



City of  
La Habra

**GENERAL PLAN**

# City Of La Habra 2014-2021 Housing Element

Adopted, January 21, 2014

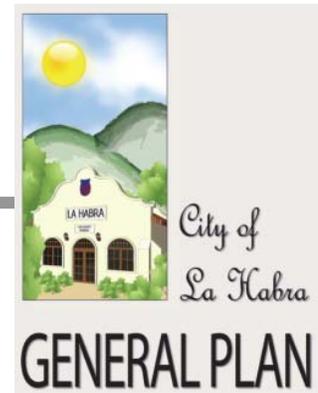




# CITY OF LA HABRA

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## GENERAL PLAN



## 2014-2021 Housing Element

Adopted, January 21, 2014

Prepared for:

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## **Appendix A. Public Participation**



# I. Introduction

## A. OVERVIEW

The City of La Habra shares with other localities fundamental housing needs that vary from community to community only in terms of magnitude and severity, but not in their essential nature. The City, like its neighbors throughout Southern California and the entire state, is faced with the following challenges to:

- keep housing in safe, decent, sanitary condition;
- make housing costs affordable; and
- provide a sufficient number of safe and sanitary dwellings to all economic segments of the population in the present and future.

To respond to these separate but related housing needs requires time, resources, and patience, as well as innovation. Those qualities have been manifested by La Habra's persistent endeavors over the past several decades to identify and address the community's housing needs.

Since the adoption of the 2008-2014 Housing Element, the City of La Habra has moved forward in providing and assisting its residents with decent and affordable housing. Between January 2008 and November 2012, an estimated 60 units were added to the City's housing stock including 58 single-family units and 2 multiple-family units. During this same period, 150 single-family units were rehabilitated through the City's Single-Family Rehabilitation Loan Program, including the Exterior Preservation Grant Program. Through the City's participation with the Orange County Housing Authority, as of February 2013, there are 174 Section 8 vouchers for rental assistance provided in the City, with the majority going to extremely low-income households. In addition, the City assists in the funding of the La Habra Community Resource Care Center which provided emergency assistance to 7,904 adults and children on an annual basis.

To further the City's commitment to providing more affordable housing, the zoning code was amended to allow second units by right and a Density Bonus Ordinance which provides incentives to developers of affordable housing was adopted by the City Council in April 2008.

These and other housing programs and efforts are/will be continued/initiated by the City to accomplish the goals of the City of La Habra 2014-2021 Housing Element (the "Housing Element") as discussed in detail in other portions of this Housing Element. This update continues to demonstrate the City's serious involvement in identification and development of efforts to address the housing needs of the community.

## B. PURPOSE OF THE HOUSING ELEMENT

As cities, counties, and the state continue to grow, the legislative definitions of the Housing Element as well as the guidelines for its preparation have been modified. Section 65583 of the Government Code now defines a Housing Element in the following terms:

*“The housing element shall consist of an identification and analysis of existing and projected housing needs and a statement of goals, policies, quantified objectives, financial resources, and scheduled programs for the preservation, improvement, and development of housing. The housing element shall identify adequate sites for housing, including rental housing, factory-built housing, mobilehomes, and emergency shelters, and shall make adequate provision for the existing and projected needs of all economic segments of the community.”*

The present legislative definition, therefore, recognizes each of the three fundamental community housing needs described previously:

- Improvements to the housing stock;
- Financial assistance needs (i.e., adequate provision); and
- Housing production requirements (i.e., adequate sites/type of housing).

Local governments have a responsibility to facilitate the improvement and development of housing in order to make adequate provisions for the housing needs of all economic segments of the community.

The La Habra Housing Element is a component of the City’s General Plan 2035 and applies to the years 2014 to 2021. Information in the 2014-2021 Housing Element originates from a variety of sources, including the City’s 2005-2010 Consolidated Plan, State Department of Finance (DOF) estimates, Southern California Association of Governments (SCAG) 2012 Regional Housing Needs Assessment (RHNA), and the 2010 Census. In addition, Federal, State, County, local agencies, nonprofit organizations, City residents, social service providers, and private interested groups provided information that was utilized in the preparation of this document.

The La Habra Housing Element update is organized into the following main sections:

- **Introduction** – Includes an overview of Housing Element state law, the purpose of the Housing Element, a description of General Plan consistency, and the public participation activities related to the Housing Element update. (Chapter I)
- **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 II)

- **Housing Resources** – Identifies land suitable for residential development as well as financial resources for the development of housing. (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 items such as construction cost, government regulations, financial costs, permit fees, and regional constraints. (Chapter IV)
- **Review and Evaluation of Existing Housing Programs** – Includes a progress report of accomplishments and a discussion of the overall effectiveness of the 2008-2014 Housing Element program objectives. (Chapter V)
- **2014-2021 Housing Plan** – Includes the City’s goals, policies, and programs to be undertaken during the 2014-2021 Housing Element projection period to address housing needs in the community. (Chapter VI)

## C. GENERAL PLAN CONSISTENCY

La Habra’s General Plan is a comprehensive policy document that guides future growth and development. It sets forth the direction the City will take in managing its future based upon a shared vision for the community. The City began its comprehensive update of the General Plan in the fall of 2010. The La Habra General Plan 2035 consists of the following elements:

- Community Development (including Land Use, Economic Development, Historic/Cultural Resources, Housing, Community Identify, and Growth Management)
- Mobility/Circulation
- Infrastructure (including Water, Sewer, Storm Drain, Water Quality, Energy, Telecommunications, and Solid Waste Management and Recycling)
- Community Services (including Open Space, Parks, Trails, and Recreation; Libraries; Schools; Police Service; and Fire Service)
- Conservation/Natural Resources (including Biological Resources/Habitat, Water/Watershed/Groundwater Recharge, Air Quality and Climate, and Scenic and Mineral Resources)
- Community Safety (including Natural Hazards, Emergency Preparedness, Noise, and Hazardous Waste)

The Housing Element must achieve internal consistency with other General Plan elements and community goals, and because the 2014–2021 Housing Element update coincided with the General Plan 2035 update, it afforded the City an opportunity to closely examine and coordinate the issues of community growth, land use, housing, and transportation. As a result, the preparation and revisions to the 2014–2021 Housing Element are entirely consistent with the goals, policies, analyses, and data utilized within the other elements of the La Habra General Plan.

Specifically within the Community Development Element, the Economic Development and Land Use sections, in addition to the City's adopted Specific Plans are coordinated to be of equal intensities in achieving the same overall community goals. As defined in Land Use, the goals and polices are consistent with the density and distribution of residential uses in the City. Economic Development policies promote densification of residential properties, multi-family infill development, and mixed use development supportive of various housing types.

The environmental analysis for implementation of the 2014–2021 Housing Element is included as part of the City's General Plan Update 2035 Environmental Impact Report (EIR). The City will make certain that future updates of the General Plan will include review and modification of the Housing Element, when necessary, in order to ensure and maintain consistency within the General Plan.

#### **D. PUBLIC PARTICIPATION**

State law requires cities and counties to make a “diligent effort” to achieve participation by all segments of the community in preparing a housing element (California Government Code Section 65583(c)(8)). These diligent efforts translate into local jurisdictions doing more than issue the customary public notices and conduct standard public hearings prior to adopting a housing element. State law requires cities and counties to take active steps to inform, involve, and solicit input from the public, particularly lower income and minority households that might otherwise not participate in the process. Active involvement of all segments of the community can include one or more of the following:

- Outreach to community organizations serving lower income, special needs, and underserved populations
- Housing workshops, meetings, or study sessions that include participation by these groups
- Establishment of an advisory committee with representatives of various housing interests
- Public information materials translated into languages other than English if a significant percentage of the population is not English proficient

The City of La Habra's public participation processes included the following activities.

## **General Plan Advisory Committee**

The General Plan Advisory Committee (GPAC) reviewed, concurred, and accepted the Draft 2014–2021 Housing Element goals, policies, as programs as submitted at a March 6, 2013 GPAC meeting. Comments during the meeting included the desire to ensure that the City’s Section 8 housing tenants were notified of the public workshop and provided copies of the Draft Housing Element. The City staff indicated that related materials and notices would be distributed to the managers of the Section 8 properties to provide to the tenants. Other comments included requests to revise the draft element figures to include a map scale bar and to add a glossary of acronyms. Revised maps were prepared and included and a glossary of acronyms will be provided within the General Plan Update 2035 document.

## **Community Meeting**

As stated above, all economic segments of the community must be provided an opportunity to review and comment on the Housing Element. In compliance with this requirement, the City held a community meeting on the Draft Housing Element at the City’s Community Center on March 27, 2013. The purpose of the meeting was to discuss and receive input on the Draft Housing Element and the community’s concerns regarding housing issues in the City.

Notifications of the community meeting were published in display ads in the Orange County Register Star Progress section, which serves the La Habra and Brea areas and in the La Habra Journal. A copy of the published meeting notice is included in Appendix A. In addition, the notice was posted at City Hall, La Habra Community Center, the library, and on the City’s official General Plan update Website at [http://www.lahbrageneralplanupdate.com/upcoming\\_events.htm](http://www.lahbrageneralplanupdate.com/upcoming_events.htm). The following City and housing stakeholders were mailed a copy of the community meeting notice:

- La Habra City Council
- La Habra Planning Commission
- La Habra Housing Commission
- La Habra Housing Authority
- La Habra Community Services Commission
- La Habra 2035 General Plan Update General Plan Advisory Committee (GPAC)
- La Habra Chamber of Commerce
- The Kennedy Commission
- Orange County Housing Authority (OCHA)
- Regional Center of Orange County (RCOC)

- La Habra City School District
- Fullerton Joint Union High School District
- Lowell Joint School District
- The Gary Center
- Community Resource Care Center (CRCC)
- Boys & Girls Club of La Habra
- Fair Housing Council of Orange County
- Talley and Associates

Prior to the community meeting, hard copies of the Draft Housing Element were available for review at City Hall and at the City's public library. An electronic version was also available for download on the City's website at [http://www.lahbrageneralplanupdate.com/reports\\_and\\_documents.htm](http://www.lahbrageneralplanupdate.com/reports_and_documents.htm).

The March 27, 2013 Draft Housing Element community meeting was attended by 21 members of the public and City staff. One public comment was received and came from a representative of The Kennedy Commission, a nonprofit housing advocacy group, who praised the city for its efforts to address the housing needs of all the economic segments of the community.

### **Planning Commission and City Council Public Hearings**

Public hearings on the Draft Housing Element were conducted by the Planning Commission on April 8, 2013 and City Council on May 6, 2013, and were noticed on the City's website and through posted public notices at City Hall, the La Habra branch of the Orange County Public Library, and the La Habra Community Center.

One public comment was received at the April 8, 2013 Planning Commission meeting during the public hearing. A representative from The Kennedy Commission remarked that they advocate for the development of affordable homes for low income working families, thanked City staff and the Planning Commission for the opportunity to be a part of the Housing Element update process, and praised the City for including many programs that will serve all the economic segments of the community. The Kennedy Commission also submitted a letter to the Chair and members of the Planning Commission commenting on the Draft 2014-2021 Housing Element Update. The Kennedy Commission's letter and City's response is included in Appendix A.

The Planning Commission's comments and questions referred to the vacant land inventory, clarification on the removal of a policy as part of the review and evaluation of the existing housing programs, and an explanation of the RHNA process. In addition, the context of Goal Statement C pertaining to equal housing opportunities for all and those conditions in which individuals cannot be discriminated against was discussed. Based on additional research of the Fair Housing Act, substantive amendments were made to the

Draft Housing Element to make Goal Statement C and policies C-1 and C-2 consistent with the Fair Housing Act to include regardless of “race, color, national origin, religion, sex, familial status, or disability.” A motion was moved and approved by the Commissioners to forward the 2014–2021 Draft Housing Element to the City Council for submittal to the State Department of Housing and Community Development (HCD) for review, pursuant to State Law.

During the May 6, 2013 City Council public hearing on the Draft Housing Element no members of the public spoke. A motion was made and the City Council unanimously approved submittal of the 2014–2021 Draft Housing Element to HCD for a 60-day review, pursuant to State Law. HCD provided a comment letter dated June 25, 2013. In response, the City made amendments to the Draft Housing Element to clarify the City’s intent to rezone the appropriate sites needed to accommodate the unmet 4<sup>th</sup> planning period RHNA within one year of adoption of the Housing Element. The City of La Habra resubmitted the revised Draft Housing Element to HCD on August 23, 2013.

Public hearings on the revised Draft Housing Element coincided with the larger 2035 General Plan Update final hearing process and were conducted by the Planning Commission on December 9, 2013 and City Council on January 21, 2014. These hearings were noticed on the City’s website and through posted public notices.

On January 21, 2014 the La Habra City Council formally adopted the 2014–2021 Housing Element as part of the 2035 General Plan, Resolution No. 5613. The City will continue to provide information on the Housing Element and solicit input from all economic segments of the community until HCD reviews the Element through the 90-day certification process.

All public hearing proceedings were conducted at City facilities, which are accessible to individuals with mobility impairments. In addition, the Draft and Final Housing Element update documents were posted on the City’s website. Copies of these documents were made available for public review or purchase at the La Habra Library and at the La Habra Community Development Department.

## II. Housing Needs Assessment

Government Code Section 65583 indicates that, “the housing element shall consist of an identification and analysis of existing and projected housing needs...”

In response to this legislative mandate, the heart of the Housing Element for La Habra presents key data and analysis that satisfy specific provisions of the housing element guidelines. The analysis of the environment in which housing demand is generated highlights population and employment trends affecting the provision of housing, the physical condition of the housing stock, and the specific needs of groups within the population who face difficulties in obtaining suitable housing.

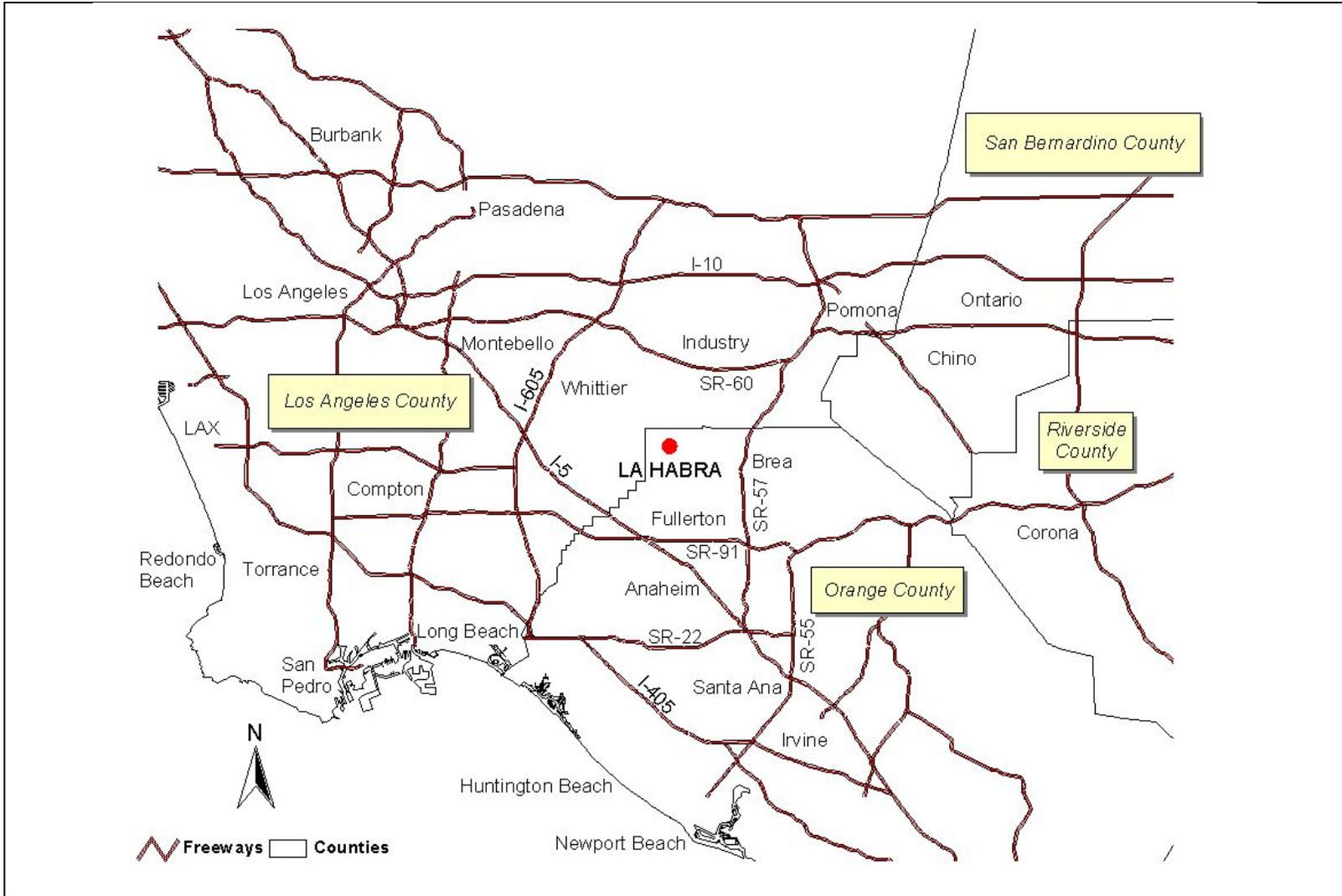
### A. CITY OVERVIEW

The City of La Habra is located in northwest Orange County, on the boundary line with Los Angeles County. It immediately adjoins the cities of La Mirada, Whittier, and La Habra Heights (Los Angeles County) to the west and north, and the cities of Brea to the east, and Fullerton to the south. La Habra also borders on unincorporated portions of Orange and Los Angeles counties. Figure 1 shows the location of the City from a regional perspective and Figure 2 illustrates the streets and boundaries of the City.

La Habra is approximately 20 miles southeast of downtown Los Angeles and 100 miles north of San Diego. The City has experienced a transition from a quiet citrus community to a fully urbanized community having a broad range of housing types, styles, and prices; as well as a range of shopping, professional and commercial services, and light industrial areas. Having undergone an active growth period in the 1950s, 1960s, and 1970s, the community is primarily composed of single-family residential neighborhoods and is more than 99 percent built out.

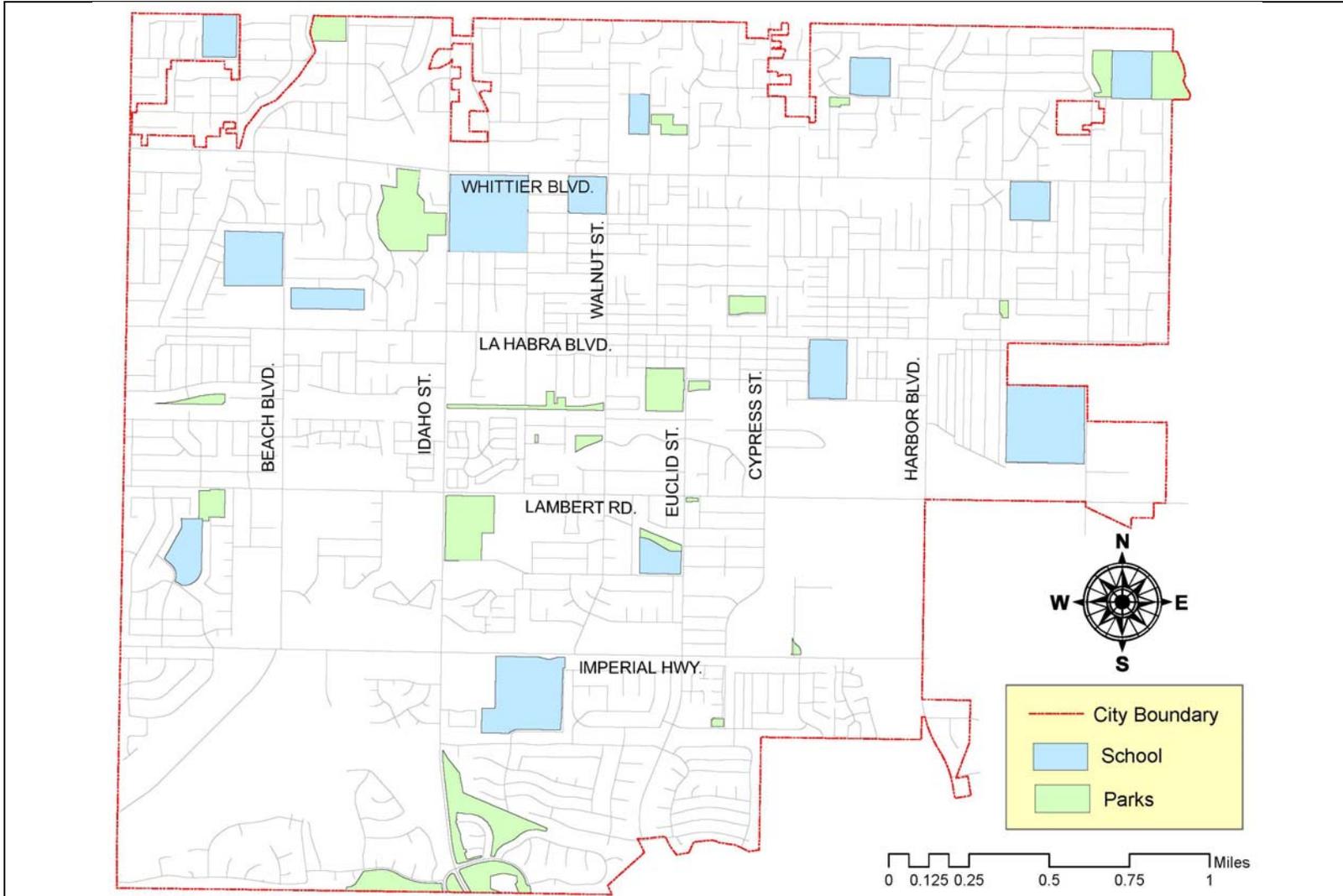
As the northernmost city in Orange County and a waystation along the El Camino Real and old Highway 101, La Habra is one of the oldest communities in the area. The City was one of the earliest jurisdictions in the County to see substantial development, along with other northern cities such as Anaheim, Fullerton, Orange, Placentia, and Santa Ana. As vacant land in north Orange County became scarce in the 1970’s, the center of growth shifted to the central and southern parts of the County, where rapid housing production increased within new communities.

Orange County is one of six counties within the jurisdiction of the Southern California Association of Governments (SCAG). SCAG has divided these six county regions into 14 sub-regions with Orange County itself being one of the sub-regions.



**City of La Habra**  
**2014-2021 Housing Element**

**Figure 1**  
**REGIONAL PERSPECTIVE**



**City of La Habra**  
**2014-2021 Housing Element**

**Figure 2**  
**CITY OF LA HABRA**

## B. POPULATION CHARACTERISTICS

The City of La Habra is a culturally diverse community that experienced its major growth from the late 1950s through the 1970s. Since that time, construction activities have slowed significantly, as La Habra is substantially developed. According to the 2010 Census, the City's population is approximately 60,239 residents, residing in a total of 19,924 housing units, compared to 19,441 units in 2000 (Table 1). The analysis shows that between 2000 and 2010, La Habra gained an estimated 1,265 new residents and 483 housing units, for a modest 10-year increase of approximately 2 percent for both population and housing unit growth.

**Table 1**  
**LA HABRA POPULATION**  
**1950-2010**

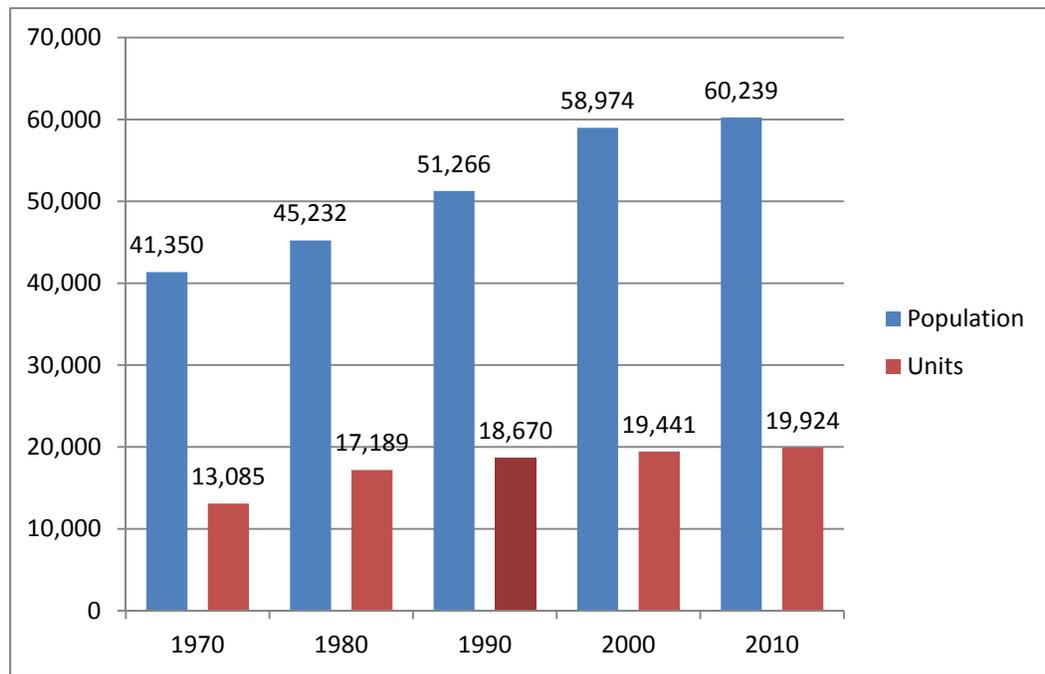
Year	Total Pop.	Change	Percent Change
1950	4,961	--	--
1960	25,136	20,175	406.7%
1970	41,350	16,214	60.7%
1980	45,232	3,882	9.4%
1990	51,266	6,034	13.3%
2000	58,974	7,708	15.0%
2010	60,239	1,265	2.1%

*Source: U.S. Census 1950-2010*

This significant decline from double-digit growth rates of population and housing is due to the City's built out condition. Few vacant tracts of land suitable for residential infill or subdivision construction remain within the City. Four vacant sites totaling just under 14 acres are available. Refer to Chapter III (Housing Resources), Table 28, for more information on the City's vacant developable land.

Over the next several years, the City should continue to experience modest increases in the number of new residents and housing units (Figure 3). New growth is anticipated to occur as a result of newly created General Plan land use designations that allow for higher densities and mixed uses on parcels formally designated for commercial uses. These include conditions such as vacant parcels, underutilized buildings, large open parking lots, parcel consolidation, and economic obsolescence lend transformational qualities for re-use, infill, and densification of residential land uses.

**Figure 3**  
**LA HABRA POPULATION AND HOUSING GROWTH TRENDS**  
**1970-2010**



Source: U.S. Census 1970-2010

SCAG, under its 2012-2035 Regional Transportation Plan (RTP)/Sustainable Communities Strategy (SCS) growth forecast, adopted by SCAG on April 4, 2012, has projected La Habra to experience extremely modest growth over the next decade, with just 62,800 estimated by 2020 over the 2010 Census count of 60,239, and by 2035, SCAG projects a declining population estimate of 62,300.

La Habra shares many of the same population characteristics and growth trends with its bordering communities. Table 2 shows the City's population growth rate was largely in line with those of adjoining municipalities, most of which have reached a substantially built out stage. Over the past decade, La Habra has worked to increase the local supply of retail, industrial, and residential land use activity, although local job opportunities and availability of housing remain an ongoing challenge. It is anticipated that Orange County as a whole, will experience significant future demand for housing due to increases in population and employment. Within the Southern California region, because of changing socioeconomic conditions, the demand for housing has increased at a faster rate than the overall pace of population growth. This has contributed to the pressure communities have felt to add units.

**Table 2**  
**LA HABRA AND NEIGHBORING JURISDICTIONS POPULATION**  
**2000-2010**

Jurisdiction	2000	2010	Change	Percent Change
La Habra	58,974	60,239	1,265	2.1
Brea	35,410	39,282	3,872	10.9
Fullerton	126,003	135,161	9,158	7.3
La Habra Heights	5,712	5,325	-387	-7.2
La Mirada	46,783	48,527	1,744	3.7
Whittier	83,680	85,331	1,651	2.0
Orange County	2,846,289	3,010,232	163,943	5.8

Source: U.S. Census 2000-2010

### Age of Population

The age distribution of the population is an important determinant of housing demand in an area. Young adults (20 to 34 years of age) tend to favor apartments, low to moderate cost condominiums, and smaller single-family units. The population 35 to 64 years of age represents the major market for moderate to relatively high cost condominiums and single-family homes. People over 65 years of age tend to demand low to moderate cost apartments and condominiums, group quarters, and mobile homes.

In general, the City's age distribution is slightly younger than that of Orange County as a whole. In 2010, the median age in La Habra was estimated to be 33.6 years, compared to 36.2 years in Orange County. According to the 2010 Census, middle-aged adults (ages 35 to 64) comprise the largest age group in La Habra. This group accounts for over one-third (37.3 percent) of the City's total population. As shown in Table 3, La Habra's proportion of residents age 35 to 64 is slightly lower than the County's. In addition, La Habra possesses slightly higher proportions of individuals age 19 and under.

Despite the City's relative youth, older residents' share of the total population is growing as the "baby boom" generation continues to age. Between 2000 and 2010, the 35 to 64 age group increased from 36.5 percent to 37.3 percent of the total population, while the 20 to 34 age group declined to under 23 percent in 2010. This shift in the age structure of the City indicates declining demand for apartments and low to moderate cost condominiums, as well as an increase in demand for higher cost condominiums and larger single-family homes in order to support larger households. From 2000 to 2010, the proportion of elderly residents (65 years and over) in La Habra stayed steady, while Orange County's residents age 65 and over grew, which is a pattern consistent with the nationwide trend of an aging population.

**Table 3**  
**LA HABRA AGE DISTRIBUTION**  
**2000-2010**

Age Group	La Habra		Orange County	
	2000	2010	2000	2010
Under 5	8.4%	7.2%	7.4%	6.4%
5-19	20.6%	22.5%	19.1%	21.2%
20-34	23.4%	22.2%	22.7%	20.8%
35-64	36.5%	37.3%	39.9%	40.1%
65+	10.9%	10.8%	10.8%	11.5%
Median Age	33.2 years	33.6 years	35.5 years	36.2 years
Dependency Ratio	0.67	0.68	0.60	0.62

*Source: U.S. Census 2000-2010*

The dependency ratio, which is the ratio of the population under 18 and over 64 years of age to the 18 to 64 population, is an indicator of the reliance of children and senior citizens on the working-age population. The lower the dependency ratio, the smaller the “burden” is on a community’s working age residents. Table 3 also shows that on average, a working age individual in the City of La Habra in 2010 must support more dependents (0.68) than a working-age resident in Orange County (0.62). This indicates the need for dependent care and senior housing.

### **Race and Ethnicity**

La Habra has become a majority Hispanic/Latino (“Hispanic”) community. The City has a substantially greater percentage of Hispanics (57.2 percent) than Orange County (33.7 percent) as a whole, although this trend is generally consistent with nearby communities at the northwestern end of Orange County and in the Gateway Cities area of Los Angeles County. Table 4 shows that the Non-Hispanic white residents still form a major proportion (30.2 percent) of the City’s population; however, the analysis of data between 2000 and 2010 indicate that the number of non-Hispanic Whites have declined by roughly 25 percent. Other traditional ethnic and racial minorities have grown over the decade, where the number of Asian and Pacific Islander populations have experienced a significant percentage increase (58.5 percent), and in 2010 formed nearly ten percent of the overall City population. The recent rise in minority population reflects Orange County’s decades-long trend toward greater racial and ethnic diversity, as Latinos and Asians continue to assume an increasingly important role in shaping the future of the City, County and region.

**Table 4**  
**LA HABRA RACE/ETHNIC COMPOSITION**  
**2000-2010**

Race/Ethnicity <sup>1</sup> (Non-Hispanic or Latino)	2000		2010		Percent Change 2000-2010
	Persons	Percent of Total	Persons	Percent of Total	
White	24,399	41.4%	18,178	30.2%	-25.4%
Black	808	1.4%	836	1.4%	3.5%
Am. Indian/Alaska Nat.	188	0.3%	148	0.2%	-21.3%
Asian/Pacific Islander	3,521	6.0%	5,581	9.3%	58.5%
Some other race	95	0.2%	88	0.1%	-7.4%
Two or more races	1,041	1.8%	959	1.6%	-7.9%
Hispanic/Latino any race <sup>2</sup>	28,922	49.0%	34,449	57.2%	19.1%
TOTAL	58,974	100.0%	60,239	100.0%	2.1%

Source: U.S. Census 2000-2010

<sup>1</sup>The data presented here reflect the non-Hispanic/Latino population of each race.

<sup>2</sup>Hispanic/Latino is an ethnicity and can include members of any race.

## C. HOUSEHOLD CHARACTERISTICS

Household characteristics are an important indicator of housing needs in a community. The Census defines a “household” as one or more persons who occupy a housing unit. This includes persons living alone, families related through marriage or blood, or unrelated persons sharing a dwelling. People living in retirement or convalescent homes, school dormitories, or other group living situations are not considered households, but are considered part of the group quarters population.

### Household Growth

According to the Census data presented in Table 5, household growth in La Habra has been consistently lower than that experienced in the County as a whole. During the 1990s, the number of households in Orange County grew at a rate slightly less than three times that of the City. The rate of increase appears to have slowed in both jurisdictions—although more significantly for La Habra—between 2000 and 2010, where Orange County still added households (6.1 percent change) during the decade. The slower rate of household growth in the City, combined with an overall deceleration of growth in the region, is a product of the continued progression of the City and County toward substantial build-out conditions. As a result, the modest future household growth the City experiences will increasingly come from densification of residential land uses and infill development.

**Table 5**  
**LA HABRA AND ORANGE COUNTY HOUSEHOLD GROWTH**  
**1990-2010**

Jurisdiction	1990	2000	2010	Percent Change 1990-2000	Percent Change 2000-2010
La Habra	18,112	18,947	18,997	4.6%	0.03%
Orange County	827,066	935,287	992,781	13.0%	6.1%

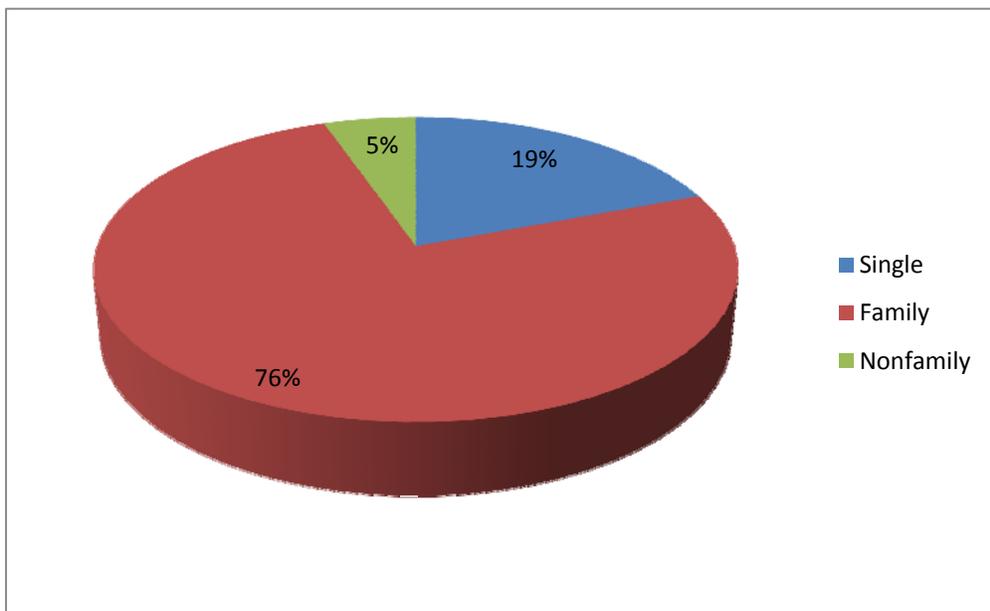
Source: U.S. Census 1990-2010

SCAG has projected under its 2012-2035 RTP/SCS growth forecast that La Habra will have slight growth in households over the next decade, with 19,200 estimated households by 2020 and 19,300 by 2035.

### Household Type

Figure 4 illustrates that in 2010 over three-quarters (76 percent) of the 18,977 total households in the City were families. This proportion is higher than that of Orange County (72 percent) as a whole, and a slight increase over the La Habra Census 2000 figure of 74 percent. Single person households comprised approximately 19 percent of the total, while 5 percent of households consisted of unrelated persons living together.

**Figure 4**  
**LA HABRA HOUSEHOLD TYPE**  
**2010**



Source: U.S. Census 2010

## Household Tenure

According to the 2000 Census, 10,815 (56.8 percent) of the City's 19,042 occupied housing units were owner occupied and 8,227 (43.2 percent) were renter occupied. By comparison in 2010, 10,941 (57.6 percent) of the City's 18,977 occupied housing units were owner occupied and 8,036 (42.4 percent) were renter occupied (Table 6). Owner occupancy in the City was slightly lower than the County's 59.3 percent. However, La Habra residents (both homeowners and renters) have resided in the same home somewhat longer than County residents. Due in part to the economic challenges during the 2000's, La Habra's home ownership total increased very little or by 1.2 percent from 10,815 to 10,941 between 2000 and 2010.

The National Low Income Housing Coalition's (NLIHC) 2012 *Out of Reach* report showed that Orange County is the eighth most expensive county and the fifth most expensive metropolitan area in the nation in terms of the estimated hourly housing wage (\$31.77) a household must earn to afford the median fair market rent (FMR) for a two-bedroom apartment.<sup>1</sup>

Although La Habra tends to be one of the more affordable communities in the County, the income of its residents tends to be lower than the County average. Given that renters remain a significant minority of the City's households, there continues to be a need for low-cost rental housing for those who do not have the means to purchase a home. The City will implement programs and policies to maintain and increase the supply of rental housing in La Habra, and will promote the construction of affordable units. Additionally, the City will pursue programs and seek funding to assist renters in the very low-, low-, and moderate-income households.

**Table 6**  
**LA HABRA HOUSING OCCUPANCY AND TENURE**  
**1990-2010**

	1990		2000		2010	
	Number	Percent	Number	Percent	Number	Percent
Total Units <sup>1</sup>	18,670	--	19,542	--	19,924	--
Occupied (Households) <sup>1</sup>	18,112	97.0%	19,042	97.4%	18,977	95.2%
Owner	10,221	56.4%	10,815	56.8%	10,941	57.6%
Renter	7,891	43.6%	8,227	43.2%	8,036	42.4%
Vacant	558	3.0%	500	2.6%	947	4.8%

Source: U.S. Census 1990-2010

<sup>1</sup>The Census Bureau compiles occupancy and tenure data based on a one-in-six sample of all households surveyed, which is then extrapolated to arrive at the values that appear in the publicly released dataset. For this reason, the total numbers of units and households presented here may differ from the 100 percent counts that appear elsewhere in this document.

<sup>1</sup> NLIHC, *Out of Reach* 2012. [http://nlihc.org/sites/default/files/oor/2012-OOR-Most-Expensive\\_table.pdf](http://nlihc.org/sites/default/files/oor/2012-OOR-Most-Expensive_table.pdf). Retrieved on December 19, 2012. Housing wage based on rent as 30 percent or less of income.

## Household Size

Household size, which is defined as the number of persons living in housing units divided by the number of occupied units, is an indicator of trends in the housing composition of a city. As shown in Table 7, La Habra has seen a steady historical increase in average household size, from 2.72 in 1980 to 3.16 persons per household in 2010. Household size in Orange County followed a similarly steady pattern from 2.78 in 1980 to 3.00 in 2000, although household size in the County dipped back slightly to 2.99 in 2010.

Both jurisdictions experienced their most rapid increases during the 1990s (increase of 0.27 persons per household in the City and 0.13 in the County). This increase is due to a number of factors, such as consolidation of families necessitated by the increased cost of living and demographic tendencies to house extended family members in the same dwelling unit.

Although the trend diminished between 2000 and 2010, the continued growth in average household size in La Habra points to a need for larger housing units with more bedrooms to accommodate a greater number of occupants, as well as the necessity of low-cost housing to keep “doubling up” of families within a single unit from rising to unacceptable levels.

**Table 7**  
**LA HABRA AND ORANGE COUNTY AVERAGE HOUSEHOLD SIZE**  
**1980-2010**

Jurisdiction	1980	1990	2000	2010
La Habra	2.72	2.81	3.08	3.16
Orange County	2.78	2.87	3.00	2.99

*Source: U.S. Census 1980-2010*

## Household Income

Income is one of the main factors in determining housing affordability. The American Community Survey Census indicates that La Habra’s estimated 2011 median household income was \$62,672 or 17.4 percent less than the countywide median household income of \$73,596. As a comparison, the 2011 area median income for Orange County as established by the federal Department of Housing and Urban Development (HUD), assuming a family size of four, was \$84,200.

“Median” income is the middle-income figure at which half of the households in the area have greater income, and half have lower incomes. The State of California has established the following income categories based on the area median income (AMI) adjusted by family size for housing affordability analysis:

- Extremely Low-Income (Less than 30 percent of AMI)
- Very Low-Income (31-50 percent of AMI)
- Low-Income (51-80 percent of AMI)
- Moderate-Income (81-120 percent of AMI)
- Above Moderate-Income (Over 120 percent of AMI)

The 2011 estimated household income distribution for the City of La Habra is presented in Table 8. Approximately 83 percent of the households had a household income in excess of \$25,000, and 4.9 percent had annual incomes less than \$10,000.

**Table 8**  
**LA HABRA HOUSEHOLD INCOME DISTRIBUTION**  
**2009-2011 ESTIMATE**

Income	Households (Estimate)	Percent
Less than \$10,000	907	4.9%
\$10,000-\$14,999	524	2.8%
\$15,000-\$24,999	1,704	9.2%
\$25,000-\$34,999	1,826	9.9%
\$35,000-\$49,999	2,317	12.6%
\$50,000-\$74,999	3,811	20.6%
\$75,000-\$99,999	2,780	15.1%
\$100,000-\$149,999	2,754	14.9%
\$150,000-\$199,999	979	5.3%
\$200,000+	857	4.6%
Total	18,459	100%
La Habra Median Household Income	\$62,672	
Orange County Median Household Income	\$73,596	

*Source: 2009-2011 U.S. Census American Community Survey 3-year Estimates*

According to the American Community Survey 2009-2011 3-year Census estimates, there were approximately 1,430 families, or 10.0 percent of all families in La Habra living below poverty level. This is higher than the County (8.4 percent) as a whole. Of the total estimated families in 2011, there were approximately 195 children under the age of eighteen living below the poverty level, or 13.7 percent.

The SCAG 2012 household income summary presented in Table 9 shows that of the 18,645 households, 47 percent are extremely low-, very low-, or low-income and 53 percent are moderate-income and above.

**Table 9**  
**LA HABRA HOUSEHOLD INCOME DISTRIBUTION**  
**2012**

Extremely Low	Very Low	Low	Moderate and Above		Total
			<30% of median	>95% of median	
2,305 (12%)	2,364 (13%)	4,078 (22%)	3,922 (21%)	5,977 (32%)	18,645

Source: SCAG 2012 RHNA

### Households Overpaying for Housing

Overpayment is defined as spending over 30 percent of household income on housing, while severe overpayment is defined as paying more than 50 percent. The SCAG 2007 RHNA estimated that 4,670 households, or 24.5 percent of the 19,035 households in 2006, were overpaying for housing. Table 10 shows that of these households, 1,180 (26 percent) were in the very low-income category, 1,365 (29 percent) were in the low-income category, 940 (20 percent) were in the moderate-income category, and 790 (25 percent) were in the above moderate-income category.

The SCAG Regional Housing Need Assessment (RHNA) also indicated that of the 4,670 households experiencing a cost burden (paying over 30 percent of their income towards housing), 41 percent were renters and 59 percent were owners. The incidence of cost burden is greater among the low-income renters and the above moderate-income homeowners.

**Table 10**  
**HOUSEHOLDS OVERPAYING FOR HOUSING**  
**2007**

	Extremely Low	Very Low	Low	Moderate and Above		Total
	<30% median	30-50% median	50-80% median	80-95% median	>95% median	
Renters	700	730	405	40	45	1,920
Owners	480	635	535	355	745	2,750
Total	1,180	1,365	940	395	790	4,670

Source: SCAG 2007 RHNA

Information on households overpaying by income level was unavailable from the 2010 Census and SCAG’s 2012 RHNA; however, the American Community Survey 2005-2009 5-year Census estimates did report that of the total renter households (7,959), 4,102 or over 50 percent were overpaying and of the total owner households (10,097), 3,996 or almost 40 percent were paying over 30 percent of household income on housing. In total, 45 percent of La Habra’s households were overpaying according to the American Community Survey 2005-2009 5-year Census estimates.

According to the 2000 Census, a total of 19.5 percent of all renters in the City of La Habra paid more than 50 percent of their household income toward rent. Severe overpayment is most pronounced with renters earning \$10,000 or less per year. A total of 68.2 percent of renters in that income category paid 35 percent or more of their income toward rent. By contrast, only 3.4 percent of renters earning \$35,000 or more annually paid more than 35 percent of their household income toward housing.

The HUD data in Table 11 reveals that just over four-fifths (83 percent) of La Habra’s extremely low-income households in 2000 experienced housing problems. More than three-quarters, or 79 percent, of these households were overpaying, or paying more than 30 percent of their total income, for rent of their housing. There was also a high rate of households suffering from a severe cost burden, or paying more than 50 percent of income. This was the case for about 64 percent of all extremely low-income households, and 66 percent of extremely low-income renters. All of these characteristics occurred at a much higher rate among extremely low-income households than was experienced as a whole within the City.

**Table 11**  
**EXTREMELY LOW-INCOME HOUSING PROBLEMS AND OVERPAYMENT**  
**2000**

	Total Renters	Total Owners	Total Households
<b>Total households with Income &lt;30% of median</b>	<b>1,738</b>	<b>805</b>	<b>2,543</b>
with any problems	1,491 (85.8%)	631 (78.4%)	2,121 (83.4%)
paying >30% of income	1,397 (80.4%)	613 (76.1%)	2,009 (79.0%)
paying >50% of income	1,149 (66.1%)	465 (57.8%)	1,615 (63.5%)

*Source: HUD State of the Cities Data*

### **Households in Overcrowded Conditions**

A growing aspect affecting housing conditions is overcrowding. The Census defines overcrowding as more than 1.01 persons per room excluding kitchen, bathrooms, and hallways. Severe overcrowding is defined as more than 1.5 persons per room.

Overcrowding is often an indicator of households that may be financially unable to obtain adequate space for their needs, or households that are required to house extended family members. It is not necessarily a reflection of inadequate physical conditions of the housing units themselves.

The extremely low-income group is particularly prone to housing problems such as overpayment and overcrowding, and thus requires special attention to make sure their needs are adequately served. The City is prepared to address these needs on a variety of levels, including its density bonus and second unit policies, preservation of Section 8, rehabilitation programs, and to encourage affordable housing development and activities.

As presented in Table 12, according to SCAG’s 2007 RHNA 3,795 households or approximately 20 percent of total households in the City are experiencing overcrowding. La Habra’s extremely low-income households have a significant level of overcrowding, although this problem is not as widespread as overpayment. A total of 830 extremely low-income households were residing in overcrowded conditions in 2007, which represents just less than one-third of all households in this income group. This compares with an overcrowding rate of just eight percent for all households in the City.

**Table 12**  
**HOUSEHOLDS WITH OVERCROWDED CONDITIONS**  
**2007**

	Extremely Low	Very Low	Low	Moderate and Above		Total
	<30% median	30-50% median	50-80% median	80-95% median	>95% median	
Renters	680	680	735	245	320	2,660
Owners	150	165	285	205	330	1,135
Total	830	845	1,020	450	650	3,795

Source: SCAG 2007 RHNA

Information on overcrowded households by income level was unavailable from the 2010 Census and SCAG’s 2012 RHNA; however, the American Community Survey 2005-2009 5-year Census estimates did report that of the total renter households (7,959), 2,105 or over 25 percent were overcrowded and of the total owner households (10,097), 598 or approximately 6 percent were experiencing overcrowding or having more than 1.01 persons per room. In total, 15 percent of La Habra’s households were overcrowded according to the American Community Survey 2005-2009 5-year Census estimates.

***Rooms and Bedrooms***

According to the American Community Survey 2009-2011 3-year Census estimates, 19.2 percent of La Habra’s households had five or more members, while 55 percent of the units had five or more rooms. By comparison, the same estimates indicate that of La Habra’s total housing units, 32.4 percent had three bedrooms, 14.5 percent had four bedrooms, and 2.6 percent had five or more bedrooms.

## **D. EMPLOYMENT**

One of the goals many communities strive to accomplish involves a “balance” or “self-containment” strategy whereby opportunities for housing, employment, recreation, and shopping and other amenities exist within a relatively compact and convenient area, and most residents’ daily needs can be met without needing to travel long distances. The City of La Habra, through the implementation of the General Plan, has attempted to achieve this community balance.

One of the goals of the General Plan is to shorten journeys to work by encouraging the location of job-generating uses in the City. The 2010 Census reported that mean travel time to work for La Habra residents was approximately 28 minutes, indicating that the majority of the residents work outside the community. A total of 59 percent of the employed residents of La Habra work within Orange County and 41 percent work within other counties, primarily Los Angeles.

The City of La Habra has not developed into an employment destination and is considered a housing-rich community based on jobs to housing unit ratios. In 2010, the resident population included an average of 1.37 “workers” per household, which is consistent with the Southern California average of 1.37 “workers” per household.

Despite a relatively high level of work participation, the La Habra area hosts the equivalent of 1.02 “jobs” per household, which is significantly lower than the Southern California average of 1.37 “jobs” per household. The net result of a comparatively lower jobs-housing ratio is that the City of La Habra is more likely to provide services to its residents without as much revenue support from employment-related land uses.

The 2010 Census reported 31,520 La Habra residents 16 years of age and older were in the labor force. This employment level represents a labor force participation rate of 69.7 percent, which is slightly higher than the County rate of 67.3 percent. Table 13 presents the occupational breakdown of employed City residents, according to the 2010 American Community Survey 5-year Census estimates.

Most of the City residents (54.6 percent) are employed in the professional/managerial and other white-collar occupations while 45.4 percent are employed in blue collar occupational categories. The largest occupational category is sales and office, followed closely by management, business, science, and arts occupations.

**Table 13****LA HABRA OCCUPATION DISTRIBUTION OF EMPLOYED RESIDENTS 16 AND OLDER  
2006-2010 ESTIMATE**

Occupation	Number (Estimate)	Percent
Management, business, science, and arts	7,891	27.0%
Service	6,005	20.5%
Sales and office	8,056	27.6%
Natural resources, construction, and maintenance	2,644	9.1%
Production, transportation, and material moving	4,627	15.8%
Total	29,223	100.0%

Source: 2006-2010 U.S. Census American Community Survey 5-Year Estimates

The 2010 American Community Survey 5-year Census estimate of employment by industry in Table 14 shows that organizations involved in educational, health, and social services represented the leading employers of La Habra residents, followed by manufacturing and retail trade. These same three sectors were also the top employers in 2000, although manufacturing (nearly 17 percent) and retail trade (just over 12 percent) formed larger shares of residents' employment than they did in 2010. The arts, entertainment, recreational, and accommodation sector (7.5 percent in 2000) increased its share during this period.

**Table 14****LA HABRA INDUSTRY DISTRIBUTION OF EMPLOYED RESIDENTS 16 AND OLDER  
2006-2010 ESTIMATE**

Industry	Number (Estimate)	Percent
Agriculture, forestry, fishing, hunting and mining	154	0.5%
Construction	1,851	6.4%
Manufacturing	4,484	15.3%
Wholesale trade	1,404	4.8%
Retail trade	3,270	11.3%
Transportation, warehousing and utilities	1,439	4.9%
Information	570	2.0%
Finance, insurance, real estate, rental and leasing	1,849	6.3%
Professional, scientific, management and administrative services	3,110	10.6%
Educational, health and social services	5,400	18.5%
Arts, entertainment, recreational and accommodation services	2,907	9.9%
Public administration	1,264	4.3%
Other services	1,521	5.2%
TOTAL	29,223	100.0%

Source: 2006-2010 U.S. Census American Community Survey 5-Year Estimates

## E. HOUSING CHARACTERISTICS

Between 1990 and 2000, the City's housing stock grew by 4 percent, from 18,670 to 19,441 units. Table 15 reports there were 19,924 housing units in 2010 in the City, which reflects an increase of 483 housing units (2 percent) since 2000. By comparison, the County's housing stock and some surrounding cities in northern Orange County experienced a higher growth rate. The housing growth rate for La Habra is similar to the growth rates for surrounding cities in Los Angeles County.

**Table 15**  
**LA HABRA AND NEIGHBORING JURISDICTIONS HOUSING GROWTH**  
**1990-2010**

Jurisdiction	1990	2000	2010	Percent Change 1990-2000	Percent Change 2000-2010
La Habra	18,670	19,441	19,924	4%	2%
Brea	12,648	13,327	14,785	5%	11%
Fullerton	42,956	44,771	47,863	4%	7%
La Habra Heights	2,161	1,951	1,880	-10%	-4%
La Mirada	13,354	14,811	15,092	11%	2%
Whittier	28,759	28,977	29,591	0.8%	2%
Orange County	875,072	969,484	1,048,907	11 %	8%

*Source: 1990-2010 U.S. Census*

## Housing Type

The City's existing housing stock composition since 1990 has remained even, with single-family units comprising the predominant housing type. As shown in Table 16, single-family units (detached and attached) in 2010 are estimated at 12,369 units, which comprises 62 percent of the housing stock. Multiple family apartments and group quarters total 6,870 units, which represents 34 percent of the total housing units in the City. Mobile/modular homes comprise the remaining 4 percent of the City housing stock.

Although multiple-family units are approximately one-third of the City's total housing stock, it is higher compared to some of the surrounding cities, such as Brea (29 percent), Whittier (28 percent), La Mirada (15 percent) and La Habra Heights (0.8 percent). Figure 5, illustrates the percentage of multi-family structures in the housing stock in La Habra and its surrounding cities.

**Table 16**

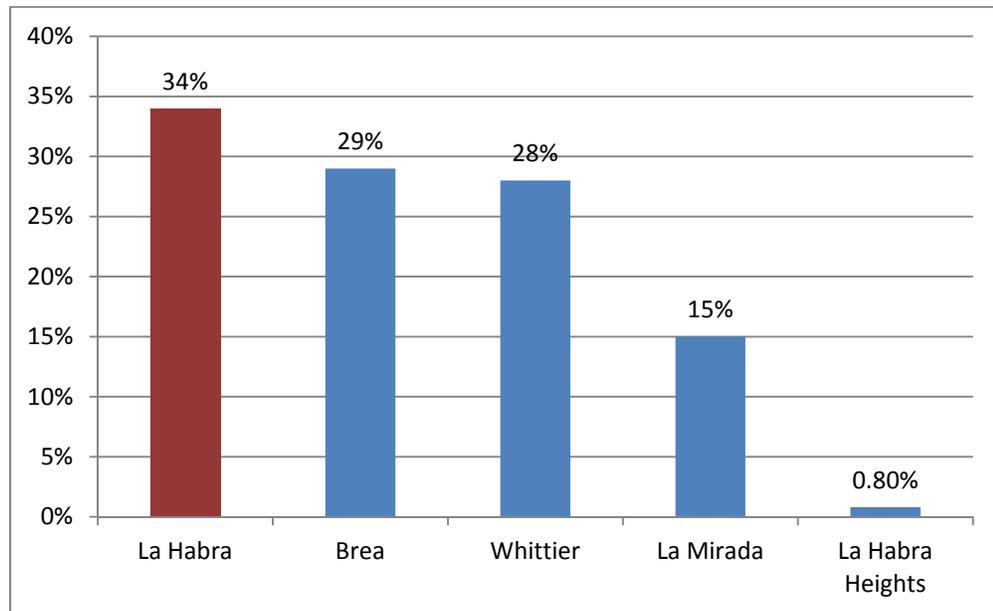
**LA HABRA HOUSING TYPE  
1990-2000 and 2010 ESTIMATE**

<b>Housing Type</b>	<b>1990</b>	<b>2000</b>	<b>2010 (Estimate)</b>
Single-Family Units	11,149 (61%)	11,914 (61%)	12,369 (62%)
Multiple-Family Units	6,443 (35%)	6,888 (35%)	6,870 (34%)
Mobile Home/Other	783 (4%)	740 (4%)	734 (4%)
Total Units	18,670	19,542	19,973

*Source: U.S. Census 1990-2000; and California Department of Finance, E-5 Population and Housing Estimates, 2010*

Figure 5

**LA HABRA AND SURROUNDING JURISDICTION  
PERCENT OF HOUSING UNITS IN MULTI-FAMILY STRUCTURES  
2010**



Source: California Department of Finance, E-5 Population and Housing Estimates, 2010

## Housing Costs

### *For Sale*

According to the 2009-2011 American Community Survey 3-year Census estimates, La Habra's median household income (\$62,672) was less than Orange County's median of \$73,596. In January 2011, the median sales price in La Habra was \$299,250, which is a reflection of the overall climate of the real estate market. This price decline has rebounded as the economy recovers and is anticipated to stabilize throughout 2013.

According to the California Association of Realtors, roughly one-third or 34 percent of families in Orange County could afford to purchase an entry-level home during the third quarter of 2012. An entry-level home is defined as a home priced at 85 percent of the county median, which for general comparative purposes was \$480,000 in the fourth quarter 2012.

The 2012 fourth quarter median sales price of single-family homes and condominiums in La Habra was \$340,000, which was approximately 30 percent more affordable than Orange County's median price. These figures were derived from information provided by Trulia.com market trends. Compared to surrounding cities in Orange County, La Habra's home prices are still the lowest. Although prices throughout the region have increased dramatically since 2007, recent trends over the last several years show prices declining by approximately 10 to 20 percent. This trend is anticipated to continue.

Table 17 presents median home sale prices for La Habra, its surrounding cities, and Orange County.

**Table 17**  
**LA HABRA AND SURROUNDING COMMUNITIES MEDIAN HOME SALE PRICES**  
**FOURTH QUARTER 2012 and HISTORICAL COMPARISONS**

City/Community	Fourth Quarter 2012	3 Months Prior	1 Year Prior	5 Years Prior
La Habra	\$340,000	\$330,000	\$294,000	\$404,100
Brea	\$487,500	\$500,000	\$388,500	\$526,787
Buena Park	\$381,500	\$352,636	\$330,000	\$461,250
Fullerton	\$400,000	\$380,000	\$353,000	\$508,168
Orange County	\$480,000	--	--	--

Source: Trulia.com, January 2013

RealtyTrac, an online marketplace for foreclosure properties, released its U.S. Foreclosure Market Report for November 2012, which showed foreclosure filings decreased 3 percent from October 2012 and were down 19 percent in November 2012 from one year prior (November 2011), making it the 26<sup>th</sup> consecutive month with an annual decrease in foreclosure activity.

A January 2013 search of [www.realtytrac.com](http://www.realtytrac.com) found 104 single-family homes and condominiums in La Habra were banked owned and on the market. Properties ranged from a 5 bedroom, 3 bath 2,800 square foot home for \$636,509; to a 3 bedroom, 2 bath 1,800 square foot home for \$395,377; to a 3 bedroom, 2.5 bath 1,276 square foot home for \$275,807; to a 2 bedroom, 2 bath 885 square foot condominium for \$142,116.

**For Rent**

Historically, La Habra has had the most affordable rental rates at \$100 to \$200 less than in other areas of the County, excluding the Beach areas. Mature communities, especially those that are built out, obviously consist of older housing stock that tends to be smaller in size than the newer developments. Location is also a factor, such as the lack of freeways and local employment opportunities within the City.

Based on an average of the three online rental sources data presented in Table 18, the fourth quarter 2012 average asking rental rate in La Habra was \$1,225 per month, as compared to Orange County rents of \$1,610 per month. On average, La Habra's rents were approximately \$385 lower than the County's.

**Table 18**  
**LA HABRA AND ORANGE COUNTY AVERAGE RENT**  
**FOURTH QUARTER 2012**

	La Habra	Orange County	Difference
Studio	\$815-\$975	\$1,025-\$1,200	\$217
1 Bed-1 Bath	\$940-\$1,185	\$1,295-\$1,450	\$310
2 Bed – 1 Bath	\$1,225-\$1,350	\$1,550-\$1,695	\$335
2 Bed – 2 Bath	\$1,300-\$1,425	\$1,645-\$1,950	\$435
3 Bed – 2 Bath	\$1,500-\$1,530	\$2,095-\$2,200	\$632
Median Rent	\$1,225	\$1,610	\$385

*Source: RealFacts, Trulia.com, and Apartmentguide.com, January 2013*

### **Housing Stock Age and Condition**

The majority of the City’s housing stock is maturing. Table 19 shows that 83 percent of the City 2010 housing stock was constructed prior to 1980, as compared to 64 countywide, a difference of 19 percent. Figure 6 illustrates the distribution of the housing stock age according to Census Block Group.

In general, older buildings require greater maintenance, which results in higher costs. Thus, maintenance is deferred resulting in the further deterioration of physical conditions of the buildings in the City. In addition, older deteriorated structures often violate building code standards and lack safety features such as fire suppression, home security devices and seismic safety retrofits.

Although the bulk of the housing stock in the City is between 30 and 40 years old, the overall condition is good and well maintained with some problem areas localized in specific neighborhoods within the central and older portions of the community.

**Table 19**

**LA HABRA YEAR STRUCTURE BUILT  
1939 or earlier through 2000-2010**

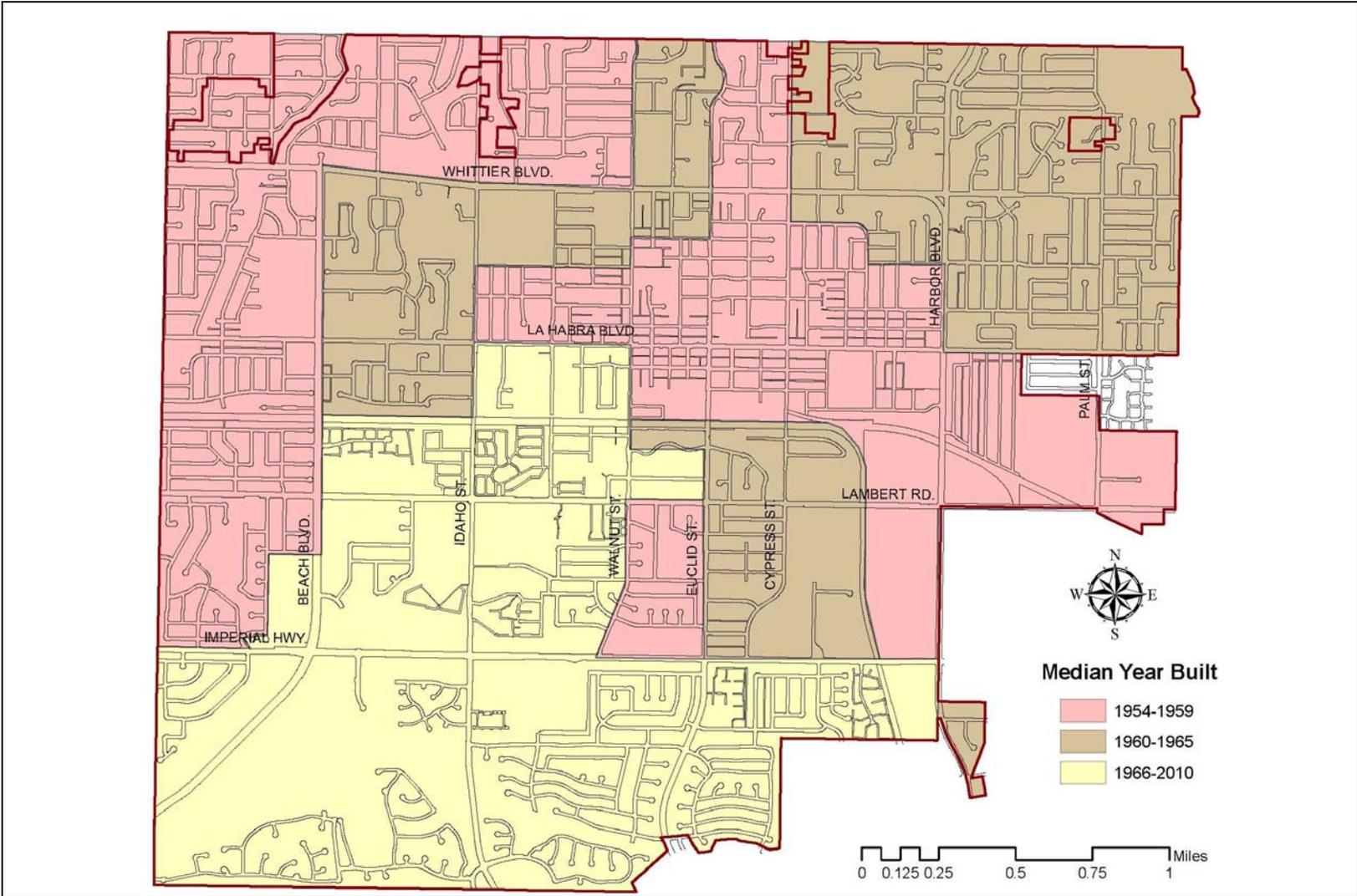
	La Habra		Orange County	
	Number	Percent	Number	Percent
2000 to 2010	431	2%	71,060	7%
1990 to 2000	1,053	5%	136,391	13%
1980 to 1989	1,939	10%	169,309	16%
1970 to 1979	4,396	22%	267,467	26%
1960 to 1969	5,055	25%	218,690	21%
1940 to 1959	6,480	33%	152,980	15%
1939 or earlier	619	3%	24,647	2%

*Source: California Department of Finance, E-5 Population and Housing Estimates, 2010;  
U.S. Census American FactFinder, Fact Sheet: La Habra city, California, 2000*

In 1999, the City conducted a housing conditions survey, which found that 180 units required substantial rehabilitation and 25 units were in need of replacement. Based on the survey, minor repair was needed on approximately 15 percent of the total units.

Although the age of the existing housing stock is relatively old, the housing stock is in overall good condition and well maintained. This is because the City funds a residential rehabilitation loan and grant program, and continues to enforce building and zoning code standards through its Community Preservation Division.

As part of the development of the prior 2008-2014 Housing Element, a survey of housing conditions was conducted in areas designated for Medium Density and High Density Residential land uses. These two land use designations were selected because they have the potential for higher density recycling. The results of the survey indicated that 64 parcels containing 153 units were candidates for recycling. The survey was conducted in order to grade residential structures according to the visual appearance of physical blight according to California Community Redevelopment Law. The criteria considered are structural deterioration and dilapidation.



**City of La Habra**  
**2014-2021 Housing Element**

**Figure 6**  
**MEDIAN YEAR OF HOUSING BUILT BY**  
**CENSUS BLOCK GROUP**

## **F. SPECIAL NEEDS**

There are certain categories of households that, because of the physical or economic condition, require particular space or support services; these include “special needs households” that, for example, may have difficulties in finding affordable housing. Special needs households include persons with mobility and/or self-care limitations, the elderly, large families, farmworkers, families with female heads of household, and homeless or families with persons in need of emergency shelter.

### **Persons with Mobility and/or Self-Care Limitations**

A disabled individual is defined as a person who has been determined to have some kind of mobility and/or self-care limitation that impairs their ability to function in a manner consistent with the general population. The nature of the impairment can be sensory, physical or mental, or can be related to a person’s ability to care for him or herself, to leave his or her home, or to secure employment. This impairment is expected to be of definite duration and is of such a nature that the person’s ability to live independently could be improved by more suitable housing conditions.

As shown in Table 20, the American Community Survey 3-year Census estimate indicated that of the total population in the City between the ages of 18 and 64, 2,394 persons have a disability or 6.3 percent of the age group. For the population 65 and older, this number was 1,733 or 29.5 percent of the age group. The majority of the disability difficulties were related to ambulatory, independent living, cognitive, and hearing difficulties.

The mobility limitation does not necessarily indicate a need for special need and/or supportive housing, and statistics on the total number of disabled persons needing supportive housing in the City is unavailable. With that said, using the national standard of one to three percent of the disabled population needing supportive housing, it can be estimated that the City has anywhere from 40 to 125 individuals with mobility and/or self-care limitations that are potentially in need of supportive housing.

**Table 20**

**LA HABRA DISABLED PERSONS 16 AND OLDER BY DISABILITY TYPE  
2009-2011 ESTIMATE**

Type of Disability	Persons 18-64		Persons 65+	
	Number (Estimate)	Percent of Age Group	Number (Estimate)	Percent of Age Group
Disabled Persons				
Hearing	480		668	
Vision	410		335	
Cognitive	777		394	
Self-care	306		375	
Ambulatory	1,246		1,197	
Independent Living	884		745	
Total Disabled Persons	2,394	6.3%	1,733	29.5%
Total Persons in Age Group	38,158	100.0%	5,872	100.0%

*Source: U.S. Census 2009-2011 American Community Survey 3-Year Estimates*

***Persons with Developmental Disabilities***

Chapter 507, Statutes of 2010 (SB 812), which took effect January 2011, amended State housing element law to require the analysis of the disabled to include an evaluation of the special housing needs of persons with developmental disabilities. This analysis asks jurisdictions to include an estimate of the number of persons with developmental disabilities, an assessment of the housing need, and a discussion of potential resources.

A “developmental disability” is defined as a disability that originates before an individual becomes 18 years old, continues or can be expected to continue indefinitely, and constitutes a substantial disability for that individual. This includes mental retardation, cerebral palsy, epilepsy, and autism. This term also includes disabling conditions found to be closely related to mental retardation or to require treatment similar to that required for individuals with mental retardation, but does not include other handicapping conditions that are solely physical in nature.

Many developmentally disabled persons can live and work independently with a conventional housing environment. More severely disabled individuals require a group living environment where supervision is provided. The most severely affected individuals may require an institutional environment where medical attention and physical therapy are provided. Because developmental disabilities exist before adulthood, the first issue in supportive housing for the developmentally disabled is the transition from the person’s living situation as a child to an appropriate level of independence as an adult.

The State Department of Developmental Services (DDS) provides community based services to approximately 243,000 persons with developmental disabilities and their families through a statewide system of 21 regional centers, four developmental centers, and two community-based facilities.

The Regional Center of Orange County (RCOC) is one of 21 regional centers in the State that is charged by the State of California with the care of people with developmental disabilities and provides point of entry to services to these population groups. The center is a private, non-profit community agency that serves close to 170,000 Orange County residents with developmental disabilities and their families.

Table 21 provides information from RCOC for a closer look at the City of La Habra’s resident population of developmentally disabled persons by age cohort. The majority of those with developmental disabilities are 14 years of age and under (43 percent), followed by those between the ages of 23 and 54 (32 percent), while those age 65 and over represent just 1 percent of the population of developmentally disabled residents.

**Table 21**  
**LA HABRA DEVELOPMENTALLY DISABLED RESIDENTS**  
**BY AGE COHORT**

Zip Code Area	0-14 Years	15-22 Years	23-54 Years	55-65 Years	65+ Years	Total
90631	122	57	90	10	3	282

*Source: RCOC, January 2013*

There are a number of housing types appropriate for people living with a development disability, for example, rent subsidized homes, licensed and unlicensed single-family homes, inclusionary housing, Section 8 vouchers, special programs for home purchase, HUD housing, and SB 962 homes. The design of housing-accessibility modifications, the proximity to services and transit, and the availability of group living opportunities represent some of the types of considerations that are important in serving this need group.

Nearly 40 percent of the City’s affordable housing units are reserved for seniors and disabled persons. To assist disabled individuals in providing adequate housing to meet their needs, the State of California, in 1984, mandated Title 24 of the Uniform Building Code.

Title 24 provides regulations for adaptability and accessibility of apartment units to provide for the safety and welfare of physically handicapped inhabitants and visitors. Incorporating ‘barrier-free’ design in all, new multifamily housing (as required by California and Federal Fair Housing laws) is especially important to provide the widest range of choices for disabled residents.

An adaptable apartment is one that is accessible for entry and circulation and that can at any future point, be adapted to meet the specific needs of a handicapped person. These improvements would include the installation of wider doors, grab bars, lower cabinets, lower light switches and sidewalk-to-front door ramps.

In order to assist in the housing needs for persons with developmental disabilities, the City will implement programs to coordinate housing activities and outreach with RCOC, enforcement of Title 24 adaptability and accessibility of apartment buildings regulations, and implementation of the City's Reasonable Accommodations in Housing to Disabled Individuals Ordinance (Chapter 18.10) that allows the Director of Community Development to administratively approve deviations from development standards.

### **Elderly Persons**

Another population segment that requires special consideration is the elderly, or the population 65 years of age and over. The concerns for this particular age cohort are related to their fixed-incomes and the need for affordable and accessible housing, health care, and transportation. According to the 2000 Census, 6,549 residents in La Habra were reported as 65 years or older and comprised 10.8 percent of the total population.

As shown in Table 22, there were 4,706 elderly households in the City in 2010. Information on elderly households by tenure was unavailable from the 2010 Census; however, the American Community Survey 2005-2009 5-year Census estimates show that over 80 percent of elderly households lived in owner occupied units. This compares to the 2000 Census data of 57.7 percent of the total households in the City residing in owner occupied units.

According to the La Habra Senior Center staff, the greatest need for seniors in the City is affordable housing—specifically for independent living—and transportation. Additionally, the Orange County Housing Authority indicates that over one half of participants in the Section 8 rental assistance certificate and voucher program are seniors or disabled.

**Table 22**  
**LA HABRA ELDERLY HOUSEHOLD TENURE**  
**2010 and 2005-2009 ESTIMATE**

	Occupied Housing Units	Occupancy
<b>Elderly Households</b>		
Elderly Owner Occupied <sup>1</sup>	2,579 (Estimate) Unavailable (2010 Census)	80.3%
Elderly Renter Occupied <sup>1</sup>	635 (Estimate) Unavailable (2010 Census)	19.7%
Total Elderly Households	3,214 (Estimate) 4,706 (2010 Census)	100.0%
<b>Total Households</b>		
Total Owner Occupied	10,941 (2010 Census)	57.7%
Total Renter Occupied	8,036 (2010 Census)	42.3%
Total Occupied Units	18,977 (2010 Census)	100.0%

*Source: U.S. Census 2010 and 2005-2009 American Community Survey 5-Year Estimates*

<sup>1</sup> 65 years of age and over

The elderly, with relatively fixed incomes, may be very vulnerable to rapidly rising housing costs. The majority of the elderly below poverty level are renters and for these residents, housing costs may reduce monies needed for life's necessities such as food, clothing, and medical care, as well as for entertainment and transportation.

The City includes two affordable senior housing facilities that are deed restricted (affordable through governmental financing):

- La Habra Inn Senior Apartments – 700 N. Beach Boulevard (70 total units/100 percent affordable/age restricted to 55 and older)
- Casa El Centro Senior Apartments – 101 N. Cypress Street (56 total units/55 units affordable/senior and disabled age restricted to 62 and older)

Additionally, the City has encouraged and worked with developers to provide other types of senior facilities within the City:

- Spring Pointe Apartment – 910 N. Harbor Boulevard (60 units)
- Seasons Assisted Living – 200 W. Whittier Boulevard (200 units)
- La Habra Villa – 1100 E. Whittier Boulevard (170 units)
- Park Regency Retirement Residence – 1750 W. La Habra Boulevard (71 units and 20 beds)
- La Habra Convalescent Hospital – 1233 W. La Habra Boulevard (86 beds)

## **Large Families**

Large families are defined as households with five or more members. Large families have special housing needs because they typically require larger size units than what the market usually provides. As a result, many large families are often forced to occupy inadequately sized units because housing units that meet their needs are either available or beyond their ability to pay. According to the American Community Survey 2005-2009 5-year Census estimates, the number of large family households in the City totaled 3,387 of which 45 percent were owners and 55 percent were renters.

To address the needs of large families, the City promotes homeownership opportunities for low-income and moderate-income households through the use of nonprofit agencies providing neighborhood-marketing strategies, education and counseling for homebuyers, and financing options. NeighborWorks of Orange County (formerly Neighborhood Housing Services of Orange County) provides homeownership opportunities for La Habra residents through the agency's First-time Buyer/Homeownership Education Program. In addition, the City administers the distribution of Community Development Block Grant (CDBG) funds, which support homeownership programs for low- and moderate-income households.

The City's Community Services Department provides programs to help families improve their economic conditions, which has the effect of increasing the income they can devote to housing. For example, the City continues to administer the jobs training program for youths. The program offers a wide range of opportunities from work experience for youths to classroom training for both youths and adults. In addition, the City-administered Child Development Programs provide quality child daycare and development services to children while parents work or attend job training. A key element of these services is La Habra's locally administered branch of the Federal Head Start program, which is designed to meet the educational, emotional, social, health and nutritional needs of low-income children three to five years of age. The program is designed to make children "socially competent" and ready to enter school, and parents are given ample opportunities for participation. Eligibility for Head Start and other child development programs generally is based on family income, size and need. State guidelines require that priority be given to families with the lowest income. Parents must be working, in training or educational programs, seeking employment, medically incapacitated, or in need of protective services to qualify for child care programs.

## Farmworkers

Another segment of the population that requires special housing consideration is Farmworkers. Farmworkers are defined as persons whose primary source of income is derived from seasonal agricultural labor. According to the American Community Survey 2006-2010 5-year Census estimates, 154 residents classified their industry as agriculture, forestry, fishing and hunting, and mining, comprising 0.5 percent of the total employed City civilian population 16 years and over and representing 0.3 percent of the total population 16 years and over.

## Female Heads of Household

The 2010 Census indicates that of the total households (18,977) in La Habra, the majority (53.1 percent) or 10,078 households contained domestic couples (either married, or residing together) (not shown in Table 23). The American Community Survey 2005-2009 5-year Census estimates report there were just about the same number of single person households (19.3 percent) as households with more than four persons (19.1 percent).

In particular, female heads of household typically display a need for housing assistance due to the demand for day care services and lower wages earned, and is therefore identified as a special needs group. Table 23 shows the number of single heads of household in 2000 and 2010 by gender where, for the ten year span, the total number of female heads of household increased but remained the same overall percent of total single heads of household at nearly two-thirds, or approximately 63 percent.

Table 23

### LA HABRA HOUSEHOLD COMPOSITION 2000-2010 and 2005-2009 ESTIMATE

	Households		Percent of Households	
<b>TOTAL HOUSEHOLDS (2005-2009 Estimates)</b>				
One Person Household	3,491		19.3%	
Two - Four Persons/ Household	11,136		61.6%	
More Than Four Person Households	3,429		19.1%	
<b>TOTAL HOUSEHOLDS</b>	<b>18,056</b>		<b>100.0%</b>	
<b>SINGLE HEADS OF HOUSEHOLD</b>				
	<b>2000</b>	<b>2010</b>	<b>2000</b>	<b>2010</b>
Single Male With No Children Under 18	1,682	1,327	--	--
Single Male With Children Under 18	1,116	619	--	--
<b>Total Single Male Households</b>	<b>2,798</b>	<b>2,869</b>	<b>36.6</b>	<b>36.4%</b>
Single Female with No Children Under 18	2,288	2,905	--	--
Single Female With Children Under 18	2,566	1,360	--	--
<b>Total Single Female Households</b>	<b>4,854</b>	<b>5,014</b>	<b>63.4</b>	<b>63.6%</b>
<b>TOTAL SINGLE HEADS OF HOUSEHOLD</b>	<b>7,652</b>	<b>7,883</b>	<b>100%</b>	<b>100%</b>

Source: U.S. Census 2000-2010 and 2005-2009 American Community Survey 5-Year Estimates

Single individuals with dependent children face a variety of housing problems. Single parent renters often have difficulty finding suitable housing due to the high cost of rent compared to income, as well as discriminatory housing practices. Table 23 shows that of the total single female households in 2010, 1,360 households (27.1 percent) had a single female head of household with dependent children (less than 18 years of age). Of note when comparing 2000 and 2010 Census data, both the single male and single female households with children under 18 declined significantly, or between 45 and 47 percent.

Female heads of household represented over one-quarter (26.4 percent) of the total households in the City in 2000. Though the majority of female households were in the labor force, this segment of the community generally represents one of the lowest categories of wage earners as compared to other householders, as shown in Table 24.

**Table 24**  
**LA HABRA MEDIAN FAMILY INCOME BY HOUSEHOLD COMPOSITION**  
**1990-2000<sup>1</sup>**

	1990	2000	Percent Increase
<b>Married Couple Families</b>	\$55,090	\$60,689	10.2%
With Own Children Under 18	\$53,091	\$59,130	11.4%
Without Own Children Under 18	\$57,088	\$62,441	9.4%
<b>Female Householder/No Husband</b>	\$31,383	\$32,813	4.6%
With Own Children Under 18	\$23,576	\$26,912	14.1%
Without Own Children Under 18	\$39,190	\$45,484	16.1%

Source: U.S. Census 1990-2000

<sup>1</sup> American Community Survey estimates and 2010 Census information was unavailable for the City of La Habra

## Homeless

Over the last several decades, the homeless population and its attendant social problems have become issues of national significance. Lack of affordable housing can exacerbate homelessness and its negative impacts, and hinders a community's ability to effectively address these challenges. A homeless family or individual as defined by federal regulations is a person or family that lacks a fixed and regular nighttime residence. The homeless population can be divided into two major groups, the sheltered and the unsheltered homeless.

Sheltered homeless are those families or individuals whose primary residence is an emergency shelter, transitional housing, a domestic violence shelter, a shelter for runaway children, or people living in a motel/hotel under a voucher arrangement. Unsheltered homeless are those individuals whose primary residence is a place not designated for sleeping. Unsheltered homeless are typically chronically transient homeless persons, usually de-institutionalized mental health patients. They are often

alcohol/substance abusers, although mental illness, respiratory infections and malnutrition are common contributors to the general poor health of these individuals. They are predominantly male and usually know how to utilize available charitable and government services.

Families become homeless for different reasons than transient persons do. A certain percentage of homeless families come from other areas seeking employment. Their efforts are hampered, in part, by outdated skills. They are usually able to find employment in minimum wage jobs; however, they rarely make enough money to support their families. In other situations, medical illness has depleted a family's savings and other assets. Commonly, these families are living on the "economic edge." Rent payments for shelter in some of these cases are two thirds of a family's monthly income, leaving insufficient amounts for food and other necessities, such as medical care. If a wage earner in this type of situation loses his/her job, the family cannot pay the rent and is evicted. They resort to living in their cars and depend upon community service programs and churches for food and shelter.

While larger cities may have recognized and dealt with their homeless population, La Habra has historically been largely untouched by this type of problem. Transients are not as likely to stop in La Habra because the City does not have direct freeway access. The closest freeway is three miles away. Those homeless that have been accounted for in the City are mostly adult males. The majority of the visible homeless are "residents" who are adults and for reasons of their own choose to live in this manner, though assistance has been offered and provided.

The homeless population is typically divided into subpopulations, which also merit further discussion.

- **Elderly** – An elderly head of household has a one-in-three chance of paying more than 50 percent of his or her income for housing. Faced with the added challenge of paying for other necessities such as food, medicine and health care, senior citizens are particularly vulnerable to homelessness.

According to the National Coalition for the Homeless (NCH), 2.5 percent to 19.4 percent of the nation's homeless are age 55-60. Orange County's most recent analysis of the number of homeless in the region did not attempt to enumerate the number of homeless elderly; however, based on the national range, it is estimated that 1,750 to 6,790 of the region's homeless are elderly.

- **Families with Children** – According to the NCH, one of the fastest growing segments, of the homeless population, are families with children. The NCH reports that a 2000 survey found families with children accounted for 36 percent of the homeless population. Poverty and lack of sufficient affordable housing are listed as the principal causes for homelessness among families.

Additional factors include a relative decline in wages and changes in welfare programs approved during the late 1990s. The County of Orange estimates there are 24,499 "persons in homeless families with children" living in Orange

County. This translates to 8,751 homeless families with children living in the region.

- **Mental Illness** – According to the NCH, 20 to 25 percent of the single adult homeless population suffers from some form of severe and persistent mental illness. Homeless persons with mental illness remain homeless for longer periods of time and have less contact with family and friends.

According to Orange County's recent application to HUD for Homeless Assistance Grant funds, there were 2,218 homeless persons with mental illness in the Orange County region. This figure represents 22.5 percent of the homeless in Orange County, which is within the estimates of the NCH.

### ***Homeless Resources***

The City of La Habra is a participant in the Orange County Continuum of Care Community Forum (Community Forum). The Community Forum is an entity comprised of public and private agencies, persons, or groups that want to contribute to the efforts to eliminate homelessness in Orange County. The Community Forum has an open membership and is structured in this manner in order to encourage broad and diverse participation in a forum that is both informative and participatory. The City works within this collaborative to help identify needs and gaps in the housing/service needs of the region's homeless.

The City provides assistance to the Community Resource Care Center (CRCC), a non-profit organization located at 350 South Hillcrest Street in La Habra, which provides motel vouchers for emergency shelter and makes initial assessments before making referrals to other agencies. The CRCC operates a food distribution center and provides transportation vouchers, gas vouchers, utility assistance, clothing and other services to the poor and homeless in La Habra. The CRCC also refers people to various organizations within the County for extended shelter needs, and to the City's Employment and Training Development One Stop Center for job training programs. On average, the Center assists 60 people per month needing assistance.

The City also provides assistance to the Gary Center, a local nonprofit organization that provides services to families, seniors, youths, and veterans. The Center operates a food distribution center and dental clinic, child abuse treatment and prevention services, family mental health services, and community assistance.

La Habra City School District participates in the Free and Reduced Price Lunch Program, which is a federally funded program administered by the U.S. Department of Agriculture. This program assists low-income families by providing students with breakfast and lunch free of charge or at a reduced price for those families that qualify. In 2006/07, approximately 39 percent of Orange County's total public school enrollment participated in the program. In the same year, La Habra City School District had the third highest percentage of students receiving free and reduced price lunches in the

county at 67 percent. The highest participation rates were Anaheim City School District at 81 percent and Santa Ana Unified School District at 75 percent.

The City will continue to fund local agencies that provide support services to homeless and other special needs groups. When available and subject to approval, the City will utilize CDBG Public Services funds. The CDBG funds for these types of services are capped at 15 percent of the City's CDBG entitlement.

Within Orange County there are additional resources available to the Citizens of La Habra including:

- The Orange County Rescue Mission, the largest provider of homeless services in the County, operates two facilities. An emergency facility in Santa Ana provides daily meals for the poor and homeless and provides a 30-day temporary shelter for men and an 18- month recovery program. The House of Hope offers a comprehensive program for abused and abandoned women with children. In addition, the Orange County Rescue Mission operates a mobile unit with a group of doctors, nurses and volunteers that bring food, clothing and medical services to homeless people on the street.
- Anaheim Interfaith, a 72-bed facility, provides shelter to families and provides transitional housing for up to 90 days.
- Lutheran Social Services in Fullerton which provides motel vouchers, food assistance and referrals.
- Shelter for the Homeless provides permanent, transitional and emergency accommodation for homeless families and individuals. They have 50 facilities in Southern California. Shelter for the Homeless also operates the Emergency Cold Weather Shelter Program for the County, providing food and shelter at the National Guard Armories in Fullerton and Santa Ana.
- The Dayle McIntosh Center for the Disabled operates a six-bedroom shelter for homeless persons with disabilities. In Orange County, the Social Services Agency and the Health Care Agency provide services to assist the homeless and poor in the County. The Orange County Social Services Agency administers the Families with Dependent Children (AFDC) program, which provides medical coverage, child support, work or training programs, family planning, child health, and disability prevention. The Social Services Agency also provides programs and services not specifically designed to assist the homeless. These include the food stamp program and a medical assistance program. The Social Services Agency also operates a homeless prevention program for AFDC recipients who are at risk or threatened with homelessness.

**Planning for Homeless Populations**

According to the City’s Police Department, it is estimated, based on patrol observations, that there are approximately 20 homeless individuals in the City at any one time (annually/seasonally). All individuals visible on the street were adults and less than 10 percent were female. No families with children were encountered.

California Senate Bill 2 (SB 2), Local Planning and Approval for Emergency Shelters and Transitional and Supportive Housing, mandates that all jurisdictions incorporate a zone or zones where emergency shelters and transitional and supportive housing are allowed as a permitted use without a conditional use permit or other discretionary permit. The zone or zones for emergency shelters must have sufficient land capacity to provide for at least one year-round shelter facility of sufficient capacity to accommodate the identified homeless need.

To address the statutory requirements of SB 2 on emergency shelters, the City has adopted an ordinance (1719) which established an Emergency Transitional Shelter (ES) Overlay Zone. Zoning districts were reviewed and an area was identified that could accommodate an emergency shelter. The ES Overlay Zone was placed on four contiguous underutilized Light Manufacturing (M-1) zoned properties (sites A, B, C and D), which are illustrated in Figure 7, can facilitate the development of a new structure or conversion of an existing structure to accommodate at least 20 homeless persons.

**Figure 7**

**LA HABRA EMERGENCY SHELTER OPPORTUNITIES IN THE M-1 ZONE WITH ES OVERLAY ZONE**



Source: City of La Habra, 2013

Table 25 lists the parcels identified along Lambert Road within the ES Overlay Zone which permits emergency shelters “by-right,” which means that within this overlay zone, emergency shelters are allowed without a conditional use permit or other discretionary action. The parcels that have been identified provide sufficient sites to address the City’s emergency shelter needs. The selected areas within the M-1 Zone also offer the benefit of access to public transit bus service (OCTA Routes 20, 29, and 43).

**Table 25**

**LA HABRA UNDERUTILIZED PROPERTIES IN M-1 ZONE WITHIN ES OVERLAY ZONE**

Site	APN	Address	Parcel Size	Existing Use
A	296-352-09	2220 Lambert Road	0.73 acres	Nursery
B	296-352-10	2230 Lambert Road	0.46 acres	Commercial Granite
C	296-352-11	2250 Lambert Road	0.40 acres	Equipment Storage
D	296-352-12	2280 Lambert Road	0.41 acres	Industrial

*Source: City of La Habra, 2013*

Emergency shelters are only subject to those development standards that apply to other uses within the M-1 Zone. The ES Overlay Zone includes specific development and operational standards such as, but not limited to:

- Maximum number of beds and persons to be served daily;
- Minimum number of required staff at attendance each day;
- Parking requirements, but not to exceed the required number of spaces under the zone;
- Length of stay;
- Lighting; and
- Security features.

Regarding SB 2 compliance and transitional and supportive housing, the City’s Municipal Code permits “by right” transitional and supportive housing in residential zones, including the R1a, R1b, R-1c, R-2, R-3, and R-4. Transitional and supportive housing is considered as equitably as a residential use under the Municipal Code and is subject only to those restrictions that apply to residential uses in the same zone. In addition, the definition of “transitional housing” is included along with a specific definition for “supportive housing.”

**G. ASSISTED HOUSING AT RISK OF CONVERSION**

Starting in the mid 1960’s, the federal government provided low interest rate financing and rental subsidies to developers that provided affordable housing. Much of this housing is now considered “at risk” of conversion to market rate housing as most of

these contracts are reaching the expiration date. This section identifies all multiple-family rental units in the City, which are assisted under Federal, State, and/or local loan and rental subsidy programs that are at risk of losing the associated low-income affordability restrictions within the ten-year period, 2012-2022.

### **Ten-Year Analysis**

According to the California Housing Partnership Corporation (CHPC), there are two properties in the City of La Habra that are at risk of converting to market rate units. Las Lomas Gardens is categorized as “high” risk and Casa El Centro Apartments has a “very high” risk level. These projects are discussed further, in detail, below. In addition, the La Habra Inn is a 70-unit senior single room occupancy (SRO) motel conversion managed by the La Habra Housing Authority that will be at risk within the ten-year period.

These projects are assets to the community, as the properties provide affordable rental housing and the conversion of the projects to market rate rents would affect 54 senior households in Casa El Centro of which most are single head of households and 93 lower income households in Las Lomas Gardens. La Habra has a healthy percentage of existing rental units (42 percent of the total City households are renters), which continue to historically offer the most affordable rental rates in the County. The impact of the possible relocation of the majority of the households of these subsidized projects would be difficult, if not impossible to mitigate, especially within a short period of time.

CHPC under a contract with HUD in the State of California continues to develop technical assistance to alleviate the impact of conversion of affordable lower income projects to market rate units. Requests for early termination of the contracts and repayment of the mortgages require approval from HUD. All such requests must be accompanied by a relocation plan, which indicates how the owners, at their expense, will relocate existing tenants into affordable housing. An alternative that HUD may consider is the allowance of the owner to adjust rents currently being paid at the 30 percent income level for each tenant who pays less than this percentage and placing those classified as very low-income households on Section 8, which would provide the owner with a fair market rent for the unit.

### ***Las Lomas Gardens***

Las Lomas Gardens is a 112-unit multiple family apartment complex located at 940 West Las Lomas Drive in the City of La Habra consisting of 14 one-bedroom units, 48 two-bedroom units, 44 three-bedroom units and 6 four-bedroom units. Of the total units in this development, 93 are affordable to lower income households via Section 8 vouchers.

In 1969, the City approved Las Lomas Gardens lower-income occupants to receive the cost reduction benefits caused by below market interest rate financing. This was the first development to be assisted by Section 236 Interest Reduction Payment Program.

Under the Section 236 program, periodic payments are made to private lenders who have financed low-income rental and cooperative housing projects. These payments amount to the difference between monthly debt expenses at market interest rate. Since debt service payments are reduced, the monthly rents are reduced to within the economic means of lower-income households. As a result, Las Lomas Gardens has some of the lowest apartment rental rates in the City.

The term of this contract was for 40 years with the earliest date for negotiation to terminate the contract on July 15, 1991. The owner extended the contracts with HUD to May 2000, and since then, renewal has occurred on an annual basis and the standing contract is due to expire on December 1, 2013. Communication with the property management company revealed the owner of Las Lomas Gardens intends to continue with annual extensions.<sup>2</sup>

### ***Casa El Centro Apartments***

Casa El Centro Apartments is a 56-unit complex located at 101 North Cypress Street, which includes 55 affordable one-bedroom units for senior citizens. This apartment development was a long-term ambition of the City, developed in 1978 with Section 8 New Construction and Section 221(d)(4) monies, and was planned specifically for senior citizen housing by the former Redevelopment Agency in its “Plan for Downtown Redevelopment.”

The Section 8 component offers monthly housing assistance payments to lower income senior tenants that pay no more than 30 percent of their income for housing. The project received special design consideration for increased density, decreased square footage in the size of the units, and a parking reduction to better suit the needs of the elderly.

The original assistance contract was for 20 years. This project’s earliest date to negotiate for subsidy terminated was in November 1990. The HUD contract was first extended 5 years to April 2000, then to April 2005, and again another 5 years to September 2010. According to Casa El Centro management, the HUD contract was renewed annually thereafter and has been extended to September 30, 2013.<sup>3</sup> Additional communication with the property management company revealed the owner of Casa El Centro Apartments is committed to the property and intends to keep this complex affordable to lower income seniors with annual extensions for the foreseeable future.

### ***La Habra Inn***

The La Habra Inn is a 70-unit senior single room occupancy (SRO) motel conversion located at 700 N. Beach Boulevard consisting of 61 very low-income units, 6 low-income

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<sup>2</sup> G & K Management Co., Inc., January 4, 2013

<sup>3</sup> S.K. Management Co., LLC, December 20, 2012

units, and 3 moderate-income units for seniors age 55 and over. As of November 2012, the La Habra Housing Authority is under a ground lease to manage and maintain this motel conversion until 2016. The senior SRO conversion occurred after the former La Habra Redevelopment Agency adopted a resolution transferring \$1,250,000 in redevelopment housing set aside funds for the conversion of the motel and entered into a ground lease to the La Habra Housing Authority. The 70 units are at risk for conversion in 2016 once the ground lease term expires on March 31, 2016.

### Cost Analysis

State legislation also requires that the City provide an analysis that estimates the total cost of producing new rental housing that is comparable in size and rent levels, to replace the units that could be changed from low-income use, and an estimated cost of preserving the assisted housing developments.

To replace the three projects with new construction would definitely pose a question of economic feasibility and land availability. Making general assumptions, replacement costs within the ten-year period are represented in Table 26. A replacement cost for Las Lomas Gardens' 112 units would be approximately \$29.9 million, Casa El Centro's 56 unit senior apartment replacement cost would be approximately \$14.9 million, and La Habra Inn SRO replacement cost would be approximately \$18 million. It is estimated that the per unit replacement costs for both Las Lomas Gardens and Casa El Centro would be approximately \$267,500, while the La Habra Inn per unit cost would be approximately \$257,500.

**Table 26**  
**REPLACEMENT COSTS**  
**2012**

<b>Costs</b>	<b>Las Lomas Gardens 112 Units</b>	<b>Casa El Centro Apartments 56 Units</b>	<b>La Habra Inn 70 Units</b>
Site Improvements	\$1,680,000	\$840,000	\$1,008,000
Building Construction	\$14,000,000	\$7,000,000	\$8,400,000
Contingency	\$1,120,000	\$560,000	\$672,000
<b>Total Construction Costs</b>	<b>\$16,800,000</b>	<b>\$8,400,000</b>	<b>\$10,080,000</b>
Construction Costs	\$16,800,000	\$8,400,000	\$10,080,000
Various Fees	\$5,000,000	\$2,500,000	\$3,000,000
Interest Reserve	\$1,680,000	\$840,000	\$1,080,000
Land Cost	\$6,470,000	\$3,235,000	\$3,882,000
<b>Total Replacement Costs</b>	<b>\$29,950,000</b>	<b>\$14,975,000</b>	<b>\$18,042,000</b>
<b>Per Unit Costs</b>	<b>\$267,500 per unit</b>	<b>\$267,500 per unit</b>	<b>\$257,500 per unit</b>

Source: GRC Associates, Inc. and City of La Habra CDD, Planning Department

## **Constraints for Replacement**

The conversion of these three projects to market-rate rent is subject to federal government regulations. Other constraints for replacement are the effects of prevailing trends.

### ***Construction Costs***

Several factors affect the feasibility of producing new rental units comparable in size and rent levels to replace the projects in La Habra. First, the demand for housing in Orange County is high, and land values and construction costs have become a substantial factor in the cost of developing housing. Although changes in the local and national housing market have occurred since 2008, it is expected that construction costs will remain high.

The cost of construction dictates that rents in a new building would have to be substantially higher than very low-income to moderate-income households could afford. For example, to make construction economically feasible to replace Las Lomas Gardens apartments would require the average rent to increase approximately \$450 above fair market rents established by HUD. This means that replacement of these units is not economically feasible.

### ***Building Design***

Las Lomas Gardens has a substantial number of three and four bedroom units. In the current market, very few multi-family units with more than two bedrooms are being built.

### ***Land Availability***

One of the major constraints on the City with regard to any new development is the lack of available land. An apartment complex like Las Lomas Gardens requires a building site of at least 5.5 acres, even if there is a variance on development standards. Similarly, Casa El Centro is built upon an acre of land along La Habra Boulevard, with variances for increased density and relaxed parking requirements. Because these units are for seniors, other prominent considerations for this project's location were to account for proximity to services and transportation. Under the 2035 General Plan there are vacant parcel sites that have been re-designated for higher density residential land uses that could accommodate a larger apartment complex (e.g., Vacant Site #4 in Table 28), in addition sites along La Habra Boulevard, near the City's central core, have been re-designated for higher density residential and with aggregation of parcels, these sites could duplicate Casa El Centro's advantages.

## **Opportunities for Preservation/Replacement**

The City recognizes the need to preserve and replace affordable housing and the potential negative impact of losing affordable units. In order to maintain a healthy percentage of affordable housing, the City is committed to encouraging the provisions of affordable housing as new multiple family projects are built and will continue to consider density bonuses for projects that set aside a certain number of units as affordable.

The City has also worked with local developers on agreements in which the City contributes a per-unit Affordable Housing Fee in exchange for the future construction of affordable units. The City has made numerous inquiries to local nonprofit and public agencies to ascertain whether they are capable of and/or interested in acquiring and/or managing La Habra's three existing at-risk projects to maintain affordable controls if the current owners were to opt out.

### ***Examples of Affordable Housing Preservation and/or Replacement***

In 2004, the former Redevelopment Agency acquired property at 607-615 East La Habra Boulevard. The parcels were purchased and the existing commercial structure was demolished. NeighborWorks Orange County, formerly known as Neighborhood Housing Services, entered into a ground lease with the former La Habra Redevelopment Agency in June 1993 for 50 years to develop 12 affordable housing units. With the demise of the La Habra Redevelopment Agency, the lease has been transferred to the La Habra Housing Authority to maintain this affordable housing asset.

In 2007, Casa Nicolina apartments, formerly Tiki Gardens, located at 1510 West La Habra Boulevard were rehabilitated with the assistance of the City using money that was levied from a developer as an Affordable housing fee in conjunction with a new housing development. The 22 apartment units are restricted for lower-income households.

On March 7, 2011, a Disposition and Development Agreement was entered into between the former La Habra Redevelopment Agency and Habitat for Humanity of Orange County to develop seven affordable units at 520-526 E. La Habra Boulevard. The Department of Finance found that to be an enforceable obligation and transferred the site and the former low-mod funds to the La Habra Housing Authority to fulfill this obligation. The seven units have received entitlements and are expected to be built by the end of 2013.

### **Potential Preservation Finance Sources**

The City is limited in its economic ability to provide funding for the acquisition, preservation, and/or rehabilitation of Las Lomas Gardens or Casa El Centro complexes. The City's annual General Fund is balanced to the extent that it provides for mandated and necessary services to the community. There is no excess of available contingency to subsidize any affordable projects for the current fiscal year or the next eight years.

The City participates in the CDBG Program as an entitlement city. The FY 2012/13 CDBG allocation to the City was approximately \$667,034. Approximately 39 percent of these funds were utilized for housing programs. Funding from CDBG will be on going; however, the amount the City receives annually has been decreasing. Additionally, priorities may change from year to year, and funds may be reallocated to areas determined to benefit more low and moderate-income persons.

## **H. REGIONAL HOUSING NEEDS**

State Housing Law requires the Southern California Association of Governments (SCAG) to identify the jurisdiction's "fair share" of the existing and future housing needs for all income groups. This fair share is determined to ensure that each jurisdiction accepts the responsibility for the housing needs of current and future residents, particularly lower income groups. The SCAG 2012 Regional Housing Needs Assessment (RHNA) identifies how the current housing supply falls short in meeting the needs of the City's residents, and quantifies the improvements that must occur in order to ensure that those needs are being satisfied.

### **Future Need**

The SCAG 2012 RHNA projects the additional housing units needed to accommodate projected household growth at various income levels by 2021. The RHNA projects future housing needs for La Habra over a period of eight years, adjusted for vacancy and the local income distribution. The RHNA numbers serve as planning goals in the preparation of future strategies and programs. The City is not required to actually construct the housing; rather, it must demonstrate that sufficient development capacity exists for the addition of at least 4 units between 2014 and 2021.

Table 27 presents the projected housing needs between 2014 and 2021 according to four income categories. Approximately 50 percent of future housing need is allocated to the lower income groups (0 to 80 percent of AMI), and moderate and above moderate-income households received 50 percent of the allocation (80 percent and over of AMI).

The RHNA does not distinguish between extremely low-income and very low-income households; therefore, this Housing Element assumes the same proportion (i.e., 50/50) for the two income categories. Of the total 4 units in La Habra’s RHNA allocation, 1 unit (25 percent) is needed for extremely low- and very low-income households and 3 units (75 percent) are needed for low-, moderate-, and above moderate-income households during the 2014-2021 projection period.

**Table 27**  
**REGIONAL HOUSING NEEDS ALLOCATION**  
**2014-2021**

	Extremely Low-Income	Very Low-Income	Low-Income	Moderate-Income	Above Moderate-Income	Total
Units	1		1	1	1	4
Percent of Total	25%		25%	25%	25%	100%

*Source: SCAG 2012 RHNA*

**2008-2014 Housing Element RHNA Roll Over**

In addition to the City’s 2014-2021 RHNA allocation, the City must roll over 76 lower income units of the assigned RHNA from the prior 2008-2014 Housing Element planning period, as Program A2 (Density Amendments to General Plan and Zoning Ordinance) in the 2008-2014 Housing Element was not implemented to amend the General Plan and Zoning Ordinance to increase the maximum residential density to at least 30 dwelling units per acre in the R-4 zone and the La Habra Boulevard Specific Plan area in order to accommodate future affordable housing within the necessary timeframe.

Post September 2011 adoption of the 2008-2014 Housing Element, the City was already underway with the comprehensive update of the City’s General Plan. The City, after some discussion, decided, due to inherent efficiencies and the desire to be completely compatible with the direction of land use decisions and residential densities recommended as part of the General Plan update, not to make changes to increase the maximum residential density in the R-4 zone and the La Habra Boulevard Specific Plan outside of the larger General Plan update process.

Program A2 would have increased densities on four sites, three of which were in the R-4 zone and one of which was located in the La Habra Boulevard Specific Plan area. The effects of the increased densities on these sites were analyzed to be affordable to lower income groups and would have sufficed toward meeting the 2008-2014 Housing Element RHNA, accounting for a total of 77—one additional unit than needed—lower income units.

## III. Housing Resources

In accordance with Government Code Section 65583, the Housing Element is to provide “an inventory of land suitable for residential development, including vacant sites and sites having potential for redevelopment, and an analysis of the relationship of zoning and public facilities and services to these sites.” Opportunities for residential development in the City are tied to a vacant land and sites strategy.

### A. VACANT LAND

La Habra is highly developed and the amount of vacant land is limited. A survey of vacant sites suitable for residential development in the City with a General Plan residential land use designation was conducted. Four vacant sites were found. Figure 8 illustrates the locations of these sites and Table 28 describes each site, the existing zoning, and the potential number of units the site would yield assuming realistic residential densities of 21 units per acre for Multi-Family 1 (MF-1) sites, 32 units per acre for the Mixed Use Center 2 (MUC-2) site, and 5 units per acre for the residential Low (RL) site. Based on the analysis, a total of 356 residential dwelling units could potentially be developed on the four vacant sites totaling 13.75 acres.

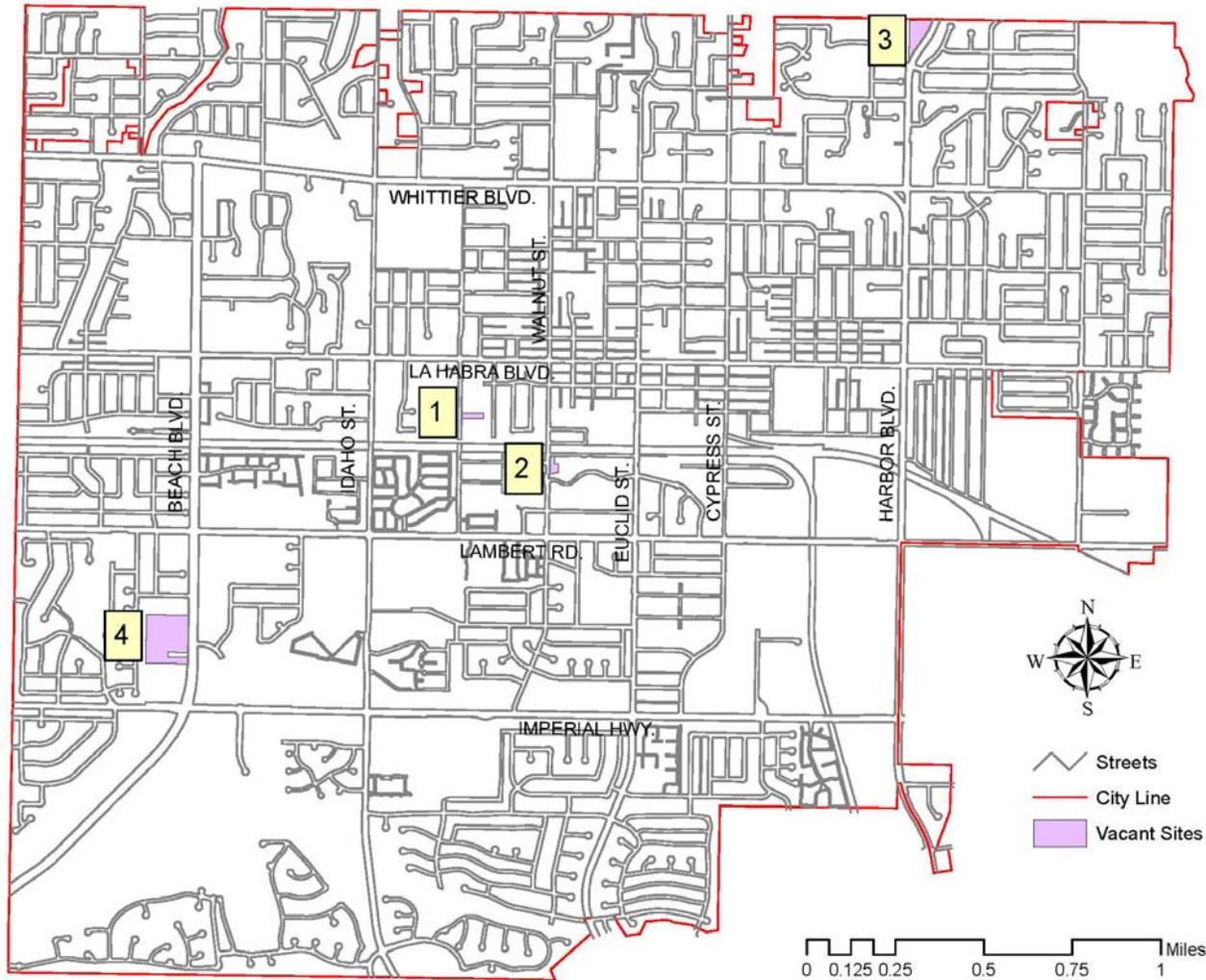
**Table 28**

**VACANT DEVELOPABLE LAND**

Vacant Site No.	APN	Address	General Plan Land Use	Existing Zone	Assumed Density	Lot Size (Acres)	Potential New Units
1	298-022-55	306 S. Monte Vista St.	MF-1	R-4	21	0.65	13
2	298-071-34 298-071-36 298-071-37	W. Electric Ave. and Walnut St.	MF-1	R-4	21	0.60	12
3	303-191-02	N. Harbor Blvd. at City Limit	RL	R-1a	5	2.53	12
4	018-432-11 018-371-30 018-371-08 018-371-26	Beach Blvd. north of Imperial Hwy.	MUC-2	C-3	32	9.97	319
<b>Total</b>						<b>13.75</b>	<b>356</b>

Source: City of La Habra CDD, Planning Department

Sites 1 through 3 in Table 28 have a General Plan land use designation that is consistent with the existing zoning, whereas Site 4 does not. As part of the Housing Element programs, the City will rezone Site 4 parcels to zoning which will meet the statutory requirements of State law and permit at least 30 residential dwelling units per acre to accommodate housing affordable to lower income households (see Program A6, RHNA Accommodation).



**City of La Habra**  
**2014-2021 Housing Element**

**Figure 8**  
**VACANT LAND SUITABLE**  
**FOR RESIDENTIAL DEVELOPMENT**

## B. POTENTIAL HOUSING GROWTH

It is anticipated that the City's housing stock will primarily grow as a result of new infill development on residentially zoned vacant land and through the densification of residential land uses as a result of the 2035 General Plan residential land use designation appropriations. Table 29 presents the total number of potential housing units that could accommodate the City's 2014-2021 RHNA of 4 units in addition to the 76 lower income units that were required to be rolled over from the previous planning period. The City of La Habra has a RHNA surplus of 276 units or 81 lower income units and 195 moderate and above moderate-income units based on the following City affordability assumptions:

- 100 percent of the development potential of the site designated RL could serve moderate and above moderate-income groups.
- 100 percent of the development potential of the less than one acre sites designated MF-1 could serve moderate and above moderate-income groups.
- 50 percent of the development potential of the site designated MUC-2 could serve lower income groups and the other 50 percent could serve moderate and above moderate-income groups.

**Table 29  
2014-2021 RHNA ACCOMMODATION**

	Lower Income Units	Moderate/ Above Moderate Income Units	All Income Levels
<b>Vacant Developable Land Summary (Table 28)</b>			
Site 1 (0.65 ac., MF-1)	0	13	13
Site 2 (0.60 ac., MF-1)	0	12	12
Site 3 (2.53 ac., RL)	0	12	12
Site 4 (9.97 ac., C-3)	159	160	319
<b>Vacant Developable Land Subtotal</b>	<b>159</b>	<b>197</b>	<b>356</b>
<b>2008-2014 RHNA ROLL OVER</b>	<b>76</b>	<b>0</b>	<b>76</b>
<b>2014-2021 RHNA</b>	<b>2</b>	<b>2</b>	<b>4</b>
<b>RHNA SURPLUS (SHORTFALL)</b>	<b>81</b>	<b>195</b>	<b>276</b>

Source: City of La Habra CDD, Planning Department

## C. AFFORDABLE HOUSING OPPORTUNITIES

In compliance with Assembly Bill (AB) 987, La Habra posts an inventory of affordable housing on the City’s website. As of December 2012, the City’s affordable housing stock included seven properties. These affordable housing projects are presented in Table 30. In total, the City of La Habra includes 347 affordable housing units.

**Table 30**  
**AFFORDABLE HOUSING PROJECTS**

Projects	Very Low-Income	Low-Income	Moderate-Income	Total Affordable
Grace Avenue Apartments	4	0	0	4
La Habra Inn Senior Apartments	61	6	3	70
Casa El Centro Senior Apartments	0	55	0	55
Villa Camino Real	11	0	1	12
Las Lomas Gardens	0	93	19	112
Cypress Villas Apartments	0	15	57	72
Casa Nicolina	22	0	0	22
<b>Total</b>	<b>98</b>	<b>169</b>	<b>80</b>	<b>347</b>

Source: City of La Habra CDD, Planning Department

### City Subsidies for Affordable Housing

The number of housing units that can be developed per site is dependent on the size of the site and the permitted maximum housing density. Generally, housing developments with higher number of units per site lowers the cost per units which is a result of the “economies of scale.” Therefore, most affordable housing projects have densities of 40-50 units per acre, even though it is possible to develop affordable units at lower densities as well.

The California Tax Credit Allocation Committee (CTCAC) awarded 9 percent tax credits to six affordable housing projects in Orange County in 2011. Five of the projects constructed new affordable units and ranged in size from 20 units to 65 units, with the per-unit cost averaging approximately \$420,000.

Tax credit projects typically assemble funding from a combination of sources, including private, federal, and municipal entities. For approved tax-credit housing projects with densities less than 28 units per acre, municipal funds or subsidies usually account for more than one-third of the total project financing. For those with densities of 28 units per acre or greater, municipal funds (cities and housing authorities) account for a smaller percentage. Therefore, on a per unit basis, municipal subsidies for lower density affordable units were approximately \$140,000 per unit and for higher densities; municipal subsidies were only \$100,000 per unit.

The La Habra Housing Authority also has the ability to leverage bonds as a subsidy to finance affordable housing developments (discussed below under Section E, Financial Resources).

### **Other Opportunities for Affordable Development**

The Density Bonus Ordinance (La Habra Municipal Code Section 18.80.030), which was adopted by the City in 2008, encourages the development of affordable housing by allowing densities higher than those allowed by the zoning ordinance. The Density Bonus allows up to 35 percent more density for a project, based on a sliding scale.

A density bonus may also be granted if an applicant agrees to donate land to the City for the construction of units affordable to very low-income households, as long as the number of units on the donated land is equal to at least 10 percent of the total number of units in the proposed development. This bonus may also be increased to 35 percent if the applicant is willing to donate additional land (refer to Program A1 in the Housing Element for a more detailed description of the Density Bonus Ordinance). Therefore, the City's 2035 General Plan maximum residential density of 50 units per acre could be as high as 67 units per acre or more depending on the proposed number of affordable units.

In addition, based on a housing conditions survey conducted for the Housing Element, some of the existing structures identified in these zones exhibit conditions of physical blight. These structures would be relatively inexpensive to acquire and could increase the viability of an affordable multi-family project.

## **D. PUBLIC SERVICES AND FACILITIES**

All of the suitable sites for potential development mentioned above have adequate public services and facilities. The surrounding areas have all undergone improvements and have water, electrical, gas, sewer, telephone and street infrastructure in place. The existing facilities will require periodic maintenance as they age, and development of some sites may necessitate modest upgrades.

## **E. FINANCIAL RESOURCES**

### **Former La Habra Redevelopment Agency**

During the State's fiscal year 2012 budget negotiations, the Governor of California proposed elimination of the State's roughly 425 redevelopment agencies in order to cut state spending and re-appropriate redevelopment monies elsewhere. This action was passed, upheld by legal challenge, and places current local redevelopment projects in flux. All redevelopment agencies in California, including the City of La Habra's Redevelopment Agency, are no more and continuing into 2013 the City will be

transitioning Redevelopment Agency assets and contracts over to a “successor” agency for future management. There is no doubt that loss of the City’s Redevelopment Agency and the Low and Moderate-Income Housing Fund is a blow to La Habra and has put the City at a disadvantage when it comes to financing the development of affordable housing. Moving forward, the following sections describe resources and programs expected to be available to assist the City in its goal to provide for housing and supportive services.

### **Housing Authority Bonds**

Housing authority bonds are financial instruments that are issued in order to generate financing for the construction of some type of building that is planned by a municipality, such as an affordable housing development. As with any type of municipal bond strategy, the housing authority bond normally has a maturity date and will pay a fixed amount of interest. The interest may be paid in increments throughout the life of the bond, or be provided as a lump sum once the bond is fully mature. Housing authority bonds are also callable, which means that the issuer can choose to pay off the bond issue earlier than the original maturity date, paying the bond holder the interest accrued up to that point, and offering the holder the opportunity to participate in a new bond issue, hence a new affordable development.

It is not unusual for a local city or town to make use of housing bonds in order to improve or expand affordable housing opportunities. The proceeds from the housing bond program may go to renovate existing housing, possibly making structural alterations to the units in the project, or upgrading such systems as the heating and cooling facilities. A bond issue of this type can also be used to manage the costs of constructing new housing that will be used to provide affordable housing alternatives to qualified applicants residing in the city.

Generally, the amount of return on housing bonds is similar to that of any bond issue. While the return is not spectacular, this type of investment carries a relatively low amount of risk, making it a good option for more conservative investors. While the bonds are often configured in a way that allows them to be called before the original maturity date, most bonds of this type will run their entire course, providing the investor with the amount of interest that was projected when the bonds were purchased. However, the bond repayment can take time to repay making it difficult to pursue other affordable housing opportunities.

### **Community Development Block Grant Funds**

The City of La Habra became an entitlement city in 1994 and was eligible to receive Community Development Block Grant (CDBG) funds directly from the Housing and Urban Development Department (HUD). CDBG funds are very flexible and allow the City to fund a wide variety of programs and services to primarily assist low and moderate-income households. Eligible activities include, but not limited to, housing programs,

public facility improvement, single family and multiple family rehabilitation, public services, acquisition, relocation, and homeownership programs for low- and moderate-income households.

### **HOME Investment Partnership Program**

The HOME Investment Partnership Program is a HUD program designed to expand the supply of affordable housing. HUD allocates the funds by formula to eligible cities and states. The City is not eligible to receive its own funding and it is required to apply directly to the State. HOME funds allow for homebuyer assistance, rehabilitation, new construction, tenant based rental assistance and acquisition.

### **Section 8 Rental Assistance**

The Orange County Housing Authority (OCHA) administers the Section 8 rental assistance program in 28 cities including La Habra and the unincorporated areas of the County. The Section 8 program provides a rental subsidy to lower income persons (earning less than 80 percent of the median income) in need of affordable housing. The demand for rental assistance in the County is very high where there are approximately 12,600 applicants on the County waiting list. As of February 2013, OCHA reported 174 La Habra residents were receiving Section 8 rental assistance, and of the total vouchers, approximately 69 percent went to extremely low-, 18 percent to very low-, and 13 percent to low-income households. OCHA gives priorities to people that live and or work in the County, households displaced by government actions, veterans and people with disabilities.

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

The Low-Income Housing Tax Credit is a significant source of equity for rental housing development. The credit serves as a valuable income tax benefit to corporate investors. Investors will contribute cash for the development cost of a low-income project in order to obtain these dollar for dollar tax benefits from the federal government.

### **Private Resources/Nonprofit Resources**

Government resources cannot solve all the City's affordable housing needs. The City believes that these limited funds should be used to supplement and, wherever possible, leverage resources provided by the private sector.

Several local lending institutions actively participate in the implementation of housing and economic development programs. NeighborWorks (formerly Neighborhood Housing Services) has access to several public and private resources including the Federal Home Loan Bank (FHLB) affordable housing program, Samco Savings and Neighborhood Housing Services of America (NHS). NHS is a private nonprofit

corporation that provides financial assistance to NeighborWorks Organizations by offering permanent mortgage financing, loan purchasing and short-term development loans. NHTSA also operates a secondary market for below market loans for low-income households.

## **F. ENERGY CONSERVATION**

Affordable energy is an essential component to affordable housing. Energy cost to the consumer has increased dramatically (more than 100 percent) since the 1970's. Due to California's energy conservation standards, houses constructed after 1975 use about half as much energy as homes built prior to 1975.

More recent standards and code amendments are even stricter in mandating energy-efficient building methods. For new housing, State conservation standards, implemented as part of the Uniform Building Code, substantially reduce the cost of energy for homeowners. New housing must meet or exceed certain minimum conservation levels.

Though La Habra is dominantly developed, there is opportunity for energy savings in existing housing. Most residential structures can be retrofitted with conservation measures that nearly provide the energy savings achieved with new construction. Many can also be retrofitted with passive design measures, such as the addition of solar units and south facing windows.

The City requires a site plan review of all multiple-family developments and subdivisions. Through this review process, the City promotes energy conservation methods of design and orientation of the housing units. It is a specific goal of the City that all developments of a public or private nature are conscious of the need to conserve energy in all forms through the use of good site planning techniques.

Energy conservation can also be promoted by locating residential developments in proximity to schools, employment centers, public transit and services. The City's Land Use Element and Housing Element make concerted efforts to distribute residential areas in ways that make them accessible to these various amenities and services and more likely to reduce vehicular traffic. Due to the fact that the City has striven for a balanced community, most services and amenities are located within a quarter mile of residential areas. Additionally, energy conservation is a goal expressed in the City's 2035 General Plan Community Development, Mobility/Circulation, and Conservation/Natural Resources elements.

As part of the City's effort to promote building practices that have minimal impacts on the environment, on October 20, 2008, the City Council adopted Resolution No. 3513 establishing a voluntary Sustainable Development Program, which provides incentives for eligible new construction projects.

The voluntary Sustainable Development Program is based on LEED, CGB and Energy Star programs. The specific requirements of these programs include: 1) building to exceed current state energy efficiency standards by at least 15 percent; 2) diverting at least 50 percent of construction and job site waste; 3) reducing water use by at least 20,000 gallons each year for a typical single family dwelling; 4) guidelines for efficient lumber and wood usage; and 5) improved indoor air quality through mechanical filtration and reduced use of volatile organic chemicals in paint and other construction materials.

Builders (including owner-builders) and developers who voluntarily obtain certification of their projects under the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) Program, the California Building Industry Association's California Green Builder Program (CGB), the United States Environmental Protection Agency's Energy Star Program, or other approved, nationally recognized sustainable development standards will be eligible to receive the following incentives:

1. Priority Plan Check Service.
2. Guaranteed Plan Check Timelines.
3. Priority Field Inspection Service.
4. Release of Electrical Meters prior to Final Inspection (where needed and requested).

This information is provided for general guidelines only. Actual determination of eligibility will be made by third-party verification of compliance with applicable standards. The program is marketed through the City's website and information is available at the City's planning counter. Though it has been available since October of 2008, no project proponents have opted to build under the voluntary Sustainable Development Program. At least one major existing commercial building—Albertson's Market at Beach and Whittier Boulevards—in La Habra has, however, sought and received a LEED (Silver) certification.

Effective January 1, 2011, with the implementation of the 2010 California Building Code, the City of La Habra adopted the 2010 California Green Building Standards Code mandatory measures. These measures are now being enforced on all new structures, including the new single family dwellings under construction as a part of the Avo Project (400 N. Walnut Street) and the Brio Project (300 S. Euclid Street), as well as the 213,207 square-foot addition to the CVS Pharmacy distribution center.

Ongoing repairs and modifications may also be used to promote energy conservation. The City encourages weatherizing homes by replacing windows with dual-glazed windows, weather-stripping and by adding attic insulation. Construction of room additions must be Title 24 compliant.

The City will continue to promote the Single Family Rehabilitation Program, which incorporates energy efficient (“Energy Star”) appliances, water heaters and heating and air systems in the housing rehabilitation standards. Promoting energy efficient improvements will be a high priority of the program and will be highlighted in the program application that will be available at the Community Development public counter and posted on the City’s website. Housing Element Program B4 (Enhance Residential Quality and Energy Conservation) encourages energy conservation features be incorporated into design of residential units.

The Gas Company, which supplies natural gas to La Habra households, offers incentives for the testing and sealing of single family residential air duct systems, and/or for the testing and tune up of air conditioning/heat pumps. The Gas Company also provides rebate programs for residential energy efficient home improvements and upgrading to qualified, high-efficiency appliances. More information on these and other incentive programs is available from The Gas Company.

Southern California Edison, which supplies electricity to La Habra households, offers incentives to replace or upgrade appliances, as well as incentive programs for pool efficiency and home efficiency. The Residential Contractor Program offers incentives to homeowners and contractors that install energy efficient home air condition systems. More information on these and other incentive programs is available from Southern California Edison.

## IV. Housing Constraints

As a requirement of the Government Code, the Housing Element must address constraints that are likely to impede the City from reaching its quantified housing goals. There are two sets of constraints that must be addressed. The first set is non-governmental, or those constraints largely outside the influence of City officials, but nonetheless contribute to the challenges and obstacles the City faces in meeting the housing needs of its residents. The second set is governmental, over which community leaders have a measure of involvement and control.

### A. NON-GOVERNMENTAL CONSTRAINTS

#### **Land Availability**

Perhaps the most important challenge to La Habra's efforts to provide new housing is the lack of vacant land available for new residential construction. The City has an estimated total acreage of 4,718 of which approximately 30 acres or less than one percent is vacant infill parcels. Of the vacant parcels, roughly 14 acres are designated for residential uses in the City. This limited supply of land available for housing development within the City means that it is not physically possible to develop, in any significant amounts, any type of large-scale housing development that does not replace existing units.

#### **Land Costs**

The cost of land throughout Orange County is extremely high. Since the demand for housing in Orange County is also high (5 percent vacancy in 2010, according to the Census), the value of potential residential land is increasing and has become a substantial factor in the cost of providing housing. Land costs can entail 30 to 50 percent of the cost of a home in Orange County. In La Habra, the availability of undeveloped land has become a constraining factor in the development of new residential buildings, since the City is 99 percent built out. The cost of the remaining land in La Habra varies greatly, depending on location, size, availability of public services, and difficulty of development. In a report issued by the County of Orange, using appraisal techniques involving parcels sold, land construction in the County continues to escalate. The average price per acre of land in January 2013 for residential high-density development in Orange County was approximately \$2.87 million. For lower-density housing, the price per acre was approximately \$980,000 to \$1.29 million.

## **Construction Costs**

Direct construction costs are the costs of materials and labor. Consistently, throughout the state, direct construction costs are the largest component of the total cost of a housing unit. Typically, these costs range from 40 to 50 percent of the sales price of a new home, although in the County, there are areas where this percentage is significantly higher. In Orange County, residential construction costs have increased considerably over the last years.

The size of a single-family house constructed in Orange County has increased during the past years and is a major contributor to the rapid increase in the price of housing. In La Habra, it is estimated that the average construction cost of a new single family home is approximately \$185 to \$210 per square foot and is selling for \$235 to \$285 per square foot.

## **Availability of Financing**

Financial constraints affect the decisions of consumers and developers alike. Nearly all homebuyers must obtain a loan to purchase property, and loan variables such as interest rates and insurance costs play an important role in the decisions of homebuyers. Homeowners also give consideration to the initial costs of improvements following the purchase of a home. These costs could be related to making necessary repairs or tailoring a home to meet individual tastes. While the City does not control these costs directly, City activities, such as code enforcement, are related to the maintenance of housing stock.

Mortgage rates also have a strong influence over the affordability of housing. The availability of financing affects a person's ability to purchase or make improvements on a home. Increases in interest rates decrease the number of persons able to afford a home purchase. Decreases in interest rates result in more potential homebuyers introduced into the market.

Interest rates are determined by economic conditions and policies developed at the national level. Since local jurisdictions cannot affect interest rates, they can offer interest rate write-downs to extend home purchase opportunities to targeted resident segments, such as lower income households. Local governments may also insure mortgages, which would reduce down payment requirements.

Recent mortgage interest rates for new home purchases in 2012 were in the four percent range for a 30-year fixed loan. According to an online monthly interest rate report (Table 31), annual average mortgage interest rates over the last four years have ranged from well under six percent to just over four percent. The recent and ongoing turmoil in the national housing and financial markets have contributed toward these lower rates from past trends (e.g., 2002 through 2008). Rates are initially lower for graduated payment mortgages, adjustable mortgages, and buy-down mortgages. However, the risks to which both buyers and lenders are exposed when taking on

adjustable-rate (and especially the now-infamous “subprime”) loans are well documented. As a result, some of the more affordable mortgage options may be less accessible to prospective La Habra homebuyers as financial institutions continue to exercise greater caution in their lending practices.

**Table 31  
NATIONAL ANNUAL AVERAGE MORTGAGE INTEREST RATES**

Year	Average Interest Rates 30-year Fixed Mortgage
1/2/2002	7.18%
1/1/2003	5.96%
1/7/2004	5.87%
1/5/2005	5.81%
1/4/2006	6.27%
1/3/2007	6.24%
1/2/2008	6.14%
1/1/2009	5.33%
1/6/2010	5.26%
1/5/2011	4.94%
1/4/2012	4.18%

Source: <http://www.bankrate.com/finance/mortgages/2012-mortgage-rate-forecast.aspx>

**Environmental Constraints**

The Southern California region is an area of frequent seismic activity. Predominant fault systems most likely to affect the City include the regional San Andreas and San Jacinto faults, and the local Whittier-Elsinore, Sierra Madre, and Newport-Inglewood-Rose Canyon faults. These three active local faults located in Orange County and southern Los Angeles County are described below:

- Whittier-Elsinore Fault. This fault zone extends from the southern portion of the San Gabriel Valley in Los Angeles County south to Lake Elsinore in Riverside County. It traverses the northeastern portion of Orange County running through the Puente Hills, just north of La Habra. The epicenter of the 1987 Whittier Narrows earthquake (magnitude 5.9) was located near the northern portion of the Whittier-Elsinore fault zone. This fault zone has an expected maximum credible magnitude of 7.5.
- Sierra Madre Fault. This fault zone is associated with surface rupturing and groundshaking and generally runs east/west through Los Angeles County approximately 15 miles to the north of La Habra. The 1971 San Fernando earthquake occurred on a branch of the Sierra Madre Fault Zone and has resulted in the entire length of the Sierra Madre now being considered potentially active.

- Newport-Inglewood Fault. This complex zone of northwest-trending faults extends from the Cheviot Hills in the western portion of Los Angeles County, approximately 15 miles to the southwest of La Habra, south to the City of Laguna Beach in Orange County. This fault was responsible for the 1933 Long Beach earthquake that resulted in extensive damage and fatalities. The California Department of Conservation, Division of Mines and Geology designates the Newport-Inglewood fault as active, with a maximum credible magnitude of 7.0.

According to the California Special Studies Zones map (La Habra Quadrangle) the Whittier-Elsinore Fault is identified as an Alquist-Priolo Earthquake Fault Zone and is located approximately one mile north of the City boundaries. In addition, the California Seismic Hazard Zones map (La Habra Quadrangle) shows that parts of La Habra primarily along Imperial Highway and Beach Boulevard are identified as potential liquefaction areas, and the Coyote Hills in the southern portion of the City are identified as potential earthquake-induced landslides areas.

The natural occurrence of earthquakes in southern California requires that all new construction of homes and rehabilitation of existing homes must be in conformance with the latest adopted Uniform Building Code. However, due to the high cost of retrofitting older homes to meet building code standards, many homes will go uncorrected and face potential structural failure and expose residents to safety risks. Therefore, the City will continue to offer home improvement funds to eligible low- and moderate-income households requiring home repair.

### **Infrastructure Constraints**

The City of La Habra is highly urbanized with a fully developed infrastructure system. Although some sections of the existing infrastructure require periodic maintenance, the existing system is adequate to meet the water and sewer demands of the City's current and future population, as projected in the 2035 La Habra General Plan. The accompanying General Plan EIR indicates the existing water facilities have adequate service capacity to meet future fire flow requirements. Further, implementation of the General Plan land use policies will not adversely impact the Orange County Sanitation Department's major trunk sewer lines and treatment facilities.

## **B. GOVERNMENTAL CONSTRAINTS**

### **Land Use Controls**

The City regulates the use of land within the City limits through the General Plan, the Zoning Ordinance, the Subdivision Ordinance, and Building Codes. The General Plan guides all future development by providing overall densities and development policies

for all areas of the community. Zoning has been used as a site-specific tool to derive the density and intensity of proposed land uses.

The City’s land use controls, particularly the General Plan Community Development Element Land Use section and the Zoning Code, respond positively to the State policy of having adequate sites which can collectively accommodate a range of housing (i.e., type, size, and price) responsive to the needs of all economic segments of the community. As presented in Table 32, the Land Use section of the 2035 General Plan provides for seven categories of residential densities, four of which are multi-family designations at a sliding scale of densities from 15 units per acre up to 50 units per acre. In addition, there are eight mixed use land use designations with varying residential density components.

**Table 32  
2035 LA HABRA GENERAL PLAN RESIDENTIAL AND MIXED USE LAND USE CATEGORIES**

<b>Land Use Designations</b>	<b>Allowed Densities (Units/Acre)</b>	<b>Description</b>
<b>RESIDENTIAL</b>		
Low (RL)	0-8	Conventional single family homes constructed in subdivisions
Medium (RM)	9-14	Lower density multiple family development
Multi-Family 1 (MF-1)	15-24	Multiple family development consisting of lower density apartments, condominiums/townhomes
Multi-Family 2 (MF-2)	25-30	Multiple family development consisting of moderate density apartments, condominiums/townhomes
Multi-Family 3 (MF-3)	31-36	Multiple family development consisting of moderate to high density apartments, condominiums/townhomes
Multi-Family High (MF-H)	37-50	Multiple family development with highest density apartments, condominiums/townhomes
Mobile Home Park (RMH)	8-13	Mobile home/modular units
<b>MIXED USE</b>		
Mixed Use Center 1 (MUC-1)	MF-1, 15-24 Commercial 0.5 FAR MU buildings 1.5 FAR	Mixed use district with centers and multiple family lower density units
Mixed Use Center 2 (MUC-2)	MF-3, 31-36 Commercial 0.5 FAR MU buildings 1.5 FAR	Mixed use district with centers and multiple family moderate to high density units
Mixed Use Center 3 (MUC-3)	MF-H, 37-50 Commercial 0.8 FAR MU buildings 1.5 FAR	Mixed use district with centers and multiple family highest density units
Central District Mixed Use 1 (CDMU-1) Non-Aggregated Parcels	MF-H, 37-50 Commercial 0.8 FAR	Mixed use district in central La Habra and multiple family highest density units
Central District Mixed Use 2 (CDMU-2) Non-Aggregated Parcels	MF-3, 31-36 Commercial 0.8 FAR	Mixed use district in central La Habra and multiple family moderate to high density units

Land Use Designations	Allowed Densities (Units/Acre)	Description
Corridor Mixed Use 1 (CMU-1)	MF-1, 15-24 Commercial Neighborhood 0.5 FAR (15-20% block)	Mixed use district along corridors and multiple family lower density units
Corridor Mixed Use 2 (CMU-2)	MF-3, 31-36 Commercial Neighborhood 0.5 FAR (15-20% block)	Mixed use district along corridors and multiple family moderate to high density units
Corridor Mixed Use 3 (CMU-3)	MF-3, 31-36 Commercial Neighborhood 0.8 FAR (15-20% block)	Mixed use district along corridors and multiple family moderate density units

Source: La Habra 2035 General Plan Community Development Element, Land Use

### Cumulative Impact of Land Use Controls and Development Standards

With regards to zoning, the City currently has six different residential land use zones. The housing types permitted, setbacks, parking requirements, minimum lot area requirements, floor areas, etc. are shown in Table 33. Upon adoption of the 2035 General Plan, additional zones and associated development standards will be created for residential mixed uses.

In order to facilitate the development of congregate housing, domestic violence shelters, homeless shelters, senior housing, transitional housing and single room occupancy (SRO) housing, the City developed a Special Needs Housing Ordinance in 1993. The ordinance established standards, land use regulations, and permit process and procedures to facilitate such development. Special needs housing is allowed in all multiple family residential zones with high density land use designations and commercial zones with a conditional use permit and subject to the development standards.

The City's Emergency Transitional Shelter (ES) Overlay Zone, within the M-1 Zone, is intended to accommodate an emergency shelter. Parcels identified along Lambert Road within the ES Overlay Zone permit emergency shelters by-right. Emergency shelters are only subject to those development standards that apply to other uses within the M-1 Zone. Transitional and supportive housing, as defined by state law, is permitted in all residential zones by-right. Transitional and supportive housing is considered as equitably as a residential use under the Municipal Code and is subject only to those restrictions that apply to residential uses in the same zone. Table 34 presents the various residential uses permitted under each existing zone.

The Zoning Ordinance's development standards for the R-2, R-3 and R-4 zones place limitations on the level of development that can take place on any given site, in accordance with the goals and objectives of the General Plan's Land Use and Circulation

Element. They do not, however, prohibitively constrain projects from including the maximum number of units allowed under each zone's allowed density, as the standards and densities governing the zones were designed concurrently. The most likely standards to constrain the number of dwelling units are that governing maximum lot coverage, which varies from 35 percent in the R-2 zone to 40 percent in R-4. These standards decrease the available building envelope beyond the limitations imposed by yard requirements, but still allow an economically designed project to include the maximum number of units.

In the R-2 zone for example, a 5,000 square foot lot could accommodate one dwelling unit at 13 units per acre (3,350 square feet per unit), while the building envelope of 1,750 square feet allowed under the 35 percent lot coverage could hold at least two 900 square foot two-bedroom units. This would be accomplished in a split-level configuration with tuck-under parking for two dedicated spaces per unit. Assuming 400 square feet of each unit were placed on the ground floor and the remaining 500 square feet above, this would occupy 800 square feet of ground floor space, leaving 950 square feet to accommodate four dedicated parking spaces. At 200 square feet per space, the parking garages would occupy only 800 total square feet on the first floor, providing ample room for automobile storage.

The lot coverage standard can accommodate larger lot development, as well. A lot of just over 20,000 square feet, or 0.46 acres, can be developed to 15 units per acre in R-2, for a maximum of nine units. With a 7,000 square foot building envelope, this parcel can accommodate nine two-bedroom units, this time with 100 square feet of each unit placed on the ground floor as an entry. This would occupy 900 square feet of ground floor space, leaving 6,100 square feet for tuck-under parking—more than enough for the 18 dedicated spaces required by code, which would require 3,600 square feet (18 spaces x 200 square feet = 3,600 square feet).

Table 33

**Summary of Zoning Regulation  
City of La Habra**

Single Family	Height		Required Setback (in Feet)			Area Requirements (in Square Feet)				Parking											
	Stories	Feet	Front	Side	Back	Lot Size	Usable Yard	Max. Coverage	Min. Floor Area												
<b>R1a</b>			25	5		10,000	1,000		1,500	2 Spaces per dwelling unit within an enclosed garage 20'x20' interior dimensions											
<b>R1b</b>	2.5	35	25	10 – Along	25	7,200	Area must have a minimum dimension of 15'x15'	None	1,200												
<b>R1c</b>			20	the street side		5,500			1,000												
				of corner lots																	
Multi-Family			Min.	1/3	2/3	2/3+	Length of Facing Wall	First Story	Second Story	Minimum Lot Area, Per D. U.			Unit Type	Min. Add. Coverage	Unit Type	Spaces Required					
<b>R2</b>			20	21	0-40			5	5	3350	3100	2850	1,000 Per parcel and 250 Per D.U. With 96 as Private	35%	S.F.	750	S.F.	2			
					41-100			5	8						Bach.	480	520	Bach.	1		
<b>R3</b>	2.5	35	14	17	18	19	101-200			8	15	3000	2850	2600	2350	40%	1 B.R.	700	750	1 B.R.	2
			201+			10	20	38%	2 B.R.	900	1000						2 B.R.	2.5			
<b>R4</b>			10	13	14	15								40%	150 for each additional B.R.		3 B.R.	3			
										1.5 space per unit is required for guest parking				1 space for each additional B.R.							
<b>Commercial CR</b>	4	50	15-20		5-10		20			For a S.F. - 3000 For multi family dev. see the R4 standards			1,000	40%	S.F. 750 Bach. 300 1 B.R. 500 2+ B.R. 750	Please see Chapter 18.14 of the Municipal Code					
<b>CP</b>	2.5	35				5 – When next to any R zone.			<b>Landscaping Requirements for All Commercial and Industrial Zones</b>				70%	N.A	Please see Chapter 18.14 of the Municipal Code						
<b>C1</b>									The area of the required front yard setback and street side setback on a corner lot, except for required driveways and walks shall be landscaped with evergreen or similar plant or lawn materials.				30%								
<b>C2</b>	4	50	15-20		10 – Along		20			Trees are required at a ratio of 1 tree per 20 feet of street frontage. Additional trees are required at a ratio of 1 tree per 10 parking spaces and are to be located near the parking areas.							30%				
<b>C2s</b>						the street side							50%								
<b>C3</b>	6	75				of corner lots							30%								
<b>Industrial</b>	Adjacent to any "R" Zone - 50' setback required														45%						
<b>M1</b>	2	35	25		25 (If alley, then 45)			Amount of landscaping shall be equal to the sum of 7% of the area of the parking lot in addition to the front and side street setback areas.													
<b>M1</b>	6	75	15-20		10		10														
<b>PCI</b>	Please see Chapter 18.36 of the Municipal Code																				

Source: La Habra Municipal Code

Table 34

PERMITTED RESIDENTIAL USES BY ZONE (2013)

Housing Type	ES <sup>1</sup>	R-1a	R-1b	R-1c	R-2	R-3	R-4	MHP	C-R	C-U	C-P	C-1	C-2	C-2 s	C-3	M-1	OS	PC-1	SP-1
Single-family		P	P	P	P	P	P												P
Multi-family					P	P	P												
Mobile homes		P	P	P				P											
Manufactured homes		P	P	P	P	P	P	P											
Second units		P	P	P	P	P	P												
Emergency hospitals (≤6 beds)									C		C	C	C	C	C	C		C	C
Hospitals, conval. homes and sanitariums (all sizes)		C	C	C	C	C	C	C	C		C	C	C	C	C	C		C	C
Boarding schools/homes		C	C	C	C	C	C	C	C										
Family day care homes		P	P	P	P	P	P	P											
Adult care facilities/ assisted living					C	C	C		C		C	C	C		C	C		C	
Emergency shelters	P				C	C	C		C		C	C	C		C	P		C	
Transitional and supportive housing		P	P	P	P	P	P		C		C	C	C		C	C		C	
Single room occupancy					C	C	C		C		C	C	C		C	C		C	
Supportive housing					C	C	C		C		C	C	C		C	C		C	
Farmworker housing	Not Applicable																		

Source: La Habra Municipal Code

P: Permitted Use

<sup>1</sup> Overlay zone

C: Conditional Use Permit

It is also feasible for R-4-zoned projects to include the maximum number of units, due to the higher lot coverage allowance in this zone. A site of just over 20,000 square feet could be developed to 23 units per acre, for a maximum of 10 two-bedroom units of 900 square feet each. At 40 percent lot coverage, the project would have a building envelope of 8,000 square feet. Building these 10 units in the same configuration described above, with 800 square feet on the second floor and 100 square feet on the first, would occupy 1,000 square feet on the ground floor and leave 7,000 square feet for parking. The 20 dedicated spaces required would take up only 4,000 square feet at 200 square feet per space, leaving an additional 3,000 square feet of circulation space if these units were placed in a ground-level podium.

Additionally, the zoning ordinance provides some flexibility on lot coverage for projects that incorporate larger units than the zone requires. Depending on the number of bedrooms, projects whose units exceed the minimum size by at least 40 to 100 square feet may increase their lot coverage by 2.5 percentage points. Also, lot coverage bonuses are available to projects that limit the bulk of their upper floors, so that a building can cover more ground area if the extra square footage is housed in a single story.

There is a height limit of 2.5 stories or 35 feet on all multi-family zones, which allows for a partial subterranean parking garage with two residential stories above. This restriction is in place due to La Habra residents' expressed preference for preserving the low-rise appearance of their neighborhoods, and is consistent with policies of the General Plan. The City believes that this height limit makes adequate allowance for the development of housing for a range of income groups, and that no general modification is needed to improve housing affordability. However, the zoning code does allow for higher structures with approval of a Conditional Use Permit.

In 2008, the City amended its Municipal Code (Section 18.14.060) to reduce the parking requirement for bachelor units from 1.5 to 1.0 dedicated parking space per unit. By reducing this parking requirement, it encourages higher density housing and affordable housing. In addition, the City's Density Bonus Ordinance includes maximum required parking spaces which are less restrictive than under the parking requirements under existing zoning. For example, the maximum parking requirement for a density bonus unit up to one bedroom is one parking space, while the minimum parking requirement for a one-bedroom multiple family unit (without density bonus) is two spaces.

Additionally, Zoning Code Section 18.80.040 (Affordable Housing Incentives; Concessions, Incentives, and Standards) includes the following: Upon request of the applicant, the following maximum parking standards will apply, inclusive of handicapped and guest parking, to the entire housing development subject to this chapter:

1. One on-site parking space for up to one bedroom.
2. Two on-site parking spaces for up to three bedrooms.
3. Two and one-half on-site parking spaces for more than three bedrooms

## **Building Code and Enforcement**

With respect to dwelling construction standards, effective January 1, 2011, the City has adopted and enforces the 2010 California Building Code. The code is enforced throughout the State and, therefore, the City imposes no standards or requirements that are substantially different from or greater than those mandated in other communities throughout the State.

## **Permit Process, Fees and Improvements**

Undue delays in processing a project's application increase the developer's cost, thereby being a constraint on development. The City's development review procedures are relatively uncomplicated. Depending upon the permits requested, approvals may be required by City staff, the Planning Commission, and the City Council. There are no other boards or commissions (e.g., Architectural or Design Review Board) involved in the development review process.

The City's development review and approval procedures are relatively uncomplicated and streamlined. For a typical single-family unit, as well as for a second unit on an R-1 zone, the project is exempt from design review and is forwarded directly to the plan check and building permit approval process, which is reviewed by the City's Community Development Department. Plan check is completed in two to three weeks. Typically it takes two rounds of review before a permit is issued.

Multi-family housing is a permitted use by right in the City's R-2, R-3 and R-4 zones. New residential construction or major remodeling in these zones requires either the processing of a Design Review or a Planned Unit Development (PUD) Permit. Projects requiring a Design Review are reviewed by the Planning Commission for compliance with the Zoning Ordinance Development Standards for that zone and architectural compatibility. The decision of the Planning Commission is final unless the action is appealed to the City Council. The appeal will be placed on the City Council's agenda. The City Council's review will be based on the same criteria used by the Planning Commission. In those limited instances where properties are located within a PUD Overlay Zone, both Planning Commission and City Council Approval is necessary.

This review and evaluation by the Planning Commission and City Council includes compliance with specific development standards identified in Municipal Code Section 18.26.040. Examples of such compliance findings include:

- Minimum of ten feet between residential buildings.
- Maximum height of six feet for rear and side walls and fences and three feet for front walls and fences.
- Adequate refuse and trash storage areas must be screened from public view with six-foot high wall.

- All yards areas abutting public rights-of-way must be entirely landscaped with ground cover, trees and plants.
- All lighting of buildings and landscaped parking areas must be arranged so as not to reflect onto adjoining properties.
- All exterior colors and materials and roofing material and pitch must be compatible with adjacent neighbors.

Additionally, discretionary review for multifamily housing projects involving zone changes and/or general plan amendments requires both Planning Commission and City Council review and approval with appropriate findings, as is typical of most California communities. Table 35 presents the processing timeframes for approval of single and multi-family residential projects.

In addition, the zoning ordinance currently allows waiver or reduction of development standards for affordable housing under its Affordable Housing Incentives (Municipal Code Section 18.80.040) in order to achieve maximum densities. When an applicant seeks a density bonus for a housing development, development standards, such as maximum height, minimum lot size, side yard setback, parking and placement of public works or improvements, can be waived or reduced by the Community Development Director or his/her designee, as long as it is determined that the project does not have an adverse impact on the environment or real property listed as a historical resource, or that the waiver is necessary to make the housing unit economically feasible.

As part of the submittal for preliminary design review, applicants must submit information regarding the project's compliance with all development standards of the applicable zone, including lot size and dimensions, building size and placement, site access, lighting and various mechanical facilities, among other requirements. In addition, the applicant must provide information on exterior colors and materials, as well as the material and pitch of the roof.

This requirement leaves room for some subjective decision-making by the Commission and Council; however, in practice, the heavy reliance on detailed, pre-established development standards, as well as the ability of applicants to consult in advance with Community Development Department staff, ensures that actual proposed projects are nearly always consistent and harmonious with the surrounding area. Thus, the Design Review process has little impact on certainty of approval for multi-family residential projects, and does not impose a constraint on housing production. Figure 9 illustrates the City's development process.

**Table 35**

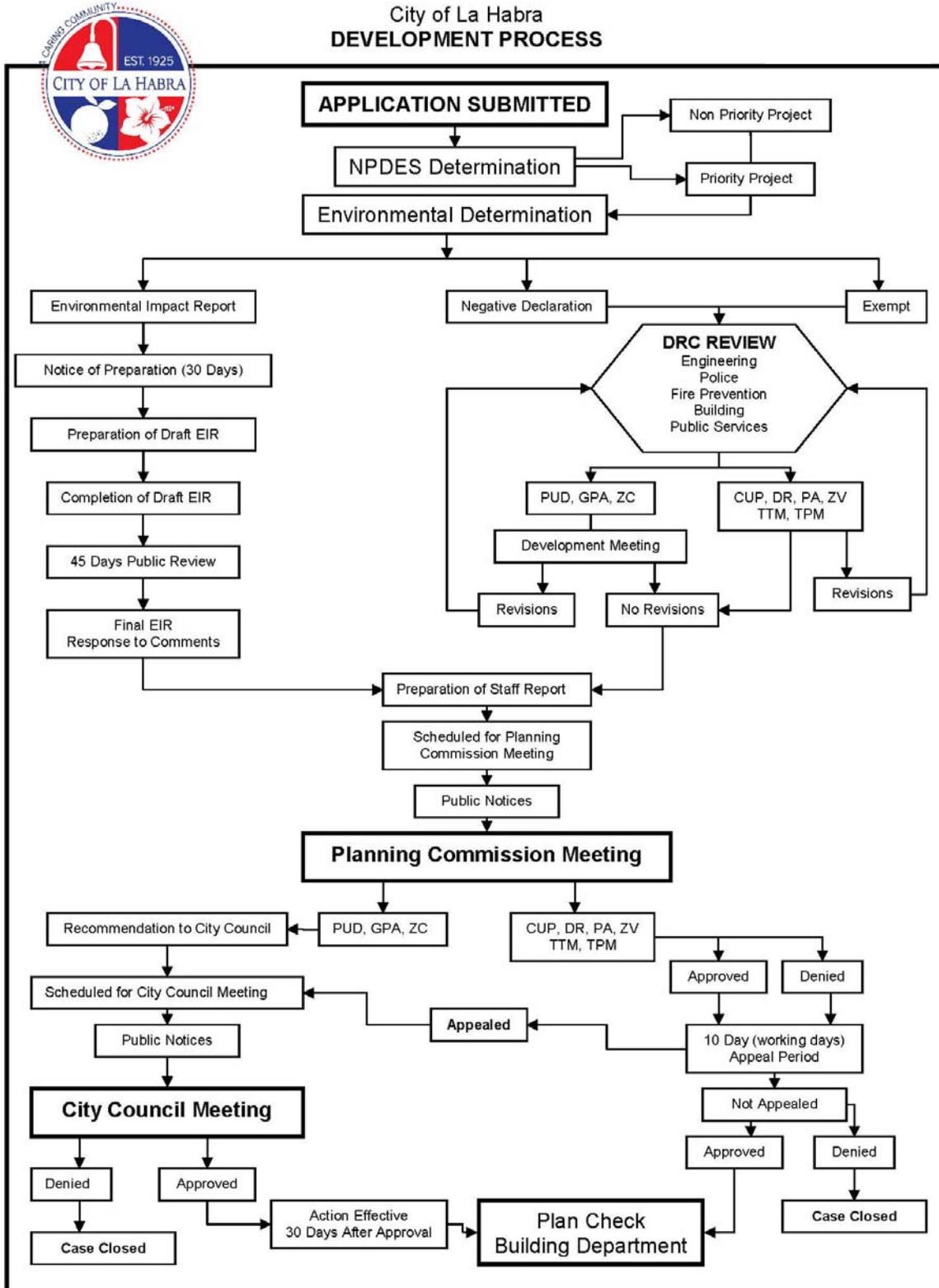
**TYPICAL RESIDENTIAL PROJECT APPROVAL PROCESSING TIME**

<b>Process</b>	<b>Single-Family Housing Required Time Period</b>	<b>Multiple-Family Housing Required Time Period</b>	<b>Review and Approval</b>
Design Review	NA	3 Weeks plus Commission Review totals 7-8 Weeks	Community Development Dept. (CDD) and Planning Commission (PC)
Plan Check/Building Permit	2-3 Weeks per round	2-3 Weeks per round	CDD, Other City Departments
Conditional Use Permit <sup>1</sup>	2-3 Months	2-3 Months	CDD, PC
Variance and Deviation <sup>1</sup>	2-3 Months	2-3 Months	CDD, PC
Appeal	10 Days	10 Days	PC and City Council (CC)
Subdivision <sup>1</sup>	3-4 Months	3-4 Months	CDD, PC
Zone Change w/ EIR and Public Hearing	6-12 Months	6-12 Months	CDD, PC, CC
General Plan Amendment w/ EIR and Public Hearing	6-12 Months	6-12 Months	CDD, PC, CC

Source: City of La Habra CDD, Planning Department

<sup>1</sup>Concurrent with Design Review

Figure 9



Source: City of La Habra CDD, Planning Department

Historically, the City has effectively instituted various methods to fast track all projects to alleviate this time constraint. Many permits are processed concurrently at the discretion of the applicant. Other methods utilized by the City are preliminary review of proposals without charge to the applicant/developer; procedural application for clarity; pre-hearing development meeting with applicant and all pertinent City departments; early involvement of developer with staff to identify potential issues; and combined processing of applications.

Once a development application is officially accepted, the City processes a discretionary permit in far less time than those established by state law for processing periods. The policy time periods do not include appeals or statute of limitations.

Costs associated with the permit process may act as a constraint to the development of housing. State law also requires that processing charges “shall not exceed the estimated reasonable cost of providing the service for which the fee is charged.” The City assesses fees according to the minimum direct cost for processing, which includes time and materials; the fees do not include any type of administrative overhead or other “hidden” costs of a proposed development project.

In the City of La Habra, the permit fees to construct a 1,400-square foot, three bedroom, two bath house with a 400-square foot garage valued at approximately \$250,000 would total approximately \$9,500. The permit cost includes items such as building permit, plan check, energy review, permit file/issuance and electrical, plumbing, mechanical, and sewer permits. It also includes a fee to the Orange County Sanitation District of \$3,369 or 35.0 percent of the total fees. Although these costs are for just single dwelling units, the “per unit” fees would be similar to multiple unit projects developed in the R-2, R-3 and R-4 zones.

Table 36 presents a summary of development fees for both single-family and multiple-family housing projects. In La Habra, planning fees and entitlement fees for both single- and multi-family are the same. Planning fees and entitlement fees are calculated for the entire project, while building fees are calculated on a valuation of type of construction. All fees are subject to an annual increase based on the CPI.

La Habra is served by three school districts, which are shown below accompanied by the per square foot fee assessed by each district:

- La Habra City School District: \$2.46
- Lowell Joint School District: \$2.46
- Fullerton Joint Union School District: \$2.46

Table 36

CITY OF LA HABRA DEVELOPMENT FEES

Service	Single-Family	Multi-Family
<b>Planning Department Fees</b>		
Design Review	\$2,919.28	\$3,199.50
Environmental Impact Report	25% of contract	25% of contract
Noticing Fee	Actual Cost	Actual Cost
CEQA Exemption	\$228.45	\$228.45
<b>Building Department Fees</b>		
Building Permit Fees	\$26.85-\$207.12 <sup>1</sup> \$223.12-\$1,135.59 <sup>2</sup> \$1,141.99-\$6,409.32 <sup>3</sup> based on valuation	\$26.85-\$207.12 <sup>1</sup> \$223.12-\$1,135.59 <sup>2</sup> \$1,141.99-\$6,409.32 <sup>3</sup> based on valuation
Planning Plan Check Fees	\$45.60 <sup>1</sup> \$342.70 <sup>2</sup> \$914.10 <sup>3</sup> based on valuation	\$45.60 <sup>1</sup> \$342.70 <sup>2</sup> \$914.10 <sup>3</sup> based on valuation
<b>Entitlement Fees</b>		
Planning Commission Interpretation	\$3,199.50	\$3,199.50
Conditional Use Permits	\$3,199.50	\$3,199.50
General Plan Amendment	\$3,999.50	\$3,999.50
Land Division – Parcel Map/Tract Map	\$3,199.50	\$3,199.50
Lot-Line Adjustment/Parcel Map Merger	\$3,199.50	\$3,199.50
Specific Plan	\$127.90/hour	\$127.90/hour
Variance	\$3,199.50	\$3,199.50
Zone Change	\$3,999.50	\$3,999.50
Initial Traffic Assessment Fees	\$266.15	\$266.15
<b>Exactions</b>		
School District Fee	Same for all three school districts: \$2.46 per square feet of development	
Park Fee	Based on Park Fee formula: [(2000 Census persons per household) X (number of units) X 3 (park acres to 1,000 people ratio)]/1,000 X Average cost per acre	
Sewer District Fee	5+ BDRM \$4,682.00 4+ BDRM \$4,009.00 3+ BDRM \$3,339.00 2+ BDRM \$2,728.00 1+ BDRM \$2,086.00	4+ BDRM \$3,640.00 3+ BDRM \$2,998.00 2+ BDRM \$2,357.00 1+ BDRM \$1,684.00 Studio \$1,082.00

Source: City of La Habra CDD, Planning Department

<sup>1</sup> Fees based on building valuation less than \$10,000

<sup>2</sup> Fees based on building valuation of \$10,000 to \$100,000

<sup>3</sup> Fees based on building valuation of \$100,000 to \$1,000,000

Before any development permit is granted, each project undergoes an individual environmental assessment as required by the California Environmental Quality Act of 1970, to assess project impact and to establish whether public service and facility systems are adequate to accommodate any increased demand generated by a proposed project. As the City is urbanized, all major infrastructures are already provided, i.e., streets and other public improvements. Information provided by the service and utility companies also indicates that the present infrastructure is generally sufficient to accommodate planned growth levels. Thus, the capacity of service and facility infrastructure is not considered to be an obstacle to the development, maintenance and improvement of housing in the City.

The major constraint for the City is the practical difficulty of providing the entire housing production needs with new housing when the City is built out. There is insufficient vacant residential land to address all the economic housing needs, and some vacant nonresidential land must be reserved to achieve a balance of land uses to meet community needs, provide employment, and sustain an adequate fiscal situation.

This analysis clearly demonstrates that the City's controls do not serve to constrain development, but rather are designed to alleviate some of the common constraints associated with governmental processing.

### **On/Off Site Improvements**

If the City determines that a street dedication or improvement is required, the street must be in accordance with the roadway, and right of way widths of the City's General Plan Mobility/Circulation Element, which is presented in Table 37. According to the La Habra Engineering Division, maintenance costs range from applying slurry seal at \$0.25 per square foot to the reconstruction of a street, which includes removing the existing street and placing asphalt, at a cost of approximately \$10.00 per square foot. These maintenance costs are the responsibility of the developer on the housing being developed in the neighborhood where the street is located.

**Table 37**

**RIGHT-OF-WAY AND ROADWAY WIDTH STANDARDS**

<b>Arterial Street Segment Functional Classifications</b>	<b>Designated Right-of-Way Width (Feet)</b>	<b>Designated Curb-to-Curb Width (Feet)</b>
Augmented Arterial Highway (Smart Street)	144 <sup>1</sup>	126 <sup>1</sup>
Major Arterial Highway	120	102
Modified Major Arterial	100	84
Primary Arterial Highway	100	84
Modified Primary Arterial	80	64
Secondary Arterial Highway	80	64
Commuter Arterial	60	40

*Source: La Habra 2035 General Plan Technical Background Report, Chapter 5, Mobility/Circulation*

<sup>1</sup> *Augmented Arterial Highway width varies. Width given is for 8-Lane Principal Arterial, Orange County Resources and Development Management Department. Orange County Highway Design Manual (June 2005)*

**Reasonable Accommodations for Persons with Disabilities**

Housing that accommodates individuals with disabilities can require the incorporation of special features, such as front door ramps, special bath facilities, grab bars, and lower cabinets and light switches. Generally speaking, the uncommon nature of these features makes them potentially expensive and difficult to implement, especially if they have to be retrofitted into an existing structure. Additionally, some disabled people may require residential care in a facility where they receive assistance in performing routine tasks. As stated previously in Chapter II, it is estimated that La Habra has anywhere from 40 to 125 residents who potentially need supportive housing and 282 individuals who are developmentally disabled and may require residential group or institutional care.

The City of La Habra has adopted and currently enforces the 2010 California Building Code, which is based on the 2009 International Building Code. La Habra has not added any standards or restrictions that substantially differ from those used throughout the State, meaning that all regulations specified in Title 24 regarding the accessibility and adaptability of housing units for persons with disabilities currently are applied to all residential development in the City.

Title 18, Chapter 18.10 of the La Habra Municipal Code provides individuals with disabilities reasonable accommodation, as necessary to ensure equal access to housing and to provide a process for individuals with disabilities to make requests for, and be provided, reasonable accommodation during the development review and approval process. Implementation of the City’s Reasonable Accommodations in Housing to Disabled Individuals Ordinance allows the Director of Community Development to

administratively approve deviations from development standards. All visitors to the Community Development Department are notified via posted signs that they are entitled to request a reasonable accommodation with respect to zoning, permit processing, and building code standards if they feel that they qualify for such an accommodation under Fair Housing Laws, and that their requests will be reviewed by City staff. The request will be approved once findings have been made as to the qualifying status of the individual, the necessity of the accommodation, the financial or administrative burden on the City, and whether the accommodation requires a fundamental alteration in the City's development regulations and policies.

The City's Municipal Code also reflects the requirement under State law that residential care facilities serving six or fewer residents must be permitted by right in all residential zones. Additionally, in accordance with State law, the City's ordinance places no special siting or separation requirements on such facilities. However, licensed care facilities for the disabled with more than six residents must obtain a conditional use permit, which is the standard for any care facility of this size. Residential care facilities are not explicitly given any exceptions to off-street parking requirements for their respective zones.

### **Regional Constraints and Jobs-Housing Balance**

The Southern California Association of Governments, in conjunction with the South Coast Air Quality Management District (SCAQMD), has incorporated the goal of a jobs-housing "balance" in its plans (e.g., Regional Mobility Plan, Growth Management Plan and Air Quality Management Plan).

Balance is defined to be reached when the ratio of jobs to housing units in a given community or area lies within the range of 1.22, whereby there are 1.22 jobs for each household. This balance is to be reached in Southern California by shifting 12 percent of the region's job growth to "housing rich/job poor" areas such as the Inland Empire, and 6 percent of the region's housing development to "housing poor/job rich" areas such as Orange County.

This would mean a focused effort at increasing the number of jobs in La Habra to better provide for a balanced jobs-housing ratio. It should be noted that the jobs-housing balance does not address affordability, location, number of workers per household, and other factors.

La Habra has not developed into an employment destination. In 2010, La Habra hosted the equivalent of 1.02 "jobs" per household, which was significantly lower than the Southern California average of 1.37 "jobs" per household. The net result of a comparatively lower jobs-housing ratio in La Habra results in residents being more likely to have longer commute times and the City being more likely to provide services to its residents without as much revenue support from employment-related land uses.

## V. Review and Evaluation of Existing Housing Programs

An important aspect of the Housing Element is an evaluation of achievements under the policies and programs included in the previously adopted Housing Element. The evaluation provides valuable information on the extent to which programs have been successful in achieving stated objectives and addressing local needs, and to which these programs continue to be relevant to addressing current and future housing needs in La Habra. The evaluation is required by state law and is the basis for recommended modifications to programs and the establishment of new policies and objectives in the 2014-2021 Housing Element.

### A. 2008-2014 HOUSING ELEMENT GOALS

La Habra's previous 2008-2014 Housing Element was adopted in 2011 and sets forth programs in the areas of new housing, including provision of adequate affordable housing; improvements and conservation of the existing housing stock; and meeting the financial assistance needs of the City's residents. The City's Housing Element provides guidelines for the future development and rehabilitation of La Habra's housing stock and sets forth three key goals regarding the City's housing:

- Promote adequate housing development by the private sector to meet the economic, social, and transportation needs of all citizens; utilize existing community facilities and structures; minimize environmental hazards and incompatible land uses; and enhance the quality of life in residential neighborhoods.
- Maintain and conserve existing housing in a decent, safe, and sanitary condition in each neighborhood; protect the quality of life in each neighborhood from encroachment of other uses or environmental hazards; and maintain the public facilities and services.
- Achieve adequate housing opportunities for all economic and social segments of the community regardless of race, creed, age, sex, ethnic background, physical condition, or family status.

## **B. PROGRESS IN ACHIEVING THE 2008-2014 HOUSING ELEMENT OBJECTIVES**

Table 38 presents a summary of performance of the 2008-2014 Housing Element programs and objectives. The complete evaluation and analysis of the City's achievements is included, along with the City's recommendations for each program in the 2008–2014 Housing Element, as follows:

- Continue Program (i.e., not modified)
- Modify Program Language (i.e., minor changes without changing program intent)
- Modify Program Intent (i.e., changes to program language)
- Delete Program (i.e., not continued)

In general, the City met the objectives related to the conservation and improvement of the existing housing stock.

Table 38

REVIEW OF THE 2008-2014 LA HABRA HOUSING ELEMENT ACCOMPLISHMENTS

Program	Objectives	Achievements	Appropriateness of Program
<p><b>A1. General Plan Update &amp; Implementation</b></p> <p>Introduce a provision for mixed use (residential/commercial) within the City, possibly along La Habra Boulevard and Whittier Boulevard corridors.</p> <p>Encourage and facilitate affordable housing development on vacant and underutilized residentially zoned properties by offering various incentives and other forms of assistance.</p> <p>Acquire and land bank underutilized residentially zoned properties for future conveyance to affordable housing developers as Redevelopment Funds become available.</p>	<p>Update the General Plan and certify the General Plan EIR.</p>	<p>In fall 2010, the City initiated the update of the 2020 General Plan. At that time, it was anticipated it would take three years to complete. With the extensive public outreach efforts by the City, the schedule has been extended 12 months. The 2014-2021 Housing Element is part of this updated process. It is anticipated that the 2035 General Plan Update will be adopted in early 2014. Changes in land use designation and policies contained within the General Plan will include provisions for mixed use and the encouragement and facilitation of affordable housing on vacant and underutilized sites.</p>	<p>Delete Program</p>

Program	Objectives	Achievements	Appropriateness of Program
<p><b>A2. Density Amendments to General Plan and Zoning Ordinance</b></p> <p>Re-examine the existing residential and mixed use densities in various opportunity areas within the City through its General Plan update process.</p>	<p>Amend the General Plan and Zoning Ordinance to increase the maximum residential density to at least 30 dwelling units per acre in the R-4 zone and the La Habra Boulevard Specific Plan area in order to accommodate future affordable housing.</p>	<p>Post-adoption of the 2008-2014 Housing Element in September 2011 the City was underway with the comprehensive update of the entire General Plan. The City did not make changes to increase the maximum residential density in the R-4 zone and the La Habra Boulevard Specific Plan outside of the larger General Plan update process due to inherent efficiencies and the desire to be completely compatible with the direction of land use decisions and residential densities recommended as part of the update. Residential land uses have been modified and higher density land use designations have been added under the 2035 General Plan to include a range from 15 up to 50 units per acre.</p>	<p>Delete Program</p>
<p><b>A3. Density Bonus Low-Moderate Income Families</b></p> <p>Allow affordable developments to exceed maximum allowed density.</p>	<p>Inform the development community of the benefits of the Density Bonus Program by: 1) distributing information at the City's one-stop permit counter; 2) include in formal solicitations for developers (i.e., Requests for Proposals/Qualifications); 3) discuss with both for profit and not-for-profit developers from the point of initial inquiry through final project negotiating sessions; and post on the City's website.</p>	<p>In April 2008, the City codified its new Density Bonus Ordinance (No. 1694), which meets current State law. City continues to implement the General Plan Density Bonus Program. Since 2008, only one development has made use of the opportunities afforded under this policy (i.e., Habitat for Humanity).</p>	<p>Continue Program</p>
<p><b>A4. Priority Processing</b></p> <p>Expedite approval of applications for low-cost housing.</p>	<p>Continue to expedite the entitlement process for affordable housing projects.</p>	<p>City continues to expedite the entitlement process for affordable housing projects, such as the Cypress Villa and Casa Nicolina (formerly Tiki Gardens) apartment projects. The rehabilitation of these projects resulted in 93 units for lower-income households. The priority processing resulted in 60 units being added between 2008 and 2012.</p>	<p>Continue Program</p>

Program	Objectives	Achievements	Appropriateness of Program
<p><b>A5. La Habra Blvd. Specific Plan</b></p> <p>Waive processing fees for projects in Specific Plan Area; other incentives determined on project-by-project basis. Initiate a Specific Plan Amendment to allow mixed use development within this corridor.</p>	<p>Amend Specific Plan to allow mixed use development; review and amend the Zoning Ordinance, as needed, to ensure development occurs at the maximum density; provide Agency funding and/or staff time sufficient to complete at least one affordable housing study.</p>	<p>As part of the 2035 General Plan Update process, the City has added mixed use land use designations to the City's General Plan. Post-adoption of the 2035 plan, the City will evaluate the need and effectiveness of the La Habra Boulevard Specific Plan.</p>	<p>Delete Program</p>
<p><b>A6. Second Units</b></p> <p>Allow by right and incentivize.</p>	<p>Continue to permit second units by right in R-1 zones pursuant to AB 1866, and to waive processing fees for lower-income second units.</p>	<p>From the adoption of the Secondary Dwelling Units Ordinance in 2004 through the end of 2007, a total of seven second units were added to the City's housing stock. 12 second units were constructed between 2008 and 2012.</p>	<p>Continue Program</p>
<p><b>A7. Condominium Conversion</b></p> <p>Enforce to preserve rental units and create affordable housing for moderate-income purchase.</p>	<p>Continue to enforce the Condominium Conversion Ordinance, which governs and facilitate the conversion of apartment to condominiums.</p>	<p>During the prior Housing Element cycle, this program converted the 91-unit Creekside Village apartments and the 13-unit Mountain View apartments for a total of 104 units, which exceeded the City's expectations of implementation of this program. Since adoption of the 2008-2014 Housing Element in September 2011, the City has not processed any condominium conversions. The decline in real estate values from the difficult economic climate has likely made conversions less attractive, which has slowed the pace of conversion applications.</p>	<p>Continue Program (moved under Goal Statement C)</p>
<p><b>A8. Redevelopment Housing Set-aside Funds</b></p> <p>Encourage the Redevelopment Agency to work with affordable housing developers to utilize a portion of Housing Funds specifically for the development of housing affordable to extremely low-income households.</p>	<p>Add or rehabilitate 76 lower-income units, including 27 units for extremely low-income households.</p>	<p>In 2004 during the prior Housing Element cycle, the Redevelopment Agency acquired property at 607-615 East La Habra Boulevard where 12 affordable units were developed, and in 2007, Casa Nicolina (formerly Tiki Gardens) apartments were acquired, and 22 units were rehabilitated for lower-income households. In 2011, the California State Legislature dissolved all redevelopment agencies in California. The unencumbered Housing Fund balances are anticipated to be remitted to the counties to distribute to the taxing entities. No low- to moderate-income funds of the former La Habra Redevelopment Agency will be available for housing development in the future.</p>	<p>Delete Program</p>

Program	Objectives	Achievements	Appropriateness of Program
<p><b>A9. Nonprofit Development Partnership</b></p> <p>Initiate a partnership and continue to work with nonprofit developers to assist the development of housing affordable to extremely low-income, very low-income and low-income households.</p>	<p>Make initial contact with local nonprofits by the end of 2011; conduct annual meeting with builders and nonprofits to review resources, incentives and City goals/objectives; initiate RFQ process for one project annually.</p>	<p>Former affordable housing assets, projects, and agreements of the former La Habra Redevelopment Agency were transferred to the La Habra Housing Authority to maintain. The Housing Authority will be looking to partner with non-profits to build affordable housing development with limited resources.</p>	<p>Modify Program Intent</p>
<p><b>B1. Land Use Controls and Community Preservation</b></p> <p>Safeguard the health and safety of the residents, including overcrowded conditions, and address structural improvement of the existing housing stock.</p>	<p>Continue to enforce the Housing Code and the International Maintenance Code.</p>	<p>Between 2008 and 2012, the City of La Habra Community Preservation Division inspected 17,344 residential homes and reached compliance on approximately 11,954. The program has been very effective.</p>	<p>Continue Program</p>
<p><b>B2. Single Family Rehabilitation Program</b></p> <p>Offer a low interest amortized loan up to \$20,000 for interior and exterior improvements to very low and lower income homeowners.</p>	<p>Assist 20 homeowners per year with home rehabilitation loans.</p>	<p>Between 2008 and 2012, a total of 19 homeowners were assisted with home improvement grants issued from CDBG funds.</p>	<p>Continue Program</p>
<p><b>B3. Neighborhood Clean Up/Paint Program</b></p> <p>Free paint and accessories for single family homeowners.</p>	<p>Provide 10 homeowners per year with exterior improvement grants.</p>	<p>Between 2008 and 2012, the City provided 36 grants to lower-income households. The Exterior Preservation Program has been effective.</p>	<p>Continue Program</p>
<p><b>B4. Enhance Residential Quality and Energy Conservation</b></p> <p>Incorporate energy conservation features in development review process.</p>	<p>Provide energy conservation information through the City Web site and maintain the residential quality of the community through the development review process.</p>	<p>City continues to promote energy conservation methods through design and orientation of housing unit development plans. It is a specific goal of the City that all developments of a public or private nature are conscious of the need to conserve energy in all forms through the use of good site planning techniques.</p>	<p>Continue Program</p>
<p><b>B5. Infrastructure Improvement</b></p> <p>Fund through Capital Improvement Program.</p>	<p>Continue to improve community infrastructure in residential neighborhoods.</p>	<p>Through CDBG and CDBG-R Pavement Management Program and City Alley Beautification, the City was able to complete 5 alleys and repave 2 streets.</p>	<p>Continue Program</p>

Program	Objectives	Achievements	Appropriateness of Program
<b>B6. HCD/High Risk Revolving Loan Fund</b> Owner-occupant, high-risk revolving loan fund for non-bankable clients.	Continue to seek funds for the High Risk Revolving Loan Fund.	No activity during the 2008-2014 planning period. Funds are available through NeighborWorks of Orange County (formerly Neighborhood Housing Services).	Continue Program
<b>B7. Senior Single Room Occupancy Facility</b> Provide affordable living units for senior citizens of La Habra.	Continue to maintain the 70-unit La Habra Inn as a senior SRO facility and maintain a list of candidate motels and hotels for SRO conversion.	The La Habra Inn continues to serve as an SRO facility for seniors. Eleven additional units will not be brought on line, since the building in which they exist has been deemed structurally unsound and no longer fit for rehabilitation. These units are at risk for conversion in 2016.	Continue Program
<b>B8. Preservation of Assisted Housing</b> Mitigate the impact on existing occupants of converted low-income housing development.	Continue to maintain contact with owners of at risk units as their expiration dates approach.	City continues its effort to preserve assisted housing. The City assisted in the acquisition and rehabilitation of the Cypress Villa and the Casa Nicolina (formerly Tiki Gardens) apartments, which resulted in 93 units for lower income households.	Continue Program
<b>B9. Reprogramming of Surplus Housing Authority Revenue</b> Use funds to purchase and substantially rehabilitate affordable units in the City.	Reprogram funds by the end of 2012.	The Mobile Home Lease Fund has added infrastructure improvements to a mobile home park site by adding a slope wall where slippage occurred. The Fund has a \$1,239,000 plus a 20 percent contingency to improve mobile home park clubhouses and adjacent areas owned by the La Habra Housing Authority.	Continue Program
<b>C1. Special Needs of the Handicapped</b> Enforcement of disabled access requirements for apartment buildings through plan check process.	Continue to enforce Title 24 during plan check on all multi-family residential development.	City enacted in 2007 and continues to enforce provisions of the Zoning Ordinance respecting reasonable accommodation of persons with disabilities (Section 18.09 Reasonable Accommodation in Housing to Disabled Individuals) pursuant to Fair Housing Laws. Additionally, Title 24 of the International Building Code respecting adaptability of rental units continues to be enforced.	Modify Program Intent

Program	Objectives	Achievements	Appropriateness of Program
<p><b>C2. Fair Housing – Referral Service for Housing Discrimination</b></p> <p>Contract with Fair Housing Council of Orange County to provide fair housing services and landlord-tenant counseling.</p>	<p>Continue to implement the Fair Housing Program and assist 200 households per year with Fair Housing services.</p>	<p>Between 2008 and 2012, the Fair Housing Council of Orange County assisted 612 households with fair housing services and 9 discrimination cases. This is an effective program with an average of 150 households assisted each year.</p>	<p>Continue Program</p>
<p><b>C3. Section 8 Rental Assistance Program</b></p> <p>Rental subsidies to very low and low-income households overpaying for rent.</p>	<p>Assist 170 residents per year.</p>	<p>The Orange County Housing Authority reported, as February 2013, there are 174 Section 8 rental assistance vouchers helping La Habra residents. Of the total vouchers, approximately 69 percent went to extremely low-, 18 percent to very low-, and 13 percent to low-income households. The Housing Authority also reported there are approximately 12,600 applicants on the County’s waiting list. This is an effective program.</p>	<p>Continue Program</p>
<p><b>C4. Job Training</b></p> <p>Training, retraining, counseling, supportive services and appropriate referral for eligible residents of La Habra and nearby Orange County cities.</p>	<p>Assist 500 individuals annually with job training.</p>	<p>Between 2008 and 2012 approximately 2,880 youths received employment opportunities through the Youth Employment Services program.</p>	<p>Continue Program</p>
<p><b>C5. Child Development</b></p> <p>Child care for families at or below 80 percent area median income.</p>	<p>Continue to operate the Child Development Care and Head Start programs to assist children from lower-income families.</p>	<p>The La Habra Head Start program assists an average of 194 children during the normal school year (September to June). In addition, Rosie’s Garage Tutoring program provided academic assistance services to 1,192 children from low-income families during the 2000 to 2005 period, and the Young At Art programs provided 295 children with art programs in 2004-2005. Other academic youth programs included the Advance College Counseling Program, which assisted 81 children in 2004-2005. Information was unavailable for data between the years 2006 and 2012.</p>	<p>Continue Program</p>
<p><b>C6. Emergency Shelters</b></p> <p>Compliance with State Law (SB 2).</p>	<p>Amend the Zoning Code to identify the specific area for the M-1 Overlay zone and include specific development and operational standards for emergency shelters.</p>	<p>The City amended the Municipal Code to permit, by right, emergency shelters in the Light Manufacturing (M-1) Overlay Zone. Four parcels within this overlay zone have been identified as sufficient sites in addressing the City’s emergency shelter needs to comply with SB 2.</p>	<p>Delete Program</p>

Program	Objectives	Achievements	Appropriateness of Program
<p><b>C7. Transitional and Supportive Housing</b> Compliance with State Law (SB 2).</p>	<p>Amend the Zoning Code to comply with State law requiring that transitional and supportive housing be considered a residential use of property, subject only to those restrictions that apply to similar housing types of the same zone.</p>	<p>The City amended the Municipal Code to permit, by right, transitional and supportive housing in residential zones, including R-2, R-3, and R-4. Transitional and supportive housing is considered as equitably as a residential use under the Municipal Code and is subject only to those restrictions that apply to residential uses in the same zone. The definition of “transitional housing” is also now included along with a specific definition for “supportive housing.”</p>	<p>Delete Program</p>
<p><b>C8. Homebuyers Assistance Program</b> Help low/moderate-income first-time homebuyer households.</p>	<p>Continue to seek funds for the first time homebuyer assistance program.</p>	<p>Due to the rising costs of housing the City of La Habra was unable to sustain its Homebuyer Assistance Program, but continues to refer families to NeighborWorks Housing Services for assistance.</p>	<p>Modify Program Intent</p>

## C. SUMMARY OF QUANTIFIED OBJECTIVES

According to Government Code Section 65583 (b), local governments’ housing elements are required to establish quantified objectives for the maximum number of housing units that can be constructed, rehabilitated, and conserved over a eight-year time frame. The objective for units to be conserved should include a subtotal for the number of at-risk units developed pursuant to Government Code Section 65583 (a)(8)(A). Table 39 presents the Housing Element’s quantified housing objectives for the 2014-2021 projection period given the expected availability of resources to address the City’s identified housing needs and the expectation regarding future development.

**Table 39**  
**QUANTIFIED OBJECTIVES**  
**2014-2021**

<b>Category</b>	<b>Extremely Low-Income</b>	<b>Very Low-Income</b>	<b>Low-Income</b>	<b>Moderate-Income</b>	<b>Above Moderate-Income</b>	<b>Total Objective</b>
New Housing Construction	20	40	100	64	171	<b>395</b>
Housing Rehabilitation	8	8	16	0	0	<b>32</b>
Housing Conservation/ Preservation (Units at Risk)	120	93	176	3	0	<b>392</b>

*Source: City of La Habra CDD, Planning Department*

The following discussion provides additional information regarding the analysis and methodology used to establish the City’s quantified objectives.

### **New Housing Construction**

The new housing construction objective refers to the number of units that potentially may be constructed over the projection period given La Habra’s land resources, constraints which cannot be mitigated or removed, and proposed programs. The City’s new housing construction objective is estimated based on an analysis of actual construction figures between 2008 and 2012 in La Habra and the City’s SCAG regional housing needs allocation. In addition, the City’s estimate of new housing construction assumes the housing market will improve modestly and result in some new housing growth tied to implementation of the 2035 General Plan land use designations and economic development strategies.

### **Housing Rehabilitation**

The housing rehabilitation objective constitutes the number of existing units expected to be rehabilitated during the projection period. The City's housing rehabilitation objective is targeted based on the anticipated amount of funding and historical number of loans extended to lower income homeowners within La Habra under the City's Single-Family Rehabilitation Loan Program for use with home rehabilitation needs.

### **Housing Conservation/Preservation (Units at Risk)**

The housing conservation/preservation objective refers to the conservation of affordable units at risk of converting to market rate and the preservation of the existing affordable housing stock throughout the projection period including the Orange County Housing Authority managed Section 8 Rental Assistance Program. The City's housing conservation/preservation objective is targeted based on the estimated resources, historical number of Section 8 vouchers issued within the City, and the number of affordable units potentially at risk.

## VI. 2014-2021 Housing Plan

In accordance with State Housing Element law, this section presents a statement of goals, policies, and priorities. The statement is intended to convey to the community at large La Habra's plan to provide a variety of housing types for all economic segments of the community. In addition, the goals, policies, and priorities serve as a framework or foundation for the evolution, initiation, and implementation of specific programs and actions to improve the existing housing stock, produce new housing, provide financial assistance, and mitigate the adverse impacts of economic and market constraints.

Historically, the City has approached housing needs through financial assistance (although this will be more restrictive in the future due to the loss of redevelopment set aside funds), encouragement, or negotiations with developers with the goal of enhancing the residential quality of life by providing needed services that allow for the opportunity to increase household income. Households must have adequate opportunities to achieve financial stability. The jobs and training programs provided by the City provides one vehicle by which residents can become financially independent.

The following statements represent the City's established housing priorities related goals, policies, and programs.

### A. HOUSING ELEMENT POLICIES

#### GOAL STATEMENT A: NEW HOUSING

*Adequate housing development by the private sector utilizing existing community facilities and structures; minimizing environmental hazards and incompatible land uses, and enhancing the quality of life in residential neighborhoods to meet the economic, social, health, and transportation needs of all citizens.*

#### Policy A-1: Support State Housing Policy

Support State Housing policy by emphasizing, "...the use of those public powers which impact on housing, including, but not limited to land use controls, development controls, and regulatory concessions and incentives."

**Policy A-2: Integrated Strategy for Development**

Continue to implement an integrated strategy for the development of new housing, commercial activities, provisions of public facilities, and creation of employment opportunities.

**Policy A-3: Support Private Sector Housing Production**

Facilitate the efforts of the private sector in the production of new housing for all economic segments of the community.

**Policy A-4: Variety of Housing**

Promote a variety of housing types at scales, values, and locations carefully selected to provide housing opportunities for all economic segments of the population, while emphasizing the protection and conservation of existing single family neighborhoods.

**Policy A-5: Market and Non-Market Housing Production Needs**

Achieve, to the maximum extent feasible, the production of new housing in sufficient quantity to meet both market-rate and non-market rate housing needs of the community.

**Policy A-6: Land Use and Housing Components for Jobs/Housing Balance**

Implement, through the Community Development Element, a comprehensive set of strategies to produce job/housing balance.

**Policy A-7: Inclusionary Housing**

Explore the development of an inclusionary housing ordinance.

**Policy A-8: Mixed Use Development**

Support and encourage the development of affordable residential housing as part of the City's mixed use land use designations.

**GOAL STATEMENT B: HOUSING MAINTENANCE AND CONSERVATION**

*Maintained and conserved housing in each neighborhood in a decent, safe, and sanitary condition where adequate public facilities and services are provided and the quality of life is protected from encroachment of other uses or environmental hazards.*

**Policy B-1: Maintain Residential Character**

Protect and maintain single-family residential areas in order to maintain the City's existing residential character by fostering improvements of homes and neighborhoods through implementation of maintenance, rehabilitation, and replacement actions and the preservation of residential buildings identified as a historical resource.

**Policy B-2: Neighborhood Involvement and Organization**

Support and foster the involvement of interested individuals, citizen's groups, and organizations to provide input and voice the problems and needs of the community.

**Policy B-3: Supportive Public Facilities**

Provide for, or cause the provision for, the development of schools, parks, streets, sewers, storm drains, utilities, and other public facilities to support the conservation and maintenance of the City's housing stock.

**Policy B-4: Supportive Capital Improvement Programs**

Maintain a long-term capital improvement program as funding permits, which identifies specific areas throughout the La Habra and schedules projects that would directly support the conservation and maintenance of the City's housing stock.

**Policy B-5: Adequate Housing Sites through Land Use and Zoning**

Provide adequate housing sites through appropriate General Plan land use designations, zoning, and specific plan land use designations to accommodate the City's fair share of regional housing needs.

**Policy B-6: Standard Condition of Housing**

Attain a situation where the residents of La Habra live in housing that is in standard condition.

**Policy B-7: Services to County Islands**

Promote adequate provisions of governmental services to County Island areas by intergovernmental coordination and annexation.

**Policy B-8: Rehabilitation and Home Improvement Program**

Continue to provide rehabilitation and home improvement assistance to low- and moderate-income households and participate in appropriate Federal and State grant programs in order to stimulate rehabilitation and preserve the desirable residential character of the community.

**Policy B-9: Nonprofit Organizations**

Cooperate with nonprofit organizations in the acquisition and rehabilitation of substandard dwelling units.

**Policy B-10: Preservation of Affordable Housing**

Preserve the existing affordable housing stock and place long-term affordability restrictions on assisted housing.

**Policy B-11: Regulation and Enforcement for Maintenance**

Administer and maintain necessary regulations and enforcement procedures to ensure proper maintenance of residential dwelling units.

**Policy B-12: Housing Design**

Encourage housing providers to use design elements that meet code requirements and add to the safety, health, and security of residential environments.

**Policy B-13: Energy Conservation**

Encourage the design and construction of new homes and rehabilitation of existing homes in accordance with both voluntary and mandatory green building standards and energy saving criteria adopted by the City.

**GOAL STATEMENT C: HOUSING ASSISTANCE AND BALANCE**

*Housing opportunities that are adequate for all economic segments of the community regardless of race, color, age, national origin, religion, sex, familial status, or disability.*

**Policy C-1: Equal Housing Opportunity**

Support equal housing opportunity in the City of La Habra for all residents regardless of race, color, age, national origin, religion, sex, familial status, or disability to obtain decent housing and a suitable living environment.

**Policy C-2: Assistance to Prevent Housing Discrimination**

Assist the efforts of nonprofit organizations to prevent housing discrimination and achieve access to housing regardless of race, color, age, national origin, religion, sex, familial status, or disability.

**Policy C-3: Support and Participate in Housing Programs**

Maximize the opportunities, when feasible, to support and participate in programs sponsored by other levels of government which would assist households in need of monetary housing assistance, financing, or housing rehabilitation funds.

**Policy C-4: Special Needs Households**

Recognize the special needs of certain segments of the community including the elderly, disabled and persons with developmental disabilities, large families, homeless, and low- and moderate-income families and make provisions for housing that is supportive of these special needs.

**Policy C-5: Special Needs of the Homeless**

Recognize the importance and need to temporarily house homeless populations and others in housing crisis situations through emergency shelters and transitional and supportive housing options.

**Policy C-6: Apartment Conversion to Ownership**

Regard the conversion of apartments to ownership condominiums as a positive contribution to the housing stock in La Habra and a homeownership opportunity for moderate-income households. Tenant displacement problems will be mitigated and a desirable level of apartment or rental units will be retained in the housing stock.

**Policy C-7: Housing Assistance Resources**

Continue to seek housing assistance resources to meet the needs of lower income households and special needs households.

**Policy C-8: Day Care**

Promote day care services to assist female heads of household, single heads of household, and low- and moderate-income families with special needs for day care in order to be employed, which is financially supportive to housing costs.

**Policy C-9: Job Training**

Promote job training/retraining for residents to increase employment opportunities, which is financially supportive to housing costs.

**Policy C-10: Homeownership Assistance**

Provide homeownership assistance to first time homebuyers and low- and moderate-income households.

## **B. HOUSING ELEMENT PROGRAMS**

The City of La Habra has identified housing needs, analyzed constraints, and reviewed previous housing programs. This section of the Housing Element describes the City's efforts to implement the policies and achieve the goals of the Housing Element for the 2014-2021 projection period. The housing programs are designed to achieve the following:

- Identify adequate sites, which will be made available through zoning and development standards for a range of housing types to meet the community's goals.
- Assist in the development of housing affordable to low and moderate-income households.
- Address and, where appropriate and legally possible, remove governmental constraints that hinder the maintenance, improvement and development of housing.
- Conserve and improve the condition of the existing affordable housing stock.
- Promote equal housing opportunities.

Additionally, the Housing Element identifies the funding source, responsible agency and time frame for the implementation of the programs.

Funding sources include: the municipal budget; various grants and contracts from federal, state, and county divisions; and private investments fund the City's housing efforts. Responsible agencies include the City of La Habra's various department, divisions and agencies along with outside organization with whom the City has contractual agreements for housing assistance include NeighborWorks of Orange County (formerly Neighborhood Housing Services), the Orange County Housing Authority, and local nonprofit agencies that provide a variety of support services to our low and moderate-income residents.

The City's housing programs are tied according to the identified housing goal. Each program identifies the policy objective, funding source, responsible agency responsible, and timing for implementation.

**GOAL STATEMENT A: NEW HOUSING**

**Program A1. Density Bonus Ordinance**

The Density Bonus Ordinance (1694) as codified in Municipal Code Chapter 18.80 “Affordable Housing Incentives” establishes a process to implement the State density bonus provisions for affordable housing. The percentage of density bonus and number of development incentives provided is commensurate to the level of affordability proposed. The maximum density bonus at thirty five percent (35 percent) of the total units proposed within a project based. Density bonuses are also permitted for housing developments that transfer land to the city for the development of very low-income units or that provides a child care facility to be used by its residents.

The City’s Density Bonus Ordinance provides both density bonuses and other incentives for the inclusion of affordable housing units in proposed residential developments. The additional incentive(s) to be offered is/are determined on a project-by-project basis in consultation with the developer. The types of incentives that can be provided include expedited permit processing, relaxation of development standards, the waiver or utilization of redevelopment set-aside funds to pay processing fees, and financial assistance with land acquisition and other development costs. The number of incentives or concessions the developer is entitled to receive are shown in Table 40.

**Table 40  
DENSITY BONUS CONCESSIONS AND INCENTIVES**

Household Income of Units	Percent of Units	Concessions and Incentives
Very Low-Income	5%	1
	10%	2
	15%	3
Lower Income	10%	1
	20%	2
	30%	3
Moderate-Income Units in Condominium or Planned Development Units	10%	1
	20%	2
	30%	3

Source: La Habra Municipal Code Section 18.80.040

**Objective:** Inform the development community of the benefits of the Density Bonus Ordinance by: 1) distributing information at the City’s one-stop permit counter at City Hall; 2) including informal solicitations for developers (i.e., Requests for Proposals/Qualifications); 3) discussing with both for profit and nonprofit

developers from the point of initial inquiry through final project negotiating sessions; and 4) posting density bonus information on the City’s website.

Funding source: General Fund

Responsible agency: City of La Habra Community Development Department (CDD)

Time frame: Continuing, 2014-2021

### **Program A2. Priority Processing**

Give priority processing to very low-income and low-income developments. Generally, housing costs increase with the time needed to obtain required project approvals. “Priority processing” is intended to expedite the approval of applications for low cost housing and to make such development more attractive to developers. The impact of this technique upon reduction of housing costs is difficult to document, however, it will be continued.

The highest priority will be given to rental projects that are affordable to extremely low and/or very low-income households. To qualify, projects must set aside at least 15 percent of the units for this income level. A second priority tier will consist of projects that employ green building standards. Eligible projects will include those likely to achieve at least a “Certified” rating from the U.S. Green Building Council’s Leadership in Energy and Environmental Design (LEED) program.

Objective: Continue to expedite the entitlement process for affordable housing projects and make available information about priority processing at the City’s planning counter and on the City’s website.

Funding source: General Fund

Responsible agency: CDD

Time frame: Continuing, 2014-2021

### **Program A3. Second Units**

The City's Secondary Dwelling Units Ordinance as codified in Section 18.12.150 of the La Habra Municipal Code (LHMC) permits second units by right on R-1 zoned land and waives the permit processing fee for second units that will be occupied exclusively by lower income persons.

Objective: Continue to permit second units by right in R-1 zones pursuant to AB 1866 and waive processing fees for lower-income second units.

Funding source: General Fund

Responsible agency: CDD

Time frame: Continuing, 2014-2021

### **Program A4. Nonprofit Development Partnership**

Work with the La Habra Housing Authority to assist them in initiating partnerships with nonprofit developers to assist in the development of housing affordable to extremely low-income, very low-income, and low-income households. The City will annually invite nonprofit developers and the La Habra Housing Authority to discuss the City's plans, resources, development opportunities, and RFQ processes. In addition, the City will facilitate, to the extent possible, the relationship between nonprofit developers and the La Habra Housing Authority to pursue development activities, including leveraging Housing Authority funds, assisting in applications for State and federal financial resources, and offering a number of incentives such as priority processing and relaxed development standards.

Objective: Conduct an annual meeting with nonprofit developers and the La Habra Housing Authority to review resources, incentives, and City goals/objectives; initiate RFQ process for one project annually with the help of the La Habra Housing Authority.

Funding source: General Fund, La Habra Housing Authority funds

Responsible agency: CDD, La Habra Housing Authority

Time frame: Annual, 2014-2021

### **Program A5. Inclusionary Housing**

Consider adopting an inclusionary housing ordinance that would require new residential and/or mixed use developments provide affordable housing units. The City will collect information and conduct research through case study examples and other experiences from similar cities to develop baseline best practice provisions. Analysis should include documentation of the intent and purpose, findings demonstrating the need, key terms

and definitions, specific procedures and standards (e.g., percentage of units, affordability levels, duration of affordability requirements), eligibility for exceptions or alternative(s) to the production of the affordable units (e.g., payment of an in-lieu affordable unit fee), and a system for enforcing and monitoring compliance. This information will be provided to City decision makers to determine the feasibility of developing an inclusionary housing ordinance.

Objective: Increase the supply of affordable housing

Funding source: General Fund

Responsible agency: CDD

Time frame: 2015

### **Program A6. RHNA Accommodation**

To facilitate the development of multifamily housing and address the unaccommodated need of 77 units for lower income households, the City will rezone each Site 4 parcel (see Table 28, Vacant Developable Land) to meet the statutory requirements of State law and permit at least 30 residential dwelling units per acre.

The sites rezoned must have site capacity of 16 units; permit multifamily residential uses by-right, without a conditional use permit, planned unit development permit, or other discretionary action; and at least 50 percent of the unaccommodated need must be on sites zoned for exclusively residential uses.

If the City is unable to rezone sufficient Site 4 parcels to meet the statutory requirements, the City will identify and rezone another suitable site(s) within zone(s) of appropriate densities to address the unaccommodated need of 77 units; that has available water and sewer service; and that is available for development within the planning period.

Objective: Rezone sites to accommodate at least 77 units of housing affordable to lower income households.

Funding source: General Fund

Responsible agency: CDD

Time frame: Complete all necessary rezones to address the unaccommodated need of 77 units within one year of adoption of the Housing Element.

## **GOAL STATEMENT B: HOUSING MAINTENANCE AND CONSERVATION**

### **Program B1. Land Use Controls and Community Preservation**

Most of the City's housing stock conforms to the provisions of both the Community Development Element and the Zoning Code. The Zoning Code establishes the housing types, densities, and development standards for various categories of residential land use. The Code also protects those housing units that are "nonconforming" in use or structure. In 1983 the Code was amended to allow replacement of a single family dwelling unit on nonconforming lots and further allowed administrative approval of certain variations from the development standards of the Code.

The City has adopted and the Building and Safety Division enforces the Uniform Housing Code, 2009 Edition and the 2009 International Property Maintenance Code. The Housing Code establishes specific housing code maintenance standards that must be met by all residential structures. The purpose of the City's Community Preservation Program is to safeguard the health and safety of the residents, including overcrowded conditions, and address structural improvement of the existing housing stock. The program is interrelated with neighborhood revitalization activities, particularly the programs administered through the City's Housing Division and Neighborhood Housing Service, Inc. (NHS). Enforcement of the Housing Code involves an inspection request having been submitted to the City. Conditions of Code Standard violations must be corrected if the owner wishes to obtain assistance through one of the City's rehabilitation programs.

Objective: Continue to enforce the Zoning Code, Uniform Housing Code, and the International Property Maintenance Code via the City's Community Preservation Program.

Funding source: General Fund

Responsible agency: CDD

Time frame: Continuing, 2014-2021

### **Program B2. Single Family Rehabilitation Program**

The City of La Habra offers a single-family rehabilitation program for very low and lower income homeowners (up to 80 percent of the median income). The program offers a low interest amortized loan up to \$20,000 for interior and exterior improvements funded by HOME funds from the State.

Objective: Assist four homeowners per year with home rehabilitation loans, subject to the award of future HOME funds (competitive grant).

Funding source: HOME

Responsible agency: CDD

Time frame: Annual, 2014-2021

### **Program B3. Neighborhood Clean-Up/Paint Program**

The Neighborhood Clean-Up/Paint Program was developed and implemented with CDBG funds in 1996. The program provides free paint and paint accessories to single-family homeowners to paint and upgrade the exterior of their homes.

Objective: Provide 10 homeowners per year with exterior improvement grants.

Funding source: CDBG

Responsible agency: CDD

Time frame: Annual, 2014-2021

### **Program B4. Enhance Residential Quality and Energy Conservation**

Through the development review process, ensure that the La Habra's community character, housing quality, and visual environment are improved, and that energy conservation features are incorporated into the design of residential developments. The City will continue to encourage builders and developers to voluntarily obtain U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) and California Building Industry Association's California Green Builder (CGB) certifications and other nationally recognized sustainable development certifications for their projects.

Objective: Provide energy conservation information through the City's website and maintain the residential quality of the community through the development review process.

Funding source: General Fund

Responsible agency: CDD

Time frame: Continuing, 2014-2021

### **Program B5. Infrastructure Improvement**

The City's Engineering Division has an ongoing municipally funded Capital Improvement Program that generates improvements and maintenance for community infrastructure projects.

Objective: Continue to improve community infrastructure in residential neighborhoods.

Funding source: General Fund, CDBG, La Habra Housing Authority funds

Responsible agency: Public Works Department, CDD, and La Habra Housing Authority

Time frame: Continuing, 2014-2021

### **Program B6. HCD/High Risk Revolving Loan Fund**

The City, from annual CDBG funds, allocates resources to NeighborWorks of Orange County to operate an owner-occupant, High Risk Revolving Loan Fund. These loans are limited to non-bankable clients.

Objective: Continue to seek funds for the High Risk Revolving Loan Fund.

Funding source: CDBG

Responsible agency: NeighborWorks of Orange County

Time frame: Annual, 2014-2021

### **Program B7. Senior Single Room Occupancy Facility**

Continue the management of the La Habra Inn, an existing hotel, which was converted into a senior single room occupancy (SRO) facility. The intent of the program is to provide affordable living units for senior citizens of La Habra. Typically, SROs are smaller in size and lower in rent compared to a studio apartment. Thus, SROs are more affordable to very low and low-income seniors.

In order to facilitate the addition of SRO units to La Habra's housing stock, the City will maintain a list of existing motels and hotels that are candidates for conversion to SRO and make the list available to any interested developers. Also, the City will review SRO conversion applications on an annual basis, in order to determine whether the SRO development standards or processing procedures are overly restrictive. Currently, SROs are conditionally permitted in the R-2, R-3, R-4, C-R, C-P, C-1, C-2, C-3, M-1, and PC-1 zones. All applications for SRO development must undergo the plan check process, and must pay all appropriate fees and exactions. The City will continue this policy unless and until it determines that additional streamlining is required to facilitate SRO conversions.

Objective: Maintain the 70-unit La Habra Inn as a senior SRO facility and maintain a list of candidate motels and hotels for SRO conversion.

Funding source: La Habra Housing Authority funds

Responsible agency: La Habra Housing Authority

Time frame: Annual, 2014-2021

## **Program B8. Preservation of Assisted At-Risk Housing**

Join in the cooperative efforts of the State Department of HCD to mitigate the impact on existing occupants of converted low-income housing development. Both owners of Casa El Centro and Las Lomas Gardens Apartments have elected to renew their agreements and stay in the program. However, if the owners of these low-income rental units should decide to prepay their HUD-assisted mortgages and convert the projects to market rate housing, the City will diligently attempt to locate potential purchasers for the units who would maintain the projects as low-income rental housing.

The La Habra Inn will be at risk for conversion within the 2014-2021 planning period. The La Habra Housing Authority manages and maintains this motel on behalf of the City. Once the ground lease term expires on March 31, 2016, the City intends to work with the property owner to determine if the affordability restriction can be maintained.

In order to prevent any loss of at-risk units, the City will continue to monitor and evaluate at-risk units' activities. In this monitoring program the City will:

- Create a list based on at-risk units in the ten-year inventory and analysis for possible conversion within the current and next planning period. The City will monitor the list on an annual basis after the adoption of the Housing Element.
- Work with owners, tenants, and nonprofit organizations to assist in the nonprofit acquisition of at-risk projects to ensure long-term affordability of the development. Annually contact property owners, gauge interest and identify nonprofit partners and pursue funding and preservation strategies on a project-by-project basis.
- Monitor owners of at-risk projects on an ongoing basis, at least every six months to one year, in coordination with other public and private entities to determine their interest in selling, prepaying, terminating or continuing participation in a subsidy program.
- Reduce, waive or subsidize local development fees associated with preservation or replacement of at-risk units, on a case by case basis.
- Utilizing lists maintained by the City of non- and for-profit developers who are active in the preservation of affordable housing.
- Assist/support potential purchasers in applying for or otherwise securing funding for the acquisition of the units.
- Consider the acquisition and rehabilitation of existing single-family and multiple-family buildings in order to preserve and improve affordable housing units.

Objective: Conduct at-risk housing monitoring program activities and maintain contact with owners of at-risk units as the expiration dates approach.

Funding source: La Habra Housing Authority funds

Responsible agency: La Habra Housing Authority

Time frame: Annual, 2014-2021

**Program B9. Reprogramming of Surplus Housing Authority Revenue**

The City of La Habra Housing Authority owns and maintains two mobile home parks in the City. Revenues from these parks are used to maintain and improve the parks, as well as to service the remaining debt on the associated loans. These funds may be spent, in conjunction with Housing Authority cash flow funds, to purchase and substantially rehabilitate affordable units in the City.

Objective: Purchase and substantially rehabilitate affordable units in the City.

Responsible agencies: La Habra Housing Authority

Funding source: Surplus La Habra Housing Authority revenue

Time frame: Continuing, 2014-2021

**Program B10. Rental Inspection Program**

Establish a rental housing inspection program to identify blighted, deteriorated, and/or substandard rental housing stock, and to ensure the rehabilitation or elimination of housing that does not meet minimum Municipal and/or State Building/Housing Code standards. This program is intended to ensure the health, safety, and welfare of renting residents, thus enhancing the quality of life for individuals living in rental units, stabilizing neighborhoods against deterioration, and maintaining/enhancing property values.

Objective: Maintain and improve the quality of the city's rental housing stock.

Responsible agencies: CDD

Funding source: General Fund and CDBG Funds

Time frame: 2016

**GOAL STATEMENT C: HOUSING ASSISTANCE AND BALANCE**

**Program C1. Fair Housing/Referral Service for Housing Discrimination**

To discourage discrimination, the City will continue to contract with the Fair Housing Council of Orange County or a similar Fair Housing Agency to provide a variety of fair housing services and landlord tenant counseling. The Fair Housing Council of Orange County is certified by HUD to provide housing counseling and education, and to

investigate issues related to evictions, discriminations, and local lending practices among others.

Objective: Implement the Fair Housing Program and assist 200 households per year with Fair Housing services.

Funding source: CDBG

Responsible agency: CDD

Time frame: Annual, 2014-2021

### **Program C2. Section 8 Rental Assistance Program**

Continue to participate in and promote the Section 8 Rental Assistance Program. The program provides rental subsidies to lower income households (80 percent or less of the County's median income) who are paying over 30 percent of their income towards rent. The Orange County Housing Authority administers and coordinates the Section 8 program for the City.

Objective: Assist 170 lower income households per year.

Funding source: HUD

Responsible agency: CDD and Orange County Housing Authority

Time frame: Annual, 2014-2021

### **Program C3. Special Needs of the Disabled**

The City's Building and Safety Division enforces, through the plan check process, Title 24 of the California Administrative Code, which provides regulations for adaptability and accessibility of apartment buildings to provide for the safety and welfare of physically disabled residents. Title 18, Chapter 18.10 of the La Habra Municipal Code provides individuals with disabilities reasonable accommodation, as necessary to ensure equal access to housing and to provide a process for individuals with disabilities to make requests for, and be provided, reasonable accommodation from the various land use, zoning, or building laws, rules, policies, practices and/or procedures of the City.

Objective: Continue to enforce Title 24 during plan check on all multi-family residential development and implement the reasonable accommodations process for individuals with disabilities.

Funding source: General Fund

Responsible agency: CDD, Building and Safety Division

Time frame: Continuing, 2014-2021

#### **Program C4. Outreach for Persons with Developmental Disabilities**

Work with the Regional Center of Orange County (RCOC) to implement an outreach program that informs families within the City on housing and services available for persons with developmental disabilities. The program will include the development of an informational brochure, including information on services on the City's website, and providing referrals to RCOC for participation in housing-related workshops and/or training for individuals and families.

Objective: Assisting persons with developmental disabilities.

Funding source: General Fund

Responsible agency: CDD and RCOC

Time frame: Develop outreach program, 2014

#### **Program C5. Permit Emergency Shelters and Transitional and Supportive Housing**

Continue to permit, by-right, emergency shelters in the City's Emergency Transitional Shelter (ES) Overlay Zone, within the Light Manufacturing (M-1) Zone, and transitional and supportive housing in all residential zones. Emergency shelters are subject to only those development standards that apply to other uses within the M-1 Zone. Transitional and supportive housing is considered as equitably as a residential use under the La Habra Municipal Code and is subject only to those restrictions that apply to residential uses in the same zone.

Objective: House homeless populations and others in housing crisis situations.

Funding source: General Fund

Responsible agency: CDD

Time frame: Continuing, 2014-2021

#### **Program C6. Condominium Conversion**

Continue to provide for conversion of Commercial, Industrial, and Residential Condominium Conversion through the Condominium conversion Ordinance as codified in Chapter 18.64 (LHMC) and maintain policies, which create affordable housing for moderate-income households to purchase, while preserving a percentage of rental units.

Objective: Provide for conversion of Commercial, Industrial, and Residential Condominium to facilitate the conversion of apartments to condominiums.

Funding source: General Fund

Responsible agency: CDD

Time frame: Continuing, 2014-2021

### **Program C7. Child Development**

Continue to operate Child Development Care programs and the Head Start program implemented by the Community Services Department. The City has operated the Child Development Care program for more than 30 years. The program is financially supported by two sources of monies, parent fees and grants from the State Department of Education. The programs, by State law, are restricted to children from homes with incomes at 80 percent of the adjusted family median income. For the Head Start program, the City provides land and the structure for this facility and the program operation is budgeted through federal grant funds.

Objective: Operate the Child Development Care and Head Start programs to assist children from lower-income families.

Funding source: Parent fees, California Department of Education grants, Federal Department of Education grants

Responsible agency: Community Services Department

Time frame: Continuing, 2014-2021

### **Program C8. Job Training**

The City administers job training programs through offering training and retraining opportunities to eligible residents of ten north and west Orange County cities at a job referral and training One Stop Center. Programs are available for individuals 14 years of age and over. The majority of the clients face barriers to obtaining and keeping employment, which are overcome by intensive training, counseling supportive services and appropriate referral. The program's goal is self-sufficiency. The program serves youth, adults, and laid-off workers. The program offers a wide range of opportunities from work experience for youths to classroom training for both youths and adults. Highly technical training is available for those clients with professional backgrounds. The program also offers on the job training, where a client is able to refine existing job skills, while learning new ones.

Objective: Assist 500 individuals with job training.

Funding source: CDBG

Responsible agency: Community Services Department

Time frame: Annual, 2014-2021

**Program C9. First-Time Homebuyers Assistance Program and Housing Services**

Continue to work with NeighborWorks to refer low and moderate-income households who are seeking first-time homebuyer program assistance or other housing services.

Objective: Refer households to NeighborWorks for financial assistance or other housing services.

Funding source: NeighborWorks grant funding, as available

Responsible agency: CDD, NeighborWorks

Time frame: Continuing, 2014-2021

## **APPENDIX A.**

### **Public Participation**



## **The City of La Habra Invites You to attend the 2014-2021 Housing Element Update Community Meeting**

The need for decent housing is one of the major issues facing La Habra residents, as well as residents throughout California. In response to this issue, the City is required by State law to develop local housing programs aimed at making sure the housing supply meets the City's fair share of the region's housing needs. To meet its fair share requirement, the City of La Habra is updating the Housing Element of its General Plan.

Residents of La Habra are encouraged to participate in a community meeting to learn more about the Housing Element and its process, and to openly discuss their concerns and housing needs. During this meeting, residents will learn about current City housing programs, and be encouraged to help shape the new 2014-2021 Housing Element. Participants will be asked to provide ideas and strategies for meeting the State requirements, increasing the supply of affordable housing units and improving La Habra's existing housing for all residents regardless of income, age, gender, race or ethnic background.

This community meeting will be held:

**When:** March 27, 2013  
**Time:** 6:30 p.m.  
**Place:** La Habra Community Center  
101 West La Habra Boulevard, La Habra (Across from City Hall)

*For More Information:*

*If you have any questions about the community meeting or the proposed Housing Element, please call the Community Development Department at (562) 905-9724.*



www.kennedycommission.org  
17701 Cowan Ave., Suite 200  
Irvine, CA 92614  
949 250 0909  
Fax 949 263 0647

April 8, 2013

Chair Jerry Callaghan and Planning Commissioner Members  
City of La Habra  
201 E. La Habra Blvd.  
La Habra, CA 90633

**RE: Comments on Draft 2014-2021 Housing Element Update (March 2013)**

Dear Chair Callaghan and Planning Commission Members:

Thank you for the opportunity to review and comment on the City of La Habra's 2014-2021 draft Housing Element. We have reviewed the draft and are submitting this letter to provide public comments.

The Kennedy Commission (the Commission) is a broad based coalition of residents and community organizations that advocates for the production of homes affordable for families earning less than \$20,000 annually in Orange County. Formed in 2001, the Commission has been successful in partnering and working with jurisdictions in Orange County to create strategic and effective housing and land-use policies that has led to new construction of homes affordable to lower income work-force families.

The Commission would like to acknowledge and commend the City for its leadership in encouraging and facilitating the development of homes affordable to lower income families, **especially considering the development of an inclusionary housing ordinance**. As the City moves forward with the draft Housing Element update and encourage the development of homes affordable to lower income families, the Commission has provided the following recommendations:

1. Re-zone the MUC-2 site to allow developers the option of building mixed-use or exclusively multi-family residential only if the residential development is 100% affordable to lower income families.
2. Provide by-right incentives and concessions of certain development standards that developers are not entitled to, in exchange for a dedication of 20% of homes affordable to families at extremely low, very low and low-income levels in the City.
  - a. Refer to other Orange County jurisdictions with inclusionary housing ordinances (i.e. Brea, Irvine, Santa Ana, Huntington Beach etc.) as examples when developing Program A5, the City's inclusionary housing ordinance.

3. Create effective housing policies, programs and incentives that prioritize and advance concrete goals for the development of homes affordable to extremely low, very low, and low-income working families.
  - a. Create a stand-alone objective such as “Program \_\_: Affordable Housing Construction” that will encourage new construction of multi-family rental homes that are affordable to lower income working families.
4. Commit specific funding or financial resources to facilitate the development of homes affordable for extremely low-income, very low, and low-income working families. Examples include:
  - a. Leveraging housing funds and resources (i.e. in-lieu fees or impact fees) on identified candidate sites for lower income homes to increase competitiveness when applying for Low-Income Housing *Tax Credits*.
5. Analyze what the barriers and constraints are to build affordable homes in mixed-use developments. Will this type of construction increase building costs and impact the feasibility and development of affordable homes for lower income families? If yes, how will these constraints be addressed, mitigated or removed?
6. Analyze the need of the “less visible” homeless population and provide educational and planning support to stakeholders on SB 2 site development opportunities for homeless shelters.
7. Evaluate on an annual basis how successful the identified M-1 zone (sites A, B, C and D), have been to facilitate the development of emergency homeless shelters.
8. Partner and collaborate with advocates and special needs housing developers in analyzing the housing need and developing solutions for persons with physical and developmental disabilities.
9. Meaningfully engage and collaborate with community stakeholders to develop effective housing policies and programs that will increase affordable home opportunities for lower income working families.

**Citizen Participation**

State Housing Element law requires that communities allow for public participation and comment opportunities in the creation and evaluation of the jurisdiction’s Housing Element. California Government Code Section 65583 (c)(6)(b), requires that jurisdictions “...shall make a diligent effort to achieve participation of all economic segments in the community” in the Housing Element process. This requirement presents an opportunity for the City to engage

constituents and stakeholders in a dialogue – defining problems and creating solutions. The inclusion of community stakeholders in the Housing Element public participation process helps ensure appropriate housing strategies are more efficiently and effectively evaluated.

To-date, the City has held a Housing Element Update Community Meeting on March 27, 2013 and a Planning Commission Study Session on April 8, 2013. As the City moves forward in developing the 2014-2021 draft Housing Element, the Commission encourages the City to engage and collaborate with community stakeholders to develop effective housing policies and programs that will increase affordable home opportunities for lower income working families.

### **Housing Needs Assessment**

According to the Housing Needs Assessment, the City's demographic composition and housing market conditions demonstrate a growing need for homes that people can afford, especially for lower-income **renter** households. In 2007, of the City's renter households, 96% of renters were overpaying for housing costs<sup>1</sup> and 79% of renters were living in overcrowded conditions.<sup>2</sup> Despite the current economic downturn, housing costs have dramatically escalated over the past few years and the housing affordability gap has greatly widened as housing costs have increased faster than household income. The average rent in 2012 for the City was \$1,293, which is an increase of 1.2% from the year before.<sup>3</sup> With lower wages, high housing costs and lack of affordable homes, lower-income households have a difficult time without overpaying.

### **Persons with Physical and Developmental Disabilities**

When considering persons with disabilities, the draft Housing Element should:

1. Examine zoning and codes that may impede the development of homes for persons with disabilities.
2. Analyze the need and the number homes available in the City's housing stock for persons with disabilities.
3. Identify specific sites and create goals, policies and programs (i.e. Universal design standards) to encourage and facilitate the construction of homes for persons with disabilities.
4. Partner and collaborate with advocates and special needs housing developers in analyzing the housing need and developing solutions for persons with disabilities.

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<sup>1</sup> City of La Habra General Plan Update 2014-2021 Housing Element Update Draft, p. 19, March 1, 2013.

<sup>2</sup> City of La Habra General Plan Update 2014-2021 Housing Element Update Draft, p. 21, March 1, 2013.

<sup>3</sup> Renting in Dana Point, Newport Gets Even Costlier, Orange County Register, January 21, 2013.

**SB 2 Planning for Emergency Shelters**

While the City identified there were approximately 20 homeless persons in the City (estimate was drawn from observation by the police department),<sup>4</sup> the draft Housing Element does not adequately identify or analyze the City's homeless need. With the economic downturn, there are many at-risk and "less visible" individuals and families temporarily living with families, friends and motels. In order to address the City's homelessness needs, the City should consider the following:

1. Analyze the need of the "less visible" homeless population.
2. Analyze the surveys of local/neighboring homeless providers and shelters to account for clients served and those turned away due to capacity.
3. Review homelessness data and funding needs compiled by local governments (City and County), the Consolidated Plan, OC Partnership, Continuum of Care, CMIS reports and homeless shelter providers and partners.
4. Provide educational and planning support to stakeholders on SB 2 site development opportunities for homeless shelters.

A comprehensive review is crucial to assess the City's true homeless needs and solutions to provide housing options to this very vulnerable population. In determining the appropriateness of proposed sites, the City should consider accessibility to mass transportation and proximity to services for the homeless population. Also, it is important to consider whether the Emergency Transitional Shelter Overlay Zone on the M-1 zone (sites A, B, C and D), where emergency homeless shelters are allowed as permitted use,<sup>5</sup> will provide suitable and available sites for the development of emergency shelters. The City should evaluate on an annual basis how successful the identified zone has been to facilitate the development of emergency homeless shelters.

**Planning for Extremely Low-Income Households**

The Housing Element must identify and analyze the existing and projected housing needs of extremely low-income households. This quantification must be accompanied by a description of housing needs to formulate appropriate policies and programs. For the 2014-2021 planning period, the City's RHNA need for extremely low-income homes is 1 home.<sup>6</sup> Although the City follows statutory guidelines to identify the need of extremely low-income homes (half of the very low-income RHNA need), the element fails to have effective and specific policies and programs to assist and facilitate the development of extremely low-income homes.

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<sup>4</sup> City of La Habra General Plan Update 2014-2021 Housing Element Update Draft, p. 42, March 1, 2013.

<sup>5</sup> City of La Habra General Plan Update 2014-2021 Housing Element Update Draft, p. 42, March 1, 2013.

<sup>6</sup> City of La Habra General Plan Update 2014-2021 Housing Element Update Draft, p. 50, March 1, 2013.

**Past Performance on 2008-2012 Housing Element**

For the 2008-2012 Housing Element planning period, the City's RHNA numbers were: 53 for very low, 44 for low, 50 for moderate and 110 for above moderate homes.<sup>7</sup> Under the City's A4. Priority Processing Program, 93 homes were rehabilitated for lower income households.<sup>8</sup> There were no new construction of rental homes affordable to lower income families.

In April 2012, the California Department of Housing and Community Development (HCD) found the City's 2008-2014 Housing Element in full compliance that was contingent upon implementing Program A2, which "... commits to rezone sites permitting multifamily development at minimum densities of 20 units per acre."<sup>9</sup> However the City is currently updating its General Plan and did not amend the zoning to "... increase the maximum residential density to at least 30 dwelling units per acre in the R-4 zone and the La Habra Boulevard Specific Plan area"<sup>10</sup> to address the 2008-2014 lower income RHNA need. As a result, the City needs to carry-over 76 lower income homes to the 2014-2021 planning period.<sup>11</sup>

**Inventory of Land Suitable for Residential Development**

Government Code Section 65583 (a)(3) requires local governments to prepare an inventory of land suitable for residential development, including vacant land, potential redevelopment sites and an analysis of the relationship of zoning and public facilities and services to these sites.

The Commission strongly urges the City to prioritize and facilitate the development of new rental homes affordable to lower income working families. For the 2014-2021 planning period, the City's RHNA for lower income households, including the carry-over units, is 78 homes. To accommodate the lower income RHNA needs, the City has identified one vacant opportunity site, the Mixed-Use Center 2 (MUC-2) property which is anticipated to provide a total of 319 new homes. Of the total, 50 percent or 159 homes would be designated for lower income families and the other 50 percent or 160 homes would be designated for moderate and above moderate-income families.<sup>12</sup>

While the site is zoned as Mixed-Use (MUC-2) with an assumed density of 32 units per acre, it is important to note that density alone and mixed-use developments in La Habra and Orange County as a whole has not produced homes affordable to lower-income working families. In general, opportunity sites that are zoned exclusively residential have been much more successful in leveraging housing funds (i.e. Lower Income Housing Tax Credits) to build rental homes that are affordable to lower income families.

<sup>7</sup> Final Regional Housing Need Allocation Plan - Planning Period (January 1, 2006 - June 30, 2014), SCAG, p. 4, July 2007.

<sup>8</sup> City of La Habra General Plan Update 2014-2021 Housing Element Update Draft, p. 83, March 1, 2013.

<sup>9</sup> Letter from the California Housing and Community Development to City of La Habra, p. 1, February 7, 2012.

<sup>10</sup> City of La Habra General Plan Update 2014-2021 Housing Element Update Draft, p. 50, March 1, 2013.

<sup>11</sup> City of La Habra General Plan Update 2014-2021 Housing Element Update Draft, p. 53, March 1, 2013.

<sup>12</sup> City of La Habra General Plan Update 2014-2021 Housing Element Update Draft, p. 53, March 1, 2013.

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At the Housing Element Update Community Meeting on March 27, 2013, the City clarified that the developer of the MUC-2 site has proposed to build an exclusively residential development that would meet the lower income needs of the City's RHNA. Considering that the site is zoned mixed-use, there is a possibility in the future that the developer may not move forward with the exclusively residential lower income development. To ensure that 50 percent or 159 homes of the development capacity on the MUC-2 site will be set-aside for lower income working families, **the City should re-zone the site to allow developers the option of building mixed-use or exclusively multi-family residential only if the residential development is affordable to lower income families.** Also, the City should provide additional incentives, programs and policies the help facilitate and encourage the development of homes affordable to lower income families on the MUC-2 site.

### **Conclusion**

Given the importance of the draft 2014-2021 Housing Element update, the Commission welcomes the opportunity to continue our dialogue on how we can partner with City staff to ensure that the draft Housing Element includes specific policies that will result in new affordable homes for extremely low, very low and low-income working families.

Please keep us informed of any revisions, updates and meetings regarding the draft 2014-2021 Housing Element and if you have any questions, please free to contact me at (949) 250-0909 or [cesarc@kennedycommission.org](mailto:cesarc@kennedycommission.org).

Sincerely,



Cesar Covarrubias  
Executive Director

cc: Lisa Bates, California Housing and Community Development Department  
Christian Abasto, Public Law Center

## City's Response to The Kennedy Commission letter dated April 8, 2013 regarding comments on Draft 2014-2021 City of La Habra Housing Element Update

The City offers the following responses to The Kennedy Commission's comments.

1. Comment: Re-zone the MUC-2 site to allow developers the option of building mixed-use or exclusively multi-family residential only if the residential development is 100% affordable to lower income families.

City Response: The MUC-2 vacant site allows developers the option of building mixed-use, commercial, and/or multi-family residential. The City does not have the authority to restrict a site for the exclusive purpose of building affordable multi-family residential units. The City has established higher density zoning districts and land use designations under the 2035 General Plan Update and provides increments of density bonuses and other incentives to facilitate the provision of affordable housing.

2. Comment: Provide by-right incentives and concessions of certain development standards that developers are not entitled to in exchange for a dedication of 20% of homes affordable to families at extremely low, very low, and low-income levels in the City. Refer to other Orange County jurisdictions with inclusionary housing ordinances (i.e., Brea, Irvine, Santa Ana, Huntington Beach, etc.) as examples when developing Program A5, the City's inclusionary housing ordinance.

City Response: Program A5 considers adopting an inclusionary housing ordinance that would require new residential and/or mixed-use developments provide affordable housing units. The City will refer to other Orange County jurisdictions and similar cities with inclusionary housing ordinances as case study examples to collect information to develop baseline best practice provisions. It is anticipated that specific procedures and standards would be developed that would best suit the La Habra community such as the percentage of dedicated affordable units at varied affordability levels.

3. Comment: Create effective housing policies, programs and incentives that prioritize and advance concrete goals for the development of homes affordable to extremely low, very low, and low-income working families. Create a stand-alone objective such as "Program \_: Affordable Housing Construction" that will encourage new construction of multi-family rental homes that are affordable to lower income working families.

City Response: The City encourages the development of homes affordable to working families. Through Policy A-1, the City supports State Housing policies by emphasizing, "...the use of those public powers which impact on housing, including, but not limited to, land use controls, development controls, and regulatory concessions and incentives." Policy A-3 facilitates efforts of the

private sector in the production of new housing for all economic segments of the community. Specifically, Program A2 gives priority processing to very low-income and low-income developments where the highest priority will be given to rental projects that are affordable to extremely low and/or very low-income households. Program A4 directs the City to work with the La Habra Housing Authority to assist them in initiating partnerships with nonprofit developers to assist in the development of housing affordable to extremely low-income, very low-income and low-income households. Policy A-5 has the City striving to achieve the production of new housing in sufficient quantities to meet both market-rate and non-market rate housing needs of the community.

4. Comment: Commit specific funding or financial resources to facilitate the development of homes affordable for extremely low-income, very low, and low-income working families. Examples include: Leveraging housing funds and resources (i.e. in-lieu fees or impact fees) on identified candidate sites for lower income homes to increase competitiveness when applying for Low-Income Housing *Tax Credits*.

City Response: Historically, the City has approached lower income housing needs through financial assistance (although this will be more restrictive in the future due to the loss of redevelopment set aside funds), encouragement, or negotiations with developers with the goal of enhancing the residential quality of life by providing needed services that allow for the opportunity to increase household income. The Draft 2014-2021 Housing Element identifies Housing Authority Bonds, Community Development Block Grant Funds, the HOME Investment Partnership Program, and Low-Income Housing Tax Credits, among others, as financial resources (Chapter III, Section E) La Habra will utilize, when available, to assist in the development of affordable housing.

5. Comment: Analyze what the barriers and constraints are to build affordable homes in mixed-use developments. Will this type of construction increase building costs and impact the feasibility and development of affordable homes for lower income families? If yes, how will these constraints be addressed, mitigated or removed?

City Response: The City supports and encourages the development of affordable residential housing as part of the City's mixed-use land use designation (Policy A-8). The 2035 General Plan Update Technical Background Report Economic Development section analyzed the feasibility of mixed use development in La Habra and recommended a minimum property size of 1.00 acre and building intensity and density thresholds for the land use components including between 48 and 64 dwelling units per acre for multi-family housing. Pursuant to Government Code Section 65583.2(c)(3), the Housing Element must include analysis of identified sites which must demonstrate density standards to accommodate a jurisdiction's regional need for all income levels, including lower-income households. Government Code Section 65583.2(c)(3)(B) allows local governments to elect the option of utilizing "default" density standards that are "deemed appropriate to accommodate housing for lower income

households.” These default density standards are reported by county, and Orange County’s (including La Habra) default density to accommodate housing for lower income households is 30 units per acre.<sup>4</sup> The City’s recommended mixed-use land use designations under the updated 2035 General Plan supports the Economic Development recommendations and exceeds the default density standard where densities of multi-family units range up to 50 dwelling units per acre for multi-family housing in Mixed-Use Center 3 and Central District Mixed Use 1.

6. Comment: Analyze the need of the "less visible" homeless population and provide educational and planning support to stakeholders on SB 2 site development opportunities for homeless shelters.

City Response: Section F (Special Needs) of Chapter II (Housing Needs Assessment), per State law, analyzes the homeless population and provides information on homeless resources available in La Habra and Orange County. Planning for homeless populations, per SB 2, is also outlined where the City has adopted an ordinance (1719) which established an Emergency Transitional Shelter (ES) Overlay Zone. Program C5 has the objective to house the homeless population and others in housing crisis situations through permitting by-right, emergency shelters and transitional and supportive housing.

7. Comment: Evaluate on an annual basis how successful the identified M-1 zone (sites A, B, C and D), have been to facilitate the development of emergency homeless shelters.

City Response: Government Code Section 65400 requires the City of La Habra to prepare an annual report on the status and progress in implementing the Housing Element. This includes progress on policy and program implementation, including Program C5.

8. Comment: Partner and collaborate with advocates and special needs housing developers in analyzing the housing need and developing solutions for persons with physical and developmental disabilities.

City Response: The City offers outreach to persons with physical and developmental disability needs. Program C4 supports the City working with the Regional Center of Orange County (RCOC) to implement an outreach program that informs families within the City on housing and services available for persons with developmental disabilities. Program C3 is implemented through the La Habra Municipal Code (LHMC) Chapter 18.10 by providing regulations for adaptability, accessibility, and reasonable accommodations for the safety and welfare of physically and developmentally disabled residents.

9. Comment: Meaningfully engage and collaborate with community stakeholders to develop effective housing policies and programs that will increase affordable home opportunities for lower income working families.

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<sup>4</sup> [http://www.hcd.ca.gov/hpd/Default\\_2010census\\_update.pdf](http://www.hcd.ca.gov/hpd/Default_2010census_update.pdf)

City Response: Several of the City's programs include collaboration with community stakeholders and housing advocates to increase affordable housing opportunities for lower income households in La Habra including the Orange County Housing Authority, Fair Housing Council of Orange County, Regional Center of Orange County (RCOC), and NeighborWorks. Through the City's participation with the Orange County Housing Authority, as of February 2013, there are 174 Section 8 vouchers for rental assistance provided in the City, with the majority going to extremely low-income households.

### **Citizen Participation**

Comment:

State Housing Element law requires that communities allow for public participation and comment opportunities in the creation and evaluation of the jurisdiction's Housing Element. California Government Code Section 65583 (c)(6)(b), requires that jurisdictions " ... shall make a diligent effort to achieve participation of all economic segments in the community" in the Housing Element process. This requirement presents an opportunity for the City to engage constituents and stakeholders in a dialogue - defining problems and creating solutions. The inclusion of community stakeholders in the Housing Element public participation process helps ensure appropriate housing strategies are more efficiently and effectively evaluated.

To-date, the City has held a Housing Element Update Community Meeting on March 27, 2013 and a Planning Commission Study Session on April 8, 2013. As the City moves forward in developing the 2014-2021 Draft Housing Element, the Commission encourages the City to engage and collaborate with community stakeholders to develop effective housing policies and programs that will increase affordable home opportunities for lower income working families.

City Response:

The City will continue to collaborate with the public throughout the Housing Element Update process and keep the community informed of any revisions, updates, and meetings regarding the Draft 2014-2021 Housing Element via the City's General Plan Update website ([http://www.lahabrageneralplanupdate.com/upcoming\\_events.htm](http://www.lahabrageneralplanupdate.com/upcoming_events.htm)) and through email communication to the nearly 50 Housing Element advocates and stakeholders and the more than 200 individuals on the City's General Plan Update public outreach contact list.

### **Housing Needs Assessment**

Comment:

According to the Housing Needs Assessment, the City's demographic composition and housing market conditions demonstrate a growing need for homes that people can afford, especially for lower-income **renter** households. In 2007, of the City's renter households, 96% of renters were overpaying for housing costs and 79% of renters were living in overcrowded conditions. Despite the current economic downturn, housing costs have dramatically escalated over the past few years and the housing affordability gap has greatly widened as housing costs have increased faster than household income. The average rent in 2012 for the City was \$1,293, which is an increase of 1.2% from the year before. With lower wages, high housing costs, and lack of affordable homes, lower-income households have a difficult time without overpaying.

City Response:  
Comment noted.

### **Persons with Physical and Developmental Disabilities**

Comment:

When considering persons with disabilities, the Draft Housing Element should:

1. Examine zoning and codes that may impede the development of homes for persons with disabilities.
2. Analyze the need and the number of homes available in the City's housing stock for persons with disabilities.
3. Identify specific sites and create goals, policies and programs (i.e. Universal design standards) to encourage and facilitate the construction of homes for persons with disabilities.
4. Partner and collaborate with advocates and special needs housing developers in analyzing the housing need and developing solutions for persons with disabilities.

City Response:

Section B (Governmental Constraints) of Chapter IV (Housing Constraints) examines the City's codes and describes how the City removes impediments and provides for reasonable accommodations for persons with disabilities. Section F (Special Needs) of Chapter II (Housing Needs Assessment) analyzes the need and discusses the type and availability of homes for persons with mobility and/or self-care limitations including persons with developmental disabilities (SB 812). Program C3 is implemented through the La Habra Municipal Code (Chapter 18.10) that provides regulations for adaptability, accessibility, and reasonable accommodations for the safety and welfare of physically and developmentally disabled residents. Program C4 supports the City working with the Regional Center of Orange County (RCOC) to implement an outreach program that informs families within the City on housing and services available for persons with developmental disabilities. The City also has provisions that allow housing developers to develop solutions for persons with physical and developmental disabilities.

### **SB 2 Planning for Emergency Shelters**

Comment:

While the City identified there were approximately 20 homeless persons in the City (estimate was drawn from observation by the police department), the Draft Housing Element does not adequately identify or analyze the City's homeless need. With the economic downturn, there are many at-risk and "less visible" individuals and families temporarily living with families, friends and in motels. In order to address the City's homelessness needs, the City should consider the following:

1. Analyze the need of the "less visible" homeless population.
2. Analyze the surveys of local/neighborhood homeless providers and shelters to account for clients served and those turned away due to capacity.
3. Review homelessness data and funding needs compiled by local governments (City and County), the Consolidated Plan, OC Partnership, Continuum of Care, CMIS reports and homeless shelter providers and partners.
4. Provide educational and planning support to stakeholders on SB 2 site development opportunities for homeless shelters.

A comprehensive review is crucial to assess the City's true homeless needs and solutions to provide housing options to this very vulnerable population. In determining the appropriateness of proposed sites, the City should consider accessibility to mass transportation and proximity to services for the homeless population. Also, it is important to consider whether the Emergency Transitional Shelter Overlay Zone on the M-I zone (sites A, B, C and D), where emergency homeless shelters are allowed as a permitted use, will provide suitable and available sites for the development of emergency shelters. The City should evaluate on an annual basis how successful the identified zone has been to facilitate the development of emergency homeless shelters.

City Response:

As stated previously, Section F (Special Needs) of Chapter II (Housing Needs Assessment), per State law, analyzes the homeless population and provides information on homeless resources available in La Habra and Orange County. Planning for homeless populations, per SB 2, is also outlined where the City has adopted an ordinance (1719) which established an Emergency Transitional Shelter (ES) Overlay Zone. Program C5 has the objective to house the homeless population and others in housing crisis situations through permitting by-right, emergency shelters and transitional and supportive housing. Government Code Section 65400 requires the City of La Habra to prepare an annual report on the status and progress in implementing the Housing Element. This includes progress on policy and program implementation, including Program C5.

**Planning for Extremely Low-Income Households**

Comment:

The Housing Element must identify and analyze the existing and projected housing needs of extremely low-income households. This quantification must be accompanied by a description of housing needs to formulate appropriate policies and programs. For the 2014-2021 planning period, the City's RHNA need for extremely low-income homes is 1 home. Although the City follows statutory guidelines to identify the need of extremely low-income homes (half of the very low-income RHNA need), the element fails to have effective and specific policies and programs to assist and facilitate the development of extremely low-income homes.

City Response:

Program A2 gives priority processing to very low-income and low-income developments where the highest priority will be given to rental projects that are affordable to extremely low and/or very low-income households. Program A4 directs the City to work with the La Habra Housing Authority to assist them in initiating partnerships with nonprofit developers to assist in the development of housing affordable to extremely low-income, very low-income and low-income households. Through the City's participation with the Orange County Housing Authority, as of February 2013, there are 174 Section 8 vouchers for rental assistance provided in the City, with the majority going to extremely low-income households.

Further, according to Government Code Section 65583 (b), local governments' housing elements are required to establish quantified objectives for the maximum number of housing units that can be constructed, rehabilitated, and conserved throughout the 8-year projection planning period. Table 39 in the City's Draft Housing Element presents La Habra's quantified housing objectives for the 2014-2021 housing cycle. Given the expected availability of resources to address the City's identified housing needs and the expectation regarding future development at varied income levels including extremely low-income households, it is anticipated that the objective will be achieved. Of the total new housing construction objective,

it's anticipated that 40% of the units would be affordable to lower income households or extremely low (5%), very low (10%), and low income (25%); of the total housing rehabilitation objective, 100% of the units would be affordable to lower income households or extremely low (25%), very low (25%), and low income (50%); and of the total housing conservation/preservation objective, 99% of the units would be affordable to lower income households or extremely low (31%), very low (23%), and low income (45%).

### **Past Performance on 2008-2012 Housing Element**

#### Comment:

For the 2008-2012 Housing Element planning period, the City's RHNA numbers were: 53 for very low, 44 for low, 50 for moderate and 110 for above moderate homes. Under the City's A4. Priority Processing Program, 93 homes were rehabilitated for lower income households. There were no new construction of rental homes affordable to lower income families.

In April 2012, the California Department of Housing and Community Development (HCD) found the City's 2008-2014 Housing Element in full compliance that was contingent upon implementing Program A2, which "... commits to rezone sites permitting multifamily development at minimum densities of 20 units per acre." However, the City is currently updating its General Plan and did not amend the zoning to "... increase the maximum residential density to at least 30 dwelling units per acre in the R-4 zone and the La Habra Boulevard Specific Plan area" to address the 2008-2014 lower income RHNA need. As a result, the City needs to carry-over 76 lower income homes to the 2014-2021 planning period.

#### City Response:

The 2014-2021 Draft housing element includes a rollover of 76 units as discussed in Chapter II, Section H and depicted in Table 29.

### **Inventory of Land Suitable for Residential Development**

#### Comment:

Government Code Section 65583 (a)(3) requires local governments to prepare an inventory of land suitable for residential development, including vacant land, potential redevelopment sites and an analysis of the relationship of zoning and public facilities and services to these sites.

The Commission strongly urges the City to prioritize and facilitate the development of new rental homes affordable to lower income working families. For the 2014-2021 planning period the City's RHNA for lower income households, including the carry-over units, is 78 homes. To accommodate the lower income RHNA needs, the City has identified one vacant opportunity site, the Mixed-Use Center 2 (MUC-2) property which is anticipated to provide a total of 319 new homes. Of the total, 50 percent, or 159 homes, would be designated for lower income families and the other 50 percent, or 160 homes, would be designated for moderate and above moderate income families.

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City Response:

As stated previously, the MUC-2 vacant site allows developers the option of building mixed-use, commercial, and/or multi-family residential. The City does not have the authority to restrict a site for the exclusive purpose of building affordable multi-family residential units. The City has established higher density zoning districts and land use designations under the 2035 General Plan Update and provides increments of density bonuses and other incentives to facilitate the provision of affordable housing.

**Conclusion**

Comment:

Given the importance of the Draft 2014-2021 Housing Element update, the Commission welcomes the opportunity to continue our dialogue on how we can partner with City staff to ensure that the Draft Housing Element includes specific policies that will result in new affordable homes for extremely low, very low and low-income working families.



