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July 17, 2008

The Honorable Nancy Wieben Stock
Presiding Judge of the Superior Court
700 Civic Center Drive West
Santa Ana, CA 92701

RE: Response to Grand Jury report – “No County for Old Boomers”

Dear Judge Wieben Stock:

This letter is submitted in response to the Grand Jury report “No County for Old Boomers – When Orange County Baby Boomers Retire, Where Will They Live?” We appreciate the opportunity to provide the following responses to the findings and recommendations contained within the Grand Jury’s report:

Finding 1. The Housing Elements for the cities and County of Orange do not reflect that the number of affordable senior housing units in Orange County will not accommodate the projected population.

Response: The City of Aliso Viejo disagrees with this finding as it relates to the City. The City’s Housing Element is required by State law to address housing for special needs groups, including the senior population, within its jurisdiction. The City’s current Housing Element identifies 4.3 percent of its households (692) as being 65 or older. Two thirds of these senior households (461) are homeowners, while the remainder (231) rent. There are two senior-living complexes in Aliso Viejo; The Covington and The Wellington. The Covington includes 180 units; 155 of which are for independent living. The Wellington provides 233 units for senior residents; approximately half are designated for independent living and the other half is for assisted living. These facilities were approved by the County of Orange prior to city hood and provide senior housing, but the City does not count these toward the affordability for seniors. The City’s goal is address affordable housing for all income levels in the upcoming Housing Element cycle.

Finding 2. The Housing Elements for the County of Orange and the cities do not focus sufficiently on or analyze the population growth and housing needs of the aging baby boomer generation.

Response: The City disagrees with this finding as it relates to the City. The Housing Element is required by law to discuss and analyze population growth and the housing needs of special needs groups, including the senior population. The State’s housing guidelines and the RHNA process, however, is focused on the economic levels of families. The economic level of families includes persons classified as seniors as well as those in younger age groupings. Until State law is changed to further segment and focus criteria on seniors, it is inappropriate to reprioritize local government efforts.

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Finding 3. Not all Housing Elements are available online for easy access by the public.

Response: The City disagrees with the finding as it relates to the City. The City of Aliso Viejo's Housing Element has been available online since 2005 for easy access by the public.

Finding 4. Municipalities are not proactive enough in encouraging the development of affordable senior housing.

Response: The City disagrees with the finding. Because of the unique origin of the City of Aliso Viejo, there was no RHNA requirement for affordable housing in the City's current Housing Element. However, the City has still taken steps to ensure the construction of affordable units by including provisions for an overall 15% affordable designation for housing units approved in all development projects since the City's incorporation in 2001. Prior to incorporation, the County of Orange approved for the unincorporated area called Aliso Viejo, 5,823 affordable units (2,528 low income and 3,295 moderate income units - well above the County's 25-percent requirement) out of a total of 17,000 units. Affordable housing created through these developments is available for special needs groups, including low-income seniors. Furthermore, the City complies with State law which contains a 20% density bonus provision for senior citizen housing developments.

Recommendation 1. Include the current and projected affordable senior housing inventory by type, location and cost in the 2008 and future years' development of the Housing Element.

Response: The recommendation has not yet been implemented, but will be implemented in the 2008 Housing Element update. The City has two senior housing developments, as stated in Finding 1. Staff will include the type, location, and cost of these units in the 2008 Housing Element update.

Recommendation 2. Include sufficient data in the Housing Element to acknowledge the imminent growth in the county's aging population. This data is to include the current population and the growth trend of the aging baby boomer generation as well as the current median income and the income trend of the senior population.

Response: This recommendation will not be implemented. The data and analysis requested by the Grand Jury is not currently required under State Housing Element law. This would require extra expense that has not been budgeted, and we do not have the staff resources available to conduct the recommended research and data compilation. In addition, the 2010 Census will provide this information.

Recommendation 3. Put all Housing Elements online on each city's website.

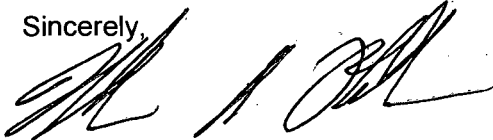
Response: The recommended action has been implemented. As previously noted, the City's Housing Element is available on line at the City's website at www.cityofaliso Viejo.com.

Recommendation 4. Confer with developers to establish the needs for affordable senior housing and to encourage investment in future projects.

Response: The recommended action has been implemented. Staff routinely confers with developers regarding development opportunities, and will continue to encourage the development of affordable senior housing pursuant to Housing Element policies. The City is currently processing an application for 164-unit affordable senior housing apartment complex.

Should you have any questions or need additional information about the City of Aliso Viejo's Housing Element update, please call Eugenia Garcia, Planning Director at (949) 425-2527.

Sincerely,

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

William A. Phillips
Mayor

Cc: City Council
Mark A. Pulone, City Manager
Eugenia Garcia, Planning Director
Ann Avery Andres, Foreman, Orange County Grand Jury, 700 Civic Center Drive West,
Santa Ana, CA 92701