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March 3, 2009

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 recent Grand Jury report "*No County for Old Boomers - When Orange County Baby Boomers Retire, Where Will They Live*". According to State law, the City is required to agree or disagree on each finding, and comment on the City's implementation of the recommendations made by the Grand Jury. I am happy to have the opportunity to provide San Clemente's responses to the findings and recommendations in this Grand Jury report.

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.

Partially Agree. The Regional Housing Needs Assessment (RHNA) in the Housing Element is only required to show the number of housing units by income group needed between 2006 and 2014 and that the City has land to accommodate these units. The 2008 Housing Element update identifies the ownership and renter status of the population by age group. In San Clemente, 81% of the population over 65 owns a home and 19% rent. The data also states that 57% of the households under 65 own and 43% rent.

Considering the high cost of housing in Orange County, it can be conjectured that the 6,481 households younger than 65 years old in San Clemente may never own property in town and may move out if they want to become homeowners. If these households remain as renters and their income decreases with retirement, as most do, housing will become more unaffordable for them. The Housing Element identifies where the 126 very low income RHNA units could be built, but without substantial subsidies from the State and City, and support by local decision makers, it is unlikely to be built. One new senior project of 82 units is projected to be built in San Clemente during the next Housing Element Planning period (2008-2014). This is identified in the Housing Element Appendix.

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.

Agree. The State does not require this analysis for projected need by age group.

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

Partially Agree. The City of San Clemente's Housing Element is available online.

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

Partially Agree. The City of San Clemente allows senior housing to be built in commercial zones which is an incentive for developers to build senior housing. The zoning code allows for less parking for senior housing as well as increased height (3 stories).

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.

The City of San Clemente has sent the 2008 Housing Element Update to the State for their review. The City can add the inventory of Affordable Housing (including senior housing) in the Housing Element as an appendix for informational purposes. The Affordable Housing inventory is updated as soon as new projects are added in the City. This inventory is accessible on the City's website.

R-2 Include sufficient data in the Housing Element to acknowledge the imminent growth of 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 income trend of the senior population.

While additional analysis would be beneficial, the Housing Element has been sent to the State and the State does not require this kind of extensive analysis for approval of the document. In addition, the data on aging and income by household type is nearly a decade old. It is preferable for many reasons to provide the data after the 2010 Census is completed. In the meantime, the City has identified sites for affordable housing and will continue to encourage senior housing to be built through the zoning and development process.

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

The Housing Element has been posted on the City website.

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

The City of San Clemente employs a housing coordinator. The Housing Coordinator regularly attends regional housing meetings to learn of new housing needs and trends and meet housing developers. Housing developers are encouraged to learn about housing opportunities in the City through meetings with city officials and staff. It is agreed that developers seeking to build senior housing need to share their marketing studies with the City to ensure that more senior housing is

built to meet future needs. We will continue to encourage the development of affordable senior housing pursuant to Housing Element policies.

I hope this letter addresses all of the findings and recommendations to the fullest extent of the law. It's been my pleasure to address this important housing issue.

Sincerely,



Mayor Lori Donchak

Cc: Ann Avery Andres
Foreman, Orange County Grand Jury
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City Council
Planning Commission
City Manager