



City of Huntington Beach

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Debbie Cook
Mayor

July 21, 2008

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

Dear Judge Stock:

The purpose of this letter is to respond to and address the findings and recommendations of the 2007-2008 Orange County Grand Jury Report entitled "No County for Old Boomers – When Orange County Boomers Retire, Where Will They Live?"

Attached are the city's responses to each of the findings and recommendations in the report. Please note that the responses specifically address the issues as they pertain to the city of Huntington Beach and do not generally speak to the existing and future conditions of other cities or County of Orange. Additionally, enclosed you will find a copy of the adopted City of Huntington Beach 2008-2014 Housing Element with data to support the city's responses.

Should you have questions regarding the attached responses, please contact Scott Hess, Planning Director at (714) 536-5554.

Sincerely,

Debbie Cook
Mayor

Attachment

xc: Paul Emery, Interim City Administrator
Bob Hall, Deputy City Administrator
Scott Hess, Planning Director
Mary Beth Broeren, Planning Manager

Findings

F-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.

The City of Huntington Beach Housing Element identifies six senior housing projects with approximately 500 affordable units in the City. In addition, there are 51 residential care homes for seniors and 3 larger assisted living facilities providing 696 beds, although these are not necessarily affordable units. The Housing Element also provides information on the number of elderly (62+ years) residents in the City that are considered low income, earning less than 80 percent of the area median income (AMI). With over 6,500 low income senior residents in the City, it is evident in the Housing Element that there are not enough affordable housing units for seniors to accommodate the current and projected senior population in the City. Although there may be housing elements within the County that do not identify this issue, the City of Huntington Beach Housing Element does convey this issue in the Needs Assessment section.

F-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.

While not specifically addressing the “baby boomer” generation, the City of Huntington Beach Housing Element identifies a trend in the City toward an aging population and categorizes seniors as a special needs group recognizing that they may have more difficulty in finding decent and affordable housing. Using 2000 Census data, the Needs Assessment section of the Housing Element indicates that the City has approximately 20,000 residents over the age of 65, a significant increase from the 15,000 seniors identified in the 1990 Census. The Needs Assessment section also identifies that the Middle Age (45-64 years) and Senior (65+) age groups experienced the most growth since the 1990 Census, a statistic that implies that the trend will continue into future Census cycles. It also indicates that the City saw little or no growth in the other age groups, and in fact, experienced a decrease in the College Age (18-24 years) age group.

The Housing Element sufficiently analyzes the characteristics of the growing senior population in the City and provides quantitative data to support the categorization of seniors as a special needs population group. The Housing Element identifies the four primary concerns of seniors as:

- 1.) Income – People over the age of 65 are most likely retired and living on a fixed income;
- 2.) Health Care – Because the elderly have a higher rate of illness and dependency, health care and supportive housing is important;
- 3.) Transportation – Many seniors use public transit. However, a significant number of seniors have disabilities and require alternatives to transit;
- 4.) Housing – Many seniors live alone and rent.

Statistically, approximately 40 percent of the City’s seniors live alone and over one-third have some type of disability. Additionally, almost 20 percent of the City’s seniors are renters, 85 percent of which are lower income. Finally, approximately 17 percent of the City’s elderly (62+) households are spending more than half of their income on rent.

Although the Housing Elements of the other cities and County of Orange may not sufficiently address the population trends and housing needs of the aging baby boomer generation, the City of Huntington Beach Housing Element adequately addresses this subject.

F-3: Not all Housing Elements are available online for easy access by the public.

While this finding may be true for some jurisdictions within the County, the City of Huntington Beach has made each element of the General Plan, including the Housing Element, available for public viewing on the City's Planning Department website for several years. During the last year, the City of Huntington Beach has undergone an update to the City's Housing Element for the 2008-2014 planning period. The update included a public participation process in which several drafts of the revised Housing Element were made available for public review on the City's website.

F-4: Municipalities are not proactive enough in encouraging the development of affordable senior housing.

The City of Huntington Beach has been a proactive partner in the provision of affordable housing for all age and special needs groups in the City. The City and its Redevelopment Agency play an active role in the provision of quality, affordable housing through land assembly and write-downs; direct financial assistance using HOME, redevelopment set-aside and Housing Trust Fund resources; and regulatory incentives (density bonus and other development incentives). The City also provides technical assistance to developers in support of affordable housing development, including: evaluation of projects for appropriate use of funding sources; assistance in completion of funding applications; and assistance in moving projects forward through the public review process. The previous Housing Element included a program specifically for the development of affordable housing for senior citizens and low/moderate income households. This proactive approach resulted in the successful development of 290 affordable senior units during the previous Housing Element cycle (2000-2005) in which the City provided financial assistance. In addition, the City has adopted reduced development standards for senior housing.

The City, through the adoption of the 2008-2014 Housing Element, continues to actively encourage development of affordable housing, including affordable housing for seniors, through various programs established to provide financial and regulatory incentives to developers and requires that the City continue to evaluate ways to facilitate affordable housing by amending land use controls and development standards, providing an inventory of suitable sites and identifying financial resources available to assist developers.

Recommendations

R-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.

This recommendation has been implemented. The 2008-2014 Housing Element lists an inventory of affordable rental housing projects, which includes all of the current and projected deed-restricted affordable senior housing units in the City. The inventory identifies the project name and/or location, the number of units in the development, the projected conversion year to market rate housing, the mix of income levels for the affordable units in the project and the type of assistance received from the City. Unit cost/rent is not explicitly identified as these numbers can vary depending on the program or agency the project is receiving assistance from; however, they are categorized by income level. This information can help someone determine the estimated rent for each unit as the rents are based on income. As an example, the Housing Element identifies two affordable projects, one being an affordable senior housing development, at-risk of converting to market rate units, and provides a breakdown of what a tenant could afford to pay if their total household income was 50 percent of the AMI and the amount their rent would have to be subsidized based on an established Fair Market Rent (FMR). A general cost estimate, utilizing several options, for preservation of these two projects as affordable housing is also provided in the Housing Element. A comparison of the cost estimates is provided to establish which preservation option would be the most cost effective for a potential developer.

In addition to listing the senior housing inventory, the Housing Element includes a description of resources that are available to senior residents in the City of Huntington Beach. The City's Community Services Department operates the Rodgers Senior Center and the Senior Outreach Center, which provide recreational and social activities, a meals program, preventative healthcare, transportation services and supportive services including care management, community counseling, support groups and referral services. Recognizing the trend in a growing senior population, the City Council recently approved construction of a new senior center up to 45,000 square feet in size with amenities to accommodate a more active senior population. Finally, the City administers a Housing Rehabilitation Program that provides low interest loans and emergency grants to assist lower income homeowners in making needed repairs such as installation of grab bars and other assistance devices.

R-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 growth trend of the aging baby boomer generation as well as the current median income and the income trend of the senior population.

This recommendation has been implemented. As pointed out in the response to Finding F-2, the City of Huntington Beach Housing Element provides quantified data to identify a trend of an aging population in the City and indicates that a similar trend is occurring throughout Orange County. The Housing Element includes statistics regarding the income level of elderly households in the City. To summarize the data, approximately 50 percent of the City's elderly households are lower income and approximately one-third earn less than 50 percent of the AMI.

R-3: Put all Housing Elements online on each city's website.

This recommendation has been implemented. The City of Huntington Beach Housing Element is available for review online at the following web address: http://www.surfcity-hb.org/files/users/planning/housing_element.pdf.

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

This recommendation is being implemented on an on-going basis. As discussed under Finding F-4, the City has kept an open and active dialogue with developers in encouraging, as well as, assisting in the development of affordable housing for seniors. During the Housing Element Update process, the City held a series of public meetings that included elected and appointed officials, non-profit and for-profit housing developers, real estate professionals and affordable housing advocacy groups, for the purpose of discussing the housing needs of the City and identifying issues to be addressed in the Housing Element. The resulting 2008-2014 Housing Element, adopted by the City Council, includes programs that will continue the City's partnership with developers and encourage development of future affordable housing projects, including affordable housing for seniors. In fact, the Housing Element itself is a tool for developers to understand population trends and housing needs of the City, and know which resources and incentives are available to them for the development of affordable housing.

The City Council has established an Affordable Housing Ad Hoc Committee, which meets on an as-needed basis, and has previously met to discuss topics such as the City's inclusionary ordinance, the Housing Element and affordable housing in-lieu fees. In order to facilitate discussion with developers and encourage the development of affordable senior housing, the City Council Affordable Housing Ad Hoc Committee will conduct a meeting to specifically discuss the issues identified in the Grand Jury Report and strategize ways to strengthen the City's outreach to developers in order to encourage investment in future affordable senior housing projects.