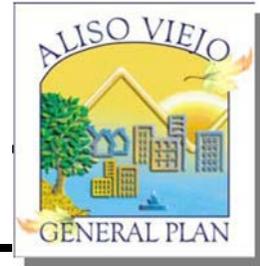




APPENDIX C: COMMUNITY PROFILE



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INTRODUCTION

The City strives to achieve a balanced housing stock that meets the varied needs of all income segments of the community. To accomplish this goal, a comprehensive assessment of community housing needs, obstacles to future housing opportunity, and an assessment of available resources must be undertaken.

DEMOGRAPHIC AND HOUSING ANALYSIS

Factors such as age, cultural preferences, household size, occupation, and income combine to influence the types of housing needed and the ability to afford housing. These demographic characteristics, balanced with an analysis of existing housing stock conditions, help determine a community's housing needs.

The statistics included here are from the most recent available data from the U.S. Census, the California Department of Finance (DOF), the California Employment Development Department (EDD), the Southern California Association of Governments (SCAG), and other relevant data sources.

POPULATION CHARACTERISTICS

Aliso Viejo's population in 2000 was 39,495¹. The City experienced substantial growth from 2000 to 2012 as the population increased by 9,495 persons (24 percent) during this period, significantly larger than the 7.4 percent growth for the county as a whole (Table CP-1).

**Table CP-1
Population Trends**

	2000	2012	Growth 2000-2012
Aliso Viejo	39,493	48,988	24.0%
Orange County	2,846,289	3,055,792	7.4%

Source: U.S. Census, California Dept. of Finance Table E-5 (2012)

AGE CHARACTERISTICS

A community's current and future housing needs are determined in part by the age characteristics of residents. Typically, each age group has distinct lifestyles, family type

¹ California Department of Finance, Report E-5



and size, incomes, and housing preferences. As people move through each stage of life, housing needs and preferences change.

The median age of Aliso Viejo residents as reported in the 2010 Census was 35.1 years, close to the County median of 36.2. The senior population (65+) as a percentage of overall population is 6 percent, significantly lower than the countywide senior population of 13 percent (Table CP-2).

**Table CP-2
Age Characteristics**

Age Group	Aliso Viejo		Orange County	
	Persons	Percent	Persons	Percent
Under 5 years	3,689	8%	191,691	6%
5 to 9 years	3,511	7%	198,769	7%
10 to 14 years	3,302	7%	210,195	7%
15 to 19 years	3,008	6%	227,689	8%
20 to 24 years	2,624	5%	213,601	7%
25 to 29 years	3,577	7%	215,362	7%
30 to 34 years	4,097	9%	198,166	7%
35 to 39 years	4,630	10%	213,605	7%
40 to 44 years	4,834	10%	225,438	7%
45 to 49 years	4,557	10%	230,596	8%
50 to 54 years	3,498	7%	213,589	7%
55 to 59 years	2,334	5%	175,127	6%
60 to 64 years	1,614	3%	146,727	5%
65 to 69 years	976	2%	107,421	4%
70 to 74 years	581	1%	80,033	3%
75 to 79 years	370	1%	63,133	2%
80 to 84 years	306	1%	49,570	2%
85 years and over	315	1%	49,520	2%
Total	47,823	100%	3,010,232	100%
Median age	35.1		36.2	

Source: 2010 Census, Table DP-1

RACE AND ETHNICITY

Racial and ethnic composition may have implications for housing needs to the extent that different groups typically have different household characteristics, income levels, and cultural backgrounds that may affect their need and preferences for housing.

The racial and ethnic composition of the City differs from the County in that a lower proportion of City residents are Hispanic/Latino or other racial minorities. As of 2010, non-Hispanic white residents, at 62 percent of the City’s population, constituted the largest racial or ethnic group in Aliso Viejo. The percentage of Hispanics residing in the City, at approximately 17 percent, is about one-half that of the County. Asians, at 14 percent, represent the largest non-Hispanic minority group.



**Table CP-3
Race/Ethnicity**

Racial/Ethnic Group	Aliso Viejo		Orange County	
	Persons	Percent	Persons	Percent
Not Hispanic or Latino	39,659	83%	1,997,259	66%
White	29,538	62%	1,328,499	44%
Black or African American	892	2%	44,000	1%
American Indian/Alaska Native	82	0%	6,216	0%
Asian	6,902	14%	532,477	18%
Native Hawaiian/Pacific Islander	75	0%	8,357	0%
Other races or 2+ races	2,170	5%	77,710	3%
Hispanic or Latino (any race)	8,164	17%	1,012,973	34%
Total	47,823	100%	3,010,232	100%

Source: 2010 Census, Table DP-1

OCCUPATION AND LABOR PARTICIPATION

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

According to recent Census data, the largest occupational category was management and professional occupations (Table CP-4). This category accounted for 53 percent of employed residents in Aliso Viejo. A significant proportion of workers (28 percent) were employed in sales and office-related occupations. A relatively low percentage of workers (12 percent) were employed in service-related occupations. Blue collar occupations such as machine operators, assemblers, farming, transportation, handlers, and laborers constituted approximately 6 percent of the workforce.

**Table CP-4
Employment Profile**

Occupation	Aliso Viejo	
	Persons	Percent
Civilian employed population 16 years and over	26,743	100%
Management, business, science, and arts occupations	14,251	53%
Service occupations	3,152	12%
Sales and office occupations	7,616	28%
Natural resources, construction, and maintenance occupations	795	3%
Production, transportation, and material moving occupations	929	3%

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



HOUSEHOLD TYPE

A household is defined by the Census as all persons who occupy a housing unit, which may consist of a family, a single person, or unrelated persons sharing a housing unit. Persons residing in group quarters such as dormitories or retirement homes are not considered households. A community’s household characteristics serve as an important indicator of the type and size of housing needed.

According to the Census Bureau, approximately 18,204 households lived in Aliso Viejo in 2010 (Table CP-5). Approximately 67 percent of these households consisted of families, a proportion slightly less than that found in Orange County (71 percent). The number of single-person households in the City was 4,116 (24%), a slightly higher proportion than single-person households in the County, which comprised 21 percent of the County’s households.

**Table CP-5
Household Characteristics**

Household Type	Aliso Viejo		Orange County	
	Households	Percent	Households	Percent
Family households:	12,115	67%	708,491	71%
Husband-wife family	9,358	51%	538,268	54%
With own children under 18 years	5,311	29%	258,719	26%
Male householder, no wife present	791	4%	54,615	6%
With own children under 18 years	425	2%	22,972	2%
Female householder, no husband present	1,966	11%	115,608	12%
With own children under 18 years	1,103	6%	53,896	5%
Nonfamily households:	6,089	33%	284,290	29%
Householder living alone	4,416	24%	207,849	21%
Households with individuals under 18 years	7,095	39%	375,387	38%
Households with individuals 65 years and over	2,013	11%	252,420	25%
Total households	18,204	100%	992,781	100%
Average household size	2.6		2.99	

Source: 2010 Census, Table DP-1

Housing need generally varies by household type. Families typically occupy single-family homes. However, some families are unable to purchase or rent a home, and may reside in multi-family apartment or condominium/town home units. Single-person households, typified by seniors or young adults, tend to reside in apartment units, condominiums/town homes, or smaller single-family homes. Aliso Viejo’s housing stock provides a well-balanced range of unit types to meet the needs of its residents. According to recent Department of Finance estimates, the housing stock includes 36 percent single-family detached units, 27 percent single-family attached units, and 37 percent multi-family units (Table CP-14, page 15).



HOUSEHOLD SIZE

Household size is another important indicator of housing need. The presence of families with children, students, and elderly persons, among other groups, can have different effects on the household size in a community.

Recent Census data reported that over half of owner households and over two-thirds of renter households in Aliso Viejo were comprised of one or two persons. Only 8 percent of owner households and 5 percent of renter households included five or more persons. This suggests that the need for smaller units is significantly greater than for large units, especially among renters (Table CP-6).

**Table CP-6
Household Size by Tenure**

Household Size	Owner		Renter	
	Households	Percent	Households	Percent
1 person	3,100	27%	2,350	35%
2 persons	2,880	25%	2,148	32%
3 persons	2,042	18%	992	15%
4 persons	2,505	22%	882	13%
5 persons	521	5%	211	3%
6 persons	138	1%	80	1%
7 persons or more	181	2%	47	1%
Total Households	11,367	100%	6,710	100%

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

HOUSEHOLD INCOME AND OVERPAYMENT

Income is the most important factor affecting housing opportunities available to a household, determining the ability to balance housing costs with other basic necessities. While housing choices, such as tenure (owning versus renting) and location of residences are mostly income-dependent, household size and type often affect the proportion of income that can be spent on housing.

According to recent estimates, lower-income households comprised just 16 percent of all owner households but 37 percent of renter households. Overpayment is defined to be more than 30 percent of gross income for housing expenses, including utilities. For both owners and renters, overpayment was much more prevalent among lower-income households, with 91 percent of owners and 85 percent of renters overpaying (Table CP-7).



Table CP-7
Household Income and Overpayment by Tenure

Income Category	Owners		Renters	
	Households	Percent	Households	Percent
Extremely low households	290		200	
Households overpaying	290	100.0%	185	92.5%
Very low households	650		725	
Households overpaying	565	86.9%	710	97.9%
Low households	935		1,415	
Households overpaying	855	91.4%	1,195	84.5%
Subtotal: All lower-income households	1,875		2,340	
Subtotal: Households overpaying	1,710	91.2%	2,090	89.3%
Moderate households	2,615		1,455	
Households overpaying	1,990	76.1%	875	60.1%
Above moderate households	6,890		2,605	
Households overpaying	2,125	30.8%	150	5.8%

Source: U.S. Department of Housing and Urban Development, CHAS, based on the 2006-2008 ACS. Table 15.

OVERCROWDING

The Census defines overcrowding as households with more than one person per room, excluding kitchens, bathrooms, and porches. Overcrowding can result when a shortage of larger units exists within a community or in cases where high housing costs force families to take on additional roommates or choose smaller units. Overcrowding also tends to accelerate deterioration of housing. Therefore, maintaining a reasonable level of occupancy and alleviating overcrowding are critical to enhancing the quality of life.

Table CP-8
Overcrowding by Tenure

Occupants per Room	Aliso Viejo		Orange County	
	Units	Percent	Units	Percent
Owner occupied units	11,367	100%	599,032	100%
1.01 to 1.50	141	1.2%	18,297	3.1%
1.51 to 2.00	100	0.9%	4,962	0.8%
2.01 or more	84	0.7%	1,527	0.3%
Renter occupied units	6,710	100%	385,471	100%
1.01 to 1.50	257	3.8%	38,874	10.1%
1.51 to 2.00	82	1.2%	18,709	4.9%
2.01 or more	0	0.0%	7,508	1.9%

Source: Census 2006-2010 ACS, Table B25014

According to recent Census data, overcrowding in Aliso Viejo is a much less prevalent problem than for the County as a whole. About 3 percent of owner households and 5 percent of renter households in Aliso Viejo were reported to be overcrowded compared to 4 percent of owners and 17 percent of renters countywide (Table CP-8). Housing Program 1, *Adequate Sites for Affordable Housing*, will help to alleviate problems associated with overcrowding by expanding housing opportunities in the City. Housing Program 2, *Affordable Housing In Lieu Funds*, and Housing Program 3, *Homeownership*



Assistance Programs, can reduce the problem of overcrowding for large-renter households by making it more feasible for these households to rent or purchase suitable homes. In addition, Housing Program 4, *Section 8 Housing Choice Vouchers*, and Program 5, *OCHA Special Needs Groups Rental Assistance Program (Family Unification)*, can assist renter-households experiencing overcrowding by making rental assistance available to facilitate moving into larger units.

SPECIAL NEEDS POPULATIONS

Certain groups have greater difficulty finding decent, affordable housing due to special needs and/or circumstances. Special circumstances may be related to one's employment and income, family characteristics, disability, and household size, among others. Consequently, certain segments of residents in Aliso Viejo may experience a higher prevalence of housing cost burden, overcrowding, or other housing problems.

Under state law, "special needs" groups include senior households, persons with disabilities, large households, single-parent households, homeless persons, and agricultural workers. This section provides a detailed discussion of the housing needs facing each of these groups, as well as programs and services available to address housing or related needs.

Senior Households

Many senior households have special needs due to relatively low, fixed incomes, physical disabilities or limitations, or dependency needs. Specifically, people aged 65 years and older often have four main concerns:

- ❖ *Housing*: Many seniors live alone and/or are renters.
- ❖ *Income*: People aged 65 and over are usually retired and living on a fixed income.
- ❖ *Health care*: Seniors are more likely to be in ill-health and require hospital visits or stays.
- ❖ *Transportation*: Some of the elderly rely on public transportation. A significant number of seniors with disabilities may require alternative transportation.

According to recent Census data, approximately 8 percent of both owner and renter households were headed by persons age 65 or older (Table CP-9).



**Table CP-9
Elderly by Tenure**

Householder Age	Owner		Renter	
	Households	Percent	Households	Percent
Under 65 years	10,475	92.2%	6,145	91.6%
65 to 74 years	686	6.0%	282	4.2%
75 to 84 years	173	1.5%	169	2.5%
85 years and over	33	0.3%	114	1.7%
Total Households	11,367	100%	6,710	100%

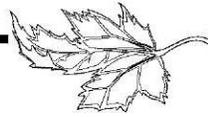
Source: U.S. Census 2006-2010 ACS, Table B25007

There are two senior-living complexes in Aliso Viejo; The Covington located at 3 Pursuit and Renaissance at the Wellington located at 24903 Moulton Parkway. The Covington includes 180 units; 155 of which are for independent living. The Wellington provides 233 units for senior residents; approximately half of the units are designated for independent living and the other half are for assisted living. The rental costs for both the independent and assisted living units at the two facilities are above-moderate.

Various programs can address the special needs of seniors, including but not limited to congregate care, supportive services, rental subsidies, shared housing, and housing rehabilitation assistance. For the frail elderly, or those with disabilities, housing with architectural design features that accommodate disabilities can help ensure continued independent living. Seniors with mobility or self-care limitations also benefit from transportation alternatives. Senior housing with supportive services can be provided for those who require assistance with daily living.

Numerous programs and services can assist Aliso Viejo seniors. Age Well Services (formerly South County Senior Services) is located in neighboring Laguna Woods, and Advocates for Senior Choices is located in nearby Mission Viejo. Age Well Services offers assistance to seniors with referrals for in-home help, personal care or housekeeping, Medicare, medical information, assisted living care, physicians, attorneys, and also a range of adult day services that include social and educational activities, exercise, and special outing and events. For seniors that have mobility restrictions, the Age Well Services Transportation program provides door-to-door driver-assisted services Monday through Friday. Case managers also facilitate the Meals-on-Wheels program that operates in south Orange County. The Meals-on-Wheels program provides meals to individuals 60 years of age and older, who are living at home and unable to prepare their own meals or go out to eat, and have little or no assistance to obtain adequate meals. Age Well Services is licensed by the State of California Department of Health Services.

The programs available in Aliso Viejo to assist seniors with special housing needs include Housing Program 6, *City Grants for Special Needs Groups*, Housing Program 4, *Section 8 Housing Vouchers*, and Program 5, *OCHA Special Needs Groups Rental Assistance Program (Hope IV – Elderly Independence)*, which provide rental assistance to seniors.



Housing Program 10, *Fair Housing Services*, assures the City’s commitment to support fair housing services for all residents.

Persons with Disabilities

Physical, mental, and/or development disabilities may prevent a person from working, restrict mobility, or make it difficult to care for oneself. Thus, disabled persons often have special housing needs related to limited earning capacity, the lack of accessible and affordable housing, and higher health costs associated with a disability. Some residents suffer from disabilities that require living in a supportive or institutional setting. Disability statistics for Aliso Viejo residents by age group as reported by the Census Bureau are presented in Table CP-10.

**Table CP-10
Disabilities by Age**

Disability by Age	Persons	Percent
Under Age 5 - total persons	4,625	--
With a hearing difficulty	0	0.0%
With a vision difficulty	0	0.0%
Age 5 to 17 - total persons	7,655	
With a hearing difficulty	0	0.0%
With a vision difficulty	24	0.3%
With a cognitive difficulty	58	0.8%
With an ambulatory difficulty	20	0.3%
With a self-care difficulty	12	0.2%
Age 18 to 64 - total persons	32,762	
With a hearing difficulty	117	0.4%
With a vision difficulty	222	0.7%
With a cognitive difficulty	242	0.7%
With an ambulatory difficulty	286	0.9%
With a self-care difficulty	119	0.4%
With an independent living difficulty	364	1.1%
Age 65 and over* - total persons	2,785	
With a hearing difficulty	165	5.9%
With a vision difficulty	148	5.3%
With a cognitive difficulty	106	3.8%
With an ambulatory difficulty	229	8.2%
With a self-care difficulty	84	3.0%
With an independent living difficulty	179	6.4%

Source: U.S. Census, 2009-2011 ACS Table S1810

Note: Totals may exceed 100% due to multiple disabilities per person

Disabilities are most prevalent in the 65+ age group, with ambulatory difficulties being the most common problem (8.2 percent). Independent living difficulties affect about 6 percent of elderly residents.

The living arrangement of disabled persons depends on the severity of the disability. Many live at home independently or with other family members. To maintain independent living, disabled persons may need assistance. This can include special



housing design features for the disabled, income support for those who are unable to work, and in-home supportive services for persons with medical conditions among others. Services are typically provided by both public and private agencies.

The City enforces the requirements contained in the California Building Code, which per Chapter 11A Housing Accessibility require the following buildings or portions of buildings and facilities to be accessible to persons with disabilities.

1. All newly-constructed covered multifamily dwellings.
2. New common use spaces serving existing covered multi-family dwellings.
3. Additions to existing buildings, where the addition alone meets the definition of a covered multifamily dwelling.
4. Common-use areas serving covered multifamily dwellings.

Other regulations that affect housing for persons with special needs are discussed in the Governmental Constraints section of this report.

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 Census Bureau does not record developmental disabilities. According to the U.S. Administration on Developmental Disabilities, an accepted estimate of the percentage of the population that can be defined as developmentally disabled is 1.5 percent. Many developmentally disabled persons can live and work independently within a conventional housing environment. More severely disabled individuals require a group living environment where supervision is provided. The most severely affected individuals may require an institutional environment where medical attention and physical therapy are provided. Because developmental disabilities exist before adulthood, the first issue in supportive housing for the developmentally disabled is the transition from the person’s living situation as a child to an appropriate level of independence as an adult.



The State Department of Developmental Services (DDS) currently provides community-based services to approximately 243,000 persons with developmental disabilities and their families through a statewide system of 21 regional centers, four developmental centers, and two community-based facilities. The Regional Center of Orange County (RCOC) is one of 21 regional centers in the State of 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. RCOC serves approximately 17,000 individuals. Of those, a total of 44 individuals currently reside in Aliso Viejo.

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 percent 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 Aliso Viejo.

Housing Program 4, *Section 8 Housing Choice Vouchers*, and Program 5, *OCHA Special Needs Groups Rental Assistance Program (Aftercare for Disabled and Shelter Care Plus)*, can provide rental assistance to the disabled. In addition, Housing Program 10, *Fair Housing Services*, ensures that services are available to promote equal housing opportunities for all persons, including those with disabilities.

Female-Headed Households

Because of their relatively lower incomes and higher living expenses, female-headed households are more likely to have difficulty finding affordable, decent, and safe housing. These households often require special consideration and assistance as a result of their greater need for affordable housing, accessible day care/childcare, health care, and other supportive services. Female-headed families with children are a particularly vulnerable group because they must balance the needs of their children with work responsibilities,



and often while earning limited incomes. According to recent Census data, approximately 6 percent of owner households and 14 percent of renter households were headed by women.

**Table CP-11
Female-Headed Households by Tenure**

Household Type	Owner		Renter	
	Households	Percent	Households	Percent
Married couple family	6,812	60%	2,452	37%
Male householder, no wife present	239	2%	282	4%
Female householder, no husband present	689	6%	910	14%
Non-family households	3,627	32%	3,066	46%
Total Households	11,367	100%	6,710	100%

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

The City funds and operates a Family Resource Center (FRC) located in Iglesia Park and offers a variety of programs and services oriented towards children and adults. Twice a month an educational program is provided for kids in first through sixth grades with an emphasis on safety, health, and literacy. Collaborative partners include Mission Hospital, Orange County Sheriff Department (OCSD), Orange County Library, and Orange County Fire Authority (OCFA). Additional programs for children include after-school art classes, homework club, and the Boys & Girls teen club. For adults there are a number of outreach programs, which includes the following collaborative partners: Champions for Change, Consumer Credit Counseling Services of Orange County, Saddleback’s College Foster & Kinship Care Education, Miracles for Families, OCSD, Second Harvest Food Bank, South Orange County Childhood Obesity Task Force, Southern California Veterinary Medical Association, Soka University, Legal Aid Society of Orange County, and Orange County United Way Internal Revenue Service. Aliso Viejo established the South Orange County Community Coalition, which encompasses all four FRCs in South County to leverage its resources in an effort to pursue funding for expanded programming and services. Programs and services offered through the FRC can benefit female-headed households with children.

This Housing Element outlines a variety of City programs that can assist female-headed households with children who might have special housing needs. Housing Program 2, *Affordable Housing In Lieu Funds*, and Housing Program 3, *Homeownership Assistance Programs*, can benefit female-headed households by making it more feasible for these households to rent or purchase suitable homes. Housing Program 10, *Fair Housing Services*, helps ensure equal housing opportunities for all persons regardless of sex, family size, or marital status.

Large Households

Large households are defined as those consisting of five or more members. According to recent Census data, an estimated 1,178 large households resided in Aliso Viejo,



comprising 13 percent of all households. Approximately 3 percent of owner households and 2 percent of renter households had 5 or more members.

Table CP-12
Large Households

Household Size	Owner		Renter	
	Households	Percent	Households	Percent
1 person	3,100	27%	2,350	35%
2 persons	2,880	25%	2,148	32%
3 persons	2,042	18%	992	15%
4 persons	2,505	22%	882	13%
5 persons	521	5%	211	3%
6 persons	138	1%	80	1%
7 persons or more	181	2%	47	1%
Total Households	11,367	100%	6,710	100%

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

A variety of City programs identified in this Housing Element can assist large households with special housing needs. Housing Program 1, *Adequate Sites for Affordable Housing*, can alleviate housing problems experienced by many large households by ensuring a wide variety of housing opportunity is available in the City. Housing Program 2, *Affordable Housing In Lieu Funds*, Housing Program 3, *Homeownership Assistance Programs*, can reduce the problem of overcrowding and overpayment for large-renter households by adopting programs that make it more feasible for these households to rent and purchase larger homes. Housing Program 4, *Section 8 Housing Choice Vouchers*, and Program 5, *OCHA Special Needs Groups Rental Assistance Program (Family Unification)*, offer rental assistance to large renter-households. Housing Program 10, *Fair Housing Services*, helps promote equal housing opportunities for all persons regardless of family size.

Agricultural Workers

Recent Census reports estimated that 39 residents of Aliso Viejo (0.1 percent of employed persons) were employed in agriculture, forestry, fishing, hunting, and mining occupations². The City is an urbanized community and is built out with the exception of a few vacant/underutilized parcels, and no agricultural operations exist in the City.

Homeless Persons

The Orange County homeless population consists of working families and individuals. Many live in cars, parks, under bridges, motels and in homeless shelters trying to maintain their dignity while they struggle to survive. As a result, most homeless remain hidden. According to the 2013 Orange County Point-in-Time Count/Homeless Needs Assessment³, there were approximately 4,251 homeless persons in Orange County on the

² 2006-2010 Census ACS, Table DP-3

³ http://ocpartnership.net/images/website/1064/files/2013_briefing_summary_occs_6-11-13_539.pdf



night of the homeless count (January 2013). Of those, the survey estimated that 61 percent of homeless persons were sheltered and 39 percent were unsheltered. The 2013 survey results indicated a decrease of about 39 percent in the homeless population compared to the previous survey conducted in 2011.

Due to the transitory nature of homelessness, it is difficult to estimate the number of homeless individuals and/or families that regularly reside in Aliso Viejo. However, given the income profile of residents in Aliso Viejo, most households are not in the immediately at-risk category. Often, homelessness is a spiraling-down process; households facing unemployment or other crisis would move to successively less costly communities. The Point in Time survey did not estimate the total homeless population by jurisdiction, but did ask respondents where they lived just prior to becoming homeless. Of the 610 survey respondents, 1 person reported Aliso Viejo as their last city of residence⁴.

Regional strategies to combat homelessness are developed through Orange County’s Continuum of Care System. The goal of the Continuum of Care Strategic Plan is to work toward a seamless system of care through advocacy, homeless prevention, outreach and assessment, emergency shelter, transitional shelter and permanent affordable housing. The City of Aliso Viejo continues to participate in the Orange County Continuum of Care system and contributes to the regional effort by providing letters of support and participating in a survey of funding allocated for homeless services in the County. Table CP-13 identifies emergency shelters that located near Aliso Viejo.

**Table CP-13
Nearby Homeless Shelters**

Homeless Shelter	Location
Cold Weather/Laguna Beach	Laguna Beach
CSP Youth Shelter	Laguna Beach
Friendship Shelter	Laguna Beach
Interfaith Interim Housing	Laguna Hills
Saddleback Community Outreach	Laguna Hills

In addition, Aliso Viejo has developed housing programs outlined in this Housing Element to assist those who may experience homelessness. Provisions for accommodating emergency shelters are included in the Zoning Ordinance. Permanent emergency shelters are permitted by-right in the Business Park zoning districts, and transitional/supportive housing is a permitted use in all residential zoning districts. Housing Program 5, *OCHA Special Needs Groups Rental Assistance Program (Shelter Care Plus)*, provides rental assistance to those with disabilities and experiencing homelessness.

⁴ These statistics are from the 2011 Point in Time Survey. 2013 results were not available at the time this report was prepared.



HOUSING STOCK

Aliso Viejo offers a wide variety of housing types to meet the needs of its current and future residents. According to the state Department of Finance, 36 percent of Aliso Viejo’s housing stock consisted of single-family detached homes, 27 percent were single-family attached homes (townhouses), and 37 percent were multi-family apartments. This housing stock composition shows a significantly greater proportion of higher-density attached housing than that of Orange County as a whole, where about 51 percent of the housing stock consists of single-family detached homes, 12 percent were single-family attached homes, and 34 percent were multi-family apartments.

**Table CP-14
Housing Stock – Aliso Viejo vs. Orange County**

Structure Type	Aliso Viejo		Orange County	
	Units	Percent	Units	Percent
Single-family detached	7,002	36.4%	536,562	50.8%
Single-family attached	5,176	26.9%	127,833	12.1%
Multi-family 2-4 units	666	3.5%	92,145	8.7%
Multi-family 5+ units	6,407	33.3%	266,124	25.2%
Mobile homes	0	0.0%	33,531	3.2%
Total units	19,251	100%	1,056,195	100%

Source: California Dept. of Finance, Table E-5 (2013)

HOUSING AGE AND CONDITION

Housing age may be an important indicator of housing condition within a community. Housing is subject to gradual physical or technological deterioration over time. If not properly and regularly maintained, housing can deteriorate and discourage reinvestment, depress neighboring property values, and eventually impact the quality of life in a neighborhood.

Housing units in Aliso Viejo are relatively new when compared to the age of the Orange County housing stock (Table CP-15). While over 80 percent of Orange County’s housing stock was built prior to 1990, approximately 72 percent of Aliso Viejo’s housing stock was constructed after 1990. A general rule in the housing industry is that structures older than 30 years begin to show signs of deterioration and require ongoing maintenance and repairs. Therefore, based on age alone, less than 28 percent of the housing stock may require maintenance and rehabilitation to prevent significant deterioration. Although the vast majority of housing units in Aliso Viejo are less than 30 years of age, and problems associated with age and deterioration are likely to be minimal, Housing Program 7, *Code Enforcement*, is designed to identify potential maintenance problems that could arise as the housing stock ages.



**Table CP-15
Housing Age**

Year Built	Aliso Viejo		Orange County	
	Units	Percent	Units	Percent
Built 2005 or later	330	2%	21,184	2%
Built 2000 to 2004	2,313	12%	63,957	6%
Built 1990 to 1999	11,012	58%	120,798	12%
Built 1980 to 1989	4,213	22%	167,031	16%
Built 1970 to 1979	896	5%	262,455	25%
Built 1960 to 1969	122	1%	215,213	21%
Built 1950 to 1959	61	0%	138,061	13%
Built 1940 to 1949	25	0%	26,745	3%
Built 1939 or earlier	64	0%	26,810	3%
Total units	19,036	100%	1,042,254	100%

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

HOUSING TENURE AND VACANCY

Housing tenure and vacancy rates are important indicators of the supply and cost of housing. Housing tenure refers to whether a unit is owned or rented. Vacancies are an important housing market indicator in that the vacancy rate often influences the cost of housing and reflects the match between housing demand and availability.

In 2010, 63 percent of Aliso Viejo residents owned the units they occupied, while 34 percent rented (Table CP-16). This rate of homeownership is higher than that of the County (56 percent).

**Table CP-16
Housing Tenure**

Housing Type	Aliso Viejo		Orange County	
	Units	Percent	Units	Percent
Occupied housing units	16,365	97%	992,781	95%
Owner-occupied housing units	10,681	63%	588,313	56%
Average household size of owner-occupied units	2.97		2.98	
Renter-occupied housing units	5,684	34%	404,468	39%
Average household size of renter-occupied units	3.24		3.00	
Vacant housing units	507	3%	56,126	5%
For rent	278	2%	25,254	2%
Rented, not occupied	15	0.1%	1,327	0.1%
For sale only	82	0%	8,434	1%
Sold, not occupied	28	0.2%	2,096	0.2%
For seasonal, recreational, or occasional use	29	0%	10,806	1%
All other vacants	75	0%	8,209	1%
Homeowner vacancy rate (%)	0.8		1.4	
Rental vacancy rate (%)	4.7		5.9	
Total housing units	16,872	100%	1,048,907	100%

Source: 2010 Census, Table DP-1



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

According to recent Census data, the rental vacancy rate was 4.7 percent while the homeowner vacancy rate was 0.8 percent. Low vacancy rates may be attributed to pent-up demand in the local housing market due to the effects of the recession. Through Housing Program 1 (*Adequate Sites for Affordable Housing*), 2 (*Affordable Housing in-Lieu Funds*), and 3 (*Homeownership Assistance Programs*) as well as the Community Benefit Overlay mechanism described in detail in the Land Use Element, the City has created the potential for additional ownership and rental opportunities in Aliso Viejo.

HOUSING COSTS AND AFFORDABILITY

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 Development⁵, housing is considered “affordable” if the monthly payment is no more than 30 percent 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 CP-17 shows affordable rent levels and estimated affordable purchase prices for housing in Orange County (including Aliso Viejo)⁶ by income category. Based on state-adopted standards, the maximum affordable monthly rent (including utilities) for 4-person extremely-low-income households is \$723, while the maximum affordable rent for very-low-income households is \$1,204. The maximum affordable rent for low-income households is \$1,926, while the maximum for moderate-income households is \$2,559.

Maximum purchase prices are more difficult to determine due to variations in mortgage interest rates, qualifying procedures, down payments, special tax assessments, homeowner association fees, property insurance rates, etc. With this caveat, the maximum home purchase prices by income category shown in Table CP-17 have been estimated based on typical conditions.

⁵ HCD memo of 2/1/2012 (<http://www.hcd.ca.gov/hpd/hrc/rep/state/incNote.html>)

⁶ Affordable rent and purchase prices are based on county median income.



Table CP-17
Affordable Housing Costs – Orange County

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

Assumptions:

-Based on a family of 4

-30% of gross income for rent or Principal/Interest/Taxes/Insurance

-10% down payment, 4.5% interest, 1.25% taxes and insurance, \$200 HOA dues

Source: Cal. HCD; J.H. Douglas & Associates

For-Sale Housing

Housing sales price statistics for 2012 (Table CP-18) show that the median sales prices of single-family detached homes and condos were \$535,000 and \$315,000, respectively. Based on the estimated affordable purchase prices shown in Table CP-17 above, most detached homes are only affordable for above-moderate income households but a significant proportion of condo units were affordable to moderate-and possibly some lower-income residents. These data illustrate that large public subsidies are generally required to reduce sales prices to a level that is affordable to very-low-income buyers.

Table CP-18
Housing Sales 2012 – Aliso Viejo

ZIP Code	Single-Family		Condo	
	Sales	Median	Sales	Median
92656	274	\$535,000	706	\$315,000

Source: DQ News, 2/2013

Rental Housing

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

When market rents are compared to the amount lower-income households can afford to pay (Table CP-17), it is clear that very-low- and extremely-low-income households have a difficult time finding housing without overpaying. The gap between average rents 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.

AT RISK RENTAL HOUSING

Existing housing that receives governmental assistance is often an important source of affordable housing in many communities. This section identifies the publicly assisted rental housing in Aliso Viejo, and evaluates the potential to convert to market rates during the ten-year period 2013 to 2023.

Assisted Housing Inventory

Aliso Viejo has two assisted multi-family housing developments that provide 174 affordable housing units (Table CP-19). The Wood Canyon Villas property includes 46 units assisted through a County of Orange Bond that expires in 2031. Among the assisted units, 21 are one-bedroom units and 25 are two-bedroom units.

All 128 units of the Woodpark Apartments are assisted through the Low Income Housing Tax Credit Program and are to remain rent-restricted until 2050. Among these affordable units, 30 units have one-bedroom, 54 have two-bedrooms, and 44 are three-bedroom units.

No rent-restricted units are at risk of converting to market-rate rents during the period of 2013 to 2023. As affordable housing opportunities are expanded in the future, the City will monitor the status, notify residents of potential conversion, and pursue options to preserve the units (Housing Program 8, *Conservation of Existing and Future Affordable Units*).

**Table CP-19
Inventory of Assisted Rental Housing**

Project Name	Total Units	Assisted Units	Number of Bedrooms	Funding Source(s)	Earliest Date of Conversion	At Risk?
Wood Canyon Villas	230	46	21 – 1br 25 – 2br	County of Orange Mortgage Revenue Bond	2031	No
Woodpark Apartments	128	128	30 – 1br 54 – 2br 44 – 3br	LIHTC	2050	No
Total	358	174				



RESOURCES AND OPPORTUNITIES

This section analyzes the resources and opportunities available for the development, rehabilitation, and preservation of housing in Aliso Viejo. This analysis includes an evaluation of the availability of land resources for future housing development, financial resources available to support housing activities, administrative resources available to assist in implementing the housing programs, and opportunities for energy conservation.

NEW HOUSING GROWTH NEEDS

The Southern California Association of Governments (SCAG) adopted the 2014 - 2021 Regional Housing Needs Assessment (RHNA), which assigns a share of the region’s future housing need to each jurisdiction in the region. State law requires each community to demonstrate that it has sufficient land with appropriate zoning and development standards to accommodate its assigned housing need. Prior to the City’s incorporation in 2001, residential development was subject to the Orange County Inclusionary Zoning requirements. These requirements stipulated that 25 percent of all units developed in the Aliso Viejo Planned Community would be affordable to low- and moderate-income residents for a period of five years. With 5,823 affordable units developed (2,528 low-income and 3,295 moderate-income units -- well above the 25 percent requirement), the County certified the community’s compliance with its inclusionary requirements on July 6, 2001.

For the January 1, 2014 through October 1, 2021 RHNA projection period, the City has been allocated a growth need of 39 dwelling units, distributed by income category as shown in Table CP-20. It should be noted that SCAG did not include the extremely-low-income category when the RHNA was prepared. The growth need in the extremely-low-income need has been estimated to be half of the very-low category as allowed by state law.

Table CP-20
Regional Housing Growth Needs 2014-2021

Very Low*	Low	Moderate	Above Moderate	Total
9	7	7	16	39

Source: SCAG 2012.

*Includes assumption of 5 extremely-low-income units

RHNA CARRYOVER FROM THE PRIOR PLANNING PERIOD

State law requires that any unaccommodated need from the prior planning period must be carried over and added to the RHNA for the current period. Table CP-21 below



summarizes the required carryover of unaccommodated need from the 2008-2014 Housing Element cycle. This table shows that the City’s total lower-income RHNA allocation for the 2014-2021 period is 290 units, which includes the unaccommodated need from the prior period.

**Table CP-21
Analysis of Unaccommodated Need from the Prior Planning Period**

	Income Category			
	Very Low	Low	Moderate	Above Moderate
RHNA 2006-2014	208	165	179	367
Units built 1/06-10/2013	0	58 ^a	400 ^b	365 ^c
Housing Sites Inventory	7 ^d	34 ^e	199 ^f	0
Unaccommodated Need	201	73	0	2
RHNA 2014-2021	9	7	7	16
Total Need 2014-2021	210	80	7	18

Notes:

- a. 58 = 43 Glenwood + 15 Vantis low-income deed restricted units
 - b. 400 = 259 Vantis + 141 Glenwood attached condominium units
 - c. 365 = 318 Glenwood SFD + 12 Ventana Ridge SFD + 35 Vantis live/work units
 - d. 7 = 7 Commons DA very-low units
 - e. 34 = 14 Commons + 20 Vantis DA low-income units
 - f. 199 = 80 Vantis + 119 Commons SP attached condominium units
- Source: City of Aliso Viejo, October 2013 ("Built" includes under construction)

RESIDENTIAL SITES INVENTORY

State law requires cities to identify adequate sites with appropriate zoning to accommodate the growth need for the planning period. Table CP-22 lists all vacant sites in the City with land use designations that allow residential development.

Table CP-22 shows that there are currently insufficient residential sites to accommodate the City’s RHNA allocation for all income categories. To accommodate this shortfall, the Housing Element includes Program 1, *Adequate Sites for Affordable Housing* to amend the General Plan and zoning designations for 2C Liberty and 4 Liberty to accommodate the RHNA shortfall. These sites currently have non-residential zoning and General Plan designations as shown on the Housing Policy Map (Figure H-1) in the Housing Element. As described below and summarized in Table CP-23, these sites are proposed to be rezoned to provide realistic opportunities for residential development during the planning period commensurate with the City’s share of regional housing need.

2C Liberty. This site is bounded by a utility company and housing to the west, a church and school district bus yard to the north, a major arterial to the east, and offices and industrial uses to the south. The site is 4 acres in size and has a realistic potential for 144 units based on the proposed land use and zoning designations (Table CP-22). As described in the Housing Plan, Program 1, *Adequate Sites for Affordable Housing* a General Plan Amendment and zone change will be considered by the Council



concurrently with the 2013-2021 Housing Element update. The potential for the construction of 144 units is based on the General Plan Very High Density Residential land use average of 36 dwelling units per acre. This is a conservative estimate that is near the low end of the allowable density range of 30-50 units/acre. If the actual yield for this site were less than 144 units, the *no net loss* provisions of Program 1 would require the City to identify sufficient sites with adequate capacity to accommodate the RHNA.

4 Liberty. This site is bounded by a utility company and housing to the west, 2C Liberty (vacant property identified above) and school district bus yard to the north, a major arterial to the east, and offices and industrial uses to the south. The current property owner, United States Postal Service, has the property up for sale and the City has had discussions with potential buyers regarding very-high-density residential and mixed uses on this site. Pursuant to Program 1, *Adequate Sites for Affordable Housing* a General Plan Amendment and zone change will be considered by the Council, concurrently with this Housing Element policy document to accommodate 4 acres of exclusive Very High Density Residential uses. Based on the site size and proposed zoning designation, this property has a realistic potential for 144 units based on a density of 36 dwelling units per acre.

FINANCIAL RESOURCES

Affordable Housing In-Lieu Fees

Since incorporation, the City has processed two condo conversions and has required in-lieu fees as a condition of approval for one of the condo conversions to assist in the creation of future affordable housing opportunities. In addition, development agreements for four of the CBO sites allow that in-lieu fees be paid rather than constructing all of the affordable units required on site, however only one (Ventana Ridge) has elected to pay only in-lieu fees. Glenwood and Vantis have elected to construct low-income units on site and pay in-lieu fees for the very-low income units. The fourth CBO, the Commons, has not yet produced an Affordable Housing Implementation Plan. The majority of the existing funds are from the Canyon Point condo conversion. The remaining balance is from Ventana Ridge, as well as a small percentage from the Glenwood and Vantis CBO projects. To date, the City has collected approximately \$2 million in in-lieu fees. Of the three CBO sites, two sites (Glenwood and Ventana Ridge), has paid all of their in-lieu fees. In addition to constructing the final 20 affordable units, Vantis pays additional in-lieu fees in installments that are tied to the construction of their market rate residential units.



**Table CP-22
Residential Vacant Land Inventory**

Site	General Plan	Zoning	Acreage	Density	Units by Income Category			
					VL	Low	Mod	Above Mod
Vantis – Multi-family Apartments (435 units)	CBO – Vantis	SP No. 1 – Vantis	8.3	52.4 units/ acre	0	20*	415	0
The Commons at Aliso Viejo Town Center (140 total units) – Towers Planning Area (140 units)	CBO – The Commons at AV Town Center	SP No. 2 - Commons	4.1	34.1 units/ acre	7*	14	119	0
Total Inventory					7	34	534	0
New Construction Need 2014-2021					210	80	7	18
Adequate Sites? (Shortfall)					(203)	(46)	Yes	Yes**

Notes:

* Deed-restricted units

** Accommodated by surplus Moderate sites

**Table CP-23
Non-Residential Vacant Parcels to be Rezoned**

Site	Existing General Plan/ Zoning	Proposed General Plan/ Zoning	Density Range (units/acre)	Acreage	Realistic Capacity	Adjoining Uses
2C Liberty	Business Park / Business Park-1	Very High Density Residential / Residential Very High	30 - 50	4.0	144 units (36 units/acre)	Bus Yard, Church with School
4 Liberty	Business Park / Business Park-1	*Mixed Use/Residential Overlay / Mixed Use/Residential Overlay of Residential Very High / Business Park-1	30 - 50	25.6 (4.0 of VHDR)	144 units (36 units/acre)	Proposed senior housing, Bus Yard, Business Park
Totals				29.6 (8.0 of VHDR)	288 units	

Notes:

* The Mixed Use/Residential General Plan and Zoning designation for 4 Liberty would permit development of 21.575 acres of BP uses and 4 acres of Very High Density Residential @ 30-50 dwelling units per acre.



On January 8, 2014, the second reading for an Ordinance approving an amendment to the Vantis Development Agreement was approved by City Council, becoming effective on February 8, 2014. The amendment included an extension to the term of the Development Agreement until April 2025.

The amended Vantis Affordable Housing Implementation Plan (AHIP) requires the Owner to construct on the Vantis property 15 affordable housing units to be sold to low-income households and 20 affordable housing units to be rented to low-income households. In addition to building the units, the Owner is required to pay the City an affordable housing contribution fee of \$633,350, which the City will deposit in the City Housing Trust Fund. Of this fee, the Owner is required to pay \$35,775 upon issuance of each of the 100th, 200th certificate of occupancy for market rate units and \$280,900 upon each of the 300th, and 400th certificate of occupancy for market rate units on the Vantis site.

The Owner is required to pay a pro rata share of the \$633,350 prior to issuance of a certificate of occupancy for market rate units AND is required to complete construction of units onsite in phases. To date, the Owner has paid the first two installments, totaling \$71,550, and completed a total of 15 affordable units. The previous allowance in the AHIP which stated: "If, for any reason, Owner has not completed construction of the Onsite Units set forth under Paragraph 3 of this AHIP at the time that the Vantis Development Agreement terminates (exclusive of extensions due to the exercise of the Commercial Option referenced in Section 7.2(a) above), Owner shall pay the City an in-lieu fee of One Hundred Thirty-Two Thousand Nine Hundred and Thirty-Six Dollars (\$132,936) for each of the Onsite Units which were not built when due" was eliminated with the amendment.

The Commons Development Agreement states that the Owner shall be obligated to provide housing units affordable to low-income households equivalent to 10% of total residential units constructed in the project and housing units affordable to very-low-income households equivalent to 5% of the total residential units constructed in the project. This translates into 14 low-income units and 7 very-low incomes of the 140 units allowed in the Commons Specific Plan. The Owner may also satisfy this requirement with payment of an in-lieu fee of \$1,771,074 prior to building permit issuance for the first residential unit within the project. If the Commons Development Agreement were to expire in 2015 in conjunction with the current Specific Plan, and if the 21 units were not constructed and a payment of \$1,771,074 were made instead of construction, then the entire site would be counted toward the City's lower-income RHNA based on the state default density.

To date, the City has spent approximately \$30,000 from the Affordable Housing In-Lieu Funds that accounted for the loss taken between the purchase and sale of an affordable deed restricted unit in the Glenwood development. After receiving a Notice of Default



by the bank in May of 2012, the City closely monitored the process to see if the owner could keep her unit. When it appeared that a foreclosure was imminent, the City offered to purchase the unit from the owner so that the unit would not be foreclosed upon and then sold for market-rate by the bank. The City successfully preserved this affordable unit in December 2012. The resale of the unit was completed June 2013.

Low Income Housing Tax Credits (LIHTC)

Created by the 1986 Tax Reform Act, the LIHTC program has been used in combination with other resources to encourage the construction and rehabilitation of rental housing for lower-income households. The program allows investors an annual tax credit over a ten-year period, provided that the housing meets the following minimum low-income occupancy requirements: 20 percent of the units must be affordable to households at 50 percent of area median income (AMI), or 40 percent of the units must be affordable to those at 60 percent of AMI. The total credit over the ten-year period has a present value equal to 70 percent of the qualified construction and rehabilitation expenditures. The tax credit is typically sold to large investors at a syndication value. The Woodpark Apartments in Aliso Viejo offers 128 rent-restricted units through the LIHTC program.

Housing Choice Voucher (Section 8) Program

The Housing Choice Voucher (Section 8) program is a federal program that provides rental assistance to very low income persons in need of affordable housing. This program offers a voucher that pays the difference between the current fair market rent and what a tenant can afford to pay (i.e., 30 percent of their income). The voucher allows a tenant to choose housing that may cost above the payment standard, but the tenant must pay the extra cost. The Orange County Housing Authority (OCHA) administers the Section 8 Voucher Program for Aliso Viejo. As of 2013, 56 households in Aliso Viejo were receiving assistance via the Housing Choice (Section 8) program.

OPPORTUNITIES FOR ENERGY CONSERVATION

Utility-related costs can directly impact affordability of housing in Aliso Viejo. By promoting and expanding opportunities for energy conservation, the City can indirectly alleviate housing cost burden and improve housing affordability in the community.

Opportunities for energy conservation in Aliso Viejo include continued implementation of State Title 24 building construction standards, complying with Energy Star conservation standards, and considering appropriate building orientation and landscaping during the development/design review process through implementation of the Zoning Ordinance. The City requires a minimum of 50 percent of the landscaping to be drought tolerant in new development within Aliso Viejo.



In addition to the numerous environmental benefits (see Conservation/Open Space Element), energy conservation measures implemented by the City can significantly reduce the cost of utilities to community households, thereby reducing housing cost burden and improving overall housing affordability in Aliso Viejo. The Zoning Ordinance will be amended to add a Green Building Program that offers incentives such as expedited processing and/or fee waivers when project proponents agree to incorporate environmentally sensitive sustainable and energy efficient construction techniques into their projects. The fee waiver program would apply to all building permits for solar voltaic, 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 will also accompany the fee waiver program. Furthermore, a Solar Energy Education Program will be developed to compliment the Green Building Program. The program would encourage use of passive solar systems in new and re-habilitated residential construction to improve energy efficiency of housing units. Daytime interior lighting costs can be significantly reduced or eliminated with the use of properly designed and located skylights. Skylights can be easily installed at reasonable expense in existing houses, thereby substantially reducing electricity costs and energy consumption. Solar energy is a practical, cost effective, and environmentally sound way to heat and cool a home. Lastly, the amendment will include the Ahwahnee Principles for Resource-Efficient Communities, which describe housing and community design techniques to maximize efficient use of resources. Other opportunities for energy conservation in Aliso Viejo include continued implementation of State Title 24 building construction standards, complying with Energy Star conservation standards, and considering appropriate building orientation and landscaping during the development/design review process through implementation of the Zoning Ordinance.



CONSTRAINTS ANALYSIS

Aliso Viejo strives to provide a variety of housing opportunities for current and future residents. However, a variety of factors can constrain the development, maintenance, and improvement of housing. These include market mechanisms, government codes, and physical and environmental constraints. This section addresses these potential constraints that affect the supply and affordability of housing in Aliso Viejo.

MARKET CONSTRAINTS

Land costs, construction costs, and market financing contribute to the cost of housing reinvestment, and can potentially hinder the production of new housing. Although many constraints are driven by market conditions, jurisdictions have some leverage in instituting policies and programs to address such constraints. The section below analyzes these market constraints as well as the activities that the City undertakes to mitigate their effects.

Development Costs

Construction costs vary widely according to the type of development, with multi-family housing generally less expensive to construct than single-family homes. However, wide variation within each construction type exists depending on the size of the unit and the number and quality of amenities provided, such as fireplaces, swimming pools, and interior features among others. The City has no influence over materials and labor costs, and the building codes and development standards in Aliso Viejo are not substantially different than most other cities in Orange County. Construction costs for materials and labor have increased at a slightly higher pace than the general rate of inflation according to the Construction Industry Research Board. Typical residential construction cost is estimated to be \$100-140 per square foot for standard quality development.

Cities have little control over materials and labor costs; however, Housing Programs 1, *Adequate Sites for Affordable Housing* can reduce the cost of development for projects by assuming the cost of amending the General Plan and Zoning designations to allow for additional residential development on vacant/underutilized sites. Furthermore, as described in Housing Program 2, *Affordable Housing In Lieu Funds*, assistance to non-profit developers of affordable developments can also offset the cost of development.

Land Costs

The cost of raw land typically accounts for a large share of total housing production costs. Land costs may vary depending on whether the site is vacant or has an existing use that must be removed. Similarly, site constraints such as environmental issues (e.g., steep



slopes, soil stability, seismic hazards, or flooding) can be a factor driving up the cost of developable land.

Prices also vary depending on density, proximity to the coast and neighborhood characteristics. Recent asking prices for developable land in Aliso Viejo have been in excess of \$1 million per acre. Higher density reduces per-unit land costs. Aliso Viejo is a relatively high-density community in comparison to other cities in southern Orange County, and as noted previously, approximately 65 percent of the housing stock is attached housing, either condo or apartments. Therefore, although the price of land is expected to comprise a significant portion of the cost of housing, the City's zoning regulations allowing densities up to 50 units per acre serves to ameliorate this factor.

Cost and Availability of Home Financing

The recent crisis in the mortgage industry has affected the availability of real estate loans, although the long-term effects are unpredictable. A major contributing factor in the real estate crash resulted from "sub-prime" lenders making loans to families with insufficient financial resources to support the mortgages over the long-term. The problem typically occurred with adjustable rate mortgages (ARMs) after the initial fixed interest rate period expired (often two to three years) and the interest rate converted to market. Because ARMs often offer "teaser" initial interest rates well below market for the first few years, monthly payments may increase by several hundred dollars when the loan adjusts to market rate. When property values were increasing, as was the case from 2000 to 2006, homeowners had the option of refinancing to a new loan when the initial rate expired. However, in the current market, homeowners may owe more than the value of their home, making refinancing impossible. As a result of these conditions, there was a significant rise in foreclosure rates, and the tightening of mortgage underwriting standards has had a greater impact on lower-income families than those with higher incomes. Although mortgage interest rates are very low by historic standards, it has become much more difficult to qualify for new home loans and many homes are still "underwater," making refinancing difficult or impossible.

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

GOVERNMENTAL CONSTRAINTS

Local policies and regulations can impact the price and availability of housing and, in particular, the provision of affordable housing. Land use controls, site improvement



requirements, fees and exactions, permit processing procedures, and other factors may constrain the maintenance, development, and improvement of housing.

Land Use Controls

Most of the land in Aliso Viejo has either been developed or is permanently preserved for open space or recreation. The City was designed as a balanced planned community and the Land Use Element designates approximately 1,500 acres, or 40 percent of the City's land area, for a wide variety of residential uses to ensure adequate housing opportunity for its residents. The distribution of residential uses specified in the Land Use Element is depicted on the Land Use Policy Map and includes:

- ❖ Very Low Density Residential (VLDR) – maximum 5 units per acre
- ❖ Low Density Residential (LDR) – maximum 8 units per acre
- ❖ Medium Density (MDR) – maximum 18 units per acre
- ❖ High Density (HDR) – maximum 30 units per acre
- ❖ Very High Density Residential (VHDR) – up to 50 units per acre

VLDR and LDR uses account for 45 percent of all residential uses in Aliso Viejo, while MDR constituted 33 percent. HDR uses are 20 percent of the overall residential mix and the remaining 2 percent is comprised of VHDR uses.

Community Benefit Overlay Areas

Because Aliso Viejo has very few vacant sites suitable for development, those opportunities that do remain are extremely important components of the future vision of the community. The City recognizes that while all of the vacant or underutilized lands can make valuable contributions to the community's future, a few major sites stand out due to their size, strategic location and/or potential importance to community economic growth. On these sites, the City established the Community Benefit Overlay (CBO) that allows consideration of alternative future development plans. In 2005, development agreements were approved for four of the five CBO sites; all of which included a residential component.

Residential Development Standards

Most of Aliso Viejo is built out and the community has very few opportunities for new development. The City is comprised of portions of two master-planned communities: Aliso Viejo Planned Community and the Rossmoor Leisure World Planned Community. The area in northern Aliso Viejo that was part of the Rossmoor Leisure World Planned Community represents a small percentage of the City's land. There are no opportunities for new development in this area and the potential for redevelopment is low as existing uses are in good condition. There are limited opportunities for new development and redevelopment in the remaining portions of the City that were part of the Aliso Viejo Planned Community.



The portion of the city within the Aliso Viejo Planned Community (PC) was originally regulated by the Aliso Viejo Planned Community Development Plan and Supplemental Text, approved by the County of Orange prior to the City's incorporation in 2001. Upon incorporation, the City adopted the existing County PC regulations. In 2008 the City adopted a new Zoning Code, which supersedes the PC regulations and establishes development standards for residential land uses. Effective February 19, 2010 the residential development standards were amended, as summarized in Table CP-24. The purpose and density of each residential district is as follows:

- ❖ RL Residential - Low Density District. To provide for the development and preservation of low density neighborhoods with single family detached or attached residences and condominiums. Maximum density is 8 units per gross acre.
- ❖ RM Residential - Medium Density District. To provide for the development and preservation of medium density neighborhoods containing detached and attached single-family homes on smaller lots, duplexes, townhomes, apartments, and condominiums. Each project will have ample common open space and recreation facilities. Maximum density is 18 units per gross acre.
- ❖ RH Residential - High Density District. To provide for the development and preservation of high density neighborhoods consisting primarily of attached and multiple dwelling units such as townhomes, apartments, condominiums, and senior housing. Each project will have ample common open space and recreation facilities. Maximum density is 30 units per gross acre.
- ❖ RVH Residential - Very High Density District. To provide for the development and preservation of very high density neighborhoods consisting primarily of multiple dwelling units such as apartments, condominiums, and senior housing. Each project will have ample common open space and recreation facilities. Maximum density is 50 units per gross acre.
- ❖ PRD Planned Residential Development Overlay District. This is an overlay district which is to be combined with one of the residential base districts described above. The PRD overlay district provides for the development and preservation of planned unit developments with attached homes, detached homes, or a mixture of both. Each project will have ample common open space and recreation facilities. Setbacks and other development standards are to be tailored specifically to each project.



**Table CP-24
Residential Development Standards**

	RL		RM	RH	RVH	PRD ^c
	Single-Family Detached	Single-Family Attached				
Height and Area Standards						
Maximum structure height ^a	35 feet, maximum 2 stories (lofts do not count as a separate story)		35 feet	45 feet	65 feet	Same as base district
Building site area, min. (sq/ft)	3,000		5,000	5,000	5,000	
Building site coverage for entire project at initial development	No maximum		60%	60%	60%	
Min. Common Open Area (in addition to boundary landscaping), subject to sec. 15.14.120	n/a		25%	25%	25%	
Minimum Building Setbacks^b						
Front	10 feet	10 feet	For single-family detached and attached: same setbacks as RL; otherwise, n/a	n/a	n/a	As approved for each project
Side	10 ft. for one side only; or 10 ft. aggregate for both sides	0 ft. on attached side; 10 ft. on open side				
Rear	10 feet	10 feet				
Minimum Perimeter Setback	n/a	n/a	20 feet	20 feet	20 feet ^d	20 feet ^d
Landscaping						
Minimum Boundary Landscaping, subject to sec. 15.14.120	n/a	n/a	For multifamily, 15 feet min., 20 feet min. avg.			
Minimum Parking Lot Landscaping	n/a		Min. 4% of parking lots serving 10 or more cars shall be landscaped in addition to boundary landscaping.			
Drought Tolerance	n/a		Min. 50% of landscaping must be drought tolerant.			

Source: Aliso Viejo Zoning Code, 2013

a See Chapter 15.30 for additional provisions regarding height limits.

b Setbacks are measured from ultimate street right-of-way line. Also, setbacks are subject to the provisions of sec. 15.14.040 (Encroachments into Setbacks).

c The PRD standards shown are for projects approved after the effective date of this Code. For projects approved prior to the effective date of this Code, setbacks and other development standards shall be as established by the buildings as they exist on the effective date of this Code.

d All min. perimeter setbacks shall be increased 1 foot for every foot in height above 35 feet

Parking Standards

Overly-stringent parking standards may pose a constraint to housing development and reduce the viability of potential affordable housing projects by reducing the number of units that can be built. During the prior planning period, the required parking for larger multi-family units (3 or more bedrooms) was reduced in order to minimize this potential constraint. The City’s parking standards are contained in Chapter 15.50 of the Zoning Code and are shown in Table CP-25 below.



**Table CP-25
Parking Requirements by Use**

Land Use	Minimum Off-Street Parking Requirement	Additional Requirements
Single family detached and single family attached	2 spaces per unit in a garage plus 1 space for any second dwelling unit (which may be a tandem driveway space, subject to §15.14.080)	Plus 0.5 off-street guest spaces per unit if there is no on-street parking in front of the units. Each garage space shall have minimum unobstructed interior dimensions of 10 ft. x 22 ft.
Multifamily dwellings, townhomes	2 spaces per unit in a garage	
Multifamily dwellings, apartments (either rental or condominium): Studio: 1 bedroom: 2 bedrooms or more bedrooms:	1 covered space per unit 1.2 covered spaces per unit 2 covered spaces per unit	Plus 0.5 guest spaces per unit, with parking distributed so that all units are within 150 feet of the resident's assigned or reasonably available parking space and within 150 feet of the nearest designated guest space.
Affordable housing (Ch. 15.58): Studio to 1 bedroom: 2-3 bedrooms: 4 or more bedrooms:	1 space per unit 2 spaces per unit 2.5 spaces per unit	Spaces may be tandem or uncovered.
Live/work and other mixed use developments	2 spaces per unit in a garage plus the spaces required for the nonresidential uses per this chapter; or as required in applicable specific plan	Each garage space shall have minimum unobstructed interior dimensions of 10 ft. x 22 ft.
Mobilehome parks	2 covered spaces per unit, which may be in tandem, plus 0.5 guest spaces per unit	
Single-room occupancy housing	1 space per dwelling unit	
Boarding or rooming houses	1 space per sleeping room	
Managed care: assisted living, congregate care facilities, and other senior group housing (age restricted)	1 space per dwelling unit; or 0.5 spaces per bed in dormitory housing	If the number of beds is uncertain at the time of City review, the requirement shall be 0.5 spaces per each 100 sq/ft of sleeping area
Managed care: convalescent homes	0.5 spaces per bed	
Homeless and emergency shelters	0.3 spaces per bed	If the number of beds is uncertain at the time of City review, the requirement shall be 0.3 spaces per each 100 sq/ft of sleeping area
Transitional and supportive housing	1 space per dwelling unit; or 0.3 spaces per bed in dormitory housing	
Alcoholism or drug abuse recovery facilities and residential care facilities; all for 6 or fewer persons	As required for the single family or multifamily dwelling unit in which the facility is located	

Condominium Conversions

Chapter 15.54 of the Zoning Code addresses the conversion of affordable units to ownership (condominium) units. The chapter includes a variety of provisions that are intended to preserve affordable housing opportunities, create additional affordable housing, and ensure that any housing stock that may be approved for an ownership opportunity be evaluated for compliance with construction and housing codes to ensure that the units are safe, sanitary, and livable. Primary features of the chapter include a requirement of an apartment vacancy rate of more than 5 percent unless mitigating circumstances are found by the City Council. The chapter also requires that 15 percent of converted units be affordable to very-low- and low-income households, as well as a requirement to provide tenant relocation assistance. All affordable units are required to



be sold with an affordability covenant that restricts the sale of the unit to a low-income or very-low-income buyer in accordance with the terms set forth in Subchapter 2 of Chapter 6.5 of Division 1 of Title 25 of the *California Code of Regulations*.

Affordable Housing Incentives

Chapter 15.58 of the Zoning Code contains regulations and procedures for approval of a density bonus as well as additional incentives for affordable or senior housing in compliance with the most recent changes to §65915 of the *Government Code* (SB 1818). Affordable and/or senior housing projects are eligible to receive a density bonus of up to 35 percent as well as other incentives and concessions dependent on the level of affordability provided.

Second Residential Units

Section 15.14.080 of the Zoning Code contains regulations and procedures for approval of second residential units. This section of the Code is consistent with current state law, and contains the following provisions:

- ❖ Second unit permits shall be approved by the Planning Director as a ministerial action;
- ❖ Allowed on any lot containing one owner-occupied single-family residence in any residential district if applicable standards are met;
- ❖ May be either attached or detached from the main structure;
- ❖ Allowable floor area up to 30 percent of the main unit, not to exceed 1,200 square feet;
- ❖ A minimum of three off-street parking spaces shall be provided for each residential lot containing an approved second unit. This parking shall include a two-car garage for the primary residential unit and 1 enclosed or open space for the second unit. A tandem parking space within an approved driveway, with a minimum dimension of 9 feet in width by 19 feet in depth, may be credited toward meeting the requirement for the second dwelling unit, provided the space is kept clear and available for parking purposes at all times. May be rented, but not sold separately from the main unit.

Provision for a Variety of Housing

A balanced community must offer a range of housing options for all economic segments of the population. This includes single-family housing, multi-family housing, factory-built or manufactured housing, mobile homes, reasonable accommodation in housing for persons with disabilities or special needs, emergency shelters, and transitional housing among others. Permitted residential land uses are summarized in Table CP-26.



**Table CP-26
Permitted Residential Land Uses by District**

Residential Uses	RL Low Density Residential	RM Med. Density Residential	RH High Density Residential	RVH Very High Density Res.
Single-family dwellings, detached	P	P	NP	NP
Single-family dwellings, attached	P	P	P	P
Multifamily dwellings	NP	P	P	P
Single-room occupancy housing	NP	P	P	P
Boarding and rooming houses	NP	C	C	C
Individual manufactured homes including mobilehomes on single family lots, subject to sec. 15.14.100	P	P	NP	NP
Mobilehome parks and developments, subject to sec. 15.14.100	C	C	C	C
Alcoholism or drug abuse recovery facilities ("sober living" houses), serving 6 or fewer persons in single family detached dwellings	P	P	NP	NP
Homeless and emergency shelters	NP	C	C	C
Managed care facilities, including assisted living facilities and convalescent homes	NP	NP	C	C
Residential care facilities for 6 or fewer persons	P	P	P	P
Residential care facilities for 7 to 12 persons	C	C	C	C
Transitional and supportive housing	P	P	P	P
Second residential units on lots with single family detached dwellings, subject to sec. 15.14.080	A	A	NP	NP
Guest houses, subject to sec. 15.14.090	A	A	NP	NP
P=permitted C=conditionally permitted A=accessory use NP=not permitted				

Multi-Family Units: Multi-family residential is a permitted use with a Site Development Permit for the site and architectural design in the RM, RH, and RVH zoning districts (Table CP-27), although most of the land within these areas has already been built out. Future multi-family development can be achieved on the few remaining vacant properties with a change of zoning and general plan designation.

Manufactured Housing: Manufactured housing offers an affordable homeownership option to many low- and moderate-income households. In accordance with State law, the City of Aliso Viejo allows individual manufactured housing by right in the RL and RM residential zones providing these units are built to meet the California Building Code in accordance with applicable factory-built regulations.

Residential Care Facilities: Residential care facilities can be described as any family home, group care facility, or similar facility for 24-hour non-medical care of persons in need of personal services, supervision, or assistance essential for sustaining the activities of daily living. The Zoning Ordinance allows small (6 or fewer clients) care facilities by-right in all residential districts. Large (7-12 clients) residential care facilities are allowed subject to a CUP in all residential districts. Managed care facilities (residential care facilities over 13 clients) are allowed subject to a CUP in the RH and RVH districts.



Housing for Persons with Disabilities: Both the Fair Housing Act and the California Fair Employment and Housing Act require local governments to make reasonable accommodation (i.e., modifications or exceptions) in their zoning laws and other land use regulations when such accommodations may be necessary to afford persons with disabilities an equal opportunity to use and enjoy a dwelling. For example, it may be a reasonable accommodation to waive a setback requirement so that a paved path of travel can be provided to residents who have mobility impairments. A similar waiver might not be required for a different type of group home where residents are not physically disabled. Whether a particular modification is reasonable depends on the facts, and must be decided on a case-by-case basis. The Zoning Code includes procedures for ensuring reasonable accommodation, including timeframes for decision making, and provision for relief from various land use, zoning, or building regulations that may constrain the housing for persons with disabilities.

Emergency Shelters and Transitional/Supportive Housing: Emergency shelters can be defined as charitable or public service facilities that provide temporary 24-hour shelter services to the homeless. Transitional housing is a type of rental housing used to facilitate the movement of homeless individuals and families to permanent housing. Transitional housing may include case management and support services to return people to independent living as soon as possible, typically between 6-24 months. Supportive housing offers support services to residents who may have longer-term disabilities.

Transitional/supportive housing can take several forms, including group quarters with beds, single-family homes, and multifamily apartments. The Zoning Ordinance allows emergency shelters “by-right” in the Business Park 1 and 2 districts. The BP districts encompass approximately 240 acres conveniently located with access to transit and services. The BP-1 district is designed to permit a variety of uses including community facilities and limited service and retail offices. Approximately twelve developed parcels with vacant or underutilized space that could accommodate emergency shelters are located within the BP districts. The Zoning Code specifies that Transitional / Supportive Housing is a residential use that is subject only to the same regulations that apply to other residential uses of the same type in the same zone in compliance with SB 2.

Planning and Development Fees

Planning and development fees can increase the cost of housing and pose a constraint to the development of affordable housing projects (see Table CP-27). While fees affect the cost of housing, they are necessary for the City to continue providing essential planning and building services, and do not exceed the actual cost of providing these services. Actual processing costs reflect a 100 percent cost recovery system. The only development impact fees that have been collected in the City are for projects with a development agreement. A multi-family project with a site development permit does not require a development agreement unless the developer requests such agreement. As of August 2013, the fees to develop a typical single-family unit within a development (example:



2,150-square-foot house with 504-square-foot garage) and multi-family unit (10,142-square-foot 7-plex with 3,190-square-foot garage) without a subdivision or development agreement are as follows:

**Table CP-27
Planning and Development Fees**

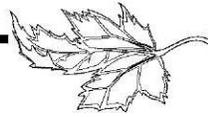
Permit Process	Single Family Development ¹ (per unit)	Multifamily Development ² (per unit)
Planning: Site Development Permit	Site Development Permit: Cost Recoverable	Site Development Permit: Cost Recoverable
Building: Plan Check Fee	\$1,116.76	\$4,408.72/structure
Building: Permit Fee	\$1,718.09	\$6,618.99/structure
Building: Issuance	\$69.32	\$17.33/structure
Building: Mechanical	\$58.10	\$761.11/structure
Building: Plumbing	\$217.26	\$1,966.20/structure
Building: Electrical	\$329.85	\$2,112.96/structure
City General Plan:	\$355.60	\$1,584.98/structure
State Building Fees: Strong Motion Implementation Program	\$21.88	\$107.65/structure
Construction/Demolition Fee: Recoverable Deposit:	\$180.00 (5% of valuation) \$11,266.65	\$180.00/structure (4% of valuation - not to exceed \$40,000) \$40,000.00
Water Quality:	\$192.00	\$192.00
Scanning \$1.00/page	(\$1.00/page) \$200.00 est.	(\$1.00/page) \$300.00 est.
State Building Fees: SB 1473	\$9.00	\$44.00/structure
Road Fees: San Joaquin Hill Transportation Corridor Agency	\$4,902.00	(\$2,855.00/unit) \$19,985.00
Road Fees: Coastal Area Road Improvements and Traffic Signals	\$1,751.00	(\$1,401.00/unit) \$9,807.00
Road Fees: Moulton Parkway	\$361.00	(\$211.00/unit) \$1,477.00
School Fees: Capistrano Unified School District (Paid at school)	(\$3.56 per square foot, with the exception of properties within a development that includes a Mello-Roos) \$7,654	(\$3.56 per square foot, with the exception of properties within a development that includes a Mello-Roos.) \$36,105.52
Impact Fees: Park, Open Space/Recreation, Water Connection, and Sewer Connection, Storm Drain	\$0	\$0
Est. Total Fees	\$30,402.51	\$125,668.46 (\$17,952.64 for each unit within 7-plex)
Total fees as percentage of building valuation	13%	12%

Notes:

1. Based on 2,150-square-foot living area with 504-square-foot garage (valuation \$225,333)
2. Based on 7-plex, 10,142-square-foot living are with 3,190-square-foot garage (valuation \$1,076,504 or \$153,786/unit)

Source: City of Aliso Viejo, 2013

In summary, planning and building fees for a single-family unit represent approximately 13 percent of total development cost, while fees for a typical multi-family project are



approximately 12 percent of total development cost. Therefore, City fees and exactions are proportionately less for a multifamily project than for a single family project.

On- and Off-Site Improvements

City road standards vary by roadway designation as provided in Table CP-28.

**Table CP-28
Road Improvement Standards**

Roadway Designation	Number of Lanes	Right-of-Way Width	Curb-to Curb Width
Major Highway	6	120	102
Secondary Highway	4	80	64
Collector Street	2	64	40
Local Street	2	60	36
Cul-De-Sac Street	2	52-56	36-40

Source: City of Aliso Viejo General Plan - Circulation Element.

A local residential street requires a 60-foot right-of-way, with two 18-foot travel lanes. The City’s road standards are typical for cities in Orange County and do not act as a constraint to housing development.

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. As part of a Development Agreement, the City could require 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, overpasses 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 increase the cost of housing, cities have little choice in establishing such requirements due to the limitations on property taxes and other revenue sources needed to fund public services and improvements.

Development Permit Procedures

Development review and permitting procedures ensure that residential construction proceeds in an orderly manner. However, the time and cost of permit processing and



review can be a constraint to housing development if they place an undue burden on the developer.

The process to obtain a development permit begins when a project proponent submits a project proposal to the City. For a typical single and multi-family project, a Site Development Permit is required. The purpose of an SDP for a residential project is to confirm that the physical design of the project is consistent with development standards and design guidelines set forth in the zoning regulations. Unlike a conditional use permit, the SDP process does not examine the appropriateness of the use itself. The Director of Planning Services has the discretion to administratively approve a Site Development Permit or forward it to the City Council. The typical length of time for a Site Development Permit approved by the Director is two months. If the Director forwards the application to City Council, the typical process is four months. Once the site development permit is approved, a Building Permit, which is ministerial, is required. The permitting process is as follows:

- ❖ Applicant submits three sets of a site plan, floor plans, and elevations to the Building department. Additionally, the Applicant submits a Building Permit application with the required fee based on the valuation of the project.
- ❖ The Building Permit Technician requests a copy of the Master Homeowners Association (HOA) and sub-association approvals; however if the Applicant chooses not to submit those approvals, the Applicant signs a stamp acknowledging it was requested by Staff. The Master HOA, as well as a portion of the sub-association, includes an architectural review committee.
- ❖ The application is taken in for a plan check, which is completed within ten business days. If revisions are necessary, the plans and comments are routed back to the Applicant. Following receipt of the revisions, Staff has five business days to review.
- ❖ Once the plan check is complete, the building permit department is able to issue the permit. It is incumbent upon the applicant to call for inspections once construction commences.

Given the built-out character of the City, remaining development potential is fairly limited. The City does not have a backlog of development applications and is able to process applications in a timely manner. The City's development standards and Site Development Permit procedures provide clear, objective guidelines for developers and help to minimize the time required to obtain approval, which helps to reduce overall development cost. While current procedures do not appear to pose unreasonable constraints to the cost and supply of housing, the City will monitor residential development applications and include a discussion of this issue in the City's annual General Plan implementation reports.



Building Codes and Enforcement

The City has adopted the 2010 California Building Codes, which includes the California Building Code, California Residential Code, California Plumbing Code, California Mechanical Code, California Electric Code, California Fire Code, California Green Buildings Standards Code, California Energy Code, California Administrative Code, and the California Referenced Standards Code. While adding to the cost of residential development, enforcement of the California Building Code is necessary to safety of current and future residents of Aliso Viejo.

ENVIRONMENTAL, INFRASTRUCTURE, AND PUBLIC SERVICE CONSTRAINTS

Environmental factors and a lack of necessary infrastructure or public services can constrain residential development in a community by increasing costs and reducing the amount of land suitable for housing construction.

Environmental Constraints

Environmental constraints related to seismic activity, geology, or topography, potential for flooding, or other environmental issues can impact the cost associated with the maintenance, improvement, and development of housing. The Safety Element identifies areas within the City subject to seismic, geologic, wildfire, and flooding hazards which may constrain residential development.

Seismic and Geologic Constraints: Earthquake shaking is largely caused by the release of seismic energy during periods of sudden displacement along a fault. Aliso Viejo is located in a relatively active seismic region of the State, and may be subject to moderate or severe ground shaking at any time. Although no known fault traverses Aliso Viejo that could subject it to ground-rupture, the Inglewood-Newport fault, located northeast of the City could trigger landslides and liquefaction. Measures identified in the Safety Element are required to mitigate hazards associated with natural seismic and geologic conditions and result in added development costs and constrain residential development. Nevertheless, these measures are necessary to protect public safety.

Flooding: The Safety Policy Map (Figure S-1 in the Safety Element) outlines portions of the community that fall within a 100-year flood zone. Most of this area is located in the Aliso and Wood Canyons Wilderness Park and has been designated as Open Space in the Land Use Element. However, no land designated for residential uses is located within the floodplain.

Ecological and Biological Resources: Although much of Aliso Viejo is comprised of urbanized or disturbed areas that generally have low habitat value for wildlife, nearly 25



percent of the City's land area is set aside as open space, the majority of which is located within the Aliso and Wood Canyons Wilderness Park, a significant source of ecological and biological resources.

Extensive research and planning efforts conducted by the County of Orange and other jurisdictions prior to the City's incorporation have identified the locations of sensitive habitats and species. Aliso Viejo lies within the Coastal subregion of the Orange County Natural Community Conservation Plan and Habitat Conservation Plan (NCCP/HCP) area.

Several areas within Aliso and Wood Canyons Wilderness Park are designated as Non-Reserve Open Space within the NCCP/HCP, while a substantial area west of the City is designated as NCCP Habitat Reserve. Within the Habitat Reserve area, the NCCP/HCP restricts the kinds of permitted uses to protect long-term habitat values. Residential uses are prohibited, as are new active recreational uses outside already disturbed areas.

Infrastructure and Public Service Constraints

A lack of adequate infrastructure or public services and facilities to keep pace with the demands of new development can be a substantial constraint to residential development. This section looks at the City's domestic water, sewer and solid waste disposal systems to evaluate capacity to meet residential demands. SB 1087 of 2005 requires cities to provide a copy of their Housing Elements to local water and sewer providers, and also requires that these agencies provide priority hookups for developments with lower-income housing. The Housing Element will be provided to these agencies immediately upon adoption.

Domestic Water: Potable water is imported by Metropolitan Water District of Southern California (MWD) and transferred to the Moulton Niguel and El Toro Water Districts, which serve Aliso Viejo. According to these Districts, existing piping and filtration infrastructure is adequate to serve future development within the City and the water supply is adequate at least until the year 2030. These districts are totally dependent on the MWD to meet water demands. According to the MWD's long-term water supply modeling, reliable supplies can be maintained until 2030 under conditions that have existed in prior dry periods.

The City will continue to work with the Moulton Niguel and El Toro Water Districts to implement the Urban Water Management Plans and ensure that adequate water supplies are available to meet the needs of existing and future growth. The City will review proposed development projects to ensure that approved projects do not degrade water pressure or reduce supplies available to the rest of the community. Those projects found to be subject to California State Water Code 10910-10915 will be required to undergo review by the applicable water purveyor to ensure adequate water supplies will be available.



In addition, the City will encourage water conservation through various methods. The City will comply with AB 1881 regarding water conservation in landscaping irrigation. The City will coordinate with the Aliso Viejo Community Association (AVCA) to ensure that landscaping, park maintenance and other services provided by the Association employ water conservation measures and use recycled water if available from water suppliers. City officials will continue collaboration with Transportation Corridor Agency (TCA) to achieve attractive, well-maintained low-water landscaping within the Transportation Corridor. The City will continue to expand and implement a plant palette consisting of native and xeriscape plant species to serve as a model for private landscaping projects. In addition to conserving water, new landscaping within the City will be required to consist of 50 percent low water native or xeriscape plant species as required by the General Plan. These requirements will be re-evaluated periodically and the percentage of low water plants will be increased over time. These measures will mitigate the potential constraint on residential development resulting from future availability of adequate water supplies and infrastructure.

Sewer Facilities: The Moulton Niguel and El Toro Water Districts operate sewer collection and transmission facilities within Aliso Viejo. According to the Districts, these facilities are well-maintained and will be able to service future growth within the City. Collected wastewater is transmitted to the Regional Wastewater Treatment Plant operated by the South Orange County Wastewater Authority (SOCWA). New development will be required to cooperate with the Moulton Niguel Water District or the El Toro Water District to ensure that the existing wastewater infrastructure can adequately serve the project. The City will continue to cooperate with the South Orange County Wastewater Authority in efforts to provide adequate wastewater treatment services for Aliso Viejo. In addition, the City will continue to coordinate with the local water districts in their planning and maintenance of their wastewater collection facilities in the community to ensure adequate wastewater infrastructure for future residential development in Aliso Viejo.

Flood Control: The Orange County Flood Control District (OCFCD) is responsible for regional flood control facilities, while the City maintains local facilities that tie into OCFCD's regional system. Local drainage facilities consist mostly of underground closed conduits and storm drains located primarily in developed areas of the City. These facilities collect and convey storm water to regional facilities including the Laguna Canyon, Woods Canyon, and Aliso Creek Channels. The City will continue to coordinate with the OCFCD, which is responsible for maintenance and monitoring of regional flood control facilities.

Solid Waste: Solid waste generated in Aliso Viejo is collected by a private contractor and transmitted to various landfills operated by the Orange County Integrated Waste Management Department (IWMD). Although Aliso Viejo is nearly built out, the Orange County population continues to grow and so does its waste. IWMD is responsible for ensuring that waste is disposed of in a way that protects public health, safety, and the



environment. To accomplish this objective, IWMD developed a Regional Landfill Options for Orange County (RELOC) Strategic Plan in 2001 (updated in 2005 and 2006). The City will continue to cooperate with IWMD in efforts to maintain and expand its regional landfill facilities. The adequacy of regional landfills to handle future flows of solid waste generated in Aliso Viejo will not constrain future residential development in the City.



EVALUATION OF THE 2004 HOUSING ELEMENT

Section 65588(a) of the *Government Code* requires that jurisdictions evaluate the effectiveness of the previous Housing Element, the appropriateness of goals, objectives and policies, and the progress in implementing programs for the previous planning period. This appendix contains a review the housing goals, policies, and programs of the previous housing element and evaluates the degree to which these programs have been implemented during the previous planning period, 2008 through 2013. This analysis also includes an assessment of the appropriateness of goals, objectives and policies. The findings from this evaluation have been instrumental in determining the City's 2013-2021 Housing Implementation Program.

APPROPRIATENESS OF GOALS AND POLICIES

Table CP-29 evaluates the appropriateness of previous goals and policies, and identifies any changes that are called for in response to the City's experience during the previous planning period.

Table CP-29
Appropriateness of Prior Housing Element Goals and Policies

Goal	Policy	Appropriateness
H-1: Encourage a diversity of housing types and provide affordability levels within Aliso Viejo to meet the needs of community residents.		
	H-1.1 Identify sites appropriate for the development of a variety of housing types and price ranges to meet the needs of all socioeconomic segments of the community (including lower, moderate, and upper income households), offering both entry-level and move-up homes.	Still appropriate - retain
	H-1.2 Encourage development of affordable housing opportunities throughout the community, as well as development of housing for elderly and low and moderate income households near public transportation services.	Revised
	H-1.3 Identify physical, legal, economic and other constraints to the development of housing and collaborate with other public and private agencies to overcome such factors.	Still appropriate - retain
	H-1.4 Ensure a portion of future residential development is affordable to low and very low income households.	Revised
H-2: Create safe and aesthetically-pleasing neighborhoods, and provide adequate housing to meet the needs of all household types and income groups.		
	H-2.1 As the City matures, maintain the quality of the housing stock through code enforcement and rehabilitation activities, as well as coordination with sub-associations.	Revised



Goal	Policy	Appropriateness
	H-2.2 Promote increased awareness of the importance of property maintenance to long-term housing quality and property values, and encourage community and neighborhood involvement in neighborhood preservation.	Revised
	Policy H-2.3 Ensure that units produced for very low-, low-, and moderate-income households are maintained at designated income levels for the term established in the entitlement.	Eliminated
	H-2.4 Work to preserve the affordability of publicly assisted housing units and to discourage their conversion to market-rate housing.	Revised
H-3: In accordance with State law, ensure all persons and household types have equal access to housing.		
	H-3.1 Participate in programs and provide incentives for projects that include housing for seniors, low- and moderate-income groups, or special needs groups.	Revised
	H-3.2 Encourage the provision of housing and services for special needs groups, such as the homeless, disabled, and victims of domestic violence.	Revised
	H-3.3 Collaborate with developers, landlords, home-seekers, tenants, real estate and lender groups, and other private for-profit and non-profit agencies to ensure that individuals and families seeking housing in Aliso Viejo are not discriminated against.	Still appropriate - retain
	H-3.4 Maintain a variety of housing types that complements the employment opportunities within the community and encourages a jobs/housing balance, provided fiscal land use objectives are met.	Revised

PROGRESS IN MEETING QUANTIFIED OBJECTIVES

Since the City was incorporated after the RHNA was adopted for the 2000-2008 planning period, no quantified objectives for new construction were established. Because of the lack of units in need of repair and no units were at risk of conversion, no quantified objectives for rehabilitation or preservation were established.

PROGRAM EVALUATION

Table CP-30 summarizes the programs contained in the previous Housing Element along with the program objectives and accomplishments.



**Table CP-30
Housing Element Program Evaluation**

Program		Objective	Status of Program Implementation	Future Actions
1	Land Use Element	<ul style="list-style-type: none"> ❖ With the adoption of the Housing Element the City will amend the General Plan and Zoning designations for 4 Orion and/or 2C Liberty to accommodate 100% of its unmet lower-income need. The sites shall be re-designated and rezoned to Very High Density Residential with a minimum density of 30 units per acre and a maximum density of 50 units per acre, and will accommodate at least 16 units per site. The rezoned sites shall permit owner-occupied and multi-family use by-right during the planning period. These rezoned sites shall not require a conditional use permit or other discretionary approval. At least 50% of the very-low- and low-income housing need shall be accommodated on sites designated for residential use and for which non-residential or mixed uses are not permitted. ❖ Staff will develop and provide handbook and outreach materials to assist applicants through the design review process. ❖ The City will continue to convene meetings with property owners and beneficiaries of the deed restrictions pertaining to 4 Orion and 2C Liberty on a quarterly basis to discuss options and incentives for removing the restrictions. ❖ The City will facilitate multi-family development by supporting funding applications, deferring fees, allocating funds from the Affordable Housing Trust Fund, and/or approving modifications to development standards. 	<p>The 4th cycle Housing Element and zone changes were not adopted although the City continued to work with property owners.</p>	<p>Program 1 in the 2013-2021 Housing Element includes a commitment to adopt zone changes to provide adequate sites in the 5th cycle planning period.</p>



Program		Objective	Status of Program Implementation	Future Actions
		<ul style="list-style-type: none"> ❖ The City will report annually to the California Department of Housing and Community Development on its progress in implementing this program. 		
2	Zoning Ordinance	<ul style="list-style-type: none"> ❖ Add procedures for ensuring reasonable accommodation, including timeframes for decision making, and provision for relief from various land use, zoning, or building regulations that may constrain housing for persons with disabilities. Prior to adoption, the City will notify and consult with representatives and interest groups representing persons with disabilities. ❖ Adopt a Green Building Program that offers incentives such as expedited processing and fee waivers when project proponents agree to incorporate environmentally sensitive and energy efficient construction techniques into their projects. The fee waiver program would apply to all building permits for solar voltaic, 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 will also accompany the fee waiver program. ❖ Adopt a Solar Energy Education Program to compliment the Green Building Program. The program would encourage use of passive solar systems in new and rehabilitated residential construction to improve energy efficiency. Daytime interior lighting costs can be significantly reduced or eliminated with the use of properly designed and located skylights. Skylights can be easily installed at reasonable expense in existing houses, thereby 	Reasonable accommodation procedures were adopted as part of the new Zoning Code. Other components of this draft program have not been implemented.	Program 11 in the 2013-2021 Housing Element includes a commitment to amend the Zoning Ordinance to adopt a Green Building Program, Solar Education Program, and Ahwahnee Principles for Resource-Efficient Communities.



Program		Objective	Status of Program Implementation	Future Actions
		<p>substantially reducing electricity costs and energy consumption. Solar energy is a practical, cost effective, and environmentally sound way to heat and cool a home.</p> <p>❖ Adopt the Ahwahnee Principles for Resource-Efficient Communities, which describe housing and community design techniques to maximize efficient use of resources.</p>		
3	Affordable Housing In-Lieu Funds	The City will hire a qualified housing consultant to develop recommendations for the best use of the in-lieu funds, with the priority of extremely-low, very-low and low-income housing. The consultant will devise a plan to distribute the existing funds, as well as the balance of the anticipated funds collected with the Glenwood and Vantis Development Agreements. The City Council will make available the funds to qualified participants within two years from the adoption of the Housing Element.	This program was not adopted.	The 2013-2021 Housing Element includes this program (Program 2).
4	Homeownership Assistance	The City will investigate the feasibility of developing its own homeownership assistance program with the use of in-lieu funds, as stated in Housing Program 3, <i>Affordable Housing In-Lieu Funds</i> .	In the previous planning period, the City included in the development agreement for one of the CBO sites a commitment to assist the developer in obtaining a grant to provide homeownership assistance. The City did apply for a grant for a homeowner assistance program; however, the City was unsuccessful in its attempt.	The 2013-2021 Housing Element includes a program for homeownership assistance (Program 3).
5	Section 8 Housing Choice Vouchers	The City will assist OCHA in promoting the use of Section 8 Housing Choice Vouchers in Aliso Viejo with the objective of expanding assistance to an increased number of households.	The City has continued to make referrals to the Orange County Housing Authority regarding Section 8 Housing Choice Vouchers.	This program will be continued.
6	OCHA Special Needs Groups Rental Assistance Program	The City will assist OCHA in promoting its Special Needs Groups Rental Assistance Programs in Aliso Viejo with the objective of expanding assistance to an increased number of households with special needs.	The City has continued to make referrals to the Orange County Housing Authority regarding Special Needs Group Rental Assistance.	This program will be continued.
7	City Grants for Special	The City will allocate 50% of its community	This program was not adopted.	The 2013-2021 Housing Element includes a



Program		Objective	Status of Program Implementation	Future Actions
	Needs Groups	assistance grant budget to incorporate homelessness prevention programs, programs for the disabled, and domestic violence support programs into the annual cycle of grant funding.		program to provide City grants for special needs groups (Program 6).
8	Code Enforcement	The City's code enforcement staff will continue to enforce property maintenance standards and adopted City building and zoning codes.	The City's code enforcement staff has continued to aggressively enforce property maintenance standards, including the enforcement of health and safety provisions.	This program will be continued.
9	Conservation of Existing and Future Affordable Units	Annually, the City will monitor the status, notify residents of potential conversion, and pursue options to preserve the units.	Since incorporation, the City has processed two condo conversions and has required in-lieu fees as a condition of approval for one of the conversions to assist in the creation of future affordable housing opportunities.	This program will be continued.
10	Monitor Residential Permit Processing	The City will monitor residential project processing and include an analysis in annual General Plan implementation reports to HCD and the City Council. If the permit process is found to unreasonably hinder or delay residential project approvals, the process will be revised to address the identified problems.	This program was not adopted.	The 2013-2021 Housing Element includes a program to provide streamlined processing and assistance for projects that include affordable housing (Program 9).
11	Fair Housing Services	The City will continue to contract to support fair housing services for City residents. The City will advertise fair housing services on its web-site and at the public counter, library, post office, and other community locations.	The City currently contracts with the County of Orange who contracts with the Fair Housing Council of Orange County (FHCO) to provide fair housing services.	This program will be continued.