code	Single-Family		Condo	
	Sales	Median	Sales	Median
92691	230	\$449,000	89	\$189,000
92692	268	\$515,000	95	\$329,000

Source: DQ News, 6/2012

Based on the estimated affordable purchase prices shown in Table H-16, very few for-sale single-family detached units are affordable to lower- or moderate-income residents, although condos may provide affordable ownership opportunities, particularly under the current favorable market conditions. It is recognized, however, that large public subsidies would be required to reduce sales prices of new housing

units to a level that is affordable to lower-income buyers. These statistics illustrate why affordable housing programs often emphasize rental rather than for-sale housing.

### **c. Rental Housing**

As described previously in the discussion of income and overpayment (Table H-9), the majority of renters in Mission Viejo fall within the lower-income categories. As a result, trends in rental rates have a major impact on these residents. According to the apartment research firm RealFacts<sup>4</sup>, rents in Orange County reached an all-time high in 2012 with a countywide average of \$1,604. In the wake of the financial crisis of 2008-2009 average rents in Orange County declined from \$1,603 in 2008 to \$1,473 in early 2010, but growing demand has allowed the market to fully recover those temporary losses. Real estate professionals expect rents to continue rising in the near future as growing demand exceeds the pace of new apartment construction.

When market rents are compared to the amount lower-income households can afford to pay (Table H-16), it is clear that very-low- and extremely-low-income households have a difficult time finding housing without overpaying. The gap between current average rent and affordable rent for 4-person families at the very-low-income level is about \$400 per month, while the gap at the extremely-low-income level is \$881 per month. However, at the low-income and moderate-income levels, households are much more likely to find affordable rentals.

## **2.5 Special Needs**

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Certain groups have greater difficulty in finding decent, affordable housing due to special circumstances. Such circumstances may be related to one's employment and income, family characteristics, disability, or other conditions. As a result, some Mission Viejo residents may experience a higher prevalence of overpayment, overcrowding, or other housing problems.

State Housing Element law defines "special needs" groups to include persons with disabilities (including developmental disabilities), the elderly, large households, female-headed households with children, homeless people, and farm workers. This section contains a discussion of the housing needs facing each of these groups.

### **1. Persons with Disabilities**

The most recent available Census data found that approximately 4,653 people between 16 and 64 years of age, or 8% of the working age population, reported a work-related disability (see Table H-18). Of those aged 65 and over, 2,222 (22%) reported some form of physical disability. Reported disabilities that hindered the ability to go outside the home represented 4% of working age persons and 19% of the elderly. Housing opportunities for the handicapped can be maximized through housing assistance programs and providing universal design features such as widened doorways, ramps, lowered countertops, single-level units and ground floor units.

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<sup>4</sup> OC Apartment Rents Hit Record High, OC Register, 7/23/2012 (<http://lansner.ocregister.com/2012/07/18/o-c-apartment-rents-hit-record-high/164715/>)

**Table H-18**  
**Persons with Disabilities by Age Group –**  
**Mission Viejo**

Disability by Age	Disabilities	Percent
Age 5 to 15 - total persons*	16,130	
With a sensory disability	76	0.5%
With a physical disability	153	0.9%
With a mental disability	524	3.2%
With a self-care disability	75	0.5%
Age 16 to 64 - total persons*	60,405	
With a sensory disability	787	1.3%
With a physical disability	1,927	3.2%
With a mental disability	1,024	1.7%
With a self-care disability	404	0.7%
With a go-outside-the-home disability	2,199	3.6%
With an employment disability	4,653	7.7%
Age 65 and over - total persons*	10,139	
With a sensory disability	1,058	10.4%
With a physical disability	2,222	21.9%
With a mental disability	1,099	10.8%
With a self-care disability	984	9.7%
With a go-outside-the-home disability	1,958	19.3%

Source: 2000 Census, SF3 Tables P8 and P41 (Note: Neither the 2010 Census nor ACS reported disabilities)

\*Numbers in shaded rows represent persons, not disabilities. Persons may report more than one disability

### **Developmentally Disabled**

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;
- 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 U.S. Census Bureau 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. 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 independence as an adult.

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 to 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 Center** 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, immediately adjacent to Mission Viejo.

**Vocational Visions** ([www.vocationalvisions.org](http://www.vocationalvisions.org)), a non-profit organization located in Mission Viejo, has provided services to local residents with developmental disabilities in partnership with the 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 facility-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
- South County Clubhouse

In addition to these resources, the City responds to the needs of the developmentally disabled population through programs that facilitate new affordable housing development, preservation of existing low- and moderate-income housing, and equal housing opportunity.

## 2. Elderly

According to the Census Bureau, one-quarter of owner households and 16% of renter households in Mission Viejo reported a householder age 65 or older (Table H-19). Many elderly persons are dependent on fixed incomes and/or have disabilities, as seen in Table H-18. Elderly homeowners may be physically unable to maintain their home or cope with living alone. The housing needs of this group can be addressed through smaller units, second units on lots with existing homes, shared living facilities (such as board and care homes), congregate housing and housing assistance programs. In addition, homes occupied by “empty-nester” seniors represent a significant supply of potential move-up housing for younger families if suitable alternative living arrangements can be found for these seniors.

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**Table H-19**  
**Elderly Households by Tenure –**  
**Mission Viejo**

Householder Age	Owner		Renter	
	Households	%	Households	%
Under 65 years	20,170	75%	5,691	84%
65 to 74 years	3,426	13%	404	6%
75 to 84 years	2,448	9%	391	6%
85 years and over	772	3%	297	4%
<b>Total Households</b>	<b>26,816</b>	<b>100%</b>	<b>6,783</b>	<b>100%</b>

Source: U.S. Census 2006-2010 ACS, Table B25007

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## 3. Large Households

Household size is an indicator of need for large units. Large households are defined as those with five or more members. The Census Bureau reported that approximately 53% of owner households and 62% of renter households in Mission Viejo have only one or two members. About 10% of owner households and about 9% of renter households had five or more members. (Table H-20). This distribution indicates that the need for large units with four or more bedrooms is expected to be significantly less than for smaller units.

**Table H-20**  
**Household Size by Tenure –**  
**Mission Viejo**

Householder Age	Owner		Renter	
	Households	%	Households	%
1 person	5,156	19%	2,073	31%
2 persons	9,048	34%	2,102	31%
3 persons	4,480	17%	1,164	17%
4 persons	5,369	20%	794	12%
<b>5 persons</b>	<b>1,931</b>	<b>7%</b>	<b>372</b>	<b>5%</b>
<b>6 persons</b>	<b>564</b>	<b>2%</b>	<b>216</b>	<b>3%</b>
<b>7 persons or more</b>	<b>268</b>	<b>1%</b>	<b>62</b>	<b>1%</b>
Total Households	26,816	100%	6,783	100%

Source: U.S. Census 2006-2010 ACS, Table B25009

#### 4. Female-Headed Households

The Census Bureau estimated that 7% of owner households and 13% of renter households in the city were headed by a female (Table H-21). While female-headed households represent a relatively small portion of all households, they may have difficulty finding affordable housing due to difficulties juggling employment and child care responsibilities. Many of the assistance programs described in Chapter 6 will help to address the needs of this group.

**Table H-21**  
**Household Type by Tenure –**  
**Mission Viejo**

Household Type	Owner		Renter	
	Households	%	Households	%
	18,102	68%	2,600	38%
Male householder, no wife present	665	2%	427	6%
Female householder, no husband present	1,769	7%	899	13%
Non-family households	6,280	23%	2,857	42%
Total Households	26,816	100%	6,783	100%

Source: U.S. Census 2006-2010 ACS, Table B11012

#### 5. Farm Workers

Farm workers are traditionally defined as persons whose primary income is from seasonal agricultural work. Historically Orange County's economy was linked to agriculture. While there are still active farming areas on the Irvine Ranch and some other areas, shifts in the local economy to technology, production and service-oriented sectors have significantly curtailed agricultural activities within the county. Today, Orange County is a mostly developed urban/suburban region with a strong local economy that is not tied to an agricultural base.

The U.S. Census<sup>5</sup> reported that 209 persons living in Mission Viejo were employed in agricultural occupations. This total includes all occupations, including profession and managerial categories.. The nearest major agricultural areas to the City of Mission Viejo are the Irvine Ranch, approximately 5 miles to the northwest, and Rancho Mission Viejo to the southeast. Since there are no agricultural operations within Mission Viejo, the need for permanent farmworker housing is of less concern than in other areas where large-scale agricultural operations exist. The needs of agricultural workers who are permanent residents are addressed through a variety of affordable housing programs that serve the needs of all lower-income persons and are not restricted only to farmworkers.

## **6. Homeless Persons**

Throughout the country, homelessness is a serious problem. Factors contributing to homelessness include: the general lack of emergency shelters and transitional housing, housing affordable to lower-income persons; an increasing number of persons whose incomes fall below the poverty level; reductions in public assistance for the poor; and the de-institutionalization of the mentally ill.

To estimate the number of homeless in the city an analysis of existing studies/estimates was utilized and different organizations and agencies were consulted. The County of Orange Housing and Community Services Department undertakes a biannual “Point-in-Time” survey of the homeless population as part of its application for homeless assistance grant funds to HUD. The most recent Point-in-Time survey, conducted in January 2011, estimated that there were approximately 6,939 homeless persons at the time of the survey, of which 2,667 were sheltered and 4,272 were unsheltered<sup>6</sup>. While the 2011 survey did not estimate the total homeless population by jurisdiction, the survey did ask respondents where they lived just prior to becoming homeless. Of the 610 survey respondents, 3 (0.49%) reported Mission Viejo as their last city of residence.

By the very nature of homelessness, it is difficult to determine the location of homeless persons. Based on field observations, the City’s Police Department estimates that there are approximately 10 homeless individuals at any given time in Mission Viejo. Regardless of what methodology is used for estimating the location of the homeless, this is a regional issue and the City will continue to work cooperatively with the County and other agencies to address it from a regional perspective.

Senate Bill (SB) 2 of 2007 requires that jurisdictions quantify the need for emergency shelter and determine whether existing facilities are adequate to serve the need. An emergency shelter is defined as “housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less by a homeless person. No individual or household may be denied emergency shelter because of an inability to pay.” If adequate existing facilities are not available, the law requires jurisdictions to identify areas where new facilities are permitted “by-right” (i.e., without requiring discretionary approval such as a use permit). A jurisdiction could also satisfy its shelter needs through a multi-jurisdictional agreement with up to two adjacent communities to develop at least one year-round shelter within two years of the beginning of the planning period. As noted in Chapter 4, in 2009 the City adopted an emergency shelter ordinance in compliance with SB 2.

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<sup>5</sup> 2006-2010 ACS, Table S2405

<sup>6</sup> 2011 Orange County Homeless Census and Survey Comprehensive Report, Applied Survey Research, 2011

## Inventory of Emergency Shelters and Transitional Housing Facilities

Local facilities that are available to serve the needs of homeless persons and families in Mission Viejo are discussed below.

- Emergency Shelters** – Emergency shelters are generally geared toward providing immediate housing to persons without shelter. Stays in emergency shelters are typically limited to a short period of time (1 to 90 days). Several service agencies located near Mission Viejo provide emergency shelter and services for the homeless in south Orange County. These shelters and services are identified in Table H-22. The number of beds listed represents total shelter capacity – none of the shelter beds are restricted for persons from Mission Viejo. Based on this data, there are approximately 130 emergency shelter beds available to serve homeless persons who may be in Mission Viejo.

**Table H-22**  
**Emergency Shelters Serving Mission Viejo**

Shelter Name	Location <sup>1</sup>	No. of Beds	Services	% of Beds/Services for Chronic Homeless
CSP Youth Shelter	Laguna Beach	6	Emergency housing, support and family reunification services	0%
Cold Weather Shelter <sup>2</sup>	Laguna Beach	40	Emergency housing during winter months	100%
Friendship Shelter	Laguna Beach	3	Emergency housing and support services	100%
Gilchrist House	San Clemente	10	Emergency housing and supportive services for women and children	20%
Human Options	Irvine	40	Emergency housing and support services for victims of domestic violence	15%
Laura's House	San Clemente	30	Emergency housing and support services for victims of domestic violence	15%

Source: County of Orange Housing and Community Services Department

- Location may be administrative office and not location of shelter facility.
- Beds only available during winter months

- Transitional/Supportive Housing** – Transitional and supportive housing is an important component for assisting homeless individuals and families to become self-sufficient. Two transitional/supportive housing facilities are located in Mission Viejo (Table H-23). The number of beds listed represents total shelter capacity – none of the shelter beds are restricted for persons from Mission Viejo. Based on this data, there are approximately 185 transitional housing beds available to serve residents of the city. City land use regulations permit transitional and supportive housing as a residential use subject to the same regulations and procedures that apply to other residential units of the same type in the same zone in conformance with state law.

**Table H-23  
Transitional/Supportive Housing Facilities Serving Mission Viejo**

Shelter Name	Location	No. of Beds	Services	% of Beds/Services for Chronic Homeless
Families Forward	Irvine	13	Transitional housing and supportive services for families	10%
Friendship Shelter	Laguna Beach	26	Transitional housing and supportive services for single adults	30%
Henderson House	San Clemente	24	Transitional housing for single adults recovering from substance addiction	30%
Hope's House	Aliso Viejo	10	Transitional housing and supportive services for women with infants	30%
Gilchrist House	San Clemente	16	Transitional housing and supportive services for women and children	25%
Kathy's House	San Juan Capistrano	12	Transitional housing & support services for victims of domestic violence	25%
Laura's House	San Clemente	8	Transitional housing and support services for victims of domestic violence	15%
South County Community Outreach	Laguna Hills & Mission Viejo	56 to 73	Transitional housing (17 housing units) & support services for families (5 units in Mission Viejo)	25%
Toby's House	Capistrano Beach & Mission Viejo	15	Transitional housing for pregnant women and infants	0%

Source: County of Orange Housing and Community Services Department

## **2.6 Assisted Housing at Risk of Conversion**

This section identifies all residential projects in the city that are under an affordability restriction, along with those housing projects that are at risk of losing their low-income affordability restrictions within the ten-year period 2013-2023. This information is also used in establishing quantified objectives for units that can be conserved during this planning period. The inventory of assisted units includes all units that have been assisted under any federal, state, local and/or other program.

State law requires local governments to analyze the potential of housing developments with affordability assistance to convert to market rate housing. There are currently six projects with 369 affordable units in Mission Viejo (Table H-24). During the next 10 years, none of these units will be eligible to convert from low-income housing uses due to termination of subsidy contracts, mortgage prepayment, or expiration of restrictions on use. As noted in this table and in Appendix B, three new projects that include affordable units have also been approved recently but have not yet been completed. According to the Southern California Association of Governments and the California Housing Partnership there are no other state- or federally-assisted at-risk units in Mission Viejo.<sup>7</sup>

<sup>7</sup> SCAG, 6/2011

**Table H-24  
Assisted Housing Developments – Mission Viejo**

Project Name	Type of Public Assistance	Total Units	Affordable Units	Household Type	Expiration Date
Alicia Viejo	Section 8	120	24	Families	2028
Avalon	Mortgage Revenue Bonds	166	34 VL	Families	2037
Park Ridge Apartments	Mortgage Revenue Bonds	250	50 VL	Families	2028
Heritage Villas	Mortgage Revenue Bonds	143	58 VL 12 Low 73 Mod	Families	2053
Arroyo Vista	Mortgage Revenue Bonds	156	16 VL 60 Low	Families	2049
Sycamore Lane	Section 8	208	42		No limit

Source: OC Housing & Community Services Dept. and City of Mission Viejo Community Development Dept., 2012

## 2.7 Future Growth Needs

### 1. Overview of the Regional Housing Needs Assessment

The Regional Housing Needs Assessment (RHNA) is a key tool for local governments to plan for anticipated growth. The RHNA quantifies the anticipated need for housing for the 7-3/4-year period from January 2014 to October 2021. Communities then determine how they will address this need through the process of updating the Housing Element of their General Plans.

The current RHNA was adopted by the Southern California Association of Governments (SCAG) in 2012. The future need for new housing was determined primarily by the forecasted growth in households in a community. Each new household, created by a child moving out of a parent's home, by a family moving to a community for employment, and so forth, creates the need for a housing unit. The housing need for new households was then adjusted to maintain a desirable level of vacancy to promote housing choice and mobility. An adjustment was also made to account for units expected to be lost due to demolition, natural disaster, or conversion to non-housing uses. These factors – household growth, vacancy need, and replacement need – determined the region's total construction need. Total housing need was then distributed among four income categories on the basis of the current household income distribution. The growth forecast used to develop the RHNA relied upon the most recent available demographic data from the Census Bureau and the California Department of Finance, and is consistent with the Regional Transportation Plan and Sustainable Communities Strategy, as required by state law.

After the total housing need was determined for the SCAG region, RHNA allocations to individual jurisdictions were developed by SCAG based on local input and the state-mandated methodology. The distribution of housing need by income category for each jurisdiction was adjusted to avoid an over-concentration of lower-income households in any community.

### 2. 2014-2021 Mission Viejo Growth Needs

In 2012 SCAG, adopted the final RHNA growth needs for each of the region's cities and county unincorporated areas. The total housing growth need for the City of Mission Viejo during the 2014-2021 planning period is 177 units. This total is distributed by income category as shown in Table H-25.

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**Table H-25**  
**Regional Housing Growth Needs - Mission Viejo**

<b>Extremely Low</b>	<b>Very Low</b>	<b>Low</b>	<b>Moderate</b>	<b>Above Mod</b>	<b>Total</b>
21	21	29	33	73	177
12%	12%	16%	19%	41%	100.0%

Source: SCAG 2012

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It should be noted that SCAG did not identify growth needs for the extremely-low-income category in the adopted RHNA. As provided in Assembly Bill (AB) 2634 of 2006, jurisdictions may determine their extremely-low-income need as one-half the need in the very-low category. A discussion of the City's net remaining growth need is provided in the land inventory section of Chapter 3.

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## 3. Resources and Opportunities

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A variety of resources are available for the development, rehabilitation, and preservation of housing in the City of Mission Viejo. This section provides an overview of the land resources and adequate sites necessary to address the City's regional housing needs allocation for the projection period of January 1, 2014 to October 1, 2021, as adopted by the Southern California Association of Governments in 2012 (see Table H-25). This section also describes the financial and administrative resources available to support the provision of affordable housing, as well as opportunities for energy conservation, which can lower utility costs and increase housing affordability.

### 3.1 Land Resources

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Section 65583(a)(3) of the *Government Code* requires Housing Elements to contain an "inventory of land suitable for residential development, including vacant sites and sites having potential for redevelopment, and an analysis of the relationship of zoning and public facilities and services to these sites." A detailed inventory of residential development sites is provided in Appendix B. The results of this analysis are summarized in Table H-26, below. The table shows that the City's land inventory for potential residential development is more than sufficient to accommodate the RHNA in all income categories for this projection period.

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**Table H-26**  
**Land Inventory Summary –**  
**City of Mission Viejo**

	Income Category		
	VL/L	Mod	Above
Vacant sites (see Appendix B)	405	16	636
Potential second units	4		
Total	409	16	636
RHNA (2014-2021)	71	33	73
Adequate sites?	Yes	Yes*	Yes

Source: City of Mission Viejo Community Development Dept., 2012

\*Reflects excess VL/L sites

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A discussion of public facilities and infrastructure needed to serve future development is contained in Section IV.B, Non-Governmental Constraints. There are currently no known service limitations that would preclude the level of development described in the RHNA, although developers will be required to pay fees or construct public improvements prior to or concurrent with development. Additionally, while some of the RHNA sites have environmental constraints such as steep slopes or geotechnical issues, the level of development described in the RHNA reflects anticipated development yield given feasible methods for addressing such constraints combined with the development potential of the unconstrained land.

## **3.2 Financial and Administrative Resources**

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### **1. State and Federal Resources**

#### **Community Development Block Grant Program (CDBG)**

Federal funding for housing programs is available through the Department of Housing and Urban Development (HUD). The City's use of federal funds is described in the 2010-2014 Consolidated Plan. As an Entitlement City, Mission Viejo participates in the Community Development Block Grant (CDBG) program. CDBG funds are used by the City to fund its Housing Rehabilitation Program (*see Local Resources*).

CDBG funds may also be used to provide public services (including labor, supplies and material), provided that the public service meets a national objective of the CDBG program. The amount of CDBG funds obligated within a program year to support public service activities cannot exceed 15% of the City's total allocation. Several organizations operating service programs have been supported with City CDBG funds. These programs include childcare services, senior-housing services, legal services, disabled services, homeless prevention services, and support services to abused and neglected children. Unfortunately, the amount of CDBG funding has declined in recent years, and future grants are dependent on the federal budgeting process.

The City does not currently participate in other HUD programs such as HOME, Emergency Shelter Grant (ESG) or Housing Opportunities for Persons with AIDS (HOPWA).

#### **Section 8 Rental Assistance**

The City of Mission Viejo contracts with the Orange County Housing Authority, which administers the Section 8 Voucher Program. The Housing Assistance Payments Program assists low-income, elderly and disabled households by paying the difference between 30% of an eligible household's income and the actual cost of renting a unit. Approximately 280 tenant-based Section 8 vouchers are used in the City. The City facilitates use of the Section 8 program within its jurisdiction by encouraging apartment owners to list available rental units with the County Housing Authority for potential occupancy by tenants receiving Section 8 certificates.

#### **Low-Income Housing Tax Credit Program**

The Low-Income Housing Tax Credit Program was created by the Tax Reform Act of 1986 to provide an alternate method of funding low-and moderate-income housing. Each state receives a tax credit, based upon population, toward funding housing that meets program guidelines. The tax credits are then used to leverage private capital into new construction or acquisition and rehabilitation of affordable housing. Limitations on projects funded under the Tax Credit programs include minimum requirements that a certain percentage of units remain rent-restricted, based upon median income, for a term of 15 years.

### **2. Local Resources**

#### **Mission Viejo Community Development Agency Set-Aside Funds**

The Mission Viejo Community Development Agency (CDA) Project Area was adopted in 1992. On February 1, 2012 all redevelopment agencies were dissolved by the State Legislature pursuant to Assembly Bill (AB) 1x26, and the City became the "Successor Agency" to the CDA. In 2011 the City established the Mission Viejo Housing Authority (MVHA) to be the Housing Successor to the CDA. All housing assets, including encumbered funds in the former CDA's Low and Moderate

Income Housing Fund, were transferred to the MVHA. At this time, the future disposition of low/mod set-aside funds is uncertain.

### **Mission Viejo Housing Rehabilitation Program**

The Mission Viejo Housing Rehabilitation Program provides technical and financial assistance to qualifying low-income households who are owner/occupants of single-family residential properties in the City of Mission Viejo. The program is currently funded with the Community Development Agency Housing Set-aside Fund and CDBG funds. The program's objectives are to correct nonconforming uses, remedy code violations, and generally repair and improve deteriorating properties in an effort to provide decent housing and a suitable living environment for persons and families of low and moderate income. Financial assistance is provided in the form of a grant or deferred payment loan. Single-family rehabilitation grants in amounts up to \$5,000 are available to qualifying property owners to correct existing local and/or state code violations and finance eligible exterior improvements to residential properties. The City offers deferred payment loans to eligible property owners in amounts up to \$25,000 with combined loan and grants not to exceed \$30,000.

### **Residential Mortgage Revenue Bonds**

The City has authorized participation in two County-administered Residential Mortgage Revenue Bond Program to increase the supply of affordable housing in the County - the Multi-Family Housing Revenue Bond Program and the Single-Family Residential Mortgage Revenue Bond Program. Under these programs, tax-exempt bonds are issued to provide funds for construction and mortgage loans to encourage developers to provide both rental and for-sale housing affordable to lower-income families and individuals.

## **3.3 Energy Conservation Opportunities**

As residential energy costs rise, the subsequent increasing utility costs reduce the affordability of housing. Although the City is fully developed, new infill development and rehabilitation activities are occurring, allowing the City to directly affect energy use within its jurisdiction.

The City has many opportunities to directly affect energy use and conservation. In addition to required compliance with the Building Code and Title 24 of the California Energy Code and California Green Building Standards Code relating to energy conservation, the City sets forth goals and policies which encourage the conservation of non-renewable resources in concert with the use of alternative energy sources to increase energy self-sufficiency. In a large part, energy savings and utility bill reductions can be realized through the following energy design standards:

- **Glazing** – Glazing on south facing exterior walls allows for winter sunrays to warm the structure. Avoidance of this technique on the west side of the unit prevents afternoon sunrays from overheating the unit.
- **Landscaping** – Strategically placed vegetation reduces the amount of direct sunlight on the windows. The incorporation of deciduous trees in the landscaping plans along the southern area of units reduces summer sunrays, while allowing penetration of winter sunrays to warm the units.
- **Building Design** – The implementation of roof overhangs above southerly facing windows shield the structure from solar rays during the summer months.

- **Cooling/Heating Systems** – The use of attic ventilation systems reduces attic temperatures during the summer months. Solar heating systems for swimming pool facilities save on energy costs. Natural gas is conserved with the use of flow restrictors on all hot water faucets and showerheads.
- **Weatherizing Techniques** – Weatherization techniques such as insulation, caulking, and weather stripping can reduce energy use for air-conditioning up to 55% and for heating as much as 40%. Weatherization measures seal a dwelling unit to guard against heat gain in the summer and prevent heat loss in the winter.
- **Efficient Use of Appliances** – Each household contains different mixture of appliances. Regardless of the mix of appliances present, appliances can be used in ways that increase their energy efficiency. Unnecessary appliances can be eliminated; proper maintenance and use of stove, oven, clothes dryer, clothes washer, dishwasher, and refrigerator can also reduce energy consumption. New appliance purchases can be made on the basis of efficiency ratings.

The City has also adopted a Green Building Program that offers incentives such as expedited processing and fee waivers when project proponents agree to incorporate environmentally sensitive and energy efficient construction techniques into their projects. Details regarding this program are posted on the City's website<sup>8</sup>.

In 2008, the City Council also adopted a permanent fee waiver for the installation of solar and other energy-saving equipment. Details regarding this program are also found on the City's website<sup>9</sup>. The fee waiver program applies to all building permits for solar photovoltaic, solar thermal systems, tankless water heaters, windows and/or doors containing glass, high-efficiency heating, ventilation and air conditioning (HVAC) systems. Expedited plan review and same-day inspection also accompany the fee waiver program. In addition, in 2008, the City adopted a Solar Energy Education Program to complement its existing Green Building Program. The City also actively promotes and markets energy conservation and education in the community.

The City will also continue to actively pursue grant and funding opportunities associated with federal and state Energy Efficiency and Conservation Block Grant programs.

In 2012 the City established the *Improve Don't Move* program, which provided fee waivers for home improvements, including energy-saving modifications.

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<sup>8</sup> <http://cityofmissionviejo.org/DepartmentPage.aspx?id=1966>

<sup>9</sup> <http://cityofmissionviejo.org/DepartmentPage.aspx?id=3064>

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## 4. Housing Constraints

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This section of the Housing Element provides an analysis of existing and potential constraints upon the maintenance, improvement, or development of housing for all income levels. Governmental and nongovernmental constraints are considered in the analysis. This analysis will help focus the goals, policies and programs in the most efficient and effective manner. As noted in previous housing elements, Mission Viejo was developed as a planned community under a development agreement which limited the City's ability to modify development standards covered under the agreement. The development agreement expired in 2001 and the City has full control over land use and zoning. The legacy of the of master plan is still significant, however, as the City was built-out in accordance with the original vision established by the Mission Viejo Company.

### 4.1 Governmental Constraints

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The intent of local government regulations is to protect public health and safety and ensure a decent quality of life for the residents. However, such regulations may add to the cost of housing. State law requires that the Housing Element address and, where appropriate and legally possible, demonstrate local efforts to remove governmental constraints to the maintenance, improvement and development of housing for all income levels and for special housing needs. Potential governmental constraints identified by state housing law include land use controls, fees and other exactions required of developers, site improvements, building codes and their enforcement, and local processing and permit procedures.

#### 1. Land Use Plans and Regulations

##### a. General Plan

Each city and county in California must prepare a comprehensive, long-term General Plan to guide its future. The land use element of the General Plan establishes the basic land uses and density of development within the various areas of the city. Under state law, the General Plan elements must be internally consistent and the City's zoning must be consistent with the General Plan. Thus, the land use plan must provide suitable locations and densities to implement the policies of the Housing Element.

The Mission Viejo General Plan Land Use Element provides for four residential land use designations, as shown in Table H-27.

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**Table H-27**  
**Residential Land Use Categories –**  
**Mission Viejo General Plan**

Designation	Maximum Density*	Description
Residential 3.5	3.5	Low density detached and attached single family dwellings.
Residential 6.5	6.5	Low to medium density detached and attached single-family dwellings (duplexes, condominiums, and townhomes).
Residential 14	14.0	Medium and higher density detached and attached single family dwellings and multi-family apartments.
Residential 30	30.0	High density single family attached and multi-family dwelling units.

Source: City of Mission Viejo General Plan.

\*Density expressed in dwelling units per gross acre.

In addition, the General Plan contains two mixed-use designations which allow residential development: Commercial Neighborhood/Community Facility/Residential 14 and Office Professional/Residential 30/Business Park. These mixed-use designations allow any use category to exist individually on a site, or to be combined with one or both of the other categories in a mixed-use project.

The City of Mission Viejo General Plan is not considered to be a constraint to the goals and policies of the Housing Element as the City’s zoning is consistent with the General Plan and adequate sites with appropriate densities have been identified and zoned to facilitate construction commensurate with the City’s fair share of new housing units during the planning period (see Section 3 – Resources and Opportunities beginning on page 29).

**b. Zoning Designations**

The City regulates the type, location, density, and scale of residential development through the Development Code, a part of the City’s Municipal Code. The Development Code, which contains the City’s zoning regulations, serves to implement the General Plan and is designed to protect and promote the health, safety, and general welfare of residents. The Development Code also helps to preserve the character and integrity of existing neighborhoods. The Development Code sets forth residential development standards for each zoning district.

The five zoning districts that allow residential units as a permitted use are as follows:

- RPD 3.5** Residential Planned Development 3.5
- RPD 6.5** Residential Planned Development 6.5
- RPD 14** Residential Planned Development 14
- RPD 30** Residential Planned Development 30
- RPD 30A** Residential Planned Development By-Right (Affordable)

A summary of the residential development standards for these zoning districts is provided in Table H-28. These development standards continue to be viewed as reasonably necessary to protect the public health, safety and welfare and maintain the quality of life, and are not considered to be constraints on the development of housing.

**Table H-28  
Residential Development Standards**

Development Standard	Zoning District Designations			
	RPD 3.5	RPD 6.5	RPD 14	RPD 30 RPD 30A
Maximum Density (du/ac) <sup>1</sup>	3.5	6.5	14.0	30.0
Minimum Lot Area (sq. ft.)	5,000	5,000	5,000	5,000
Minimum Front Yard (ft.)	20	20	30	30
Minimum Side Yard (ft.)	5	5	10	15
Minimum Rear Yard (ft.)	10	10	30	30
Maximum Lot Coverage (%)	60	60	50	50
Maximum Building Height (ft.)	35 <sup>2</sup>	35 <sup>2</sup>	35 <sup>2</sup>	35 <sup>2</sup>

Source: City of Mission Viejo Zoning Ordinance

1. Density expressed in dwelling units per gross acre.
2. 35 feet or two stories whichever is less. In the RPD 30 and RPD 30A District, this provision may be modified by the Planning and Transportation Commission as part of a Planned Development Permit application up to a maximum height of 45 feet or 3-stories.

The City's Development Code was adopted in October 1998 and has been reviewed and amended over time to ensure that it remains current and consistent with state law, and that it continues to facilitate development. Amendments to the Development Code included updates for reasonable accommodation, density bonus, emergency shelters, and development and parking standards for second units. City staff meets regularly with housing developers and routinely engages in discussion regarding the City Development Code standards. The City's Development Code also allows for a minor exception process to allow adjustments to the Code of up to 15% for setbacks, height, parcel dimensions and modifications of up to 30% for on-site circulation and parking. These provisions address special hardship circumstances and help facilitate development while avoiding the administrative requirements of seeking a variance. The City's standards are not generally seen as an obstacle to affordable housing development. Several affordable housing development projects have been approved in recent years, and some have been granted a density bonus or modification to development standards such as building height in order to enhance project feasibility. In addition, the Heritage Villas affordable senior project was approved with one parking space per unit based on a study analyzing parking need at similar projects.

As stated in the Development Code, the standards listed above shall apply unless modified by a Planned Development Permit issued by the Planning and Transportation Commission. The Planned Development Permit process allows nontraditional or unique site plan design if found appropriate by the Planning and Transportation Commission. The development standards were analyzed to ensure that the maximum housing densities for a zone could be attained. Results from the analysis indicated that the maximum densities could be achieved.

Densities range from 3.5 dwelling units per gross acre in the RPD 3.5 District to a maximum of 30.0 units per gross acre in the RPD 30 District. In addition, state law allows a potential density bonus of up to 35%.

Three additional zoning districts, the Commercial Community District (CC) District, Commercial Highway District (CH) and the Office/Professional District (OP) allow congregate care/senior housing when combined with the Senior Housing Overlay Zone (SH). All senior housing developments are subject to a conditional use permit.

A summary of the residential development permitted by the City's Zoning Ordinance is provided in Table H-29.

The Development Code provides for a variety of housing types including single-family homes, multi-family (both rental and condominiums), manufactured housing, mobile homes, and second units. Low-income housing can be accommodated in all residential districts. Second units, which are a tool in facilitating affordable housing, are permitted by-right in any residential zone with an existing single-family home.

**Table H-29  
Permitted Residential Development by Zoning District**

Housing Type Permitted	RPD 3.5	RPD 6.5	RPD 14	RPD 30	RPD 30A	CC	CH	OP
<b>Residential Uses</b>								
Single-Family Detached	PD	PD	PD	PD	P			
Single-Family Attached	PD	PD	PD	PD	P			
Multi-Family Dwellings			PD	PD	P			
Condominium		PD	PD	PD	P			
Manufactured Housing	PD	PD	PD	PD	P			
Mobile Home Parks	PD	PD	PD	PD	PD			
Second Units	P	P	P	P				
<b>Special Needs Housing</b>								
Emergency Shelters <sup>3</sup>				C	C			
Transitional Housing <sup>3</sup>				C	C			
Residential Care Facilities (6 or fewer persons) <sup>3</sup>	P	P	P	P	P			
Residential Care Facilities (7 or more persons) <sup>3</sup>			C	C	C			
Congregate Care/Senior Housing			C <sup>1</sup>	C <sup>1</sup>		C <sup>2</sup>	C <sup>2</sup>	C <sup>2</sup>
Single Room Occupancy								C

Source: Mission Viejo Development Code P = Permitted PD = Planned Development Permit C = Conditional Use Permit

1. Congregate Care/Senior Citizen Housing is subject to the development standards set forth in §9.10.020 of the Development Code.

2. Use is allowed only when combined with the Senior Housing Overlay Zone (SH).

3. Use is permitted in accordance with existing state law.

The RPD 30A District, adopted in 2007, was created to provide suitable zoning for parcels A, B and C identified in the Housing Plan as potential sites for affordable housing. The district permits residential development “by-right” in accordance with housing element law and waives the need for any type of discretionary permit. The RPD 30A District also contains affordability criteria that require a percentage of the units within parcels A, B and C to be affordable to low- or very low-income households. The percentage of residential units in parcels A, B, and C required to be affordable are as follows:

- Parcel A – 15% (minimum and maximum)
- Parcel B – 15% (minimum)
- Parcel C – 20% (minimum)

The RPD 30A District, which applies to the above three parcels (also identified in the inventory of vacant sites), is more than sufficient to accommodate the RHNA for this planning period.

**c. Special Needs Housing**

Persons with special needs include those in residential care facilities, persons with disabilities, the elderly, farm workers, persons needing emergency shelter or transitional living arrangements, and single room occupancy units. The City’s provisions for these housing types are discussed below.

- **Residential Care Facilities** – Residential care facilities refer to any family home, group home, or rehabilitation facility that provides non-medical care to persons in need of personal services, protection, supervision, assistance, guidance, or training essential for daily living. Section 9.01.050 (129) of Mission Viejo Development Code defines the term “residential care facility” as “a family home or group care facility for 24-hour non-medical care of persons in need of personal services, supervision or assistance for sustaining the activities of daily living

or for protection” However, the Code does not explicitly identify residential care facilities as a permitted use in any of the residential zones. Under state law, residential care facilities that serve six or fewer persons are classified as a residential use and must be permitted by-right in all residential districts in the City of Mission Viejo. Facilities serving more than six persons are conditionally permitted in the RPD 14 and RPD 30 Districts by conditional use permit. These requirements are consistent with state law and do not pose a significant constraint on the establishment of such facilities.

- **Housing for Persons with Disabilities** – Both the federal Fair Housing Act and the California Fair Employment and Housing Act impose an affirmative duty on local governments to make reasonable accommodations (i.e. modifications or exceptions) in their zoning laws and other land use regulations when such accommodations may be necessary to afford disabled persons an equal opportunity to use and enjoy a dwelling. The Building Codes adopted by the City of Mission Viejo incorporate accessibility standards contained in Title 24 of the California Administrative Code. Additionally, in 2003 the City adopted a reasonable accommodation ordinance pursuant to SB 520 (Municipal Code Section 9.60). The purpose of the ordinance is to provide reasonable accommodation in the application of zoning and building laws, and policies and procedures for persons with disabilities seeking fair access to housing. Any person seeking reasonable accommodation because of a disability may file an application with the Director of Community Development. There is no fee required. The Director shall review the application for completeness within 5 days of receipt, and shall make a determination on the request within 30 days of receipt of a complete application. In making a determination about the reasonableness of a requested accommodation, the following factors shall be considered:
  - (a) Whether the accommodation is reasonable considering the nature of the applicant’s disability, the surrounding land uses, and the rule, standard, policy, or practice from which relief is sought;
  - (b) Whether the accommodation is necessary to afford the applicant equal opportunity to enjoy and use a specific dwelling in the City;
  - (c) Whether the accommodation will have only incidental economic or monetary benefits to the applicant, and whether the primary purpose of the accommodation is to assist with real estate speculation or excess profit taking;
  - (d) Whether the accommodation will create a substantial adverse impact on surrounding land uses, or a public nuisance, that cannot be reasonably mitigated;
  - (e) Whether the accommodation is reasonably feasible considering the physical attributes of the property and structures;
  - (f) Whether there are alternative accommodations which may provide an equivalent level of benefit to the applicant, while minimizing adverse impacts on surrounding land uses and lessening the financial and/or administrative burden on the City;
  - (g) Whether the requested accommodation would impose an undue financial or administrative burden on the City; and
  - (h) Whether the requested accommodation would constitute a fundamental

alteration of the zoning or building laws, policies or procedures of the City.

Definition of “family” – Municipal Code Sec. 9.01.050 defines “Family” as “One or more persons related or unrelated, living together as a single nonprofit housekeeping unit, as distinguished from a group occupying a boarding or lodging house, hotel, club, or similar dwelling for group use. A family shall include domestic servants employed by the family but shall not include a fraternal, religious, social, or business group.” This definition is consistent with state law.

Concentration requirements – care facilities or group homes are not subject to any minimum spacing requirements

Site planning requirements – no special site planning requirements are applied to care facilities or group homes that are not applicable to other residential uses in the same zone. Also, as noted above, modifications to zoning and building regulations may be granted under the City’s Reasonable Accommodation Ordinance.

Parking requirements – modified parking requirements may be reviewed and approved under the Reasonable Accommodation Ordinance.

Compliance with building codes and the provisions of the federal Americans with Disabilities Act (ADA) could have the potential to increase the cost of housing production and can also impact the viability of rehabilitation of older properties required to be brought up to current code standards. However, these regulations provide minimum standards that must be complied with in order to ensure the development of safe and accessible housing.

- **Farm Worker Housing** – As discussed in Subsection 2.55 (beginning on page 22), the City of Mission Viejo is not located within a major agricultural area and has no significant need for permanent on-site farm worker housing. The City’s overall efforts to provide and maintain affordable housing opportunities will help to support any agricultural workers that reside in Mission Viejo.
- **Housing for the Elderly** – Many seniors in Mission Viejo reside in state-licensed care facilities with six or fewer residents, which are permitted by-right. Congregate Care/Senior Housing is permitted in the RPD 14 and RPD 30 Districts subject to a conditional use permit. Congregate Care/Senior Housing is also permitted in CC, CH, and OP Districts when combined with the Senior Housing Overlay Zone (SH). The Zoning Code provides special standards for senior citizen housing developments within the RPD 14 and RPD 30 Districts and also within the Senior Housing Overlay Zone. These standards are designed to ensure that proposed facilities meet the physical and social needs of senior citizens. A density bonus may be utilized for Senior Housing projects within the RPD 14 and RPD 30 Districts. The requirement for a conditional use permit is reasonable to ensure compliance with the senior housing standards and not considered to be a constraint to the development of senior housing.
- **Emergency Shelters and Transitional/Supportive Housing** – Emergency shelters are facilities that provide a safe alternative to acute homelessness either in a shelter facility, or through the use of motel-vouchers. Emergency shelter is short-term, usually for 30 days or less. Transitional housing is longer-term housing, typically up to two years. Transitional housing requires that the resident participate in a structured program to work toward established goals so that they can move on to permanent housing. Residents are often provided with an array of supportive services to assist them in meeting goals.

Senate Bill 2 of 2007 requires that unless adequate shelter facilities are available to meet a jurisdiction's needs, emergency shelters must be allowed by-right (i.e., without discretionary review such as a conditional use permit) in at least one zoning district, but may include specific development standards. In 2009 the Development Code was amended to allow emergency shelters by-right in the Business Park district. Sites within this zone are located within walking distance of shopping, medical, civic offices, employment and public transportation. The Business Park zone encompasses more than 165 acres and there are currently some vacant parcels and buildings in these zones that could accommodate shelters. Development standards are appropriate to facilitate emergency shelters, and are summarized as follows:

Setbacks: 25 ft. front/25 ft. rear/15 ft. side  
Height: 35 ft. maximum  
Floor Area Ratio: 1.0 maximum  
Maximum beds: 10  
Parking: 1 space per 250 square feet of gross floor area  
Intake/waiting area: 500 square feet  
Management plan and on-site supervision/security required  
Minimum separation from another emergency shelter: 250 feet  
Maximum length of stay: 180 days

Transitional housing is defined in Section 50675.2(h) of the *Health and Safety Code* as follows:

"Transitional housing" and "transitional housing development" means 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.

Supportive housing is defined in Section 50675.14(b)(2) of the *Health and Safety Code* as follows:

"Supportive housing" means housing with no limit on length of stay, that is occupied by the target population, and that is linked to onsite or offsite services that assist the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community.

City regulations permit transitional and supportive housing subject to the same standards and procedures as other residential uses of the same type in the same zone in conformance with SB 2.

- **Single Room Occupancy** – Single room occupancy facilities are small studio-type units and are allowed by conditional use permit in the OP District. Development standards for these uses are no more restrictive than for other uses allowed in these districts.

#### **d. Off-Street Parking Requirements**

The City's parking requirements are also governed by the City's Municipal Code and its application to residential uses vary by residential type. Single-family attached and detached dwellings require two covered parking spaces per unit. Multi-family dwellings require 1.5 parking spaces for studio and 1-

bedroom units, 2 spaces for 2-bedroom units, and 2.5 spaces for 3 or more bedroom units. Senior projects require one covered parking space for each dwelling unit for the exclusive use of the senior residents and one uncovered parking space for each dwelling unit for employee and guest use. The parking requirements are summarized in Table H-30.

**Table H-30  
Residential Parking Requirements**

Dwelling Type	Minimum Parking Space Required
Single-Family Dwellings	2 covered spaces within an enclosed garage
Planned unit developments, including single-family dwellings and condominiums	2 covered spaces within an enclosed garage
Apartment Development	
Studio and one bedroom	1.5 covered
Two Bedrooms	2 covered
Three or more bedrooms	2 covered and 0.5 uncovered
Guest Parking*	1 guest space for every 3 units, unless Planning and Transportation Commission applies another guest parking requirement pursuant to a Planned Development Permit.
Mobile Home Parks	2 covered spaces within an enclosed garage.
Second Units	1 parking space per unit or per bedroom, whichever is greater, covered or uncovered

Source: Mission Viejo Development Code Section 9.25.020

\*Guest parking requirements may be adjusted by Planning and Transportation Commission pursuant to a Planned Development Permit or other discretionary action.

The required parking is typical for most cities in Orange County and is not considered to be a constraint on the production of affordable housing. It is widely accepted that seniors and low-income households have fewer cars on average than higher-income households.<sup>10</sup> The City of Mission Viejo Planning and Transportation Commission has the ability to grant reduced parking for senior housing and other affordable housing projects through the conditional use permit process. In addition, state density bonus law establishes parking standards for qualifying affordable developments that pre-empts local parking requirements for density bonus projects.

**e. Second Units**

In response to state-mandated requirements and local needs, the City of Mission Viejo allows for the development of second dwelling units by-right (i.e., no discretionary approval required) in any residential district with an existing single-family residence on site. Minimum development standards for second units include:

- Maximum floor area 640 square feet
- Minimum parcel size 9,000 square feet

<sup>10</sup> Comparative data to support reduced parking need for low-income and senior housing is available from the Non-Profit Housing Association of Northern California website at <http://www.nonprohousing.org/actioncenter/toolbox/parking/data.html>. Additional resources include *Parking Requirements Guide for Affordable Housing Developers* provided by the Southern California Association of Non-Profit Housing <http://www.scanph.org> and *Parking Standards*, Davidson and Dolnick, American Planning Association Planning Advisory Service, Report Number 510/511.

- Minimum parcel width 80 feet
- Minimum buildable pad size 7,200 square feet
- One additional (covered or uncovered) parking space required
- Applicant must be an owner-occupant of the main dwelling unit

Second units serve to augment resources for senior housing, or other low- and moderate-income segments of the population. The development standards are reasonable to ensure neighborhood compatibility, and do not present an unreasonable constraint to development. Three second units were approved by the City between 2006 and 2011. Based on this record, the City's second unit development standards are not considered to present any unreasonable constraints. Because second units are limited to a maximum of 640 square feet, they would be expected to rent within the very-low- or low-income category.

**f. Density Bonus**

Under current state density bonus law (*Government Code* §65915-65918 as amended by SB 1818 of 2004), cities and counties must provide a density increase up to 35% over the otherwise maximum allowable residential density under the Municipal Code and the Land Use Element of the General Plan (or bonuses of equivalent financial value) when builders agree to construct housing developments with units affordable to low- or moderate-income households. In 2009 the Municipal Code was amended to reflect current law, and in 2011 the Watermarke project was approved with a 20% density bonus and building height modification for their 256-unit apartment project on Site B.

**g. Mobile Homes/Manufactured Housing**

The manufacturing of homes in a factory is typically less costly than the construction of individual homes on-site thereby lowering overall housing costs. State law precludes local governments from prohibiting the installation of mobile homes on permanent foundations on single-family lots. State law also declares a mobile home park to be a permitted land use on any land planned and zoned for residential use, and prohibits requiring the average density in a new mobile home park to be less than that permitted by the Municipal Code. A city or county may, however, require use permits for mobile home parks. Although there are no mobile home parks in the City of Mission Viejo, manufactured housing is allowed in all residential zones as a permitted use provided the installation complies with the site development standards for the applicable zoning district.

**h. Condominium Conversions**

The Municipal Code permits the conversion of apartment projects to condominiums provided all the requirements of the Subdivision Map Act are met (Municipal Code §9.72.025[a][10]).

**i. Building Codes and Their Enforcement**

State law prohibits the imposition of building standards that are not necessitated by local geographic, climatic or topographic conditions and requires that local governments making changes or modifications in building standards must report such changes to the Department of Housing and Community Development and file an expressed finding that the change is needed.

The City's building codes are based upon the California Building, Plumbing, Mechanical, Electrical and Fire Codes. These are considered to be the minimum necessary to protect the public's health, safety and welfare. No additional regulations have been adopted by the City beyond the minimum requirements of the State Codes. Thus, the City's building codes and their enforcement are determined to not impose a housing constraint that would unnecessarily add to housing costs.

## 2. Local Processing and Permit Procedures

State Planning and Zoning Law provides permit processing requirements for residential development. Within the framework of state requirements, the City has structured its development review process in order to minimize the time required to obtain permits while ensuring that projects receive careful review.

### a. Residential Permit Processing

There are three levels of review authority in Mission Viejo, listed from lowest to highest authority: (1) Director of Community Development, (2) Planning and Transportation Commission, and (3) City Council. The Director has the final approval authority for Certificates of Occupancy, Minor Modifications, Minor Exceptions, Lot Line/Boundary Adjustments and Planned Development Permits involving no more than one unit. The Commission has the power to grant final approval for Variances, Planned Development Permits for residential permits encompassing two or more units, Conditional Use Permits, Architectural Review Permits, Tentative Tract and Parcel Maps. The Council has final determination for Specific Plans, General Plan Amendments, Zoning Map Amendments, Development Code Amendments, and Development Agreements.

Processing times vary and depend on the size and complexity of the project. Projects approved by the Community Development Director typically require 2 to 3 months to process while projects approved by the Planning and Transportation Commission typically require 3 to 6 months to process. All project approvals are final unless appealed. Projects approved by the City Council typically require 6 to 12 months to process.

Certain steps of the development process are required by State rather than local laws. The State has defined processing deadlines to limit the amount of time needed for review of required reports and projects. In an effort to provide an efficient permit processing system, the City has implemented the following time and cost saving developmental processes:

- Prepared permit processing guidelines to assist residential builders in applying for development permits for single-family residences, multi-family residential developments and subdivisions.
- Located all City divisions involved in permitting process in one central location.
- Developed “early consultation” pre-application process to identify issues as soon as possible and reduce processing time. No fee is required for this service.
- Allowed processing fees to be reduced, postponed or supplemented with housing funds for affordable projects meeting City priorities.
- Provided a GIS application on the City’s website with land use information and links to important planning documents such as General Plan and Zoning Ordinance.
- Encouraged concurrent processing of applications.
- Assigned a point-person and liaison to facilitate communication and timely inter-agencies review of development projects.
- Established electronic plan check review services and on-line access to permit forms and applications.

These processes help to ensure that the development review process does not act as a constraint to housing development.

Residential projects in Mission Viejo generally receive concurrent processing of various development applications (e.g., subdivision and zoning approvals), thereby significantly reducing review time and minimizing related holding costs.

**b. Environmental Review**

Environmental review is required for all development projects under the California Environmental Quality Act (CEQA). Today, the City is nearly built-out, and there are no significant areas in the City left to develop (see Land Inventory discussion in Chapter 3). Most infill residential projects in Mission Viejo are either Categorical Exempt or require only an Initial Study and Negative Declaration. A Negative Declaration typically takes four to six weeks to prepare, depending on complexity of the project and required technical studies, followed by a state-mandated public review period. Categorical Exempt developments require a minimal amount of time which does not add to the length of the development process. As a result, environmental review does not pose a significant constraint to housing development.

**c. Site Improvements, Development Fees and Other Exactions**

State law limits fees charged for development permit processing to the reasonable cost of providing the service for which the fee is charged. Various fees and assessments are charged by the City and other public agencies to cover the costs of processing permit applications and providing services and facilities such as schools, parks and infrastructure. Almost all of these fees are assessed through a pro rata share system, based on the magnitude of the project's impact or on the extent of the benefit that will be derived.

Table H-31 provides a listing of fees the City of Mission Viejo charges for new residential development.

**Table H-31  
Planning and Development Fees**

Fee Category	Fee or Deposit Amount*
<b>Planning and Application Fees</b>	
Pre-Application Review	None
Parcel Map	\$3,900
Tentative Tract Map	\$3,900
Vesting Tentative Tract Map	\$3,900
Planned Development Permit (Community Development Director Approval)	\$2,500
Planned Development Permit (Planning and Transportation Commission Approval)	\$4,200
Conditional Use Permit	\$2,500
Specific Plan	\$5,000 Deposit
General Plan Amendment	\$5,000 Deposit
Development Agreement	\$5,000 Deposit
Zone Change	\$5,000 Deposit
<b>Environmental</b>	
Initial Study/Negative Declaration (review & preparation)	\$1,500
Environmental Impact Report (review) <sup>2</sup>	\$10,000 Deposit

Source: City of Mission Viejo Community Development Department, 2012

\*Items with deposits are based on actual processing costs which may exceed initial deposit amount.

The City evaluates the actual cost of processing the development permits when revising its fee schedule. The most recent revisions to the fee schedule were adopted in May 2011.

After the passage of Proposition 13 and its limitation on local governments' property tax revenues, cities and counties have faced increasing difficulty in providing public services and facilities to serve their residents. One of the main consequences of Proposition 13 has been the shift in funding of new infrastructure from general tax revenues to development impact fees and improvement requirements on land developers. The City requires developers to provide on-site and off-site improvements necessary to serve their projects. Such improvements may include water, sewer and other utility extensions, street construction and traffic control device installation that are reasonably related to the project. Dedication of land or in-lieu fees may also be required of a project for rights-of-way, transit facilities, recreational facilities and school sites, consistent with the Subdivision Map Act.

The City's Capital Improvement Program (CIP) contains a schedule of public improvements including streets, bridges and other public works projects to facilitate the continued build-out of the City's General Plan. The CIP helps to ensure that construction of public improvements is coordinated with private development.

Although development fees and improvement requirements can impact the cost of housing, the City of Mission Viejo strives to keep such fees to a minimum and actively pursues other sources of revenue to fund public improvements that are coordinated with private development.

## **4.2 Non-Governmental Constraints**

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California *Government Code* §65583(5) requires 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, and the cost of construction. This analysis is provided below. There are numerous factors that affect the development of new housing and the maintenance of existing units for all income levels. Mission Viejo shares many of the same constraints that challenge the typical Southern California community, such as market conditions, land and building costs, infrastructure requirements and environmental considerations.

### **1. Market Constraints**

The high cost of renting or buying adequate housing is the primary ongoing constraint to providing affordable housing in the City of Mission Viejo. High construction costs, labor costs, land costs and market financing constraints all contribute to increases in the price of housing.

#### **a. Construction Costs**

Construction cost is affected by the price of materials, labor, development standards and general market conditions. The City has no influence over materials and labor costs, and the building codes and development standards in Mission Viejo are not substantially different than most other cities in Orange County. Construction costs for materials and labor have increased at a higher pace than the general rate of inflation according to the Construction Industry Research Board.

#### **b. Land Costs**

Land represents one of the most significant components of the cost of new housing. Land values fluctuate with market conditions, and the current downturn in the housing market has caused a moderation in land appreciation.

Even with the recession, the high price of land throughout Orange County poses a significant challenge to market rate development of lower-income housing. Per-unit land cost is directly affected by density – higher density allows the cost to be spread across more units, reducing the total price. The City Development Code allows up to 30 units per acre in the RPD 30 District, which helps to reduce per-unit land cost.

**c. Cost and Availability of Financing**

The recent crisis in the mortgage industry has affected the availability of real estate loans, although the long-term effects are unpredictable. As a result of the widespread decline in real estate values, there has been a significant rise in foreclosure rates, and changes in mortgage underwriting standards have had a greater impact on low-income families than other segments of the community. This issue is national in scope, however, and cities have no ability to address the problem. As a result, historically low interest rates have allowed some homebuyers to obtain very favorable mortgage terms, but many families who do not have superior credit ratings are unable to qualify for a mortgage.

**2. Environmental Constraints**

Portions of Mission Viejo are exposed to a variety of environmental hazards and resources that may constrain the development of lower priced residential units. Although these constraints are primarily physical and hazard related, they are also related to the conservation of the City's natural resources. Although some of the sites identified in the land inventory (Appendix B) have environmental constraints, such as steep slopes or geotechnical issues, feasible methods exist to address such constraints. These environmental constraints, when fully mitigated and combined with the development potential of the unconstrained land, would not preclude the assumed level of development.

**a. Flood Hazards**

The Public Safety Element identifies those areas in the City that are subject to periodic flooding based on Flood Insurance Rate Maps prepared for the area. These areas include Arroyo Trabuco and Tijeras Canyon in the eastern portion of the city, Oso Creek in the central, Aliso Creek along the northwest boundary, and the area along the Orange County Transportation Authority (OCTA) and Metrolink Railroad Line (formerly Atchison, Topeka & Santa Fe) from Alicia Parkway south of the Oso Parkway/Interstate 5 interchange. General Plan policies require specific mitigation measures for development within these flood-prone areas.

**b. Seismic Hazards**

Like the entire Southern California region, the City of Mission Viejo is located within an area of high seismic activity. Movement of the San Andreas, San Jacinto, Elsinore-Whittier, and Newport-Inglewood faults generates the primary seismic activity in the City. Although the inactive Capistrano fault crosses through the City, it poses little or no threat to the region. Potential seismic hazards include ground ruptures, ground shaking, liquefaction, landslides, and seiches. Of these five, the City of Mission Viejo is more susceptible to ground shaking, liquefaction, and seiches in the event of an earthquake. The entire City can be expected to experience ground shaking during the occurrence of an earthquake along the region's four major faults. Soils susceptible to potential liquefaction within the City are located along Arroyo Trabuco and other major streams. Seiche damage potential is greatest along Lake Mission Viejo, Upper Oso Reservoir, and El Toro Reservoir. The Public Safety Element sets forth policies to address these seismic hazards in Mission Viejo.

### **c. Hazardous Materials**

Hazardous materials can be classified into four basic categories: toxins, flammables, irritants, and explosives. Because of their widespread use, it is assumed that each type of hazardous material is transported through, used, or stored to some degree within Mission Viejo. The transportation of hazardous materials to and from sites poses potential risks of upset. The major transportation routes within the study area include the San Diego Freeway, the arterial roadways serving the commercial areas, and the OCTA and Metrolink Railroad Line along the western margin. The potential threats posed by transportation accidents involving hazardous material include explosion, physical contact by emergency response personnel, exposure to large segments of the population via airborne exposure, or release into drinking water sources. Further recommendations, restrictions, and safety precautions are outlined in the Public Safety Element.

### **d. Urban/Wildland Fires**

Urban fires have the potential to result in personal injury or loss of life, and damage or destruction of structures at high monetary costs. Certain urban development scenarios pose more difficult fire protection problems. These scenarios include multi-story, wood frame, high-density apartment development; multi-story office buildings; large continuous developed areas with combustible roof materials; residential developments in outlying hillside areas with limited fire flows; and uses storing, handling, and using hazardous materials on-site.

The Orange County Fire Authority (OCFA) is responsible for providing fire protection services to Mission Viejo. The City of Mission Viejo and OCFA worked with residents to identify a framework for addressing future losses due to wildfires in and around the City. The California Department of Forestry and Fire Protection identified and mapped several hazard areas based on weather, topography, vegetation, probable ember travel, and fire history and required the City to adopt these zones and apply regulations to address the hazard. While there was general agreement that these areas were “at risk”, there was also recognition that much had been done by the City and residents to mitigate that risk. There was also a shared concern with unintended consequences of adopting these maps, including the potential for decreased home values and increases in insurance rates. As a result, in July 2012, the City Council rejected the maps and all Very High, High, and Moderate Fire Hazard Severity Zones. In order to meet State requirements for map rejection and to continue to focus on the mitigation measures that will improve community safety, a “Special Fire Protection Area” was created. The Special Fire Protection Area Map provides both residents and City staff with a tool to improve community safety by: 1) making the information available to residents so they can take action to protect their homes and families from wildfire through OCFA’s Ready, Set, Go program; 2) guiding future planning decisions within the City; 3) focusing OCFA fire prevention efforts through vegetation management and public education; and 4) defining geographical areas in which specific wildfire construction standards contained within City building codes can be applied to new home construction projects.

### **e. Natural Resources**

In addition to seismic hazards, floodplains, and hazardous materials, areas with significant plant and animal species are present in Mission Viejo. Areas of high sensitivity contain threatened or endangered plant or animal species as determined by State or Federal laws.

The area with the highest sensitivity in Mission Viejo is the Arroyo Trabuco because of its significance as a prime bird nesting/foraging habitat and major wildlife movement corridor. Other highly sensitive areas include the waterfowl habitat near Oso Reservoir; the riparian habitat for birds and other wildlife in Tijeras Canyon; the prime bird of prey foraging/wintering habitats along the ridgelines of Tijeras Canyon and O’Neill Regional Park; and the undisturbed bird of prey foraging/wintering area in Plano Trabuco. The City of Mission Viejo protects these highly sensitive areas through its development review

procedures. Development standards will necessarily be more stringent in these sensitive areas to minimize potential adverse impacts to natural resources.

### **3. Infrastructure Constraints**

Adequate infrastructure and public services are necessary to accommodate future residential development. The following sections discuss the availability of water, sewer, solid waste, and educational services to accommodate additional growth in Mission Viejo.

#### **a. Wastewater**

Sewage collection and treatment in Mission Viejo is provided by the Santa Margarita Water District (SMWD), the Moulton-Niguel Water District (MNWD), and the El Toro Water District (ETWD). Both the Santa Margarita and Moulton-Niguel Water Districts operate water reclamation plants that provide reclaimed water for use on greenbelts and golf courses located in the City. Most of the sewage generated in Mission Viejo is treated at the South East Regional Reclamation Authority (SERRA) treatment facility in Dana Point. Sewer infrastructure improvements are typically installed in conjunction with new developments and sewer lines are extended as necessary. Sewage treatment capacity is available to serve the City's remaining developable area, and therefore does not constrain development. None of the identified land inventory sites have wastewater service limitations that would preclude the level of development described in Appendix B, Land Inventory Summary.

#### **b. Water**

Water for City residents is supplied by the SMWD, which serves the eastern portion of the City, the MNWD, which serves the western portion of the City, and the ETWD, which serves the western area formerly in Community Service Area 12. The three districts treat and distribute water purchased from the Metropolitan Water District, which imports water from northern California and the Colorado River. As with sewer lines, water transmission, pumping, and storage facilities are expanded as necessary to accommodate future growth. Domestic water supply is not expected to limit development during the planning period. None of the identified land inventory sites have water service limitations that would preclude the level of development described in Appendix B, Land Inventory Summary.

#### **c. Storm Water Drainage**

The City maintains a Master Drainage Plan which identifies existing facilities and deficiencies and outlines a program to correct known problem areas. The Orange County Flood Control District (OCFCD) is responsible for the regional flood control system and maintains several facilities within Mission Viejo. The City works closely with OCFCD to identify improvements needed to accommodate proposed development projects. Development proposals are reviewed for consistency with approved development plans and with the Master Drainage Plan. With these existing facilities and review procedures in place, the City's flood control system is not expected to limit development during the planning period. None of the sites identified in the land inventory have storm water drainage limitations that would preclude the level of development described in Appendix B, Land Inventory Summary.

#### **d. Fair Housing**

Under state law, it is illegal for real estate lending institutions to discriminate against entire neighborhoods in lending practices because of the physical or economic conditions in the area ("redlining"). In monitoring new construction sales, re-sales of existing homes, and permits for remodeling, it would not appear that redlining is practiced in any area of the city.

State law also prohibits discrimination in the development process or in real property transactions, and it is the City's policy to uphold the law in this regard. The City also provides financial support to the Fair Housing Foundation through its CDBG program and is an active participant in fair housing activities.

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## 5. Housing Element Goals and Policies

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This section of the Housing Element contains the goals and policies the City intends to implement to address a number of important housing-related issues. The following six major issue areas are addressed by the goals and policies of the Housing Element: 1) ensure that a broad range of housing types are provided to meet the needs of both existing and future residents; 2) ensure that housing is maintained and preserved; 3) provide housing support services; 4) ensure housing is sensitive to environmental and social needs; 5) promote equal housing opportunity; and 6) preserve the affordability of assisted housing units. Each issue area and the supporting goals and policies are identified and discussed in the following section.

### 5.1 Housing Opportunities

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The City wants to continue to encourage the construction of new housing units that offer a wide range of housing types to ensure that an adequate supply is available to meet existing and future needs. The provision of a balanced inventory of housing in terms of unit type (e.g. single-family, multiple-family, etc.), cost, and style will allow the City to fulfill a variety of housing needs.

**GOAL 1: Expand upon the present range of housing types to meet future needs of residents.**

**Policy 1.1:** Continue to provide a variety of dwelling unit types for all segments the population.

**Policy 1.2:** Encourage a variety of public and private efforts in providing affordable housing opportunities to area residents, particularly for lower income households, the elderly, large families, the physically impaired, and female heads of household.

**Policy 1.3:** Encourage the development of childcare facilities in conjunction with the development of housing.

**Policy 1.4:** Continue to provide incentives to assist in the development of affordable housing, including expeditious permit processing and fee waivers.

**Policy 1.5:** Where an established percentage of the dwelling units of a project are devoted to lower income households, provide incentives such as density bonus, tax-exempt financing, waiver of fees, assistance with development of on- or off-site improvements, and reductions in minimum parking requirements.

### 5.2 Maintenance and Preservation

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The goal of housing preservation is to protect the existing quality and investment in housing and to avoid a degree of physical decline that will require a larger rehabilitation effort to restore quality and value. In general, the housing stock has been well maintained although most homes are reaching an age where some rehabilitation is required. It is the City's intent to pursue efforts to both prevent deterioration and encourage repairs where necessary.

**GOAL 2: Promote the continued maintenance and enhancement of residential areas.**

- Policy 2.1:** Provide a code enforcement program to ensure continued success in maintaining the integrity of neighborhood areas.
- Policy 2.2:** Provide for the continuing maintenance of public open space and landscaped areas adjacent to residential neighborhoods.
- Policy 2.3:** Provide rehabilitation loans and grants program to preserve and conserve the City's housing stock.
- Policy 2.4:** Provide adequate standards for remodeling and expanding existing residential units to ensure compliance with State and Uniform Building Code requirements and to insure compatibility with surrounding residential development.
- Policy 2.5:** Monitor the level of existing affordable housing stock in the City.

**5.3 Housing Services**

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In addition to policies designed to increase the availability and adequacy of the City's affordable housing stock, it is important that services are available to ensure the efficient utilization of the housing stock.

**GOAL 3: Provide support services in meeting the needs of the City's low- and moderate-income residents.**

- Policy 3.1:** Encourage senior citizen independence through the promotion of housing services related to in-home care, meal programs, and counseling.
- Policy 3.2:** Encourage development of new housing units designated for elderly or disabled persons to be in close proximity to public transportation and community services.
- Policy 3.3:** Work with area social service providers in addressing the needs of the homeless population.
- Policy 3.4:** Support social service providers that operate shared housing programs that match low- and moderate-income individuals who want to share rental housing costs for joint living arrangements.
- Policy 3.5:** Work with housing developers, builders, and non-profit organizations to develop low- and moderate-income housing.
- Policy 3.6:** Support Mortgage Revenue Bond Programs aimed at providing housing opportunities for low- and moderate-income households.
- Policy 3.7:** The Disaster Aid Fund should be utilized to provide emergency shelter to victims of natural and man-made disasters.

## **5.4 Environmental Sensitivity**

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It is an on-going concern in the City to ensure that residential growth is sensitive to the environmental and social needs of the community. Development will be accommodated that is coordinated with available community resources and infrastructure, and is designed to minimize impacts on the natural environment.

### **GOAL 4: Provide for housing that is sensitive to environmental and social needs.**

- Policy 4.1:** Balance future increases in population growth with existing and projected community resources.
- Policy 4.2:** Evaluate residential proposals within hillside areas in terms of potential impacts to landform and viewsheds.
- Policy 4.3:** Evaluate residential development proposals in terms of energy conservation measures provided.
- Policy 4.4:** Ensure compatibility of new residential development with existing development to enhance the city's residential neighborhoods.

## **5.5 Fair Housing**

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Housing opportunities in the City must be made available to all persons regardless of age, income, or race. The City has made a strong and firm commitment that fair housing practices will continue in Mission Viejo. Ensuring equal opportunity in the housing market is required under State and Federal law.

### **GOAL 5: Promote equal housing opportunity.**

- Policy 5.1:** Prohibit discrimination in the sale or rental of housing with regard to race, ethnic background, religion, disability, income, sex, age, and household composition.
- Policy 5.2:** Continue active support and participation with the Fair Housing Foundation to promote fair housing opportunities.
- Policy 5.3:** Implement state and federal laws for access and adaptability for the developmentally disabled, and continually adopt updates to City codes to reflect current accessibility requirements.

## **5.6 Preservation of At-Risk Housing Units**

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Dwelling units that are affordable to low- and very-low-income households are an important resource to the community that should be preserved. When affordable housing projects are at-risk of converting to market rate, the City needs to take special measures to try to preserve those affordable units. During the next ten years, there are no projects at-risk of converting, however the City will continue to pursue the following policies to monitor and preserve affordable housing.

### **GOAL 6: Preserve housing units affordable to low- and very-low-income households**

- Policy 6.1:** Continue to monitor affordable housing projects to identify units that may be at risk of conversion to market rate.

- Policy 6.2:** Contact at-risk housing project owners well in advance of covenant expiration and discuss options for preserving affordability.
- Policy 6.3:** Encourage non-profit housing organizations to acquire at-risk housing projects or purchase market rate apartment units.
- Policy 6.4:** Preservation of at-risk units shall be a priority for housing funding resources. Funding reallocation from lower priority programs such as rehabilitation programs shall be considered when preservation opportunities are presented.

State housing law encourages the development of action programs to achieve the stated goals and policies. Table H-32 below provides a correlation between each goal and policy and identifies implementing programs. The programs are described in Chapter 6, the Housing Plan.

**Table H-32  
Housing Policies and Related Programs**

Policy	Program
<b>GOAL 1: Expand Upon the Present Range of Housing Types to Meet Future Needs of Residents</b>	
<p><b>Policy 1.1:</b> Continue to provide a variety of dwelling unit types for all segments of the population.</p> <p><b>Policy 1.2:</b> Encourage a variety of public and private efforts in providing affordable housing opportunities to area residents, particularly for lower-income households, the elderly, large families, the physically impaired, and female-heads of household.</p> <p><b>Policy 1.3:</b> Encourage the development of child-care facilities in conjunction with the development of housing.</p> <p><b>Policy 1.4:</b> Continue to provide incentives to assist the development of affordable housing, including expeditious permit processing and fee waivers.</p> <p><b>Policy 1.5:</b> Where an established percentage of the dwelling units of a project are devoted to lower-income households, provide incentives such as density bonus, tax-exempt financing, waiver of fees, assistance with development of on- and off-site improvements, and reductions in minimum parking requirements.</p>	<ul style="list-style-type: none"> <li>• Land Use Element/Development Code (#5)</li> <li>• Affordable Housing Outreach (#9)</li> <li>• Density Bonus (#7)</li> <li>• Mortgage Revenue Bond Financing (#11)</li> <li>• Non-Profit Housing Development (#12)</li> <li>• Pre-application Review Program (#18)</li> <li>• Efficient Processing (#14)</li> <li>• Development Fees (#15)</li> <li>• Density Bonus (#7)</li> <li>• Affordable Housing Outreach (#9)</li> <li>• Mortgage Revenue Bonding Financing (#11)</li> <li>• Development Fees (#15)</li> </ul>
<b>GOAL 2: Promote the Continued Maintenance and Enhancement of Residential Areas</b>	
<p><b>Policy 2.1:</b> Utilize the code enforcement division to ensure continued success in maintaining the integrity of neighborhood areas.</p> <p><b>Policy 2.2:</b> Provide for the continuing maintenance of public open space and landscaped areas adjacent to residential neighborhoods.</p> <p><b>Policy 2.3:</b> Provide rehabilitation loans and grants program to preserve and conserve the City's housing stock.</p> <p><b>Policy 2.4:</b> Provide adequate standards for remodeling and the expansion of existing residential units to insure compliance with State and Uniform Building Code requirements and to insure compatibility with surrounding residential development.</p>	<ul style="list-style-type: none"> <li>• Code Enforcement (#3)</li> <li>• Median and Slopes Program (operating budget)</li> <li>• CDBG Rehabilitation Loans and Grants(#1)</li> <li>• Implemented through the Zoning and Building Codes</li> </ul>

Policy	Program
<p><b>Policy 2.5:</b> Monitor the level of existing affordable housing stock in the City.</p>	<ul style="list-style-type: none"> <li>Cooperative effort between the City and Saddleback Valley Board of Realtors to monitor housing affordability.</li> </ul>
<p><b>GOAL 3: Provide Support Services in Meeting the Needs of the City's Low- and Moderate-Income Residents</b></p>	
<p><b>Policy 3.1:</b> Encourage senior citizen independence through the promotion of housing services related to in-home care, meal programs, and counseling.</p> <p><b>Policy 3.2:</b> Encourage development of new housing units designated for elderly or disabled persons to be in close proximity to public transportation and community services.</p> <p><b>Policy 3.3:</b> Work with area social service providers in addressing the needs of the homeless population.</p> <p><b>Policy 3.4:</b> Support social service providers that operate shared housing programs that match low- and moderate-income individuals who want to share rental housing costs for joint living arrangements.</p> <p><b>Policy 3.5:</b> Work with housing developers, builders, and non-profit organizations to develop low and moderate income households.</p> <p><b>Policy 3.6:</b> Support Mortgage Revenue Bond Programs aimed at providing housing opportunities for low and moderate income households.</p> <p><b>Policy 3.7:</b> The Disaster Aid Fund should be utilized to provide emergency shelter to victims of natural and manmade disasters.</p>	<ul style="list-style-type: none"> <li>Senior Community Service Program</li> <li>Implemented through the General Plan and zoning</li> <li>Emergency Shelters and Transitional Housing (#10)</li> <li>CDBG Public Service Programs (#17)</li> <li>CDBG Public Service Programs (#17)</li> <li>Non-Profit Housing Development (#12)</li> <li>Mortgage Revenue Bond Financing (#11)</li> <li>Emergency Operation Plan (shelter provided by American Red Cross).</li> </ul>
<p><b>GOAL 4: Provide for Housing which is Sensitive to Environmental and Social Needs</b></p>	
<p><b>Policy 4.1:</b> Balance future increases in population growth with existing and projected community resources.</p> <p><b>Policy 4.2:</b> Evaluate residential proposals within hillside areas in terms of potential impacts to landform and viewsheds.</p> <p><b>Policy 4.3:</b> Evaluate residential development proposals in terms of energy conservation measures provided.</p> <p><b>Policy 4.4:</b> Ensure compatibility of new residential development with existing development to enhance the City's residential neighborhoods.</p>	<ul style="list-style-type: none"> <li>Implemented through the Land Use Element, Development Code and CEQA review process</li> <li>Implemented through the Land Use Element, Development Code and CEQA review process</li> <li>Implemented through the Land Use Element, Development Code and CEQA review process</li> <li>Implemented through the Land Use Element, Development Code and CEQA review process</li> </ul>
<p><b>GOAL 5: Promote Equal Housing Opportunity</b></p>	
<p><b>Policy 5.1:</b> Prohibit discrimination in the sale or rental of housing with regard to race, ethnic background, religion, disability, income, sex, age, and household composition.</p> <p><b>Policy 5.2:</b> Continue active support and participation with the Fair Housing Foundation to promote fair housing opportunities.</p> <p><b>Policy 5.3:</b> Implement state and federal laws for access and adaptability for the developmentally disabled, and continually adopt updates to City codes to reflect current accessibility requirements.</p>	<ul style="list-style-type: none"> <li>Equal Housing Opportunity Services (#16)</li> <li>Equal Housing Opportunity Services (#16)</li> <li>Equal Housing Opportunity Services (#16)</li> </ul>

## 5.7 Related Goals and Policies

The Land Use Element sets forth the amount and type of residential development permitted under the General Plan, thereby affecting housing opportunity in Mission Viejo. In addition, the Land Use Element contains policies directed at maintaining the existing housing stock, as well as ensuring the quality of new residential development. The Circulation Element contains policies to minimize roadway traffic into residential neighborhoods and the Noise Element sets forth policies to minimize the level of noise in neighborhoods. The Conservation/Open Space Element establishes development standards to minimize the impact of residential development on sensitive resources, such as hillside areas, ecological habitat, and scenic viewsheds. The Public Safety Element sets forth policies to ensure the safety of the City's housing stock through such measures as code enforcement, and mitigation of environmental hazard as a condition to development. The Public Facilities Element sets forth policies and standards to ensure the adequacy of facilities to serve existing and future residential development. Finally, the Economic Development Element sets forth a strategy aimed at the attainment of a job/housing balance in Mission Viejo. The Housing Element and the other Elements of the General Plan have been reviewed to ensure that they are consistent with one another. In addition, the Development Code and Capital Improvement Program have been reviewed to ensure consistency. These related documents are consistent with the Housing Element. Table H-33: Housing Policy by Element depicts General Plan policies in other elements that support the goals of the Housing Element.

**Table H-33  
Housing Policies by Element**

Issue Area	Policies by Element							
	Land Use	Circulation	Conservation/ Open Space	Public Safety	Noise	Public Facilities	Economic Development	Growth Management
Housing Opportunities	1.4, 2.1	7.1			2.1-2.8		2.1-2.3	
Maintenance and Preservation	1.3, 3.1, 3.3, 3.6	5.1-5.8, 7.1			1.1-1.7, 3.1-3.3			
Housing Services		4.1-4.6						
Environmental Sensitivity	1.6, 2.8, 2.9, 2.16, 3.4, 3.10, 4.3	6.1-6.3	1.1-1.13, 2.1-2.4	1.1-1.3, 2.1-2.6, 3.1-3.6, 5.1-5.4, 6.1-6.7	1.1-1.7, 2.1-2.8, 3.1-3.3	1.1-1.3, 3.1-3.3, 4.1-4.2, 5.1-5.6, 6.1-6.3, 7.1-7.4		1.1-1.3, 2.1-2.3, 3.1
Fair Housing	1.2, 3.9							

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## 6. Housing Plan

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This section of the Housing Element describes the actions and programs the City will use to implement adopted goals and policies, and achieve the objectives for housing development, conservation, and improvement.

Section 2 – Housing Needs Assessment describes the housing needs of the City's current and projected population, as well as the specific needs resulting from the potential deterioration of older units, lack of affordable housing for lower-income groups, and special housing needs for certain segments of the City's population. The goals and policies contained in the Housing Element address the City's identified housing needs. These goals and policies are implemented through a series of housing programs.

Mission Viejo's overall housing program strategy for addressing its housing needs during the 2013-2021 planning period addresses the following issue areas:

- Conserving and improving the condition of the existing stock of affordable housing;
- Providing adequate sites to achieve a variety and diversity of housing;
- Assisting in the development of affordable housing;
- Removing governmental constraints if necessary;
- Promoting equal housing opportunity; and
- Providing social services that support low- and moderate-income residents.

Housing programs include both existing programs currently in use in Mission Viejo and new programs that have been added to address new circumstances or the City's unmet housing need. This section provides a description of each housing program and future program goals. The Quantified Objectives (Table H-34) and Housing Program Summary (Table H-35) at the end of this section summarize the future goals of each program, along with identifying the program funding source, responsible agency, and time frame for implementation.

### **Conserving and Improving Existing Affordable Housing**

The State of California has made housing preservation and conservation a high statewide priority. While the City's housing stock is in excellent condition, a significant proportion of the City's housing is nearing 40 years of age, indicating the need for continued maintenance and the potential need for targeted rehabilitation in the future.

#### **1. Housing Rehabilitation Program**

The Housing Rehabilitation Program provides technical and financial assistance to qualifying lower-income households who are owner/occupants of single-family residential properties in the City of Mission Viejo. The primary funding for the program is the Community Development Block Grant program (CDBG), under which the City receives funds from HUD. Unfortunately, CDBG funding has been reduced substantially from approximately \$530,000 to \$394,000 in the past two years.

The program's objectives are to correct nonconforming uses, remedy code violations, and generally repair and improve deteriorating properties in an effort to provide decent housing and a suitable living environment for persons and families of low and moderate income. Financial assistance is provided in the form of a grant or deferred payment loan. Single-family rehabilitation grants in amounts up to \$10,000 are available to qualifying property owners to correct existing local and/or state code violations and finance eligible exterior improvements to residential properties. The City offers deferred payment loans to eligible

property owners in amounts up to \$25,000 with combined loan and grant not to exceed \$30,000. The eight-year objective is to advertise availability of loans and grants and provide assistance to 128 units during the planning period.

The City is committed to maintaining this program as long as it is effective. As part of an on-going effort to ensure this program meets a current need within the community, the City has added a Paint Program. The Paint Program allows the City to award a smaller financial grant to a larger number of residents. The City will continue to monitor its Housing Rehabilitation program and modify it as necessary to ensure it addresses housing need in the community.

## **2. Home Weatherization Improvements**

As residential energy costs continue to rise, increasing utility costs reduce the affordability of housing, thus aggravating the City's current shortage of affordable units. Southern California Edison (SCE) and San Diego Gas and Electric (SDG&E) offer a variety of energy conservation services designed to help low-income households, senior citizens, permanently disabled, and non-English-speaking customers reduce their energy use. Homeowners or renters may qualify for the following types of weatherization improvements free of charge: attic insulation, weather stripping, caulking, water heater insulation blankets, water-saving showerheads, heating/cooling duct insulation, and other types of limited home repairs which increase energy efficiency. In order to expand utilization of these programs, the City will provide informational brochures at the public counter and at the Norman P. Murray Community and Senior Center.

## **3. Code Enforcement**

The City adopted a nuisance abatement ordinance in 1989 to codify standards and procedures for abating property maintenance, building and zoning violations. Potential code violations are identified based on complaints reported to the City and those observed by code enforcement officers. There are three code enforcement officers that work with the residents towards amiable solutions. In addition, code enforcement officers inform property owners of the rehabilitation loan and paint programs. The majority of code violations in Mission Viejo pertain to property maintenance, and according to the City's Building Official, only four substandard residential structures have been identified since the program's inception.

## **4. Section 8 Certificate/Voucher Program**

The City of Mission Viejo contracts with the Orange County Housing Authority (OCHA) to administer the Section 8 Certificate/Voucher Program. The Section 8 rental assistance program extends rental subsidies to low-income families and elderly that spend more than 30% of their income on rent. The subsidy represents the difference between the excess of 30% of the monthly income and the allowable rent determined by the Section 8 program. Most Section 8 subsidies are issued in the form of Housing Choice Vouchers which allow clients to locate their own housing. Assisted clients will pay no less than 30% of their adjusted income as their share and are not allowed to pay more than 40% of their adjusted income towards the total rent.

Due to the high demand for housing vouchers, there is a waiting list for the program. Unless OCHA receives new funding, they can only issue vouchers to replace persons who leave the program. OCHA regularly submits applications for additional housing vouchers.

OCHA provides approximately 280 Section 8 Rental Certificates and Vouchers to residents of Mission Viejo. It is impossible to know whether additional housing vouchers will become available for City residents during this planning period. However, based on previous allocation levels, the City's goal will be

to secure an additional five rental subsidies annually. The City will facilitate use of the Section 8 program in its jurisdiction by encouraging apartment owners to list available rental units with OCHA for potential occupancy by tenants receiving Section 8 certificates.

### **Providing Adequate Housing Sites**

A key element in satisfying the housing needs of all segments of the community is the provision of adequate sites for housing of all types, sizes and prices. This is an important function in both zoning and General Plan land use designations.

## **5. Land Use Element/Development Code**

Fundamental to the provision of housing is the zoning and designation of property for residential purposes. Although the City is nearing buildout, there is enough undeveloped land designated for residential purposes to adequately meet the City's share of regional housing needs, which has been identified as 177 new dwelling units during the 2014-2021 RHNA projection period. In addition to designation of land, the Land Use Element and the Development Code provide for a variety of housing types to address all economic segments of the community. Allowed density ranges up to 30 dwelling units per acre, with higher densities achievable through density bonus provisions.

## **6. Inventory of Surplus Public Land**

In 2007 one City-owned site was identified and rezoned for high-density housing development. The City will continue to monitor the availability of surplus land or the possible conversion of facilities. If any land deemed or declared surplus is identified, an assessment will be made of its suitability for residential development. Those sites suitable for affordable housing will be forwarded to non-profit developers for their consideration as to development potential.

## **7. Density Bonus Units**

Pursuant to State law, the City offers a density bonus along with regulatory concessions and/or incentives, if a developer agrees to construct affordable housing or units for qualifying residents (i.e., seniors and disabled). The density bonus program not only assists with the cost of development but also increases the housing stock by allowing a density above the Development Code standards. State density bonus law was amended with the passage of SB 1818, and the City revised the Development Code in 2009 to reflect the latest amendments. The City will continue to encourage affordable housing developers to take advantage of this option.

## **8. Second Units**

Second units are an affordable housing alternative. A second unit is a separate and complete living space on the same parcel as existing single- or multi-family units. Because second units can be created more inexpensively than newly-constructed units, they offer an effective method of expanding the affordable housing stock. The cost savings come from the utilization of existing infrastructure and land. Second units can also help people generate additional income from extra living space by allowing them to convert that space into another unit.

In 2003, in response to state-mandated requirements and local needs, the City of Mission Viejo amended its zoning code to allow second units by-right and to reduce required parking. The City will continue to promote the second unit program by providing brochures and/or informational displays at the building permit counter and other appropriate locations (with PDF versions for website distribution) detailing the benefits of second units and the process for obtaining approval.

## Assisting in the Development of Affordable Housing

New construction is a major source of housing for prospective homeowners and renters but generally requires public sector support for the creation of units affordable to lower-income households. The following programs attempt to address the overall need for the development of affordable housing in Mission Viejo.

### 9. Affordable Housing Outreach Program

In order to successfully facilitate affordable housing development for lower-income persons and households, including those with extremely-low-incomes, various incentives and strategies are identified and specifically targeted to the land inventory sites (Parcels A through C) described in the Land Inventory Summary (Appendix B). These targeted incentives and strategies are as follows:

- *Affordable Housing Outreach.* The City will continue to market the parcels to non-profit housing developers and provide technical assistance for development review process, and coordinate discussions between property owner, non-profit developer, and various governmental agencies. The City will also continue to market the incentives and concessions to be offered to facilitate development of affordable rental housing for low-income families, workers and seniors, including extremely-low-income persons where feasible. The City has prepared and circulated a marketing package for the City-owned site, and City staff has had numerous meetings and discussions with interested developers and non-profit corporations. Staff has also developed an interest matrix identifying which developers and non-profit corporations are interested in affordable housing sites to be able to contact them should new information or funding become available. To further improve its affordable housing outreach efforts, the City of Mission Viejo has become an active participant in the Alliance for Housing Our Communities, a coalition of housing and community advocates with the primary goal of increasing affordable homes in south Orange County. Other partners include Mission Hospital, the Kennedy Commission, some other local cities, and non-profit corporations including Mary Erickson Foundation, Dayle McIntosh Center, and OC Human Relations Commission. The City hosted and co-sponsored an Orange County Housing Summit meeting in spring 2009 to bring different group and decision makers together and help increase awareness of the need for affordable housing.
- *Development & Parking Incentives and Concessions.* The City will provide various incentives and concessions for the identified parcels including, but not limited to, a reduction in the minimum setback and square footage requirements, and in the ratio of required off-street parking spaces, and an increase in the building height limit and maximum lot coverage, to promote the financial feasibility of homes affordable to lower income families.
- *Funding Program.* Due to the recent dissolution of redevelopment agencies statewide, the future availability of tax-increment housing set-aside funds is unlikely. However, the City will attempt to provide funding assistance using all available housing funds including CDBG funds for projects affordable to low-, very-low-, and extremely-low-income persons and families (affordable housing) proposed on these and other suitable parcels to encourage such development in this planning period. (As noted previously, CDBG funding has been reduced substantially in the past two years, however.) This program will also provide advice to potential non-profit organizations and developers regarding locating and acquiring additional financing. The City will apply or assist in the application of funds for State and Federal funding programs such as the Multi-family Housing Program, and California Tax Credit Allocation funding.

- *Development Fees.* For affordable housing projects proposed on these parcels, the City will provide a fee waiver or subsidy.
- *Affordable Housing Education Program.* The City will continue to maintain an ongoing Affordable Housing Education Program to provide education and facts on affordable housing. The aim of the program is to help foster and build support for affordable housing and address “Who Needs Affordable Housing?” and “What is Low Income?” The program incorporates various formats including printed materials (fact sheets, brochures, and bus shelters ads), media outreach, and public forums such as tours of existing affordable developments.
- *Remove Governmental Constraints.* The City will ensure standards are not excessive and do not unnecessarily constrain affordable housing. The City will work with interested developers to determine the need and remove or modify standards to facilitate the development of affordable housing.
- *Right-of-Way Purchase.* With the potential widening of Oso Parkway at Parcel B, and to facilitate multi-family rental development affordable to lower income families, the City will consider purchasing right-of-way from the property owner/developer instead of requiring a land dedication as it typically does in such cases. This program commits the City to purchase or otherwise mitigate the impact of the right-of-way issue (either on the number of units or financial feasibility) to facilitate development in the planning period. (Parcel B Only)
- *Land Value Negotiation.* As described in Appendix B, Land Inventory Summary, the City owns Parcel C and controls the sale of the property. The City will sell the land and shall implement a schedule of actions to ensure that suitable and feasible land is made available for the development in accordance with the above analysis and implementation section under Parcel C.
- *Extremely-low-income housing.* To the extent feasible, the City will encourage developers to include units affordable to extremely-low-income (i.e., those with 30% or less of Area Median Income) in affordable housing projects in order to achieve the City’s quantified objective of 21 ELI units in this planning period (Table H-34). It is recognized that the subsidy required to provide units at the ELI level is much greater than for other lower-income groups, and that more units can be assisted at the very-low- and low-income levels with a given amount of funding.
- *Affordable Housing RFP.* In 2009 the City circulated a request for proposals (RFP) to qualified developers of affordable housing. Based on proposals received, a developer will be selected to work cooperatively with the City to pursue an affordable housing development. Proposals are currently being reviewed by an ad-hoc committee of the City Council. City funds, as described in the *Funding Program*, will be used to leverage other sources of funding such as Low Income Housing Tax Credits or state Multi-Family Housing Program (MHP) grant funds.

The City is committed to working with qualified developers and non-profit corporations to ensure high quality affordable housing for the community. As described above, Parcels A through C were rezoned by the City of Mission Viejo to permit residential development by-right in accordance Government Code Sections 65583.2(i) and 65583.2(h) in 2007 with a minimum density of 20 units per acre.

## **10. Emergency Shelters, Transitional and Supportive Housing**

The issue of homelessness is a complex statewide issue. In 2007, Senate Bill (SB) 2 amended state law regarding emergency shelters and transitional/supportive housing. SB 2 generally requires that emergency shelters be permitted by-right in at least one zoning district, or that jurisdictions enter into a multi-agency agreement to deal with this issue more broadly. In 2009 the City amended the Municipal Code to designate the Business Park zone where shelters are permitted by-right, along with specific development standards, in conformance with the provisions of Senate Bill 2. Sites within this zone are located within walking distance of shopping, medical, civic offices, employment and public transportation. The Business Park zone encompasses more than 165 acres and there are currently some vacant parcels and buildings in these zones that could accommodate shelters. The City will continue to work cooperatively with interested agencies to facilitate the development of an emergency shelter.

Senate Bill 2 also specifies that transitional and supportive housing shall be treated as a residential use with only those requirements that apply to other residential uses in the same district. As noted in Chapter II, several transitional housing units have been established in Mission Viejo. City policies and regulations permit transitional and supportive housing subject to the same standards and procedures that apply to other residential uses of the same type in the same zone in conformance with SB 2.

## **11. Mortgage Revenue Bond Financing**

The County of Orange has established two revenue bond housing programs to increase the supply of affordable housing in the County - the Multi-family Housing Revenue Bond Program and the Single-Family Residential Mortgage Revenue Bond Program. Under these programs, tax-exempt bonds are issued to provide funds for construction and mortgage loans to encourage developers to provide both rental and for-sale housing that is affordable to lower-income families and individuals. The Mission Viejo Company participated in both the multi-family and single-family bond programs. Subsequent to incorporation, the City entered into a cooperative agreement with the County in support of additional bond-financed projects in Mission Viejo.

## **12. Non-Profit Housing Development**

A non-profit housing corporation works to develop, conserve and promote affordable housing, either owner- or renter-occupied. Particularly in relation to senior citizen housing (such as HUD Section 202 projects), the corporation is often a local religious organization interested in developing affordable housing. The corporation is often involved with what is called "assisted housing", where some type of government assistance (such as Section 8) is provided to the individual household to keep rents affordable. Housing corporations can work with assisted housing in several ways.

- a. The corporation may assemble a development package and sell it to a profit-motivated developer. The package usually consists of a site, project design, the necessary permits, and, in some cases, preliminary financing commitments. The advantage of this method is that the non-profit can get low- and moderate-income housing built while ending its involvement early in the process and going on to other projects. The disadvantage is that the non-profit may lose control over the development at the time of sale. However, the corporation could negotiate to retain some control over the project in its contractual agreement with the developer.
- b. The non-profit corporation may participate in a joint venture with a profit-motivated developer. Though it usually performs the same functions as in the first method, the non-profit can retain more control over the development and gain hands-on development experience while benefiting from the financial resources of the for-profit developer. In this option, however, the non-profit has

a longer involvement and would have to negotiate the rights and responsibilities of the two partners.

- c. In the third approach, the non-profit corporation is the developer. In this case, the group must employ staff with necessary expertise or rely heavily on consultants. In return, the group has total control over the development. This option requires more risk, money, time, effort, and capability on the part of the non-profit.

A non-profit corporation can help meet the City's goals for additional housing by implementing or assisting with the implementation of programs described in this Housing Element. The City will actively support local non-profit groups to facilitate the development and improvement of both senior housing and housing affordable to low-, very-low-, and extremely-low-income persons and families in Mission Viejo. Support to non-profit groups, for example, will include technical assistance for development review process, assistance locating and acquiring financing, and coordinator discussions between property owner, non-profit developer, and various governmental agencies.

The City has a history of successful working relationships with non-profit affordable housing developers, including Citizens Housing Corporation (Arroyo Vista multi-family apartment complex) and Jamboree Housing Corporation (Heritage Villas Senior Apartments), developed during previous planning periods. More recently, the city has coordinated meetings with non-profit developers, including Bridge, Habitat for Humanity and Jamboree Housing Corporation. These meetings were successful and allowed the City an opportunity to present its affordable housing sites, answer questions regarding the process, and discuss available funding opportunities. The City will continue to facilitate new affordable housing projects by meeting with interested developers at least twice a year and providing technical assistance to developers in support of affordable housing development, including: evaluation of projects for appropriate use of funding sources, support in the preparation of grant applications, and assisting in moving projects forward through the public review process.

### **13. Reverse Mortgage Program**

The most substantial asset of most elderly homeowners is their home, which usually increases significantly in value with inflation. And while owning a home may provide a rich asset base with the onslaught of retirement and a fixed income, many elderly homeowners quickly become income poor. Home maintenance repairs multiply as the home ages, and the rising costs in home utilities, insurance, taxes, and maintenance often get deferred altogether, creating an unsafe and often depressing living environment for the senior.

An alternative for elderly homeowners is to draw needed income from the accumulated equity in their homes through a reverse mortgage. A reverse mortgage is a deferred payment loan or a series of such loans for which a home is pledged as security. Qualification for the loan is based primarily on property value rather than on income, allowing the elderly homeowner on a fixed income to receive a loan for which he or she would not otherwise qualify. Most reverse mortgage programs permit homeowners to borrow up to 80% of the assessed value of their property, receive needed principal of up to 25% of the loan, and then receive monthly annuity payments for the life of the loan.

Most reverse mortgage loans have been underwritten by a government-sponsored program marketed through independent mortgage brokers, although there are major independent financial firms that now market reverse mortgage programs.

At the Norman P. Murray Community and Senior Center, information programs have been held to inform interested residents about reverse mortgages. The City will continue to provide financial institutions with

the opportunity to educate interested seniors. Social service caseworkers will also advise elderly homeowners of the reverse mortgage programs.

### **Removing Governmental Constraints**

Under current law, the Mission Viejo Housing Program must include the following:

Address and, where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing.

#### **14. Efficient Processing**

Residential projects in Mission Viejo generally receive concurrent processing, thereby shortening review time and minimizing related holding costs. Nonetheless, the evaluation and review procedure contributes to the cost of housing in that holding costs incurred by developers are ultimately reflected in the unit's selling price. In order to streamline review times for affordable housing projects, the City will follow the system outlined below.

This system will prioritize affordable housing applications in the following sequence:

- First, applications which require a Housing Element in compliance with State law such as the State's Rental Housing Construction Program and Federal HOME Program.
- Second, applications that meet all other City requirements and are requesting a density bonus in exchange for a minimum of 20% affordable housing units.
- Third, all other applications ranked in terms of the percentage of very-low- and low-income housing units to be included in the proposed development.

#### **15. Development Fees**

Development fees have been set at a level necessary to cover the costs to the City and to make appropriate contributions to the community. However, these fees contribute to the cost of housing, and may constrain the development of low- and moderate-income units. For senior citizen and affordable housing projects, the City shall explore a possible fee waiver or subsidy on a case-by-case basis. Based on the outcome of this review, the City may modify fees for affordable and senior housing projects. In addition, the City will encourage the school districts to reduce or eliminate school impact fees charged to affordable senior housing developments. With regard to City projects, the payment of fees may be deferred until loan proceeds are obtained or revenues from project proceeds are received.

### **Promoting Equal Housing Opportunity**

In order to make adequate provision for the housing needs of all economic segments of the community, the housing program must include actions that accomplish the following:

- Promote housing opportunities for all persons regardless of race, religion, sex, family size, marital status, ancestry, national origin, color, age or physical disability.

More generally, this program component entails ways and means to promote equal housing opportunity.

#### **16. Equal Housing Opportunity Services**

The City contracts with the Fair Housing Foundation (FHF) to establish, maintain and further fair housing choices. City staff refers fair housing cases to the Fair Housing Foundation as they are brought to the

attention of the City. In an effort to provide outreach, the City will place program brochures at the public counter, the Community and Senior Center, and the library, which describe the services of the Fair Housing Foundation and identify the City contact person.

### **Providing Housing-Related Public Services**

To assist low- and moderate-income residents, the housing program should include complementary programs that support the residents in obtaining adequate housing or assist them with their special needs. These programs include, but are not limited to, continuum care for homeless, supportive services for disabled persons, and childcare services.

## **17. Community Development Block Grant (CDBG) Public Service Programs**

The primary objective of the CDBG program is “development of viable urban communities, by providing decent housing, a suitable living environment, and expanding economic opportunities, principally for persons of low- and moderate-income.” CDBG funds may be used to provide public services (including labor, supplies and material), provided that the public service meets a national objective of the CDBG program. The amount of CDBG funds obligated within a program year to support public service activities cannot exceed 15% of the City’s total allocation. These funds can target the needs of the low- and moderate-income residents as identified in the City of Mission Viejo Consolidated Plan. Several organizations operating service programs have been supported with City CDBG funds. These programs include childcare services, senior-housing services, legal services, disabled services, homeless prevention, and support services to abused and neglected children.

Research shows a need for public service programs geared to addressing child care for low-income working parents, the elderly, abused women, neglected teenagers, and persons with disabilities. The City will continue to actively publicize the CDBG program and availability of funds, and prioritize programs which address these identified needs within the community.

## **18. Pre-application Review Program**

During the project development stage, City staff will encourage developers to include amenities or facilities such as childcare, job training, work stations, and exercise equipment. These types of amenities empower tenants to increase their financial independence and well-being. Projects that include these types of amenities will be given priority when the City Council issues financial assistance or other considerations.

## **19. Energy Conservation**

The City has many opportunities to directly affect energy use. In addition to required compliance with the Building Code and Title 24 of the California Administrative Code relating to energy conservation, the City sets forth goals and policies which encourage the conservation of non-renewable resources in concert with the use of alternative energy sources to increase energy self-sufficiency. In a large part, energy savings and utility bill reductions can be realized through the following energy design standards:

- **Glazing** – Glazing on south facing exterior walls allows for winter sunrays to warm the structure. Avoidance of this technique on the west side of the unit prevents afternoon sunrays from overheating the unit.
- **Landscaping** – Strategically placed vegetation reduces the amount of direct sunlight on the windows. The incorporation of deciduous trees in the landscaping plans along the southern

area of units reduces summer sunrays, while allowing penetration of winter sunrays to warm the units.

- **Building Design** – The implementation of roof overhangs above southerly facing windows shield the structure from solar rays during the summer months.
- **Cooling/Heating Systems** – The use of attic ventilation systems reduces attic temperatures during the summer months. Solar heating systems for swimming pool facilities save on energy costs. Natural gas is conserved with the use of flow restrictors on all hot water faucets and showerheads.
- **Weatherizing Techniques** – Weatherization techniques such as insulation, caulking, and weather stripping can reduce energy use for air-conditioning up to 55% and for heating as much as 40%. Weatherization measures seal a dwelling unit to guard against heat gain in the summer and prevent heat loss in the winter.
- **Efficient Use of Appliances** – Each household contains different mixture of appliances. Regardless of the mix of appliances present, appliances can be used in ways that increase their energy efficiency. Unnecessary appliances can be eliminated; proper maintenance and use of stove, oven, clothes dryer, clothes washer, dishwasher, and refrigerator can also reduce energy consumption. New appliance purchases can be made on the basis of efficiency ratings.

The City has a Green Building Program that offers incentives such as expedited processing and fee waivers when project proponents agree to voluntarily incorporate environmentally sensitive and energy efficient construction techniques into their projects that go beyond Building Code and Title 24 requirements. Details regarding this program are posted on the City's website<sup>11</sup>.

In 2008, the City Council also adopted a permanent fee waiver for the installation of solar and other energy-saving equipment. Details regarding this program are also found on the City's website<sup>12</sup>. The fee waiver program applies to all building permits for solar photovoltaic, solar thermal systems, tankless water heaters, windows and/or doors containing glass, high-efficiency heating, ventilation, air conditioning (HVAC) systems and other improvements that go beyond Building Code and Title 24 requirements. Expedited plan review and same-day inspection also accompany the fee waiver program. In addition, in April 2008 the City adopted a Solar Energy Education Program to complement its existing Green Building Program. The City also actively promotes and markets energy conservation and education in the community.

The City will also actively pursue grant and funding opportunities associated with federal and state Energy Efficiency and Conservation Block Grant programs.

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<sup>11</sup> <http://cityofmissionviejo.org/DepartmentPage.aspx?id=1966>

<sup>12</sup> <http://cityofmissionviejo.org/DepartmentPage.aspx?id=3064>

## Quantified Objectives and Program Summary

The City's quantified objectives and housing programs are summarized in the following tables.

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**Table H-34**  
**Quantified Objectives (2013-2021) –**  
**City of Mission Viejo**

	Income Category					Totals
	Ex. Low	V. Low	Low	Mod	Upper	
New construction	21	21	29	33	73	177
Rehabilitation	45	45	38			128
Conservation*	140	140				280

\*Quantified objective for new construction is for the RHNA projection period 1/1/2014 - 10/1/2021

\*Section 8 vouchers

**Table H-35  
Housing Program Summary**

<b>Program</b>	<b>Responsible Agency</b>	<b>Funding Source</b>	<b>Program Objectives</b>	<b>Schedule</b>
1. Housing Rehabilitation Program	Community Development Department	CDBG	To maintain quality of housing in established neighborhoods, particularly for very-low- and low-income households by providing 128 deferred loans or grants for housing rehabilitation.	Throughout the planning period
2. Home Weatherization Improvements	Community Development Department	So. Cal Edison and So. Cal Gas	To provide information to residents regarding available weatherization improvements to reduce housing utility costs.	Throughout the planning period
3. Code Enforcement	Community Development Department	Department Budget	To enforce City codes pertaining to property maintenance, building and zoning.	Throughout the planning period
4. Section 8 Assistance Payment / Housing Vouchers	O.C. Housing Authority; City Community Development Department	HUD-Section 8 Certificate & Housing Vouchers	To provide at least 280 rental subsidies to lower-income families and elderly, and encourage listing of rental units with County Housing Authority.	Throughout the planning period
5. Land Use Element / Development Code	Community Development Department	Department Budget	To maintain a range of residential development opportunities through appropriate land use and zoning designations.	Throughout the planning period
6. Inventory of Surplus Public Land	Community Development Department	Department Budget	To maintain an inventory of all land owned by public entities declared surplus.	Throughout the planning period
7. Density Bonus Units	Community Development Department	Department Budget	Continue to implement the Development Code density bonus provisions in compliance with state law, in order to maximize the capacity of housing sites and facilitate construction of affordable units.	Throughout the planning period.
8. Second Units	Community Development Department	Department budget	To expand the affordable housing stock by allowing a second unit on the same parcel as existing single or multifamily units.	Throughout the planning period
9. Affordable Housing Outreach	Community Development Department	CDBG, Revenue Bonds	To meet the City's regional housing need allocation for all income groups through the pursuit of multiple tactics.	Continue promoting affordable housing development throughout the planning period.
10. Emergency Shelters and Transitional Housing	Community Development Department	Department budget	Continue to implement City policies and regulations regarding emergency shelters and transitional/supportive housing in conformance with SB 2.	Throughout the planning period

Program	Responsible Agency	Funding Source	Program Objectives	Schedule
11. Mortgage Revenue Bond Financing	Orange County; Mission Viejo Community Development Department	Revenue Bonds	To increase supply of rental and ownership units affordable to low- and moderate-income households.	Throughout the planning period
12. Non-Profit Housing Development	Community Development Department	Department budget	To provide support and assistance to non-profit housing organizations to facilitate affordable housing production commensurate with the City's quantified objectives..	Throughout the planning period.
13. Reverse Mortgage Program	Community Development Department	Department budget	Coordinate with social service groups and lending institutions to provide information to seniors about reverse mortgage programs.	Throughout the planning period.
14. Efficient Processing	Community Development Department	Department budget	To provide concurrent processing for residential projects to shorten review time and minimize related holding costs.	Throughout the planning period.
15. Development Fees	Community Development Department	General Fund	To provide reduced development fees for affordable and senior citizen housing.	Throughout the planning period.
16. Equal Housing Opportunity Services	Fair Housing Foundation	HUD-CDBG	To ensure equal housing opportunity by providing tenant/landlord counseling, housing discrimination response, and related housing services through the Fair Housing Foundation.	Throughout the planning period.
17. Community Development Block Grant Public Service Programs	Community Development Department	HUD-CDBG	To fund public service programs that support lower-income households to obtain adequate housing or assist them with special needs.	Throughout the planning period.
18. Pre-application Review Program	Community Development Department	Department budget	Encourage developers to include amenities such as childcare, computer workstations in affordable developments.	Throughout the planning period.
19. Energy Conservation Program	Community Development Department	Department budget	Continue the Green Building Program, which encourages energy conservation through incentives such as expedited processing and fee waivers for qualifying projects.  Continue the Solar Energy Education Program, which promotes energy conservation throughout the community.	Throughout the planning period.

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## **Appendix A Evaluation of the Prior Housing Element**

Section 65588(a) of the *Government Code* requires that jurisdictions evaluate the effectiveness of the existing Housing Element, the appropriateness of goals, objectives and policies, and the progress in implementing programs for the previous planning period. This appendix contains a review the housing goals, policies, and programs of the previous Housing Element, and evaluates the degree to which these programs have been implemented during the previous planning period, years 2008 through 2012. The findings from this evaluation have been instrumental in refining the City's 2013 Housing Implementation Program.

Table A-1 summarizes the programs contained in the previous Housing Element along with program objectives, accomplishments, and implications for future policies and actions.

Table A-2 summarizes the goals and policies contained in the previous Housing Element along with an assessment of their appropriateness for the new planning period.

Table A-3 summarizes residential development in the city during 2006 - 2012.

Table A-4 presents the City's progress in meeting the quantified objectives from the previous Housing Element.

**Table A-1**  
**Housing Element Program Evaluation**  
**City of Mission Viejo**  
**2008 – 2012**

Program	Responsible Agency	Funding Source	Program Objectives	Accomplishments	Future Policies and Actions
1. Housing Rehabilitation Program	Community Development Department	CDBG Redevelopment set-aside	To maintain quality of housing in established neighborhoods, particularly for very-low- and low-income households by providing 100 deferred loans or grants for housing rehabilitation.	Rehab applications were approved as follows: 2008: 28 2009: 27 2010: 14 2011: 20 2012: 6 (through July)	The dissolution of the Community Development Agency (CDA) and the reduction in CDBG funding is expected to result in less funding for housing rehab loans and grants in the future.
2. Home Weatherization Improvements	Community Development Department	So. Cal Edison and So. Cal Gas	To provide information to residents regarding available weatherization improvements to reduce housing utility costs.	Home weatherization flyers have been made available at City Hall.	This program should be continued.
3. Code Enforcement	Community Development Department	Department Budget	To enforce City codes pertaining to property maintenance, building and zoning.	The City's Code Enforcement staff has implemented this program continuously.	This program should be continued.
4. Section 8 Assistance Payment / Housing Vouchers	O.C. Housing Authority; City Community Development Department	HUD-Section 8 Certificate & Housing Vouchers	To provide at least 280 rental subsidies to lower-income families and elderly, and encourage listing of rental units with County Housing Authority.	Year 2008 - 288 vouchers. Year 2009 - 286 vouchers. Year 2010 - 269 vouchers. Year 2011 - 294 vouchers.	This program should be continued.
5. Land Use Element / Development Code	Community Development Department	Department Budget	To maintain a range of residential development opportunities through appropriate land use and zoning designations.	The City has maintained an appropriate range of development opportunities commensurate with the City's RHNA.	This program should be continued.

Program	Responsible Agency	Funding Source	Program Objectives	Accomplishments	Future Policies and Actions
6. Inventory of Surplus Public Land	Community Development Department	Department Budget	To maintain an inventory of all land owned by public entities declared surplus.	In 2007 the City rezoned an 8.5-acre City-owned site (Site C) for affordable housing and an RFP for development of this site was issued in 2011. No additional surplus properties have been identified.	This program should be continued.
7. Density Bonus Units	Community Development Department	Department Budget	To amend the Development Code density bonus provisions in compliance with state law, in order to maximize the capacity of housing sites and facilitate construction of affordable units.	In 2009, the City Council adopted new Density Bonus regulations in compliance with state law. In 2011, the Watermarke project was approved with a 20% density bonus and a building height incentive for their 256-unit apartment project on Site B.	This program should be revised to reflect ongoing implementation of the Density Bonus ordinance.
8. Second Units	Community Development Department	Department budget	To expand the affordable housing stock by allowing a second unit on the same parcel as existing single or multifamily units.	Three second units have been approved by the City during 2006-2012.	This program should be continued.
9. Affordable Housing Outreach	Community Development Department	CDBG, MV Comm. Dev. Agency Housing Fund, Revenue Bonds	To meet the City’s regional housing need allocation for all income groups through the pursuit of multiple tactics.	The City has continued to market its affordable housing sites. In 2011, the City sent an RFP to affordable housing developers for the City-owned Site C. Proposals are currently under review.	This program should be continued.
10. Emergency Shelters and Transitional Housing	Community Development Department	Department budget	Amend the Development Code in conformance with SB 2.	In 2009, the City Council adopted an ordinance to amend the City's Development Code to allow for By-right construction of emergency shelters in the Business Park / Industrial zone.	This program objective has been completed, therefore this program will be revised to continue implementation of the new ordinance.
11. Mortgage Revenue Bond Financing	Orange County; Mission Viejo Community Development Department	Revenue Bonds	To increase supply of rental and ownership units affordable to low- and moderate-income households.	Revenue bonds have been successfully used in the past to finance three affordable projects in Mission Viejo.	This program should be continued.

Program	Responsible Agency	Funding Source	Program Objectives	Accomplishments	Future Policies and Actions
12. Non-Profit Housing Development	Community Development Department	Department budget	To provide support and assistance to non-profit housing organizations to facilitate affordable housing production commensurate with the City’s quantified objectives..	The City has held several meetings with non-profit organizations to advise them of available affordable housing sites and funding sources.	This program should be continued.
13. Reverse Mortgage Program	Community Development Department	Department budget	Coordinate with social service groups and lending institutions to provide information to seniors about reverse mortgage programs.	The City's Norman P. Murray Community and Senior Center coordinates special workshops on reverse mortgages to inform and educate seniors, and offers a twice yearly financial series on various financial topics including reverse mortgages.	This program should be continued.
14. Efficient Processing	Community Development Department	Department budget	To provide concurrent processing for residential projects to shorten review time and minimize related holding costs.	The City continues to process projects concurrently and efficiently. In 2011, the Planning Division processed planning applications for the Watermarke and UDR apartment projects concurrently. Building plan check for new large scale projects is 10 days.	This program should be continued.
15. Development Fees	Community Development Department	General Fund & MV Community Development Agency Housing Fund	To provide reduced development fees for affordable and senior citizen housing.	In the past, Community Development Agency (CDA) set-aside and CDBG monies were available to fund affordable housing projects. In March 2010, the CDA approved a \$3.5 million subsidy to Lennar Homes to assist 22 affordable units, and in 2012 the CDA approved a \$4.8 million subsidy for the Watermarke project to assist 38 affordable units. However, with the dissolution of the CDA, funding for these subsidies will be very limited	This program will be continued but revised to reflect the loss of CDA funds.

Program	Responsible Agency	Funding Source	Program Objectives	Accomplishments	Future Policies and Actions
				<p>in the future.</p> <p>In 2012 the City Council approved the “Improve, Don’t Move” fee waiver program.</p>	
16. Equal Housing Opportunity Services	Fair Housing Foundation	HUD-CDBG	To ensure equal housing opportunity by providing tenant/landlord counseling, housing discrimination response, and related housing services through the Fair Housing Foundation.	For FY 2010-2011, 77 households from Mission Viejo were assisted with fair housing issues and concerns. So far in FY2011-2012, 25 households have been assisted.	This program should be continued.
17. Community Development Block Grant Public Service Programs	Community Development Department	HUD-CDBG	To fund public service programs that support lower-income households to obtain adequate housing or assist them with special needs.	The CDBG public service program has funded 10 organizations providing services for families, seniors, homeless, shelter for victims of domestic violence, before and after school childcare, and persons with developmental disabilities.	This program should be continued.
18. Pre-application Review Program	Community Development Department	Department budget	Encourage developers to include amenities such as childcare, computer workstations in affordable developments.	The Ridge townhome project currently under construction will include on-site recreation areas and facilities.	This program should be continued.
19. Energy Conservation Program	Community Development Department	Department budget	<p>Continue the Green Building Program, which encourages energy conservation through incentives such as expedited processing and fee waivers for qualifying projects.</p> <p>Continue the Solar Energy Education Program, which promotes energy conservation throughout the community.</p>	The City offers expedited processing and fee waivers for qualifying green building projects and solar installations. The City received \$876,000 in stimulus funding and has installed a 12,000-sq-ft photo voltaic panel system on the roof of City Hall.	This program should be continued.

**Table A-2  
Appropriateness of Housing Element Goals and Policies  
City of Mission Viejo**

Goal	Policy	Appropriateness
<b>1: Expand upon the present range of housing types to meet future needs of residents.</b>		
	1.1: Continue to provide a variety of dwelling unit types for all segments the population.	Still appropriate, although the City is nearly built out and therefore very limited opportunities for new development are available.
	1.2: Encourage a variety of public and private efforts in providing affordable housing opportunities to area residents, particularly for lower income households, the elderly, large families, the physically impaired, and female heads of household.	Still appropriate – retain.
	1.3: Encourage the development of childcare facilities in conjunction with the development of housing.	Still appropriate – retain.
	1.4: Continue to provide incentives to assist in the development of affordable housing, including expeditious permit processing and fee waivers.	Still appropriate, although the state’s abolishment of local redevelopment agencies could significantly reduce funding for affordable housing.
	1.5: Where an established percentage of the dwelling units of a project are devoted to lower-income households, provide incentives such as density bonus, tax-exempt financing, waiver of fees, assistance with development of on- or off-site improvements, and reductions in minimum parking requirements.	Still appropriate, although the state’s abolishment of local redevelopment agencies could significantly reduce funding for affordable housing.
<b>2: Promote the continued maintenance and enhancement of residential areas.</b>		
	2.1: Utilize the code enforcement division to ensure continued success in maintaining the integrity of neighborhood areas.	Still appropriate – retain.
	2.2: Provide for the continuing maintenance of public open space and landscaped areas adjacent to residential neighborhoods.	Still appropriate – retain.
	2.3: Provide rehabilitation loans and grants program to preserve and conserve the City's housing stock.	Still appropriate, although the state’s abolishment of local redevelopment agencies could significantly reduce funding for these types of activities.
	2.4: Provide adequate standards for remodeling and the expansion of existing residential units to insure compliance with California Building Code requirements and City ordinances to insure compatibility with surrounding residential development.	Still appropriate – retain.
	2.5: Monitor the level of existing affordable housing stock in the City.	Still appropriate – retain.
<b>3: Provide support services in meeting the needs of the City's low and moderate income residents.</b>		
	3.1: Encourage senior citizen independence through the promotion of housing services related to in-home care, meal programs, and counseling.	Still appropriate – retain.
	3.2: Encourage development of new housing units designated for elderly or disabled persons to be in close proximity to public transportation and community services.	Still appropriate – retain.
	3.3: Work with area social service providers in addressing the needs of the homeless population.	Still appropriate – retain.

Goal	Policy	Appropriateness
	3.4: Support social service providers that operate shared housing programs which match low and moderate income individuals who want to share rental housing costs for joint living arrangements.	This program no longer available.
	3.5: Work with housing developers, builders, and non-profit organizations to develop low and moderate income housing.	Still appropriate, although the state’s abolishment of local redevelopment agencies could significantly reduce funding for affordable housing.
	3.6: Support Mortgage Revenue Bond Programs aimed at providing housing opportunities for low and moderate income households.	Still appropriate – retain.
	3.7: The Disaster Aid Fund should be utilized to provide emergency shelter to victims of natural and manmade disasters.	Still appropriate – retain.
<b>4: Provide for housing which is sensitive to environmental and social needs.</b>		
	4.1: Balance future increases in population growth with existing and projected community resources.	Still appropriate – retain.
	4.2: Evaluate residential proposals within hillside areas in terms of potential impacts to landform and viewsheds.	Still appropriate – retain.
	4.3: Evaluate residential development proposals in terms of energy conservation measures provided.	Still appropriate – retain.
	4.4: Ensure compatibility of new residential development with existing development to enhance the city's residential neighborhoods.	Still appropriate – retain.
<b>5: Promote equal housing opportunity.</b>		
	5.1: Prohibit discrimination in the sale or rental of housing with regard to race, ethnic background, religion, disability, income, sex, age, and household composition.	Still appropriate – retain.
	5.2: Continue active support and participation with the Orange County Fair Housing Board to promote fair housing opportunities.	Still appropriate – retain.
	5.3: Implement state and federal laws for access and adaptability for the developmentally disabled, and continually adopt updates to City codes to reflect current accessibility requirements.	Still appropriate – retain.
<b>6: Preserve housing units affordable to low and very low income households.</b>		
	6.1: Continue to monitor affordable housing projects to identify units that may be at risk of conversion to market rate.	Although no affordable units are at risk of conversion during the new planning period, these policies will be continued.
	6.2: Contact at-risk housing project owners and discuss options for preserving affordability.	
	6.3: Encourage non-profit housing organizations to buyout at-risk housing projects or purchase market rate apartment units.	
	6.4: Preservation of at-risk units shall be a priority for housing funding resources. Funding reallocation from lower priority programs such as rehabilitation programs shall be considered when preservation opportunities are presented.	Still appropriate, although the state’s dissolution of local redevelopment agencies is expected to significantly reduce funding for affordable housing.

**Table A-3  
Residential Development by Income Category  
City of Mission Viejo  
2006 - 2012**

Project/Location/ Type	Year Built	GP/ Zoning	VL	Low	Mod	Above	Total
<u>SFA Units:</u> The Ridge (Lennar)	2011/12	RPD-30	3	1	0	42	46
<u>2<sup>nd</sup> units:</u>	2006	RPD 6.5	1				1
	2007		1				1
	2011		1				
<b>Totals</b>			<b>6</b>	<b>1</b>	<b>0</b>	<b>42</b>	<b>49</b>

**Table A-4**  
**Progress in Achieving Quantified Objectives – 2008-2012**  
**City of Mission Viejo**

Program Category	Quantified Objectives	Progress
<b>New Construction*</b>		
Extremely low	17	0
Very low	16	6
Low	26	1
Moderate	29	0
Above moderate	59	42
Total	147	49
<b>Rehabilitation</b>		
Very Low	35	
Low	40	66
Moderate	25	
Above Moderate		
Total	100	66
<b>Preservation/Conservation</b>		
Very low	140**	
Low	140**	269-294 (varies)
Total	280**	269-294

\*The RHNA projection period for new construction was 2006 - 2014.

\*\*Section 8 vouchers

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## **Appendix B**

### **Residential Land Inventory**

The detailed assumptions and methodology for the residential land inventory are provided below and summarized in Table B-1. Exhibit B-1 shows the locations of potential housing sites.

#### **1. Vacant Sites**

Mission Viejo is almost completely built-out, and only a few vacant sites remain for housing development. In order to encourage additional construction of affordable multi-family rental housing, in 2007 the City rezoned three vacant sites for affordable housing development by-right. These sites, referred to as Sites A, B, and C, are summarized in Table B-2 and have the potential for 593 units. The locations of these sites are shown in Exhibit B-1.

The City has had inquiries by developers for residential development on all three of these potential housing sites, and has worked collaboratively with the owners to facilitate development. The City has offered funding and grant incentives and concessions as well as a density bonus for qualifying projects to promote the financial feasibility of homes affordable to lower-income families and workers. The City will continue to facilitate the development of affordable housing, and ensure that affordable developments are compatible with surrounding land uses and neighborhoods.

In addition to these three sites, two other high-density housing developments (Los Alisos Townhomes and The Ridge) are expected to provide 464 units during the 2014-2021 projection period.

#### **2. Second Residential Units**

The Zoning Code allows second units in single-family residential districts, pursuant to state law. Three second unit permits were issued during 2006-2011, or an average of about 0.5 units per year. It is anticipated that second unit development will continue at a similar pace during the 2014-2021 projection period, which would result in four additional units. Because second units have a maximum size of 640 square feet, these units are expected to rent in the very-low-income range based on affordability categories (see Chapter 2, Table H-16). However, most of them are expected to be occupied by family members such as elderly parents or grandparents with no cash rent paid.

#### **3. Land Inventory Compared to the RHNA**

As shown in Tables B-1 and B-2, the inventory of potential housing sites exceeds the City's RHNA allocation for the 2014-2021 projection period in all income categories.

**Table B-1  
Residential Sites Summary  
City of Mission Viejo**

	Income Category		
	VL/L	Moderate	Above Moderate
Vacant sites	405	16	636
Potential second units	4		
<b>Total</b>	<b>409</b>	<b>16</b>	<b>636</b>
RHNA (2014-2021)	71	33	73
Adequate sites?	Yes	Yes*	Yes

Source: City of Mission Viejo Community Development Dept., 2012

\*Reflects excess VL/L sites

**Table B-2  
Vacant Land Inventory  
City of Mission Viejo**

Site	Gen. Plan/ Zoning	Acreage	Density Du/Ac	Potential Units	Income Category		
					VL/L	Mod	AM
Los Alisos Townhomes (UDR)	Residential 30/ RPD-30	10.5	30.5	320	3/5*	16*	296
The Ridge (Lennar)	Residential 30/ RPD-30	10.0	14.4	144	17/5*		122
Site A-Mission Foothill Marketplace 28715-28841 Los Alisos Blvd. APN 839-161-07	Residential 30/ RPD 30A	2.74	30	82	82**		
Site B-Andalucia/Mission Country Club (Watermarke) APN 761-071-93	Residential 30/ RPD 30A	7.12	36	256	21/17*		218
Site C-City-owned property APN 740-112-03	Residential 30/ RPD 30A	8.5	30	255	255**		
<b>Subtotals</b>				<b>1,057</b>	<b>405**</b>	<b>16</b>	<b>636</b>
<b>Second units</b>				<b>4</b>	<b>4***</b>		
<b>TOTALS</b>				<b>1,061</b>	<b>409</b>	<b>16</b>	<b>636</b>

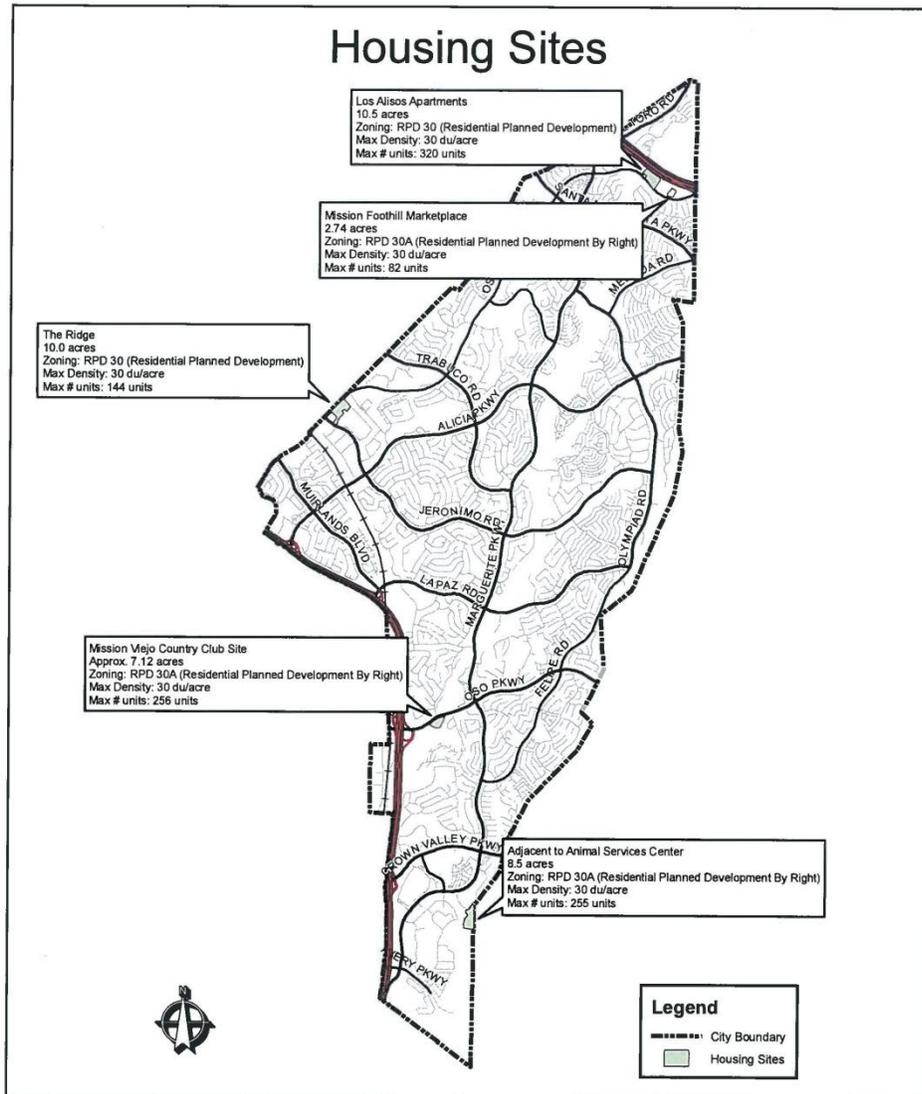
\* Affordability required by covenants (density bonus granted)

\*\* Affordability based on default density

\*\*\* Affordability based on market conditions

Source: Mission Viejo Community Development Dept., 2012

### Exhibit B-1 Housing Sites Location Map



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