
HOUSING ELEMENT

CITY OF MISSION VIEJO

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1. Introduction to the Housing Element

In ~~1965~~1963, the area known today as the City of Mission Viejo was ranch land, consisting of rolling hills and grazing cattle. ~~After two years of master-planning, 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. The City of Mission Viejo is now almost completely built out, with a balanced provision of housing and jobs. The California Department of Finance estimated that the total number of dwelling units in the City was 34,959 with a population of 94,267 as of January 1, 2020.

Unlike the other elements of the General Plan, State law explicitly requires that the Housing Element be updated on an 8-year cycle linked to the Regional Transportation Plan (*California Government Code* §65588). This Housing Element covers the 2021-2029 planning period. The goals and policies of this 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

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 requirements that have been established by the State 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 (HCD) 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

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~~

[safe](#) 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.

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
A. Housing Needs Assessment and Inventory of Resources and Constraints	Govt. Code §65583(a)
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: <ul style="list-style-type: none"> a. level of housing cost compared to ability to pay; b. overcrowding; and c. housing stock condition. 	Chapter 2 Housing Needs Assessment – Housing Stock Characteristics Chapter 2 Housing Needs Assessment – Household Characteristics 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
8. Analysis of opportunities for energy conservation with respect to residential development.	Chapter 3 Resources and Opportunities – Energy Conservation Opportunities

Required Housing Element Component	Reference
<p>9. Analysis of existing assisted housing developments that are eligible to change from low-income housing uses during the next 10 years including:</p> <ul style="list-style-type: none"> a. list 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; b. cost analysis for replacement housing; c. identify public and private non-profit corporations which have legal and managerial capacity to acquire and manage these housing developments; and 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. 	<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>
<p>B. Goals and Policies</p>	<p>Govt. Code §65583(b)</p>
<ul style="list-style-type: none"> 1. Identification of Mission Viejo’s community goals relative to maintenance, improvement, and development of housing. 2. Quantified objectives and policies relative to the maintenance, improvement, and development of housing in Mission Viejo. 	<p>Chapter 5 Housing Element Goals and Policies</p> <p>Chapter 6 Housing Plan</p>
<p>C. Implementation Program</p>	<p>Govt. Code §65583(c)</p>
<p>An implementation program should do the following:</p> <ul style="list-style-type: none"> 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; 2. Program to assist in the development of adequate housing to meet the needs of low- and moderate-income households; 3. Identify and, when appropriate and possible, remove governmental constraints to the maintenance, improvement, and development of housing in Mission Viejo; 4. Conserve and improve the condition of the existing housing stock in Mission Viejo; 5. Promote housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin or color; 6. Preserve for lower income households the assisted housing developments identified as being at-risk; and 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. 	<p>Chapter 6 Housing Plan</p> <p>Chapter 6 Housing Plan</p> <p>Chapter 6 Housing Plan</p> <p>Chapter 6 Housing Plan</p> <p>Chapter 6 Housing Plan</p> <p>Chapter 6 Housing Plan</p> <p>Chapter 6 Housing Plan</p>

Appendix A of this Housing Element contains an evaluation of the 2013-2021 Housing Element goals, policies, programs and quantified objectives compared with the actual results.

1.3 Citizen Participation

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 2021 update of the City's Housing Element, citizens and interested organizations were provided a variety of opportunities to participate in the process.

(Please refer to Appendix C for additional information regarding the public outreach process for the 2021-2029 Housing Element update.)

An introduction to the Housing Element update was provided at a [noticed public workshop and](#) joint study session of the City Council and the Planning and Transportation Commission [held](#) on March 31, 2021. In May 2021 the preliminary draft Housing Element was published for public review and on May 24, 2021 the Planning and Transportation Commission conducted a [hearing-public meeting](#) to review the draft Housing Element and receive public comments. The City Council held two public [hearings meetings](#) on June 8 and June 22, 2021 to review the draft Housing Element and receive public comments. [Outreach also](#) Notice was sent to all homeowner associations in the City including the City's two senior communities, Palmia and Casta Del Sol, as well as the Chamber of Commerce and the Mission Viejo Planning Partnership.

Major issues raised during these hearings included the need for affordable housing and options for accommodating the City's assigned share of regional housing needs [\(see Appendix C\)](#).

Notices of all public [hearings-meetings](#) 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. [The Draft Housing Element was posted to the City's dedicated webpage on May 17, 2021 and has been continuously available since then.](#) Copies of the public hearing draft of the Housing Element were [also](#) 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.~~

[On September 27, 2021, The Planning and Transportation Commission conducted a noticed public hearing to consider the revised draft Housing Element update and related zone change proposals, unanimously recommending City Council approval of the proposed amendments. On October 12, 2021, the City Council held a noticed public hearing and approved the proposed amendments. At both public hearings members of the public were invited to provide testimony.](#)

2. Housing Needs Assessment

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 94,267 residents in 2020. 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.

This chapter examines general population and household characteristics and trends, such as age, 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 2021-2029 Regional Housing Needs Assessment (RHNA) are examined.

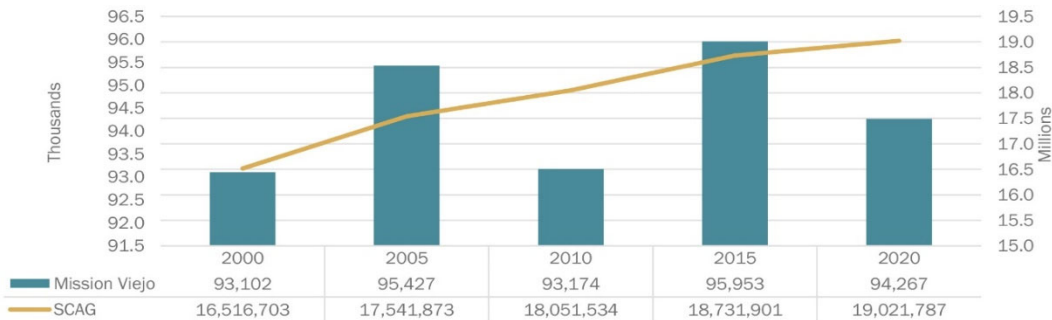
The Housing Needs Assessment utilizes recent data from the U.S. Census Bureau, California Department of Finance (DOF), California Employment Development Department (EDD), Southern California Association of Governments (SCAG) and other relevant sources. Supplemental data was obtained through field surveys.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

2.1 Population Characteristics

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 2020 the city experienced modest growth of approximately 1% to an estimated population of 94,267 (see Table H-2).

**Table H-2
Population Trends, 2000-2020
Mission Viejo vs. SCAG Region**

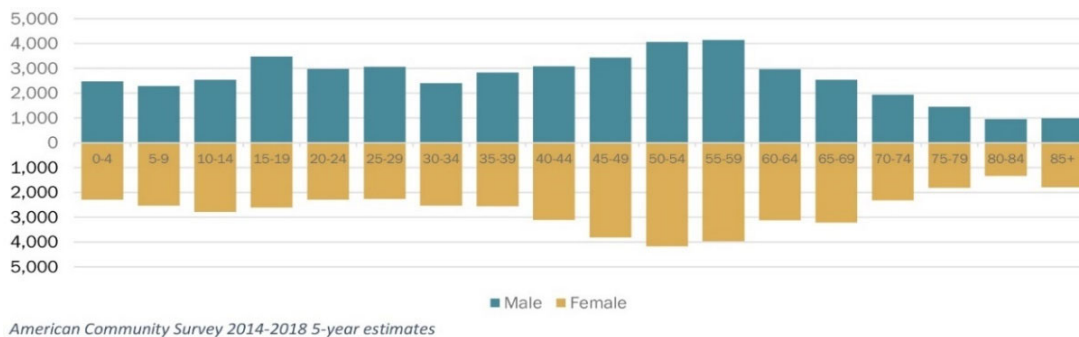


CA DOF E-5 Population and Housing Unit Estimates

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 shows recent Census estimates of the city’s population by age group and gender. This table shows that the largest age groups in Mission Viejo are 50-54 and 55-59. The population of Mission Viejo is approximately 49.5% male and 50.5% female. The share of the population of Mission Viejo that is under 18 years of age is 19.7%, which is lower than the regional share of 23.4%. Mission Viejo's seniors (65 and above) make up 19.1% of the population, which is higher than the regional share of 13%.

**Table H-3
Age Distribution –
Mission Viejo**



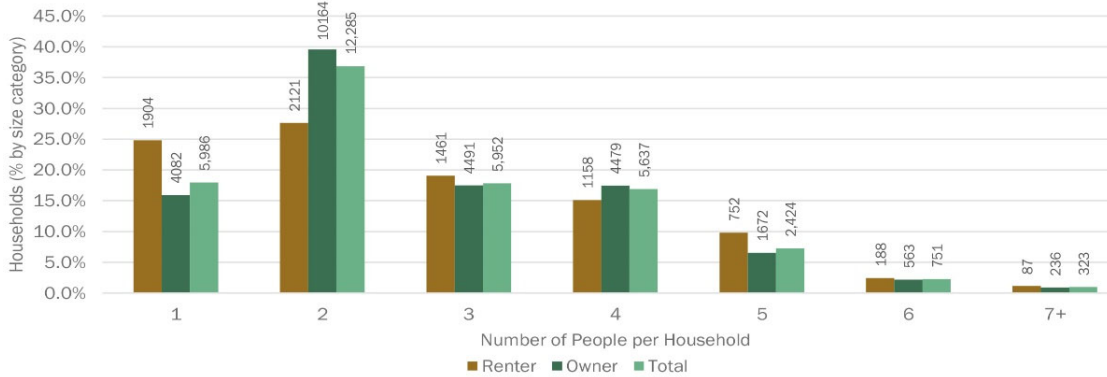
2.2 Household Characteristics

1. Household Size and Tenure

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 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-4 provides recent Census estimates of household size and tenure (owner vs. renter) in Mission Viejo. The most commonly occurring household size is of two people (36.8%) and the second-most commonly occurring household is of one person (17.9%). Mission Viejo has a lower share of single-person households than the SCAG region overall (17.9% vs. 23.4%) and a lower share of 7+ person households than the SCAG region overall (1% vs. 3.1%).

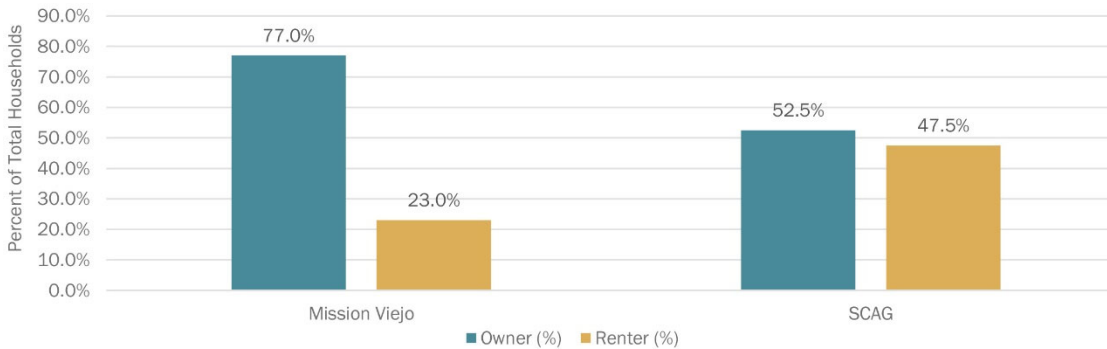
**Table H-4
Household Size by Tenure –
Mission Viejo**



American Community Survey 2014-2018 5-year estimates.

Housing tenure is an important indicator of the housing market. Communities need an adequate supply of units available both for rent and for sale to accommodate a range of households with varying income, family size and composition, and lifestyle. Table H-5 provides recent estimates of owner-occupied and renter-occupied units in the city compared to the region as a whole. Of Mission Viejo's total housing units, approximately 77% are owner-occupied and 23% are renter-occupied. The share of renters in Mission Viejo is lower than in the SCAG region overall.

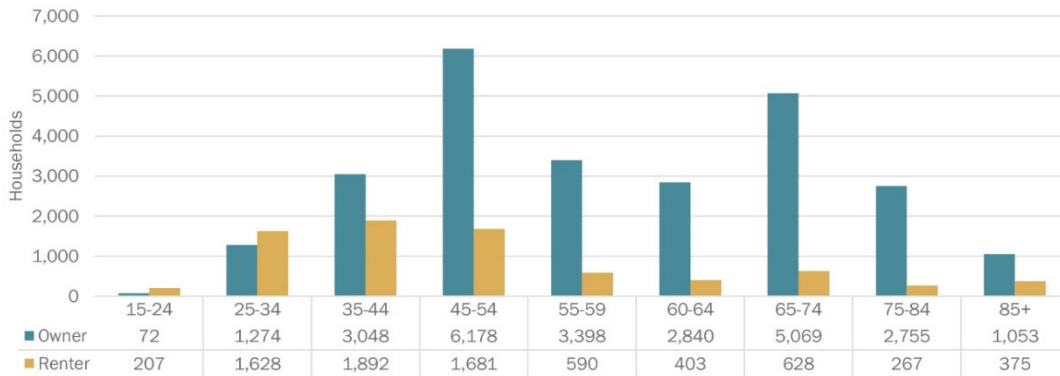
**Table H-5
Housing Tenure –
Mission Viejo vs. SCAG Region**



American Community Survey 2014-2018 5-year estimates.

Housing tenure typically varies based on the age of the householder. In Mission Viejo, the only age groups where renters outnumber owners are 15-24 and 25-34 (Table H-6).

**Table H-6
Housing Tenure by Age –
Mission Viejo**

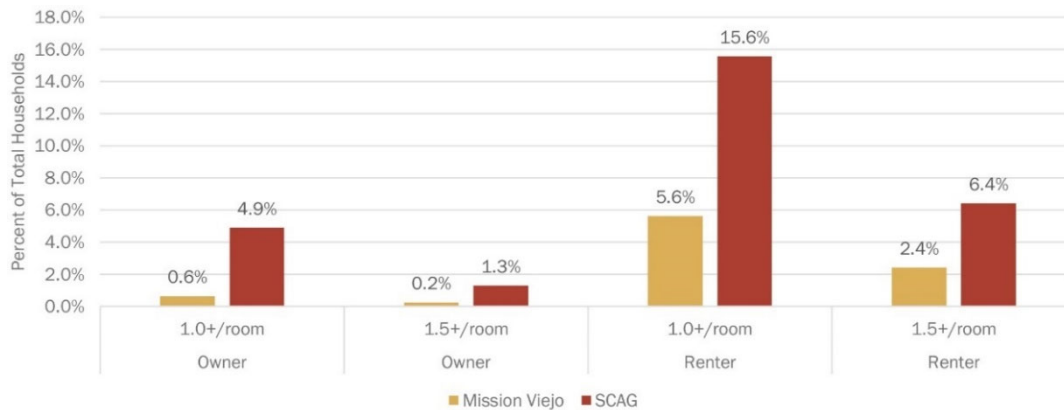


American Community Survey 2014-2018 5-year estimates.

2. 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 recent Census estimates of overcrowding for City of Mission Viejo and the SCAG region as a whole.

**Table H-7
Overcrowding –
Mission Viejo vs. SCAG Region**



American Community Survey 2014-2018 5-year estimates.

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.

3. Household Income and Overpayment

Household income is a primary factor affecting housing needs in a community. *Extremely-low-income* refers to households with incomes no more than 30% of the county median. HUD data provides a breakdown of extremely-low-income households by race and ethnicity. The race/ethnicity with the highest share of extremely-low-income households in Mission Viejo is Hispanic (13.5% compared to 8.5% of total population). (Table H-8).

Table H-8
Extremely-Low-Income Households by Race, Ethnicity and Tenure – Mission Viejo

	Total Households	Households below 30% HAMFI	Share below 30% HAMFI
White, non-Hispanic	25,265	1,990	7.9%
Black, non-Hispanic	389	19	4.9%
Asian and other, non-Hispanic	3,990	290	7.3%
Hispanic	4,099	554	13.5%
TOTAL	33,743	2,853	8.5%
Renter-occupied	7,725	1,080	14.0%
Owner-occupied	26,010	1,780	6.8%
TOTAL	33,735	2,860	8.5%

HUD CHAS, 2012-2016. HAMFI refers to Housing Urban Development Area Median Family Income.

According to State housing policy, overpaying occurs when housing costs exceed 30% of gross household income. Table H-9 displays recent HUD estimates for overpayment by income category. According to HUD data, the incidence of overpayment was substantially higher for households in the extremely-low-income and very-low-income categories.

Table H-9
Overpayment by Income Category – Mission Viejo

Income	Households by Share of Income Spent on Housing Cost:		
	< 30%	30-50%	> 50%
< 30% HAMFI	325	279	2,045
30-50% HAMFI	899	765	1,555
50-80% HAMFI	1,565	1,955	940
80-100% HAMFI	1,625	1,735	180
> 100% HAMFI	17,125	2,370	160
<i>Total Households</i>	<i>21,539</i>	<i>7,104</i>	<i>4,880</i>

HUD CHAS, 2012-2016.
HAMFI refers to Housing Urban Development Area Median Family Income.

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).

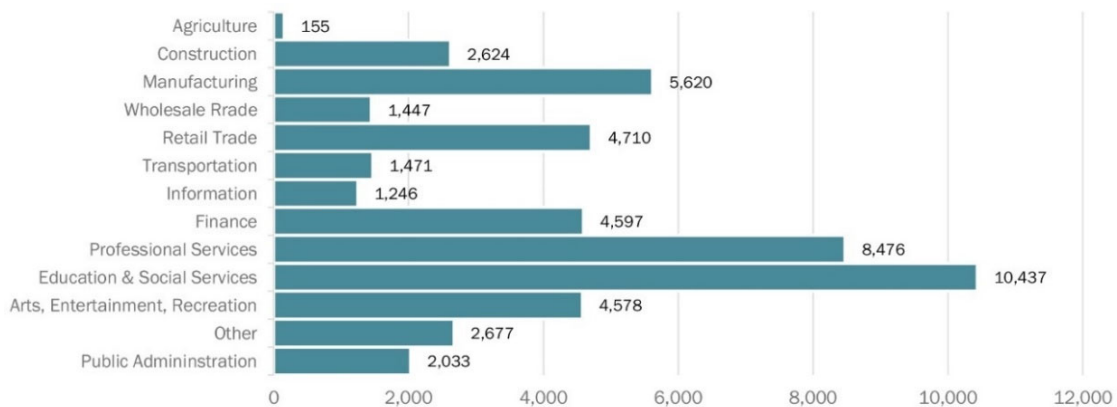
2.3 Employment

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 Mission Viejo has 50,071 workers living within its borders who work across 13 major industrial sectors. The most prevalent industry is Education & Social Services with 10,437 employees (20.8% of total) and the second most prevalent industry is Professional Services with 8,476 employees (16.9% of total).

**Table H-10
Employment by Industry –
Mission Viejo**



American Community Survey 2014-2018 5-year estimates using groupings of 2-digit NAICS codes.

In addition to understanding the industries in which the residents of Mission Viejo work, it is also possible to analyze the types of jobs they hold. The most prevalent occupational category in Mission Viejo is Management, in which 25,008 (49.9% of total) employees work. The second-most prevalent type of work is in Sales, which employs 12,175 (24.3% of total) in Mission Viejo (Table H-11).

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



American Community Survey 2014-2018 5-year estimates using groupings of SOC codes.

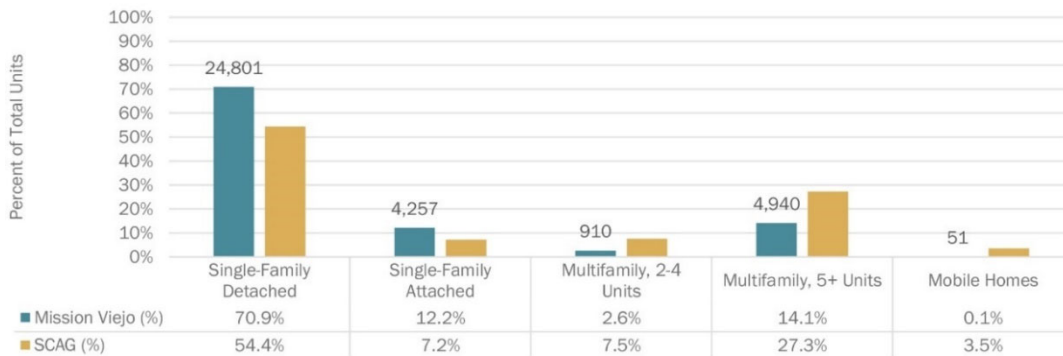
2.4 Housing Stock Characteristics

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 type of housing units, vacancy, age and condition, 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 Vacancy

About 71% of housing units in Mission Viejo are single-family detached homes as compared to about 54% in the SCAG region as a whole (Table H-12). The average household size (as expressed by the population to housing unit ratio) is 2.78.

**Table H-12
Housing by Type –
Mission Viejo vs. SCAG Region**

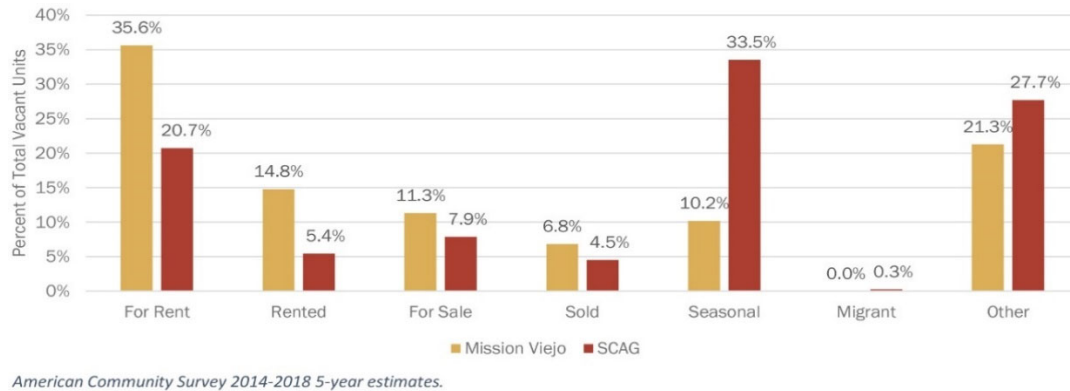


CA DOF E-5 Population and Housing Unit Estimates

The largest category of vacant housing units in Mission Viejo is units for rent (Table H-13). The total

vacancy rate was reported to be 4%.

**Table H-13
Housing Vacancy –
Mission Viejo vs. SCAG Region**

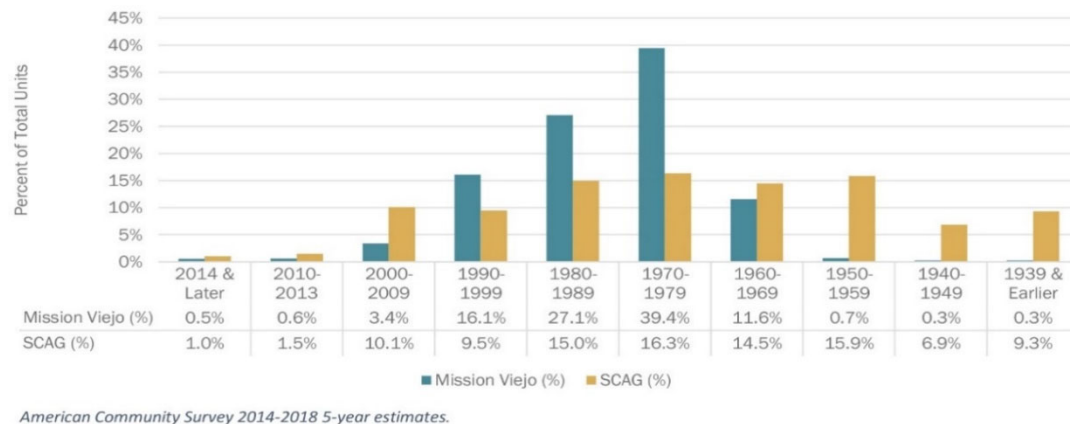


2. Housing Age and Conditions

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-14 shows the age distribution of the housing stock in Mission Viejo compared to the region as a whole.

**Table H-14
Age of Housing Stock –
Mission Viejo vs. SCAG Region**



Large-scale development in Mission Viejo began in the 1960s; therefore, relatively few housing units are more than 50 years old. Only about 12% of housing units were constructed prior to 1970. The largest portion of the city’s housing units 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, 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)¹ by income category. Based on state-adopted standards for a 4-person family, the maximum affordable monthly rent for extremely-low-income households is \$961, while the maximum affordable rent for very-low-income households is \$1,601. The maximum affordable rent for low-income households is \$2,562, while the maximum for moderate-income households is \$3,090.

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

Income Category	Maximum Income	Affordable Rent	Affordable Price (est.)
Extremely Low	\$38,450	\$961	*
Very Low	\$64,050	\$1,601	*
Low	\$102,450	\$2,562	*
Moderate	\$123,600	\$3,090	\$500,000
Above moderate	Over \$123,600	Over \$3,090	Over \$500,000

Assumptions:

- Based on a family of 4 and 2020/21 State income limits
- 30% of gross income for rent or principal, interest, taxes & insurance
- 5% down payment, 3.75% interest, 1.25% taxes & insurance, \$350 HOA dues

*For-sale affordable housing is typically at the moderate income level

Source: Cal. HCD; JHD Planning LLC

Maximum purchase prices are more difficult to determine due to variations in such factors as mortgage interest rates and qualifying procedures, down payments, special tax assessments, homeowner association fees, and property insurance rates. With this caveat, the maximum home purchase price by income category shown in Table H-16 are estimates based on typical conditions. Affordable purchase

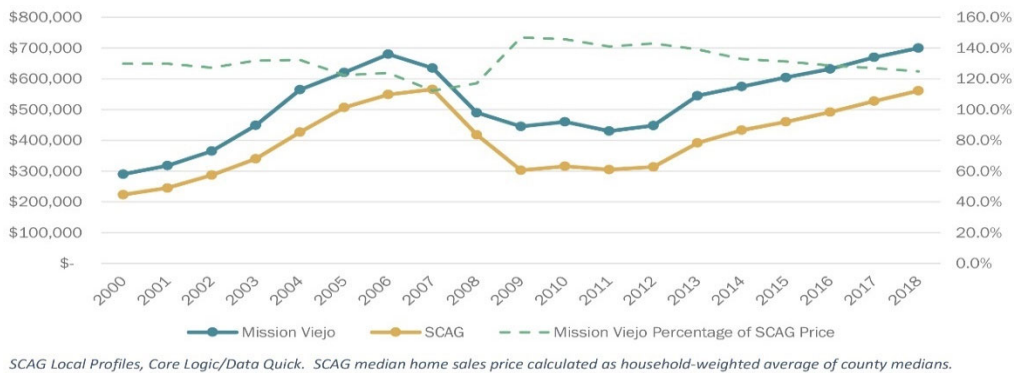
¹ Affordable rent and purchase prices are based on county median income.

prices have only been estimated for moderate- and above-moderate-income households since most deed-restricted affordable for-sale units are provided at the moderate income level.

b. For-Sale Housing

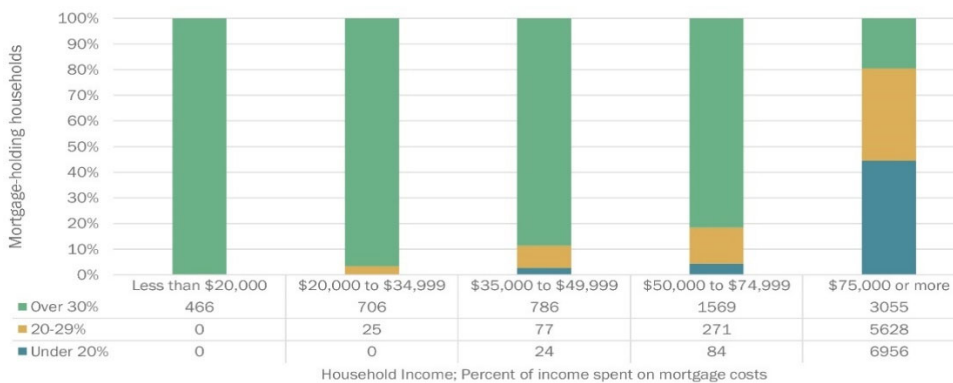
Median sales prices for existing homes in Mission Viejo compared to the SCAG region during the period 2000-2018 are shown in Table H-17. This chart shows that prices in Mission Viejo were consistently higher than the regional average throughout this period. Based on the estimated affordable purchase prices shown in Table H-16, very few for-sale homes are affordable to lower-income homebuyers.

**Table H-17
Median Sales Prices for Existing Homes 2000 - 2018 –
Mission Viejo vs. SCAG Region**



Mortgage-holding households in Mission Viejo can be broken down by income and the percentage of income spent on mortgage costs (Table H-18). As one might expect, the general trend is that lower-income households spend a higher share of income on housing costs, while high-income households may spend a lower share of income on housing. The income category most prevalent amongst Mission Viejo mortgage-holding households is \$75,000 or more while the most prevalent share of income spent on mortgage costs is under 20%.

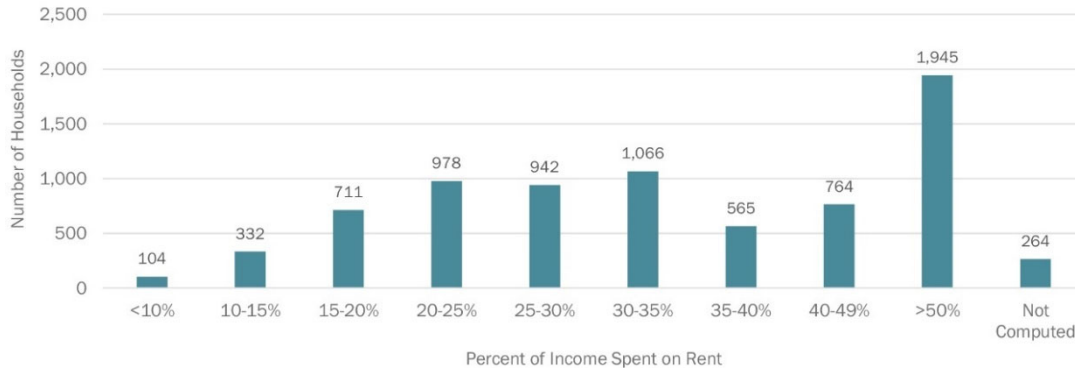
**Table H-18
Mortgage Costs by Income Category –
Mission Viejo**



c. Rental Housing

According to a recent [online survey²](#) rentals in Mission Viejo range from \$2,035 and up for apartments and \$3,000 or more for single-family houses. Recent Census estimates showed that about 57% of renters spend 30% or more of gross income on housing, compared to 55% in the SCAG region as a whole. Additionally, 25% of Mission Viejo renters spend 50% or more of gross income on housing compared to 29% in the SCAG region. (Table H-9).

**Table H-19
Percentage of Income Spent on Rent –
Mission Viejo**



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

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.

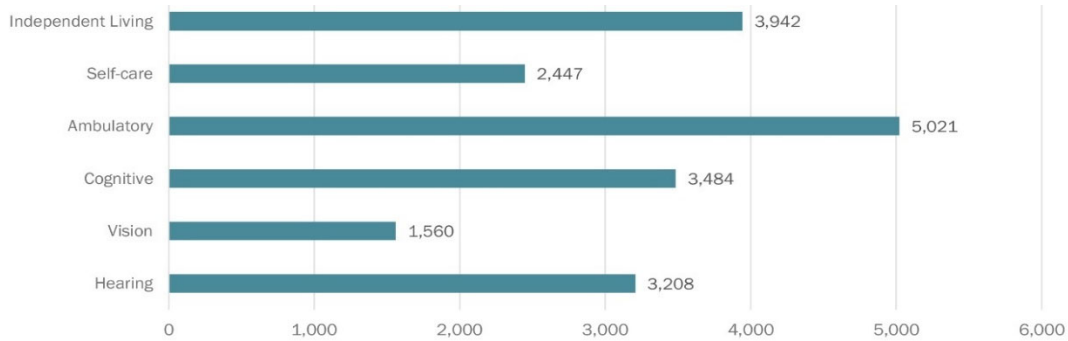
1. Persons with Disabilities

Persons with disabilities face a variety of housing challenges. Recent Census estimates reported that ambulatory and independent living disabilities were the most common types of disabilities among all Mission Viejo residents (Table H-20) and also among those aged 65 and over (Table H-21). [It should be noted that some persons may have more than one type of disability.](#) Housing opportunities for those with

² www.Zillow.com, 2021

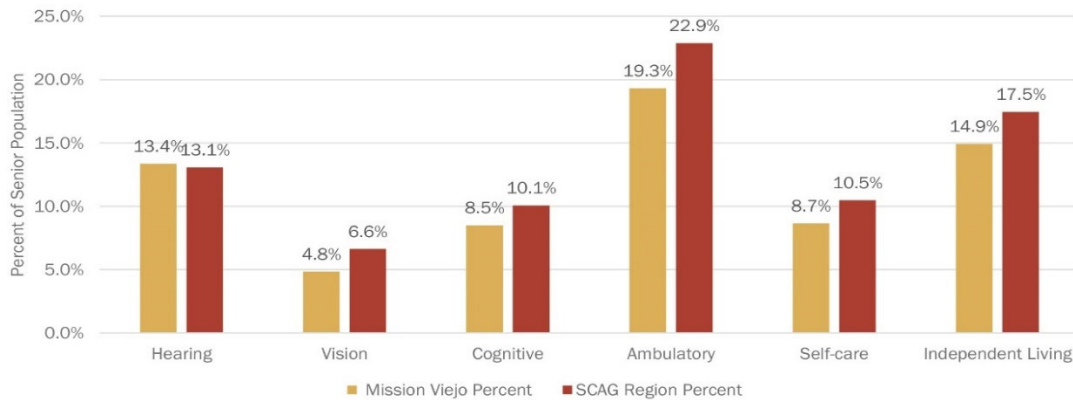
disabilities can be maximized through housing assistance programs and providing universal design features such as widened doorways, ramps, lowered countertops, single-level units and ground floor units.

**Table H-20
Disabilities by Type –
Mission Viejo**



American Community Survey 2014-2018 5-year estimates.

**Table H-21
Disabilities by Type for Seniors 65+ –
Mission Viejo**



American Community Survey 2014-2018 5-year estimates.

Developmental Disabilities

As defined by federal law, “developmental disability” means a severe, chronic disability of an individual that:

- Is attributable to a mental or physical impairment or combination of mental and physical impairments;
- Is manifested before the individual attains age 22;
- Is likely to continue indefinitely;

- Results in substantial functional limitations in three or more of the following areas of major life activity: a) self-care; b) receptive and expressive language; c) learning; d) mobility; e) self-direction; f) capacity for independent living; or g) economic self-sufficiency;
- 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%. California Department of Developmental Services (DDS) statistics for Mission Viejo are shown in Table H-22.

Many persons with developmental disabilities can live and work independently within a conventional housing environment. More severely affected individuals require a group living environment where supervision is provided while some 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.

**Table H-22
Developmental Disabilities –
Mission Viejo**

		Mission Viejo
By Residence:	Home of Parent/Family/Guardian	468
	Independent/Supported Living	69
	Community Care Facility	56
	Intermediate Care Facility	107
	Foster/Family Home	18
	Other	0
By Age:	0 - 17 Years	718
	18+ Years	272
TOTAL		1708

*CA DDS consumer count by CA ZIP, age group and residence type for the end of June 2019.
Data available in 161/197 SCAG jurisdictions.*

DDS provides community-based services to 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.

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), 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 500 clients and a staff of almost 200 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

Federal housing data define a household type as 'elderly family' if it consists of two persons with either or both age 62 or over. Of Mission Viejo's 10,515 such households, 13.1% earn less than 30% of the surrounding area income compared to 24.2% in the SCAG region, and 31.2% earn less than 50% of the surrounding area income compared to 30.9% in the SCAG region (Table H-23). 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, accessory dwelling units, 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.

**Table H-23
Elderly Households by Income and Tenure –
Mission Viejo**

	Owner	Renter	Total	Percent of Total Elderly Households:	
Income category, relative to surrounding area:	< 30% HAMFI	1,030	350	1,380	13.1%
	30-50% HAMFI	1,325	575	1,900	18.1%
	50-80% HAMFI	1,440	320	1,760	16.7%
	80-100% HAMFI	930	100	1,030	9.8%
	> 100% HAMFI	4,145	300	4,445	42.3%
TOTAL	8,870	1,645	10,515		

HUD CHAS, 2012-2016. HAMFI refers to Housing Urban Development Area Median Family Income.

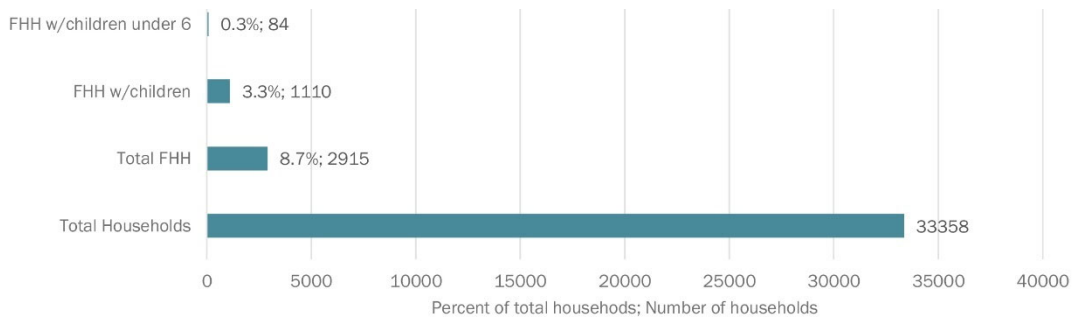
3. Large Households

Household size is an indicator of need for large units. Large households are defined as those with five or more members. As shown previously in Table H-4, 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. This distribution indicates that the need for large units with four or more bedrooms is expected to be significantly less than for smaller units.

4. Female-Headed Households

The Census Bureau estimated that 8.7% of households in Mission Viejo are female-headed (compared to 14.3% in the SCAG region), 3.3% are female-headed and with children (compared to 6.6% in the SCAG region), and 0.3% are female-headed and with children under 6 (compared to 1.0% in the SCAG region) (Table H-24). 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 childcare responsibilities. Many of the assistance programs described in Chapter 6 will help to address the needs of this group.

**Table H-24
Female Headed Households –
Mission Viejo**

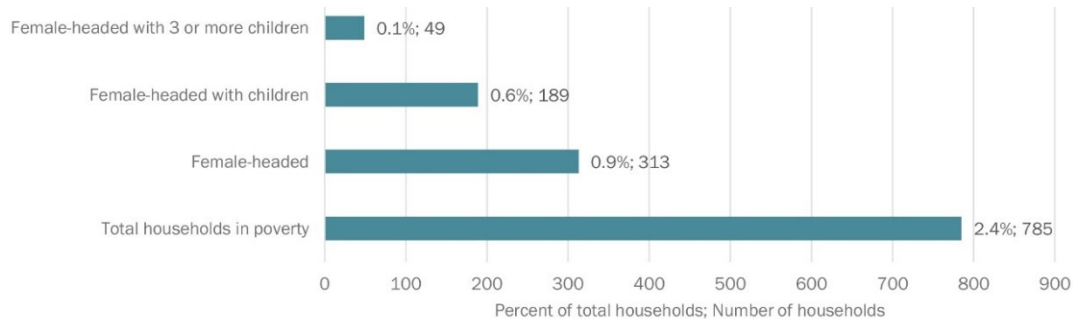


American Community Survey 2014-2018 5-year estimates.

Recent Census estimates reported 2.4% of Mission Viejo's households are experiencing poverty,

compared to 7.9% of households in the SCAG region. Poverty thresholds, as defined by the ACS, vary by household type. In 2018, a single individual under 65 was considered in poverty with an income below \$13,064/year while the threshold for a family consisting of 2 adults and 2 children was \$25,465 per year. Just under 1% of all female-headed households in Mission Viejo were reported to be below the poverty line (Table H-25).

**Table H-25
Female Headed Households by Poverty Status –
Mission Viejo**



American Community Survey 2014-2018 5-year estimates.

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.

Recent Census estimates reported that there were about 74 jobs in Mission Viejo in farming, fishing and forestry occupations (Table H-26). The nearest major agricultural areas to 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.

**Table H-26
Agricultural Employment Status –
Mission Viejo**

Farmworkers by Occupation:

Mission Viejo	Percent of total Mission Viejo workers:	SCAG Total	
74	0.15%	57,741	Total jobs: Farming, fishing, and forestry occupations
62	0.18%	31,521	Full-time, year-round jobs: Farming, fishing, and forestry occupations

Employment in the Agricultural Industry:

Mission Viejo	Percent of total Mission Viejo workers:	SCAG Total	
146	0.29%	73,778	Total in agriculture, forestry, fishing, and hunting
124	0.36%	44,979	Full-time, year-round in agriculture, forestry, fishing, and hunting

American Community Survey 2014-2018 5-year estimates using groupings of NAICS and SOC codes.

6. Homeless Persons

Throughout the country, homelessness is a serious problem. Factors contributing to homelessness include: the general lack of emergency shelters, transitional housing, and 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.

The County of Orange 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 data from the survey conducted in January 2019 estimated that there were approximately 6,860 homeless persons at the time of the survey, of which 2,899 were sheltered and 3,961 were unsheltered³. In Mission Viejo, the survey identified 22 unsheltered and 9 sheltered homeless persons.

A discussion of City regulations related to emergency shelters and other types of facilities that serve the homeless population is provided in Chapter 4.

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 10-year period 2021-2031. 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 4 projects with affordable units in

³ County of Orange, 2019 Point in Time Final Report, July 30, 2019 (<http://ochmis.org/wp-content/uploads/2019/08/2019-PIT-FINAL-REPORT-7.30.2019.pdf>)

Mission Viejo (Table H-27). 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.

**Table H-27
Assisted Housing Developments –
Mission Viejo**

Project Name	Type of Public Assistance	Total Units	Affordable Units	Household Type	Expiration Date
Avalon	Mortgage Revenue Bonds	166	34 VL	Families	2037
Heritage Villas	LIHTC	143	58 VL 83 Low	Families	2070
Arroyo Vista	LIHTC, CalHFA	156	16 VL 60 Low	Families	2049
Sycamore Lane	Section 8	208	42 Low		Permanent

Source: City of Mission Viejo Community Development Dept., 2021

2.7 Future Housing 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 during the period from July 2021 to October 2029. 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 March 2021. The future need for new housing was determined by the forecasted growth in households in a community as well as existing needs due to overpayment and overcrowding. The housing need was adjusted to maintain a desirable level of vacancy to promote housing choice and mobility and to account for units expected to be lost due to demolition, natural disaster, or conversion to non-housing uses. Total housing need was then distributed among four income categories on the basis of the current household income distribution.

After the total housing need was determined for the SCAG region, RHNA allocations to individual jurisdictions were developed by SCAG based on factors established in State law. 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. 2021-2029 Mission Viejo Housing Needs

The total additional housing need for the City of Mission Viejo during the 2021-2029 planning period is 2,217 units. This total is distributed by income category as shown in Table H-28.

**Table H-28
2021-2029 Regional Housing Needs - Mission Viejo**

Extremely Low	Very Low	Low	Moderate	Above Moderate	Total
337	337	401	397	745	2,217

Source: SCAG 2021

It should be noted that the extremely-low-income category is included within the very-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 how the City will accommodate this need is provided in the land inventory section of Chapter 3.

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3. Resources and Opportunities

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 2021-2029 RHNA projection period, as adopted by the Southern California Association of Governments on March 4, 2021 (see Table H-29). 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

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-29 below. The table shows that the City’s land inventory for potential residential development is sufficient to accommodate the RHNA in all income categories for this projection period.

**Table H-29
Land Inventory Summary –
City of Mission Viejo**

	Income Category			
	Very Low	Low	Moderate	Above Moderate
Vacant sites	299	178	177	330
Underutilized sites	406	245	242	450
Potential ADUs	8	12	9	1
Total	713	435	428	781
RHNA (2021-2029)	674	401	397	745
Adequate sites?	Yes	Yes	Yes	Yes

Source: City of Mission Viejo Community Development Dept., 2021

A discussion of public facilities and infrastructure needed to serve future development is contained in Section 4.2.3, 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 potential given feasible methods for addressing those issues. Development of properties identified in the City’s Land Inventory shall comply with all State-mandated RHNA requirements.

3.2 Financial and Administrative Resources

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 2020-2024 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.

In 2016 the City Council amended the CDBG Annual Action Plan to allocate \$820,000 to support the purchase of existing housing for transitional affordable housing. In 2017, the City entered into an agreement with Families Forward, a nonprofit public benefit corporation assisting families in need, to support the acquisition and long-term operation of two condominium dwelling units for tenancy and occupancy by qualified very-low-income households who are ready to move from transitional housing into more permanent housing. In 2020 the City entered into a second agreement with Families Forward, providing \$524,690 in CDBG funds to supplement the purchase of two additional condominium units for occupancy by very-low-income households.

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. 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 has provided technical and financial assistance since 2000 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. Examples of eligible repairs include repairs to heating, plumbing and driveways; new roofs; exterior painting; window and door replacement; and correction of code violations that pose a threat to public safety. 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. In 2020, the City processed 6 loans or grants totaling \$106,000.

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 windows shield the structure from direct solar rays.
- **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.

In 2008, the City Council adopted a fee waiver for the installation of solar and other energy-saving equipment now available to new homeowners and senior residents in the City. Details regarding this program are also found on the City's website⁴. 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, and in 2014, the Council approved a water conservation fee waiver program to encourage the installation of water-saving improvements.

4 <https://cityofmissionviejo.org/sites/default/files/EEFW%20program%20handout%20rev%202019.docx>

4. Housing Constraints

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 that 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

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~~ six residential land use designations, as shown in Table H-30. Two new residential land use designations were established in 2021: Residential 50, to accommodate residential projects with a density range of 30.01 to 50 du/ac; and Residential 80, to accommodate residential projects with a density range of 30.01 to 80 du/ac.

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

**Table H-30
Residential and Mixed-Use 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.
<u>Residential 50</u>	<u>50.0</u>	<u>High density single family attached and multi-family dwelling units.</u>
<u>Residential 80</u>	<u>80.0</u>	<u>High density single family attached and multi-family dwelling units.</u>
<u>Commercial Neighborhood/Community Facility/Residential 14</u>	<u>14.0</u>	<u>Commercial, community facilities or residential units, either individually or combined.</u>
<u>Office Professional/Residential 30/Business Park</u>	<u>30.0</u>	<u>Commercial, community facilities or residential units, either individually or combined.</u>
<u>Commercial Highway/Residential 30</u>	<u>30.0</u>	<u>Commercial and residential units, either individually or combined</u>
<u>Commercial Highway/Residential 50</u>	<u>50.0</u>	<u>Commercial and residential units, either individually or combined</u>
<u>Commercial Regional/Residential 80</u>	<u>80.0</u>	<u>Commercial and residential units, either individually or combined</u>
<u>Business Park/Residential 30</u>	<u>30/0</u>	<u>Commercial and residential units, either individually or combined</u>

Source: City of Mission Viejo General Plan, 2021.

*Density expressed in dwelling units per gross acre.

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-See~~ Section 3 – [Resources and Opportunities](#)~~Resources and Opportunities~~ beginning on page 25).

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)

RPD 50 Residential Planned Development 50

RPD 80 Residential Planned Development 50

A summary of the residential development standards for these zoning districts is provided in Table H-31. 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-31
Residential Development Standards**

Development Standard	Zoning District Designations				RPD 50	RPD 80
	RPD 3.5	RPD 6.5	RPD 14	RPD 30 RPD 30A		
Maximum Density (du/ac) ¹	3.5	6.5	14.0	30.0	<u>50</u>	<u>80</u>
Minimum Lot Area (sq. ft.)	5,000	5,000	5,000	5,000	<u>20,000</u>	<u>30,000</u>
Minimum Front Yard (ft.)	20	20	30	30	<u>40</u>	<u>50</u>
Minimum Side Yard (ft.)	5	5	10	15	<u>25</u>	<u>35</u>
Minimum Rear Yard (ft.)	10	10	30	30	<u>40</u>	<u>50</u>
Maximum Lot Coverage (%)	60	60	50	50	<u>50</u>	<u>50</u>
Maximum Building Height (ft.)	35 ²	35 ²	35 ²	35 ²	<u>50²</u>	<u>65²</u>

Source: City of Mission Viejo Development Code

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, RPD 50 and RPD 80 Districts, this provision building height 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 accessory dwelling 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~~80.0 units per gross acre in the RPD ~~30-80~~ District. In addition, State law allows a potential density bonus above the allowable density specified in the Code.

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-32.

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 accessory dwelling units (ADUs). Low-income housing can be accommodated in all residential districts. ADUs, which are an important tool in facilitating affordable housing, are permitted by-right in any residential zone with an existing single-family home.

**Table H-32
Permitted Residential Development by Zoning District**

Housing Type Permitted	RPD 3.5	RPD 6.5	RPD 14	RPD 30	RPD 30A	RPD 50	RPD 80	CC	CH	OP
Residential Uses										
Single-Family Detached	PD	PD	PD	PD	P	D	D			
Single-Family Attached	PD	PD	PD	PD	P	D	D			
Multi-Family Dwellings			PD	PD	P	D	D			
Condominium		PD	PD	PD	P	D	D			
Manufactured Housing	PD	PD	PD	PD	P	D	D			
Mobile Home Parks	PD	PD	PD	PD	PD	D	D			
Second Units	P	P	P	P						
Special Needs Housing										
Emergency Shelters ³				C	C	C	C			
Transitional Housing ³				C	C	C	C			
Residential Care Facilities (6 or fewer persons) ³	P	P	P	P	P	P	P			
Residential Care Facilities (7 or more persons) ³			C	C	C	C	C			
Congregate Care/Senior Housing			C ¹	C ¹		C ¹	C ¹	C ²	C ²	C ²
Single Room Occupancy										C

Housing Type Permitted	RPD 3.5	RPD 6.5	RPD 14	RPD 30	RPD 30A	RPD 50	RPD 80	CC	CH	OP
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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)

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 the 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-Chapter 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 conduct a hearing and 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 Agricultural Employee Housing** – As discussed in Section 2.5.5 (beginning on page 20), 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. Health and Safety Code §17021.5 requires that employee housing for six or fewer workers to be allowed as a single-family structure and permitted in the same manner as other dwellings of the same type in the same zone. Program 10 in the Housing Plan includes an amendment to City regulations in conformance with this law.
- **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 Development 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 2 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

In addition, recent changes to State law only allow cities to require sufficient parking to accommodate staff working in the emergency shelter, provided that the standards do not require more parking for emergency shelters than other residential or commercial uses within the same zone. Program 10 in Section 6 includes a commitment to process an amendment to the Development Code in compliance with this requirement.

In 2019 the State Legislature adopted AB 101 establishing requirements related to local regulation of low barrier navigation centers, which are defined as “Housing first, low-barrier, service-enriched shelters focused on moving people into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing.” *Low Barrier* means best practices to reduce barriers to entry, and may include, but is not limited to:

- The presence of partners if it is not a population-specific site, such as for survivors of domestic violence or sexual assault, women, or youth
- Accommodation of residents’ pets
- The storage of possessions
- Privacy, such as partitions around beds in a dormitory setting or in larger rooms containing more than two beds, or private rooms

Low barrier navigation centers meeting specified standards must be allowed by-right in areas zoned for mixed use and in nonresidential zones permitting multi-family uses. Program 10 in Section 6 includes a commitment to process an amendment to the Development Code in compliance with this requirement.

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.

In 2018 AB 2162 amended State law to require that supportive housing be a use by-right in zones where multi-family and mixed uses are permitted, including non-residential zones permitting multi-family uses, if the proposed housing development meets specified criteria. Program 10 in Section 6 includes a commitment to process an amendment to the Development Code in compliance with this requirement.

- **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. Parking requirements are summarized in Table H-33.

**Table H-33
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.⁵ 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.

5 Comparative data to support reduced parking need for low-income and senior housing is available from the Non-Profit Housing Association of Northern California. 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.

e. Accessory Dwelling Units

In response to State-mandated requirements and local needs, the City of Mission Viejo allows for the development of accessory dwelling units (ADUs) 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
- 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

ADUs serve to augment resources for senior housing, or other low- and moderate-income segments of the population. Six ADUs were approved by the City during 2014-2020. Based on this record, the City's ADU 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.

In recent years, the State Legislature has adopted extensive changes to ADU law in order to encourage housing production. Among the most significant changes is the requirement for cities to allow one ADU plus one "junior ADU" on single-family residential lots by-right subject to limited development standards. Program 8 in Section 6 includes a commitment to update the City's ADU regulations in conformance with current State law.

f. Density Bonus

Under *California Government Code* §§65915-65918, a density increase over the otherwise maximum allowable residential density under the Municipal Code is available to developers who agree to construct housing developments with units affordable to low- or moderate-income households or senior citizen housing development. 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. AB 2345 of 2019 amended State law to revise density bonus incentives that are available for affordable housing developments. Program 7 in Section 6 includes a commitment to amend the Development Code to include these changes to State density bonus law.

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.

j. Inclusionary Requirements

There are no citywide inclusionary requirements.

k. Short-Term Rental Requirements

There are no City requirements regarding short-term rentals.

l. Growth Controls

There are no City growth controls or voter initiatives.

2. Local Processing and Permit Procedures

State Planning and Zoning Law establishes permit processing requirements for residential developments. Within the framework of State requirements, the City has structured its development review process 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 legislative acts including 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 Development Code.
- 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 vacant 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.

[A local residential and collector streets require a 28- to 40-foot right-of-way, depending on whether on-street parking is required. These road standards are typical for cities in urban areas of Southern California and do not act as a constraint to housing development.](#)

Table H-34 provides a listing of fees the City of Mission Viejo charges for new residential development.

**Table H-34
Planning and Development Fees**

Fee Category	Fee or Deposit Amount*
Planning and Application Fees	
Pre-Application Review	None
Parcel Map	\$6,200
Tentative Tract Map	\$7,600
Vesting Tentative Tract Map	\$7,600
Planned Development Permit (Community Development Director Approval)	\$3,000
Planned Development Permit (Planning and Transportation Commission Approval)	\$5,500
Conditional Use Permit	\$3,500
Specific Plan	\$7,500 Deposit
General Plan Amendment	\$7,500 Deposit
Development Agreement	\$7,500 Deposit
Zone Change	\$7,500 Deposit
Environmental	
Initial Study/Negative Declaration (review & preparation)	\$1,500
Environmental Impact Report (review) ²	\$10,000 Deposit

Source: City of Mission Viejo Community Development Department, 2021

*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 June 2019.

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

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. Residential construction cost is estimated to be \$150-200 per square foot or more.

b. Land Costs

Land represents one of the most significant components of the cost of new housing, and land values fluctuate with market conditions, and the current downturn in the housing market has caused a moderation in land appreciation. Residential land cost in southern Orange County can exceed range from \$3.5 to \$6 million per acre, depending on allowable residential density.

The high price of land throughout Orange County poses a significant challenge to both market rate development and subsidized 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 Development Code allows up to 30-80 units per acre in the RPD 30 District, excluding density bonus, which helps to reduce per-unit land cost.

c. Cost and Availability of Financing

The crisis in the mortgage industry that accompanied the “Great Recession” affected the availability of real estate loans, particularly for those without high credit ratings. As a result of the decline in real estate values and foreclosure rates, changes in mortgage underwriting standards had a greater impact on low-income families than other segments of the community. This issue was national in scope, however, and cities have no ability to address the problem. As the economy has recovered, historically low interest rates have allowed some homebuyers to obtain very favorable mortgage terms, but many families who do not have superior credit ratings may be unable to qualify for a mortgage.

2. Environmental Constraints

Portions of Mission Viejo are exposed to a variety of environmental conditions 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 area, 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, 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, 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 (Cal Fire) 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.

4. Affirmatively Furthering Fair Housing

~~The Fair Housing Act of 1968 prohibits discrimination in housing-related activities and requires cities to affirmatively further fair housing. Under the Federal consolidated planning process, the Analysis of Impediments (AI) to Fair Housing Choice is the primary tool for addressing fair housing issues. In 2020 the City of Mission Viejo joined with other Orange County cities and the County of Orange to develop a county-wide AI. Based on extensive analysis of housing and community indicators, and the input of residents, a list of impediments to fair housing choice has been developed and a corresponding set of action steps to address fair housing barriers has been prepared. Program 16 in Section 6 describes actions the City will take to affirmatively further fair housing during the planning period.~~

Under State law, "affirmatively furthering fair housing" means "taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics."

There are three parts to this requirement:

1. Include a Program that Affirmatively Furthers Fair Housing and Promotes Housing Opportunities throughout the Community for Protected Classes (applies to housing elements beginning January 1, 2019).
2. Conduct an Assessment of Fair Housing that includes summary of fair housing issues, an analysis of available federal, state, and local data and local knowledge to identify, and an assessment of the contributing factors for the fair housing issues.
3. Prepare the Housing Element Land Inventory and Identification of Sites through the Lens of Affirmatively Furthering Fair Housing.

In compliance with AB 686, the City has completed the following outreach and analysis.

Outreach

As discussed in Appendix C, the City held a total of six public meetings during the Housing Element update in an effort to include all segments of the community. Each meeting was publicized on the City's website and meeting notices were also sent to persons and organizations with expertise in affordable housing and supportive services. Interested parties had the opportunity to interact with City staff throughout the Housing Element update process and provide direct feedback regarding fair housing issues.

The City also created a dedicated web page for the Housing Element update (<https://cityofmissionviejo.org/departments/community-development/planning/housing>) and provided opportunities for interested persons to participate in public meetings remotely, which made it possible for those with disabilities limiting their travel to participate and comment on the Housing Element regardless of their ability to attend the meetings.

Assessment of Fair Housing

The following analysis examines geographic data regarding racial segregation, poverty, persons with disabilities, and areas of opportunity as identified by the TCAC/HCD Opportunity Areas map.

Racial segregation. As seen in Exhibit xx, the percentage of non-white population in Mission Viejo is similar to adjacent areas of Orange County. This map does not indicate any patterns of racial/ethnic concentration in the city.

Poverty. Recent Census estimates regarding poverty status of households in Mission Viejo are shown in Exhibit xx. As seen in this map, there are no concentrations of poverty, and the poverty rate is less than 10% for all census tracts in the city.

Persons with disabilities. The incidence of disabilities is relatively low in Mission Viejo compared to some areas of Southern California. As shown in Exhibit xx, the percentage of residents reporting a disability is less than 10% in the majority of the city, while the disability rate is 10% to 20% in the southern portion of the city. Areas with higher rates of disabilities are likely correlated with higher than average percentages of seniors.

Access to opportunity. According to the 2020 California Department of Housing and Community Development (HCD) and the California Tax Credit Allocation Committee (TCAC) Opportunity Area Map (Exhibit xx), Mission Viejo is within the Moderate, High, and Highest Resource areas. High Resource areas are areas with high index scores for a variety of educational, environmental, and economic indicators. Some of the indicators identified by TCAC include high levels of employment and close proximity to jobs, access to effective educational opportunities for children and adults, low concentration of poverty, and low levels of environmental pollutants, among others.

Contributing factors to fair housing issues. Under the Federal consolidated planning process, the Analysis of Impediments (AI) to Fair Housing Choice is the primary tool for addressing fair housing issues. In 2020 the City of Mission Viejo joined with other Orange County cities and the County of Orange to develop a county-wide AI. Based on extensive analysis of housing and community indicators, and the input of residents, a list of impediments to fair housing choice was developed and a corresponding set of action steps to address fair housing barriers was prepared.

The AI includes a discussion and analysis of the following contributing factors to fair housing issues:

1. Access to financial services
2. Access for persons with disabilities to proficient schools

3. Access to publicly supported housing for persons with disabilities
4. Access to transportation for persons with disabilities
5. Admissions and occupancy policies and procedures, including preferences in publicly supported housing
6. Availability of affordable units in a range of sizes
7. Availability, type, frequency, and reliability of public transportation
8. Community opposition
9. Deteriorated and abandoned properties
10. Displacement of and/or lack of housing support for victims of domestic violence, dating violence, sexual assault, and stalking
11. Displacement of residents due to economic pressures
12. Impediments to mobility
13. Inaccessible public or private infrastructure
14. Inaccessible government facilities or services
15. Lack of access to opportunity due to high housing costs
16. Lack of affordable, accessible housing in a range of unit sizes
17. Lack of affordable in-home or community-based supportive services
18. Lack of affordable, integrated housing for individuals who need supportive services
19. Lack of assistance for housing accessibility modifications
20. Lack of assistance for transitioning from institutional settings to integrated housing
21. Lack of community revitalization strategies
22. Lack of local private fair housing outreach and enforcement
23. Lack of local public fair housing enforcement
24. Lack of local or regional cooperation
25. Lack of meaningful language access for individuals with limited English proficiency
26. Lack of private investment in specific neighborhoods
27. Lack of public investment in specific neighborhoods, including services or amenities
28. Lack of resources for fair housing agencies and organizations
29. Lack of state or local fair housing laws
30. Land use and zoning laws
31. Lending discrimination
32. Location of accessible housing

33. Location of employers
34. Location of environmental health hazards
35. Location of proficient schools and school assignment policies
36. Location and type of affordable housing
37. Loss of affordable housing
38. Occupancy codes and restrictions
39. Private discrimination
40. Quality of affordable housing information programs
41. Regulatory barriers to providing housing and supportive services for persons with disabilities
42. Siting selection policies, practices, and decisions for publicly supported housing, including discretionary aspects of Qualified Allocation Plans and other programs
43. Source of income discrimination
44. State or local laws, policies, or practices that discourage individuals with disabilities from living in apartments, family homes, supportive housing and other integrated settings
45. Unresolved violations of fair housing or civil rights law.

Specific actions identified in the AI for the City of Mission Viejo to address these issues and affirmatively further fair housing during the planning period are described in Program 16 of the Housing Plan (Section 6).

Exhibit xx – Racial Demographics – Mission Viejo

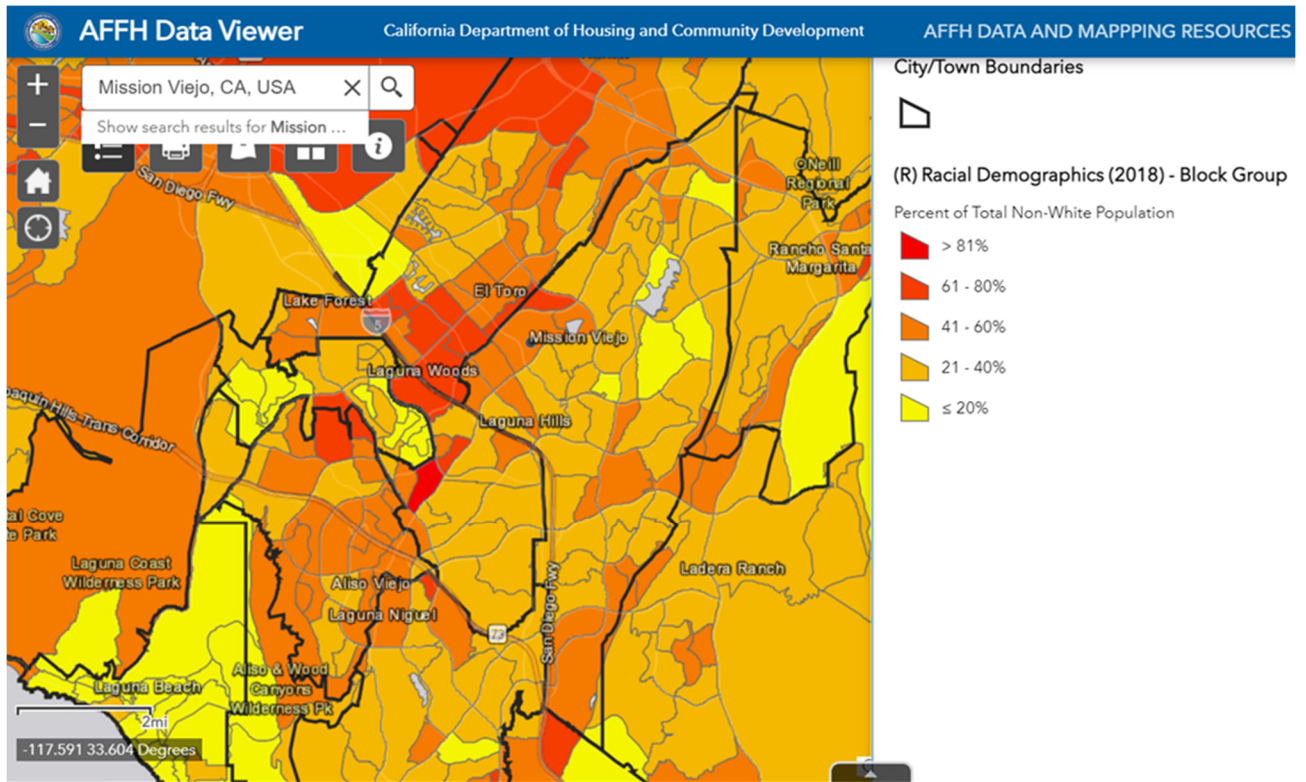


Exhibit xx – Poverty Status – Mission Viejo

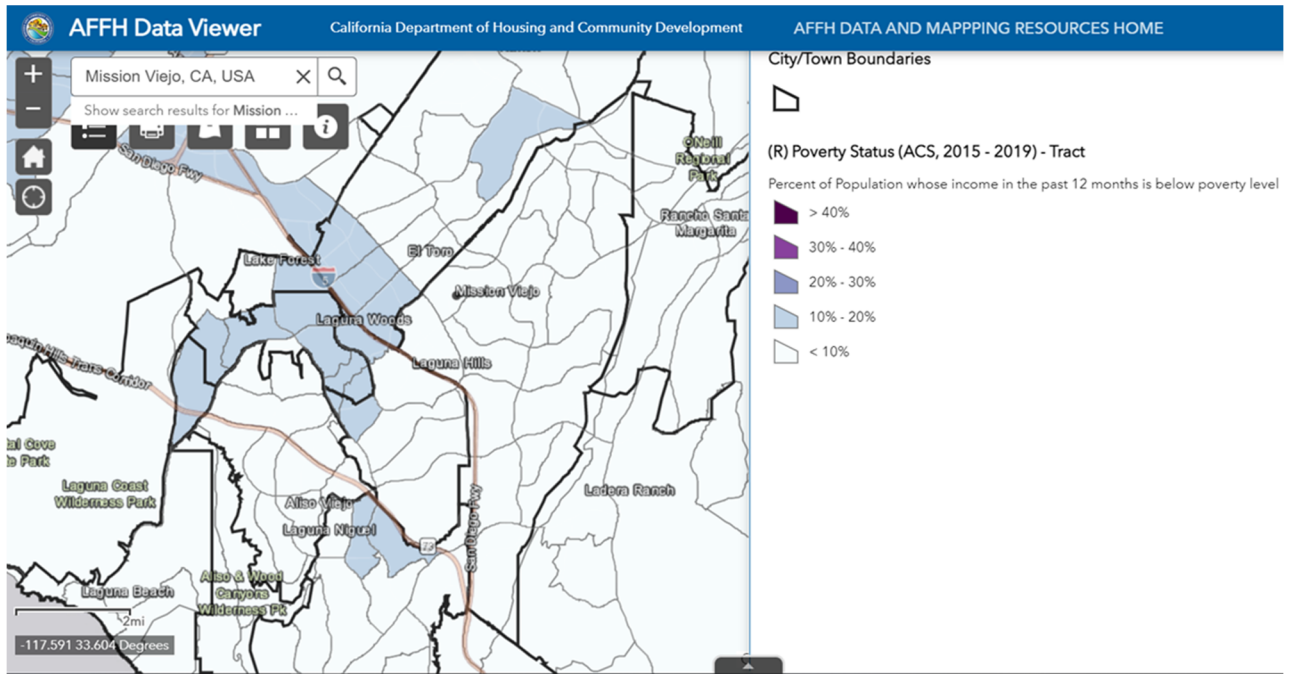


Exhibit xx – Population with a Disability – Mission Viejo

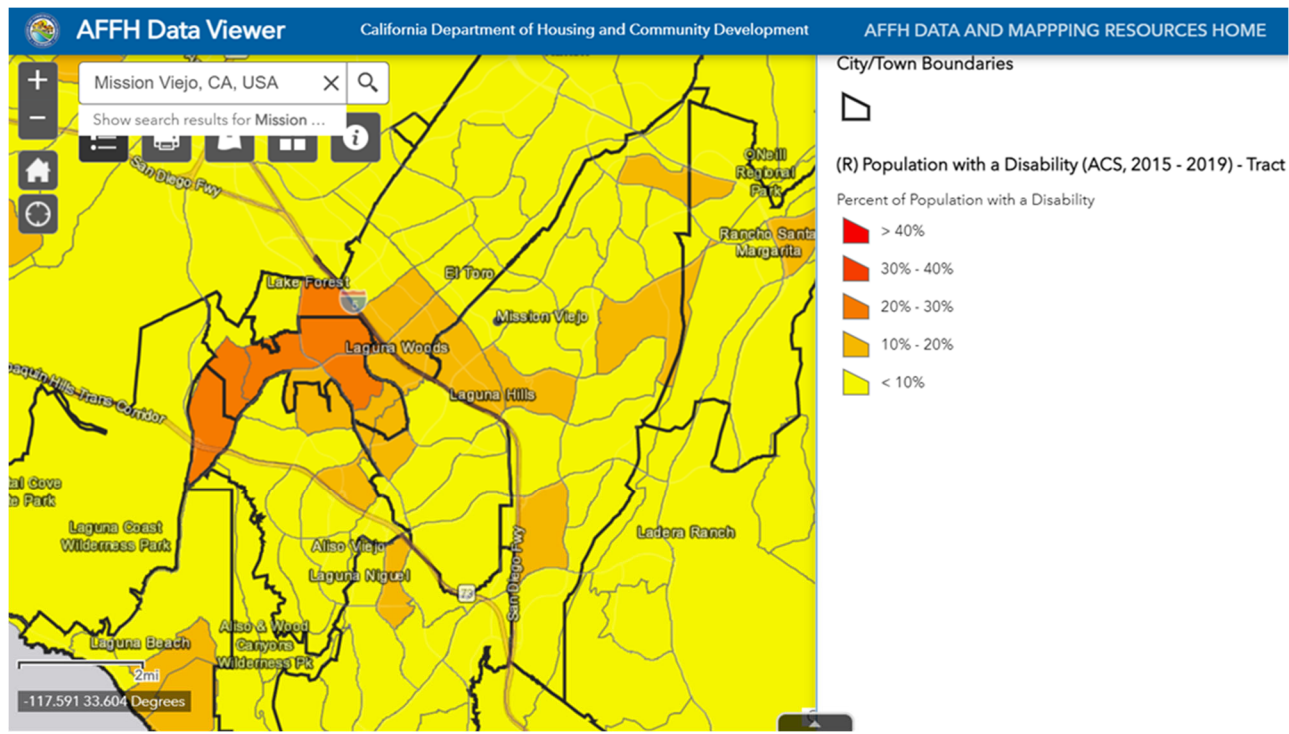
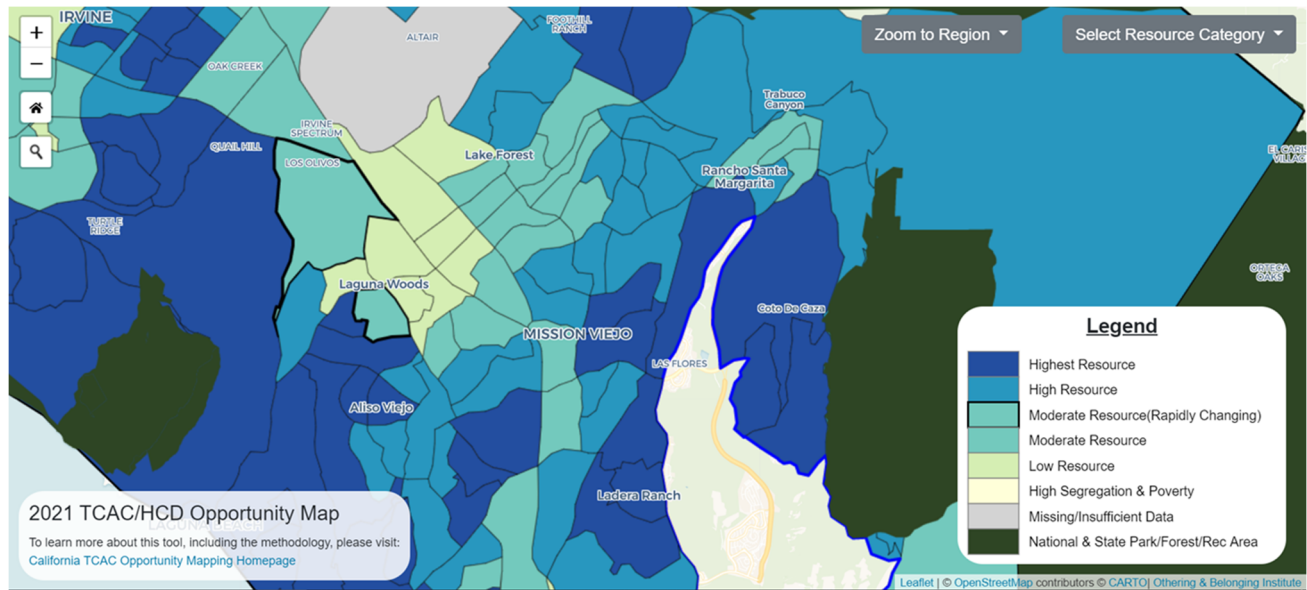


Exhibit xx – HCD/TCAC Opportunity Map – Mission Viejo



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5. Housing Element Goals and Policies

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

The City will 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), 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

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 to 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

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 the elderly or persons with disabilities 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 and those at risk of becoming homeless.
- 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 housing for low- and moderate-income households.
- 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

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

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. Affirmatively furthering fair housing 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 affirmatively further 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

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. Whenever affordable housing projects are at-risk of converting, 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-35 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-35
Housing Policies and Related Programs**

Policy	Program
GOAL 1: Expand Upon the Present Range of Housing Types to Meet Future Needs of Residents	
<p>Policy 1.1: Continue to provide a variety of dwelling unit types for all segments of the population.</p> <p>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.</p> <p>Policy 1.3: Encourage the development of child-care facilities in conjunction with the development of housing.</p> <p>Policy 1.4: Continue to provide incentives to assist the development of affordable housing, including expeditious permit processing and fee waivers.</p> <p>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- and off-site improvements, and reductions in minimum parking requirements.</p>	<ul style="list-style-type: none"> • Land Use Element/Development Code (#5) • Affordable Housing Outreach (#9) • Density Bonus (#7) • Mortgage Revenue Bond Financing (#11) • Non-Profit Housing Development (#12) • Pre-application Review Program (#18) • Efficient Processing (#14) • Development Fees (#15) • Density Bonus (#7) • Affordable Housing Outreach (#9) • Mortgage Revenue Bonding Financing (#11) • Development Fees (#15)
GOAL 2: Promote the Continued Maintenance and Enhancement of Residential Areas	
<p>Policy 2.1: Utilize the code enforcement division to ensure continued success in maintaining the integrity of neighborhood areas.</p> <p>Policy 2.2: Provide for the continuing maintenance of public open space and landscaped areas adjacent to residential neighborhoods.</p> <p>Policy 2.3: Provide rehabilitation loans and grants program to preserve and conserve the City's housing stock.</p> <p>Policy 2.4: 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> <p>Policy 2.5: Monitor the level of existing affordable housing stock in the City.</p>	<ul style="list-style-type: none"> • Code Enforcement (#3) • Median and Slopes Program (operating budget) • CDBG Rehabilitation Loans and Grants (#1) • Implemented through the Zoning and Building Codes • Cooperative effort between the City and Saddleback Valley Board of Realtors to monitor housing affordability.

Policy	Program
GOAL 3: Provide Support Services in Meeting the Needs of the City's Low- and Moderate-Income Residents	
<p>Policy 3.1: Encourage senior citizen independence through the promotion of housing services related to in-home care, meal programs, and counseling.</p> <p>Policy 3.2: Encourage development of new housing units designated for the elderly or persons with disabilities to be in close proximity to public transportation and community services.</p> <p>Policy 3.3: Work with area social service providers in addressing the needs of the homeless population and those at risk of becoming homeless.</p> <p>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.</p> <p>Policy 3.5: Work with housing developers, builders, and non-profit organizations to develop housing for low and moderate income households.</p> <p>Policy 3.6: Support Mortgage Revenue Bond Programs aimed at providing housing opportunities for low and moderate income households.</p> <p>Policy 3.7: 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"> • Senior Community Service Program • Implemented through the General Plan and zoning (#5) • Emergency Shelters and Transitional Housing (#10) • CDBG Public Service Programs (#17) • CDBG Public Service Programs (#17) • Non-Profit Housing Development (#12) • Mortgage Revenue Bond Financing (#11) • Emergency Operation Plan (shelter provided by American Red Cross).
GOAL 4: Provide for Housing which is Sensitive to Environmental and Social Needs	
<p>Policy 4.1: Balance future increases in population growth with existing and projected community resources.</p> <p>Policy 4.2: Evaluate residential proposals within hillside areas in terms of potential impacts to landform and viewsheds.</p> <p>Policy 4.3: Evaluate residential development proposals in terms of energy conservation measures provided.</p> <p>Policy 4.4: Ensure compatibility of new residential development with existing development to enhance the City's residential neighborhoods.</p>	<ul style="list-style-type: none"> • Implemented through the Land Use Element, Development Code and CEQA review process • Implemented through the Land Use Element, Development Code and CEQA review process • Implemented through the Land Use Element, Development Code and CEQA review process • Implemented through the Land Use Element, Development Code and CEQA review process
GOAL 5: Promote Equal Housing Opportunity	
<p>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.</p> <p>Policy 5.2: Continue active support and participation with the Fair Housing Foundation to affirmatively further fair housing opportunities.</p> <p>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.</p>	<ul style="list-style-type: none"> • Equal Housing Opportunity Services (#16) • Equal Housing Opportunity Services (#16) • Equal Housing Opportunity Services (#16)

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 and retail/housing](#) balances 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-36: Housing Policy by Element depicts General Plan policies in other elements that support the goals of the Housing Element.

**Table H-36
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	–	–	–	–	–	–	–

6. Housing Plan

This section of the Housing Element describes the actions and programs the City will use to implement [and to achieve](#) 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 2021-2029 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 as well as revisions to existing programs to address new circumstances and the City's current housing needs. This section provides a description of each housing program and future program goals. The Quantified Objectives (Table H-37) and Housing Program Summary (Table H-38) 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 over 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.

This 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 90 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 ([up to \\$5,000](#)) 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. 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.

The City's 2020-2024 Consolidated Plan reported that OCHA provides approximately 282 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. Since the City is [nearing all but](#) buildout, it is anticipated that potential redevelopment of the underutilized properties shown in Appendix B will provide sufficient opportunities to accommodate the City's assigned share of regional housing needs, which has been identified as 2,217 new dwelling units during the 2021-2029 RHNA period. The sites listed in Table B-2 will be rezoned concurrent with Housing Element adoption and will allow for a variety of housing types to address all economic segments of the community. Allowed densities range up to 50 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 [of affordable housing](#) 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. In recent years State density bonus law has been amended to create greater incentives for affordable housing, and the City is currently in the process of amending the Development Code to incorporate the latest amendments. The City will continue to encourage affordable housing developers to take advantage of this option.

8. Accessory Dwelling Units

Accessory dwelling units ("ADUs") are an important option for creating additional affordable housing opportunities. An ADU is a separate and complete living unit on the same parcel as existing single- or multi-family units. Because ADUs can be created more economically than conventional 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. ADUs can also help homeowners

generate additional income from extra living space by allowing them to convert that space into another unit.

In recent years State law has been amended to create stronger incentives for ADU development, and the City is currently in the process of amending the Development Code in conformance with current State law. The City will continue to promote ADUs 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 ADUs and the process for obtaining approval, and will consider additional actions such as exploring and pursuing funding options, and tracking the production and affordability of ADUs.

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 and DevelopmentProgram

To successfully facilitate affordable housing development for lower-income persons and households, including those with extremely-low-incomes and special needs, various incentives and strategies are identified and specifically targeted to the sites in the Land Inventory Summary (Appendix B) that are suitable for lower-income and special needs housing. 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~~ special needs groups, including extremely-low-income persons where feasible. The City ~~has~~ prepared and circulated a marketing package for the City-owned Site C (from the previous Housing Element sites inventory), and will do the same for Site 3. ~~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 has hosted and co-sponsored meetings to bring different groups and decision makers together ~~and to~~ 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 and persons with special needs.

- *Funding Program.* Due to the State’s 2012 dissolution of redevelopment agencies, a significant source of funding for affordable and special needs housing was eliminated. 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, that are proposed on suitable parcels to encourage such development in this planning period. 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 and special needs 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 and special needs housing. The City will work with interested developers to determine the need and remove or modify standards to facilitate the development of affordable and special needs housing.
- *Land Value Negotiation.* As described in Appendix B, Land Inventory Summary, the City owns Site €3 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 Site €3.
- 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 objectives (Table H-37). 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.
- Lot assembly or subdivision assistance. When an affordable or special needs housing development project requires lot assembly or subdivision the City will assist the applicant through expedited concurrent processing of all required permits and approvals.
- Housing replacement. If a residential development would result in a loss of existing housing units, replacement of lost units shall be required pursuant to Government Code Sec. 65915(c)(3).

- Sites used in a prior planning period. For any non-vacant site listed in Appendix B that was used to satisfy RHNA requirements in a prior planning period, or any vacant site used in two consecutive prior planning periods, residential use shall be allowed by-right if at least 20 percent of the units are affordable to lower-income households pursuant to Government Code Sec. 65583.2(c).
- Sites inventory. Upon adoption of the Housing Element the City will transmit an electronic copy of the sites inventory to HCD and post the inventory on the City's website.

The City remains committed to working with qualified developers and non-profit corporations to ensure high quality affordable housing for the community.

10. Special Needs Emergency Shelters, Transitional and Supportive Housing

Housing for persons with special needs includes shelters for the homeless, transitional and supportive housing, care facilities and agricultural employee 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 SB 2. Sites in 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.

AB 101 (2019) added a requirement that *low barrier navigation centers* meeting specified standards be allowed by-right in areas zoned for mixed use and in non-residential zones permitting multi-family uses pursuant to *California Government Code §65660, et seq.*

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~~ nine 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. In 2018 AB 2162 amended State law to require that supportive housing be a use by-right in zones where multi-family and mixed uses are permitted, including non-residential zones permitting multi-family uses, if the proposed housing development meets specified criteria.

The Employee Housing Act (Health & Safety Code §17021.5) requires that housing occupied by up to six agricultural employees be allowed as a single-family use.

The City is currently processing an amendment to the Development Code in conformance with State laws regarding low barrier navigation centers, transitional and supportive housing, and employee housing-AB 101 and AB 2162.

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 funds 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. The City will continue to facilitate the use of these bond programs.

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 may not have sufficient income to cover the rising costs in home utilities, insurance, taxes, and regular maintenance.

An option 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 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, including both benefits and potential drawbacks.

Removing Governmental Constraints

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

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

14. Efficient Permit 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 or rent. In order to streamline review times for affordable housing projects, the City will prioritize affordable housing applications in the following sequence:

- First priority, 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 priority, applications that meet all other City requirements and ~~are requesting that request~~ a density bonus in exchange for a minimum of 20% affordable housing units.
- Third priority, all other applications ranked in terms of the percentage of very-low- and low-income housing units to be included in the proposed development.

Recent changes to State law (SB 35 of 2017) require streamlined ministerial review of residential development applications in some circumstances. The City will establish specific procedures in compliance with current State law.

In compliance with State transparency requirements, the City will post all zoning regulations, development standards and fees on the City's website.

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 consider fee waivers, reductions, or subsidies on a case-by-case basis. In addition, the City will encourage local 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.

16. Affirmatively Further Fair Housing

To make adequate provision for the housing needs of all economic segments of the community, the housing program must include actions that affirmatively further fair housing opportunities for all persons regardless of race, religion, sex, family size, marital status, ancestry, national origin, color, age or physical disability.

The Fair Housing Act of 1968 prohibits discrimination in housing-related activities and requires cities to affirmatively further fair housing. Under the Federal consolidated planning process, the Analysis of Impediments (AI) to Fair Housing Choice is the primary tool for addressing fair housing issues. In 2020 the City of Mission Viejo joined with other Orange County cities and the County of Orange to develop a county-wide AI. Based on extensive analysis of housing and community indicators, and the input of residents, a list of impediments to fair housing choice has been developed and a corresponding set of action steps to address fair housing barriers has been prepared. The following specific actions have been identified in the AI for the City of Mission Viejo to affirmatively further fair housing during the planning period.

1. In collaboration with the Orange County Housing Authority (OCHA):
 - a. Attend quarterly OCHA Housing Advisory Committee meetings to enhance the exchange of information regarding the availability, procedures, and policies related to the Housing Assistance Voucher program and regional housing issues.
 - b. Support OCHA's affirmative fair marketing plan and de-concentration policies by providing five-year and annual PHA plan certifications.
 - c. In coordination with OCHA and fair housing services provider, conduct landlord education campaign to educate property owners about State law prohibiting discrimination based on household income.
2. Through the City's fair housing contractor:
 - a. Provide fair housing education and information to apartment managers and homeowner associations on why denial of reasonable modifications/accommodations is unlawful.
 - b. Conduct multi-faceted fair housing outreach to tenants, landlords, property owners, realtors, and property management companies. Methods of outreach may include workshops,

- informational booths, presentations to community groups, and distribution of multi-lingual fair housing literature.
- c. Provide general fair housing counseling and referrals services to address tenant-landlord issues, and investigate allegations of fair housing discrimination and take appropriate actions to conciliate cases or refer to appropriate authorities.
 - d. Periodically monitor local newspapers and online media outlets to identify potentially discriminatory housing advertisements.
 - e. Include testing/audits within the scope of work with fair housing provider.
3. In cooperation with the Orange County Transportation Authority:
 - a. Provide community education regarding transport services for persons with disabilities.
 - b. Explore bus route options to ensure neighborhoods with concentration of low-income or protected class populations have access to transportation services.
 4. Monitor FBI data to determine if any hate crimes are housing related and if there are actions that may be taken by the City's fair housing service provider to address potential discrimination linked to the bias motivations of hate crimes.
 5. Support local eviction prevention strategies to reduce the number of homeless individuals and families (homelessness prevention services).
 6. Seek funding through State programs (SB2/PLHA) to expand affordable housing and or homelessness prevention services.
 7. Prepare a new Housing Element that is compliant with all current State laws and is certified by the California Department of Housing and Community Development.
 8. Update zoning ordinance to comply with current State law.

Providing Housing-Related Public Services

~~To assist low- and moderate-income residents, the housing program should include complementary programs that support 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 persons with disabilities, 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 childcare 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.

To assist low- and moderate-income residents, the housing program should include complementary programs that support 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 persons with disabilities, and childcare services.

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.

In 2008, the City Council adopted a fee waiver for the installation of solar and other energy-saving equipment now available to new homeowners and senior residents in the City. Details regarding this program are also found on the City’s website⁶. 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 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.

Quantified Objectives and Program Summary

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

**Table H-37
Quantified Objectives (2021-2029) –
City of Mission Viejo**

	Income Category					Totals
	Ex. Low	Very Low	Low	Moderate	Upper	
New construction*	337	337	401	397	745	2,217
Rehabilitation	20	25	45			90
Conservation**		108	185			6

*Quantified objective for new construction is for the RHNA projection period 6/30/2021 – 10/15/2029

**Deed-restricted affordable units

6 <https://cityofmissionviejo.org/sites/default/files/EEFW%20program%20handout%20rev%208-2019.docx>

**Table H-38
Housing Program Summary**

Program	Responsible Agency	Funding Source	Program Objectives	Schedule
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 90 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 to accommodate the RHNA allocation.	Zoning amendments concurrent with Housing Element adoption
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, to maximize the capacity of housing sites and facilitate construction of affordable units.	Throughout the planning period
8. Accessory Dwelling Units	Community Development Department	Department budget	To expand the affordable housing stock by encouraging the provision of accessory dwelling units in compliance with State law.	Monitor ADU production and rent rates, annually 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. -Annual outreach to developers -Provide assistance as requested -Post sites inventory upon Housing Element adoption and throughout the planning period

Program	Responsible Agency	Funding Source	Program Objectives	Schedule
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 State law. Update regulations to reflect recent changes to State law.	Throughout the planning period Code amendment by October 2022
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 and Transparent Processing	Community Development Department	Department budget	To provide concurrent processing for residential projects to shorten review time and minimize related holding costs.	Establish written SB 35 implementation procedures and post all zoning regulations, development standards and fees on the City's website by October 2022; 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. Affirmatively Furthering Fair Housing	Community Development Department; OCHA	HUD-CDBG	Work cooperatively with other agencies to ensure equal housing opportunity by providing tenant/landlord counseling, housing discrimination response, and related housing services.	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 to encourage 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

Appendix A

Evaluation of the Prior Housing Element

Section 65588(a) of the *California 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. The goals and policies from the 2013 Housing Element have been reviewed and determined to continue to be appropriate. Table A-1 contains a review the housing programs of the previous Housing Element, and evaluates the City’s progress in implementing those programs during the previous planning period, years 2013 through 2021. Table A-2 presents the City’s progress in meeting the quantified objectives from the previous Housing Element. The findings from this evaluation have been instrumental in refining the City’s 2021-2029 Housing Implementation Programs.

**Table A-1
Housing Element Program Evaluation
City of Mission Viejo
2013 – 2021**

Program	Responsible Agency	Funding Source	Program Objectives	Progress
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.	Approximately 80 rehab applications were approved during 2014-2020
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.
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.
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.	Approximately 280 vouchers were provided.
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.	On 8/25/2020 GPA-2020-33 and Zone Change ZC2020-23 were approved by the City Council to rezone a 6.36-acre site from R (Recreation) to RPD30 (Residential Planned Development) to accommodate a 91 attached dwelling unit project.
6. Inventory of Surplus Public Land	Community Development Department	Department Budget	To maintain an inventory of all land owned by public entities declared surplus.	No additional surplus properties have been identified.
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.	On October 14, 2019, the Planning and Transportation Commission approved a 60-unit townhome project on Site A, with density bonus concession for building height, with the project providing 15% of the total units as affordable to low- and very-low-income households.
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.	In 2020, building permits were issued for three ADUs, two of which were also issued certificates of occupancy in 2020.

Program	Responsible Agency	Funding Source	Program Objectives	Progress
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.	The City has continued to market its affordable housing sites, including the 8.5-acre City-owned Affordable Housing Site C, with an inclusionary housing requirement for a minimum 20% of the total units as affordable to lower-income households.
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.	The City continued to implement regulations regarding emergency shelters and transitional/supportive housing in conformance with SB 2.
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 used to finance three affordable housing projects in Mission Viejo.
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 continued to solicit development of the 8.5-acre City-owned Affordable Housing Site C, with an inclusionary housing requirement for a minimum 20% of the total units as affordable to lower-income households.
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 continued to coordinate special workshops on reverse mortgages to inform and educate seniors, and offered a twice yearly financial series on various financial topics including reverse mortgages.
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 continued to process projects concurrently and efficiently. It is the City's practice to process planning applications concurrently. Building plan check for new large-scale projects is 10 working days.
15. Development Fees	Community Development Department	General Fund	To provide reduced development fees for affordable and senior citizen housing.	With the dissolution of the CDA, funding for fee subsidies has been very limited. The City Council approved the Water Conservation fee waiver program in 2014. The energy efficiency fee

Program	Responsible Agency	Funding Source	Program Objectives	Progress
				waver program is also active, available to new homeowners and seniors.
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.	In FY 2014-2015, 85 households from Mission Viejo were assisted with fair housing issues and concerns. In FY 2015-2016, 102 households were assisted. In FY 2016-2017, 71 households were assisted. In FY 2017-18, 57 households were assisted. In FY 2018-19, 63 households were assisted. In FY 2019-20, 48 households were assisted.
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 funded organizations providing services for low income families, seniors, homeless and homelessness prevention, and persons with Alzheimers, dementia and other developmental disabilities.
18. Pre-application Review Program	Community Development Department	Department budget	Encourage developers to include amenities such as childcare, computer workstations in affordable developments.	The Adiago-on-the-Green apartments, completed in 2015, includes two pools, gym, creek-adjacent greenbelt and pathway, meeting rooms, and entertainment rooms. The Shea Homes Haven and Neo projects currently under construction share a pool, tot-lot, and multiple shaded bbq and seating areas. The 91-unit Trumark Homes project approved in 2020 includes a pool, tot-lot, and multiple shaded bbq and seating areas.
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, since 2006, has offered "Energy Efficiency" fee waivers for qualifying green building projects and solar installations, currently available to seniors and new homeowners. In 2014, the Council approved a "Water Conservation" fee waiver program to encourage the installation of water conservation improvements. In 2020 the

Program	Responsible Agency	Funding Source	Program Objectives	Progress
				City purchased an electric vehicle and installed two vehicle charging stations at City Hall.

**Table A-2
Progress in Achieving Quantified Objectives – 2013-2020
City of Mission Viejo**

Program Category	Quantified Objectives	Progress
New Construction*		
Extremely-low	21	
Very-low	21	13
Low	29	31
Moderate	33	17
Above-moderate	73	848
Total	177	909
Rehabilitation		
Extremely-Low	45	
Very-Low	45	66
Low	38	
Moderate		
Above-Moderate		
Total	128	<u>66</u>
Preservation/Conservation		
Extremely-Low	140**	Approx. 280
Very-Low	140**	
Total	280**	Approx. 280

*The RHNA projection period for new construction was 2014 - 2021.

**Section 8 vouchers

Appendix B Residential Land Inventory

This appendix provides the detailed assumptions and methodology for the residential land inventory. As shown in Table B-1 the inventory of potential housing sites exceeds the City’s RHNA allocation for the 2021-2029 projection period in all income categories.

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

	Income Category			
	Very Low	Low	Moderate	Above Moderate
Vacant sites	299	178	177	330
Underutilized sites	406	245	242	450
Potential ADUs	<u>98</u>	<u>1312</u>	<u>119</u>	1
Total	713	435	428	781
RHNA (2021-2029)	674	401	397	745
Adequate sites?	Yes	Yes	Yes	Yes

Source: City of Mission Viejo Community Development Dept., 2021

Vacant and Underutilized Sites

Mission Viejo is ~~almost completely~~ [all but](#) built-out, and very few vacant sites remain for housing development. To encourage additional construction of affordable multi-family rental housing, in 2007 the City rezoned three vacant sites for affordable housing development by-right with an allowable density of 30 units/acre. Of those, only Site C still remains undeveloped. [\(The 8.5-acre Site C is incorporated into the larger Site 3 for the 2021-2029 Planning Period.\)](#)

For the 2021-2029 planning period most of the City’s potential for additional housing is on underutilized properties that are currently developed with residential or commercial uses. During preparation of the 2021 Housing Element update the City conducted a thorough review of potential sites that have realistic potential to be developed with additional housing. The sites listed in Table B-2 were selected based on factors such as existing uses, market conditions and property owner interest in redevelopment. The list of sites was vetted in a series of public meetings held by the Planning and Transportation Commission and the City Council.

The estimated capacity of sites was based on whether the property is proposed to be zoned exclusively for residential use or with a housing overlay zone. Sites proposed for residential zoning assume full yield based on allowable density (either 30 ~~or~~ 50 or units/acre) while sites proposed for a housing overlay zone assume 50% of residential capacity. Detailed information for each site is shown in Table B-2 and site locations are shown in Exhibit B-1. [Detailed analysis of these sites is provided below.](#) Zoning amendments consistent with Table B-2 will be processed concurrent with Housing Element adoption.

Accessory Dwelling Units

[The City is conservatively estimating that 35 accessory dwelling units \(ADUs\) will be constructed during the planning period in conjunction with the Regional Housing Need Allocation \(RHNA.\) This](#)

is based upon the history of demand demonstrated in the City. Program actions are identified as necessary and to be reviewed, enhanced, and adopted to encourage the development of the accessory dwelling units. The ADUs will be permitted in all residential zoning districts, consistent with and as required by state law. Originally developed in the 1960s and 1970s as a Master Planned Community with lower density residential development, Mission Viejo has a majority of large residential parcels which easily lend themselves to the construction of ADUs. Currently the City has about seven to eight ADUs, but like the other cities in Orange and Los Angeles counties, is seeing a ~~huge~~ significant up-tick in interest in the construction of ADUs. The City has several ADUs in process and numerous in the early planning stage. Based on the City's analysis of planning inquiries and building permit activity, 35 ADUs should ~~be more than~~ easily be ~~built~~ achieved in the City over the 6th Housing Element cycle. The City will work to encourage ADU development by City outreach, ~~and~~ will work collaboratively with homeowners and building contractors to facilitate and achieve easy development, ~~will encourage ADUs be made available to lower and moderate-income households, and will track ADU production and associated rent rates.~~

Based on recent trends, it is anticipated that approximately 3 to 4 ADUs per year will be built during the 2021-2029 period, which would result in approximately 30 additional units during the planning period. Based on research compiled by SCAG⁷, ADUs are expected to be distributed among the following income categories in the following percentages:

- 15% extremely-low-income
- 10% very-low-income
- 43% low-income
- 30% moderate-income
- 2% above-moderate-income

Affirmatively Furthering Fair Housing

Fair housing law requires cities to “Promote and affirmatively further fair housing opportunities and promote housing throughout the community or communities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability, and other characteristics protected by the California Fair Employment and Housing Act ... and any other state and federal fair housing and planning law.”

As seen in Table B-2 and Exhibit B-1, sites with potential for future housing development, including lower-income housing, are not limited to areas with concentrations of minorities or economically disadvantaged households but rather are dispersed throughout the community and will provide access to opportunity for households of all types and income levels, thereby supporting the City's fair housing goals.

⁷ SCAG, Regional Accessory Dwelling Unit Affordability Analysis, 2020 (https://scag.ca.gov/sites/main/files/file-attachments/adu_affordability_analysis_120120v2.pdf?1606868527)

**Table B-2
Housing Sites Inventory**

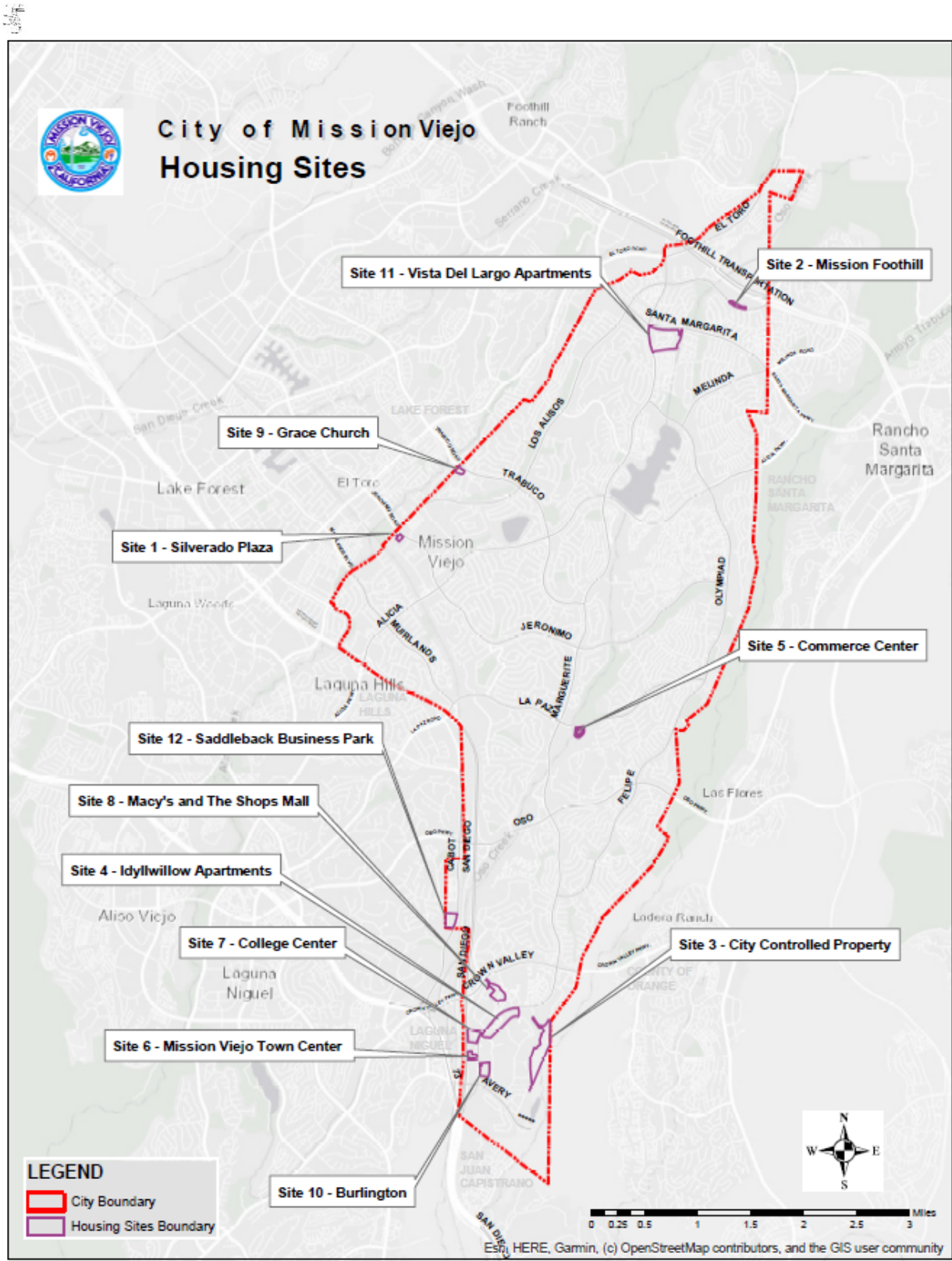
APN	Address	Parcel Size (Acres)	Zoning	Allowed Density	Existing Use	Potential Units					Notes/Zoning
						VL	Low	Mod	Above	Total	
Site 1. Silverado Plaza											
809-311-16	25542 Jeronimo Rd.	1.50	RPD 50GN	50	Commercial	24	12	4 13	26 25	75	Assumes full capacity based on residential zoning Rezone
Site 2. Mission Foothill Center											
839-161-28 12	28715 & 28815 Los Alisos Blvd. Piccolinos	2.73 1.95	CH/RPD30	30	Commercial						Overlay
839-161-13	28719 Los Alisos Blvd.	0.50	CH/RPD30	30	Commercial						Overlay Assumes 50% capacity for overlay
839-161-14	28813 Los Alisos Blvd.	0.43	CH/RPD30	30	Commercial						Overlay Assumes 50% capacity for overlay
839-161-17	28813 Los Alisos Blvd.	0.74	CH/RPD30	30	Vacant						Assumes 100% capacity for the vacant 0.74-acre parcel—22 units Rezone
Subtotal		4.404		30		23	14	14	26	77	Assumes 50% of capacity for overlay zone and full capacity for the vacant 0.74-acre parcel
Site 3. City Owned Site 3 (vacant)											
740-112-02 74011203	Center Drive	1.0	RPD30	30	Vacant						Used in a prior planning period (-)
740-112-03 74011239	Center Drive	0.20	RPD30	30	Vacant						

APN	Address	Parcel Size (Acres)	Zoning	Allowed Density	Existing Use	Potential Units					Notes/Zoning
						VL	Low	Mod	Above	Total	
740-113-01 xx	Center Drive	<u>0.37</u>	RPD30	<u>30</u>	Vacant						
740-012-36 74011202	Center Drive	<u>0.50</u>	RPD30	<u>30</u>	Vacant						
740-012-39 74001240	Center Drive	<u>6.35</u>	R/ RPD30A	<u>30</u>	Vacant						
740-012-40 74001236	Center Drive	<u>24.38</u>	R/ RPD30A	<u>30</u>	Vacant						
Subtotal		32.80		30		61299	36178	36477	67330	200984	Developer interest – assumes full capacity based on residential zoning/Rezone
Site 4. Idyllwillow Apartments											
740-012-29	28008 Marguerite Pkwy	23.70	RPD30	<u>30-</u>	Apartments	95	56	56	104	311	Current density: 16.9 du/ac. Net yield minus 400 existing units/N/A
Site 5. Commerce Center											
782-471-01	27200 to 27230 La Paz Road	<u>0.35</u>	RPD30 50CG	<u>50</u>	Commercial						Rezone
782-471-02	27240 La Paz Road	<u>0.20</u>	RPD30 50CG	<u>50</u>	Commercial						Rezone
782-471-03	27230 La Paz Road	<u>0.39</u>	RPD30 50CG	<u>50</u>	Commercial						Rezone
782-471-04	27220 La Paz Road	<u>0.29</u>	RPD30 50CG	<u>50</u>	Commercial						Rezone
782-471-05	27210 La Paz Road	<u>0.33</u>	RPD30 50CG	<u>-50</u>	Commercial						Rezone
782-471-06	La Paz Road	<u>2.99</u>	RPD50	<u>50</u>	Commercial						Rezone
Subtotal		<u>4.553-00</u>		<u>30</u>		<u>3624</u>	<u>3020</u>	<u>2446</u>	<u>4630</u>	<u>13690</u>	Assumes full capacity based on residential zoning

APN	Address	Parcel Size (Acres)	Zoning	Allowed Density	Existing Use	Potential Units					Notes/Zoning
						VL	Low	Mod	Above	Total	
Site 6. Mission Viejo Town Center (Burnham)											
740-016-03	28331 Marguerite Pkwy	3.40	CH/RPD30	30	Commercial	16	9	9	17	51	Assumes 50% of capacity for overlay zone
Site 7. College Center (ValueRock)											
740-011-15	28171 Marguerite Pkwy	7.80	CH/RPD30	30	Commercial	36	21	21	39	117	Assumes 50% of capacity for overlay zone
Site 8. Macy's & The Shops											
740-121-26	27000 Crown Valley Pkwy	8.60 14.608.60	CR/RPD80	80 30	Commercial/ parking lot	178 78	47 105	105 46	86 196	584 258	Assumes full 50% capacity based on residential overlay zoning
<u>740-121-30</u>	<u>555 Shops Blvd.</u>	<u>6.00</u>	<u>CR/RPD80</u>	<u>80</u>	<u>Commercial/parking lot</u>						
<u>Subtotal</u>		<u>14.60</u>				<u>178</u>	<u>105</u>	<u>105</u>	<u>196</u>	<u>584</u>	<u>Overlay</u>
Site 9. Grace Church Parking Lot											
809-521-11	Parking lot off Trabuco Rd	2.40	RPD50GN/R	50	Parking lot / Vacant	36	22	22	40	120	Assumes full capacity based on residential zoning
Site 10. Burlington											
740-012-28	28452 Marguerite Pkwy	6.90	CH/RPD3050	3050	Retail	3452	4932	4931	3558	172404	Assumes 50% of capacity for overlay zone
Site 11. Vista del Lago											
<u>836-211-45</u>	<u>21622 Marguerite Parkway</u>	<u>17.00</u>	<u>RPD50</u>	<u>50</u>	<u>Residential Apartments</u>	<u>198</u>	<u>117</u>	<u>116</u>	<u>218</u>	<u>650</u>	<u>Rezone</u>
Site 12. Saddleback Business Ctr.											
636-022-14	27071 Cabot Rd	<u>9.38</u>	BP-/RPD30	30	Business Park & Recreation	43	25	25	47	141	Assumes 50% of capacity for overlay zone

APN	Address	Parcel Size (Acres)	Zoning	Allowed Density	Existing Use	Potential Units					Notes/Zoning
						VL	Low	Mod	Above	Total	
<u>Accessory Dwelling Units</u>											
<u>City-Wide</u>										35	N/A
TOTALS											
						798705	4794 23	47241 9	885780	2,6702,327	

Exhibit B-1 Housing Sites Location Map



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SITE ANALYSIS

Introduction and Implementation Overview

In order to encourage the construction of affordable multifamily rental housing, the City has identified 12 potential sites for development. This is a difficult challenge because the entire City was comprehensively designed and developed as the then largest master planned community in the nation. Utilities, parkland, open space, housing, commercial and industrial were then balanced on a land use basis to integrate efficiency as to roadways, utilities, and all infrastructure. Altering a comprehensively master planned community poses unique land use challenges. These carefully reviewed and selected 12 sites are vacant, significantly underdeveloped, or failing commercial properties. They are analyzed with regard to availability during the planning period and suitability for residential development, with the City's capacity to accommodate residential development in conjunction with the Regional Housing Need Allocation (RHNA). Program actions are identified as necessary and adopted to "make sites available" with appropriate zoning, development standards, and infrastructure capacity to accommodate the new development need.

Pursuant to Government Code Sections 65583(c) (1) and 65583.2, and concurrent with processing the 6th Cycle Housing Element Update, the sites will be re-zoned to permit residential development as required by housing element law. More specifically, Sites 1 through 12 will be rezoned, with appropriate development standards, by the City of Mission in conjunction with the adoption of the Housing Element Update and prior to October 15, 2021. (Note rezoning is not necessary for Site 4.) This is to preserve local control because under state law these sites would be developable by-right, pursuant to state rather than city standards and local land use realities. Pursuant to Government Code Section 65863, the City will maintain adequate sites to accommodate lower income needs throughout the planning period to accommodate the City's RHNA, especially for lower- and moderate-income households. The City will identify sites with sufficient capacity and appropriate zoning to accommodate the City's remaining housing need if any proposal elects for less units than is assumed on the identified sites, all pursuant to Housing Element law.

The general intent of this section is to plan for and facilitate the development of housing over the 8-year planning period, in order to enable the City to meet its housing goals, and to ensure that affordable developments are compatible with long established, carefully planned, surrounding land uses and neighborhoods. The City has received inquiries by developers for residential development on the housing sites, which the City in turn, has strongly welcomed these inquiries and worked with those interested parties to cause their proposals to be pursued. The City will strongly encourage and aggressively pursue family-oriented rental housing developments on the identified sites for all lower income households, shall provide help to identify funding, grant incentives (including Community Development Block Grant) and, concessions, as well as a density bonus for qualifying projects to promote the financial feasibility of homes affordable to existing and newly relocated lower- and moderate-income income families and workers.

A detailed description of programmatic commitment and site analysis, including appropriateness and capacity, for each of the sites, identified hereafter as Sites 1 through 12, is provided below, and is accompanied by the Housing Element Sites Inventory Form (per SB 6 (Chapter 667, Statutes of

2019.)

SITE 1

Site Description

Site 1 is Silverado Plaza shopping center at 25542 Jeronimo Road and is located on 1.5 acres at the south westerly corner of Los Alisos Boulevard and Jeronimo Road (Assessor Parcel Number 809-311-16). Surrounding the subject property to the north and west is the City of Lake Forest and the intersection of Jeronimo Road and Los Alisos Boulevard. Surrounding the subject property to the east is Jeronimo Plaza and to the south is Via Fabricante Industrial Park. The main 2-story commercial building was built around 1977 and has had little to no improvement since original construction. The ground floor has some retail including a hair salon and approximately 2,000 square foot of vacant lease space. There are also some non-permitted uses occupying the building. A second in-line building, approximately 12,478 square-feet, is occupied by a ju-jitsu studio, a gelato shop, a dentist, massage studio, and an animal grooming shop. This building has not been improved since original construction in 1977. The structures are nearing 50 years old and are in poor condition. The parking lot circulation does not meet today's standard and the City receives numerous complaints regarding this. The site is privately owned. The proposed site is extremely underdeveloped and underperforming and is ripe for redevelopment. The City received developer redevelopment interest regarding this site. This property was not identified in a previous planning period site inventory. The property is zoned CN (Commercial Neighborhood) and is designated in the General Plan Land Use Plan as Commercial Neighborhood. Not included in this housing opportunity site (Site 1) are the more recently constructed pad buildings, under separate ownership and adjacent to Los Alisos Boulevard, housing Popeye's Chicken and Sonic Burger restaurants.

Site Analysis and Implementation

Site 1 is currently zoned as CN (Commercial Neighborhood) and serves the surrounding neighborhood. The 1.5-acre site will be re-zoned to RPD 50 (Residential Planned Development) allowing up to 50 dwelling units per acre, and with appropriate development standards, including an increased building height limit. If the site were developed at 50 units/ acre as permitted by this re-zone and as encouraged by the City, then a total of 75 units could be developed on the site **[1.5 acres x 50 du/ac = 75 housing units]**. Of these units, it is anticipated the site will accommodate 36 lower income units, with the remainder split between moderate- and above moderate-income units.

As noted previously, this site has properties with vacancies, non-permitted uses and deferred maintenance, indicating underutilization and redevelopment potential. The underutilization of commercial uses on this rezoned site will generate significant financial investment incentives for residential development. The site's assessed improvements-to-land (I/L) value ratio is less than 1 (it is 0.77). Previous research by the University of California, Berkeley to identify potential infill development opportunities in California utilized an I/L ratio of less than 1.0 for commercial and multi-family residential properties as an indicator of economic underutilization. The authors of that study noted that this methodology "...has a strong theoretical and empirical basis: urban parcels for which improvement values are less than land values are widely considered to be economically underutilized. Indeed, many, if not most, market-rate infill housing projects are currently built on refill sites."

Benefits of Site 1 include that site access and major infrastructure and utilities are currently in place to serve the shopping center. Also, as noted, the site is in close proximity to community and commercial services and amenities, including medical and educational facilities, parks, major grocery stores and child care services. More specifically, the site is within the Moulton Niguel Water District. Assessment shows sufficient water, sewer, and dry utility capacity are available to support housing. No capacity limitation is noted. The site is in the Saddleback Valley Unified School District. This is a high-performing school district, and schools in close proximity include La Tierra Pre-School, Del Cerro, Montevideo, and Cordillera elementary schools, Silverado High School, Los Alisos Intermediate School, and Mission Viejo High School. Kaiser Permanente Medical Offices / Urgent Care and Memorial Care Medical Group are nearby. Several grocery stores are easily accessible, including a large format Target store and Mission Ranch Market. Pillars Academy and the Learning Experience Early Education Center provide convenient daycare services and Heros Park is directly adjacent across Los Alisos Boulevard. This site is also close to several large employers, including an Amazon distribution center, Target, Saddleback School District administrative offices, and a local business district. Because of the very high housing values and limited land suitable for residential development in Mission Viejo, the amended land use regulations create significant new opportunities and incentives for new residential development. No obvious factors are noted for this site that could negatively impact feasibility of this readily re-development land, including land-use, economic or existing site or development constraints, infrastructure, and environment and pollutant-related considerations.

SITE 2

Site Description

Site 2 consists of four developable commercial parcels totaling 4.4 acres in what was originally one large shopping center known as Mission Foothill Marketplace at 28715-28815 Los Alisos Boulevard (Assessor Parcel No. 839-161-13,14,17,28). The shopping center originally consisted of 148,000-square-feet of building area on 14.8 acres. In 2019, Shea Homes obtained approval of a Zone Change and General Plan Amendment to redevelop a portion of the site as Residential RPD 30 (30 dwelling units per acre) and to demolish the majority of the old and vacant retail space within the shopping center. Concurrently, Shea was approved to construct 105 for-sale dwelling units, including 44 single family detached homes and 61 townhome units on 6.73-acres of the site. This project, currently under construction, has a 15 percent affordable component; the developer will provide 16 units (15% of the total 105 units) as affordable to lower-income households (9 very-low-income units and 7 low-income units.) Affordability is maintained for 55 years pursuant to deed covenants and City-imposed conditions on the developer. Also, on a portion of the original shopping center is Housing Opportunity Site A (rezoned in 2008 and included in the City's prior Housing Element), which is 2.74 acres and fully entitled for 60 townhome units. This property and entitlement were recently purchased by Shea Homes and construction is anticipated to commence in October 2021. This project on Housing Opportunity Site A includes a mandate for a 15% affordable component, with 5 very low-income units and 4 low-income units, all secured as affordable by covenants, deeds, and City-imposed conditions.

Of the remaining four parcels at this location, presented as Site 2, three are developed with commercial buildings and one is a vacant, undeveloped pad. The three developed parcels total 3.67 acres and the vacant parcel is 0.74 acres. This property was not identified in a previous planning period site inventory. Site 2 is currently zoned CH (Commercial Highway) and is designated in the

General Plan Land Use Plan as Commercial Highway. As noted, the property is directly next to and shares access with the Shea Homes residential community (Neo and Haven). The overall property sits adjacent to Los Alisos Boulevard and the 241 Toll road. The four parcels are owned by four separate, private property owners. Since the time of the Shea Homes rezone, the property owners of the remaining parcels approached the City and expressed interest in residential re-zoning and redevelopment within the planning period. Surrounding the subject property to the north are Shea Homes' new for-sale (15% affordable) residential communities called Neo and Haven, as well as the Foothill Transportation Corridor and Upper Oso Reservoir. The Los Alisos Apartments lie to the west, and the Ayres Suites Hotel is to the east. To the south, across Los Alisos Boulevard, is the large Palmia retirement community.

Site Analysis and Implementation

Site 2 is currently zoned as CH (Commercial Highway). Of the four parcels totaling 4.4 acres, three will be re-zoned to add an RPD 30 (Residential Planned Development, 30 dwelling units per acre) zone as an overlay to the existing CH zone, and a fourth currently vacant 0.74-acre parcel will be re-zoned to RPD30, (Residential Planned Development, 30 dwelling units per acre). In keeping with the density of the Shea Homes' development, 30 du/ac is determined the appropriate density for this site. Assuming development at 50 percent capacity for the overlay sites, and full development of the vacant site, at a density of 30 dwelling units per acre, then a maximum of 77 units would result [3.67 ac x 30 du/ac divided by 2 (Overlay) + 0.74 ac x 30 du/ac = 77 housing units]. Of these units, it is anticipated the site will accommodate 37 lower income units, with the remainder split between moderate- and above moderate-income units. As fully documented in Shea Homes' 2019 application to rezone the property from commercial to residential, this site failed as a shopping center. The site has many locational disadvantages for a commercial center, including that the site sits below, with minimal visibility from, a freeway to the rear, and a senior community across the street, but with no physical access to Los Alisos Boulevard (a walled community). From a customer draw perspective, the consumer radius is severely impacted by the presence of the adjacent freeway and the inaccessible Palmia retirement community. Benefits of Site 2 for residential development include the fact that, except for demolition on three of the parcels, the site is essentially a flat, rectangular, developable pad with all site access and major infrastructure and utilities currently in place serving the remnant commercial and newly built/ under construction residential. As noted, the property owners of these parcels, or their representatives, have already contacted the City and expressed interest in residential re-zoning and redevelopment within this planning period.

Development of Site 2 is completely compatible and integrated with the adjacent Shea Homes community, which is currently under construction. An enhanced residential community entry with attractive landscaping and a signalized intersection from Los Alisos Boulevard is already in place to facilitate the economically reduced development of this site. There is also potential for shared recreational amenities with Shea's Neo and Haven, which the City is encouraging. Also, the site is in close proximity to community and commercial services and amenities, including medical and educational facilities, parks, major grocery stores and child care services. More specifically, the site is within the Santa Margarita Water District. Assessment shows sufficient water, sewer, and dry utility capacity are available to support housing. No capacity limitation is noted. The site is in the Saddleback Valley Unified School District. This is a high-performing school district and schools in close proximity include Del Largo and Melinda Heights elementary schools, RSM (Rancho Santa Margarita) Intermediate School, and Trabuco Hills High School. Kaiser Permanente Foothill Ranch

Medical Offices and Optum Care Medical Group are close. Several grocery stores are easily accessible, including Ralphs and Sprouts Farmers Market. Heritage Montessori School of Lake Forest and Santa Margarita Kindercare provide convenient daycare services. Marty Russo Youth Athletic Park and O'Neil Regional Park with Arroyo Campground are nearby. The site has access to the adjacent county-wide Transportation Corridor and City arterials. It is also close to various employment centers in the City of Lake Forest, the City of Rancho Santa Margarita, as well as in Mission Viejo. Because of the very high housing values and limited land suitable for residential development in Mission Viejo, the amended land use regulations create significant new opportunities and incentives for new residential development. No obvious factors are noted for this site that could negatively impact feasibility of this readily re-development land, including land-use, economic or existing site or development constraints, infrastructure, and environment and pollutant-related considerations.

SITE 3 (NOTE: No Longer Identified as Site C.)

Site Description

Site 3 is located on City-controlled (Mission Viejo Housing Authority-owned) land directly adjacent to and southeasterly of the City's large and regionally-serving Animal Service Center, located off Center Drive, and easterly of Saddleback College (Assessor Parcel No.'s 740-012-36, 740-012-39, 740-012-40, 740-112-02, 740-112-03, 740-113-01). An 8.5-acre portion of this site was included in prior Housing Elements and referenced as Site C. Fortunately, the City owns the entire 32.8-acre parcel, of which Site C is a part, and therefore is expanding the housing opportunity (Site 3) to include this entire 32.8 acres. This larger 32.8-acre parcel was not identified as a site in a previous planning period site inventory. While currently the 8.5-acre site is zoned RPD 30A (Residential Planned Development By-Right), the remainder of the Site is zoned as R (Recreation) and is designated in the General Plan Land Use Plan as Recreation / Open Space. Surrounding the property to the north, east, and south is existing open space, known as the Arroyo Trabuco. Further to the north is the Crown Center commercial park, taking access off Hillcrest Drive and Center Drive, which includes a grocery store and restaurant and a Home Depot. Further to the south and east is the Arroyo Trabuco Golf Club and Trabuco Creek. To the west are the City's Animal Services Center and Saddleback College. The property is also close to the Shops at Mission Viejo regional mall and Mission Hospital. It is located within the Capistrano Unified School District, a high-performing school district, and is close to Capistrano Valley High School. Going back as far as 2004, the City has sought and received many affordable residential proposals for this site, and furthermore has received unsolicited proposals as well. The City has promoted the affordable housing development of both the smaller and larger parcels in several ways. These include direct developer outreach, "word of mouth" outreach, Housing Element disclosure, and formal Requests for Proposal. Several received plans involve residential development, including three from developers interested in developing the entire site with a hotel and residential use. More recently, in 2021, the City has worked with market-rate and non-profit housing developers, as well as a consulting geotechnical engineer, to determine the feasibility and realistic capacity of this enlarged, City-controlled site.

Site Analysis and Implementation

The 8.5-acre portion of Site 3 (formerly opportunity Site C) is zoned RPD 30A (Residential Planned Development By-Right), and the remainder of the site (24.3 acres) is zoned as R (Recreation) and is designated in the General Plan Land Use Plan as Recreation / Open Space. The old Site C is abandoned, and a new, expanded site is now proposed and referenced as Site 3. The 8.5-acre are will remain zoned

RPD 30A (Residential Planned Development, By-Right) and the new area (24.3 acres) will be rezoned to RPD 30 (Residential Planned Development, 30 dwelling units per acre). As noted, the City has had much interest in this site over the years, for both the 8.5 acres and the larger 32.8 acres, from market-rate and non-profit developers. Recently, the City has worked with developers, as well as with a consulting geotechnical engineer, to determine the feasibility and realistic capacity of this enlarged, City-controlled site. The City understands that this is a “large site” (larger than 10 acres) and intentionally includes the expanded acreage to increase flexibility for project design and location of the building pad. Subdivision of the larger property is also an option.

Staff is of the strong opinion that expanding this site beyond the original 8.5 acres allows for greater economic profitability for development of affordable housing and related inducement to development via flexibility for project design, pad placement, development, and access. If the entire 32.8-acre property were developed at a density of 30 dwelling units per acre, then 984 units would result. However, staff has done a study of the site, including a grading and engineering assessment, and has consulted with experts in the field to determine a more realistic development capacity. Further, subject to California Environmental Quality Act Clearance (CEQA), staff is actively pursuing the importation of dirt from the nearby California Department of Transportation (Caltrans) Interstate I-5 Widening project and will do preliminary grading to create a pad-ready site. The ultimate building pad is estimated to be in excess of 10 acres.

The intent is to use City-provided (at no cost to builders) imported engineered-fill to create a pad elevated well above the floodplain to wholly eliminate any flood risk. The proposed pad is located entirely outside the flood channel. A site review and research of reference materials already conducted by the City’s geotechnical engineer did not indicate any significant potential for landslide in this area. The property does have some quantity of quality native vegetation, the disturbance of which could be mitigated by a combination of preservation/enhancement at the south end of the parcel (which is less practical to develop), restoration/enhancement of the 5.7 acres of riparian land (which would not be developed) located adjacent to Trabuco Creek, or through offsite mitigation and/or financial contribution to a regional environmental reserve bank. The City has successfully done this with other projects and is confident in its repeated success. Utility connections could be readily made from Center Drive (similar as to what was done in conjunction with the development of the City Animal Shelter) but would likely require an easily achievable sewer “force main” due to its relatively low elevation. A secondary emergency access via Saddleback College property is entirely feasible, and will offer significant benefit to the college and students, thus further enhancing this site for student and senior affordable housing. Understanding the site has some constraint, including environmental, the site could reasonably and conservatively accommodate 200 housing units. **[32.8 acres = resulting in a 10-acre pad, X minimum 20 du/ac = 200 housing units]**. Of these units, it is anticipated the site will accommodate 97 lower income units, with the remainder split between moderate- and above moderate-income units.

The primary benefit of this new site is that it is owned by the City’s Housing Authority, such that the City strongly influences the disposition of the property. Both City entities have housing powers that will serve to maximize the site’s development. Other benefits include the new site’s proximity to existing access off Hillcrest Drive or Center Drive, and the spectacular scenic vistas over the Arroyo Trabuco open space and golf course. The site also has the potential to provide direct access to Saddleback College, and is in close proximity to various medical facilities and commercial centers, child

care facilities, and public transportation services. More specifically, the site is within the Santa Margarita Water District and the Capistrano Unified School District. This is a high-performing school district, and schools in close proximity include Viejo and Bath Gate elementary schools, Hankey Middle School, and Capistrano Valley High School. Providence Mission Hospital and Mission Heritage Medical Group are nearby. Several grocery stores are easily accessible, including a new grocery store on Crown Valley Parkway and Crown Valley Market on Center Drive. Sunflower and Robin Hood Montessori Schools provide convenient daycare services and the closest parks are Cordova and Coronado Park. The site is close to several large employment centers, including Mission Hospital, Saddleback College and the Shops at Mission Viejo. It is also close to the Laguna Niguel/ Mission Viejo Metrolink transit center.

Site constraints relate to secondary access limitations, potential remediable environmental issues, and infrastructure development required expansion, as previously discussed. A detailed environmental analysis would be required in conjunction with a proposed project. To promote a high level of certainty for development on Site 3, the City will implement a schedule of actions to ensure that a suitable and feasible pad of land is made available for development in the planning period. The City is currently under contract to further refine its assessment of the site and further develop conceptual plans. The City will also consider subdividing the land, and will actively market it to non-profit housing developers consistent with the City's share of the regional housing need. The site is 32.8 acres, and the City is very conservatively assuming development of up to 200 units, but actively encouraging more. As noted, the City intends to provide a pad-ready site, as well as development assistance through priority processing, fee waivers and shall grant other incentives and concessions to encourage the development of affordable rental housing for low income families and workers. The City will also provide Community Development Block Grant (CDBG) funding as necessary and as permitted per federal guidelines. As property owner of the site, the City and Housing Authority entities will work with developers of housing that is affordable to lower income families to donate / write down the land value to zero, thereby removing the major barrier to affordable housing development. This, coupled with the no-cost site grading and geotechnical contribution, will greatly enhance this new site attractiveness. The City shall also ensure a portion of the land is available for affordable rental housing, and shall provide additional incentives and strategies as identified below.

Site 3 - Schedule of Actions:

- Further refine assessment of the site (Underway, to be complete in 6 months)
- Further develop conceptual plans (Underway, to be complete in 6 months)
- City to consider subdividing (within 1 year)
- Actively market the site (within 1 year)
- Importation of Dirt & Pad-ready site available (2-3 years)
- Priority processing, fee waivers and shall grant other incentives and concessions (As necessary)
- Assess need and applicability for CDBG Funding (in conjunction with City FY2022-23 application cycle)

SITE 4

Site Description

Site 4 is Idyllwillow Apartments located at 28008 Marguerite Parkway on 23.7 acres (Assessor parcel Number 740-012-29). Surrounding the site to the north is the Shops at Mission Viejo regional mall, to

the west is College shopping center, to the south is Saddleback Community College, and to the east is the Church of Jesus Christ of Latter-Day Saints. The property is currently developed with 400 apartment units, with a density of 16.9 dwelling units per acre. The land is owned by Saddleback College, which has student housing needs, but these units are not student dorms on the student campus. This low-density apartment complex was originally built under the County of Orange around 1979. The City received many complaints about the project until it was upgraded superficially around December 2016, with improvements to the exterior façade, hardscaping and landscaping, and creation of a new path to the community college. While the apartment complex greatly benefited from the recent renovation, the City has received inquiries about increasing the density of the site. The site is underdeveloped and underutilized, with structures over 40 years old. This property was not identified in a previous planning period site inventory. The property is zoned RPD30 (Residential Parcel Development 30) and is designated in the General Plan Land Use Plan as Residential 30.

Site Analysis and Implementation

Site 4 is currently zoned as RPD30 (Residential Parcel Development 30), but as a state-owned community college asset, it lies beyond the City’s jurisdiction and discretionary authority. Consequently, it is hoped that the State will exert its considerable power and influence to compel and oversee the affordable housing development of this site. If the 23.7-acre property were redeveloped per the current zoning allowance at 30 dwelling units per acre, there could be a net increase of 311 housing units. [23.7 acres x 30 du/ac – 400 (existing units) = 311 housing unit net increase.] Of these units, it is anticipated the site will accommodate 151 lower income units, with the remainder split between moderate- and above moderate-income units. The City understands that this is a “large site” (larger than 10 acres) and includes the larger acreage to increase flexibility for project design and site layout. Subdivision of the larger property is also an option.

Benefits of Site 4 include that site access and major infrastructure and utilities are all in place. The site is a reasonably flat, regular shaped site with developer interest and demonstrated unit capacity. Also, as noted, the site has an excellent location, in close proximity to community and commercial services and amenities, including medical and educational facilities, parks, major grocery store and child care services. More specifically, the site is owned by Saddleback College. The site is within the Moulton Niguel Water District. Assessment shows sufficient water, sewer, and dry utility capacity are available to support housing. No capacity limitation is noted. The site is in the Capistrano Unified School District. This is a high-performing school district, and schools in close proximity include Viejo and Bath Gate elementary schools, Hankey Middle School, and Capistrano Valley High School. Providence Mission Hospital, Mission Heritage Medical Group, and the Leonard Cancer Institute are close by. Several grocery stores are easily accessible, including a new grocery store on Crown Valley Parkway, Crown Valley Market on Center Drive, and Target on Puerta Real. Sunflower and Robin Hood Montessori Schools provide convenient daycare services and the closest parks are Cordova and Coronado Park. The site is also close to several large employment centers, including Mission Hospital, Saddleback College and the Shops at Mission Viejo. It is also close to two interstate I-5 freeway on/off ramps (Avery Parkway and Crown Valley Parkway) and to the Laguna Niguel/ Mission Viejo Metrolink transit center. The main impediment to this site being developed for affordable housing use is the potential reluctance of the state to advance the improvement of this land. No obvious factors are noted for this site that could negatively impact feasibility of this readily re-development land, including land-use, economic or

existing site or development constraints, infrastructure, and environment and pollutant-related considerations.

SITE 5

Site Description

Site 5 is the Commerce shopping center. The center is located on approximately 4.55 acres at 27200 through 27240 La Paz Road (Assessor Parcel Number's 782-471-01;02;04;05;06). Surrounding the site to the north is La Paz Road and further north the Potocki Center for the Arts, to the east is the Pacific Hills Home Owners Association (HOA) open space, to the south is a Santa Margarita Water District Facility, and to the west is Oso Creek Trail. Further west is the Mission Viejo Village shopping center. The center was originally built around 1990 and is privately owned (staff understands the property will be placed for sale in the short term). Staff has received inquiries about the possibility of high-density residential development, and has concluded the site is currently underdeveloped and underutilized. This property was not identified in a previous planning period site inventory. Currently the center has an awkward mix of incompatible use including restaurant, service and automotive repair uses. Tenants include: Bravo Burgers restaurant, Samurai Sushi restaurant, Diva Nails, and multiple auto services (Ramona Tire, Advance Tech Auto Repair, Mission Viejo Transmission & Auto Repair, Jiffy Lube, Pro Care Auto, Mission Viejo Inspection-Maintenance, EZ Smog Check and Saddleback Automotive II. There is vacant lease space totaling over 2,400 square feet. This center has not been improved since its original construction in 1989, with the exception of the Bravo Burger, developed in 1990. The parking lot is under-parked, and the automotive uses absorb a significant portion of the available parking. The property is zoned CC (Commercial Community) and is designated in the General Plan Land Use Plan as Commercial Community.

Site Analysis and Implementation

Site 5 is currently zoned as CC (Commercial Community). The 4.55-acre site will be re-zoned to RPD30 (Residential Planned Development) allowing up to 30 dwelling units per acre, for a total of 136 potential housing units [4.55 acres x 30 du/ac = 136 housing units]. Of these units, it is anticipated the site will accommodate 66 lower income units, with the remainder split between moderate- and above moderate-income units. Although the City currently is reviewing a preliminary development project close to this site, requesting about 40 du/ac, 30 du/ac is determined the appropriate density for Site 5.

As noted previously, this site has vacancies, an awkward mix of land use, and a site layout that does not meet today's standard, indicating underutilization and redevelopment potential. The underutilization of commercial uses on this rezoned site will generate significant financial investment incentives for residential or mixed- use development. Benefits of Site 5 include that site access and major infrastructure and utilities are currently in place to serve the shopping center. This is a generally flat, regular shaped lot. As noted, the site is in close proximity to community and commercial services, medical and public support resources, and amenities. Also, as noted, the site has an excellent location, in close proximity to the City of Mission Viejo City Hall, the Mission Viejo Library, and the Norman P. Murray Community and Senior Center, with good bus route connections. Medical and educational facilities, parks, major grocery store and child care services are also nearby. The site is within the Santa Margarita Water District. Assessment shows sufficient

water, sewer, and dry utility capacity are available to support housing. No capacity limitation is noted. The site is in the Capistrano Unified School District. This is a high-performing school district, and schools in close proximity include Linda Vista and De Portola elementary schools, Fred Newhart Middle School, and Mission Viejo High School. La Paz Medical Dental and Kaiser Permanente Medical Offices / Urgent Care are close. Several grocery stores are easily accessible, including Ralphs and Trader Joes. Mission Viejo Kindercare and YMCA Child Care Castille provide convenient daycare services, and the closest parks are Oso Creek Trail and Oso Viejo and Preciados Park. The site is close to employment centers and has convenient access to Interstate I-5 (La Paz exit) and major City arterials. Additionally, the site is located within the City's Core Area Vision Plan, which envisions this general area to be upgraded into a new central core area (town center), including new restaurants, retail, entertainment and recreational trails. The City has approval of a \$46 Million public improvement program, which links to a Santa Margarita Water District \$42 Million adjacent rebuilding of a water district plant, which will upgrade the physical environment and add resources for development. Because of the very high housing values and limited land suitable for residential development in Mission Viejo, the amended land use regulations create significant new opportunities and incentives for new residential development. No obvious factors are noted for this site that could negatively impact feasibility of this readily re-development land, including land-use, economic or existing site or development constraints, infrastructure, and environment and pollutant-related considerations.

SITE 6

Site Description

Site 6 is the Mission Viejo Town Center shopping center. This center has a total of four parcels totaling 5.7 acres, including the subject 3.4-acre parcel located at 28331 Marguerite Parkway (Assessor Parcel Number 740-016-03). Site 6 is the largest parcel in the center, at 3.4 acres. The other three pad parcels are excluded from this site. Surrounding the subject property to the north is Marguerite Place Shopping Center, to the east is Marguerite Parkway, to the west is the Interstate 5 (I-5) freeway, and to the south are the Mission Viejo Audi/ Infinity auto dealerships. The center is a strip mall built around 1980. Over the last decade or more, the shopping center has struggled as a viable commercial center, with several key tenants vacating. These include: Pier 1 Imports, The Bath Co., DSW Shoes, and Jos A. Bank. Unlike many south Orange County cities, Mission Viejo has an inventory of decades old, outdated commercial land use and faces competition from new or upgraded retail developments in nearby communities. Struggling shopping centers also reflect the changing nature of retail, with huge growth in e-commerce, which poses significant challenge to brick-and-mortar stores. A more specific issue for this particular property is that, from a shopping center location and customer draw perspective, this center is at a serious disadvantage, with the customer radius reduced in half by the presence of the Interstate I-5 freeway, which is directly adjacent to the center. Add to this the fact that Saddleback College and the Arroyo Trabuco open space lie across Marguerite Parkway to the east, further reducing the consumer radius. This site most likely would not have been developed as a community-oriented shopping center today. Property Owner Burnham Ward is in the process of a façade renovation in the hopes of attracting new tenants. Burnham has indicated, however, in recent discussions with the City, that should this latest effort fail, as past efforts have, they will be asking to convert the site to residential. Burnham Ward estimates they will know within 2-3 years if the façade renovation is successful in overcoming past, decades long, commercial failure and the commercial location disadvantages of this site. This property was not identified in a previous planning period site inventory.

Site Analysis and Implementation

Site 6 is currently zoned as CH (Commercial Highway) and is designated in the General Plan Land Use Plan as Commercial Highway. Staff is projecting this site will convert to residential within the planning period, with some retail pad use remaining on the site, such as a coffee shop and/ or sandwich shop (these are on separate parcels). The 3.4-acre site will be rezoned to add an RPD 30 (Residential Planned Development, 30 dwelling units per acre) zone as an overlay to the existing CH zone. Assuming development at 50 percent capacity for the overlay, at a density of 30 dwelling units per acre, then a maximum of 51 units would result [3.4 acres x 30 du/ac divided by 2 (Overlay) = 51 housing units]. Of these units, it is anticipated the site will accommodate 25 lower income units, with the remainder split between moderate- and above moderate-income units.

Benefits of Site 6 include that site access, major infrastructure, and utilities are currently in place to serve the shopping center. Also, as noted, the site is in close proximity to commercial services and amenities. The site is within the Moulton Niguel Water District. Assessment shows that sufficient water, sewer, and dry utility capacity are available to support housing. No capacity limitation is noted. This site is in the Capistrano Unified School District. This is a high-performing school district, and schools in close proximity include Viejo and Bath Gate elementary schools, Hankey Middle School, and Capistrano Valley High School. Providence Mission Hospital, Mission Heritage Medical Group, and the Leonard Cancer Institute are close by. Several grocery stores are easily accessible, including a new grocery store on Crown Valley Parkway and Target on Puerta Real. Sunflower and Robin Hood Montessori Schools provide convenient daycare services and the closest parks are Cordova and Coronado Park. The site is also close to several large employment centers, including Mission Hospital, Saddleback College and the Shops at Mission Viejo, and to two freeway on/off ramps (Avery Parkway and Crown Valley Parkway) and to the Laguna Niguel/ Mission Viejo Metrolink transit center. The owner is motivated to ensure the economic viability of this site and has focused on housing, with the City's concurrence and encouragement, should commercial prove unprofitable. The likelihood that this center will redevelop to residential within the planning period is very high given the history of this site. Because of the very high housing values and limited land suitable for residential development in Mission Viejo, the amended land use regulations create significant new opportunities and incentives for new residential development. No obvious factors are noted for this site that could negatively impact feasibility of this readily re-development land, including land-use, economic or existing site or development constraints, infrastructure, and environment and pollutant-related considerations.

SITE 7

Site Description

Site 7 is the College Center shopping plaza. This center is located on 7.8 acres at 28171 Marguerite Parkway (Assessor Parcel Number 740-011-15). It is only about 139 yards from housing opportunity Site 6. Surrounding the subject property to the north is the United States Post Office, to the east is Marguerite Parkway, to the west is the Interstate 5 (I-5) freeway, and to the south is Marguerite Place shopping center. Similar to Site 6, this center is also a privately-owned strip mall built in 1981. Over the last decade or more, like Site 6, this shopping center has struggled as a viable commercial center, with several key tenants vacating. These include: Jared Galleria jewelry store, Kwik Kopy Printing, Papa John's, Soccer Lifestyle, College Bookstore, and Diane Elizabeth Salon. Remaining tenants include Armed Forces Career Center, H&R Block, Orange County Credit Union, Navy Federal Bank, and Surfin

Souvlaki Authentic Greek Food, and the Vitamin Shoppe. The Center has over 7,500 square foot of vacant lease space. Like many Orange County cities, Mission Viejo has a significant amount of old struggling commercial land use and faces competition from new or upgraded retail developments in nearby communities. Struggling shopping centers also reflect the growth in e-commerce, which will continue to challenge brick-and-mortar stores. A more specific issue with this particular property is the fact that from a shopping center location and customer draw perspective, this center is at a disadvantage, with the consumer radius reduced in half by the presence of the Interstate I-5 freeway, which is directly adjacent to the center. The consumer radius is further reduced by the fact that Saddleback College and the Arroyo Trabuco open space lie across Marguerite Parkway to the east. This site most likely would not have been developed today as a shopping center. Property Owner ValueRock is very much aware the center is struggling and has been in productive and collaborative discussions with the City regarding the potential of converting the site to residential within the planning period. [ValueRock currently has an application submitted for a different site for mixed use (smaller commercial with over 250 residential units) to the City of Mission Viejo]. This property was not identified in a previous planning period site inventory.

Site Analysis and Implementation

Site 7 is currently zoned as CH (Commercial Highway) and is designated in the General Plan Land Use Plan as Commercial Highway. The site has a high level of vacancy, indicating underutilization and redevelopment potential. Staff projects this site will convert to residential within the planning period, with some retail pad use remaining on the site, such as a coffee shop and/ or sandwich shop. The 7.8-acre site will be rezoned to add an RPD 30 (Residential Planned Development, 30 dwelling units per acre) zone as an overlay to the existing CH zone. Assuming development at 50 percent capacity for the overlay, at a density of 30 dwelling units per acre, 117 units would result. **[7.8 acres x 30 du/ac divided by 2 (Overlay) = 117 housing units.]** Of these units, it is anticipated the site will accommodate 57 lower income units, with the remainder split between moderate- and above moderate-income units.

Benefits of Site 7 include that site access and major infrastructure and utilities are currently in place to serve the shopping center. Also, as noted, the site is in close proximity to commercial services and amenities. The site is within the Moulton Niguel Water District. Assessment shows sufficient water, sewer, and dry utility capacity are available to support housing. No capacity limitation is noted. The site is in the Capistrano Unified School District. This is a high-performing school district and schools in close proximity are Viejo and Bath Gate elementary schools, Hankey Middle School, and Capistrano Valley High School. Providence Mission Hospital and Mission Heritage Medical Group are close by. Several grocery stores are easily accessible, including Amazon Fresh and Target. Sunflower and Robin Hood Montessori Schools provide convenient daycare services, and the closest parks are Cordova and Coronado Park. The site is also close to several large employment centers, including Mission Hospital, Saddleback College and the Shops at Mission Viejo, and is also relatively close to two freeway on/off ramps (Avery Parkway and Crown Valley Parkway) and to the Laguna Niguel/ Mission Viejo Metrolink transit center. The owner's interest in converting this site to affordable residential use, as supported by the City, makes this a very viable site. Because of the very high housing values and limited land suitable for residential development in Mission Viejo, the amended land use regulations create significant new opportunities and incentives for new residential development. No obvious factors are noted for this site that could negatively impact feasibility of this readily re-development land, including land-use, economic or existing site or development constraints, infrastructure, and environment and pollutant-related considerations.

SITE 8

Site Description

Site 8 is the Macy's women's store parcel (one of two Macy's retail anchors on-site in the mall) and certain portions of the parking lot at the Shops at Mission Viejo regional mall. The Macy's parcel is 8.6 acres, and the other Simon-owned portions of Site 8 total 6 acres, for a total of 14.6-acres. For reference, the entire mall is approximately 67 acres. Collectively this property is located at 555 The Shops Boulevard (previously 27000 Crown Valley Parkway.) The Macy's parcel is further referenced as Assessor Parcel Numbers 740-121-26, and the Simon-owned parcels are referenced as APN740-121-30. Generally surrounding the subject 67-acre regional mall property to the north is a new grocery store (under construction) on Crown Valley Parkway, to the west is a dentist office, pet hospital and two service stations, to the south is a United States Post Office, and to west are Idyllwillow Apartments. The Shops at Mission Viejo, previously known as the Mission Viejo Mall, was built in 1979. The mall went through a major remodel in 1997, and like other malls across the nation, it faces competition from new and upgraded retail developments in nearby communities, and also from e-commerce or the "Amazon Effect," which poses significant challenges to brick-and-mortar stores. Macys has two stores in the Shops at Mission Viejo, the women's store and the general/ men's store. Together both Macy's stores total over 427,100 square feet (Macy's women's is 224,315 square feet and Macy's men's is 202,785 square feet) of retail space. The subject Macy's site "footprint" is owned outright in fee title by Macy's Inc., and the other portions of the mall included in Housing Opportunity Site 8 are owned by the Simon Property Group. Both Macy's Inc. (represented by the law firm Sheppard Mullin) and Simon Property Group have requested the option of residential zoning at this site and have explored redevelopment options. Both Macy's and Simon have a demonstrated very successful record of converting old regional malls to housing and retail mixed use centers. The two entities have the resources and skills to carry out this new mixed-use concept. This property was not identified in a previous planning period site inventory.

Site Analysis and Implementation

Site 8 is currently zoned CR (Commercial Regional) and is designated in the General Plan Land Use Plan as Commercial Regional (CIOA). Based on the unique characteristics of this site, together with the surrounding infrastructure and land use, the City is proposing the 14.8-acre site be rezoned to add an RPD 80 (Residential Planned Development, 80 dwelling units per acre) zone as an overlay to the existing CR zone. Assuming development at 50 percent capacity for the Overlay, at a density of 80 dwelling units per acre, up to 592 units would result (344 units on the Macy's parcel and 240 units on the Simon parcel(s). **[14.6 acres x 80 du/ac divided by 2 (Overlay) = 584 housing units]** Of these units, it is anticipated the site will accommodate 283 lower income units, with the remainder split between moderate- and above moderate-income units.

The City understands that considered together, these two properties result in a "large site" (larger than 10 acres) and includes the larger acreage to increase flexibility for project design and site layout within the larger 67-acre mall. The two property owners may work together or may develop their parcels separately within the planning period. Subdivision of the larger property is also an option. This is an optimal site for the City's high-density land use. This area of the City was always intended for more intensive development, and under the City's current general plan land use and zoning, is part of a "Commercial Intensive Overlay" and "Commercial Intensive Height Overlay" zone. Placing high

density residential mixed use in this area provides future residents with convenient access to community, commercial and institutional resources, including Mission Hospital and Saddleback College, as well as the Shops retail and restaurant uses. The site also benefits from easy access to major thoroughfares like Crown Valley and Marguerite Parkways, and is conveniently located near two I-5 freeway on-off ramps (Avery Parkway and Crown Valley Parkway) and the Laguna Niguel/ Mission Viejo Metrolink transit center.

As noted, both Macy’s Inc. and Simon Property Group have requested the option of residential zoning at this site. Macy’s has two large department stores in the same mall, totaling over 427,100 square feet, and is extremely vulnerable to changes in retail trends. Initial research shows that a density level of up to 80 dwelling units per acre is required to create feasible redevelopment options at this particular site, with the appropriate mix of residential units and retail square footage. City staff has consulted with national retail developers who confirm the required zoning at this site should be in the range of 60 to 120 dwelling units/ acre. Further, a premiere residential architecture firm in Orange County advised staff that a “typical wrap” apartment project requires a minimum density of 85 dwelling units per acre to be financially feasible. These estimates are supported by recently developed multi-family apartments in the directly adjacent city of Laguna Niguel. Laguna Niguel’s Gateway Specific Plan allows for density up to 120 dwelling units per acre. Recent projects in Laguna Niguel have been built at a density of 70 to 80 dwelling units per acre, with plans in process for 120 dwelling units per acre.

This zoning helps ensure the long-term viability of the mall, and allows for the potential implementation of a dynamic redevelopment project that is in keeping with state and national trends. The rise of Amazon and other online merchants has undermined the profitability of many retailers and the malls that housed them, bringing widespread failures. Of the approximately 1,500 malls built in America since the mid-1950s, about 500 have either closed or turned their use to something other than retail; hundreds more are projected to close in the next decade. Already, nearly 60 of these former malls have been reconstructed as new types of communities, featuring multifamily housing and other uses—typically some retail and office space. Another 75 projects of this type are in the planning stages. Examples of similar residential and retail mixed use concepts are Stonestown Galleria mall in San Francisco, Annapolis Town Center, Lakewood, Colorado, and Montclair, Newark. More locally, University Town Center in north San Diego and Irvine Spectrum and Fashion Island in Newport Beach all have high density residential directly on the mall property or mall adjacent. Presently Simon is removing old commercial anchors and replacing them with residential at their mall in the City of Brea, approximately 25 miles from their Mission Viejo site. That local project will serve to enhance the similar development of this site.

The once successful mall now has a high level of vacancy and underperforming tenants, indicating underutilization and redevelopment potential. The rezoned site will generate significant financial investment incentives for residential/ mixed- use development. The site’s assessed improvements-to-land (I/L) value ratio is less than 1 (it is 0.48). Previous research by the University of California, Berkeley to identify potential infill development opportunities in California utilized an I/L ratio of less than 1.0 for commercial and multi-family residential properties as an indicator of economic underutilization. The authors of that study noted that this methodology “...has a strong theoretical and empirical basis: urban parcels for which improvement values are less than land values are widely considered to be economically underutilized. Indeed, many, if not most, market-rate infill housing

projects are currently built on refill sites.”

Benefits of Site 8 include that site access and major infrastructure and utilities are currently in place to serve the shopping center. Also, as noted, the site is in close proximity to commercial services and amenities. The site is within the Moulton Niguel Water District. Assessment shows sufficient water, sewer, and dry utility capacity are available to support housing. No capacity limitation is noted. The site is in the Capistrano Unified School District. This is a high-performing school district and schools in close proximity are Viejo and Bath Gate elementary schools, Hankey Middle School, and Capistrano Valley High School. Providence Mission Hospital and Mission Heritage Medical Group are nearby. Several grocery stores are easily accessible, including a new grocery store (under construction) on Crown Valley Parkway, the Crown Valley Market on Center Drive, and Target on Puerta Real. Mission, Sunflower, and Robin Hood Montessori Schools provide convenient daycare services and the closest parks are Granada, Cordova and Coronado. Because of the very high housing values and limited land suitable for residential development in Mission Viejo, the amended land use regulations create significant new opportunities and incentives for new residential development. No obvious factors are noted for this site that could negatively impact feasibility of this readily re-development land, including land-use, economic or existing site or development constraints, infrastructure, and environment and pollutant-related considerations.

SITE 9

Site Description

Site 9 is the Grace Church overflow parking lot site, which is seldom utilized. This surplus site sits on 2.4 acres generally located on Trabuco Road, at the northwestern border of the City (Assessor Parcel Number 809-521-11). Surrounding the subject property to the north is Trabuco Road and the City of Lake Forest border. To the northwest is the Grace Community Church, to the south is an El Toro Water District site and Aliso Villas multifamily residential community, and to the east is Trabuco Road and single family residential. This undeveloped portion of the property serves as a surplus use to the Church’s operation. It is vacant, underdeveloped, and ripe for development. The site is flat and of regular shape. A developer recently approached the City regarding residential development of this site. This property was not identified in a previous planning period site inventory. The property is zoned CN (Commercial Neighborhood) and R (Recreation) and is designated in the General Plan Land Use Plan as Commercial Neighborhood and Recreation & Open Space.

Site Analysis and Implementation

Site 9 is currently zoned as CN (Commercial Neighborhood) and R (Recreation). The 2.4-acre site will be rezoned to RPD 50 (Residential Planned Development) allowing up to 50 dwelling units per acre and with appropriate development standards, including an increased height limit. Given this is a standalone site, initial research shows that this density level is required to create a feasible development option. Church housing at the site is an option for the church, as is the sale of the remnant piece of property to a developer. If the site were developed at 50 units/acre as permitted by the zone, then a total of 120 units could be developed on the site. **[2.4 acres x 50 du/ac = 120 housing units.]** Of these units, it is anticipated the site will accommodate 58 lower income units, with the remainder split between moderate- and above moderate-income units.

Benefits of Site 9 include that site access and major infrastructure and utilities are nearby to serve the existing church facility. Also, as noted, the site is in close proximity to community and commercial services and amenities, including a medical and educational facilities, parks, major grocery store and child care services. More specifically, the site is within the Moulton Niguel Water District. Initial assessment shows sufficient water, sewer, and dry utility capacity is available to support housing. No capacity limitation is noted. The site is in the Saddleback Valley Unified School District. This is a high-performance school district, and schools in close proximity include Glen Yermo and Barcelona Hills elementary schools, Los Alisos Intermediate School, and Trabuco Hills High School. Kaiser Permanente Medical Offices / Urgent Care and Memorial Care Medical Group are nearby. Several grocery stores are easily accessible, including a large format Target store, Mission Ranch market, and Stater Bros. Pillars Academy and the Learning Experience Early Education Center provide convenient daycare services, and the closest parks are Alicia and Wilderness Glen Park. The site is also reasonably close to employment centers, both in Mission Viejo and in the City of Lake Forest. The owners have not objected to consideration of sale of this site and the City has encouraged them to convert this to beneficial affordable housing use. Because of the very high housing values and limited land suitable for residential development in Mission Viejo, the amended land use regulations create significant new opportunities and incentives for new residential development. No obvious factors are noted for this site that could negatively impact feasibility of this readily re-development land, including land-use, economic or existing site or development constraints, infrastructure, and environment and pollutant-related considerations.

SITE 10

Site Description

Site 10 is the Burlington store site at 28452 Marguerite Parkway (Assessor Parcel Number 740-012-28). The site is 6.90 acres. Surrounding the subject property to the north is the Audi Car Dealership, to the east Saddleback Community College, to the south is a new development Morningstar Assisted Living Facility, and to the west is Marguerite Parkway and the Infinity and Audi car dealerships. The building is approximately 39,744 square feet and was built around 1979. It has operated as a Burlington (Coat Factory) since approximately 1998, and the structure has had little to no improvement since originally constructed in the late 1970's. The site is extremely underdeveloped, underperforming, and ripe for redevelopment. The property owner's representative insistently approached the City requesting rezoning to residential and confirming the lease with Burlington will expire in the short term (2024), with no option to renew. This property was not identified in a previous planning period site inventory. The property is zoned CH (Commercial Highway) and is designated in the General Plan Land Use Plan as Commercial Highway. This site is close to Sites 3, 4, 6, 7 and 8, and would add to an integrated, comprehensive affordable housing network where the student and minority populations exhibit the greatest need.

Site Analysis and Implementation

Site 10 is currently zoned as CH (Commercial Highway). The 6.9-acre site will be re-zoned to RPD50 (Residential Planned Development) allowing up to 50 dwelling units per acre, and with appropriate development standards, including an increased height limit. The 6.9-acre site will be rezoned to add an RPD 50 (Residential Planned Development, 50 dwelling units per acre) zone as an overlay to the existing CH zone. Assuming development at 50 percent capacity for the overlay, at a density of 50 dwelling units per acre, then 172 units would result. **[6.9 acres x 50 du/ac divided by 2 (Overlay) = 172 housing**

units.] Of these units, it is anticipated the site will accommodate 84 lower income units, with the remainder split between moderate- and above moderate-income units. The property owner approached the City requesting rezoning to residential and confirmed the lease with Burlington will expire in the short term.

Benefits of Site 10 include that the 6.9-acre site is a flat, regular shaped pad, with excellent ingress and egress already in place. All major infrastructure and utilities are currently in place to serve the current use. Also, as noted, the site is in close proximity to community and commercial services and amenities. The site is within the Moulton Niguel Water District. Initial assessment shows sufficient water, sewer, and dry utility capacity is available to support housing. No capacity limitation is noted. The site is in the Capistrano Unified School District. This is a high-performance school district, and schools in close proximity include Viejo and Bath Gate elementary schools, Hankey Middle School, and Capistrano Valley High School. Providence Mission Hospital and Mission Heritage Medical Group are nearby. Several grocery stores are easily accessible, including a new grocery store on Crown Valley Parkway, the Crown Valley Market on Center Drive, and Target on Puerta Real. Sunflower and Robin Hood Montessori Schools provide convenient daycare services and the closest parks are Coronado and Cordova Park. The site is also close to several large employment centers, including Mission Hospital, Saddleback College and the Shops at Mission Viejo. The site further benefits from easy access to major thoroughfares like Crown Valley and Marguerite Parkways, and is conveniently located near two I-5 freeway on-off ramps (Avery Parkway and Crown Valley Parkway) and the Laguna Niguel/ Mission Viejo Metrolink station transit center. Coupled with the landowner's interest and proactive City outreach, this site is very likely to convert to residential land use with affordable housing. Because of the very high housing values and limited land suitable for residential development in Mission Viejo, the amended land use regulations create significant new opportunities and incentives for new residential development. No obvious factors are noted for this site that could negatively impact feasibility of this readily re-development land, including land-use, economic or existing site or development constraints, infrastructure, and environment and pollutant-related considerations.

SITE 11

Site Description

Site 11 is the Vista Del Lago Apartments. The site is a 17-acre portion of a larger 33.7-acre property at 21622 Marguerite Parkway (Assessor parcel Number 836-211-45). Surrounding the site to the north is Santa Margarita Parkway and further north single-family properties, to the west is Marguerite Parkway and further west Portola Plaza. To the south are single family properties, and to the east are Eastbrook community homes. The property is currently developed with 608 apartment units with a density of 18 dwelling units per acre. The land is owned by Eqr-Del Lago Vistas Inc. This lower density apartment complex was built in 1987. The City received correspondence from the property owner requesting the property be identified for future multi-family residential redevelopment at a density of 50 dwelling units/acre. This property owner owns numerous apartment projects in Orange and Los Angeles counties, and has a strong understanding of density, and market demand and capacity. The property owner has determined that the site is underdeveloped and underutilized in today's marketplace, a conclusion City staff wholly agrees with. This property was not identified in a previous planning period site inventory. The property is zoned RPD30 (Residential Planned Development 30) and is designated in the General Plan Land Use Plan as Residential 30.

Site Analysis and Implementation

Site 11 is currently zoned as RPD30 (Residential Planned Development 30). If 17 acres of the total 33.7-acre property were redeveloped at 50 dwelling units per acre, with the increased height limit, there could be a net increase in yield of 650 housing units. **[17 acres x 50 du/ac, - 200 (existing units) = 650 housing units net yield.]** Of these units, it is anticipated the site will accommodate 315 lower income units, with the remainder split between moderate- and above moderate-income units.

The primary benefit of this site is that the property owner is interested and motivated to redevelop at a higher density within the planning period. Other benefits include the fact that site access and major infrastructure and utilities are all in place, although most likely would need to be increased in capacity to accommodate the increase in units. Also, as noted, the site has an excellent location, in close proximity to community and commercial services and amenities, including medical and educational facilities, parks, major grocery stores, and child care services. The site is within the Santa Margarita Water District. Initial assessment shows sufficient water, sewer, and dry utility capacity is available to support housing. No capacity limitation is noted. The site is in the Saddleback Valley Unified School District. This is a high-performance school district, and schools in close proximity include Del Largo and Glen Yermo elementary schools, Los Alisos Intermediate School, and Trabuco Hills High School. Kaiser Permanente Foothill Ranch Medical Offices and Optum Care Medical Group are nearby. Several grocery stores are easily accessible, including Ralphs and Sprouts Farmers Market. Heritage Montessori School of Lake Forest and the Children's Courtyard of Mission Viejo provide convenient daycare services, and the closest parks are Pinecrest and Crucero Park. The site is also reasonably close to employment centers in the Cities of Rancho Santa Margarita, Lake Forest and Mission Viejo. The site owner is very interested in reuse of this site. The City staff has been encouraging him to consider high-density affordable housing and reuse. The owner has been receptive to this outreach. Because of the very high housing values and limited land suitable for residential development in Mission Viejo, the amended land use regulations create significant new opportunities and incentives for new residential development. No obvious factors are noted for this site that could negatively impact feasibility of this readily re-development land, including land-use, economic or existing site or development constraints, infrastructure, and environment and pollutant-related considerations.

SITE 12

Site Description

Site 12 is the Saddleback Business Center. The center is located on approximately 9.38 acres at 27071 Cabot Road (Assessor parcel Number's 636-022-14). Surrounding the site to the north is 26941 Cabot Road and the other half of the Saddleback Business Center, to the west is the City of Laguna Hills and single family residential, to the south is a storage facility, to the east are Cabot Road and the railway lines. The business park was originally built around 1989. Staff has received inquiries from interested parties about increasing the density of the site, and staff thinks the site is underdeveloped and underutilized. The center is built with approximately 388,224 square foot of light industrial and service use. Current tenants include Egoscue physical therapy, ServiceFirst Restoration, Bauer Physical Therapy, HealthFax (health consultant), Power PD (computer part manufacturing), and Impact PT & Performance physical therapy, and there are approximately 2,660 square feet of vacant lease space. This

property was not identified in a previous planning period site inventory. The property is zoned CC (Commercial Community) and is designated in the General Plan Land Use Plan as Commercial Community.

Site Analysis and Implementation

Site 12 is currently zoned as BP (Business Park/Industrial) and R (Recreation). The 9.38-acre site will be rezoned to add an RPD 30 (Residential Planned Development, 30 dwelling units per acre) zone as an overlay to the existing BP zone. Assuming development at 50 percent capacity for the overlay, at a density of 30 dwelling units per acre, then 140 units would result. **9.38 acres x 30 du/ ac = 280 divided by 2 (Overlay) = 140 housing units.** Of these units, it is anticipated the site will accommodate 36 lower income units, with the remainder split between moderate- and above moderate-income units.

This site has vacancies and deferred maintenance, indicating underutilization and redevelopment potential. The underutilization of commercial uses on this rezoned site will generate significant financial investment incentives for residential development. The site's assessed improvements-to-land (I/L) value ratio is less than 1 (it is 0.56). Previous research by the University of California, Berkeley to identify potential infill development opportunities in California utilized an I/L ratio of less than 1.0 for commercial and multi-family residential properties as an indicator of economic underutilization. The authors of that study noted that this methodology "...has a strong theoretical and empirical basis: urban parcels for which improvement values are less than land values are widely considered to be economically underutilized. Indeed, many, if not most, market-rate infill housing projects are currently built on refill sites."

Benefits of Site 12 include that the site is a flat regular shaped pad. Site access, major infrastructure, and utilities are currently in place to serve the business center. Also, as noted, the site is in close proximity to community and commercial services and amenities. The site has an excellent location, in close proximity to commercial services and amenities, including a medical and educational facilities, parks, a major grocery store and child care services. The site is within the Moulton Niguel Water District. Initial assessment shows sufficient water, sewer, and dry utility capacity is available to support housing. No capacity limitation is noted. The site is in the Saddleback Valley Unified School District. This is a high-performance school district, and schools in close proximity include Valencia and Lomarena elementary schools, La Paz Intermediate School, and Mission Viejo High School. South Coast Family Medical Center and Mission Heritage Medical Group are close by. Several grocery stores are easily accessible, including Ralphs and Target. YMCA Child Care Laguna Niguel and YMCA Child Care Bergeson provide convenient daycare services, and the closest parks are Cabot and Moulton Ranch Park. This site is close to Interstate I-5 (Oso Parkway and La Paz Road exits) and to major employment centers in the cities of Laguna Hills, Laguna Niguel, and Mission Viejo. Because of the very high housing values and limited land suitable for residential development in Mission Viejo, the amended land use regulations create significant new opportunities and incentives for new residential development. No obvious factors are noted for this site that could negatively impact feasibility of this readily re-development land, including land-use, economic or existing site or development constraints, infrastructure, and environment and pollutant-related considerations.

Accessory Dwelling Units (ADU's)

The City is conservatively estimating that 35 accessory dwelling units (ADU's) will be constructed during the planning period in conjunction with the Regional Housing Need Allocation (RHNA.) This is based upon the history of demand demonstrated in the City. Program actions are identified as necessary and to be reviewed, enhanced, and adopted to encourage the development of the accessory dwelling units. The ADU's will be permitted in all residential zoning districts, consistent with and as required by state law. Originally developed in the 1960's and 1970's as a Master Planned Community with lower density residential development, Mission Viejo has a majority of large residential parcels which easily lend themselves to the construction of ADU's. Currently the City has about seven to eight ADU's, but like the other cities in Orange and Los Angeles counties, is seeing a significant interest in the construction of ADU's. The City has several ADU's in process and numerous in the early planning stage. Based on the City's analysis of planning inquiries and building permit activity, a target of 35 ADU's should be more than easily achieved in the City over the 6th Housing Element cycle. The City will work to encourage the development of ADU's, at affordable rents, and will work collaboratively with homeowners and building contractors to facilitate and achieve this goal.

INCENTIVES AND STRATEGIES

In order to successfully facilitate affordable housing development, various incentives and strategies are identified and specifically aimed at Sites 1 through 12, and the construction of Accessory Dwelling Units (ADUs). These targeted incentives and strategies are described in detail in Section 9 of the Housing Plan and are summarized as follows:

- *Affordable Housing Outreach and Facilitation.* The City will promptly market the sites to non-profit-housing developers, provide technical assistance for the development review process, and coordinate discussions between property owner, non-profit developer, and various governmental agencies. This will be done within 3 months of Housing Element Certification unless otherwise specified in the element. The City will also publicize the incentives and concessions to be offered to facilitate development of affordable rental housing for low income families, workers, seniors, and special needs groups, including extremely-low-income persons where feasible. The City will prepare and circulate a marketing package for the City-controlled Site 3, and City staff will meet with interested developers and non-profit corporations (see Schedule of Action for Site 3 specifics). Staff also has developed an interest matrix listing the developers and non-profit corporations, that have expressed an interest in affordable housing sites to be able to contact them should new information or funding become available.

Site 3- Schedule of Actions:

- Further refine assessment of the site (Underway, to be complete in 6 months)
- Further develop conceptual plans (Underway, to be complete in 6 months)
- City to consider subdividing (within 1 year)
- Actively market the site (within 1 year)
- Importation of Dirt & Pad-ready site available (2-3 years)
- Priority processing, fee waivers and shall grant other incentives and concessions (As necessary)
- Assess need and applicability for CDBG Funding (in conjunction with City FY2022-23 application cycle)

- *Development & Parking Incentives and Concessions.* The City will provide various incentives and concessions for the identified sites 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 ensure maximum density can be achieved and to promote the financial feasibility of homes affordable to lower income families. Density and increased building height limits are amended prior to October 15, 2021. Additional Density Bonus considered in conjunction with proposed residential project with low and very low housing units.
- *Re-Zoning, Up-Zoning and Site Maintenance.* The City will rezone and up-zone the sites identified in this housing plan to a zoning standard that will permit affordable multifamily development. Sites 1-12 (excluding Site 4) will be rezoned to a minimum density of RPD 30, RPD 50, or RPD 80 by October 15, 2021, consistent with Government Code section 65583 (c) (1) and 65583.2 (c). An Ordinance setting forth the development standards, including increased height limits, will also accompany the Housing Element (prior to October 15, 2021). Pursuant to this Ordinance, the City will encourage and facilitate affordable, multi-family complexes, with any other product type subject to discretionary review. These sites will be maintained throughout the planning period to ensure no net loss of sites (Government Code Section 65863). Additionally, the City has adopted a new residential RPD_50 and RPD_80 zoning districts to accommodate high-density housing development with a density of as many as 50 dwelling units per acre and 80 dwelling units per acre, respectively. Further, minimum densities are in place to ensure that existing available land is not underutilized.
- *Re-zone Underdeveloped and Underutilized Land.* The City will re-zone underdeveloped and underutilized land from non-residential to residential to expand the supply of available residential land by October 15, 2021.
- *Redevelop and or/ Recycle Underutilized Existing Land to More Intensive Uses.* The City has identified Sites to encourage the redevelopment and/ or recycling of significantly underdeveloped or failing commercial centers to allow for more intensive uses, and to accommodate high-density housing development with densities of as many as 50 or even 80 dwelling units per acre, with corresponding height limit increases. (By October 15, 2021.)
- *Funding Program.* The City will provide funding assistance using its available Community Development Block Grant funds(CDBG) for affordable projects proposed on these sites to encourage development in the planning period. Need will be assessed in conjunction with the City’s FY2022-2023 CDBG program.) 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 Golden State Acquisition, Housing-Related Parks Program, and/or Infill Infrastructure Grant funds.
- *Development Fees.* For affordable housing projects proposed on these sites, the City will provide a fee waiver, reduction or subsidy.
- *Professional Expertise and Assistance.* To facilitate the development of the Housing Opportunity Sites identified in the Housing Plan (Sites 1-12, the City has entered into a contract

with one of the largest mixed income developers in California. The scope and intent of this City-funded contract is to provide advice on each of the 12 sites, including aspects of site design/layout, site capacity analysis, and financial advice such as tax-exempt bond feasibility, including site amenity scoring. (Contracts are fully executed and work is underway.)

- Staff Outreach. City staff will facilitate the development of affordable housing by outreaching to property owners of the housing opportunity sites and affordable housing developers to discuss local housing needs. (Within 3 months of Housing Element certification.)
- Affordable Housing Education Program. Within 90 days of adoption of the Housing Element, the City will establish an ongoing Affordable Housing Education Program to provide education and facts on affordable housing and the housing shortage in California. The aim of the program is to help foster and build Community support for affordable housing and address topics such as “Everyone’s Neighborhood”, and “Not in My Back Yard”. The program will incorporate various formats, including printed materials (fact sheets, brochures, and bus shelters ads), social media outreach, and public forums such as tours of existing affordable developments. This program may be run in conjunction with the Southern California Association of Non-profit Housing or a non-profit developer.
- 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 to remove or modify standards to facilitate the development of affordable housing.
- Accessory Dwelling Units (ADU’s). By October 15, 2021, the City will amend its Development Code to conform to current state law regarding ADU’s. The City will prepare a brochure and display information at the front counter detailing the building permit process (by December 15, 2021). Additionally, the City will consider funding options for ADU’s (November 2021- March 2022) and will strongly encourage the development of ADU’s at rents affordable to low- and very low-income tenants (ongoing). Lastly, the City will develop and implement an on-going system to track and monitor rents.
- Import of Engineered Fill to Site 3 to Raise Building Pad and Create a Pad-Ready Site. The City will commit to importing engineered-fill to create a pad-ready site, elevated well above the floodplain to avoid flood risk. The City will share its research, analysis and technical expertise regarding this site.
- City Land Management and Disposition Policies. The Mission Viejo Housing Authority owns Site 3 and together with the City controls the sale of the property. The City will consider all feasible arrangements to further housing development on Site C, including sale, lease, public-private partnership or other business structures. The City will implement a schedule of actions (see below) to ensure that suitable and feasible land is made available for the development in accordance with the above Analysis and Implementation section under Site 3.

Site 3 - Schedule of Actions:

- Further refine assessment of the site (Underway, to be complete in 6 months)
- Further develop conceptual plans (Underway, to be complete in 6 months)

- City to consider subdividing (within 1 year)
- Actively market the site (within 1 year)
- Importation of Dirt & Pad-ready site available (2-3 years)
- Priority processing, fee waivers and shall grant other incentives and concessions (As necessary)
- Assess need and applicability for CDBG Funding (in conjunction with City FY2022-23 application cycle)

- *Subdivision or Consolidation of Lots.* The City will encourage and facilitate the subdivision of larger lots or consolidation of smaller lots to facilitate the development of affordable housing.

The City is committed to working with professional and proven developers and non-profit corporations to ensure high quality affordable housing for the community. As described above, Sites 1-12 will be rezoned by the City of Mission Viejo to permit residential development in accordance Government Code Sections 65583.2(i) and 65583.2(h) by October 15, 2021 with a minimum density of 30 dwelling units per acre.

Appendix C Public Participation Summary

An introduction to the Housing Element update was provided at a joint study session of the City Council and the Planning and Transportation Commission on March 31, 2021. In May 2021 the preliminary draft Housing Element was published for public review and on May 24, 2021 the Planning and Transportation Commission conducted a hearing to review the draft Housing Element and receive public comments. The City Council held two public hearings on June 8 and June 22, 2021 to review the draft Housing Element and receive public comments. Outreach also included the City’s two senior communities, Palmia and Casta Del Sol, as well as the Chamber of Commerce and the Mission Viejo Partnership.

Major issues raised during these hearings included the need for affordable housing and options for accommodating the City’s assigned share of regional housing needs (see Appendix C).

Notices of all public 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. The Draft Housing Element was posted to the City’s dedicated webpage on May 17, 2021 and has been continuously available since then. Copies of the public hearing draft of the Housing Element were also distributed to interested agencies and individuals.

This appendix Table C-1 summarizes issues raised by community stakeholders and organizations during the Housing Element update process and how those comments have been considered in the adopted Housing Element. Table C-2 provides the list of interested parties who were notified at key steps throughout the process.

**Table C-1
Summary of Housing Element Comments and Responses**

Comment	Response
<u>Building affordable housing is a challenging feat and the City should be commended for its leadership and for exceeding the City’s 2014-2021 low income RHNA allocation.</u>	<u>The City appreciates this acknowledgement of its housing accomplishments.</u>
<u>Many children who grew up in Mission Viejo and others who work in essential jobs serving the community can’t afford to live here.</u>	<u>Housing in many parts of California is very expensive, and high cost is the result of many factors. Cities have an important but limited role in housing production. The Housing Element includes a comprehensive set of policies and programs intended to facilitate housing production to the extent feasible given the City’s limited tools. Other constraints such as the high cost of land, labor and materials, construction worker shortages, speculative private investments, private decisions of property owners and developers, and the insufficient supply of public housing subsidies have a negative effect on housing production.</u>
<u>While the State’s default density for lower-income housing is 30 du/ac, this density alone doesn’t necessarily produce affordable housing. Housing policies are needed to facilitate production of affordable housing, such as by-right development for 100% affordable developments or a set aside of 20% affordability should be created in</u>	<u>The inventory of sites for housing development include densities up to 80 units/acre, far higher than the default density of 30 units/acre. In addition, housing programs include extensive commitments to encourage and facilitate development of affordable housing.</u>

<p><u>order for these higher densities to be more effective in producing affordable housing. Instead of giving away development standards, incentives or concessions that significantly increases the value of a property, the city should request a community benefit such as affordable housing in return.</u></p>	
<p><u>More detailed information should be provided for the sites listed in the inventory and the type of development anticipated on the sites.</u></p>	<p><u>Appendix B of the Housing Element provides detailed information about the sites proposed for housing development pursuant to State law.</u></p>
<p><u>The City should provide the public a copy of the draft Housing Element that was submitted to HCD on the city’s Housing Element Update website.</u></p>	<p><u>Throughout the Housing Element update process the City has maintained a web page dedicated to the Housing Element update. This web page included the Housing Element document, meeting notices, project schedule, staff reports, slide presentations, a Housing Element FAQ, links to housing references such as the Mission Viejo Community Development Agency and housing rehabilitation program, Orange County’s affordable rental housing list, SCAG’s demographic data, HCD and the Orange County Housing Authority. In addition to required formal meeting notices, courtesy meeting notices were sent directly to a list of community stakeholders including advocacy organizations, affordable housing developers, and representatives of persons with special needs (see Table .</u></p>
<p><u>The City should monitor housing production and make mid-cycle adjustments if production falls short of the expected yield during the first half of the planning period.</u></p>	<p><u>All cities are required by State law to monitor and report housing production on an annual basis, and the City continues to comply with this requirement. With regard to actual housing production, it must be recognized that RHNA allocations for the 2021-2029 planning cycle are far higher than is feasible to achieve based on the amount of public subsidies required to produce affordable housing. For example, the Governor’s press release of September 16, 2021 announced “an unprecedented \$22 billion in housing and homelessness which will lead to the creation of over 84,000 new affordable homes for Californians.” While \$22 billion is a significant investment, the lower-income RHNA allocations for the SCAG region alone is over 557,000 units which would require public subsidies on the order of \$150 billion, more than 7 times the amount identified by the Governor for the entire state. These numbers clearly demonstrate that it is highly unlikely that RHNA allocations will be met, and cities should not bear full responsibility for the State’s failure to provide sufficient funding needed to achieve the RHNA allocations.</u></p>

Table C-2
Housing Element Stakeholder List

Kennedy Commission
17701 Cowan Ave., Suite 200
Irvine, CA 92614

League of Women Voters
PO Box 1065
Huntington Beach, CA 92647
hat@lwvorangeoast.org

OC Association of Realtors
25552 La Paz Road
Laguna Hills, CA 92653

Public Law Center
601 Civic Center Drive West
Santa Ana, 92701

Habitat for Humanity of Orange County
2200 S. Ritchey St.
Santa Ana, CA 92705

Jamboree Housing Corp.
17701 Cowan Avenue
Suite 200
Irvine, CA 92614

The Related Companies of California
18201 Von Karman Ave Ste 900
Irvine, CA 92612

Community Housing Resources, Inc.
17701 Cowan Avenue, Suite 200
Irvine, CA 92614

South County Outreach
26776 Vista Terrace
Lake Forest, CA 92630

Dayle McIntosh Center
South County Branch
24012 Calle De La Plata # 110
Laguna Hills, CA 92653

OC Housing Providers
25241 Paseo de Alicia, Suite 120
Laguna Hills, CA 92653

Regional Center of Orange County
P.O. Box 22010
Santa Ana, CA 92702-2010

OC Business Council
2 Park Plaza, Suite 100
Irvine, CA 92614

OC Housing Trust
198 W. Lincoln Ave., 2nd Floor
Anaheim, CA 92805

Neighborhood Housing Services of Orange County
198 W. Lincoln Ave., 2nd Floor
Anaheim, CA 92805

BIA/OC
17744 Sky Park Circle #170
Irvine, CA 92614

