

YORBA LINDA 2008-2014 HOUSING ELEMENT FREQUENTLY ASKED QUESTIONS

1. Why does Yorba Linda have to plan for more housing?

California's population has continued to grow by approximately 500,000 each year, translating to an annual need for about 220,000 new units. State housing element law requires each city and county to plan for their "fair share" of the state's housing growth needs. The Southern California Association of Governments (SCAG) is the regional agency responsible for defining the fair share allocation among its six counties (Imperial, Los Angeles, Orange, Riverside, San Bernardino, Ventura), 187 cities, Southern California jurisdiction. Based on economic and demographic forecasts, the State has determined that SCAG must accommodate 699,398 housing units between 2006 and 2014 to meet housing demand.

2. How much housing does Yorba Linda have to plan for? What is the City's obligation to accommodate its Regional Housing Need (RHNA), and what happens if at the end of the Housing Element cycle the City falls short of its RHNA goals?

SCAG has allocated the region's 699,398 housing unit growth needs to each city and county through a process called the Regional Housing Needs Assessment (RHNA). Yorba Linda's RHNA for the 2006-2014 period is 2,039 units, distributed among the following income categories:

Very Low Income (<50% AMI ¹)	460 units
Low Income (51 – 80% AMI)	371 units
Moderate Income (81 – 120% AMI)	412 units
Above Moderate Income (>120% AMI)	<u>796 units</u>
TOTAL	2,039 units

The RHNA represents the minimum number of housing units Yorba Linda is required to plan for in its housing element by providing "adequate sites" through general plan and zoning. As the RHNA represents a planning target and not a building quota, so long as the City provides sufficient sites and does not impose constraints to development, the City is not penalized for falling short of its RHNA goals.

3. How do YL's RHNA assigned RHNA numbers compared to the 2000-2005 period?

The previous Housing Element cycle covering the period of time from 2000-2005, the City's RHNA allocation was for 1,585 units. Two affordable projects were completed during this time frame which were counted against the City's RHNA – 1) Yorba Linda Palms Apartments (Meta Housing) with 44 very-low and low-income units and 2) Parkwood Senior Apartments with 100 very-low and low income units.

¹ AMI: Area Median Income. The 2010 Orange County AMI for a 4-person household is as follows: very low income - \$46,450; low income - \$74,300; moderate income - \$104,650.

4. How do YL's RHNA numbers compare to other OC cities such as Brea, Newport Beach, Tustin, etc.?

Yorba Linda was assigned 2,039 units. Other Orange County cities were assigned much higher numbers and others much less. For example:

Higher RHNA allocation:

Irvine – 35,660 units
Orange – 5, 035 units
Tustin – 3,334 units

Comparable RHNA allocation:

Brea - 2,030 units
Newport Beach – 1,769 units
Fullerton – 1,893 units

Lower RHNA allocation:

Fountain Valley – 462 units
La Habra – 256 units
Placentia – 97 units

5. What amount of our RHNA allocation has already been met?

The City has already addressed or been able to account for 1,082 units since 2008. See #11 for details on the completed projects.

The unmet RHNA balance is 957 units (623 in the very-low and low-income category; 334 in the moderate-income category)

6. Define Very Low, Low, Moderate and Above Moderate income categories.

Very Low Income is defined as <50% OC Area Median Income (AMI)

Low Income is defined as 51 – 80% AMI

Moderate Income is defined as 81 – 120% AMI

Above Moderate Income is defined as >120% AMI

The AMI for the County is updated annually and has only fluctuated slightly over the past three years due to the stagnant average income for the region.

7. What are the income levels to qualify in each?

The OC AMI in 2010, for a typical household consisting of 4 persons is \$87,200 annually.

Therefore, based upon this area average and in accordance with the definitions above, the following maximum household incomes for a family of four are as follows:

Maximum income to qualify for a very low income unit is \$46,450
Maximum income to qualify for a low income unit is \$74,300
Maximum income to qualify for a moderate income unit is \$104,650

State and Federal definitions of housing affordability are generally based on the standard of spending no greater than 30% of household income on housing costs, including utility payments, taxes, insurance, homeowner association fees, etc. Affordable housing is relative to the amount households of different income levels and sizes can afford to pay for housing. For example, the maximum affordable rent for a very low income, 2-person household (1 bedroom unit) in Orange County is \$841, whereas affordable rent for a 2- person, low-income household is \$1,009.

8. Does the identification of sites for rezoning to higher densities to address the City’s RHNA require that affordable housing be built on these sites?

Not necessarily, although the City should encourage and facilitate affordable units on these sites, it is at the discretion of the property owner as to the ultimate use. If sites targeted for affordable housing in the Housing Element are down-zoned at a later date, new affordable sites must be designated to fulfill any shortfall of sites to accommodate the RHNA. However, if sites targeted for affordable housing develop at lesser densities than the zoning allows for, then there is no need for new sites to be identified.

9. What do communities do when they run out of vacant land to address their RHNA needs?

In communities with little or no remaining vacant land, the Housing Element may evaluate underutilized sites available for intensification and/or non-residential sites for potential re-designation for housing or mixed-use development. Examples of land with potential for recycling may include scattered sites suitable for assembly, publicly owned surplus land, areas with mixed use potential, and blighted areas with abandoned or vacant buildings. Under limited circumstances, a portion of the City’s RHNA needs may be met through conversion of existing market rate units to affordable levels (committed assistance program).

10. Do affordable housing complexes have a higher crime rate than surrounding neighborhoods?

Affordable housing developments in Yorba Linda require very stringent management practices. It is commonly reported that crime statistics tend to improve in residential projects where property management is a priority. When an on-site manager is present and attentive to the community and its residents, then the potential for police calls tends to be reduced. Additionally, a thorough and fairly strict screening process will determine the quality of residents in the development.

The existing affordable housing communities in Yorba Linda have experienced an overall decline in the number of responses to police calls, which is likely attributed to quality on-site management.

11. What housing projects have been completed using RDA housing set-aside funds?

New construction:

Victoria Woods Senior Apartments (125 units)
Parkwood Senior Apartments (100 units)
Yorba Linda Palms Apartments (44 units)
Habitat for Humanity SFR (3 units)

Rehabilitation:

Arbor Villas Apartments (67 units)
Villa Plumosa Apartments (76 units)
Evergreen Villas (28 units to date)
Citywide condo acquisitions (1 unit to date)

Other Housing Assistance:

Mortgage Assistance Program for first-time homebuyers
Covenant acquisition in existing apartment complexes (under review)

12. What happens if Yorba Linda does not have an Element certified by the State Department of Housing and Community Development (HCD)?

There are several potential consequences, the greatest of which is the risk of litigation based on a legally inadequate General Plan. Courts can impose a range of sanctions if they rule the housing element invalid, including a moratorium on all development and local land use authority until the housing element is brought into compliance. Furthermore, the jurisdiction is responsible for paying the litigant's attorney fees. Settlement agreements between the parties often include stipulations for mandatory rezoning and affordable housing production requirements. The "anti-NIMBY Law" prohibits denial of affordable projects without an HCD approved Housing Element, even where such projects are inconsistent with General Plan and zoning. State housing and related infrastructure funds typically require housing element compliance for eligibility. And where a jurisdiction's prior housing element failed to identify adequate sites to address the RHNA, AB 1233 now requires this unmet RHNA carry over to future housing element cycles, rendering HCD compliance in future housing element cycles extremely difficult.

13. Other cities have been sued due to non-compliance of their Housing Element. What have been the bases of some of these suits and the penalties assessed?

There have been no lawsuits brought by the State to enforce housing element compliance, although the Attorney General's Office does have the authority to file civil action and has written letters to non-compliant jurisdictions emphasizing this fact. Housing element lawsuits are typically brought about by affordable housing advocates, property owners and/or the development community. Examples of litigation include:

Folsom: City previously signed agreement to produce 650 affordable units within 4 years. City didn't adhere to agreement – sued by Legal Services. Court ordered moratoria on development of 600 acres until HCD certified Element is achieved. A stipulated judgment required City to

rezone 128 acres for affordable housing, create incentives for developers, and create affordable Housing Trust Fund.

Mission Viejo: City failed to comply with commitment in adopted Housing Element to rezone sites. HCD subsequently rescinded their certification, and lawsuit was brought by California Affordable Housing Law Project and Legal Aid. Court issued a writ against City and ordered moratoria on the 3 sites the City had identified but hadn't rezoned.

Pleasanton: City committed to rezoning 30-40 acres High Density Residential in Housing Element. Failing to adopt the rezoning, HCD de-certified the Element. Urban Habitat subsequently filed a lawsuit based on housing element non-compliance, as well as a voter-approved growth management ordinance. The City has requested the State Supreme Court hear the case.

A partial listing of other jurisdictions who have faced legal challenges on their housing elements include: Alameda, Benicia, Camarillo, Corte Madera, Dana Point, Encinitas, Fremont, Healdsburg, Mendocino County, Napa County, Oxnard, Pasadena, Pittsburgh, Rohnert Park, San Diego, Sacramento County, Santa Cruz County, Santa Monica, Santa Rosa, Seal Beach, and Sonoma County.

14. What is the relationship between Housing Element requirements and the Redevelopment Agency's affordable housing requirements?

Redevelopment statutes require the Yorba Linda Redevelopment Agency to set aside 20 percent of all tax increment revenue generated from the Redevelopment Project Area for the purpose of increasing and improving the community's supply of housing for low and moderate income households. These funds are placed in a separate Low and Moderate Income Housing Fund and provide the primary source of funds for implementation of the affordable housing programs set forth in Yorba Linda's Housing Element.

15. Would the City still have RHNA numbers even if we didn't have an RDA?

The RHNA allocation is not tied to the existence of a redevelopment agency. The RHNA allocation is a number assigned to jurisdictions in a regional planning area (for YL it is the Southern California Association of Government or SCAG region). The formula for disaggregating numbers has no regard for whether or not a city has a redevelopment agency.

A redevelopment agency, however, is a means by which cities can fund affordable housing projects. If YL did not have a redevelopment agency, then the burden of financing the RHNA allocation would likely be borne by the City's general fund.