



## CITY OF LAGUNA HILLS

June 30, 2008

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

RE: 2007-08 Orange County Grand Jury Report, "No County for Old Boomers-  
When Orange County Baby Boomers Retire, Where Will They Live?"

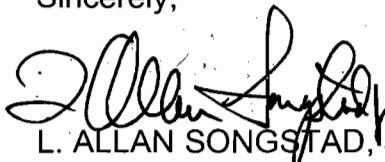
Dear Judge Weiben Stock:

Thank you for the opportunity to review the Orange County Grand Jury Report on affordable senior housing. The Orange County Grand Jury is requesting that the City of Laguna Hills provide a response to each of the findings and recommendations cited in the Report, and describe the implementation status, as well as provide a schedule for future implementation.

The City of Laguna Hills recognizes the need for affordable senior housing. The City's General Plan and Housing Element provide a wide variety of programs designed to meet the housing needs of the residents of the City.

The Laguna Hills City Council considered the Orange County Grand Jury Report "No County for Old Boomers - When Orange County Baby Boomers Retire, Where Will They Live?" at its June 24, 2008, meeting and is pleased to provide the following responses to the Grand Jury. We have also offered some additional recommendations we believe should be considered along with those articulated by the Grand Jury. See attached.

Sincerely,

  
L. ALLAN SONGSTAD, JR.  
Mayor

### Attachments

cc: Orange County Grand Jury  
City Clerk

Attachment

CITY OF LAGUNA HILLS RESPONSES TO THE 2007-2008 ORANGE COUNTY GRAND JURY REPORT "NO COUNTRY FOR OLD BOOMERS- WHEN ORANGE COUNTY BABY BOOMERS RETIRE, WHERE WILL THEY LIVE?"

**RESPONSES TO GRAND JURY FINDINGS**

Under California Penal Code §933 and §933.05, responses are required to all findings. The 2007-2008 Orange County Grand Jury has made the following four findings:

<b>2007-2008 Grand Jury Findings</b>	<b>City of Laguna Hills Responses</b>
<b>Finding 1:</b> 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.	Disagree. This may be a true statement for some cities, but not all. The City is not in position to comment on the housing elements of other cities or the County of Orange. Further, neither the County of Orange or the cities in the County are responsible for, or can be expected to address, the reasons stated in the Grand Jury's Report as the basis for the possible deficiency in affordable senior housing options available in Orange County, i.e. "declining trend in employer-funded retirement pensions, the lack of sufficient retirement savings, and the uncertain future of Social Security." If these problems are not adequately addressed at the State or Federal level, cities will not be able to ensure adequate housing for our communities, even if all other municipal services are abandoned.
<b>Finding 2:</b> 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.	Disagree. The City is not in position to judge the housing elements of other cities or the County of Orange. This may be a true statement for some cities, but not all.
<b>Finding 3:</b> Not all Housing Elements are available online for easy access by the public.	Agree.
<b>Finding 4:</b> Municipalities are not proactive enough in encouraging the development of affordable senior housing.	Disagree. Again, this is a broad generalization that the City is not in a position to judge.

## RESPONSES TO GRAND JURY RECOMMENDATIONS

In accordance with California Penal Code §933 and §933.05, each Grand Jury recommendation requires a response from the government entity to which it is addressed.

2007-2008 Grand Jury Recommendations	City of Laguna Hills Response/Implementation Status
<p><b>Recommendation 1:</b> 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. <b>(Finding 1)</b></p>	<p>The City of Laguna Hills will be including this analysis in our Housing Element update to the degree possible using existing available data.</p>
<p><b>Recommendation 2:</b> 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. <b>(Finding 2)</b></p>	<p>We will do this to the degree possible using existing available data. As the Grand Jury's report discusses, senior housing has traditionally been addressed in a regional manner. Many seniors move by choice to other communities as they age. Some seniors prefer to live in large senior-only communities, but others choose to remain in their homes as they age, both for economic and social reasons. As noted below under Additional Recommendations For Consideration, State law does not require that a City's Housing Element reflect a county-wide housing condition and, for the most part, the State of California does not accept that approach.</p>
<p><b>Recommendation 3:</b> Put all Housing Elements online on each city's website. <b>(Finding 3)</b></p>	<p>We agree and support this recommendation. When the new Housing Element has been adopted, it will be posted on the City's website.</p>
<p><b>Recommendation 4:</b> Confer with developers to establish the needs for affordable senior housing and to encourage investment in future projects. <b>(Finding 4)</b></p>	<p>We agree and support this recommendation. City staff routinely confers with developers regarding development opportunities, and we will continue to encourage the development of affordable senior housing pursuant to Housing Element policies.</p>

### ADDITIONAL RECOMMENDATIONS FOR CONSIDERATION

State Housing Element law requires every jurisdiction to accommodate its fair share of the region's new housing need for all economic segments of the community. The process by which jurisdictions' fair share growth needs are determined is known as the Regional Housing Needs Assessment, or RHNA. Cities and counties are required to establish specific, quantified objectives for the production of new housing units in each of four income categories – very low, low, moderate, and above

moderate – commensurate with their RHNA allocation. Jurisdictions are also required to demonstrate that they have sufficient vacant sites, or “underutilized” sites with additional development potential, with appropriate zoning and development standards to accommodate their fair share housing need at each income level.

Under state law, some types of housing projects that are designed for the elderly or persons with disabilities are considered to be “group quarters” rather than “housing units” for purposes of the RHNA. Because of the role of state government in reviewing and “certifying” local housing elements, and the potential legal consequences for failure to obtain state certification, the RHNA and related analysis of a jurisdiction’s housing development capacity can be highly controversial. One significant implication of current housing law is that jurisdictions could actually be penalized for encouraging assisted living facilities or other senior housing developments through their land use plans and zoning ordinances since these housing types may not qualify for RHNA credit. In light of the anticipated growth in the senior population, we believe this is an area of Housing Element law that urgently needs to be reviewed and modified by the state legislature.

State law does not require that a City’s Housing Element reflect a county-wide housing condition. While we agree that it makes sense to look at some of the housing needs on a regional basis; for the most part, the State of California does not accept that approach. The Grand Jury Report seems to provide a mixed message with regard to whether senior housing needs are best addressed from a regional or local perspective. The Report acknowledges that large regional senior housing projects have been very successful, but implies that the primary solution to providing adequate senior housing is each city providing small senior housing projects. The City of Laguna Woods is made up entirely of seniors and the Rancho Mission Viejo project in southern Orange County has planned for almost 43% of its housing stock to accommodate seniors, which is a market-rate approach designed to take advantage of the regional demand. Many seniors will choose to move to these types of age-restricted retirement communities, rather than relocate to small individual senior projects.