



City of Mission Viejo
2021-2029 Housing Element
(Revised, October 2023)



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I. Introduction to the Housing Element

In 1965, the area known today as the City of Mission Viejo was ranch land, consisting of rolling hills and grazing cattle. After 2 years of master-planning, the ground was broken for the first homes in this newly approved planned community in county-unincorporated territory. In 1988, the Mission Viejo planned community was incorporated. The City of Mission Viejo is now almost completely built out, with a balanced provision of housing and jobs. The California Department of Finance estimated that the total number of dwelling units in the City was 34,135 with a population of 92,515 as of January 1, 2022.

A. Role and Organization of the Housing Element

State law recognizes the vital role local governments play in the availability, adequacy, and affordability of housing. Every jurisdiction in California is required to adopt a long-range General Plan to guide its physical development; the Housing Element is one of seven mandated elements of the General Plan. The Land Use Element is concerned with housing in a spatial context, while the Housing Element identifies housing policies and programs aimed at meeting the identified housing needs of the City's current and anticipated future population. This Housing Element builds upon goals and policies that are primarily concerned with where new housing is to be located and at what density it will be constructed.

Unlike the other elements of the General Plan, State law explicitly requires that the Housing Element be updated on an 8-year cycle linked to the Regional Transportation Plan (California Government Code §65588). Housing Element law mandates that local governments adequately plan to meet the existing and projected housing needs of all economic segments of the community.

The California Legislature recognizes the important role of local general plans, especially housing elements, in implementing statewide housing goals, which call for the provision of decent and sound housing for all persons. In addition, the importance of continuing efforts toward providing housing that is affordable to all income groups is stressed. The major concerns of the Legislature regarding the preparation of housing elements are included in the California Government Code, which states:

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

California's Housing Element law requires that each city and county develop local housing programs to meet its share of existing and future housing needs for all income groups. The Southern California Association of Governments (SCAG) is responsible for assigning these regional needs, in the form of a



Regional Housing Need Assessment (RHNA), to the six-county Southern California region (Los Angeles, Orange, Riverside, San Bernardino, Ventura, and Imperial). The 6th Cycle of the SCAG RHNA Allocation Plan, which was adopted in 2021, indicates that between 2021 and 2029, the City of Mission Viejo will need to accommodate the development of 2,217 units.

The Mission Viejo 2021-2029 Housing Element identifies strategies and programs that focus on:

1) conserving and improving existing affordable housing; 2) providing adequate sites for residential development; 3) assisting in the provision of affordable housing; 4) removing governmental and other constraints on housing development; and 5) affirmatively furthering fair housing.

The Housing Element is organized into the following main sections.

Chapter II: Housing Needs Assessment – Includes a city profile and assessment of the City’s population, housing characteristics, employment trend and special housing needs. The Needs Assessment also includes the City’s share of the regional housing needs.

Chapter III: Housing Constraints – Includes an analysis of actual and potential governmental and non-governmental constraints upon the development, improvement, or maintenance of housing, including construction costs, government regulations, financial costs, permit fees, and regional constraints.

Chapter IV: Housing Resources – Identifies land suitable for residential development, opportunities for recycling, redevelopment, and rezoning as well as financial resources for the development of housing.

Chapter V: Housing Plan – Includes the City’s goals, policies, and programs to be undertaken during the 2021-2029 period of the Housing Element are identified in this chapter.

Appendix B: Review of Past Accomplishments under 2014-2021 Housing Element – Summarizes the City’s progress in implementing the 5th cycle Housing Element.

Appendix D: Summary of Affirmatively Furthering Fair Housing (AFFH) – Includes an analysis of fair housing issues including fair housing enforcement and outreach, segregation patterns, access to opportunities, and disproportionate housing needs.



B. Changes in State Housing Law

In response to California’s worsening affordable housing crisis, in each of the last several years the State Legislature has enacted a series of bills aimed at increasing production, promoting affordability, and creating greater accountability for localities in addressing their housing needs. The items in Table I-1 represent substantive changes to state housing law since Mission Viejo’s last Housing Element was adopted and certified by the California Department of Housing and Community Development (HCD) in March 2013.

Table I-1 New State Housing Laws Relevant to Housing Element Update

| Housing Bills | Bill Overview |
|--|---|
| Housing Element Sites Analysis and Reporting: AB 879 (2017); AB 1397 (2017); SB 6 (2019) | Requires cities to zone more appropriately for their share of regional housing needs and in certain circumstances require by-right development on identified sites. Site analysis must include additional justification for being chosen, particularly for sites identified to address lower income needs. Starting in 2021, an electronic spreadsheet of the sites must be submitted TO HCD. |
| No Net Loss Zoning: SB 166 (2017) | Requires cities to identify additional low-income housing sites in their housing element when market rate housing is developed on a site currently identified for low-income housing. |
| Affirmatively Furthering Fair Housing: AB 686 (2017) | All housing elements due on or after January 1, 2021 must contain an Assessment of Fair Housing (AFH), consistent with the federal Affirmatively Furthering Fair Housing (AFFH) Final Rule of July 16, 2015. These AFFH sections must include a summary of fair housing issues in the jurisdiction; a summary of available fair housing data including contributing factors to fair housing issues; analysis of Housing Element sites in relation to AFFH and an AFFH program that includes meaningful action. |
| Accessory Dwelling Units and Junior Accessory Dwelling Units: AB 494 (2017); SB 229 (2017); AB 68 (2019); AB 881 (2019); AB 587 (2019); SB 13 (2019); AB 670 (2019); AB 671 (2019); AB 3182 (2020) | The State enacted legislation in 2017 and 2019 to further assist and support the development of ADUs, including “by right” approval for one-bedroom units less than 850 square feet, two-bedroom units less than 1,000 square feet, and Junior ADUs less than 500 square feet. |
| Density Bonus: AB 1763 (2019); AB 2345 (2020) | Permits 100% affordable projects to be built denser and taller through three modifications to current Density Bonus Law. AB 2345 creates additional incentives and also requires the annual progress report to include whether density bonuses have been granted. |
| Housing Crisis Act of 2019: SB 330 | Seeks to boost homebuilding by expediting approvals for housing development, including application processing times. SB 330 prevents jurisdictions from decreasing a site’s housing capacity through tools such as downzoning if that would preclude a jurisdiction from meeting its RHNA targets. Also, any project that includes demolition of housing units must replace or exceed that number of units. Any demolished units occupied by low-income households must be replaced with new units that are affordable to that same income level. |
| Surplus Land for Affordable Housing: SB 1486 (2019); AB 1255 (2019) | Expands definition of surplus land and puts additional restrictions on the disposal of surplus land. Jurisdictions must include information about surplus lands in the Housing Element and Annual |



| Housing Bills | Bill Overview |
|---|--|
| | Progress Reports. A central inventory of surplus lands must be submitted to HCD. |
| Emergency and Transitional Housing Act: AB 139 (2019) | Amends assessment method to show site capacity, including using the most up-to-date point-in-time count. Additionally, the bill modifies parking requirement for emergency shelters. The Housing Element must include all of this information as well as analysis of the jurisdiction’s special needs populations. |
| Supportive Housing Streamlined Approval: AB 2162 (2018) | Requires supportive housing to be a use by right and eliminates parking if close to transit. |
| Safety Element Changes: SB 1035 (2018); SB 99 (2019); SB 747 (2019) | Updates requirements for the General Plan Safety Element including expanded information on environmental hazards facing jurisdictions and analysis of emergency evacuation routes. These updates must occur at the same time as the Housing Element updates. |
| Housing Element: Emergency Shelters (2022); AB 2339 | <p>The bill would require identified zoning designations where emergency shelters are allowed to include sites that meet at least one of certain prescribed standards. In this regard, the bill would require those sites to be 1) vacant and zoned for residential use; 2) vacant and zoned for nonresidential use if the local government can demonstrate how the sites are located near amenities and services that serve people experiencing homelessness; or 3) nonvacant if the site is suitable for use as a shelter in the current planning period, as specified.</p> <p>The bill also authorizes a local government to accommodate its need for emergency shelters on sites owned by the local government if it demonstrates that the sites will be made available for emergency shelter during the planning period, they are suitable for residential use, and the sites are located near amenities, as specified.</p> |
| Affordable Housing and High Road Jobs Act (2022) AB2011 | This bill is intended to permit residential development on sites currently zoned and designated for commercial or retail uses. It creates a CEQA-exempt, ministerial approval process for multi-family housing developments on sites within a zone where office, retail, or parking is the principally permitted use. The law provides for slightly different qualifying criteria for 1) 100% affordable projects, and 2) mixed-income projects located in “commercial corridors.” AB 2011 projects must pay prevailing wages to construction workers, among other labor standards. |
| Middle-Class Housing Act (2022) SB6 | This bill is intended to permit residential development on sites currently zoned and designated for commercial or retail uses. SB6 does not provide a ministerial approval pathway but allows residential use on commercially zoned property without requiring rezoning. To invoke the law, however, applicants must commit both to prevailing wages for workers and to “skilled and trained workforce” requirements. |



C. Public Participation

The City of Mission Viejo solicited input from the public throughout the Housing Element update process. As required by State law, all economic segments of the community must be provided an opportunity to review and comment on the Housing Element. In compliance with this requirement, a City webpage specifically for the Housing Element update was established to: 1) provide an overview of the Housing Element process; 2) provide Housing 101 and FAQs; 3) allow for citizen input on potential housing sites, types of housing, density and policy suggestions; 4) provide other comments to the City; and 5) announce future events (e.g., hearings, workshops, survey). In addition, the Draft Housing Element document was linked to this site, and public comments and HCD letters to the City were available for viewing. The City also conducted both a Housing Element and Senior Needs survey and survey results were available on the webpage. This is the webpage link: <https://cityofmissionviejo.org/departments/housing-element/2021-2029-housing-element-update>.

Housing Element Website



Meetings, Public Workshops and Hearings

In addition, the City held a series of public workshops and public hearings throughout the development of the Housing Element. In all cases, the public was notified and provided with the opportunity to comment.

- On March 31, 2021, the City Council and the Planning and Transportation Commission held a joint workshop to kick off the Housing Element update. City staff and the City’s Housing Element Consultant provided an overview of new requirements and responded to questions. (Note that due to the ongoing COVID 19 pandemic and restrictions on public gatherings in place at the time of this workshop, the City utilized a virtual format for engagement and community input.)
- On May 12, 2021, a virtual meeting was held with City staff, including the City Manager and the City Attorney, and the Mission Viejo Planning Partnership, a housing advocacy group, including representatives from the Kennedy Commission and South County Outreach. (Note that this meeting was requested by the Mission Viejo Planning Partnership and did not involve City public notification.)
- On May 24, 2021, the Planning and Transportation Commission conducted a public meeting to hear public input and provide update on the progress of the General Plan, focusing on development of the Housing Element sites inventory.
- On June 8, 2021, the City Council conducted a noticed public meeting for preliminary consideration of a draft update to the Housing Element.



- On June 22, 2021, the City Council conducted an additional noticed public meeting for preliminary consideration of a draft update to the Housing Element.
- On September 27, 2021, the Planning and Transportation Commission conducted a noticed public hearing to consider a comprehensive update to the City’s General Plan Housing Element, as well as related action to the Land Use Element and the Zoning Map, to accommodate residential development during the 6th Housing Cycle.
- On October 12, 2021, the City Council conducted a noticed public hearing to consider a comprehensive update the City’s General Plan Housing Element, as well as related action to the Land Use Element and Zoning Map, to accommodate residential development during the 6th Housing Cycle.
- On June 9, 2022 and June 10, 2022, City staff held two additional Community Workshops and gave an overview of the City’s findings and strategies regarding opportunities for affordable housing and the City’s ability to affirmatively further fair housing throughout the community.

- June 5¹², 2023, Noticed public hearing before Planning and Transportation Commission

- June 22, 2023, City staff held a Community Workshop at the Norman P. Murray Community and Senior Center, and gave an overview of proposed revisions to the Housing Element. About 30 members of the public were in attendance.

- June 27, 2023, Noticed public meeting hearing before City Council

- The Updated Housing Element was posted on City website, and stakeholders were notified of the availability of the Housing Element for public review.

- The revisions to the adopted Housing Element were available for review on the City’s website beginning May 27, 2023, at least seven days prior to resubmitting the Housing Element to HCD.

- On November 13, 2023, the Planning and Transportation Commission conducted a public hearing to consider revisions to the previously adopted housing element and forward a recommendation to the City Council.

- On November 14, 2023, the City Council conducted a noticed public hearing to consider re-adoption of the revised Housing Element, as well as implementing measures.

- The further revised Housing Element was posted to the City’s website, and stakeholders were notified of its availability, at least seven days prior to the public hearings and prior to resubmitting the Housing Element to HCD.

The City will continue to outreach to developers, property owners, stakeholder groups, interested parties and residents at large in the future for the implementation of the Housing Element.

Property Owner Outreach: Staff conducted wide-ranging outreach to property owners of all identified candidate housing sites through a variety of means including phone, letter, email, virtual and in-person meetings, and public notice. In several cases, initial outreach was made to the City from the property owner, expressing interest in having their site included in the sites inventory. The primary focus of the City was to explain the purpose of the Housing Element, RHNA, the housing sites inventory, and the inclusion of a given candidate site in the inventory, through direct upzone or overlay. One property owner

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representative expressed opposition, and that site (Oaktree Village) was later removed from the sites inventory. Various candidate sites were considered at different times throughout the selection process, and in at least one case, a property owner expressed support but the site was not ultimately included in the final inventory.

Housing Element Surveys: As a part of the City's community outreach and engagement process, two housing surveys were circulated to Mission Viejo residents to determine what the community perceives as the City's most important housing needs and to gather feedback on their preferences for policy options. One survey specifically focused on the overall greater community and a second survey specifically targeted senior residents. The surveys were posted on the City's website for approximately 4 months, with a link advertised in the City's eNews, the City newsletter, and various social media outlets (i.e., Facebook, Instagram, Twitter). The City received a total of 49 responses to the survey, which closed on October 10, 2022.

The citywide survey consisted of 13 questions with the City receiving a total of 14 responses. Of the respondents, 64% have lived in Mission Viejo for over 21 years. Additionally, 64% stated that their homes were in excellent condition. Those needing some minor maintenance or modest rehabilitation accounted for 14% of the responses. The following summarizes additional input received from the citywide housing needs survey, with the complete survey results included in Appendix A.

- The survey identified 33% of the respondents as having experienced the following in the last 2 years:
 - An adult child living at home due to inability to afford housing
 - Lack of funding to make necessary home repairs
 - Too many people living in one home
- The following were identified as the top three housing priorities (out of six):
 - Encourage the maintenance and rehabilitation of housing in older neighborhoods.
 - Establish special needs housing for seniors, persons with disabilities, and/or veterans.
 - Focus new housing within existing developed areas and/or cluster/compact housing to preserve surrounding open space.
- The following were identified as the top three housing development strategies (out of 4):
 - Increase allowable housing densities on a limited number of housing sites to reduce the number of multi-family sites required.
 - Facilitate accessory dwelling units (granny flats).
 - Provide lower density zoning, requiring designation of a greater number of housing sites.
- The following were common write-in comments on strategies to create more housing opportunities:
 - The Shops at Mission Viejo (local mall)
 - Underused or distressed commercial properties
 - Open space should be preserved
 - Overall concerns about housing growth and future traffic congestion
 - Increase priority for mixed-use developments to mitigate traffic concerns



To ensure Mission Viejo's senior population were represented in the City's housing needs assessment, printed surveys targeting the senior population were promoted at the local senior center and distributed and collected at a senior luncheon. Like the citywide survey, an online version was posted on the City's website and the Housing Element Update webpage; published in the City eNews; advertised on social media; and promoted in the "Murray Memo," the senior center's monthly newsletter.

The senior housing survey consisted of seven questions. A total of 35 seniors completed the Housing Needs Survey, with 7 responding electronically and 28 submitting written responses. Highlights of the survey responses include:

- 97% of respondents visit the Senior Center and/or receive the Senior Center newsletter.
- 54% did not think adequate information was provided about housing programs for seniors such as senior housing, rental assistance, and help with housing maintenance.
- 58% of respondents stated they would like to learn more about home and property maintenance.
- Regarding housing issues in Mission Viejo, on scale of 1-5 (5 being highest):
 - 50% of respondents cited having senior housing near medical facilities and shopping centers as the most important issue.
 - Additionally, 48% of respondents stated having senior housing near transit was another priority.

Noticing of Workshop and Study Sessions

Noticing for the public workshops and meetings was through advertisement in the local newspaper, posted on the City's website, and highlighted on the City's social media channels. Copies of the published notices and outreach mailing list are included in Appendix A. In addition, the community meeting notices were posted at City Hall, the Norman P. Murray Community and Senior Center, and Montanoso Recreation Center. The Agenda and staff reports were available at City Hall and at the Mission Viejo Library.

The City also maintained a stakeholder interest list who received email notification of all meetings. This stakeholder list included local housing service providers and housing advocacy organizations, property owners of candidate housing sites, local agencies, as well as any residents or other stakeholders and parties interested in the Housing Element.

Public Review of Housing Element

The Draft Housing Element was made available for public review on the City's website prior to the public hearings: www.cityofmissionviejo.org. The Agenda, staff report, and Housing Element were also available at City Hall and the Mission Viejo Library. The City received several comment letters on the Draft Housing Element, and has considered and, as deemed appropriate, addressed these comments in the Element. The City responded to community input by holding additional public meetings and a public workshop held on two different days, and by conducting a housing survey. The City further acknowledged community input by adding two additional housing sites for consideration and through programs, such as inclusionary housing, which were also included in the Housing Element.



Continued Public Outreach

Going forward, the City will continue its outreach to developers, property owners, stakeholder groups, interested parties, and residents-at-large in the future for the implementation of the Housing Element. To ensure the community has access to the latest information and news related to housing in Mission Viejo, the City will continue to provide a webpage on the City website dedicated to housing information and resources. Additionally, the City will maintain the Housing Element email subscriber list and continue to have the email subscriber form available on the website for new interested parties. Relevant housing-related information, including but not limited to fair housing, housing workshops, new housing programs, and rehabilitation programs, will be pushed to the email subscriber list and posted on the City website and social media outlets.

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D. Data Sources and Methods

In preparing the 2021-2029 Housing Element, various sources of information were consulted. The 2020 Department of Finance (DOF) and the American Community Survey (ACS) provide the basis for much of the population, households, and employment information. Other information sources used in this Housing Element include:

- Department of Housing and Urban Development (HUD) (Housing Affordability and Income measures)
- HUD Mapping Viewer
- California Department of Housing and Community Development
- California Community Care Licensing Division (licensed senior and adult care facility data)
- Orange County Analysis of Impediments to Fair Housing Choice (May 27, 2020)
- Orange County Housing & Community Development Utility Allowance Schedule (October 2022)
- Southern California Association of Governments (SCAG) Pre-Certified Housing Data Report, April 2021
- SCAG Affirmatively Furthering Fair Housing (AFFH) Data Viewer
- SCAG Data/Map Book for Mission Viejo, November 2019
- SCAG Profile of the City of Mission Viejo, May 2019
- SCAG Regional Accessory Dwelling Unit Affordability Analysis, December 2020
- Fair Housing Foundation (Annual Reports)
- California Housing Partnership Corporation
- Brown University (Dissimilarity Index)
- California School Dashboard (www.caschooldashboard.org)
- City of Mission Viejo: List of Affordable Apartment Communities, Assisted Housing



- City of Mission Viejo Community Opinion Survey (March, 2022)
- Development List, Principal Employer List, substandard housing estimate, Accessory Dwelling Unit counts, energy conservation standards and programs
- Urban Displacement Project (www.urbandisplacement.org)
- Orange County Point-In-Time Homeless Survey Count (February, 2022)
- Orange County Business Council (Workforce Housing Scorecard, 2019)
- Regional Center of Orange County (Developmental Disability data)
- Apartment Guide (www.apartmentguide.com) – survey of apartment rents, May 2022.
- Zillow (www.zillow.com) – Home Value Index data for 2019-2022, units for sale survey, May 2022.
- Related California (Site analysis – potential unit development)

E. Relationship to Other General Plan Elements

Mission Viejo’s General Plan was last updated in 2013. The General Plan consists of the following elements: Land Use, Housing, Circulation, Conservation/Open Space, Public Safety, Noise, Economic Development, and Growth Management. The Land Use Element sets forth the amount and types of residential development permitted under the General Plan, thereby affecting housing opportunities in Mission Viejo. In addition, the Land Use Element contains policies directed at maintaining the existing housing stock, as well as ensuring the quality of new residential development. The Circulation Element contains policies to minimize roadway traffic into residential neighborhoods, and the Noise Element sets forth policies to minimize the level of noise in neighborhoods. The Conservation/Open Space Element establishes development standards to minimize the impact of residential development on sensitive resources, such as hillside areas, ecological habitat, and scenic viewsheds. The Public Safety Element sets forth policies to ensure the safety of the City’s housing stock through such measures as code enforcement and mitigation of environmental hazard as a condition to development. Finally, the Economic Development Element, which was updated in 2022, sets forth a strategy aimed at the attainment of a jobs/housing balance in Mission Viejo. The 6th Cycle Housing Element and the other Elements of the General Plan have been reviewed to ensure that they are consistent with one another. Further, whenever any element of the General Plan is amended in the future, the Housing Element will be reviewed and modified, if necessary, to ensure continued consistency among General Plan elements.



II. Housing Needs Assessment

This section of the Housing Element discusses the characteristics of the City’s population and housing stock as a means of better understanding the nature and extent of unmet housing needs. The Housing Needs Assessment comprises the following components: A) Demographic Profile; B) Household Profile; C) Housing Stock Characteristics; and D) Regional Housing Needs.

A. Demographic Profile

Demographic changes such as population growth or changes in age can affect the types and amount of housing that are needed in a community. This section addresses characteristics of the population, age, race and ethnicity of Mission Viejo residents.

1. Historical Population Growth and Trends

Table II-1 displays population growth trends in Mission Viejo, surrounding cities, and Orange County from 1990 through 2020. Orange County experienced dramatic growth in the 1990s (18.1%), but the rate of growth reduced considerably in the 2000s and 2010s (5.8% and 5.9%, respectively). Mission Viejo, Laguna Niguel, and San Juan Capistrano also saw high growth rates in the 1990s, ranging from 27.9% to 38.4%. However, in the 2000s and 2010s, Mission Viejo experienced very low rates of growth of under 0.5%. Neighboring cities had slightly higher growth rates, in the 1.3% to 3.6% range.

Table II-1 Regional Population Growth Trends, 1990-2020*

| | 1990 | 2000 | 2010 | 2020 | % Change | | |
|------------------------|------------------|------------------|------------------|------------------|--------------|-------------|-------------|
| | | | | | 1990-2000 | 2000-2010 | 2010-2020 |
| Laguna Hills | – | 29,891 | 30,270 | 31,374 | – | 1.3% | 3.6% |
| Laguna Niguel | 44,723 | 61,891 | 62,979 | 64,355 | 38.4% | 1.8% | 2.2% |
| Lake Forest | – | 58,707 | 77,395 | 85,858 | – | 31.8% | 10.9% |
| Rancho Santa Margarita | – | 47,214 | 47,853 | 47,949 | – | 1.4% | 0.2% |
| San Juan Capistrano | 26,183 | 33,826 | 34,593 | 35,196 | 29.2% | 2.3% | 1.7% |
| Mission Viejo | 72,820 | 93,102 | 93,174 | 93,653 | 27.9% | 0.1% | 0.5% |
| Orange County | 2,410,668 | 2,846,289 | 3,010,232 | 3,186,989 | 18.1% | 5.8% | 5.9% |

Laguna Hills, Lake Forest, and Rancho Santa Margarita were incorporated after the 1990 Census.

*2000-2010 Census, per California Department of Finance; 2020 Census per SCAG

The cities of Laguna Hills, Lake Forest, and Rancho Santa Margarita were not incorporated cities at the time of the 1990 Census, so there is no growth rate data between 1990 and 2000. Rancho Santa Margarita and Laguna Hills experienced similar growth rates to the older cities in the 2000s and 2010s, but Lake Forest, due to its further annexation after the 2000 Census, shows large population growth of 31.8% in that decade, and also strong growth of almost 11% in the 2010s.

Population projections recently released by the California Department of Finance

<https://dof.ca.gov/forecasting/Demographics/estimates/e-5-population-and-housing-estimates-for-cities->



[counties-and-the-state-2020-2023/](#)) show that in the last year, population in Orange County, Mission Viejo and the surrounding cities has declined. Mission Viejo’s population is estimated in 2022 to be 92,515, down 1.2% from the 2020 Census.

SCAG projects that the population of Mission Viejo will grow to 98,578 by 2045. This represents a growth rate of about 5% between 2020 and 2045.

2. Age Characteristics

Table II-2 displays the age distribution of Mission Viejo’s population in 2000 and 2020, compared to Orange County as a whole. The most striking element of this table is that the population of Mission Viejo has become significantly older over the last 20 years: the proportion of the population over 65 has virtually doubled, from 10.8% to 21.3%, and the population under 24 has correspondingly declined, from 33.8% to 26.8%. This is evident in the steep increase in the City’s median age as well, from 37.4 in 2000 to 45.3 in 2020. Mission Viejo’s population age profile is also significantly older than the county, where 14.8% of the population is over 65 and the median age was 38.3 in 2020.

As noted in the previous section, the total population in the City is relatively stable with only marginal growth projected through 2045. A city with a stable and increasingly elderly population is partly a function of State demographic effects and may also reflect the challenge for younger families to afford housing in the State and the city.

Table II-2 Population by Age, Mission Viejo, 2000 versus 2020

| | 2000 Census | 2020 ACS | |
|----------------------------|---------------|---------------|---------------|
| | Mission Viejo | Mission Viejo | Orange County |
| Preschool (<5 years) | 6.8% | 5.4% | 5.9% |
| 5-19 years | 22.6% | 16.7% | 18.6% |
| 20-24 years | 4.4% | 4.7% | 6.6% |
| Young Adults (25-44 years) | 30.9% | 22.7% | 27.5% |
| Middle Age (45-64 years) | 24.6% | 29.0% | 26.7% |
| Seniors (65+ years) | 10.8% | 21.3% | 14.8% |
| Median Age | 37.4 | 45.3 | 38.3 |

3. Race and Ethnicity

Table II-3 displays the racial/ethnic composition of Mission Viejo’s population in 2000 and 2020, compared to Orange County as a whole. The city has become significantly more diverse in the last two decades, with the non-White population rising from 24.0% to 38.3% of the population. Hispanic and Asian populations in particular have risen as a proportion of the overall population, and conversely, the White population has declined from 76.0% to 61.7%. Compared to the City, Orange County has a lower proportion of White residents (37.6%). About 34.1% of County residents are Hispanic, compared to 19.2% of Mission Viejo residents.



Table II-3 Racial and Ethnic Composition, 2000 and 2020 Census

| | 2000 Census | 2020 Census | |
|--------------------|---------------|---------------|---------------|
| | Mission Viejo | Mission Viejo | Orange County |
| Non-Hispanic White | 76.0% | 61.7% | 37.6% |
| Non-Hispanic Black | 1.5% | 1.9% | 2.2% |
| Hispanic | 12.1% | 19.2% | 34.1% |
| Non-Hispanic Asian | 9.2% | 14.8% | 24.4% |
| Other Race | 1.3% | 2.3% | 1.7% |

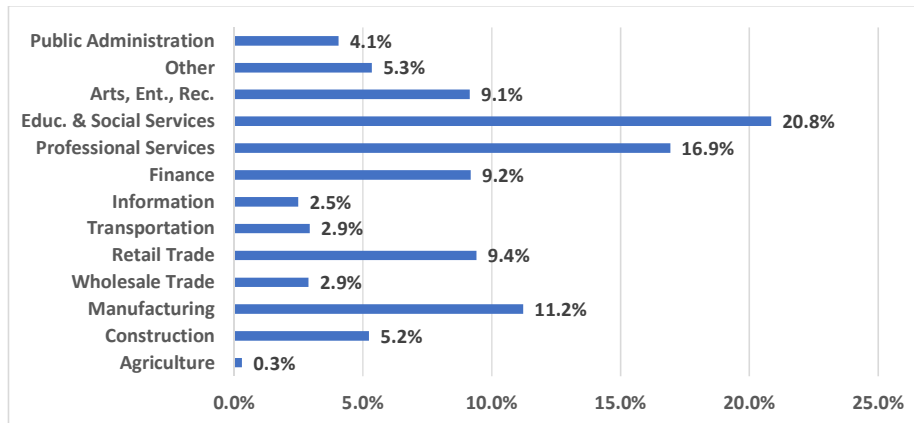
Source: Brown University Dissimilarity Index study
<https://s4.ad.brown.edu/projects/diversity/segregation2020/Default.aspx?msa=11244>
 Percentages do not add to 100% because Multi-Racial Category is not included.

4. Employment

The housing stock of a city should ideally reflect the different socio-economic levels of the population and the employment opportunities present. Mission Viejo is a master-planned community, with most of its land area occupied by housing, in particular single-family housing (see Figure D-3, Appendix D), but there are employment centers along the I-5 corridor on the western edge of the City, as well as numerous commercial/retail centers located along major thoroughfares, such as Marguerite Parkway.

Per SCAG’s Pre-Certified Local Housing Data report, the breakdown of the city’s employment by sector/industry was as follows (Figure II-1).

Figure II-1 Mission Viejo: Employment by Industry (ACS Estimates, 2014-2018)



The largest sector of employment is Education and Social Services at 20.8%. This is consistent with large employers in the City, including Saddleback College and the two school districts that serve the City (Capistrano Unified and Saddleback Valley Unified). After Education and Social Services, the most prevalent employment sectors are Professional Services (16.9%), Manufacturing (11.2%), and Retail (9.4%). The SCAG report also shows that almost half of all jobs in the City (49.9%) are in Management, 24.3% in Sales, and 14.7% in Services.



Per SCAG’s 2019 City Profile (the last date SCAG published profiles), which used categories that do not align with ACS industry sectors, the highest salary job sector in Mission Viejo is Finance, Insurance and Real Estate, with an annual salary average of \$94,000, followed by Wholesale (\$81,000), and Construction (\$73,000). The lowest income sectors are Leisure & Hospitality (\$21,000), Retail (\$31,000), and Other Services (\$39,000). As shown in Table D-15 in Appendix D, the median income in Mission Viejo is \$121,299.

Through various economic development initiatives, the City is actively recruiting new businesses, particularly those that will generate additional sales tax revenue. Sales tax receipts in the Fourth Quarter of 2021 were \$5,546,732, up 13.8% from the previous year (which was impacted by the COVID pandemic). Consumer goods, automotive/transportation, and restaurants/hotels were major sources of sales tax revenue in the city.

Economic development is a priority for the City, with an emphasis on business attraction and retention. Over the last few years, the City has seen the arrival of several new businesses, including an Amazon Distribution Facility, Floor and Décor, Dick’s Sporting Goods, Amazon Fresh, Raising Canes, and Pirsch. In addition, Providence Mission Hospital saw the development and opening of the Leonard Cancer Institute. Several construction projects were recently completed, including a Morningstar assisted living facility and the new Alicia Landing retail complex within an existing Target center. During the height of pandemic, the City spent approximately \$850,000 of General Fund money on emergency business grants to help retain business most impacted by COVID.

Table II-4 below shows the top ten employers in Mission Viejo in 2021, versus 2012. The overall employment structure of the City has not changed significantly in the last 9 years. However, two new entrants – Amazon Delivery Station and James Hardie Building Products – have added to the diversity of employment opportunities, and Mission Hospital Regional Center supplanted Saddleback College as the largest employer.

Table II-4 Top Ten Principal Employers, 2012 vs. 2021

| Employer | 2021 | | 2012 | |
|----------------------------------|------|----------------------------|------|----------------------------|
| | Rank | % of Total City Employment | Rank | % of Total City Employment |
| Mission Hospital Regional Center | 1 | 5.8% | 2 | 2.3% |
| Saddleback College | 2 | 3.0% | 1 | 3.4% |
| Saddleback Valley USD | 3 | 1.9% | 3 | 2.2% |
| Target Corp. | 4 | 1.1% | 6 | 0.5% |
| James Hardie Building Products | 5 | 0.9% | – | – |
| Capistrano USD | 6 | 0.9% | 4 | 1.5% |
| Nordstrom Department Store | 7 | 0.8% | 5 | 0.7% |
| Amazon Delivery Station | 8 | 0.6% | – | – |
| Macy’s Department Store | 9 | 0.5% | 7 | 0.4% |
| City of Mission Viejo | 10 | 0.5% | 9 | 0.4% |
| U.S. Post Office | – | – | 8 | 0.4% |
| Vocational Visions | – | – | 10 | 0.3% |

Source: City of Mission Viejo, MUNI Services LLC, 2021



According to another SCAG publication, the 2019 Profile for Mission Viejo, approximately 36,000 Mission Viejo workers commute elsewhere to work, with the main destinations being Irvine, Santa Ana, Lake Forest, and Los Angeles. There appears to be a high degree of commuting among southern Orange County cities, as well as an inflow from neighboring Riverside and San Bernardino counties.

There could be many reasons for such an inflow. As a medium-sized city with a largely residential land base occupied by relatively affluent households, there may not be sufficient professional/technical employment opportunities for the population within the city limits; conversely, lower paying service and retail jobs in the city (Retail and Leisure/Hospitality sectors alone comprise 31% of all jobs in the City) may be filled to a degree by workers who cannot afford to live or find suitable housing within the City.

Workforce Housing Scorecard

One source of regional housing and economic trends is the periodic publication of the Workforce Housing Scorecard by the Orange County Business Council, with the most recent edition published in 2019, before the short-term impact of the COVID pandemic on the world economy.

The Scorecard points out that the major issue affecting the commuting and job patterns described briefly above in Orange County (and indeed, in many parts of the State) is the shortfall in housing (the report estimates a shortfall of 58,160 units), and especially the lack of affordable housing. It identifies the county as one of the country's most expensive housing markets, which shows little sign of cooling down, reaching all-time highs in housing costs, both for owner-occupied and rental housing. Since the report was created, rising interest rates in recent years (2021-2022) have begun to cool the housing markets, and while prices have fallen, they are still prohibitively high for many segments of the community.

The report notes, as has been discussed above, that the county's population is aging, in part due to the inability of younger families to enter the housing market, and identifies that while the county is often referred to as "built out," opportunities exist in "converting retail-only space into multi-family housing, or mixed-use space combining retail, dining, housing and other uses." It is precisely this approach that Mission Viejo is proposing in many of its Housing Element sites.

According to the Scorecard, the number of housing permits issued in the county has been falling, from 11,982 in 2016 to just 7,545 in 2018, while neighboring counties like San Bernardino and Riverside have seen growth as younger families move for more affordable housing – but endure commutes to Orange and Los Angeles counties for employment.

The Scorecard examines Orange County jurisdictions on factors such as job growth, jobs-to-housing ratio, change in housing density and their proportion of the county's total housing stock, and ranks cities on a composite score. Out of 35 jurisdictions, Mission Viejo was 29th, scoring best on its jobs-to-housing ratio (15) and worst on job growth (30). In terms of generating new jobs and the supply of housing appropriate to house these new workers, Mission Viejo was ranked 24th out of 34 cities plus the unincorporated area for the 2016-2030 period. Mission Viejo is projected to move up the table to 23rd place in the Scorecard's 2030-2045 calculation, as it is expected to significantly improve its job-to-housing ratio.

The report maps the composite score by jurisdiction, and it shows that a number of southern Orange County jurisdictions score in the lower half of the rankings, so Mission Viejo is not an outlier on this index within its region.



B. Household Profile

Housing need is a function of a jurisdiction’s demographics, in terms of household type and size, income levels, special needs populations, and other characteristics. This section details the various household characteristics affecting housing needs in Mission Viejo.

1. Household Type

Using data from the ACS, 2010 and 2020 Series (Table II-5 below), the number of households in Mission Viejo actually decreased from 33,599 to 33,000 over the 10--year period, and the average household size increased from 2.74 to 2.85; the county as a whole had a larger average household size, at 3.01, and a larger family size compared to Mission Viejo.

The proportion of family households increased in Mission Viejo between 2010 and 2020 by five percentage points to 66.2%, largely in the married couple family category, significantly higher than the county’s 54.5%. Non-family households fell to 22.3%, as did the proportion of households living alone. It is somewhat surprising that the proportion of households over 65 living alone fell over 10 years, given data presented in the AFFH section of this Housing Element that point to an increasingly elderly population in Mission Viejo.

Table II-5 Household Characteristics, 2010-2020* – Mission Viejo and Orange County

| | 2010 | | 2020 | | | |
|---------------------------|---------------|-------|---------------|-------|---------------|-------|
| | Mission Viejo | | Mission Viejo | | Orange County | |
| | Number | % | Number | % | Number | % |
| Total Households | 33,599 | – | 33,000 | – | 1,040,001 | – |
| Family Households | 24,462 | 72.8% | 25,655 | 77.7% | 742,140 | 71.4% |
| Married Couple Households | 20,702 | 61.6% | 21,833 | 66.2% | 566,920 | 54.5% |
| Single Parent Households | 3,760 | 11.2% | 3,822 | 11.6% | 175,220 | 16.8% |
| Non-Family Households | 9,137 | 27.2% | 7,345 | 22.3% | 297,861 | 28.6% |
| Householder Living Alone | 7,224 | 21.5% | 5,676 | 17.2% | 220,480 | 21.2% |
| Householder 65+ Alone | 3,259 | 9.7% | 3,036 | 9.2% | 95,680 | 9.2% |
| Average Household Size | 2.74 | | 2.85 | | 3.01 | |
| Average Family Size | 3.22 | | 3.22 | | 3.51 | |

*ACS 2010 Series; ACS 2020 Series

2. Household Income

Table II-6 below shows the median income for Orange County, and income limits for different-sized households and categories of income as defined by the California Department of Housing and Community Development (HCD) in its memo of December 31, 2021 (<https://www.hcd.ca.gov/grants-funding/income-limits/state-and-federal-income-limits/docs/income-limits-2021.pdf>). For comparison, Table II-7 shows data for Mission Viejo in a slightly different categorization from the 2015-19 ACS data, including Orange County for comparison.

The December 31, 2021 memo states that the new category of Acutely Low income limit equals 15% of the County’s Area Median Income (AMI): the Moderately Low income limit is set at 120% of AMI. Another HCD memo (<https://www.hcd.ca.gov/docs/grants-and-funding/inc2k22.pdf>) notes that the calculation of Extremely Low, Very Low, and Low income limits are adjusted for counties in certain special situations, and



notes that some calculations could “produce unintended anomalies inconsistent with statutory intent” or can result in “low income limits exceeding MFI in certain counties.”

Table II-6 State Income Limits, 12/31/21 by Household Size: Orange County

| Income Level | 1 person | 2 persons | 3 persons | 4 persons |
|---------------------------------|----------|-----------|-----------|------------------|
| Median Income: \$106,700 | | | | |
| Acutely Low | \$11,200 | \$12,800 | \$14,400 | \$16,000 |
| Extremely Low | \$28,250 | \$32,300 | \$36,350 | \$40,350 |
| Very Low | \$47,100 | \$53,800 | \$60,550 | \$67,250 |
| Low | \$75,300 | \$86,050 | \$96,800 | \$107,550 |
| Median | \$74,700 | \$85,350 | \$90,650 | \$106,700 |
| Moderate | \$89,650 | \$102,450 | \$115,250 | \$128,050 |

Source: HCD Revised State Income Limits Memo, 12/31/2021

Table II-7 Mission Viejo and Orange County Household Income Distribution

| Income Level | Mission Viejo | | Orange County | |
|---------------|---------------|-------|---------------|-------|
| | Households | % | Households | % |
| < 30% HAMFI | 3,455 | 10.3% | 174,610 | 16.8% |
| 31-50% HAMFI | 2,955 | 8.8% | 140,735 | 13.6% |
| 51-80% HAMFI | 5,200 | 15.5% | 195,180 | 18.8% |
| 81-100% HAMFI | 3,690 | 11.0% | 111,090 | 10.7% |
| > 100% HAMFI | 18,265 | 54.4% | 415,875 | 40.1% |
| Total | 33,565 | — | 1,037,490 | — |

Source: HUD Comprehensive Housing Affordability Strategy, 2015-2019 ACS
HAMFI = HUD Area Median Family Income

Table II-7 above shows that Mission Viejo is relatively affluent when compared to the county as a whole, with 54.4% of households earning above 100% of HUD’s Area Median Family Income (HAMFI), compared to 40.1% in Orange County as a whole, and 19.1% of households earning less than 50% of HAMFI, compared to 30.4% for the county as a whole. As shown in Table D-15 in Appendix D, the City does not have an income distribution significantly different from some of its surrounding cities. Over time, compared to the County as a whole, Mission Viejo’s median household income has increased at a slightly lower rate in the last 10 years, but is significantly above the County median (Table II-8).

Table II-8 Change in Median Household Income

| Jurisdiction | 2000 | 2010 | 2020 | Percent Change, 2010-2020 |
|---------------|----------|----------|-----------|---------------------------|
| Mission Viejo | \$78,248 | \$92,838 | \$121,299 | 36.4% |
| Orange County | \$58,820 | \$70,880 | \$94,441 | 40.1% |

Source: 2000 Census, 2010 and 2020 ACS

It can be useful to examine the differing income profiles of owner and renter households and their susceptibility to overpayment and overcrowding (discussed later in this section). Table II-9 below shows tenure type by income level. Approximately 77% of Mission Viejo’s households are owner occupiers, and 70.6% of them are in the Moderate/Above Moderate income level. For renters, more than double the proportion of owner households are in the Extremely Low Income category (17.2%, versus 8.2%).



Table II-9 Household Income Levels by Tenure

| Income Level | Owner | | Renter | | Total | |
|---|------------|---------|------------|---------|------------|---------|
| | Households | Percent | Households | Percent | Households | Percent |
| < 30% HAMFI (Extremely Low Income) | 2,120 | 8.2% | 1,335 | 17.2% | 3,455 | 10.3% |
| 31-50% HAMFI (Very Low Income) | 2,080 | 8.1% | 875 | 11.3% | 2,955 | 8.8% |
| 51-80% HAMFI (Low Income) | 3,390 | 13.1% | 1,810 | 23.4% | 5,200 | 15.5% |
| >81% HAMFI (Moderate/Above Moderate Income) | 18,235 | 70.6% | 3,720 | 48.1% | 21,955 | 65.4% |
| Total | 25,825 | 100% | 7,740 | 100% | 33,565 | 100% |

Source: HUD, 2015-19 ACS

Extremely Low Income Households

Examining the characteristics of Extremely Low Income (ELI) households can be a useful indicator of determining housing need, as this category will undoubtedly experience severe challenges in finding affordable housing. Mission Viejo’s ELI households are 48% elderly and 38% renters, whereas the citywide proportion of renter households is approximately 23%. Appendix D also notes that the elderly population of Mission Viejo has grown significantly and now stands at just over 21% of the total population (Table D-2, Appendix D). By definition, the ELI population will have to spend a very large proportion of their income on basic needs, such as housing; over 77% of Mission Viejo’s ELI households spend over half their income on housing, compared with just 0.8% of households making over 100% of the area median income.

The federal Section 8 Housing Choice Voucher program is one of the largest sources of assistance for lower-income renters. Unfortunately, funding levels for this program do not match the level of need, and long waiting lists are the norm. As shown in Appendix D, Mission Viejo has more Section 8 Housing recipients than surrounding cities, and accounts for about 10% of the county total, even though the city comprises about 3% of the total county population. Programs to facilitate the production of new affordable rental units can help to alleviate overpayment. Chapter 5 of the Housing Element identifies programs such as Density Bonus, Affordable Housing Outreach, Mortgage Revenue Bonding Financing, and Development Fees to assist in producing housing for lower-income households.

As shown in Appendix D, a high proportion of workers commute into Mission Viejo from other jurisdictions, in part because low-to-moderate income workers cannot afford to live in the City. This is not unique to Mission Viejo; as the Appendix D analysis shows, many Orange and Los Angeles County jurisdictions have high proportions of workforce commuters, with some coming from lower cost counties like Riverside and San Bernardino. The analysis of housing costs and affordability presented later in this section compares current market rents and sale prices in Mission Viejo with the amount that different income levels can afford to pay for housing.

3. Special Needs Populations

As part of the analysis of housing need, attention must be paid to households identified as having special needs that can result in them having challenges in finding adequate and affordable housing. Special needs populations include the elderly, persons with disabilities, female-headed households, large households, and farmworkers. These populations may have lower incomes because of their condition. Table II-10 summarizes these special needs populations in Mission Viejo. Note that the table is compiled from different data sources with different time series.



Table II-10 Special Needs Populations

| | Persons | Households | Percent |
|-------------------------------|---------------|------------|-----------------------------|
| Seniors 65+ | 20,079 | – | 21.1% (of total population) |
| With a Disability | 5,798 | – | 28.9% (of Seniors 65+) |
| Senior Households (65+) | – | 10,507 | |
| Renter | – | 1,630 | 15.5% (of Senior HH) |
| Owner | – | 8,877 | 84.5% (of Senior HH) |
| Persons with Disabilities | 9,371 | | 9.9% (of total population) |
| Large Households (5+ Persons) | – | 3,498 | |
| Renter | – | 1,027 | 29.4% (of Large HH) |
| Owner | – | 2,471 | 70.6% (of Large HH) |
| Households in Poverty | – | 785 | |
| Female-Headed Households | – | 313 | 39.9% (of Female-Headed HH) |
| With Children | – | 238 | 76.0% (of Female-Headed HH) |
| Farmworkers (Total) | 74 | | 0.1% (of total population) |
| Total Population | 95,134 | | |

Sources:

2020 ACS Series Sex by Age by Disability, Table S1810

SCAG Pre-Certified Local Housing Data, Housing Tenure by Age, p 4 (ACS 2014-18 Series)

SCAG Pre-Certified Local Housing Data, Households by Household Size, p 5 (ACS 2014-18 Series)

SCAG Pre-Certified Local Housing Data, Households by Poverty Status, p 6 (ACS 2014-18 Series)

Senior Households

Approximately 21% of Mission Viejo’s population (per ACS 2020 Series data) was over the age of 65, which, as stated in Appendix D, Table D-2, is the highest proportion among Mission Viejo’s neighboring cities, and higher than the county as a whole, which stands at 15.3%. Table II-10 above shows that almost 29% of Seniors are identified as having some type of disability, which may impact their ability to live independently. Approximately 84% of the city’s Senior households own their home, which is higher than the citywide percentage of approximately 77%.

The elderly are more likely to have several special needs including housing, transportation, health care, and other services. For the portion of the Senior population that are renters, rising rents will be a source of housing anxiety, because many will be on fixed incomes. As noted in Appendix D, 48% of Mission Viejo’s ELI Households are Senior households, with relatively little extra disposable income for rent increases. As shown Table II-21, out of the two affordable subsidized housing developments, Mission Viejo has one project serving seniors, providing 142 rental units to a mix of very low and low-income households. In addition, 119 out of Mission Viejo’s 236 Housing Choice Vouchers are identified as being utilized by seniors.

The State of California Community Care Licensing Division identifies 157 currently licensed senior care facilities within the City, with a total capacity of 1,515, and a further 6 facilities pending licenses. Out of the 157 licensed facilities:

- 153 have a capacity for 6 or fewer residents
- 4 are large facilities, with capacities of 110 to 225. The four large facilities – Atria del Sol, Heritage Pointe, La Vida, and Sunrise – offer independent living, assisted living and memory care options.

A significant proportion of those seniors living on their own will have limited incomes and physical limitations, reducing their ability to maintain their homes or perform minor repairs. The City offers a Residential Rehabilitation Program that provides grants to lower income homeowners, including seniors



and disabled households. The program provides funding for necessary material and supplies for home repairs and improvements, which can enable senior households to install age-appropriate improvements such as grab bars or other assistance devices.

The City of Mission Viejo coordinates a number of senior activities, many of them taking place at the City's Norman P. Murray Community and Senior Center. Programs offered include recreational and social activities, continuing education, a meals program, food distribution, preventive healthcare, and transportation services. Newsletters and activity calendars are available on the City's website. The Center is also a location where information on the City's housing rehabilitation program is disseminated via flyers and leaflets, as well as outreach from The Fair Housing Foundation, which Mission Viejo contracts with for housing outreach services (details in Appendix D).

Large Households

Large households consist of five or more persons and are considered a special needs population due to the limited availability of affordable and adequately sized housing for their larger-than-average households, which could result in overcrowding if insufficient rental units are available to adequately accommodate larger households.

There were 3,498 large households in Mission Viejo per Table II-10 above (roughly 10% of the 34,982-household total in SCAG's SoCal Atlas housing statistics). The proportion of large households that rent (29.4%) is a little higher than the citywide figure of 23%. Renter overcrowding, at 2.4% of all renter households (SCAG Pre-Certified Housing Data), is significantly less in Mission Viejo than in the entire SCAG region, where it is 6.4%. This data suggests that large household overcrowding due to lack of suitably sized housing is not as intense an issue as general housing affordability. Approximately 70% of the housing units in the City of Mission Viejo have 3 or more bedrooms, and 34% have 4 or more bedrooms (ACS, 2018). However, housing needs are often mismatched with the housing supply in a community due to affordability issues.

Female-Headed Households

Female-headed households, totaling 2,915 households, or 8.7% of Mission Viejo's total households, per SCAG's Pre-Certified Housing Data, especially those with children, tend to have lower incomes, which can impact housing options, and the ability to pay for services such as childcare while the head of household is working. Table II-10 above (from SCAG Pre-Certified Housing Data, page 6) estimates 785 households in poverty in Mission Viejo (roughly 2.2% of the total number of households), with 313 of them (40%) female-headed, and 76% of female-headed households in poverty have children. The City supports the Kids Factory after-school childcare program with a subsidy of \$125,000 per year from the General Fund. Other housing resources include Housing Choice Vouchers offered by the Orange County Housing Authority.

Persons with Disabilities

A disability is defined as a long-lasting physical, mental, or emotional condition that impairs an individual's mobility, ability to work, or ability for self-care. Disabled persons often have special housing needs as a consequence of their specific disability (mobility issues, or mental/emotional conditions) that may impact an individual's ability to work and take care of themselves, greatly impacting their ability to afford housing due to limited or fixed incomes, much of which may be directed to paying healthcare costs.



As shown in Table II-10 above, per 2020 ACS Series data, Mission Viejo has 9,371 disabled individuals out of a total population of 95,134 (9.9%). As reported in SCAG's Pre-Certified Housing Data, which reports 2018 ACS Series data, the most prevalent disabilities are related to ambulatory issues, and cognitive and hearing issues. Some individuals may have multiple disabilities.

Almost 29% of Mission Viejo's Senior population are identified as having a disability. As previously discussed, a high proportion of the City's population is elderly, and this has grown significantly in the last decade. As the population in general ages, issues of disability as it relates to housing need will become an important issue. Appendix D describes the outreach performed by the City's contracted agency, the Fair Housing Foundation, to provide protected populations such as seniors and the disabled with assistance and information on housing matters.

Housing needs of disabled individuals will depend on the type/severity of the disability. Many can live independently at home and may require minimal assistance. Physical changes may need to be made to their homes to accommodate the disability, which may be a challenging expense for a segment of the population on a fixed income. As has been mentioned, the City offers grants to households to make accessibility-related home improvements. Individuals may have to have access to income support if unable to work or may require in-home supportive services depending on the severity of the disability. Accessible housing can also be provided via senior housing developments. A number of senior housing developments in Mission Viejo include modified characteristics, including Heritage Villas apartments and Heritage Pointe.

In addition to accessible housing, persons with disabilities may require supportive housing and assistance. For those persons who may require or prefer assistance with care and supervision, licensed community care facilities offer special residential environments for persons with physical, mental, and/or emotional disabilities.

Mission Viejo has 13 Adult Residential Care facilities:

- 11 licensed adult residential facilities, all approved for a capacity of 4-6 individuals (total capacity of 62). Adult residential facilities are defined as a residential home for adults aged 18-59 with mental health care needs or who have physical or developmental disabilities and require or prefer assistance with care and supervision.
- 1 pending adult residential facility (capacity of 4).
- 1 adult residential facility for persons with special healthcare needs (capacity of 5). This facility is defined as a residential home that provides 24-hour services for up to 5 adults with developmental disabilities who have special healthcare and intensive support needs and who would otherwise need to reside in an institution.

Additionally, 79 out of Mission Viejo's 236 Housing Choice Vouchers are identified as being utilized by (non-Senior) disabled residents, which will also include those with developmental disabilities described below.

Developmental Disabilities

A developmental disability is defined as a disability that originates before 18 years old and that will likely continue for the rest of the individual's life. Development disabilities include conditions such as mental retardation, cerebral palsy, epilepsy, and autism. Developmentally disabled persons can often live and work independently within a conventional housing environment, but more severely disabled individuals will 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.



Providing supportive housing as a developmentally disabled individual transitions to adulthood to permit them to live as independently as possible is a particularly important need.

Per its website, “The Regional Center of Orange County (RCOC) is one of 21 private, nonprofit organizations contracted by the State of California to coordinate lifelong services and supports for individuals with developmental disabilities and their families.” RCOC serves approximately 23,000 individuals statewide. According to the California Department of Developmental Services, which contracts with RCOC and the other nonprofits within Mission Viejo’s two ZIP codes (92691, 92692) as of December 2021, there were 496 consumers of RCOC services over the age of 18. The housing needs of these consumers were not specified, but approximately 68% of all consumers (including those under 18) lived with a parent or guardian, 9% were in independent living environments, and 21% were in community or intermediate care facilities.

There are several community-based housing types appropriate for persons living with a developmental disability, including licensed community care facilities and group homes; supervised apartment settings with support services; SB 962 homes (for persons with special healthcare and intensive support needs); and for persons able to live more independently, rent subsidized homes, inclusionary housing, and Section 8 rental vouchers. As stated at the end of the Persons with Disabilities section above, 79 Housing Choice Vouchers are designated as being used by (non-Senior) disabled persons, which would also include those with developmental disabilities.

In addition to services offered through the Regional Center, Vocational Visions in Mission Viejo serves almost 500 individuals a year with developmental disabilities to help them “increase the level of functioning for many of these men and women, thus maximizing their quality of life vocationally, economically and socially” (<https://www.vocationalvisions.org/>), helping them gain the necessary skills to live independently.

Mission Viejo supports the provision of housing for persons with disabilities. This Housing Element includes program actions to amend the Zoning Code to facilitate the provision of community care facilities and supportive housing and has adopted provisions for reasonable accommodation. Housing Element programs to facilitate affordable housing can also assist residents with developmental disabilities, with funding available through the State’s Supportive Housing Multifamily Housing Program (MHP).

Individuals Experiencing Homelessness

Every 2 years, the Orange County Housing and Community Development/Homeless Prevention and its partners conduct a Point-In-Time Homeless Count and Survey to collect data on the number and characteristics of the homeless in Orange County. The 2022 Survey identified 5,718 homeless individuals in the County and identified the following major characteristics summarized in Table II-11 below.

Table II-11 2022 Orange County Point in Time Homeless Survey

| | Unsheltered | % Region Total | Sheltered | % Region Total | Total |
|--------------------------------|-------------|----------------|-----------|----------------|-------|
| By Region | | | | | |
| North | 1,113 | 46.0% | 1,306 | 54.0% | 2,419 |
| Central | 1,522 | 56.1% | 1,192 | 43.9% | 2,714 |
| South (includes Mission Viejo) | 422 | 72.1% | 163 | 27.9% | 585 |
| Total | 3,057 | 53.5% | 2,661 | 46.5% | 5,718 |
| Mission Viejo | 26 | – | 2 | – | – |



| | Unsheltered | % Unsheltered Adults | Sheltered | % Sheltered Adults | Total |
|--|-------------|----------------------|-----------|--------------------|-------|
| Subpopulations and Disabling Conditions* (Adults) | | | | | |
| Adults | 2,936 | – | 2,060 | – | 4,996 |
| Chronic Homelessness | 1,617 | 55.1% | 791 | 38.4% | 2,408 |
| Substance Use | 1,217 | 41.5% | 416 | 20.2% | 1,633 |
| Physical Disability | 945 | 32.2% | 512 | 24.9% | 1,457 |
| Mental Health | 867 | 29.5% | 578 | 28.1% | 1,445 |
| Developmental Disability | 419 | 14.3% | 39 | 1.9% | 458 |
| Domestic Violence | 289 | 9.8% | 226 | 11.0% | 515 |
| HIV/AIDS | 52 | 1.8% | 77 | 3.7% | 129 |

*Some adults may identify more than one condition

| | Unsheltered | % Total Unsheltered | Sheltered | % Total Sheltered | Total |
|--|-------------|---------------------|-----------|-------------------|-------|
| Demographics | | | | | |
| Under 18 | 121 | 4.0% | 601 | 22.6% | 722 |
| 18-24 | 109 | 3.6% | 126 | 4.7% | 235 |
| 25-39 | 1,021 | 33.4% | 559 | 21.0% | 1,580 |
| 40-49 | 618 | 20.2% | 375 | 14.1% | 993 |
| 50-54 | 388 | 12.7% | 208 | 7.8% | 596 |
| 55-61 | 500 | 16.4% | 374 | 14.1% | 874 |
| 62+ | 300 | 9.8% | 418 | 15.7% | 718 |
| Total | 3,057 | – | 2,661 | – | 5,718 |
| Race | | | | | |
| American Indian or Alaska Native | 118 | 3.9% | 93 | 3.5% | 211 |
| Asian | 96 | 3.1% | 99 | 3.7% | 195 |
| Black or African American | 190 | 6.2% | 293 | 11.0% | 483 |
| Native Hawaiian or Other Pacific Islander | 31 | 1.0% | 26 | 1.0% | 57 |
| White | 2,000 | 65.4% | 2,056 | 77.3% | 4,056 |
| Multiple or Other Races | 622 | 20.3% | 94 | 3.5% | 716 |
| Total | 3,057 | – | 2,661 | – | 5,718 |
| Ethnicity | | | | | |
| Hispanic or Latino | 1,046 | 34.2% | 1,455 | 54.7% | 2,501 |
| Non-Hispanic/Non-Latino | 2,011 | 65.8% | 1,206 | 45.3% | 3,217 |
| Total | 3,057 | – | 2,661 | – | 5,718 |
| Household Status | | | | | |
| Individuals 18+ | 2,806 | – | 1,704 | – | 4,510 |
| Families: Households with at least 1 adult and 1 child | 94 | – | 295 | – | 389 |
| Children in Family Household | 121 | – | 594 | – | 715 |
| Unaccompanied Youth | – | – | 7 | – | 7 |

- Approximately 53% of the homeless counted were unsheltered, with 47% in shelter facilities, including emergency shelters and transitional housing programs. This is an improvement on the previous survey in 2019, where 58% were unsheltered.
- Among the adult unsheltered population, chronic homelessness, substance abuse issues, and physical disability were the top three disabling conditions reported, with chronic homelessness and



substance abuse up from 2019; among sheltered adults, there was a sharp rise in those chronically homeless and physically disabled.

- The 2022 survey found that under 18s comprised 13% of the total homeless population, and over 62s accounted for 13%. The 25-39 age category accounted for the largest share, at 28%.
- Hispanic or Latino individuals made up 44% of the total survey count. Hispanics/Latinos account for 34% of the countywide population, per Brown University's tabulation of 2020 Census racial/ethnic data.

The South Service Planning Area, which includes Mission Viejo, had a total of 585 individuals included in the survey count, comprising 10% of the total homeless population in the County. Mission Viejo had a total of 28 individuals counted, with 26 unsheltered and 2 sheltered. Cities neighboring Mission Viejo generally had similar counts, although Lake Forest and San Juan Capistrano were higher than the other neighboring cities, with counts of 76 and 65, respectively.

Focusing on youth homelessness, Mission Viejo participates in bi-monthly meetings of a county-coordinated Transitional Youth Homelessness subcommittee.

"2-1-1 Orange County" was established in 2005 to provide a comprehensive information and referral system to link County residents with community health and human services support. The service is available 7 days a week, 24 hours a day. Callers are connected with certified, multi-lingual information and referral specialists who utilize a database to provide information on services including shelter and housing resources, food, and substance abuse assessment and treatment.

There are limited resources in southern Orange County that provide emergency shelter and/or housing support services to residents of the region. There is only one "low barrier" shelter serving South County with limited beds (Friendship Shelter, Laguna Beach). There are rescue missions and shelters and advice on housing programs available in Tustin, Irvine, and Santa Ana, and a crisis center in San Clemente.

The City of Mission Viejo contracts with Mercy House Living Centers to perform homeless outreach in the City on a full-time basis. The staff work directly with the Orange County Sheriff's Department (specifically, the City's two Quality of Life Deputies and others assigned to the Homeless Outreach Team).

The purpose of the Mercy House program is to conduct outreach and engagement with the goal of placing homeless or unsheltered individuals residing in Mission Viejo into housing. Outreach workers from Mercy House partner with law enforcement, City staff, and local non-profits to conduct field surveys, provide case management services, and provide rehousing services designed to return homeless individuals to residences when possible. Mercy House staff conduct field visits in conjunction with the Sheriff's Department for safety purposes and they track the number of individuals given prevention, diversion or housing resources, and the number of individuals rehoused.

Mercy House and the City's Quality of Life Deputies also work with various local non-profits that receive funding from the City of Mission Viejo for the purpose of homeless outreach and housing services. The City works together with the non-profits to form an unofficial Mission Viejo Homeless Collaborative, which aims to meet on a quarterly basis. The purpose of the group is to brainstorm opportunities to help homeless individuals in Mission Viejo and to coordinate the activities of the non-profits for greater efficiency.

The Orange County Sheriff's Department Quality of Life Deputies report no distinct concentration of homelessness issues within the City. Part of this can be explained by the relatively small numbers of

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individuals experiencing homelessness within the city, as the Point-in-Time survey above shows. This is partly a reflection of limited public transportation opportunities in Southern Orange County as a whole, as the local transit agency focuses bus service expansion on Santa Ana, Anaheim, Huntington Beach, Garden Grove and Tustin, according to a Voice of OC article in February, 2023 (<https://voiceofoc.org/2023/02/whats-happening-this-year-with-transportation-in-oc-how-should-dollars-be-invested/>). Bus service is a critical mode of transportation used by individuals experiencing homelessness, and service is limited in the city, affecting those individuals' access to opportunities and the services offered by Mercy House and other agencies.

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Farmworkers

Farmworkers are identified as one of the special populations to consider and analyze as part of the development of the Housing Element. The often temporary, migratory and transitional nature of farm work means that workers have special housing needs, and in addition, farm workers usually have below average incomes.

According to the Pre-Certified Local Housing Data compiled by SCAG, a total of 74 Mission Viejo workers (0.15% of the City's workforce) are employed in farming, fishing, or forestry occupations. No land within Mission Viejo is designated for agricultural use, as is the case for neighboring cities. Because farmworkers make up a tiny proportion of Mission Viejo's workforce, no specially tailored housing programs are provided by the City for this population, but farmworkers may be eligible for other programs available to residents based on other qualifying characteristics. Countywide, according to the U.S. Department of Agriculture's 2017 Census of Agriculture, there were 1,772 farmworkers, with 666 identified as seasonal (working fewer than 150 days).

C. Housing Stock Characteristics

This section identifies the characteristics of Mission Viejo's physical housing stock, including an analysis of housing growth trends, housing conditions, housing prices and rents, and housing affordability.

1. Housing Growth

Table II-12 shows housing production in Mission Viejo, compared to neighboring cities and Orange County as a whole between 2000 and 2020 (Data sources: SCAG Pre-Certified Housing Data for individual cities, and California Department of Finance figures for Orange County). It should be noted that Lake Forest's growth over 20 years is partly distorted by annexations that increased the size of the city.

Mission Viejo and all neighboring cities experienced lower rates of housing unit growth in the last decade compared to the decade before, with the City's 2010-2020 rate of 2.4% the second lowest of the six cities. Orange County as a whole experienced a much larger and consistent rate of growth across both decades, at around 8%.

There are a number of residential projects either underway or very recently completed in Mission Viejo, including Shea Homes (42 units, including 5 affordable units), Morningstar (132 units), and Trumark (91 units).



Table II-12 Housing Growth Trends, 2000-2020 (Number of Housing Units)

| | 2000 | 2010 | 2020 | Percent Change | |
|------------------------|----------------|------------------|------------------|----------------|-------------|
| | | | | 2000-2010 | 2010-2020 |
| Laguna Hills | 10,324 | 10,989 | 11,298 | 6.4% | 2.8% |
| Laguna Niguel | 23,885 | 25,312 | 26,236 | 6.0% | 3.7% |
| Lake Forest | 20,486 | 27,161 | 30,244 | 32.6% | 11.4% |
| Rancho Santa Margarita | 16,515 | 17,260 | 17,346 | 4.5% | 0.5% |
| San Juan Capistrano | 11,320 | 11,940 | 12,558 | 5.5% | 5.2% |
| Mission Viejo | 32,985 | 34,155 | 34,959 | 3.5% | 2.4% |
| Orange County | 969,484 | 1,046,118 | 1,129,785 | 7.9% | 8.0% |

As measured by the 2016-2020 American Community Survey (Comparative Housing Characteristics, Table CP04), the residential vacancy rate in Mission Viejo was slightly higher than the 5% benchmark, at 6.4%, while owner-occupied units had a vacancy rate of 0.3%. The rental vacancy rate of 6.3% is in line with other cities, and suggests something of an equilibrium between supply and demand indicating a healthy market, while the owner-occupied vacancy rate is very low and may be indicative of a pent up demand for owner-occupied units that is not being met by the supply, which could lead to price increases making housing less affordable to average income households.

2. Housing Type and Tenure

Table II-13 shows the different housing types in Mission Viejo, and how the mix has changed in the last 10 years. Approximately 83% of the City’s housing stock in 2020 was single family, and 71% single-family detached units – a slight drop from 2010, when the figure was 84.4%. The largest change to the City’s housing stock has been in multi-family units with 5 or more units, which now accounts for just over 14% of the total units, up from 12.8% in 2010. In general, the overall mix of single-family, multi-family and other types of housing units is largely unchanged in the last decade, although it is encouraging that multi-family construction saw the largest percentage change since 2010.

Table II-13 Mission Viejo – Housing Type, 2010-2020

| | 2010 | | 2020 | |
|--------------------|---------------|---------|---------------|---------|
| | Units | Percent | Units | Percent |
| Single Family | 28,830 | 84.4% | 29,058 | 83.1% |
| Detached | 24,718 | 72.4% | 24,801 | 70.9% |
| Attached | 4,112 | 12.0% | 4,257 | 12.2% |
| Multi-Family | 5,274 | 15.4% | 5,850 | 16.7% |
| 2-4 Units | 910 | 2.7% | 910 | 2.6% |
| 5+ Units | 4,364 | 12.8% | 4,940 | 14.1% |
| Mobile Homes/Other | 51 | 0.1% | 51 | 0.1% |
| Total | 34,155 | | 34,959 | |

Source: California Department of Finance Estimates

Developed as a master-planned community, single-family housing dominates Mission Viejo’s housing profile. Single-family units tend to have much lower turnover rates than multi-family housing, impacting residential mobility. Demographic analysis in the AFFH section of the Housing Element reveals that Mission Viejo is an aging community, with residents largely “aging in place” in their single-family homes. Mission Viejo’s housing is approximately 77% owner-occupied, compared to 57% for the County as a whole. The home ownership rate in Mission Viejo has not changed markedly in the last couple of decades.



3. Housing Age and Condition

As part of the analysis of housing conditions for the Housing Element, one factor to examine is the age of the housing stock, because it can indicate the potential need for repair or rehabilitation if the housing stock consists largely of older units. Housing over 30 years old usually will begin to need rehabilitation work in areas such as roofing and plumbing, among other repairs. Table II-14 displays the age of Mission Viejo's occupied housing stock by owner/renter tenure as of 2020.

The table shows that over 93% of the City's occupied housing stock was built in the 1960s to 1990s – the time residential development first began in this part of Orange County, through to the years immediately after the incorporation of Mission Viejo in 1988. Since the beginning of the 21st century, rental housing has comprised a greater share of the stock built than owner-occupied housing.

Although much of the City's housing stock is over 40 years old, the stock is well-maintained and there are no significant problems with deterioration or housing blight, with neighborhoods generally very well maintained. Based on observations and service records of the Code Enforcement division, the City's Building Division estimates that under 1% of Mission Viejo's housing stock (fewer than 350 units) could be classified as "substandard." **The City's Building Division and Code Enforcement Division report no distinct concentration of substandard housing within the City. The lack of a distinct pattern to substandard housing conditions within the city can be largely explained by the fact that a** significant proportion of housing in the City is in Homeowner Associations (approximately 65%), which often enforce standards of appearance and are responsible for maintaining physical property in common, such as roofs, exterior appearance, and external plumbing. However, with an aging population, which may experience increasing difficulty in maintaining their property, code enforcement and housing rehabilitation programs will become more important and will be focused on older areas of the city.

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Table II-14 Physical Housing Characteristics for Occupied Housing Units, 2020

| Year Built | Owner-Occupied | % Owner | Renter-Occupied | % Renter | Total | Total % |
|-----------------|----------------|---------|-----------------|----------|--------|---------|
| 2014 or later | 29 | 0.1% | 207 | 2.8% | 236 | 0.7% |
| 2010-2013 | 119 | 0.5% | 255 | 3.4% | 374 | 1.1% |
| 2000-2009 | 466 | 1.8% | 616 | 8.2% | 1,082 | 3.3% |
| 1980-1999 | 10,192 | 40.0% | 3,274 | 43.6% | 13,466 | 40.8% |
| 1960-1979 | 14,291 | 56.1% | 3,065 | 40.8% | 17,356 | 52.6% |
| 1940-1959 | 332 | 1.3% | 63 | 0.8% | 395 | 1.2% |
| 1939 or earlier | 59 | 0.2% | 32 | 0.4% | 91 | 0.3% |
| Total | 25,488 | – | 7,512 | – | 33,000 | – |

Source: Table S2504, 2020 American Community Survey

4. Housing Costs and Affordability

Rental Housing Market

To ascertain a general picture of rents in Mission Viejo, although admittedly an unscientific sample, the major national rentals website apartmentguide.com was searched (May 2022) for units for rent in the City of Mission Viejo. Table II-15 presents the results of the rent survey by unit type, including apartments/condominiums/townhomes and single-family homes.



Table II-15 Units for Rent in Mission Viejo, May 2022

| Unit Type & Bedrooms | # Units Advertised | Rental Range | Median Rent |
|-----------------------------|--------------------|------------------|-------------|
| Apartments/Townhomes/Condos | | | |
| 1 | 14 | \$1,995-\$2,800 | \$2,450 |
| 2 | 14 | \$1,300-\$3,850 | \$3,250 |
| 3 | 2 | \$4,210-\$4,950 | – |
| Single Family Homes | | | |
| 2 | 7 | \$2,685-\$3,800 | \$3,295 |
| 3 | 6 | \$3,500-\$5,200 | \$3,600 |
| 4 | 7 | \$4,000-\$12,000 | \$6,500 |
| 5 & 6 | 2 | \$4,950-\$7,800 | – |

Source: apartmentguide.com, May 2022

A total of 52 units were advertised for rent, comprising 25 apartments and 5 units identified as townhomes or condominiums, and 22 single family homes. Among apartment rentals, one- and two-bedroom units were by far the most common listed for rent. Median rent for 1-bedroom apartments was \$2,450 and \$3,250 for 2-bedroom apartments; the two 3-bedroom units listed were over \$4,000.

The single-family homes for rent had a larger variety of number of bedrooms, ranging from 2 to 6. Interestingly, the median rent for a 3-bedroom single-family home was lower than that for 3-bedroom apartments, although the sample size was very small for the latter. Median rents for single-family homes ranged from \$3,295 for a 2-bedroom home, to \$6,500 for a 4-bedroom single-family home.

Accessory Dwelling Units

Trends in accessory dwelling unit production in Mission Viejo is covered in the Housing Resources section of this Housing Element, but in terms of affordability, SCAG has published a of “Regional Accessory Dwelling Unit Affordability Analysis” document (https://scag.ca.gov/sites/main/files/file-attachments/adu_affordability_analysis_120120v2.pdf?1606868527) which developed assumptions for local governments to use when including ADUs as part of their RHNA in their Sixth Cycle Housing Element. This was based on a survey of 150 ADUs across the SCAG region, including 46 in Orange County.

Examining rented ADUs, SCAG conducted surveys to estimate what proportion of ADUs were in various income categories (Extremely Low, Very Low, Low, Moderate, and Above Moderate) and to estimate rents paid. SCAG acknowledged that approximately 15% of ADUs are provided rent-free, and made the assumption that those ADUs could be designated as affordable to extremely low income (ELI) households.

SCAG produced separate affordability assumptions for different SCAG regions, one of which was Orange County. Table II-16 presents SCAG’s Orange County ADU affordability assumptions in Orange County, which Mission Viejo will use to provide the basis for assigning affordability to its projected ADUs the Housing Element Update. As shown below, 68% of all ADUs and 63% of rented ADUs in Orange County are estimated by SCAG to be affordable to lower income households.



Table II-16 Affordability Assumptions for All ADUs in Orange County

| Category | Affordability Assumptions for Rented ADUs ¹ (85% of Total) | Affordability Assumptions for Non-Rented ADUs ² (15% of Total) | Affordability Assumptions for All ADUs ³ (100% of Total) |
|-----------------------|--|--|--|
| Extremely Low Income | 0% | 100% | 15% |
| Very Low Income | 12% | 0% | 10% |
| Low Income | 51% | 0% | 43% |
| Moderate Income | 35% | 0% | 30% |
| Above Moderate Income | 2% | 0% | 2% |

Source: Southern California Association of Governments, “SCAG Regional Accessory Dwelling Unit Affordability Analysis, December 2020

1. Used Step D in analysis to combine proportions from Step C into single breakdown of rented ADUs by income category.
2. Based on SCAG research of non-rented ADUs, it was determined that 15% of ADUs will be available at rents affordable to Extremely Low Income households
3. Combined by multiplying rented ADUs by 85% and non-rented ADUs by 15%.

Homeownership Market

Because approximately 77% of Mission Viejo’s housing units are owner-occupied, examining real estate prices for this segment of the housing stock is appropriate in the context of developing the Housing Element. The real estate website Zillow.com has developed a home valuation model to estimate the “typical” (not median) market value of properties, to produce a “Home Value Index” for a particular geographic area. Table II-17 shows the March 2019, 2020, 2021 and 2022 Home Value Indices for Mission Viejo, surrounding cities, and Orange County as a whole. This time series was chosen to see if there is any apparent impact on the index before and after the COVID pandemic.

Zillow describes this index as representing “the middle of the market for all homes. It is smoothed to soften short-term variability, and seasonally adjusted to remove the effect of the seasonal cycle of housing (and instead focus on longer term trends)”... and that it “represents the ‘typical’ home value for a region.” Zillow also gives the following technical explanation of the index:

- The average Zestimate within some range of home values determines the index level, meaning the index retains its interpretation as the dollar value of a typical home.
- Monthly changes in the index are now calculated using a weighted mean of the appreciation of individual homes, as proxied by changes in the Zestimate. The weight of each home in the index is proportional to its Zestimate in the first month of any monthly pair.
- For any geography or cut, index appreciation can now be interpreted as the *market’s* total appreciation. In other words, the Zillow Home Value Index (ZHVI) appreciation can now be viewed as the theoretical financial return that could be gained from buying all homes in a given subset (by geography and/or home type) in one period and selling them in the next period.

Table II-17 Zillow Home Value Index, 2019-2022

| | March 2019 | March 2020 | March 2021 | March 2022 | Percent Change | | |
|--|------------|------------|------------|------------|----------------|-----------|-----------|
| | | | | | 2019-2020 | 2020-2021 | 2021-2022 |
| | | | | | | | |



| | | | | | | | |
|------------------------|------------------|------------------|------------------|--------------------|-------------|--------------|--------------|
| Laguna Hills | \$761,131 | \$778,943 | \$858,102 | \$1,099,292 | 2.3% | 10.2% | 28.1% |
| Laguna Niguel | \$877,686 | \$895,816 | \$982,426 | \$1,295,296 | 2.1% | 9.7% | 31.8% |
| Lake Forest | \$738,948 | \$757,374 | \$828,403 | \$1,060,324 | 2.5% | 9.4% | 28.0% |
| Rancho Santa Margarita | \$652,422 | \$668,104 | \$734,092 | \$946,884 | 2.4% | 9.9% | 29.0% |
| San Juan Capistrano | \$797,495 | \$819,068 | \$891,068 | \$1,165,893 | 2.7% | 8.8% | 30.8% |
| Mission Viejo | \$744,839 | \$765,172 | \$843,709 | \$1,089,815 | 2.7% | 10.3% | 29.2% |
| Orange County | \$741,830 | \$765,784 | \$836,676 | \$1,055,189 | 3.2% | 9.3% | 26.1% |

It can be seen that in the year before the impact of the pandemic, the Home Value Index (HVI) for Mission Viejo, neighboring cities, and the county as a whole rose by around 2%-3%. Almost counter-intuitively, in the peak year of the pandemic, 2020-21, the HVI for all jurisdictions jumped by 9%-10%, and the year after the peak it increased across the region by a dramatic 30%, as the economy returned to normal, aided by government stimulus. The typical HVI in the region is now around \$1,000,000, which clearly has major implications for affordability for even above-moderate income earners.

The Zillow HVI is a measure of “typical” home values in Mission Viejo and the surrounding area; it is also useful to summarize the actual private homes on the market in the City, by type (single-family versus condo/townhome), number of bedrooms, and price, to get a sense of the actual costs of home ownership in the City. As the index shows, housing prices over the last few years in the region (and the State) have dramatically increased, making affordability challenging for even higher income households.

As a snapshot of the Mission Viejo housing market, houses for sale in May 2022 were tallied. There were 94 units on the market at the time the survey of homes for sale as listed on Zillow.com was undertaken, with 13 condos/townhomes and 81 single-family homes for sale. The distribution of units for sale by type and number of bedrooms, is shown in Table II-18 below.

Table II-18 Units for Sale by Number of Bedrooms, May 2022

| | Number of Bedrooms | | | | | | Total |
|----------------|--------------------|-----------|-----------|-----------|----------|----------|-----------|
| | 2 | 3 | 4 | 5 | 6 | 7 | |
| Condo/Townhome | 9 | 4 | – | – | – | – | 13 |
| Single Family | 10 | 31 | 26 | 11 | 2 | 1 | 81 |
| Total | 19 | 35 | 26 | 11 | 2 | 1 | 94 |

Source: Zillow.com, May 2022

Three- and four-bedroom units were the most common, but there were a number of single-family units for sale with 5-7 bedrooms. Condos and townhomes tend to be smaller in square footage, and therefore tend to have fewer bedrooms.

In terms of cost, the median price per square foot across the entire sample was \$594. There are variations in square footage cost by bedroom size, as Table II-19 below shows.

Table II-19 Units for Sale by Price per Square Foot, May 2022

| | Price Range per Square Feet, # Bedrooms | | | | | |
|----------------|---|-------------|-------------|-------------|-------|-------|
| | 2 | 3 | 4 | 5 | 6 | 7 |
| Condo/Townhome | \$500-\$693 | \$498-\$583 | – | – | – | – |
| Single Family | \$555-\$747 | \$481-\$909 | \$462-\$842 | \$487-\$814 | \$538 | \$501 |

Source: Zillow.com, May 2022



There are some wide variations in the cost per square foot by bedroom caused by a few outliers, but in general owner-occupied homes are currently costing in the mid \$500s per square foot in Mission Viejo. Condos and townhomes range from \$585,000 to \$925,000, and single-family homes range from \$730,000 to \$2,200,000, with one outlier at \$3,695,000. As the Zillow HVI shows, prices have been increasing in the region, and even smaller units with just two bedrooms would require an average family to have saved approximately \$20,000 for a typical “earnest money” downpayment, and to be able to pay approximately \$2,800 per month on a mortgage at 5.65%, with an additional monthly HOA fee for condos. The analysis of private rented accommodation above, as shown for two- and three-bedroom apartments, can be well over \$2,000 per month.

Housing Affordability

Having examined housing cost information for Mission Viejo, those market rents and sales prices can be compared with what households of different sizes and income levels can afford to pay, which can reveal overpayment and overcrowding issues. According to HUD and the California Department of Housing and Community Development, housing is considered “affordable” if the monthly payment is no more than 30% of a household’s gross income for renters and for owners, except for median and moderate income homeowners, where the threshold is 35%.

Table II-20 below performs this comparison, based on assumptions about utility, tax, insurance, and homeowners’ association costs, calculating affordable rents or home prices for differing household sizes and income levels.

With home prices in Mission Viejo around \$1 million, as measured by the Zillow Home Value Index in Table II-17 above, it is clear that home ownership is out of the range of Mission Viejo residents with even moderate incomes. Additionally, the rental information for Mission Viejo collected for Table II-15 above reveals that affordable rentals are difficult to find for lower income households in the City, resulting in likely overcrowding (such as larger families renting small units) or having to pay beyond the 30% of household income threshold, resulting in overpayment issues. Each income level is examined in detail below.

- **Extremely Low Income (ELI) Households** – ELI households earn 30% or less than the Area Median Income (AMI). The affordable home price for an ELI household ranges from \$78,437 for a 1-person household, to \$97,034 for a 5-person household, making homeownership out of reach for Mission Viejo ELI households. Affordable rents range from \$547 to \$753, and based on the rental information in Table II-20, even a 1-bedroom unit is unaffordable for ELI households.
- **Very Low Income (VLI) Households** – VLI households earn between 30% and 50% of the AMI. The affordable home price for a VLI household ranges from \$159,592 for a 1-person household, to \$222,299 for a 5-person household, making homeownership out of reach for Mission Viejo VLI households. Affordable rents range from \$1,021 to \$1,484, and based on the rental information in Table II-20, VLI households would have to pay rent that is significantly more than the affordability threshold of 30% of their income.
- **Low Income Households** – Low-income households earn between 50% and 80% of the AMI. The affordable home price for a low-income household ranges from \$281,432 for a 1-person household, to \$410,305 for a 5-person household, making homeownership out of reach for Mission Viejo low-income households. Affordable rents range from \$1,732 to \$2,582, and based on the rental



information in Table II-20, some 1- and 2-bedroom units might fall within the affordable rent range, but larger families would likely experience overpayment or overcrowding issues.

- Moderate Income Households** – Moderate-income households earn between 80% and 120% of the AMI. The affordable home price for a moderate-income household ranges from \$384,856 for a 1-person household, to \$569,831 for a 5-person household, making homeownership out of reach for Mission Viejo even for moderate income households. Affordable rents range from \$2,336 to \$3,513, and based on the rental information in Table II-20, 1-bedroom and most 2bedroom units would fall within the affordable rent range, but larger families again would likely experience overpayment or overcrowding issues.

Table II-20 Estimated Affordable Housing Price by Income and Household Size (2022)

| Income Category/ Household Size | Annual Income Limits | Affordable Monthly Housing Cost | Utility Allowance (2023) | Taxes, Insurance and HOA | Affordable Home Price | Affordable Rent |
|---|-------------------------|---------------------------------------|--------------------------------|--------------------------------|--------------------------|--------------------|
| Extremely Low Income (0-30% AMI) | | | | | | |
| 1-Person | \$28,500 | \$713 | \$166 | \$249 | \$78,437 | \$547 |
| 2-Person | \$32,550 | \$814 | \$180 | \$285 | \$92,092 | \$634 |
| 3-Person | \$36,600 | \$915 | \$227 | \$320 | \$96,918 | \$688 |
| 4-Person | \$40,650 | \$1,016 | \$283 | \$356 | \$99,504 | \$733 |
| 5-Person | \$43,950 | \$1,099 | \$346 | \$385 | \$97,034 | \$753 |
| Very Low Income (30-50% AMI) | | | | | | |
| 1-Person | \$47,450 | \$1,186 | \$166 | \$415 | \$159,592 | \$1,021 |
| 2-Person | \$54,200 | \$1,355 | \$180 | \$474 | \$184,810 | \$1,176 |
| 3-Person | \$61,000 | \$1,525 | \$227 | \$534 | \$201,413 | \$1,298 |
| 4-Person | \$67,750 | \$1,694 | \$283 | \$593 | \$215,562 | \$1,411 |
| 5-Person | \$73,200 | \$1,830 | \$346 | \$641 | \$222,299 | \$1,484 |
| Low Income (50-80% AMI) | | | | | | |
| 1-Person | \$75,900 | \$1,898 | \$166 | \$664 | \$281,432 | \$1,732 |
| 2-Person | \$86,750 | \$2,169 | \$180 | \$759 | \$324,208 | \$1,989 |
| 3-Person | \$97,600 | \$2,440 | \$227 | \$854 | \$358,156 | \$2,213 |
| 4-Person | \$108,400 | \$2,710 | \$283 | \$949 | \$389,649 | \$2,427 |
| 5-Person | \$117,100 | \$2,928 | \$346 | \$1,025 | \$410,305 | \$2,582 |
| Moderate Income (80 -120% AMI) | | | | | | |
| 1-Person | \$100,050 | \$2,501 | \$166 | \$875 | \$384,856 | \$2,336 |
| 2-Person | \$114,300 | \$2,858 | \$180 | \$1,000 | \$442,193 | \$2,678 |
| 3-Person | \$128,600 | \$3,215 | \$227 | \$1,125 | \$490,916 | \$2,988 |
| 4-Person | \$142,900 | \$3,573 | \$283 | \$1,250 | \$537,399 | \$3,290 |
| 5-Person | \$154,350 | \$3,859 | \$346 | \$1,351 | \$569,831 | \$3,513 |

Assumptions: 2022 HCD income limits; 30.0% gross household income as affordable housing cost; 35.0% of monthly affordable cost for taxes and insurance, 10% down payment; and 3.0% interest rate for a 30-year fixed-rate mortgage loan. Utilities based on Orange County Housing and Community Development Utility Allowance Schedule.

Sources:

- HCD, 2022
- Orange County Housing and Community Development Utility Allowance Schedule, October 2023 (Effective October 1, 2022)
- Veronica Tam and Associates, 2023

5. Assisted Housing At-Risk of Conversion

California’s Housing Element Law requires jurisdictions to analyze the potential of housing developments with affordability assistance to convert to market-rate housing, and to propose programs to preserve or



replace any units “at-risk” of conversion. Table II-21 below identifies two housing developments in Mission Viejo with affordability assistance, and their potential for conversion, with a total of 297 affordable units. None of these units will be eligible to convert from low-income housing uses due to termination of subsidy contracts, mortgage repayments or expiration of restrictions on use in the next 10 years. Previously, the City had three other housing developments – 120-unit Alicia Viejo, 183-unit Heritage Pointe, and 166-unit Eaves Mission Viejo – that were funded with Mortgage Revenue Bonds. The 1986 Tax Reform Bill required the setting aside of 20% of the units for low-income households for 15 years. The affordability requirements for these units have long expired.

Table II-21 Assisted Housing Developments in Mission Viejo

| Project Name | Active Programs | Total Units | Affordable Units | Household Type | Risk Level | Estimated Affordability End Date |
|-----------------|----------------------|-------------|------------------|----------------|------------|----------------------------------|
| Arroyo Visa | LIHTC; CalHFA; Local | 155 | 155 | Family | Low | 2049 |
| Heritage Villas | LIHTC; Local | 143 | 142 | Senior | Low | 2070 |

Source: California Housing Preservation Commission

6. Housing Problems

Housing Element analysis requires consideration of “housing problems.” Measures of this include housing overpayment and overcrowding.

Overpayment

Housing overpayment is defined as spending more than 30% of income on housing; severe overpayment is spending greater than 50% of income. Table II-22 below shows overpayment information for Mission Viejo and neighboring cities.

Table II-22 Overpayment for Renters and Owners, Mission Viejo and Neighboring Cities

| | Renters | | Owners |
|------------------------|--------------|--------------------|--------------|
| | Overpayment | Severe Overpayment | Overpayment |
| Laguna Hills | 26.5% | 38.1% | 60.9% |
| Laguna Niguel | 28.1% | 32.6% | 41.9% |
| Lake Forest | 28.7% | 26.6% | 34.4% |
| Rancho Santa Margarita | 29.1% | 26.4% | 37.0% |
| San Juan Capistrano | 23.8% | 46.2% | 48.5% |
| Mission Viejo | 32.3% | 26.3% | 33.5% |

Source: SCAG Pre-Certified Housing Data, 04/2021, pp 14 & 16

"Overpayment": 30%-49.9% of income on housing

"Severe Overpayment": 50% or above

The table shows that 32.3% of renters in Mission Viejo were spending between 30% and 50% of their total income on housing. This was the highest rate of overpayment among the cities surrounding Mission Viejo. At the Severe Overpayment level, Mission Viejo fared better, with the lowest level of severe overpayment (26.3%) among the neighboring cities.

Among owner households, 33.5% were overpaying in Mission Viejo, which again was the lowest rate among the neighboring cities. Laguna Hills had by far the highest rate, at 60.9%.



Focusing on lower-income households (<80% AMI), overpayment is most pronounced. Table II-23 below shows overpayment and severe overpayment rates for renters in different income ranges for Mission Viejo and surrounding cities.

Table II-23 Percent of Renter Households in Overpayment and Severe Overpayment Category by Income Level

| | < \$20,000 | \$20,000- \$34,999 | \$35,000- \$49,999 | \$50,000- \$74,999 | \$75,000- \$99,999 | > \$100,000 |
|---------------------------|--------------|-----------------------|-----------------------|-----------------------|-----------------------|--------------|
| Overpayment | | | | | | |
| Laguna Hills | 3.4% | 4.0% | 30.0% | 58.5% | 42.3% | 11.2% |
| Laguna Niguel | 7.6% | 4.2% | 19.9% | 69.5% | 54.8% | 7.0% |
| Lake Forest | 5.8% | 6.2% | 37.2% | 72.6% | 28.8% | 7.5% |
| Rancho Santa Margarita | 1.7% | 0.0% | 64.6% | 69.0% | 38.7% | 7.2% |
| San Juan Capistrano | 3.4% | 5.4% | 25.6% | 43.9% | 44.6% | 21.6% |
| Mission Viejo | 0.0% | 4.9% | 43.2% | 70.0% | 64.3% | 19.8% |
| Severe Overpayment | | | | | | |
| Laguna Hills | 89.7% | 96.0% | 66.1% | 27.5% | 2.9% | 0.0% |
| Laguna Niguel | 86.2% | 92.9% | 78.0% | 19.2% | 6.5% | 0.3% |
| Lake Forest | 86.6% | 93.8% | 60.6% | 11.4% | 0.9% | 0.0% |
| Rancho Santa Margarita | 75.7% | 94.5% | 33.6% | 14.1% | 1.3% | 0.0% |
| San Juan Capistrano | 93.5% | 90.0% | 70.0% | 26.0% | 20.4% | 0.0% |
| Mission Viejo | 96.8% | 91.8% | 53.9% | 21.5% | 0.5% | 0.0% |

Source: SCAG Pre-Certified Housing Data, 04/21, p. 15

"Overpayment" = 30%-49.9% of income on housing; "Severe Overpayment" = 50% or above of income on housing

Almost 97% of all renter households in Mission Viejo earning less than \$20,000 a year are in the Severe Overpayment category. For this income range, neighboring cities have overpayment/ severe overpayment totals ranging from 77.3% for Rancho Santa Margarita, to 93%-97% for other neighboring cities. Unsurprisingly, as household income increases, the level of overpayment declines, but almost 20% of renter households in Mission Viejo making over \$100,000 a year still fall into the overpayment category, second only to San Juan Capistrano among the neighboring cities.

As previously discussed, a high proportion of households with special needs (seniors, persons with disabilities, female-headed households with children) will be in the lower income categories, and thus have heightened vulnerability to potential loss of housing due to inability to pay the high rents in many Southern Orange County cities. The proportion of the renter population in the overpayment category represents a significant housing need in Mission Viejo and is addressed through Housing Element programs for Section 8 Rental Assistance, Affordable Housing Development Assistance, Accessory Dwelling Units, and Affordable Housing Density Bonus.

Examining lower income owner overpayment (households spending more than 30% of their income on housing), Table II-24 below shows that, unsurprisingly, overpayment is near total among owner households making under \$20,000 a year across all the cities surrounding Mission Viejo, and households in every city around Mission Viejo making less than \$75,000 per year all experience very high rates of overpayment, ranging from 73% to 100%. Programs to assist homeowners in adding an accessory dwelling unit to their properties can help to provide added rental income, and housing rehabilitation grants can assist lower income homeowners with insufficient discretionary incomes to maintain their homes.



Table II-24 Percent of Owner Households in the Overpayment Category by Income Level

| | < \$20,000 | \$20,000- \$34,999 | \$35,000- \$49,999 | \$50,000- \$74,999 | \$75,000- \$99,999 |
|------------------------|---------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Overpayment | | | | | |
| Laguna Hills | 100.0% | 97.5% | 95.6% | 81.1% | 27.7% |
| Laguna Niguel | 100.0% | 94.2% | 94.1% | 73.4% | 27.6% |
| Lake Forest | 100.0% | 92.6% | 88.7% | 80.4% | 18.8% |
| Rancho Santa Margarita | 90.1% | 100.0% | 100.0% | 80.8% | 26.4% |
| San Juan Capistrano | 100.0% | 100.0% | 93.7% | 79.4% | 31.5% |
| Mission Viejo | 100.0% | 96.6% | 88.6% | 81.5% | 19.5% |

Source: SCAG Pre-Certified Housing Data, 04/21, p. 16
“Overpayment” = 30%-49.9% of income on housing

Housing problems and cost burden for the City of Mission Viejo are presented in Table II-26 by tenure, household type, and household income. Among all households, regardless of income, renter-occupied elderly households experience housing problems at the highest rate compared to other household types (68.5%). Approximately 57% of large renter households also experience one or more housing problems compared to 55% of renters citywide. Elderly households are more likely to be cost burdened due to fixed incomes. Similarly, large households may experience overcrowding at higher rates compared to other households such as small households. All renter-occupied household types included below, elderly, small, and large, are more likely to experience housing problems and cost burden compared to the respective owner-occupied household types.

Overcrowding

As discussed in Appendix D, overcrowding is defined by the State as a housing unit occupied by more than 1.01 persons per room (excluding kitchens, porches and hallways), and a unit with more than 1.51 occupants per room is considered severely overcrowded. Overcrowding in a jurisdiction may imply the lack of an adequate supply of appropriately sized housing units. The incidence of overcrowded housing is a general measure of whether there is an available supply of adequately sized housing units.

Examining differences in overcrowding by tenure for Mission Viejo and neighboring cities in Table II-25 below shows a marked difference in rates of overcrowding between owned and rented units. For Mission Viejo, the City’s owner households had an overcrowding rate of 0.6% and a severe overcrowding rate of 0.2%, compared with 5.6% and 2.4%, respectively, for renter households. Mission Viejo experienced some of the lowest overcrowding rates compared to its neighboring cities, where renter overcrowding reached double digits in Laguna Hills, Lake Forest, and San Juan Capistrano. Overcrowding is not as severe an issue in Mission Viejo, based on these figures.



Table II-25 Percent of Owner and Renter Households Experiencing Overcrowding or Severe Overcrowding

| | Owner Households | | Renter Households | |
|------------------------|------------------|---------------------|-------------------|---------------------|
| | Overcrowding | Severe Overcrowding | Overcrowding | Severe Overcrowding |
| Laguna Hills | 1.8% | 0.1% | 11.5% | 4.0% |
| Laguna Niguel | 0.7% | 0.1% | 7.6% | 2.2% |
| Lake Forest | 2.1% | 0.2% | 10.7% | 4.8% |
| Rancho Santa Margarita | 1.2% | 0.1% | 5.5% | 2.0% |
| San Juan Capistrano | 3.0% | 0.3% | 14.0% | 3.0% |
| Mission Viejo | 0.6% | 0.2% | 5.6% | 2.4% |

Source: SCAG Pre-Certified Housing Data, 04/2021, p 13



Table II-26 Percent of Owner and Renter Households Experiencing Housing Problems or Cost Burden – Mission Viejo

| | Renter-Occupied | | | | Owner-Occupied | | | | Total Households |
|---|-------------------|-----------------|-----------------|--------------|-------------------|-----------------|-----------------|---------------|------------------|
| | Elderly Household | Small Household | Large Household | Total | Elderly Household | Small Household | Large Household | Total | |
| Extremely Low Income (<30% MFI) | 485 | 450 | 130 | 1,335 | 1,325 | 465 | 25 | 2,120 | 3,455 |
| With any housing problem | 82.5% | 90.0% | 100.0% | 88.8% | 72.1% | 87.1% | 100.0% | 74.3% | 79.9% |
| Cost burden >30% | 73.2% | 85.6% | 100.0% | 86.9% | 70.9% | 87.1% | 96.0% | 73.6% | 78.7% |
| Cost burden >50% | 57.7% | 85.6% | 100.0% | 82.8% | 50.9% | 78.5% | 80.0% | 57.5% | 67.3% |
| Very Low Income (30-50% MFI) | 365 | 345 | 105 | 875 | 1,315 | 490 | 65 | 2,080 | 2,955 |
| With any housing problem | 91.8% | 98.6% | 100.0% | 95.4% | 55.1% | 72.4% | 100.0% | 61.1% | 71.2% |
| Cost burden >30% | 91.8% | 98.6% | 100.0% | 95.4% | 59.3% | 72.4% | 84.6% | 60.3% | 70.7% |
| Cost burden >50% | 42.5% | 63.8% | 23.8% | 51.4% | 28.5% | 50.0% | 53.8% | 42.5% | 45.2% |
| Low Income (50-80% MFI) | 280 | 805 | 245 | 1,810 | 1,690 | 1,185 | 265 | 3,390 | 5,200 |
| With any housing problem | 80.4% | 75.8% | 73.5% | 76.2% | 38.5% | 62.9% | 69.8% | 52.1% | 60.5% |
| Cost burden >30% | 80.4% | 72.0% | 73.5% | 74.6% | 38.5% | 59.9% | 66.0% | 50.6% | 58.9% |
| Cost burden >50% | 17.9% | 6.8% | 0.0% | 6.4% | 13.0% | 19.8% | 5.7% | 15.0% | 12.0% |
| Moderate and Above Moderate Income (>80% MFI) | 520 | 2,105 | 345 | 3,720 | 5,270 | 10,100 | 1,830 | 18,235 | 21,955 |
| With any housing problem | 32.7% | 20.7% | 15.9% | 23.0% | 10.9% | 12.3% | 17.2% | 13.1% | 14.7% |
| Cost burden >30% | 27.7% | 18.3% | 4.1% | 19.7% | 10.7% | 12.3% | 10.9% | 12.3% | 13.6% |
| Cost burden >50% | 0.8% | 0.0% | 0.0% | 0.1% | 0.7% | 0.6% | 0.8% | 0.9% | 0.7% |
| All Households | 1,650 | 3,705 | 825 | 7,740 | 9,600 | 12,240 | 2,185 | 25,825 | 33,565 |
| With any housing problem | 68.5% | 48.3% | 57.0% | 55.0% | 30.3% | 22.4% | 27.0% | 27.1% | 33.5% |
| Cost burden >30% | 64.2% | 45.6% | 52.0% | 52.7% | 30.6% | 22.1% | 20.8% | 26.3% | 32.4% |
| Cost burden >50% | 29.6% | 17.8% | 18.8% | 21.6% | 13.6% | 7.4% | 3.9% | 10.7% | 13.2% |

Source: HUD CHAS Data (based on 2015-2019 ACS), 2021.



D. Regional Housing Needs Allocation

The Regional Housing Needs Allocation (RHNA) is a State-mandated process that determines the amount of future housing growth each city and county must plan for in their housing elements. This “fair share” allocation concept seeks to ensure that each jurisdiction accepts responsibility for the housing needs of not only its resident population, but also for the jurisdiction’s projected share of regional housing growth across all income categories. Regional growth needs are defined as the number of units that would have to be added in each jurisdiction to accommodate the forecasted number of households, as well as the number of units that need to be added to compensate for anticipated demolitions and changes to achieve an “ideal” vacancy rate.

The RHNA process begins with the California Department of Housing and Community Development’s (HCD) projection of future statewide housing growth need, and the apportionment of this need to regional councils of government throughout the State. As Southern California’s designated Council of Government, the Southern California Association of Governments (SCAG) is the agency responsible for developing an allocation methodology to allocate the region’s assigned share of statewide need to cities and counties by income level. The main determining factors in SCAG’s methodology are: household growth (based on Connect SoCal growth forecast), job accessibility, and transit accessibility. After a RHNA total is calculated, a social equity adjustment is applied to determine the four income categories (very low, low, moderate and above-moderate incomes).

The State has allocated 1.34 million new housing units to the SCAG region as part of the 6th Cycle RHNA. This level of housing growth represents the largest allocation the region has ever received, resulting in much higher RHNA allocations for SCAG cities and counties. The City appealed the City’s RHNA allocation and methodology, but the appeal was denied by SCAG’s RHNA Appeals Board. In fact, of the 52 appeals filed by California cities, only two appeals were approved, with all appeals by Orange County cities being denied. On March 4, 2021, SCAG’s Regional Council adopted the final RHNA allocation, resulting in a final RHNA of 2,217 housing units for the City of Mission Viejo broken down into the following income categories.

Table II-27 Regional Housing Needs Assessment (RHNA) for Mission Viejo, 2021-2029

| Income Level | % of Area Median Income | Units | % of Units |
|----------------|-------------------------|--------------|------------|
| Extremely Low* | 0 - 30% | 337 | 15.2% |
| Very Low* | 31 - 50% | 337 | 15.2% |
| Low | 51 - 80% | 401 | 18.1% |
| Moderate | 81 - 120% | 397 | 17.9% |
| Above Moderate | Over 120% | 745 | 33.6% |
| Total | – | 2,217 | – |

*Local jurisdictions must consider Extremely Low Income households as part of the Very Low Income Allocation. The Mission Viejo Housing Element assumes that 50% of the City’s Very Low Income housing needs are for Extremely Low Income households (337 units), earning less than 30% AMI.

The RHNA represents the minimum number of housing units each community is required to provide “adequate sites” for through zoning and is one of the primary threshold criteria necessary to achieve State approval of the Housing Element. As the RHNA represents a planning target for new residential growth and not a building quota, so long as a jurisdiction provides sufficient sites and does not impose constraints to development, it is not penalized for falling short of its RHNA target. Mission Viejo will continue to provide



sites for a mix of single-family and multi-family housing, supported by a variety of programs to enhance affordability, to accommodate its RHNA, and to contribute towards addressing the growing demand for housing in the southern California region.



III. Housing Constraints

This section of the Housing Element provides an analysis of existing and potential constraints upon the maintenance, improvement, or development of housing for all income levels. Governmental and nongovernmental constraints are considered in the analysis. This analysis will help focus the goals, policies and programs in the most efficient and effective manner.

A. Governmental Constraints

The intent of local government regulations is to protect public health and safety and ensure a decent quality of life for the residents. Land use controls, site improvement requirements, building codes, fees, processing procedures, and other local programs intended to improve the overall quality of housing may serve as potential constraints to the development and improvement of housing. The following section assesses potential and governmental constraints to the maintenance, improvement, and development of housing for all income levels and for special housing needs and the City's efforts to address or limit those constraints.

1. Land Use Plans and Regulations

a. General Plan

Each city and county in California must prepare a comprehensive, long-term General Plan to guide its future. The land use element of the General Plan establishes the basic land uses and density of development within the various areas of the city.

The Mission Viejo General Plan Land Use Element provides for six residential land use designations, as shown in Table III-1. Two new residential land use designations were established in 2021: Residential 50, to accommodate residential projects with a density range of 30.01 to 50 dwelling units per acre (du/ac); and Residential 80, to accommodate residential projects with a density range of 30.01 to 80 du/ac.

In addition, the General Plan contains seven mixed-use designations that allow residential development as shown in Table III-1. These mixed-use designations allow any of the listed use categories to exist individually on a site, or to be combined with one or both of the other categories in a mixed-use project.



Table III-1 Residential and Mixed-Use Land Use Categories – Mission Viejo General Plan

| Designation | Maximum Density* | Description |
|---|------------------|---|
| Residential 3.5 | 3.5 | Low density detached and attached single family dwellings |
| Residential 6.5 | 6.5 | Low to medium density detached and attached single-family dwellings (duplexes, condominiums, and townhomes) |
| Residential 14 | 14.0 | Medium and higher density detached and attached single family dwellings and multi-family apartments |
| Residential 30 | 30.0 | High density single family attached and multi-family dwelling units |
| Residential 50 | 50.0 | High density single family attached and multi-family dwelling units |
| Residential 80 | 80.0 | High density single family attached and multi-family dwelling units |
| Commercial Neighborhood/ Community Facility/ Residential 14 | 14.0 | Commercial, community facilities or residential units, either individually or combined |
| Office Professional/ Residential 30/ Business Park | 30.0 | Commercial, community facilities or residential units, either individually or combined |
| Commercial Highway/ Residential 30 | 30.0 | Commercial and residential units, either individually or combined |
| Commercial Highway/ Residential 50 | 50.0 | Commercial and residential units, either individually or combined |
| Commercial Regional/ Residential 80 | 80.0 | Commercial and residential units, either individually or combined |
| Business Park/ Residential 30 | 30.0 | Commercial and residential units, either individually or combined |

Source: City of Mission Viejo General Plan, 2021.

*Density expressed in dwelling units per gross acre.

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

b. Zoning Designations

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



The General Plan Land Use designations cited in the previous section are implemented by the following zoning districts that allow residential units as a permitted use.

- RPD 3.5** Residential Planned Development 3.5
- RPD 6.5** Residential Planned Development 6.5
- RPD 14** Residential Planned Development 14
- RPD 30** Residential Planned Development 30
- RPD 30A** Residential Planned Development By-Right (Affordable)
- RPD 50** Residential Planned Development 50
- RPD 80** Residential Planned Development 80

A summary of the residential development standards for these zoning districts is provided in Table III-2. These development standards continue to be viewed as reasonably necessary to protect the public health, safety, and welfare and maintain the quality of life, and are not considered to be constraints on the development of housing.

Table III-2 Residential Development Standards

| Development Standard | Zoning District Designations | | | | | |
|--------------------------------------|------------------------------|-----------------|-----------------|-------------------|---------------------|---------------------|
| | RPD 3.5 | RPD 6.5 | RPD 14 | RPD 30 RPD 30A | RPD 50 ³ | RPD 80 ³ |
| Maximum Density (du/ac) ¹ | 3.5 | 6.5 | 14.0 | 30.0 | 50 | 80 |
| Minimum Lot Area (sq. ft.) | 5,000 | 5,000 | 5,000 | 5,000 | 20,000 | 30,000 |
| Minimum Front Yard (ft.) | 20 | 20 | 30 | 30 | 40 | 50 |
| Minimum Side Yard (ft.) | 5 | 5 | 10 | 15 | 25 | 35 |
| Minimum Rear Yard (ft.) | 10 | 10 | 30 | 30 | 40 | 50 |
| Maximum Lot Coverage (%) | 60 | 60 | 50 | 50 | 50 | 50 |
| Maximum Building Height (ft.) | 35 ² | 35 ² | 35 ² | 35 ² | 50 ² | 65 ² |

Source: City of Mission Viejo Development Code

1. Density expressed in dwelling units per gross acre.
2. In the RPD 30, RPD 30A, RPD 50 and RPD 80 Districts, building height may be modified by the Director of Community Development with an application for a Minor Exception.
3. Applicable development standard for residential overlay areas.

The City’s Development Code was adopted in October 1998 and has been reviewed and amended over time to ensure that it remains current and consistent with State law, and that it continues to facilitate development. Amendments to the Development Code included updates for reasonable accommodation, density bonus, emergency shelters, and development and parking standards for accessory dwelling units. City staff meets regularly with housing developers and routinely engages in discussion regarding the City Development Code standards.

City parking requirements are discussed later in subsection e. Feasibility analyses for each of the housing sites demonstrate proposed densities can be achieved within the City’s development standards. Furthermore, the City facilitates the development of higher density multi-family housing through RPD 50 and RPD 80 zoning. RPD 50 allows a building height of 50 feet (four stories), and RPD 80 allows up to 65 feet (five stories). Additionally, The Shops – Macy’s site, located within the RPD 80 district, is also within a Commercial Intensive Height Overlay zoning district, which has a maximum height limit of 70 feet or seven stories, whichever is less. However, properties within this district can increase the maximum allowable height limit up to 150 feet or 15 stories, whichever is less, through a planned development permit.



Feasibility studies demonstrate how the housing sites can meet Development Code standards while also achieving targeted densities. The Shops – Macy’s site is 11.32 acres and can yield 906 units at an above-grade height of 65 feet, thus achieving a density of 80 units/acre. The Burlington site is 6.9 acres and estimated to be developed with 345 multi-family apartment units at a height of 55 feet. If needed, structure heights can be increased by up to 15% of the standard with a minor exception approved by the Director of Community Development. Additionally, this Housing Element includes a program to expand its Commercial Intensive Height Overlay zoning district to include the Commercial Highway/Residential 50 properties to ensure maximum density can be achieved. The City’s development standards and height limits can facilitate higher density multi-family.

Table III-3 Comparable Developments

| Project | Address | # of Units (% Low Income) | Site Acreage | Permitted Density | Built Density | Max Building Height |
|-----------------------|----------------------------|---------------------------------|-----------------|---|------------------|---------------------------|
| Skye at Laguna Niguel | 28100 Cabot Road | 142 (10%) | 2.13 acres | 40-50 du/ac; 120 du/ac with density bonus | 67 du/ac | 120 feet |
| Apex Laguna Niguel | 27960 Cabot Road | 284 (10%) | 3.31 acres | 40-50 du/ac; 120 du/ac with density bonus | 86 du/ac | 80 feet |
| Broadstone Cavora | 26033 Cape Drive | 351 (10%) | 5.0 acres | 40-50 du/ac; 120 du/ac with density bonus | 70 du/ac | 120 feet |
| Blu II Laguna Niguel | 25887 Crown Valley Parkway | 192 (12.5%) | 3.76 acres | 40-50 du/ac; 120 du/ac with density bonus | 51 du/ac | 50 feet |
| South Forbes | 27942 Forbes Road | 309 (0%) | 2.6 acres | 40-50 du/ac; 120 du/ac with density bonus | 119 du/ac | 120 feet |

Furthermore, the City’s Development Code also allows for a minor exception process to allow adjustments to the Code of up to 15% for setbacks, height, parcel dimensions, and modifications of up to 30% for on-site circulation and parking. These provisions address special hardship circumstances and help facilitate development while avoiding the administrative requirements of seeking a variance. The City’s standards are not generally seen as an obstacle to affordable housing development. In addition, the City has demonstrated a willingness to accommodate alternative development standards in order to provide infill residential development, as evidenced by the recently approved residential projects. Several affordable housing development projects have been approved in recent years, and some have been granted a density bonus or modification to development standards such as building height to enhance project feasibility. Heritage Villas, an affordable senior housing project, was approved with one parking space per unit based on a study analyzing parking need at similar projects. The Adagio-on-the-Green project, located in an RPD 30 zoning district, was approved with a 20% density bonus, including a building height and parking modification for the 256-unit apartment project, producing a density of 36 units per acre.

As stated in the Development Code, the standards listed above shall apply unless modified by a Planned Development Permit issued by the Planning and Transportation Commission. The Planned Development



Permit process allows nontraditional or unique site plan design if found appropriate by the Planning and Transportation Commission. The development standards were analyzed to ensure that the maximum housing densities for a zone could be attained. Results from the analysis indicated that the maximum densities could be achieved.

Densities range from 3.5 dwelling units per gross acre in the RPD 3.5 District to a maximum of 80.0 units per gross acre in the RPD 80 District. In addition, State law allows a potential density bonus above the allowable density specified in the Code. Nonresidential zoning districts with residential overlays have the flexibility to develop as commercial, residential, or mixed use. The General Plan contains seven mixed-use designations which allow any of the listed use categories to exist individually on a site, or to be combined with another category in a mixed-use project. The overlay allows 100% residential projects where residential is not otherwise permitted. Non-residential land use is subject to noncommercial standards and residential development is able to benefit from the reduced setbacks and higher building heights. Parcels designated with a Residential Overlay would receive density increases above the base density, along with a variety of development incentives, in exchange for development of either 20% lower income units in a rental project, or 20% moderate income units in an ownership project.

Three additional zoning districts – the Commercial Community District (CC) District, the Commercial Highway District (CH), and the Office/Professional District (OP) – allow congregate care/senior housing when combined with the Senior Housing Overlay Zone (SH). All senior housing developments are subject to a conditional use permit. However, the City is proposing to remove the Senior Housing Overlay, because senior housing should be treated the same as other multi-family housing and permitted where multi-family is permitted. The City will develop specific objective development standards, such as reduced parking requirements, for senior housing development.

A summary of residential development permitted by the City's Zoning Ordinance is provided in Table III-4.

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



Table III-4 Permitted Residential Development by Zoning District

| Housing Type Permitted | RPD | RPD | RPD | RPD | RPD | RPD | RPD | BP | Overlay | | | |
|---|-----|-----|----------------|----------------|-----|----------------|----------------|----|----------------|----------------|----------------|--|
| | 3.5 | 6.5 | 14 | 30 | 30A | 50 | 80 | | CC | CH | OP | |
| Residential Uses | | | | | | | | | | | | |
| Single-Family Detached | D | D | D | D | P | D | D | - | D | D | D | |
| Single-Family Attached | D | D | D | D | P | D | D | - | D | D | D | |
| Multi-Family Dwellings | - | - | D | D | P | D | D | - | D | D | D | |
| Manufactured Housing | D | D | D | D | P | D | D | - | D | D | D | |
| Mobile Home Parks | D | D | D | D | D | D | D | - | D | D | D | |
| Accessory Dwelling Units | P | P | P | P | P | P | P | - | P | P | P | |
| Special Needs Housing | | | | | | | | | | | | |
| Emergency Shelters ^{3,4} | - | - | - | C | C | C | C | P | - | - | - | |
| Transitional Housing ³ | - | - | - | C | C | C | C | - | - | - | - | |
| Residential Care Facilities (6 or fewer persons) ³ | P | P | P | P | P | P | P | - | - | - | - | |
| Residential Care Facilities (7 or more persons) ³ | C | C | C | C | C | C | C | - | - | - | - | |
| Congregate Care/Senior Housing | - | - | C ¹ | C ¹ | - | C ¹ | C ¹ | - | C ² | C ² | C ² | |
| Single Room Occupancy | - | - | - | - | - | - | - | - | - | - | C | |

Source: Mission Viejo Development Code

P = Permitted; D = Planned Development Permit; C = Conditional Use Permit

1. Congregate Care/Senior Citizen Housing is subject to the development standards set forth in §9.10.020 of the Development Code.
2. Use is allowed only when combined with the Senior Housing Overlay Zone (SH).
3. Use is permitted in accordance with existing state law.
4. Emergency shelters are permitted in the Business Park/Industrial zones.

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

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

Residential Care Facilities

Residential care facilities refer to any family home, group home, or rehabilitation facility that provides non-medical care to persons in need of personal services, protection, supervision, assistance, guidance, or training essential for daily living. Section 9.01.050 (129) of the Mission Viejo Development Code defines the term *residential care facility* as “a family home or group care facility for 24-hour non-medical care of persons in need of personal services, supervision or assistance for sustaining the activities of daily living or for protection : “Small” residential care facilities (those serving six or fewer clients) are allowed by-right in the residential zones and subject to the same development standards and permit processing requirements as other residential uses in those zones, pursuant to the California Lanterman Developmental Disabilities



Services Act. “Large” residential care facilities (those serving seven or more clients) are conditionally permitted in all residential zones. Findings for approval are:

- a) That the proposed use is conditionally permitted within the subject zoning district and complies with all the applicable provisions of this code.
- b) That the proposed use is consistent with the general plan.
- c) That the approval of the conditional use permit for the proposed use is in compliance with the requirements of the California Environmental Quality Act and Article 6 of the Municipal Code.
- d) That the location, size, design, and operating characteristics of the proposed use are compatible with the existing and known future land uses and will not create significant noise, traffic or other conditions or situations that may be objectionable or detrimental to other permitted uses in the vicinity or adverse to the public interest, health, safety, convenience, or welfare of the city.
- e) That the proposed use would not impair the integrity and character of the zoning district in which it is to be located.
- f) That the subject site is physically suitable for the type and intensity of use being proposed.
- g) That there are adequate provisions for water, sanitation, and public utilities and services to ensure that the proposed use will not be detrimental to public health and safety.

Some of these findings, such as findings d) and e), may be considered subjective, although the City is not aware of these findings being constraining to the development of large facilities. Nevertheless, a program action is included in the Housing Plan to update the Zoning Code to provide objective standards for review and approval of permits for group homes for seven or more persons.

Housing for Persons with Disabilities

Both the federal Fair Housing Act and the California Fair Employment and Housing Act impose an affirmative duty on local governments to make reasonable accommodations (i.e., modifications or exceptions) in their zoning laws and other land use regulations when such accommodations may be necessary to afford disabled persons an equal opportunity to use and enjoy a dwelling. The Building Codes adopted by the City of Mission Viejo incorporate accessibility standards contained in Title 24 of the California Administrative Code. For new construction, the City’s building code requires new housing to comply with the 1988 amendment to the Fair Housing Act, with multi-family development also subject to the Americans with Disabilities Act (ADA) standards. New apartment buildings are subject to requirements for unit “adaptability” on ground floor units. Adaptable units are built for easy conversion to disabled access, such as doorway and hallway widths, and added structural support in the bathroom to allow the addition of handrails. Additionally, Chapter 9.60 of the City’s Municipal Code addresses reasonable accommodation pursuant to SB 520. The purpose is to provide reasonable accommodation in the application of zoning and building laws, and policies and procedures for persons with disabilities seeking fair access to housing. The Code provides a mechanism through which the City can grant reasonable adjustments to its zoning regulations to avoid unequal treatment towards individuals with disabilities.

Any person seeking reasonable accommodation because of a disability may file an application with the Director of Community Development. There is no fee required. The Director shall review the application for completeness within 5 days of receipt, and shall make a determination on the request within 30 days of



receipt of a complete application. In making a determination about the reasonableness of a requested accommodation, the following factors shall be considered:

- a) Whether the accommodation is reasonable considering the nature of the applicant's disability, the surrounding land uses, and the rule, standard, policy, or practice from which relief is sought;
- b) Whether the accommodation is necessary to afford the applicant equal opportunity to enjoy and use a specific dwelling in the City;
- c) Whether the accommodation is reasonably feasible considering the physical attributes of the property and structures;
- d) Whether there are alternative accommodations which may provide an equivalent level of benefit to the applicant, while minimizing adverse impacts on surrounding land uses and lessening the financial and/or administrative burden on the City;
- e) Whether the requested accommodation would impose an undue financial or administrative burden on the City; and
- f) Whether the requested accommodation would constitute a fundamental alteration of the zoning or building laws, policies or procedures of the City.

Factors relating to surrounding land uses or physical attributes of the property and structures are not based on objective performance standards. Therefore, a program action is included in the Housing Plan to amend the Reasonable Accommodation provisions to ensure they are objective and facilitate certainty in outcomes.

The California courts have invalidated the following definition of "family" within jurisdictions' Zoning Ordinances: a) an individual, b) two or more persons related by blood, marriage or adoption, or c) a group of not more than a certain number of unrelated persons as a single housekeeping unit. Court rulings state that defining a family does not serve any legitimate or useful objective or purpose recognized under the zoning and land planning powers of the city, and therefore violates rights of privacy under the California Constitution. A zoning ordinance also cannot regulate residency by discrimination between biologically related and unrelated persons. Mission Viejo's Zoning Code, 9.01.050 (75) contains the following definition of "family": *"One or more persons related or unrelated, living together as a single nonprofit housekeeping unit, as distinguished from a group occupying a boarding or lodging house, hotel, club, or similar dwelling for group use. A family may include domestic servants employed by the family but shall not include a fraternal, religious, social, or business group."*

Family also means the persons living together in a licensed residential facility as that term is defined in Health & Safety Code §1502(a)(1) that serves six or fewer persons, excluding the licensee, the members of the licensee's family, and persons employed as facility staff who reside at the facility.

Concentration Requirements

Care facilities or group homes are not subject to any minimum spacing requirements.

Site Planning Requirements

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



Parking Requirements

Modified parking requirements may be reviewed and approved under the Reasonable Accommodation Ordinance.

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

Agricultural Employee and Employee Housing

As discussed in Section 2.5.5, the City of Mission Viejo is not located within a major agricultural area, has no agricultural zoning, and has no significant need for permanent on-site farm worker housing. The City's overall efforts to provide and maintain affordable housing opportunities will help to support any agricultural workers who reside in Mission Viejo. Health and Safety Code §17021.5 requires that employee housing for six or fewer workers be allowed as a single-family structure and permitted in the same manner as other dwellings of the same type in the same zone. A program action is included in the Housing Plan to amend City regulations in conformance with this law.

Housing for the Elderly – Senior Housing

Senior citizen housing developments, identified in the Zoning Code as a housing development that has been designed to meet the physical and social needs of senior citizens, can include independent living facilities in single- or multi-family housing units or through group or assisted living such as residential care facilities, which are described above. Many seniors in Mission Viejo reside in State-licensed care facilities with six or fewer residents, which are permitted by-right in all residential zones. Additionally, a program action is included in the Housing Plan to amend the City Zoning Code regulations to remove special standards for senior citizen housing developments within the RPD 14 and RPD 30 Districts and also within the Senior Housing Overlay Zone. The amendment will amend the Code in conformance with state law, allowing senior housing and multi-family housing in the same zones. Consideration for parking concessions, in conjunction with senior housing, will however, be retained, and will be written into Section 9.25 of the City's Zoning Code, Off-Street Parking Standards.

Emergency Shelters

Emergency shelters are facilities that provide a safe alternative to acute homelessness either in a shelter facility or through the use of motel vouchers. Emergency shelter is short-term, usually for 30 days or less. In 2009, the City's Zoning Code was amended to allow emergency shelters by-right in the Business Park (BP) zone. The sites within this zone are located within walking distance of shopping, medical, civic offices, employment, and public transportation. The City's Zoning Code provides for Emergency Shelters as required by Government Code §65583(a)(4). For the purposes of this chapter, "emergency shelter" shall have the meaning set forth in Government Code §65582. The City shall not require a conditional use permit or other discretionary permit for the construction of an *emergency shelter*. Emergency shelters in the BP zone are subject to ministerial review and approval, and compliance with objective standards consistent with the requirements identified in Government Code §65583(a)(4). No emergency shelters are currently



located within Mission Viejo. The City may not disapprove an *emergency shelter* unless it is unable to make written findings, based upon substantial evidence in the record, as to one of the following:

Development standards are appropriate to facilitate emergency shelters, and are summarized as follows:

- Setbacks: 25 feet front/25 feet rear/15 feet side
- Height: 35 feet maximum
- Floor Area Ratio: 1.0 maximum
- Maximum Beds: 10
- Parking: Based on staffing needs
- Management plan and on-site supervision/security required
- Minimum separation from another emergency shelter: 250 feet
- Maximum length of stay: 180 days

As of 2022, the Orange County Point-in-Time Count reports 28 homeless persons in Mission Viejo, including 26 unsheltered and 2 sheltered persons. With the 10-bed limit, the City would need 3 shelters to accommodate its unsheltered population. The Business Park (BP) zone encompasses more than 165 acres (787 parcels) and some parcels and buildings are currently vacant in these zones that could accommodate shelters. The BP zone is located near Jeronimo Road and Los Alisos Boulevard, with access to services such as shopping, religious institutions, Social Security Administration, and medical services.

However, new State law AB 2339 (effective April 1, 2023) mandates that the zone(s) designated to permit emergency shelters by right must be areas that are suitable for human habitation, permitting residential uses. Currently, the BP zone does not allow residential uses. AB 139 also specifies that the separation requirement between two shelters can only be a maximum of 300 feet. The City's current requirement of minimum 250 feet does not comply with State law. AB 139 also only allows cities to require sufficient parking to accommodate staff working in the emergency shelter, provided that the standards do not require more parking for emergency shelters than other residential or commercial uses within the same zone.

Within the BP zone, there are parcels that are underutilized with areas that can be intensified with additional uses or buildings that have vacancy issues, providing opportunities for new construction or adaptive reuse into live/work housing. Specifically, two parcels have vacant building spaces and vacant green space that can accommodate additional uses. These sites are also located adjacent to one of the RHNA sites.

| Location | APN | Parcel Size (acres) | Developable Area (acres) | Property Description |
|-------------------------|----------|---------------------|--------------------------|---|
| 26941 Cabot Road | 63601501 | 8.85 | 0.49 | Business Park/Industrial site – office/industrial buildings |
| 27194 Camino Capistrano | 63602112 | 5.69 | 0.46 | Business Park/Industrial site – public storage facility |

Therefore, to comply with various new State laws, a program action is included in the Housing Plan to amend the Zoning Code:

- Establish an Emergency Shelter Overlay in the BP zone and include emergency shelters and multi-family residential use as permitted uses



- Remove the 10-bed limit
- Revise the separation requirement to 300 feet maximum
- Establishing parking standards based on staffing level but not higher than other similar uses in the same zone

Transitional/Supportive Housing

SB 2 (2007) requires that local jurisdictions address the provision of transitional and supportive housing. SB 745 (2013) requires that these housing types be treated as a residential use and only subject to those restrictions that apply to other residential uses of the same type in the same zone. For example, if the transitional housing is a multi-family use proposed in a multi-family zone, then zoning should treat the transitional housing the same as other multi-family uses in the proposed zone.

Transitional housing is a type of housing that facilitates the movement of homeless individuals and families into permanent housing. Transitional housing is longer-term housing, typically up to 2 years. Transitional housing requires that the resident participate in a structured program to work toward established goals so that they can move on to permanent housing. Residents are often provided with an array of supportive services to assist them in meeting goals.

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

“Transitional housing” and “transitional housing development” means buildings configured as rental housing developments, but operated under program requirements that call for the termination of assistance and recirculation of the assisted unit to another eligible program recipient at a predetermined future point in time that shall be no less than six months from the beginning of assistance.

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

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

City regulations permit transitional and supportive housing subject to the same standards and procedures as other residential uses of the same type in the same zone in conformance with SB 745. For example, if the transitional housing is a multi-family use proposed in a multi-family zone (RPD 14 or RPD 30), the City’s Development Code treats the transitional housing the same as other multi-family uses proposed in the zone.

In 2018 AB 2162 amended state law to require that supportive housing be a use by-right in zones where multi-family and mixed uses are permitted, including non-residential zones permitting multi-family uses, if the proposed housing development meets specified criteria. A program action is included in the Housing Plan to amend the Development Code in compliance with this requirement.

Low Barrier Navigation Center (LBNC)

In 2019 the California Legislature adopted AB 101 establishing requirements related to local regulation of low barrier navigation centers, which are defined as “Housing first, low-barrier, service-enriched shelters



focused on moving people into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing.” *Low Barrier* means best practices to reduce barriers to entry, and may include, but is not limited to:

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

AB 101 codified as Government Code §§65660-65668 requires jurisdictions to permit by-right low barrier navigation centers in areas zoned for mixed-use and nonresidential zones permitting multi-family uses if it meets specified requirements. The City’s Zoning Code does not address LBNC. A program action is included in the Housing Plan to update the Zoning Code to address AB 101.

Single Room Occupancy

Single room occupancy facilities are small studio-type units and are allowed by conditional use permit in the Office/Professional (OP) zones. These are considered housing types suitable to meet the needs of extremely low-, very low-, and low- income households. Many communities are exploring the use of SRO housing to meet affordable housing needs for specific segments of the community (e.g., students, seniors, and single workers). Development standards for these uses are no more restrictive than for other uses allowed in these districts.

c. Off-Street Parking Requirements

The City’s parking requirements are also governed by the City’s Municipal Code and its application to residential uses vary by residential type. Single-family attached and detached dwellings require two covered parking spaces per unit. Multi-family dwellings require 1.5 parking spaces for studio and 1-bedroom units, 2 spaces for 2-bedroom units, and 2.5 spaces for 3- or more bedroom units. Senior projects require one covered parking space for each dwelling unit for the exclusive use of the senior residents and one uncovered parking space for each dwelling unit for employee and guest use. Parking requirements are summarized in Table III-5.



Table III-5 Residential Parking Requirements

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

Source: Mission Viejo Development Code §9.25.020

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

Table III-5 above summarizes the City’s residential zoning districts and the applicable parking requirements. Required parking for a project must be provided entirely onsite or through an alternative means, which is generally approved concurrently with the overall development. Approval of parking alternatives provides a benefit to the development and does not adversely impact development or surrounding areas.

Recent studies have identified seniors and low-income households as having fewer cars on average than higher-income households.¹ The City of Mission Viejo Planning and Transportation Commission has the ability to grant reduced parking for senior housing and other affordable housing projects through the conditional use permit process. In addition, State density bonus law establishes parking standards for qualifying affordable developments that pre-empts local parking requirements for density bonus projects. Program actions are included in the Housing Plan will amend the City’s Off-Street Parking Requirements to include parking allowance for senior projects, and also in compliance with this State Emergency Shelter regulations.

d. Accessory Dwelling Units

Accessory dwelling units (ADUs) are small, self-contained units with a kitchen, a bathroom, and a sleeping area, and can be attached to the main home, with a separate entrance, or located in the rear of the property or above a garage. In response to State-mandated requirements and local needs, the City of Mission Viejo allows for the development of accessory dwelling units (ADUs) by-right (i.e., building permit only, with no discretionary approval required) in all residential zones. Minimum development standards for accessory dwelling units include:

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



- Permitted unit sizes include 850 square feet for a studio and a one-bedroom ADU; 1,000 square feet for an ADU with more than one bedroom. Units that exceed these sizes may be approved through the Planning Commission review process.
- The maximum lot coverage on any single-family parcel is 60% and 50% for any multi-family parcel. However, the lot coverage requirement cannot preclude the creation of a statewide exemption ADU (800-square-foot attached ADU and 850-square-foot detached ADU).
- A property can have both one detached ADU and one attached JADU

ADUs serve to augment resources for senior housing, or other low- and moderate-income segments of the population. In 2019, 3 applications were received, and 2 were approved; in 2021, 14 applications were received, 7 have been approved, and another 4 are being processed; up to July 2022, 9 applications have been received, 1 has been approved, and 8 are being processed. While there is not a great deal of data for ADUs to draw assumptions about, it is apparent that applications are on the rise in the last 2 years.

In addition, the City has become more efficient in processing ADU applications, including eliminating the requirement for Neighbor Awareness signatures and proof of Homeowner Association approval, and the time between application submittal and permit issuance has narrowed significantly. Per AB 671, the Housing Element includes a program to further incentivize the production of affordable ADUs, including pre-approved ADU plans to streamline the project application and review process and reduce upfront project costs, as well as promotion of ADUs through handouts, simplified application forms and an ADU website page.

In recent years, the California Legislature has adopted extensive changes to ADU law in order to encourage housing production. Among the most significant changes is the requirement for cities to allow one ADU plus one “junior ADU” on single-family residential lots by-right subject to limited development standards. In October 2021, the City of Mission Viejo amended the Development Code regarding Accessory Dwelling Units and is in full compliance with state law. All requests for ADUs of any type or nature specified in California Government Code §65852.2 and §65852.22, and all related sections, including but not limited to JADUs, are processed and permitted pursuant to California Government Code §65852.2 and §65852.22. Based on this record, the City’s ADU development standards are not considered to present any unreasonable constraints. Because ADUs are limited to a maximum of 640 square feet, they would be expected to rent within the very-low- or low-income category. A program action is included in the Housing Plan to monitor state law and make any necessary amendments to the City’s Zoning Code to remain in compliance hereafter.

e. Density Bonus

Under *California Government Code* §§65915-65918, a density increase over the otherwise maximum allowable residential density under the Municipal Code is available to developers who agree to construct housing developments with units affordable to low- or moderate-income households or senior citizen housing development. The City of Mission Viejo allows density bonuses and other incentives for housing and/or childcare facilities in accordance with the requirements of the law. The City grants a density bonus on a sliding scale if a development provides a percentage of the units at rates that are affordable to very low-, low-, and moderate-income households. For example, Watermarke’s Adagio-on-the-Green project was approved with a 20% density bonus and building height and parking modification for their 256-unit apartment project on Oso Parkway. AB 2345 of 2019 amended State law to revise density bonus incentives



for affordable housing developments. In October 2021, the City of Mission Viejo adopted California Government Code §65915 through and including §65918, and is in full compliance with state law. A program action included in the Housing Plan is a commitment to monitor state law and make any necessary amendments to the City's Zoning Code to remain in compliance hereafter.

f. Mobile Homes/Manufactured Housing

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

g. Building Codes and Their Enforcement

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

The City's building codes are based upon the California Building, Plumbing, Mechanical, Electrical and Fire Codes, as well as the Green Building Standards, Historical Building, International Swimming Pool and Spa Code, and International Property Maintenance Code. These are considered to be the minimum necessary to protect the public's health, safety, and welfare. On December 13, 2022, at a noticed Public Hearing, the City of Mission Viejo adopted the 2022 Update to the Building and Fire Codes, amending Title 8 of the Mission Viejo Municipal Code. These Codes became effective January 1, 2023. No additional regulations have been adopted by the City beyond the minimum requirements of the state codes. Thus, the City's building codes and their enforcement are determined to not impose a housing constraint that would unnecessarily add to housing costs.

h. Inclusionary Requirements

There are currently no citywide inclusionary requirements although the City has included a program action in the Housing Plan [to for Staff to advance explore the feasibility of adopting an inclusionary requirement for housing development to the City Council.](#)

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i. Short-Term Rental Requirements

A short-term vacation rental (also called a vacation rental) is a rental of a residential dwelling unit or accessory building for periods of fewer than 30 consecutive days. Over the past few years, short-term rentals have become an increasingly popular form of lodging throughout the country. The City of Mission Viejo recognizes the potential land use issues that can arise from operating short-term rentals in neighborhoods, such as parking and noise, and continues to monitor any complaints. At this time, however, Mission Viejo does not have a code prohibiting short-term rentals. The number of short-term rentals in the City accounts for less than 1% of the total number of residential units (over 35,000 total units) and is



considered to have an insignificant impact on the amount of housing stock available for permanent occupancy.

j. Growth Controls

There are no City growth controls or voter initiatives.

2. Local Processing and Permit Procedures

State Planning and Zoning Law establishes permit processing requirements for residential developments. The time and cost associated with the processing and review can be a constraint to housing development if the process is considered significant or lengthy review is required. Within the framework of State requirements, the City has structured its development review process to minimize the time required to obtain permits while ensuring that projects receive a thorough and efficient review.

a. Residential Permit Processing

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

Processing times vary but, generally, are not necessarily dependent on the designated approval body. The factor that impacts development review is primarily dependent on the size and complexity of the project. Projects are reviewed for compliance with the City's ordinances and completeness of the application. [The City is known for its expeditious processing and turnaround times.](#) Projects approved by the Director of Community Development typically require 2 to 3 months to process, [from the time an application is submitted and when the project can submit for building permits.](#) ~~while~~ Projects approved by the Planning and Transportation Commission typically require 3 to 4 months to process. All project approvals are final unless appealed. [The appeal period for Director and Planning and Transportation Commission approvals is 15 days.](#) Projects approved by the City Council typically require about 6 months to process. [All City Council decisions are final. Once plans are submitted for building permits, the City guarantees a 10-day plan review. Resubmittals are reviewed in five days.](#)

The City's development review process for multi-family residential projects involves the following steps:

1. Submittal of an application for a Planned Development Permit (PDP) to the Planning Division for design review. A PDP is held as a public hearing before the Planning and Transportation Commission.
2. ~~Review of application completeness by staff.~~ Application is reviewed within 14 days of submittal. If the application is complete, the project is scheduled for the next Development Review Committee (DRC) meeting. If incomplete, the applicant has two weeks to complete and still remain on schedule for the next Planning Commission.



3. After the project is reviewed by the DRC, then the project is scheduled for the next Planning and Transportation Commission meeting. Once an application is deemed complete, the project is presented to the Commission within four to six weeks.

All development applications are reviewed by staff, the DRC, and then scheduled for a public hearing before the Planning and Transportation Commission for approval. The application only proceeds to the City Council if it also requires a legislative act such as a General Plan Amendment or a Development Code Amendment, or if it is appealed. Projects that require City Council approval usually entail two public hearings: 1) review and recommendation by the Planning Commission and 2) final review and approval by the City Council. Residential projects in Mission Viejo generally receive concurrent processing of various development applications (e.g., subdivision and zoning approvals), and therefore, significantly reducing review time and minimizing related holding costs.

Prior to approval of an application for a Planned Development Permit, the approving body shall consider the following findings:

1. That the proposed development is one permitted within the subject zoning district and complies with all of the applicable provisions of this code, including prescribed development standards and design guidelines.
2. That the subject site is physically suitable for the type and intensity of the land use being proposed.
3. That the proposed development would be harmonious and compatible with existing and future developments within the zoning district and general area.
4. That the proposed development is harmonious and compatible with the land uses presently on the subject property.
5. That there are adequate provisions for water, sanitation, and public utilities and services to ensure that the proposed development is not detrimental to public health and safety.
6. That there is adequate public access to serve the proposed development.
7. That there are no significant harmful effects upon the environmental quality and natural resources.
8. That the negative impacts of the proposed development shall be mitigated.
9. That the proposed development is consistent with the general plan.
10. That the location, size, design, and operating characteristics of the proposed development are not detrimental to the public interest, health, safety, convenience, or welfare of the city.

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

- Prepared permit processing guidelines to assist residential builders in applying for development permits for single-family residences, multi-family residential developments and subdivisions.



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

In addition, as identified in the Housing Plan, the City will develop objective design standards for all multi-family housing development. The standards will provide applicants and developers with a clear understanding of the City’s expectations for multi-family residential project design. Until the objective design standards are adopted, the City will apply existing objective standards to all housing development applications. Consistency with the written, objective standards in the Guidelines is essential to the review and approval process for multi-family residential development projects as there are no approval findings required for a finding of consistency with the design standards. To ensure multi-family development projects meet the City’s goal of expedited review and approval, the Design Guidelines provide a clear set of design policies to the development community by clearly stating the community’s expectations for quality design of multi-family residential development. These processes help to ensure that the development review process does not act as a constraint to housing development.

b. SB 35 Streamlining

SB 35 (Government Code §65913.4) is a statute that streamlines the development process for qualifying development projects with a specified proportion of affordable housing units in jurisdictions where production of new housing has not met the state-mandated Regional Housing Needs Allocation targets. The City must review applications for qualifying housing developments within a statutory time frame. Ministerial review is based on compliance with set, objective standards and cannot involve subjective judgment. Qualifying projects are also not subject to environmental review under the California Environmental Quality Act. Since the adoption of this section of the Government Code, the City has not yet received an application under these provisions. The City has included a program in the Housing Element to prepare an SB 35 checklist and written procedures for processing SB 35 applications.

c. Environmental Review

Environmental review is required for all development projects under the California Environmental Quality Act (CEQA). Today, the City is nearly built-out, and there are no significant vacant areas left to develop (see Land Inventory discussion in Section IV). Most infill residential projects in Mission Viejo are either Categorically Exempt or require only an Initial Study and Negative Declaration. A Negative Declaration typically takes 4 to 6 weeks to prepare, depending on complexity of the project and required technical



studies, followed by a State-mandated public review period. Categorically Exempt developments require a minimal amount of time, which does not add to the length of the development process. As a result, environmental review does not pose a significant constraint to housing development.

d. Site Improvements, Development Fees, and Other Exactions

Various fees and assessments are charged by the City and other public agencies to cover the costs of processing permit applications and providing services and facilities such as schools, parks, and infrastructure. Almost all of these fees are assessed through a pro rata share system, based on the magnitude of the project’s impact or on the extent of the benefit that will be derived. For new residential projects, developers may be required to pay one or more of the following fees depending on the location, type, and size of the project.

- **Planning, Building, and Environmental Fees:** Developers pay fees to the City of Mission Viejo to process applications, standard plan check fees, building permits, tentative tract maps, conditional use permits, variances, environmental initial studies, and/or other permits or processes associated with specific types of development projects. Additional fees may be required for project-specific environmental review.
- **City Impact Fees:** The City can charge impact fees to finance new or expanded infrastructure and public facilities required to serve residents. City impact fees offset the future impact of development on various city services, community facilities, parks, and traffic and circulation. Assessed impact fees correlate with cost of increased demand on these services. are assessed based on equitable to the infrastructure costs and represent the marginal cost of improvements required to serve residents of the new residential projects. The City has not adopted any fees to offset impacts to public streets, drainage facilities, water quality, and parks. Fees and assessments may apply in the future, if adopted.
- **Other Impact Fees:** The City does not own and operate the water and sewer systems within the city limits. As a result, other impact fees include water and sewer fees collected by regional water districts and school districts. Water impact fees are used to mitigate the impacts of development on water and sanitary sewer systems. School fees collected by school districts are allowed by State law to finance the construction and expansion of schools to accommodate student enrollment. The water and school districts assess and establish fee levels. The City of Mission Viejo does not have the authority to adjust these fees.

Table III-6 details the City’s Planning Department processing fees for development project entitlements, and Table III-7 describes the fee schedule for residential building permits. One or more of the entitlements would be required to process a residential project depending on the scale and complexity of the project and a building permit is required for each residential structure.

Table III-8 provides a list of fees the City of Mission Viejo charges for new residential development.

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Table III-6 Planning and Development Fees, City of Mission Viejo

| Fee Category | Fee or Deposit Amount ¹ |
|--|--|
| Planning and Application Fees | |
| Accessory Dwelling Unit | \$147.82 |
| Pre-Application Review | None |
| Design Review | None |
| Parcel Map | \$6,200 |
| Tentative Tract Map | \$7,600 |
| Vesting Tentative Tract Map | \$7,600 |
| Planned Development Permit (Community Development Director Approval) | \$3,000 |
| Planned Development Permit (Planning and Transportation Commission Approval) | \$5,500 |
| Conditional Use Permit | \$3,500 |
| Specific Plan | \$7,500 deposit |
| General Plan Amendment | \$7,500 deposit |
| Development Agreement | \$7,500 deposit |
| Zone Change | \$7,500 deposit |
| Environmental | |
| Initial Study/Negative Declaration (review and preparation) | \$1,500 |
| Environmental Impact Report (review) ² | \$10,000 deposit |
| Impact Fees | |
| School Fees | CUSD: \$4.79/s.f. SVUSD: \$4.79/s.f. |
| Park Fees | = (# of proposed dwelling units) x (park land acres per dwelling unit ²) x (fair market land value per acre) |
| Transportation Fees ³ | <p><u>SCR Fee:</u> Single-Family: \$1,129/unit Multi-Family: \$905/unit</p> <p><u>El Toro Fee:</u> < 2 du/ac: \$2,269/unit 2-6.5 du/ac: \$1,898/unit > 6 du/acre: \$1,170/unit</p> <p><u>FCCP Road Fee:</u> (Zone 3): <i>Participating Landowners</i> Single-Family: \$2,663/unit Multi-Family: \$2,134/unit <i>Non-Participating Landowners</i> Single-Family: \$4,145/unit Multi-Family: \$3,322/unit</p> <p>(Zone 5): <i>Participating Landowners</i> Single-Family: \$4,677/unit Multi-Family: 3,738/unit <i>Non-Participating Landowners</i> Single-Family: \$6,108/unit Multi-Family: \$4,884/unit</p> |



| Fee Category | Fee or Deposit Amount ¹ |
|----------------------|--|
| | <p>Moulton Niguel Pkwy Single-Family: \$615/unit Multi-Family: \$360/unit</p> <p>Laguna Niguel Fee: Single-Family: \$337/unit Multi-Family: \$194/unit</p> <p>Foothill/Eastern: (Zone A): Single-Family: \$6,327/unit Multi-Family: \$3,694/unit (Zone B): Single-Family: \$4,502/unit Multi-Family: \$2,625/unit</p> |
| Water and Sewer Fees | <p>Assessed by applicable water district: El Toro Water District Moulton Niguel Water District Santa Margarita Water District</p> |

Source: City of Mission Viejo Community Development Department, 2021

- 1 Items with deposits are based on actual processing costs which may exceed initial deposit amount.
- 2 As shown in the table of section 9.85.070.
- 3 Depending on location of development, all fees may not apply.

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The residential building permit fees described in Table III-7 and Table III-8 are based on a hypothetical 52-unit multi-family development and an 1,800-square-foot single-family detached dwelling unit with a 400-square-foot garage. Assumptions were based on one of the evaluated multi-family sites and adjacent single-family neighborhood and project valuations based on the national average. **The City reviewed fees for a single-family development based on the current average square footage for a single-family unit. With homes of this size projected to sell in the low \$1 million range, the fees below represent approximately 2 to 3% of the sale price. As described in Figure H-1, the median home price in Mission Viejo in 2018 was \$700,000. Therefore, development fees for a typical single-family house represent just 5% of median home values, and development fees for a typical multi-family unit represent 3 to 4% of the median sales price.**

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Table III-7 Total Fees for Typical Multi-Family Housing, City of Mission Viejo

| Types of Fees | 52-Unit Multi-Family Development |
|---|----------------------------------|
| Planning Fees | |
| Project Application Review | \$3,000.00 |
| Environmental Initial Study/Negative Declaration (review and preparation) | \$1,500.00 |
| Total Planning Fees | \$4,500.00 |



| Types of Fees | 52-Unit Multi-Family Development |
|---|--|
| Building Fees | |
| Plan Check | \$7,613.13 |
| Permit Issuance | \$25.00 |
| Permit Inspection | \$4,190.86 |
| Electrical | \$65,866.67 |
| Mechanical | \$54,080.00 |
| Plumbing | \$59,540.00 |
| Energy | \$469.00 |
| Total Building Fees | \$191,785.00 |
| Transportation Fees | |
| FCPP 8 | \$285,844.00 |
| FCPP 3 | \$172,744.00 |
| Foothill/Eastern B | \$136,500.00 |
| Total Transportation Fees | \$595,088.00 |
| School Fees (\$4.79/square foot) | \$195,000.90 |
| Parks Fee¹ | |
| $(\# \text{ of proposed dwelling units}) \times (\text{park land acres per dwelling unit}) \times (\text{fair market land value per acre})$ | \$750,000 |
| Total Fees | \$986,373,561,736,373.56 |
| Total Fees per Unit | \$18,968,7233,391.80 |
| Additional Fees | |
| Water ² | Determined by Water District |
| Parks Fee ² | $= (\# \text{ of proposed dwelling units}) \times (\text{park land acres per dwelling unit}^{21}) \times (\text{fair market land value per acre})$ |

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1 Calculated based on 52-unit development, with gross park land acres of 0.5 per dwelling unit, and land value of \$1,500,000 per acre.
 2 When a residential project is proposed on a site previously developed as a commercial center, the water district does not charge any impact fees. The development is only subject to fees specifically related to the plan check, inspections, water meters, and irrigation.

The City reviewed fees for a single-family development based on the current average square footage for a single-family unit. With homes of this size projected to sell in the low \$1-million range, the fees below represent approximately 2% of the sale price.

Table III-8 Total Fees for Typical Single-Family Housing, City of Mission Viejo

| Types of Fees | 1,800-Square-Foot Single Family Home |
|---------------|--------------------------------------|
|---------------|--------------------------------------|



| | |
|--|--|
| Building Fees | |
| Plan Check | \$1,947.05 |
| Permit Issuance | \$25.00 |
| Permit Inspection | \$1,198.18 |
| Electrical | \$555.75 |
| Mechanical | \$676.50 |
| Plumbing | \$429.42 |
| Energy | \$135.78 |
| Total Building Fees | \$6,382.03 |
| Transportation Fees | |
| FCPP 8 | \$6,854.00 |
| FCPP 3 | \$4,145.00 |
| Foothill/Eastern B | \$4,502.00 |
| Total Transportation Fees | \$15,501.00 |
| School Fees | |
| \$8,622.00 | |
| Parks Fee¹ | |
| =(# of proposed dwelling units) x (park land acres per dwelling unit) x (fair market land value per acre) | |
| Total Fees | |
| \$35,005.03 | |
| Additional Fees | |
| Water | Determined by Water District |
| Parks Fee ¹ | =(# of proposed dwelling units) x (park land acres per dwelling unit²) x (fair market land value per acre) |

¹ Park fee would not apply to redevelopment of an individually owned property.

Park and Water Fees

Park fees are representative of the land value of the land being developed at the time the building permits are issued. The Local Park Code is adopted pursuant to the Government Code § 66477 and allows the City to implement the conservation/open space element of the general plan. The park fee varies from project to project and is assessed in accordance with the provisions established in the Mission Viejo Municipal Code. This assessment includes the number of units, land value, and the amount of open space per unit in the proposed development. The Shea Homes project, which yielded 105 new townhome units, paid \$13,142 per unit in park fees and accounts for about 1% to 2% of the sale price. MorningStar, a new 132-unit senior rental development provided \$8,144/unit in park fees.

The City does not collect water and sewer fees since water and sewer service are provided by separate water districts in Mission Viejo nor does the City does have the ability to waive or adjust those fees. Water impact fees are assessed when development occurs on vacant, undeveloped land. Properties rezoned from commercial to residential are not subject to impact fees as those fees were paid when the initial commercial development to allow for the design and construction of the necessary public facilities to serve the property with water and sewer. No additional impact fees were collected for the Shea Homes residential development project since the project site was rezoned from commercial to residential. The

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only fees collected were the plan check and inspection fees, which are based on 6.9% of the bonded amount for public water and sewer facilities and water meters for each dwelling unit. The Trumark Homes development, which was previously vacant, undeveloped land, was assessed \$4,204.91 per dwelling unit or per 1,000 s.f. of non-residential area in water district fees. Both projects were located in the Santa Margarita Water District area.

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The City's Capital Improvement Program (CIP) contains a schedule of public improvements including streets, bridges, and other public works projects to facilitate the continued build-out of the City's General Plan. The CIP helps to ensure that construction of public improvements is coordinated with private development. The new Saddleback Place development on El Toro Road was approved with the condition to reconstruct the median on El Toro Road to provide a turn pocket into the new residential development, and install new sidewalks with ADA ramps. The Target—Lennar townhome development was required to install a right-turn pocket from Jeronimo into the development. Required improvements benefit the specific development as well as the overall community.

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Although development fees and improvement requirements can impact the cost of housing, the City of Mission Viejo strives to keep such fees to a minimum and actively pursues other sources of revenue to fund public improvements that are coordinated with private development. The City evaluates the actual cost of processing the development permits when revising its fee schedule. The most recent revisions to the fee schedule were adopted in June 2019/April 2023.

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e. Transparency in Development Process, Zoning and Development Standards

To increase transparency and certainty in the development application process as required by law, the City posts planning and development regulations and resources online.

- General Plan: <https://cityofmissionviejo.org/departments/community-development/planning/general-plan>
- Planning Forms: https://cityofmissionviejo.org/document-center?title=&field_dpt_target_id=40&field_document_type_value=All
- Zoning Code: https://library.municode.com/ca/mission_viejo/codes/code_of_ordinances?nodeId=MUCO_TIT9LAUSZ_OSURE
- Planning Fee Schedule: <https://cityofmissionviejo.org/sites/default/files/PlanningFees.pdf>

B. Non-Governmental Constraints

California Government Code §65583(5) requires an analysis of potential and actual nongovernmental constraints upon the maintenance, improvement, or development of housing for all income levels including the availability of financing, the price of land, and the cost of construction. This analysis is provided below. Numerous factors affect the development of new housing and the maintenance of existing units for all income levels. Mission Viejo shares many of the same constraints that challenge the typical Southern



California community, such as market conditions, land and building costs, infrastructure requirements, and environmental considerations.

1. Market Constraints

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

2. Construction Costs

Construction cost is determined primarily by the cost of labor and materials, as well as general market conditions. The International Code Council (ICC) provides estimates for the average cost of labor and materials for typical protected wood-frame housing. Estimates are based on “good-quality” construction, providing for materials and fixtures well above the minimum required by state and local building codes. The Construction Industry Research Board estimates construction cost to be \$150 to \$200 per square foot or more. The ongoing COVID-19 pandemic, related labor shortages, and supply chain material constraints, as well as recent inflation levels, have together resulted in a significant increase in construction costs. These cost hikes in turn significantly affect the cost of housing and the ability of consumers to pay for housing. Higher water and energy prices further add to the cost burden. The City has no influence over material and labor costs, and the building codes and development standards in Mission Viejo are not substantially different than most other cities in Orange County. Although construction costs are a substantial portion of the overall development cost, they are consistent throughout the region and therefore are not considered a major constraint to housing production.

3. Land Costs

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

The high price of land throughout Orange County poses a significant challenge to both market rate development and subsidized lower-income housing. Per-unit land cost is directly affected by density – higher density allows the cost to be spread across more units, reducing the total price. The Development Code allows up to 80 units per acre, excluding density bonus, which helps to reduce per-unit land cost.

4. Cost and Availability of Financing

Financing is critical to any housing market, and the availability of financing in a community depends on several factors, including the types and number of lending institutions active, lending practices, interest rates and fees, and laws and regulations governing banking and financial institutions. With the recent hikes in mortgage interest rates, coupled with high home prices, lower income households continue to be priced out of ownership housing market.

In addition to the constraints on market rate housing, financing for affordable housing is highly competitive and can be even more challenging to secure. Multiple funding sources are typically needed to construct an affordable housing project, because substantial subsidies are required to make the units affordable to extremely low, very low, and low-income households. It is not unusual to see multiple funding sources



assembled to make a project pencil financially. Each of these sources may have different requirements and application deadlines, and some sources may require that the project has already successfully secured financing commitments. Tax credits are often a fundamental source of financing for affordable housing. Because of the importance of California Tax Credit Allocation Committee (TCAC) funding, as noted in the Resources section of this Housing Element, Mission Viejo contracted with the Related Company to analyze the TCAC amenity score for each site in the Sites Inventory.

5. Timing and Density

Development densities proposed by developers are often influenced by market demand and profitability. In Mission Viejo, the previous maximum density (excluding density bonus) was 30 dwelling units per acre until in October 2021, the City adopted a zoning amendment increasing permissible density in certain zones. In surrounding cities, recent trends show achieved build density typically exceeds the allowable density due to the use of density bonus, with built density ranging from 51 to 119 units per acre. Occasionally, townhome projects may come in at a significantly lower density, from 16 to 22 units per acre, and below the allowable density of the residential zone. However, the City's Zoning Ordinance prohibits developments to go below the established minimum density for the zone.

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Public subsidies are typically necessary to develop affordable housing. The subsidy typically comes in the form of LIHTC, State grants, HOME funds, dedication of land for projects, and/or other public sources. The lack of funding options can result in affordable projects that are more concentrated in areas with lower development and land costs. It is important to note that the City can offer concessions, such as expedited permit processing, building permit fee waivers, development impact fee deferrals.

The length of time between receiving approval for a housing development is largely dependent upon the speed in which the applicant prepares and submits the building permit plans to the City's Building Division. Recent residential developments submitted building permit applications for the first residential units within four to five months after entitlement (Shea Homes – entitled on 6/25/2019 and Building submittal on 10/30/2019; MorningStar – entitled on 1/14/2020 and Building submittal on 6/18/2020). Delays in applying for building permits may be impacted by various factors, the most common ones being labor shortage and availability of construction financing. Once submitted, the City's plan check process takes a maximum of 10 business days. For any resubmittals, the plan check process takes a maximum of five business days. Factors such as change in construction costs or other development costs that affect the feasibility, financing, or negotiations with design professionals are outside the City's control but may delay projects.

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C. Environmental Constraints

Portions of Mission Viejo are exposed to a variety of environmental conditions that may constrain the development of lower-priced residential units. Although these constraints are primarily physical and hazard-related, they are also related to the conservation of the City's natural resources. To meet the City's RHNA of 2,217 units, the City has identified various sites within its boundary that are most suitable for new or increased residential development. Most of these sites are infill locations within existing developed areas, although undeveloped Site 3 is also included. While very few of the sites identified in the land inventory (Appendix C) have environmental constraints, Site 3, the City-owned land, does have environmental constraints, such as steep slopes or geotechnical issues. However, feasible methods exist to address such constraints, and when fully mitigated and combined with the development potential of the unconstrained land, would not preclude the assumed level of development. To confirm this assumption,



the City engaged consultants to perform preliminary geotechnical, environmental, and grading analyses of Site 3. This analysis has concluded that no significant geotechnical concerns are expected, including stability issues. Any proposed development would occur at a pad elevation well above the Trabuco Creek floodplain, so there is no flood risk. The limits of grading would be outside the sensitive riparian area; and although some quality habitat would be disturbed, it could be readily mitigated through standard offsite habitat establishment and/or restoration. In conclusion, none of the sites identified in the Sites Inventory, including Site 3, have significant environmental constraints that impede their development. Following is a more detailed discussion of these environmental constraints and hazards that affect, in varying degrees, existing and future residential developments.

1. Flood Hazards

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

2. Seismic Hazards

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

3. Hazardous Materials

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



4. Urban/Wildland Fires

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

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

5. Natural Resources

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

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

D. Infrastructure Constraints

[Mission Viejo is a built-out, master planned city with most of the necessary infrastructure for development, such as streets, sidewalks, water and sewer, drainage, curbs and gutters, park dedications, and utility](#)



easements, established citywide. Site improvements and infrastructure are an important component of new development but can significantly add to the cost of producing housing. Another potential constraint that can add to the cost of new construction is the provision of adequate infrastructure. Infrastructure, including streets, curbs, gutters and sidewalks, water and sewer lines, storm drains, and street lighting, but are all necessary to accommodate future residential development. The cost of these facilities is typically borne by developers, added to the cost of new housing units, and ultimately passed on to the homebuyer. As a result, staff works with development applicants to identify cost-effective site planning measures.

1. On- / Off-Site Improvements

Developers are required to provide on-site and off-site improvements necessary to serve their projects. Such improvements may include water, sewer and other utility extensions, street construction and traffic control device installation that are reasonably related to the project. Dedication of land or in-lieu fees may also be required of a project for rights-of-way, transit facilities, recreational facilities, and school sites, consistent with the Subdivision Map Act. The City’s Capital Improvement Program (CIP) contains a schedule of public improvements including streets, bridges and other public works projects to facilitate the continued build-out of the City’s General Plan. The CIP helps to ensure that construction of public improvements is coordinated with private development. The City’s Capital Improvement Program (CIP) contains a schedule of public improvements including streets, bridges, and other public works projects to facilitate the continued build-out of the City’s General Plan. The CIP helps to ensure that construction of public improvements is coordinated with private development. The new Saddleback Place development on El Toro Road was approved with the condition to reconstruct the median on El Toro Road to provide a turn pocket into the new residential development, and install new sidewalks with ADA ramps. The Target – Lennar townhome development was required to install a right-turn pocket from Jeronimo into the development. Required improvements benefit the specific development as well as the overall community.

Larger developments are analyzed for traffic impacts to the City’s existing circulation system. As a result, developers are required to prepare a traffic impact analysis that determines the potential impacts to site access, circulation, and the effect of new trips on roadways and intersections. Any mitigation measures recommended by the analysis are the financial responsibility of the developer (e.g., right-of-way dedications, installation or modification of traffic signals, etc.). Additionally, developers are required to construct all internal streets, sidewalks, curb, gutter, affected portions of off-street arterials, landscaping along arterials, and other standard conditions. Developers can find the City’s Engineering Standard Plans on the website (<https://cityofmissionviejo.org/departments/public-works/engineering-standard-plans>). These plans are intended to provide for uniform development in the City of Mission Viejo and are intended to be used in conjunction with the Mission Viejo Municipal Code. If the City is planning a capital improvement project to upgrade infrastructure in the vicinity of a new development, the City may choose to allow the developer to pay a pro-rata share to the City to assist in funding the project. Mission Viejo street standards are provided in Table [###III-9](#).

Table III-99: Collector, Commuter, and Local Street Standards

| <u>Collector, Commuter, and Local Street Standards</u> | | | |
|--|------------------------|-------------------------------|-------------------------------|
| <u>Street Type</u> | <u>Parking Allowed</u> | <u>Right-of-Way (In Feet)</u> | <u>Curb-to-Curb (In Feet)</u> |
| <u>Industrial Collector</u> | <u>Both Sides</u> | <u>74</u> | <u>64</u> |

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| | | | |
|---|-------------------|-------------|-----------|
| <u>Industrial Local-a</u> | <u>Both Sides</u> | <u>54</u> | <u>44</u> |
| <u>Commuter</u> | <u>Both Sides</u> | <u>56</u> | <u>40</u> |
| <u>Collector</u> | <u>Both Sides</u> | <u>56</u> | <u>40</u> |
| <u>Local – Local Streets, Driveway One Side</u> | <u>Both Sides</u> | <u>52</u> | <u>36</u> |
| <u>Local – Local Streets, Driveway Both Sides</u> | <u>Both Sides</u> | <u>56</u> | <u>40</u> |
| <u>Local – Driveway Both Sides</u> | <u>Both Sides</u> | <u>52</u> | <u>36</u> |
| <u>Local-b</u> | <u>One Side</u> | <u>38.5</u> | <u>30</u> |
| <u>Local-b</u> | <u>None</u> | <u>38.5</u> | <u>28</u> |

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Although development fees and improvement requirements can impact the cost of housing, the City of Mission Viejo strives to keep such fees to a minimum and actively pursues other sources of revenue to fund public improvements that are coordinated with private development. Requiring developers to provide for on- and off-site improvements is necessary to maintain the high quality of life desired by City residents, and is also consistent with the City's adopted General Plan goals. Moreover, it is important to ensure that public services and facilities are in place at the time of need, thus avoiding the overloading of existing service systems. The cost of these required off-site improvements varies depending on the nature of development (i.e., vacant land, infill development). The developed portions of Mission Viejo have the majority of necessary infrastructure, such as streets, electrical and water facilities already in place. The City has analyzed the Housing Element sites and determined that site improvements are not an impediment to their development.

To accommodate the City's RHNA of 2,217 units, the City has identified various sites within the City that are most suitable for new or increased residential development. As noted in the Resources chapter of this Housing Element, with the exception of Site 3, public infrastructure and services are readily available for all the sites included in the sites inventory, and have the capacity to accommodate the City's RHNA. Regarding Site 3, it is feasible to supply the same infrastructure as envisioned in the preliminary study performed for the City by the Related Company, but the infrastructure does not currently exist. While this adds to the development cost of Site 3, it does not present a constraint that cannot be addressed and overcome, especially given the fact it is ideally located from a TCAC site amenity standpoint. Following is a discussion of the availability of water, sewer, solid waste, and educational services in Mission Viejo to accommodate additional growth.

2. Utilities

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Future development will be served by several utility providers that have necessary infrastructure established citywide. Southern California Edison (SCE), San Diego Gas and Electric (SDG&E), and SoCal Gas Company currently provide gas and electric utilities to the City. SCE provides electricity service to 15 million people over an approximately 50,000 square mile area throughout southern California. SDG&E delivers gas and electricity to 21 million consumers throughout the central and southern California region. Additionally, SoCalGas provides natural gas service to approximately 21.6 million customers in their 20,000 square miles service territory. In regard to water and sewer utilities, Mission Viejo is served by four water districts: El Toro Water District, Moulton Niguel Water District, Santa Margarita Water District, and Trabuco Canyon Water District. The local system of collector and lateral sewer lines is owned and operated by the



independent water districts, with minimal secondary oversight by the City. Wastewater collection systems are regulated under the jurisdiction of the San Diego Regional Water Quality Control Board, the State Water Resources Control Board, and the U.S. Environmental Protection Agency. Each utility company is committed to providing affordable services to their consumers and the infrastructure to deliver those services throughout Mission Viejo are well established and accessible, resulting in no constraints on development.

1-3. Wastewater

Senate Bill 1087 mandates priority sewage collection and treatment service to housing developments providing units affordable to lower income households. The City will provide a copy of the Housing Element to its water and sewer providers in compliance with Government Code §65589.7 and SB 1087. As stated above, Sewage collection and treatment in Mission Viejo is provided by the Santa Margarita Water District (SMWD), the Moulton-Niguel Water District (MNWD), and the El Toro Water District (ETWD). Both the Santa Margarita and Moulton-Niguel Water Districts operate water reclamation plants that provide reclaimed water for use on greenbelts and golf courses located in the City. Most of the sewage generated in Mission Viejo is treated at the South East Regional Reclamation Authority (SERRA) treatment facility in Dana Point. Sewer infrastructure improvements are typically installed in conjunction with new developments, and sewer lines are extended as necessary. Sewage treatment capacity is available to serve the City's remaining developable area, and therefore does not constrain development. None of the identified land inventory sites have wastewater service limitations that would preclude the level of development described in Appendix C, Land Inventory Summary.

2-4. Water

Senate Bill 1087 requires that water providers develop written policies that grant priority to proposed development that includes housing affordable to lower income households. The legislation also prohibits water providers from denying or conditioning the approval of development that includes housing affordable to lower income households, unless specific written findings are made. Water for City residents is supplied by the SMWD, which serves the eastern portion of the city, the MNWD, which serves the western portion of the city, the ETWD, which serves the western area formerly in Community Service Area 12, and the TCWD, which serves a very small northeastern portion of the City. The four districts treat and distribute water purchased from the Metropolitan Water District, which imports water from northern California and the Colorado River. As with sewer lines, water transmission, pumping, and storage facilities are expanded as necessary to accommodate future growth. Domestic water supply is not expected to limit development during the planning period. None of the identified land inventory sites have water service limitations that would preclude the level of development described in Appendix B, Sites Inventory Summary.

3-5. Storm Water Drainage

The City maintains a Master Drainage Plan that identifies existing facilities and deficiencies and outlines a program to correct known problem areas. The Orange County Flood Control District (OCFCD) is responsible for the regional flood control system and maintains several facilities within Mission Viejo. The City works closely with OCFCD to identify improvements needed to accommodate proposed development projects. Development proposals are reviewed for consistency with approved development plans and with the



Master Drainage Plan. With these existing facilities and review procedures in place, the City’s flood control system is not expected to limit development during the planning period. None of the sites identified in the land inventory have storm water drainage limitations that would preclude the level of development described in Appendix C, Sites Inventory Summary.

4.6. Requests to Develop at Densities Below Those Permitted

New California Housing Element law now requires the non-governmental constraints analysis to evaluate developer requests to build at densities below the density identified in the Housing Element sites inventory. A review of the more recent housing developments approved and built, or being built, in the City was conducted to compare permitted versus built densities. [Table III-9](#) [Table III-10](#) summarizes the range of built densities among the four most recent multi-family sites.

Table III-9 **Table III-10 Permitted versus Built Densities**

| | Zoning | Max Density (du/ac) | Density Range (du/ac) | Built Density (du/ac) | Affordability |
|----------------------------------|--------|---------------------|-----------------------|-----------------------|---------------|
| Shea – Mission Foothills | RPD 30 | 30 | 14.1-30 | 15.6 | 15% |
| Trumark Homes – Saddleback Place | RPD 30 | 30 | 14.1-30 | 14.3 | 0% |
| Adagio on the Green | RPD 30 | 30 | 14.1-30 | 35.92 ¹ | 15% |
| Los Alisos Apartments | RPD 30 | 30 | 14.1-30 | 29.6 ² | 15% |
| Average Density/Affordability | – | – | – | 23.9 | 13% |

du/ac = dwelling units per acre
1 Includes 20% density bonus
2 Includes 15% height increase

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As shown, while Mission Foothills and Saddleback Place were built to the lower end of the density range for RPD 30, Adagio-on-the-Green and Los Alisos Apartments were built at close to the maximum permitted density. Average density for RPD 30 is 22 du/ac; however, the combination of all four sites averages a density of 23.9 du/ac. Several factors contribute to this underbuilding. As City staff heard from several developers, 30 unit/acre densities typically necessitate podium parking unless unit sizes are reduced, thereby significantly adding to project costs. Both the Mission Foothills and Saddleback Place developments include individual garages and surface parking; however, Adagio-on-the-Green and Los Alisos Apartments include tuck-under parking and a parking structure, allowing an increase in density. Based on the market demand in Mission Viejo, residential homebuilders have historically requested lower densities for townhome type projects. At the time the development applications were made to the City, the developers proposed a density that was consistent with their targeted market sector. Furthermore, the built density for residential developments prior to January 1, 2020 was consistent and within the density range identified in the City’s General Plan. With the adoption of SB 166, the Housing Element incorporates Program 3 to develop a monitoring program that ensures the City is in compliance with SB 166 (No Net Loss). To incentivize development that better implements densities planned in the Housing Element sites inventory, the City established Residential Overlay zoning. Parcels designated with an Affordable Housing Overlay would receive density increases above the base density, along with a variety of development incentives, in exchange for development of either 20% lower income units in a rental project, or 20% moderate income units in an ownership project. The City also rezoned land to RD 50 and RD 80 to facilitate higher density apartment projects. Additionally, the City is adjusting development standards (e.g., height increase, etc.) to ensure that the targeted densities for sites can be achieved.





IV. Housing Resources

This section discusses resources available for the development, rehabilitation, and preservation of housing in the City of Mission Viejo, to help the City meet its RHNA. This includes factors such as the availability and adequacy of land resources for the development of affordable housing; financial resources available to support housing in the community; local, county and state governmental resources available to assist in implementing housing programs; and resources for energy conservation and reducing greenhouse gas emissions.

A. Regional Housing Needs Allocation

The Regional Housing Needs Allocation (RHNA) is a critical part of State housing element law (Government Code §65580). The process for determining the RHNA is briefly described below:

- The California Department of Housing and Community Development (HCD) uses the California Department of Finance (DOF) growth projection and other factors to determine the number of housing units that are needed statewide over an 8--year planning period (for Mission Viejo and other Southern California jurisdictions, this time period is years 2021-2029).
- This statewide housing unit number (called the Regional Housing Needs Determination, or RHND), is divided into regions. Mission Viejo is located within the Southern California Association of Government (SCAG) region.
- SCAG is responsible for creating a methodology to distribute the RHND among all of its cities and counties. Each jurisdiction's housing unit number is called the Regional Housing Needs Allocation (RHNA).
- The RHNA is the number of units that a jurisdiction must plan for in the Housing Element update. The units are divided into four categories based on median income: very low (earn ≤50% of the area median income, or AMI), low (earn between 51% and 80% of AMI), moderate (earn between 81% and 120% of AMI) and above moderate (earn more than 120% of AMI).
- Almost all jurisdictions in the SCAG region received a significantly larger RHNA this cycle compared to the last housing element cycle, primarily due to changes in State law that led to a considerably higher RHNA compared to previous cycles.

RHNA for Mission Viejo

For the 2021-2029 Housing Element, the City of Mission Viejo has been assigned a RHNA of 2,217 new units by SCAG. This allocation is distributed into four income categories, as shown below in Table IV-1.



Table IV-1 Housing Needs for 2021-2029

| Income Category (% of County AMI) | Number of Units | Percent |
|---------------------------------------|-----------------|---------|
| Extremely Low/Very Low (50% or less)* | 674 | 30.4% |
| Low (51 to 80%) | 401 | 18.1% |
| Moderate (81 to 120%) | 397 | 17.9% |
| Above Moderate (Over 120%) | 745 | 33.6% |
| Total | 2,217 | 100.0% |

Source: SCAG 6th Cycle Final RHNA Allocation Plan, 7/1/2021

*The City has a RHNA allocation of 674 very low income units (inclusive of extremely low income units). While the RHNA did not separately define housing needs for extremely low income households, the very low income allocation can be split evenly between very low- and extremely low income households (i.e. 337 extremely low and 337 very low income households).

B. Strategies for Meeting RHNA

The City of Mission Viejo plans to fulfill its 2021-2029 RHNA via a number of methods:

- Residential developments already approved, entitled, or permitted with occupancy post 6/30/2021
- Projection of Accessory Dwelling Units
- Development of vacant sites
- Redevelopment of existing uses on sites zoned for residential or mixed-use development via an overlay

Table IV-2 below summarizes the potential number of units possible from each of these elements, compared to Mission Viejo's 2021-2029 RHNA. Detailed site information, including acreages, Assessor Parcel Numbers, and other pertinent information is available in Appendix C. Table IV-2 shows that the City can meet 329 units out of its RHNA target of 2,217 from residential development already approved and projected Accessory Dwelling Unit development, based on previous ADU approval history and projections based on recent activity, leaving 1,888 units to meet the RHNA target. For the provision of sites for RHNA, State law establishes the default density of 30 du/ac as feasible to facilitate lower income (very low and low income) units. For the purpose of identifying adequate sites, zoning districts that meet this density threshold are presumed to be able to facilitate lower income housing. State law allows for the aggregated accounting of site capacity for these two income categories.

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Table IV-2 Potential Housing Units for the 2021-2029 Planning Cycle

| Income Levels | Extremely/ Very Low | Low | Moderate | Above Moderate | Total |
|---------------|------------------------|-----|----------|-------------------|-------|
|---------------|------------------------|-----|----------|-------------------|-------|



| | | | | | |
|--|--|-----|--------------------|-----------------------|------------------------------|
| RHNA Target | 674 | 401 | 397 | 745 | 2,217 |
| ---Credits | 21 | 33 | 19 | 256 | 329 |
| Entitled Projects (post 6/30/2021 occupancy) | 5 | 5 | 0 | 255 | 265 |
| Accessory Dwelling Units | 16 | 28 | 19 | 1 | 64 |
| Remaining RHNA | 653 | 368 | 378 | 489 | 1,888 |
| ---Inventory Sites (No Rezoning required) | 7437111 439420 | | 4135378 | 810776708 | 2,4273222 118 |
| Non-Vacant Sites | 64678 928400381 | | 3976339 | 63673804 | 1,9032,107 212 |
| Vacant Sites | 10465 39 | | 39 | 72 | 215215 |
| Credits + Inventory Sites | 1,086764732 47253 | | 4534397 | 9641,06632 | 2,74255651 |
| Surplus over Remaining RHNA | 9058 117152 | | 3570 | 321287219 | 539434230 |

1. Projects with Entitlements

While the Housing Element planning period covers October 15, 2021 through October 15, 2029, the RHNA projection period begins on June 30, 2021. Therefore, units approved, entitled, or permitted but not finalized until after June 30, 2021 can be credited toward the RHNA.

Mission Viejo has three projects with development entitlements that will contribute towards addressing its future RHNA, as described below:

- Trumark.** A 6.36-acre site, of which 4.2 acres will be flat pads for the development of 91 units, resulting in a project density of 14.3 dwelling units per acre. A for-sale multi-family three-story development of one- to three-bedroom condominium and townhome units ranging in size from 864 square feet to 1,956 square feet, with prices starting in the low \$500,000s, was approved in August 2020. This project is located in the north of the City, at El Toro Road and the Foothill Transportation Corridor. At market, these units are expected to be affordable to above moderate income households. The project is currently under construction (2023).
- Morningstar Assisted Living.** The 2.92-acre site was recently constructed (completed as of April 2023) as a 132-unit (102 senior assisted living, 30 congregate care) development at 28570 Marguerite Parkway in the south of the City, resulting in a project density of 45.2 units per acre. One-bedroom/one-bathroom and two-bedroom/two-bathroom floorplans were constructed. The assisted living units qualify as housing units under the Building Code and are credited against the above moderate income RHNA.
- Shea Homes (“Neo”).** A commercial site in the north of the City, at Los Alisos Boulevard and the Foothill Transportation Corridor, was rezoned to residential use in 2019. Shea Homes had already constructed homes in a neighboring parcel and is now developing an adjacent parcel with 42 two- to four-bedroom townhome units, with 10 affordable units (5 low, 5 very low income).

2. Accessory Dwelling Units

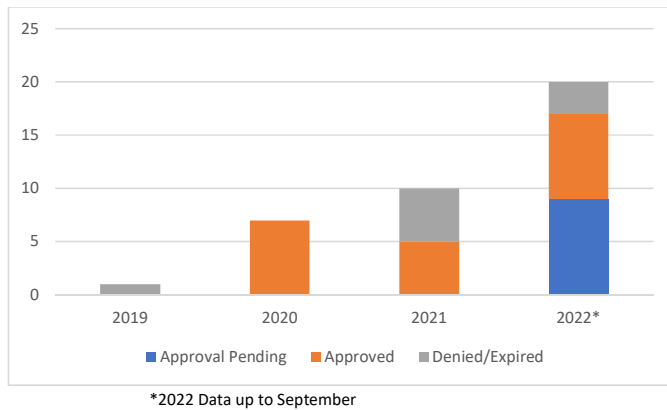
Accessory dwelling units (ADUs) are small, self-contained units with a kitchen, a bathroom, and a sleeping area, and can be attached to the main home, with a separate entrance, or located in the rear of the property or above a garage. Because ADUs are small, they usually have lower rents than standard



apartments, making them suitable for small households. They can also provide rental income for homeowners, relieving some of their housing affordability pressures. Given the aging of Mission Viejo’s population described in Appendix D – Affirmatively Furthering Fair Housing (AFFH), additional income for traditionally fixed income senior households may help their housing issues.

Between 2019 and September 2022, the City received 38 applications to create ADUs (see Figure IV-1 below). The graph shows a significant increase in the number of ADU requests, increasing from 1 in 2019 to 20 in 2022 (up to September). Discussions with the Building Division reveal that it expects most if not all of the pending applications to be approved and permitted, as they are currently undergoing a final review that will likely require only minimal changes from the applicant. While there is not a great deal of data for ADUs to draw assumptions about, it is obvious that applications are on the rise. Given that there are currently 8 approved and permitted ADU applications through September 2022, 5 in 2021 and 7 in 2020, and there are another 9 applications in 2022 undergoing minor updates, it is reasonable to conservatively estimate an average of 8 ADUs per year for the life of the 2021-2029 RHNA. The projected affordability of these ADUs is based on SCAGs Regional Accessory Dwelling Unit Affordability Analysis (December 2020). (Note: “Approved” applications have also been permitted).

Figure IV-1 Accessory Dwelling Unit Applications, City of Mission Viejo



As shown in the graph above, the City began seeing an increase in the number of ADU applications upon adoption of the City’s ADU Ordinance in March 2020. As the City has become more efficient in processing ADU applications, including eliminating the requirement for Neighbor Awareness signatures and proof of Homeowner Association approval, the time between application submittal and permit issuance has narrowed. Per AB 671, the Housing Element includes a program to further incentivize the production of affordable ADUs, including pre-approved ADU plans to streamline the project application and review process and reduce upfront project costs, as well as promotion of ADUs through handouts, simplified application forms and an ADU website page. Applicants are asked to provide rent information as part of the plan check review, and staff are planning to create an ADU handout/checklist, including an affordability survey.



Mission Viejo has a number of characteristics that are conducive to promoting future ADU production. As shown in Figure 3 of Appendix D - AFFH, most of the land area of the city is occupied by single family housing, which comprises 72.5% of the housing stock (Table 12, Appendix D - AFFH), with many of the single-family lots of a large size suitable for the creation of ADUs.

1. Large lot sizes – Mission Viejo’s minimum lot size is 5,000 square feet, with many lots over 7,000 square feet. This is a larger lot size than many parts of suburban Orange County. Furthermore, residential lots in Mission Viejo have a minimum 50-foot lot width and 80-foot lot depth, a reasonable size for ADU or JADU (junior ADU) production;
2. Development Standards – Mission Viejo’s development standards for residential zones are set up to allow for ample setbacks and building separation between neighbors to encourage privacy and openness. With State law allowing secondary units, it has created significant opportunities for ADUs to be constructed in Mission Viejo, given that ADUs up to 1,200 square feet are exempt from most development standards.
3. Lot Coverage – Parcels in the City of Mission Viejo have a maximum lot coverage of 60% in residential zones, but many lots are well under the lot coverage maximum.
4. Setbacks – Many Mission Viejo parcels have between 30- and 40-foot-deep yards with side yards between 10 and 20 feet wide. With the State allowing for a 4-foot rear and side yard setback for an ADU, there is ample room on many medium to large Mission Viejo lots for ADUs of up to 1,200 square feet.
5. Many homes in Mission Viejo have at least 3-car garages. This additional space could be a catalyst for the third garage being converted into ADU or JADU space. Furthermore, many Mission Viejo homes have a driveway capable of accommodating at least three vehicles, whereas most other jurisdictions can only accommodate one or two vehicles in the driveway.
6. Many of Mission Viejo’s lots can accommodate an ADU (detached) plus one JADU (attached). The City currently has a number of residential projects going through the building permit process or recently approved, some with both planned on one lot. These and upcoming ADU projects will add more ADUs within the City of Mission Viejo.
7. At just over \$121,000, Mission Viejo has one of the highest median household incomes in the SCAG region. Studies have shown that a high level of disposable income can facilitate ADU construction based on the ability to self-finance development, which conversely shows that lower income households may not be able to secure financing to construct ADUs. Property owners with a new ADU on their property tend to be more affluent than the typical California homeowner, suggesting that there may not be adequate financing options for lower to moderate income households to construct ADUs.
8. As shown in Table D-16, Appendix D, AFFH, 19 out of the 26 Census tracts within the City of Mission Viejo are designated High or Highest Opportunity Areas, with the remaining 7 tracts in the Moderate category. ADU development across the City in High Opportunity Areas is a way for the City to support affirmatively furthering fair housing.



9. The City of Mission Viejo is a very business-friendly city for obtaining a streamlined process for quick building permits within the Building Division. For homeowners proposing residential additions and ADUs, the City has a quick review period (10-day review for first plan checks, 5 days for subsequent reviews). This fast plan check process is attractive for homeowners and contractors and is faster than other Southern California cities where building department review can take several months to over a year.
10. The City has experienced an uptick in ADU production in recent years (see Figure IV-1), with 20 applications as of September 2022, compared with 10 applications in all of 2021. This trend is likely to continue, given the factors listed above which will aid ADU production.
11. HCD has also approved an ADU affordability analysis prepared by SCAG (“SCAG Regional Accessory Dwelling Unit Affordability Analysis”, December 2020, p2). For Orange County, this allows jurisdictions to assume ADUs to be counted towards its lower income RHNA as follows: 15% as Extremely Low Income, 10% as Very Low Income, 43% as Low Income, 30% as Moderate Income and 2% as Above Moderate Income.

The projected affordability of these ADUs is based on the above-referenced SCAG Regional Accessory Dwelling Unit Affordability Analysis. The City will annually monitor ADU production and affordability as part of the Annual Performance Report (APR) on the Housing Element, and conduct reviews in 2024, 2026, and 2028 to evaluate if ADU production levels are being achieved. If ADU production is falling short, the City will ensure adequate sites are available to address the lower income RHNA, or will commit to rezoning additional sites within one year (as necessary) to offset any shortfall.

3. Available Sites

The City of Mission Viejo has conducted community outreach, reached out to property owners, and contracted with the Related Company to analyze sites for realistic housing capacities to meet the City’s RHNA target. The City approved the rezoning of all 12 inventory sites that were included in the Second Revised Draft of the Housing Element that was delivered to HCD in October 2021 as part of its obligation to facilitate the development of housing to address the needs of lower income households, and also created two new higher density zoning categories (RPD 50 and RPD 80) discussed in Section III, Housing Constraints. The rezoning was completed on October 12, 2021, prior to the statutory deadline of the 6th cycle Housing Element on October 15, 2021. Therefore, the rezoning to accommodate the RHNA is not considered a rezoning for RHNA shortfall under State law. [The Housing Element has been significantly revised since the Second Revised Draft was sent to HCD in October, 2021, and now includes 11, rather than 12 sites, while still meeting RHNA obligations.](#)

Sites rezoned were selected based on several factors: existing land use and feasibility for redevelopment within the planning period; property owner interest; neighborhood compatibility and community context; and consideration of locating affordable housing opportunities in areas of the City where the demographic analysis in the Affirmatively Furthering Fair Housing section of this Housing Element indicated particular housing needs.

In terms of evaluating the adequacy of these sites to address the affordability targets established by the RHNA, Housing Element statutes provide for the use of “default densities” to assess affordability. Based on its population and location within Orange County, Mission Viejo falls within the default density of 30 units per acre for providing sites affordable to very low- and low-income households; sites suitable for moderate



density households can be provided at 10 units per acre. The City has used these default density thresholds as a guide in allocating its sites inventory by income category, as shown in Table IV-2. A comparison of the sites inventory income distribution under the rezoning completed for the City's RHNA identifies sufficient sites at appropriate densities to accommodate Mission Viejos regional housing needs.

Table IV-2 shows the potential for Mission Viejo to exceed its RHNA by 539,434 units. This buffer above the RHNA target provides a degree of insurance from having to rezone additional sites during the 2021-2029 planning period of the Housing Element.

The following sections will examine in detail the various categories identified in Table IV-2 that will satisfy Mission Viejo's RHNA:

a. Rezoned Sites

To meet the remainder (1,888 units) of its RHNA, Mission Viejo rezoned sites on October 12, 2021 to permit housing development on suitable vacant and nonvacant sites in the city, and permit overlay zoning to allow the co-existence of commercial and residential land use on the same site. To fulfill its requirements, the City has already rezoned the sites identified in its October 12, 2021 Housing Element that was transmitted to HCD, which included creating two new zoning categories (RPD 50 and RPD 80) that will permit denser development than Mission Viejo has previously permitted. The rezoning of the sites identified in the Housing Element transmitted to HCD in October 2021 was approved by the Mission Viejo City Council at its October 12, 2021 meeting.

The rezoning of sites to accommodate Mission Viejo's RHNA, including its lower income RHNA requirement, is one of the programs (Program 3) itemized in the Housing Plan section of the City's Housing Element (Section V), pursuant to Government Code §65583.2, subdivisions (h) and (i).

The location of the sites within Mission Viejo is and details on the individual sites are included in Appendix C, Sites Inventory.

b. Sites Inventory Methodology and Assumptions

This section describes the methodology and assumptions used to develop the Housing Element Sites Inventory (Appendix C). It provides justification for development on non-vacant sites and review of the factors used in estimating the realistic housing potential during the 2021-2029 planning period.

California Government Code states that if a jurisdiction has implemented density standards consistent with criteria based on population set in state law (in the case of Mission Viejo, 30 units per acre), HCD must accept sites of that density or higher as appropriate for meeting a jurisdiction's RHNA and its low-income unit allocation. The zonings adopted by Mission Viejo to satisfy its 2021-2029 RHNA meet this default density standard. Additionally, while Mission Viejo is in receipt of detailed studies from the Related Company for its sites that show it is possible to develop plans to produce completely affordable housing developments (see Appendix C), in an abundance of caution, Mission Viejo will instead in this Housing Element apply the percentage of Extremely/Very Low, Low, Moderate and Above Moderate income units stated in the City's RHNA to the individual site inventory.

For sites in the inventory with overlay zoning, state law requires that if more than 50% of the lower income RHNA shortfall relies on rezoning land to mixed use, then the mixed use zoning must allow 100% standalone residential use, and for mixed use development, require no more than 50% of the building



space as nonresidential. The City's overlay zone allows 100% residential development on the entire site, replacing existing uses, or infilling excess parking and under-performing uses. However, conservatively for the calculation of units on sites with overlay zoning, a midpoint between 50% and 100% residential was used.

Suitability of Non-Vacant Sites: Because non-vacant sites in Mission Viejo's Sites Inventory comprise more than half of the housing need for lower income households, Government Code §65583.2(g)(2) requires that the City analyze the extent to which existing uses may constitute an impediment to residential development during the planning cycle. As part of the resolution adopting the Housing Element, the City Council made findings based on substantial evidence that the existing use is not an impediment and that the existing use will likely discontinue during the planning period. These findings are based on a variety of factors, such as development trends, property owner interest, age of structure, and development capacity, used to select sites for RHNA.

SixFive of the 121 sites that are non-vacant in this Housing Element have been rezoned to have overlay zoning, where standalone residential and mixed-use commercial/residential development will be permitted. Two sites will permit increased density at existing residential developments. Three sites anticipate the complete replacement of existing usage with residential development. One site anticipates the replacement of an excess parking lot with residential development.

Non-vacant sites (often strip mall developments with a low degree of utilization where owners have expressed interest in redevelopment) were selected based on a combination of factors rendering it suitable and likely to redevelop during the planning period. These factors include physical underutilization of the site; economic obsolescence of the existing use (as measured by an improvement-to-land value ratio of <1.0); condition of the existing use; developer and/or property owner interest in development. The sites inventory spreadsheet in Appendix C details these factors for each site, supplemented by a more detailed analysis sheet for each site, including an aerial photo exhibit of each site as well as a description of various factors that support development.

Similar Trend: Mission Viejo has successfully redesignated two sites and converted an existing non-vacant commercial use to residential use in the last decade: its Site A from Mission Viejo's 5th Cycle RHNA Housing Element, and the Morningstar Assisted Living Project, which were previously underutilized strip mall sites. One of the non-vacant sites in the Sites Inventory (Site 2) is immediately adjacent to the 5th Cycle Site A and will complete the redevelopment of this former commercial site to housing usage. This is an example where Mission Viejo has a proven track record of successfully converting former commercial sites to residential use.

Although Mission Viejo's RHNA target for the 5th Cycle was just 177 units, the target was not just met but exceeded, with 338 units developed on sites identified in the previous Housing Element. The market for residential development in Mission Viejo is robust, as evidenced by development on its prior Housing Element sites. The creation of various zoning overlays with regulatory incentives will render the 6th cycle Housing Element sites all the more attractive for development.

Realistic Development Capacity Analysis

As required by Housing Element statute, local governments must analyze available sites based on their realistic residential development capacity – i.e., the development density that can actually be achieved on a site will inevitably be less than the maximum residential densities permitted by the underlying General Plan



land use and zoning. Therefore, to establish realistic capacity, jurisdictions must consider cumulative development standards such as maximum lot coverage, height, open space, parking, on-site improvements (sidewalks or easements), other factors.

As already mentioned above, because Mission Viejo's 5th Cycle RHNA was for just 177 units (compared with the 6th cycle target of 2,217 units), there is only limited data for analyzing how many units were actually built for the 5th Cycle compared to what was proposed. Three sites were identified in the 5th Cycle, with two sites reaching 100% of the expected capacity, and a phase of development still occurring on one site, which is currently at approximately 75% of its target. **Table III-9 illustrates a range of densities achieved in the RPD-30 zone, but averaged to 80% of the allowable density. The City has not yet received any applications for development in RPD-50 and RPD-80 zones**

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The City of Mission Viejo has utilized the Related Company to devise realistic potential building plans for sites in the Housing Element that are included in Appendix C. In their site-specific analyses, the estimates of a realistic number of units on some of the sites corresponded to a calculation approximating 85% of the total possible capacity for a site based on its acreage and zoning. Additionally, a number of mixed-use developments in Southern Orange County (Westminster Mall, Gateway in Laguna Niguel, San Sebastian, Laguna Hills) also seem to be yielding realistic capacities of around 85%. For these reasons, Mission Viejo will also assume that all sites in this Housing Element will yield approximately 85% of maximum capacity.

For the 6th cycle RHNA sites, the City of Mission Viejo has utilized the Related Company to devise realistic potential building plans for sites in the Housing Element that are included in Appendix C. In their site-specific analyses, the estimates of a realistic number of units on the sites are based on specific site conditions and developable acreage. The estimates range from a low 57% to a high 85% of the allowable density.

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RPD-30 Sites

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- Site 2: 20.2 du/ac
- Site 3: 37 du/ac (on 5.8 developable acres)
- Site 4: 17 du/ac (infill development by redeveloping of 10 buildings in eastern half of site or on current parking areas)

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- Site 5: 25.4 du/ac
- Site 6: 19 du/ac
- Site 7: 19.4 du/ac

RPD-50 Sites

- Site 1: 42 du/ac
- Site 9: 21.8 du/ac (2.0 developable acres)
- Site 10: 32 du/ac

- Site 11: 32.5 du/ac

RPD-80 Sites

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• Site 8: 54 du/ac

As RPD-50 and RPD-80 are relatively new zones in the City, there are no prior development examples. However, this Housing Element has included actions to adjust the development standards, such as building height for RPD-50 and RPD-80 to facilitate higher density development.

The sites included in this inventory are primarily underutilized commercial sites that have been stagnant for many years with no proposal for commercial redevelopment. Therefore, given the high demand for housing, and expressed interest from many developers and property owners, there is a very high probability that these would be redeveloped with a residential component or as 100 percent residential uses. Furthermore, there is also the option of infilling existing underutilized portions of the commercial sites with housing without reducing or displacing existing commercial uses on site.

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Site Size

Per State law, sites smaller than one-half acre or larger than 10 acres are not considered adequate to accommodate lower income housing need unless it can be demonstrated that sites of equivalent size were successfully developed during the prior planning period, or other evidence is provided that the site can be developed as lower income housing.

- Site 3: The site comprises four small parcels totaling approximately 2.1 acres, which gives access to a feeder street (Center Drive/Hillcrest) and a large parcel of 20.8 acres. The Related Company plan proposes a development solution including lower-income housing that would involve pads that would occupy about 6 acres of the large parcel. The large parcel could be subdivided to reflect this, or similar proposals. It is the expectation of the City that development of this site would occur on a section of the large parcel considerably less than 10 acres, due to slope and other environmental constraints. However, the entire acreage is included to allow for maximum flexibility for the developer.
- ~~Idyllwillow Apartments: The site occupies a single parcel of 23.7 acres, and is currently occupied by 400 apartments, occupied by approximately 10% students attending Saddleback College, 80% families, including often lower income military families who will receive a housing allowance, and 10% younger couples. Note that this is not a housing development for students, even though the land is owned by Saddleback College, which leases it to an apartment management company. College leadership has had preliminary conversations with the City regarding increasing density of the site. A site study devised by the Related Company (Appendix C) envisions a phasing of construction involving buildings on the western half of the parcel. In an abundance of caution, the RHNA total for this site equals 85% of the potential development in the Related Company's feasibility analysis.~~
- Macy's Site: As explained in the Sites Inventory section (Appendix C), the City has had encouraging discussions with the owners of the parcels comprising this 11.3-acre site, which comprises one parcel of 10.06 acres and a 1.27-acre piece of an adjacent parcel currently occupied by a parking lot. Conversion of similarly sized declining mall properties have occurred in nearby cities. Examples include:
 - Village at Laguna Hills Mall – A 68-acre site comprising retail, hotel, and office redevelopment, plus 1,500 units (residential/mixed-use zoning) occupying approximately 30 acres of the site.



- South Bay Galleria, Redondo Beach – To be renamed South Bay Social District. A 30-acre site including 300 residential units (with a 20% set aside for low-income households) to be built as part of a complete remodel of the mall site.
- Vista del Lago Apartments: ~~As with the Idyllwillow Apartments site, the~~This single parcel 33-acre site already has 604 apartment units on the site and was developed far below its current zoning level. The owner has had positive discussions with the City regarding increasing the density on a 17-acre portion of the parcel as envisioned in the Housing Element and is extremely motivated to redevelop and increase density.

While the City's sites inventory does not include any sites that total less than one-half acre, individual parcels that comprise several sites are less than one-half acre. In most cases, the same owner owns all the parcels in the City's multi-parcel sites, making consolidation a simple process. To ensure housing units in these opportunity sites are credited as lower income units, a Lot Consolidation Program is included in the Housing Element. As part of the program, the City will first conduct outreach to property owners to identify meaningful incentives to facilitate lot consolidation and redevelopment. The City will then develop specific incentives such as flexible development standards and streamlined permit processing.

Sites Identified in Previous Housing Elements

Government Code §65583.2(c) specifies that a non-vacant site identified in the previous planning period or a vacant site that has been included in two or more previous consecutive planning periods cannot be used to accommodate the lower income RHNA unless the site is subject to a policy in State housing element law requiring rezoning within 3 years of the beginning of the planning period to allow residential use by right for housing developments in which at least 20% of the units are affordable to lower income households.

In this 6th cycle Housing Element Site Inventory, Site 3 includes the previous 5th cycle's 8.5-acre Site C, but the new site now comprises 22.8 acres in total. The housing massing study supplied to the City by the Related Company for Site 3 (Appendix C) envisions development on just 5.8 acres of Site 3. Only approximately 1.1 acres of the developable area is within the previous cycle's Site C. In other words, 4.7 acres or 81% of the developable area of Site 3 is different from the previous Site C. While Site C and Site 3 have a degree of overlap, they are different sites. Nevertheless, the City will extend by-right approval to the entire site with 20% of the units being affordable to lower-income households, as required for a reuse site for RHNA.

4. Availability of Infrastructure and Public Services

With the exception of the currently vacant Site 3, sites in this Housing Element are adjacent to existing public roadways and are serviceable by police and fire departments, as well as private companies that provide phone, cable, gas, and electric service. Existing water delivery and wastewater collection infrastructure are available to all properties located in the residential sites inventory, and the City has adequate water and wastewater capacity to accommodate the RHNA of 2,217 units. It is feasible to supply the same infrastructure for Site 3 as envisioned in the preliminary study performed for the City by the Related Company, but the infrastructure does not currently exist.

Both the Santa Margarita Water District (which includes Sites 2, 3 and 11) and the Moulton Niguel Water District (which includes the remaining sites) include sections in their current Urban Water Management Plans that factor in the likely impact of the State's 6th Cycle RHNAs for cities they serve as they project



future water demand and their ability to serve it. [In Chapter V of this Housing Element, Program 2 adds the commitment to review the extension of utilities in conjunction with the Site Plan review process.](#)

C. Financial Resources

1. Successor Agency/Housing Authority Resources

The primary local source of funds for affordable housing in Mission Viejo had traditionally been its Redevelopment Agency's Low- and Moderate-Income Housing Fund. However, due to passage of Assembly Bill (AB) 1X 26, redevelopment agencies across California were eliminated as of February 1, 2012, removing the primary local tool for creating affordable housing. However, with the passage of AB 1484 in June 2012, the Supplemental Educational Revenue Augmentation Funds (SERAF) borrowed by the State from Redevelopment Agencies Low- and Moderate-Income Housing Funds were required to be repaid and deposited into each Successor Agency's Housing Asset Fund. The successor agency is the Mission Viejo Housing Authority.

As of June 30, 2021, the Mission Viejo Housing Authority had approximately \$405,000 in its Low- and Moderate Income Housing Asset Fund. Over the 8--year planning period, the City estimates contributing approximately \$546,000 to the Housing Fund generated from loan repayments and interest. In addition, the Housing Fund will receive \$439,000 from Community Development Block Grant funds for the acquisition and rehabilitation of one low-income housing unit through an agreement with Families Forward.

2. Community Development Block Grant (CDBG)

Through the CDBG program, the federal Department of Housing and Urban Development (HUD) provides funds to local governments for funding a wide range of community development activities benefiting low-income persons. Financing is provided under an agreement with the County of Orange. For 2022--23, an allocation of approximately \$390,000 is expected, in line with the amounts of recent years, which is used to fund the Housing Rehabilitation Program, the Senior Nutrition (Hot Lunch) Program, and accessibility improvements in community facilities and public parks. The City has also used CDBG funds, combined with Housing Authority monies, to work with a local nonprofit, Families Forward, to purchase housing units (four purchased and a further two authorized) to house families experiencing homelessness, or at risk of homelessness, in Mission Viejo.

3. SB 2/LEAP Grants

In 2017, Governor Brown signed a \$15 billion housing package aimed at addressing the State's housing shortage and high housing costs. Specifically, it included the Building Homes and Jobs Act (SB 2, 2017), which establishes a \$75 recording fee on real estate documents to be used towards increasing the supply of affordable homes in California. Because the number of real estate transactions recorded in each county varies from year to year, the revenues collected fluctuate. The first year the State administered planning grants known as SB 2 Grants, and the following year a second planning grant program, Local Early Action Planning, or LEAP grants, was made available to cities. Gardena applied for and obtained funding for both of these grant opportunities.



a. SB 2 Grant

The City of Mission Viejo received \$310,000 in SB 2 grant funding for the following:

- Updating the Housing Element - \$135,000
- Rezoning with CEQA Clearance - \$50,000
- Permit Tracking Software - \$125,000

b. LEAP Grant

The City received for \$300,000 in LEAP grant funding for the following:

- Permit Tracking Software

c. Permanent Local Housing Allocation (PLHA)

SB 2 created a block grant for affordable housing programs and activities. The City of Mission Viejo is eligible to receive \$206,683 from the FY 2019 allocation and \$321,250 from the FY 2020 allocation. However, the City must achieve certification of the 6th cycle Housing Element to maintain its eligibility for PLHA funds.

D. Administrative Resources

Described below are several nonprofit agencies that can serve as resources in implementation of Mission Viejo's housing activities, including acquisition/rehabilitation, preservation of assisted housing, and development of affordable housing.

Eden Housing: Eden has worked in partnership with cities and local community partners to develop or acquire more than 10,600 homes in communities throughout California, currently serving a diverse population of 22,000 low-income residents from all cultures and backgrounds. Eden serves very low, low, and moderate-income families, seniors, veterans, people living with physical, mental, or developmental disabilities, and the formerly homeless. Eden's Arroyo Vista in Mission Viejo offers 156 affordable apartment units.

Families Assistance Ministries: Family Assistance Ministries (FAM) is a faith-based charitable nonprofit organization assisting those in need in Orange County with resources for food, shelter, and personalized supportive counsel and aid, helping clients bridge the gap from dependency to self-sufficiency. FAM has provided a growing continuum of services in response to the changing needs of those at-risk in Mission Viejo. The City currently contracts with FAM for case management and care coordination, providing direct client cash aid to help individuals avoid homelessness, and regain housing/avoid utility shut-off.

Families Forward: Families Forward is a nonprofit organization committed to helping local Orange County families who are homeless or at risk of homelessness. Their mission is to prevent and end family homelessness by providing access to housing and resources that create lasting stability. Over the last 6 years, Mission Viejo has granted \$2,344,690 to Families Forward to fund the purchase of six housing units in the City.

Habitat for Humanity: Habitat is a nonprofit, non-denominational Christian organization that builds and repairs homes for very low-income families with the help of volunteers and homeowner/partner families. Habitat homes are sold to partner families at no profit with affordable, no interest loans.



Jamboree Housing Corporation (JHC): JHC is a nonprofit that has developed numerous affordable housing projects throughout Orange County and the State. Jamboree has also established an in-house social services division, Housing with a HEART, that operates at most properties to assist residents in maintaining self-sufficiency. JHC is actively involved in many Orange County communities, including the 143 senior affordable Heritage Villas community in Mission Viejo (<https://www.jamboreehousing.com/blogs/affordable-housing-developer-partner/heritage-villas-mission-viejo-orange-county>). Jamboree worked closely with the City of Mission Viejo and other partners to develop this property, and recently contacted the City to review Housing Element sites with City staff. Jamboree Housing is particularly interested in Site 3.

Mercy House: Mercy House is a local nonprofit organization striving to be a leader in ending homelessness by providing a unique system of dignified housing opportunities, programs, and supportive services. They provide housing and comprehensive supportive services for a variety of homeless populations. The City of Mission Viejo currently contracts with Mercy House for homeless outreach and engagement services, in coordination with Orange County Health Department, and ongoing case management services to help homeless individuals develop a housing plan and coordinate with other agencies to provide assistance.

National Community Renaissance: National CORE is a nonprofit developer with in-house capacity to construct and renovate large-scale developments. The company owns and manages more than 4,500 multi-family units throughout Southern California, including sites in nearby cities such as San Clemente and Lake Forest. As part of its inclusive approach to improving quality of life, it staffs community resource centers at all its properties. These centers are supported and administered by the Hope Through Housing Foundation. National Core has been in communication with City of Mission Viejo staff regarding sites identified in this Housing Element.

NeighborWorks Orange County (NWOC): NWOC serves Orange County, implementing innovative solutions to break down barriers to homeownership and provide homeownership education to those looking to pursue homeownership. NWOC has become a HUD-certified counseling, lending, and realty service. The Agency provides a number of programs that benefit a variety of constituents, including financial literacy; first-time home-buyer education, counseling and lending services; foreclosure prevention services; and community building programs.

Orange County Community Housing Corporation (OCCHC): OCCHC's mission is to transition extremely low-income families towards greater self-sufficiency by assisting them with housing and education. Since its founding in 1977, OCCHC has developed over 200 units of affordable housing throughout Orange County. Most of these apartments are owned and managed by OCCHC.

South County Outreach: South County Outreach is a local nonprofit that provides homelessness prevention and rapid re-housing services by offering rental and utility assistance as well as affordable housing to households who are homeless or at risk of becoming homeless. The City has helped the organization purchase five housing units in the city.

E. Opportunities for Energy Conservation

As part of the Housing Element, an analysis of opportunities for energy conservation with respect to residential development is required, including measures to encourage the incorporation of energy-saving features, energy-saving materials, and energy-efficient systems and design for residential development. Maximizing energy efficiency and incorporating energy conservation and green building features can



contribute to reduced housing costs for homeowners and renters, in addition to promoting sustainable community design and reduced dependence on vehicles. Such planning and development standards can also significantly contribute to reducing greenhouse gases.

1. Green Building Practices

Conventional building operations, construction, demolition, and manufacturing building materials have multiple impacts on our environment, impacting electricity consumption, landfill waste, and water consumption. To facilitate a reduction of these impacts, it is important to integrate sustainable and energy efficient (green) building practices.

The 2019 California Building Standards Code establishes mandatory statewide green building standards. Mission Viejo has adopted the 2019 California Green Building Standards Code (CALGreen) Title 24, Part 11 and the 2019 California Energy Code/Title 25 (part 6). Reference to the City's standards can be found in Chapter 8.02 – Building and Housing Codes, of the City of Mission Viejo Municipal Code. These green building codes reduce water consumption, improve energy efficiency, generate less waste, and lessen a building's overall environmental impact.

The City provides two assistance programs, providing local residents the opportunity to reduce their building or residential energy consumption:

- The City's Energy Efficiency Measures Fee Waiver Program (EEFW) is available to new homeowners aged 62 or older, who purchased their home within 1 year of building permit issuance. The program waives building permit fees for solar photovoltaic, solar thermal systems, tankless domestic water heater, windows and/or doors containing glass, and high efficiency HVAC systems (Heating, Venting, and A/C).
- Mission Viejo offers a Housing Rehabilitation Program, allowing residents to replace items such as windows and doors with more energy-efficient products, and also to make energy conservation-related repairs. This program offers technical and financial assistance to qualifying low-to-moderate income residents who are owner-occupants of single-family homes in Mission Viejo. Incentives include zero percent financing for up to \$25,000 of home repairs. Participants do not have to make monthly payments, and loans can be paid back when the home is sold, title is transferred, refinanced, or if the homeowner otherwise no longer resides in the home.

2. Energy Conservation Programs Offered through Local Utilities

Southern California Edison and Southern California Gas

In addition to green building practices, Mission Viejo promotes energy conservation by advertising utility energy efficiency programs available through Edison and Southern California Gas, particularly connected to housing rehabilitation programs. Income-qualified Edison and Southern California Gas Company customers may be eligible for the State's Energy Savings Assistance program, and/or a 20% bill discount under the California Alternate Rates for Energy (CARE) program. Lower-income households are also eligible for State-sponsored energy and weatherization programs. Such as energy bill financial assistance, budget counseling, and weatherizing energy upgrades.

Southern California Edison (SCE) provides a series of energy conservation services. SCE offers families, with partner agencies, purchasing assistance for energy efficient appliances and solar installation. These services



are designed to help eligible public assistance families, which include low-income households, help mitigate their energy use. Additionally, SCE aids local residents in determining qualifications for energy efficiency rebates or rates. Reduced rates and rebates are available for electric vehicle (EV) charging. The SCE programs and assistance can be found online at sce.com.

The Southern California Gas Company offers an Energy Savings Assistance Program to help individuals save money and energy. This program is designed to assist households that receive public assistance mitigate their energy use at no cost. This service provides energy efficient upgrades, including home improvements such as installation repairs and upgrades, replacements of weatherization for the homes or apartments of low-income families, provided they meet the federally established income guidelines. These services are provided to the low-income families free of charge while later being reimbursed by the company.

South Coast Air Quality Management District

Local residents in the South Coast Air Quality Management District can receive a rebate of up to \$250 with the purchase of a new cordless and electric battery lawn mower. The rebate is available on a first-come/first-serve basis, and the rebate amount received is calculated based on the purchase price of the new lawn mower. The lawnmower must be zero-emission and be a self-propelled or push lawnmower, with a least a 1-year warranty. An operable, gasoline powered lawn mower must be recycled at an approved dismantler to be eligible for the rebate.

HERO Financing Program

The City passed a resolution providing residents the option to participate in The California Home Energy Renovation Opportunity (HERO) Program. The program provides property owners with low interest financing for energy and water efficiency improvements and electric vehicle charging infrastructure on their property. Property owners who wish to participate agree to repay the amount borrowed through an assessment on their property taxes.

Energy Upgrade California

Energy Upgrade California (EUC) is a statewide program, part of the State's initiative to assist California residents in meeting the State's energy goals. The program provides homeowners incentives up to \$4,000 to implement certain energy-saving home improvements on a single-family residence and two- to four-unit buildings. The incentive packages encourage customers to take the "whole house" approach by combining several improvements at one time to achieve greater energy efficiencies and savings. An initial assessment is required, and homeowners will need to hire an EUC participation contractor. More information can be found online at energyupgradeca.org. Participants in the Southern California region include Southern California Edison and Southern California Gas.



V. Housing Plan

Sections II, III and IV of the Housing Element establish the housing needs, opportunities, and constraints in Mission Viejo. This final section, the Housing Plan, sets forth the City's goals, policies, and programs to address identified housing needs in the community for the 6th cycle, and presents the City's commitment to complying with both State and Federal housing mandates.

A. Goals and Policies

Goal HE 1: Housing choice for all Mission Viejo residents.

Objective HE 1.1:

Provide a range of housing prices, unit types, and sizes to accommodate the varied needs of all socioeconomic segments of Mission Viejo, fostering a diverse and balanced community.

Policies

- P.1 The City will maintain a Land Use Plan that continues to accommodate the City's Regional Housing Needs Allocation.
- P.2 The City will encourage the assembly of parcels to create larger and more easily developable lots.

Objective HE 1.2:

Remove or mitigate City policies, regulations, and procedures that serve to constrain the development of housing affordable to lower and moderate-income households, including extremely low income households.

Policies

- P.1 The City will prioritize review of affordable housing projects and expedite the permitting process.
- P.32 The City will establish development standards to facilitate a range of housing types, allowing development to achieve the intended density, scale, and character envisioned in the General Plan.
- P.34 The City will annually review the City's policies, regulations, and procedures to ensure their continued relevance and monitor their impact on affordable housing development.



Objective HE 1.3:

Provide incentives for the construction of housing affordable to the workforce.

Policies

- P.1: The City will facilitate the development of affordable housing through the use of federal, state, and local programs.
- P.2: The City will consider the use of density bonuses and provide other regulatory concessions to encourage housing development.
- P.3: The City will proactively seek out new models and approaches in the provision of affordable housing.

Objective HE 1.4:

Ensure equal housing opportunity for all, regardless of their special characteristics as protected by local, state, and federal fair housing laws.

Policies

- P.1. The City will comply with federal, state, and local Fair Housing and anti-discrimination laws, and affirmatively further fair housing for all, ensuring equal access to housing regardless of their special circumstances as protected by fair housing laws.
- P.2. The City will promote housing mobility by expanding housing choices and increasing housing opportunities in high resource areas.
- P.3. The City will educate the community regarding discriminatory housing practices and assist in mitigating the impacts of displacement.
- P.4. The City will promote the integration of affordable and special needs housing projects in existing neighborhoods.
- P.5. The City will collaborate with and support efforts of organizations dedicated to eliminating housing discrimination.
- P.6. The City will encourage City boards and commissions to include members who are representative of the targeted populations.

Goal HE 2: Preserved and enhanced residential neighborhoods.

Objective HE 2.1:

Preserve and improve the quality of existing housing stock.

Policies

- P.1: The City will work with property owners to require appropriate property maintenance to ensure the maximum useful life of the unit.



- P.2: The City will encourage and assist lower and moderate-income homeowners with residential maintenance and improvements through the Housing Rehabilitation program.

Goal HE 3: Improved housing for underserved populations.

Objective H 3.1:

Encourage the development of housing that caters to special needs groups including the elderly, persons with disabilities (including developmental disabilities), students, large families, and the homeless.

Policies

- P.1: The City will promote the use of universal design principles to provide housing that is adaptable to residents of varied abilities.
- P.2: The City will promote the development of a continuum of housing options for seniors, ranging from accessory dwelling units, small single-family homes, condominiums/town homes, apartments, assisted living, residential care facilities, to transitional and supportive housing.
- P.3: The City will work with the local Saddleback Community College district to address the housing needs of students.
- P.4: The City will encourage the development of rental units of adequate size and with amenities suitable for families, seniors, and other household types.
- P.5: The City will support the provision of housing to address the needs of persons with developmental disabilities, including licensed community care facilities, supportive housing and permanent affordable housing. The City will coordinate with the Regional Center of Orange County to promote affordable housing options for persons with developmental disabilities.
- P.6: The City will support development and maintenance of affordable senior rental and ownership housing and supportive services to facilitate maximum independence and the ability of seniors to remain in their homes and/or in the community.
- P.7: The City will support implementation of the Orange County Continuum of Care program for the homeless and persons and families at-risk of homelessness.
- P.8: The City will support local churches in providing emergency overnight shelter to homeless individuals and families.



Goal HE 4: Greater housing affordability for lower-and-moderate income households.

Objective HE 4.1: Offer assistance to lower and moderate-income households to attain affordable housing.

Policies

- P.1: The City will work to preserve existing affordable housing that may be at risk of converting from low-income to market-rate housing.
- P.2: The City will actively market its housing programs and available housing resources through the City website, brochures, public service announcements, and other means.
- P.3: The City will work with non-profit organizations such as Families Forward and South County Outreach to encourage and help fund acquisition, ownership, and management of subsidized developments.

B. Housing Programs / Implementing Actions

The goals and policies contained in the Housing Element address Mission Viejo’s identified housing needs, and are implemented through a series of housing programs and actions. Housing programs define the specific actions the City will undertake to achieve the stated goals and policies.

The City’s Housing Element programs encompass existing programs; programs revised in response to the review of program accomplishments (see Appendix B); and several new programs added to address unmet housing needs.

Program 1: Maintain a Residential Sites Inventory

Maintain a residential sites inventory that is adequate to accommodate the City’s share of regional housing needs. The City’s Regional Housing Needs Allocation (RHNA) for the 2021-2029 planning period is 2,217 units. Based on projected ADUs (64 units) and approved/entitled projects (265 units), the City has met 329 units of its RHNA obligations, with a remaining RHNA of 1,888 units (653 very low income; 368 low income; 378 moderate income; and 489 above moderate income units). The City is able to accommodate the remaining RHNA with existing sites and sites that were rezoned on October 12, 2021, (prior to the statutory deadline of the Housing Element).

AB 1397 requires the by-right approval of housing projects with 20% of the units set aside as affordable to lower income households if the project is located on a site that was also identified in the previous Housing Element (5th cycle) to accommodate the lower income RHNA.

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| <p>2021-2029 Actions and Objectives:</p> <ul style="list-style-type: none"> • Maintain an inventory of vacant and underutilized sites, post the inventory on City website, and provide information to interested developers. (Update annually). • Maintain an inventory of City-owned properties and other surplus sites owned by other public agencies, e.g., school district property, that may be appropriate for residential uses. (Update annually). Adhere to the Surplus Land Act requirements if city-owned properties are identified for disposition. | <p>Funding: Departmental budget</p> <p>Responsible Agencies: Community Development – Planning Division</p> |
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| <ul style="list-style-type: none"> • Play an active role in facilitating lot consolidation, particularly as it relates to parcels listed in the sites inventory. For example, the City will work with non-profit developers and owners of small sites to identify and consolidate parcels to facilitate the development of housing affordable to lower-income households. The lot consolidation procedure will be posted on the City website and discussed with developers during the preliminary review team process. (Ongoing). • By October 2023, in compliance with AB 1397, establish a formal procedure in the Municipal Code to provide for by-right approval of projects with 20% lower income units on reuse sites from the previous cycle of Housing Element. (Ongoing). • <u>Actively market the Housing Element sites by conducting outreach to all property owners and developers not less than twice per year.</u> | |
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Program 2: Surplus Land Act

The City/Mission Viejo Housing Authority owns Site 3 on the sites inventory, and together with the City, controls the sale and disposition of the property. The Housing Authority and City will consider all feasible arrangements to further housing development on this site, including sale, lease, public private partnership or other business structures. A small portion of Site 3 was used in the 5th cycle Housing Element to meet the lower income RHNA. Reusing this portion of the site subjects Site 3 to by-right approval without discretionary review pursuant to California Government Code 65583.2(i). The City will comply with the requirements of Surplus Land Act with regard to the development of Site 3. In addition, the City will pursue various different funding opportunities (eg LIHTC, state grants, CDBG) to facilitate development of the City/Housing Authority owned site, with the goal of pursuing 215 housing units, with a minimum 50% at low and very low income.

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| <p>2021-2029 Actions and Objectives: The Authority/ City will facilitate the development of a minimum of 215 units on Site 3 through implementation of a schedule of actions (see below) to ensure that suitable and feasible land is made available for development. The schedule for disposition of the site includes the following:</p> <ul style="list-style-type: none"> • Further refine assessment of the site (Underway, to be complete in 6 months from July 1, 2023) • Further develop conceptual grading plans (Underway, to be complete in 6 months from July 1, 2023) • <u>Environmental Clearance</u> - mitigation plan, CEQA and possibly other regulatory permits (Jan 2024 to Dec 2024) • <u>Selection of contractor</u> to manage soil import/placement (Sept 2024 to Dec 2024) • Assess need and applicability for <u>CDBG Funding</u> (in conjunction with City FY2023-24 and FY 2024-25 application cycles) • <u>Importation of Dirt & Pad-ready site available</u> (Jan 2025 to Dec 2026)- The City will commit to importing engineered-fill to create a pad-ready site, elevated well above the floodplain to avoid flood risk. The City will share its research, analysis and technical expertise regarding this site. | <p>Funding: Departmental budget</p> <p>Responsible Agencies: Community Development – Planning Division; Mission Viejo Housing Authority, Public Works Department</p> |
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| <ul style="list-style-type: none"> • City to <u>consider subdividing</u> (this will be done during the soil import) • <u>Actively market</u> the site (this will be done during the soil import) • <u>City prepares RFP (or similar)</u> and selects developer (this will be done during the soil import) • <u>Transfer site to developer</u> (6 months and done during the soil import) • Preliminary development plans (6 months – prior to or concurrent with completion of sale) • <u>Infrastructure/ Utility Plans, showing proposed extension of infrastructure and utilities to the proposed project, shall be reviewed in conjunction with the Site Plan review process. Staff shall provide technical and engineering consultation and expertise as necessary to facilitate an efficient and cost-effective solution. (as Site Plan review)</u> • <u>Priority processing</u>, fee waivers and shall grant other incentives and concessions (As necessary) • Preparation of final design plans and <u>City approval of Entitlement</u> (4 to 6 months, by December 2026) • <u>Development within Site 3 shall be By-Right, and shall not require any discretionary permit provided that such development complies with all applicable development standards for the RPD30 zone. Proposed residential development within Site 3 shall be subject to administrative design review; projects consistent with the Objective Design Standards shall be deemed consistent with approval findings, and approved by the Community Development (Planning) as authorized by California Government Code 65583.2(i). Residential units within Site 3 shall have a minimum 20% affordable to low and very low-income households as defined by the California Health and Safety Code Sections 50079.5 and 50105. All such affordable units shall be restricted to their respective affordability level for not less than 45 years for owner-occupied and 55 years for rental units. (By-Right zoning shall be approved at time of Housing Element re-adoption, estimated for Fall 2023)</u> • <u>Pursue various different funding opportunities (see program 8 – e.g., LIHTC, state grants, CDBG) to facilitate development of the City/ Housing Authority owned site, with the goal of pursuing 215 housing units, with 50% at low and very low income. (Immediately after Housing Element re-adoption)</u> • <u>City Building Permits issued (by March 2027)</u> • <u>If Building Permits not issued, develop Alternative Plan of Action and identify or rezone additional sites if necessary to maintain adequate sites</u> by June 30, 2027 | |
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Program 3: Monitoring of No Net Loss

To ensure that the City monitors its compliance with SB 166 (No Net Loss), the City will develop a procedure to track:

- Unit count and income/affordability assumed on parcels included in the sites inventory.



- Actual units constructed and income/affordability when parcels are developed.
- Net change in capacity and summary of remaining capacity in meeting remaining Regional Housing Needs Allocation (RHNA). Pursuant to SB 166, the No Net Loss requirements are:
 1. Make findings at the time of project approval regarding any site in the Housing Element sites inventory;
 2. Identify or rezone sufficient, adequate sites within 180 days of project approval to accommodate any shortfall; and
 3. Acknowledge projects may not be denied solely because No Net Loss would require zoning.

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| <p>2021-2029 Actions and objectives:</p> <ul style="list-style-type: none"> • Develop a formal procedure by the end of 2023 to monitor the development of vacant and nonvacant sites in the sites inventory and ensure adequate sites are available to meet the remaining RHNA by income category. | <p>Funding: Departmental budget</p> <p>Responsible Agencies: Community Development – Planning Division</p> |
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Program 4: Replacement Housing

Development on nonvacant sites with existing residential units that are either deed restricted as affordable housing for or occupied by lower income households is subject to replacement requirement, pursuant to AB 1397. The City will amend the Zoning Code to require the replacement of units affordable to the same or lower income level as a condition of any development on a nonvacant site consistent with those requirements set forth in State Density Bonus Law.

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| <p>2021-2029 Actions and Objectives:</p> <ul style="list-style-type: none"> • Amend the Zoning Code to address replacement requirement pursuant to AB 1397. (By the end of 2023) | <p>Funding: Department budget</p> <p>Responsible Agencies: Community Development – Planning Division</p> |
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Program 5: Expanding Housing Opportunities

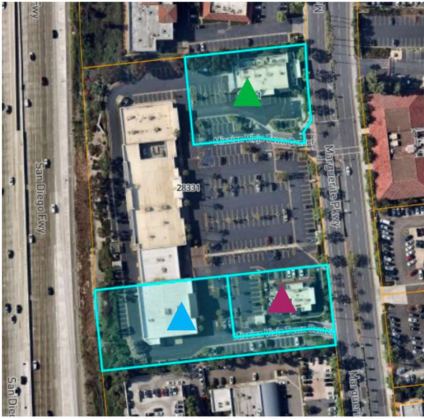
The City is able to fully accommodate its RHNA with sites that are properly zoned and that are feasible for development during the planning period. Nevertheless, the City has identified additional properties for rezoning due to their potential for redevelopment within this planning period. These additional properties are not subject to RHNA shortfall requirements as they are not needed to meet the City’s RHNA. The parcels are:

- Site 6: three additional parcels
 - 740-016-04, 0.890 acres, proposed zoning RPD 30, with an estimated capacity of 11 units



- 740-016-01, 0.520 acres, proposed zoning RPD 30, with an estimated capacity of 7 units
- 740-016-02, 1.050 acres, proposed zoning RPD 30, with an estimated capacity of 14 units

Site 6



| Legend | |
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| | 740-016-04, 0.890 acres, proposed zoning RPD 30, with an estimated capacity of 11 units |
| | 740-016-01, 0.520 acres, proposed zoning RPD 30, with an estimated capacity of 7 units |
| | 740-016-02, 1.050 acres, proposed zoning RPD 30, with an estimated capacity of 14 units |

- Site 10: one additional parcel
 - 740-121-30, 012-27, 0.210 acres, proposed zoning RPD50, with an estimated capacity of 4 units

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Site 10



Legend
▲ 740-112-27, 0.210 acres, proposed zoning RPD 50, with an estimated capacity of 4 units

In addition, the City has identified another site with potential for increased residential development: Site 4 (740-012-29) with 23.7 acres, zoned for RPD 30, for infill or redevelopment of site for approximately 200 additional units. The owner has expressed interest in redeveloping the site to provide needed student housing and residents at large.

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| <p>2021-2029 Actions and Objectives:</p> <ul style="list-style-type: none"> Rezone four additional parcels to RPD 30 or RPD 50 (as outlined above) (By the end of 2024) Annually, maintain contact with Saddleback College to pursue housing development on Site #4. | <p>Funding: Department budget</p> <p>Responsible Agencies: Community Development – Planning Division</p> |
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Program 6: Accessory Dwelling Units

Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (JADUs) represent an important affordable housing option to lower-and-moderate-income households. The City amended the Zoning Code in 2021 to comply with current State laws on ADU. Since 2018, the City experienced increased ADU/JADU activities.

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| <p>2021-2029 Actions and Objectives:</p> <ul style="list-style-type: none"> Promote the development of ADUs/JADUs via city website (https://www.cityofmissionviejo.org), city social medias, and information at public counters with the goal of achieving 54-128 units over eight years. Promote available funding from the Orange County Housing Finance Trust's Affordable ADU loan Program, which provides up to \$100,000 in deferred loans to with \$400 forgiveness per month. | <p>Funding: Departmental Budget</p> <p>Responsible Agencies: Community Development – Planning Division</p> |
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| <p>for a qualified tenant. A accessibility improvement grant of \$5,000 is also available.</p> | <ul style="list-style-type: none"> • Develop additional incentives and tools to facilitate ADU construction. Incentives may include, but are not limited to, expedited review, pre-approved plans, or reduced fees in exchange for affordability covenants. (By the end of 2023) • Evaluate the feasibility of applying for funding available at the State to assist lower and moderate-income homeowners to develop ADUs. (Annually) • Monitor the ADU development trend annually to ensure production is in line with the estimate presented in the Housing Element. If production falls short of estimate by the end of 2025, within 6 months reassess the City's sites inventory for RHNA and ensure adequate capacity remains to accommodate the City's RHNA for all income levels, by completing actions such as developing additional incentives for ADU construction, seeking or prioritizing funding, modifying development standards or identifying or rezoning additional sites, RHNA for all income levels, and develop additional incentives for ADU construction. |
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Program 7: Density Bonus Incentives

The City amended the Zoning Code in 2021 to comply with the latest density bonus provisions of State Density Bonus law. These include:

- AB 1763 (Density Bonus for 100 Percent Affordable Housing) – Density bonus and increased incentives for 100% affordable housing projects for lower income households.
- AB 1227 (Density Bonus for Student Housing) – Density bonus for student housing development for students enrolled at a full-time college, and to establish prioritization for students experiencing homelessness.
- AB 2345 (Increase Maximum Allowable Density) – Revised the requirements for receiving concessions and incentives, and the maximum density bonus provided.

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| <p>2021-2029 Actions:</p> <ul style="list-style-type: none"> • Amend the Zoning Code to address recent changes to the State Density bonus law. (Completed) • Promote the density bonus program to developers during pre-application discussions. (Ongoing) | <p>Funding: Departmental budget</p> <p>Responsible Agencies: Community Development – Planning Division</p> |
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Program 8: Affordable Housing Development

The City will provide technical assistance, financial support if available, and expedited review for affordable housing development. While local City funding is somewhat limited since the dissolution of the City's redevelopment agency, there are a number of housing assistance programs available that can serve to



reduce the amount of City assistance needed and provide for deeper levels of affordability, including the new Orange County Housing Trust and significant new funding resources available through the State.

The City will support affordable housing development through the following:

- **Technical Assistance:** The City will proactively reach out to developers on an annual basis to discuss development opportunities and also provide technical assistance to developers in support of affordable housing development, including evaluation of projects for appropriate use of funding sources; assistance in completion of funding applications; and assistance in moving projects forward through the public review process.
- **Land Assemblage and Write-Down:** The City may utilize CDBG, and/or Housing Authority funds to write-down the cost of land for the development of lower-to-moderate income housing, and housing for special needs, including for persons with disabilities. As part of the land write-down, the City may also assist in acquiring and assembling property, subsidizing on-site and off-site improvements, and assisting in relocation activities as well as clearing and demolition.
- **Direct Financial Assistance:** The City may utilize Housing Authority funds to provide financial assistance in support of affordable housing development. In addition, the City may provide other forms of support for affordable housing.
- **Application for State and Federal Housing Funds:** The City will apply for funding directly or support the application for affordable housing funds by developers if the proposed projects are determined to be consistent with the goals of this Housing Element.
- **Expedited Review and Priority Processing:** The City will expedite and prioritize the review of housing or mixed-use developments that incorporate an affordable housing component to reduce the holding costs associated with delays (such as increased construction financing costs).
- **Fee Deferrals:** The City will consider fee deferrals for housing or mixed-use developments that incorporate an affordable housing component.

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| <p>2021-2029 Actions:</p> <ul style="list-style-type: none"> • Continue to pursue affordable housing opportunities with interested developers and agencies with the goal of achieving 1,075 affordable lower income units. (2021-2029) • Continue to pursue affordable housing opportunities for households with special needs (such as large households and persons with disabilities, including developmental disabilities) and income at or below 30% of the County median income according to HUD income guidelines. Aim to achieve 25% of the affordable units to be targeted for special needs groups. (2021-2029) • Encourage developers to take advantage of density bonus incentives to provide residential units to individuals and families with incomes at or below 30% of the County median. Aim to achieve 10% of the affordable units to be targeted for extremely low income households. (2021-2029) • Encourage affordable housing developers to include large units (with three or more bedrooms) suitable for family living to help alleviate overcrowding issues. Aim to achieve 25% of the affordable units to be targeted for large households. (2021-2029) | <p>Funding: DCBG: HOME; PLHA</p> <p>Responsible Agencies: Community Development – Planning Division; Housing Division</p> |
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| <ul style="list-style-type: none"> • Provide fee deferrals and/or expedited review and priority processing for projects providing affordable housing units for extremely low-income households, large households, or persons with disabilities, including developmental disabilities. (Ongoing) • Explore funding opportunities from State and Federal programs, including funding opportunities for housing affordable to households with incomes at or below 30% of the County median income according to HUD income guidelines. (Annually) • Solicit participation/partnership with nonprofit housing developers through a Request for Proposal process and/or direct contacts. (Annually) | |
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Program 9: Housing Choice Vouchers

Rent subsidies are available for very low-income renters through the County of Orange Housing Choice Voucher Program. The Housing Choice Voucher program provides rental subsidies to families with incomes that qualify as extremely low-income (up to 30% of Median Family Income or MFI) and very low-income (up to 50% of MFI). California legislature passed SB 329 in 2019, which defines source of income as “lawful, veritable income paid directly to the tenant or to a representative of a tenant, or paid to a housing owner or landlord on behalf of a tenant, including federal, state, or local public assistance, and federal, state, or local housing subsidies, including, but not limited to, federal housing assistance vouchers issued under Section 8 of the United States Housing Act of 1937.” SB 22 passed in 2019 also extends the same protection to VASH (Veterans Affairs Supportive Housing) voucher recipients.

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| <p>2021-2029 Actions:</p> <ul style="list-style-type: none"> • Assist approximately 600 very low-income households annually. (Annually) • Work with Fair Housing Foundation (FHF) to promote acceptance of Housing Choice Vouchers through outreach and education to renters and rental property managers. (Annually beginning in 2023) • Create a Fair Housing Fact Sheet with emphasis on the new source of income protection to be included in the City’s ADU and SB 9 application packets. (By the end of 2023) • Support Orange County Housing Authority (OCHA) efforts to pursue additional funding to expand the Voucher program and assist OCHA in promoting program with the goal of allocating 70% of new Section 8 assistance to extremely low-income households pursuant to HUD regulations. (Annually) | <p>Funding: HUD Section 8 Rental Assistance Program; CDBG</p> <p>Responsible Agencies: Community Development – Planning Division; Housing Division; Orange County Housing Authority; FHF</p> |
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Program 10: Preservation of Assisted Housing at Risk of Converting to Market Rate

Monitor the status of the City’s at-risk housing units and work with affordable housing providers to preserve the affordability of these units or provide replacement units. For the 2021-2029 Housing Element, no affordable housing units for lower income households are considered at risk of converting to market-rate housing. However, the 120-unit Alicia Viejo project provides affordable housing to 24 moderate income households. Affordability of these moderate income units is set to expire in 2028. While the City is not required by State law to address the at-risk status of moderate income units, the City will monitor the affordability of these units and pursue preservation options should project status be changed in the future.



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| <p>2021-2029 Actions:</p> <ul style="list-style-type: none"> • Contact the property owner of Alicia Viejo regarding the potential conversion of moderate income units to market-rate housing. (2026) • Monitor the status of affordable housing developments by contacting the California Housing Preservation Commission for updates on project status. (Annually) • Establish contact with public and non-profit agencies interested in purchasing and/or managing units at risk. Where feasible, provide technical assistance to these organizations with respect to financing. (2026) • Work with tenants of at-risk units by providing information regarding tenant rights and conversion procedures. (2025) • Ensure property owners comply with California’s tenant notification requirements at three years, one year, and six months prior to conversion. (Beginning in 2025) • Explore potential funding sources for preservation/replacement. (Annually) • Assist income-eligible tenants in applying for priority status in the Section 8 program upon notification of owners’ decision to discontinue low-income use. (2028) | <p>Funding: Section 8 Rental Assistance: other State and Federal loans and grants</p> <p>Responsible Agencies: Community Development</p> |
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Program 11: Home Improvement Assistance

The City continues to provide a Housing Rehabilitation Program that offers a 0% interest deferred loan and grant to homeowners for necessary property repairs, upgrades, improvements and for all required city code upgrades. The program requires the homeowners to repair all health and hazardous violations identified as a result of the property inspection, along with their planned home improvements. Household earning lower incomes (up to 80% of Area Median Income or AMI) are eligible for the program.

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| <p>2021-2029 Actions:</p> <ul style="list-style-type: none"> • Assist 80 households during the planning period. (2021-2029) • Target outreach to neighborhoods where there are concentrated issues of housing conditions. • Pursue additional funding to expand program scope and eligibility. (2023) | <p>Funding: CDBG</p> <p>Responsible Agencies: Community Development</p> |
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Program 12: Objective Design and Development Standards

Pursuant to SB 330, the City will be developing objective design and development standards to facilitate multi-family housing development.

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| <p>2021-2029 Actions:</p> <ul style="list-style-type: none"> • Adopt objective design and development standards. (2023) • <u>Projects consistent with the Objective Design Standards (ODS) will be deemed consistent with approval findings (Upon completion of the ODS).</u> | <p>Funding: Departmental budget</p> <p>Responsible Agencies: Community Development – Planning Division</p> |
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Program 13: Zoning Code Amendments

The City will amend the Zoning Code to address the provision of special needs housing pursuant to State laws. These include:

- Low Barrier Navigation Centers (AB 101): AB 101 requires cities to allow a Low Barrier Navigation Center development by right in areas zoned for mixed uses and nonresidential zones permitting multi-family uses if it meets specified requirements. A “Low Barrier Navigation Center” is defined as a “a Housing First, low-barrier, service-enriched shelter focused on moving people into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing.” Low Barrier shelters may include options such as allowing pets, permitting partners to share living space, and provide storage for residents’ possessions.
- Emergency Shelters: Establish an Emergency Overlay in the BP zone and identify emergency shelters and multi-family housing as permitted uses in the Overlay. Revise “Emergency Shelters” criteria to only require parking to accommodate staff working at the shelter and to remove the 10-bed limit for emergency shelters. Amend the separation requirement between two shelters to a maximum of 300 feet **and the definition of emergency shelters**.
- Supportive Housing (AB 2162): AB 2162 requires supportive housing projects of 50 units or fewer to be permitted by right in zones where multi-family and mixed-use developments are permitted, when the development meets certain conditions. The bill also prohibits minimum parking requirements for supportive housing within one-half mile of a public transit stop.
- Employee Housing: Pursuant to the Health and Safety Code (Section 17021.5) Employee Housing Act, employee housing for six or fewer persons should be treated as a single-family residential use to be similarly permitted as single-family homes in the same zone.
- Residential Care Facilities (for Seven or More Persons): Allow large (greater than 6 clients) residential care facilities in all residential zones, similar to other residential uses of the same type in the same zone, and subject to a Conditional Use Permit and development of objective standards for review of residential care facilities with seven or more clients that facilitate certainty in outcomes.
- Reasonable Accommodation: Amend the City’s Reasonable Accommodation regulations (Chapter 9.60) of the Mission Viejo Development Code to remove items (c) and (d)
 - (c) Whether the accommodation will have only incidental economic or monetary benefits to the applicant, and whether the primary purpose of the accommodation is to assist with real estate speculation or excess profit taking;
 - (d) Whether the accommodation will create a substantial adverse impact on surrounding land uses, or a public nuisance, that cannot be reasonably mitigated;
- Senior Housing Overlay: The City’s Senior Housing Overlay zone is applied to areas where the only residential use allowed is senior housing. The City will amend the Zoning Code to incentivize senior housing through parking incentives but will remove this overlay from the Zoning Code.
- SB 35 Processing: Establish procedures to implement SB 35 eligible projects for streamlined processing.

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- SB 9: Adopt a local ordinance to implement SB 9. **Promote SB 9 by providing technical assistance to property owners and referring owners to available resources.**
- Height Limit: Amend the Zoning Code to increase the **number of stories in the RPD 30 zone from two -stories to three- stories and to increase the maximum permissible height in the RPD 50 zone from 50 feet to 55 feet and in the RPD 80 zone from 65 feet to 84 feet.**

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| 2021-2029 Actions: | Funding: |
| <ul style="list-style-type: none"> • Amend Zoning Code to address the various required revisions as outlined in program. (in conjunction with Housing Element re-adoption - By the end of 2023) • Ongoing technical assistance to property owners relating to development opportunities, regulations, and procedures. | Departmental Budget |
| | Responsible Agencies: |
| | Community Development –Planning Division |

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Program 14: Inclusionary Requirements

In 2023, the City **Staff will conduct a feasibility study to seriously explore advance an inclusionary housing program to the City Council.** Components of the program may include minimum affordability requirements; partnership with non-profit organizations such as Families Forward or South County Outreach to provide units and social services dedicated to persons at risk of homelessness; and/ or in-lieu housing options, such as payment of fees and off-site construction of community amenities. **Within 6 months of completing the feasibility study, consider adoption of an inclusionary housing program.**

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| 2021-2029 Actions: | Funding: |
| <ul style="list-style-type: none"> • Adopt the Inclusionary Housing Ordinance. (By the end of 2023) • By 2025, monitor the effectiveness of the Inclusionary Housing Ordinance to ensure it facilitates affordable housing and not constraining housing production overall. | Departmental Budget |
| | Responsible Agencies: |
| | Community Development – Planning Division |

Program 15: Continuum of Care for the Homeless

The City will continue to participate in the Orange County continuum of care for addressing the housing and supportive service needs of the homeless. The continuum of care model includes five components: outreach and prevention; emergency shelter; transitional housing; supportive housing; and permanent housing. The City will also continue to allocate CDBG funds to supportive services for the homeless and those at-risk of becoming homeless.

| | |
|--|-----------------|
| 2021-2029 Actions: | Funding: |
| <ul style="list-style-type: none"> • Continue to support homeless outreach activities, such as those offered by Mercy House and Quality of Life Deputies, to connect persons with needs to available resources. Assist 50 persons. (Annually) • Allocate funding to address the emergency shelter and supportive service needs of the homeless with the goal of assisting 30 persons. (Annually) | CDBG |



Program 16: Affirmatively Furthering Fair Housing

The City currently contracts with the Fair Housing Foundation of Long Beach to resolve tenant/landlord disputes. The City will continue to contract with a fair housing service provider to provide services to its residents.

| | |
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| <p>2021-2029 Actions:</p> <ul style="list-style-type: none"> • Provide fair housing and tenant/landlord dispute resolution services. (Ongoing) • Monitor developers' compliance with all affirmative marketing requirements for housing developments that receive financial assistance from the City, incentives, or regulatory concessions in exchange for affordable housing. (Ongoing) • At least once a year, as part of the City's Annual Progress Report for implementing the Housing Element, conduct a community conversation on the City's housing needs, progress, and new initiatives. | <p>Funding: CDBG</p> <p>Responsible Agencies: Community Development</p> |
|---|---|

Program 17: Large Lot Development

To encourage and facilitate the development of affordable housing on larger sites (greater than 10 acres), the City will regularly and at least twice a year coordinate with property owners and provide incentives to assist in site planning, parceling and other mechanisms to promote affordable housing consistent with the assumptions in the sites inventory.

| | |
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| <p>2021-2029 Actions:</p> <ul style="list-style-type: none"> • Provide Concierge assistance with project processing, include pre-development meetings with city staff from building, engineering and applicable department (Ongoing) • Provide technical assistance to developers as needed (Ongoing) • The City will adopt incentives and concessions to development standards beyond state density bonus law, such as concierge assistance with project processing, technical expertise meetings, assistance with on and off-site improvements, parking reductions, funding, fee deferral or reduction and streamlined and priority entitlement and permit processing. (As projects are processed and at least twice a year coordination with property owners and establish incentives by Community Development Department). | <p>Funding: CDBG and/ or General Fund</p> <p>Responsible Agencies: Community Development Department</p> |
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Program 16: Affirmatively Furthering Fair Housing

The City currently contracts with the Fair Housing Foundation of Long Beach to resolve tenant/landlord disputes. The City will continue to contract with a fair housing service provider to provide services to its residents.



| | |
|--|---|
| <p>2021-2029 Actions:</p> <ul style="list-style-type: none"> Provide fair housing and tenant/landlord dispute resolution services. (Ongoing) Monitor developers' compliance with all affirmative marketing requirements for housing developments that receive financial assistance from the City, incentives, or regulatory concessions in exchange for affordable housing. (Ongoing) | <p>Funding: CDBG</p> <p>Responsible Agencies: Community Development</p> |
|--|---|

Program 18: Adaptive Reuse Ordinance

1. The City will study the appropriateness of an adaptive reuse ordinance to facilitate the conversion of underutilized commercial properties for diverse housing opportunities, including interim and permanent affordable housing. An Adaptive Reuse Ordinance could be developed in line with anti-displacement efforts, and may include incentives to encourage adaptive reuse for special needs populations, including persons with disabilities, large households, or female headed households. If incentives are adopted, this program will include a proactive outreach effort to property owners via fact sheets, letters, and social media to publicize the incentives.

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| <p>2021-2029 Actions:</p> <ul style="list-style-type: none"> In 2025, conduct a study to evaluate opportunities for adaptive reuse in Mission Viejo and adopt appropriate strategies by the end of 2026. | <p>Funding: General Fund</p> <p>Responsible Agencies: Community Development Department</p> |
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Program 19: Homesharing

Research and pursue a homesharing program, including coordination with non-profits and other organizations to assist with matching tenants with existing homeowners. The City may provide collaborators with data about single family homes with long-time residents or with available ADUs for rent, facilitate presentations at the Norman P Murray Community and Senior Center, and other outreach assistance. The City will market and take other actions as necessary at least annually with the goal of five opportunities per year.

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| <p>2021-2029 Actions:</p> <ul style="list-style-type: none"> In 2025, pursue a homesharing program and begin implementation in 2026, with the goal of five matches a year. | <p>Funding: CDBG</p> <p>Responsible Agencies: Community Development Department</p> |
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D.C. Quantified Objectives

For the 2021-2029 Housing Element, the City of Mission Viejo has established the following specific objectives:

Table V-1 Quantified Objectives (2021-2029), City of Mission Viejo

| | Income Category | | | | | Totals |
|-------------------|-----------------|----------|-----|----------|-------|--------|
| | Ex. Low | Very Low | Low | Moderate | Upper | |
| New construction* | 337 | 337 | 401 | 397 | 745 | 2,217 |
| Rehabilitation | 20 | 25 | 45 | | | 90 |
| Conservation** | | 149 | 149 | | | 298 |

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

**Deed-restricted affordable units

E.D. Summary of AFFH Actions

Table V-2—The following table summarizes the City’s meaningful actions in facilitating fair housing choices.

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Table V-3 Table V-2 Summary of AFFH Actions

| Program | Actions | Timeline | Target Area | Outcomes |
|---|---|---|---|--|
| New Opportunities in High Resource Areas (High Priority) | | | | |
| Contributing Factors: | | | | |
| <ul style="list-style-type: none"> Land use designations and zoning regulations Location and type of affordable housing | | | | |
| Program 1: Maintain a Residential Sites Inventory | Proactively outreach to developers about opportunities. | Annually | High and Highest Resource targeting the higher income tracts, and RCAA | Facilitate development 2,217 units, including 1,075 affordable units; aim to achieve 50% of new units in Higher Resource Areas |
| Program 2: Surplus Land Act | Further develop conceptual plans and make determination regarding subdivision of Site 3. Actively market the site and reach conclusion regarding the importation of dirt to be able to deliver a Pad-ready site to potential developers. Establish a priority processing procedure, with fee waivers and grant other incentives and concessions as appropriate, including the need and applicability for CDBG Funding. | Within 1 year from July 2023, or HCD certification of Housing Element, whichever occurs first. As an exception, if the conclusion is to move forward with the import of dirt, this will occur 2 to 3 years from July 1, 2023 or from HCD certification of Housing Element, whichever occurs first. | Site 3 | |
| Program 5: Expanding Housing Opportunities | Rezone a total of four additional parcels to provide expanded opportunities for housing. | Complete the rezoning by the end of 2024. | High and Highest Resource targeting the higher income tracts, and RCAA | |
| Program 143: Inclusionary Requirements | Study the feasibility of adopting an Advance an Inclusionary Housing Ordinance to City Council for adoption. If inclusionary housing is determined not to be feasible, then within 6 months, develop alternative strategies to promote affordable housing. | Adopt ordinance by the end of 2023, or develop alternative strategies by 2025. | Citywide | |

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| Program | Actions | Timeline | Target Area | Outcomes |
|---|--|-------------------------------------|--|--|
| Housing Mobility (High Priority) Contributing Factors: <ul style="list-style-type: none"> Availability of affordable units in a range of sizes and types Displacement of residents due to economic pressures Lack of affordable, integrated housing for persons who need supportive needs Regulatory barriers to providing housing and supportive services for persons with disabilities | | | | |
| Program 6: ADU | Develop additional incentives and tools to facilitate ADU construction. | By end of 2023 | High and Highest Resource Areas targeting the higher income tracts, and RCAs | Facilitate 64-128 ADUs over 8 years, including eight as affordable ADUs |
| | Promote funding available from Orange County Housing Finance Trust's Affordable ADU Loan Program | Annually | | |
| | Apply for funding available at the State to assist lower and moderate-income homeowners to develop ADUs. | Annually | | |
| Program 7: Affordable Housing Development | Prioritize funding for projects that set aside units for special needs populations and those with extremely low incomes. | 2021-2029 | Citywide | Aim to achieve 20% of the affordable units to be targeted for special needs groups. Aim to achieve 10% of the affordable units to be targeted for extremely low income households. Aim to achieve 20% of the affordable units to be targeted for large households. |
| Program 8: Housing Choice Vouchers | Create a Fair Housing Fact Sheet with emphasis on the new source of income protection to be included in the City's ADU and SB 9 application packets. | By the end of 2023 | High and Highest Resource Areas targeting the higher income tracts, and RCAs | Aim to increase the use of HCVs by 10% over 8 years. |
| | Assist OCHA, FHF, and United Way in promoting the HCV program | Hold promotional workshops annually | | |
| Program 1213: Zoning Code Amendments | Amend Zoning Code to address LBNC, emergency shelters, supportive housing, employee housing, residential care facilities, reasonable accommoda- | By the end of 2023 | Citywide | Aim to achieve 25% of the affordable units to be targeted for special needs groups. Aim to achieve 10% of the affordable |

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| Program | Actions | Timeline | Target Area | Outcomes |
|---|--|--|--|--|
| | tions, senior housing and SR 9 opportunities | | | units to be targeted for extremely low income households. Aim to achieve 25% of the affordable units to be targeted for large households. |
| Program 19: Homesharing | Study and pursue a homesharing program | Establish program in 2025 and begin implementation in 2026 | Citywide with emphasis in single-family neighborhoods | Five matches per year from 2026-2029 |
| Place-Based Strategies for Neighborhood Improvements (Medium Priority) | | | | |
| Contributing Factors: | | | | |
| <ul style="list-style-type: none"> Lack of private investments in specific neighborhoods | | | | |
| Program 10: Home Improvement Assistance | Target outreach to two neighborhoods where there are issues of housing conditions. | Annually | Coronado and Cordova communities | Assist 80 households over 8 years, with the goal of assisting 50% of assistance in targeted neighborhoods |
| Program 18: Adaptive Reuse Ordinance | Study and develop appropriate strategies for adaptive reuse of underutilized commercial properties | By the end of 2026 | Commercial corridor | If ordinance is adopted, facilitate adaptive reuse of two properties |
| AFFH Action: Priority for Public Improvements | <p>Pursue a range of neighborhood improvements:</p> <p>Complete Coronado Park improvements</p> <p>Renovate Felipe Tennis Center, with added restrooms</p> <p>Refresh center median long Crown Valley Parkway</p> <p>Open Event Barn for public gatherings and events</p> <p>Install new play equipment in Granada Park</p> | 2021-2029 | Southside of city with concentration of lower and moderate income households | Capital improvement and public investment (approximately \$2.2 million) |
| | Pursue public improvement projects (streetscapes, safe routes to school, parks/recreation space, and other community amenities) to complement residential/mixed use development in areas | 2021-2029 | Commercial corridor | Pursue one improvement project per year |

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| Program | Actions | Timeline | Target Area | Outcomes |
|---|--|-----------------|--|--|
| | targeted for residential construction | | | |
| Tenant Protection and Anti-Displacement (Medium Priority) | | | | |
| Contributing Factors: | | | | |
| <ul style="list-style-type: none"> Displacement of residents due to economic pressures Availability of affordable units in a range of sizes and types | | | | |
| Program 4: Replacement Housing | Amend the Zoning Code to address replacement requirement pursuant to AB 1397. | By end of 2023. | Citywide | 100% demolished affordable units replaced |
| Program 9: Preservation of Assisted Housing | Monitor status of all affordable units | Annually | Citywide | Preserve all 298 affordable units |
| Fair Housing Outreach and Enforcement (Medium Priority) | | | | |
| Contributing Factors: | | | | |
| <ul style="list-style-type: none"> Private discrimination | | | | |
| Program 165: AFFH | Provide fair housing and tenant/landlord dispute resolution services | Annually | Citywide, targeting southside of city with concentration of rental housing | Assist 400 persons over 8 years with fair housing services |
| | Expand promotion of housing resources, including fair housing services, via a multi-media approach, such as eNewsletter with circulation of 20,000, message boards, senior newsletter, and other social media outlets. | Annually | | Outreach to at least 20,000 persons annually |

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Appendix A. Public Engagement

Mission Viejo Community Engagement Plan

- *Public Meetings* – Multiple public workshops and public hearings held providing opportunities for community and public participation and input, by residents, stakeholders, Planning and Transportation Commission, and City Council.
- *Online Community Survey* – Two online community surveys to gather feedback related to local housing needs.
- *Email Notices* – Direct email notifications delivered to Mission Viejo residents, businesses, apartment owners, service providers, and other agencies interested in the Housing Element Update.
- *Stakeholders* – Individual stakeholder meetings and consultations (i.e., property owners, service providers, community organizations) as part of the consultation process.
- *Website* – Creation of a focused webpage on the City’s website dedicated to the Housing Element Update which was routinely maintained and updated with pertinent information.
- *Social Media and Multi-Media News Releases* – Specific information, provisions and updates through the City’s website, social media posts, paid advertising via social media and in newspaper publications, press releases, and flyers.
- *On-going public input* – Continuous opportunities for review and comment of the Draft Housing Element update using all the community outreach methods and media listed above.

Dates of Public Meetings and Workshops

- March 31, 2021 – Housing Element Workshop
- May 24, 2021 – Public Meeting with Planning and Transportation Commission.
- June 8, 2021 – Public Meeting with City Council
- June 22, 2021 – Public Meeting with City Council
- September 27, 2021 – Public Meeting with Planning and Transportation Commission
- October 12, 2021 – Public Meeting with City Council
- June 9, 2022 – Housing Element Workshop
- June 10, 2022 – Housing Element Workshop
- June 30, 2022 – Senior Luncheon - Housing Q & A
- June 5, 2023 – Planning and Transportation Commission
- June 22, 2023 – Housing Element Workshop
- June 27, 2023 – ~~Housing Element Workshop~~Public Meeting with City Council



Housing Element Workshops

To expand the conversation to all community members in the discussion, the City held two community workshops. To inform residents who did not have the opportunity to attend the sessions, the City uploaded copies of the presentation slides and meeting recordings onto the Housing Element update webpage. The workshops were advertised on the City website, City social media posts, and in the Murray Memo. The Murray Memo has a subscription of over 3,500 email addresses, and the e-newsletter has a distribution of over 21,000.

Each workshop included a presentation about what the Housing Element is, the process to update, and requirements for the update. Additionally, the site inventory was presented to the attendees. After the presentation, a question and answer session allowed for a facilitated discussion about the community's thoughts on the major housing issues and challenges, housing needs, and improving the housing stock in Mission Viejo. Over the course of the last year, the City worked to increase participation in the Housing Element update process and the workshops were one of the most effective tools to inform the public. About 30 people attended the June 22, 2023 workshop. The Housing Element was revised to reflect comments and feedback, which was well received by the community.

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**Housing Element Update
2021-2029
Community Workshops**

Norman P. Murray Center
24932 Veterans Way, Mission Viejo, CA 92692

**June 9, 6 - 8 pm
or
June 10, 3 - 5 pm**

In compliance with state law, the City of Mission Viejo is updating the Housing Element – a plan for existing and future housing needs over the next eight years. Please join one of the workshops listed above to receive an update on the status of the current Housing Element and find out how the City plans to address the state's housing requirements for Mission Viejo. Your participation is important to help plan for Mission Viejo's future.

For more information, visit
cityofmissionviejo.org/housing-element
For questions, contact cd@cityofmissionviejo.org or 949-470-3053

**Housing Element Update
2021-2029
Community Workshop**

Norman P. Murray Center
24932 Veterans Way, Mission Viejo, CA 92692

Thursday, June 22, 2023 at 3 pm

In compliance with state law, the City of Mission Viejo is updating the Housing Element – a plan for existing and future housing needs over the next eight years. Please join one of the workshops listed above to receive an update on the status of the current Housing Element and find out how the City plans to address the state's housing requirements for Mission Viejo. Your participation is important to help plan for Mission Viejo's future.

For more information, visit
cityofmissionviejo.org/housing-element
For questions, contact cd@cityofmissionviejo.org or 949-470-3053



Housing Survey & Community Workshops
 Online Registration: cityofmissionviejo.org/register


Classes are offered on a daily basis at the Norman P. Murray Community & Senior Center by agencies, contracted and volunteer instructors. Registration policies are specific to each class. Classes, times and events are subject to change without notice.

**Housing Element Update
2021-2029 Community Workshops**

Thursday / June 9 / 6 - 8 pm
Friday / June 10 / 3 - 5 pm

In compliance with state law, the City of Mission Viejo is updating the Housing Element – a plan for existing and future housing needs over the next eight years. Please join one of the workshops listed above to receive an update on the status of the current Housing Element and find out how the City plans to address the state’s housing requirements for Mission Viejo. Your participation is important to help plan for Mission Viejo’s future.

For more information, visit
cityofmissionviejo.org/housing-element
 For questions, contact cd@cityofmissionviejo.org or 949-470-3053



Please take a moment to fill out our survey below:
<https://mission-viejo.survey.fm/mv-senior-housing>
<https://mission-viejo.survey.fm/housing-element-survey-2022>

Housing Needs Survey

As a part of the City’s community outreach and engagement process, two housing surveys were circulated to Mission Viejo residents to determine what the community perceives as the City’s most important housing needs and gather feedback on their preferences for policy options. One survey specifically focused on the overall greater community and a second survey specifically was directed to the senior resident. The surveys were posted on the City website for approximately four months, with a link advertised in the City’s eNews, City newsletter, and various social media outlets (e.g., Facebook, Instagram, Twitter). The City received 54 responses to the survey, which closed on October 10, 2022.



Housing Survey & Community Workshops
 Online Registration: cityofmissionviejo.org/register


Classes are offered on a daily basis at the Norman P. Murray Community & Senior Center by agencies, contracted and volunteer instructors. Registration policies are specific to each class. Classes, times and events are subject to change without notice.

**Housing Element Update
 2021-2029 Community Workshops**

**Thursday / June 9 / 6 - 8 pm
 Friday / June 10 / 3 - 5 pm**

In compliance with state law, the City of Mission Viejo is updating the Housing Element – a plan for existing and future housing needs over the next eight years. Please join one of the workshops listed above to receive an update on the status of the current Housing Element and find out how the City plans to address the state’s housing requirements for Mission Viejo. Your participation is important to help plan for Mission Viejo’s future.

For more information, visit
cityofmissionviejo.org/housing-element
 For questions, contact cd@cityofmissionviejo.org or 949-470-3053



Please take a moment to fill out our survey below:
<https://mission-viejo.survey.fm/my-senior-housing>
<https://mission-viejo.survey.fm/housing-element-survey-2022>

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The citywide survey consisted of 13 questions, with the City receiving a total of 14 responses. Of the respondents, 64% have lived in Mission Viejo for over 21 years. Additionally, 64% stated that their homes were in excellent condition. Those needing some minor maintenance or modest rehabilitation accounted for 14% of the responses. The following summarizes additional input received from the citywide housing needs survey.

- The survey identified 33% of the respondents as having experienced the following in the last two years:
 - An adult child living at home due to inability to afford housing
 - Lack of funding to make necessary home repairs



- The following were identified as the t

Housing Survey & Community Workshops

Online Registration: cityofmissionviejo.org/register


Classes are offered on a daily basis at the Norman P. Murray Community & Senior Center by agencies, contracted and volunteer instructors. Registration policies are specific to each class. Classes, times and events are subject to change without notice.

**Housing Element Update
2021-2029 Community Workshops**

Thursday / June 9 / 6 - 8 pm
Friday / June 10 / 3 - 5 pm

In compliance with state law, the City of Mission Viejo is updating the Housing Element – a plan for existing and future housing needs over the next eight years. Please join one of the workshops listed above to receive an update on the status of the current Housing Element and find out how the City plans to address the state’s housing requirements for Mission Viejo. Your participation is important to help plan for Mission Viejo’s future.

For more information, visit
cityofmissionviejo.org/housing-element
For questions, contact cd@cityofmissionviejo.org or 949-470-3053



Please take a moment to fill out our survey below:
<https://mission-viejo.surveymonkey.com/survey/my-senior-housing>
<https://mission-viejo.surveymonkey.com/survey/housing-element-survey-2022>

- The following were identified as the top three housing priorities (out of 6):
 - Encourage the maintenance and rehabilitation of housing in older neighborhoods.
 - Creating a blend of uses (commercial/office and residential projects) in the community that encourage walkable neighborhoods and reduce dependency on automobiles.
 - The following priorities received the same score, tying for the third most important priority:
 - Establish special needs housing for seniors, persons with disabilities, and/or veterans.
 - Focus new housing within existing developed areas and/or cluster/compact housing in order to preserve surrounding open space.
- The following were identified as the top three housing development strategies (out of 4):
 - Increase allowable housing densities on a limited number of housing sites to reduce the number of multi-family sites required.
 - Encourage new multi-family housing on existing infill sites with access to existing infrastructure
 - Provide lower density zoning, requiring designation of a greater number of housing sites.
- The following were common write-in comments on strategies to create more housing opportunities:
 - The Shops at Mission Viejo (local mall)
 - Underused or distressed commercial properties
 - Open space should be preserved
 - Overall concerns about housing growth and future traffic congestion
 - Increase priority for mixed-use developments to mitigate traffic concerns

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To ensure Mission Viejo’s senior population were represented in the City’s housing needs assessment, printed surveys targeting the senior population were promoted at the local senior center and distributed



and collected at a senior luncheon. Similar to the citywide survey, an online version was posted on the City website and Housing Element Update webpage; published in the City eNews; advertised on social media; and promoted in the “Murray Memo”, the senior center’s monthly newsletter.

The senior housing survey consisted of seven questions. A total of 35 seniors completed the Housing Needs Survey, with 7 responding electronically and 28 submitting written responses. Highlights of the survey responses include:

- 97% of respondents visit the Senior Center and/or receive the Senior Center newsletter
- 54% did not think adequate information was provided about housing programs for seniors such as senior housing, rental assistance, and help with housing maintenance
- 58% of respondents stated they would like to learn more about home and property maintenance
- Regarding housing issues in Mission Viejo, on scale of 1-5 (5 being highest)
 - 50% of respondents cited having senior housing near medical facilities and shopping centers was the most important issue.
 - Additionally, 48% of respondents stated having senior housing near transit was another priority.

Stakeholder Meetings and Consultations

The City has attempted to engage a broad cross-representation of the community. In addition to the public meetings and workshops, the City coordinated meetings with community stakeholders, including property owners, service providers, community partners, for-profit and non-profit developers, and housing advocacy groups. Meetings and consultations focused on the key issues related to the Housing Element Update, including the rezoning of properties, future residential development, and provision of services. Individuals and organizations were invited to participate and comment throughout the development of the draft Housing Element. Many of these organizations also outreached to their own constituents informing them of the opportunity.

In addition to residents, property owners, and developers, the City met and/or had discussions with the following community advocates:

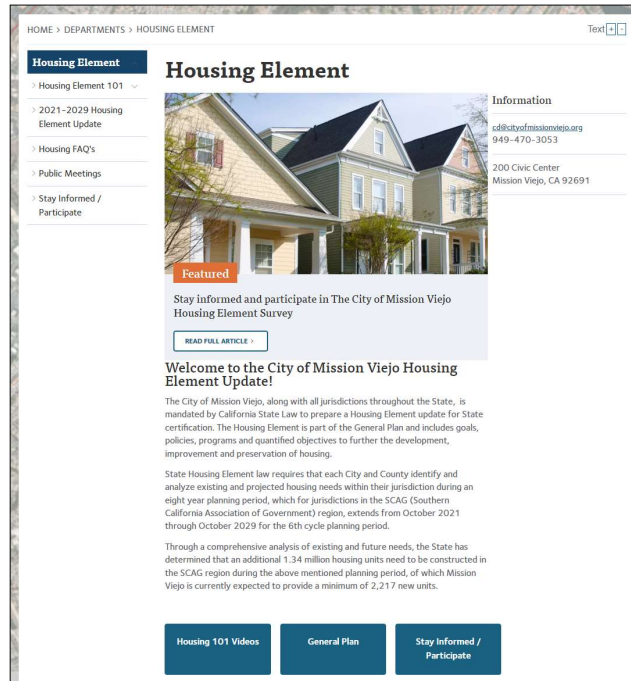
- MV Partnership
- The Kennedy Commission
- Glenwood Foundation
- Families Forward
- Providence Mission Hospital
- Saddleback College
- Simon Malls
- Jamboree Housing

The City received letters in support of the Housing Element Update from the following Families Forward, Providence Mission Hospital, and Ken Kisling, a Mission Viejo resident. [Additionally, the City has received positive written feedback on the additional public outreach and updates to the Housing Element from Welcoming Neighbors Home, MV Planning Partnership, and residents.](#)



Housing Element Website

In March 2021, the City created a webpage on the City website (www.cityofmissionviejo.org) that could be accessed through a link on the Community Development Department webpage that served as an information and resource center to the public. In June 2022, the City established a new webpage for the Housing Element update that could be accessed from the home page of the City website and established a new section for the Housing Element. This new section created a standalone “department” for the Housing Element, making the webpage easier to locate on the website. This webpage serves as a 24/7 on-demand resource for the Housing Element Update. The landing page provides the history of the document as well as a banner that provides links pages that provide the following:



- Housing Element 101, to educate the public about the purpose and process
- 2021-2029 Housing Element Update, to provide an overview of what has happened to date
- Housing FAQ's, a quick and easy resource to find information on the most common questions and pertinent information
- Public Meetings, provides a history of what meetings and workshop that have occurred and updates on future meetings
- Stay Informed/Participate, a page where the public can sign up for updates and Housing Needs Survey information

Additionally, the website feature links to workshop announcements, Zoom links, video recordings, presentations, and informational handouts. City staff regularly maintains and monitors the webpage to provide up-to-date information and reference materials.



Ongoing Engagement

| Description | Frequency | Audience |
|--|---|---|
| Notifications of affordable housing-related news and updates | As applicable news and information is generated or received | General public via subscription to government updates |
| City of Mission Viejo Webpage dedicated to the Housing Element and its progress | On-going, available 24/7 | General public |
| Social Media | As applicable news and information is generated or received | General public |
| Annual Progress Report to track implementation of programs | Yearly | Decision-makers and general public |
| Participation in SCAG Regional Council Meeting | Monthly | City staff |
| Participation in OCCOG Technical Advisory Committee and Board of Director meetings | Monthly | OCCOG Members |

Comments Received and Housing Element Responses

Public Review of Housing Element:

The City received several comment letters on the Draft Element, and has considered and as deemed appropriate, addressed these comments in the Element. The following summarizes some key comments and how they are addressed:

- The Element needs to provide additional evidence/analysis demonstrating the potential for development of non-vacant sites within the planning period. **(Response:** Additional supporting evidence has been added to the sites analysis to justify the conclusions, including trend data showing redevelopment of non-vacant land to residential; the strong market for residential as evidenced by recent development on prior Housing Element and other non-Housing Element sites throughout the City; age of the structures; and indications of property owner and developer interest. In addition, the City entered into a Consulting Services Agreement with the Related Companies of California to perform a housing feasibility analysis for the majority of housing sites in the City’s sites inventory .The up-zoning and housing overlay zones along with regulatory incentives are anticipated to render the 6th cycle Housing Element sites very attractive for development.)
- Several of the Housing Element sites do not appear realistic for development within the 8-year planning period/ Site Inventory is not adequate. Site 4, Idyllwillow Apartments: Main impediment to the site is the reluctance of the state to advance the improvement of the land. It does not seem as if the property owner (Saddleback College) has shown much interest. **(Response: The Idyllwillow apartments site occupies a single parcel of 23.7 acres, and is currently occupied by 400 apartments, occupied by approximately 10% (lower income) students attending Saddleback College, 80% families, including often lower income military families who will receive a housing allowance, and 10% younger couples. The land is owned by Saddleback College, which leases it to an apartment management company. College leadership has had preliminary conversations with the City and is open to increasing density of the site. The increased density of the site is feasible, per the study developed for the City by the Related company.) Site 4 has been removed from the Site Inventory.**



- Site 8, Macy's/ The Shops site: The draft Housing Element does not specifically indicate that both property owners are interested in redeveloping the mall. **(Response:** The City has had several conversations with representatives for Macys' (the law firm and developer representing them) and Simon (Simon upper management) they are extremely interested in being included in the zoning overlay effort as a viable option for their future plans with the property. Partial conversion of similarly sized declining mall properties have occurred in neighboring cities, such as the Laguna Hills Mall conversion, showing that it is possible in this region to develop housing and commercial development, including lower-income housing.
- Site 11, Vista Del Lago Apartments: Concern questioning the feasibility of this site. There is nothing to indicate the property owner is interested in including affordable housing. **(Response:** Initial contact regarding this site's inclusion in the Sites Inventory was from the property owner to the City, and City has since had very positive discussions with the property owner regarding increasing the density as envisioned in the Housing Element. Property owner is extremely motivated to redevelop and increase density on at least a portion of this site, as envisaged in this Housing Element.
- The Element needs to provide additional evidence as to the suitability of vacant sites. Evaluation of Site C has demonstrated significant pre-development grading and stabilization requirements before development can be contemplated. The site is also challenged by landslide and flood risk, as well environmental and wildlife conservation issues. The site will not be able to accommodate 447 Very low- and low-income units, and need to be reduced for low and very low income. There is too much over-reliance on this site. The City should provide an in-depth analysis of realistic feasibility and not rely and meeting nearly half its lower income RHNA on the site. **(Response:** The City has engaged consultants to perform preliminary geotechnical, environmental and grading analyses of Site 3. There are not expected to be any significant geotechnical concerns, including stability issues. Any proposed development would occur at a pad elevation well above the Trabuco Creek floodplain so there would be no flood risk. The limits of grading would be outside the sensitive riparian area; and, although some quality habitat would be disturbed, it could be readily mitigated through standard offsite habitat establishment and/or restoration. Soil generated from the nearby Interstate 5 Widening project as well as other regional projects can be used to create the elevated building pads. The City currently has an agreement in place (for a different site) through which revenue generated from the receipt of dirt exported from various construction projects is being used to offset the cost of managing and placing the dirt in pad form. A similar agreement could be employed for Site 3. A Preliminary Site and Feasibility Analysis was prepared for this site by the Related Companies. The analysis concludes that the site is ideally located from a TCAC site amenity score, eligible to receive 22 points as a Large Family development. Using a Mass Grading exhibit prepared by City consultant civTec, with a 5.8-acre buildable pad, a site plan was prepared yielding 215 affordable units. The City has modified its housing unit yield and affordability assumptions commensurate with the Related study.)
- Affordable housing sites should be evaluated for their viability to compete for traditional funding. These funding sources prioritize development sites that promote access to community resources, public transportation, medical services, access to parks etc. **(Response:** The City entered into a Consulting Services Agreement with the Related Companies of California to perform a housing feasibility analysis for the majority of housing sites in the City's sites inventory. As part of the



analysis, Related assesses the project site for a California Tax Credit Allocation Committee (TCAC) amenity score. This score is an important consideration in the confirmation of the site selection.)

- It is recommended that the former Stein Mart property be added to the City’s Sites Inventory. **(Response:** This property is part of the Village Center shopping center and is not included in the sites inventory. The vast majority of this center is leased out, with properties seldom becoming available for sale. Furthermore, the Center is owned by multiple (13 plus) property owners and is governed by Covenants, Conditions, and Restrictions (CC&Rs) which, as confirmed by many of the property owners, would appear to prohibit housing. In December 2021, the City purchased the former Stein Mart property as part of a long-envisioned economic development effort. Money is budgeted to renovate/ rebuild the property, build out restaurants and retail, develop a paseo, and create a new pedestrian alley and pedestrian bridge at the rear of the shopping center.)
- The City should adopt a 15% Inclusionary Housing Ordinance, requiring that 15% of development of 6 more units be for very low income, or an in-lieu fee of \$10,000 to \$15,000 per unit. Concern that increasing density without inclusionary risks land being given density benefit without commensurate community benefit. The City needs to identify affordable housing policies and programs, including a recommendation for an inclusionary housing ordinance, and a 15% affordable housing overlay. **(Response:** The City is committed to exploring the feasibility of Staff will be advancing a 15% an inclusionary housing program. Housing Policies and Programs are identified in Section V of this Housing Element.)
- It is recommended the City allow By-Right development for 100% affordable developments. **(Response:** The City rezoned the majority of sites in the sites inventory prior to October 15, 2022, and will preserve the City’s discretionary review process where possible. The City does not see this process in any way as being a constraint or impediment to the development of affordable housing. That said, the City-owned site, Site 3, is proposed as By-Right.)
- Would like the City to create a plan to track ADU production and rent, and provide more incentives to encourage the development of ADU’s, such as expedited review, pre-approved ADU design plans, and permit fee reduction, and also consider an ADU forgivable loan program. There is also comment that the City’s estimate of 5 ADU’s per year is drastically higher than the 6 total ADU’s issued between 2014- 2020, and that the City should reduce the number of ADU’s or include additional analysis to support the City’s assumption. Additionally, the City needs to propose a better plan to ensure the affordability of ADU’s. **(Response:** The City analyzed its ADU permit data and better developed its ADU tracking system. Review of the data shows that there has been a significant up-tick in the number of ADU applications submitted since the new ADU state law became effective January 1, 2020. City data confirms that between 2019 and July, 2022, the City has received 34 applications to create ADUs. In 2019, 3 applications were received, and 2 were approved; in 2021, 14 applications were received, 7 have been approved, and another 4 are being processed; up to July, 2022, 9 applications have been received, 1 has been approved, and 8 are being processed. While there is not a great deal of recent data for ADUs to draw assumptions about, it is apparent that applications are on the rise in the last two years, and a full year count for 2022 will likely be similar to that of 2021. Therefore, the assumption built into ADU production for the life of the 2021-2029 RHNA is for 8 ADUs per year, or 64 in total. The projected affordability of these ADUs is based on SCAGs Regional Accessory Dwelling Unit Affordability Analysis (December 2020). Program actions set forth in the Housing Element to provide pre-approved plans, ADU

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promotion and outreach, and a potential ADU development assistance program for rent-restricted units will further bolster ADU production, making the City's projections for 64 ADUs/year realistic and achievable. Additionally, the Element includes a specific commitment to conduct a mid-cycle review of ADU production and affordability).

- The City had only held one Community workshop, and did not use other engagement tools such as a Community survey. (**Response:** As detailed in the Meetings, Public Workshops and Hearings section of the element, the City has held additional public workshops and hearings and also conducted a Community survey, including a survey geared specifically to seniors, as summarized in the Housing Element Survey section).
- The Housing Element was available for purchase and that this impacts cost and transportation issues, and that the City should have physical copies available for review as well as online availability. (**Response:** The Housing Element was available for public review on the City's website, with a hard copy available for review at the Mission Viejo Library and at City Hall. Additionally, computers with on-line access are available at the Library. The City endeavors to reduce the reproduction of paper copies under all circumstances, but will certainly consider and accommodate hardship cases, involving computer access or transportation issues. In the concern noted above, staff directly involved with the Housing Element were not aware of any request for a free hard copy of the Housing Element and suspects the requester talked to a staff member who quoted City standard costs for copying without properly understanding the situation or the nature of the request.)
- The Affirmatively Furthering Fair Housing Analysis (AFFH) doesn't provide adequate analysis or recommendations on how the City will address contributing factors to fair housing issues in the city. (**Response:** The Affirmatively Fair Housing Section has been rewritten and expanded to address in detail the elements required by HCD in this section, including identifying Racially or Ethnically Concentrated Areas of Affluence, Access to Opportunity, and Displacement Risk.)
- The City's shortfall in addressing its lower and moderate income RHNA during the 5th cycle Housing Element indicates that the City's affordable housing policies have not been effective in incentivizing and producing affordable housing for lower income households. (**Response:** As shown in Appendix B of the Housing Element, during the 5th cycle Housing Element the City met 43% of its RHNA for very low- income households, 117% of its RHNA for low income households, and 51% of its RHNA for moderate income households. While falling short of meeting all its affordable housing needs, the City's progress received a B+ grade in the Southern California News Groups' third annual permit report card published in November 2021, exceeding the County's overall grade of C. The 6th cycle Housing Element establishes meaningful incentives and opportunities to help the City meet its affordable housing goals).
- The City also received letters of support for the Housing Element. Support letters were received from:
 - Madelyn Hirneise, CEO, Families Forward
 - Seth Teigen, FACHE, Providence Mission Hospital
 - Ken Kisling, Mission Viejo Resident



Appendix B. Review of Past Accomplishments

The City of Mission Viejo 2013-2021 Housing Element established specific programs and objectives for expanding housing opportunities in the community. In updating this Element, the City reviewed these programs for successes or failures, and continued appropriateness. The Housing Plan in the updated 2021-2029 Housing Element reflects these lessons learned to improve the effectiveness of City actions.

Evaluation of Accomplishments under Adopted Housing Element

Section 65588(a) of the California Government Code requires that jurisdictions evaluate the effectiveness of the existing Housing Element, the appropriateness of goals, objectives, and policies, and the progress in implementing programs for the previous planning period. These results of the evaluation should be quantified where possible (e.g., the number of units rehabilitated), but may be qualitative where necessary. The results should then be compared with what was projected or planned in the earlier element. Where significant shortfalls exist between what was planned and what was achieved, the reasons for such differences must be discussed.

The City of Mission Viejo 2014-2021 Housing Element sets forth a series of housing programs with related objectives for the following areas:

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

Below is a summary of the City's major accomplishments. [Table A-1](#) [Table B-2](#) then provides a comprehensive review and evaluation of the City's progress to date in implementing the housing programs and their continued appropriateness for the 2021-2029 Housing Element. [Table B-1](#) [Table A-1](#) following offers a review of the quantified objectives. The results of this analysis provide the basis for developing the comprehensive housing program strategy for the 2021-2029 Housing Element.

Summary of Housing Element Accomplishments

The City of Mission Viejo has made significant progress in implementing its 2014-2021 Housing Element.

Major accomplishments include the following:

- Provided housing rehabilitation assistance to 80 lower income homeowners, assisting lower income seniors, female-headed households and persons with disabilities to remain in their homes.
- Provided Section 8 rental assistance vouchers to 280 lower-income families and elderly, and encouraged listing of rental units with County Housing Authority.
- In partnership with Families Forward, purchased four market-rate condominiums, conducted rehabilitation improvements, and provided at affordable rents to lower income households
- Implemented its accessory dwelling unit (ADU) regulations consistent with changes in state law, and issued building permits for 32 ADUs between 2014-2020 and averaged one ADU application per week in 2021.



- Approved four affordable projects, addressing 94% of the City’s lower income RHNA needs: Lennar (11 very low, 1 low income); Los Alisos Apartments (3 very low, 5 low); Adiago-on-the-Green Apartments (22 lower income units); and Neo and Haven (13 very low, 12 low income units).
- Provided financial assistance to fund public service programs that support lower-income households and help them obtain adequate housing or assist them with special needs, including seniors, homeless and persons with Alzheimer’s, dementia and other developmental disabilities.
- During the 5th cycle planning period, the City updated its requirements for accessory dwelling unit (ADU) consistent with state law to facilitate the addition of ADUs which can benefit seniors, persons with disabilities and female-headed households.

[Table B-2, Table B-1, Table A-11](#) below summarizes the quantified objectives contained in the City’s 2014-2021 Housing Element, and compares the City’s progress in fulfilling these objectives.

[Table B-2: Summary of Quantified Objectives: 2014-2021 Housing Element \(Progress through June 30, 2021\)](#)

Table B-2 Table B-1 – Progress in Achieving Quantified Objectives: City of Mission Viejo, 2013-2021

| Program Category | Quantified Objectives | Progress |
|----------------------------------|-----------------------|--------------------|
| New Construction* | | |
| Extremely-low | 21 | |
| Very-low | 21 | 13 |
| Low | 29 | 31 |
| Moderate | 33 | 17 |
| Above-moderate | 73 | 848 |
| Total | 177 | 909 |
| Rehabilitation | | |
| Extremely-Low | 45 | |
| Very-Low | 45 | 80 |
| Low | 38 | |
| Moderate | | |
| Above-Moderate | | |
| Total | 128 | 80 |
| Preservation/Conservation | | |
| Extremely-Low | 140** | Approx. 280 |
| Very-Low | 140** | |
| Total | 280** | Approx. 280 |

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

**Section 8 vouchers

Cumulative Impacts in Addressing Special Needs

The City addresses the housing needs of special populations primarily through its housing rehabilitation or improvement assistance, and rental housing assistance. These include:

- Rehabilitation assistance 80 lower income households, primarily benefitting the elderly, female-headed households, and persons with disabilities.
- Energy Efficiency and Water Conservation fee waivers that are available to seniors.
- Housing Choice Vouchers – benefitting 280 households, primarily senior households and those with special needs.

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The 2013-2021 Housing Element lacked specific actions for addressing special housing needs. However, for the 2021-2029 Housing Element update, the City will actively pursue affordable housing opportunities, funding, targeting 25% of the affordable units for special needs groups, 25% for large households, and 10% for extremely low-income households. Specifically, the City will provide fee deferrals to housing developments that set aside affordable units for special needs populations. The City has also included a City-owned property that will be made available for affordable housing, with an estimated 215 units (and 40% affordable to lower income households).

HCVs are the most important resources for extremely low income households, especially those with special needs (seniors, disabled, female-headed households, and formerly homeless). The City will assist in promoting the acceptance of HCVs by including a Fair Housing Factsheet in ADU and SB 9 applications. Educating the public on Source of Income protection under the State Fair Housing laws could increase the use and acceptability of HCVs.

The City will also continue its rehabilitation assistance and Energy Efficiency and Water Conservation fee waivers that benefit primarily seniors and persons with disabilities.

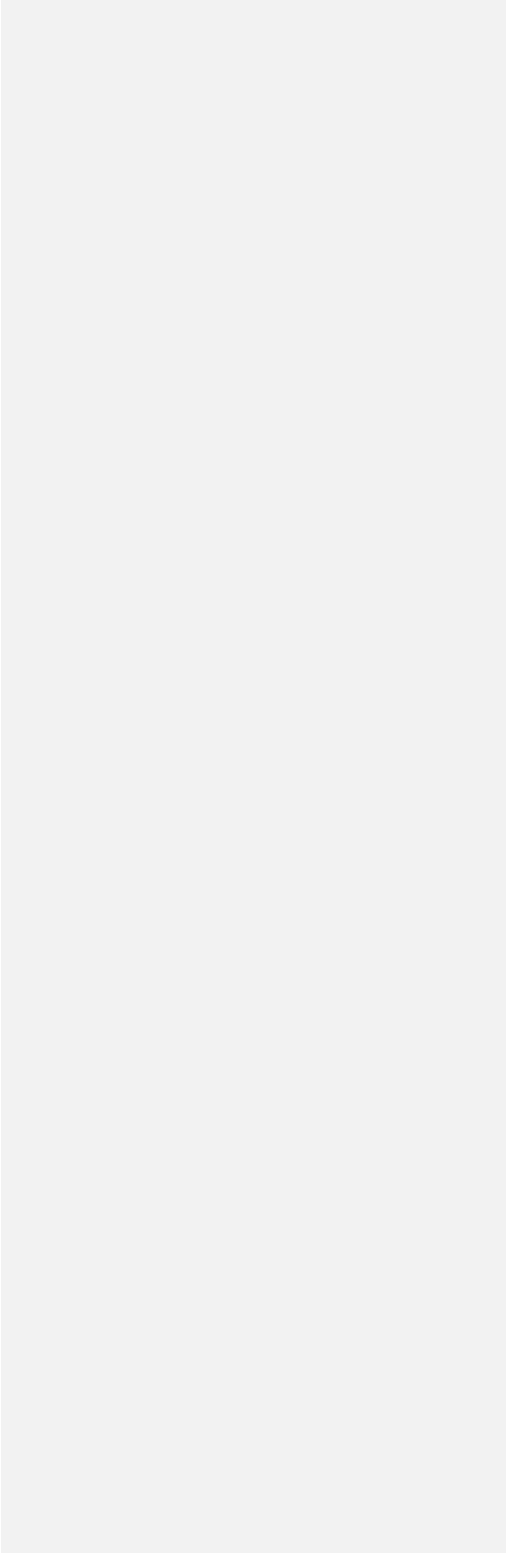




Table AB-12 – Housing Element Program Evaluation: City of Mission Viejo, 2013-2021

| Program | Responsible Agency | Funding Source | Program Objectives | Progress |
|--|---|--|---|--|
| 1. Housing Rehabilitation Program | Community Development Department | CDBG | To maintain quality of housing in established neighborhoods, particularly for very-low- and low-income households by providing 128 deferred loans or grants for housing rehabilitation. | Approximately 80 rehab applications were approved during 2014-2020. Continued Appropriateness: This program continues to be appropriate for the 6 th cycle update. |
| 2. Home Weatherization Improvements | Community Development Department | So. Cal Edison and So. Cal Gas | To provide information to residents regarding available weatherization improvements to reduce housing utility costs. | Home weatherization flyers have been made available at City Hall. Continued Appropriateness: This is not a city program and is not included in the 2021-2029 Housing Element. |
| 3. Code Enforcement | Community Development Department | Department Budget | To enforce City codes pertaining to property maintenance, building and zoning. | The City's Code Enforcement staff has implemented this program continuously. |
| 4. Section 8 Assistance Payment / Housing Vouchers | O.C. Housing Authority; City Community Development Department | HUD-Section 8 Certificate & Housing Vouchers | To provide at least 280 rental subsidies to lower-income families and elderly, and encourage listing of rental units with County Housing Authority. | Approximately 280 vouchers were provided. Continued Appropriateness: This program continues to be appropriate for the 6 th cycle update. |
| 5. Land Use Element / Development Code | Community Development Department | Department Budget | To maintain a range of residential development opportunities through appropriate land use and zoning designations. | On 8/25/2020 GPA-2020-33 and Zone Change ZC2020-23 were approved by the City Council to rezone a 6.36-acre site from R (Recreation) to RPD30 (Residential Planned Development) to accommodate a 91 attached dwelling unit project. Continued Appropriateness: This program is updated to include a number of code amendments to address constraints to development and to comply with new State laws. |
| 6. Inventory of Surplus Public Land | Community Development Department | Department Budget | To maintain an inventory of all land owned by public entities declared surplus. | Site 3 is owned by the City/ Housing Authority- While there has been and continues to be developer interest in this site, there have been some challenges getting the site to the finish line and actually developed. |

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| Program | Responsible Agency | Funding Source | Program Objectives | Progress |
|------------------------|----------------------------------|-------------------|--|--|
| | | | | <p>Previously the City issued a Request for Proposal (RFP) for the site and received proposals. In response to a 2018 RFP, the City selected developer Brinshore. The Brinshore proposal included an affordable housing model aimed at helping single parents achieve self-sufficiency through an educational program with the adjacent Saddleback Community College. In addition, the model included 15% of housing units to be set aside for those at risk of homelessness. Unfortunately, just as progress was being made, the 2020 Covid Pandemic killed the project and the developer withdrew the proposal.</p> <p>Continued Appropriateness: A program to comply with the Surplus Land Act is included in the 6th cycle Housing Element. A rigorous program to facilitate development, with a schedule for disposition of the site is included in this program. The City has already conducted a detailed engineering and environmental assessment of the site, and is committed to importing dirt and creating a pad-ready site. An Alternative Plan of Action is also included if building permits are not pulled by a date certain. This site is By-Right, with 20% affordable to low and very low income households.</p> |
| 7. Density Bonus Units | Community Development Department | Department Budget | Continue to implement the Development Code density bonus provisions in compliance with state law, in order to maximize the capacity of housing sites and | On October 14, 2019, the Planning and Transportation Commission approved a 60-unit townhome project on Site A, with density bonus |

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| Program | Responsible Agency | Funding Source | Program Objectives | Progress |
|---|----------------------------------|---------------------|--|--|
| | | | facilitate construction of affordable units. | concession for building height, with the project providing 15% of the total units as affordable to low- and very-low-income households. Continued Appropriateness: A program to update the Density Bonus Ordinance is included in the 6 th cycle Housing Element. |
| 8. Second Units | Community Development Department | Department budget | To expand the affordable housing stock by allowing a second unit on the same parcel as existing single or multifamily units. | Between 2018 and 2022, XX ADUs were permitted. Continued Appropriateness: A program to facilitate the development of ADUs is included in the 6 th cycle Housing Element. |
| 9. Affordable Housing Outreach | Community Development Department | CDBG, Revenue Bonds | To meet the City's regional housing need allocation for all income groups through the pursuit of multiple tactics. | The City has continued to market its affordable housing sites, including the 8.5-acre City-owned Affordable Housing Site C, with an inclusionary housing requirement for a minimum 20% of the total units as affordable to lower-income households. Continued Appropriateness: The 6 th cycle Housing Element includes a completely revised and expanded outreach plan to for implement the housing programs and to expand fair housing opportunities. The City will outreach to all property owners and developers not less than twice per year. |
| 10. Emergency Shelters and Transitional Housing | Community Development Department | Department budget | Continue to implement City policies and regulations regarding emergency shelters and transitional/supportive housing in conformance with SB 2. | The City continued to implement regulations regarding emergency shelters and transitional/supportive housing in conformance with SB 2. Continued Appropriateness: A program to update the provisions for emergency |



| Program | Responsible Agency | Funding Source | Program Objectives | Progress |
|-------------------------------------|---|-------------------|---|---|
| | | | | shelters is included in the 6 th cycle Housing Element. |
| 11. Mortgage Revenue Bond Financing | Orange County; Mission Viejo Community Development Department | Revenue Bonds | To increase supply of rental and ownership units affordable to low- and moderate-income households. | Revenue bonds have been used to finance three affordable housing projects in Mission Viejo. Continued Appropriateness: This is a potential financing mechanism. However, it is not included in the Housing Element as a separate housing program. |
| 12. Non-Profit Housing Development | Community Development Department | Department budget | To provide support and assistance to non-profit housing organizations to facilitate affordable housing production commensurate with the City's quantified objectives. | The City continued to solicit development of the 8.5-acre City-owned Affordable Housing Site C, with an inclusionary housing requirement for a minimum 20% of the total units as affordable to lower-income households. Continued Appropriateness: The 6 th cycle Housing Element includes a program to facilitate the development of affordable housing, including partnering with nonprofit developers. |
| 13. Reverse Mortgage Program | Community Development Department | Department budget | Coordinate with social service groups and lending institutions to provide information to seniors about reverse mortgage programs. | The City's Norman P. Murray Community and Senior Center continued to coordinate special workshops on reverse mortgages to inform and educate seniors, and offered a twice yearly financial series on various financial topics including reverse mortgages. Continued Appropriateness: This is not a city program and is removed from the 6 th cycle Housing Element. |
| 14. Efficient Processing | Community Development Department | Department budget | To provide concurrent processing for residential projects to shorten review time and minimize related holding costs. | The City continued to process projects concurrently and efficiently. It is the City's practice to process planning applications concurrently. Building plan check for new |



| Program | Responsible Agency | Funding Source | Program Objectives | Progress |
|--|----------------------------------|----------------|---|---|
| | | | | <p>large-scale projects is 10 working days.</p> <p>Continued Appropriateness: The 6th cycle Housing Element includes the development of objective standards and SB 35/SB 9 processing. These actions will facilitate efficient processing.</p> |
| 15. Development Fees | Community Development Department | General Fund | To provide reduced development fees for affordable and senior citizen housing. | <p>With the dissolution of the CDA, funding for fee subsidies has been very limited. The City Council approved the Water Conservation fee waiver program in 2014. The energy efficiency fee waiver program is also active, available to new homeowners and seniors.</p> <p>Continued Appropriateness: The City will consider fee deferrals for mixed-use developments that incorporate an affordable component. This program is continued in the 6th cycle Housing Element.</p> |
| 16. Equal Housing Opportunity Services | Fair Housing Foundation | HUD-CDBG | To ensure equal housing opportunity by providing tenant/landlord counseling, housing discrimination response, and related housing services through the Fair Housing Foundation. | <p>In FY 2014-2015, 85 households from Mission Viejo were assisted with fair housing issues and concerns. In FY 2015-2016, 102 households were assisted. In FY 2016-2017, 71 households were assisted. In FY 2017-18, 57 households were assisted. In FY 2018-19, 63 households were assisted. In FY 2019-20, 48 households were assisted.</p> <p>Continued Appropriateness: This program is expanded to formulate the City's meaningful actions to affirmatively further fair housing.</p> |
| 17. Community Development Block Grant | Community Development Department | HUD-CDBG | To fund public service programs that support lower-income households to obtain adequate | The CDBG public service program funded organizations providing services for low income |



| Program | Responsible Agency | Funding Source | Program Objectives | Progress |
|------------------------------------|----------------------------------|-------------------|---|--|
| Public Service Programs | | | housing or assist them with special needs. | families, seniors, homeless and homelessness prevention, and persons with Alzheimer's, dementia and other developmental disabilities. Continued Appropriateness: This is a funding source and is not included in the 6 th cycle Housing Element as a separate housing program. |
| 18. Pre-application Review Program | Community Development Department | Department budget | Encourage developers to include amenities such as childcare, computer workstations in affordable developments. | The Adiago-on-the-Green apartments, completed in 2015, includes two pools, gym, creek-adjacent greenbelt and pathway, meeting rooms, and entertainment rooms. The Shea Homes Haven and Neo projects currently under construction share a pool, tot-lot, and multiple shaded bbq and seating areas. The 91-unit Trumark Homes project approved in 2020 includes a pool, tot-lot, and multiple shaded bbq and seating areas. Continued Appropriateness: This is a routine process the City offers to facilitate residential and mixed-use development, especially affordable housing. This is included in the Affordable Housing Development program. |
| 19. Energy Conservation Program | Community Development Department | Department budget | Continue the Green Building Program, which encourages energy conservation through incentives such as expedited processing and fee waivers for qualifying projects. Continue the Solar Energy Education Program, which promotes energy conservation throughout the community. | The City offers expedited processing and, since 2006, has offered "Energy Efficiency" fee waivers for qualifying green building projects and solar installations, currently available to seniors and new homeowners. In 2014, the Council approved a "Water Conservation" fee waiver program to encourage the installation of water conservation improvements. |



| Program | Responsible Agency | Funding Source | Program Objectives | Progress |
|---------|--------------------|----------------|--------------------|---|
| | | | | <p>In 2020 the City purchased an electric vehicle and installed two vehicle charging stations at City Hall.</p> <p>Continued Appropriateness: These programs continue to be available to residents and they are incorporated into the Housing Improvement Assistance program in the 6th cycle Housing Element.</p> |



Appendix C. Sites Inventory

Site 1: Silverado Plaza. Aerial Parcel View



Site 1: Silverado Plaza. Data Summary

| | | | | |
|--|--|------------|-----------------|-----------------------|
| Site ID | 1: Silverado Plaza, 25542 Jeronimo Road | | | |
| Assessor's Parcel Number(s) | 809-311-16 | | | |
| Lot Consolidation | N.A. Single Parcel | | | |
| Original Zoning/Zoning Approved for RHNA | Commercial Highway (CH) / RPD 50 | | | |
| Size | 1.5 Acres (entire site is developable, per Related Company feasibility study) | | | |
| Maximum Density/ Realistic Density | 50 du/acre / 42 du/acre (assumes 85% of RPD 50) | | | |
| Maximum Potential Unit Capacity/Realistic Capacity | 75 / 63 (assumes 85% of RPD 50) | | | |
| Property Owner/Developer Interest | The City has received developer redevelopment interest re this site. | | | |
| TCAC Site Amenity Score | 18 (High score – good proximity to transit, public parks, grocery stores, public schools, medical facilities, pharmacies). TCAC limits Site Amenity points to 15. | | | |
| Site Identified in Previous Housing Element | No. Rezoned prior to statutory deadline of October 15, 2021. Considered new site not subject to by-right development. | | | |
| Site Description and Factors Supporting Development | <p>Built 1977, with little to no site improvement since then; Center is old and outdated, with a history of non-finaled building permits and/or non-permitted work. City has received reports of safety issues. Commercial space on second floor of one of the two buildings has been vacant for more than a year (approximately 2,300 sq.ft out of a total of 16,148 sq. ft, or 14%), and has not had improvements since 2003. The lack of improvement has deterred potential lessees due to the potential financial burden of bringing the space into compliance with building & safety codes in order to obtain a certificate of occupancy. Currently occupied by businesses that are relocatable or marginal: Jiu Jitsu studio, small café, dental office, massage parlor, pet grooming, a restaurant, and a hair salon. Improvement: Land AV Ratio of 0.66 (Under 1.0 indicates underutilization); Close to major employers, including Amazon, Target, Saddleback Community College. Infrastructure in place. Site is under-utilized: prior to rezoning, the site had a FAR of 0.75, which would have allowed up to 49,005 square feet, but the site is developed at an FAR of 0.28, with only 18,572 square feet. The City has not received any interest to redevelop or add commercial square feet.</p> | | | |
| Potential Income Distribution of Units | Extremely/Very Low | Low | Moderate | Above Moderate |
| | 20 | 11 | 11 | 21 |

Site 2: Mission Foothill Marketplace. Aerial Parcel View



Site 2: Mission Foothill Marketplace. Data Summary

| | | | | |
|--|---|------------|-----------------|-----------------------|
| Site ID | 2: Mission Foothill Marketplace, 28719 - 28815 Los Alisos Rd | | | |
| Assessor's Parcel Number(s) | 839-161-13, 839-161-14, 839-161-17, 839-161-28 | | | |
| Lot Consolidation | Property owners supported the October, 2021 rezoning of their parcels for residential use, which may potentially involve lot consolidation. | | | |
| Original Zoning/Zoning Approved for RHNA | Commercial & Services (CH) / RPD 30 (Three parcels with Overlay, except vacant parcel 839-161-17) | | | |
| Size | 4.4 Acres. Flat site, all available for development. | | | |
| Maximum Density/ Realistic Density | 30 du/acre / 20.2 du/acre | | | |
| Maximum Potential Unit Capacity/Realistic Capacity | 132 / 89 | | | |
| Property Owner/Developer Interest | Yes. Property owners have contacted City and are interested in residential redevelopment. | | | |
| TCAC Site Amenity Score | Related Company did not calculate a TCAC Amenity Score. | | | |
| Site Identified in Previous Housing Element | No. Rezoned prior to statutory deadline of October 15, 2021. Considered new site not subject to by-right development. | | | |
| Site Description and Factors Supporting Development | Site is adjacent to a previous Housing Element site, a former shopping center, now developed and including affordable housing, proving that conversion of shopping mall sites to housing is achievable in Mission Viejo. Site is underutilized (Improvement:Land Ratio of under 1.0); Close to amenities - within 2 miles of shopping center with grocery store and pharmacy, and neighborhood elementary and high school; adjacent to Pinecrest Park for recreation; Kaiser Permanente facility 3 miles away. Infrastructure in place. | | | |
| Potential Income Distribution of Units | Extremely/Very Low | Low | Moderate | Above Moderate |
| | 28 | 16 | 15 | 30 |

Site 3: Undeveloped Land. Aerial Parcel View



Site 3: Undeveloped Land. Data Summary

| | | | | |
|--|--|------------|-----------------|-----------------------|
| Site ID | 3: Undeveloped land, Hillcrest Drive/Center Drive | | | |
| Assessor's Parcel Number(s) | 740-012-40, 740-012-36, 740-113-01, 740-112-02, 740-112-03 | | | |
| Lot Consolidation | Land is owned by Mission Viejo Housing Authority | | | |
| Original Zoning/Zoning Approved for RHNA | Open Space/Recreation (R/OS) / RPD 30 | | | |
| Size | 22.821 Acres; Related Company feasibility study assumes only 5.8 acres used for development | | | |
| Maximum Density/ Realistic Density | 30 du/acre (gross acreage) / 37 units/developable acre (5.8 acres) | | | |
| Maximum Potential Unit Capacity/Realistic Capacity | 215 (Related Company feasibility calculation) | | | |
| Property Owner/Developer Interest | Yes. Several developers, including nonprofit companies, have expressed interest in this site. | | | |
| TCAC Site Amenity Score | 22 (High score – good proximity to transit, public parks, grocery stores, public schools, medical facilities, pharmacies). TCAC limits Site Amenity points to 15. In High Resource opportunity area. | | | |
| Site Identified in Previous Housing Element | No. Site C in the 5 th Cycle was 8.5 acres, and overlaps with this Site 3, comprising 22.8 acres. The Related Company identifies 5.8 acre buildable acres in Site 3, and only 1.1 acres of that area is in common with Site C. | | | |
| Site Description and Factors Supporting Development | City has received residential development proposals for the site, including one involving hotel and residential units. The site has been promoted via developer outreach and Requests For Proposals. The City has recently worked with market-rate and non-profit housing developers, and have engaged a consulting geotechnical engineer to determine site feasibility. | | | |
| Potential Income Distribution of Units | Extremely/Very Low | Low | Moderate | Above Moderate |
| | 65 | 39 | 39 | 72 |

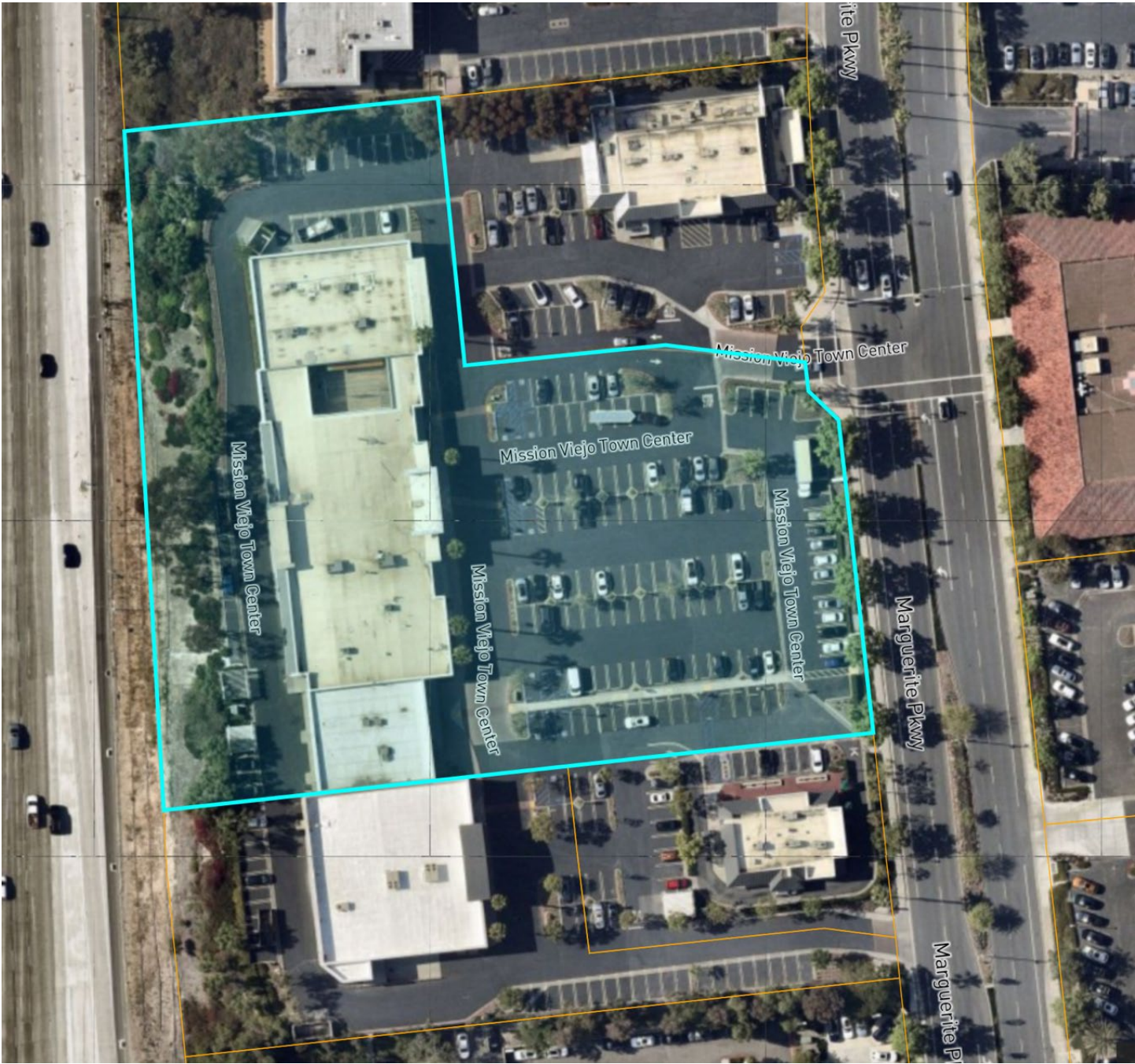
Site 5: Commerce Center. Aerial Parcel View



Site 5: Commerce Center. Data Summary

| | | | | |
|--|---|------------|-----------------|-----------------------|
| Site ID | 5: Commerce Center, 27200-27240 La Paz Road | | | |
| Assessor's Parcel Number(s) | 782-471-01; 782-471-02; 782-471-03; 782-471-04; 782-471-05; 782-471-06 | | | |
| Lot Consolidation | N.A. Parcels owned by single owner. | | | |
| Original Zoning/Zoning Approved for RHNA | Commercial Highway (CH) / RPD 30 | | | |
| Size | 4.55 Acres (entire site is developable, per Related Company feasibility study). | | | |
| Maximum Density/ Realistic Density | 30 du/acre / 25.4 du/acre (assumes 85% of RPD 30) | | | |
| Maximum Potential Unit Capacity/Realistic Capacity | 138 / 117 (assumes 85% of RPD 30) | | | |
| Property Owner/Developer Interest | Conversations with owner agent revealed that this property was potentially available for sale in the short-term. | | | |
| TCAC Site Amenity Score | 22 (High score – good proximity to transit, public parks, library, grocery stores, public schools, medical facilities, pharmacies). TCAC limits Site Amenity points to 15. | | | |
| Site Identified in Previous Housing Element | No. Rezoned prior to statutory deadline of October 15, 2021. Considered new site not subject to by-right development. | | | |
| Site Description and Factors Supporting Development | Retail center with automotive, restaurant and personal care businesses, built in 1989 and essentially unimproved since then. Two vacant units, representing approximately 8.5% of the total building square footage of 40,000 sq. ft. Other units have recently turned over. Prior to rezoning to RPD 30, the site previously had a maximum FAR of 1.0, and maximum square footage of 198,198 square feet of commercial space. However, the site has an overall existing FAR of 0.21, with only 41,671 square feet existing. Other than occasional tenant improvements and reroofing in 2019, the property has not experienced any major upgrades by the landlord. Two out of 5 built parcels on site are under-utilized (Improvement:Land AV Ratio of under 1.0 for those parcels). Businesses are marginal/relocatable, including cleaners, restaurant, math tutoring and automotive repair. National trends show automotive repair functions declining as cars have become more efficient. Longer-term move to electric vehicles is likely to further impact this sector. Site is located in City's Core Area Vision Plan Area, which will include access to retail, entertainment and recreational opportunities for residents if site is residentially redeveloped. Infrastructure in place. | | | |
| Potential Income Distribution of Units | Extremely/Very Low | Low | Moderate | Above Moderate |
| | 36 | 22 | 22 | 37 |

Site 6: Town Center. Aerial Parcel View



Site 6: Town Center. Aerial Parcel View

| | | | | |
|--|--|------------|-----------------|-----------------------|
| Site ID | 6: Town Center, 28331 Marguerite Parkway | | | |
| Assessor's Parcel Number(s) | 740-016-03 | | | |
| Lot Consolidation | N.A. Single Parcel | | | |
| Original Zoning/Zoning Approved for RHNA | Commercial Highway (CH) / RPD 30 (OVERLAY) | | | |
| Size | 3.29 Acres (entire site is developable, per Related Company feasibility study) | | | |
| Maximum Density/ Realistic Density | 30 du/acre / 19 du/acre | | | |
| Maximum Potential Unit Capacity/Realistic Capacity | 99 / 62 | | | |
| Property Owner/Developer Interest | Yes. Owners have indicated to City that they are interested in residential redevelopment possibilities as part of the Housing Element. | | | |
| TCAC Site Amenity Score | 18 (High score – good proximity to transit, public parks, grocery stores, public schools, medical facilities, pharmacies). TCAC limits Site Amenity points to 15. | | | |
| Site Identified in Previous Housing Element | No. Rezoned prior to statutory deadline of October 2015, 2021. Considered new site not subject to by-right development. | | | |
| Site Description and Factors Supporting Development | The largest parcel out of the four comprising Town Center is proposed for residential redevelopment. Strip mall built in 1980, that has recently had a number of tenants vacating (Pier 1 Imports, Jos. A. Bank, DSW Shoes). Façade renovation has recently occurred, but owners have indicated to City that they are interested in residential redevelopment possibilities as part of the Housing Element. There is a high likelihood of conversion to residential use, given the history of the site as a retail center. | | | |
| Potential Income Distribution of Units | Extremely/Very Low | Low | Moderate | Above Moderate |
| | 19 | 11 | 11 | 21 |

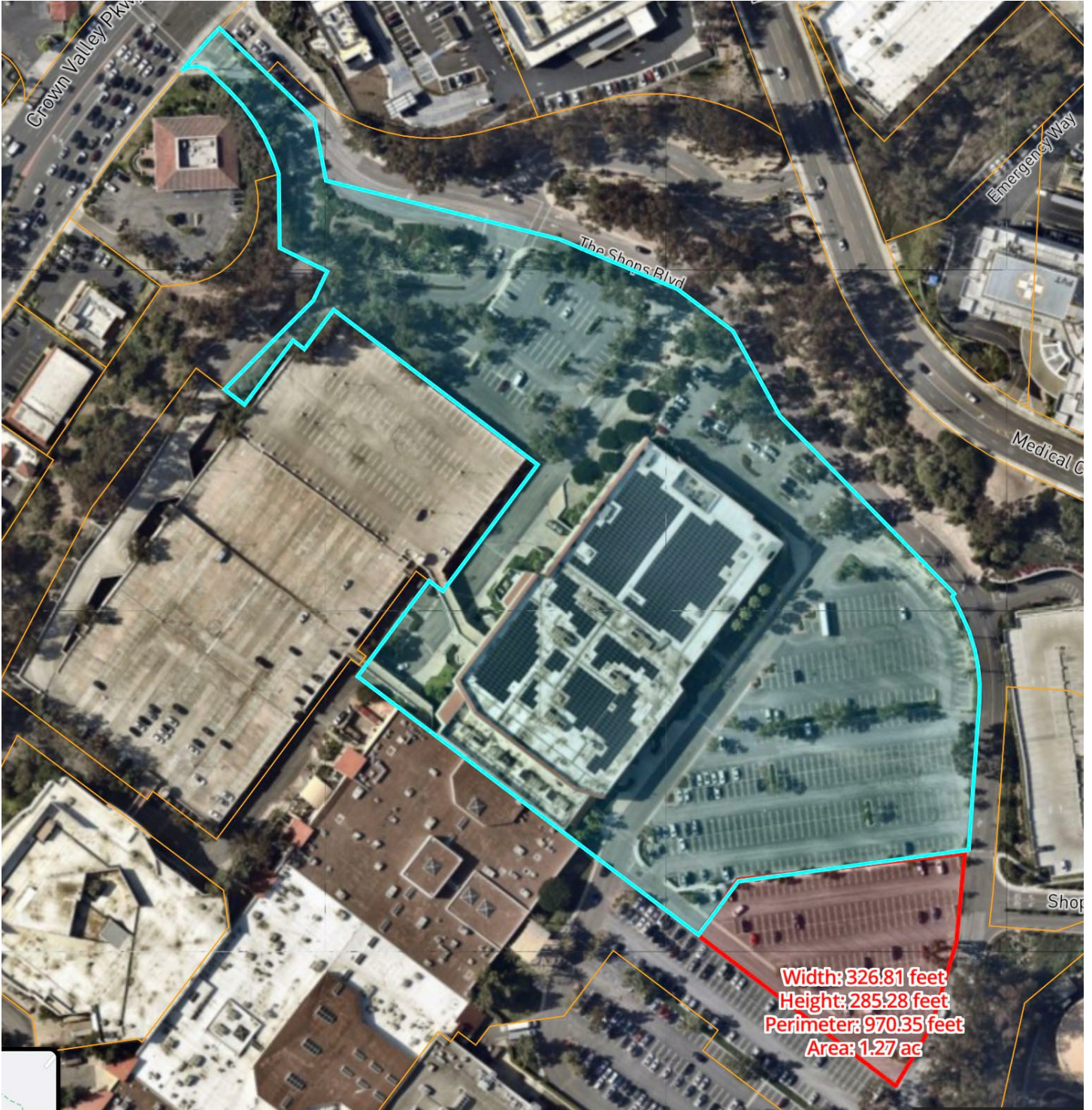
Site 7: College Center. Aerial Parcel View



Site 7: College Center. Data Summary

| | | | | |
|--|--|------------|-----------------|-----------------------|
| Site ID | 7: College Center, 28171 Marguerite Parkway | | | |
| Assessor's Parcel Number(s) | 740-011-15 | | | |
| Lot Consolidation | N.A. Single Parcel | | | |
| Original Zoning/Zoning Approved for RHNA | Commercial Highway (CH) / RPD 30 (OVERLAY) | | | |
| Size | 7.75 Acres (gross); approximately 5.89 developable, per Related Company feasibility study | | | |
| Maximum Density/ Realistic Density | 30 du/acre / 19.4 du/acre | | | |
| Maximum Potential Unit Capacity/Realistic Capacity | 177 / 114 | | | |
| Property Owner/Developer Interest | Yes. Property owner has had communications with City re potential for mixed use residential redevelopment as part of the Housing Element. | | | |
| TCAC Site Amenity Score | 17 (High score – good proximity to transit, public parks, library, grocery stores, public schools, medical facilities, pharmacies). TCAC limits Site Amenity points to 15. | | | |
| Site Identified in Previous Housing Element | No. Rezoned prior to statutory deadline of October 2015, 2021. Considered new site not subject to by-right development. | | | |
| Site Description and Factors Supporting Development | Close to Site 6 in Housing Element. Strip mall, built 1981, with few improvements since then. Site has struggled as a commercial center, having lost major tenants (e.g. Jared Galleria Jewelry, Kwik Kopy Printing, Papa John's Pizza). A bank, food outlets and a US Armed Forces Career Center remain. Infrastructure in place. | | | |
| Potential Income Distribution of Units | Extremely/Very Low | Low | Moderate | Above Moderate |
| | 34 | 21 | 21 | 38 |

Site 8: Macy's. Aerial Parcel View



Site 8: Macy's. Data Summary

| | | | | |
|--|--|------------|-----------------|-----------------------|
| Site ID | 8: Macy's and part of parking lot, 27000 Crown Parkway | | | |
| Assessor's Parcel Number(s) | 740-121-26, 740-121-30 (part) | | | |
| Lot Consolidation | The two parcel owners (Macy's, Simons) are amenable to the project. | | | |
| Original Zoning/Zoning Approved for RHNA | Commercial Highway (CH) / RPD 80 (OVERLAY) | | | |
| Size | 11.327 Acres. | | | |
| Maximum Density/ Realistic Density | 80 du/acre / 54 du/acre | | | |
| Maximum Potential Unit Capacity/Realistic Capacity | 906 / 612 | | | |
| Property Owner/Developer Interest | Yes. The owners (Simon Inc and Macy's) have requested the option of mixed- use development in discussions with the City concerning the Housing Element. Macy's has a second store at this mall site. Both owners have a successful track record of redeveloping mall sites in this fashion, at this zoning density. | | | |
| TCAC Site Amenity Score | 21 (High score – good proximity to transit, public parks, library, grocery stores, public schools, medical facilities, pharmacies). TCAC limits Site Amenity points to 15. | | | |
| Site Identified in Previous Housing Element | No. Rezoned prior to statutory deadline of October 2015, 2021. Considered new site not subject to by-right development. | | | |
| Site Description and Factors Supporting Development | Proposed site is a mixed use overlay of commercial and residential uses for approximately one quarter of the current mall site. Originally built in 1979, remodeled 1997. Declining foot traffic, affecting malls across the country, as e-commerce rises; site is under-utilized. Infrastructure is in place. Development will most likely occur by demolishing one of the two Macy's store in the complex, and use of the parking lot, using less than 10 acres of the site. | | | |
| Potential Income Distribution of Units | Extremely/Very Low | Low | Moderate | Above Moderate |
| | 188 | 110 | 109 | 205 |

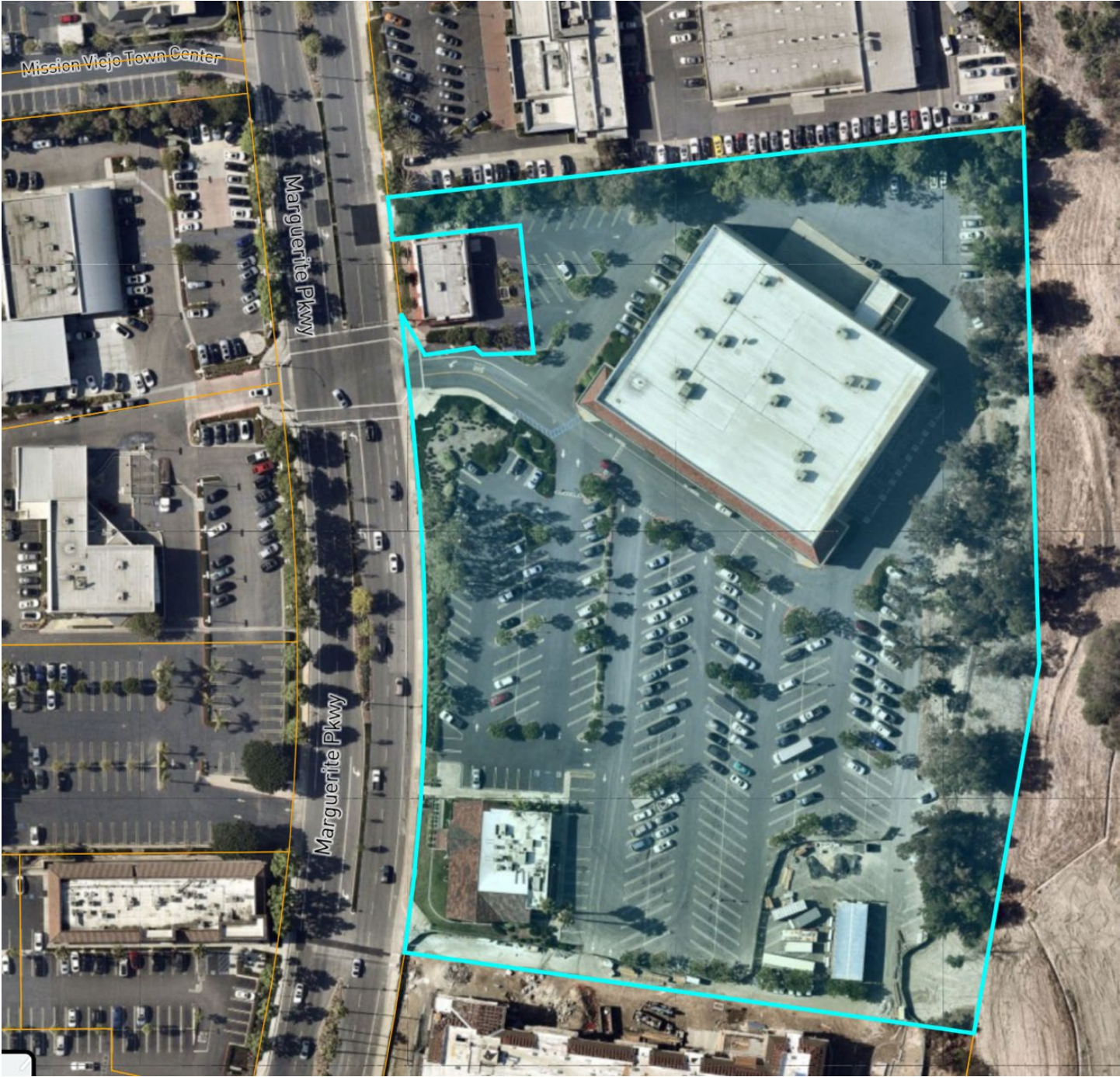
Site 9: Grace Church Parking Lot. Aerial Parcel View



Site 9: Grace Church Parking Lot. Data Summary

| | | | | |
|--|--|------------|-----------------|---------------------------|
| Site ID | 9: Grace Church Parking Lot, next to 26052 Trabuco Rd | | | |
| Assessor's Parcel Number(s) | 809-521-11 | | | |
| Lot Consolidation | N.A. Single Parcel | | | |
| Original Zoning/Zoning Approved for RHNA | Commercial Neighborhood (CN) / RPD 50 | | | |
| Size | 2.38 Acres (2.0 acres is developable, per Related Company feasibility study, due to slope issues) | | | |
| Maximum Density/ Realistic Density | 50 du/acre / 21.8 du/acre (per Related Company feasibility study.) | | | |
| Maximum Potential Unit Capacity/Realistic Capacity | 100 / 52 (per Related Company feasibility study.) | | | |
| Property Owner/Developer Interest | Yes. Developer with substantial experience working with religious institutions re developing affordable housing solutions has been in contact regarding residential development potential. | | | |
| TCAC Site Amenity Score | 16 (Moderate/High score – proximity to transit, public parks, grocery stores, public schools, medical facilities, pharmacies). TCAC limits Site Amenity points to 15. | | | |
| Site Identified in Previous Housing Element | No. Rezoned prior to statutory deadline of October 15, 2021. Considered new site not subject to by-right development. | | | |
| Site Description and Factors Supporting Development | Seldom used overflow parking lot for the adjacent church. Almost entirely flat and undeveloped site, but a moderate slope at one end which was discounted from the Related Company feasibility study. Close to employment centers in both Lake Forest and Mission Viejo. Infrastructure is in place. | | | |
| Potential Income Distribution of Units | Extremely/ Very Low | Low | Moderate | Above Moderate |
| | 17 | 9 | 9 | 17 |

Site 10: Burlington Site. Aerial Parcel View



Site 10: Burlington Coat Factory. Data Summary

| | | | | |
|--|--|------------|-----------------|-----------------------|
| Site ID | 10: Burlington Coat Factory, 28452 Marguerite Parkway | | | |
| Assessor's Parcel Number(s) | 740-012-28 | | | |
| Lot Consolidation | N.A. Single Parcel | | | |
| Original Zoning/Zoning Approved for RHNA | Commercial Highway (CH) / RPD 50 (OVERLAY) | | | |
| Size | 6.9 Acres (entire site is developable, per Related Company feasibility study) | | | |
| Maximum Density/ Realistic Density | 50 du/acre / 32 du/acre | | | |
| Maximum Potential Unit Capacity/Realistic Capacity | 345 / 220 | | | |
| Property Owner/Developer Interest | Yes. Property owner's representative has approached the City regarding rezoning to residential usage, and is motivated. | | | |
| TCAC Site Amenity Score | 21 (High score – good proximity to transit, public parks, library, grocery stores, public schools, medical facilities, pharmacies). TCAC limits Site Amenity points to 15. | | | |
| Site Identified in Previous Housing Element | No. Rezoned prior to statutory deadline of October 15, 2021. Considered new site not subject to by-right development. | | | |
| Site Description and Factors Supporting Development | Building on site built 1979, and little facilities improvement since then. Has operated as Burlington's since 1998. Site is assessed as underdeveloped and underperforming. Lease with Burlington will expire in 2024. | | | |
| Potential Income Distribution of Units | Extremely/Very Low | Low | Moderate | Above Moderate |
| | 67 | 40 | 39 | 74 |

Site 11: Vista del Lago Apartments. Aerial Parcel View



Site 11: Vista del Lago Apartments. Data Summary

| | | | | |
|---|---|------------|-----------------|-----------------------|
| Site ID | 11: Vista del Lago Apartments, 21622 Marguerite Parkway | | | |
| Assessor's Parcel Number(s) | 836-211-45 | | | |
| Lot Consolidation | N.A. Single Parcel | | | |
| Original Zoning/Zoning Approved for RHNA | RPD 30 / RPD 50 | | | |
| Size | 33.73 Acres, 29.41 Acres buildable per Related Company feasibility study. (NOTE: only a portion of the site to be redeveloped to full RPD 50. Site currently developed at 21 du/acre.) | | | |
| Maximum Density/ Realistic Density (of redeveloped portion) | 50 du/acre / 32.5 du/acre | | | |
| <u>NET</u> Maximum Potential Unit Capacity/<u>NET</u> Realistic Capacity | 650 / 553 | | | |
| Property Owner/Developer Interest | Yes. Property owner, Equity Residential, has contacted the City to request inclusion in the Housing Element and is supportive of the higher zoning density of 50 units/acre. According to the property owner, "Considering the age of the property, it is likely that a combination of upgrades and redevelopment of the property, as opposed to only the renovation of the existing units, would be the preferred alternative for the property." City and property owner assume redevelopment of 17 acres of the property, resulting in a net increase of 650 units. The project would be phased, and tenant turnover is estimated by the property owner to be sufficient to avoid or minimize any necessary tenant off-site relocation. Owner is extremely motivated and is in the process of planning redevelopment of portion of site. Construction would be phased within the Housing Element planning period to accomplish the increase in density. City has assumed a more conservative redevelopment total than the Related Study calculated. | | | |
| TCAC Site Amenity Score | 20 (High score – good proximity to transit, public parks, library, grocery stores, public schools, medical facilities, pharmacies). TCAC limits Site Amenity points to 15. | | | |
| Site Identified in Previous Housing Element | No. Rezoned prior to statutory deadline of October 15, 2021. Considered new site not subject to by-right development. | | | |
| Site Description and Factors Supporting Development | Existing 608-unit apartment complex, built 1987. Whole site developed at approximately 21 units/acre, far below zoning potential. The current zoning of RPD 50 and redevelopment of part of the site would allow a net increase of as many as 650 additional units, although the City is conservatively estimating a 553-unit increase. As mentioned above, there is strong owner interest in redevelopment at RPD 50. Infrastructure in place. | | | |
| Potential Income Distribution of <u>Net</u> Units | Extremely/Very Low | Low | Moderate | Above Moderate |
| | 168 | 100 | 99 | 186 |



March 22, 2022

Ms. Elaine Lister
Director of Community Development
City of Mission Viejo
200 Civic Center
Mission Viejo, CA 92691

RE: Silverado Plaza – Preliminary Site and Feasibility Analysis

Dear Elaine:

Per our Consulting Services Agreement dated August 1, 2021, The Related Companies of California is pleased to present the City of Mission Viejo with an affordable housing feasibility analysis of Silverado Plaza located at 25542 Jeronimo Road (the “Project Site”). This initial assessment of the Project Site is composed of a California Tax Credit Allocation Committee (TCAC) site amenity score and a density study to determine the number of units that can be accommodated on the site.

1. TCAC Site Amenity Score

- Amenity Score - The Project Site is ideally located from a TCAC site amenity standpoint, making it eligible to receive 18 points as a Large Family development, satisfying the 15-point TCAC maximum Site Amenity Score. (See Attachment #1 - TCAC Site Amenity Score.)

2. Density Study

- Developable Space - The Project Site is roughly 1.5 acres and is flat allowing the entire site to be developed.
- Unit Yield - A massing study site plan was prepared yielding 63 affordable family units at a density of 42 units per acre. (See Attachment #2 - Massing Study Site Plan.) Buildings are assumed to be 3 and 4-story, stacked flat structures, served by an elevator, reaching a maximum building height of roughly 45 feet. The site would need to be re-zoned through an entitlement process to permit the proposed residential development.
- Parking – All parking shown is surface parking with tuck-under, tandem and open-air space parking proposed. 1 parking space is provided for each one 1-bedroom unit, 1.5 spaces for each 2-bedroom unit, and 2 spaces for each 3-bedroom unit.

In conclusion, it is Related's opinion that Site C could yield up to 63 affordable housing units. Should you have any questions about this initial study, please let us know.

Sincerely,

Joseph Baclit
Project Manager

Attachments

1. TCAC Site Amenity Score
2. Massing Study Site Plan

TCAC Site Amenity Score

Mission Viejo - Silverado Plaza

25542 Jeronimo Rd., Mission Viejo, CA 92691

| Site Amenity Type | Amenity Name | Address | Distance (miles) | Points Earned | Max Points Possible |
|-------------------|--------------------------------|--|------------------|---------------|---------------------|
| Transit | Bus Route 86 | Intersection of Los Alisos Blvd. & Jeronimo Rd., Mission Viejo, CA 92692 | 0.07 | 4 | 7 |
| Public Park | Heroes Park | 25420 Jeronimo Road Lake Forest, CA 92630 | 0.08 | 3 | 3 |
| Grocery Store | Mission Ranch Market | 23166 Los Alisos Blvd Mission Viejo, CA 92691 | 0.47 | 3 | 5 |
| Public School | Los Alisos Intermediate School | 25171 Moor Ave. Mission Viejo, CA 92691 | 0.43 | 3 | 3 |
| Medical Clinic | Memorial Care Medial Group | 23512 Madero Mission Viejo, CA 92691 | 0.45 | 3 | 3 |
| Pharmacy | CVS Pharmacy | 25601 Jeronimo Rd. Mission Viejo | 0.24 | 2 | 2 |
| Total Score: | | | | 18 | 15 ⁽¹⁾ |

Footnotes:

(1) TCAC limits Site Amenity points to 15.

LOS ALISOS BLVD.

JERONIMO ROAD



SITE AREA: 1.497 ACRES
 NUMBER OF UNITS: 63 FAMILY APARTMENTS
 DENSITY: 42 UNITS/ ACRE
 BUILDING HEIGHT: +/- 45 FEET

| UNIT TYPE | SF. | NO. | MIX% |
|-----------|---------|-----|-------|
| 1 BR/1 BA | 600 SF | 30 | 47.6% |
| 2 BR/1 BA | 875 SF | 17 | 27.0% |
| 3 BR/2 BA | 1125 SF | 16 | 25.4% |

PARKING PROVIDED:

| | | |
|------|-----------|-----------------------------------|
| 1 BR | 30 SPACES | (1:1) |
| 2 BR | 26 SPACES | (1.5:1) |
| 3 BR | 32 SPACES | (2:1) (note: 8 spaces are tandem) |

TOTAL: 88 SPACES 1.39 SPACES/UNIT

COMMON AREAS: +/- 3300 SF

MISSION VIEJO HOUSING SITES SILVERADO PLAZA

FAMILY APARTMENTS

RELATED CALIFORNIA

3-22-2022



November 16, 2021

Ms. Elaine Lister
Director of Community Development
City of Mission Viejo
200 Civic Center
Mission Viejo, CA 92691

RE: SITE C – Preliminary Site and Feasibility Analysis

Dear Elaine:

Per our Consulting Services Agreement dated August 1, 2021, The Related Companies of California is pleased to present the City of Mission Viejo with an affordable housing feasibility analysis of Site C located on Center Drive ("Site C").

This initial assessment of Site C is composed of 1) a California Tax Credit Allocation Committee (TCAC) site amenity score; 2) a density study to determine the number of units that can be accommodated on the site; and 3) a preliminary proforma financial analysis. It is important to note that due to the large size of Site C we are recommending splitting its development into four phases to maximize the amount of 9% tax credits the project is eligible to receive. Since this is the first feasibility package that we have provided, our financial analysis has been limited to Phase 1. After the City's review, and our refinement of the package, assessment of the addition three phases can be performed.

1. TCAC Site Amenity Score

- Amenity Score - The site is ideally located from a TCAC site amenity standpoint, making it eligible to receive 22 points as a Large Family development, easily satisfying the 15-point TCAC maximum Site Amenity Score. (See Attachment #1 - TCAC Site Amenity Score.)

2. Density Study

- Developable Space - Although the site is 32.8 acres, much of it is composed of steep-sloped canyon terrain. To prepare the site for construction, extensive grading and retaining walls will be required which will significantly reduce the amount of usable space. This is illustrated by the Mass Grading Exhibit prepared by civTEC, in which, of the 32.8 acres, only 5.8 acres are shown as a buildable pad. Our Civil Engineer has reviewed the proposed pad layout and design. However, to confirm the proposed usable pad allotment, an aerial survey and a geotechnical study would be needed. (See Attachment #2 – Civil Opinion Letter.)
- Unit Yield - Using civTEC's proposed pad size of 5.8 acres, a massing study site plan was prepared yielding 215 affordable units at a density of 37.1 units per developable acre. (See Attachment #3 - Massing Study Site Plan.) Buildings are assumed to be 3-story, 34'-40' tall, walk-up, stacked flat structures. The site plan was prepared to be consistent with the current zoning of the majority of the site, Residential Planned Development (RPD) Zone 30.

- Parking – All parking shown is surface parking with one parking space provided for each Studio and 1-bedroom unit and two spaces provided for each 2-bedroom and 3-bedroom unit.

Project Phasing Matrix

| | Phase 1 | Phase 2 | Phase 3 | Phase 4 | Total |
|-----------------------|----------------|----------------|----------------|----------------|--------------|
| Units | 52 | 60 | 60 | 43 | 215 |
| Parking Spaces | 80 | 90 | 90 | 65 | 325 |

3. Financial Feasibility / Pro Forma Analysis

- Funding Sources - In addition to conventional construction and permanent loan financing, the following funding sources have been assumed:
 - 9% Tax Credits – California Tax Credit Allocation Committee
 - Eight (8) Permanent Supportive Housing (PSH) project-based vouchers - Orange County Housing Authority
 - Residual Receipts PSH Loan - Orange County Housing Authority
 - Residual Receipts PSH Loan - Orange County Housing Finance Trust (OCHFT)
 - Residual Receipts Acquisition Loan - City of Mission Viejo
 - Residual Receipts Development Loan - City of Mission Viejo (matches OCHFT loan).
- Phasing – TCAC limits the amount of 9% tax credits allocated to the Orange County Geographic Region on an annual basis. This annual allocation is further divided into two funding rounds each year. If the entire development of Site C were to be constructed in one phase, its tax credit request would far exceed the amount of available tax credits in the geographic pool in a typical funding round. Therefore, to maximize the amount of credits Site C is eligible to receive, a four-phase development is proposed, making the project theoretically eligible for tax credits available over the course of four funding rounds (as opposed to one).
- High Construction Costs – Due to Site C’s steep canyon terrain, significant grading and retain wall costs are assumed. To further refine the estimated grading and retaining wall construction costs, we recommend that a preliminary geotechnical investigation and aerial survey be prepared.

In conclusion, it is Related’s opinion that Site C could yield up to 215 affordable housing units. We look forward to having a more detailed discussion with you about these initial findings and any comments you may have.

Sincerely,

Joseph Baclit
Project Manager

Attachments

1. TCAC Site Amenity Score
2. Civil Opinion Letter
3. Massing Study Site Plan
4. Proforma Financial Analysis

TCAC Site Amenity Score

Mission Viejo - Site C / Center Drive

Hillcrest St. & Marguerite Pkwy, Mission Viejo, CA 92692

| Site Amenity Type | Amenity Name | Address | Distance (miles) | Points Earned | Max Points Possible |
|---|--|--|------------------|---------------|---------------------|
| Transit | Bus Route 85/91 | Intersection of Medical Center & Marguerite, Mission Viejo, CA 92692 | 0.38 | 3 | 7 |
| Public Park | Coronado Park | 26652 Las Ondas Dr. Mission Viejo, CA 92692 | 0.63 | 2 | 3 |
| Grocery Store | Crown Valley Market | 27771 Center Dr. Mission Viejo, CA 92692 | 0.35 | 3 | 5 |
| Public School | Capistrano Valley High School | 26301 Via Escolar Mission Viejo, CA 92692 | 0.97 | 3 | 3 |
| Medical Clinic | Providence Mission Hospital Mission Viejo | 27700 Medical Center Rd. Mission Viejo, CA 92691 | 0.53 | 2 | 3 |
| Pharmacy | Mission Medical Pharmacy | 27800 Medical Center Rd., Suite 99 Mission Viejo, CA 92691 | 0.52 | 1 | 2 |
| Opportunity Map - Highest / High Resource | High Resource | | n/a | 8 | 8 |
| Total Score: | | | | 22 | 15 ⁽¹⁾ |

Footnotes:

(1) TCAC limits Site Amenity points to 15.



CIVIL ENGINEERING | PLANNING | SURVEYING

October 27, 2021

Joseph Baclit | Project Manager
Related Companies of California
18201 Von Karman Avenue, Suite 900
Irvine, California 92612

RE: Mission Viejo Site C

Dear Joseph

In response to your inquiry, KES has reviewed the conceptual mass grading exhibit authored by CIVTECH for the subject site. At this time further investigation will need to be conducted to determine adequacy of provided sections as they relate to the existing topography. It is uncertain if the image/edge of the proposed pad is a usable pad limit or projected day light line. KES would recommend a detailed aerial survey to confirm project contours and detailed modeling. The proposed modeling would include grid ticks to ascertain projected retaining elements and day light join connections. This could be a dynamic exhibit/model to further understand earthwork, necessary shoring, or retaining walls.

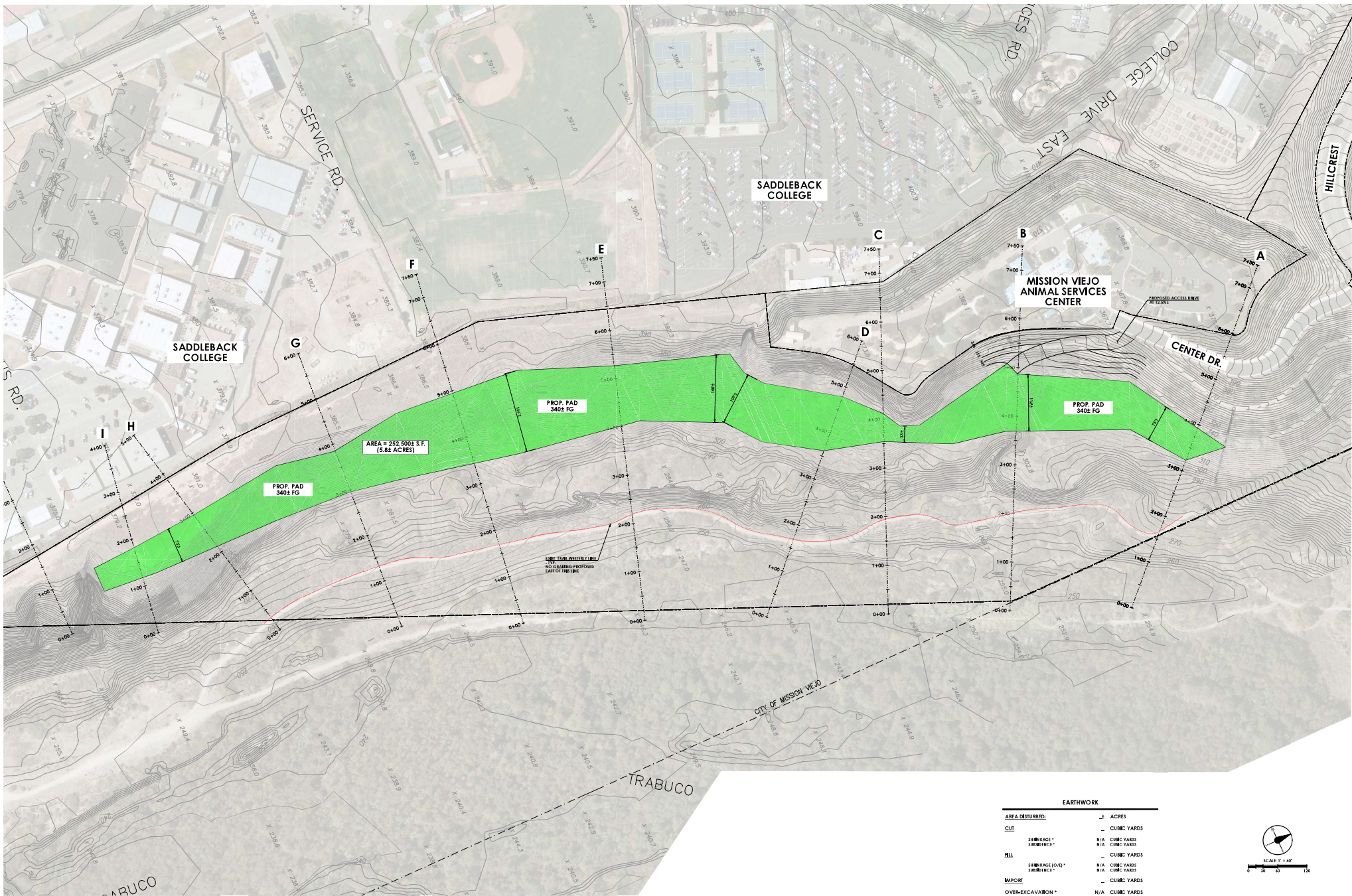
In addition, KES would recommend contracting with a geotechnical engineer to determine the susceptibility to landslide or required set back to the existing sloped edge. KES would encourage additional studies regarding retaining elements, slot cutting, and means/methods of construction. KES would further encourage a structural engineer be consulted regarding footing structural requirements based on pad findings. A detailed cost analysis of required earthwork, retaining walls, shoring, and means/methods of construction should be performed in order to deem this site feasible for development.

If you have any questions, please call.

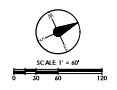
A handwritten signature in black ink, appearing to read 'Daryl Kessler', written in a cursive style.

Daryl Kessler – CEO/President
dkessler@kestechologies.com
949.339.5331

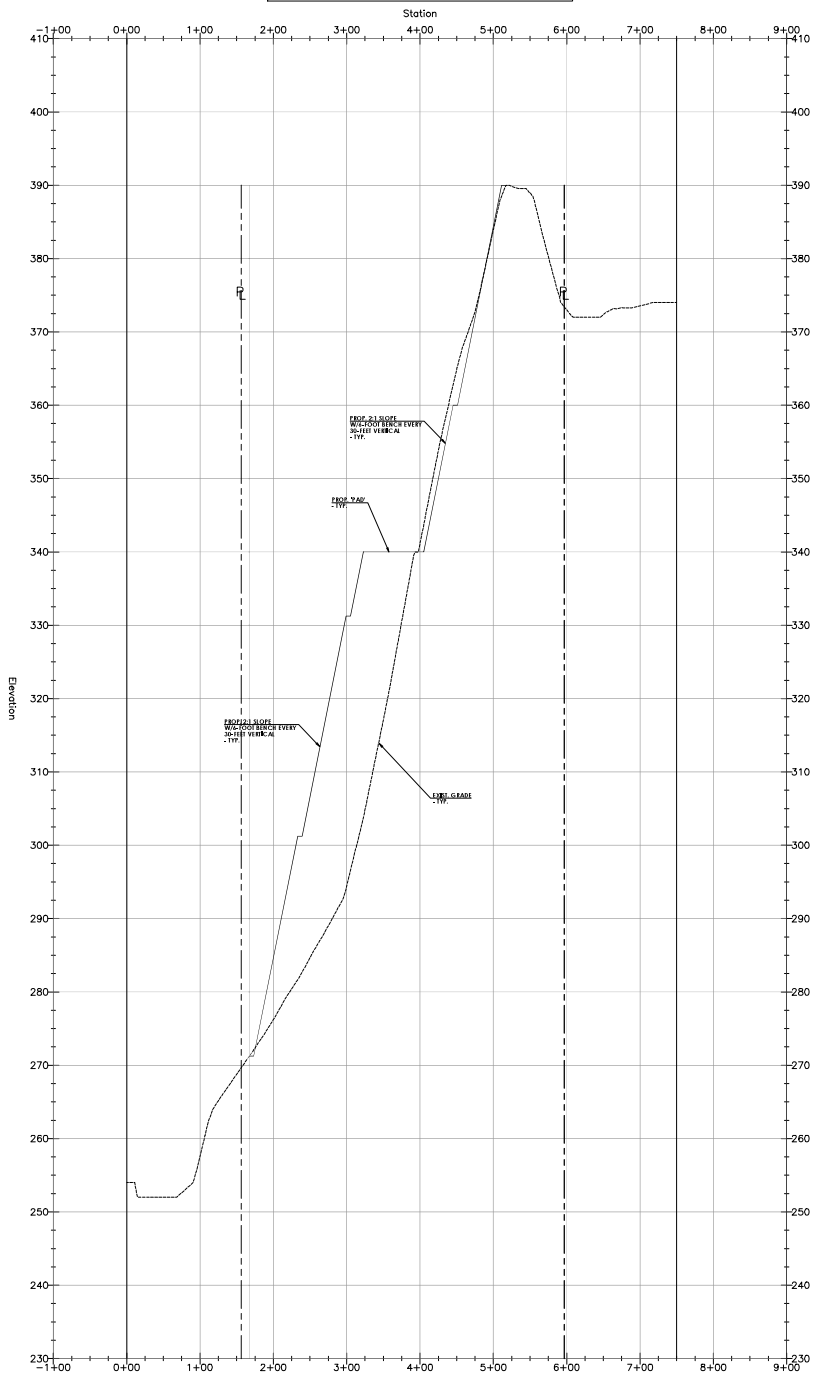
Encl: Mass Grading Exhibit – Site “C” civTEC 9.15.2020



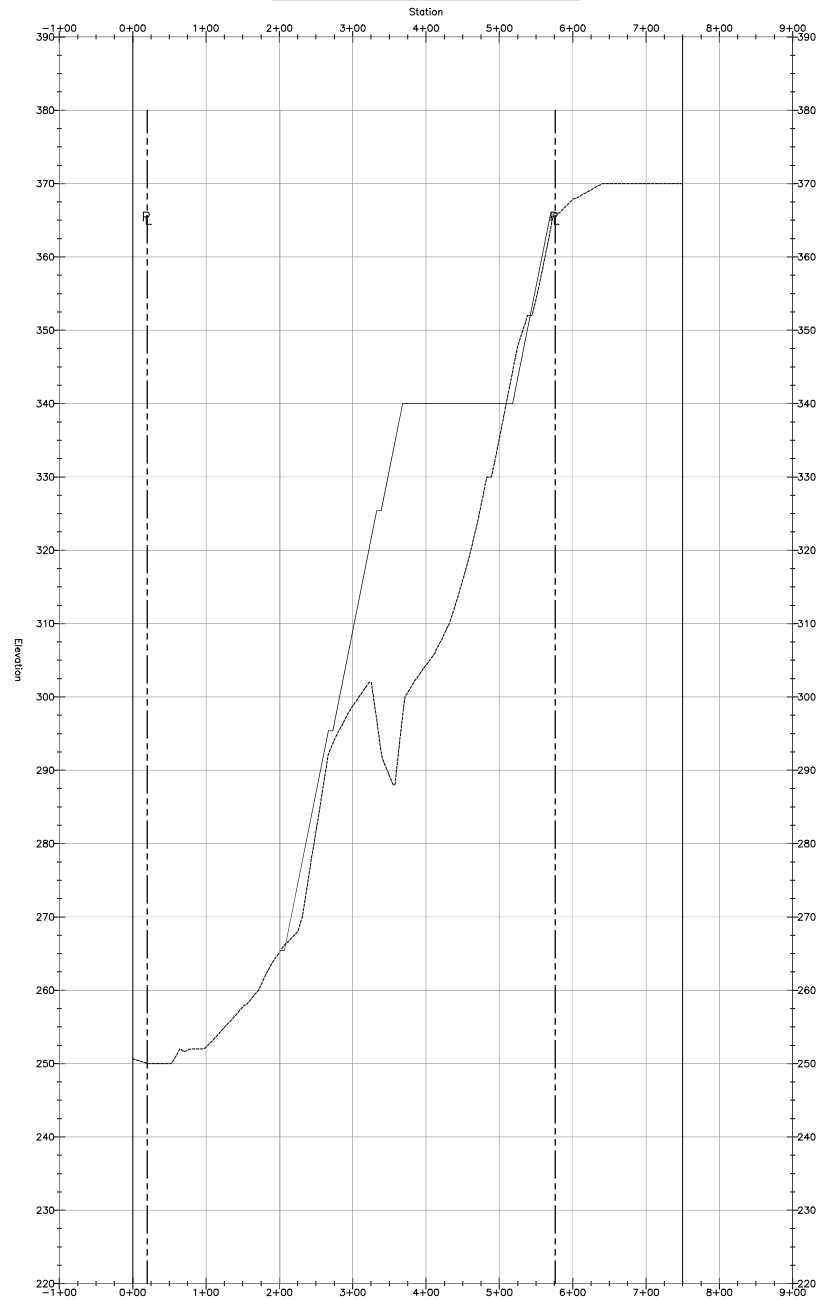
| EARTHWORK | |
|------------------------|-----------------|
| AREA DISTURBED: | ACRES |
| CUT: | CUBIC YARDS |
| SHRINKAGE + | N/A CUBIC YARDS |
| SURFINANCE* | N/A CUBIC YARDS |
| FILL: | CUBIC YARDS |
| SHRINKAGE (0.8)* | N/A CUBIC YARDS |
| SURFINANCE* | N/A CUBIC YARDS |
| IMPORT: | CUBIC YARDS |
| OVER-EXCAVATION* | N/A CUBIC YARDS |
| * UNKNOWN AT THIS TIME | |



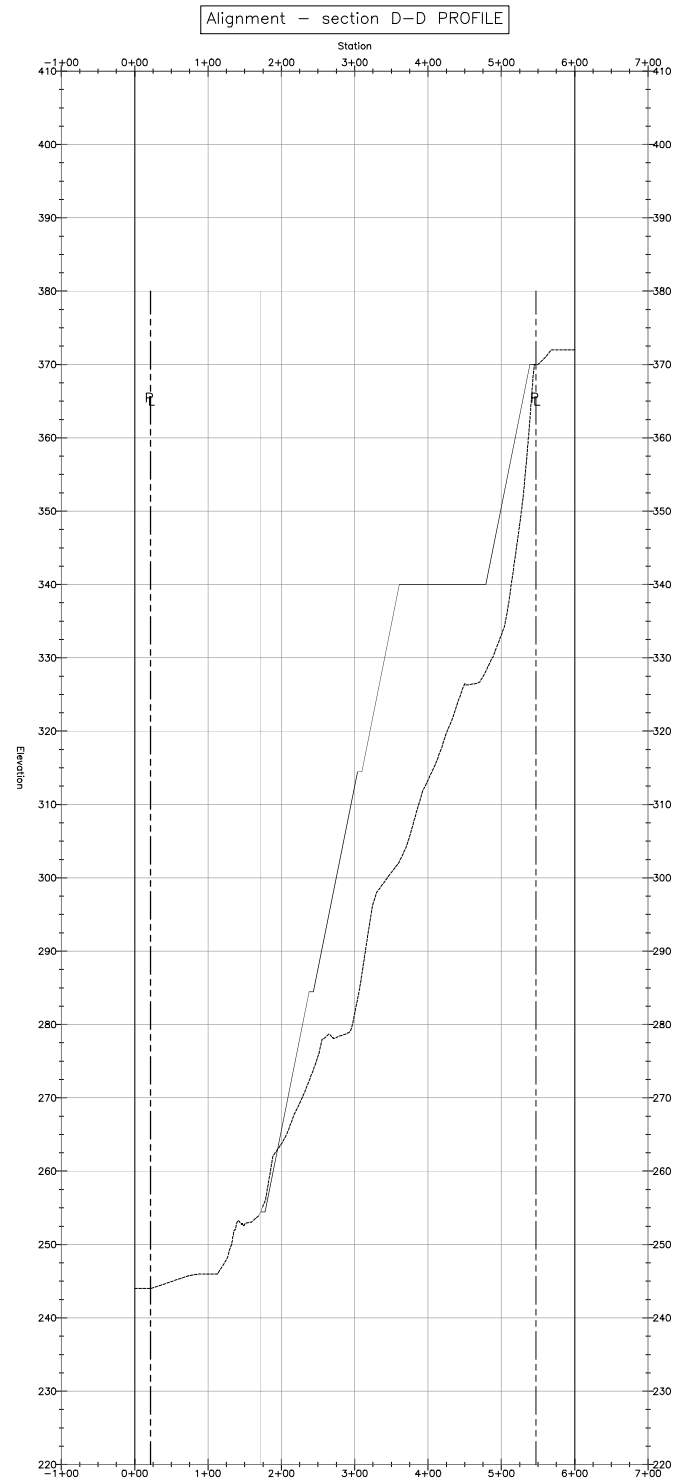
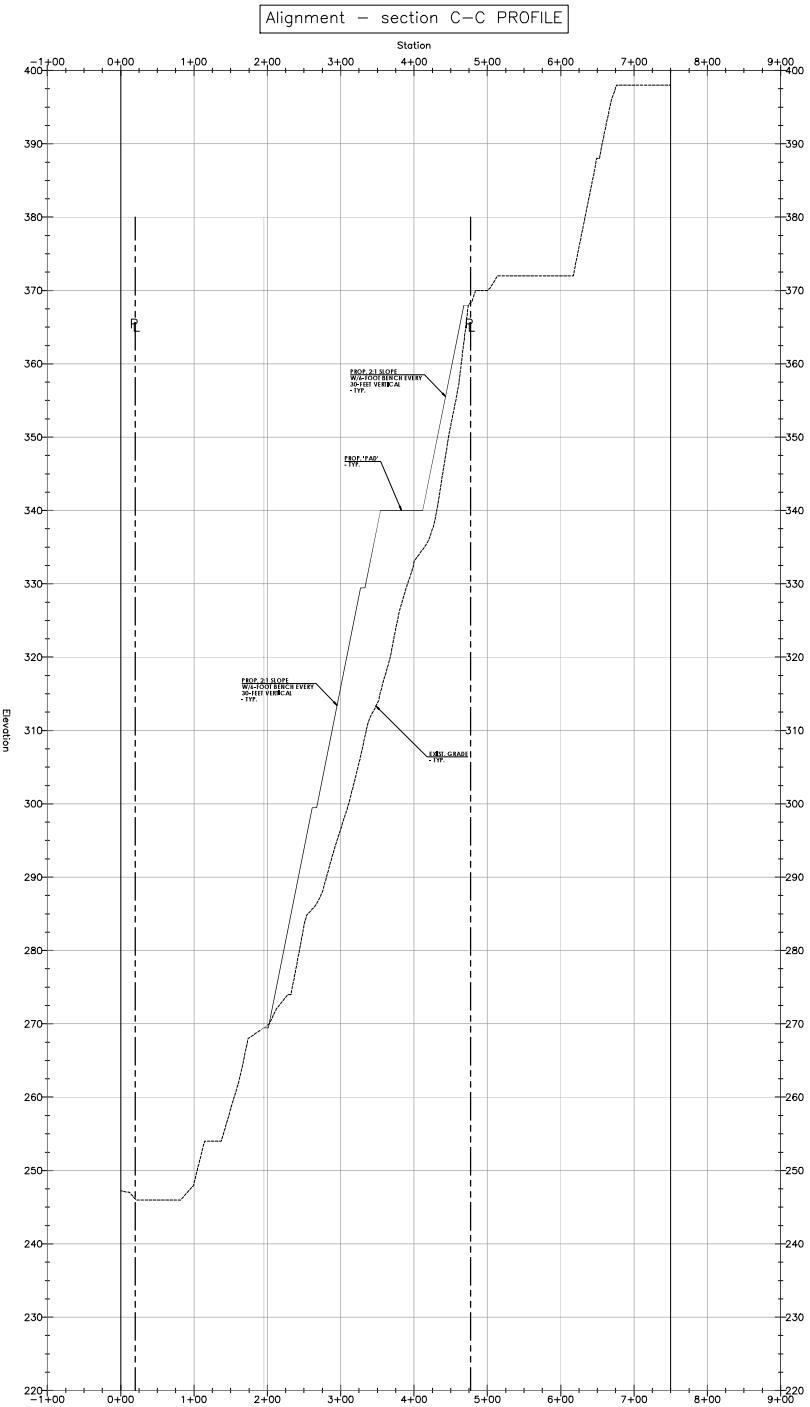
Alignment - section A-A PROFILE



Alignment - section B-B PROFILE

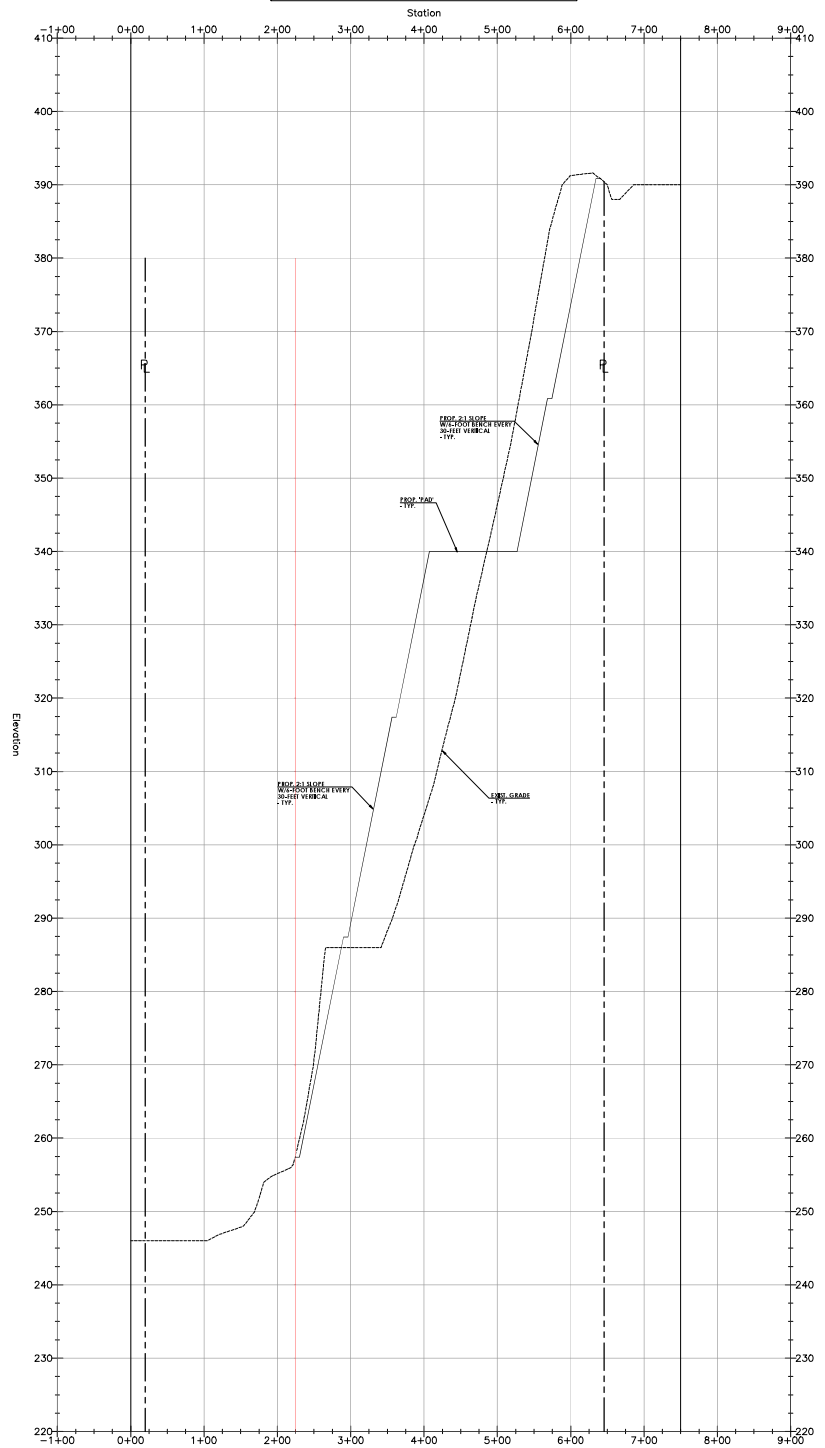


PROFILE SCALE:
 HORIZ.: 1" = 60'
 VERT.: 1" = 6'

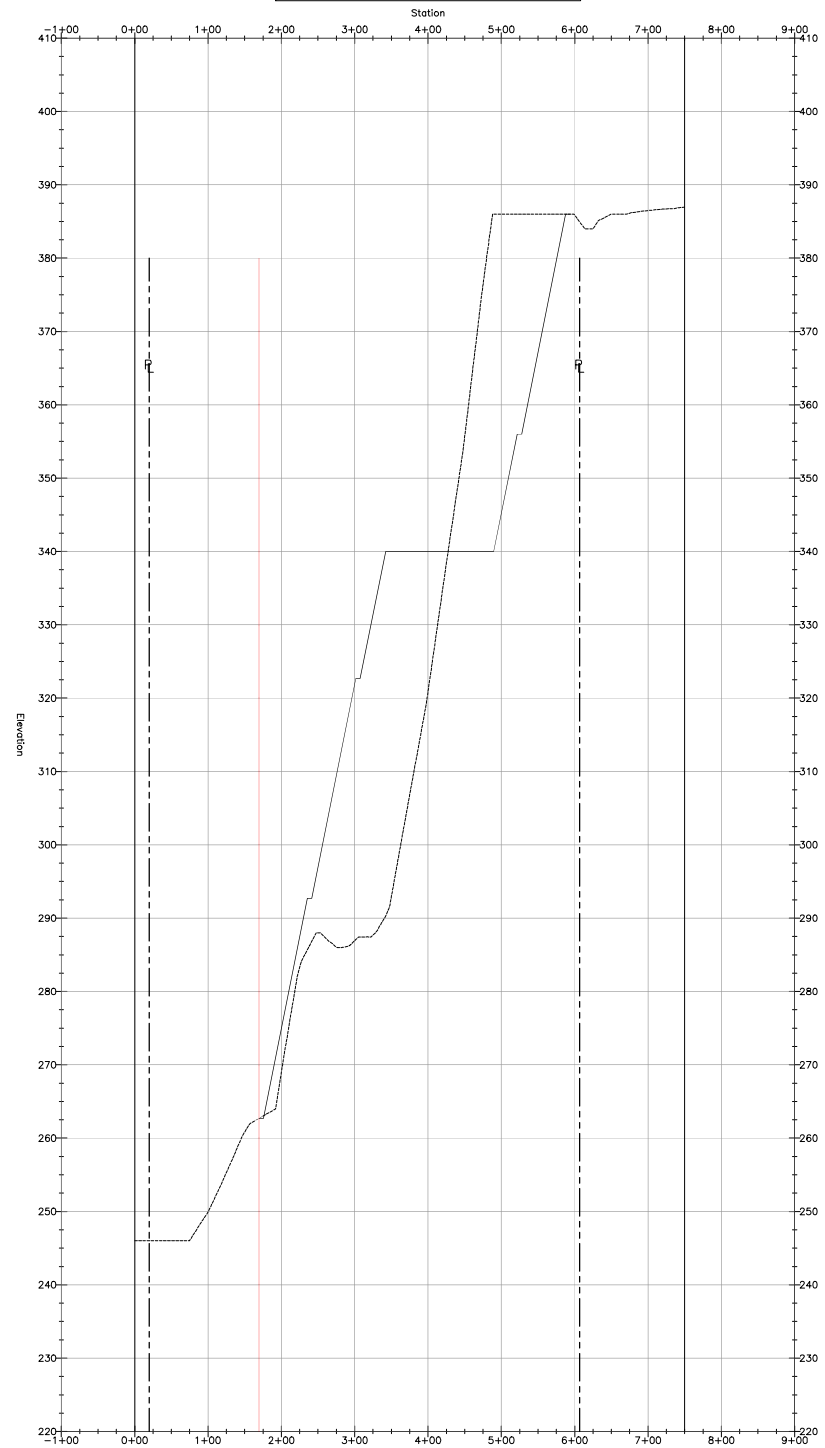


PROFILE SCALE:
 HORIZ.: 1" = 60'
 VERT.: 1" = 6'

Alignment - section E-E PROFILE

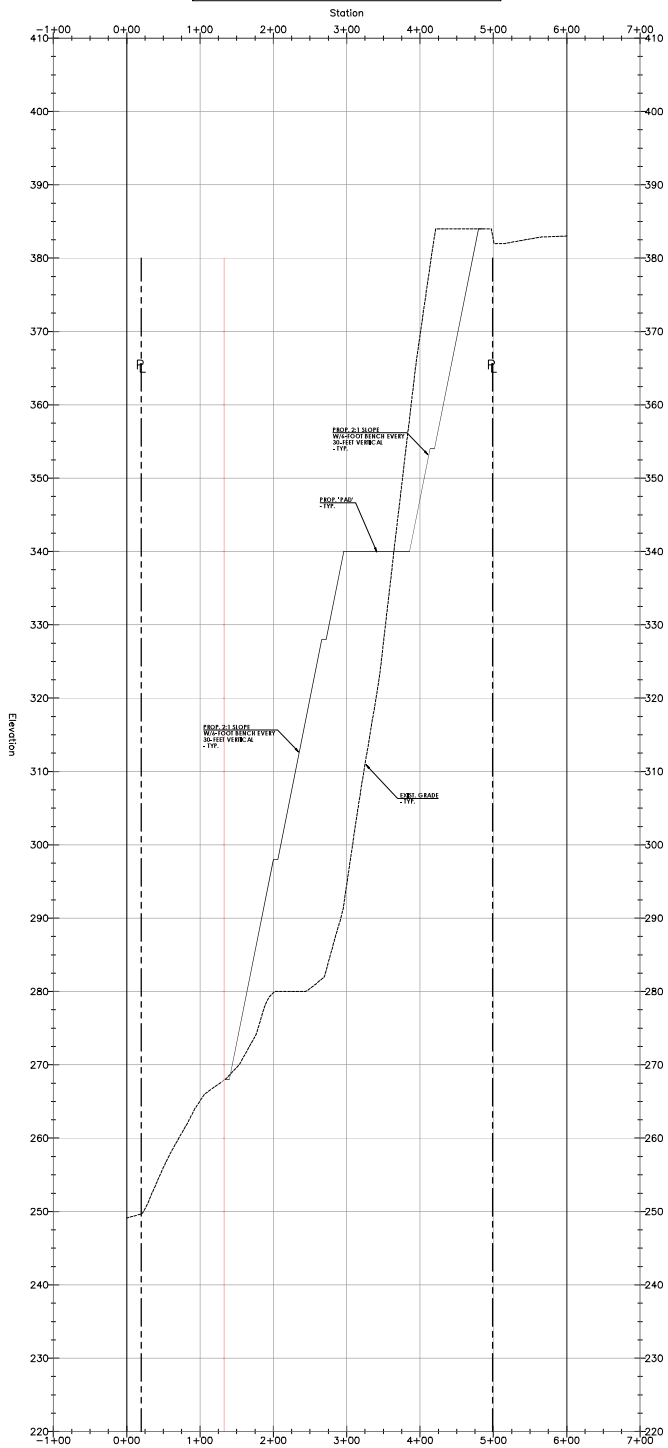


Alignment - section F-F PROFILE

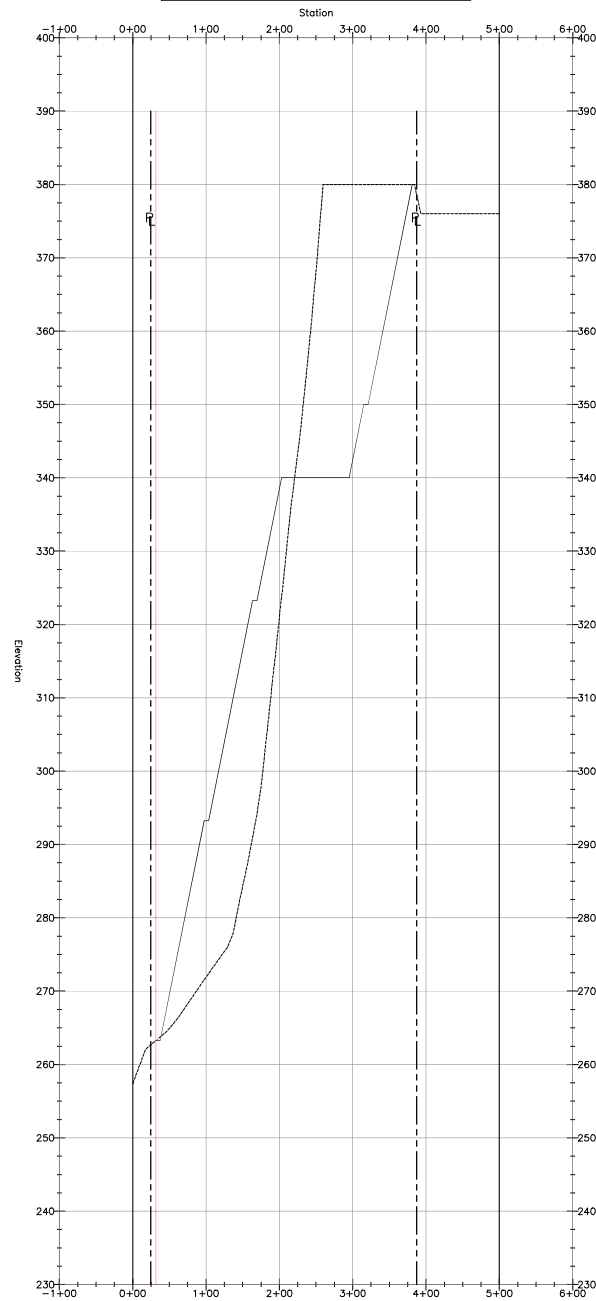


PROFILE SCALE:
 HORIZ.: 1" = 60'
 VERT.: 1" = 6'

Alignment - section G-G PROFILE

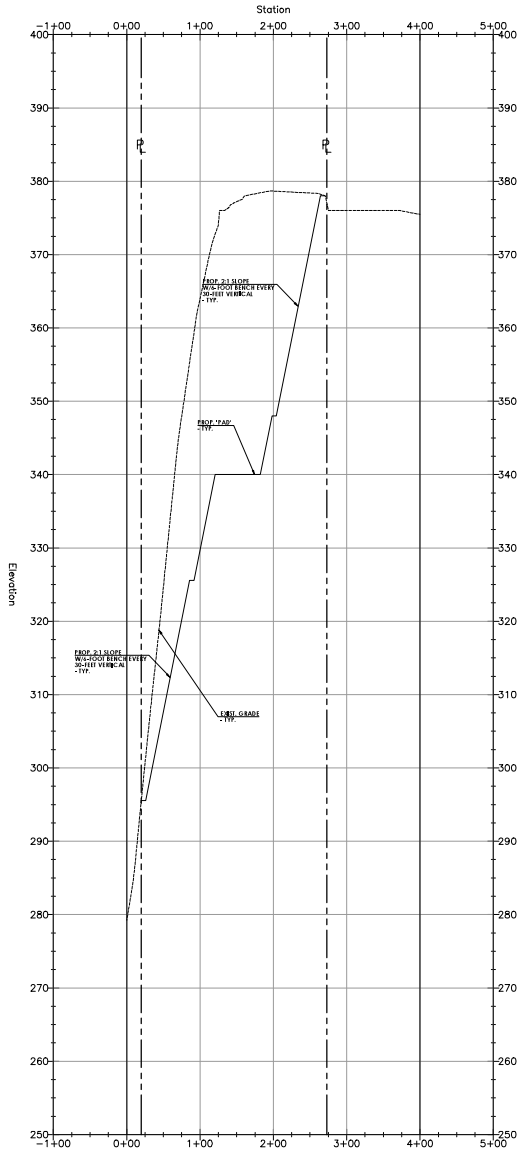


Alignment - section H-H PROFILE

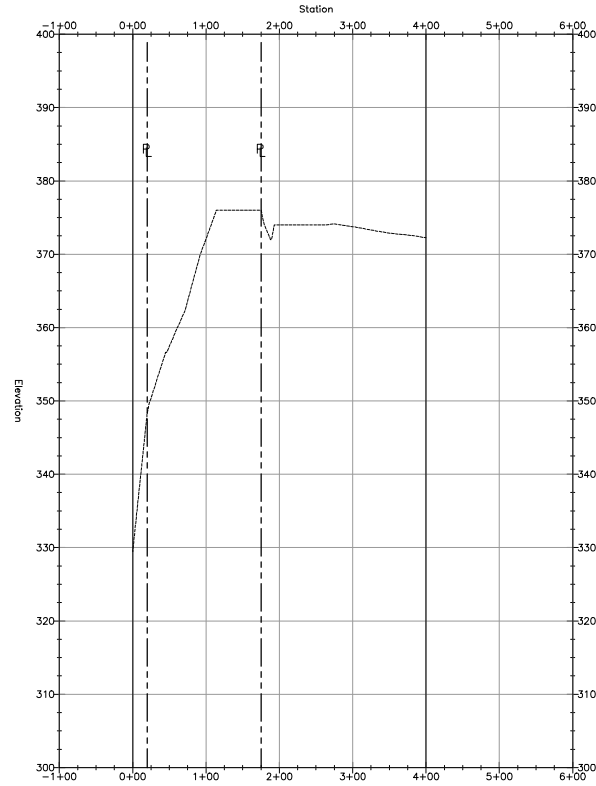


PROFILE SCALE:
 HORIZ.: 1" = 60'
 VERT.: 1" = 6'

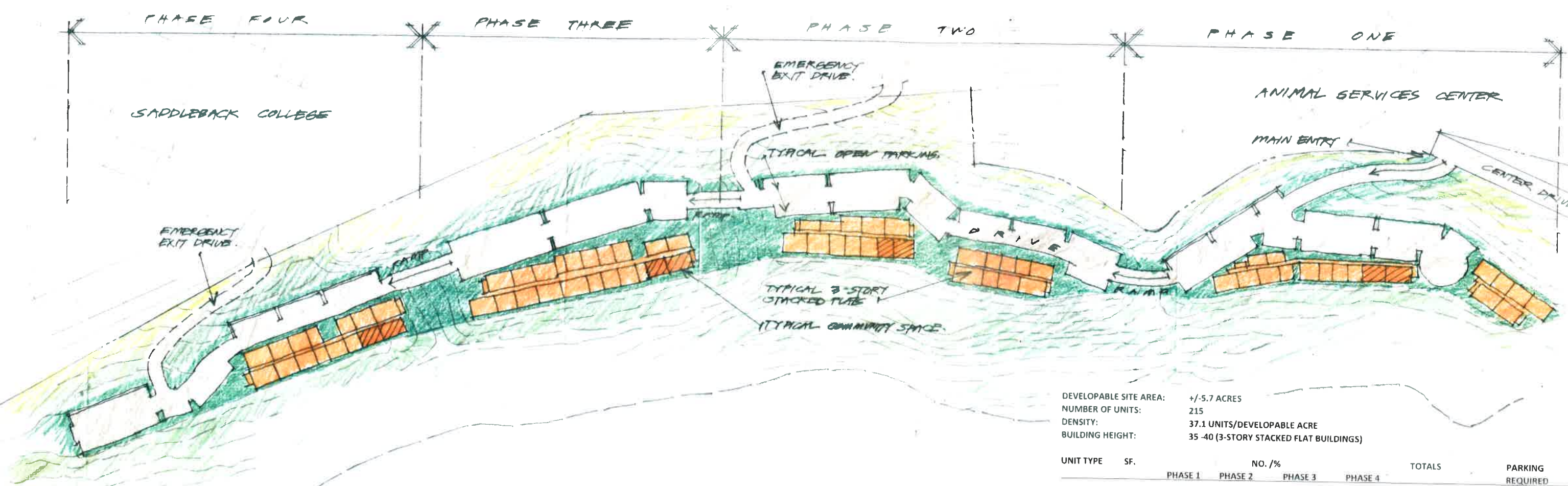
Alignment - section I-I PROFILE



Alignment - section J-J PROFILE



PROFILE SCALE:
 HORIZ.: 1" = 60'
 VERT.: 1" = 6'



DEVELOPABLE SITE AREA: +/- 5.7 ACRES
 NUMBER OF UNITS: 215
 DENSITY: 37.1 UNITS/DEVELOPABLE ACRE
 BUILDING HEIGHT: 35 - 40 (3-STORY STACKED FLAT BUILDINGS)

MASSING STUDY SITE PLAN
MISSION VIEJO HOUSING SITES SITE C
 RELATED CALIFORNIA
 10-11-2021

| UNIT TYPE | SF. | NO. /% | | | | TOTALS | PARKING REQUIRED | PARKING PROVIDED |
|---------------------|-------------|-----------------|-----------------|-----------------|-----------------|-------------------------|---------------------|---------------------|
| | | PHASE 1 | PHASE 2 | PHASE 3 | PHASE 4 | | | |
| STUDIO | 410 | 6 / 11.5% | 6 / 10.0% | 6 / 10.0% | 6 / 14.0% | 24 UNITS (11.2%) | 24 | 24 |
| 1 BR/1 BA | 600 | 18 / 34.5% | 24 / 40.0% | 24 / 40.0% | 15 / 34.8% | 81 UNITS (37.7%) | 81 | 81 |
| 2 BR/1 BA | 875 | 14 / 27.0% | 15 / 25.0% | 16 / 26.6% | 11 / 25.6% | 56 UNITS (26.0%) | 112 | 112 |
| 3 BR/2 BA | 1125 | 14 / 27.0% | 15 / 25.0% | 14 / 23.4% | 11 / 25.6% | 54 UNITS (25.1%) | 108 | 108 |
| TOTALS | | 52 UNITS | 60 UNITS | 60 UNITS | 43 UNITS | 215 UNITS SPACES | 325 SPACES | 325 SPACES |
| COMMUNITY BUILDING: | +/- 2000 SF | +/- 2000 SF | +/- 2000 SF | +/- 1750 SF | | | | |

PROJECT SUMMARY

**Mission Viejo Site C - Phase I (3 story buildings)
Related California**

| Project Data | | Basis Calculations | | |
|---------------------------------------|------------------|----------------------------------|--------------|--------------|
| Project Type | Large Family | Total Eligible Basis | | \$27,256,803 |
| County | Orange | Adjusted Threshold Basis Limit | | \$21,029,977 |
| Total Units | 52 | | | |
| Parking Spaces | 80 | | | |
| Land Area | 8.20 Acres | | | |
| Net Residential Area | 41,260 SF | | | |
| Construction Months | 15 Months | | | |
| Operating Economic Assumptions | | Permanent Sources | | |
| Residential Vacancy Rate | 5.0% | Tax Credit Equity | 20,773,734 | n/a |
| Retail Vacancy Rate | 0.0% | Permanent Financing | 4,142,000 | 242,981 |
| Income Inflator | 3.0% | OCHA - PBS8 Tranche B Loan | 826,000 | 77,099 |
| Expense Inflator | 3.0% | OCHA - PSH Loan | 405,000 | n/a |
| Property Tax Inflator | 2.0% | OCHFT - RR Loan | 1,362,652 | n/a |
| Replacement Reserve Inflator | 3.0% | City of MV - RR Acquisition Loan | 4,420,000 | n/a |
| CPI | 3.0% | City of MV - RR Development Loan | 1,362,652 | n/a |
| | | Total | \$33,292,037 | \$320,080 |
| Stabilized Cash Flow | | Sources and Uses | | |
| | Year 1 | Total Permanent Sources | | \$33,292,037 |
| Gross Scheduled Rent | \$803,628 | Total Development Cost | | 33,292,037 |
| PBV Overhang | \$99,336 | Over/(Under) | | \$0 |
| Laundry Income | 3,744 | | | |
| Other Income | 0 | | | |
| Vacancy & Collection | @ 5.00% (45,335) | | | |
| Effective Gross Income | 861,373 | | | |
| Operating Expenses | (493,207) | | | |
| Net Operating Income | 368,165 | | | |

UNIT DISTRIBUTION

**Mission Viejo Site C - Phase I (3 story buildings)
Related California**

| Number Of Units | Income Category | Source | SF | Gross Rent | Utility Allowance | Net Rent | Net Rent Per SqFt | Monthly Rent | Annual Rent | Unit % | Total Square Footage |
|---|----------------------------|---------------|---------------|-----------------------|------------------------------|---------------------|------------------------------|-------------------------|------------------------|---------------|-------------------------------------|
| Studio | | | | | | | | | | | |
| 6 | 30% HCD (H&SC) | | 410 | \$560 | \$64 | \$496 | \$1.21 | \$2,976 | \$35,712 | 12% | 2,460 |
| <u>6</u> | | | | | | | | | | | |
| 1 Bedroom | | | | | | | | | | | |
| 2 | 30% HCD (H&SC) | | 600 | \$640 | \$74 | \$566 | \$0.94 | \$1,132 | \$13,584 | 4% | 1,200 |
| 1 | 40% TCAC | | 600 | \$1,009 | \$74 | \$935 | \$1.56 | \$935 | \$11,220 | 2% | 600 |
| 5 | 50% TCAC | | 600 | \$1,261 | \$74 | \$1,187 | \$1.98 | \$5,935 | \$71,220 | 10% | 3,000 |
| 10 | 60% TCAC | | 600 | \$1,513 | \$74 | \$1,439 | \$2.40 | \$14,390 | \$172,680 | 19% | 6,000 |
| <u>18</u> | | | | | | | | | | | |
| 2 Bedrooms | | | | | | | | | | | |
| 1 | 30% TCAC | | 875 | \$908 | \$103 | \$805 | \$0.92 | \$805 | \$9,660 | 2% | 875 |
| 3 | 40% TCAC | | 875 | \$1,211 | \$103 | \$1,108 | \$1.27 | \$3,324 | \$39,888 | 6% | 2,625 |
| 3 | 50% TCAC | | 875 | \$1,513 | \$103 | \$1,410 | \$1.61 | \$4,230 | \$50,760 | 6% | 2,625 |
| 6 | 60% TCAC | | 875 | \$1,816 | \$103 | \$1,713 | \$1.96 | \$10,278 | \$123,336 | 12% | 5,250 |
| 1 | Manager | | 875 | \$0 | \$0 | 0 | n/a | \$0 | \$0 | 2% | 875 |
| <u>14</u> | | | | | | | | | | | |
| 3 Bedrooms | | | | | | | | | | | |
| 2 | 30% TCAC | | 1,125 | \$1,049 | \$133 | \$916 | \$0.81 | \$1,832 | \$21,984 | 4% | 2,250 |
| 2 | 40% TCAC | | 1,125 | \$1,399 | \$133 | \$1,266 | \$1.13 | \$2,532 | \$30,384 | 4% | 2,250 |
| 3 | 50% TCAC | | 1,125 | \$1,748 | \$133 | \$1,615 | \$1.44 | \$4,845 | \$58,140 | 6% | 3,375 |
| 7 | 60% TCAC | | 1,125 | \$2,098 | \$133 | \$1,965 | \$1.75 | \$13,755 | \$165,060 | 13% | 7,875 |
| <u>14</u> | | | | | | | | | | | |
| Unit Distribution Summary | | | | | | | | | | | |
| Summary | | | Income | Units | Total % | Unit Size | Units | Total % | | | |
| Total SF | | 41,260 | 30% TC | 11 | 22% | Studio | 6 | 12% | | | |
| Avg. Unit SF | | 793 | 35% TC | 0 | 0% | 1 Bedroom | 18 | 35% | | | |
| Monthly Rent | | \$66,969 | 40% TC | 6 | 12% | 2 Bedrooms | 14 | 27% | | | |
| Annual Rent | | \$803,628 | 45% TC | 0 | 0% | 3 Bedrooms | 14 | 27% | | | |
| Avg. Rent (excl. manager's) | | \$1,313 | 50% TC | 11 | 22% | 4 Bedrooms | 0 | 0% | | | |
| Avg. Rent PSF (excl. manager's) | | \$1.66 | 60% TC | 23 | 45% | Total | 52 | 100% | | | |
| Bedrooms (counts studio's as having 1 bdrm) | | 94 | Market | 0 | 0% | | | | | | |
| | | | Subtotal | 51 | 100% | | | | | | |
| | | | Manager | 1 | | | | | | | |
| | | | Total | 52 | | | | | | | |

PROJECT BASED VOUCHER SECTION 8 OVERHANG CALCULATION
Mission Viejo Site C - Phase I (3 story buildings)
Related California

| | PBS8 Units | Monthly | | | | Annual |
|------------------|-------------|--|-------------------------------|--|----------------|----------------|
| | | Per Unit Gross OC Payment Standard (a) | Per Unit Gross TCAC Rents (b) | Per Unit Net Overhang (c) c = a - b | Total Overhang | Total Overhang |
| Studio | 30% TC 6 | 1,511 | 560 | 951 | 5,706 | 68,472 |
| 1 Bedroom | 30% TC 2 | 1,926 | 640 | - | 2,572 | - |
| Total | 8 | | | PBV Overhang | 8,278 | 99,336 |

| | | | |
|---------------------|-------|-------|---------|
| Less Vacancy | 5.00% | (414) | (4,967) |
| Less Management Fee | 6.00% | (472) | (5,662) |

| | | |
|---------------------|--------------|---------------|
| Net Overhang | 7,392 | 88,707 |
|---------------------|--------------|---------------|

| | |
|--|----------------|
| DCR | 1.15 |
| Interest Rate | 4.75% |
| Term (months) | 180 |
| Loan Amount | 826,406 |
| Actual Loan Amount (Rounded Down) | 826,000 |

| | |
|-----------------------|--------|
| Annual Payment | 77,099 |
|-----------------------|--------|

ANNUAL OPERATING EXPENSE BUDGET

Mission Viejo Site C - Phase I (3 story buildings) Related California

| | Project Budget (52 units) |
|---------------------------------------|--------------------------------------|
| RENTING | |
| Misc. Renting | \$ 6,210 |
| TOTAL RENTING | <u>\$ 6,210</u> |
| ADMINISTRATION | |
| Office | \$ 3,654 |
| Legal | \$ 713 |
| Audit | \$ 16,300 |
| Telephone/Computer | \$ 20,800 |
| Misc. Administrative | \$ 2,450 |
| TOTAL ADMINISTRATION | <u>\$ 43,918</u> |
| MANAGEMENT FEE | |
| Contract Management | \$ 51,682 |
| TOTAL MANAGEMENT | <u>\$ 51,682</u> |
| OPERATING | |
| Electricity | \$ 21,173 |
| Water | \$ 13,717 |
| Sewer | \$ 17,779 |
| Exterminating | \$ 1,440 |
| Rubbish Removal | \$ 25,231 |
| Misc. Operating | \$ 8,855 |
| TOTAL OPERATING | <u>\$ 88,195</u> |
| MAINTENANCE | |
| Security | \$ 12,000 |
| Grounds | \$ 5,652 |
| Repairs | \$ 10,825 |
| Misc. Maintenance | \$ 14,709 |
| TOTAL MAINTENANCE | <u>\$ 43,185</u> |
| SALARIES AND BENEFITS | |
| Office Salaries | \$ 50,419 |
| Maintenance Salaries | \$ 42,316 |
| Payroll Taxes and Benefits | \$ 47,559 |
| TOTAL SALARIES AND BENEFITS | <u>\$ 140,294</u> |
| TAXES AND INSURANCE | |
| Insurance | \$ 31,155 |
| TOTAL TAXES AND INSURANCE | <u>\$ 31,155</u> |
| RESERVES AND OTHER EXPENSES | |
| Replacement Reserves | \$ 15,600 |
| City Monitoring Fee | \$ 2,600 |
| County OCHFT Monitoring Fee | \$ 768 |
| Social Programs | \$ 69,600 |
| TOTAL RESERVES AND OTHER COSTS | <u>\$ 88,568</u> |
| TOTAL OPERATING EXPENSES | <u>\$ 493,207</u> |

DEVELOPMENT COSTS & ELIGIBLE BASIS DETERMINATION

Mission Viejo Site C - Phase I (3 story buildings)
 Related California

#NAME?

| | 52 units Budget | TCAC % Eligible | TCAC Eligible Basis |
|---|---------------------|--------------------|------------------------|
| ACQUISITION COSTS | | | |
| Land Acquisition Cost | \$4,420,000 | 0% | 0 |
| Acquisition Closing Costs | \$0 | 0% | 0 |
| TOTAL ACQUISITION COSTS | 4,420,000 | | 0 |
| PROFESSIONAL FEES | | | |
| Architecture & Engineering | 1,495,000 | 100% | 1,495,000 |
| Other Professional / Consulting | 155,500 | 100% | 155,500 |
| TOTAL PROFESSIONAL FEES | 1,650,500 | | 1,650,500 |
| FEES AND PERMITS | | | |
| City/County Fees and Permits | 1,350,000 | 100% | 1,350,000 |
| Utility Fees/Costs | 185,000 | 100% | 185,000 |
| TOTAL FEES AND PERMITS | 1,535,000 | | 1,535,000 |
| CONSTRUCTION COSTS | | | |
| Offsite Improvements | 260,000 | 100% | 260,000 |
| Site Improvements | 3,178,395 | 100% | 3,178,395 |
| Landscaping / Common Areas | 1,856,546 | 100% | 1,856,546 |
| Residential Structures | 9,892,302 | 100% | 9,892,302 |
| Community Building | 1,150,000 | 100% | 1,150,000 |
| Contractor Contingency | 490,117 | 100% | 490,117 |
| General Conditions | 1,177,915 | 100% | 1,177,915 |
| Contractor Overhead | 720,211 | 100% | 720,211 |
| Contractor Profit | 540,158 | 100% | 540,158 |
| Contractor Insurance | 192,656 | 100% | 192,656 |
| Construction Contingency | 972,915 | 100% | 972,915 |
| Construction Management Fee | 195,500 | 100% | 195,500 |
| TOTAL CONSTRUCTION COSTS | 20,626,715 | | 20,626,715 |
| FINANCING COSTS | | | |
| Gap Loan Costs | 55,000 | 0% | 0 |
| Construction Loan Costs | 165,500 | 7% | 12,229 |
| Construction Loan Fees | 218,000 | 7% | 16,108 |
| Construction Period Interest | 423,000 | 100% | 423,000 |
| Post-Construction Interest | 243,000 | 0% | 0 |
| Permanent Loan Costs | 60,000 | 0% | 0 |
| Permanent Loan Fees | 8,000 | 0% | 0 |
| TCAC Fees | 114,000 | 0% | 0 |
| Misc. Finance Costs | 25,000 | 0% | 0 |
| TOTAL FINANCING COSTS | 1,311,500 | | 451,337 |
| OTHER COSTS | | | |
| Furnishings, Fixtures & Equipment | 185,000 | 100% | 185,000 |
| Marketing Costs | 315,000 | 0% | 0 |
| Legal Fees | 225,000 | 30% | 67,500 |
| Property Taxes | 25,000 | 75% | 18,750 |
| Soft Cost Contingency | 413,000 | 100% | 413,000 |
| Accounting / Audit / Insurance | 181,500 | 60% | 109,000 |
| Development Fees | 2,200,000 | 100% | 2,200,000 |
| Other Costs / Reserves | 203,822 | 0% | 0 |
| TOTAL OTHER COSTS | 3,748,322 | | 2,993,250 |
| TOTAL DEV COSTS/ TOTAL ELIGIBLE BASIS | \$33,292,037 | | \$27,256,803 |
| TOTAL BASIS REDUCTION (Amount over Adjusted Threshold Basis Limit or Voluntary Exclusion) | | | <u>(7,955,603)</u> |
| TOTAL REQUESTED UNADJUSTED ELIGIBLE BASIS | | | 19,301,200 |
| High Cost Area Adjustment | | | 130% |
| TOTAL ADJUSTED ELIGIBLE BASIS | | | 25,091,559 |
| Applicable Fraction | | | 100% |
| TOTAL QUALIFIED BASIS | | | 25,091,559 |
| Total Credit Reduction | 0% | | 0 |
| TOTAL ADJUSTED QUALIFIED BASIS | | | 25,091,559 |

TAX CREDIT CALCULATION

**Mission Viejo Site C - Phase I (3 story buildings)
Related California**

| | |
|--|---------------------|
| Total Project Cost | \$33,292,037 |
| Total Permanent Sources | <u>(12,518,304)</u> |
| Funding Shortfall | \$20,773,734 |
| | |
| Total Qualified Basis | \$25,091,559 |
| Annual Federal Credits - Calculated | \$2,258,240 |
| Annual Federal Credits - Awarded | \$0 |
| Total Federal Credits (10 Years) | \$22,582,404 |
| Federal Tax Credit Investor Equity | \$20,773,734 |
| | |
| Total Requested Unadjusted Basis | \$19,301,200 |
| Total 4 -Year State Credits - Calculated | \$0 |
| Total 4 -Year State Credits - Awarded | \$0 |
| State Tax Credit Investor Equity | \$0 |
| | |
| Calculated Acquisition Basis | \$0 |
| Available Acquisition Basis | \$0 |
| Annual Acquisition Credits - Calculated | \$0 |
| Annual Acquisition Credits - Awarded | \$0 |
| Total Acquisition Credits (10 Years) | \$0 |
| Acquisition Tax Credit Investor Equity | \$0 |
| | |
| Total Tax Credit Investor Equity (Federal + State+ Acquisition) | \$20,773,734 |

| Threshold Basis Limits | Percentage Boc 4 & 9% Limits | Units | Limit | Total |
|--|---|--------------|----------------------------|-------------------|
| 1 Bedroom | | 24 | 322,315 | 7,735,560 |
| 2 Bedrooms | | 14 | 388,800 | 5,443,200 |
| 3 Bedrooms | | 14 | 497,664 | 6,967,296 |
| | | <u>52</u> | | <u>20,146,056</u> |
| Special Features Threshold Basis Limit Increases | | | | |
| 10% Increase: 95% of the project's upper floor units are serviced by an elevator | | | | 0 |
| 20% Increase: State or Federal Prevailing Wage Requirement | | | | 0 |
| 7% Increase: New Construction with Parking beneath Residential Units | | | | 0 |
| 2% Increase: Day Care Center | | | | 0 |
| 2% Increase: Special Needs Populations | | | | 0 |
| Total Percentage Increase to Unadjusted Eligible Basis (Combined not to exceed 39%) | | | | 0 |
| 10% Increase: Energy Efficiency/Resource Conservation/Indoor Air Quality | | | | 402,921 |
| Seismic Upgrading or Environmental Mitigation (15% unadj. eligible basis max.) | | | | 0 |
| Development Impact Fees | | | | 481,000 |
| Bond Deals | | | | |
| 1% Increase: Every 1% of the project's units between 35% and 50% AMI | | | | 0 |
| 2% Increase: Every 1% of the project's units at or below 35% AMI | | | | 0 |
| Adjusted Threshold Basis Limit | | | <u>\$21,029,977</u> | |
| Total Eligible Basis | | | \$27,256,803 | |
| Over /(Under) Basis Limit | | | \$6,226,826 | |

SOURCES AND USES OF FUNDS

Mission Viejo Site C - Phase I (3 story buildings) Related California

Construction Sources and Uses

| Construction Sources | | |
|----------------------------------|-----------------------------------|--------------------------|
| Tax Credit Equity | 3,116,060 | 15% of tax credit equity |
| Construction Loan | 21,706,352 | |
| OCHFT - RR Loan | 1,362,652 | |
| City of MV - RR Acquisition Loan | 4,420,000 | |
| City of MV - RR Development Loan | 1,362,652 | |
| Deferred Developer Fee | 1,100,000 | |
| Operating Deficit Reserve | 203,322 | |
| TCAC Monitoring Fee | 21,000 | |
| | <u>Total Construction Sources</u> | <u>33,292,037</u> |
| Construction Uses | | |
| Total Development Cost | 33,292,037 | |
| Amount Over/(Under) | | 0 |

Permanent Sources and Uses

| Sources | | |
|----------------------------------|--------------------------------|-------------------|
| Tax Credit Equity | 20,773,734 | |
| Permanent Financing | 4,142,000 | |
| OCHA - PBS8 Tranche B Loan | 826,000 | |
| OCHA - PSH Loan | 405,000 | |
| OCHFT - RR Loan | 1,362,652 | |
| City of MV - RR Acquisition Loan | 4,420,000 | |
| City of MV - RR Development Loan | 1,362,652 | |
| | <u>Total Permanent Sources</u> | <u>33,292,037</u> |
| Uses | | |
| Total Development Cost | 33,292,037 | |
| Amount Over/(Under) | | 0 |

STABILIZED CASH FLOW ANALYSIS
Mission Viejo Site C - Phase I (3 story buildings)
Related California

| | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
|---|--------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| INCOME | | | | | | | | | | | | | | | | |
| Gross Rental Income | | 803,628 | 827,737 | 852,569 | 878,146 | 904,490 | 931,625 | 959,574 | 988,361 | 1,018,012 | 1,048,552 | 1,080,009 | 1,112,409 | 1,145,781 | 1,180,155 | 1,215,559 |
| PBV Overhang | | 99,336 | 102,316 | 105,386 | 108,547 | 111,804 | 115,158 | 118,612 | 122,171 | 125,836 | 129,611 | 133,499 | 137,504 | 141,629 | 145,878 | 150,255 |
| Laundry Income | | 3,744 | 3,856 | 3,972 | 4,091 | 4,214 | 4,340 | 4,471 | 4,605 | 4,743 | 4,885 | 5,032 | 5,183 | 5,338 | 5,498 | 5,663 |
| Vacancy @ 5.0% | | (45,335) | (46,695) | (48,096) | (49,539) | (51,025) | (52,556) | (54,133) | (55,757) | (57,430) | (59,152) | (60,927) | (62,755) | (64,637) | (66,577) | (68,574) |
| EFFECTIVE GROSS INCOME | | 861,373 | 887,214 | 913,830 | 941,245 | 969,482 | 998,567 | 1,028,524 | 1,059,380 | 1,091,161 | 1,123,896 | 1,157,613 | 1,192,341 | 1,228,111 | 1,264,955 | 1,302,903 |
| EXPENSES | | | | | | | | | | | | | | | | |
| Administrative | | (43,918) | (45,236) | (46,593) | (47,990) | (49,430) | (50,913) | (52,440) | (54,014) | (55,634) | (57,303) | (59,022) | (60,793) | (62,617) | (64,495) | (66,430) |
| Management Fee @ 6.0% | | (51,682) | (53,233) | (54,830) | (56,475) | (58,169) | (59,914) | (61,711) | (63,563) | (65,470) | (67,434) | (69,457) | (71,540) | (73,687) | (75,897) | (78,174) |
| Operating | | (88,195) | (90,841) | (93,566) | (96,373) | (99,264) | (102,242) | (105,309) | (108,468) | (111,722) | (115,074) | (118,526) | (122,082) | (125,745) | (129,517) | (133,402) |
| Maintenance | | (43,185) | (44,481) | (45,815) | (47,190) | (48,605) | (50,063) | (51,565) | (53,112) | (54,706) | (56,347) | (58,037) | (59,778) | (61,572) | (63,419) | (65,321) |
| Salaries | | (140,294) | (144,503) | (148,838) | (153,303) | (157,902) | (162,639) | (167,519) | (172,544) | (177,720) | (183,052) | (188,544) | (194,200) | (200,026) | (206,027) | (212,208) |
| Insurance | | (31,155) | (32,089) | (33,052) | (34,043) | (35,065) | (36,117) | (37,200) | (38,316) | (39,466) | (40,650) | (41,869) | (43,125) | (44,419) | (45,752) | (47,124) |
| Renting | | (6,210) | (6,397) | (6,588) | (6,786) | (6,990) | (7,199) | (7,415) | (7,638) | (7,867) | (8,103) | (8,346) | (8,596) | (8,854) | (9,120) | (9,393) |
| Social Programs | | (69,600) | (71,688) | (73,839) | (76,054) | (78,335) | (80,685) | (83,106) | (85,599) | (88,167) | (90,812) | (93,537) | (96,343) | (99,233) | (102,210) | (105,276) |
| City Monitoring Fees | | (2,600) | (2,600) | (2,678) | (2,678) | (2,678) | (2,758) | (2,758) | (2,758) | (2,841) | (2,841) | (2,841) | (2,926) | (2,926) | (2,926) | (3,014) |
| OCHA & OCHFT Monitoring Fees | | (768) | (791) | (815) | (839) | (864) | (890) | (917) | (945) | (973) | (1,002) | (1,032) | (1,063) | (1,095) | (1,128) | (1,162) |
| Replacement Reserves | | (15,600) | (16,068) | (16,550) | (17,047) | (17,558) | (18,085) | (18,627) | (19,186) | (19,762) | (20,354) | (20,965) | (21,594) | (22,242) | (22,909) | (23,596) |
| TOTAL OPERATING EXPENSES | | (493,207) | (507,925) | (523,163) | (538,778) | (554,861) | (571,507) | (588,569) | (606,143) | (624,328) | (642,972) | (662,176) | (682,041) | (702,415) | (723,400) | (745,102) |
| NET OPERATING INCOME | | 368,165 | 379,288 | 390,667 | 402,467 | 414,622 | 427,060 | 439,955 | 453,236 | 466,833 | 480,924 | 495,437 | 510,300 | 525,696 | 541,555 | 557,802 |
| DEBT SERVICE | | | | | | | | | | | | | | | | |
| Permanent Financing | | (242,981) | (242,981) | (242,981) | (242,981) | (242,981) | (242,981) | (242,981) | (242,981) | (242,981) | (242,981) | (242,981) | (242,981) | (242,981) | (242,981) | (242,981) |
| OCHA - PBSS Tranche B Loan | | (77,099) | (77,099) | (77,099) | (77,099) | (77,099) | (77,099) | (77,099) | (77,099) | (77,099) | (77,099) | (77,099) | (77,099) | (77,099) | (77,099) | (77,099) |
| Cash Flow After Debt Service, before AMF | | 48,085 | 59,208 | 70,587 | 82,387 | 94,542 | 106,980 | 119,875 | 133,156 | 146,753 | 160,844 | 175,357 | 190,220 | 205,616 | 221,475 | 237,722 |
| ASSET MANAGEMENT FEES | | | | | | | | | | | | | | | | |
| SLP Fee | | (5,000) | (5,150) | (5,305) | (5,464) | (5,628) | (5,796) | (5,970) | (6,149) | (6,334) | (6,524) | (6,720) | (6,921) | (7,129) | (7,343) | (7,563) |
| Partnership Administration Fee | | (20,000) | (20,600) | (21,218) | (21,855) | (22,510) | (23,185) | (23,881) | (24,597) | (25,335) | (26,095) | (26,878) | (27,685) | (28,515) | (29,371) | (30,252) |
| Cash Flow After Fees | | 23,085 | 33,458 | 44,064 | 55,069 | 66,404 | 77,998 | 90,024 | 102,409 | 115,084 | 128,224 | 141,759 | 155,614 | 169,972 | 184,762 | 199,907 |
| CASH FLOW SPLIT | | | | | | | | | | | | | | | | |
| Orange County Housing Authority (OCHA) | 3.50% | 808 | 1,171 | 1,542 | 1,927 | 2,324 | 2,730 | 3,151 | 3,584 | 4,028 | 4,488 | 4,962 | 5,446 | 5,949 | 6,467 | 6,997 |
| Orange County Housing Finance Trust (OCHFT) | 12.00% | 2,770 | 4,015 | 5,288 | 6,608 | 7,968 | 9,360 | 10,803 | 12,289 | 13,810 | 15,387 | 17,011 | 18,674 | 20,397 | 22,171 | 23,989 |
| City of Mission Viejo | 34.50% | 7,964 | 11,543 | 15,202 | 18,999 | 22,909 | 26,909 | 31,058 | 35,331 | 39,704 | 44,237 | 48,907 | 53,687 | 58,640 | 63,743 | 68,968 |
| Limited Partnership | 50.00% | 11,543 | 16,729 | 22,032 | 27,535 | 33,202 | 38,999 | 45,012 | 51,205 | 57,542 | 64,112 | 70,879 | 77,807 | 84,986 | 92,381 | 99,953 |
| RESIDUAL RECEIPT LOANS | | | | | | | | | | | | | | | | |
| OCHA - PSH Loan | | | | | | | | | | | | | | | | |
| Beginning Loan Balance | | 405,000 | 416,342 | 427,321 | 437,929 | 448,151 | 457,977 | 467,397 | 476,396 | 484,962 | 493,084 | 500,746 | 507,935 | 514,638 | 520,839 | 526,523 |
| Cash Flow to Subsidy Provider (3.00%) | | 12,150 | 12,150 | 12,150 | 12,150 | 12,150 | 12,150 | 12,150 | 12,150 | 12,150 | 12,150 | 12,150 | 12,150 | 12,150 | 12,150 | 12,150 |
| Cash Flow Payment | | (808) | (1,171) | (1,542) | (1,927) | (2,324) | (2,730) | (3,151) | (3,584) | (4,028) | (4,488) | (4,962) | (5,446) | (5,949) | (6,467) | (6,997) |
| Ending Loan Balance | | 416,342 | 427,321 | 437,929 | 448,151 | 457,977 | 467,397 | 476,396 | 484,962 | 493,084 | 500,746 | 507,935 | 514,638 | 520,839 | 526,523 | 531,676 |
| OCHFT - RR Loan | | | | | | | | | | | | | | | | |
| Beginning Loan Balance | | 1,362,652 | 1,400,761 | 1,437,625 | 1,473,217 | 1,507,489 | 1,540,400 | 1,571,919 | 1,601,996 | 1,630,586 | 1,657,656 | 1,683,149 | 1,707,017 | 1,729,223 | 1,749,706 | 1,768,414 |
| Cash Flow to Subsidy Provider (3.00%) | | 40,880 | 40,880 | 40,880 | 40,880 | 40,880 | 40,880 | 40,880 | 40,880 | 40,880 | 40,880 | 40,880 | 40,880 | 40,880 | 40,880 | 40,880 |
| Cash Flow Payment | | (2,770) | (4,015) | (5,288) | (6,608) | (7,968) | (9,360) | (10,803) | (12,289) | (13,810) | (15,387) | (17,011) | (18,674) | (20,397) | (22,171) | (23,989) |
| Ending Loan Balance | | 1,400,761 | 1,437,625 | 1,473,217 | 1,507,489 | 1,540,400 | 1,571,919 | 1,601,996 | 1,630,586 | 1,657,656 | 1,683,149 | 1,707,017 | 1,729,223 | 1,749,706 | 1,768,414 | 1,785,305 |
| City of MV - RR Development Loan | | | | | | | | | | | | | | | | |
| Beginning Loan Balance | | 1,362,652 | 1,378,261 | 1,390,292 | 1,398,664 | 1,403,239 | 1,403,903 | 1,400,568 | 1,393,084 | 1,381,326 | 1,365,196 | 1,344,533 | 1,318,886 | 1,288,016 | 1,251,658 | 1,209,569 |
| Cash Flow to Subsidy Provider (1.73%) | | 23,574 | 23,574 | 23,574 | 23,574 | 23,574 | 23,574 | 23,574 | 23,574 | 23,574 | 23,574 | 23,260 | 22,817 | 22,283 | 21,654 | 20,926 |
| Cash Flow Payment | | (7,964) | (11,543) | (15,202) | (18,999) | (22,909) | (26,909) | (31,058) | (35,331) | (39,704) | (44,237) | (48,907) | (53,687) | (58,640) | (63,743) | (68,968) |
| Ending Loan Balance | | 1,378,261 | 1,390,292 | 1,398,664 | 1,403,239 | 1,403,903 | 1,400,568 | 1,393,084 | 1,381,326 | 1,365,196 | 1,344,533 | 1,318,886 | 1,288,016 | 1,251,658 | 1,209,569 | 1,161,527 |
| City of MV - RR Acquisition Loan | | | | | | | | | | | | | | | | |
| Beginning Loan Balance | | 4,420,000 | 4,496,466 | 4,572,932 | 4,649,398 | 4,725,864 | 4,802,330 | 4,878,796 | 4,955,262 | 5,031,728 | 5,108,194 | 5,184,660 | 5,261,126 | 5,337,592 | 5,414,058 | 5,490,524 |
| Cash Flow to Subsidy Provider (1.73%) | | 76,466 | 76,466 | 76,466 | 76,466 | 76,466 | 76,466 | 76,466 | 76,466 | 76,466 | 76,466 | 76,466 | 76,466 | 76,466 | 76,466 | 76,466 |
| Cash Flow Payment | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Ending Loan Balance | | 4,496,466 | 4,572,932 | 4,649,398 | 4,725,864 | 4,802,330 | 4,878,796 | 4,955,262 | 5,031,728 | 5,108,194 | 5,184,660 | 5,261,126 | 5,337,592 | 5,414,058 | 5,490,524 | 5,566,990 |
| DCR | | 1.15 | 1.18 | 1.22 | 1.26 | 1.30 | 1.33 | 1.37 | 1.42 | 1.46 | 1.50 | 1.55 | 1.59 | 1.64 | 1.69 | 1.74 |



June 2, 2022

Ms. Elaine Lister
Director of Community Development
City of Mission Viejo
200 Civic Center
Mission Viejo, CA 92691

RE: Commerce Center – Preliminary Site and Feasibility Analysis

Dear Elaine:

Per our Consulting Services Agreement dated August 1, 2021, The Related Companies of California is pleased to present the City of Mission Viejo with an affordable housing feasibility analysis of Commerce Center, located at 27200-27240 La Paz Road (the “Project Site”). This initial assessment of the Project Site is composed of a California Tax Credit Allocation Committee (TCAC) site amenity score and a density study to determine the number of units that can be accommodated on the site.

1. TCAC Site Amenity Score

- **Amenity Score** - The Project Site is ideally located from a TCAC site amenity standpoint, making it eligible to receive 22 points as a Large Family development, satisfying the 15-point TCAC maximum Site Amenity Score. (See Attachment #1 - TCAC Site Amenity Score.)

2. Density Study

- **Developable Space** - The Project Site is roughly +/-4.5 acres and is flat allowing the entire site to be developed.
- **Unit Yield** - A massing study site plan was prepared, yielding 136 affordable family units at a density of approximately 30.2 units per acre. (See Attachment #2 - Massing Study Site Plan.) Buildings are assumed to be 3-story, stacked flat structures, served by an elevator, reaching a maximum building height of roughly 40 feet. Currently zoned CC (Commercial Community), the site would need to be re-zoned through an entitlement process in order to permit the proposed residential development.
- **Parking** – All parking shown is surface parking with tuck-under, tandem and open-air space parking proposed. One parking space is provided for each studio and 1-bedroom unit; 1.5 spaces for each 2-bedroom unit; and 2 spaces for each 3-bedroom unit.

In conclusion, it is Related's opinion that Commerce Center could yield up to 136 affordable housing units. Should you have any questions about this initial study, please let us know.

Sincerely,

Andrew Yick
Development Associate

Attachments

1. TCAC Site Amenity Score
2. Massing Study Site Plan

TCAC Site Amenity Score

Commerce Center

27200-27240 La Paz Road, Mission Viejo, CA 92692

| Site Amenity Type | Amenity Name | Address | Distance (miles) | Points Earned | Max Points Possible |
|-------------------|----------------------------|--|------------------|---------------|-------------------------|
| Transit | Bus Route 86 | Intersection of La Paz Road and Marguerite Pkwy, Mission Viejo, CA 92692 | 0.14 | 4 | 7 |
| Public Park | Oso Viejo Community Park | 24932 Veterans Way, Mission Viejo, CA 92692 | 0.27 | 3 | 3 |
| Public Library | Mission Viejo Library | 100 Civic Center, Mission Viejo, CA 92691 | 0.19 | 3 | 3 |
| Grocery Store | Ralphs | 25104 Marguerite Pkwy, Mission Viejo, CA 92692 | 0.09 | 5 | 5 |
| Public School | Fred Newhart Middle School | 25001 Veterans Way, Mission Viejo, CA 92692 | 0.23 | 3 | 3 |
| Medical Clinic | Marque Urgent Care | 25482 Marguerite Pkwy, Mission, Viejo, CA 92692 | 0.52 | 2 | 3 |
| Pharmacy | CVS Pharmacy | 25272 Marguerite Pkwy, Mission Viejo, CA 92692 | 0.06 | 2 | 2 |
| | | Total Score: | | 22 | 15⁽¹⁾ |

Footnotes:

(1) TCAC limits Site Amenity points to 15.

SITE AREA: +/-4.5 ACRES
 NUMBER OF UNITS: 136 FAMILY APARTMENTS
 DENSITY: 30 UNITS/ ACRE
 BUILDING HEIGHT: 3-STORIES 32- 40 FEET

| UNIT TYPE | NO. | SF. | MIX% | PARKING PROVIDED |
|-----------------------|-----|--------|-------|----------------------------------|
| STUDIO | 13 | 410 SF | 9.5% | 13 SPACES |
| 1 BR/1 BA | 55 | 600 | 40.5% | 55 SPACES |
| 2 BR/1 BA | 34 | 875 | 25% | 51 SPACES |
| 3 BR/2 BA | 34 | 1125 | 25% | 68 SPACES (12 TANDEM) |
| VISITOR/STAFF PARKING | | | | 12 SPACES |
| TOTALS | | | | 179 SPACES (1.31 SPACES/UNIT) |

COMMON AREAS: +/- 5200 SF



MISSION VIEJO HOUSING SITES COMMERCE CENTER

RELATED CALIFORNIA

5-12-2022



September 19, 2022

Ms. Elaine Lister
Director of Community Development
City of Mission Viejo
200 Civic Center
Mission Viejo, CA 92691

RE: MISSION VIEJO TOWN CENTER – Preliminary Site and Feasibility Analysis

Dear Elaine:

Per our Consulting Services Agreement dated August 1, 2021, The Related Companies of California is pleased to present the City of Mission Viejo with an affordable housing feasibility analysis of Mission Viejo Town Center (the “Project Site”), located at 28331 Marguerite Parkway, in Mission Viejo. This initial assessment of the Project Site is composed of a California Tax Credit Allocation Committee (TCAC) site amenity score and a density study to determine the number of units that can be accommodated on the site.

1. TCAC Site Amenity Score

- **Amenity Score** - The Project Site is ideally located from a TCAC site amenity standpoint, making it eligible to receive 18 points as a Large Family development, satisfying the 15-point TCAC maximum site Amenity Score. (See Attachment #1 - TCAC Site Amenity Score.)

2. Density Study (See Attachment #2 – Massing Study Site Plan)

- **Developable Space** – Per the assessor’s parcel map, the site is +/- 3.277 acres. Site conditions are favorable for redevelopment into multifamily use.
- **Unit Yield** – The site is zoned RPD30, which allows a density of up to 30 dwelling units per acre. The site plan, prepared to be consistent with the current zoning, yields 99 large family units, or 30.2 du/acres, within four 3-story, +/- 35’ tall, walk-up, stacked flat structures. Programming of the site also includes +/-2,675 sf of common area.
- **Parking** – 152 open parking spaces, at a ratio of 1.53 spaces/unit. One parking space is provided for each 1-bedroom unit; 1.5 spaces for each 2-bedroom unit; and 2.0 spaces for each 3-bedroom unit.

Should you have any questions about this initial study, please let us know.

Sincerely,

Andrew Yick
Development Associate

Attachments: (1) TCAC Site Amenity Score and (2) Massing Study Site Plan

TCAC Site Amenity Score

Mission Viejo Town Center
 28331 Marguerite Pkwy, Mission Viejo, CA 92692

| Site Amenity Type | Amenity Name | Address | Distance (miles) | Points Earned | Max Points Possible |
|---------------------|---|---|------------------|---------------|-------------------------|
| Transit | Bus Route 91 | Marguerite - Ent 28451 Audi Mission Viejo | 0.08 | 4 | 7 |
| Public Park | Coronado Park | 26652 Las Ondas Drive Mission Viejo, CA 92691 | 0.53 | 3 | 3 |
| Public Library | IMC Library | 28000 Marguerite Parkway Mission Viejo, CA 92692 | 0.33 | 3 | 3 |
| Grocery Store | Crown Valley Marketplace | 27771 Center Dr. Mission Viejo, CA 92692 | 0.94 | 1 | 5 |
| Public School | Capistrano Valley HS | 26301 Via Escolar Mission Viejo, CA 92692 | 0.58 | 3 | 3 |
| Medical Clinic | Providence Mission Hospital Mission Viejo | 27700 Medical Center Rd. Mission Viejo, CA 92691 | 0.69 | 2 | 3 |
| Pharmacy | Walgreens Pharmacy | 28311 Marguerite Pkwy Mission Viejo, CA 92692 | 0.02 | 2 | 2 |
| Total Score: | | | | 18 | 15⁽¹⁾ |

Footnotes:

(1) TCAC limits Site Amenity points to 15.



SITE AREA: +/- 3.277 ACRES
 NUMBER OF UNITS: 99 FAMILY APARTMENTS
 DENSITY: 30.2 UNITS/ACRE
 BUILDING HEIGHT: 3-STORIES ON-GRADE +/-35 FEET

| UNIT TYPE | NO. | SF. | MIX% |
|-----------|-----|---------|-------|
| 1 BEDROOM | 23 | 600 SF | 23.3% |
| 2 BEDROOM | 50 | 900 SF | 50.5% |
| 3 BEDROOM | 26 | 1175 SF | 26.2% |

TOTALS: 99

RESIDENT PARKING:

| | | |
|-------|-----------|-----------------------|
| 1 BR: | 25 SPACES | (1:1) |
| 2 BR: | 75 SPACES | (1.5:1) |
| 3 BR: | 52 SPACES | (2:1 - +/-50% TANDEM) |

TOTAL PARKING: 152 SPACES (1.53 SPACES /UNIT)

COMMUNITY BUILDING: +/-2,675 SF

MISSION VIEJO TOWN CENTER
FAMILY APARTMENTS

MISSION VIEJO
 RELATED CALIFORNIA

9-15-2022



July 18, 2022

Ms. Elaine Lister
Director of Community Development
City of Mission Viejo
200 Civic Center
Mission Viejo, CA 92691

RE: College Center – Preliminary Site and Feasibility Analysis

Dear Elaine:

Per our Consulting Services Agreement dated August 1, 2021, The Related Companies of California is pleased to present the City of Mission Viejo with an affordable housing feasibility analysis of College Center, located at 28171 Marguerite Parkway (the “Project Site”). This initial assessment of the Project Site is composed of a California Tax Credit Allocation Committee (TCAC) site amenity score and a density study to determine the number of units that can be accommodated on the site.

1. TCAC Site Amenity Score

- **Amenity Score** - The Project Site is ideally located from a TCAC site amenity standpoint, making it eligible to receive 17 points as a Large Family development, satisfying the 15-point TCAC maximum Site Amenity Score. (See Attachment #1 - TCAC Site Amenity Score.)

2. Density Study (See Attachment #2 – Massing Study Site Plans)

- **Developable Space** - The Project Site is roughly +/-7.75 gross acres. However, after excluding the slope down to the 405 Freeway, only +/-5.89 acres is developable area.
- **Unit Yield** – We prepared two separate massing study site plans:
 - One is senior housing, which represents less entitlement risk. Since the site is currently zoned CH (Commercial Highway), senior housing is permitted through its senior housing overlay zoning. Our massing study yielded 315 senior units, at a density of 53.48 units per buildable acre, within a 4-story structure. (Although a 5+ story building would accommodate a higher unit count, this building typology will necessitate a concrete structure that will be too costly and, therefore, relatively more difficult to finance.)
 - Another concept for consideration is intergenerational housing, which represents a mix of large family and senior apartments. Our massing study yielded a lower density of 33.9 units per buildable acre, or 200 units (50% seniors / 50% large families), within a 4-story structure. Since TCAC scores Intergenerational projects as Large Family projects, this housing type is more competitive than a senior one because TCAC allocates a greater percentage of its tax credits to Large Family projects. However, the entitlement risk is greater, since a zone change would be required.

▪ **Parking**

- Senior Housing – 333 parking spaces, at a ratio of 1.05/unit. Parking includes a 2-story parking garage in addition to on-grade guest parking.
- Intergenerational Housing – 269 spaces, at a ratio of 1.35/unit. Parking shown is surface parking with tuck-under, tandem and open-air space parking proposed. No parking is provided for studios; one parking space is provided for each 1-bedroom unit; 1.5 spaces for each 2-bedroom unit; and 2 spaces for each 3-bedroom unit.

Should you have any questions about this initial study, please let us know.

Sincerely,

Andrew Yick
Development Associate

Attachments

1. TCAC Site Amenity Score
2. Massing Study Site Plans (Senior and Intergenerational)

TCAC Site Amenity Score

College Center
28171 Marguerite Parkway, Mission Viejo, CA 92692

| Site Amenity Type | Amenity Name | Address | Distance (miles) | Points Earned | Max Points Possible |
|-------------------|-----------------------------|--|------------------|---------------|-------------------------|
| Transit | Bus Route 91 | Intersection of Marguerite Pkwy and College Dr. Mission Viejo, CA 92692 | 0.04 | 4 | 7 |
| Public Park | Coronado Park | 26652 Las Ondas Dr. Mission Viejo, CA 92691 | 0.62 | 2 | 3 |
| Public Library | Mission Viejo Library | 100 Civic Center Mission Viejo, CA 92691 | 3.11 | 0 | 3 |
| Grocery Store | Amazon Fresh | 26940 Crown Valley Pkwy Mission Viejo, CA 92691 | 0.60 | 4 | 5 |
| Public School | Capistrano Valley HS | 26301 Via Escolar Mission Viejo, CA 92692 | 0.71 | 3 | 3 |
| Medical Clinic | Providence Mission Hospital | 27700 Medical Center Rd. Mission Viejo, CA 92691 | 0.57 | 2 | 3 |
| Pharmacy | Walgreens | 28311 Marguerite Pkwy Mission Viejo, CA 92692 | 0.07 | 2 | 2 |
| | | Total Score: | | 17 | 15⁽¹⁾ |

Footnotes:

(1) TCAC limits Site Amenity points to 15.



SITE AREA: +/- 7.75 GROSS ACRES
 +/- 5.89 BUILDABLE ACRES
 NUMBER OF UNITS: 315 SENIOR APARTMENTS
 DENSITY: 40.6 UNITS/ GROSS ACRES
 53.48 UNITS/ BUILDABLE ACRES
 BUILDING HEIGHT: 4-STORIES (2-stories) +/-45 FEET

| UNIT TYPE | NO. | SF. | MIX% | PARKING PROV. |
|-----------|-----|--------|-------|---------------|
| STUDIO | 28 | 410 SF | 8.9% | 28 SPACES |
| 1 BR/1 BA | 287 | 600 | 91.1% | 287 SPACES |

RESIDENT/STAFF PARKING: 315 SPACES
 VISITOR PARKING: 18 SPACES
 TOTAL PARKING: 333 SPACES
 (1.05 /UNIT)

COMMUNITY BUILDING: +/- 2,700 SF
 PRPOERTY MANAGEMENT/LEASING: +/- 1,200 SF

MISSION VIEJO - COLLEGE CENTER
SENIOR APARTMENTS
RELATED CALIFORNIA

7-05-2022



CONCEPTUAL SECTION

SENIOR APARTMENTS.



SITE AREA: +/- 7.75 GROSS ACRES
 +/- 5.89 BUILDABLE ACRES

NUMBER OF UNITS: 200 INTERGENERATIONAL APARTMENTS
 100 SENIOR APARTMENTS
 100 FAMILY APARTMENTS

DENSITY: 25.8 UNITS/ GROSS ACRES
 33.9 UNITS/ BUILDABLE ACRES

BUILDING HEIGHT: 4-STORIES +/-45 FEET

| UNIT TYPE | NO. | SF. | MIX% | SENIOR | FAMILY |
|----------------|------------|---------|------|------------|------------|
| STUDIO | 6 | 410 SF | .03% | 0 | 6 |
| 1 BEDROOM | 94 | 600 SF | .47% | 88 | 6 |
| 2 BEDROOM | 50 | 900 SF | .25% | 12 | 38 |
| 3 BEDROOM | 50 | 1175 SF | .25% | 0 | 50 |
| TOTALS: | 200 | | | 100 | 100 |

RESIDENT PARKING:

| | | |
|-----------------------|-------------------|---------------------|
| STUDIO: | 0 SPACES | (0:1) |
| 1 BR: | 94 SPACES | (1:1) |
| 2 BR: | 75 SPACES | (1.5:1) |
| 3 BR: | 100 SPACES | (2:1 - SOME TANDEM) |
| TOTAL PARKING: | 269 SPACES | (134 /UNIT) |

COMMON SPACE IN "SENIOR BUILDING":
 PROPERTY MANAGEMENT OFFICES: +/-3,000 SF

COMMON SPACE IN "FAMILY BUILDING": +/-4,500 SF

**MISSION VIEJO - COLLEGE CENTER
 INTERGENERATION APARTMENTS**

RELATED CALIFORNIA

7-05-2022



September 19, 2022

Ms. Elaine Lister
Director of Community Development
City of Mission Viejo
200 Civic Center
Mission Viejo, CA 92691

RE: THE SHOPS – MACY’S – Preliminary Site and Feasibility Analysis

Dear Elaine:

Per our Consulting Services Agreement dated August 1, 2021, The Related Companies of California is pleased to present the City of Mission Viejo with an affordable housing feasibility analysis of The Shops – Macy’s site (the “Project Site”), located at 300 The Shops Blvd., in Mission Viejo. This initial assessment of the Project Site is composed of a California Tax Credit Allocation Committee (TCAC) site amenity score and a density study to determine the number of units that can be accommodated on the site.

1. TCAC Site Amenity Score

- **Amenity Score** - The Project Site is ideally located from a TCAC site amenity standpoint, making it eligible to receive 21 points as a Large Family development, satisfying the 15-point TCAC maximum site Amenity Score. (See Attachment #1 - TCAC Site Amenity Score.)

2. Density Study (See Attachment #2 – Massing Study Site Plan)

- **Developable Space** – The City identified the parcels for analysis. They include: (1) parcel #26 (APN 740-121-26) and (2) three delineated portions within parcel #30 (APN 740-121-30). See attached aerial map. In combination, the site totals approximately 15.187 acres.

However, only 11.327 acres are developable due to favorable site conditions:

- Parcel #26 = 10.057 acres
- Parcel #30 = the sub-parcel that totals 1.27 acres

According to our in-house architect, the remaining two sub-parcels within parcel #30 are too steep to develop with affordable housing:

- The sub-parcel that totals 1.02 acres, and
 - The sub-parcel that totals 2.84 acres.
- **Unit Yield** – The site was upzoned to RPD80, which increased the allowable density to 80 dwelling units per acre. Our massing study maximized the allowable density to yield 906 large family units across five structures with five-stories of apartments over subterranean parking or five-stories over an on-grade podium garage over subterranean parking. Programming of the site also includes +/-8,700 sf of common areas.

- **Parking** – 1,360 spaces, at a ratio of 1.50 spaces/unit. One parking space is provided for each studio and 1-bedroom unit; 1.5 spaces for each 2-bedroom unit; and 2.0 spaces for each 3-bedroom unit.

Should you have any questions about this initial study, please let us know.

Sincerely,

Andrew Yick
Development Associate

Attachments: (1) TCAC Site Amenity Score; (2) Massing Study Site Plan; (3) Aerial Map Identifying Parcel #26 and Three Portions of Parcel #30

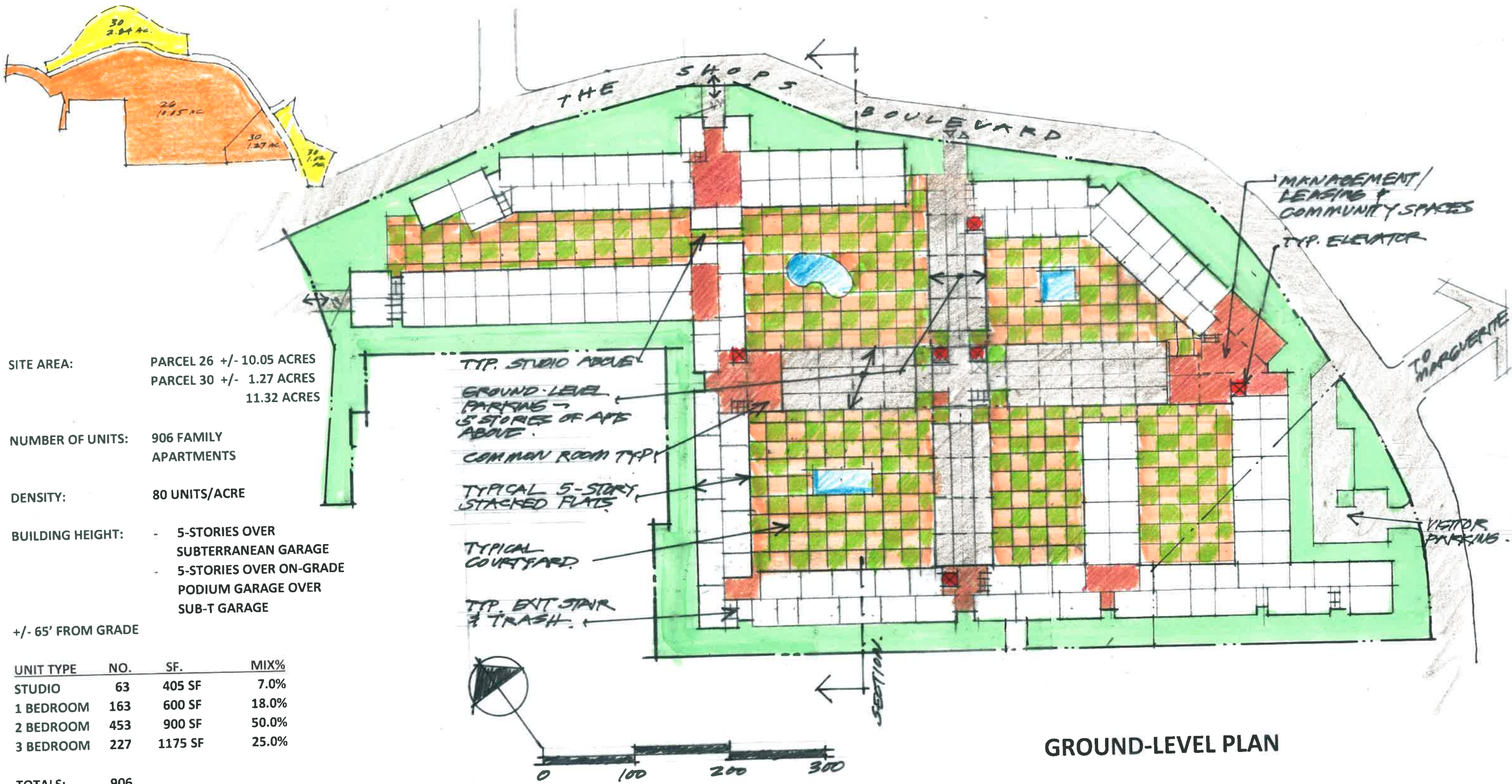
TCAC Site Amenity Score

The Shops - Macy's
 300 The Shops Blvd., Mission Viejo, CA 92691

| Site Amenity Type | Amenity Name | Address | Distance (miles) | Points Earned | Max Points Possible |
|---------------------|---|--|------------------|---------------|-------------------------|
| Transit | Bus Route 85/91 | Crown Valley - Shops at Mission Viejo | 0.04 | 4 | 7 |
| Public Park | Granada Park | 27122 Via Grande Mission Viejo, CA 92691 | 0.47 | 3 | 3 |
| Public Library | IMC Library | 28000 Marguerite Parkway Mission Viejo, CA 92692 | 0.57 | 2 | 3 |
| Grocery Store | Crown Valley Marketplace | 27771 Center Dr. Mission Viejo, CA 92692 | 0.51 | 4 | 5 |
| Public School | Capistrano Valley HS | 26301 Via Escolar Mission Viejo, CA 92692 | 0.95 | 3 | 3 |
| Medical Clinic | Providence Mission Hospital Mission Viejo | 27700 Medical Center Rd. Mission Viejo, CA 92691 | 0.13 | 3 | 3 |
| Pharmacy | Mission Medical Pharmacy | 27800 Medical Center Rd., Ste. 99 Mission Viejo, CA 92691 | 0.15 | 2 | 2 |
| Total Score: | | | | 21 | 15⁽¹⁾ |

Footnotes:

(1) TCAC limits Site Amenity points to 15.



SITE AREA: PARCEL 26 +/- 10.05 ACRES
 PARCEL 30 +/- 1.27 ACRES
 11.32 ACRES

NUMBER OF UNITS: 906 FAMILY APARTMENTS

DENSITY: 80 UNITS/ACRE

BUILDING HEIGHT: - 5-STORIES OVER SUBTERRANEAN GARAGE
 - 5-STORIES OVER ON-GRADE PODIUM GARAGE OVER SUB-T GARAGE

+/- 65' FROM GRADE

| UNIT TYPE | NO. | SF. | MIX% |
|-----------|-----|---------|-------|
| STUDIO | 63 | 405 SF | 7.0% |
| 1 BEDROOM | 163 | 600 SF | 18.0% |
| 2 BEDROOM | 453 | 900 SF | 50.0% |
| 3 BEDROOM | 227 | 1175 SF | 25.0% |

TOTALS: 906

RESIDENT PARKING:

| | | |
|---------|--------------|---------------------|
| STUDIO: | 63 SPACES | (1:1) |
| 1 BR: | 163 SPACES | (1:1) |
| 2 BR: | 680 SPACES | (1.5:1) |
| 3 BR: | 454 SPACES | (2:1 +/-40% TANDEM) |
| TOTAL: | 1,360 SPACES | (1.5 SPACES /UNIT) |

COMMON AREAS: +/-8,700 SF

GROUND-LEVEL PLAN

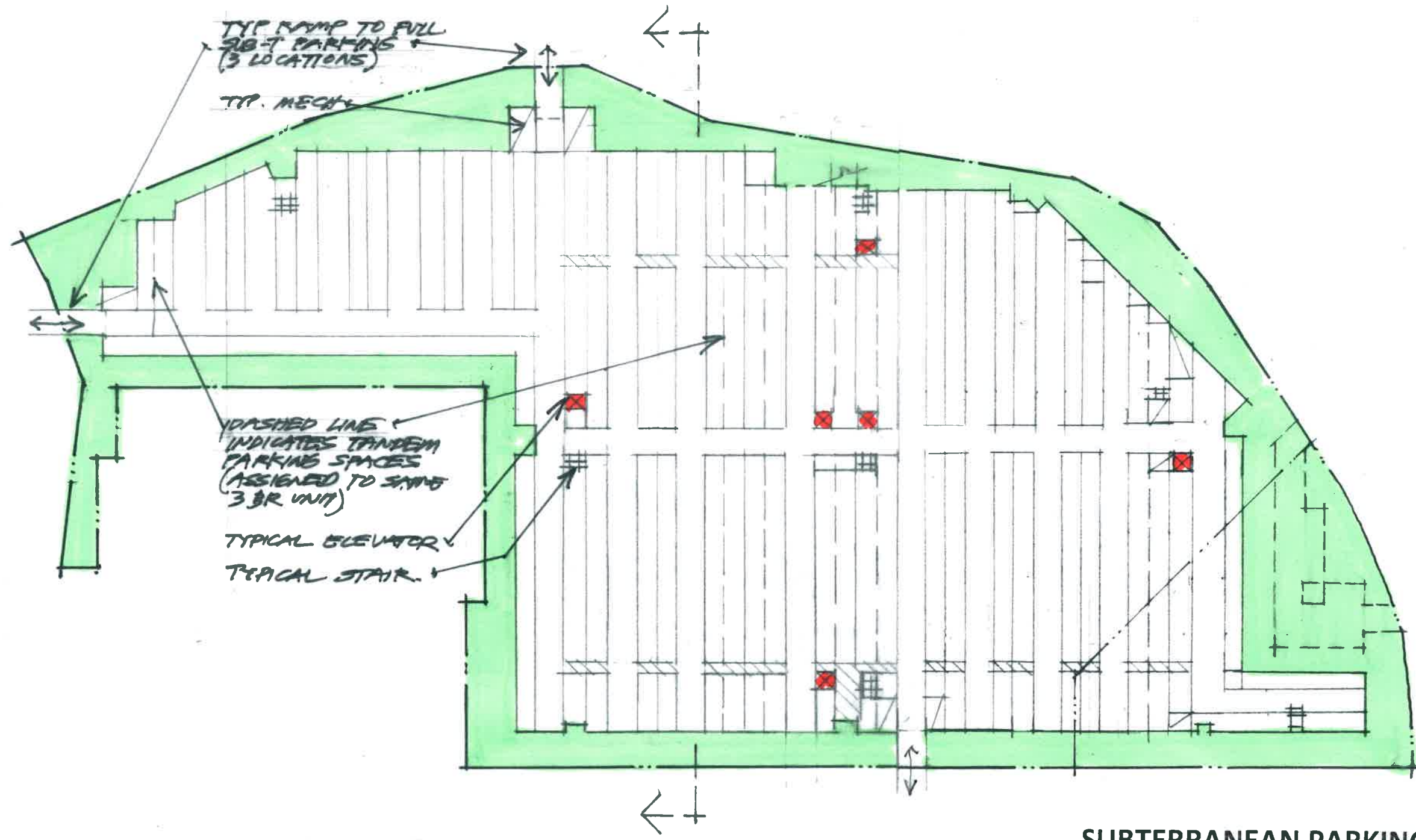
MACY PARCEL 26 & PARTIAL PARCEL 30

FAMILY APARTMENTS

MISSION VIEJO

RELATED CALIFORNIA

9-08-2022



SUBTERRANEAN PARKING PLAN

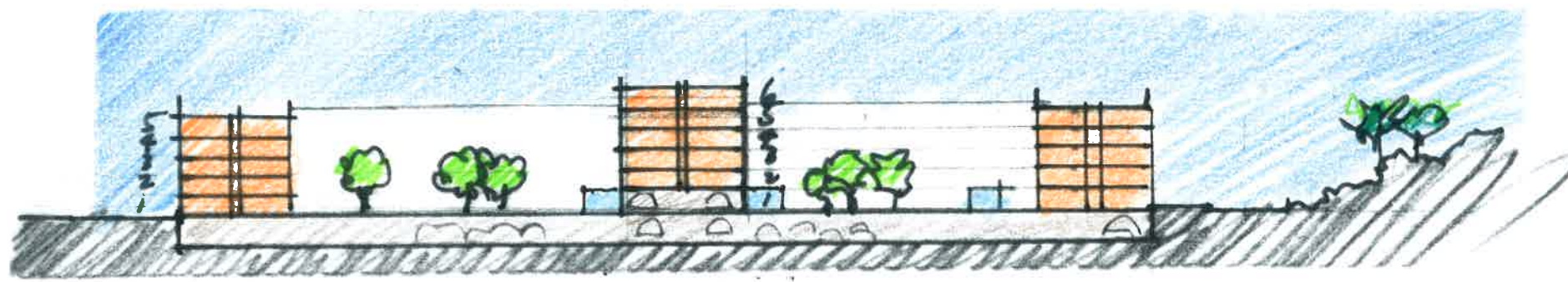
MACY PARCEL 26 & PARTIAL PARCEL 30

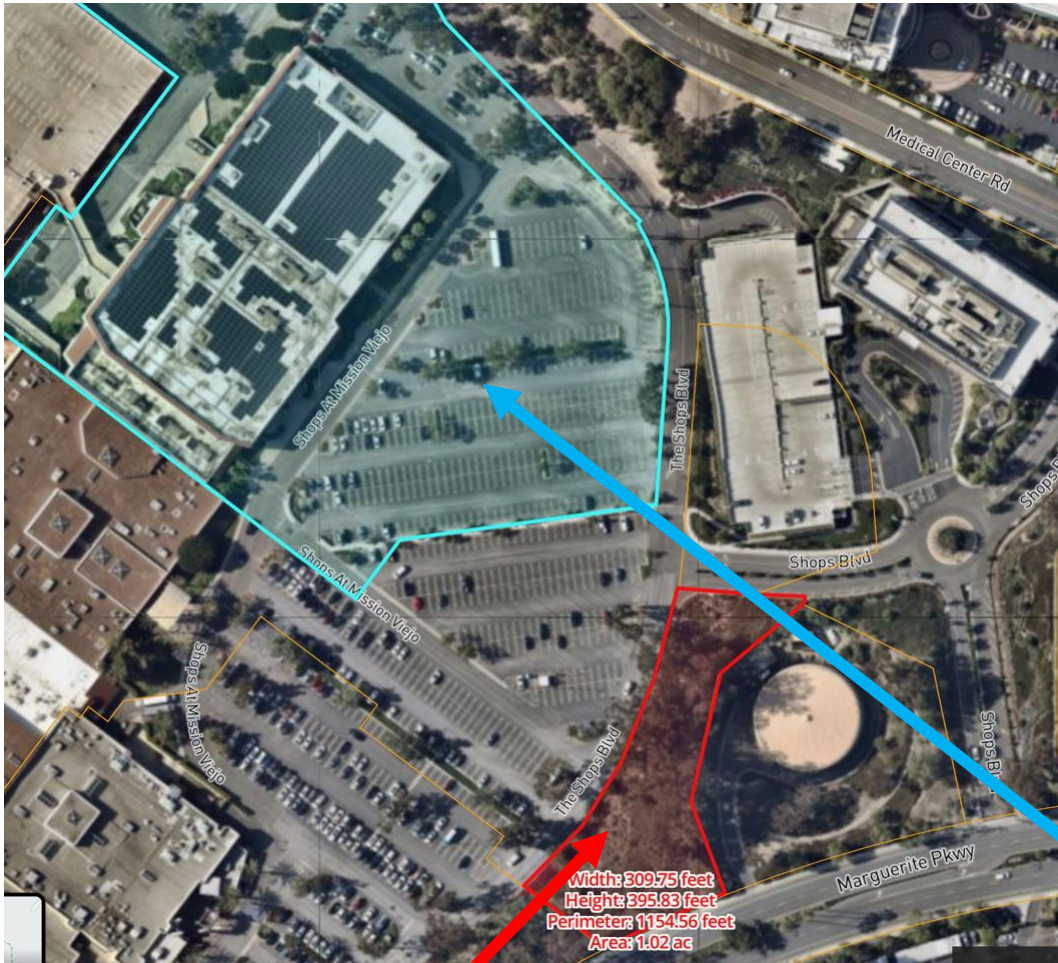
FAMILY APARTMENTS

MISSION VIEJO

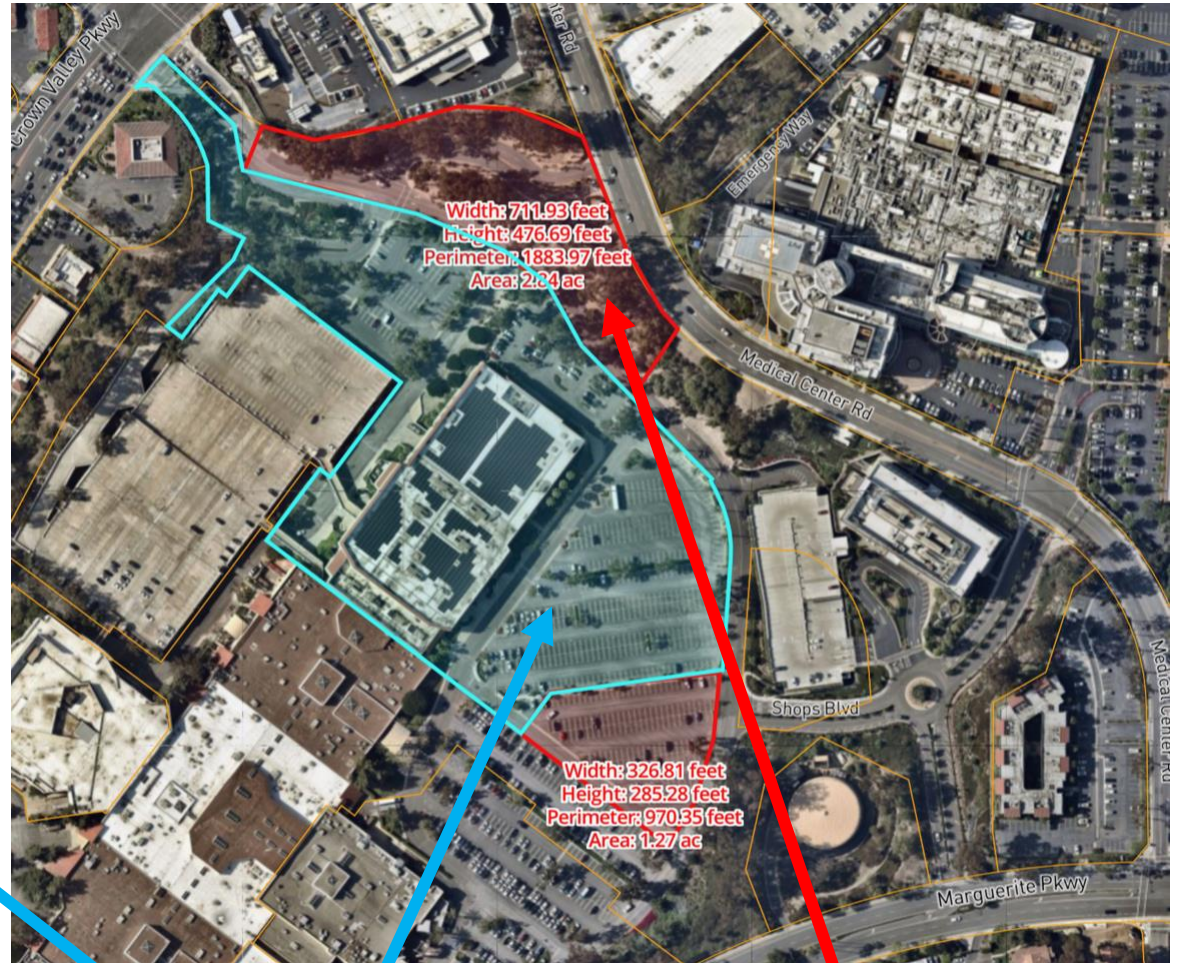
RELATED CALIFORNIA

9-08-2022





Portion of Parcel #30



Parcel #26

Portion of Parcel #30



May 4, 2022

Ms. Elaine Lister
Director of Community Development
City of Mission Viejo
200 Civic Center
Mission Viejo, CA 92691

RE: Grace Church Parking Lot – Preliminary Site and Feasibility Analysis

Dear Elaine:

Per our Consulting Services Agreement dated August 1, 2021, The Related Companies of California is pleased to present the City of Mission Viejo with an affordable housing feasibility analysis of Grace Church Parking Lot located at 26052 Trabuco Road (the “Project Site”). This initial assessment of the Project Site is composed of a California Tax Credit Allocation Committee (TCAC) site amenity score and a density study to determine the number of units that can be accommodated on the site.

1. TCAC Site Amenity Score

- Amenity Score - The Project Site is ideally located from a TCAC site amenity standpoint, making it eligible to receive 16 points as a Large Family development, satisfying the 15-point TCAC maximum Site Amenity Score. (See Attachment #1 - TCAC Site Amenity Score.)

2. Density Study

- Developable Space - The Project Site is roughly +/-2.4 gross acres. The eastern 0.4 acres is covered by a hillside, with the remaining 2 acres being flat and easily developable.
- Unit Yield - A massing study site plan was prepared yielding 52 affordable family units at a density of 21.6 units per acre. (See Attachment #2 - Massing Study Site Plan.) Buildings are assumed to be 3-story, stacked flat structures, served by an elevator, reaching a maximum building height of roughly 45 feet. The site would need to be re-zoned through an entitlement process to permit the proposed residential development.
- Parking – All parking shown is surface parking with tuck-under, tandem and open-air space parking proposed. One parking space is provided for each studio and 1-bedroom unit; two spaces for each 2-bedroom unit; and 2 spaces for each 3-bedroom unit.

In conclusion, it is Related's opinion that the Grace Church Parking Lot could yield up to 52 affordable housing units. Should you have any questions about this initial study, please let us know.

Sincerely,

Joseph Baclit
Project Manager

Attachments

1. TCAC Site Amenity Score
2. Massing Study Site Plan

TCAC Site Amenity Score

Grace Church Parking Lot
26052 Trabuco Rd, Mission Viejo, CA 92691

| Site Amenity Type | Amenity Name | Address | Distance (miles) | Points Earned | Max Points Possible |
|-------------------|------------------------------|---|------------------|---------------|---------------------|
| Transit | Bus Route 89 | Intersection of El Toro Blvd. & Jeronimo Rd., Mission Viejo, CA 92692 | 0.43 | 3 | 7 |
| Public Park | Cherry Park | 25801 Princeton Way Lake Forest, CA 92630 | 0.26 | 3 | 3 |
| Grocery Store | Stater Bros. | 22351 El Toro Rd. Lake Forest, CA 92630 | 0.47 | 5 | 5 |
| Public School | Glen Yermo Elementary School | 26400 Trabuco Rd. Mission Viejo, CA 92691 | 0.41 | 2 | 3 |
| Medical Clinic | Memorial Care Medial Group | 23512 Madero Mission Viejo, CA 92691 | 0.60 | 2 | 3 |
| Pharmacy | CVS Pharmacy | 25601 Jeronimo Rd. Mission Viejo | 0.55 | 1 | 2 |
| | | Total Score: | | 16 | 15 ⁽¹⁾ |

Footnotes:

(1) TCAC limits Site Amenity points to 15.



FAMILY APTE. 38 UNITS

PSH UNITS. 14 UNITS

SITE AREA: +/-2.4 GROSS ACRES
 NUMBER OF UNITS: 52
 DENSITY: 21.6 UNITS/GROSS ACRE
 BUILDING HEIGHT: 32- 45 FEET

| UNIT TYPE | SF. | NO. | | MIX% | TOTALS | PARKING | |
|---------------|------|-----------------|-----------------|-------|-----------------|-----------|------------------|
| | | FAMILY | PSH | | | REQ'D | PROV. |
| STUDIO | 410 | 0 | 6 | 11.5% | 6 | 6 | 6 |
| 1 BR/1 BA | 600 | 14 | 6 | 38.5% | 20 | 20 | 20 |
| 2 BR/1 BA | 875 | 10 | 2 | 23.0% | 12 | 24 | 24 |
| 3 BR/2 BA | 1125 | 14 | 0 | 27.0% | 14 | 28 | 28 |
| TOTALS | | 38 UNITS | 14 UNITS | | 52 UNITS | 78 | 78 SPACES |

COMMON AREAS: +/- 2700 SF 600 SF

MISSION VIEJO HOUSING SITES GRACE CHURCH SITE

RELATED CALIFORNIA

8-19-2021



August 30, 2022

Ms. Elaine Lister
Director of Community Development
City of Mission Viejo
200 Civic Center
Mission Viejo, CA 92691

RE: BURLINGTON – Preliminary Site and Feasibility Analysis

Dear Elaine:

Per our Consulting Services Agreement dated August 1, 2021, The Related Companies of California is pleased to present the City of Mission Viejo with an affordable housing feasibility analysis of the Burlington site (the “Project Site”), located at 28452 Marguerite Parkway, in Mission Viejo. This initial assessment of the Project Site is composed of a California Tax Credit Allocation Committee (TCAC) site amenity score and a density study to determine the number of units that can be accommodated on the site.

1. TCAC Site Amenity Score

- **Amenity Score** - The Project Site is ideally located from a TCAC site amenity standpoint, making it eligible to receive 21 points as a Large Family development, satisfying the 15-point TCAC maximum site Amenity Score. (See Attachment #1 - TCAC Site Amenity Score.)

2. Density Study (See Attachment #2 – Massing Study Site Plan)

- **Developable Space** – The Project Site is roughly +/-6.90 acres.
- **Unit Yield** – The site was rezoned to RPD50, which increased the allowable density to 50 from 30 dwelling units per acre. Based on our analysis of current site conditions, we are able to maximize the fully allowable density of the site. Our massing study yielded 345 large family units, or 50 du/acres, within three structures that reflect four stories of apartments over on-grade podium (total of 5 stories). Programming of the site also includes +/-6,300 sf of common areas.
- **Parking** – 530 spaces, at a ratio of 1.53 spaces/unit. Parking shown is both surface and podium parking. One parking space is provided for each 1-bedroom unit; 1.5 spaces for each 2-bedroom unit; and two spaces for each 3-bedroom unit.

Should you have any questions about this initial study, please let us know.

Sincerely,

Andrew Yick
Development Associate

Attachments: (1) TCAC Site Amenity Score and (2) Massing Study Site Plan

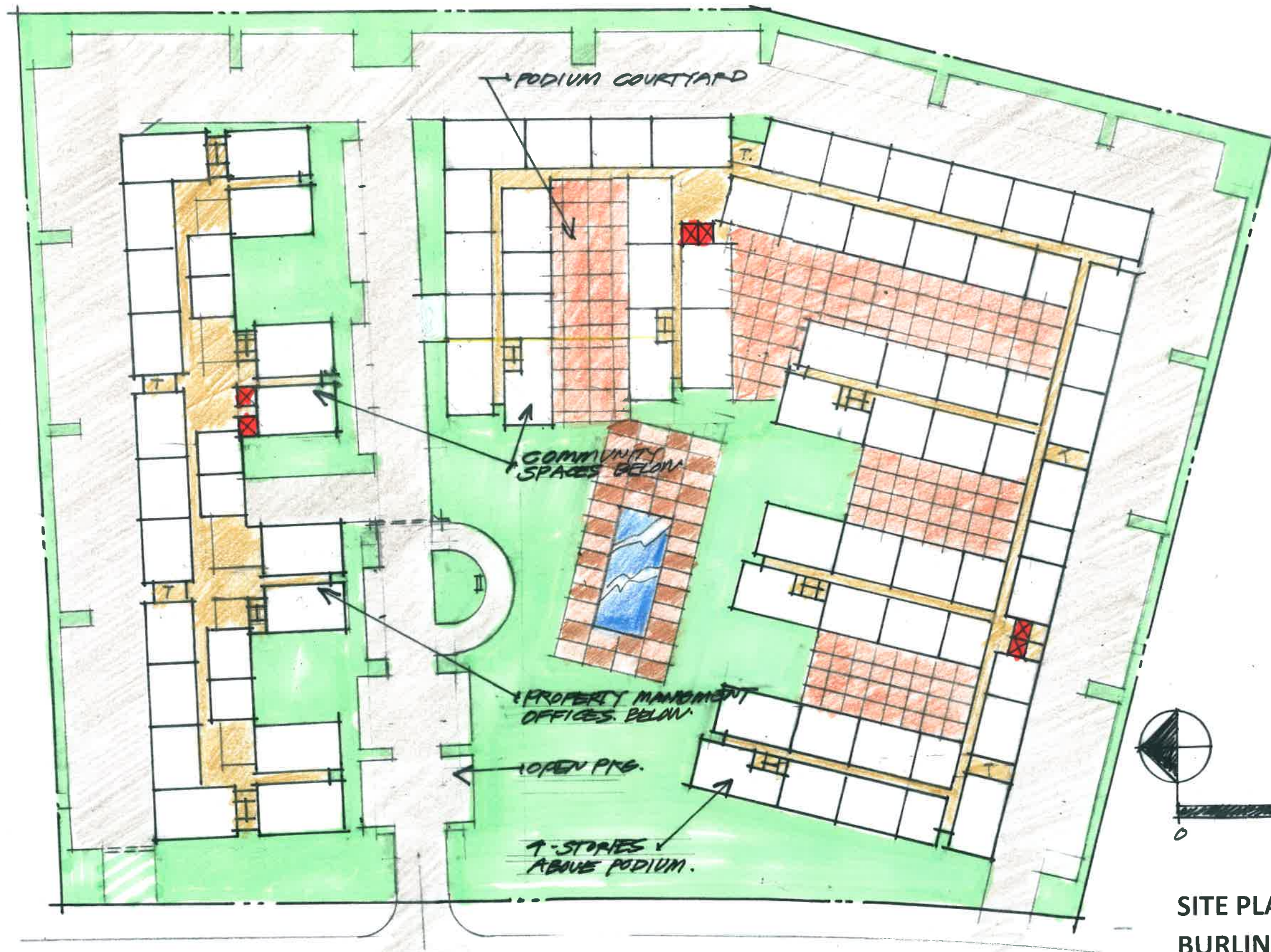
TCAC Site Amenity Score

Burlington
28452 Marguerite Pkwy, Mission Viejo, CA 92692

| Site Amenity Type | Amenity Name | Address | Distance (miles) | Points Earned | Max Points Possible |
|-------------------|---|--|------------------|---------------|---------------------|
| Transit | Bus Route 91 (Marguerite-Ent 28452 Burlington Coat Factory) | (in front of Burlington) Mission Viejo, CA 92692 | 0.03 | 4 | 7 |
| Public Park | Coronado Park | 26652 Las Ondas Dr. Mission Viejo, CA 92691 | 0.28 | 3 | 3 |
| Public Library | IMC Library | 28000 Marguerite Parkway Mission Viejo, CA 92692 | 0.17 | 3 | 3 |
| Grocery Store | Amazon Fresh | 26940 Crown Valley Pkwy Mission Viejo, CA 92691 | 0.83 | 4 | 5 |
| Public School | Capistrano Valley HS | 26301 Via Escolar Mission Viejo, CA 92692 | 0.22 | 3 | 3 |
| Medical Clinic | Mission Heritage Medical Group (Providence affiliate) | 26800 Medical Center Rd. Mission Viejo, CA 92691 | 0.71 | 2 | 3 |
| Pharmacy | Walgreens Pharmacy | 28311 Marguerite Pkwy B-1 Mission Viejo, CA 92692 | 0.14 | 2 | 2 |
| | | Total Score: | | 21 | 15 ⁽¹⁾ |

Footnotes:

(1) TCAC limits Site Amenity points to 15.



MARGUERITE PARKWAY

SITE AREA: +/- 6.90 ACRES
 NUMBER OF UNITS: 345 FAMILY APARTMENTS
 DENSITY: 50 UNITS/ACRE
 BUILDING HEIGHT: 4-STORIES OVER ON-GRADE
 PODIUM PARKING +/-55 FEET

| UNIT TYPE | NO. | SF. | MIX% |
|-----------|-----|---------|-------|
| 1 BEDROOM | 68 | 600 SF | 19.7% |
| 2 BEDROOM | 184 | 900 SF | 53.3% |
| 3 BEDROOM | 93 | 1175 SF | 25.0% |

TOTALS: 345

RESIDENT PARKING:
 1 BR: 68 SPACES (1:1)
 2 BR: 276 SPACES (1.5:1)
 3 BR: 186 SPACES (2:1 +/-20% TANDEM)

TOTAL PARKING: 530 SPACES (1.53 SPACES /UNIT)

COMMON AREAS: +/-6,300 SF

SITE PLAN
BURLINGTON FAMILY APARTMENTS

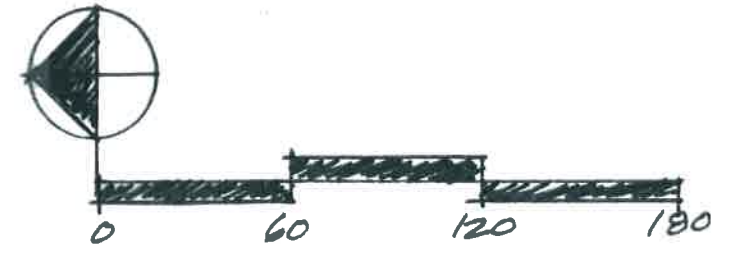
MISSION VIEJO
 RELATED CALIFORNIA
 8-17-2022



LINE OF PODIUM ABOVE.

PARKING UNDER PODIUM.

OPEN PARKING



PARKING PLAN



November 1, 2022

Ms. Elaine Lister
Director of Community Development
City of Mission Viejo
200 Civic Center
Mission Viejo, CA 92691

RE: VISTA DEL LAGO APARTMENTS – Preliminary Site and Feasibility Analysis

Dear Elaine:

Per our Consulting Services Agreement dated August 1, 2021, The Related Companies of California is pleased to present the City of Mission Viejo with an affordable housing feasibility analysis of Vista del Lago Apartments (the “Project Site”), located at 21622 Marguerite Parkway, in Mission Viejo. This initial assessment of the Project Site is composed of a California Tax Credit Allocation Committee (TCAC) site amenity score and a density study to determine the number of units that can be accommodated on the site.

1. TCAC Site Amenity Score

- **Amenity Score** - The Project Site is ideally located from a TCAC site amenity standpoint, making it eligible to receive 20 points as a Large Family development, satisfying the 15-point TCAC maximum site Amenity Score. (See Attachment #1 - TCAC Site Amenity Score.)

2. Density Study (See Attachment #2 – Massing Study Site Plan)

- **Developable Space** – Overall, site conditions are favorable. Per the assessor’s parcel map, the site is +/- 33.813 acres. However, according to Tract Map 11277, the site encompasses +/- 29.410 acres. Since the assessor’s map most likely reflects gross acreage, which includes non-buildable acreage, we decided to base our yield study on the (net) acreage indicated in the tract map.
- **Unit Yield** – In 1987, the site was improved with a multifamily asset (Vista del Lago Apartments) consisting of 608 units, which represents a density of approximately 21 units per acre. However, in 2021, the City upzoned the site to Residential Planned Development (RPD) Zone 50 from RPD 30, which increased the allowable density to 50 units per acre.

Based on our analysis of current site conditions and the zoning of RPD 50, our massing study yields a total of 1,405 units, or 47.8 units per acre, of which 1,155 are family units and 250 units are designated for seniors. The building typologies span from 2-story townhouses to 5-stories on-grade. Our site planning includes +/-29,550 sf of common area and +/-11,000 sf of multi-use space. The entire site would be developed over multiple phases.

- **Parking** – 1,875 open parking spaces, at a ratio of 1.33 spaces/unit. One-half parking space is provided for each studio unit; one parking space for each 1-bedroom unit; 1.5 spaces for each 2-bedroom unit; and 2.0 spaces for each 3-bedroom unit.

Should you have any questions about this initial study, please let us know.

Sincerely,

Andrew Yick
Development Associate

Attachments: (1) TCAC Site Amenity Score and (2) Massing Study Site Plan

TCAC Site Amenity Score

Vista del Lago Apartments
21622 Marguerite Parkway, Mission Viejo, CA 92692

| Site Amenity Type | Amenity Name | Address | Distance (miles) | Points Earned | Max Points Possible |
|---------------------|---|---|------------------|---------------|-------------------------|
| Transit | Bus Route 85 (Los Alisos - Mustang Run) | Marguerite Parkway and Santa Marguerite Mission Viejo, CA 92692 | 0.03 | 4 | 7 |
| Public Park | Eastbrook Park | 21530 Eastbrook Way Mission Viejo, CA 92692 | 0.37 | 3 | 3 |
| Public Library | IMC Library | 28000 Marguerite Parkway Mission Viejo, CA 92692 | 7.00 | 0 | 3 |
| Grocery Store | Ralphs | 27730 Santa Margarita Parkway Mission Viejo, CA 92691 | 0.22 | 5 | 5 |
| Public School | Trabuco Hills HS | 27501 Mustang Run Mission Viejo, CA 92691 | 0.60 | 3 | 3 |
| Medical Clinic | Share Our Selves Medical Health Center | 27725 Marguerite Pkwy Mission Viejo, CA 92691 | 0.24 | 3 | 3 |
| Pharmacy | CVS | 27750 Santa Margarita Pkwy Mission Viejo, CA 92691 | 0.15 | 2 | 2 |
| Total Score: | | | | 20 | 15⁽¹⁾ |

Footnotes:

(1) TCAC limits Site Amenity points to 15.

SITE AREA: 29.4 ACRES (INCLUDES INTERIOR STREET)
NUMBER OF UNITS: 1405 APARTMENTS
DENSITY: 47.8 UNITS/ACRE
BUILDING HEIGHTS: 2-STORY TOWNHOUSES
 3-STORY STACKED FLATS ON GRADE
 4-STORY STACKED FLATS OVER PODIUM
 5-STORIES ON-GRADE (SENIOR APARTMENTS)
PARKING: 1,875 SPACES (SOME TANDEM FOR 3 BR UNITS)
 1.33 SPACES/UNIT

| PARCEL | UNITS | TYPES | MIX% | PARKING |
|--------|--------|-----------|---------------------------|--|
| 1 | 220 | STUDIO 20 | 9% | .5/UNIT = 10 SPACES |
| | FAMILY | 1 BR 35 | 16.0% | 1.0/UNIT = 35 SPACES |
| | | 2 BR 110 | 50.0% | 1.5/UNIT = 165 SPACES |
| | | 3 BR 55 | 25.0% | 2.0/UNIT = 110 SPACES |
| | TOTAL: | 220 UNITS | | (W/ TANDEM) 320 SPACES REQ'D 320 SPACES PROVIDED |
| | | | | COMMON SPACE: +/-4,800 SF |
| 2 | 250 | STUDIO 16 | 6.4% | .5/UNIT = 8 SPACES |
| | SENIOR | 1 BR 234 | 93.6% | 1.0/UNIT = 234 SPACES |
| | TOTAL: | 250 UNITS | | 242 SPACES REQ'D 242 SPACES PROVIDED |
| | | | | COMMON SPACE: +/-5,000 SF |
| 3 | 128 | STUDIO 8 | 6.3% | .5/UNIT = 4 SPACES |
| | FAMILY | 1 BR 24 | 18.8% | 1.0/UNIT = 24 SPACES |
| | | 2 BR 64 | 50.0% | 1.5/UNIT = 96 SPACES |
| | | 3 BR 32 | 25.0% | 2.0/UNIT = 64 SPACES |
| | TOTAL: | 128 UNITS | | (W/ TANDEM) 188 SPACES REQ'D 188 SPACES PROVIDED |
| | | | COMMON SPACE: 5,400 SF | |
| 4 | 144 | STUDIO 8 | 5.5% | .5/UNIT = 4 SPACES |
| | FAMILY | 1 BR 34 | 23.6% | 1.0/UNIT = 34 SPACES |
| | | 2 BR 66 | 45.9% | 1.5/UNIT = 99 SPACES |
| | | 3 BR 36 | 25.0% | 2.0/UNIT = 72 SPACES |
| | TOTAL: | 144 UNITS | | (W/ TANDEM) 209 SPACES REQ'D 209 SPACES PROVIDED |
| | | | COMMON SPACE: +/-2,100 SF | |

| | | | | |
|---|-----------|-----------|-----------|--|
| 5 | 130 | STUDIO 5 | 3.8% | .5/UNIT = 3 SPACES |
| | FAMILY | 1 BR 26 | 20.0% | 1.0/UNIT = 26 SPACES |
| | | 2 BR 65 | 50.0% | 1.5/UNIT = 98 SPACES |
| | MIXED-USE | 3 BR 34 | 26.2% | 2.0/UNIT = 68 SPACES |
| | | TOTAL: | 130 UNITS | |
| | | | | MULTI--USE SPACE: +/- 11,000 SF |
| 6 | 134 | STUDIO 8 | 6.0% | .5/UNIT = 4 SPACES |
| | FAMILY | 1 BR 36 | 26.8% | 1.0/UNIT = 36 SPACES |
| | | 2 BR 56 | 41.8% | 1.5/UNIT = 84 SPACES |
| | | 3 BR 34 | 25.4% | 2.0/UNIT = 68 SPACES |
| | TOTAL: | 134 UNITS | | (W/ TANDEM) 192 SPACES REQ'D 192 SPACES PROVIDED * |
| | | | | COMMON SPACE: +/-2,350 SF |
| 7 | 125 | STUDIO 10 | 8.0% | .5/UNIT = 5 SPACES |
| | FAMILY | 1 BR 28 | 22.4% | 1.0/UNIT = 28 SPACES |
| | | 2 BR 55 | 44.0% | 1.5/UNIT = 83 SPACES |
| | | 3 BR 32 | 25.6% | 2.0/UNIT = 64 SPACES |
| | TOTAL: | 125 UNITS | | (W/ TANDEM) 180 SPACES REQ'D 166 SPACES PROVIDED * |
| | | | | COMMON SPACE: 3,300 SF |
| 8 | 116 | STUDIO 12 | 10.3% | .5/UNIT = 6 SPACES |
| | FAMILY | 1 BR 18 | 15.5% | 1.0/UNIT = 18 SPACES |
| | | 2 BR 57 | 49.2% | 1.5/UNIT = 86 SPACES |
| | | 3 BR 29 | 25.0% | 2.0/UNIT = 58 SPACES |
| | TOTAL: | 116 UNITS | | (W/ TANDEM) 168 SPACES REQ'D 168 SPACES PROVIDED * |
| | | | | COMMON SPACE: +/-3,300 SF |
| 9 | 158 | STUDIO 22 | 14.0% | .5/UNIT = 11 SPACES |
| | FAMILY | 1 BR 36 | 22.8% | 1.0/UNIT = 36 SPACES |
| | | 2 BR 60 | 38.0% | 1.5/UNIT = 90 SPACES |
| | | 3 BR 40 | 25.2% | 2.0/UNIT = 80 SPACES |
| | TOTAL: | 158 UNITS | | (W/ TANDEM) 217 SPACES REQ'D 195 SPACES PROVIDED * |
| | | | | COMMON SPACE: +/- 3,300 SF |

* = NOT ALL SPACES ARE LOCATED ON THIS SITE






VISTA DEL LAGO FAMILY & SENIOR APARTMENTS

MISSION VIEJO
RELATED CALIFORNIA

SANTA MARGARITA PKWY.

MARGUERITE PARKWAY



-  2-STORY TH. ON-GRADE
-  3-STORY ON-GRADE
-  4-STORY ABOVE PODIUM
-  5-STORY ON-GRADE
-  COMMON/MULTI-USE

VISTA DEL LAGO
FAMILY & SENIOR APARTMENTS

MISSION VIEJO
RELATED CALIFORNIA

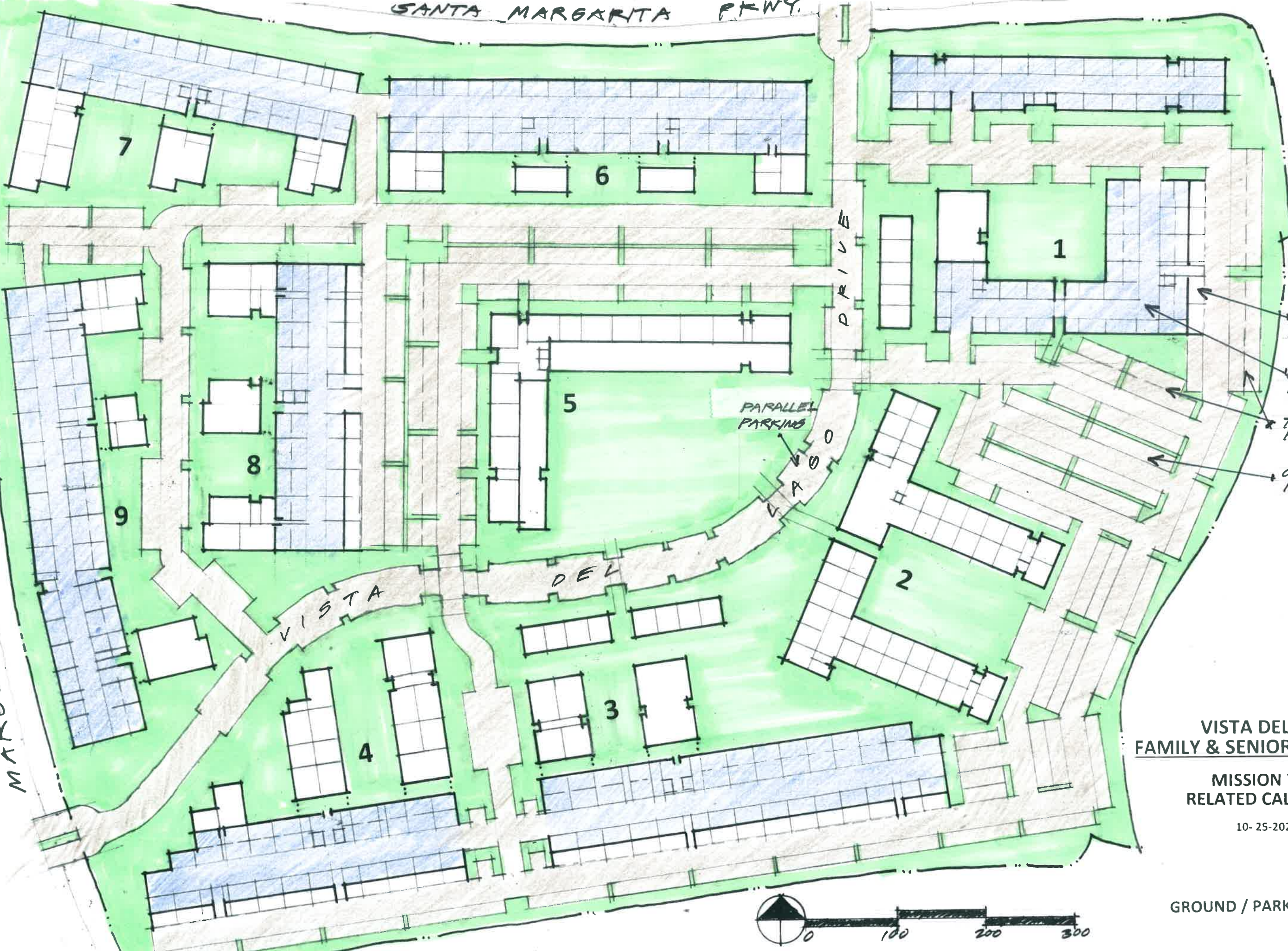
10-25-2022

SITE PLAN



SANTA MARGARITA PKWY.

MARGUERITE PARKWAY



**VISTA DEL LAGO
FAMILY & SENIOR APARTMENTS**

MISSION VIEJO
RELATED CALIFORNIA

10-25-2022

GROUND / PARKING LEVEL



Appendix D. Assessment of Fair Housing



Appendix D. Affirmatively Furthering Fair Housing

All Housing Elements due on or after January 1, 2021 must contain an Assessment of Fair Housing consistent with the core elements of the analysis required by the federal Affirmatively Furthering Fair Housing (AFFH) Final Rule of July 16, 2015. Under state law, affirmatively furthering fair housing means “taking meaningful actions, in addition to combatting discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics” (CDH AFFH Guidance document, April 2021 Update).

This appendix provides a detailed analysis of fair housing issues in Mission Viejo, and each section will discuss the site inventory as it relates to the geographic distribution of these issues. Other sections of the housing element also address these issues and are included in this appendix by reference.

A. Key Data and Background Information

(Note that data from the Orange County Analysis of Impediments to Fair Housing Choice, May 27, 2020, (County AI), American Community Survey (ACS), 2014-18, 2015-2019 and 2016-2020 series, US Census 2010 and 2020 data, the Southern California Association of Governments (SCAG) Pre-Certified Housing Data report and other data sources are used in the analysis below, depending on the topic being discussed. Using different data sources, covering different time periods, to address AFFH issues means that there may be small differences in totals or percentages discussed for the same variable, depending on which dataset is being used)

Orange County was established when it seceded from Los Angeles in 1889, with the county seat established in Santa Ana. Transportation innovation was important in the county’s development, including trolley connections from Santa Ana and Newport Beach to Los Angeles, as well as major roads such as State Route/US Route 101 in the 1920s, much of which is now Interstate 5.

Agriculture and oil extraction were early drivers of the county’s economy, but after World War II, the growth of the aerospace and manufacturing industry and improved communications connections such as I-5 caused the population to grow significantly as suburbanization accelerated. The opening of Disneyland in the mid-1950s established the county as a major tourist destination. The southern part of the county began to grow in the 1960s with a series of master planned communities developed, including the City of Mission Viejo. As of the 2020 Census, Orange County has 3.19 million inhabitants, growing by 176,757 since the 2010 Census (5.9%). Statewide growth was 6.1%.

In 1965, after 2 years of master planning, the first homes were constructed on what was then unincorporated county land but would ultimately become Mission Viejo. In 1988, the planned community of Mission Viejo was incorporated, and today, the city is essentially fully built out.

Both the County AI and the Housing Needs Assessment in Section II of this Housing Element examine key demographic factors for Mission Viejo, neighboring cities, and the County as a whole. Additional regional and local analysis is provided in this Appendix. Key data points include:

- Between 2010 and 2020, Mission Viejo’s total population grew from 93,305 to 93,653 (+348, +0.4%). Table D-1 shows the city’s population growth relative to neighboring cities, and the county. Mission Viejo had the second lowest growth rate of these cities, which with the exception of Lake



Forest, ranged from 0.4% to 3.4%, lower than the county’s overall growth rate of 5.9%. Lake Forest’s growth was substantially higher, at 11%, due to a burst of new residential development in the mid/late 2010s, following annexation of new territory in the 2000s, where new residential neighborhoods were approved for the Baker Ranch, Portola Center, Serrano Summit and Teresina neighborhoods.

Table D-1 - Total Population Growth, 2010-2020, Mission Viejo and Neighboring Cities

| | 2010 Census | 2020 Census | Change | % Change |
|------------------------|------------------|------------------|----------------|-------------|
| Laguna Hills | 30,344 | 31,374 | 1,030 | 3.4% |
| Laguna Niguel | 62,979 | 64,355 | 1,376 | 2.2% |
| Lake Forest | 77,264 | 85,858 | 8,594 | 11.1% |
| Rancho Santa Margarita | 47,853 | 47,949 | 96 | 0.2% |
| San Juan Capistrano | 34,593 | 35,196 | 603 | 1.7% |
| Mission Viejo | 93,305 | 93,653 | 348 | 0.4% |
| Orange County | 3,010,232 | 3,186,989 | 176,757 | 5.9% |

- The proportion of Mission Viejo’s population over 65 was 21.3%, based on ACS 2020 series estimates – the highest proportion among its neighboring cities (see Table D-2). Lake Forest and Rancho Santa Margarita in particular have smaller older populations while Mission Viejo’s other neighboring cities (San Juan Capistrano, Laguna Hills and Laguna Niguel) are similar to Mission Viejo. Orange County’s proportion was 15.3%.

Table D-2 - % Persons 65+, 2010-2020, Mission Viejo and Neighboring Cities

| | 2010 ACS | 2020 ACS |
|------------------------|--------------|--------------|
| Laguna Hills | 11.9% | 17.9% |
| Laguna Niguel | 12.3% | 18.4% |
| Lake Forest | 9.1% | 13.5% |
| Rancho Santa Margarita | 5.2% | 9.5% |
| San Juan Capistrano | 14.6% | 18.0% |
| Mission Viejo | 13.2% | 21.3% |
| Orange County | 11.2% | 15.3% |

- Mission Viejo had a population classified as 66.87% White, 16.94% Hispanic, and 10.62% Asian/Pacific Islander (per the County AI – summarized below in Table D-3 for largest racial/ethnic groups only). Trend analysis in the County AI shows that Mission Viejo’s White population has been falling since 1990, when it was 83.86%, its Hispanic proportion has doubled from 8.18%, and the Asian/Pacific Islander population has also grown substantially, from a proportion of 6.62%. Mission Viejo’s surrounding cities have White proportions ranging from 54% (Lake Forest) to 66.5% (Laguna Niguel), and Hispanic proportions ranging from 16.84% (Laguna Niguel) to 36.37% (San Juan Capistrano). The County as a whole is significantly less white than these Southern Orange County cities (41.4%), and, apart from San Juan Capistrano, significantly more Hispanic (34.2%).



Table D-3 - Population by Race, County AI, 2020

| | White | Black | Hispanic | Asian/PI |
|------------------------|---------------|--------------|---------------|---------------|
| Laguna Hills | 58.58% | 2.39% | 20.87% | 14.59% |
| Laguna Niguel | 66.48% | 1.89% | 16.84% | 10.11% |
| Lake Forest | 53.98% | 1.80% | 24.52% | 15.57% |
| Rancho Santa Margarita | 63.36% | 2.47% | 19.57% | 10.47% |
| San Juan Capistrano | 57.30% | 0.09% | 36.37% | 3.30% |
| Mission Viejo | 66.87% | 1.36% | 16.94% | 10.62% |
| Orange County | 41.40% | 1.57% | 34.20% | 19.78% |

- Per the 2019 series ACS, 29.7% of Mission Viejo’s households had children, compared to 31.5% for the County. Neighboring cities were in the range of 28.3% (Laguna Niguel) to 34.3% (Rancho Santa Margarita). This reflects in part the age structure of the cities; as has already been noted, Rancho Santa Margarita had by far the smallest proportion of its population over 65.
- Between 2010 and 2020 (U.S. Census), Mission Viejo’s housing stock grew by 2.2%, a lower rate than all but one of the surrounding cities, compared to 5% countywide (~~Table D-4~~ ~~Table D-4~~ ~~Table D-4~~).

Table D-4 - Total Housing Units by City, 2010 and 2020

| Total Units | 2010 Census | 2020 Census | Change | % Change |
|------------------------|------------------|------------------|---------------|-------------|
| Laguna Hills | 11,046 | 11,426 | 380 | 3.4% |
| Laguna Niguel | 25,312 | 27,281 | 1,969 | 7.8% |
| Lake Forest | 27,088 | 30,570 | 3,482 | 12.9% |
| Rancho Santa Margarita | 17,260 | 17,606 | 346 | 2.0% |
| San Juan Capistrano | 11,940 | 12,319 | 379 | 3.2% |
| Mission Viejo | 34,228 | 34,982 | 754 | 2.2% |
| Orange County* | 1,048,907 | 1,101,244 | 52,337 | 5.0% |

* Orange County’s 2020 data is an estimate from ACS.

- The proportion of owned housing units in Mission Viejo versus rented is generally in line with neighboring cities, at 77%-23% (see Table D-5). Countywide, the breakdown is 57%-43%. (source: www.censusreporter.org)

Table D-5 - Total Owner-Occupied and Renter Occupied Units

| Owner-Renter | % Owner | % Renter | % Occ. | % Vacant |
|------------------------|------------|------------|------------|-----------|
| Laguna Hills | 70% | 30% | 96% | 4% |
| Laguna Niguel | 69% | 31% | 93% | 7% |
| Lake Forest | 70% | 30% | 95% | 5% |
| Rancho Santa Margarita | 73% | 27% | 98% | 2% |
| San Juan Capistrano | 75% | 25% | 93% | 7% |
| Mission Viejo | 77% | 23% | 96% | 4% |
| Orange County | 57% | 43% | 94% | 6% |

There are a total of 26 census tracts within the City of Mission Viejo. Some tracts are shared with neighboring cities and are marked with an asterisk in tables. Figure D-1 shows the tract boundaries.

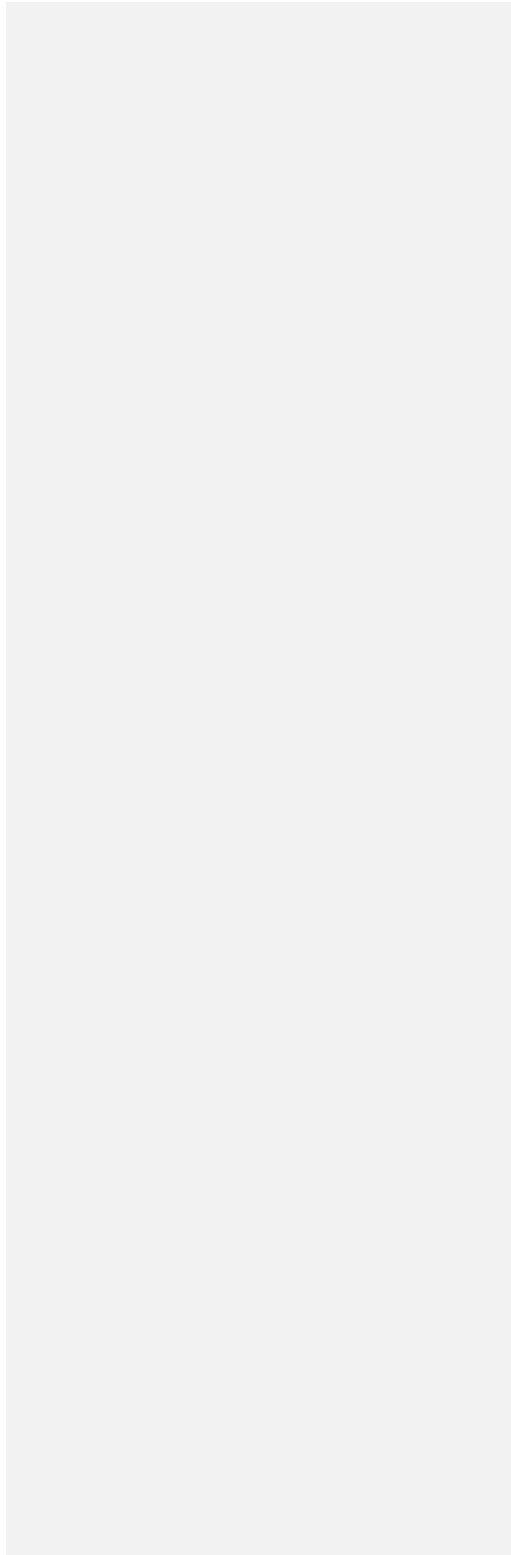
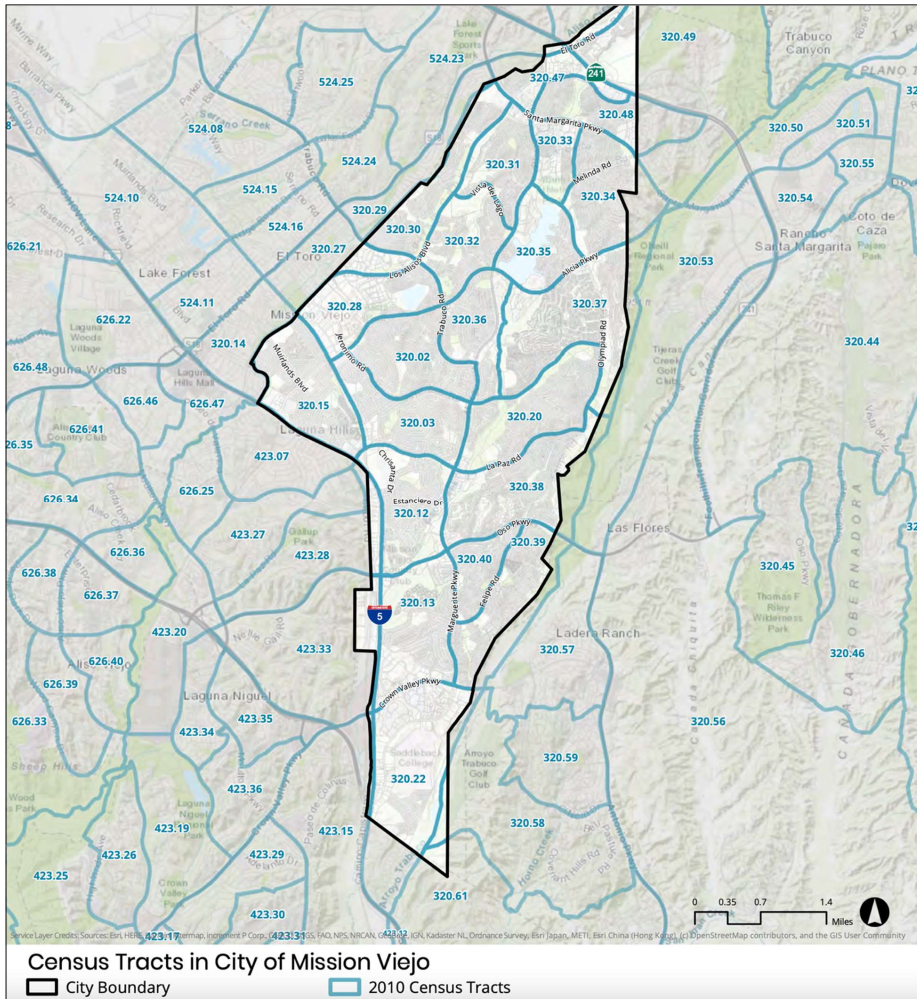




Figure D-1 - Census Tracts in Mission Viejo





B. Fair Housing Enforcement and Outreach Capacity

Federal fair housing laws prohibit discrimination based on: race, color, religion, national origin, sex/gender, handicap/disability, and familial status. Specific federal legislation and court rulings include:

- The Civil Rights Act of 1866 – covers only race and was the first legislation of its kind
- The Federal Fair Housing Act 1968 – covers refusal to rent, sell, or finance
- The Fair Housing Amendment Act of 1988 – added the protected classes of handicap and familial status
- The Americans with Disabilities Act (ADA) – covers public accommodations in both businesses and in multi-family housing developments
- Shelly v. Kramer 1948 – made it unconstitutional to use deed restrictions to exclude individuals from housing
- Jones v. Mayer 1968 – made restrictive covenants illegal and unenforceable

California state fair housing laws protect the same classes as the federal laws with the addition of marital status, ancestry, source of income, sexual orientation, and arbitrary discrimination. Specific State legislation and regulations include:

- Unruh Civil Rights Act – extends to businesses and covers age and arbitrary discrimination
- California Fair Employment and Housing Act (Rumford Act) – covers the area of employment and housing, with the exception of single-family houses with no more than one roomer/boarder
- California Civil Code Section 53 – takes measures against restrictive covenants
- Department of Real Estate Commissioner’s Regulations 2780-2782 – defines disciplinary actions for discrimination, prohibits panic selling and affirms the broker’s duty to supervise
- Business and Professions Code – covers people who hold licenses, including real estate agents, brokers, and loan officers.

The County, including the City of Mission Viejo, has committed to complying with applicable federal and State fair housing laws to ensure that housing is available to all persons without regard to race, color, religion, national origin, disability, familial status, or sex as outlined in the County’s 2020 Analysis of Impediments to Fair Housing Choice (2020 AI).

1. Orange County

To set Mission Viejo’s Fair Housing Enforcement and Outreach Capacity in context, the 2020 Orange County AI reports that the Fair Housing Council of Orange County (FHCOC) received 363 allegations of housing discrimination between 2015 and 2019 within the County of Orange Urban County Jurisdiction (which includes 16 of the County’s 34 incorporated cities, and 16 unincorporated areas, with a population of around 545,000 and 193,000 households). Of those allegations, 179 cases were opened for further investigation and/or action.



According to the 2020 AI, there are two pending administrative complaints or lawsuits against the locality alleging fair housing violations or discrimination, neither of which were filed against Mission Viejo:

- *Watts v. City of Newport Beach*, 790 Fed.Appx. 853 (9th Cir. 2019): The City of Newport Beach was recently sued by a young woman who alleged excessive force, unlawful entry, and unlawful arrest. Upon the decline of her card for a taxi fare, the driver called the police, who threatened to take Watts to jail if she could not produce additional funds to pay. She asked to go to her apartment to get another form of payment, and officers escorted her. When she objected to their entry into her apartment to retrieve the funds, they handcuffed her to the point of injury to her wrists, kicked her legs out from under her, pushed her head into a wall, and took her to jail overnight. The 9th Circuit ruled affirmed that officers were not covered by qualified immunity for unlawful arrest and unlawful entry, but that they were covered for the excessive force claim.
- *A. K. H by and through Landeros v. City of Tustin*, 837 F.3d 1005 (9th Cir. 2016): In 2014, the city of Tustin was sued by the family of a minor who was shot and killed by a Tustin police officer. The city moved for summary judgement based on qualified immunity. The district court denied that motion. On appeal, the 9th Circuit affirmed the lower court decision, holding that the shooting violated the 4th Amendment, and that the officer was not covered by qualified immunity.

2. Mission Viejo

As outlined in the Constraints section of the Housing Element, Mission Viejo has numerous procedures in place to address potential impediments to fair housing choice to persons with disabilities and other special needs populations. The City contracts with the Fair Housing Foundation (FHF), which currently serves 24 cities in Los Angeles and Orange counties, to implement the regional Fair Housing Plan and to offer outreach, fair housing services and tenant/landlord counseling to residents. The City’s website provides links to the fair housing provider and applicable services. According to the 2020 County AI, the FHF provided fair housing services to 292 Mission Viejo households under the previous County AI, dealing with general housing issues and allegations of discrimination.

Table D-6 below summarizes annual reports from FHF, showing demographics for clients served, the number of Fair Housing Cases opened, and their status.

Table D-6 - Fair Housing Data for Mission Viejo (Fair Housing Foundation Annual Reports, 2014-15 through 2020-21)

| | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-2020 | 2020-2021 |
|-------------------------|---------|---------|---------|---------|---------|-----------|-----------|
| Total Cases Opened | 1 | 1 | 1 | 0 | 2 | 0 | 3 |
| Age Related | | | | | | | 1 |
| Disability Related | | 1 | 1 | | | | |
| Race Related | | | | | 1 | | 1 |
| National Origin Related | | | | | 1 | | |
| Income Related | | | | | | | 1 |
| Findings | | | | | | | |
| Inconclusive | 1 | | | | | | |
| No Evidence | | 1 | 1 | | 1 | | 2 |
| Pending | | | | | 1 | | 1 |



| | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-2020 | 2020-2021 |
|--------------------------------|---------|---------|---------|---------|---------|-----------|-----------|
| Clients Served: Race/Ethnicity | 86 | 103 | 71 | 57 | 63 | 48 | 56 |
| Asian | 3 | 11 | 3 | 3 | | 5 | 5 |
| Black | | 8 | 3 | 3 | 1 | 2 | 1 |
| Hispanic | 16 | 22 | 22 | 11 | 11 | 6 | 11 |
| White | 67 | 62 | 43 | 40 | 51 | 35 | 39 |
| Clients Served: Income* | 86 | 103 | 71 | 57 | 63 | 48 | 56 |
| High / Above Moderate | 14 | 18 | 9 | 8 | 13 | 4 | 4 |
| Medium | 9 | 23 | | | | | 15 |
| Low | 32 | 27 | 18 | 16 | 10 | 17 | 12 |
| Very Low | 31 | 35 | 19 | 22 | 12 | 9 | |
| Extremely Low | | | 25 | 11 | 28 | 18 | 25 |
| Clients Served: Special Groups | 19 | 32 | 24 | 24 | 17 | 24 | 24 |
| Female Head of Household | 7 | 15 | 7 | 9 | 7 | 10 | 7 |
| Disabled | 9 | 8 | 9 | 6 | 6 | 8 | 6 |
| Senior | 3 | 9 | 8 | 9 | 4 | 6 | 11 |
| Type of Caller | 83 | 93 | 65 | 50 | 62 | 46 | 50 |
| City Staff | | | | | | | 1 |
| Community Organization | | | | 3 | | 4 | |
| Homebuyer | | | | | | | |
| In-Place Tenant | 64 | 72 | 50 | 37 | 51 | 33 | 39 |
| Landlord/Manager/Mgmt Company | 3 | 10 | 6 | 7 | 1 | 2 | 6 |
| Other | 10 | 9 | 3 | 2 | 6 | 3 | 4 |
| Property owner | 6 | 12 | 11 | 4 | 4 | 5 | 4 |
| Realtor | 1 | | | 1 | | 1 | 1 |
| Rental Home Seeker | 2 | | 1 | 3 | 1 | | 1 |

*2014-15, 2015-16 and 2020-21: Income categories were Very Low, Low, Medium, High
2016-17 through 2019-2020: Income categories were Extremely Low, Very Low, Low, Above Moderate
The income categories may not be directly comparable over all seven years.

Around 1-3 cases related to Mission Viejo are opened each year by FHF, and in general the cases are closed with a status of No Evidence to sustain the case. There are approximately 33,000 households in Mission Viejo, so the case number is very small. In recent years, FHF has served around 50 to 60 clients in Mission Viejo each year, with approximately 65% to 70% of the clients being White (citywide demographics are 67% White), and the clientele is concentrated in lower income categories, as would be expected. Tenants are the most common type of client served by FHF, and roughly half of the clients tend to be in categories of special need, such as female-headed households, disabled, or senior households.

HUD data for Fair Housing Enforcement and Outreach Case data between 2013 and 2021 from the AFFH Data Viewer shows that Mission Viejo had 0.13 inquiries per 1,000 residents, a very low rate. Most southern Orange County cities had a similar rate of inquiries, although the following nearby cities exhibited higher rates: Aliso Viejo (0.37), Laguna Niguel (0.31), San Clemente (0.29) and Dana Point (0.35).

As of April, 2022, Mission Viejo had 236 Section 8 Housing Choice Vouchers (HCVs). Table D-7 below shows how this compares to neighboring cities, and as a percentage of total housing units.



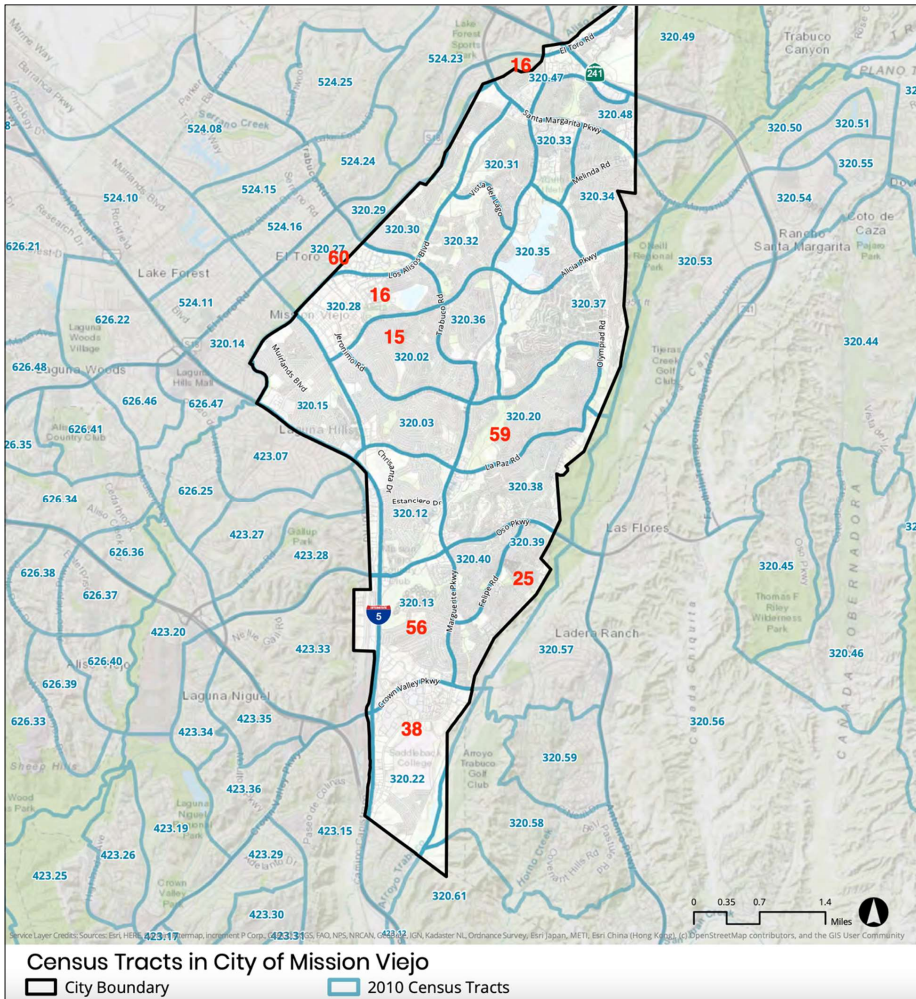
Table D-7 - 2020 SCAG Housing Unit Totals and Housing Choice Vouchers

| | Units | HCV | HCV as % of Total Units |
|------------------------|---------------|------------|-------------------------|
| Laguna Hills | 11,426 | 19 | 0.2% |
| Laguna Niguel | 27,281 | 78 | 0.3% |
| Lake Forest | 30,570 | 164 | 0.5% |
| Rancho Santa Margarita | 17,606 | 109 | 0.6% |
| San Juan Capistrano | 12,319 | 52 | 0.4% |
| Mission Viejo | 34,982 | 236 | 0.7% |

The 236 Housing Choice Vouchers (HCVs) in Mission Viejo represent 0.7% of the total housing units. This is a higher rate than any neighboring city. The AFFH Data and Mapping Resources website using data that was updated in 2022 at the Census Tract level reveals that the Housing Choice Vouchers are located in 8 of Mission Viejo's 26 Census Tracts as shown in [Figure D-2](#) below. Many of the Mission Viejo's HCVs are in the southern section of the city, in tracts 320.13, 320.22 and 320.39, and the largest single concentration is 59 HCVs in Tract 320.20 in the central-eastern part of the city. Tracts 320.27 and 320.47 are shared with Lake Forest, so it is impossible to know how many of the HCVs recorded for those tracts (60 and 16, respectively) are located within Mission Viejo.



Figure D-2 - Housing Choice Voucher Count by Census Tract



The Orange County 2020 AI reports that there are very few Project-Based Section 8 units or other subsidized multifamily units with more than one bedroom to meet the large number of households in the county experiencing overpayment burden. A total of 2,286 Housing Choice Vouchers were utilized in the County, equating to just over 1% of the total units in Orange County; with 236 Housing Choice Vouchers, Mission Viejo has around 10% of the County total, while accounting for just 3% of the total County population. As has been seen with various demographic indicators in this section, there is a north-south



difference in utilization of Housing Choice Vouchers in the county, which the report notes are concentrated in the Garden Grove-Westminster area and along the I-5 corridor in the northern section of Orange County.

The above section shows that Mission Viejo has historically had a very small number of fair housing-related complaints, and that it has been more successful than its neighbors in facilitating the use of Housing Choice Vouchers. In addition, the city complies with State and Federal housing laws as follows:

- Fair Housing Act: Title VI of the Civil Rights Act of 1964 – the City complies by ensuring its actions related to housing are not discriminatory through City protocols, decision-making procedures, and adhering to non-discrimination requirements of federal funding programs.
- Rehabilitation Act of 1973 – see Fair Housing Act; also, the City complies through its accessibility protocols, administered and enforced by the City’s ADA/504 Coordinator and Building Official.
- American Disabilities Act – the City complies with the ADA through building permit review and issuance and as described in Section III (1) (b) of this Element, (Housing Constraints: Zoning, Housing for Persons with Disabilities).
- California Fair Employment and Housing Act (FEHA) and FEHA Regulations – the City complies with FEHA and its regulations through established City protocols decision making, legal counsel and advisement.
- Government Code Section 65008 – the City Zoning Code is written to ensure that the City’s actions regarding the development of housing for persons and families of very low, low, moderate, and middle incomes, or emergency shelters for the homeless, are not discriminatory. Programs are included in this Housing Element to facilitate housing for all households, including protected classes (e.g., programs regarding residential care facilities, emergency shelters, and reasonable accommodations).
- Government Code Section 8899.50 – Appendix D of this Housing Element documents compliance with Affirmatively Furthering Fair Housing requirements.
- Government Code Section 11135 et. seq. – the City complies with anti-discrimination requirements through the City’s Human Resources programs and the City’s procurement protocols.
- Density Bonus Law (Government Code Section 65915) – the City implements density bonus provisions in compliance with the Density Bonus Law as described in -Section III (1)(e) of this Element (Housing Constraints: Density Bonus).
- Housing Accountability Act (Government Code Section 65589.5) – the City has documented compliance with the HAA as described in Section III of this Element (Housing Constraints). WE HAVE NO REFERENCES TO THIS ACT IN OUR ELEMENT!the City complies with the HAA through its development review and approval process. The Housing Element includes a program to establish objective design standards to comply with SB 330.
- No-Net-Loss Law (Government Code Section 65863) – the City has documented compliance with sufficient capacity for RHNA and will ensure compliance with no-net-loss via required annual reporting to HCD. The Housing Element also includes a program to monitor no net loss of sites capacity for RHNA.

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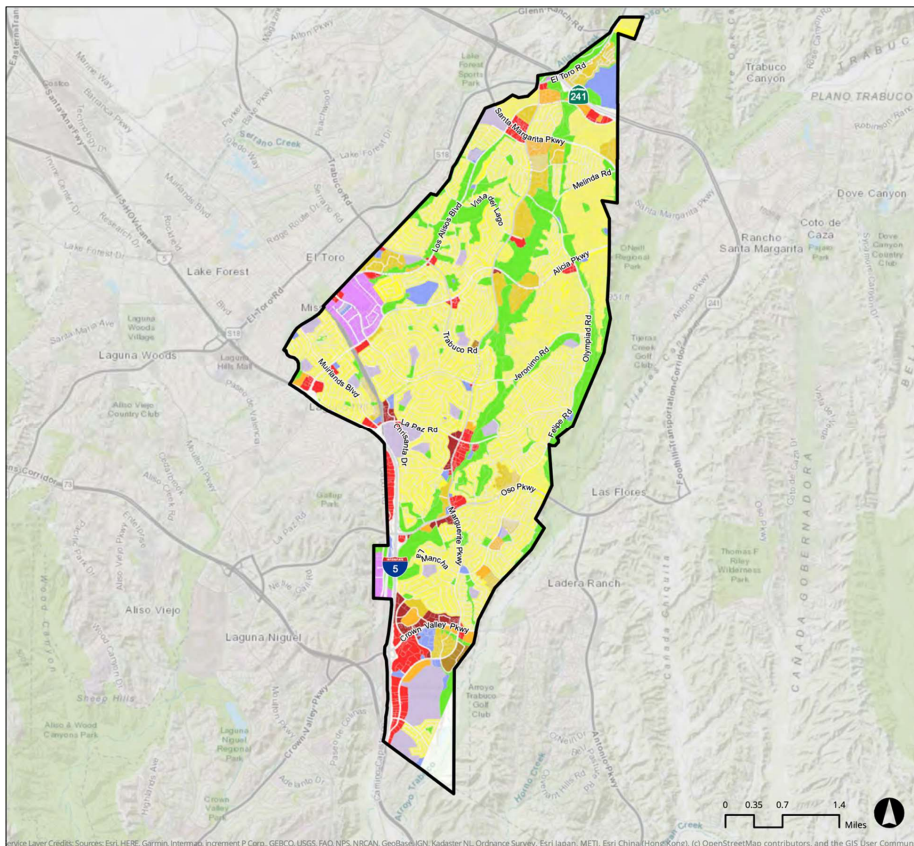
A. Integration and Segregation

As a master-planned community initially developed in the 1960s, Mission Viejo's land is overwhelmingly occupied by single-family housing development – see Figure D-3 below (source: SCAG Data/Map Book, Draft, November 2019). The majority of the land area within the City was developed with single-family homes built between the 1960s and 1990s. Apartments, townhomes and condominiums tend to be located along Marguerite Parkway, the City's major north-south thoroughfare, especially in the northern half of the City, and along Crown Valley Parkway in the south.

Commercial development has concentrations in the southern part of the City, along Interstate 5, and another focus on the border in the west with the City of Lake Forest at Los Alisos Boulevard and Jeronimo Road, and close to the rail line, with Amazon Distribution Center, Target, and automotive services dominating. There are also smaller commercial centers at major intersections serving the residential communities. The City is essentially built out and has very little vacant land suitable for housing development. Opportunities for new housing development to meet the City's RHNA therefore have a focus on redevelopment of existing commercial areas, as well as two existing apartment communities, and the one extensive area of undeveloped land left in the city.



Figure D-3 - Land Use, City of Mission Viejo



General Plan Land Use in City of Mission Viejo (2016 SCAG Land Use Codes)

| | | |
|---|---|--|
| ■ Single Family Residential | ■ Facilities | ■ Open Space and Recreation |
| ■ Multi-Family Residential | ■ Education | ■ Agriculture |
| ■ Mobile Homes and Trailer Parks | ■ Military Installations | ■ Vacant |
| ■ Mixed Residential | ■ Industrial | ■ Water |
| ■ Rural Residential | ■ Transportation, Communications, and Utilities | ■ Specific Plan |
| ■ General Office | ■ Mixed Commercial and Industrial | ■ Undevelopable |
| ■ Commercial and Services | ■ Mixed Residential and Commercial | ■ Unknown |

Data Source: City of Mission Viejo, SCAG, 2018 | Map Created: 6/5/2019

Disclaimer: The information shown on this map reflect jurisdiction's input submitted during the Local Input and Envisioning Process for the Connect SoCal. SCAG shall not be responsible for user's misuse or misrepresentation of this map. For the details regarding the sources, methodologies and contents of this map, please refer to the SCAG Data/Map Book or contact RTP.LocalInput@scag.ca.gov.



3. Race and Ethnicity

Table D-8 shows the racial/ethnic makeup of Mission Viejo by Census Tract in 2010, with the highest proportions of each group highlighted in yellow, and the lowest proportions in green. Figure D-4 shows the racial demographics (percent Non-White) by block group in Mission Viejo (ACS 2018 series), plus the location of the Sites Inventory, and Figure D-5 shows the same information for the county as a whole, to show how Mission Viejo's racial demographics fit in its regional context. Figure D-6 shows the county's demographics in 2010 (source: U.S. Census) as means of highlighting change over time. Figure D-7 and Figure D-8 show the Mission Viejo's diversity index, and the pattern for the County. Maps in this section of the Housing Element have been created using the AFFH Data Viewer tool, unless indicated otherwise.

As shown in these tables and figures, the most diverse portions of the city are in the south (represented by tracts 320.22 and 320.13, and along the southern part of Mission Viejo's border with Lake Forest (tracts 320.15 and 320.28, plus tract 320.27, which is shared with Lake Forest).

The Diversity Index (Figures 7 and 8) is another method of quantifying segregation, measured on a scale of 0 to 100, where 0 represents a totally segregated geography, and 100 a totally integrated geography. [Figure D-7](#) shows that in Mission Viejo, most of the city is in the mid to upper ranges of the index, representing more integrated neighborhoods. On this measure, the most diverse parts of the city are in the south (which may in part be influenced by the location of Saddleback College), and in the northwest, along the city line with Lake Forest. In contrast, at the county level ([Figure D-8](#)), the northern part of the county has many sections that are highly diverse on this measure, in part due to much higher proportions of the Hispanic population in the north.

Also at the county level, it can be readily seen in Figure D-5 that the southern part of Orange County has higher proportions of White residents than the northern part of the county, but Figure D-6, showing the racial demographics in 2010, also reveals that the southern portion of the county is changing, with many sections of Mission Viejo moving from the under 20% nonwhite category in the 2010 map to the 21% to 40% category in just 8 years.

As shown in Table D-8, the percentage of Black residents by Census Tract is fairly uniform, and small, across the city, with the highest proportion (3.7%) in tract 320.47 at the northern edge of the city. The Tracts with the largest Asian/Pacific Islander populations (320.28 with 15.3% and 320.37 with 20.2%) are on the west and east sides of the city, respectively, and are not contiguous. The Tracts with the largest Hispanic population are 320.22 (50%) in the southernmost tip of the city, and 320.27 (42%), a tract which is largely located in Lake Forest. According to the US Census, Mission Viejo's Non-White population has doubled since 1990, increasing from 16.14% to 33.13% in the 2020 Census. As a comparison, the county's Non-White population has slightly more than doubled, from 23.85% to 58.6%.



Table D-8 - Race/Ethnicity by Census Tract (2010)

| Census Tract | % Hispanic | % White | % Black | % Asian/ Pacific Islander | % Multi Racial |
|--------------|------------|---------|---------|---------------------------|----------------|
| 320.02 | 18.3% | 68.7% | 1.5% | 8.3% | 3.0% |
| 320.03 | 16.6% | 71.2% | 0.5% | 8.2% | 3.2% |
| 320.12 | 15.3% | 73.1% | 1.7% | 5.9% | 3.6% |
| 320.13 | 17.9% | 66.9% | 2.3% | 7.3% | 5.3% |
| 320.15 | 22.8% | 57.5% | 1.7% | 13.8% | 3.8% |
| 320.20 | 19.1% | 66.1% | 1.2% | 8.8% | 4.6% |
| 320.22* | 50.0% | 37.8% | 1.6% | 7.2% | 3.0% |
| 320.27* | 42.0% | 37.8% | 1.1% | 15.3% | 3.2% |
| 320.28 | 31.8% | 49.2% | 1.9% | 12.8% | 3.9% |
| 320.30 | 24.1% | 59.7% | 1.3% | 10.8% | 3.7% |
| 320.31 | 18.9% | 64.6% | 1.1% | 10.1% | 4.6% |
| 320.32 | 18.6% | 65.8% | 0.7% | 9.5% | 5.1% |
| 320.33 | 24.7% | 53.8% | 2.1% | 14.4% | 4.6% |
| 320.34 | 10.5% | 70.4% | 1.5% | 12.6% | 4.4% |
| 320.35 | 10.4% | 76.3% | 1.3% | 7.6% | 4.2% |
| 320.36 | 18.3% | 66.6% | 0.7% | 9.8% | 4.2% |
| 320.37* | 7.4% | 79.3% | 1.2% | 9.0% | 2.9% |
| 320.38* | 11.7% | 61.6% | 0.8% | 20.2% | 5.2% |
| 320.39* | 22.3% | 58.9% | 0.9% | 12.7% | 5.0% |
| 320.40 | 11.1% | 71.8% | 1.0% | 12.1% | 3.8% |
| 320.47* | 22.7% | 58.0% | 3.7% | 10.0% | 4.4% |
| 320.48* | 14.9% | 66.8% | 1.6% | 12.7% | 3.8% |
| 320.49* | 14.7% | 62.8% | 1.9% | 15.6% | 4.6% |
| 423.28* | 6.9% | 74.2% | 0.8% | 12.2% | 5.2% |
| 423.33* | 7.4% | 72.7% | 0.9% | 14.7% | 4.1% |
| 524.28* | 15.3% | 66.0% | 1.3% | 11.8% | 5.3% |

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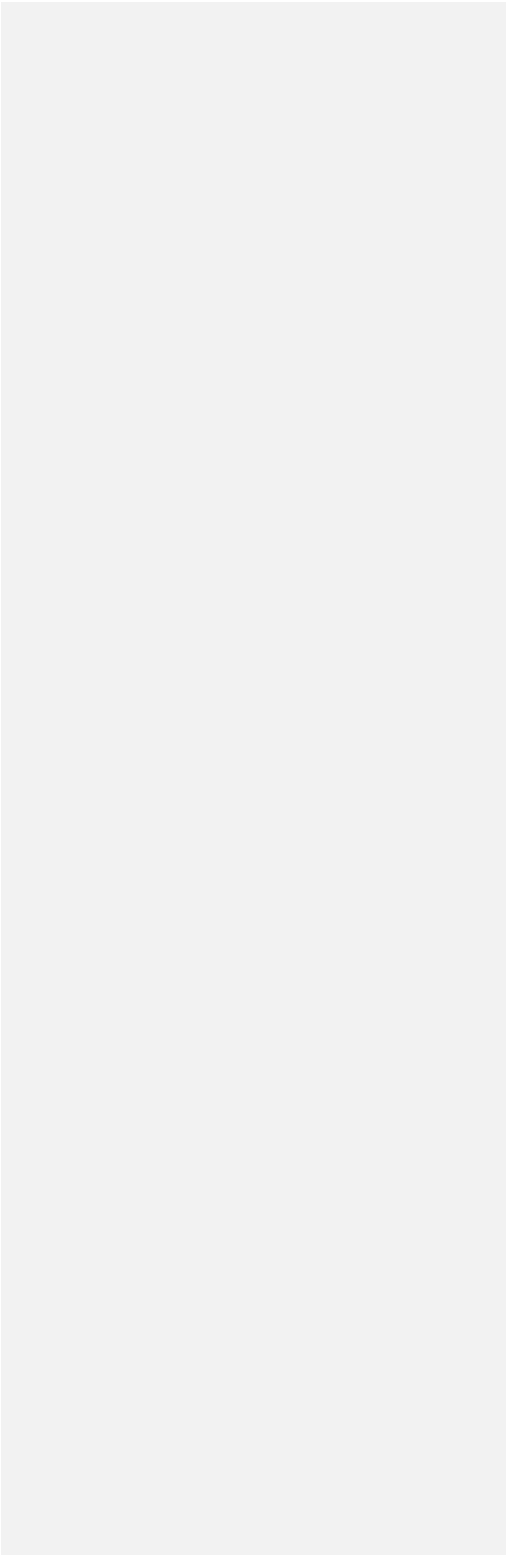
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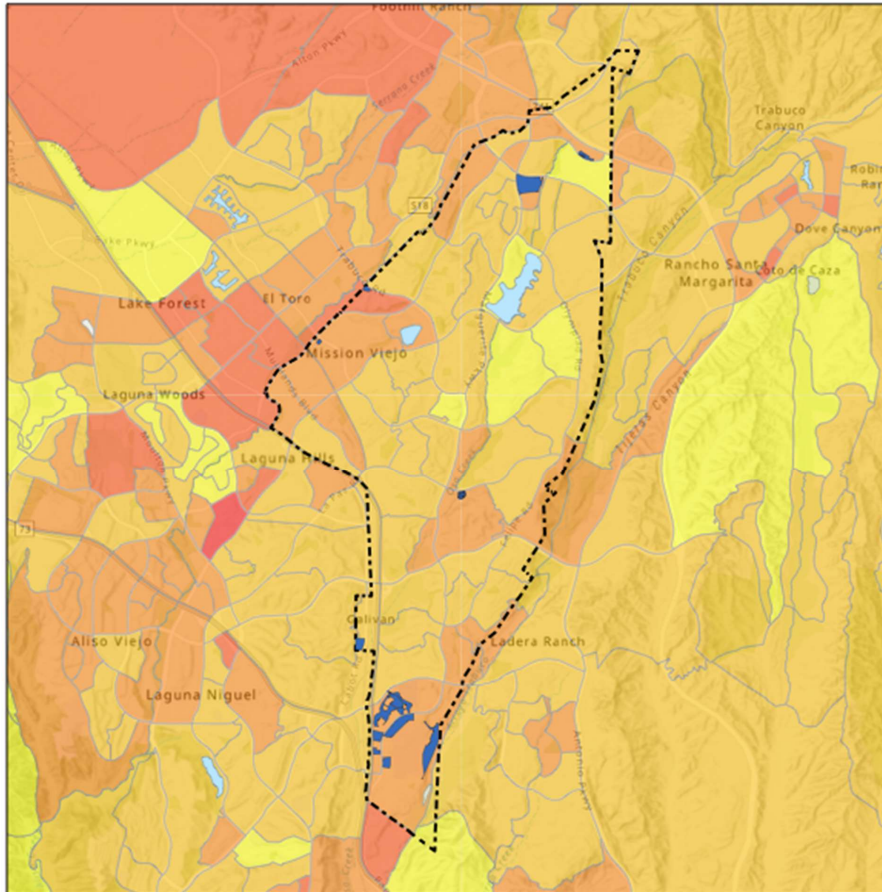
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Figure D-4 - Racial Demographics by Block Group, & Site Inventory Location, Mission Viejo, 2018



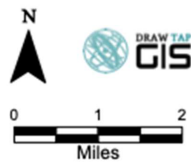


**City of Mission Viejo Housing Element Sites Inventory
with Minority Concentrated Areas of Population**

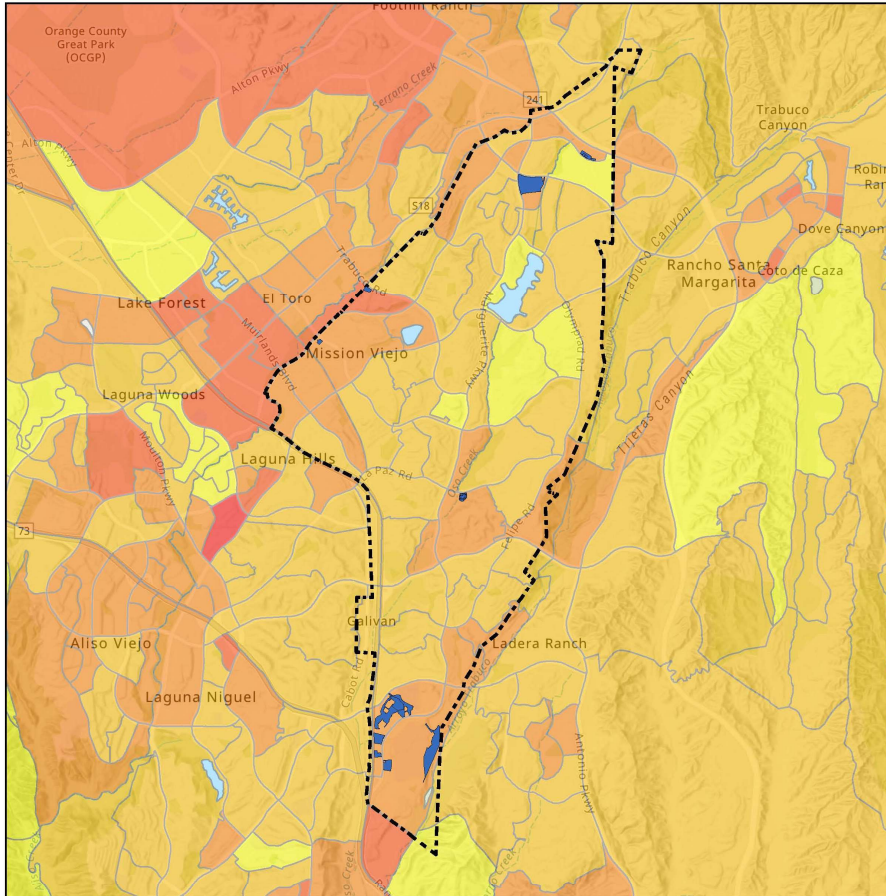
Racial Demographics 2018 (Block Group)

Percent of Total Non-White Population

- ≤ 20%
- 21 - 40%
- 41 - 60%
- 61 - 80%
- > 81%
- Sites Inventory
- City Boundary



Data Provided by:
California Department of Housing and Community Development
Affirmatively Furthering Fair Housing Data and Mapping Resources
<https://aff-fair-housing-resource-california.org>

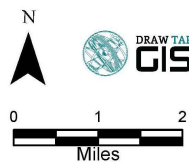


**City of Mission Viejo Housing Element Sites Inventory
with Minority Concentrated Areas of Population**

Racial Demographics 2018 (Block Group)

Percent of Total Non-White Population

- ≤ 20%
- 21 - 40%
- 41 - 60%
- 61 - 80%
- > 81%
- Sites Inventory
- City Boundary



Data Provided By:
California Department of Housing and Community Development
Affirmatively Furthering Fair Housing Data and Mapping Resources
<https://affirmative-resources.ca.gov/housing.com>



Figure D-5 - Racial Demographics by Block Group, Orange County, 2018

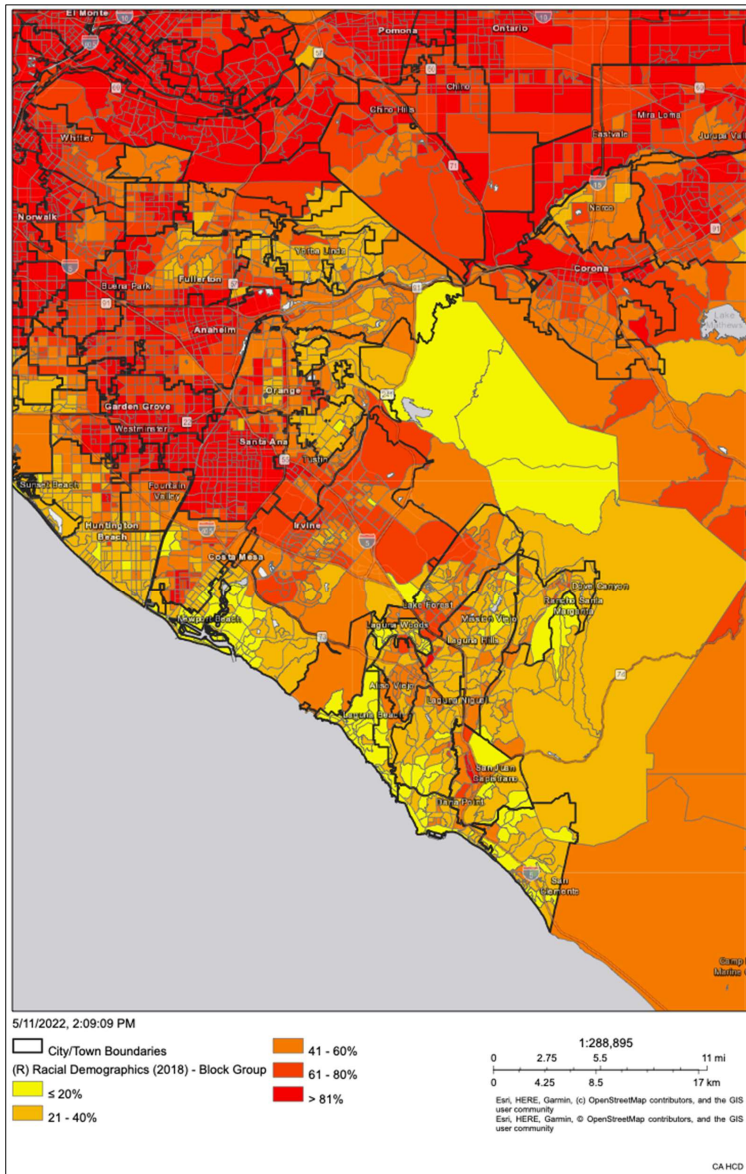




Figure D-6 - Racial Demographics by Block Group, Orange County, 2010

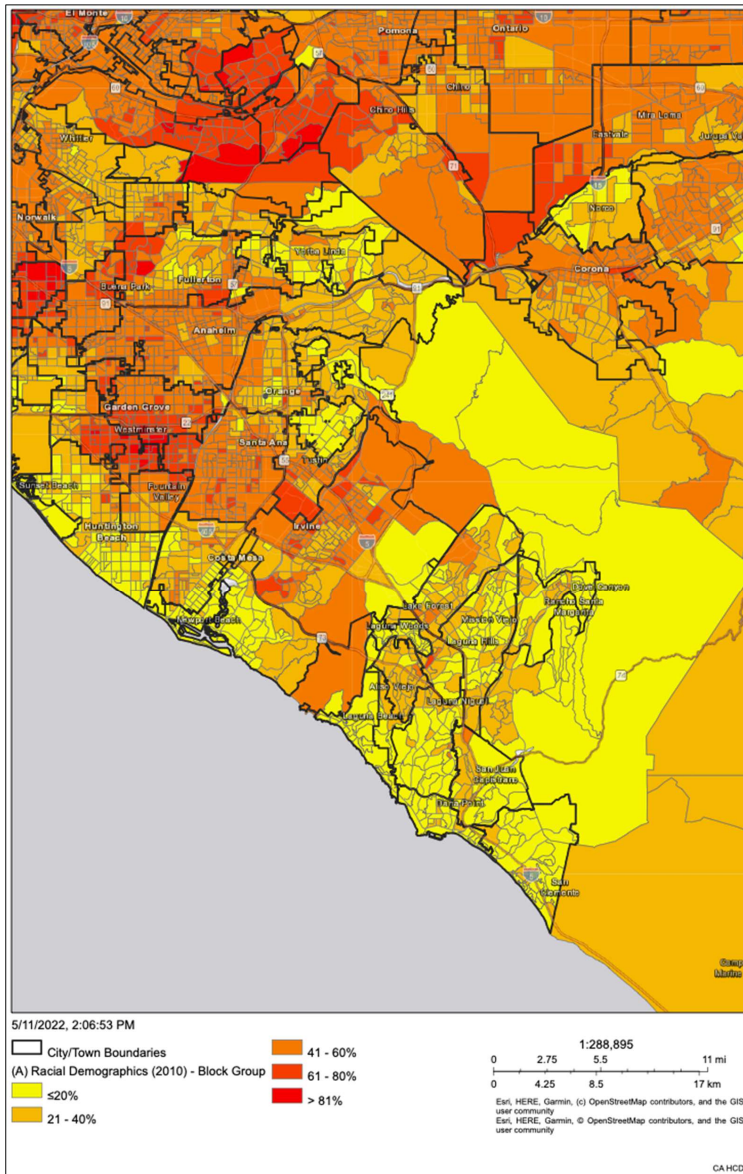




Figure D-7 - Diversity Index, Mission Viejo (2018)

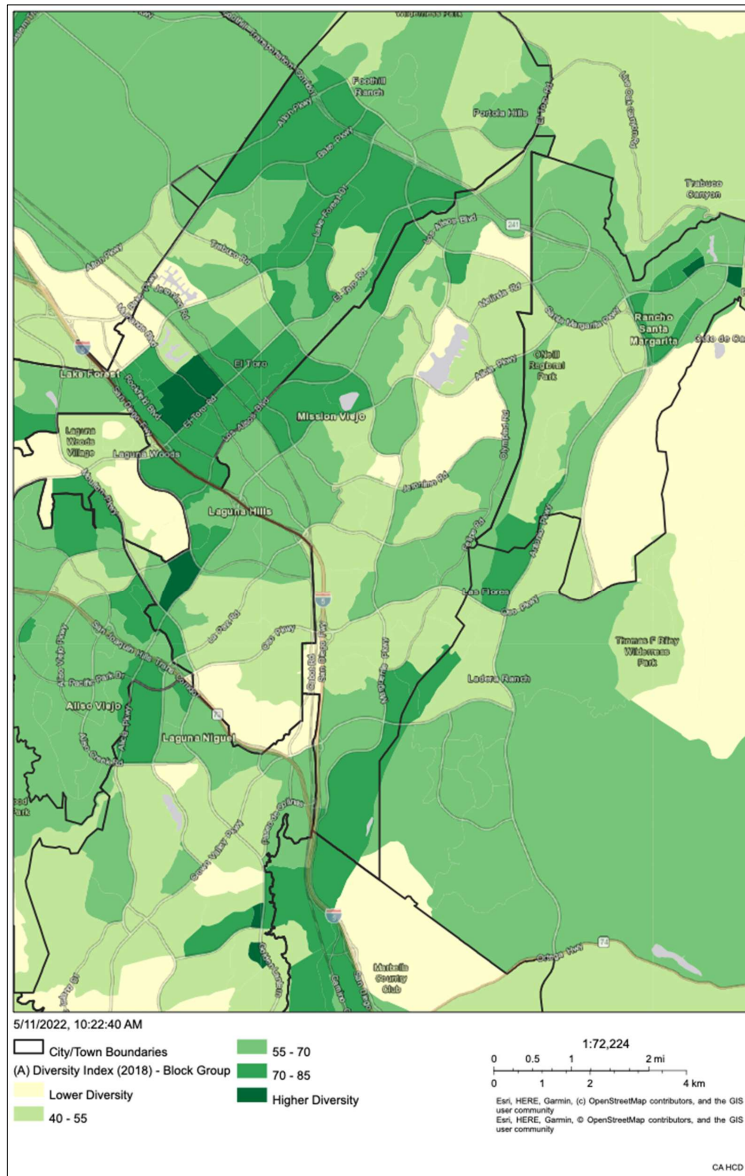
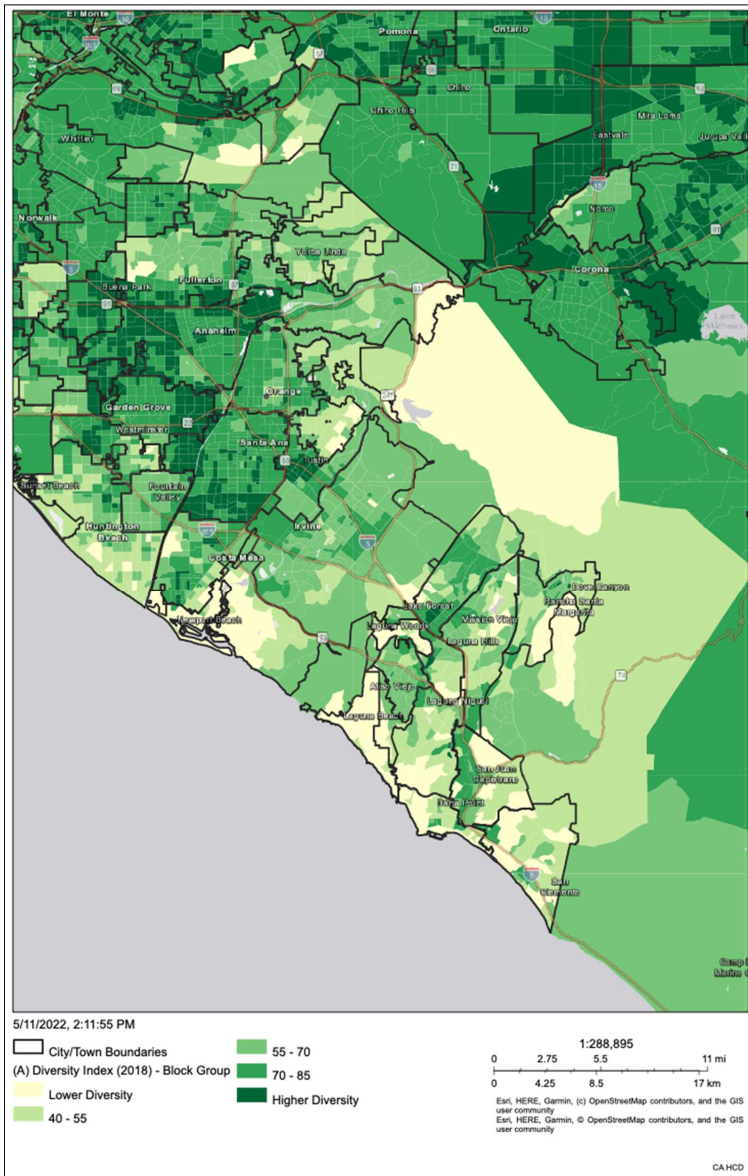




Figure D-8 - Diversity Index, Orange County (2018)





Another way to consider patterns of segregation is by the calculation of the Dissimilarity Index (data from Brown University, <https://s4.ad.brown.edu/projects/diversity/segregation2020/Default.aspx?msa=11244>). The Index “measures whether one particular group is distributed across census tracts [in an area] in the same way as another group. A high value indicates that the two groups tend to live in different tracts. [The index value] ranges from 0 to 100. For instance, a value of 60 (or above) is considered very high. It means that 60% (or more) of the members of one group would need to move to a different tract for the groups to be equally distributed. Values of 40 or 50 are usually considered a moderate level of segregation and values of 30 or below are considered low levels of segregation.”

Table D-9 below shows how Mission Viejo’s Dissimilarity Index (highlighted in yellow) for various ethnic group combinations changed between 2010 and 2020 and how that compares with trends at the county level, and with neighboring cities in southern Orange County.

Table D-9 - Dissimilarity Index

| | Orange County* | | Mission Viejo | | | |
|-------------------------------|----------------|------|------------------------|------|---------------------|------|
| | 2010 | 2020 | 2010 | 2020 | | |
| White-Black/Black-White | 34.9 | 33.5 | 17.3 | 19.1 | | |
| White-Hispanic/Hispanic-White | 54.1 | 51.4 | 20.6 | 19.4 | | |
| White-Asian/Asian-White | 41.6 | 41.6 | 14.8 | 14.7 | | |
| Black-Hispanic/Hispanic-Black | 36.3 | 35.3 | 16.1 | 14.8 | | |
| Black-Asian/Asian-Black | 32.8 | 31.2 | 18.1 | 15.6 | | |
| Hispanic/Asian/Asian-Hispanic | 47.6 | 44.9 | 17.9 | 17.7 | | |
| | Laguna Hills | | Laguna Niguel | | | |
| | 2010 | 2020 | 2010 | 2020 | | |
| White-Black/Black-White | 14.9 | 13.9 | 16.7 | 18.3 | | |
| White-Hispanic/Hispanic-White | 29.7 | 27.9 | 22.9 | 23.6 | | |
| White-Asian/Asian-White | 10.6 | 9.8 | 13.8 | 13.8 | | |
| Black-Hispanic/Hispanic-Black | 25.3 | 20.5 | 14.1 | 15.4 | | |
| Black-Asian/Asian-Black | 14.1 | 12 | 15 | 18.5 | | |
| Hispanic/Asian/Asian-Hispanic | 21.4 | 23.7 | 19.5 | 20 | | |
| | Lake Forest | | Rancho Santa Margarita | | San Juan Capistrano | |
| | 2010 | 2020 | 2010 | 2020 | 2010 | 2020 |
| White-Black/Black-White | 11.2 | 14.8 | 11.7 | 12.6 | 15.8 | 13.2 |
| White-Hispanic/Hispanic-White | 27.3 | 23.9 | 22.6 | 17.8 | 48.8 | 52 |
| White-Asian/Asian-White | 11.4 | 14.1 | 11.2 | 8.8 | 7.4 | 10.5 |
| Black-Hispanic/Hispanic-Black | 29 | 25.6 | 14.9 | 10.4 | 38.9 | 43.3 |
| Black-Asian/Asian-Black | 12.6 | 13 | 9.8 | 10.6 | 12.9 | 20 |
| Hispanic/Asian/Asian-Hispanic | 23.8 | 29 | 21.2 | 17.3 | 45.6 | 52.1 |

*Brown University used the “Anaheim-Santa Ana-Irvine Metropolitan Division” in its Dissimilarity Index calculations. This area corresponds to Orange County

The table shows that Mission Viejo and neighboring southern Orange County cities have low Dissimilarity Indices in all the racial/ethnic combinations, and are significantly lower than the county as a whole. There has been little change in the index calculations for Mission Viejo over the last decade.



The above discussion of race and ethnicity in Mission Viejo shows that the city does not exhibit strong patterns of ethnic segregation, with most census tracts scoring in the middle range of the Diversity Index. Overlaying the Sites Inventory on to the Mission Viejo Racial Demographics Block Group map in Figure D-4 above reveals that all sites are located in block groups with 21%-40% or 41%-60% non-White population, and are therefore not located in highly segregated areas.

Table D-10 below also shows that the expected distribution of lower income units is not highly concentrated in parts of the city with a high non-White population percentage. The vast majority of units across all income levels (approximately 92%) would be located in 41%-60% Non-White areas.

Table D-10 - Distribution of Site Inventory Units by Percent Non-White and Unit Income Level

| % Non-White Population | Lower Income Units | Moderate Income Units | Above Moderate Income Units | Total Units |
|------------------------|--------------------|-----------------------|-----------------------------|------------------|
| <20% | 0.0% | 0.0% | 0.0% | 0.0% |
| 21-40% | 5.64% | 5.83% | 4.852% | 5.50% |
| 41-60% | 91.926% | 91.825% | 92.430% | 92.57% |
| 61-80% | 2.53% | 2.42% | 2.42% | 2.52% |
| >81% | 0.0% | 0.0% | 0.0% | 0.0% |
| Total Units | 1,032,131 | 415,378 | 708,76 | 2,118,222 |

4. Persons with Disabilities

Figure D-9 shows the percentage of the total population with a disability, plus the location of the Site Inventory, by census tract in Mission Viejo, and Figure 10 shows Mission Viejo relative to the rest of Orange County.

Most of the tracts in Mission Viejo have less than 10% of the population with a disability, but four fall into the 10%-20% range. They correspond in part to tracts noted above with relative concentrations of racial ethnic minorities: Tracts 320.13 in the south of the city (13.1%), 320.15 on the Lake Forest border (19%), and 320.36 (10.1%) and 320.37 (15.1%) in the center/east of the city. Tract 320.15, with the highest proportion of disabled in the city, also has a very high proportion of males between 35 and 64 with a disability (15%), compared with females in the same tract (7%) or males in the adjacent tract 320.28 (5%).

Some of these patterns can be explained by the presence of senior residential communities in these tracts, which impact the disabled proportion. For example, Tract 320.37 contains Casta del Sol, a large, gated senior community; Tract 320.15 contains the Aegean Hills neighborhood, which was annexed into Mission Viejo in 1992, and a number of its large single level homes have since been converted into residential care facilities for the elderly.

Figure D-10 shows that the pattern of disabled persons across the county is not significantly concentrated, or different from the pattern observed in Mission Viejo in Figure D-9, with one exception. Both Figures show that there is a concentrated incidence of people with disabilities in the City of Laguna Woods. Other maps in this section of the Housing Element will also show anomalous patterns for that nearby city. This can be explained by the fact that, according to Wikipedia, "about 90% of the city consists of Laguna Woods Village, a private gated retirement community." A city with such unique demographics will clearly display different characteristics to the more heterogeneous cities around it.



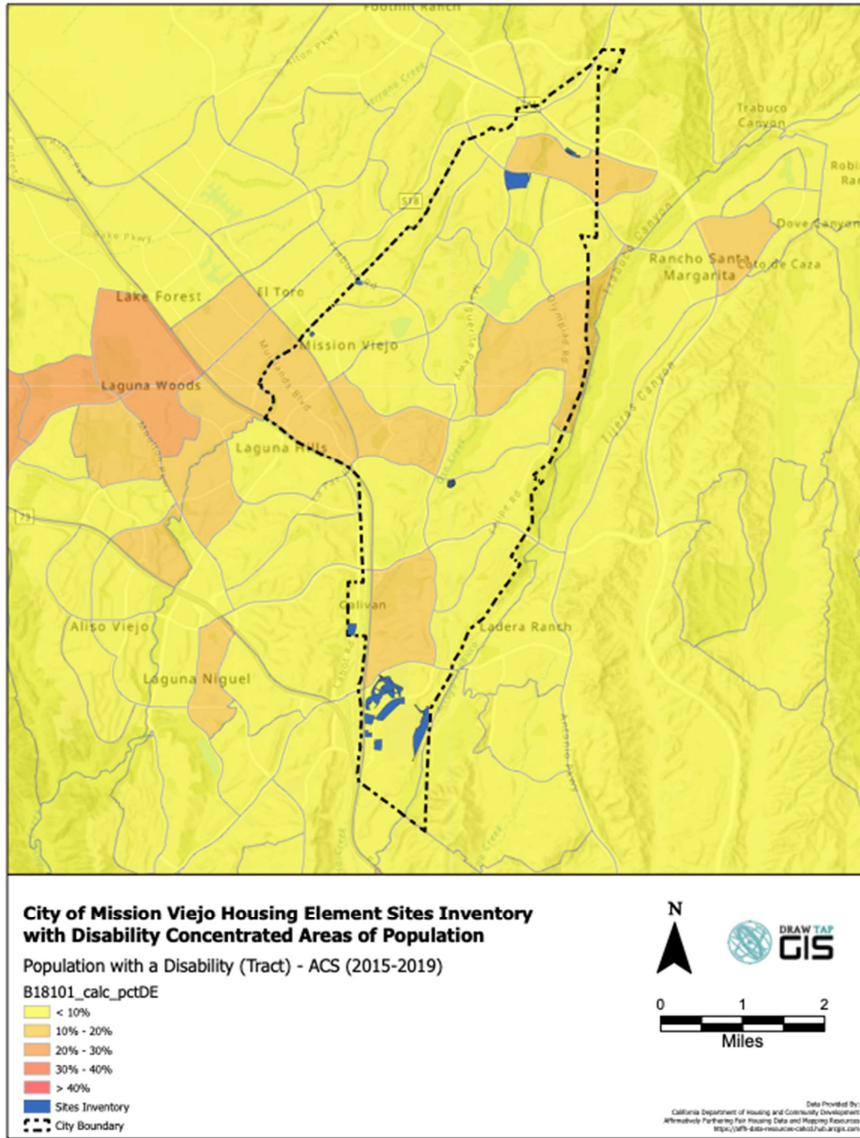
Overlaying the Site Inventory on to the Mission Viejo census tract level disability map in Figure D-9 and Table D-11 below reveals that all sites are located in tracts with under 10% of the population with a disability, therefore not concentrated in the few areas of the city with higher proportions of the population with a disability.

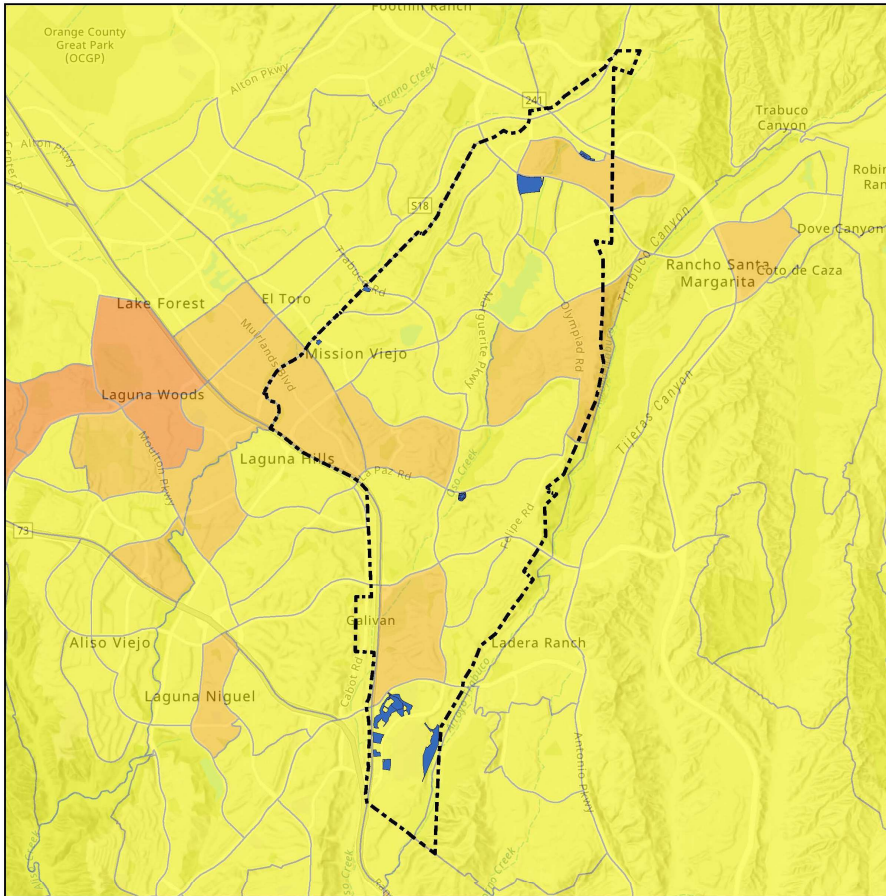
Table D-11 - Distribution of Site Inventory Units by Percent Population with a Disability and Unit Income Level

| % Population with Disability | Lower Income Units | Moderate Income Units | Above Moderate Income Units | Total Units |
|------------------------------|--------------------|-----------------------|-----------------------------|------------------|
| <10% | 100.0% | 100.0% | 100.0% | 100.0% |
| 10-20% | 0.0% | 0.0% | 0.0% | 0.0% |
| 20-30% | 0.0% | 0.0% | 0.0% | 0.0% |
| 30-40% | 0.0% | 0.0% | 0.0% | 0.0% |
| >40% | 0.0% | 0.0% | 0.0% | 0.0% |
| Total Units | 1,032,131 | 378,415 | 708,776 | 2,118,322 |



**Figure D-9 - Proportion of Population with a Disability and Site Inventory Location, Mission Viejo
(ACS 201014)**



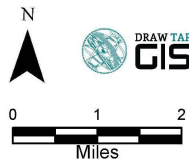


**City of Mission Viejo Housing Element Sites Inventory
with Disability Concentrated Areas of Population**

Population with a Disability (Tract) - ACS (2015-2019)

B18101_calc_pctDE

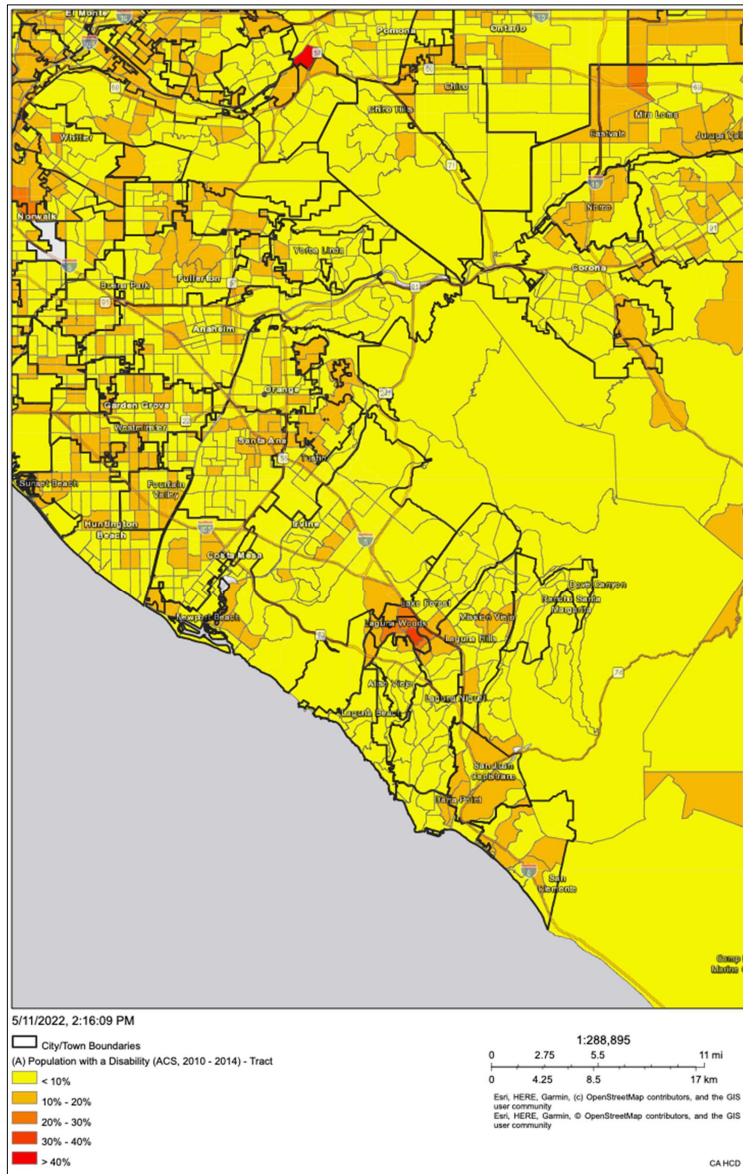
- < 10%
- 10% - 20%
- 20% - 30%
- 30% - 40%
- > 40%
- Sites Inventory
- City Boundary



Data Provided By:
California Department of Housing and Community Development
Affirmatively Furthering Fair Housing Data and Mapping Resources
<https://affirmative-resources.cdph.ca.gov/>



Figure D-10 - Proportion of Population with a Disability, Orange County (ACS 2010-14)





5. Familial Status

Family/Household composition can have a significant impact on housing issues, so it is instructive to examine the geographic distribution of different household structures, such as married couple households, female-headed households, and people living alone, and to compare Mission Viejo's household profile with neighboring cities and the rest of the county. Figure D-11 through Figure D-18 show, by Census tract, the percentage of total population over 18 in households with a spouse; the percentage of children in married couple households; the percentage of children in female-headed households; and the percentage of the population over 18 living alone. To summarize the patterns in these figures:

- Figure D-11: Most Mission Viejo tracts have 40% to 60% of their households with a spouse, and 8 out of 26 are in the 60%-80% range, located in the center and north of the city. This sort of breakdown is similar to other southern Orange County cities, contrasting with the northern part of the county in Figure D-12 (Santa Ana, Anaheim, Garden Grove), where there are a significant proportion of tracts in the 20% to 40% range. This could be a function of differing age profiles, with Southern Orange County cities skewing a little older.
- Figure D-13 (includes location of Site Inventory): There are eight tracts in Mission Viejo where the percentage of children in married couple households is between 60% and 80%, with the other 18 tracts over 80%. Again, the southernmost tract 320.22 (probably a function of the presence of Saddleback Community College in this tract) and 320.28, bordering Lake Forest, fall into the lower category. As noted in the bullet above, this sort of split is also seen in other southern Orange County cities, and is different from northern parts of the county (Figure D-14), where there are noticeably many tracts in the 20% to 40% range.
- An important measure of potential housing issues can be found in analyzing the distribution of the percentage of children in female-headed households, which can be more financially stressed than households with both spouses. In [Figure D-15](#)~~Figure D-15~~[Figure D-15](#), which also includes the location of the Site Inventory, only one tract in the southeast of the city (320.39) has more than 20% of children in female-headed households. Neighboring Laguna Woods, the retirement community, stands out with a very high proportion of children in female-headed households; since females tend to live longer than males, it is not surprising that a retirement community would show a significant number of female-headed households. There is another cluster near Newport Beach. There is not a significant variation in the pattern of the percentage of children in female-headed households across the county ([Figure D-16](#)~~Figure D-16~~[Figure D-16](#)), with only a slightly higher proportion of tracts in the 20% to 40% range in the northern section.
- All but two of Mission Viejo's 26 tracts (Figure D-17) are in the lowest category of the 18+ population in households living alone. Again, neighboring Laguna Woods, with its retiree population is an outlier, with very high proportions of households living alone. There is not a great variation across the county (Figure D-18), with a noticeable cluster near Newport Beach and an anomalous low population tract in eastern Anaheim that only has four residents over the age of 18.

In general, Mission Viejo tracts do not have significant concentrations of families in households that do not contain both spouses, where children are not living in married couple households, or people live alone. Relative to other parts of the county, this suggests proportionally fewer families in households that may face challenges and stresses due to their family structure than in other parts of the county.



Examining the location of the Site Inventory relative to the proportion of children in married couple households (Figure D-13 and Table D-12 below) shows that the sites are uniformly located in areas with a high proportion of married couple households. The majority of the sites in the Sites Inventory are in the southernmost tract (Tract 320.22, partly shared with the City of San Juan Capistrano), where 72.5% of children are in married couple households; there is relatively little variation across the location of the Site Inventory in terms of this variable, with the lowest value being 71.5%, and the highest at 90.5%

Table D-12 - Distribution of Site Inventory Units by Percent of Children in Married Couple Households and Unit Income Level

| % Children in Married Couple Households | Lower Income Units | Moderate Income Units | Above Moderate Income Units | Total Units |
|---|--------------------|-----------------------|-----------------------------|-------------------|
| <20% | 0.0% | 0.0% | 0.0% | 0.0% |
| 21-40% | 0.0% | 0.0% | 0.0% | 0.0% |
| 41-60% | 0.0% | 0.0% | 0.0% | 0.0% |
| 61-80% | 68,471.2% | 68,070.8% | 68,571.3% | 68,471.1% |
| >81% | 31,628.8% | 32,029.2% | 31,528.7% | 31,628.9% |
| Total Units | 1,0321,131 | 378415 | 708776 | 2,1182,322 |

In terms of the location of the Sites Inventory relative to the proportion of children in female-headed single-family households (Figure D-15), all sites are located in tracts with the lowest category range of under 20%. Because the distribution of these two family status variables across the city is relatively uniform, with no severe concentrations of children in female-headed single family households, or low proportions of children in married couple households, the Site Inventory location does not have the potential to adversely impact patterns of family status in the city.

Table D-13 - Distribution of Site Inventory Units by Percent of Children in Female-Headed Households and Unit Income Level

| % Children in Female-Headed Households | Lower Income Units | Moderate Income Units | Above Moderate Income Units | Total Units |
|--|--------------------|-----------------------|-----------------------------|-------------------|
| <20% | 100.0% | 100.0% | 100.0% | 100.0% |
| 21-40% | | | | |
| 41-60% | | | | |
| 61-80% | | | | |
| >81% | | | | |
| Total Units | 1,0321,131 | 378415 | 708776 | 2,1182,322 |



Figure D-11 - Mission Viejo - Percentage of Population over 18 in Household with Spouse (ACS 2015-19)

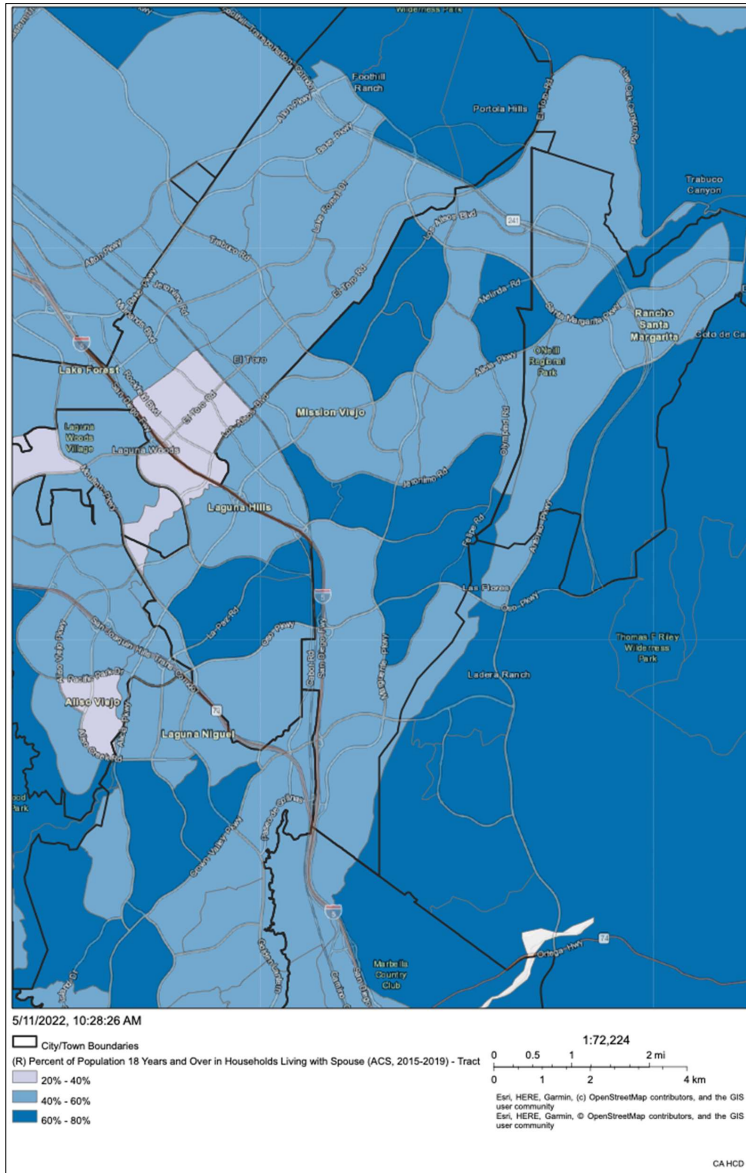




Figure D-12 - Orange County - Percentage of Population over 18 in Household with Spouse (ACS 2015-19)

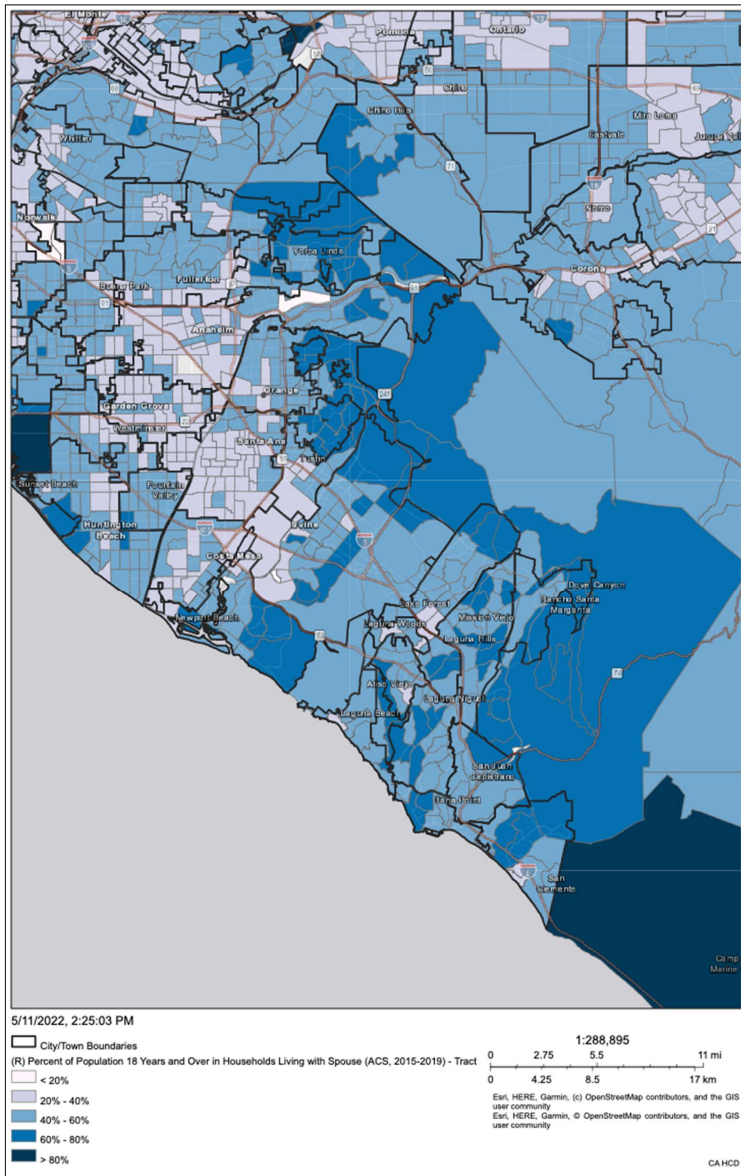
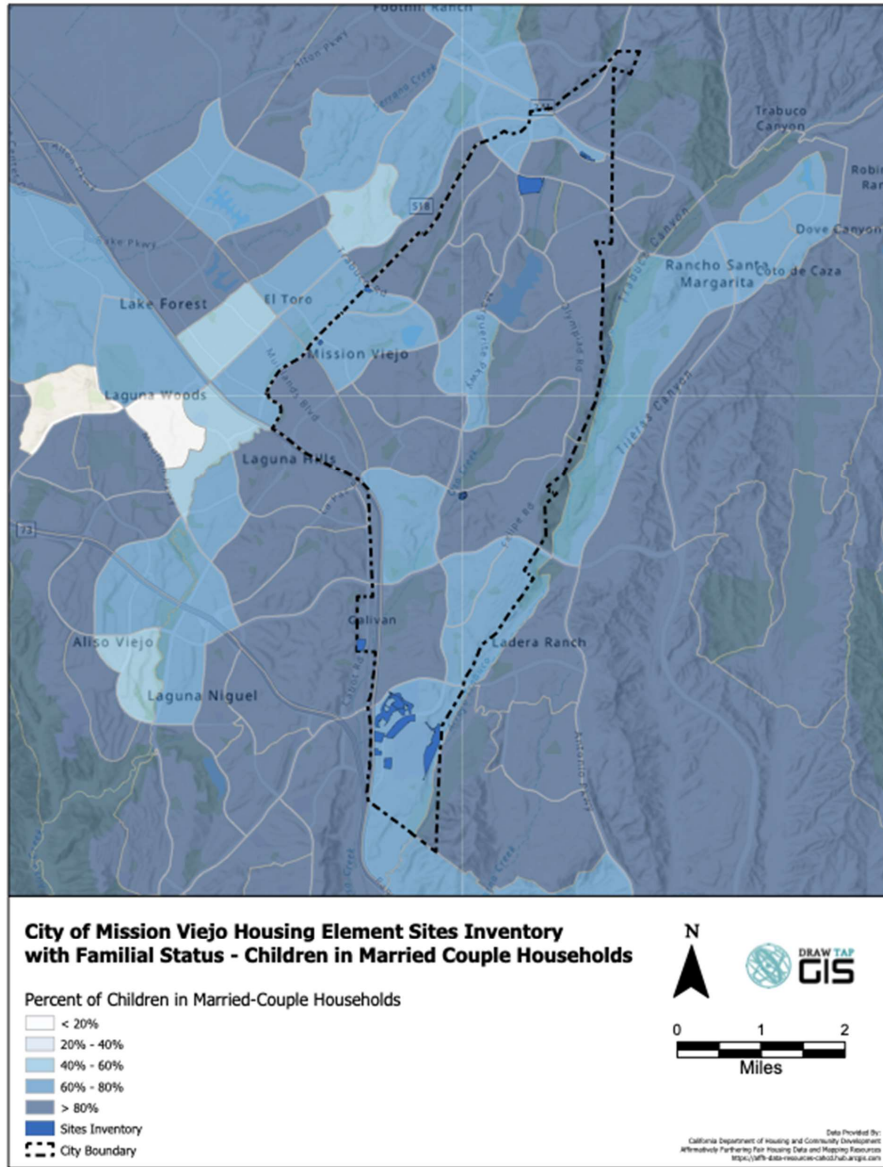
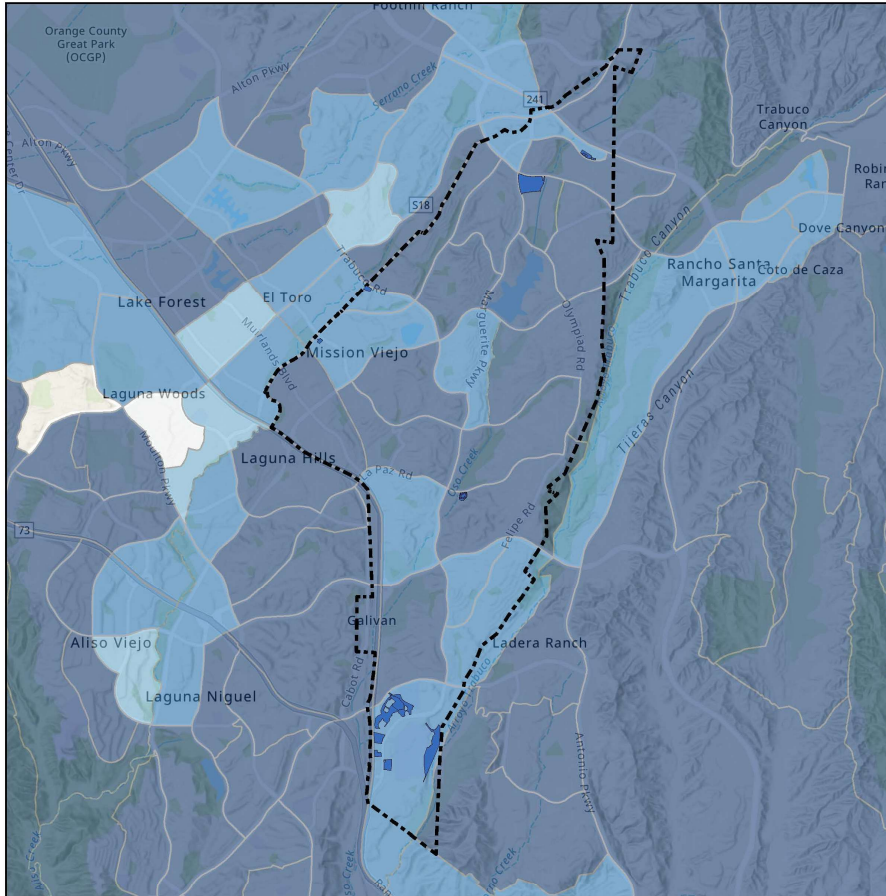




Figure D-13 - Mission Viejo - Percentage of Children in Married Couple Households and Sites Inventory (ACS 2015-19)



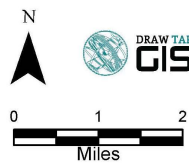


**City of Mission Viejo Housing Element Sites Inventory
with Familial Status - Children in Married Couple Households**

Percent of Children in Married-Couple Households

- < 20%
- 20% - 40%
- 40% - 60%
- 60% - 80%
- > 80%

- Sites Inventory
- City Boundary



Data Provided By:
California Department of Housing and Community Development
Affirmatively Furthering Fair Housing Data and Mapping Resources
<https://affirmative-resources.ca-hud.hud.gov>



Figure D-14 - Orange County - Percentage of Children in Married Couple Households (ACS 2015-19)

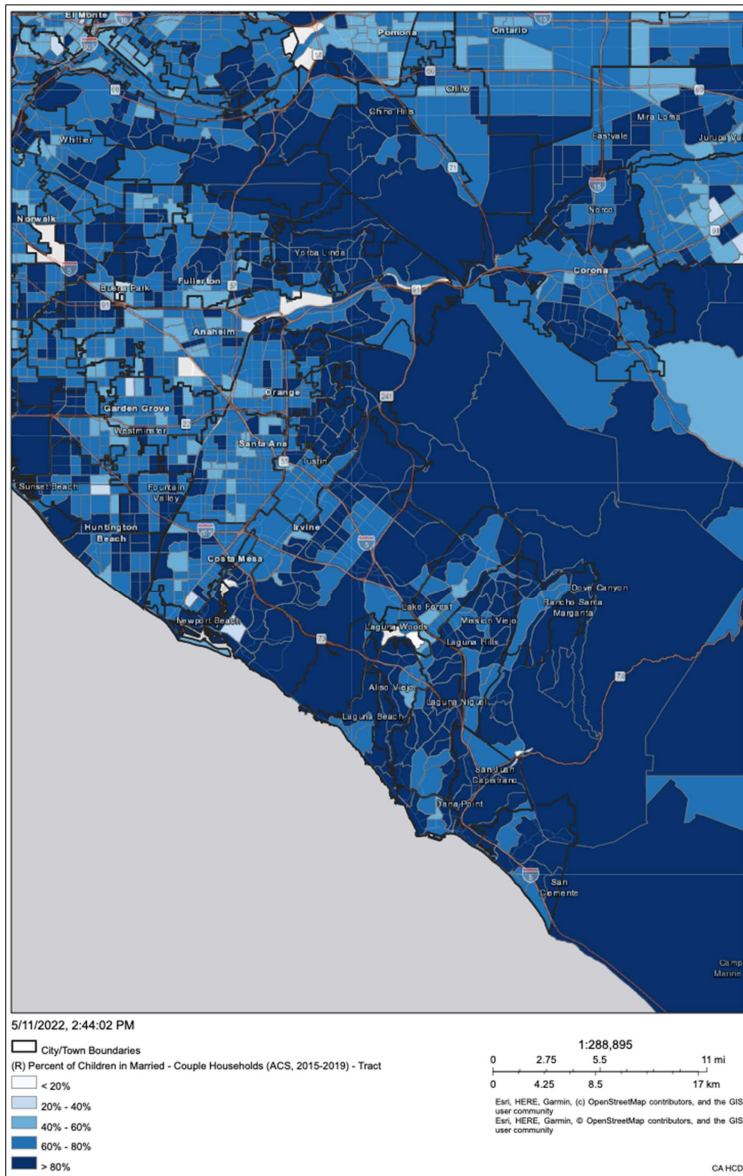
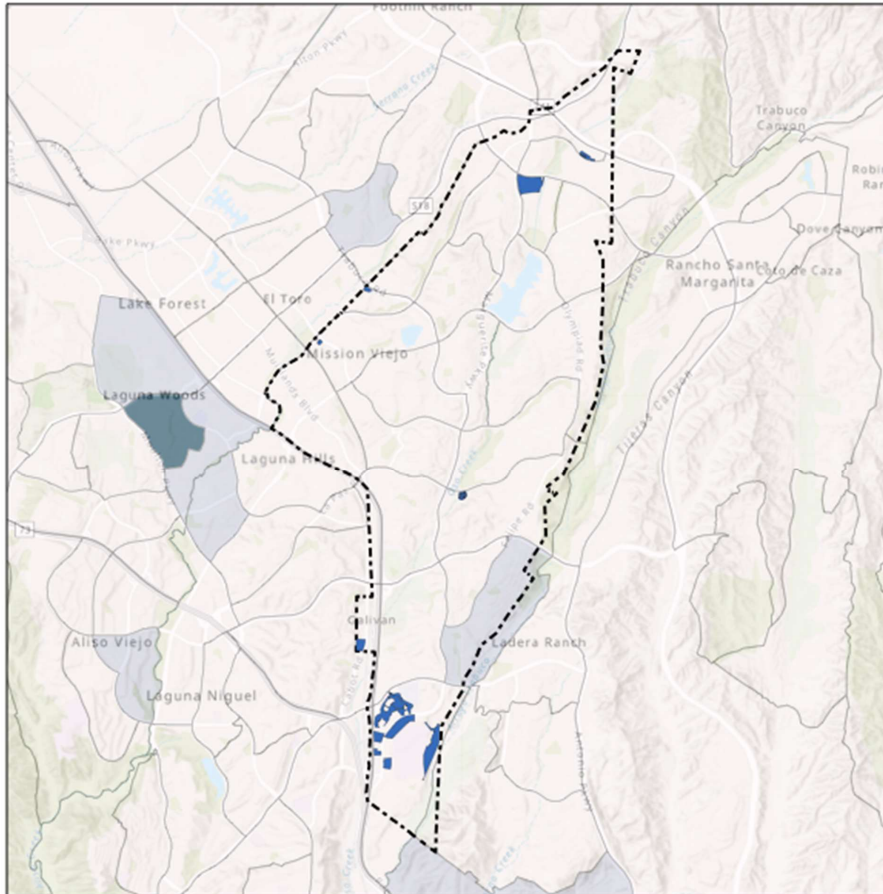




Figure D-15 - Mission Viejo - Percentage of Children in Female-Headed Households & Site Inventory (ACS 2015-19)

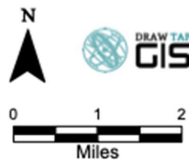


**City of Mission Viejo Housing Element Sites Inventory
with Familial Status - Children in Female Headed Households**

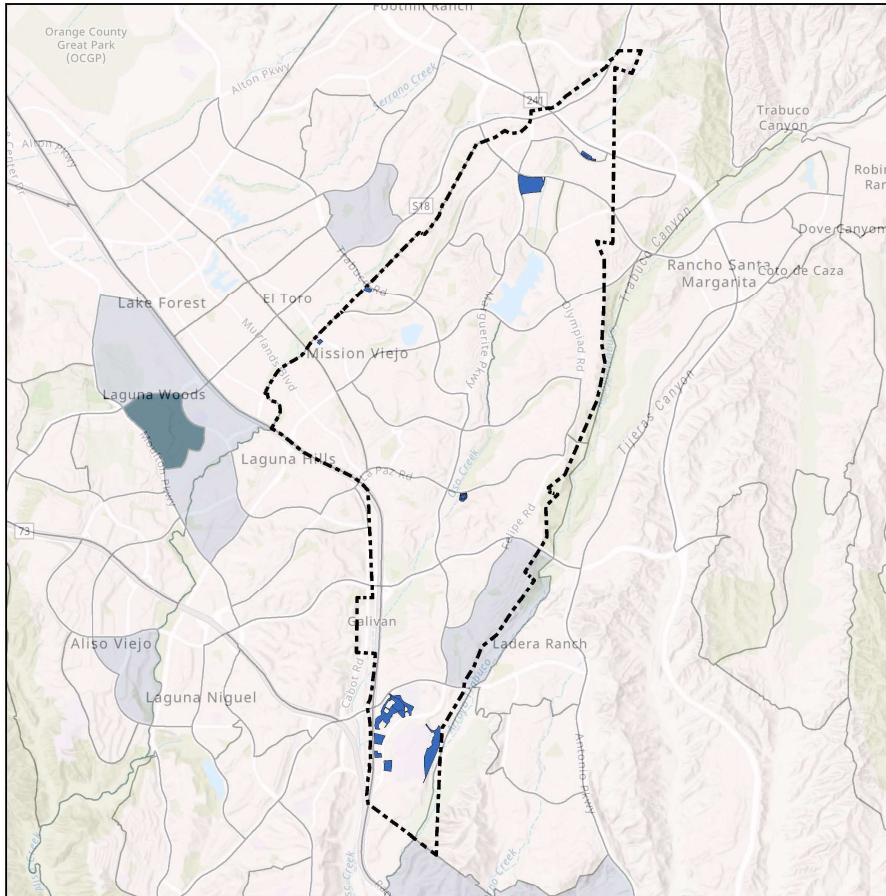
Percent of Children in Female Householder, No Spouse/Partner Present Households

- ≤ 20%
- 20% - 40%
- 40% - 60%
- 60% - 80%
- > 80%

- Sites Inventory
- City Boundary



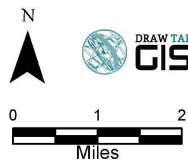
Data Provided By:
California Department of Housing and Community Development
Affirmatively Furthering Fair Housing Data and Mapping Resource
<https://a4h-resources.caahd.hud.gov>



**City of Mission Viejo Housing Element Sites Inventory
with Familial Status - Children in Female Headed Households**

Percent of Children in Female Householder, No Spouse/Partner Present Households

- ≤ 20%
- 20% - 40%
- 40% - 60%
- 60% - 80%
- > 80%
- Sites Inventory
- City Boundary



Data Provided By:
California Department of Housing and Community Development
Affirmatively Furthering Fair Housing Data and Mapping Resources
<https://aff-data-resources.cdph.ca.gov/>



Figure D-16 - Orange County - Percentage of Children in Female-Headed Households (ACS 2015-19)

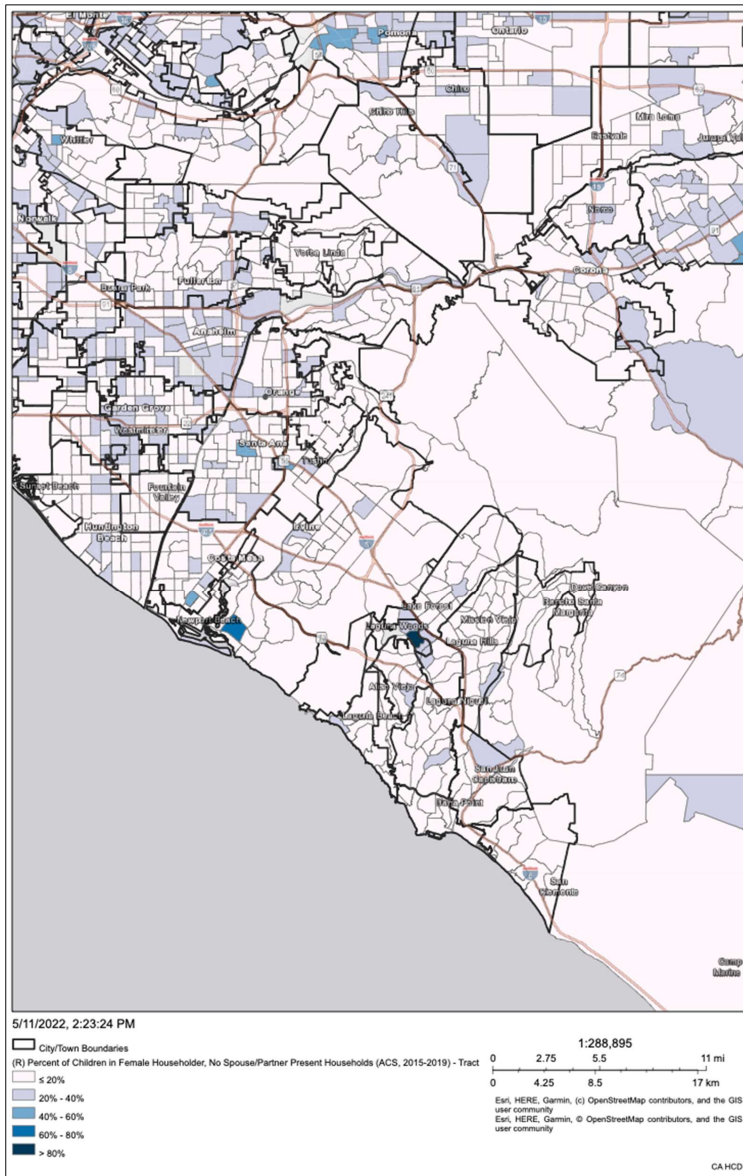




Figure D-17 - Mission Viejo - Percentage Population over 18 Living Alone (ACS 2015-19)

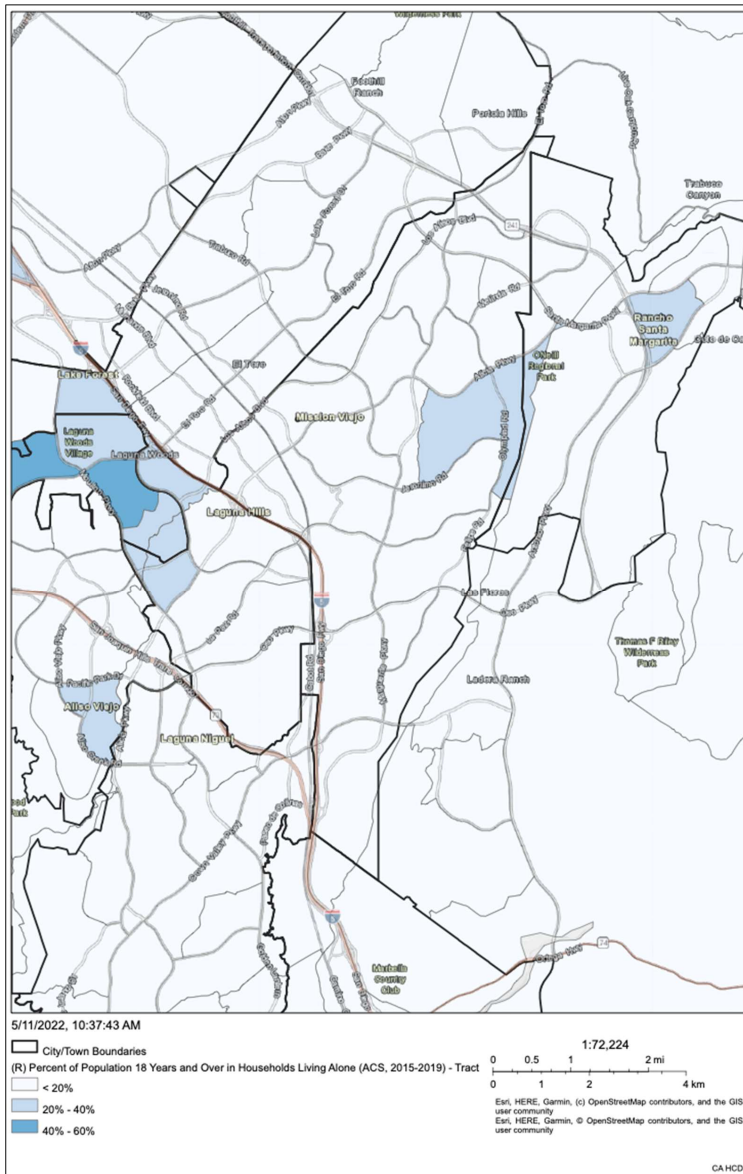
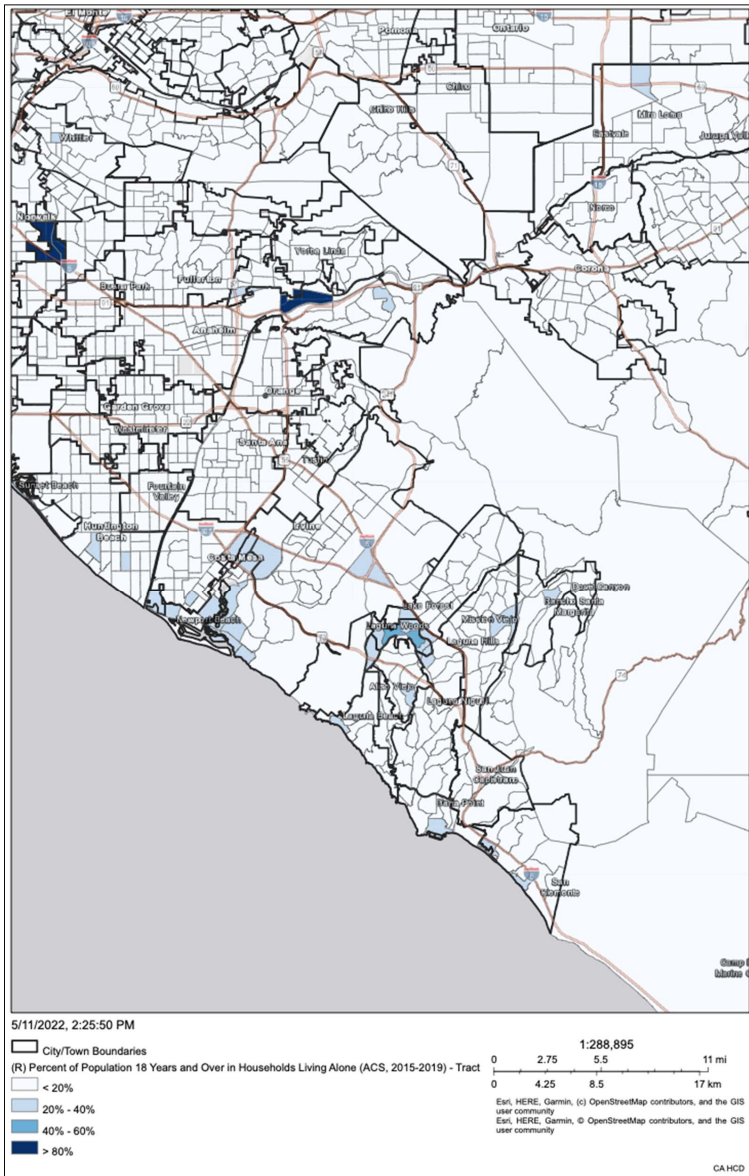




Figure D-18 - Orange County - Percentage Population over 18 Living Alone (ACS 2015-19)



Income Level



Income level clearly has a very strong impact on housing issues, which can contribute to patterns of segregation or integration. [Figure D-19](#) and [Figure D-20](#) display information on the poverty status of households in the Mission Viejo area and the county at large, and [Figure D-21](#) and [Figure D-22](#) show the distribution of low-to-medium income households at the two different geographic levels. Poverty status is defined as the percentage of the population whose income falls below the Federal poverty line. [Figure D-19](#) shows that all 26 tracts in the City of Mission Viejo have a poverty status of less than 10%. Just beyond Mission Viejo’s boundaries, in the retirement community of Laguna Woods and southern Lake Forest, there are a few tracts with a poverty status of 10% to 20%. At the county level ([Figure D-20](#)), the most noticeable poverty status concentration between the 405 Freeway and Highway 73 corresponds to the University of California, Irvine campus. As with other maps discussed, there is a divide between northern and southern Orange County, with concentrations of tracts with a poverty status in the 20%-30% and 30%-40% range in the Santa Ana-Anaheim-Garden Grove area.

The distribution of block groups with higher proportions of low- and moderate-income population in Mission Viejo ([Figure D-21](#)), including Sites Inventory) echoes some patterns in other indicators already discussed; block groups in the 50%-75% range are noticeable in the southernmost tip of the city, and also in some central/eastern block groups. As has been stated above, the presence of a number of senior communities, and possibly student population in the vicinity of Saddleback College in the southernmost part of city may be impacting the overall distribution of people on low and moderate incomes. Again, the neighboring retirement community city of Laguna Woods stands out as an area with very high proportions of low- and moderate-income individuals. At the county level ([Figure D-22](#)), there are again noticeable concentrations in the Santa Ana-Anaheim-Garden Grove area, where some block groups exceed 75% low to moderate income.

Examining the location of the Sites Inventory relative to the distribution of the low- to moderate-income population in Mission Viejo ([Figure D-21](#)) shows the majority of the sites, which are located in the southernmost Tract 320.22 are in areas with 50%-75% of the population in low- to moderate-income categories, largely due to the somewhat unique demographic characteristics of Tract 320.22. As [Table D-14](#) below also shows, about 39.4% of the units in the inventory are in areas where under 50% of the population is in low- to moderate-income categories. There is therefore a slight, but not overwhelming concentration in low- to moderate-income areas, which is largely a function of the characteristics of a single Census Tract.

Table D-14 - Distribution of Site Inventory Units by Percent Low- to Moderate-Income by Census Block Group and Unit Income Level (Mission Viejo, ACS 2011-15)

| % Low-Moderate Income | Lower Income Units | Moderate Income Units | Above Moderate Income Units | Total Units |
|-----------------------|--------------------|-----------------------|-----------------------------|------------------|
| < 25% | 5.65-1% | 5.85-3% | 5.24-8% | 5.55-0% |
| 25-50% | 33.230-3% | 33.130-1% | 33.530-5% | 33.330-4% |
| 50-75% | 61.164-5% | 61.164-6% | 61.364-7% | 61.264-6% |
| Total Units | 1,032,131 | 378,415 | 708,776 | 2,118,322 |



Figure D-19 - Mission Viejo - Percentage of Households with Income Under the Poverty Line (ACS 2015-19)

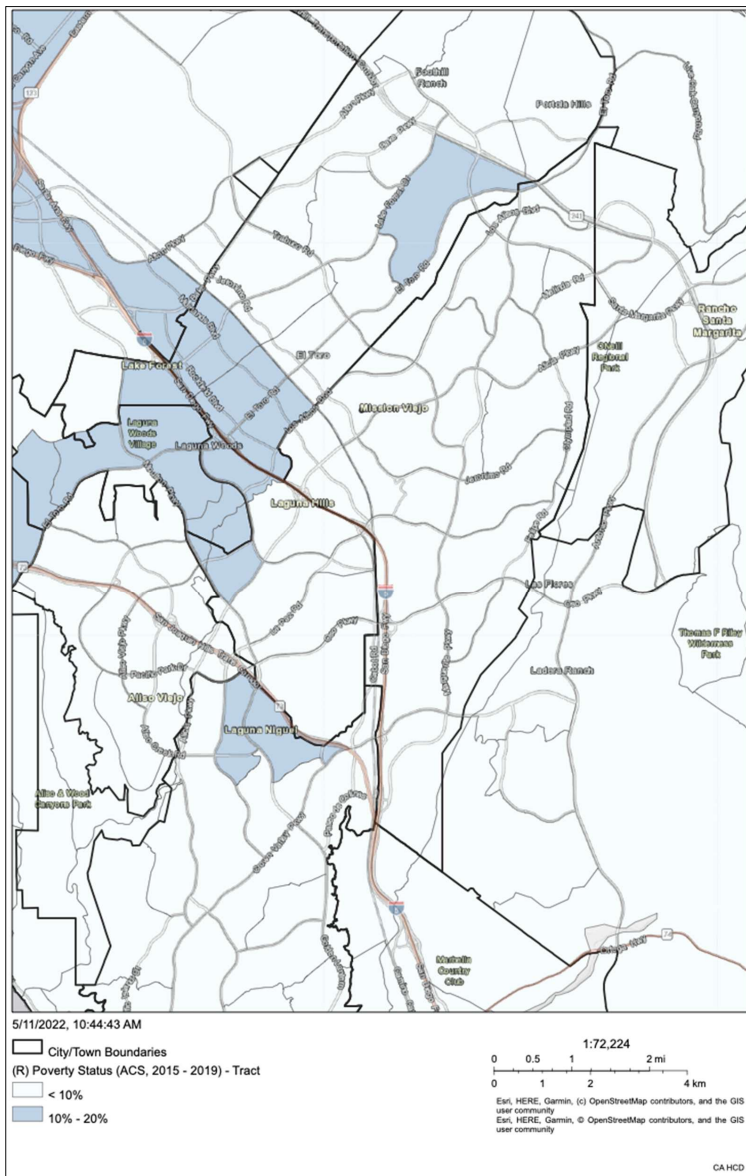




Figure D-20 - Orange County - Percentage of Households with Income Under the Poverty Line (ACS 2015-19)

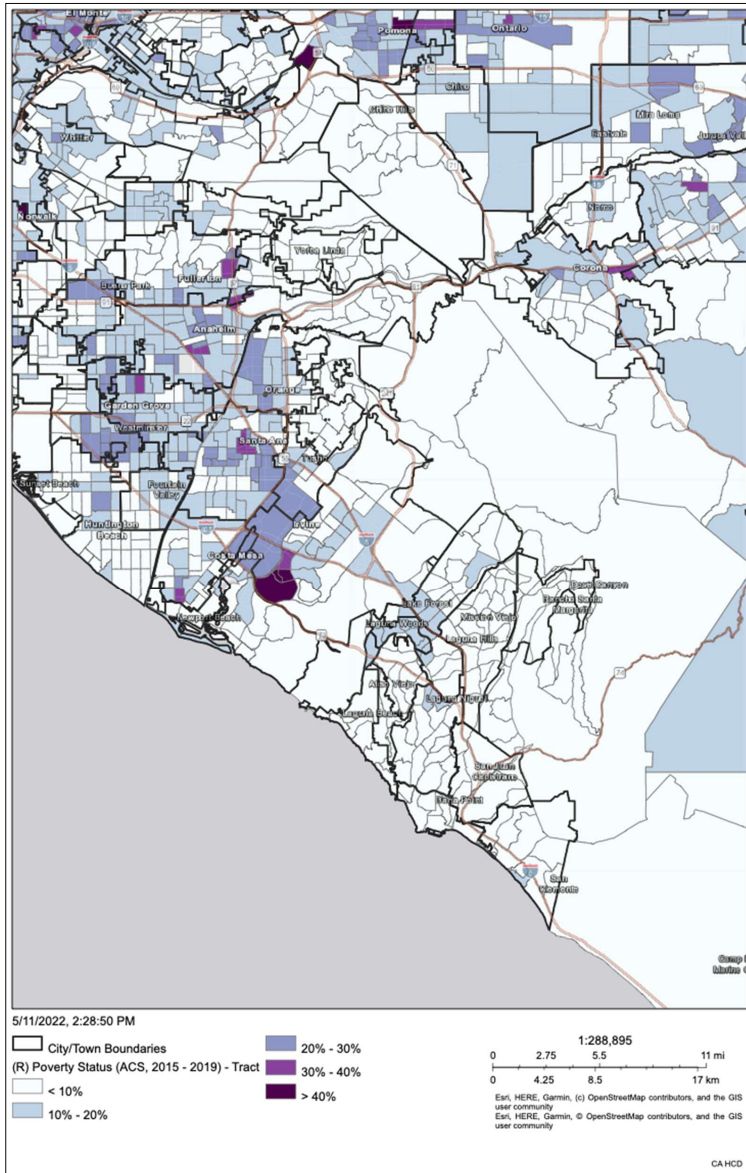
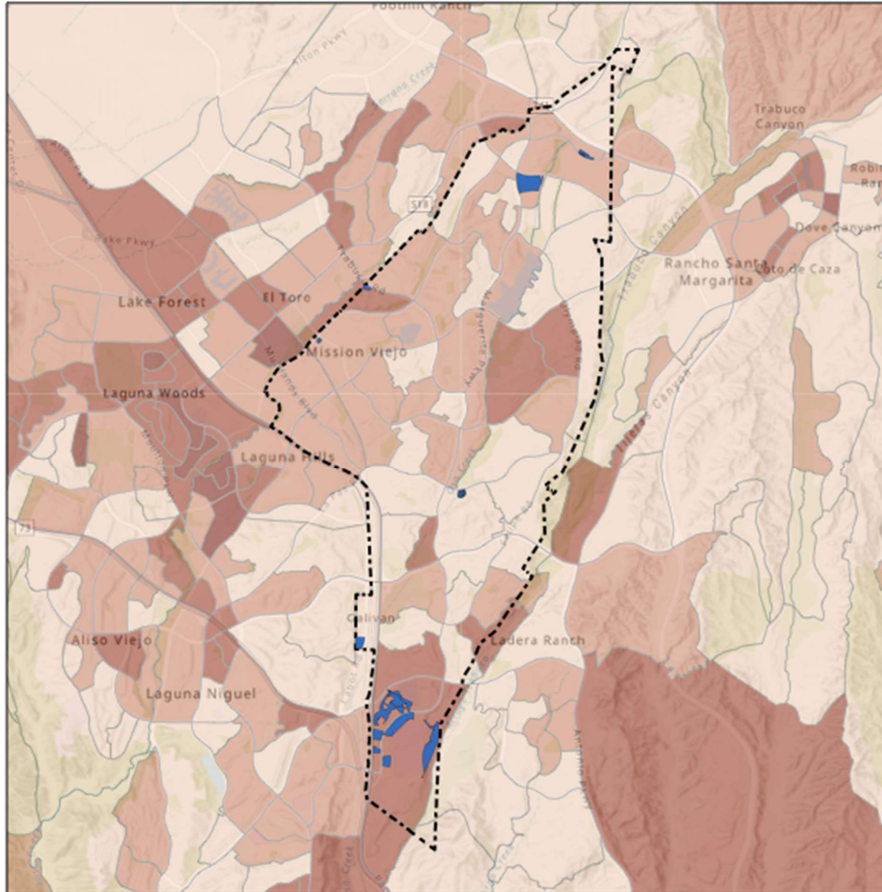




Figure D-21 - Mission Viejo - Percentage of Population in Low-to-Moderate Income Category & Site Inventory (ACS 2011-15)



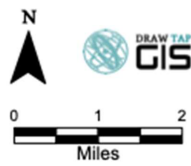
City of Mission Viejo Housing Element Sites Inventory with Low to Moderate Income Population

Low to Moderate Income Population (Block Group) - (HUD)

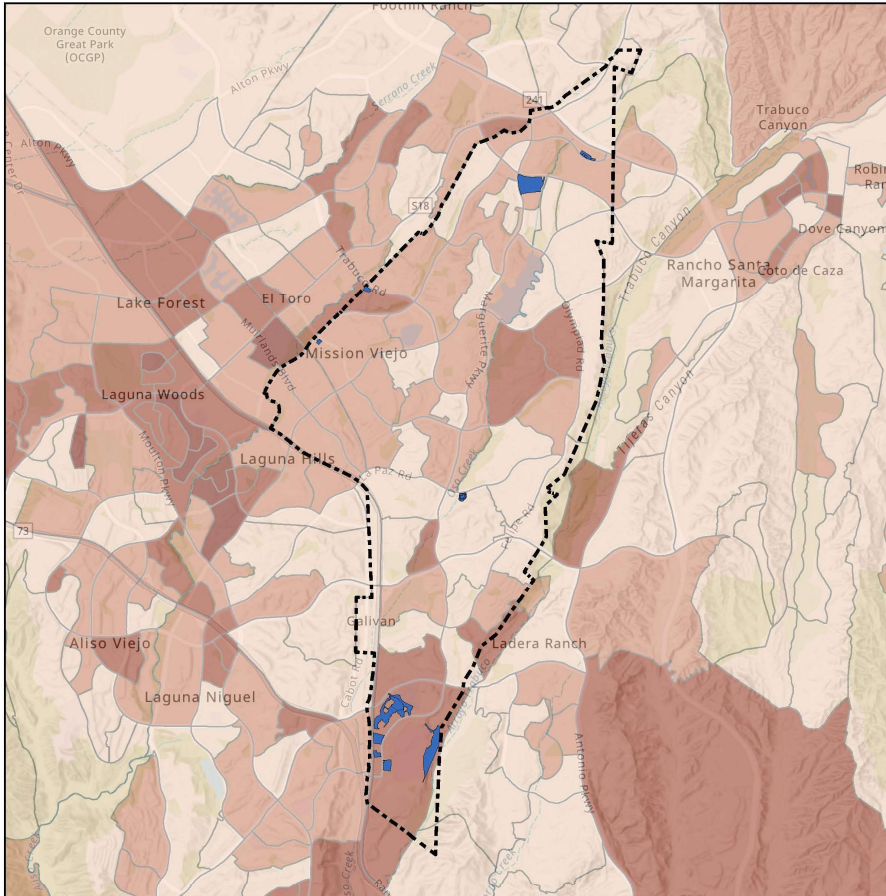
LOWMOD_PCT

- < 25%
- 25% - 50%
- 50% - 75%
- 75% - 100%

- Sites Inventory
- City Boundary



Date Provided By:
California Department of Housing and Community Development
Affirmatively Furthering Fair Housing Data and Mapping Resource
<https://a7f7-688-ri-source-cald.hud.org/cas>



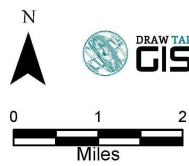
City of Mission Viejo Housing Element Sites Inventory with Low to Moderate Income Population

Low to Moderate Income Population (Block Group) - (HUD)

LOWMOD_PCT

- < 25%
- 25% - 50%
- 50% - 75%
- 75% - 100%

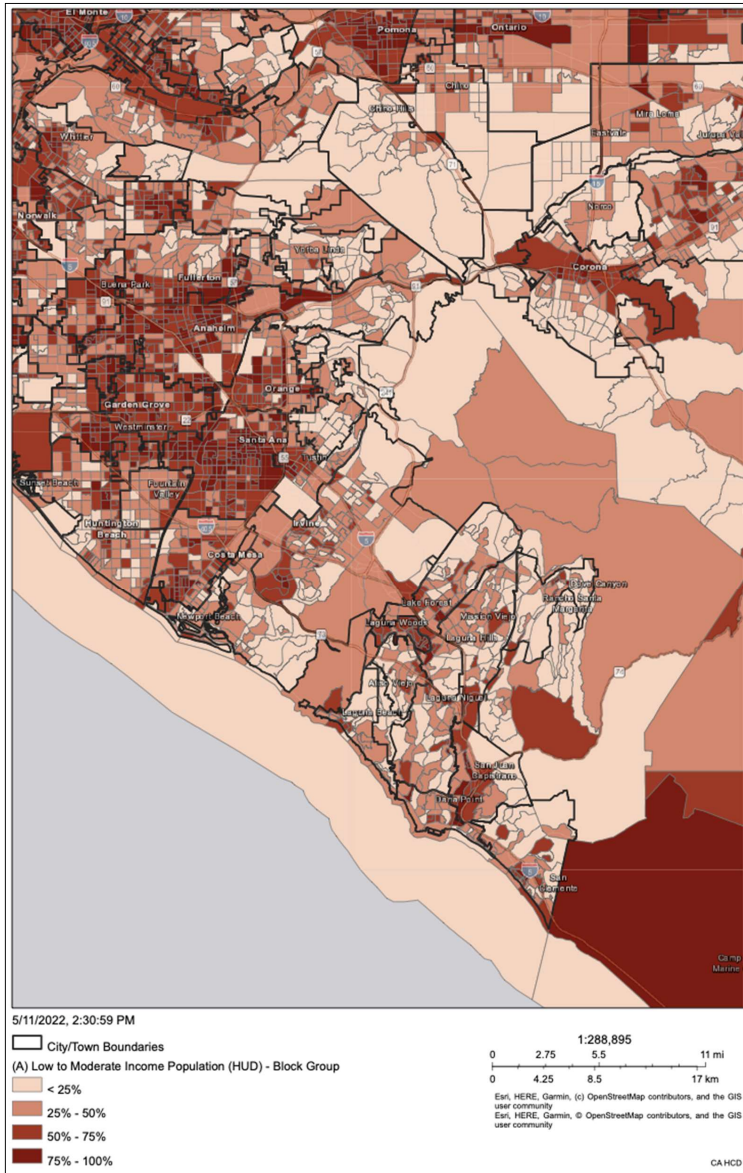
- Sites Inventory
- City Boundary



Data Provided By:
California Department of Housing and Community Development
Affirmatively Furthering Fair Housing Data and Mapping Resources
<https://affirmative-resources.ca/hud.lulac.org/>



Figure D-22 - Orange County - Percentage of Population in Low-to-Moderate Income Category (ACS 2011-15)





C. Racially or Ethnically Concentrated Areas

6. Racially/Ethnically Concentrated Areas of Poverty

HCD guidance re the analysis of geographic patterns of poverty and segregation includes consideration of Racially/Ethnically Concentrated Areas of Poverty (R/ECAPs), defined as an area that has a non-white population of 50% or more (<https://data.world/hud/recap>), and which also has “census tracts with 40% or more of individuals living at or below the poverty line” (HUD R/ECAP dataset website).

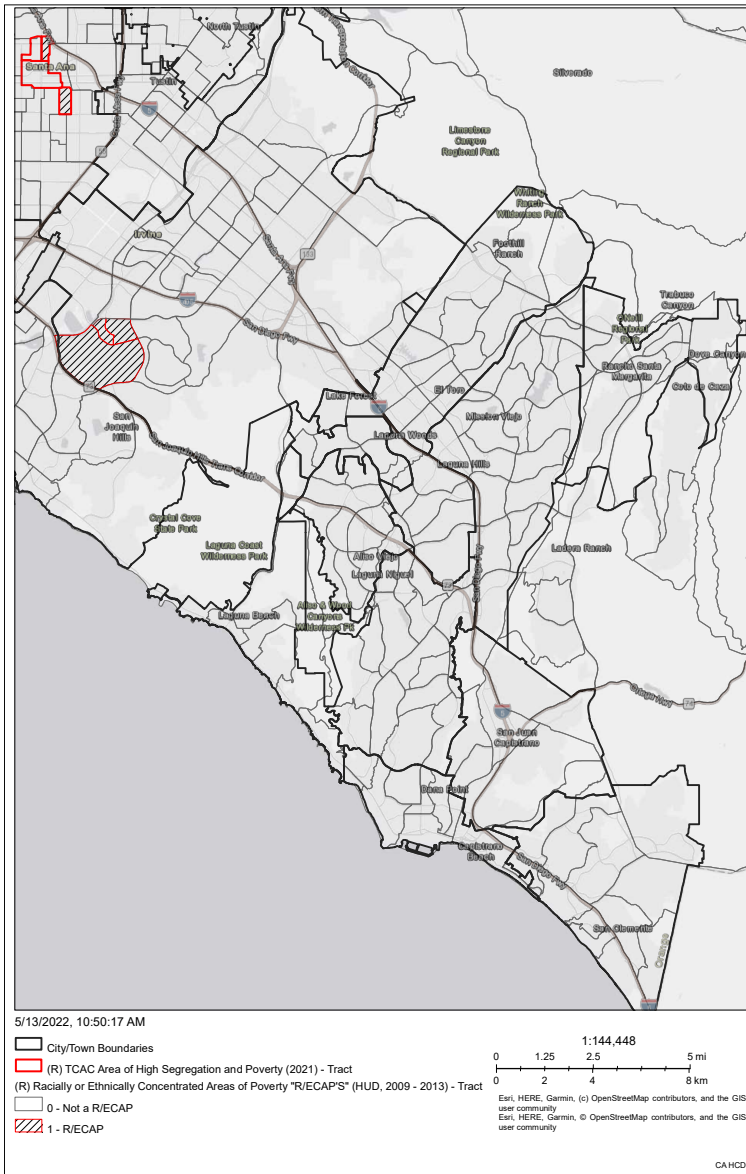
Figure D-23 shows that Mission Viejo and environs have no R/ECAPs, nor are there any TCAC (Tax Credit Allocation Committee) defined areas of High Segregation and Poverty nearby. The closest R/ECAP is located at the University of California, Irvine property, which had a high Poverty Status score, as mentioned earlier in this analysis, and the nearest areas of high segregation and poverty are tracts in Santa Ana.

Earlier analysis of the Diversity Index and Poverty Status measures for Mission Viejo show that the city has no major concentrations on either measure, although it is noticeable that tracts in the south of the city, and on its western border with Lake Forest exhibit slightly higher concentrations than other parts of Mission Viejo.

Since there are no R/ECAPs in Mission Viejo, no analysis of the Site Inventory location relative to R/ECAPs is required.



Figure D-23 - Mission Viejo – RE/CAPs and Areas of High Segregation and Poverty





7. Racially/Concentrated Areas of Affluence

In addition to examining patterns of poverty and segregation, HCD also recommends examining “concentrated areas of affluence.” Possible measures of this factor include identifying the percentage of the White population and median household income for White households versus the population at large, and an examination of median income patterns across the city.

Table D-15 below shows ACS’s 2020 estimates of the median household incomes of households, and the variation from the median income by race/ethnicity in Mission Viejo and surrounding cities, and for Orange County as a whole. It should be noted that the percentage of White residents of Mission Viejo and its surrounding cities are significantly higher than the proportion for the county overall.

Mission Viejo’s median income is 28% higher than the County’s, but the city’s White median income is slightly lower than that for all households in Mission Viejo, with Asian households significantly above the median. It is also noteworthy that Black household median income in Mission Viejo is slightly higher than that for White households, although ACS sampling of a population that makes up 1.9% of the city’s population may have a wide margin of error; three other cities (Laguna Hills, Rancho Santa Margarita and San Juan Capistrano) have no entry in the Black median income column because the sample sizes were too small.

Hispanic median income for Mission Viejo and its neighboring cities falls below the various citywide medians, but Mission Viejo reports the second smallest deviation from the citywide median, at 10.3; Laguna Niguel’s Hispanic median income is over 38% below the citywide median. With the exception of Laguna Hills, Asian median income is significantly higher than the city medians. In general, Mission Viejo’s median incomes for racial/ethnic groups have some of the smallest variations from the citywide median, compared to neighboring cities, and the county.

Table D-15 - Median Income by Racial/Ethnic Groups (ACS 2016-2020)

| | All HH | White Alone | Hispanic | Black | Asian | % Non Hisp. White |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| Laguna Hills | \$102,358.00 | \$109,304.00 | \$93,537.00 | – | \$82,679.00 | 53.7% |
| Laguna Niguel | \$119,608.00 | \$122,040.00 | \$74,003.00 | \$120,333.00 | \$130,313.00 | 66.5% |
| Lake Forest | \$112,988.00 | \$119,081.00 | \$90,843.00 | \$75,754.00 | \$128,162.00 | 47.2% |
| Rancho Santa Margarita | \$125,329.00 | \$127,200.00 | \$110,772.00 | – | \$152,578.00 | 58.2% |
| San Juan Capistrano | \$103,922.00 | \$108,294.00 | \$79,559.00 | – | \$138,052.00 | 52.8% |
| Mission Viejo | \$121,299.00 | \$121,228.00 | \$108,832.00 | \$121,304.00 | \$136,708.00 | 61.7% |
| Orange County | \$94,441.00 | \$105,133.00 | \$74,319.00 | \$81,754.00 | \$96,959.00 | 37.6% |
| Median Income by Racial/Ethnic Groups : Variation from Citywide Median | | | | | | |
| | All HH | White Alone | Hispanic | Black | Asian | |
| Laguna Hills | \$102,358.00 | 6.8% | -8.6% | na | -19.2% | |
| Laguna Niguel | \$119,608.00 | 2.0% | -38.1% | 0.6% | 9.0% | |
| Lake Forest | \$112,988.00 | 5.4% | -19.6% | -33.0% | 13.4% | |
| Rancho Santa Margarita | \$125,329.00 | 1.5% | -11.6% | na | 21.7% | |
| San Juan Capistrano | \$103,922.00 | 4.2% | -23.4% | na | 32.8% | |
| Mission Viejo | \$121,299.00 | -0.1% | -10.3% | 0.0% | 12.7% | |
| Orange County | \$94,441.00 | 11.3% | -21.3% | -13.4% | 2.7% | |

Sources: ACS Table S1903 (Median Income); Brown University tabulation of 2020 Census (Racial Data)



Geographically, Figure D-24 below shows median household income by block group for Mission Viejo and surrounding areas (ACS 2019 data series). As has already been noted in the above table, Mission Viejo is an affluent city, but lower median income areas are apparent in block groups corresponding to census tracts that have been discussed in the other sections of this analysis, in relation to having some concentrations of senior housing communities, and also housing complexes with Section 8 vouchers, in the south of the city, along the Lake Forest city boundary, and an area that contains the large Casta del Sol in the center-east of the city.

Another way of analyzing patterns of affluence is with the recently available map of Racially Concentrated Areas of Affluence (RCAA), released by HCD in the AFFH Data Viewer, and is described in the documentation as the ‘flip side’ of the Racially and Ethnically Concentrated Areas of Poverty (R/ECAPS) already described in Figure D-23. A Census Tract is designated as an RCAA based on whether it has a percentage of total white population that is at or above 1.25 times higher than the regional average and has a median income at or above 1.5 times higher than the regional average.

Figure D-25 shows the distribution of RCAA Census Tracts in Mission Viejo, and Figure D-26 shows the distribution for Orange County. In Figure D-25, five of Mission Viejo’s 26 Census Tracts are identified as not being RCAAs, and they correlate with patterns already described with other demographic variables in this AFFH section: the southern tip of Mission Viejo, and Tract 320.28 on the northern border with Lake Forest, have already been shown to be more ethnically diverse, and to have slightly lower socio-economic indicators than other sections of the city. The pattern shown in Figure D-26 for the County as a whole also shows a distribution identified in this appendix, with a concentration of RCAAs in the southern part of the County, and very few in the north.

As can be seen in Figure D-25, Census Tracts designated as RCAAs cover much of the City of Mission Viejo: 19 out of the City’s 26 Census Tracts are RCAAs. This pattern can be largely explained by the planned development nature of the city, as shown in the land use zoning map in Figure D-3 above. The tracts that are designated as RCAAs largely have significant portions of their area or are 100% assigned as planned single family housing developments, reflecting the master-planned nature of the city. The seven non-RCAA tracts have a significant amount of non-residential use and a higher proportion of multi-family residential development.

As has already been stated, the majority of the Site Inventory is located in the southern tip of Mission Viejo, with five of the 11 sites located in Census Tract 320.22, which is not an RCAA. While Tract 320.22 is not an RCAA, it is located in a High Resource Opportunity Area, as discussed in Section D below. Accordingly, Table D-16, showing the distribution of the Site Inventory by RCAA status shows that approximately 95% of the inventory units, across all income categories, are not located in RCAAs.

Table D-16 - Distribution of RCAAs by Census Tract and Unit Income Level (Mission Viejo, ACS 2015-19)

| In a RCAA | Lower Income Units | Moderate Income Units | Above Moderate Income Units | Total Units |
|--------------------|--------------------|-----------------------|-----------------------------|--------------------|
| Yes | 5.65-1% | 5.85-3% | 5.24-8% | 5.55-0% |
| No | 94.494-9% | 94.294-7% | 94.895-2% | 94.595-0% |
| Total Units | 1,0321,131- | 378415- | 708776- | 2,1182,322- |

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Figure D-24 - Mission Viejo – Median Income by Block Group (ACS 2015-19)

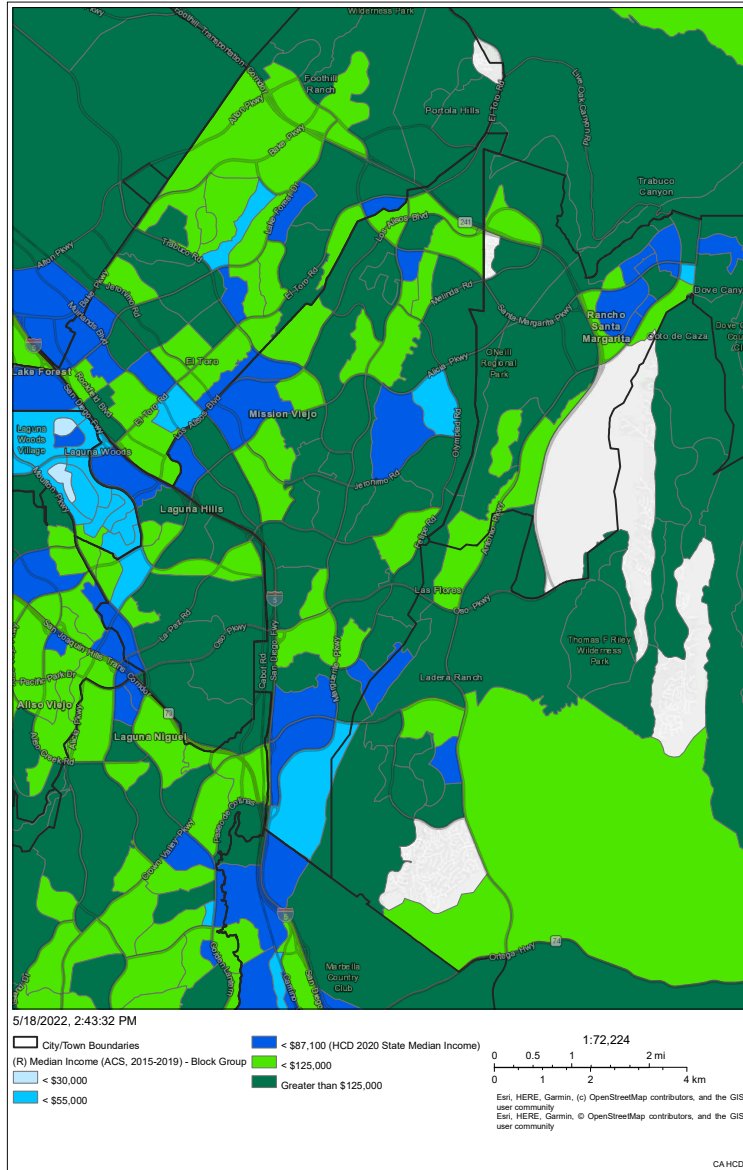
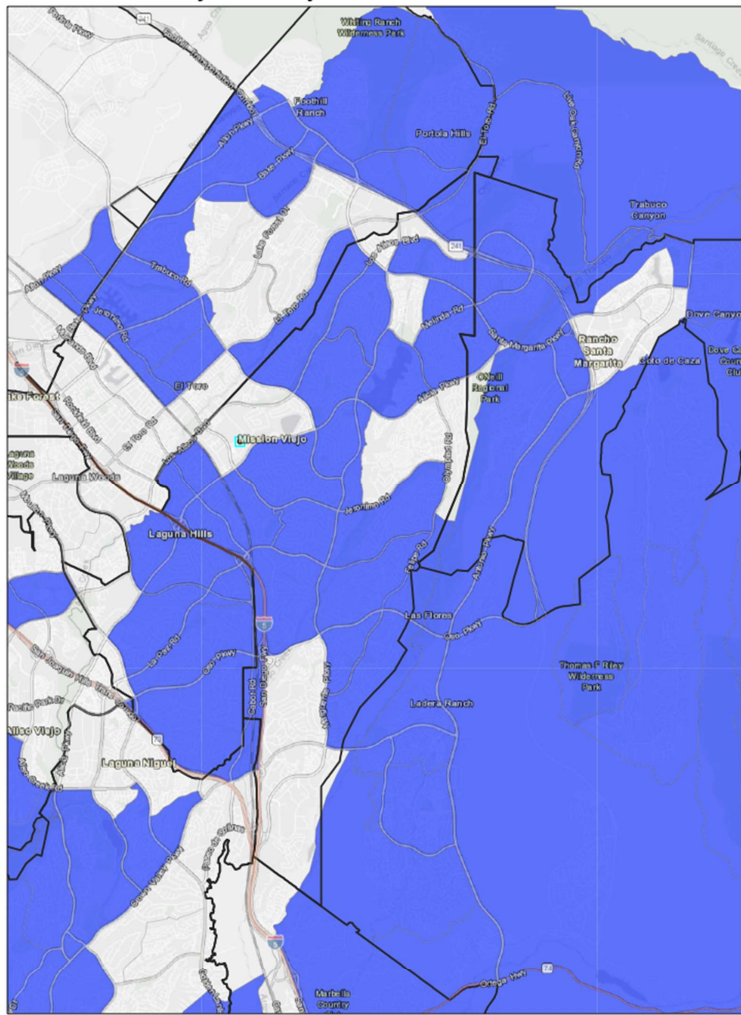






Figure D-25 - Mission Viejo – Racially Concentrated Areas of Affluence



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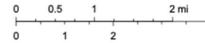
City/Town Boundaries

(R) Racially Concentrated Areas of Affluence "RCAA" (ACS, 2015 -2019) - Tract

0 - Not a RCAA

1 - RCAA

1:72,224

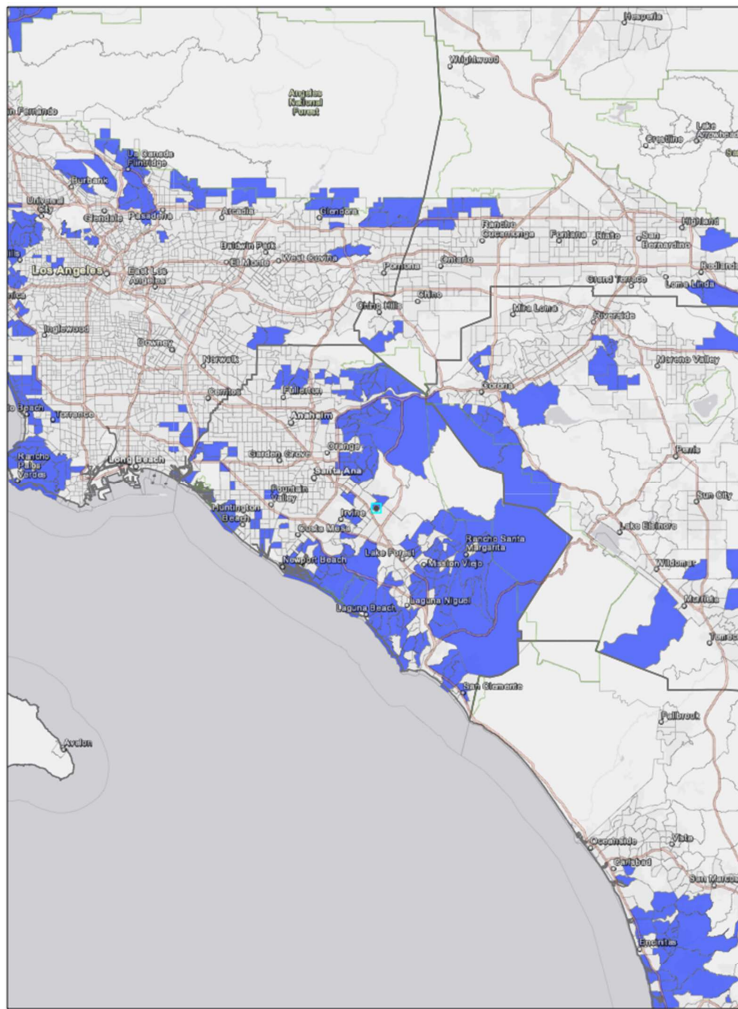


County of Riverside, Bureau of Land Management, Esri, HERE, Garmin, GeoTechnology, Inc., USGS, EPA, Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community

CA HCD



Figure D-26 – Orange County – Racially Concentrated Areas of Affluence



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County Boundaries

(R) Racially Concentrated Areas of Affluence "RCAA" (ACS, 2015 -2019) - Tract

0 - Not a RCAA

1 - RCAA

1:577,791



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CA HCD

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D. Disparities in Access to Opportunity

Consideration of patterns of socio-economic and racial/ethnic variation in the context of AFFH analysis should also examine what is termed “access to opportunity”. HCD and TCAC have provided “Opportunity Maps” for 2020, displaying indices of Economic, Educational and Environmental Opportunity, as well as a composite index of all three.

The different indices used to create the TCAC/HCD Opportunity Maps are comprised of the following measures, on a 0-100 scale:

- **Economic**
 - *Poverty* – percentage of population with income above 200% of federal poverty line
 - *Adult Education* – percentage of adults with a bachelor’s degree or above
 - *Employment* – percentage of adults ages 20-64 who are employed in the civilian labor force or in the armed forces
 - *Job Proximity* – number of jobs filled by workers with less than a BA that fall within a given radius of each census tract population
 - *Median Home Value* – value of owner-occupied units
- **Education**
 - *Math and Reading Proficiency* – percentage of 4th graders who meet or exceed math and literacy proficiency standards
 - *High School Graduation Rates* – percentage of high school cohort that graduated on time
 - *Student Poverty Rate* – percentage of students not receiving free or reduced-price lunch
- **Environmental**
 - *Cal Enviro Screen 3.0 indicators* - such as Ozone, PM_{2.5}, drinking water – the higher the index score, the greater the exposure.

[Table D-17](#)[Table D-17](#)[Table D-16](#) identifies the scores in Mission Viejo by census tract, with some low scores highlighted, and [Figure D-27](#)[Figure D-27](#)[Figure D-25](#) maps the TCAC/HCD Composite Score by census tract, plus the location of the Site Inventory. [Figure D-28](#)[Figure D-28](#)[Figure D-26](#) maps the composite score across Orange County, and as in other maps in this report, a clear north-south divide can be seen, with Low Resource and High Segregation and Poverty areas apparent in the Anaheim/Orange/Santa Ana area.

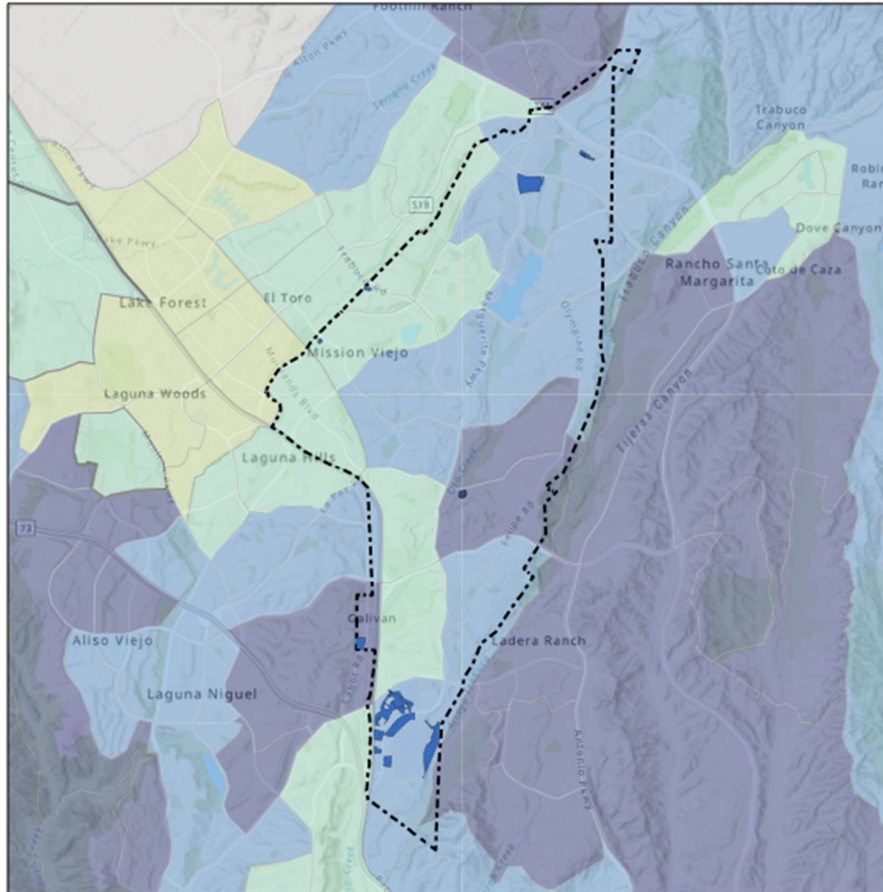


Table D-171716 - TCAC Opportunity Indices by Census Tract

| Census Tract | Resource Level | Economic Index | Educational Index | Environmental Index |
|--------------|----------------|----------------|-------------------|---------------------|
| 320.02 | High | 61 | 58 | 86 |
| 320.03 | High | 57 | 52 | 89 |
| 320.12 | Moderate | 45 | 58 | 69 |
| 320.13 | Moderate | 41 | 57 | 57 |
| 320.15 | Moderate | 37 | 41 | 50 |
| 320.20 | Highest | 50 | 84 | 96 |
| 320.22* | High | 24 | 98 | 67 |
| 320.27* | Moderate | 36 | 42 | 65 |
| 320.28 | Moderate | 36 | 60 | 79 |
| 320.30 | Moderate | 48 | 44 | 84 |
| 320.31 | High | 62 | 56 | 91 |
| 320.32 | Moderate | 40 | 55 | 88 |
| 320.33 | High | 42 | 68 | 97 |
| 320.34 | High | 69 | 64 | 88 |
| 320.35 | High | 42 | 69 | 94 |
| 320.36 | High | 28 | 79 | 94 |
| 320.37* | High | 30 | 89 | 93 |
| 320.38* | Highest | 72 | 80 | 92 |
| 320.39* | High | 47 | 57 | 94 |
| 320.40 | High | 47 | 57 | 89 |
| 320.47* | High | 49 | 68 | 80 |
| 320.48* | High | 58 | 68 | 91 |
| 320.49* | High | 63 | 76 | 57 |
| 423.28* | High | 85 | 56 | 68 |
| 423.33* | Highest | 81 | 74 | 73 |
| 524.28* | Highest | 82 | 74 | 64 |



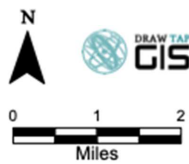
Figure D-~~272725~~ - Mission Viejo – Composite TCAC Opportunity Index & Site Inventory (2021)



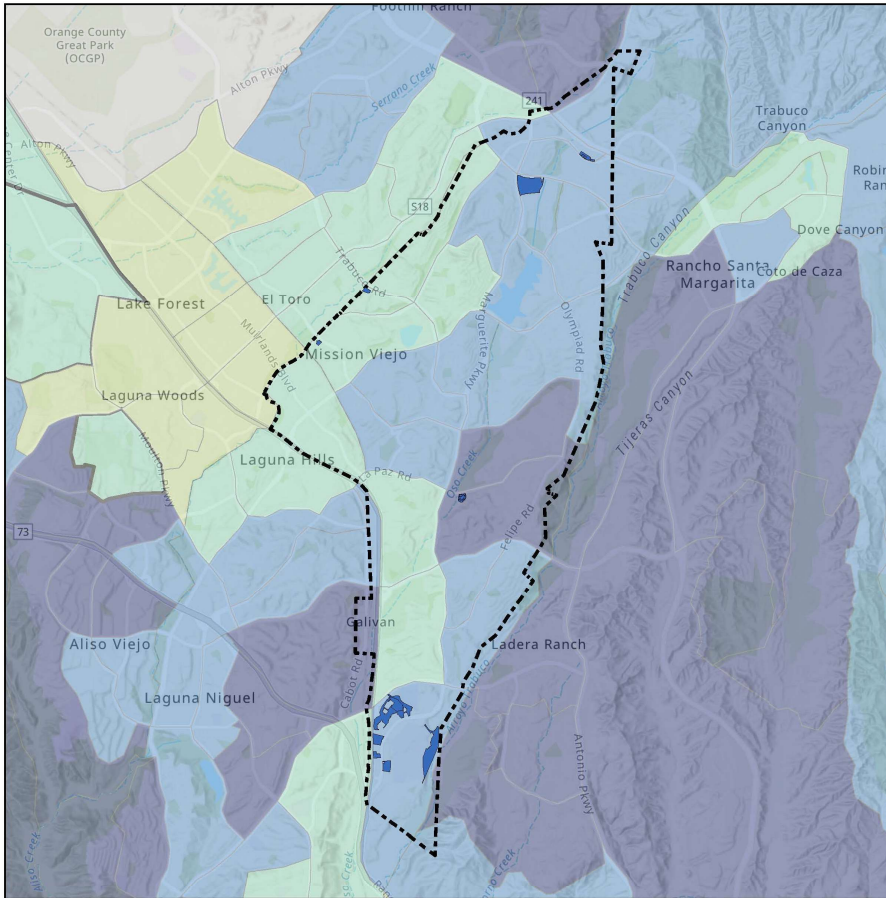
**City of Mission Viejo Housing Element Sites Inventory
with TCAC Opportunity Areas 2021**

TCAC Opportunity Areas 2021 - Composite Score (Tract)

- Highest Resource
- High Resource
- Moderate Resource (Rapidly Changing)
- Moderate Resource
- Low Resource
- High Segregation & Poverty
- Missing/Insufficient Data
- Sites Inventory
- City Boundary



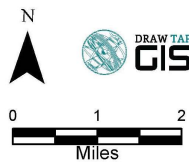
Data Provided by:
California Department of Housing and Community Development
Affirmatively Furthering Fair Housing Data and Mapping Resources
<http://a4d-housing-resources.ca/housingmaps.com>



City of Mission Viejo Housing Element Sites Inventory with TCAC Opportunity Areas 2021

TCAC Opportunity Areas 2021 - Composite Score (Tract)

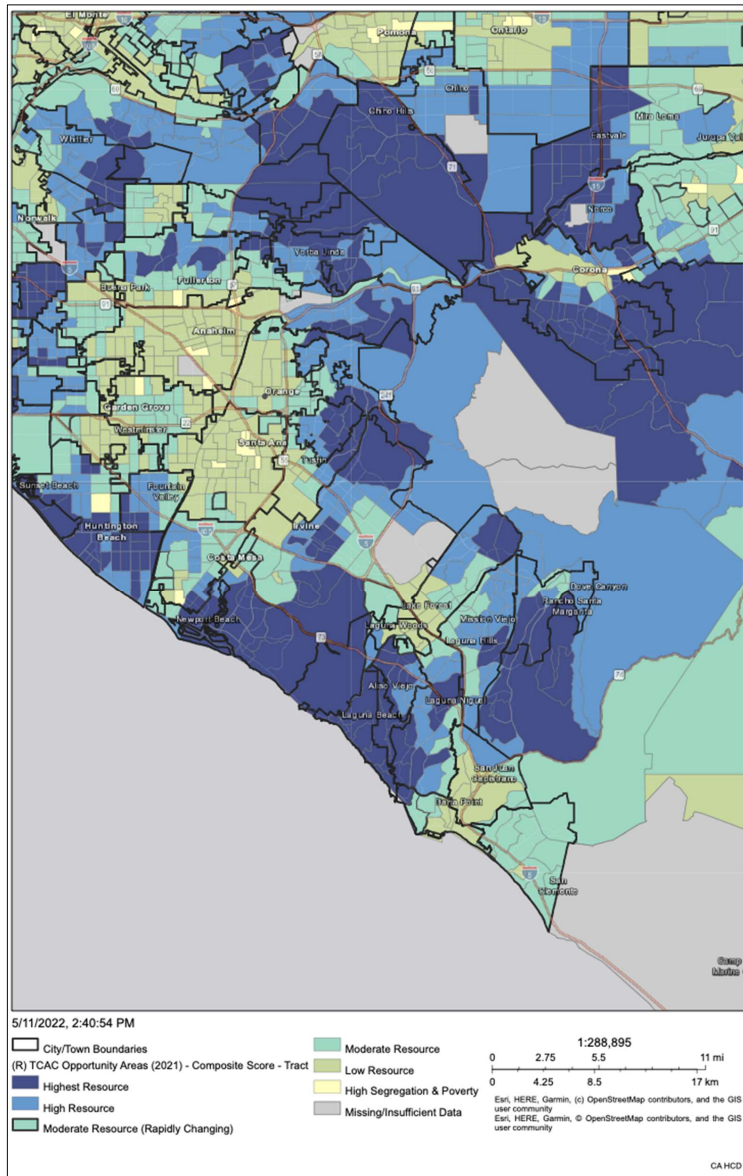
- Highest Resource
- High Resource
- Moderate Resource (Rapidly Changing)
- Moderate Resource
- Low Resource
- High Segregation & Poverty
- Missing/Insufficient Data
- Sites Inventory
- City Boundary



Data Provided By:
California Department of Housing and Community Development
Affirmatively Furthering Fair Housing Data and Mapping Resources
<https://afrh-data-resources.cdhd.hud-arizona.com>



Figure D-282826 - Orange County – Composite TCAC Opportunity Index (2021)





Examining the location of the Sites Inventory relative to the distribution of the Composite TCAC Opportunity Index in Mission Viejo ([Figure D-27](#)~~Figure D-27~~[Figure D-25](#)) shows that all the sites are located in High or Highest Resource Composite Score areas; none are in Moderate or Low Resource Composite Score areas. Therefore, the location of the Sites Inventory is not concentrated in poor resource areas. [Table D-18](#)~~Table D-18~~[Table D-17](#) below shows that 95% of the Sites Inventory is in High or Highest Resource areas, across unit income levels.

Table D-~~18~~~~17~~ - Distribution of Site Inventory Units by TCAC Opportunity Area Composite Score and Unit Income Level

| TCAC Opportunity Area (Composite Score) | Lower Income Units | Moderate Income Units | Above Moderate Income Units | Total Units |
|---|--------------------|-----------------------|-----------------------------|-------------------|
| Low Resource | | | | |
| Moderate Resource | 5.55-0% | 5.34-8% | 5.44-9% | 5.45-0% |
| High Resource | 88.989-8% | 88.989-9% | 89.490-3% | 89.090-0% |
| Highest Resource | 5.65-1% | 5.85-3% | 5.24-8% | 5.55-0% |
| Total Units | 1,0321,131 | 378415 | 708776 | 2,1182,322 |

Seven of Mission Viejo’s 26 census tracts are assigned a “Moderate” score on the composite index in [Table D-19](#)~~Table D-19~~[Table D-18](#), mostly located along the city’s border with Lake Forest, with the other tracts in the “High” or “Highest” range. Three tracts have relatively low scores on two out of the three indicators, with two of those tracts – 320.13 and 320.15 – being wholly located within the city of Mission Viejo.

Tract 320.15 has occasionally been identified in the various sections of this analysis as having slightly lower socio-economic and demographic rankings than other tracts, so it is worthwhile looking at that tract, and 320.13, in more detail – see [Table D-19](#)~~Table D-19~~[Table D-18](#) below, with data for the city as a whole for comparison. Tract 320.13, in the south of the city, scores relatively low on the Economic and Environmental indices. Tract 320.15, located on the western border with Lake Forest, scores low on the Educational and Environmental indices.

Table D-~~19~~~~18~~ - Analysis of Census Tracts 320.13 and 320.15

| | Tract 320.13 | Tract 320.15 | Mission Viejo |
|---------------------------------------|--------------|--------------|---------------|
| TCAC Resource Level | Moderate | Moderate | |
| TCAC Economic Index | 41 | 37 | |
| TCAC Education Index | 57 | 41 | |
| TCAC Environmental Index | 57 | 50 | |
| Total Population | 5,065 | 6,730 | |
| Race/Ethnicity (%) | | | |
| White | 65.8% | 53.7% | 61.7% |
| Black | 1.5% | 1.8% | 1.9% |
| Asian | 7.6% | 16.0% | 14.8% |
| Hispanic | 18.2% | 21.7% | 19.2% |
| Poverty Score | 10.9% | 9.0% | |
| % Population Disabled | 15.4% | 17.9% | 10.0% |
| Total Housing Units (Occupied) | 2,326 | 1,877 | 33,000 |
| % Single Family | 36.0% | 82.7% | 72.5% |
| % Owner-Occupied | 42.8% | 85.4% | 77.2% |
| Unit Age: % Built | | | |
| Before 1980 | 59.2% | 94.0% | 54.1% |
| 1980-99 | 21.4% | 5.7% | 40.8% |



| | Tract 320.13 | Tract 320.15 | Mission Viejo |
|--|--------------|--------------|---------------|
| 2000-09 | 13.8% | 0.3% | 3.3% |
| 2010+ | 5.6% | 0.0% | 1.8% |
| Median Household Income | \$78,843.00 | \$145,110.00 | \$121,299.00 |
| % Population Disabled | 15% | 18% | 10% |
| Public Housing Choice Vouchers as % of Renter-Occupied Units | 5.3% | 0.0% | 3.8% |
| "Sensitive Community" | Yes | No | |

Tract 320.15, on the border with Lake Forest, differs most from the city as a whole in having a higher proportion of the population with a disability, a higher proportion of single family and owner-occupied housing, and a significantly older housing stock. This area includes the Aegean Hills community, which as has been noted earlier was annexed into the city in 1992, and which has undergone demographic change as some of its larger single-story homes have been converted to senior residential care facilities. It is noteworthy that this tract has a significantly higher median income than the city as a whole (ACS, Table S1903, "Median Income in the past 12 months", 2016-2020 5 Year estimates).

Tract 320.13, in the southern part of the city, exhibits more divergence from the city's overall scores on a number of factors. As with tract 320.13, it also has a relatively high proportion of disabled residents, but 320.13 has a significantly lower median income, and a higher White percentage of its population. Only 43% of its units are owner-occupied, compared with the citywide figure of 77%, and the tract has 5.3% of its renter-occupied units with Housing Choice Vouchers. Its housing stock is newer than the city as a whole, with almost 20% of it built in the last 20 years. It is also identified in the AFFH data viewer application as a "Sensitive Community", defined as one that "... may be vulnerable to displacement." because it has low income indicators and a high proportion of the population are renters.

Tract 320.13 also includes a number of apartment complexes with deeded affordable units: Heritage Villas (which appears in the AFFH data viewer as having 141 out of its 143 units subsidized), Adagio on the Green, and Heritage Pointe are all senior housing developments. In addition, there are two apartment complexes (Camden Crown Valley and Vista Real) in this tract which accept Section 8 vouchers.

Examining aspects of the three indices further:

8.1. Education

According to the Orange County Analysis of Impediments (AI) to Fair Housing report (May 27, 2020 p168 and p183), in terms of educational opportunities countywide there are racial/ethnic disparities in access to educational opportunities, with non-Hispanic Whites scoring the highest exposure to educational opportunity (58.6 on the 0-100 index); Hispanics have the lowest score (30.9). The report also notes that a number of cities, including Mission Viejo (p182), score highly across all racial/ethnic groups on this index (from 68.0 for non-Hispanic Native Americans to 69.6 for Asian/Pacific Islanders).

Table D-19 above shows that the Mission Viejo's census tracts on the Educational Index (data from AFFH Data Viewer) range from 41 (320.15) to 98 (320.22 – which can partly be explained by the location of Saddleback Community College in its boundaries), with most tracts in the Mission Viejo's census tracts ranging from the high 50s to high 70s.

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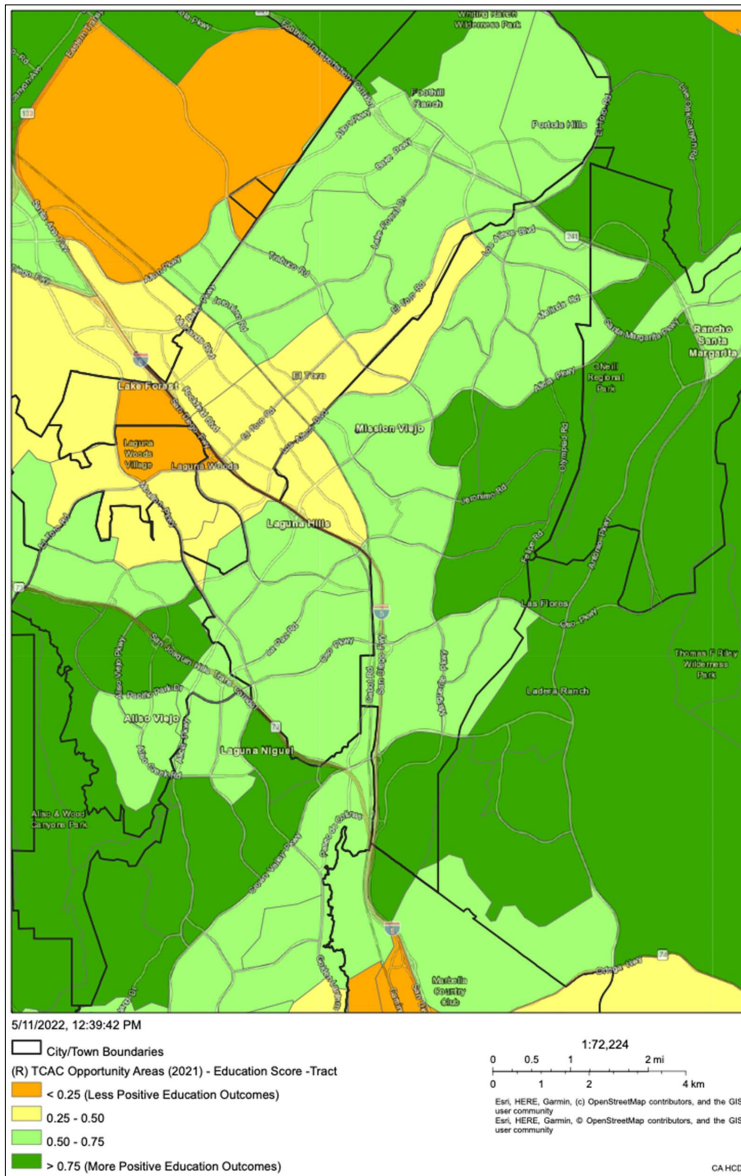
Figure D-29



~~Figure D-29~~ ~~Figure D-27~~ maps the Education index for Mission Viejo. The lowest scoring tracts, including 320.15 mentioned above, are almost all on the city's border with Lake Forest, and have higher non-White proportions of their populations, per the AFFH data viewer at the block group level. The southernmost tract in the city, 320.22, probably scores highly in part because it is the location of the Saddleback College campus.



Figure D-292927 - Mission Viejo – TCAC Education Index (2021)





The City of Mission Viejo is served by two school districts, according to www.caschooldashboard.org: Capistrano Unified School District, which serves the southern and eastern parts of the city, south of Oso Parkway and east of Trabuco Road at Los Alisos Boulevard, while the remainder of the city in the north and west is served by Saddleback Valley Unified School District, which also serves the cities of Lake Forest, Laguna Hills and Laguna Woods. Table 13 below compares the two school districts on demographic measures. Saddleback Valley Unified serves a higher proportion of socio-economically disadvantaged students and English Learners, and has a higher proportion of Hispanic students in its enrollment.

Table D-202019 - School District Demographics

| | Capistrano Unified | Saddleback Valley Unified |
|---------------------------------|--------------------|---------------------------|
| Total Enrollment | 43,719 | 24,954 |
| English Learners | 9.6% | 17.8 |
| Homeless | 5.8% | 5.0% |
| Socioeconomically Disadvantaged | 25.4% | 30.2% |
| Students with Disabilities | 12.2% | 12.9% |
| Race/Ethnicity: | | |
| African American | 0.8% | 1.2% |
| American Indian | 0.2% | 0.1% |
| Asian | 6.6% | 8.7% |
| Filipino | 1.8% | 3.5% |
| Hispanic | 27.1% | 37.3% |
| Two or More Races | 6.6% | 7.4% |
| Pacific Islander | 0.1% | 0.2% |
| White | 54.1% | 40.4% |

Capistrano Unified has an overall Graduation Rate of 96.8%, while Saddleback Valley Unified’s rate is 89.3% (the statewide rate is 86.8%). The rate for English Learners is 91.8% and 76.9%, respectively.

9.2. Economic

According to the Orange County AI report, and borne out by various analyses above, there are disparities in access to economic opportunity at the county level, with a noticeable north-south divide. As with the Educational Opportunity index, non-Hispanic Whites score highest on the index of Economic Opportunity (59.4), and Hispanics have the lowest score (31.9). Mission Viejo and a number of neighboring cities “have moderate economic opportunity scores for all racial/ethnic groups (scores from the mid-40s to mid-50s)..” (p170).

Table D-17Table D-17Table D-16 above and Figure D-30Figure D-28 below, which maps the Economic Index, show that the city’s census tracts on the Economic Index range from 24 (320.22) to 82 (524.28 – but only a very thin strip of this tract at the northernmost tip of the city is within Mission Viejo; 423.33, with a score of 81 is also split with another city, but more of it, particularly the commercial section, is within Mission Viejo). These two extremes can be partly explained by local factors: tract 320.22 is largely made up of the Saddleback Community College campus, limiting land for economic activity, while 423.33 has a strip of commercial development along both sides of I-5 on the south-western border of the city.

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[Figure D-30](#)



[Figure D-30](#)[Figure D-28](#) shows that the cities surrounding Mission Viejo display varying patterns. For example, Rancho Santa Margarita, to the east of Mission Viejo, has a similar pattern on this index to Mission Viejo, while Lake Forest to the northwest of the city, has more tracts with higher scores on the economic index, particularly in its relatively newly developed/annexed section, which included the development of a business park in the Foothills Ranch section. Low scoring tracts are prevalent in the retirement community of Laguna Woods, and also large tracts to the north in Irvine corresponding to the former El Toro military base, which is being redeveloped by the city.

The AFFH data viewer also shows that jobs in Mission Viejo, as measured by HUD's Jobs Proximity Index ([Figure D-31](#)[Figure D-31](#)[Figure D-29](#) – mapped at the block group level, not census tract), are focused along the I-5 corridor and the railroad tracks along the western edge of the city (areas in green and yellow in [Figure D-31](#)[Figure D-31](#)[Figure D-29](#)). As has been shown in [Figure D-3](#), the bulk of the city's land is residentially zoned, and therefore many block groups score low on this index, (index score under 20, red block groups in [Figure D-31](#)[Figure D-31](#)[Figure D-29](#)).

The Housing Element attempts to balance economic activity and housing need by including sites in the Sites Inventory where it is proposed that both commercial and residential uses will occur through overlay zoning.



Figure D-303028 - Mission Viejo – TCAC Economic Index (2021)

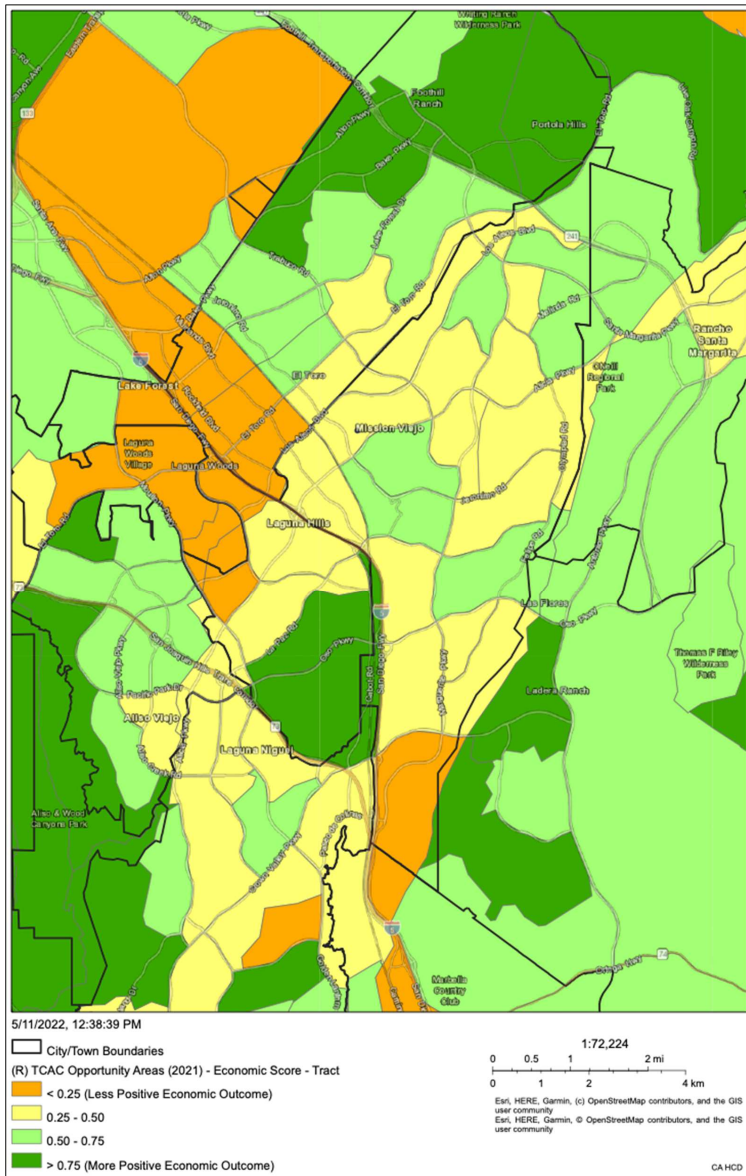
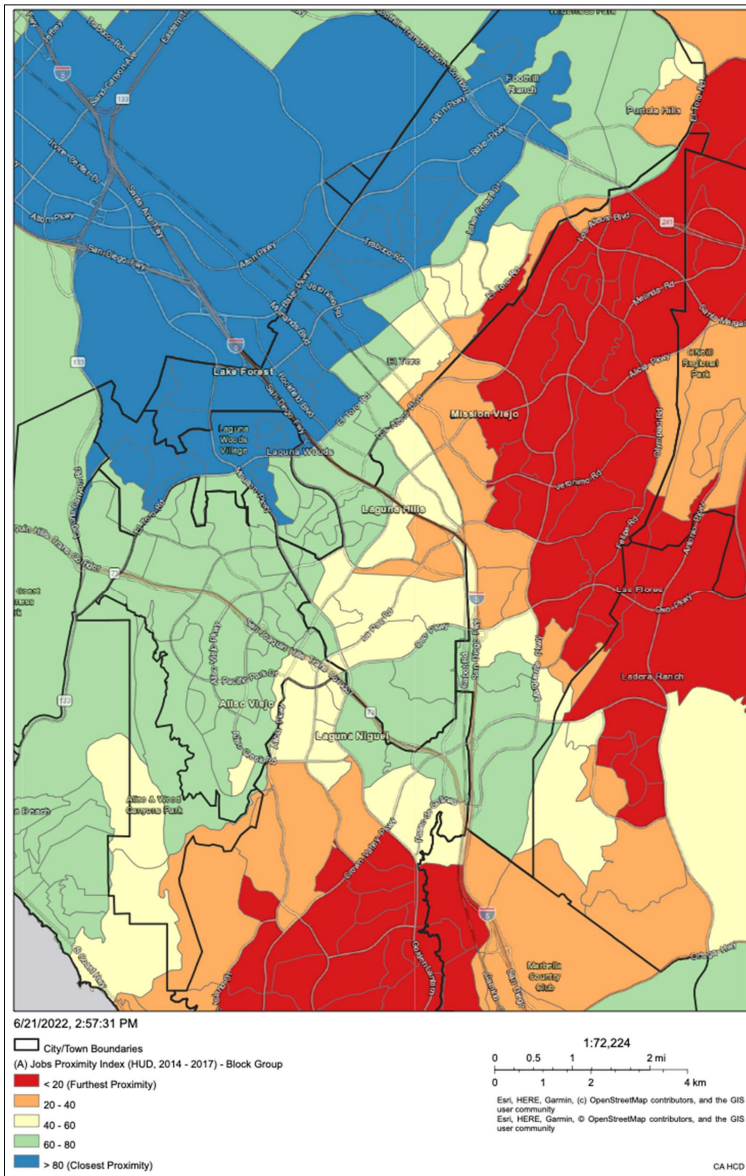




Figure D-313129 - Mission Viejo – Jobs Proximity Index (Block Group. HUD, 2014-17)





10.3. Transportation

The County AI analysis of transportation cost index scores (p171) once again highlights that there is a north-south divide – this time with northern, denser parts of the county scoring well. Transportation cost index scores as well as transit index scores are generally higher in North Orange County than in South Orange County. For example, northern Orange County cities such as Santa Ana and Anaheim have scores in the high 30s to high 40s, while Mission Viejo has scores across racial/ethnic groups in the 20s (p182).

HUD’s AFFH Mapping Viewer (but not the California AFFH Data Viewer) includes the Low Transportation Cost Index, and a screenshot of the Orange County area, including Mission Viejo, is shown in [Figure D-32](#) below. The index is defined by HUD as follows: “The Low Transportation Cost Index is based on estimates of transportation expenses for a family that meets the following description: a 3-person single-parent family with income at 50% of the median income for renters for the region... with values ranging from 0 to 100. The higher the transportation cost index, the lower the cost of transportation in that neighborhood. Transportation costs may be low for a range of reasons, including greater access to public transportation and the density of homes, services, and jobs in the neighborhood and surrounding community.”

The HUD Mapping Viewer has limited options to add data layers such as city boundaries, roads and other features, so [Figure D-32](#) has been annotated to show the approximate location of the City of Mission Viejo. The map confirms the County AI description of the geographic pattern: higher scores on this index can be observed in the northern part of the county (Anaheim-Santa Ana-Orange – darker purple), while Mission Viejo and surrounding cities scored lower (pink). Within Mission Viejo, there are slightly higher scores along the I-5 corridor on the city’s western border, and on its northern border with Lake Forest.

SCAG’s Data/Map Book for Mission Viejo, November 2019 Draft (<https://scag.ca.gov/sites/main/files/file-attachments/missionviejo.pdf?1604904838>), shows a ‘High Quality Transit Corridor’ following I-5 along the city’s western border, and a major transit stop on the Laguna Niguel/Mission Viejo city boundary ([Figure D-33](#)). The major transit stop is the Laguna Niguel/Mission Viejo Metrolink Station, which provides an important community link as far north as Los Angeles Union Station, and the potential to avoid freeway congestion. The transit corridor is identified by SCAG as part of its Connect SoCal 2020-2045 Regional Transportation Plan, which aims to focus employment and household growth within these corridors to ease the movement of people and goods in the region.



Figure D-~~323230~~ - Orange County: Low Cost Transportation Index (Census Tract, HUD)

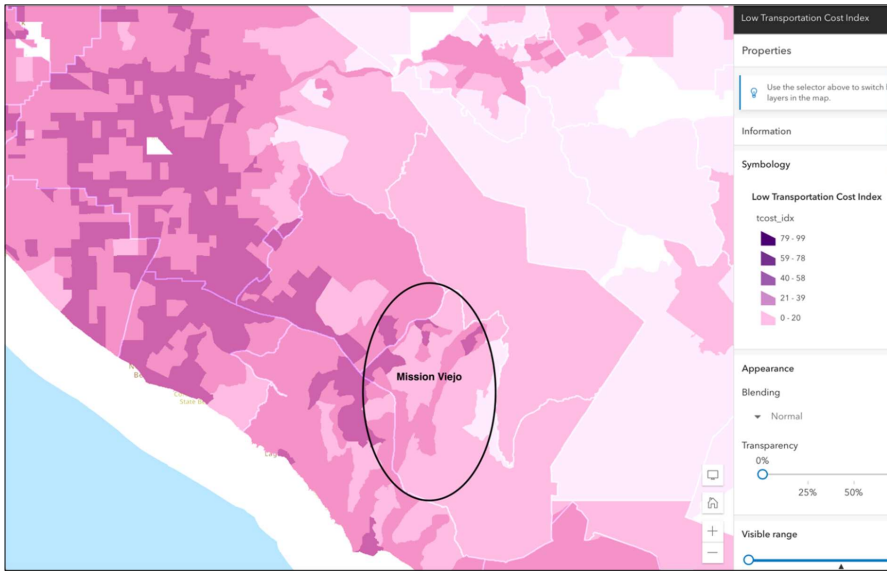
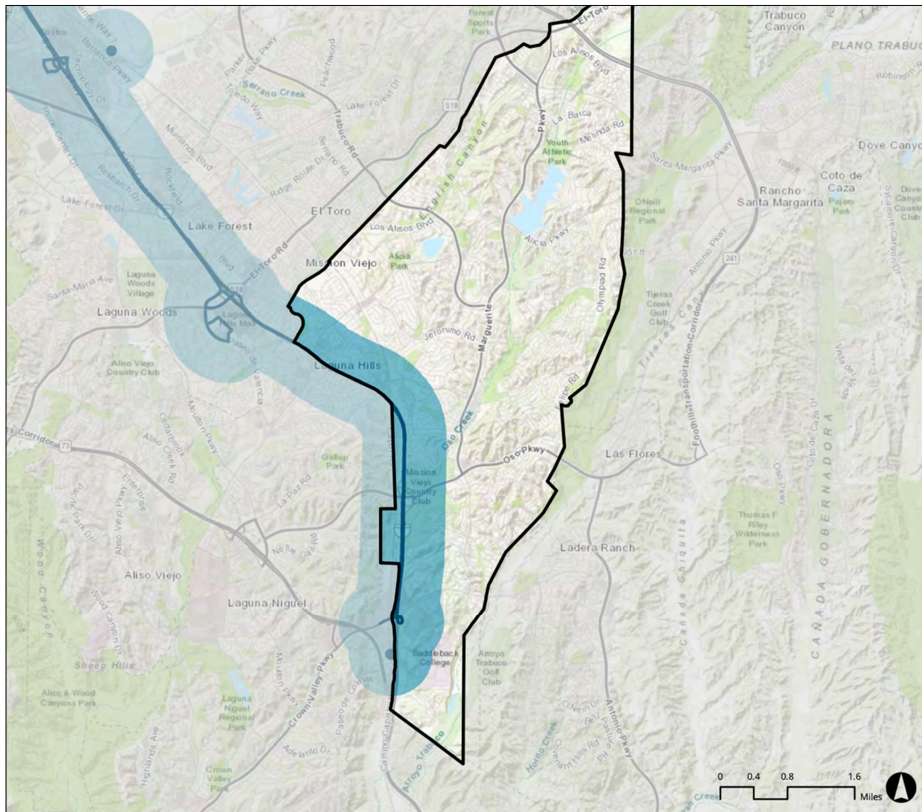




Figure D-33334 - Mission Viejo: Major Transit Stops & High Quality Transit Corridor (SCAG Data/Map Book, November 2019)



Major Transit Stops and High Quality Transit Corridors in City of Mission Viejo [Year 2045]

- Major Transit Stops
- High Quality Transit Corridors (HQTCS)
- High Quality Transit Areas (HQTAs)

Note: To assist in identifying transit priority project areas, SCAG identifies Major Transit Stops and High Quality Transit Corridors (HQTCS), and their surrounding areas in one-half mile radius distance, as specified in Section 21155.(b)(3). Major transit stops and HQTCS are extracted from 2045 plan year data of the Draft Connect SoCal. SCAG's High Quality Transit Area (HQTAs) is within one-half mile from Major Transit Stops and HQTCS and developed based on the language in SB375. Please note that this map may undergo changes as SCAG continues to update its transportation network as part of the Connect SoCal development process and SCAG shall not be responsible for local jurisdiction's use of this map. Updates to this information will be forthcoming as information becomes available.



11.4. Environmental

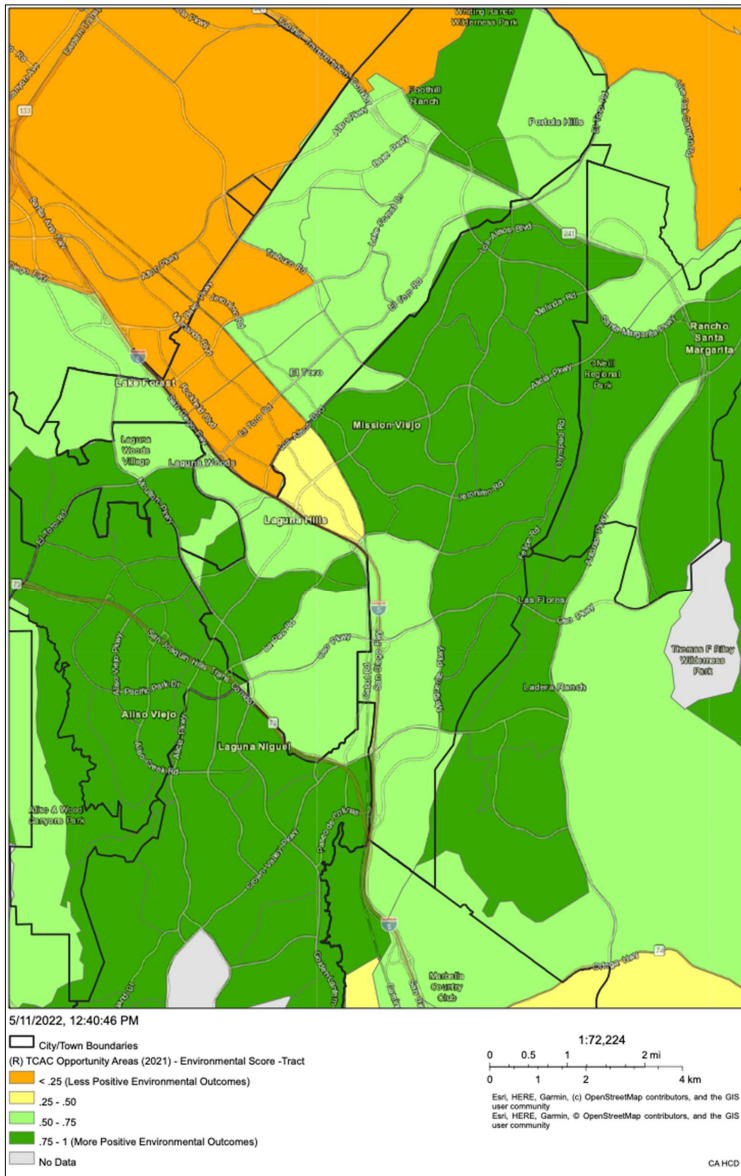
According to the County AI report, at the county level “..there are disparities across racial ethnic groups to environmental opportunities, measured as lower exposure to and effects from pollution.” (p169), with county scores for access to environmentally healthy neighborhoods ranging from 53.8 for Whites to 41 for Hispanics. For Mission Viejo, scores have a relatively narrow range at the high end of the index, from 77.2 for the city’s Black population, to 80.4 for Whites.

[Table D-17](#)~~Table D-17~~[Table D-16](#) above shows that all but five of the city’s census tracts score above 70 on the index, with three tracts in the 50s: 320.15 (50), 320.13 (57) and 320.49 (57). Tract 320.49, at the northern tip of the city, is split with the neighboring city of Rancho Santa Margarita, and the Mission Viejo portion is largely made up of the Upper Oso Reservoir, and a small amount of housing.

[Figure D-34](#)~~Figure D-34~~[Figure D-32](#) below maps the Environmental Index. Tract 320.15, on the border with Lake Forest, is largely residential, and not the location of major industry that might explain its low score, but it is bounded by I-5 and the railroad, which may partly explain it. It is unclear why Tract 320.13 would score relatively low on the index: most of its area comprises single family and multifamily housing, with only a small amount of business/commercial activities on its southern and eastern edge. The western edge of the tract is I-5, which might have an impact on the score.



Figure D-343432 - Mission Viejo – TCAC Environmental Index (2021)





E. Disproportionate Housing Needs and Displacement Risk

12.5. Housing Vacancy

The recently released 2016-2020 series of ACS data reports (Comparative Housing Characteristics, Table CP04) shows a rental vacancy rate of 6.3%, and 0.3% for owner-occupied units in Mission Viejo. The very low vacancy rate for ownership units implies a strong demand for ownership housing.

13.6. Cost Burden/Housing Overpayment

Overpayment is defined as expenditure of more than 30% of income on housing, and Severe Overpayment occurs when over 50% of income is spent on housing. According to SCAG's April 2021 Pre-Certified Local Housing Data report for Mission Viejo, approximately 34% of owner households are spending more than 30% of their income on housing (lower than the 40% figure for Orange County overall).

Focusing on Renter Households, [Table D-21](#) below shows that approximately 32% are in the Overpayment category (versus 27% Countywide) and an additional 26% face Severe Overpayment.

[Table D-21](#) shows that almost all renter households (97%) earning less than \$20,000 a year face severe overpayment. The impact of housing overpayment on Mission Viejo's lower income households is therefore significant, and in addition, lower income households will have a disproportionate share of special needs populations – seniors, persons with disabilities, and female-headed households with children – who could be most vulnerable to losing their housing due to an inability to pay.

Table D-~~21~~~~20~~ - Spending on Rent by Income (Number of Renter Households)

| % of Income | Income Level | | | | | | Total HH | % of Total HH |
|-----------------|--------------|---------------------|---------------------|---------------------|---------------------|--------------|--------------|---------------|
| | < \$20,000 | \$20,000 - \$34,999 | \$35,000 - \$49,999 | \$50,000 - \$74,999 | \$75,000 - \$99,999 | > \$100,000 | | |
| Over 50% | 458 | 855 | 356 | 270 | 6 | - | 1,945 | 26.3% |
| 30%-49% | | 46 | 285 | 880 | 743 | 441 | 2,395 | 32.3% |
| 20%-29% | 15 | 10 | 19 | 107 | 378 | 1,391 | 1,920 | 25.9% |
| Under 20% | | 20 | | | 28 | 1,099 | 1,147 | 15.5% |
| Total HH | 473 | 931 | 660 | 1,257 | 1,155 | 2,931 | 7,407 | |

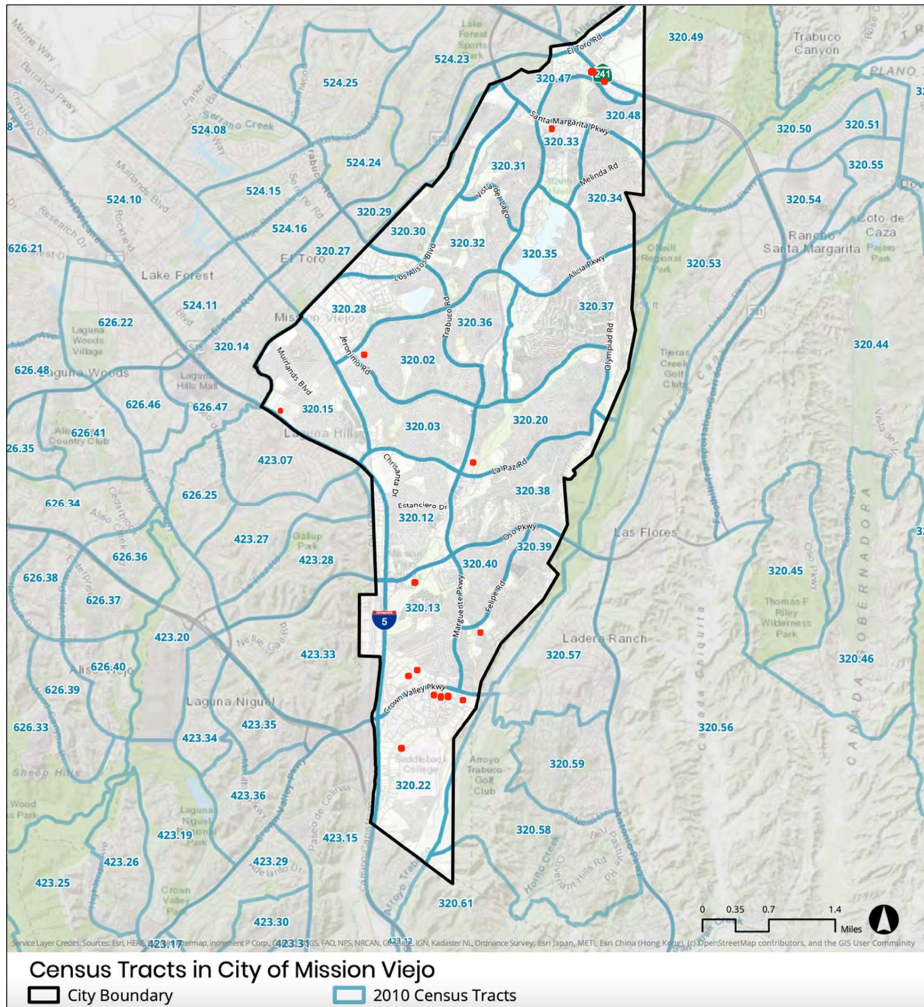
 Defined as "Severe Overpayment"
 Defined as "Overpayment"

Geographically, a sense of where lower rent housing is located within the City of Mission Viejo can be gleaned from the following two maps. The patterns coincide with those seen for a variety of the socio-economic and land use themes already described in this section.

[Figure D-35](#) below shows the location of apartment complexes with affordable units per a list maintained by the City of Mission Viejo (red dots). In line with the land use map in [Figure D-3](#) above, there is a concentration in the southern section of the city, particularly in Census Tract 320.22. Much of the central and northern parts of the city are zoned for and occupied by single family housing, so few of the affordable complexes are located there.



Figure D-353533 - Mission Viejo – Location of Apartment Complexes with Affordable Units





Mapping Overpayment by Renters in ~~Figure D-36~~~~Figure D-36~~~~Figure D-34~~ (including the location of the Sites Inventory) below indicates some familiar patterns already discussed on a number of indicators: overpayment is particularly apparent in the southern tip of the city, where a number of larger apartment complexes are located, sometimes catering to the large senior population of the city, and student-age population near Saddleback College, as well as a couple of tracts in the north and center of the city which have a relatively small number of rental units.

As has already been stated, the bulk of the Sites Inventory is located in the southern part of the city. ~~Table D-22~~~~Table D-22~~~~Table D-24~~ below shows that the bulk of the units (~~67.70%~~) in the Inventory are located in areas with a 61%-80% rental overpayment rate, and another ~~30.28%~~ are in areas with a 41%-60% rental overpayment rate. Approximately 73% of Mission Viejo's census tracts have rental overpayment rates above 61%. Providing the conditions for increasing the supply of more affordable units in parts of the city which have higher rental overpayment rates may help reduce the proportion of residents experiencing high rates of rental overpayment.

Table D-~~222221~~ - Distribution of Site Inventory Units by % Overpayment by Renters and Unit Income Level

| Overpayment by Renters | Lower Income Units | Moderate Income Units | Above Moderate Income Units | Total Units |
|------------------------|------------------------------|--------------------------|-----------------------------|------------------------------|
| 0-20% | | | | |
| 21-40% | 3.02 .7% | 2.92 .7% | 3.02 .7% | 3.02 .7% |
| 41-60% | 30.227 .6% | 30.227 .5% | 30.527 .8% | 30.327 .6% |
| 61-80% | 66.869 .7% | 66.969 .9% | 66.569 .5% | 66.769 .6% |
| >80% | | | | |
| Total Units | 1,0321,131 | 378415 | 708776 | 2,1182,322 |

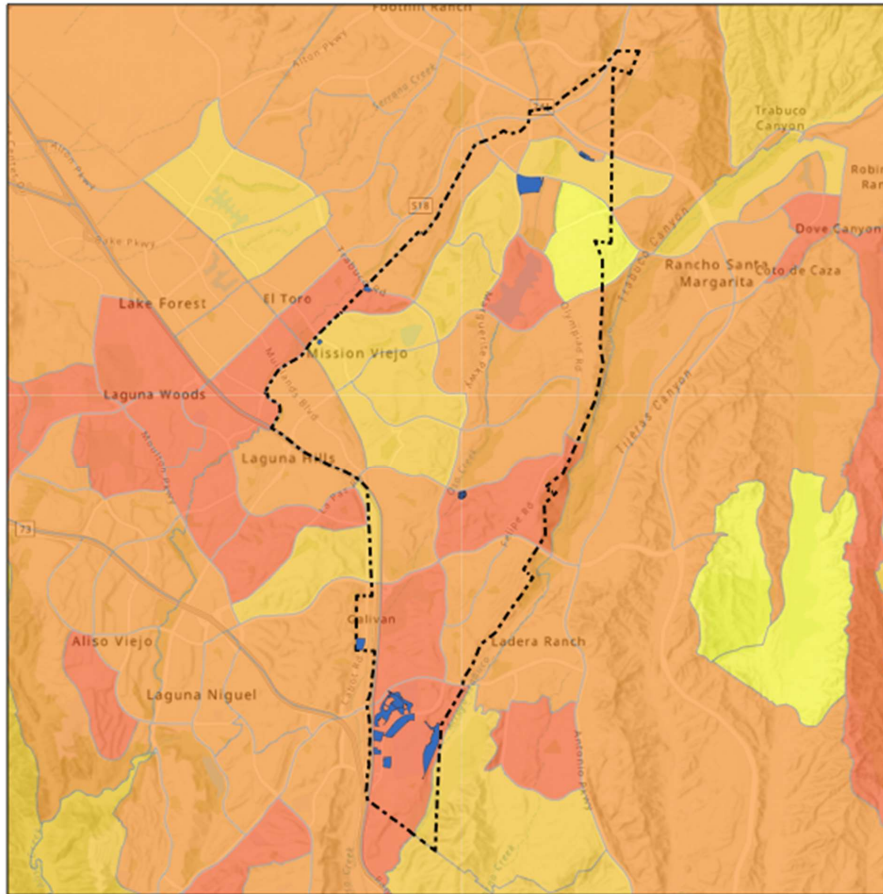
The pattern for Overpayment by Owners (~~Figure D-37~~~~Figure D-37~~~~Figure D-35~~ below) is a reflection of land use patterns in Mission Viejo, with 5 of the city's tracts in the center and north in the 41%-60% owner overpayment range – areas where an overwhelming proportion of the housing stock is owned, particularly single family owned, units. Most of the city – and most of the Site Inventory units (approximately ~~9394%~~) – are located in areas with a 21%-40% owner overpayment range, as shown in ~~Table D-23~~~~Table D-23~~~~Table D-22~~ below:

Table D-~~232322~~ - Distribution of Site Inventory Units by % Overpayment by Owners and Unit Income Level

| Overpayment by Owners | Lower Income Units | Moderate Income Units | Above Moderate Income Units | Total Units |
|-----------------------|------------------------------|--------------------------|-----------------------------|------------------------------|
| 0-20% | | | | |
| 21-40% | 92.793 .4% | 93.193 .7% | 92.893 .4% | 92.893 .5% |
| 41-60% | 7.36 .6% | 6.96 .3% | 7.26 .6% | 7.26 .5% |
| 61-80% | | | | |
| >80% | | | | |
| Total Units | 1,0321,131 | 378415 | 708776 | 2,1182,322 |



Figure D-~~3636~~34 - Mission Viejo – Overpayment by Renters and Site Inventory (ACS 2015-19)

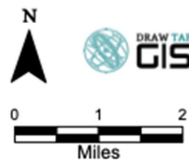


**City of Mission Viejo Housing Element Sites Inventory
with Cost Burden 2019 - Renters**

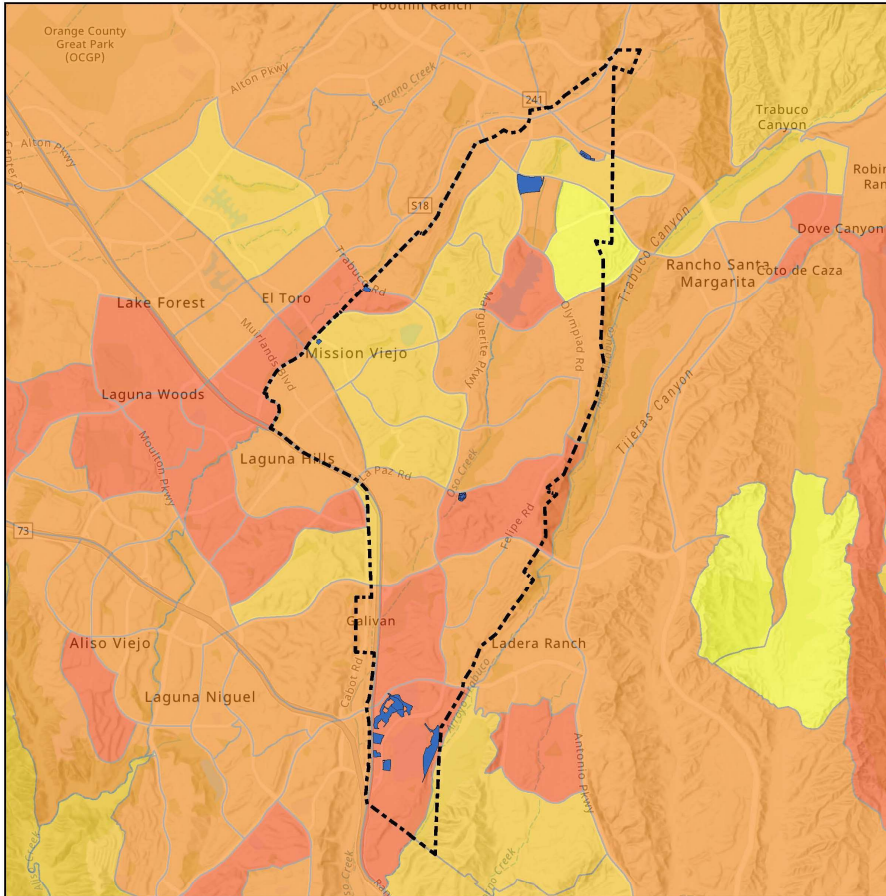
Overpayment by Renters (2015-2019) - ACS Tract Level

B25070_calc_pctGE30pctE

- < 20%
- 20% - 40%
- 40% - 60%
- 60% - 80%
- > 80%
- Sites Inventory
- City Boundary



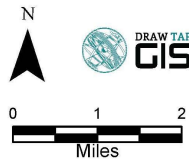
Data Provided By:
California Department of Housing and Community Development
Affirmatively Furthering Fair Housing Data and Mapping Resource
<https://a4h-resources.ca/hcd.hudapqa.com>



City of Mission Viejo Housing Element Sites Inventory with Cost Burden 2019 - Renters

Overpayment by Renters (2015-2019) - ACS Tract Level
B25070_calc_pctGE30pctE

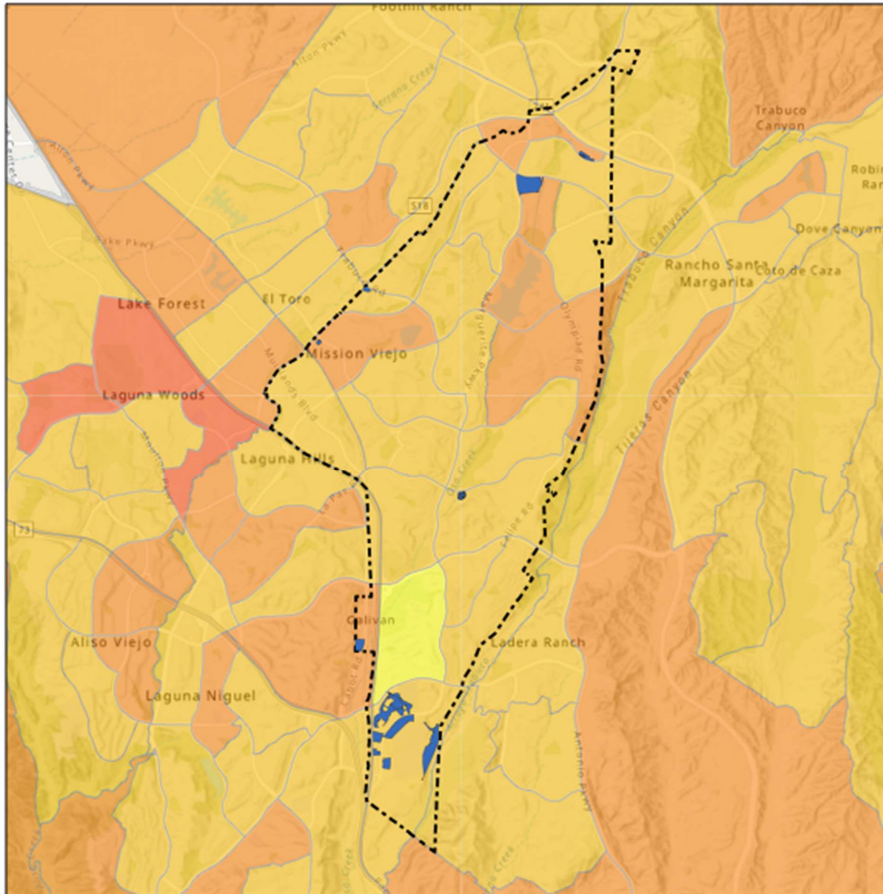
- < 20%
- 20% - 40%
- 40% - 60%
- 60% - 80%
- > 80%
- Sites Inventory
- City Boundary



Data Provided By:
California Department of Housing and Community Development
Affirmatively Furthering Fair Housing Data and Mapping Resources
<https://affirmativefairhousingresources.ca/hsl/angle.com>



Figure D-~~373735~~ - Mission Viejo – Overpayment by Owners (ACS 2015-19) and Sites Inventory

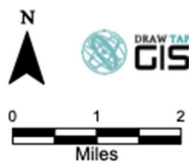


**City of Mission Viejo Housing Element Sites Inventory
with Cost Burden 2019 - Owners**

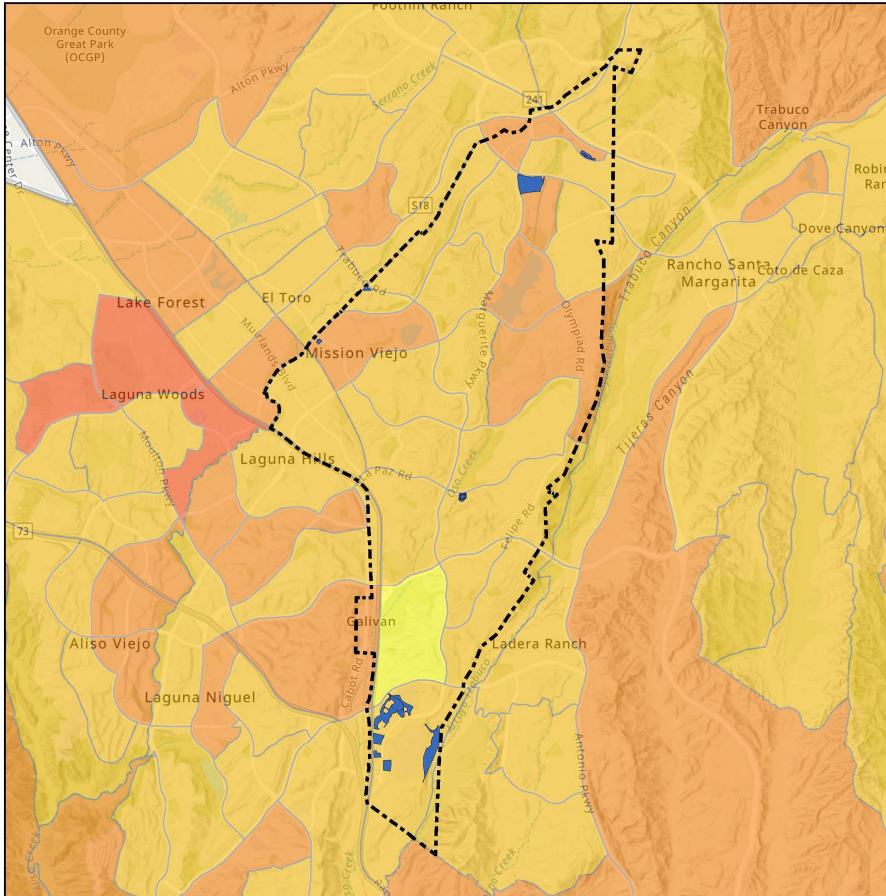
Overpayment by Home Owners (2015-2019) - ACS Tract Level

B25091_calc_pctMortGE30pctE

- < 20%
- 20% - 40%
- 40% - 60%
- 60% - 80%
- > 80%
- Sites Inventory
- City Boundary



Data Provided by:
California Department of Housing and Community Development
Affirmatively Furthering Fair Housing Data and Mapping Resource
<https://a4a-housing-ca-hud.hudgis.com>



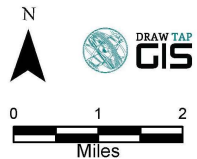
City of Mission Viejo Housing Element Sites Inventory with Cost Burden 2019 - Owners

Overpayment by Home Owners (2015-2019) - ACS Tract Level

B25091_calc_pctMortGE30pctE

- < 20%
- 20% - 40%
- 40% - 60%
- 60% - 80%
- > 80%

- Sites Inventory
- City Boundary



Data Provided By:
California Department of Housing and Community Development
Affirmatively Furthering Fair Housing Data and Mapping Resources
<https://affirmative-resources.ca/hud.hudmaps.com>



14.7. Overcrowding

The American Community Survey defines an overcrowded housing unit as one occupied by more than 1.01 persons per room (excluding kitchens, porches, and hallways). A unit with more than 1.51 occupants per room is considered severely overcrowded. The incidence of overcrowded housing is a possible indicator of whether there is an available supply of adequately sized housing units.

Only one census tract out of 26 in Mission Viejo – 320.22, in the southern tip of the city, and shared with the City of San Juan Capistrano – is identified in the AFFH Data Viewer as having more than the statewide average of 8.2% of households overcrowded, with a rate of 13.28%. All but five of Mission Viejo’s census tracts have under 3% of households overcrowded. Tract 320.22 therefore appears to be quite anomalous. It contains the Idyllwillow Apartments, one of the sites identified for redevelopment in the Housing Element, and the tract is largely occupied by Saddleback College (which does not have dormitories) and business/commercial uses. There are a significant number of apartment complexes in this tract, including a number with Housing Choice Vouchers, as has already been noted.

In a regional context, once again there is a clear north-south division within Orange County, as shown in [Figure D-38](#)~~Figure D-38~~~~Figure D-36~~ below, with many census tracts in Santa Ana-Garden Grove-Anaheim at 20% or more overcrowded.

Per SCAG’s Pre-Certified Local Housing Data report, owner overcrowding in Mission Viejo is very minor, with 0.6% of owner households experiencing overcrowding and 0.2% facing severe overcrowding. For renters by comparison, 5.6% experience overcrowding, and 2.4% experience severe overcrowding, while most of the southern part of the county is below the statewide average of 8.2%. This in part reflects the different housing/land use patterns within the county, with many southern Orange County cities being planned developments with a relatively small percentage of multifamily units in their tenure composition.

[Figure D-39](#)~~Figure D-39~~~~Figure D-37~~ shows overcrowding by Census Tract for Mission Viejo, plus the location of the Sites Inventory. As has been noted before, the bulk of the Sites Inventory is in the southern part of the city, and is in Tract 320.22, the only tract with an overcrowding rate above the statewide average of 8.2%, with a rate of 13.3%, [and where 59% of the total Site Inventory is located](#). Increasing the supply of affordable units, many of them likely to be rental, in the single part of the city with a higher rate of overcrowding than the rest of the city, may help to reduce this pattern in the coming decade.



Figure D-~~383836~~ - Orange County – Percent of Households Overcrowded (Census Tract, HUD)

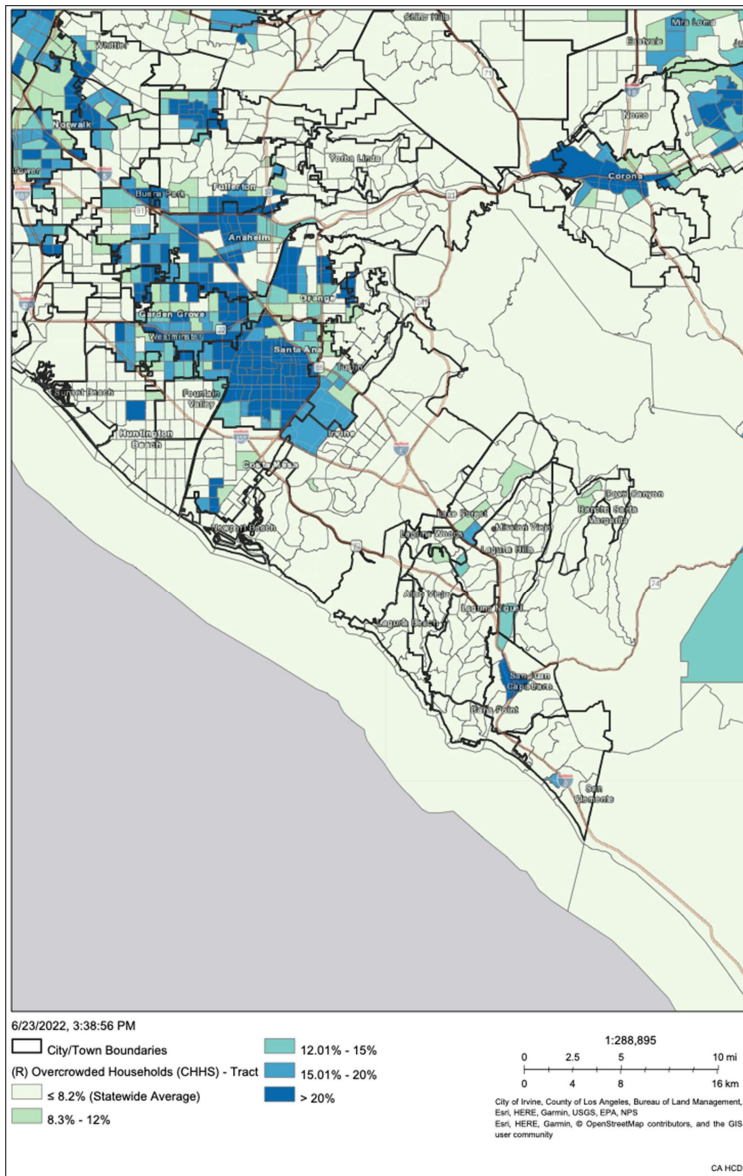
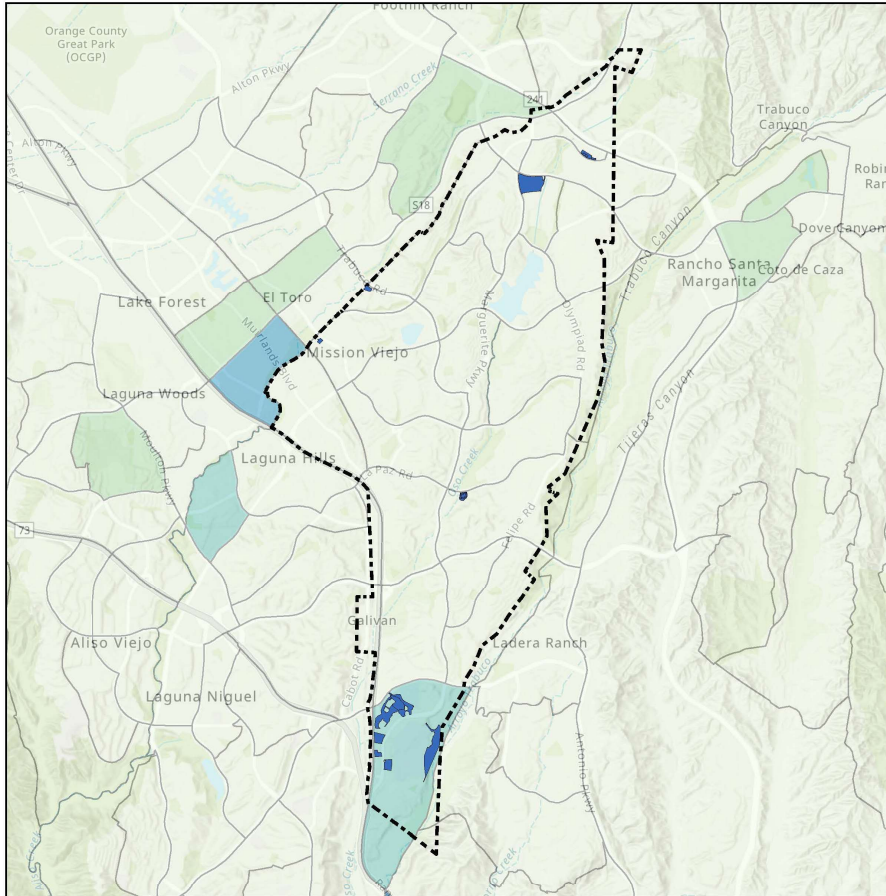




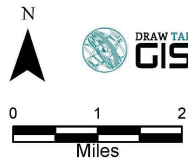
Figure D-~~393937~~ - Mission Viejo – Percent of Households Overcrowded, and Site Inventory (Census Tract, HUD)



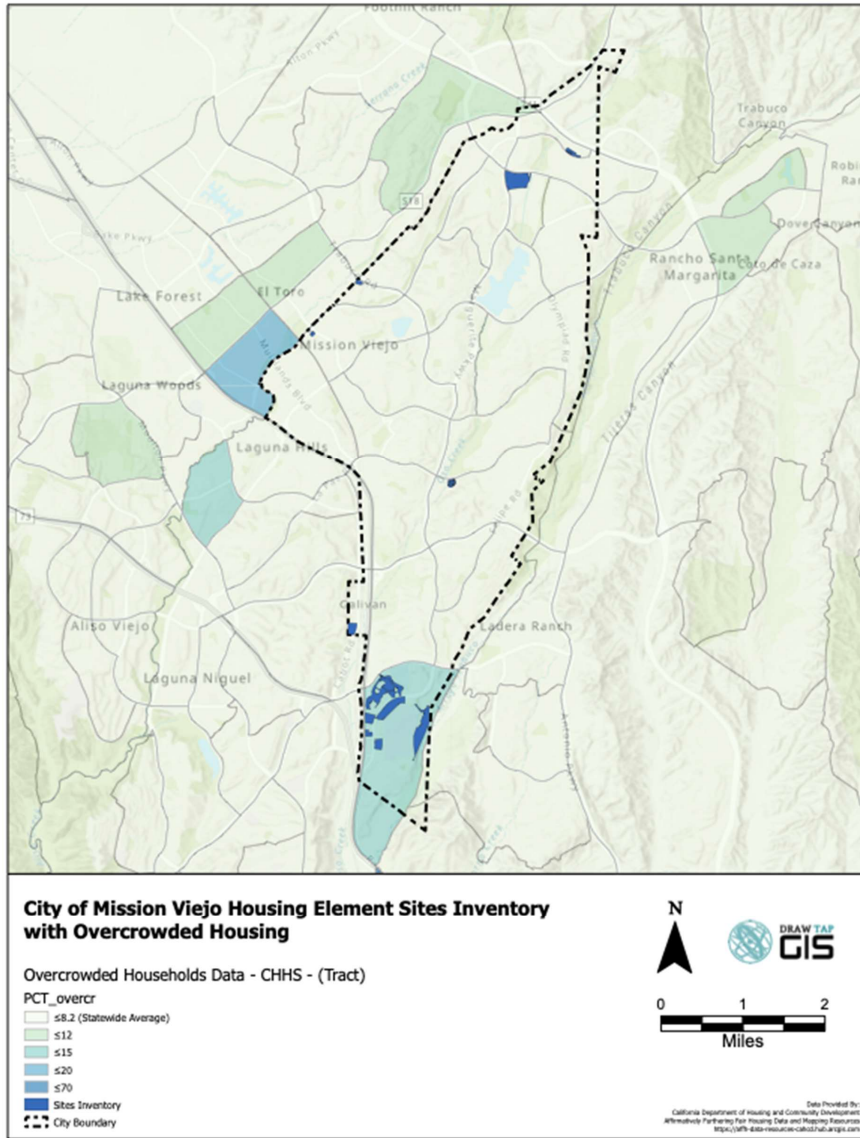
City of Mission Viejo Housing Element Sites Inventory with Overcrowded Housing

Overcrowded Households Data - CHHS - (Tract)

- PCT_overcr
- ≤8.2 (Statewide Average)
 - ≤12
 - ≤15
 - ≤20
 - ≤70
 - Sites Inventory
 - City Boundary



Data Provided By:
California Department of Housing and Community Development
Affirmatively Furthering Fair Housing Data and Mapping Resources
<https://a4fdm.data-research.ca/hu/bangio.com>





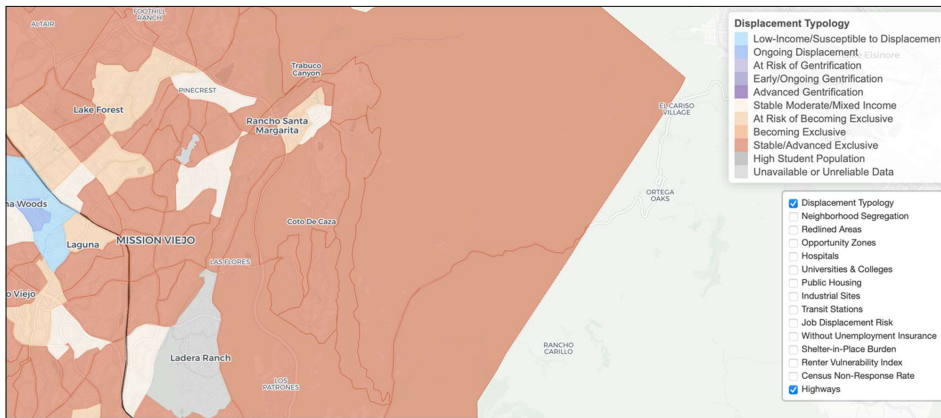
15.8. Displacement Risk

All of the City’s affordable rental projects (totaling 297 lower income affordable rental units – see Table -II-21 in the Housing Needs Assessment section) have long-term affordability restrictions and none are at-risk of conversion to market rate in the next decade.

Another measure of the potential for displacement has been devised by The Urban Displacement Project (<https://www.urbandisplacement.org/maps/los-angeles-gentrification-and-displacement/>), which has developed a Displacement Typology for census tracts in Southern California to identify areas at risk of gentrification and displacement of low income households.

In the Mission Viejo area (Figure D-40), there are no tracts in those categories. A vast majority of the City’s census tracts have housing “Stable/Advanced Exclusive” category (dark tan color), which denotes high income tracts, affordable only to high or mixed high income households, with only marginal change in housing costs. There are just two tracts out of 26 in Mission Viejo in the “Stable/Moderate/Mixed Income” category - Tracts 320.22 and 320.28 – and one tract (320.28) is classified as being “At Risk of Becoming Exclusive,” meaning moderate/mixed high-income households with housing affordable to those groups, and with a marginal change or increase in housing costs. This pattern is in line with the socio-economic characteristics of the city already noted in the analysis, plus the planned nature of the city’s initial residential development, where approximately 75% of the housing stock is single family.

Figure D-40 - Mission Viejo – Displacement Typology (Urban Displacement Project)





16.9. Substandard Housing

Per SCAG’s Pre-Certified Local Housing Data report for Mission Viejo (p11), about two-thirds of the city’s housing stock was built in the 1970s and 1980s (now 40-50 years old). Although the city’s housing stock is relatively old, as noted in the Housing Needs Assessment, only about 1%-2% of the total stock has been identified as needing some level of repair and maintenance, per the City’s Building and Code Enforcement department.

Overall, there are no discernable areas with concentrations of substandard housing conditions. Tract 320.15 differs most from the city as a whole in having a higher proportion of the population with a disability, a higher proportion of single family and owner-occupied housing, and a significantly older housing stock, but this area also has a significantly higher median income than citywide. The City was developed primarily as master planned communities in the 1970s-1990s. Therefore, the majority of the housing units are still in fairly good conditions and generally well maintained. The department has helped direct residents to available resources to assist with improvements. The City has a Housing Rehabilitation program, with interest free loans and grants to assist low and moderate income residents to improve their homes. Over the last 10 years, the City has assisted via loans and/or grants 117 households and spent a total of \$1,695,500 to assist residents with repairs to items like windows, roofing, flooring, plumbing, and bathroom and kitchen remodels. Accessibility improvements are eligible activities under this City’s Housing Rehabilitation Program.

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The SCAG report also summarizes the quality of Mission Viejo’s housing stock (p12): 0.34% of the city’s housing stock (approximately 118 units) lacks plumbing features, slightly less than the SCAG region’s 0.39%, and 0.8% of units (approximately 277 units) do not have complete kitchen facilities, significantly lower than the region’s 1.29%.

17.10. Homelessness

As described in detail in the Needs Assessment of this Element, the February 2022 Orange County Point-In-Time Homeless Count and Survey counted a total of 5,718 persons in the entire county, with 585 (10.2%) in the southern part of the county, including 28 (26 unsheltered, 2 sheltered) in Mission Viejo (4.8% of the southern region total; the city comprises 11% of the southern section’s total population). Contact with the Orange County Sheriff’s Department has yielded no distinct concentration of homelessness issues in the City. Mission Viejo, like most south Orange County communities, is located some distance away from the service hubs in Santa Ana and Anaheim. Access to public transportation is limited in south Orange County. The Orange County Transportation Authority (OCTA) in recent years has continued to cut or reduce services especially to south Orange County due to low ridership. With limited access to public transportation, Mission Viejo has a relatively small homeless population. Nevertheless, tThe City of Mission Viejo is involved in the following initiatives to address homelessness issues:

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- Mission Viejo Homeless Collaborative, a quarterly meeting of homeless related non-profits and the City of Mission Viejo to discuss and develop opportunities for homeless individuals in the city, and for the non-profits to coordinate their work.
- The City contracts with Mercy House Living Centers to perform homeless outreach on a full-time basis, to conduct outreach and engagement with the goal of placing homeless or unsheltered individuals into housing. They partner with law enforcement, city staff and non-profits to provide case management and rehoming services



- Through the Orange County Sheriff's Department, the City has two Homeless Liaison Officers (HLOs) assigned to patrol and provide resources to the homeless community. HLOs receive training on mental illness and how to connect the homeless population with available services and resources.
- The City works with non-profits such as South County Outreach and Families Forward to purchase condominium units to help shelter homeless and families at risk of homelessness on a temporary basis. To date, the City has directly funded or helped fund 9 units.

18.11. Local Knowledge

Historical Housing Patterns: Racial Covenants

As stated in the introduction to this section of the Housing Element, the earliest housing in the part of Orange County that was ultimately incorporated as Mission Viejo in 1988 occurred in the mid-1960s, after the Supreme Court had ruled racial covenants unenforceable in 1948 and just before the passage of the Fair Housing Act in 1968, which outlawed them. There are therefore no patterns of housing segregation in Mission Viejo that have their roots in the existence of racial covenants.

Environmental and Topography Constraints

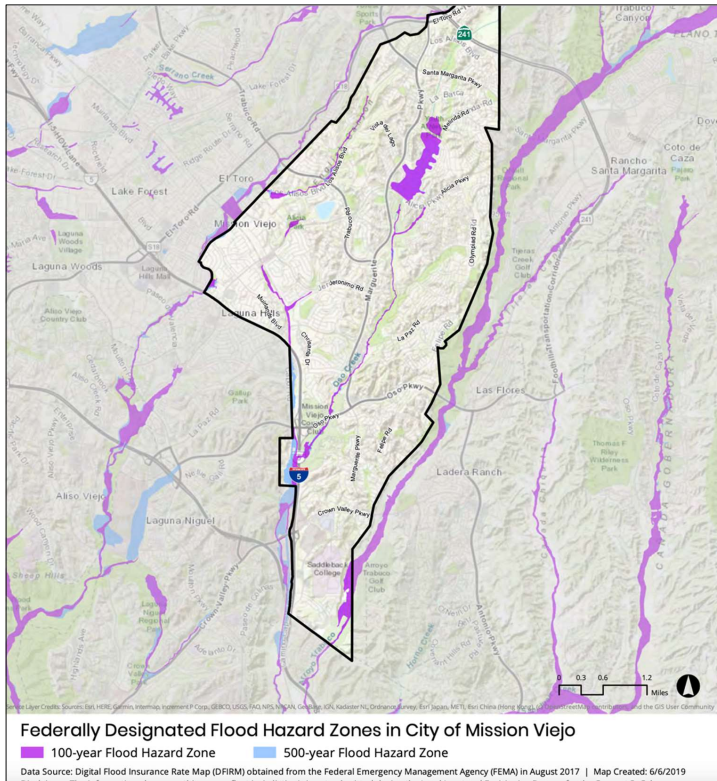
The City of Mission Viejo, as has already been stated, is almost completely built out, with very little undeveloped land available. Infrastructure and buildings occupy much of the city's area and were developed in accordance with prevailing environmental laws and considerations. The city drains into the Aliso Creek and San Juan Creek watersheds, which are both listed as impaired waterbodies by the State of California Water Quality Control Board. Portions of the City are within liquefaction- and earthquake-induced landslide areas as mapped by the US Geological Survey.

~~Figure D-41~~~~Figure D-41~~~~Figure D-39~~ below from SCAG's Data/Map Book for Mission Viejo shows that the vast majority of the land area of Mission Viejo is outside the 100- (purple) and 500-year (light blue) Flood Hazard Zones. The zones correspond to the channels of the San Juan Creek on the eastern border of the city, the artificial Lake Mission Viejo and Oso Creek in the center, and Aliso Creek on the western border of the city.

While there is the potential, like much of Southern California, for environmental impacts from seismic activity, and also a risk of flooding near creeks that drain the city, as has been stated, the city is essentially completely built out, and the new housing generated from this Housing Element would require the appropriate CEQA analyses.



Figure D-414139 - Mission Viejo – Flood Hazard Zones



Infrastructure and Accessibility Improvements

Several infrastructure and accessibility improvements have occurred or are planned in the southern section of Mission Viejo, where the majority of the Site Inventory is located:

- The City’s Housing Rehabilitation program is targeting outreach to this section of the city.
- The Coronado Park Rehabilitation Project (\$1 million).
- Crown Valley Parkway center median refresh project.
- Event location constructed and available for rent.
- Renovation of Felipe Tennis Center, including new restrooms.
- Street resurfacing in southern neighborhoods.



Development Patterns in Mission Viejo

As described above, the City of Mission Viejo primarily developed between 1970 and 1990. Approximately two thirds of the housing stock was built during this twenty-year period. Construction began in the western portion of the city between Interstate 5 and Marguerite Parkway, in clusters north and south of La Paz Road, and from the mid 1970s to 1990s, construction extended east of Marguerite, from Crown Valley Parkway in the south to Los Alisos Boulevard in the north.

Due to the historical development and environmental constraints described above, as a master-planned community inaugurated in the mid 1960s, the majority of the Mission Viejo’s housing stock and land area is occupied by single-family homes (approximately 72%, compared with approximately 51% countywide) and owner-occupied units comprise approximately 77% of the units in the City.

Over the years, Mission Viejo has worked hard to facilitate several higher density, affordable multi-family and senior projects, with for-sale and rental options. These projects are well dispersed throughout the city, and include: Arroyo Vista apartments (multi-family rental), Heritage Villas (senior rental), The Ridge (for sale), Los Alisos Apartments (multi-family rental), Adagio on the Green (multi-family rental), and Neo by Shea Homes (for sale). The City’s ongoing effort to further development of affordable housing, in conjunction with the 6th Cycle Housing Element, includes community, property owner and housing advocacy group input.

E. Summary of Sites Inventory

HCD requires the City’s site inventory used to meet the RHNA affirmatively furthers fair housing, which includes ensuring RHNA units are not disproportionately concentrated in areas with a high proportion of racial/ethnic minority groups, persons over 65, cost burdened households, etc. Table D-24 below shows the location of the Site Inventory by Census Tract and a subset of the above-mentioned variables.

As has been stated before, the majority of the Site Inventory units (59.62%) are located in Census Tract 320.22, at the southern tip of the City. As already shown in the AFFH analysis, this tract has some unique demographic characteristics, being the location of Saddleback Community College, which somewhat skews the population in terms of diversity and income characteristics, as well as a greater proportion of multi-family units in comparison with northern parts of the City. The table shows that this tract also exhibits a high proportion of cost-burdened renters, in part due to these unique characteristics. The Site Inventory is located in tracts with a significantly lower proportion of the population over 65 than City overall (21.3%), and in more diverse tracts (the City’s total population is 33% non-white). The Site Inventory is not located in areas with a high proportion of the population in poverty, and only one site is in a Racially Concentrated Area of Affluence, but, like many areas of Orange County, these tracts exhibit high proportions of both renter- and owner- housing cost burdens. Expanding housing opportunities in these areas will ease economic displacement pressure. Most of the tracts where the Site Inventory is located are High or Highest Resource TCAC areas (two tracts are Moderate Resource, and none are Low Resource).

An important note is that the City’s sites strategy focuses primarily on converting existing nonresidential land to residential uses. These properties are located along the City’s commercial corridors. This strategy provides the much-needed catalyst to revitalize these neighborhoods when tax increment financing is no longer an available redevelopment tool. Introducing new housing in these neighborhoods will bring along amenities and public improvements, such as landscaping and sidewalk/street improvements, and expand

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the client base for many of the existing businesses in the area. The Site Inventory's location helps advance the goals of affirmatively furthering fair housing.

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Table D-24 - Distribution of Site Inventory Units by Location

| Site | Census Tract | City Location | # Hblds | RHNA Total Units | Income Distribution of Potential Units | | | TCAC Resource Level | In RCAA? | % of Tract Over 65 | % of Tract Non-White | % of Tract in Poverty | % Renters Cost-Burdened | % Owners Cost-Burdened |
|----------------------------|--------------|---------------|---------|------------------|--|----------------|----------------|---------------------|----------|--------------------|----------------------|-----------------------|-------------------------|------------------------|
| | | | | | Lower | Mod | Above Mod | | | | | | | |
| 1 Silverado Plaza | 320.28 | Northwest | 1,468 | 63 | 31 | 11 | 21 | Moderate | No | 10.6% | 50.8% | 3.9% | 32.4% | 46.6% |
| 2 Mission Foothill | 320.47 | North | 2,138 | 89 | 44 | 15 | 30 | High | No | 8.7% | 42.0% | 5.8% | 41.4% | 45.7% |
| 3 Site 3 | 320.22 | South | 2,236 | 215 | 104 | 39 | 72 | High | No | 10.6% | 62.2% | 9.0% | 77.5% | 39.8% |
| 4 Idyllwillow Apts | 320.22 | South | 2,236 | 204 | 99 | 37 | 68 | High | No | 10.6% | 62.2% | 9.0% | 77.5% | 39.8% |
| 5 Commerce Center | 320.38 | Central | 2,201 | 117 | 58 | 22 | 37 | Highest | Yes | 12.1% | 38.4% | 4.0% | 67.0% | 38.9% |
| 6 Town Center | 320.22 | South | 2,236 | 62 | 30 | 11 | 21 | High | No | 10.6% | 62.2% | 9.0% | 77.5% | 39.8% |
| 7 College Center | 320.22 | South | 2,236 | 135 | 66 | 24 | 45 | High | No | 10.6% | 62.2% | 9.0% | 77.5% | 39.8% |
| 8 Macy's | 320.22 | South | 2,236 | 612 | 298 | 109 | 205 | High | No | 10.6% | 62.2% | 9.0% | 77.5% | 39.8% |
| 9 Grace Church Parking Lot | 320.27 | Northwest | 2,009 | 52 | 26 | 9 | 17 | Moderate | No | 7.7% | 62.2% | 5.3% | 61.1% | 32.4% |
| 10 Burlington Coat Factory | 320.22 | South | 2,236 | 220 | 107 | 39 | 74 | High | No | 10.6% | 62.2% | 9.0% | 77.5% | 39.8% |
| 11 Vista del Lago | 320.33 | North | 1,639 | 553 | 268 | 99 | 186 | High | No | 9.2% | 46.2% | 7.7% | 48.3% | 46.8% |
| City Total | | | | 2,322,118 | 1,431,032 | 415,378 | 776,708 | | | | | | | |

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