

# **PC ATTACHMENT 3**

## Program 1: Land Use Policy, Entitlements, and Development Capacity (Shortfall Program)

Planning and regulatory actions to achieve adequate housing sites are implemented through the Land Use Element, Zoning Code, and, in some instances, development agreements. These regulatory documents provide for a variety of residential development, ranging from lower-density single-family homes to higher-density apartments, condominiums, and mixed-use projects.

The City of Lake Forest received a RHNA allocation of 3,236 units for the 2021-2029 RHNA period. After credits for constructed units (461) and approved/entitled units (976) are taken into consideration, the City of Lake Forest has a remaining 2021-2029 RHNA of 1,847 units, including 848 extremely/very low-income, 447 low-income, and 552 moderate-income units.

While the City adopted its new General Plan in 2040 which establishes new mixed-use focus areas which designate sufficient sites to accommodate the City's remaining RHNA, the City has not yet adopted new zoning standards to implement the land use designations. Without the zoning in place, the City finds that it currently has a shortfall of sites to accommodate its remaining RHNA and must commit to a program to rezone sufficient sites to accommodate its RHNA for all income levels. The City is committed to rezoning all necessary parcels to create consistency with the General Plan Land Use Map, and is specifically committed, through this program, to complete the rezoning for all sites identified in Appendix A (Site Inventory) in accordance with the acreages, densities, and unit capacities identified therein. The new Zoning Map will be made available online and in person in accordance with transparency requirements. Sites will be rezoned consistent with Government Code Section 65583, subdivision (c)(1) and 65583.2 subdivisions (h) and (i). The rezone will accommodate 100 percent of the shortfall during the planning period and will include the following components.

- Permit owner-occupied and rental multifamily uses by right and do not require a conditional use permit or other discretionary review or approval for developments in which 20 percent or more of the units are affordable to lower income households.
- Permit the development of at least 16 units per site and a minimum of 20 dwelling units per acre for suburban and metropolitan jurisdictions;
- For sites designated for mixed-use, allow 100 percent residential use and require that residential use occupy 50 percent of the total floor area of a mixed-use project;
- Ensure sites will be available for development during the planning period where water and sewer can be provided.

The residential sites inventory consists of approximately 159 acres of land designated in mixed-use areas which allow for residential development at densities beyond 30 du/ac, with the potential to yield at least 2,965 new units. These sites are located in areas adjacent to major transportation facilities and activity centers; the co-location of attainable/affordable housing choices near transportation facilities and goods and services will improve access to opportunity for all persons, especially lower income households and persons with special needs, including persons with disabilities.

The City has also identified 34.55 acres of underdeveloped residential uses (two sites) that could yield an additional

382 units affordable to moderate and above moderate income households. Also construction of new accessory dwelling units (ADUs) will also add to the City's housing stock. Together, these resources have the capacity to accommodate at least 3,378 new units affordable to all income levels. These sites can accommodate the City's remaining RHNA allocation for all income levels through year 2029. The City will maintain an inventory of sites with residential development potential and provide it to prospective residential developers upon request.

Responsible Agencies: Community Development Department

Funding Sources: General Fund

2021-2029 Objectives: Maintain and monitor the residential sites inventory to ensure sufficient sites remain to accommodate the RHNA allocation throughout the RHNA period. Receive and process development applications for residential projects. Rezone all sites identified in Appendix A consistent with the densities, acreages, and capacity levels identified in Appendix A. Complete all rezoning pursuant to Government Code section 65583.2, subdivisions (h) and (i).

Timeframe: Complete all necessary rezoning by October 15, 2022; Annual monitoring and reporting throughout the planning period.

Fair Housing Issues Addressed: Segregation and Integration; Disparities in Access to Opportunity; Racially and Ethnically Concentrated Areas of Poverty/Affluence; Disparities in Access to Opportunity for Persons with Disabilities; Disproportionate Housing Needs, including Displacement Risks; Site Inventory

Contributing Factors Addressed: Community Opposition; Lack of Community Revitalization Strategies; Lack of Private Investment in Specific Neighborhoods; Land Use and Zoning Laws; Location and Type of Affordable Housing; Impediments to Mobility; Lack of Opportunity Due to High Housing Costs; Access to Transportation for Persons with Disabilities; Availability of Affordable Units in a Range of Sizes; Location of Employers

## Program 7: Zoning Code Amendments – Housing Constraints

The City shall update the Zoning Code to remove constraints to housing development and ensure the City's standards and permitting requirements are consistent with State law. The update shall address the following:

- A. **Mixed-Use Standards.** The Zoning Code shall be updated to address standards related to mixed-use development at densities and intensities consistent with the Mixed-Use land use designations adopted as part of the City's comprehensive General Plan Update approved in 2020. This process is anticipated to be completed by the end of 2022. See Program 1 (Shortfall Program) for more information.
- B. **Low Barrier Navigation Centers:** The Zoning Code shall be updated to define and permit low-barrier navigation centers consistent with the requirements of Government Code Sections 65660 through 65668, including treating low-barrier navigation centers as a by-right use in areas zoned for mixed use and in nonresidential zones permitting multi-family uses (if applicable).
- C. **Transitional and Supportive Housing:** The Zoning Code shall be revised as necessary to ensure that transitional and supportive housing are allowed in residential and mixed-use zones in accordance with Government Code Section 65583(c)(3), and to allow eligible supportive housing in zones where multi-family and mixed uses are permitted in accordance with Government Code Sections 65650 through 65656.
- D. **Employee Housing and Agricultural Worker Housing:** The Zoning Code will be updated to comply with Health and Safety Code Sections 17021.5, .6, .8. Specifically, the City will only refer to it as employee housing and not make a distinction between agricultural versus employee housing types.
- E. **Streamlined and Ministerial Review for Eligible Affordable Housing Projects:** The Zoning Code will be updated to ensure that eligible multi-family projects with an affordable housing component are provided streamlined review and are subject only to objective design standards consistent with relevant provisions of SB 35 and SB 330, as provided for by applicable sections of the Government Code, including but not limited to Sections 65905.5, 65913.4, 65940, 65941.1, 65950, and 66300. State law defines objective design standards as those that "involve no personal or subjective judgement by a public official and are uniformly verifiable by reference to an external and uniform benchmark or criterion available and knowable by both the development applicant and public official prior to submittal."
- F. **Emergency Shelter Parking:** The Zoning Code will be updated to require sufficient parking to accommodate all staff working in an emergency shelter, provided that the standards will not require more parking for emergency shelters than other residential or commercial uses within the same zone, in compliance with AB 139.
- G. **Residential Care Facilities.** The Zoning Code will be updated to remove references to residential care facilities in order to promote a barrier-free definition of family.
- H. **Reasonable Accommodation.** The municipal code will be amended to ensure that the city's reasonable-accommodation procedures and findings comply with state and federal fair-housing and disability laws and do not pose an illegal constraint on housing for persons with disabilities. The amendments will change the city's "grounds for accommodation" findings to focus on the statutory criteria. Additionally, the city will

make express the city's existing practice of allowing persons to make a request for accommodations orally (not only in writing) and of making staff is available to assist in preparing necessary written documentation to facilitate a request. Finally, the city will relocate the reasonable-accommodation section of the municipal code out of Title 9, Planning and Zoning, to a more generally applicable location in the code to make clear that the process applies to governmental programs besides just planning and zoning requirements.

## Program 8: Accessory Dwelling Units

Accessory dwelling units (ADUs) and junior accessory dwelling units (JADUs) help meet the City's housing needs for all income levels and also provide a housing resource for seniors, students, and low- and moderate-income households throughout the entire Lake Forest community, not just in any single geographic area. The City will continue to apply Zoning Code regulations that allow ADUs and JADUs (also known as second units or granny flats) by right in all residential zones, in accordance with State law. The City of Lake Forest will amend the ordinance as necessary to comply with current State Law. Based on future changes to State law, the City will continue to amend the ordinance as necessary and work with HCD to ensure continued compliance with State Law. The City will also continue to monitor trends regarding the extent of ADU production to ensure that the Housing Element goals can be met.

While the City will continue to promote the opportunity for residents to develop ADUs throughout Lake Forest consistent with Section 9.146.050 of the Lake Forest Municipal Code, the City is focused on promoting the development of ADUs that are affordable to lower income and moderate income households, and the development of ADUs in areas of opportunity as described in the Affirmatively Furthering Fair Housing section of the Housing Element Background Report. To the extent feasible, the City will survey ADU owners/builders to determine if they will be affordable to lower- or moderate-income households. The City will ask ADU applicants to voluntarily share the unit's intended rental rate (if applicable) to track the supply of affordable ADUs in the City. As part of the City's Housing Element Annual Progress Report preparation, the City will monitor ADU production and affordability against those projections identified in the Housing Element; if production is not keeping pace with projections so much that a shortfall of sites to accommodate the City's RHNA will occur, the City will, within 6 months, identify alternatives sites to maintain adequate capacity to accommodate the City's remaining RHNA at all income levels.

Additionally, by the end of 2023, the City will identify and evaluate potential incentives (if any) to encourage production of affordable ADUs, particularly in high resource areas (as described in the Affirmatively Furthering Fair Housing section of the Housing Element Background Report), and present potential strategies to implement those incentives to the Planning Commission and/or City Council during the planning period. The City is considering the following incentives to facilitate production of ADUs:

- streamline the ADU permitting process
- provide clear step-by-step guide(s) to build an ADU (we have already created/provide a guide to the regulations; also make HCD's guide available)
- provide staff support in the form of no cost consultation meetings (e.g., free one-hour meeting with Planning staff to review Code, guides; Q&A).
- make available ADU cost estimate calculator (in partnership with OCCOG's grant-funded effort)
- make available ADU standard plans (in partnership with OCCOG's grant-funded effort)
- make available a list of contractors specializing in ADU construction (OCCOG may be working on such a list)
- promote any incentive programs offered by federal, state, county agencies

The City will prepare new ADU factsheets (in English and Spanish) and provide hard copies at City Hall and community facilities and share electronic versions on City social media accounts by June of 2022. Upon request, the City will provide homeowner associations (HOAs) and other civic organizations with guidance to assist with the development of ADUs and work proactively to educate the community regarding the role ADUs play in providing affordable housing options and affirmatively furthering fair housing. The City has set a target of briefing at least one HOA or civic organization on the City's ADU ordinance per year.

Responsible Agencies: Community Development Department

Funding Sources: General Fund

2021-2029 Objectives: Maintain an ADU Ordinance consistent with State Law. Support the development of accessory dwelling units in neighborhoods throughout the City.

Timeframe: Update the City's current ADU ordinance by October 15, 2022 to comply with current State Law. Survey ADU owners/builders to determine affordability and update ADU application to inquire about affordability level: 2021-2022; identify and evaluate potential incentives to encourage production of affordable ADUs: 2022-2023; and present findings to the City's Planning Commission and/or City Council: 2023; implementation and annual reporting throughout the RHNA period through the Housing Element Annual Progress Report: continuous. Prepare and distribute bilingual ADU factsheet by June of 2022. Invite all HOAs and relevant civic organization to meet annually to discuss the City's ADU ordinance.

Fair Housing Issues Addressed: Segregation and Integration; Racially and Ethnically Concentrated Areas of Poverty/Affluence; Disparities in Access to Opportunity

Contributing Factors Addressed: Availability of Affordable Units in a Range of Sizes; Displacement of Residents Due to Economic Pressures; Lack of Access to Opportunity Due to High Housing Costs; Location and Type of Affordable Housing

## Program 24: Neighborhood Improvement Task Force

The City of Lake Forest has created a new Neighborhood Improvement Task Force (NITF) to address neighborhood-specific issues in the community's older residential neighborhoods. The NITF is an interdepartmental partnership composed of City representatives from the City Manager's Office, Community Development, Economic Development, Public Works, Police Services, and Management Services led out of the City Manager's Office. Programs recommended by the NITF will be a key tool the City will use to address fair housing issues and affirmatively further fair housing. For example, the City expects to host a workshop to attract developers and work with the Fair Housing representatives and residents of study areas to inform them of their rights under State law.

As analyzed in the Affirmatively Furthering Fair Housing section of the Housing Element Background Report, the City has identified the area of Southwest Lake Forest as an area in need of focused attention and investment. These findings are consistent with the City's ongoing work to improve existing neighborhoods in Lake Forest, to maintain the quality of the City's existing housing stock, support current residents, and address several fair housing issues and contributing factors, including access to opportunity, displacement of residents due to economic pressures, and community opposition (see the discussion on Fair Housing Issues and Contributing Factors in Section 6 of the Background Report). Additionally, the City conducts a satisfaction survey every two years. In 2021, the residents in the southwest area (Area 2) of Lake Forest were less likely than their counterparts to rank their quality of life as excellent, citing problems related to parking, traffic and noise, among other concerns such as property maintenance. The subject area includes the boundaries of Muirlands Boulevard, El Toro Road, Cavanaugh Road, and Rockfield Boulevard and encompasses 169 single-family homes, 101 multi-family units and 175 businesses. A future affordable housing project, located at the corner of Raymond Way and Packer Place, will have 71 affordable housing units, including eight units that will be reserved for individuals and families who are experiencing or at-risk of homelessness. This project is currently under construction and is anticipated to be complete early 2024.

To assist the task force with the analysis of the subject neighborhood, Communications LAB was engaged in September 2021 to conduct community outreach with stakeholders, to all residents and businesses, and perform a focused assessment of the project area, and provide a final Southwest Lake Forest Neighborhood Improvement Needs Assessment ("Needs Assessment"). The outreach included English and Spanish online survey, door-to-door canvassing, and a community pop-event event located centrally in the project area. The Needs Assessment is the resulting study documenting quality of life issues impacting the subject neighborhood and providing key recommendations for NITF review and action.

The Needs Assessment for Southwest Lake Forest included conducting an initial communications assessment and audit of the City's existing communications, community ascertainment studies, and translating the collected data into actionable public policy recommendations. The Needs Assessment documents quality of life issues impacting the neighborhood and provides key recommendations for the NITF's review and action. At the conclusion of the evaluation team's assessments, they identified specific issues and areas in need of improvement. These improvements included traffic, lighting, parking, noise, crime, issues related to homelessness, infrastructure repairs, property maintenance, disposal of bulky items, street sweeping, trash, beautification, and a need for parks within walking distance.

In late 2021, the City's consultant for the Neighborhood Improvement Needs Assessment prepared a draft of recommended improvements and programs based on the list of concerns identified for the project area. In January of 2022, staff will provide a presentation to the City Council as part of the City's Strategic Plan update. This list will include the consultants recommendations and may identify specific programs from the recommended list to implement. While the exact recommendations are still under consideration, the City has committed \$70,500 as part of the City's two-year 2021-2023 Operating Budget to implement programs and improvements serving the Southwest Lake Forest neighborhood.

The City intends to continue the program by working with the community and the NITF to identify other target neighborhoods which could benefit from a Neighborhood Improvement Needs Assessment. The City will identify a list of recommended improvements for each target neighborhood for inclusion in the capital improvement plan (CIP) budget to address the unique needs of each of Lake Forest's target neighborhoods.

As part of this process, the NITF will consider the contributing factors to fair housing issues identified in the Housing Element, the Orange County Analysis of Impediments to Fair Housing, and information from the City's fair housing service providers. This information will be considered as part of the Council's evaluation of recommended actions to ensure that those actions selected address the contributing factors identified for Lake Forest and work to affirmatively further fair housing practices in the City.

Additionally, as part of the City's Strategic Business Plan covering Fiscal Years 2021-22 through 2027-28 ("Strategic Plan"), Strategic Plan goal #15 was set to initiate an Interdepartmental task force to address neighborhood concerns identified in the 2021 Community Satisfaction Survey. The City allocated \$70,000 to evaluate the issues as noted in the Needs Assessment Study and implement improvements to the project area. The Quarterly Strategic Plan Updates are prepared by City staff and reported to the City Council. As of the January 18, 2022, the goals were incorporated and were noted to be substantially underway in that (in part):

- Lighting has been budgeted in the FY 23-25 CIP for the project area parks.
- Work orders have been initiated for red curb markings to deter vehicle parking at the end of the street.
- Staff will provide community education on the permit parking process to interested communities – scheduled summer 2022.
- Code enforcement officers have assessed the noise generated at nearby shopping centers and issued notice of violations to address early morning noise issues.
- Police services have increased patrol at specific locations.
- Police services staff continue to provide information on etching services for catalytic converters.
- Code enforcement has updated informational handouts on common property maintenance issues and resources for distribution and posted on the City's website.
- Staff is working with the Fair Housing Council of Orange County to update the City's existing FAQ handout on housing rights, discrimination, and protection and to provide resources for residents and property owners.

- Implemented a bulky item pickup event in January 2022 and scheduled a second event in April 2022. Another assessment will be performed in April.
- Regular quarterly meetings of the NITF will be held to coordinate, combine resources, and alleviate ongoing issues.

In conclusion, the Needs Assessment was created in response to local residents concerns and sets forth an action plan which has been funded with general fund monies. Action and implementation measures have been initiated and/or completed to date. The NITF will continue to meet quarterly and to take additional action and initiate future projects as needed. This plan has been solidified in the City's Strategic Plan which incorporates the Needs Assessment recommendations and will further ensure achievement of the Strategic Plan goal.

|                       |   |
|-----------------------|---|
| Responsible Agencies: | City Manager's Office   |
| Funding Sources:      | Grant Funding; General Fund   |
| 2021-2029 Objectives: | Improve the Southwest Lake Forest neighborhood through implementation of the recommendations of the Neighborhood Improvement Plan.                                      |
| Timeframe:            | Identification of improvements to implement in 2022; implementation of improvements from 2022-2023; assessment of need for future neighborhood project by January 2023. |



TABLE 545444: ADU AND JADU DEVELOPMENT STANDARDS

| Specific Regulations           | ADU   |   | JADU                      | Additional Provisions |
|--------------------------------|---|---|---------------------------|-----------------------|
|                                | Attached  | Detached  |                           |                       |
| Maximum Size                   | Building permit only: 800 sq. ft.<br>Building permit and ADU Permit: 850 sf (0-1 bedroom)<br>1,000 sf (2 bedroom) | Building permit only: 800 sq. ft.<br>Building permit and ADU Permit: 850 sf (0-1 bedroom)<br>1,000 sf (2 bedroom) | 500 sf                    | (1)                   |
| Maximum Height                 | 16 ft (1 story)<br>35 ft (2 story)  | 16 ft (1 story)   | Same as primary residence |                       |
| Minimum Front Yard Setback     | Building permit only: none<br>Building permit and ADU Permit: 25 ft   | Building permit only: none<br>Building permit and ADU Permit: 25 ft   | --                        | (2)                   |
| Minimum Side/Rear Yard Setback | 4 ft  | 4 ft  | --                        | (2)                   |
| Minimum parking                | 1 space   | 1 space   | --                        | (3)(4)(5)(6)          |
| Tandem Parking                 | Permitted   | Permitted   | --                        |                       |

Source: City of Lake Forest Zoning Code, 2021

1. An attached ADU that is created on a lot with an existing primary dwelling is further limited to fifty (50) percent of the floor area of the existing primary dwelling.
2. No setback is required for an ADU subject to this subsection (F) if the ADU is constructed in the same location and to the same dimensions as an existing structure.
3. No parking is required under the following situations: the ADU is located within one-half (½) mile walking distance of public transit; the ADU is located within an architecturally and historically significant historic district; the ADU is part of the proposed or existing primary residence or an accessory structure; when on-street parking permits are required but not offered to the occupant of the ADU; and/or, when there is an established car share vehicle stop located within one (1) block of the ADU.
4. When a garage, carport, or covered parking structure is demolished in conjunction with the construction of an ADU or converted to an ADU, those off-street parking spaces are not required to be replaced.
5. Each unclosed parking space shall be at least nine (9) feet wide and eighteen (18) feet long.
6. Each parking space that is provided in an enclosed garage shall be at least ten (10) feet wide and twenty (20) feet long and have at least seven and one half (7 ½) feet vertical clearance.

**Manufactured Housing:** State law requires that manufactured housing, when constructed as a single-family dwelling on a permanent foundation, be treated as a conventional single-family home subject to the same development standards applicable to a single-family residential dwelling on the same lot, except for architectural requirements limited to its roof overhang, roofing material, and siding material. In accordance with State law, manufactured housing in the City may be placed on lots that allow single-family residential uses provided that the homes are attached to a foundation system in compliance with all applicable building regulations and Section 18551 of the Health and Safety Code and occupied only as a residential use.

**Mobile Home Park:** Mobile home parks, including manufactured home parks, that conform to the State Mobile Home Parks Act (Division 13, Part 2.1 of the California Health and Safety Code, commencing with Section 18200) or the implementing State guidelines (Title 25, Division I, Chapter 2 of the California Code of Regulations) and Section 18300 of the Health and Safety Code, are allowed in the R2, R4, and RP residential zones but require a use permit. The City of Lake Forest currently has four mobile home parks.

**Residential Care Facility:** Residential care facilities refer to any family home, group home, or rehabilitation facility that provides 24-hour non-medical care to persons in need of personal services, protection, supervision, assistance, guidance, or training essential for daily living. The City of Lake Forest Zoning Code refers to residential care facilities

as “community care facilities.” “Small” community care facilities (those serving six or fewer clients) are permitted by right in all residential zones and in the A1 zone subject to the same development standards and permit processing requirements as other residential uses in those zones, pursuant to the California Lanterman Developmental Disabilities Services Act. “Large” community care facilities (those serving seven or more clients) are permitted with a use permit in the Commercial, Urban Activity, and Agriculture (A1) zones. In order to implement a barrier-free definition of family, Program 7 states that the Zoning Code shall be revised to remove all references to residential care facilities.

In 2017, residential care facilities were separated out of residential zones and transitory-lodging uses in residential districts were included in conformance with State law. Program 7 states that the Zoning Code shall be revised as necessary to ensure that transitional and supportive housing are allowed in residential and mixed-use zones subject to the same standards as a residence of the same type in the same zone consistent with Government Code Section 65583(c)(c)(3).

**Farm Worker Housing:** Although the City of Lake Forest is not located within a major agricultural area, the City’s Zoning Code includes two districts that allow agricultural uses (A1 and OS). Pursuant to the California Employee Housing Act and consistent with Health and Safety Code Section 17021.6, facilities with up to 36 beds in a group-quarters or 12 units or spaces to board farm workers are treated as accessory or incidental to agriculture operation and permitted in the same manner as agricultural uses. The City permits Agriculture Employee Quarters in the A-1 and OS zones by right.

As included in Program 7 of the Housing Plan, the Zoning Code will be updated to define “agricultural worker housing” and to stipulate that any *agricultural worker housing* providing no more than 36 beds in a group-quarters, or consisting of 12 or fewer units or spaces, shall be deemed an agricultural land use and permitted in the same manner as *agricultural uses* consistent with Health and Safety Code Section 17021.6. The Zoning Code will also be updated to provide for streamlined, ministerial approval of agricultural worker housing that meets the requirements of Health and Safety Code Section 17021.8.

As included in Program 7 of the Housing Plan, the Zoning Code will be updated to define “employee housing” distinctly from “agricultural worker housing” and to clarify that *employee housing* serving six or fewer employees shall be deemed a single-family structure and shall be subject to the same standards for a single-family residence in the same zone.

**Emergency Shelter:** Emergency shelters are allowed by-right (i.e., ministerial approval) in the Industrial (I) zone, subject to compliance with objective standards consistent with the requirements identified in Government Code Section 65583(a)(4).

No emergency shelters are currently located within Lake Forest. While all of the City’s Industrial parcels are developed (consistent with all other areas of the City), there are vacancies within existing buildings, allowing for potential adaptive reuse of existing space. These parcels are infill sites in developed areas and are suitable for emergency shelters. Water, sewer, and utilities are available in the roadways adjacent to these parcels.

The I zone is suitable for emergency shelters because:

- Shelters are compatible with a range of uses that are common in suburban communities and allowed in the I zone (e.g., office buildings, religious institutions, child or day care, commercial or vocational schools, warehousing, libraries, civic or government uses, etc.);
- I zoned parcels are served by public bus routes that connect to regional transit with an average distance of 0.29 miles from each parcel to a bus stop;
- Existing uses in the I zone are primarily light industrial, warehousing, and office uses – no heavy industrial uses are present; and
- The parcels are not known to be constrained by the presence of hazardous materials either on or adjacent to the properties.

- General Welfare. The application will not result in conditions or circumstances contrary to the public health and safety and the general welfare.
- Development Fees for Provision of Public Facilities. One (1) of the following findings shall be made:
  - The property to which the permit applies is not located in a fee area.
  - The permit would not allow development of a project which would contribute to the need for the facility for which a fee is required.
- The project has been reviewed in accordance with Citywide Design Guidelines and is consistent with the purpose and intent of the guidelines.

As previously stated, the City is currently (2021) preparing objective design standards for by-right residential development, which will change the project review process. Please refer to the City for more information regarding the most current requirements.

### TYPICAL TIMEFRAMES

[Table 56](#) ~~Table 56~~ ~~Table 46~~ outlines the typical processing times for single-family and multifamily projects with and without preparation of a robust environmental document.

TABLE ~~56~~ ~~46~~: TYPICAL PERMIT PROCESSING TIMES AND REVIEWING BODY

| Project Type                      | Processing Time without Negative Declaration/EIR | Processing Time with Negative Declaration/EIR |
|-----------------------------------|--|---|
| Single-Family Dwelling            | 3-6 weeks  | N/A   |
| Multifamily (Four or Fewer Units) | 1-3 months                                       | 9-18 months                                   |
| Multifamily (Five or More Units)  | 3-6 months                                       | 9-18 months                                   |

Source: City of Lake Forest, 2021

[The length of time between the project approval and request for a building permit is minimal. Specifically, there is a 15 day appeal period following approval of a discretionary permit. In certain circumstances, a “hold harmless” letter may be filed and an applicant may submit their building plans with the understanding that fees may be lost if an appeal results in denial of the projects filed.](#)

[Discretionary permits subject to that require approval by the Director of Community Development is approximately typically require 4-6 weeks for processing. Discretionary permits subject to Planning Commission approval are processed in approximately 4-6 months.](#)

### Subdivisions

This review process applies to all residential land divisions within the City. Title 7 of the Lake Forest Municipal Code includes the standards and processes for subdivisions. It is based primarily on the State Subdivision Map Act. As it relates to residential development, the regulations apply to all land divisions that create lots for single-family homes and lots, or condominiums, for multifamily development. As part of the review process for subdivisions, the City reviews applications for compliance with lot size and shape standards, the general layout of the subdivision, and infrastructure requirements. If the project complies with the subdivision standards and General Plan density, the project can proceed through the approval process.

### Reasonable Accommodation

The City's process for providing reasonable accommodation allows individuals, or their representatives, to make requests for reasonable accommodations for persons with disabilities. Requests for reasonable accommodation are approved administratively unless the request also requires a permit or entitlement requiring Planning Commission or City Council approval. City staff is available to provide assistance regarding the processing of requests for the construction of accessory structures intended to accommodate persons with disabilities.

The City amended its Zoning Ordinance in 2007 to establish the process for requesting and granting reasonable accommodations for persons with disabilities. Requests for reasonable accommodation are subject to review and

approval by the Director of Community Development. The Community Development Department provides assistance with applying for a reasonable accommodation to those who need it. The request must state the basis of the request, including the modification(s) or exception(s) to the regulations, standards or practices for the siting, development or use of housing or housing related facilities that would eliminate regulatory barriers and provide an individual with a disability equal opportunity to housing of his or her choice.

Lake Forest's reasonable accommodation procedure does not require a public hearing when the reasonable request is made on its own (if it was to be combined with entitlement, then a hearing would be required related to the entitlement request) and preserves privacy laws and fair housing laws. Only owners of abutting properties are notified of reasonable accommodation requests and approvals not subject to a public hearing. Lake Forest's reasonable accommodation procedure complies with Housing Element law and provides for disabled residents to make necessary changes to their properties.

The City's reasonable accommodation process requires the requester to provide a letter specifying the request and an explanation of how the request will provide reasonable accommodation in the application of the City's zoning laws to afford a disabled person(s) an equal opportunity to use and enjoy a dwelling within the City. If the requester is unable to prepare a written request, the requester can make an oral request to Staff and Staff will work with the requester to prepare the necessary written material. The City has and will continue to give appropriate consideration to reasonable accommodation requests even if the requester makes the request orally or does not use the City's preferred forms or procedures. Depending on the nature of the request, plans may be required to clearly illustrate the request. The City does not charge a fee for a request for reasonable accommodation. Within 5 days of receipt of the letter and plans (if applicable) the City will notify the applicant if any additional information is necessary to complete the application.

A decision for a request for a reasonable accommodation will be determined by the Director of Community Development within 30 days of receipt of the application that was deemed complete. With the exception, that when the request is part of an entitlement requiring Planning Commission or City Council review, the request will be processed with the entitlement. A decision for a request for a reasonable accommodation must be approved if the request meets the following criteria:

1. The accommodation is reasonable, considering the nature of the applicant's disability, the surrounding land uses, and the rule, standard, policy or practice from which relief is sought;
2. The accommodation is necessary to afford the applicant equal opportunity to enjoy and use a dwelling;
3. The accommodation will have only incidental economic or monetary benefits to the applicant, and the primary purpose of the accommodation is not to assist with real estate speculation or excess profit-taking;
4. The accommodation does not create a substantial adverse impact on surrounding land uses, or a public nuisance, that cannot be reasonably mitigated;
5. The accommodation is reasonably feasible, considering the physical attributes of the property and structures;
6. There are no alternative accommodations which may provide an equivalent level of benefit to the applicant, while minimizing adverse impacts on surrounding land uses and lessening the financial and/or administrative burden on the City;
7. In the case of a determination involving a one (1) family dwelling, whether the household would be considered a single housekeeping unit if it were not using special services that are required because of the disabilities of the residents;
8. The requested accommodation does not impose an undue financial or administrative burden on the City; and
9. The requested accommodation does not require a fundamental alteration in the nature of a program. (Ord. 176 § 1, 2007)

The City has evaluated its reasonable accommodate procedure for compliance with fair housing laws and has

included Program 7 to update its procedures to comply with fair housing laws and ensure that the procedure does not pose a constraint to the housing for persons with disabilities.

## ENVIRONMENTAL REVIEW

The City has adopted procedures for complying with the requirements of the California Environmental Quality Act (CEQA), including assessing the potential environmental impacts of development applications determined to be a “project” as defined by Public Resources Code 21000-21177. Environmental review is required for most discretionary actions including Use Permits, Subdivision Maps, and legislative actions including General Plan amendments, zone changes, and code amendments. Environmental review occurs while the application is being processed. An environmental determination by City staff for a project is made to prepare the appropriate environmental document for consideration by the decision-making authority.

Certain classes of residential projects may be categorically exempt from the provisions of CEQA or require only an Initial Study and Negative Declaration. The environmental review of categorically exempt projects requires a minimal amount of time and does not pose a significant constraint to housing development.

In 2020, the City adopted a comprehensive update to its General Plan and certified a Program Environmental Impact Report (EIR) which analyzed the potential impacts associated with implementation of the General Plan Land Use Map. Environmental documents for projects which are consistent with the densities and intensities analyzed under the General Plan Program EIR may tier off the analysis included in the General Plan EIR, which could significantly reduce the time and costs associated with preparation of required environmental documents. By proactively planning to accommodate new residential development throughout the City and analyzing the potential impacts of such development as part of the Program EIR, the City has helped to streamline the environmental review and approval process.

## STREAMLINING APPROVALS

### *Lower Income Sites Included in Previous Elements*

While the Development Review process is not considered a constraint to housing, Policy 1.8 has been included to comply with Government Code 65583.2. This program will allow by-right approval of housing developments proposed on non-vacant sites included in the previous housing element inventory and on vacant sites included in the two previous housing element inventories, provided that the proposed housing development includes at least 20 percent lower-income affordable housing units. This will increase certainty for affordable and multifamily developers related to residential sites throughout the community, as identified in Appendix A.

### *Senate Bill (SB) 35*

SB 35 (Government Code Sections 65400 and 65582.1) provides provisions for streamlining projects based on a jurisdiction's progress towards its RHNA allocation and timely submittal of the Housing Element Annual Progress Report. Jurisdictions that have made insufficient progress toward their above moderate-income RHNA allocation and/or have not submitted the latest Housing Element Annual Progress Report are subject to the streamlined ministerial approval process for proposed developments with at least 10% affordability.

HCD reviews the annual progress report deadlines and RHNA progress on an annual basis. Lake Forest is currently subject to SB 35 streamlining provisions when proposed developments include at least 50% affordability. Program 7 in the Housing Plan has been provided to incorporate the mandatory streamlining provisions into the City's Zoning Code. These streamlining provisions will reduce approval requirements for projects that include a minimum of 50% of units affordable to lower income households and that meet the criteria specified by State law.

### Development Trends

In addition to the site characteristics described above for mixed-use sites, the City has specifically considered six trends present in the region that have been identified as factors contributing to the likelihood of a site's redevelopment. These factors, which are described below, are identified by their application to each site anticipated to accommodate a portion of the City's lower-income RHNA in Appendix A. The factors include:

1. Oversupply of Retail
2. Discontinuation of Office Uses
3. Known Vacancies/Buildings for Rent or Sale
4. Opportunity for Infill Development
5. Expressed Interest from Property Owners/Developers
6. Unique Site Characteristics (Low Utilization/Blighted Conditions)

#### 1. Oversupply of Retail

Local market trends were presented to the City council by the Kosmont Companies in May of 2021, in a presentation entitled "Resetting the Economic Development Table: Public and Private Investment Beyond COVID". The presentation noted that store closures and e-commerce is driving changes at malls and retail centers and that retail downsizing is being replaced by new blended use, including residential. Lake Forest is "over-retailed" and the quality of existing retail centers continues to diminish. There is no evidence that commercial development will expand in Lake Forest; in fact, pressure to redevelop commercial property into mixed-use or residential projects is extremely high. The City of Lake Forest has historically had two concentrations of commercial activity: the area adjacent to the Interstate 5 Freeway at El Toro Road and Lake Forest Drive and the Foothill Town center north of the Foothill Corridor State Highway 241. The El Toro Road corridor is flanked by large commercial centers that served as a hub of activity in the Saddleback Valley in the 1970's and 80's. In contrast, the Foothill Towne Center, north of the 241 includes a mix of big box retailers, in-line commercial tenants, movie theatres and offices. The El Toro Road corridor must now compete with commercial centers on the south side of the I-5 Freeway, including a planned mixed-use site on a former regional mall in Laguna Hills and the Irvine Spectrum located 2 miles to the north along the I-5. Irvine Spectrum includes 1.2 million square feet of retail, restaurant and entertainment uses. Faced with this strong retail competition to the north and aging and dated commercial centers adjacent to the I-5 corridor, property owners have expressed strong interest in transitioning to residential and mixed-use projects.

On January 25, 2022, the OC Register published an article titled "Malls adding apartments to offset dwindling numbers of shoppers", cataloging a series of at least 10 southern California malls which have plans to add residential development to their footprint. As described in the article, malls in southern California planning to add residential uses are following national trends whereby at least 192 malls across the country have proposals to add housing. Consumer preferences have shifted away from traditional big-box retail environments to more experience-based shopping areas and online retail, a trend that has been exacerbated by the COVID-19 pandemic. Regional development trends include the addition of residential uses to MainPlace Mall in Santa Ana, the mixture of residential and nonresidential uses at Huntington Beach's Bella Terra and Glendale's The Americana on Brand, and plans to develop residential uses at malls in Woodland Hills, Laguna Hills, Redondo Beach, and Studio City (among others).

The article lists the following apartments at southern California malls, included here to demonstrate the development trend and potential for the redevelopment of retail uses in the City of Lake Forest:

- Bella Terra, Huntington Beach: The mall has 467 units, built in 2013, according to CoStar.
- The Americana on Brand, Glendale: Has 242 luxury units on the mall's west side.
- Village at Laguna Hills Mall: Owner Merlone Geier Partners is seeking city approval to build 1,200 to 1,500 apartments, plus a boutique hotel and 390,000 to 520,000 square feet of office space.
- Promenade mall, Woodland Hills: Won city approval in December for a \$1 billion project to build 1,432 apartments, a 28-story office tower, two hotels with 572 rooms, and a 10,000-seat entertainment and sports center.
- Baldwin Hills Crenshaw Plaza in South L.A.: New owner Harridge Development Group, which acquired the mall in August, is evaluating a new redevelopment plan that will include "some sort of residential," a company official said.
- South Bay Galleria, Redondo Beach: The first phase of a redevelopment plan includes a 300-unit apartment building, plus a 150-room boutique hotel, 75,000 square feet of office space, a new plaza and a new open-air retail and dining area. Timing for construction of the apartments has yet to be determined, a spokesman said.
- Buena Park Mall: Merlone Geier Partners acquired the Sears building at the mall and is working with the city to develop a plan that will have a residential component, said Managing Partner Scott McPherson. The initial plan included 1,300 apartments and townhomes, "but that's subject to change," he said.
- The Shops at Sportsman's Lodge, Studio City: Developers transforming the iconic 1960s hotel into a retail center announced in August they plan to raze the last remnants of the hotel and build a mixed-use housing development with 520 apartments units.
- NoHo West, North Hollywood: Apartment developer Trammell Crow plans to build 642 apartments on a part of the parking lot in the mall's northeast corner it acquired from mall owner Merlone Geier Partners.
- Santa Monica's Third Street Promenade: A plan developed last year encourages the city to consider rezoning parts of the retail district for housing and hotels among other strategies to revitalize an area that's seeing rising vacancies in the face of online shopping and the pandemic, according to online news reports.

## 2. Discontinuation of Office Uses

The City finds that the COVID-19 pandemic will have a real impact on commercial real estate and that office use will decline in demand as businesses maintain a long-term work from home option. A Cushman & Wakefield Orange County market report prepared for the Orange County market indicates office vacancies have been on the rise over the past year and are presently at 15.9% (Cushman & Wakefield, Marketbeat OC Office, Q2 2021).

In Lake Forest, the redevelopment of an underutilized office property into an affordable housing project (Mountain View) demonstrates that the market is ready to take advantage of the opportunity to repurpose sites in Lake Forest for residential uses, including affordable housing. The Mountain View Affordable Housing Community is a 71-unit apartment complex located at 24551 Raymond Way, near the northeast corner of El Toro Road and Raymond Way. The project will provide housing for low-income households. It is being developed by National Core Renaissance, an affordable housing developer. Mountain View is within walking distance of schools, grocery stores, and retail. Residents of Mountain View will have access to onsite amenities such as laundry facilities, a beautiful courtyard featuring outdoor fireplaces, leisure areas, and a playground. A community center will serve as the hub for activities and services for residents and the neighborhood at large. Onsite programming will be offered by the Hope through Housing Foundation, providing services that give residents the resources and support they need to thrive. High-quality wraparound supportive services will be offered onsite to residents who have previously experienced homelessness and will be overseen by Hope through Housing's services coordinator.

There are other regional trends of the demolition of office uses for residential development. For example, the City of Newport Beach recently approved a new apartment project in the Airport Area which will include the demolition of an existing 33,000 square foot office building to allow for the development of nearly 200 new rental units, including affordable units.

## 3. Known Vacancies/Buildings for Rent or Sale

The City has conducted an inquiry to identify vacancies and buildings for rent or sale in Lake Forest that are included in Appendix A. Many of the sites identified in the inventory have vacancies, and in some cases, the entire site is unoccupied (as of December 2021). These sites are particularly well-suited for redevelopment because property owners are incentivized to think about the highest and best use of their property to maximize profit in the face of vacancies.

## 4. Opportunity for Infill Development

The retail areas in Foothill Towne Center, which are dominated by big-box retailers and abundant surface parking, have been impacted by changing consumer preferences in shopping with the explosion of e-commerce facilities. According to a report from CBRE Group, e-commerce will account for 26% of all retail sales in the US by 2025. The Towne Center area also includes an auto mall, with only one dealer left in operation. Two dealerships closed in the 2000's and were replaced with 219 units of medium density residential uses. At this location, the City anticipates that existing retail uses can and will stay, and new residential development can be accommodated at the location without demolishing existing uses. This pattern is seen at Laguna Hills Mall where new residential development will be introduced at an aging mall, revitalizing the project area for residential and nonresidential tenants.

This trend reinforces the oversupply of retail trend describes earlier, including the range of residential development projects at southern California malls. These projects represent the development of infill residential uses at underutilized/underperforming retail centers. As described previously, this trend can be seen in nearly a dozen southern California communities, including in Orange County, as well as nearly 200 mall sites throughout the country.

## 5. Expressed Interest from Property Owners/Developers

The City regularly receives inquiries from the development community regarding opportunities in the El Toro and Lake Forest Focus Areas. Of note, the new owner of a 9-story office building and surrounding fast food uses has met with the City and informed staff that the lease of the tenant of the office building will expire in 2024. The owner has engaged a design team and prepared preliminary concepts for the development of office and residential on the entire property holding. Sites where developers and/or property owners have expressed interest in developing residential uses in the site are identified in Appendix A.

## 6. Unique Site Characteristics (Low Utilization/Blighted Conditions)

Lastly, the City has visually inspected each site to determine if the existing uses represent a reasonable utilization of the site based on similar financially successful projects/centers in the region or if there are unique visual characteristics that would indicate the site is not well-maintained and property owners may be interested in selling the property for a higher return. In particular, the City considered the site's existing parking configuration (including whether the parking lots appear regularly occupied), ingress/egress issues, the visual condition of the building and landscaping (whether or not it's in need of repair), and other factors present through a visual inspection. Given the oversupply of retail and availability of retail options in the City and region, marginal uses and buildings are not expected to continue remaining competitive and their corresponding property value is likely higher with the option to develop residential uses on the site.

In 2021, the City of Lake Forest approved the redevelopment of the Nakase property, a 125-acre former nursery site, to allow for the development of up to 605 homes and associated public facilities and services. This development opportunity represented a significantly underutilized site in the City of Lake Forest and is an example of how an underutilized site can be redeveloped for residential uses.

In Lake Forest, industrial uses also represent some of the City's most underutilized property. The Opportunities Study is a comprehensive planning process that the City of Lake Forest undertook to rezone nearly 838 acres of land zoned for business and industrial use on 5 properties in Lake Forest. The zoning changes allow for a new plan with residential uses and facilities such as a sports park and community / civic center. As part of the Opportunities Study process, the City allowed for residential development at areas that were developed with industrial uses; market demand resulted in the redevelopment of these areas into the communities of Baker Ranch, Portola Center, Serrano Summit, the Pinnacle, and Whisler Ranch. Through the General Plan Update process, the City identified additional areas (namely in the Civic Center) where industrial uses currently exist but where residential uses are now allowed, similar to the process of redesignating sites via the Opportunities Study.

### *Suitability of Nonvacant Sites Findings*

The City has specifically analyzed whether existing uses constitute an impediment for residential uses on the site. Additional information provided in Appendix A demonstrates that existing uses on the sites identified to accommodate a portion of the City's RHNA **do not constitute an impediment for residential uses on the site.** Additional information regarding current operations and tenants, vacancies, properties listed for rent or sale, the demand for the current use, and contact with property/business owners are included. The City has considered each site individually and has concluded that based on the substantial evidence provided, current uses are not an impediment to the sites redevelopment for residential uses.

Suitability of Nonvacant Sites | City of Lake Forest 6th Cycle RHNA

| Address                     | Map Reference | APN        | Specific Description of Uses   | Known Vacancies/For Rent                   | Demand for Current Use       | Redevelopment Trends Present |  |                             |   |                                   |   |
|-----------------------------|---------------|------------|--|--|------------------------------|------------------------------|--|-----------------------------|---|-----------------------------------|---|
|                             |               |            |  |  |                              | Over supply of Retail        | Discontinuation of Office (Work from Home) | Vacancies/For Rent/For Sale | Opportunity for Infill (Keep Existing Uses) | Expressed Property Owner Interest | Site Characteristics (Low Utilization/Blighted) |
| 23861 EL TORO RD            | 1             | 617-053-09 | Commercial use, 7-story multi-tenant office building. Saddleback Executive Suites. Former Chase Bank on bottom floor (listed as "permanently closed" on Google) with suites above. Street access from El Toro Road and driveway to back entrance and large parking lot. Not currently listed for lease or sale on Loopnet. <a href="https://www.loopnet.com/Listing/23861-El-Toro-Rd-Lake-Forest-CA/11282809/">https://www.loopnet.com/Listing/23861-El-Toro-Rd-Lake-Forest-CA/11282809/</a> . Large angled parking lot.   | Likely, but unconfirmed                    | Moderate                     |                              | X  | X                           | X   | X                                 |   |
| 23862 BRIDGER RD            | 2             | 617-053-10 | Commercial use, 1 story restaurant/bar (occupied by The Pub) and parking lot. Connected to fast-food (Arby's) with a drive-thru. Small enclosed outside patio. Small/Medium parking lot as part of a larger parking lot (connects to 23861 El Toro Rd)   |  | Low                          | X                            |  |                             |   |                                   | X   |
| 23861 EL TORO RD            | 3             | 617-053-02 | Parking lot and drive-thru ATM (Chase). Angled parking used for 23861 El Toro Rd   |  | Moderate                     |                              |  |                             | X   | X                                 | X   |
| 23782 BRIDGER RD            | 4             | 617-053-03 | Commercial/light industrial use, 1 story nursery (Green Thumb Nursery). Small building footprint, larger storage and dirt/gravel plant area with plants for sale, pallets/soil/groundcover and loading/unloading area. 2 in/out driveways along Bridger Rd and 1 loading/unloading driveway. No sidewalk along Bridger Rd (paved sidewalk north and south of site terminates)  |  | Low                          | X                            |  |                             |   |                                   | X   |
| 23831 EL TORO RD            | 5             | 617-053-11 | Multi-tenant commercial use shopping mall and parking lot. Lake Forest Marketplace shopping center. Big box retailers (99 Cent Store, Guitar Center, Harbor Freight), Bank of America, smaller restaurants & retail (T-shirts Plus, Cigar Bar, etc.). Large parking lot with multiple access driveways, parking aisles, a Del Taco drive-thru. Three (3) units for lease (16,838 SF of retail at 23783-23811 El Toro Rd) <a href="https://www.loopnet.com/Listing/23783-23811-El-Toro-Rd-Lake-Forest-CA/18001783/">https://www.loopnet.com/Listing/23783-23811-El-Toro-Rd-Lake-Forest-CA/18001783/</a> | Three units for lease                      | Low                          | X                            |  | X                           |   |                                   | X   |
| MERCURY RD & ROCKFIELD BLVD | 6             | 617-474-16 | Commercial use and medium/large parking lot. 1 story retail chains (Turner's Outdoorsman and Boot Barn). Part of Rockfield Place shopping mall (along with Map Reference 7). Borders I-5 freeway on western side. Medium/large 90-degree parking lot looks underutilized   |  | Low                          | X                            |  | X                           |   |                                   | X   |
| 23764 MERCURY RD            | 7             | 617-474-10 | Commercial use and parking lot (Rockfield Showplace). 1 story retail (Salvation Army, restaurant, Leslie's Pool Supplies, massage, dentist) in a strip-mall setting with medium/large 90-degree parking lot, lot looks underutilized. Part of Rockfield Place shopping Mall (along with Map Reference 6). One (1) unit for lease (1,792 SF of retail at 23804) <a href="https://www.loopnet.com/Listing/23762-23822-Mercury-Rd-Lake-Forest-CA/12314921/">https://www.loopnet.com/Listing/23762-23822-Mercury-Rd-Lake-Forest-CA/12314921/</a>   | One unit for lease (23804)                 | Low                          | X                            |  | X                           |   |                                   |   |
| 23591 ROCKFIELD BLVD        | 8             | 617-431-06 | 1-story commercial use in strip-mall setting. Rockfield Center. Enterprise Rent-A-Car and 5 other small retail/restaurants with a small 90-degree parking lot with one aisle, two driveways (Rockefeller Blvd and Centre Dr). Slightly unkempt.  |  | Low                          | X                            |  |                             |   |                                   | X   |
| 23581 ROCKFIELD BLVD        | 9             | 617-431-07 | Commercial/light industrial use car wash (Checked Flag). Lots of pavement (loading/driveway/parking), enclosed automatic car wash and vacuums at parking stalls. Driveway shares entrance with Map Reference 8 (on Rockefeller Blvd)   |  | Low                          |                              |  |                             |   |                                   | X   |
| 22821 ASPAN ST              | 10            | 617-433-03 | 1-story commercial with small office/retail uses (fitness studio, trophy engravers, physical therapy, salon). Part of Aspan Plaza neighborhood shopping center, medium size parking lot with multiple aisles, 90-degree parking. Driveway access from Aspan St. two (2) units for lease (5,000 sf of retail) <a href="https://www.loopnet.com/Listing/22821-Lake-Forest-Dr-Lake-Forest-CA/11747867/">https://www.loopnet.com/Listing/22821-Lake-Forest-Dr-Lake-Forest-CA/11747867/</a> . Shares parking lot with Map Reference 11  | Two units for lease (ste 109 and 206)      | Low                          | X                            |  | X                           |   |                                   | X   |
| 22762 ASPAN ST              | 11            | 617-433-04 | 1-story commercial with small office/retail uses (acupuncture, pawn shop). Part of Aspan Plaza neighborhood shopping center, medium size parking lot with multiple aisles, 90-degree parking. Driveway access from Aspan St. Shares parking lot with Map Reference 10  | See Map Reference 10                       | Low                          | X                            |  | X                           |   |                                   | X   |
| 22771 CENTRE DR             | 12            | 617-431-02 | 1-story commercial with one tenant, bowling alley (Forest Lanes) with large parking lot that appears to be severely underutilized  |  | Low                          |                              |  |                             |   | X                                 | X   |
| ASPAN ST & CENTRE DR        | 13            | 617-433-08 | 1-story commercial with small office/retail uses (medical, real estate office, copy store, etc.). Part of Aspan Plaza neighborhood shopping center, medium size parking lot with multiple aisles, 90-degree parking. one (1) unit for lease (500 sf of office/retail). <a href="https://www.loopnet.com/Listing/22706-22762-Aspan-St-Lake-Forest-CA/12854621/">https://www.loopnet.com/Listing/22706-22762-Aspan-St-Lake-Forest-CA/12854621/</a>   | One unit for lease (ste 703b)              | Low                          | X                            | X  | X                           |   |                                   | X   |
| 22681 LAKE FOREST DR        | 14            | 617-493-01 | 1-story, multi-tenant commercial use shopping mall and large parking lot. Lake Forest Town Center. Retail big box (99 cent store) and chains (Pepboys, Wingstop, Jack in the Box with drive-thru), with several smaller restaurant and retail uses. Six (6) units for lease (one large 6,225 sf that was former Mimi's Restaurant and five 1,000-1,500 SF units) <a href="https://www.loopnet.com/Listing/22651-22671-Lake-Forest-Dr-Lake-Forest-CA/12017031/">https://www.loopnet.com/Listing/22651-22671-Lake-Forest-Dr-Lake-Forest-CA/12017031/</a>   | 6 units for lease                          | Low                          | X                            |  | X                           |   |                                   | X   |
| 22471 ASPAN ST              | 15            | 617-491-04 | 2 story office building and parking lot. Aspan Office Center. Built in 1980s.  |  | Low                          |                              | X  |                             |   |                                   | X   |
| 20780 LAKE FOREST DR C      | 16            | 613-621-16 | 1 story office/restaurant (Starbucks drive-thru, veterinary, bakery, salon) and parking lot. One (1) unit for lease (1800 SF) <a href="https://www.loopnet.com/Listing/20770-20780-Lake-Forest-Dr-Lake-Forest-CA/12171787/">https://www.loopnet.com/Listing/20770-20780-Lake-Forest-Dr-Lake-Forest-CA/12171787/</a>  | 1 unit for lease                           | Moderate/Mixed               | X                            | X  | X                           |   |                                   | X   |
| 20768 LAKE FOREST DR        | 17            | 613-621-17 | 3-story hotel use (Holiday Inn Express) and parking lot.   |  | Low (Newer hotels available) |                              |  |                             |   |                                   | X   |
| 20761 LAKE FOREST DR        | 18            | 613-622-09 | 1 story retail/restaurant in strip-mall setting  |  | Low                          | X                            |  |                             |   |                                   | X   |
| 20722 LAKE FOREST DR        | 19            | 613-621-12 | 1 story self-service car wash. 4 long loading driveways going into car wash bay. Parking and vacuums.  |  | Low                          | X                            |  |                             |   |                                   | X   |
| 20702 LAKE FOREST DR        | 20            | 613-621-10 | Multi-tenant 1 story restaurant/auto repair uses in horseshoe-shaped, strip-mall setting.  |  | Low                          | X                            |  |                             |   |                                   | X   |
| 20652 LAKE FOREST DR        | 21            | 613-621-11 | 1 story restaurant (Wienerschnitzel) with drive-thru and parking lot.  |  | Low                          | X                            |  |                             |   |                                   | X   |
| 20651 LAKE FOREST DR        | 22            | 613-623-02 | 1 story multi-tenant mini-mall (Foothill Retail Center). Liquor store, deli, salon, preschool and parking lot. Main suite appears vacant (dark windows, no signage).   | Possibly, at least one unit appears vacant | Low                          | X                            |  | X                           |   |                                   | X   |
| 20671 LAKE FOREST DR        | 23            | 613-623-01 | 1 story corner restaurant/medical uses. In same parking lot as Map reference Number 22.  |  | Low                          | X                            |  | X                           |   |                                   | X   |
| 26672 TOWNE CENTRE DR       | 24            | 612-093-34 | 3 story office uses and parking lot  |  | Low                          |                              | X  |                             |   |                                   | X   |
| 26642 TOWNE CENTRE DR       | 25            | 612-093-33 | 3 story office uses and parking lot  |  | Low                          |                              | X  |                             |   |                                   | X   |
| 26632 TOWNE CENTRE DR       | 26            | 612-093-32 | 3 story office uses and parking lot. 3 office units for lease  | 3 units for lease                          | Low                          |                              | X  | X                           |   |                                   | X   |
| 26622 TOWNE CENTRE DR       | 27            | 612-093-26 | 1 story bank (Wells Fargo) (part of Foothill Ranch Towne Center, a large outdoor mall)   |  | Moderate                     |                              |  |                             | X   |                                   | X   |
| 26612 TOWNE CENTRE DR       | 28            | 612-093-27 | 1 story multiple restaurants and large parking lot (part of Foothill Ranch Towne Center, a large outdoor mall)   |  | Moderate                     |                              |  |                             | X   |                                   | X   |
| 26592 TOWNE CENTRE DR       | 29            | 612-093-25 | 1 story freestanding restaurant (Migue's) (part of Foothill Ranch Towne Center, a large outdoor mall)  |  | Moderate                     |                              |  |                             | X   |                                   | X   |
| 26582 TOWNE CENTRE DR       | 30            | 612-093-16 | 1 story freestanding restaurant (Islands) (part of Foothill Ranch Towne Center, a large outdoor mall)  |  | Moderate                     |                              |  |                             | X   |                                   | X   |
| 26572 TOWNE CENTRE DR       | 31            | 612-093-30 | 1 story freestanding restaurant (vacant, used to be Souplantation). Part of Foothill Ranch Towne Center. For lease, 7,500 SF. <a href="https://www.loopnet.com/Listing/26572-Towne-Centre-Dr-Foothill-Ranch-">https://www.loopnet.com/Listing/26572-Towne-Centre-Dr-Foothill-Ranch-</a>  | Yes, vacant                                | Moderate                     |                              |  | X                           |   |                                   | X   |
| 26602 TOWNE CENTRE DR       | 32            | 612-093-13 | Large 1 story cinema (Regal Cinemas) and parking lot (part of Foothill Ranch Towne Center)   |  | Moderate                     |                              |  |                             | X   |                                   | X   |
| 26526 TOWNE CENTRE DR       | 33            | 612-093-31 | Large 1 story restaurant/entertainment (Chuck E Cheese) and parking lot.   |  | Moderate                     |                              |  |                             | X   |                                   | X   |
| 24288 SWARTZ DR 1           | 34            | 617-501-01 | Large 1-story, multi-building, multi-tenant retail/restaurant (Big 5 Sports, Tommy's, etc.) shopping mall and large parking lot. Built approx. 1980. Two (2) large (~6,000 SF) retail units for lease. <a href="https://www.loopnet.com/Listing/24280-24400-Swartz-Dr-Lake-Forest-CA/19523509/">https://www.loopnet.com/Listing/24280-24400-Swartz-Dr-Lake-Forest-CA/19523509/</a>   | 2 units for lease                          | Low                          | X                            |  | X                           |   |                                   | X   |
| 24392 ROCKFIELD BLVD        | 35            | 617-501-04 | Large 1-story, multi-unit shopping mall (Sprouts, CVS, Ross) with smaller retail units (massage, clothing store, etc) and parking lot.   |  | Low                          | X                            |  |                             |   |                                   | X   |
| 23572 PROTHERO              | 36            | 617-064-18 | Abandoned house with overgrown landscaping   |  | Low                          |                              |  |                             |   |                                   | X   |

| Address                           | Map Reference | APN        | Specific Description of Uses  | Known Vacancies/For Rent | Demand for Current Use | Redevelopment Trends Present |  |                             |   |                                   |   |
|-----------------------------------|---------------|------------|---|--------------------------|------------------------|------------------------------|--|-----------------------------|---|-----------------------------------|---|
|                                   |               |            |   |                          |                        | Overupply of Retail          | Discontinuation of Office (Work from Home) | Vacancies/For Rent/For Sale | Opportunity for Infill (Keep Existing Uses) | Expressed Property Owner Interest | Site Characteristics (Low Utilization/Blighted) |
| 23139 LOS ALISOS BLVD             | 37            | 613-351-05 | Saddleback Ranch Apartments developed with 304 units  |                          | Moderate               |                              |  |                             |   | X                                 | X   |
| 22722 CENTRE DR                   | 38            | 617-432-03 | 1-story commercial use in a strip mall setting. One larger banquet hall and 4 smaller retail/office (Avis Rent-A-Car, a pub, massage) with a small, one-aisle parking lot and two driveway entrances on Centre Dr.  |                          | Low                    | X                            |  |                             |   |                                   | X   |
| 22765 ASPAN ST                    | 39            | 617-432-18 | Commercial/light industrial (America's Tire). Alleyway on Aspan St borders northern section of site and leads to other auto-related uses (Map Reference Number 40), cars being repaired parked along alley.   |                          | Low                    | X                            |  |                             |   |                                   | X   |
| 22741 ASPAN ST                    | 40            | 617-432-19 | Light industrial uses (auto repair shops). Accessed by alleyway on Aspan St. Cars being repaired parked along alley.  |                          | Low                    | X                            |  |                             |   |                                   | X   |
| 22859 LAKE FOREST DR              | 41            | 617-432-14 | This property is a vacant Del Taco restaurant building.   | Vacant                   | Very low               | X                            |  | X                           |   |                                   | X   |
| 22865 LAKE FOREST DR              | 42            | 617-432-25 | This property is a vacant office building.  | Vacant                   | Very low               | X                            |  | X                           |   |                                   | X   |
| 22855 LAKE FOREST DR              | 43            | 617-432-13 | 1 story retail/office/restaurant use (medical, cleaners, dentist, Subway). Saddleback Court shopping mall. Small/Medium parking lot with multiple parking aisles. One (1) space for lease (1,189 sf retail) <a href="https://www.loopnet.com/Listing/22855-Lake-Forest-Dr-Lake-Forest-CA/22572454/">https://www.loopnet.com/Listing/22855-Lake-Forest-Dr-Lake-Forest-CA/22572454/</a> | 1 unit for lease         | Low                    | X                            |  | X                           |   |                                   | X   |
| 22831 LAKE FOREST DR              | 44            | 617-432-09 | 1 story retail with small wrap-around parking lot. US Bank with drive-thru and retail/office (chiropractic, window treatment, employment agency).   |                          | Low                    | X                            |  |                             |   |                                   | X   |
| ORANGE AVE & WHISLER DR           | 45            | 617-241-57 | 2 story Towing and self-storage   |                          | Low                    | X                            |  |                             |   |                                   | X   |
| 25142 FRONT ST                    | 46            | 613-374-08 | 2 story self-storage  |                          | Low                    |                              |  |                             |   |                                   | X   |
| 23131 ORANGE AVE                  | 47            | 613-371-01 | 1 story multi-tenant auto repair/light industrial mini-mall. One (1) unit for lease   | 1 unit for lease         | Low                    |                              |  | X                           |   |                                   | X   |
| 23081 ORANGE AVE A                | 48            | 613-361-03 | 1 story multi-tenant auto repair/light industrial   |                          | Low                    |                              |  |                             |   |                                   | X   |
| 25101 FRONT ST                    | 49            | 613-373-05 | Tow yard/auto storage, fenced-in  |                          | Low                    |                              |  |                             |   |                                   | X   |
| 23132 ORANGE AVE                  | 50            | 613-373-02 | Industrial (Ganahl Lumber) parking and operations.  |                          | Moderate               |                              |  |                             |   |                                   | X   |
| 23132 ORANGE AVE                  | 51            | 613-373-01 | Industrial (Ganahl Lumber) parking and operations.  |                          | Moderate               |                              |  |                             |   |                                   | X   |
| 23222 OLIVE AVE                   | 52            | 613-373-06 | Industrial/storage (closed to public, storage containers visible)   |                          | Low                    |                              |  |                             |   |                                   | X   |
| CHERRY AVE & FRONT ST             | 53            | 613-373-03 | Industrial/storage  |                          | Low                    |                              |  |                             |   |                                   | X   |
| OLIVE AVE & FRONT ST              | 54            | 613-373-02 | Industrial/storage (Resource Building Materials)  |                          | Moderate               |                              |  |                             |   |                                   | X   |
| 23271 CHERRY AVE                  | 55            | 613-373-01 | Industrial/storage (Resource Building Materials)  |                          | Moderate               |                              |  |                             |   |                                   | X   |
| 23211 CHERRY AVE                  | 56            | 613-362-04 | 1 story multi-tenant auto repair and two aisle parking lot  |                          | Low                    |                              |  |                             |   |                                   | X   |
| 25312 JERONIMO RD                 | 57            | 613-362-02 | 1 story multi-tenant commercial/light industrial (gym, wood and laminate showroom) with parking lot. One (1) unit for lease (3,400 sf @ 25302 Jeronimo Rd) <a href="https://www.loopnet.com/Listing/25302-25332-Jeronimo-Rd-Lake-Forest-CA/24105076/">https://www.loopnet.com/Listing/25302-25332-Jeronimo-Rd-Lake-Forest-CA/24105076/</a>  | 1 unit for lease         | Low                    | X                            |  | X                           |   |                                   | X   |
| 20772 CIVIC CENTER DR             | 58            | 104-132-78 | Large paved lot with vehicles and construction equipment, small office/vehicle storage, fenced-in, occupied by Sunstate Equipment (Construction Equipment Rentals & Tools)  |                          | Moderate               |                              |  |                             |   |                                   | X   |
| 20712 CIVIC CENTER DR             | 59            | 610-332-07 | 1 story freestanding industrial building and parking lot, landscaping near road. Secured parking lot. Vacant  | For lease                | Moderate               |                              |  |                             |   |                                   | X   |
| INDIAN OCEAN DR & COMMERCENTRE DR | 60            | 610-332-04 | Paved, fenced-in industrial storage with hangers and equipment staging/storage, appears to be connected to APN 610-332-09 and owned/operated by ARB Industrial (subsidiary of Primoris Services Corporation)  |                          | Moderate               |                              |  |                             |   |                                   | X   |
| 20602 CIVIC CENTER DR             | 61            | 610-332-09 | 2 story industrial/warehousing building, narrow and long with bay doors on southern building face, paved with vehicle and semi-truck parking, storage units/shipping containers, possibly some sort of fill up (gas) station. Connected to APN 610-332-04, appears to be owned by ARB Industrial (subsidiary of Primoris Services Corporation)  |                          | Moderate               |                              |  |                             |   |                                   | X   |
| 26000 COMMERCENTRE DR             | 62            | 610-332-08 | 1 story commercial/light industrial building, occupied by ARB Industrial (subsidiary of Primoris Services Corporation). Wraparound parking lot and landscaping occupy much of the site. Surrounded by business park type uses.  |                          | Moderate               |                              |  |                             |   |                                   | X   |
| INDIAN OCEAN DR & COMMERCENTRE DR | 63            | 104-132-79 | (No street-level view available). Undeveloped, easement with gravel access road underneath utility lines.   |                          | Moderate               |                              |  |                             |   |                                   | X   |
| 20941 CANADA RD                   | 64            | 610-151-29 | (No street-level view available). Self-storage building occupied by American Mini Storage. Adjacent to residential uses on southern and western border, easement and industrial/warehousing uses on the northern border, light industrial uses on eastern border.   |                          | Moderate               |                              |  |                             |   |                                   | X   |
| 20845 CANADA RD                   | 65            | 610-301-24 | (No street-level view available). 1 or 2 story office building in manufacturing/business park, occupied by Camall Corp (engineering and IT company specializing in data centers)  |                          | Moderate               |                              |  |                             |   |                                   | X   |
| 20762 LINEAR LN                   | 66            | 610-301-29 | 1 or two story office/warehousing building with bay door, loading/unloading, storage and parking lot. Occupied by All Seals (distributor of rubber parts)   |                          | Moderate               |                              |  |                             |   |                                   | X   |
| 20792 CANADA RD                   | 67            | 610-301-31 | 2 story office/warehousing building and parking lot, solar panel covered parking. Occupied by Schmazee Custom Coatings (paint/coating)  |                          | Moderate               |                              |  |                             |   |                                   | X   |
| 20742 LINEAR LN                   | 68            | 610-301-13 | 1 story office/manufacturing building and parking lot, occupied by AFAB Precision Machining   |                          | Moderate               |                              |  |                             |   |                                   | X   |
| 20722 LINEAR LN                   | 69            | 610-301-22 | 1 story office building and parking lot, possibly occupied by Wieser Educational Inc.   |                          | Moderate               |                              |  |                             |   |                                   | X   |
| 20702 LINEAR LN                   | 70            | 610-301-23 | 1 story office/manufacturing building and parking lot, occupied by Lyall Turbosonics, Inc. (product design and injection molder of thermoplastics)  |                          | Moderate               |                              |  |                             |   |                                   | X   |
| 26212 DIMENSION DR                | 71            | 610-301-11 | 2 story multi-tenant office/light industrial building with alleyway and bay doors behind it. Tenants include auto repair shop, other light industrial uses, marketing, accounting firm, etc. Possibly one-two vacancies (cannot confirm)  | Possibly but unconfirmed | Moderate               |                              |  |                             |   |                                   | X   |
| 20781 CANADA RD                   | 72            | 610-301-16 | 1-2 story light industrial building occupied by Carstar (auto body) and parking lot. Landscaping in between building and street.  |                          | Moderate               |                              |  |                             |   |                                   | X   |
| 20761 CANADA RD                   | 73            | 610-301-17 | 2-3 story office/light manufacturing/warehousing building with paved shipping/receiving area and bay doors in back  |                          | Moderate               |                              |  |                             |   |                                   | X   |
| 26242 DIMENSION DR                | 74            | 610-301-18 | 2 story multi-tenant office/light industrial building with alleyway and bay doors behind it. Tenants include a gym, insurance agent, PT/sports rehab, kid's bounce house, etc. Possibly one-two vacancies (cannot confirm)  | Possibly but unconfirmed | Moderate               |                              |  |                             |   |                                   | X   |
| 20700 CANADA RD                   | 75            | 613-821-04 | 1-2 story self-storage with gate and fencing, landscaping alongside road.   |                          | Moderate               |                              |  |                             |   |                                   | X   |





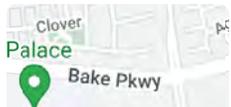




Image capture: Oct 2020 © 2022 Google

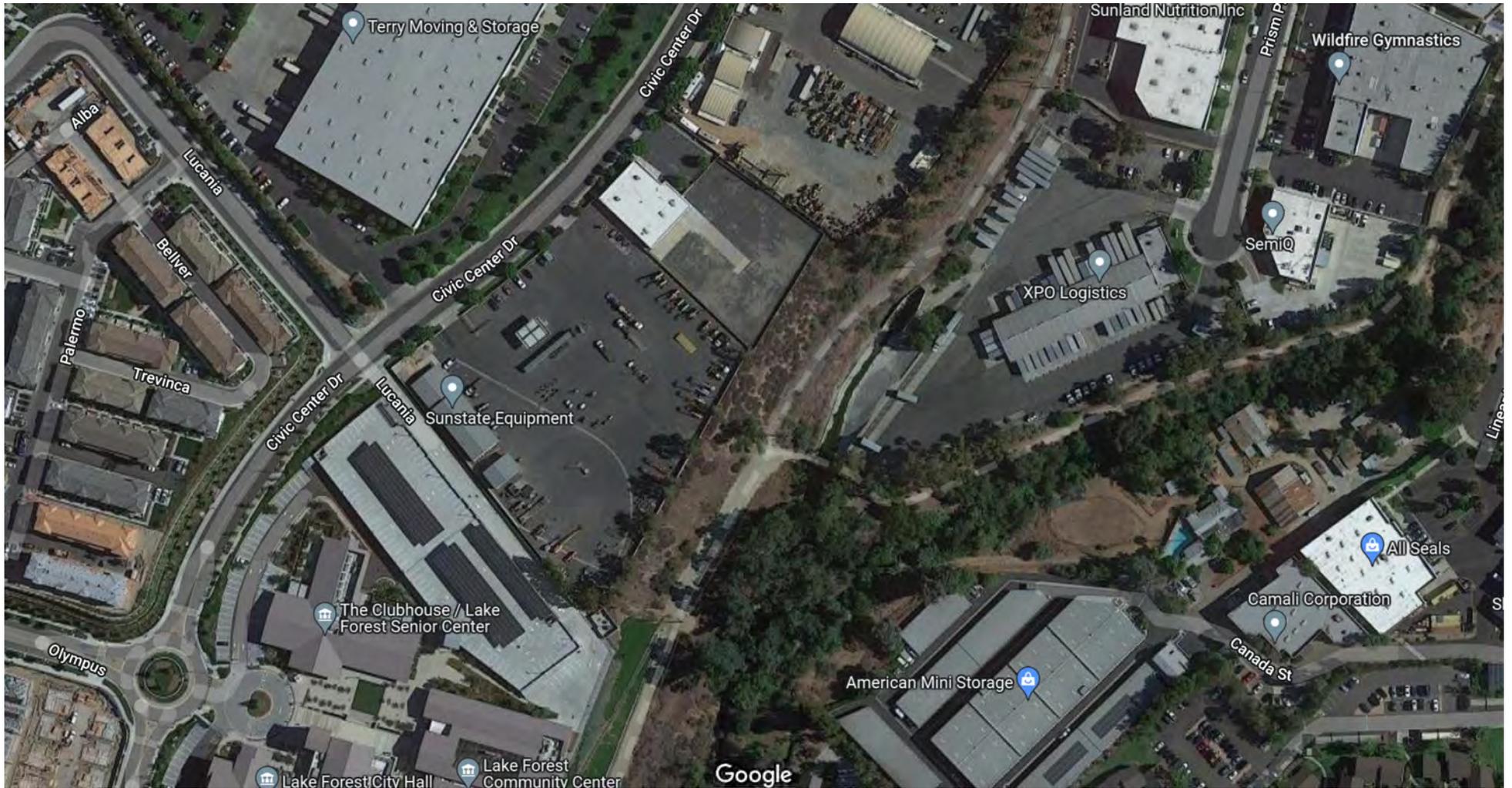


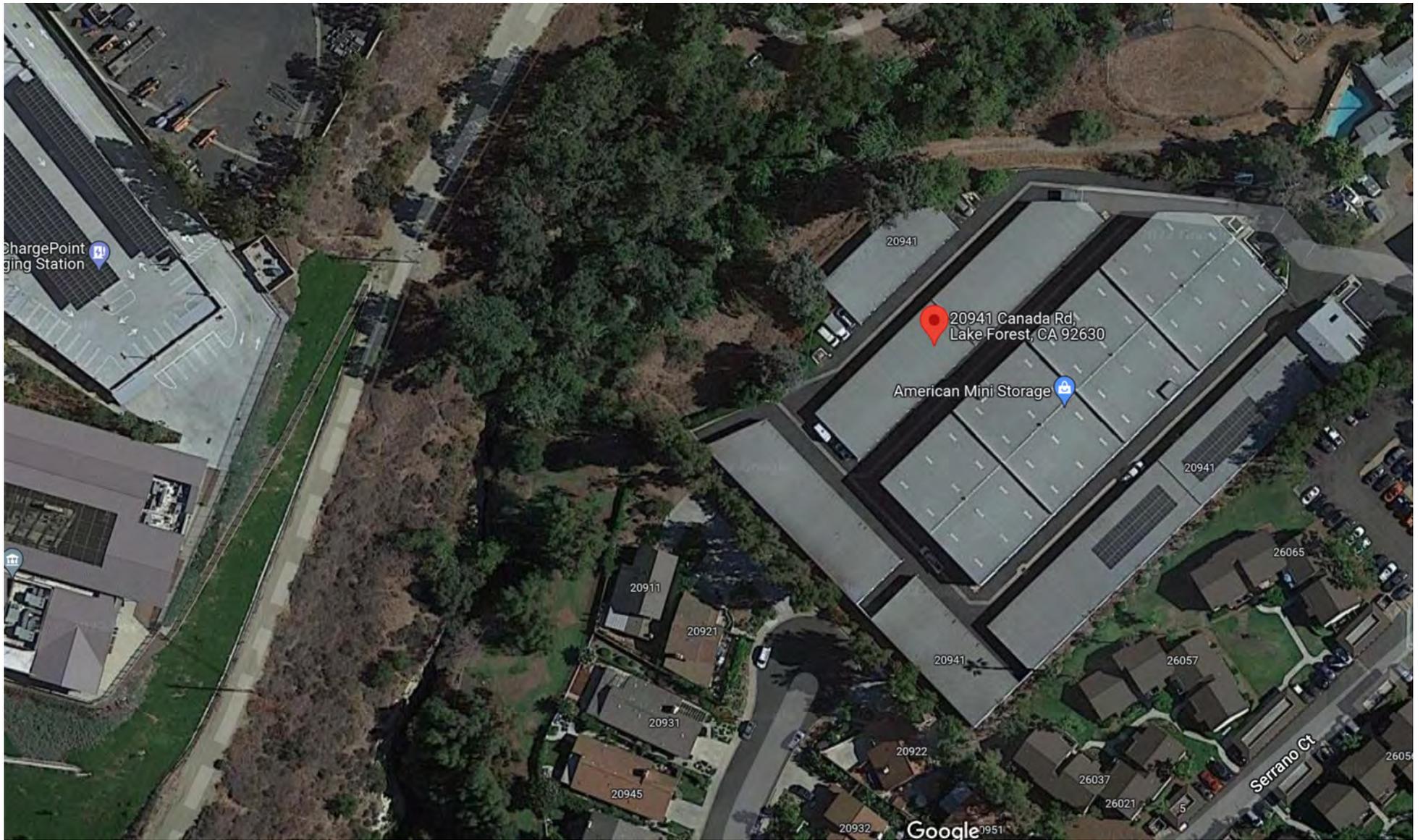
20602 Civic Center Dr

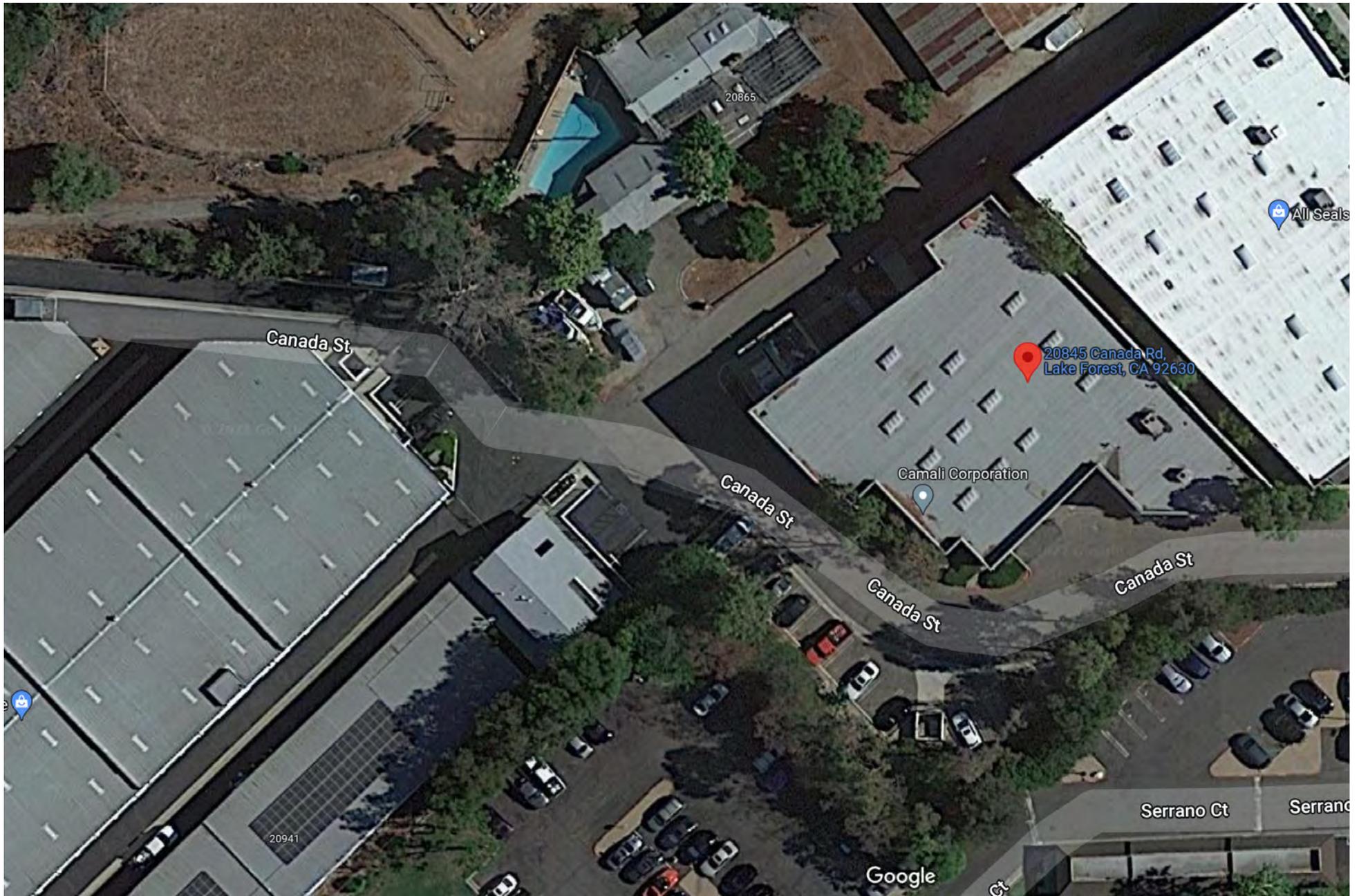
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Street View & 360°







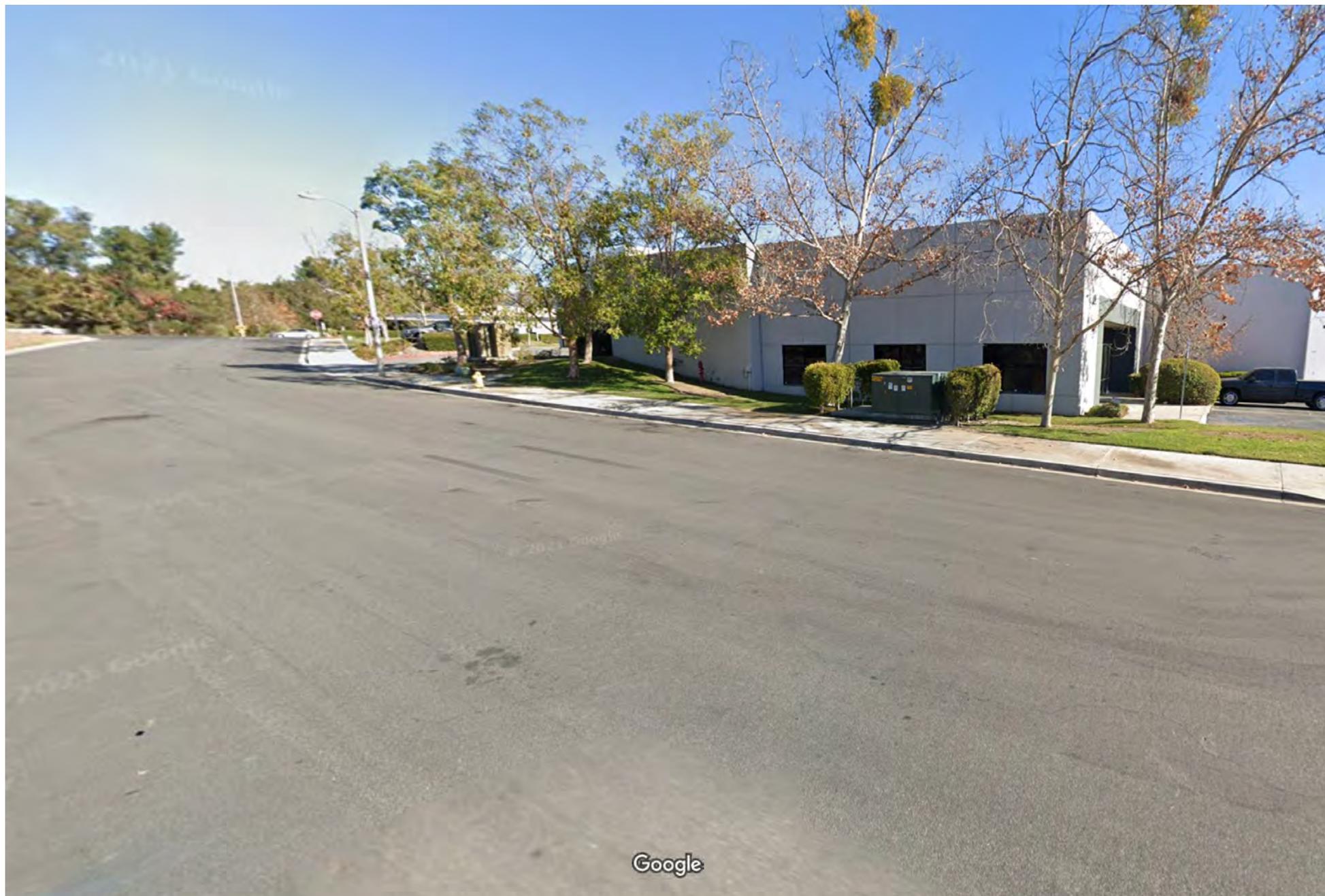






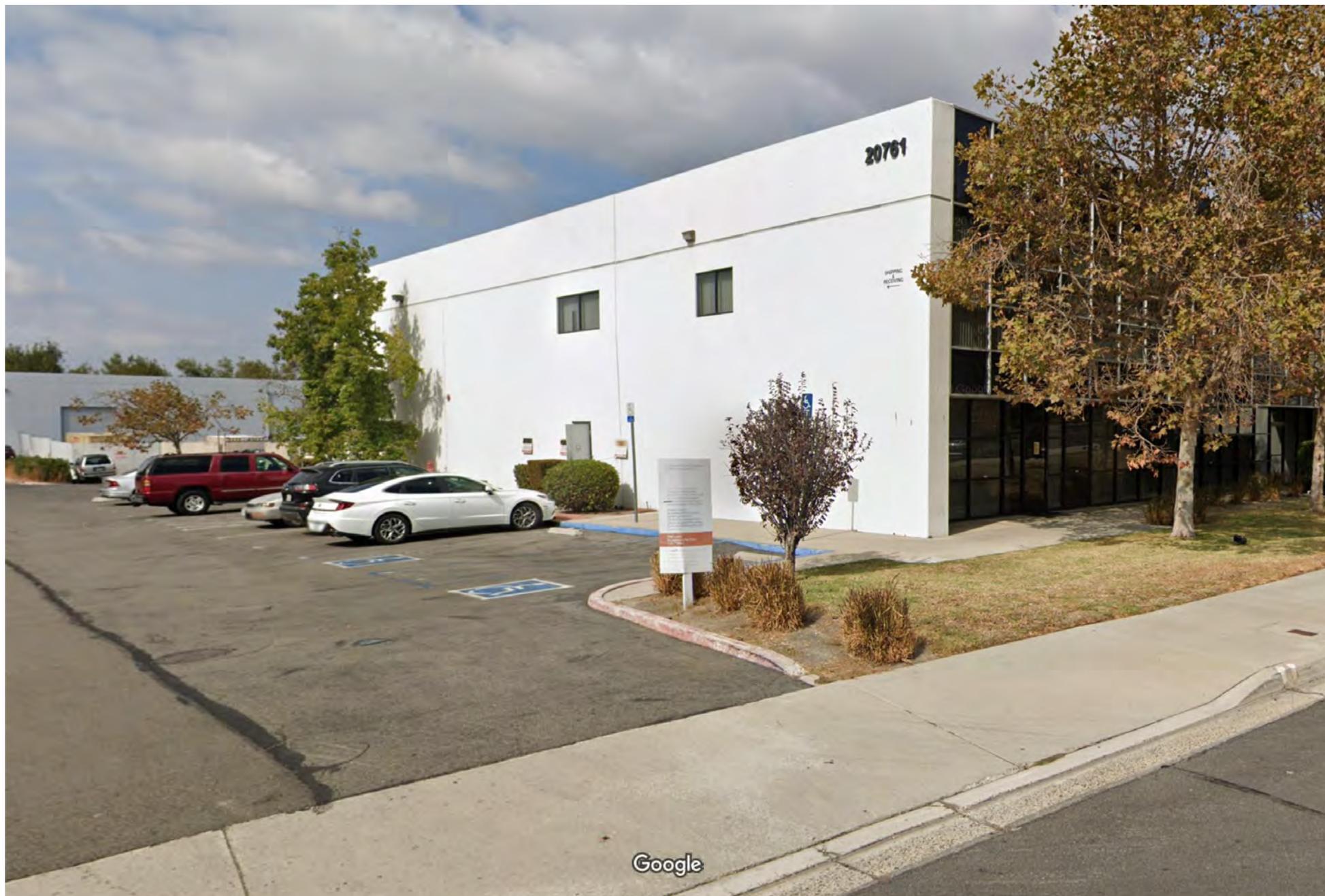
















Source: Orange County Analysis of Impediments to Fair Housing Choice, May 2020.

**Findings**

Overall, it appears that residents in Lake Forest have varying levels of access to opportunities, and access to opportunity is not correlated to the location of special groups, like female-headed households, seniors, or persons with disabilities. While there is some minor correlation between access to opportunities and racial/ethnic composition in the southern areas of the City near El Toro/I-5, there are other areas of the City with lower levels of access to opportunity where the residents are predominately white. Access to opportunity appears to be consistent and equitable across the community total population, however inequities exist in populations below the federal poverty line, with Hispanic residents below the federal poverty line have less access to opportunities than other groups. Program 24, Neighborhood Improvement Task Force, has been added to address this Finding.

**Discussion of Disproportionate Housing Needs**

Across Orange County, many residents face high rates of housing problems, severe housing problems, and severe housing cost burden. The County AI found that 27.1% of households have a severe housing problem, which are lack of kitchen or plumbing, more than one person per room, or cost burden greater than 50%. Hispanic households are most likely to have a severe housing problem (44.5% of households). In comparison, the County AI found that 19.9% of households in Lake Forest have a severe housing problem, with 42.4% of Hispanic households having a severe housing problem. Hispanic residents face severe housing problems at a higher than average in Lake Forest compared to the County. Overall, across the County, Black and Hispanic residents are more likely to face all of these housing problems, with varying rates across different jurisdictions. Housing problems occur more frequently in more populated areas of the County. The County AI found that while housing problems are generally evenly dispersed throughout the County, however, Lake Forest has higher percentages of households with housing problems in areas with higher numbers of Hispanic residents.

The analysis of disproportionate housing needs within Lake Forest evaluated existing housing need, needs of the future housing population, and units within the community at-risk of converting to market-rate (of which there are 11 units).

The four HUD-designated housing problems include when a 1) housing unit lacks complete kitchen facilities; 2) housing unit lacks complete plumbing facilities; 3) household is overcrowded; and 4) household is cost burdened. Households are considered to have a housing problem if they experience at least one of the above. Error Reference source not found, Table 76 summarizes the demographics of households with disproportionate housing needs in the City and region. As shown in Error! Reference source not found, Table 76, Lake Forest has a lower percentage of residents experiencing housing problems compared to the region. For both the City and the region as a whole, non-White households are more likely to experience at least one of the housing problems than White households.

TABLE 76: DEMOGRAPHICS OF HOUSEHOLDS WITH DISPROPORTIONATE HOUSING NEEDS

| Housing Needs                  | Lake Forest     |              |                 | Los Angeles-Long Beach-Anaheim, CA Region |                 |                 |
|--------------------------------|-----------------|--------------|-----------------|---|-----------------|-----------------|
|                                | # with problems | # households | % with problems | # with problems                           | # of households | % with problems |
| <b>Race/Ethnicity</b>          |                 |              |                 |   |                 |                 |
| White                          | 6,225           | 18,234       | 34.14%          | 710,485                                   | 1,741,265       | 40.80%          |
| Black                          | 242             | 540          | 44.44%          | 186,788                                   | 432,330         | 43.20%          |
| Hispanic                       | 2,705           | 4,370        | 61.90%          | 924,105                                   | 1,458,220       | 63.37%          |
| Asian or Pacific Islands       | 1,305           | 5,855        | 22.29%          | 212,777                                   | 555,625         | 38.29%          |
| Native American                | 14              | 19           | 73.68%          | 1,655                                     | 3,530           | 46.82%          |
| Other                          | 299             | 525          | 56.93%          | 44,255                                    | 90,895          | 48.69%          |
| Total                          | 10,796          | 27,556       | 39.12%          | 2,183,075                                 | 5,298,865       | 41.19%          |
| <b>Household Type and Size</b> |                 |              |                 |   |                 |                 |
| Family households, <4 people   | 5,795           | 17,550       | 33.02%          | 1,029,920                                 | 2,301,365       | 44.75%          |

| Housing Needs  | Lake Forest            |              |                        | Los Angeles-Long Beach-Anaheim, CA Region |                 |                        |
|--|------------------------|--------------|------------------------|---|-----------------|------------------------|
| Family households, 6+ people                             | 1,640                  | 3,165        | 51.82%                 | 434,996                                   | 628,630         | 69.20%                 |
| Non-family households                                    | 4,948                  | 6,924        | 71.34%                 | 719,165                                   | 1,069,998       | 67.26%                 |
| Households experiencing any of 4 severe housing problems | # with severe problems | # households | % with severe problems | # with severe problems                    | # of households | % with severe problems |
| <b>Race/Ethnicity</b>                                    |                        |              |                        |   |                 |                        |
| White  | 2,735                  | 18,294       | 15.00%                 | 387,770                                   | 1,741,265       | 22.27%                 |
| Black  | 140                    | 540          | 25.93%                 | 115,450                                   | 332,330         | 34.74%                 |
| Hispanic   | 1,855                  | 1            | 870                    | 32.45%                                    | 1,459,220       | 14.63%                 |
| Asian or Pacific Islander                                | 66                     | 3,965        | 17.68%                 | 199,360                                   | 566,620         | 28.20%                 |
| Native American  | 14                     | 13           | 78.95%                 | 2,645                                     | 9,630           | 27.74%                 |
| Other  | 174                    | 526          | 32.95%                 | 26,210                                    | 90,895          | 28.84%                 |
| Total  | 5,590                  | 27,555       | 20.29%                 | 1,370,770                                 | 4,298,855       | 31.89%                 |

Source: HUD Affirmatively Furthering Fair Housing (AFFH) Database, 2020

### Future Growth Need

The City's future growth need is based on the RHNA, which allocates production of 956 very-low and 543 low-income units to the City for the 2021-2029 planning period. Figure 2 shows that both existing and proposed affordable units are well dispersed throughout the community and do not present a geographic barrier to obtaining affordable housing. Appendix A of this Housing Element shows the City's ability to meet its 2021-2029 RHNA need at all income levels. This demonstrates the City's ability to accommodate the anticipated future affordable housing needs of the community.

### Existing Need

As described earlier in this Background Report, the City has a history of working with affordable housing developers to help facilitate the development of housing for lower-income households. Lake Forest has 202 rent-restricted units, representing approximately 1% of the City's housing stock. The City actively works with affordable housing developers to identify and evaluate potential sites and to expand opportunities for lower-income households throughout the City. Lake Forest continues to encourage development of 15% affordable housing in conjunction with development of market rate housing.

### Cost Burden

A household is considered cost burdened if the household pays more than 30% of its total gross income for housing costs. For renters, housing costs include rent paid by the tenant plus utilities. For home owners, housing costs include mortgage payment, taxes, insurance, and utilities. As discussed in the Background Report, as with most communities, the location of the home is one of the biggest factors with regard to price.

Figure 29 shows the sites designated to meet the RHNA allocation in relation to percent of renter households overburdened by housing costs, by census tract. Some sites (located within the El Toro Road and Light Industrial focus areas) are located in the census tracts with the highest levels of renter households overburdened by housing costs and some sites (located within the El Toro Road and Lake Forest Drive focus areas) are located in the census tracts with the highest levels of homeowner households overburdened by housing costs. These patterns appear to be generally consistent with the prior analysis regarding median household incomes and access to opportunity as they relate to regional patterns, as illustrated in Figure 30. Figure 31 shows the sites proposed to meet Lake Forest's RHNA in relation to percent of homeowner households overburdened by housing costs, by census tract. The intent of introducing new residential development in these areas (at locations currently developed with commercial uses) is to add new housing to desirable areas and provide a range of housing choices at different prices to current and future residents. The sites designated to accommodate the City's RHNA are not currently developed with residential

uses and are not expected to displace current residents. A regional comparison is provided in Figure 32.

### Overcrowding

Typically, a housing unit is considered overcrowded if there is more than one person per room and severely overcrowded if there are more than 1.5 persons per room. As described in Table 20 in the Background Report, 2.1% of owner-occupied homes and 10.7% of renter-occupied homes are overcrowded, and a total of 4.8% of all households in Lake Forest are overcrowded. Figure 27 shows the concentration of overcrowded households in Lake Forest. One census tract, 032014 has 15.01-20% of households which are overcrowded. As shown in Figure 33, the more racially/ethnically diverse northern Orange County has a significantly higher concentration of overcrowded households than the southern and coastal areas of the County.

### Substandard Housing

Typically, housing over 30 years of age is more likely to have rehabilitation needs that may include plumbing, roof repairs, electrical repairs, foundation rehabilitation, or other significant improvements. As discussed in Section 3 of the Background Report, the 2014-2018 ACS data indicates that over half of the housing in the City is less than 40 years old (in 2018): 57.6% of units were built in 1980 or later. Another 32.9% of housing units were between 1970 and 1979. Due to the relatively young age of the City's housing stock, the overall housing conditions are good. The City's housing stock remains relatively new with only 9.5% of dwelling units in Lake Forest having been constructed prior to 1970, and as such, structural deterioration and maintenance problems are rare. Code enforcement officers conducted a window survey of 600 homes in southwest Lake Forest (the oldest neighborhood most in need of attention) to assess the condition of housing stock in Lake Forest. Of the 600 homes, most issues noted included minor exterior issues such as deteriorated paint, dead or dying landscaping, broken windows, etc. One was considered to need major rehabilitation or replacement. This equates to 0.1%. The City has introduced Program 24, Neighborhood Improvement Task Force, to address the need of the City's older neighborhoods. The City's first Neighborhood Improvement Plan is being prepared for Southwest Lake Forest, and as described in the Program, the City has committed \$70,500 to implementing improvements in the Southwest Lake Forest neighborhood from 2021-2023.

Additionally, the City's Planning Division's assessment is that, while there are a limited number of homes in need of significant repair scattered throughout various neighborhoods in the City, there are no areas of the City in which it appears that a preponderance of the homes need major repair. In general, areas of the City with older homes have a greater number in need of major repair. The City will continue to implement its Residential Rehabilitation Loan Program (RRLP) using CDBG funds (when available) to help qualified homeowners to rehabilitate substandard housing.

### Findings

"Disproportionate housing needs" generally refers to a condition in which there are significant disparities in the proportion of members of a protected class experiencing a category of housing need when compared to the proportion of members of any other relevant groups, or the total population experiencing that category of housing need in the applicable geographic area. Based on input from the community and the County AI, the most disproportionate housing needs in Lake Forest includes rehabilitation of the existing housing stock and increased variety of housing types at affordable prices, including housing for lower income households and larger households. Additionally, as demonstrated in Table 74, Census Tract 032014 located in the southern portion of the City and adjacent to the I-5 Freeway has a comparatively high percentage of disproportionate housing needs, with 73.4% of renters overpaying and 17.15% of households which are overcrowded. According the HCD's AFFH Data Viewer, this Census Tract's population is predominately Hispanic (46.4%), and has a slightly higher percentage of population with a disability (15.7%) compared to the City as a whole. Program 24 of the Housing Plan, Neighborhood Improvement Task Force (NITF), targets this area of the City. Programs recommended by the NITF will be a key tool the City will use to address fair housing issues and affirmatively further fair housing.

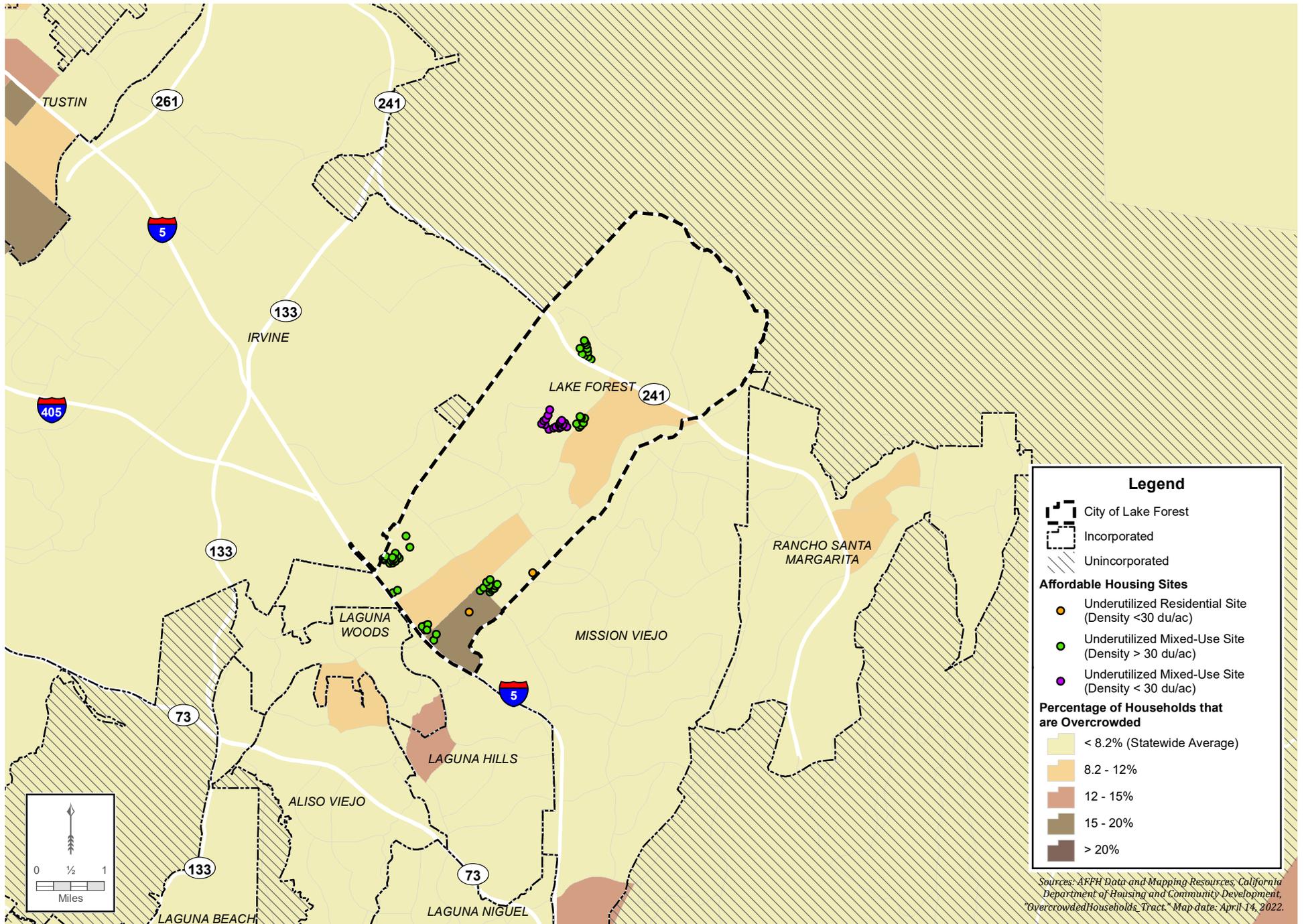


Figure V-27: Overcrowded Households by Census Tract

NEW FIGURE

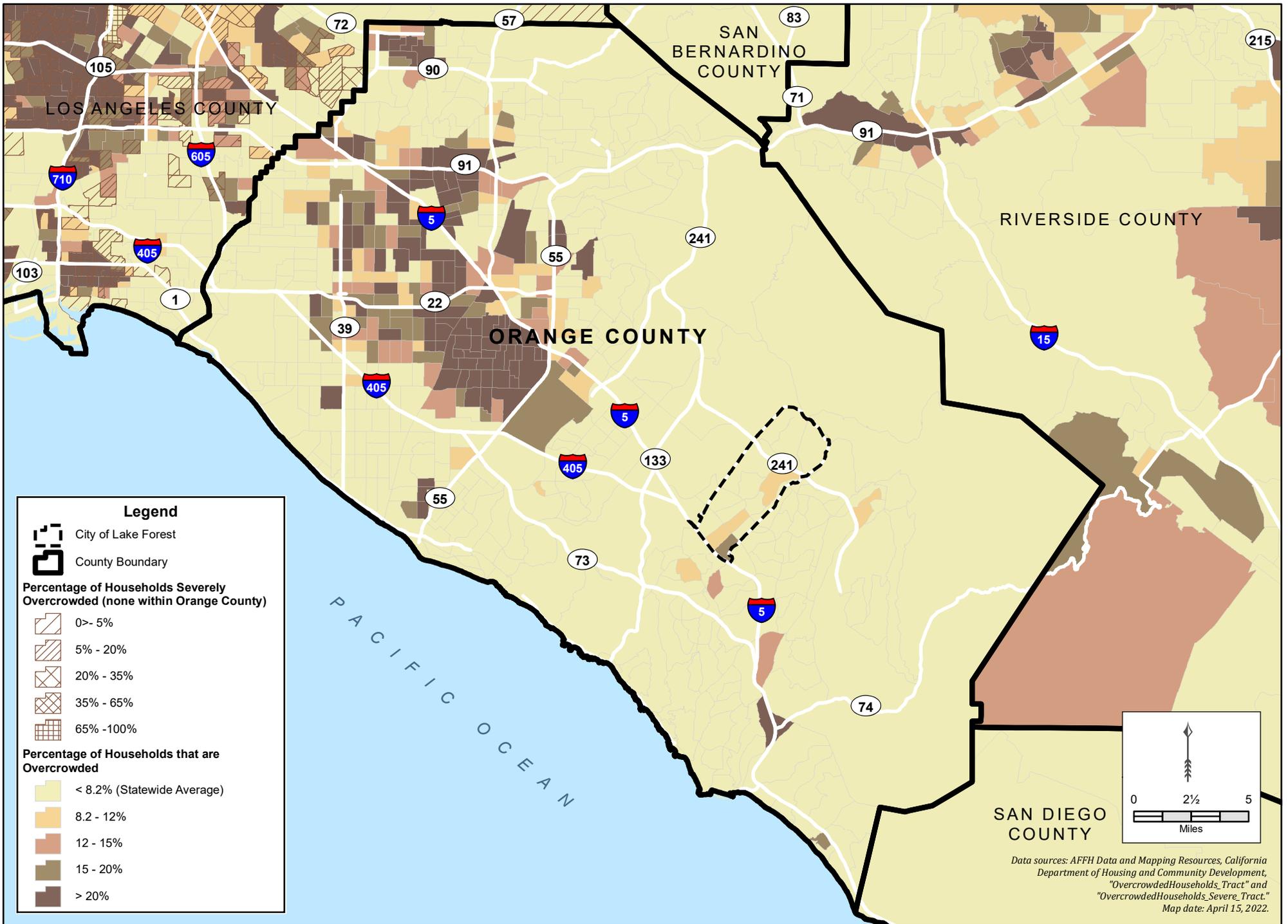
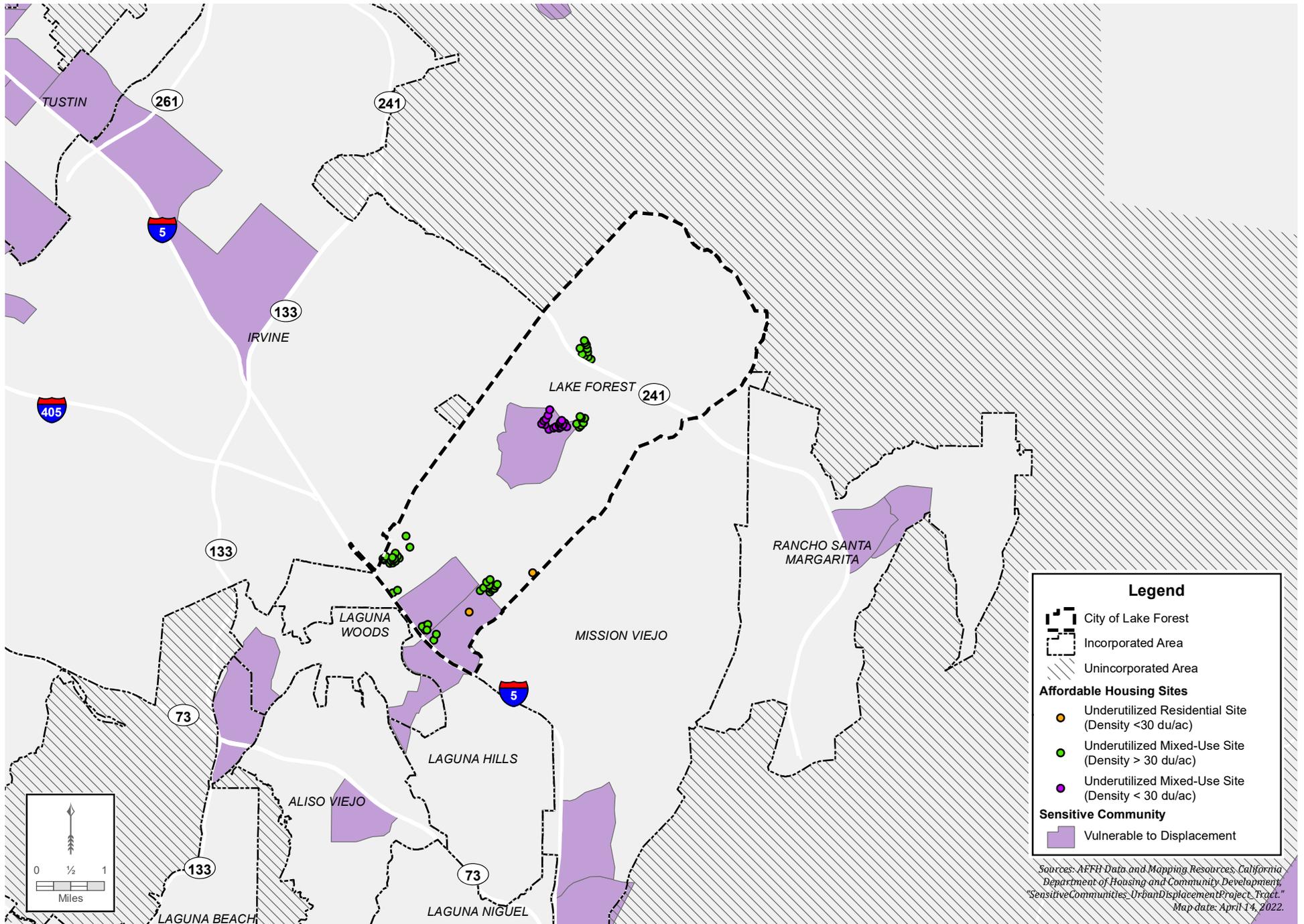


Figure 28: Overcrowded Households by Census Tract - Countywide

NEW FIGURE



**Legend**

- City of Lake Forest
- Incorporated Area
- Unincorporated Area

**Affordable Housing Sites**

- Underutilized Residential Site (Density < 30 du/ac)
- Underutilized Mixed-Use Site (Density > 30 du/ac)
- Underutilized Mixed-Use Site (Density < 30 du/ac)

**Sensitive Community**

- Vulnerable to Displacement

*Sources: AFFH Data and Mapping Resources, California Department of Housing and Community Development, "Sensitive Communities Urban Displacement Project Tract." Map date: April 14, 2022.*

Figure V-29: Sensitive Communities

NEW FIGURE

## 6C. Sites Inventory

AB 686 requires that jurisdictions identify sites throughout the community in a manner that is consistent with its duty to affirmatively further fair housing. The site identification includes not only an analysis of site capacity to accommodate the RHNA (provided in this section), but also considers whether the identified sites serve the purpose of replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity. [This section analyzes the role of all sites, regardless of income level, in assisting to affirmatively further fair housing. However, special attention is paid to those sites identified to accommodate a portion of the City's lower-income RHNA to ensure that the City is thinking carefully about how the development of new affordable housing options can promote patterns of equality and inclusiveness.](#)

### SEGREGATION/INTEGRATION

As previously stated, the City finds that there are no known historic patterns of segregation by race and ethnicity, persons with disabilities, familial status, age or income. Nonetheless, as described throughout this Housing Element, the City is committed to supporting the development of housing to promote a balanced and integrated community. This is highlighted in Table 67 in the Housing Resources chapter, as the City has identified a surplus of sites and excess development capacity for housing for all income levels.

Figure 5 shows the sites identified to meet Lake Forest's RHNA allocation in relation to racial/ethnic diversity. As shown, proposed [very-low and low-income RHNA sites underutilized mixed-use sites, including those very-low and low-income RHNA sites underutilized mixed-use](#) allowing for densities of at least 30 du/ac, are located throughout the community and are not concentrated in areas of low diversity. The vast majority of sites are located in areas of moderate to high diversity, and some sites (located along Lake Forest Drive) are in areas of low diversity.

Figure 7 shows the sites designated to meet Lake Forest's RHNA allocation in relation to the concentration of persons with disabilities. As shown, proposed [sites, including those very-low and low-income sites \(underutilized mixed-use sites allowing for densities of at least 30 du/ac\)](#), are located throughout the community and are not concentrated in areas with high proportions of persons with disabilities. The vast majority of sites are located in census tracts with 10% or less of the population indicating a disability, including some sites in areas with 10%-20% of residents indicating a disability. Additionally, the City's mixed-use areas are located near transit corridors and activity centers, which also benefits persons with disabilities. However, these sites are not concentrated in areas with already high levels of disability. The locations of sites designated to meet the City's [very-low and low-income RHNA](#) allocation are not expected to contribute to patterns of isolation or segregation for persons with disabilities.

Figure 9 shows the sites designated to meet Lake Forest's RHNA allocation in relation to female-headed households. As shown, proposed [sites, including](#) very-low and low-income sites (underutilized mixed-use sites allowing for densities of at least 30 du/ac), are located throughout the community and are not concentrated in areas with high levels of female-headed households. No sites are located in the census tract with the highest proportion of female-headed households. The locations of sites designated to meet the City's [very-low and low income](#) RHNA allocation are not expected to contribute to patterns of isolation or segregation for female-headed households.

Figure 11 shows the sites designated to meet Lake Forest's RHNA allocation in relation to concentration of senior residents. As shown, proposed [sites, including](#) very-low and low-income sites (underutilized mixed-use sites allowing for densities of at least 30 du/ac), are located throughout the community and are not concentrated in areas with high proportions of senior residents. The vast majority of sites are located in areas with low levels of senior residents (less than 20%) and some sites are located in areas where seniors make up 20-25% of the population. However, these areas (located generally along El Toro Road and Lake Forest Drive near I-5) are also good locations for seniors because they provide easy access to goods and services and are located near transportation facilities and activity centers. The locations of sites designated to meet the City's [very-low and low income](#) RHNA allocation are not expected to contribute to patterns of isolation or segregation for senior households.

Figure 13 shows the sites designated to meet Lake Forest's RHNA allocation in relation to median household income. As shown, proposed [sites, including](#) very-low and low-income RHNA sites (underutilized mixed-use sites allowing for densities of at least 30 du/ac), are located throughout the community and are not concentrated in areas with low median household income. Some candidate sites are located in one of the City's two lowest median household income census tracts, but as previously described, this census tract is home to many mobile/manufactured homes, which are not proposed for redevelopment. Development is expected to occur at other sites where nonresidential uses are currently (2021) located. The location of new development to meet the City's [very-low and low income](#) RHNA are not expected to contribute to patterns of isolation or segregation for lower-income households.

## R/ECAPS

The City does not have any racially or ethnically concentrated areas of poverty and the identification of sites to accommodate the City's RHNA is not expected to alter this finding. Additionally, while the majority of the City contains a white majority racial concentration, there are no census tracts with a median household income of \$125,000 or more. As such, there are no RCAAs located in Lake Forest.

## ACCESS TO OPPORTUNITY

Approximately 5% of the City's underutilized mixed-use sites are located within census tract 06059052423, which is considered an area with low place-based opportunities. The concerns in this area include neighborhood stability, access to supermarkets, and housing affordability. The introduction of new mixed-use development in this area will help to create more housing affordable to households at lower-income levels, introduce new residents to an area which can contribute to higher neighborhood stability, and expand opportunities for people to live and work in the same area. Taken together, new mixed-use development in this area, which is focused on underutilized commercial sites, will help to diversify the land use pattern without displacing existing residents.

One of the high opportunity areas identified in the analysis is the Foothill Ranch Towne Center, which originally represented a concentration of commercial land uses on 216 acres of land within the Foothill Ranch Planned Community. In the 1980's, 30 acres of land was developed as an Auto Center and medical office uses. Several rezonings have been approved by the City that allowed for 219 multi-family residential to be constructed on land that had formerly been used for auto dealerships. In addition, 3,710 single family and multi-family units are included within the Planned Community, which offer opportunities for the development of ADU's and increasing housing choices in the area.

## DISPLACEMENT RISK

Figure 29 shows the sites designated to meet the very-low and low-income RHNA allocation for Lake Forest sites (underutilized mixed-use sites allowing for densities of at least 30 du/ac) in relation to percent of renter households overburdened by housing costs, by census tract. Some sites (located within the El Toro Road and Light Industrial focus areas) are located in the census tracts with the highest levels of renter households overburdened by housing costs and some sites (located within the El Toro Road and Lake Forest Drive focus areas) are located in the census tracts with the highest levels of homeowner households overburdened by housing costs. These patterns appear to be generally consistent with the prior analysis regarding median household incomes and access to opportunity as they relate to regional patterns, as illustrated in Figure 30. Figure 31 shows the sites proposed to meet Lake Forest's very-low and low-income RHNA allocation (underutilized mixed-use sites allowing for densities of at least 30 du/ac) in relation to percent of homeowner households overburdened by housing costs, by census tract. The intent of introducing new residential development in these areas (at locations currently developed with commercial uses) is to add new housing to desirable areas and provide a range of housing choices at different prices to current and future residents. The sites designated to accommodate the City's lower-income RHNA are not currently developed with residential uses and are not expected to displace current residents. A regional comparison is provided in Figure 32.

## SITE ANALYSIS FINDINGS

To accommodate the City's RHNA allocation, five key focus areas of economic investment/opportunity have been identified consistent with the City's comprehensive General Plan Update (adopted in 2020). These focus areas include: El Toro Road, Lake Forest Drive, Light Industrial/Railroad, Civic Center, and Foothill Ranch Towne Center, all of which allow and incentivize mixed-use development at the densities needed to stimulate affordable housing development. These areas, located along transportation corridors and near activity centers, are designated for mixed-use development in the City's General Plan. The City's very low and low RHNA needs are largely accommodated in these locations. By locating sites throughout the City, and at permitted densities which promote a variety of housing types to meet all income needs, the sites affirmatively further fair housing and provides for housing for all income types in moderate and high resource areas. Specifically, housing sites designated Urban Industrial 25 are located in a high resource area and have the capacity for approximately 426 units at moderate and above moderate income levels, which do not represent extremely concentrated racial or ethnic populations, persons with disabilities, female household, senior households, or low-income households.

As shown in Table 66, most of the site capacity for extremely low, very low, and moderate units are located within site designated as Mixed-Use 43 (approximately 69 percent of the total site inventory). Approximately 731 of those proposed units, including an anticipated 336 very low-income units are located in the Foothill Ranch Towne Center, which is a high opportunity area. The Urban Industrial 43 land use designation is located in a Moderate Resource area and will accommodate approximately 339 extremely low, very low, and moderate units (sites 58-76).

Because sites are located throughout the City, some sites are located in areas of greater racial diversity and/or low-income household concentration, particularly in the southern portion of the City, in the areas around the I-5 Freeway (approximately 44 percent of the total sites). These include sites 1-15, 34, 35, and 38-44, all of which are underutilized mixed-use sites that are permitted at densities that are suitable for all income levels. However, the City has included programs in the Housing Plan to address neighborhood-specific issues in this area of the City, including Program 22: Affirmatively Furthering Fair Housing Program, Program 23: Economic Displacement Risk Analysis, and Program 24: Neighborhood Improvement Task Force, which will encourage lower-income sites to be located in areas with more resources and will help to revitalize areas in which lower-income sites are located.

However, the City has included a program to encourage additional development of lower-income units throughout the community through its accessory dwelling unit program (Program 8). For these reasons, the City finds that the sites proposed to accommodate its RHNA allocation do not unduly burden existing areas of concentrated racial or ethnic homogeneity, poverty, or other characteristics. Moreover, the sites affirmatively further fair housing by helping to stimulate investment in areas where additional people- and place-based opportunity is desired, and where new residential and/or mixed-use development can help to improve some of the opportunity level characteristics discussed earlier in this section.