# CITY OF DANA POINT PLANNING COMMISSION AGENDA REPORT

DATE: MAY 24, 2021

# TO: DANA POINT PLANNING COMMISSION

FROM: COMMUNITY DEVELOPMENT DEPARTMENT BRENDA WISNESKI, DIRECTOR OF COMMUNITY DEVELOPMENT BELINDA DEINES, PRINCIPAL PLANNER

SUBJECT: 2021-2029 HOUSING ELEMENT UPDATE

**<u>RECOMMENDATION</u>**: That the Planning Commission receive a presentation introducing the draft Housing Element sections, receive public comments and provide feedback for consideration.

APPLICANT: City of Dana Point

LOCATION: Citywide

**ENVIRONMENTAL**: Pursuant to the California Environmental Quality Act (CEQA), the project is found to be Categorically Exempt per Section 15306 (Class 6 – Information Collection) in that the project involves basic data collection, research, and information gathering purposes leading to an action which a public agency has not yet approved or adopted.

# BACKGROUND:

In order to address the housing needs in California, State law requires that each jurisdiction adopt a Housing Element as a chapter of its General Plan. The Housing Element includes the City's housing strategy to plan for existing and project housing demand, identify adequate sites to accommodate the City's allocated share of regional housing needs, and analyze local policies, regulations, and requirements that have the potential to constrain development of housing for all income levels.

State law requires the City to update the Housing Element every eight-years. Also as required by State law, the Safety Element must be evaluated and updated as part of the Housing Element Update. On May 19, 2020, the City Council approved the agreement with PlaceWorks (Consultant) to assist the City in amending its Housing Element for the 2021-21 planning period and updating its Public Safety Element.

The Housing Element Update for the 6<sup>th</sup> Cycle RHNA is due to HCD for certification by no later than October 15, 2021.

# DISCUSSION:

Work is underway to develop the City's Housing Element update, focusing on identifying housing sites to meet the Regional Housing Needs Assessment (RHNA) and updating the housing programs to meet current housing laws. Specifically, the amendment will update goals, policies, programs, and quantified objectives (pursuant to Government Code Sections 65583 et seq.) to address identified housing needs and constraints based on the effectiveness and continued appropriateness of existing programs, information received through public outreach, the analysis of constraints, and findings from the needs assessment. A public outreach program for the project was initiated in January 2021, and a summary description of the completed tasks will be prepared as part of the update.

Date	Task
January-May 2021	Stakeholder Interviews
March 22, 2021	Planning Commission Study Session
March-May 2021	Online Housing Priorities Survey
April 1, 2021	Youth Board Workshop
April 20, 2021	City Council Scoping Session
May 20, 2021	Virtual Community Workshop
June 5, 2021	Pop-Up Community Workshop

Table 1 Public Outreach Program

# RHNA

RHNA allocation is a "fair share" number of units in four income categories as determined by the Southern California Association of Governments (SCAG). The State assigns the total number of units for the region, and SCAG adopts a methodology to determine the number for each city. The existing 2013-2021 Housing Element addresses an allocation of 327 RHNA units for the 5<sup>th</sup> Cycle.

The 6<sup>th</sup> Cycle RHNA is the next Housing Element cycle from June 30, 2021 to October 15, 2029. HCD provided SCAG with the minimum regional housing need of 1,341,827 units for the 6<sup>th</sup> Cycle to distribute among local jurisdictions. The 6<sup>th</sup> Cycle RHNA planning period allocates 530 units to the City of Dana Point in the following income categories:

Cycle 6 RHNA Allocation (2021-2029)							
Income Category	Number of Units						
Very-Low Income Households (0-50% median)	147						
Low Income Households (51-80% median)	84						
Moderate income households (81-120% median)	101						
Above moderate-income households (121%+ median)	198						
TOTAL	530						

Table 2

Staff believes the City's RHNA is attainable based on development potential in Town Center, as well as anticipated rezoning in Doheny Village and construction of accessory dwelling units (ADUs).

# 2021-2029 Housing Element

For the 2021-2029 Housing Element Update, the City released administrative draft sections of the Element to provide the opportunity for public review. The sections made available on the City's website include the Community Profile, Evaluation of Previous Housing Strategies, Housing Constraints, and Residential Land Resources, which are attached as Supporting Document 1.

<u>Community Profile</u> – Includes an evaluation of the City's existing population and housing characteristics in order to inform the establishment of housing goals, programs, and quantified objectives. This section provides statistical analysis of demographic and housing factors that influence the demand for and availability of housing. The purpose of this section is to identify existing housing needs for the City's population.

<u>Evaluation of Previous Housing Strategies</u> – This section is required to address statutory regulations to review the prior 2013-2021 Housing Element's appropriateness toward contribution of the state housing goal, effectiveness in attainment of community goals and objectives, and progress in implementation of the Housing Element. The evaluation matrix quantifies the level of achievement and evaluates the effectiveness for each program.

<u>Housing Constraints</u> – This section details the governmental and non-governmental constraints which may hinder the ability for the City to achieve its housing goals Housing Element law requires an analysis of the following governmental factors: land use controls (land use element and zoning), building codes and enforcement, site improvements, local processing and permit procedures, and fees and other exactions. This section also analyzes potential and actual non-governmental constraints including: environmental, infrastructure, residential land resources, land prices, construction costs, and financing.

<u>Residential Land Resources</u> – This is also commonly referred as the site inventory and details the City's capacity to accommodate its RHNA allocation for the 6<sup>th</sup> Cycle. The inventory provides an analysis of planned/entitled housing projects, vacant land, and underutilized land that is designated for or may be approved for residential use.

Furthermore, SCAG prepared a Local Housing Data report for Dana Point, which has been pre-certified by HCD to be included as part of the Community Profile section. This report is attached as Supporting Document 2 and will be included as an addendum to the Housing Element update.

The draft sections of the Housing Element can be found on the project webpage: <u>https://www.danapoint.org/residents/housing/housing-element</u>

A preview of recommendations for the draft housing programs and Affirmatively Furthering Fair Housing (AFFH) analysis will be presented at the Planning Commission meeting. It is anticipated that these draft sections will be available online for public review after May 25, 2021. The draft Element in its entirety will be presented to the City Council on June 15, 2021, and subsequently submitted to HCD for review and approval.

# Project Schedule

In order to meet the State's Housing Element deadline, staff proposes the project timeline presented in Table 3. The review and adoption of the Public Safety Element will follow the same timeline.

Element Update Schedule								
Milestone	Timeline							
Community Outreach	March – May 2021							
Public Review of Draft Updates	May 2021							
PC and CC Review and Direction to forward to HCD	May-June 2021							
Submit Draft Housing Element to HCD	June 2021							
Prepare CEQA Review	June 2021							
HCD 60-day review	June – July 2021							
Revise Housing Element per HCD Comments	August 2021							
PC and CC Public Hearings	September – October 2021							
Housing Element Due Date	October 2021							

Table 3 Element Update Schedule

# CONCLUSION:

The purpose of this presentation is to introduce the draft Housing Element sections to the Planning Commission and members of the public. The Consultant will provide a presentation with an overview of the draft sections, including recommendations for proposed housing programs and AFFH analysis. Staff recommends that the Planning Commission receive public comments and provide feedback for consideration.

Belinda Deines, Principal Planner

Brenda Wisneski, Director Community Development Department

# ATTACHMENTS:

# **Supporting Documents**

- Draft Housing Element Sections
   SCAG Local Housing Data Report

SUPPORTING DOCUMENT 1: Draft Housing Element Sections



# Public Review Draft Housing Element Constraints and Resources | Public Review

As part Housing Element Update, the City is releasing administrative draft versions of each section of the Element to provide the public with a chance to review and discuss with other stakeholders and City staff.

If you have any questions or have suggestions for corrections or additional information, please contact the City of Dana Point, Belinda Deines, Principal Planner, at (949) 248-3570 or <u>bdeines@danapoint.org</u>.

Additional sections of the draft Housing Element will be released throughout the Spring for public review and discussion. A complete draft that combines all sections of the Housing Element will be released in early June 2021 prior to the City's submittal to the California Department of Housing and Community Development for review and certification.

May 2021



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# **Housing Constraints**

# **Governmental Constraints**

Governmental constraints are policies, development regulations, standards, requirements, or other actions imposed by the various levels of government on land and housing ownership and development. Although federal and state agencies play a role in the imposition of governmental constraints, these agencies are beyond the influence of local government and are therefore not addressed in this document.

Housing element law requires an analysis of the following governmental factors:

- Land use controls (land use element and zoning)
- Building codes and their enforcement
- Site improvements
- Local processing and permit procedures
- Fees and other exactions

# Land Use Controls

Land use controls provided by the land use element of the City's General Plan and Zoning Code guide the location, distribution, density, and design of all development within the City.

## **General Plan Land Use Element**

State law requires each city to have a general plan that establishes policy guidelines for future development. The land use element identifies the location, distribution, and density of land uses throughout the City, with land use categories designating single family residential, multifamily housing and mixed-use development at a variety of densities. Conventional residential designations permit housing at maximum densities between 3.5 and 30 units per acre.

The Community Commercial and Commercial/Residential land use designations allow for a mix of commercial and residential uses at densities reaching over 30 units per acre when paired with the Dana Point Town Center Plan zoning. When paired with Doheny Village zoning, the Commercial/Main Street and Commercial/Residential land use designations allow for a mix of commercial and residential uses at maximum densities of 10 to 50 units per acre. The Community Facilities land use designation allows also housing up to 30 units per acre. A summary of the general plan land uses is provided in Table H-1.

These use categories allow for a variety of housing types to accommodate a range of owner and rental housing opportunities. The program provided by the General Plan Land Use



Element establishes five goals for future land development within the City. These goals facilitate:

- Balanced development in Dana Point
- Compatibility and enhancement among land uses
- Directing growth to maintain and improve the quality of life
- Preservation of natural resources
- Protection of resident-serving land uses

Designation	Description
Residential 0–3.5	Primarily detached single-family homes.
Residential 3.5–7	Primarily detached and attached single-family homes that may include duplexes, condominiums, and townhomes.
Residential 7–14	Primarily attached single-family homes and multifamily dwellings such as apartments.
Residential 14–22	Primarily attached single-family homes and multifamily dwellings such as apartments.
Residential 22–30	Primarily attached single-family homes and multifamily dwellings such as apartments.
Community Commercial	A blend of retail, professional office, and service-oriented business activities that serve a community-wide area. High density and mixed-use residential developments are permitted in the Town Center and Doheny Village areas.
Commercial/Main Street	A blend of retail, professional office, and service-oriented business activities that serve the surrounding neighborhoods in a main street format. Medium and higher density and mixed-use residential developments are permitted in the Doheny Village area.
Commercial/Residential	A combination of residential development in the same building or parcel as commercial retail or office uses. Higher density and mixed-use residential developments are permitted in the Town Center and Doheny Village areas.

TABLE H-1	
DANA POINT GENERAL PLAN RESIDENTIAL LAND USE CATEGORIE	S

# **Zoning Code**

Zoning regulations control development by establishing requirements related to height, density, lot area, yard setbacks, and minimum parking spaces. Higher residential zoning densities reduce land cost per unit and thus facilitate the development of affordable housing. Restrictive zoning standards, such as high number of parking spaces and large setbacks can substantially increase housing costs.

The City's Zoning Code regulates community development by establishing allowable uses and development standards for numerous residential, mixed use, and other zones. Additionally, a Planned Residential Development (PRD) overlay zone ensures that new development can be



built with similar, more flexible standards (such as setbacks and minimum lot size) as those of development existing at the time of incorporation. Residential uses are permitted in the City's mixed-use zones, and specific residential uses—including single room occupancy units and residential care facilities—are conditionally permitted in commercial and industrial/business zones.

Dana Point's exclusively residential zones range from a maximum of 2 units per acre in the Residential Single Family 2 (RSF 2) zone to 30 units per acre in the Residential Multiple Family 30 (RMF 30), exclusive of density bonus provisions. High density residential uses are also allowed in the Community Facilities district (CF). Additionally, the City allows manufactured housing in single or multifamily zones. The use of manufactured homes can reduce housing costs by as much as 30–40%, according to the U.S. Department of Housing and Urban Development. The City furthers this affordability by not requiring special design and use standards for manufactured housing.

A summary description of each zone permitting residential uses is given in Table H-2. The summary description identifies the principal housing types permitted in each zone. Table H-3 indicates the specific housing types that are allowed in some form in each residential zone. The Zoning Code provides for a variety of housing types to accommodate a range of owner and rental housing opportunities, including housing for special needs groups. Table H-4 lists the minimum acceptable standard for development within the City's residential districts necessary to assure quality development and attractive local residential areas without hindering the production of affordable housing. The land use and development regulations for the Town Center District do not mirror the same categories provided in Table H-4; these standards are contained in the Dana Point Town Center Plan and are more flexible than the standards required in other zoning districts.

Transitional housing and supportive housing are permitted as a residential use in Dana Point. They are only subject to those restrictions that apply to other residential dwellings of the same type in the same zone. As stated in the Housing Strategy section, the City will update its Zoning Code to comply with state law regarding low barrier navigation centers. Additional discussion on transitional and supportive housing and low barrier navigation centers can be found in the section on the assessment of needs for homeless and those in need of transitional or emergency shelter.

Overall, the City's development standards are not considered a constraint to affordable housing.

Note on Doheny Village references: As of the publication of this draft document, the Doheny Village zoning is still in process and under review by the City. However, the City expects the zoning to be in place prior to the Housing Element adoption deadline and therefore uses language that refers to the Doheny Village zoning as if it is already in place. Should anything change from what is above, the Housing Element will be revised.



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# TABLE H-2 ZONING FOR A VARIETY OF HOUSING TYPES IN DANA POINT

General Plan Designation	Zoning District		Max Density	Housing Types
Very Low Density Residential				
Desidential 0.25	Residential Single Family 2	(RSF 2)	2 du/ac	Detached Single Family
Residential 0-3.5	Residential Single Family 3	(RSF 3)	3 du/ac	Detached Single Family
Low Density Residential		* A A		
Residential 0–3.5 &	Residential Single Family 4	(RSF 4)	4 du/ac	Detached/Attached Single Family
Residential 3.5–7	Residential Single Family 7	(RSF 7)	7 du/ac	Detached/Attached Single Family
Residential 5.5-7	Residential Multiple Family	(RMF 7)	7 du/ac	Multifamily
Medium Density Residential				
	Residential Single Family 8	(RSF 8)	8 du/ac	Detached Single Family
	Residential Single Family 12	(RSF 12)	12 du/ac	Detached Single Family
Residential 7–14	Residential Beach Road 12	(RBR 12)	12 du/ac	Detached Single Family
	Residential Duplex 14	(RD 14)	14 du/ac	Duplexes
	Residential Multiple Family 14	(RMF 14)	14 du/ac	Multifamily
High Density Residential		<i>.</i>		Ň.
	Residential Beach Road Duplex 18	(RBRD 18)	18 du/ac	Duplexes
Residential 14–22	Residential Single Family 22	(RSF 22)	22 du/ac	Detached Single Family
	Residential Multiple Family 22	(RMF 22)	22 du/ac	Multifamily
Residential 22–30	Residential Multiple Family 30	(RMF 30)	30 du/ac	Multifamily
Mixed-Use				
Commercial/Main Street	Village-Main Street	(V-MS)	10 to 30 du/ac	Mixed-Use Residential, Low Barrier Nav Center <sup>1</sup>
Commercial/Residential	Commercial/Residential	(C/R & V-C/R)	30 & 50 du/ac	Mixed-Use Residential, Low Barrier Nav Center <sup>1</sup>
Community Commercial	Town Center-Mixed Use	(TC-MU)	2.5:1 FAR	Mixed-Use Residential, SRO, Low Barrier Nav Center <sup>1</sup>
Residential/Commercial-18	Residential/Commercial-18	(R/C)	18 du/ac	Mixed-Use Residential, Low Barrier Nav Center <sup>1</sup>
Professional/Administrative	Professional/Residential	(P/R)	10 du/ac	Mixed-Use Residential. Low Barrier Nav Center <sup>1</sup>
Commercial, Industrial, and Co	mmunity Facilities			
Community Commercial	Community Commercial/Pedestrian	(CC/P)	0.6:1 FAR	Care Facility, Emergency Shelter, SRO
community commercial	Community Commercial/Vehicular	(CC/V)	0.5:1 FAR	Care Facility, Emergency Shelter, SRO
Visitor / Recreation Commercial	Visitor/Recreation Commercial	(V/RC)	0.5:1 FAR	Care Facility, Emergency Shelter, SRO
Industrial / Business Park	Industrial/Business	(1/B)	0.5:1 FAR	Communal Housing, SRO
Community Facilities	Community Facilities	(CF)	30 du/ac	Multifamily, Senior/Communal, Low Barrier Nav Center
Note: 1. The City's Zoning Code will b	e amended to permit low barrier navigation o	enters through imple	ementation the relate	ed program in the City's Housing Strategy.

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#### **TABLE H-3** PERMITTED RESIDENTIAL LISES BY ZONING DISTRICT IN DANA POINT

Residential Use	Very Low Density				Low	/ Den:	sity		Mediu	ım De	nsity	81	Н	igh D	ensit	y		1	Mixe	d-Use	•		Co		nmer ustria nity F	al, &	ies
A = Accessory Use (by right) P= Permitted Use (by right) C= Conditional Use Permit	RSF 2	RSF 3	RSF 4	RSF 7	RMF 7	RSF 8	RSF 12	RBR 12	RD 14	RMF 14	RBR 18	RSF 22	RMF 22	RMF 30	c/R	P/R	TC-MU	V-C/R	SM-V	R/C-18	cc/P	cc/v	V/RC	1/B	CE		
Accessory Dwelling Unit	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	P	Р	Р	Р	р	Р	Р	Р					Р		
Accessory Living Quarters	Α	Α	Α	Α	1	Α		C	С		С	С					C										
Congregate Care Facility	С	С	С	С	С	C	С	С	С	С	С	C	C	C	С	C	C	С	C	C	С	С	С		C		
Dwelling, Single Family	Р	Р	Р	Р	Р	Р	P	Р	Р	Р	Р	Р	Р	Р	p1	pı		Р	$\mathbf{P}^2$	P3							
Dwelling, Multiple Family					Р					Р			Р	Р	A4	A4	Р	Р	P <sup>2</sup>	P3					Р		
Dwelling, Duplex			-		Р	-			Р	Р	Р		P	Р				Р	$P^2$								
Emergency Shelter	С	С	С	С	С	С	С	C	С	C	С	С	C	С	С	С			С		С	C	С		Р		
Employee Quarters	С	С	С	С		С	С	С			С													-			
Group Home	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	P	Р	C	С	Р	Р	Р	Р				-	C		
Home Occupation					-	P4	~										Р										
Low Barrier Nav Center <sup>8</sup>												1	×		Р	Р	Р	Р	Р	Р					P		
Manufactured Home	p5	P5	P <sup>5</sup>	p3	<b>p</b> 5	P5	<b>P</b> 5	P5	ps.	ps.	P5	p6	p5	p5	p1,5	p1,5		<b>P</b> 5	P2,5	P3,5							
Mobile Home Park / Subdivision	C <sup>5</sup>	C5	C5	C <sup>5</sup>	C2	Cş	C <sup>5</sup>		C <sup>5</sup>	C5			C5	C2				P6									
Senior Citizen Housing					C	i				С		С	C	С	C	C	С	С	C						C		
Single Room Occupancy					С					С			C	С	С	С	С	С			С	С	С	С			
Supportive Housing <sup>9</sup>	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	pı	pı		Р	P <sup>2</sup>	P3					P		
Transitional Housing <sup>9</sup>	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	P	Р	P1,7	P1,7		Р	P <sup>2</sup>	P3					P		

Notes: 1 Permitted by right to replace an existing single-family unit and subject to the standards of the RSF 7 district or as part of a mixed-use project 2 Permitted on second or higher floors and the ground floor when more than 130 fee from Doheny Park Road. 3 Permitted in a mixed use project. In implementing the Millo Act, new project swith 11 residential units in the Coastal Overlay District must reserve at least 10 percent of the units as affordable units. 4 Permitted any performance of the transformation of the transformation of the transformation of the performance of the transformation of the performance of the transformation of the transformation of the performance of the transformation of the transformation of the transformation of the transformation of the performance of the transformation of the tra

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RESIDENTIAL ZONE DEVELOPMENT STANDARDS IN DANA POINT											
Dev	velopment Standards (1)		<b>Residential Z</b> o	oning Districts							
		RSF 2	RSF 3	RSF 4	RSF 7						
(a)	Minimum Lot Size: (2)	17,500 sf	12,000 sf	8,700 sf	5,000 sf						
(b)	Minimum Lot Width (2)										
	Standard Lot	70 ft	50 ft	50 ft	50 ft						
	Cul-De-Sac Lot (at front building setback line)	30 ft	30 ft	30 ft	30 ft						
	Flag Lot (for access extension)	20 ft	20 ft	20 ft	20 ft						
(c)	Minimum Lot Depth (2)	100 ft	80 ft	75 ft	75 ft						
(d)	Maximum Lot Coverage	35%	35%	45%	60%						
(e)	Minimum Land Area Per Unit (3)	17,500 sf	11,667 sf	8,750 sf	5,000 sf						
(f)	Maximum Height (4)	28 ft/	28 ft/	28 ft/	28 ft/						
		2 stories	2 stories	2 stories	2 stories						
(g)	Minimum Front Yard Building Setback (5)										
	From Ultimate Public Street ROW line	20 ft	10 ft	20 ft	20 ft						
	Flag Lot (from connection with access extension)	10 ft	10 ft	10 ft	10 ft						
(h)	Minimum Side Yard Setback (5)										
	Interior Side	10 ft	8 ft	5 ft	5 ft						
	Exterior Side	15 ft	10 ft	10 ft	10 ft						
	Flag Lot: (6)	10 ft	8 ft	5 ft	5 ft						
(i)	Minimum Rear Yard Setback (5)			(7)							
	Standard Lot	30 ft	25 ft (7)	25 ft	25 ft						
	Flag Lot and Cul-de-Sac Lot:	30 ft	25 ft (7)	25 ft	25 ft						
	Adjacent to Alley or Street (from ROW line)	20 ft	20 ft	15 ft	15 ft						
(j)	Minimum Open Space (Private)	30%	30%	30%	30%						
(k)	Minimum Landscape Coverage	25%	25%	25%	25%						
(1)	Minimum Building Separation - (between primary and accessory buildings on the same lot)	10 ft	10 ft	10 ft	10 ft						



RESIDENTIAL ZONE DEVELOPMENT STANDARDS IN DANA POINT											
Dev	velopment Standards (1)		Resider	tial Zoning	Districts						
		RSF 8	<b>RSF 12</b>	RBR 12	RBRD 18	R/C-18					
(a)	Minimum Lot Size: (2)	4,800 sf	3,000 sf	4,200 sf	<b>4,800</b> sf	5,000 sf					
(b)	Minimum Lot Width (2)										
	Standard Lot	45 ft	40 ft	45 ft	<b>4</b> 5 ft	50 ft					
	Cul-de-Sac Lot (at front setback line)	30 ft	30 ft	N/A	N/A	N/A					
	Flag Lot (for access extension)	20 ft	20 ft	10 ft	10 ft	N/A					
(c)	Minimum Lot Depth (2)	70 ft	60 ft	50 ft	50 ft	100 ft					
(d)	Maximum Lot Coverage	60%	60%	N/A	N/A	40%					
(e)	Minimum Land Area Per Unit (3)	4,375 sf	2,917 sf	2,917 sf	1,945 sf	N/A					
(f)	Maximum Height (4)	28 ft/2 stories	28 ft/2 stories	28 ft/ 2 stories (8)	28 ft/ 2 stories (8)	31-35 ft/ 3 stories					
(g)	Minimum Front Yard Setback (5) From Ultimate Public Street ROW line:	20 ft	20 ft	20 ft (10)	20 ft (10)	5 ft					
	Flag Lot (from connection with access extension)	10 ft	10 ft	N/A	N/A	N/A					
(h)	Minimum Side Yard Setback (5)										
	Interior Side	5 ft	5 ft	3.5 ft	3.5 ft	5 ft					
	Exterior Side	10 ft	10 ft	3.5 ft	3.5 ft	5 ft					
	Flag Lot (6)	5 ft	5 ft	5 ft	5 ft	N/A					
(i)	Minimum Rear Yard Setback (5)										
	Standard Lot	25 ft	15 ft	(9)	(9)	15 ft					
	Flag Lot and Cul-de-Sac Lot	25 ft	15 ft	(9)	(9)	N/A					
	Adjacent to Alley or Street (from ROW line)	15 ft	10 ft	(9)	(9)	10 ft					
(j)	Minimum Open Space (Private)	800 sf/du	N/A	N/A	N/A	100 sf/du					
(k)	Minimum Landscape Coverage	25%	25%	10% (11)	10% (11)	15 % (12)					
(l)	Minimum Building Separation - (between primary and accessory buildings on the same lot)	10 ft	10 ft	10 ft	10 ft	10 ft					



	<b>RESIDENTIAL ZONE DEVELOPMENT STANDARDS IN DANA POINT</b>			
Dev	velopment Standards (1)	1) Residential Zoning Districts		
		RSF 22	RD 14	RMF 7
(a)	Minimum Lot Size (2)	2,000 sf	5,000 sf	15,000 sf
(b)	Minimum Lot Width (2)			
	Standard Lot	<b>40</b> ft	45 ft	60 ft
	Cul-de-Sac Lot (at front setback line)	25 ft	30 ft	30 ft
	Flag Lot (for access extension)	N/A	25 ft	25 ft
(c)	Minimum Lot Depth (2)	50 ft	100 ft	100 ft
(d)	Maximum Lot Coverage	60%	50%	50%
(e)	Minimum Land Area Per Unit (3)	1,591 sf	2,500 sf	5,000 sf
(f)	Maximum Height (4)	28 ft/	28 ft/	28 ft/
		2 stories	2 stories	2 stories
(g)	Minimum Front Yard Setback (5)			
	From Ultimate Public Street ROW line:	7.5 ft	20 ft	20 ft
	Flag Lot (from connection with access extension)	7.5 ft	15 ft	15 ft
(h)	Minimum Side Yard Setback (5)			5 ft
	Interior Side	4 ft	4 ft	510
	Exterior Side	4 ft	10 ft	10 ft
	Flag Lot (6)	4 ft	4 ft	5 ft
(i)	Minimum Rear Yard Setback (5)			15 ft
	Standard Lot	7.5 ft	15 ft	1510
	Flag Lot and Cul-de-Sac Lot	7.5 ft	15 ft	15 ft
	Adjacent to Alley or Street (from ROW line)	7.5 ft	10 ft	10 ft
(i)	Minimum Open Space(Private and Common)			
	Private	250 sf/du	20% net ac	400 sf/du
	Common	None	N/A	30% net ac
(k)	Minimum Landscape Coverage	20%	15%	25%
(l)	Minimum Building Separation (between primary and accessory buildings on the same lot)	8 ft	10 ft	10 ft



	<b>RESIDENTIAL ZONE DEVELOPMENT STANDARDS IN DANA POINT</b>				
De	velopment Standards (1)	andards (1) Residential Zoning Districts			
		RMF 14	RMF 22	RMF 30	CF
(a)	Minimum Lot Size (2)	7,500 sf	4,800 sf	4,800 sf	<b>4,800</b> sf
(b)	Minimum Lot Width (2) Standard Lot	45 ft	45 ft	45 ft	45 ft
		45 11	4511	45 11	0.000
	Cul-De-Sac Lot (at front setback line)	25 ft	25 ft	25 ft	25 ft
	Flag Lot (for access extension)	25 ft	25 ft	25 ft	25 ft
(c)	Minimum Lot Depth (2)	100 ft	90 ft	90 ft	90 ft
(d)	Maximum Lot Coverage	60%	60%	60%	60%
(e)	Minimum Land Area Per Unit (3)	2,600 sf	1,591 sf	1,167 sf	N/A
(f)	Maximum Height (4)	28 ft/ 2 stories	28 ft/2 stories	28 ft/2 stories	31-35 ft/3 stories
(g)	Minimum Front Yard Setback (5) From Ultimate Public Street ROW line	20 ft	20 ft	20 ft	20 ft
	Flag Lot (from connection with access extension)	15 ft	15 ft	15 ft	15 ft
(h)	Minimum Side Yard Setback (5)				
	Interior Side	5 ft	10 ft	15 ft	10 ft
2	Exterior Side	10 ft	10 ft	15 ft	10 ft
	Flag Lot (6)	15 ft	10 ft	15 ft	10 ft
(i)	Minimum Rear Yard Setback (5)				
	Standard Lot	15 ft	20 ft	20 ft	20 ft
	Flag Lot and Cul-de-Sac Lot	15 ft	N/A	N/A	
	Adjacent to Alley or Street (from ROW line)	10 ft	15 ft	15 ft	15 ft
(j)	Minimum Open Space (Private and Common)				
	Private	200 sf/du	200 sf/du	100 sf/du	200 sf/du
	Common	30% net ac	25% net ac	20% net ac	25% ac
(k)	Minimum Landscape Coverage	25%	20%	15%	20%
(1)	Minimum Building Separation (between primary and accessory buildings on the same lot)	10 ft	10 ft	10 ft	10 ft



<b>RESIDENTIAL ZONE DEVELOPMENT STANDARDS IN DANA POINT</b>			
Development Standards (1)	<b>Residential Zoning Districts</b>		
	V-CR	V-MS	
(a) Minimum Lot Size: (13)	2,500 sf	4,800 sf	
(b) Minimum Lot Width (13)	25 ft	40 ft	
(c) Minimum Lot Depth (13)	100 ft	120 ft	
(d) Maximum Lot Coverage	80%	80%	
(e) Maximum Height	35-50 ft north of Victoria; 35-40 ft south of Victoria (14) 3 stories	35-40 ft (14) 3 stories	
(f) Maximum Residential Density	30 du/ac; 50 du/ac for lots greater than 10 ac	10 du/ac south of Victoria; 30 du/ac	
(g) Minimum Front Yard Setback From Ultimate Public Street ROW line	5 ft	0 ft	
Residential Uses Adjacent to V-C/I District	N/A	50 ft from alley; 100 ft from Victoria Blvd	
(h) Minimum Side Yard Setback			
Interior Side	0 ft	0 ft	
Street Side	0 ft	0 ft	
<ul> <li>Minimum Rear Yard Setback</li> <li>Standard Lot</li> </ul>	0 ft	5 ft	
Adjacent to Alley or Street	0 ft	0 ft	
(k) Minimum Landscape Coverage (15)	5%	5%	
<ul> <li>(1) Minimum Building Separation (between primary and accessory buildings on the same lot)</li> </ul>	6 ft	6 ft	
(l) Open Space (residential uses only)	100 sf/du	100 sf/du	



TABLE H-4
<b>RESIDENTIAL ZONE DEVELOPMENT STANDARDS IN DANA POINT</b>

	LEOT MENT STANDARDS IN DANATI ONT
Development Standards (1)	Residential Zoning Districts
Source: Dana Point Municipal Code, Chapter 9.09.	
	Code for definitions and illustrations of development standards.
(2) Development standard applies to any propose subdivision is proposed or to proposed condo	d subdivision of land. These standards do not apply to existing lots where no miniums or other common lot subdivisions.
(3) Land Area per Dwelling Unit may not be round unit = 5.7 dwelling units which equals 5 dwelling	led up. (Example: 14,250 square feet/2,500 square feet of land per dwelling ing units, not 6 dwelling units).
(4) Subject to the measurement and design criteri	
(5) For existing lots less than fifty (50) feet wide a front, side, and rear building setbacks.	nd/or less than one hundred (100) feet deep, see Section 9.05.190 for reduced
(6) If the side yard of a flag lot is adjacent to the re of ten (10) feet.	ear yard of a residentially zoned lot, that side yard setback shall be a minimum
(7) Additional rear yard building setback from a b	luff top may be required by Section 9.27.030.
(8) For RBR 12 and RBRD 18, maximum building l	height is twenty-eight (28) feet as measured eighteen (18) inches above the each Road, whichever is higher. Mezzanines may be allowed subject to
	tbacks and standards for maximum projections into required yards applicable
	e right-of-way line of Beach Road. The second floor may project a maximum of ck.
(11) A minimum of ten (10) percent of that portion	of the lot area bounded by the side property lines.
(Added by Ord. 93-16, 11/23/93; amended by 11/26/96; amended during 8/99 supplement	Ord. 94-09, 5/24/94; Ord. 94-21, 12/13/94; Ord. 96-10, 8/13/96; Ord. 96-13,
(12) A decrease in landscape coverage may be perr	nitted with a Site Development Permit with an approved landscape plan.
(13) Development standard applies to proposed su	bdivisions of land. The standards may be waived by the Planning Commission infiguration for an integrated commercial development subject to approval of
	t to Planning Commission approval of a Site Development Permit and special
	nitted with a minor Site Development Permit including an approved landscape

# **Parking Requirements**

Parking requirements in the City of Dana Point are similar to those imposed by other cities in Orange County. Parking facilities are required to be located on the same lot and reduce the amount of available lot area for housing. Parking requirements generally relate to the housing type and number of bedrooms or units. Some uses, however, require fewer parking spaces, such as granny flats, second units, and senior housing facilities. To facilitate the production of affordable housing, the City maintains reduced parking standards for these uses. The City also permits shared parking between adjoining residential and commercial uses.

The City prepared a Parking Implementation Plan in 2019 to direct City staff and a Parking and Circulation Oversight Task Force to inform the City Council and offer recommendations to identify and address parking and circulation solutions in Dana Point through annual status reports. Table H-5 summarizes the current parking standards for residential development in Dana Point. Additionally, residential (stand-alone or mixed-use) projects that qualify for a density bonus due to the inclusion of affordable housing are eligible for parking reductions under state law.



# TABLE H-5 REQUIRED PARKING STALLS BY USE IN DANA POINT

Use	Required Number of Stalls		
Single-Family			
Single-family, detached:			
Up to 5 bedrooms	2 stalls in a garage		
6 bedrooms and more	2 stalls in a garage +1 covered stall for every 2 bedrooms over 4 bedrooms		
Single-family, detached	2 assigned and covered stalls within a garage per dwelling; or		
on shallow or narrow lots (less than 50 feet wide and 100 feet deep)	2 assigned and covered stalls within a garage (setback 5 to 9 feet) per dwelling. The garage must be equipped with a garage door opener and roll-up door.		
Single-family, attached	2 assigned and covered parking stalls within a garage or parking structure, plus 0.3 visitor stall unassigned per dwelling unit.		
Mobile Home Park	1 covered and assigned stall, plus 0.5 visitor stall unassigned per dwelling unit.		
Accessory Dwelling Unit	No parking required beyond that which is required for the primary residence. Pursuant to California Government Code Section 65852.2, replacement parking cannot be required if an existing garage is converted to an ADU.		
Multifamily			
Multifamily units	Stalls per Unit:		
(including timeshares):	Covered (1) Uncovered (1) Visitor		
1 bedroom or less	1.0 0.5 0.2		
2 bedroom	1.0 1.0 0.2		
3 bedrooms	2.0 0.5 0.2		
More than 3 bedrooms	2.0 0.5 <sup>(2)</sup> 0.2		
	1. Covered stalls shall be assigned; uncovered stalls shall not be assigned.		
	2. Plus 0.5 uncovered stall per additional bedroom in excess of 3.		
Duplex	4-car garage (with min 40'x20' interior floor space) and 1 stall per duplex. The requirement for the additional stall may be waived with the approval of a minor Site Development Permit provided the project satisfies the required findings detailed in Section 9.71.050.		
Duplex on lot less than 50' wide	Two (2) covered and assigned parking stalls within a garage per dwelling unit; or two (2) covered and assigned parking stalls within a garage for one (1) dwelling unit; and one (1) covered and assigned parking stall within a garage and one (1) uncovered tandem stall for the second dwelling unit, subject to the approval of a minor CUP by the Planning Commission.		
Accessory Dwelling Unit	No parking required beyond that which is required for the primary residence. Pursuant to California Government Code Section 65852.2, replacement parking cannot be required if an existing garage is converted to an ADU.		
Age-Restricted or Specia	l Needs Housing		
Single or Multiple Family	Same as single-family and multiple family listed above		
Convalescent Hospital	1 stall for every 4 beds plus parking for onsite employee housing		
Senior Citizen Housing Complex	1 covered and assigned stall, plus 0.5 guest stall per dwelling unit, plus 1 stall for the resident manager		
Senior Congregate	1.25 stalls per unit (may be reduced to 0.67 stall per unit subject to CUP to reflect presence of special transportation services/other unique aspects)		



# **Density Bonus**

As stated in the Housing Strategy section, the City will update its Zoning Code regulations on density bonuses to comply with the latest changes in Government Code Section 65915–65918, which require jurisdictions to grant a density bonus in exchange for income-restricted housing. Legislation passed in 2018 clarified that a project cannot be found inconsistent with the Coastal Act merely because it receives a density bonus. Legislation passed in 2020 increased the maximum amount of density bonus projects could receive.

Residential projects that restrict as little as five percent of the proposed housing units as affordable housing would be entitled to a density bonus and additional incentives and concessions, such as a reduction in parking requirements or setbacks. Table H-6 lists the potential density bonuses (per state law as of April 2021) for projects that incorporate incomerestricted housing.

			<b>Density Bonus</b>	
Household Income Category of Affordable Units	Min % of Base Units Reserved to Qualify for Bonus	Min Bonus (% Base Units)	Added Bonus per +1% affordable	Max Bonus (% Base Units)
Very Low	5%	20%	2.5%	50%
Lower	10%	20%	1.5%	50%
1+ acre of land dedication for very low	10%	15%	1%	35%
>80% Low/ <20% Mod	100%	80%		80%
Low/mod within ½-mile of major transit stop	100%	No Max		No Max
Moderate (Condo)	10%	5%	1%	50%

TABLE H-6 DENSITY BONUSES FOR PROJECTS WITH INCOME-RESTRICTED HOUSING

Source: Sections 65400 and 65915 of the California Government Code, as of March 2021.

Note: Other projects entitled to density bonus include: 10% very low transitional foster youth, disabled veterans, or homeless

20% very low transitional loster youth, disabled veterans, or homeless 20% very low college students in housing dedicated for accredited colleges

Any age-restricted senior housing development or mobile home park (no affordable required)

### **Accessory Dwelling Unit Requirements**

In response to the worsening statewide housing shortage, California Government Code Section 65852.2 streamlines and promote the permitting and approval of accessory dwelling units (ADUs). ADUs are attached or detached structures that are constructed on the same lot as a single or multifamily unit and provide complete independent living facilities for one or more occupant; junior ADUs are enclosed within the primary residence and provide partial independent living facilities for one or more occupant. The state and many jurisdictions throughout California recognize that ADUs can provide housing at below market prices (without public subsidy), and serve to meet the special needs of the elderly and low-income persons such as students or adult children just entering the workforce.



Numerous amendments to state law were made in 2017 and 2020 that require jurisdictions to approve ADUs by right, eliminates or reduces impact fees, and requires jurisdictions to apply only limited objective development standards. As stated in in the Housing Strategy section, the City will amend the Zoning Code to provide standards and procedures for the development of ADUs in accordance with state law.

Prior to 2017, the City would receive between one and three applications for ADUs each year. Since then, the number of applications has jumped to over a dozen each year in 2019 and 2020. The City encourages single-family homeowners to construct second units through its provision of informational handouts, improved permit processing, lower fees, and other resources.

# **Single Room Occupancy**

The City of Dana Point conditionally permits the development of single room occupancy (SRO) projects in multifamily residential, mixed-use, and commercial districts, including the Town Center and Doheny Village area. The Zoning Code requires rates for the rental of units in an SRO project to be restricted so that 50% of the units in the project are affordable to persons of very low income and 30% of the units are affordable to persons of low income. Twenty percent of the units may be unrestricted.

Each unit within an SRO project shall be furnished with a bed, chair, table, and telephone. The minimum size of each one-person unit is 150 square feet. A two-person unit must be at least 250 square feet. Each SRO project must provide full or partial kitchens, bathrooms, and laundry facilities. Such facilities may be enclosed within each unit or provided in a common area. Laundry facilities may be deleted if the project is within 1,000 feet of an existing laundromat.

All proposed SRO projects must be renter occupied and contain at least 10 SRO units, not including the required onsite manager's unit. Each SRO project shall provide 0.5 parking stalls for every one-person unit, and 0.8 parking stall for every two-person unit. In addition, each SRO project shall provide 0.4 secure bicycle stall for each unit excluding the onsite manager's unit. To ensure that SRO projects remain safe and maintained, each SRO project must be guided by a management plan, which includes, among other things, a provision for an onsite, 24-hour manager.

## Housing for Persons with Disabilities

As noted in the assessment of Special Needs Groups, persons with disabilities have a number of housing needs related to the accessibility of dwelling units. The City previously conducted a study that found that several policies, regulations, and programs support these needs by removing constraints to housing for persons with disabilities.

#### **Building Code Constraints**

Under the provisions of California Code of Regulations, Title 24, the City of Dana Point has the enforcement authority for state accessibility laws and regulations when evaluating requests for new construction. Similar to the requirements of the Federal Fair Housing Act of 1998 and the Americans with Disabilities Act (ADA), Title 24 provisions include standards and



conditions to be applied to new development to ensure full accessibility for the physically disabled. Compliance with building codes and Title 24 may increase the cost of housing construction and rehabilitation; however, such standards are the minimum necessary for the City to ensure safety and adequate accessibility for all residents.

The City has adopted the California Building Standards Code and the most recent California Amendments. This code includes provisions of the Americans with Disabilities Act. To further address the needs of disabled residents, the City includes ADA coordination responsibilities to the role of the Certified Building Official. The City of Dana Point seeks to provide people with disabilities reasonable accommodation in rules, policies, practices, and procedures that may be necessary to ensure equal access to housing. Additionally, the City's Building Department helps residents with the retrofitting of their homes. Preliminary onsite inspection can be requested by homeowners seeking advice on Building Code requirements when modifying their home.

#### **Reasonable Accommodation Ordinance**

In addition, the City's Reasonable Accommodation Ordinance provides a process for disabled individuals, or those acting on their behalf, to make requests for reasonable accommodation in regard to relief from the various land use, zoning, or building laws, rules, policies, practices, and/or procedures of the City, and includes a provision of assistance in making the request, as well as for appealing a determination regarding the reasonable accommodation to the Community Development Director.

The City's findings required to approve or deny a request for reasonable accommodation, as stated in the Municipal Code (Chapter 8.40 Reasonable Accommodation)

- The housing, which is the subject of the request for reasonable accommodation, will be used by an individual protected under the Federal Fair Housing Amendments Act of 1988 (Act).
- The request for reasonable accommodation is necessary to make specific housing available to an individual protected under the Act.
- The requested reasonable accommodation will not impose an undue financial or administrative burden on the City.
- The requested accommodation will not require a fundamental alteration of the zoning or building laws, policies and/or procedures of the City.

For housing located in the coastal zone, a request for reasonable accommodation under this Section shall be approved by the City if it is consistent with the certified Local Coastal Program. Where a request for reasonable accommodation is not consistent with the certified Local Coastal Program, the City may waive compliance with an otherwise applicable provision of the Local Coastal Program and approve the request for reasonable accommodation if the City finds:

 The requested reasonable accommodation is consistent, to the maximum extent feasible, with the certified Local Coastal Program; and



• There are no feasible alternative means for providing an accommodation at the property that would provide greater consistency with the certified Local Coastal Program.

#### **Zoning Code Constraints**

There are no maximum concentration requirements in the Zoning Code for residential care facilities or other facilities that serve the disabled. There is also no definition of family, and therefore no City restrictions on the number of nonrelated persons allowed per housing unit. The City permits a wide variety of uses to assist and care for the disabled. Uses such as community care facilities, convalescent facilities, and residential care facilities for the elderly are permitted in any residential district with a CUP. These uses are also permitted with a CUP in any Commercial/Residential or Professional/Residential district. These uses act as unique commercial uses and have special requirements for employee parking, visitor parking, and service access for delivery vehicles (e.g., for delivery of food and medical equipment).

There are no special regulations restricting the siting of senior care facilities in relationship or distance to one another. Group homes (any state-licensed residential care facility for six or fewer persons) are currently permitted by right in any residential zone. This allows proponents flexibility in locating such facilities without additional development or permitting costs. A public comment period request is not required for the establishment of a residential care facility for six or fewer persons. Residential care facilities serving seven or more residents are conditionally permitted in all residential and mixed-use zones and several commercial zones. Typical findings of approval for residential projects requiring a conditional use permit include consistency with the General Plan; that the nature, condition, and development of adjacent uses has been considered and the proposed use will not adversely affect adjacent uses; and that the proposed site is adequately sized to accommodate the necessary space for parking, landscaping, and other development features.

The City's Zoning Code requires that all parking lots and structures include at least one handicapped parking stall; the number of required handicapped stalls increases as the number of standard parking stalls increases. Handicapped parking stalls are required to be between four and six feet wider than standard stalls. One in every eight handicapped parking stalls, and always at least one handicapped stall, shall have a minimum dimension of 17 feet by 18 feet (9-foot-wide parking stall and 8-foot-wide access area by 18 feet deep) and shall have appropriate signage designating the stall "van accessible." The Zoning Code provides reduced off-street parking standards for uses such as convalescent facilities, senior housing complexes, and congregate care facilities. Reduced parking standards help reduce the cost of developing projects oriented toward serving disabled or elderly persons. The reduced parking standards are as follows:

- Convalescent Hospital: 1 stall for every 4 beds plus parking for onsite employee housing
- Senior Citizen Housing Complex: 1 covered and assigned stall, plus 0.5 guest stall per dwelling unit, plus 1 stall for the resident manager.
- Senior Congregate Care Facilities: 1.25 stalls per unit (may be reduced to .67 stall per unit subject to CUP to reflect presence of special transportation services).



# **Coastal Zone**

Dana Point consists of 4,134 acres, of which 1,993 falls within the coastal zone. Approximately 48% of the City of Dana Point is in the coastal zone; the remaining 52% is within three miles of the coastal zone. A variety of land uses are in the coastal zone in Dana Point, including Dana Point Harbor, beaches, parks, conservation areas, residential uses, and commercial uses providing over 1,900 hotel rooms and a 122-space campground at Doheny State Beach.

California Government Code Sections 65588 and 65590 require the Housing Element to take into account any low- or moderate-income housing provided or required in the Coastal Zone, including:

- 1. The number of new housing units approved for construction in the coastal zone since January 1982.
- 2. The number of housing units for persons and families of low and moderate income required to be provided in new housing developments either in the coastal zone or within three miles.
- 3. The number of existing residential dwelling units occupied by low and moderate income households required either in the coastal zone or within three miles of the coastal zone that have been authorized to be demolished or converted since January 1982.
- 4. The number of residential dwelling units for low and moderate income households that have been required for replacement.

The City of Dana Point incorporated on January 1, 1989, and established itself as a separate local government entity from the County of Orange. From incorporation in 1989 through 2007, the City contracted with at least two private firms to provide Building Division services, including building permits, plan check, inspection, and permit records services. The building permit records did not differentiate between housing units constructed in the coastal zone from those not in the coastal zone.

In 2007, the City converted its Building Division staff from contract to City employees, including hiring a Building Official, Building Inspectors, and Permit Technicians. The City also has obtained GIS services to provide higher levels of service, maintain more precise building permit records, and better monitor residential activities in the coastal zone.

Table H-7 lists units constructed and demolished in the coastal zone and within three miles of the coastal zone from 1998 through 2020. The units were tabulated from available building permit record annual summaries provided to the State Department of Finance.

According to City records, there are approximately 80 deed-restricted affordable units within three miles of the coastal zone in Dana Point as of 2021, with one more already approved for development as part of the South Cove housing project. The multifamily projects below are described in detail in the "Inventory of Income-Restricted Units" section.



- Domingo/Doheny Apartments: 24 three-bedroom family rental units (lower income)
- Monarch Coast Apartments: 40 rental units (20 very low and 20 low income)
- South Cove Townhomes/Flats: 17 ownership units (moderate income)

According to City records, no affordable units in the City of Dana Point have been demolished. The only identified demolition of development of three or more units occurred in 1992 when 32 market rate units at the Monarch Coast Apartments were demolished following a landslide. Thirty of these units were replaced, with extended affordability requirements applied to existing affordable units as a condition of their approval. To date, no affordable units have required replacement in the coastal zone.

Year	New Units	Demolished Units	Net Unit Increase
1989	120	3	117
1990	300	2	298
1991	39	3	36
1992	33	34	1
1993	80	2	78
1994	121	1	120
1995 <sup>1</sup>	38	0	38
1996 <sup>2</sup>	23	0	23
1997	45	4	41
1998	184	5	179
1999	150	5	145
2000	54	0	54
2001	N/A	N/A	N/A
2002	57	1	56
2003	41	12	19
2004	41	0	41
2005	40	0	40
2006	40	3	37
2007	4	4	0
2008	27	14	13
2009	31	3	28
2010	21	9	12
2011	12	7	5
2012	16	5	11
2013	8	4	4
2014	15	7	8
2015	51	7	44
2016	43	6	37

TABLE H-7
UNITS IN AND WITHIN 3 MILES OF THE COASTAL ZONE 1989-2020 IN DANA POINT

2020



UNITS IN AND WIT	THIN 3 MILES OF THE C	OASTAL ZONE 1989-2	020 IN DANA POINT
Year	New Units	Demolished Units	Net Unit Increase
2017	28	14	14
2018	45	8	37
2019	71	17	54

28

40

#### **TABLE H-7**

Source: Monthly Reports 1989–1997, Annual Dept. of Finance Reports 1998–2020.

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1: Monthly Reports for May through December 1995 are missing.

2: Monthly Reports for January through April 1996 are missing.

### **Building Codes and Code Enforcement**

Building and safety codes adopted by the City are considered necessary to protect public health, safety, and welfare. However, these codes have the potential to increase the cost of housing construction and maintenance. The City has adopted the 2019 California Building Standards Code along with amendments specific to Dana Point. Other development codes enforced by the City include the most recent editions of the California Housing, Electrical, Fire, Plumbing, Mechanical, and Administrative Codes.

Code enforcement is a critical component of preserving and improving neighborhood quality and preventing situations that may damage residential structures and resident safety. The City employs four full-time code enforcement officers. Code enforcement officers proactively identify and prescribe solutions to code violations and respond to public complaints. The most common housing code violations relate to building maintenance, construction activities without a permit, landscaping (weed abatement), and trash. Violators are notified and referred to appropriate sections of the City's Municipal Code and relevant programs. In some cases, such as illegal construction, the violator is fined and may be ordered to dismantle the activity. The City created a Neighborhood Maintenance and Improvement Guide to inform residents about legal requirements and resources to assist in preserving and improving neighborhoods and homes.

## Site Improvements

Residential developers are required to provide the improvements necessary to enable the use of developed sites and to pay a pro rata share of offsite improvements. Most of the City's remaining vacant land is of an infill character, and necessary infrastructure systems are already in place and in good condition. The developer of a residential project is required to provide the connections to public infrastructure to serve the project. This includes, but is not limited to, the provision of storm drains, water, and sewer connections. Utility lines, including but not limited to electric, communications, street lighting, and cable television, are required to be placed underground in any new, revised, or reactivated residential subdivision. The subdivider works directly with the utility companies for the installation of such facilities.



Though most of the City is currently served by adequate roadways and sidewalks, improvements for access or internal navigation may be necessary. Vehicular access to roadways will be determined in accordance with driveway locations and design specifically approved by Public Works. The width of roadways providing access to parking facilities for residential projects depends on street parking conditions; without street parking the road may be less than 32 feet, at least 32 feet but less than 40 feet for roadways with parallel stalls on one side, and at least 40 feet for roadways with parallel stalls on both sides. A five-foot-wide sidewalk is required on at least one side of the roadway unless an alternative pedestrian route is provided.

Considering that development and revitalization efforts will be infill in character, the need for extensive site improvements is limited and should not be considered a constraint to affordable housing. Residential developers pay fees for school facilities; park and recreation facilities; transportation fees; transportation corridor fees; and connections to capital facilities such as water and sewer.

## Local Processing and Permit Procedures

The City of Dana Point's development review process is designed to accommodate development while ensuring safe and attractive development projects. There are three levels of decision-making bodies in the City that govern the development review process: the Community Development Director, the Planning Commission, and the City Council. The City also has Coastal Commission permit authority through a Local Coastal Plan approved by the California Coastal Commission for most of its jurisdiction, thereby avoiding dual processing by the City and Coastal Commission.

The City offers "over the counter" plan checks and administrative review for several types of residential development projects. In all cases, applicants are encouraged to meet with City staff to discuss a project prior to submitting an application. When an application is submitted, it is briefly reviewed at the public counter to identify any potential issues and determine if discretionary review is needed. This counter review provides the applicant with an opportunity to make changes to the application, if necessary, which may result in saved time and money if the application would otherwise have been deemed incomplete. Table H-8 provides the typical processing procedure by project type.

#### **Ministerial Review**

New single-family residential housing projects on existing subdivided lots require only ministerial review if outside of the coastal zone. For such projects, the Planning Division routes the completed application to various City departments for a 10-day code conformance review. The average time for residential ministerial project review is estimated to be four weeks. Most proposed residential projects in the coastal zone can be reviewed ministerially. Only properties in the sensitive oceanfront or coastal bluff top areas require a Coastal Development Permit that necessitates discretionary review by the Planning Commission and/or City Council.



#### **Discretionary Review**

#### Site Development Permits (SDP)

Depending on the scope and size of proposed residential development, there are two levels of discretionary review for development beyond single-family dwellings. Residential development with less than 10,000 square feet of new floor area and/or four or less residential units require a minor site development permit. This permit requires an administrative hearing and allows the Director of Community Development, who grants approval, to review the project for conformance with City regulations. Residential development that exceeds those parameters requires approval of a major site development permit, which must be approved by the Planning Commission and/or City Council.

The discretionary review process for a minor site development permit, which includes public noticing time frames, typically takes from two to four weeks if not appealed to the Planning Commission. The discretionary review process for a major site development permit, which includes public noticing time frames, typically takes from four to eight weeks if not appealed to the City Council.

## Conditional Use Permits (CUP)

Similarly, there are two levels of conditional use permits for new residential development. A minor CUP is typically triggered by projects needing a shared parking program or minor deviations from development standards that may have adverse impacts. A minor CUP is approved by the Director of Community Development through an administrative hearing.

A major CUP applies to certain residential uses that may have adverse impacts on existing residential areas, as listed in Section 9.09.020 of the Zoning Code. Typical findings of approval for residential projects requiring a minor or major conditional use permit include consistency with the General Plan; that the nature, condition, and development of adjacent uses; has been considered and the proposed use will not adversely affect adjacent uses, and that the proposed site is adequately sized to accommodate the necessary space for parking, landscaping, and other development features. Typical conditions of approval require the applicant to follow through with the project as proposed or face nullification of the conditional use permit. For example, relocation; substantial alteration; or addition to any use, structure, feature, or material not approved will nullify the conditional use permit.

## California Environmental Quality Act (CEQA)

In all cases, the planner assigned to a project will assess the adequate level of environmental review per the requirements of the California Environmental Quality Act (CEQA). Under CEQA, many infill projects and other small projects are exempt. For larger, more complex developments, a consultant may be retained to perform environmental studies. Upon completion of environmental documentation, the project is presented to the applicable approving body, which may approve the project, deny, or approve with conditions. If a project is denied, the applicant may revise the project and resubmit or withdraw the application



entirely. If a project is approved, planning entitlements are issued; if conditionally approved, certain conditions may need to be met prior to receipt of permits.

# Coastal Development Permits (CDP)

A coastal development permit is required for proposed uses within the City's coastal zone, as established by the California Coastal Act. All development projects undertaken within the coastal zone require the approval of a coastal development permit unless exempted. A coastal development permit must be approved by the Planning Commission at a public hearing. In approving such a permit, the Planning Commission must find that the specific use or activity proposed is consistent with the applicable land use regulations, the Certified Local Coastal Program for the area, and the California Coastal Act. Typical uses or activities subject to approval of a coastal development permit include:

- Development of properties atop coastal bluffs
- · Development of properties on sandy beaches
- Development of any other vacant property, modifications to existing property which constitute an intensification of use, and significant changes of landform.

As stated above, the City maintains Coastal Commission permit authority for most of its jurisdiction, thereby avoiding dual processing by the City and Coastal Commission. Accordingly, for the majority of housing projects, the coastal development permit requirements do not add significant costs or processing time. Coastal development permit requirements can increase the cost and processing time for housing projects. This requirement is beyond the City's control and is required by the California Coastal Act. Dana Point is modifying the City-guided development processes (as detailed below) to minimize the permitting and processing procedures as a constraint.

Type of Application	Estimated Approval Period	
Zone Change	3-6 months	
Tentative Tract Map	2-3 months	
Tentative Parcel Map	2-3 months	
Variance 2-3 months		
Minor Site Development Permit	2-4 weeks	
Major Site Development Permit	4-8 weeks	
Minor Conditional Use Permit 2-4 weeks		
Major Conditional Use Permit 4-8 weeks		
Planning Site Plan Review 4-8 weeks		
Building Site Plan Review	4-8 weeks	
Coastal Development Permit	2-3 months	

TABLE H-8 APPLICATION PROCESSING TIMELINE IN DANA POINT



# **Development Fees**

A variety of fees and assessments are charged by the City and other agencies to cover the cost of processing development permits and providing local services. These fees are necessary to ensure quality development review and adequate public services. However, development fees and exactions are passed down to the homeowner and renter, and therefore affect housing affordability.

#### **Planning Fees**

The City charges fees for each entitlement sought for any given project and collects fees on a cumulative basis. However, the City offers a fee waiver program for qualifying residential development. The comprehensive set of fee waivers or lowered fees are associated with:

- Development permit fees for qualifying Americans with Disabilities Act ("ADA") alterations for disabled veterans (waive fees);
- Development permit fees for qualifying deed-restricted housing for extremely low income, very low income, and low income households (as defined by the Department of Housing and Urban Development (HUD) (waive fees); and
- Development permit fees associated with deed-restricted housing for extremely low, very low income, and low income units in mixed-income developments (e.g., a 50dwelling unit development with 8 low income units and 42 market rate units) (subsidize by waiving fees proportional to the deed-restricted affordable units).

Type of Application	Fee	
Zone Change	\$12,289 deposit; Hourly rate	
Tentative Tract Map	\$8,890 (5-50 units); \$11,496 (≥ 51 units)	
Tentative Parcel Map \$6,041 (≤ 4 units)		
Variance	\$9,504	
Minor Site Development Permit	\$3,680	
Major Site Development Permit	\$27,034	
Minor Conditional Use Permit	\$2,601	
Major Conditional Use Permit	\$10,096	
Planning Site Plan Review	Hourly rate, maximum of \$196	
Building Site Plan Review	Hourly rate, maximum of \$196	
Coastal Development Permit	\$641 (exempt) to \$7,172 (major)	

TABLE H-9 PLANNING APPLICATION FEES IN DANA POINT

#### **Building Fees**

In addition to fees charged for discretionary permits, fees also are charged for the actual construction of the project. Examples of the fees include plan check fees (building and infrastructure plans) and building permit fees (inspections conducted by building inspectors). All of these fees are used to offset City expenses incurred by the construction of the project.



Other fees are imposed to mitigate potential impacts created by new development. These fees are typically referred to as development impact fees. These fees may include: traffic impact fees, school fees, drainage fees, and fire fees. These types of fees vary widely from city to city and within areas of a given city. Some of these fees may be imposed directly by a city (e.g., park, library, and police) or collected by a city for another entity (e.g., traffic fees). Some south Orange County cities, including Dana Point, collect traffic fees on behalf of other entities. These fees include fees for the San Joaquin Hills Transportation Corridor, Foothill/Eastern Transportation Corridor, and the Coastal Area Road Improvements and Traffic Signals (CARITS). These fees are outside the direct control of the City. Again, these fees vary from city to city, and even within a city, and may not be imposed at all depending on a project's location.

Table H-10 displays development fees for three types of residential projects in Dana Point: a single-family house, a 20-unit condominium project, and a 50-unit apartment project. Dana Point periodically conducts fee studies to ensure fees are appropriate and last updated its fee structure in 2019. Future evaluations may result in adjustments to the fees; however, the City emphasizes options to preserve, lower, or reduce fees for affordable projects. Overall, the City's fee structure is not considered a constraint to housing.

Fees <sup>1</sup>	Single-Family Housing Project <sup>2</sup>	Condominium 20-Unit Project <sup>3</sup>	Apartment 50-Unit Project <sup>4</sup>
City Fees			
Planning Fees	\$1,086.00	\$5,105.00	\$5,105.00
Engineering Fees	\$3,563.00	\$4,563.00	\$4,563.00
Building Fees	\$7703.00	\$81,325.00	\$128,079.00
Park In-Lieu (Quimby)5	\$33,121.00	\$384,024.00	\$1,656,062.00
Transportation Fees	\$2,958.00	\$47,340.00	\$118,350.00
Housing In-Lieu Fee <sup>6</sup>	\$540.00	\$10,800.00	\$27,000.00
Fire Protection	91.80	\$1,836.00	\$4,590.00
Art in Public Places	\$0	\$32,876.00	\$54,222.00
Other Governmental Agencie	s		1
School Fees (CUSD)	\$8,160.00	\$122,400.00	\$204,000.00
Water/Sewer Fees (SCWD)	\$5,896.00	\$4,298.00	\$4,298.00
San Joaquin Trans Corridor <sup>7</sup>	\$4,657.00	\$53,280.00	133,200.00
TOTAL		\$923,372.00	\$2,784,729.00
Per Market Rate Unit	\$76,895.80	\$46,168.60	\$55,694.58

TABLE H-10 RESIDENTIAL DEVELOPMENT FEES FOR SAMPLE PROJECTS IN DANA POINT

Projects may require site-specific environmental assessments, not included in above totals.
 Single-family home assumed at 2.000 square feet with 400 square foot garage in RSF7 zone.

3. Condominium unit assumed at 1,500 square feet, 400 square feet garage in RMF14 zone.

Contonnium unit assumed at 1,500 square feet, 400 square feet galage in RMF14 zone.
 Apartment unit assumed at 1,000 square feet with 200 square foot carport in RMF22 zone.

5. Park fees subject to DPMC 7.36.050. Fees based on no parkland dedication proposed and an unimproved real estate value of \$38.00 per square-foot, which may vary based on project site appraisal.

Housing In-Lieu fees for units within Coastal Zone, Amount may vary within City.

7. San Joaquin Transportation Corridor fees vary based on zone and increase July 1 every year by 2.667%.



# **Non-Governmental Constraints**

A local housing element incorporates an analysis of potential and actual non-governmental constraints including: environmental, infrastructure, residential land resources, land prices, construction costs, and financing.

# **Environmental Constraints**

The City has identified areas affected by environmental hazards where land development should be carefully controlled. Local geologic conditions vary throughout the City and can even differ from lot to lot, creating the need to study each development proposal individually. The following environmental constraints may impact future housing development in the City.

## **Coastal Erosion**

There are two types of coastal erosion in Dana Point: the retreat of coastal bluffs and the loss of beach sands. Most beach sand comes either from sediment transport during river and stream runoff or from erosion of coastal cliffs and bluffs. Because both of these processes have been impeded by urbanization, both in Dana Point and elsewhere, beach replenishment has been affected. Some portions of the Dana Point coastline have been more impacted than others, since impact is highly dependent on local factors, including beach configuration and location relative to manmade improvements, such as jetties and harbors.

## **Blufftop Erosion**

Extending for approximately 6.7 miles, the Dana Point shoreline includes areas of sandy and rocky shore, coastal bluffs, and the rocky Dana Point Headlands. These areas have been subjected to continual erosion from oceanic, climatological, and developmental forces. Urbanization has accelerated the erosion process in many locations and created areas of instability.

## Seismic Hazards

Dana Point, like the rest of southern California, is in a seismically active area. However, no known active faults cross the City. The nearest significant active fault is the Newport-Inglewood Zone, approximately four miles to the southwest. Major active faults that could affect Dana Point include the Whittier Elsinore, San Andreas, Palos Verdes, San Clemente, and Rose Canyon faults. Because no known active faults cross the City, the potential for surface rupture is believed to be limited. Ground shaking, liquefaction, landslides, and rockfalls along coastal bluffs are the primary hazards to Dana Point in the event of an earthquake.

# Watercourse Flooding

Flooding is a natural attribute of any river or stream and is influenced by many factors, including the amount, intensity, and distribution of rainfall; soil conditions prior to storms; vegetation coverage; and stream channel conditions. All natural rivers and streams have a floodplain, which is the area subject to flooding during peak storm flows. There are three Federal Emergency Management Agency (FEMA) floodplains designated within Dana Point.



The primary floodway is San Juan Creek; secondary floodways are Salt Creek and Prima Deshecha Canada.

## **Coastal Flooding**

The "Coastal Flood with Velocity Hazard" designation extends the length of the coastline and inland approximately 150 feet in Capistrano Beach. According to the maps prepared by FEMA, all beachfront properties are in this coastal hazard zone. These areas are subject to damage from seismic sea waves (tsunamis) and storm waves.

## Infrastructure Constraints

Since the City of Dana Point is relatively built out, the existing infrastructure is extensive and has adequate capacity to support anticipated population and new residential development growth.

## Water and Wastewater

The City of Dana Point is served by three water and sanitary districts of the South Orange County Wastewater Authority (SOCWA): the South Coast (majority of Dana Point), Moulton Niguel, and San Juan Capistrano Water Districts. The vast majority of the water distribution lines in these districts is under 40 years old and reported to be in good to excellent condition. Two joint powers agencies, the Aliso Water Management Agency and SOCWA, provide sewage treatment to the wastewater districts that serve Dana Point. The City shares the Housing Element with SOCWA and South Coast Water District. The condition of the sewer lines in these districts is generally very good, with the exception of some lines in Capistrano Beach, many of which are currently being repaired, upgraded, or replaced. The South Coast Water District updated its Infrastructure Master Plan in 2017 and identified necessary improvements to the water, wastewater, and recycled water systems. None of the improvements would preclude or inhibit future housing projects on sites throughout the city.

# **Other Utilities**

The San Diego Gas and Electric Company and Southern California Gas Company provide electrical and natural gas service to homes and businesses in Dana Point. No deficiency exists in the existing electric and natural gas systems in the city, and both companies state that they will be able to expand to accommodate any future growth in the City. All areas of the city have access to cable and high-speed internet service provided by Cox Communications. Additional high-speed internet can be obtained from AT&T (majority of the city) and Frontier Communications (small part of the city).

#### **Energy Conservation**

The City has promoted energy conservation for residential uses on both educational and regulatory levels. The City supports local utilities in their efforts to provide public information and technical assistance to developers and homeowners regarding energy conservation measures and programs. On a regulatory level, the City enforces the State Energy Conservation Standards (Title 24, California Administrative Code). Compliance with Title 24 of the California



Administrative Code on the use of energy efficient appliances and insulation has reduced energy demand stemming from new residential development.

Under the 2019 Building Code (in effect as of January 2020), all new single-family homes and low-rise apartment buildings will be required to install solar panels, or tap into community solar power, to compensate for all electricity used by the building (aka zero net energy homes). Homes that truly are not suitable for solar, e.g., shaded by trees or large buildings would be exempt.

While the construction of energy efficient buildings does not necessarily lower the purchase price of housing, it should reduce monthly occupancy costs as consumption of fuel and energy is decreased. Similarly, retrofitting existing structures with energy-conserving features can reduce in utility costs. Examples of energy conservation opportunities include weatherization programs and home energy audits; retrofit to dual components or piggyback the use of evaporative coolers with air conditioning systems; installation or retrofitting of more efficient appliances and mechanical or solar energy systems; and building design and orientation.

The City's Building Division staff established an online expedited plan review process for minor residential building permits, including solar, heating and cooling, electrical panel upgrades, interior remodels, windows, re-roofing, and additions under 400 square feet. The City will continue to evaluate new opportunities to establish or improve city programs and regulations and partner with SDG&E to promote energy conservation programs.

The City has facilitated more efficient land use patterns by continuing to implement the more intense, mixed-use Dana Point Town Center Plan and approving new higher density and mixed-use zoning for the Doheny Village area. Higher density and mixed-use developments can demand less energy than lower density projects by encouraging walking, a decrease use of automobiles, and smaller housing units that are more efficient to operate.

# **Price of Land**

Typically, land costs increase as land availability decreases. With a very limited amount of available land the cost of land is a major constraint to housing production in Dana Point. In addition, the desirability of this coastal community, with ocean views and other local amenities, drives prices up. A review of vacant land for sale in Dana Point (per listings on Zillow accessed in March 2021) and feasibility analyses of land in Doheny Village indicate land prices generally fall between \$2 and \$6 million dollars per acre for sites similar to those evaluated for residential capacity.

The high cost of land increases home prices, which in turn creates more need for large financial subsidies in order to bring the total new housing costs within the economic reach of low-income households. As in the past, the City will actively pursue policies and programs to make extremely low, very low-, low-, and moderate-income housing possible. However, to achieve affordable housing goals, a combination of public and private financing will be needed to overcome the obstacle of high land prices.



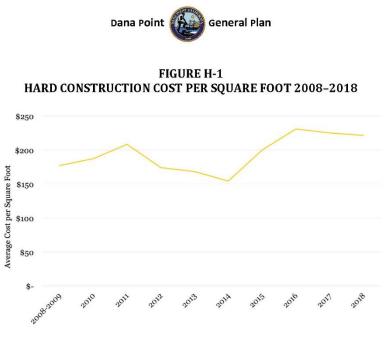
## **Cost of Construction**

Construction costs primarily consist of the cost of materials and labor. Both of these factors fluctuate depending on market demand and market-based changes in the cost of materials. Other influences on the cost of construction include the type of unit being built and quality of the product being produced. According to recent analysis of construction costs across California, the per-square-foot hard costs for constructing multifamily housing climbed 25 percent over the course of a decade (even after adjusting for inflation).

The rise in costs is associated in part with an increasing tightness in the market for skilled labor, with California general contractors indicating difficulty in finding workers such as plumbers, pipelayers, roofers, equipment operators, drywall installers, cement masons, concrete workers, carpenters, and welders. As the ability to find skilled labor becomes more difficult and takes longer, the additional time leads to further financing costs and uncertainty, leading to higher housing costs for the builder and future occupant.

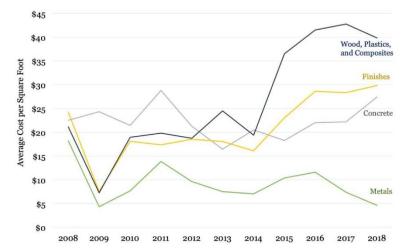
A rise in the cost of materials is another contributor to the increased cost of construction. Wood, plastics, and composites doubled in price between 2014 and 2018, with costs only reported to be higher in 2019 through 2021. Regarding wood prices, various news articles cite that mill operators and lumber dealers forecasted demand based on a soft 2019 market and pulled back on production capacity for 2020. This indicates that the rise in wood prices may be able to return to their more typical prices by 2022. Figures H-1 and H-2 illustrate the increased construction costs between 2008 and 2018.

To help mitigate constraints posed by construction costs, the City allows manufactured housing in single or multifamily zones. The use of manufactured homes can reduce housing costs by eliminating material waste, avoiding weather delays and theft, reducing labor costs by consolidating and automating activities, and cutting down onsite construction time (which also saves money in land carrying costs). Cumulatively, these factors can result in 20% to 40% lower prices for the housing unit itself. However, the cost of new manufactured housing can be dependent on the distance from the factory, with farther distances increasing transportation costs that may offset some or all of the benefits of a manufactured house.



Source: The Hard Costs of Construction: Recent Trends in Labor and Materials Costs for Apartment Buildings in California, Terner Center for Housing Innovation, page 7, March 2020.

FIGURE H-2 LINE ITEM CONSTRUCTION COST 2008-2018



Source: The Hard Costs of Construction: Recent Trends in Labor and Materials Costs for Apartment Buildings in California, Terner Center for Housing Innovation, page 8, March 2020.



A number of companies around the world are pushing the envelope of what is possible, and there is a critical mass of thought, research, development, and money being invested into new methods of housing construction. 3D printing, for example, challenges both traditional structural forms as well as the building process. The first 3D-printed zero net energy homes community will be completed in Rancho Mirage in 2022. The company behind the development, Mighty Buildings, claims that the process can cut time in half and reduce labor hours by 95 percent while producing 10 times less waste than conventional construction.

### Financing

The affordability of owning a home is greatly influenced by mortgage interest rates. Increases in interest rates decrease the number of persons able to purchase a home. Conversely, decreasing interest rates result in more potential homebuyers introduced to the market. Mortgage interest rates for new home purchases ranged from 3% to 5% for a fixed-rate, 30-year loan between 2016 and 2020, with an average rate of approximately 3.11% in 2020.

Interest rates are determined by national policies and economic conditions, and there is little that local governments can do to affect these rates. First-time homebuyers are the group impacted the most by financing requirements. Lower initial rates are available with graduated payment mortgages, adjustable-rate mortgages, and buy-down mortgages. However, variable interest rate mortgages on affordable homes may increase to the point of interest rates exceeding the cost of living adjustments.

Flexible loan programs, such as those for first-time homebuyers, still offer flexible down payment requirements between 5% and 20%. Such programs provide a method to bridge the gap between a required down payment and potential homeowner's available funds. The Federal Housing Administration (FHA) offers loan programs for first time home buyers including low down payments, around 3.5%, low closing costs, and easy credit qualifying.

At this time, the greatest impediment to homeownership is creditworthiness. According to the FHA, lenders consider a person's debt-to-income ratio, cash available for down payment, and credit history when determining a maximum loan amount. Many financial institutions are willing to significantly decrease down payment requirements and increase loan amounts to persons with good credit ratings. Persons with poor credit ratings will likely be forced to accept a higher interest rate or a loan amount insufficient to purchase a house. Poor credit rating can be especially damaging to lower income residents who have fewer financial resources with which to qualify for a loan. The FHA is generally more flexible than conventional lenders in its qualifying guidelines and allows many residents to reestablish a good credit history.

In the goal of producing more affordable housing, all jurisdictions, developers, and potential homeowners/tenants in southern California face the same constraints of elevated construction costs and the financing limitations of lower credit scores. While cities have little ability to directly address either constraint, City will endeavor to support new construction options and coordinate on expanded financing tools as part of its housing programs.



# **Residential Land Resources**

# **Regional Housing Needs Assessment**

California's housing element law requires that each city and county develop local housing programs designed to meet its "fair share" of existing and future housing needs for all income groups. This effort is coordinated by the jurisdiction's council of governments when preparing the state-mandated housing element of its general plan. This "fair share" allocation concept is intended to ensure that each jurisdiction accepts responsibility for the housing needs of not only its resident population, but for all households who might reasonably be expected to reside within the jurisdiction, particularly lower income households.

The "fair share" allocation process begins with the State Department of Finance's projection of total statewide housing demand, which is then apportioned by the State Department of Housing and Community Development (HCD) among each of the state's official regions. The City of Dana Point is in the six-county Southern California region, which includes Orange, Los Angeles, Riverside, San Bernardino, Ventura, and Imperial counties. The agency responsible for assigning fair share targets to each jurisdiction in this region is the Southern California Association of Governments (SCAG).

A local jurisdiction's "fair share" of regional housing need is estimated in terms of four factors:

- The number of units needed to accommodate forecast household growth;
- The number of units needed to replace demolitions due to attrition in the housing stock (i.e., fire damage, obsolescence, redevelopment, and conversions to non-housing uses);
- Maintaining an ideal vacancy rate for a well-functioning housing market;
- An adjustment to avoid an overconcentration of lower income households in any one jurisdiction.

The new construction need is referred to as the regional housing needs assessment (RHNA) and is allocated as a total need and the need broken down into four household income categories used in federal and state housing programs: very low, low, moderate, and above moderate income, defined operationally as households earning up to 50%, 80%, 120%, and more than 120% of the Orange County median income. The allocations are further adjusted to avoid an overconcentration of lower income households in any one jurisdiction. The fair share allocation also considers the existing deficit of housing resulting from lower income households that pay more than 30% of their incomes for housing costs. This is the threshold used by federal, state, and local governments to determine housing affordability.

### 2021–2029 RHNA Allocation

The City of Dana Point's "fair share" of the region's housing need for the June 2021 through June 2029 planning period is 530 units: 231 lower, 101 moderate, and 198 above moderate



income units. The following section describes the City's capacity to accommodate its RHNA allocation through planned/entitled housing projects and vacant and underutilized land that is designated for or may be approved for residential use.

# **Planned/Entitled Residential Development**

A number of mixed-use residential and apartment projects are planned and/or entitled on various sites in the Town Center and Doheny Village areas of the city. As shown in Table H-11 and Figure H-3, approximately 491 units are expected to be constructed and occupied during the planning period (June 2021-2029). The planned and entitled projects will more than address the City's projected RHNA demand of 198 above moderate-income units and provide an incremental contribution toward the City's lower and moderate income RHNA allocation.

					( )	Inc	come Le	vel	
Map Ref	Project Name	GP   Zoning <sup>1</sup>	Other Features	Acres	Density	Lower	Moderate	Above Moderate	Total Yield
P1	The Greer	CC   TC-MU	10.8 KSF commercial and 13 senior units	0.92	75	0	0	69	69
P2	Vista Del Mar <sup>2</sup>	CC   TC-MU	7.2 KSF commercial	0.54	72	0	0	39	39
P3	Theel Mixed Use	C/R   TC-MU	5.2 KSF commercial	0.43	41	0	0	18	18
P4	Victoria Apartments	SP   SP	15% low/mod <sup>3</sup>	5.50	50/664	38	19	308	365
		Total Pl	anned / Entitled	8.58		38	19	434	491
		Total	<b>RHNA Allocation</b>			231	101	198	530
			<b>RHNA Balance</b>			193	82	0	275

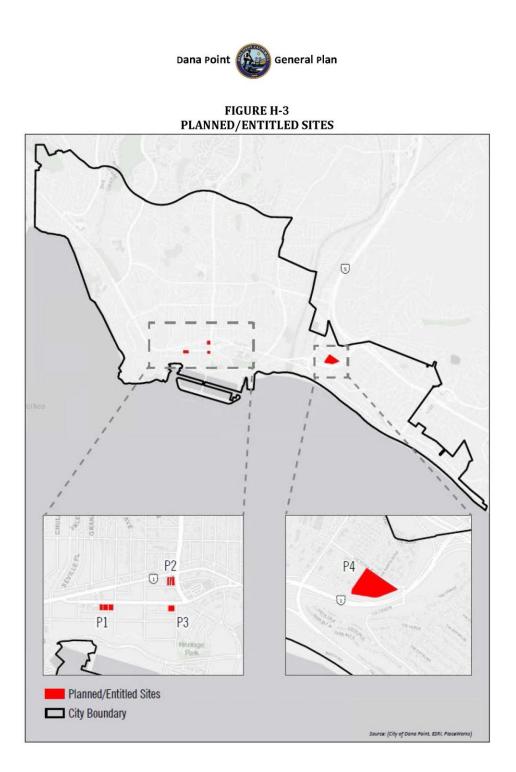
TABLE H-11 PLANNED/ENTITLED HOUSING PROJECTS

1. CC = Community Commercial, C/R = Commercial/Residential, TC-MU = Town Center Mixed Use, SP = Specific Plan

2. Building permits issued in 2020, construction expected to be completed after June 30, 2021.

3. Based on the applicant's proposal to create no less than 15 percent affordable housing units, with no less than 5% very-low income units to be constructed onsite, and 5% low- and 5% moderate-income housing units to be constructed either on- or off-site in the city (any fractional figures are rounded up per direction by the City).

4. The maximum base density is 50 units per acre. The project density increases to 66 units per acre due to the inclusion of affordable housing and the application of a density bonus. A maximum of 365 units is permitted on the site.



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# Vacant and Underutilized Land

Dana Point, like many other coastal communities, is largely built out in the sense that few vacant parcels remain. New housing opportunities will largely rely on the intensification and reuse of property that contains existing uses. When property contains existing uses that are either inactive (e.g., vacant commercial businesses), or may be replaced by more intense and more profitable development, such sites are considered underutilized land resources. The City has identified two vacant parcels and three underutilized sites that are suitable for new residential development and address the remaining RHNA allocation.

As shown in the discussion of planned and entitled projects, most developing sites are less than an acre and are proposed for densities between 40 and 75 units per acre, facilitated by the Town Center zoning and the City's initiation of a specific plan to allow for more intense development. These projects are used to justify the assumed density factors and the ability to produce housing in mixed-use zones.

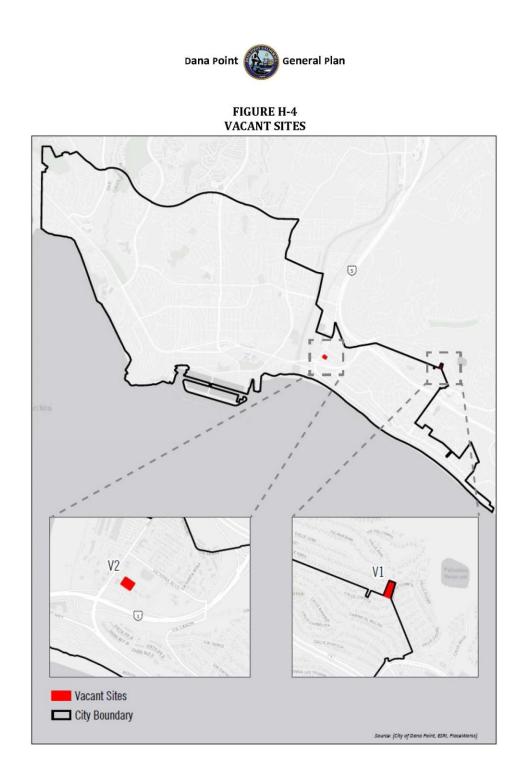
As shown in Table H-12, the combined vacant and underutilized sites have the appropriate zoning and physical characteristics to potentially accommodate 244 lower income units and 210 moderate income units. Figures H-4 and H-5 provide a map of these sites. State law (default density thresholds, Government Code Section 65583.2(c)(3)(B)), establishes that mixed-use or residential zoning allowing 30 units per acre is suitable to facilitate lower income housing. All (100 percent) of the development potential on vacant parcels is assumed to provide the capacity for lower income housing. For underutilized parcels, due to the additional cost associated with replacing an existing use, a more conservative assumption (50 percent) is applied despite such sites allowing more than 30 units per acre. The remaining capacity (50 percent) is assumed to provide the capacity for moderate income housing.

Мар	General			Dens	sity	Housing Ca	pacity for RI	HNA Balance
Ref	<b>Plan</b> <sup>1</sup>	Zoning <sup>2</sup>	Acres	Assumed	Max	Total	Lower	Moderate
V1	CF	CF	0.93	25	30	23	23	
V2	C/R	V-C/R & HIO	0.61	30	35	18	18	
	Va	cant Subtotal	1.54			36	36	
U1	C/MS	V-MS & HIO	6.63	25	35	165	82	83
U2	C/MS	V-MS & HIO	1.34	25	35	33	16	17
U3	CC	TC-MU	5.51	40	2.5 FAR	220	110	110
	Underuti	lized Subtotal	33.5			418	208	210
Tota	al Vacant /	Underutilized	34.0			459	249	210
Р		Balance after itled Projects				275	193	82
	Sur	plus Capacity					56	128

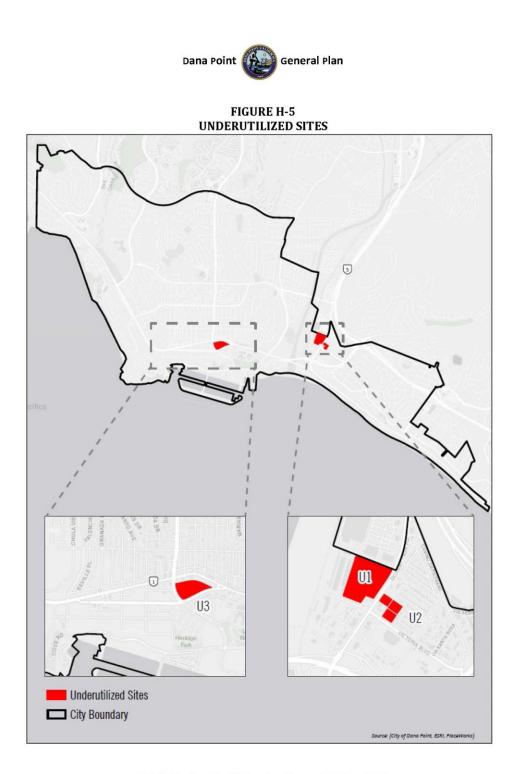
TABLE H-12 VACANT & UNDERUTILIZED LAND POTENTIAL

1. CF = Community Facility, CC = Community Commercial, C/MS = Commercial/Main Street, C/R = Commercial/Residential; please note that the Doheny Village general plan amendment is currently pending

2. V-C/R = Village Commercial/Residential, V-MS = Village Main Street, TC-MU = Town Center Mixed Use, HIO = Housing Incentive Overlay; please note that the Doheny Village zoning amendment is currently pending



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## Vacant Land

There are two parcels of vacant land suitable for higher density residential development with the potential to accommodate affordable housing.

**V1. SCWD Surplus Property.** A 0.93-acre site owned by the South Coast Water District has been and remains viable site for residential development. Located in the eastern part of the city, surrounded by other residential development, the site is considered surplus property and could be used to develop housing for SCWD employees and/or the general public. There are no environmental or site conditions exist that would preclude the site's full development. The site is zoned Community Facilities (CF), which permits multifamily housing by right at densities of 30 dwelling units per acre. Assuming attached or multifamily housing at a density of 25 units per acre, approximately 23 units could be constructed on this site.

As this site was previously included in the 4<sup>th</sup> and 5<sup>th</sup> cycle housing elements, state law (Government Code section 65583.2(c) enacted by AB 1397, 2017) requires the City's zoning for such sites to permit by right housing developments that propose a density of 20 units per acre or more and in which at least 20% of the units are affordable to lower income households. The CF Zone already permits such a housing development by right and is therefore meets the requirements of state law.

Based on the maximum permitted density of 30 units per acre (in line with the state's default density thresholds), this site's zoning is suitable to facilitate affordable housing.

**V2. Capo Beach Church Surplus Site.** A 0.61-acre site owned by the Capo Beach Church (located across the street) is currently vacant and used periodically for overflow parking. This site is zoned Village-Commercial/Residential (V-C/R) Zone of in the Doheny Village planning area. This zone allows mixed-use and stand-alone multifamily residential up to a density of 30 units per acre. Additionally, the City applied a Housing Incentive Overlay (HIO) to this site, which requires a minimum density of 20 units per acre and allows the maximum density to increase to 35 units per acre. The HIO also requires at least 50 percent of the gross floor area, excluding parking structures, to be dedicated to residential uses. Assuming a potential density of 30 units per acre, the site could yield approximately 18 units. Based on the state's default density thresholds, this site is zoned appropriately to facilitate affordable housing.

Note on Doheny Village references: As of the publication of this draft document, the Doheny Village zoning is still in process and under review by the City. However, the City expects the zoning to be in place prior to the Housing Element adoption deadline and therefore uses language that refers to the Doheny Village zoning as if it is already in place. Should anything change from what is above, the Housing Element will be revised.



## **Underutilized Land**

There are three parcels of underutilized land properties suitable for higher density residential development with the potential to accommodate housing affordable to lower and moderate-income households.

### U1. Capistrano Valley Shopping Center, U2. Ganahl Lumber, and U3. Ralphs

Existing Uses: The Doheny Village District consists of approximately 80 acres in the southeastern portion of Dana Point, fronting on Pacific Coast Highway (PCH) and east of the San Juan Creek. The Town Center planning area consists of approximately 73 acres between Blue Lantern and Copper Lantern Streets, fronting or occupying the area in between approximately one mile of PCH and Del Prado. While there are multiple sites within both planning areas, the sites described below, demonstrate the greatest potential for reuse during the planning period.

Underutilized site 1 (U1) currently contains the Capistrano Valley Shopping Center, an existing commercial strip mall that houses anchor tenants Big 5 Sporting Goods and Smart & Final Extra Grocer, as well as smaller retail and restaurant tenants. While the shopping center is currently fully leased, the age of the buildings (circa 1965), the site's size (6.63 acres) and lot coverage (29 percent), combine with the national trend in declining retail make this site an extremely good candidate for reuse and intensification. The property owner has been contacted by potential developers who have expressed interest in mixed-use commercial and residential development at this site.

Underutilized site 2 (U2) is comprised of six parcels that are under common ownership and host Ganahl Lumber, a commercial hardware store and lumber yard. Ganahl Lumber is relocating to another city and indicates they will vacate the property in less than two years, freeing the property up for reuse. The L-shaped grouping of parcels fronts along both Victoria Boulevard and Doheny Park Road, providing two access points that enhance its development potential.

Underutilized site 3 (U3) is comprised of two parcels that are under common ownership and host a shopping center anchored by a Ralphs grocery store. The property owner has expressed interest in redeveloping the site with a mixed-use development, indicating that the grocery store lease may not be renewed in in next three years.

<u>Development Trends</u>: Recent evidence from the planned and entitled projects demonstrates that developed retail uses redevelop into new, more intense mixed-use and stand-alone residential projects. Three of the four planned and entitled projects listed in Table H-22 involved the redevelopment of existing uses. The Greer (0.92 ac) involves the lot consolidation and reuse of Jack's Restaurant, District Salon, and Rado's Fitness (each had their own lot). Vista Del Mar (0.54 acre) involved the reuse of a site that previously contained a professional office building. Victoria Apartments involves the reuse of the Capistrano Unified School District bus storage yard (5.50 acre). All of the planned or entitled for new mixed-use and stand-alone



residential projects at densities between 41 and 75 units per acre (higher than the assumed density factors used in the calculation of potential capacity).

<u>Market Conditions</u>: Aside from the lack of available vacant land, the cost of land (\$2 to \$6 million per acre), and ever-increasing construction costs (e.g., 20 percent surges in costs for materials like lumbar and steel since 2020), lead to market conditions that support the reuse of existing sites at highly intense levels of development. The densities and intensities projected for the development of vacant and underutilized sites can all be accomplished within the less expensive Type V construction.

Environmental and Infrastructure Conditions: Aside from flood hazards in the Doheny Village planning area, there are no significant environmental constraints in the Doheny Village or Town Center planning areas, and the wet and dry infrastructure system can support the currently proposed and future development. Based on proximity to the San Juan Creek, portions of the Doheny Village planning area are subject to a one percent annual chance of flooding (100-year floodplain). The City evaluated flood hazards in a 2020 Hydrology and Water Quality Assessment and determined that the maximum flood depths would only exceed the capacity of the public right-of-way by approximately five inches within the project area. The City's current development standards will require that new structures are appropriately elevated to remain out of the 100-year flood elevation and in conformance with FEMA guidelines. The required incremental structural elevation is not considered a significant cost or constraint upon development.

<u>Availability of Regulatory and/or other Incentives</u>: To maximize residential development on parcels identified within the housing element, the Doheny Village Zoning District includes a Housing Incentive Overlay (HIO), with specific standards and exceptions for residential projects proposed on sites within the Overlay. The HIO requires a minimum density of 20 units per acre and allows the maximum density to increase from 30 to 35 units per acre. In addition, at least 50 percent of the total building gross floor area, excluding parking facilities, is required to be developed as residential uses. The intent of the development standards is to maximize the development potential of each site and facilitate the creation of a variety of unit sizes.

The Village Commercial/Residential (V-C/R) Zone allows multifamily residential by right and the Village Main Street (V-MS) Zone allows multifamily residential with a conditional use permit. As it relates to the underutilized sites, the V/MS Zone limits ground floor residential within 130 feet of Doheny Park Road. The City conducted detailed site design analyses on the development capacity of multiple sites in the City, including two of the underutilized sites (U1 and U2), and concluded that both sites can easily achieve the densities used in the calculations to determine housing capacity, even while planning commercial building space and associated parking along Doheny Park Road.

The City has streamlined the development of future residential development on the underutilized site by preparing and certifying an environmental impact report (EIR) for the Doheny Village Zoning at a buildout at 30 units per acre for the two underutilized sites. The EIR will reduce future entitlement and development timelines by at least 1 to 3 years.



Note on Doheny Village references: As of the publication of this draft document, the Doheny Village zoning is still in process and under review by the City. However, the City expects the zoning to be in place prior to the Housing Element adoption deadline and therefore uses language that refers to the Doheny Village zoning as if it is already in place. Should anything change from what is above, the Housing Element will be revised.

The Town Center Mixed-Use District contains development standards that control density by overall massing (2.5 floor-area-ratio), as opposed to residential density, which allows for more intense development and a variety of unit sizes while remaining within the 40-foot height limit. As stated above, densities of planned projects are achieving far above 40 units per acre. Multiple family dwellings are permitted by right above the ground floor. The City also offers an In-Lieu Fee Parking Program that allows developers in the core area to buy out of providing onsite commercial parking requirements to achieve the most efficient use of the land. The fees are aggregated by the City to fund additional parking resources.

Based on the minimum density provisions stated above and the maximum density of 2.5 FAR (which allows at least 75 units per acre based on approve projects, in line with the state's default density thresholds of at least 30 units per acre), the zoning of the above sites is suitable to facilitate affordable housing.

## **Accessory Dwelling Units**

Like many coastal jurisdictions in southern California, the City of Dana Point faces a challenge of accommodating affordable housing on land resources that is rarely vacant and generally expensive. Additionally, the City's aging residents and young adults entering the workforce will struggle to maintain or obtain residence in Dana Point due to the ever-increasing cost of housing. Recent research indicates that a majority of young adults in the metropolitan and western parts of the United States are living with their parents (a trend not seen since the Great Depression), and more California seniors are relocating to live with their adult children. Fortunately, state law recently changed to facilitate the development of accessory dwelling units (ADUs, aka second units or granny flats) on any parcel allowing housing units. The confluence of these factors indicates that ADUs should play a role in the City's strategy to accommodate and realize its 2021–2029 RHNA allocation.

ADUs are known to be a good option for property owners seeking to build space for members of their family or to add an additional source of income by renting a unit to another household (which also increases the overall property value). Also, recent changes in legislation elevated the state's focus on the use of ADUs as a key tool in achieving a greater supply of affordable housing. Finally, Dana Point's average household size of 2.3 and trend of residents aging in place matches well with the typical 1 or 2 occupants that seek out and reside in ADUs.

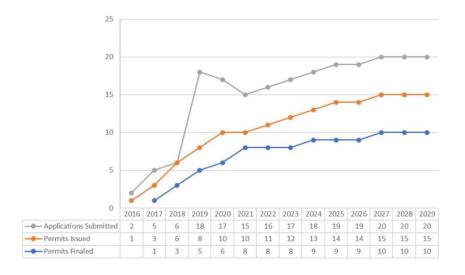
While the City of Dana Point previously required that ADUs be affordable to lower and moderate-income households, recent state laws preclude this requirement. However, the Southern California Association of Governments (SCAG) conducted a regional survey and reported the results in August 2020. SCAG's research supports an assumption that 73% of



ADUs could be affordable to lower income households in Orange County (even assuming a 50/50 mix of 1- and 2-person households). In 2020, the City issued certificates of occupancy for five ADUs, four are affordable to lower income households based on proposed rental rates provided by applicants and a market-rate comparison using Citywide data for multi-family rentals per square foot by bedroom count. Evidence from other jurisdictions throughout California indicates that between 17 and 50 percent of ADUs may be rent-free as the property owners provide housing for their adult children and/or aging parents.

In previous planning cycles, ADUs did not play a substantial role due to the lack of public knowledge and ability to take advantage of the law's provisions, the availability of other land resources, and the lower costs (relative to today) of building multifamily development. Interest in ADUs has increased substantially since the 2017 laws were enacted. Prior to 2017, the City would receive between one and three applications for ADUs each year. Since then, the number of applications has jumped to over a dozen each year in 2019 and 2020. The City's rate of finalizing ADU permits has also increased from approximately one per year prior to 2017 to five or more in 2019 and 2020, with four ADU permits already finaled in 2021.

The City estimates, based on an assumption of incremental increasing interest in ADUs, that it can project 81 ADUs to be built or have final permits between 2021 and 2029. Figure H-6 depicts past and projected ADU activity, with projected ADU activity based on a trendline analysis. Approximately 59 of the projected 81 would be affordable to lower income households using the 73% assumption provided by SCAG's research, with the balance of 22 units projected to be affordable to moderate income units.



### FIGURE H-6 PAST & PROJECTED ADU PERMIT ACTIVITY



## **Summary of Housing Development Potential**

Dana Point's current development pattern generally builds to the maximum density permitted by zoning. The City intends to continue making the highest and best use of residential land and understands that this vision includes housing for all segments of the community.

Planned and entitled projects offer multifamily housing options reflect the high cost of housing in Dana Point, while offering some housing affordable to lower and moderate-income households through agreements and density bonus provisions. For vacant and underutilized land, the level of density and intensity permitted by the City's zoning standards, along with its permitting of multifamily housing by right in multiple zoning districts, provides affordable housing developers with the development regulations that maximize the potential feasibility to construct affordable housing in Dana Point.

Table H-13 summarizes the City's capacity to accommodate the 2021–2029 RHNA allocation through its planned, entitled, and potential residential land resources. Based on the default density thresholds in state law and the expanded capacity for accessory dwelling units (ADUs) created by state laws passed in 2017, the City has a surplus of capacity on land that is currently zoned and suitable for residential development.

It is important to note that the densities used to calculate the residential capacity do not incorporate any state density bonus provisions.

Development Category	Lower (0-80%)	Moderate (81-120%)	Above Moderate (>120%)	Total
RHNA	231	101	198	530
Planned/Entitled Units	38	19	434	491
Vacant Land	41	0	0	41
Underutilized Land	208	210	0	418
ADU's	59	22	0	81
Total Potential	346	251	434	1,031
RHNA (Deficiency)/Surplus	+115	+150	+236	+501

TABLE H-13 SUMMARY OF RESIDENTIAL DEVELOPMENT CAPACITY 2021–2029



# **Public Review Draft Housing Element**

# **Community Profile and Evaluation of Previous Efforts | Public Review**

As part Housing Element Update, the City is releasing administrative draft versions of each section of the Element to provide the public with a chance to review and discuss with other stakeholders and City staff.

If you have any questions or have suggestions for corrections or additional information, please contact the City of Dana Point, Belinda Deines, Principal Planner, at (949) 248-3570 or <u>bdeines@danapoint.org</u>.

Additional sections of the draft Housing Element will be released throughout the Spring for public review and discussion. A complete draft that combines all sections of the Housing Element will be released in early June 2021 prior to the City's submittal to the California Department of Housing and Community Development for review and certification.

May 2021



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# **Community Profile**

An evaluation of population and housing characteristics is the foundation for establishing housing goals, programs, and quantified objectives. This section provides statistical information and analysis of demographic and housing factors that influence the demand for and availability of housing. The purpose of this section is to identify existing housing needs for all segments of the City's population.

Please note that the Housing Element draws from the most current data available. A variety of trusted sources are cited, including the United States Census (Census), American Community Survey (ACS), California Department of Finance (DOF), and Southern California Association of Governments (SCAG). The data, even when from the same overall source, may occasionally appear inconsistent and are subject to rounding. The differences are not significant and have been vetted to ensure the analysis remains valid.

# **Population Trends and Characteristics**

## **Population Growth**

As indicated in Table H-1, the county's population rapidly grew from 2.4 million in 1990 to 2.8 million in 2000, an increase of almost 18%. By 2010 the county population grew to 3 million, a 6% increase from the 2000 population. In comparison, between 1990 and 2000 Dana Point's population increased by 9%, or 3,214 persons. By 2010, the population decreased by 1,500 people to 33,351, decreasing further to approximately 33,146 in 2020. While the countywide population has continued to grow since 2000, Dana Point's population has fluctuated, trading short spurts of growth with short periods of decline. Growth in the Dana Point has been significantly slower than in the county due largely to the built-out nature of the City.

# Age Composition

Age composition is an important factor in determining housing demands. As shown in Table H-2, the median age in Dana Point in 50.5. This is a substantial increase from 44.8 in 2010 and indicates that residents are aging in place. This also indicates a potential future need for affordable senior housing opportunities to enable residents to remain in Dana Point while downsizing into smaller housing units that may be better suited to their needs and require less maintenance.

## **Race and Ethnicity**

According to the 2019 ACS 5-year estimates, the City of Dana Point remains primarily white, not of Hispanic ethnicity (74%) in racial and ethnic composition, though the city has experienced incremental increases in the non-white population since 2010. The 2019 ACS estimates that 17.6% of the City's population is Hispanic or Latino. It should be noted that persons of Hispanic origin are included within the various ethnic categories and may be of any



race. Table H-3 displays the breakdown of Dana Point residents by race and ethnicity compared to the countywide proportions.

	Dana I	Point	Orange County		
Year	Population	% Increase	Population	% Increase	
1990	31,896		2,410,668		
1995	34,083	6.9%	2,590,109	7.40%	
2000	35,110	3.0%	2,831,799	9.30%	
2005	34,550	-1.6%	2,948,135	4.10%	
2010	33,351	-3.0%	2,990,805	1.50%	
2015	33,881	1.6%	3,155,578	5.50%	
2020	33,146	-2.1%	3,194,332	1.20%	

TABLE H-1POPULATION GROWTH FROM 1990 TO 2020

TABLE H-2	
<b>POPULATION IN DANA POINT BY AGE GROUP BY SEX, 2</b>	019

Age Group	Dana	Point	Orange County		
9F	Female	Male	Female	Male	
Under 5	2.1%	1.9%	2.9%	3.0%	
5 to 19	5.2%	6.3%	8.0%	8.3%	
20 to 24	2.3%	2.3%	4.6%	4.7%	
25 to 34	5.0%	4.5%	7.0%	7.4%	
35 to 44	5.7%	4.9%	6.6%	6.4%	
45 to 54	9.1%	8.7%	7.2%	7.0%	
55 to 64	9.4%	8.8%	6.4%	6.1%	
65 to 74	7.5%	6.8%	4.4%	3.8%	
75 to 84	3.6%	3.2%	2.4%	1.9%	
85 and older	1.6%	1.2%	1.2%	0.7%	
Total	51.4%	48.6%	50.6%	49.4%	
Median Age	51.1 years	50.1 years	39.3 years	36.7 years	



ТА	BLE H-3	
POPULATION BY RACE AND	ETHNICITY IN DANA	POINT, 2019
ace Alone	Dana Point	Orange County

Race Alone	Dana Point	Orange County
Hispanic or Latino (of any race)	17.6%	34.1%
White (not Hispanic)	74.1%	40.6%
Black or African American	1.4%	1.6%
American Indian and Alaska Native	0.1%	0.2%
Asian	3.6%	20.3%
Native Hawaiian and Other Pacific Islander	0.1%	0.3%
Other	3.1%	3.0%

### **Employment in the City**

The Census reports that there were 11,000 jobs within the City of Dana Point in 2018. More than half of the jobs within the City (see Table H-4) are in the "accommodation and food services" and "retail trade" sectors (39% and 13%, respectively). Residents of Dana Point work in an array of industries (see Table H-5), with employment in educational services, retail, professional, scientific, and technical services as well as health care and social assistance being the most common. The "accommodation and food services" and "retail trade" sectors employ about 22% of residents collectively, which indicates that the City attracts its workforce in these sectors from outside Dana Point.

Jobs in the service sectors are the largest employers due to popular recreational activities, hotels, and resort facilities in the City. While cities throughout California are experiencing a general decline of retail sales associated with a greater proportion of shopping being conducted online, cities like Dana Point contain more experiential shopping opportunities associated with a tourist and resort-oriented destination. Jobs in the aforementioned sectors are expected to remain somewhat constant or increase slightly in overall number as additional hotels and various commercial uses (stand-alone and mixed-use) in the Harbor, Doheny Village, and Town Center planning areas. The average wages for occupations associated with accommodation, food services, and retail jobs would generally qualify as lower income and the job creation in these sectors could create additional demand for affordable housing.

## Wages

The California Employment Development Department provides the following wage information (see Table H-6). Wage data follows the larger labor market; therefore, the major occupational category wages are for the entire Orange County region. More than 85 percent of these occupations have mean annual wages that are categorized as low income based on 2019 income limits of \$83,600 for a family of four.



## TABLE H-4 JOBS IN DANA POINT BY INDUSTRY, 2018

Industry	Number	Percent	
Agriculture, Forestry, Fishing and Hunting	6	<1%	
Mining, Quarrying, and Oil and Gas Extraction	0	0%	
Utilities	3	<1%	
Construction	547	5.0%	
Manufacturing	126	1.1%	
Wholesale Trade	191	1.7%	
Retail Trade	1,428	13.0%	
Transportation and Warehousing	99	<1%	
Information	59	<1%	
Finance and Insurance	161	1.5%	
Real Estate and Rental and Leasing	35	3.0%	
Professional, Scientific, and Technical Services	624	5.7%	
Management of Companies and Enterprises	4	0.0%	
Admin & Support, Waste Mgmt / Remediation	624	4.5%	
Educational Services	458	4.2%	
Health Care and Social Assistance	1,346	12.2%	
Arts, Entertainment, and Recreation	329	3.0%	
Accommodation and Food Services	24,270	38.8%	
Other Services (excluding Public Administration)	431	3.9%	
Public Administration	87	<1%	
Total	11,000	100%	

**TABLE H-5** 

# CIVILIAN EMPLOYMENT OF DANA POINT RESIDENTS BY INDUSTRY, 2018

Industry	Number	Percent
Agriculture, Forestry, Fishing and Hunting	88	<1%
Mining, Quarrying, and Oil and Gas Extraction	6	<1%
Utilities	77	<1%
Construction	772	5.4%
Manufacturing	878	6.2%
Wholesale Trade	753	5.3%
Retail Trade	1,373	9.7%
Transportation and Warehousing	328	2.3%
Information	419	3.0%
Finance and Insurance	702	5.0%
Real Estate and Rental and Leasing	401	2.8%
Professional, Scientific, and Technical Services	1,463	10.3%
Management of Companies and Enterprises	247	1.7%
Admin & Support, Waste Mgmt / Remediation	892	6.3%
Educational Services	1,211	8.5%
Health Care and Social Assistance	1,631	11.5%



Industry	Number	Percent	
Arts, Entertainment, and Recreation	343	2.4%	
Accommodation and Food Services	1,782	12.6%	
Other Services (excluding Public Administration)	460	3.2%	
Public Administration	355	2.5%	
Total	14,181	100%	

# **TABLE H-5**

# 

Occupational Category	Aver	age Wage		egory by Hous wage earner/h	
	Hourly	Annual	1	2	3
Architecture and Engineering	\$47.79	\$99,403	Above Mod	Mod	Mod
Arts, Design, Sports, Media	\$31.55	\$65,612	Low	Low	Low
Building/Grounds Maint	\$17.25	\$35,880	Very Low	Very Low	Very Low
Business/Financial Operations	\$38.52	\$80,107	Mod	Low	Low
Community and Social Services	\$28.18	\$58,617	Low	Low	Low
Computer and Mathematical	\$46.18	\$96,051	Above Mod	Mod	Mod
Construction and Extraction	\$30.10	\$62,616	Low	Low	Low
Education, Training, Library	\$34.73	\$72,247	Mod	Low	Low
Farming, Fishing, and Forestry	\$16.77	\$34,876	Very Low	Very Low	Very Low
Food Preparation/Service	\$15.68	\$32,613	Very Low	Very Low	Ex Low
Healthcare Practitioners/Tech	\$48.62	\$101,125	Above Mod	Above Mod	Mod
Healthcare Support	\$16.73	\$34,790	Low	Low	Very Low
Installation, Maint./Repair	\$27.21	\$56,597	Low	Low	Very Low
Legal Occupations	\$70.68	\$147,030	Above Mod	Above Mod	Above Mod
Life, Physical, Social Science	\$40.67	\$84,611	Mod	Mod	Low
Management Occupations	\$66.93	\$139,225	Above Mod	Above Mod	Above Mod
Office and Admin Support	\$22.69	\$47,191	Low	Very Low	Low
Personal Care and Service	\$16.70	\$34,725	Very Low	Very Low	Very Low
Production Service	\$20.28	\$42,181	Very Low	Very Low	Very Low
Protective Service	\$27.78	\$57,788	Low	Low	Low
Sales and Related	\$24.71	\$51,402	Low	Low	Very Low
Trans. and Material Moving	\$18.27	\$38,010	Very Low	Very Low	Very Low
Source: California EDD, Occupational Em	ployment and W	/age (2020 – 1st Quai	ter) Data, Anaheim–S	anta Ana-Irvine M	etropolitan Area

**TABLE H-6** WAGES IN ORANGE COUNTY FOR MAJOR OCCUPATIONAL CATEGORIES, 2020



# **Household Characteristics**

Analyzing existing household characteristics and trends will identify potential household issues and needs. By definition, a "household" consists of all the people occupying a dwelling unit, whether they are related or not.

## **Household Growth Trends**

According to the California Department of Finance (DOF), in 2020, 14,113 households (occupied residences) resided in Dana Point. The City added 200 housing units between 2015 and 2020, growing to an estimated 16,172 units in 2020. Table H-7 displays the overall housing growth since 2000. As housing development has plateaued, so too has household size. Since 2010, the average household size has remained relatively constant though and sits at 2.3 persons per household in 2019.

The majority of housing units added between 2010 and 2020 were single-family detached and attached units. Table H-8 breaks down the housing growth by number of units by unit type. As land has become more valuable, the planned and recently entitled housing projects are primarily attached and multifamily housing products. Multifamily rental housing can offer more affordable housing prices, though rents for new housing are generally high in a beach community such as Dana Point.

Year	Estimated Dwelling Units	Cumulative Increase	Percentage Increase
2000	15,644		
2005	15,885	241	1.54%
2010	15,933	48	0.30%
2015	15,972	39	0.24%
2020	16,172	200	1.28%

TABLE H-7HOUSING GROWTH TRENDS IN DANA POINT 1990–2020

 TABLE H-8

 HOUSING STOCK COMPOSITION IN DANA POINT IN 2010 AND 2020

2010		10	20	20
Unit Type	Units	Percent	Units	Percent
Lunit, detached	8,706	54.6%	8,801	54.4%
1 unit, attached	1,995	12.5%	2,074	12.8%
2 to 4 units	2,633	16.5%	2,676	16.5%
5+ units	2,372	14.9%	2,372	14.7%
Mobile homes	232	1.5%	249	1.5%
Total	15,938	100%	16,172	100%

Source: 2010 and 2020 DOF Population and Housing Estimate



## **Household Type**

As shown in Table H-9 for 2019, the City's households comprise primarily three types: married couples with no children (36%), people living alone (32%), and married couples with children under 18 years (15%). The majority of households in the City are occupied by married-couple families without young children. This category is likely to include couples in the "young adult" and "prime working" population subgroups, as well as retired couples and senior couples.

Retired and senior couples may be primarily residing in large homes they once occupied with their children, whereas young couples are more likely to occupy apartments and other small rental units. However, young childless couples may also create a demand for homeownership opportunities as they desire investment opportunities and consider having children.

The segment of the population that lives alone can generate a need for small rental and ownership units, especially those designated for seniors, while married-couple families with children typically create a demand for ownership opportunities of single-family detached units.

#### Tenure

The 2019 ACS indicates that 64% of the City's housing units are owner occupied. Most of the owner households are single-family detached and single-family attached housing units, as shown in Table H-10. Throughout its history, Dana Point offered hotels and other formalized seasonal housing for tourists and local visitors. Since 2016, the City has had a moratorium on short term rentals which has stabilized the impact of residential dwellings being rented out to visitors and decreasing the availability of long-term housing.

Renter households reside primarily in duplex, triplex, and fourplex units. While the large number of renters in such structures can indicate a need for first-time homebuyer assistance, rental housing is also a valuable resource for singles and couples seeking to live in Dana Point.

# **Vacancy Rates**

The vacancy rate is a measure of the general availability of housing. It also indicates how well the housing units meet the current housing market demand. A low vacancy rate may increase market rents and housing costs because shortages tend to result in higher prices and may further limit the choices of households seeking adequate housing. A high vacancy rate may indicate either the existence of a high number of units that may be undesirable for occupancy or an oversupply of housing units. The availability of vacant housing units provides households with choices on different unit types to accommodate changing needs.

Excluding seasonal, recreational, and occasional-use homes, the ACS 2019 5-year estimates indicate a vacancy rate of 5.3% for rental units and 0.7% for ownership units for the City of Dana Point. The rental vacancy rate is considered adequate to ensure the continued upkeep of rental properties, while the ownership vacancy rate indicates an undersupply of ownership



units compared to demand. According to the DOF, Dana Point's overall vacancy rate was 12.7% in 2020, which is typical of beach communities that includes seasonal homes used by residents and/or visitors.

		rried sehold	Male-Headed Household		Female-Headed Household		Non-Family Household		
Year	with children <18 years	no children < 18 years	with children < 18 years	no children < 18 years	with children < 18 years	no children <18 years	Not Living Alone	Living Alone	All Households
2000	2,804	4,628	297	284	686	587	1,415	3,755	14,456
2000	19%	32%	2%	2%	5%	4%	10%	26%	100%
2010	2,331	4,571	280	365	560	672	1,391	4,012	14,182
2010	16%	32%	2%	3%	4%	5%	10%	28%	100%
2010	2,214	5,314	260	272	188	746	1,206	4,705	14,905
2019	15%	36%	2%	2%	1%	5%	8%	32%	100%

TABLE H-9 HOUSEHOLD TYPE IN DANA POINT IN 2000, 2010, AND 201

TABLE H-10HOUSING STOCK IN DANA POINT BY TYPE AND TENURE, 2019

	2019 Owner		2019 Renter		2019 Total	
Type of Unit	Units	Percent	Units	Percent	Units	Percent
1, detached	6,935	73%	1,314	24%	8,267	55%
1, attached	1,504	16%	626	12%	2,130	14%
2 to 4 units	377	4%	1,764	33%	1,141	8%
5 to 9 units	245	3%	666	12%	911	6%
10 units+	385	4%	870	16%	1,255	8%
Mobile homes/other	63	1%	156	3%	219	1%
Total	9,509	64%	5,396	36%	14,905	100%

# **Housing Conditions**

Housing is considered substandard when physical conditions are below the minimum standards of living, which are defined by Section 1001 of the Uniform Housing Code. A housing unit is considered substandard if any of the following conditions exist:

- Inadequate sanitation
   Fire hazards
- Structural hazards
   Inadequate maintenance



Nuisances

- Overcrowding
- Faulty weather protection Hazardous wiring, plumbing, or mechanical equipment
- Households living in substandard conditions are considered in need of housing assistance even if they are not actively seeking alternative housing arrangements. In addition to structural deficiency and standards, the lack of certain infrastructure and utilities often indicates substandard conditions.

According to the 2019 ACS 5-year estimates, there were 10 owner units and 188 renter units without complete kitchen facilities. There were 16 renter units without complete plumbing facilities. Households in Dana Point use a variety of heating sources: 75% use utility gas, 20% use electricity, a little more than 1% do not use a fuel source, and a little more than 1% use an alternative fuel. These figures indicate that only a small proportion of units in the City reflect substandard infrastructure and utility conditions: a tenth of a percent of ownership units and just over three percent of rental units.

## **Age of Housing Stock**

The proportion of the housing stock that is older than 30 years can also indicate the extent of minor and major rehabilitation needs. The majority of the City's housing supply was constructed prior to incorporation in 1989. Table H-11 indicates that as of 2019, over 60% of the City's housing stock was over 30 years old. Approximately 57% of owners and 60% of renters occupy the City's older housing stock.

Year Built	Units	Percent
1939 or Earlier	201	1%
1940 to 1949	201	1%
1950 to 1959	1,233	7%
1960 to 1969	2,683	15%
1970 to 1979	5,568	31%
1980 to 1989	5,277	30%
1990 to 1999	1,794	10%
2000 to 2009	706	4%
2010 to 2013	25	0.1%
Built 2014 or later	177	1%
Total	17,865	100%

TABLE H-11 AGE OF HOUSING STOCK IN DANA POINT BY YEAR BUILT, 2019

The City of Dana Point employees four full time Code Enforcement staff. The Code Enforcement Officers each oversee a unique portion of town, where they can focus on neighborhood improvement. The officers get to know their area and understand which owners need to rehabilitate and upgrade their properties. In 2020 the Code Enforcement team issued 66



notices of violation for residential property maintenance. Of these cases all but three were rectified by the owner without further enforcement. The three outlying properties are currently going through the building permit plan check process to upgrade their houses having been prompted by citations and additional enforcement measures by the City of Dana Point.

In addition to housing rehabilitation needs, there are also housing units in need of replacement. In the last six years of the recent housing cycle (2014-2020), the City Code Enforcement Division declared six homes dangerous and substandard. Three of the homes were declared dangerous and substandard due to a fire. All six homes have been rehabilitated. Other units may need to be replaced due to conversions or casualty losses such as fires. Units needing replacement because of these reasons have already been considered in SCAG's allocation of the regional housing need allocation. According to SCAG and Census housing data, 38 units lack plumbing facilities, and 200 units lack complete kitchen facilities in Dana Point (both numbers reflect 0.26% and 1.4% of the City's housing stock, respectively).

## **Household Income**

The California Department of Housing and Community Development establishes annual income limits across four categories to establish housing affordability thresholds. State law defines the income groups in terms of the percentage of the median income:

- 0-50% of the median income refers to very low income.
- 51-80% of the median income refers to low income.
- 81-120% of the median income refers to moderate income.
- 120%+ of the median income refers to above moderate income.

According to SCAG estimates, approximately 37% of Dana Point households have incomes of less than 80% of the County median income: a maximum of \$66,000 (1-person household), \$76,000 (2-person household), and \$86,000 (3-person household) in 2019. The majority of lower-income households are renters, indicating a need for affordable rental opportunities.

Income Level	Total Households	% Distribution
Very Low (0-50%)	3,098	21%
Low (50-80%)	2,376	16%
Moderate (80-120%)	2,234	15%
Above Moderate (120%+)	6,908	47%
Total	14,616	100%

TABLE H-12HOUSEHOLD INCOME DISTRIBUTION IN DANA POINT



# **Housing Inventory and Market Conditions**

This section summarizes the housing inventory and prevailing market conditions in the City of Dana Point. Analysis of current market conditions provides insight into the City's existing stock of affordable housing. Understanding past housing trends can also indicate the City's future ability to meet housing needs.

## **Housing Costs and Affordability**

The affordability of housing concerns the balance between a household's financial means and the cost of adequate housing and amenities. The costs of homeownership and renting can be compared to a household's ability to pay for housing, based on a percentage of the median income for Orange County and current market prices.

State housing policy defines housing affordability as housing costs equaling no more than 30% of a household's annual income, although the equity and tax benefits of homeownership may permit a higher percentage of income (e.g., 35%) to be used for moderate income housing costs. Table H-13 identifies the maximum affordable rents and purchase prices by income category for a one-person, two-person, and four-person household based on 2020 state income limits.

The cost of homeownership assumes a 30-year mortgage with a 10% down payment and allocations for annual real estate taxes, insurance, and utilities. Note that the various local, state, and federal housing programs may require different calculations of maximum affordable rent or purchase prices.

	Annual Income	Maximum	n Affordable
Income Category	Limit <sup>1</sup>	Rent Payment <sup>2</sup>	Purchase Price <sup>3</sup>
<b>One-Person Household</b>			
Extremely Low	\$26,950	\$674	\$84,100
Very Low (31%-50%)	\$44,850	\$1,121	\$176,000
Low (51-80%)	\$71,750	\$1,794	\$314,000
Median Income	\$72,100	\$1,803	\$315,800
Moderate (120%)	\$86,500	\$2,163	\$389,700
<b>Two-Person Household</b>			
Extremely Low	\$30,800	\$770	\$103,900
Very Low (31%-50%)	\$51,250	\$1,281	\$208,800
Low (51-80%)	\$82,000	\$2,050	\$366,600
Median Income	\$82,400	\$2,060	\$368,600
Moderate (120%)	\$98,900	\$2,473	\$453,300

TABLE H-13 AFFORDABLE RENT AND HOME PURCHASE PRICE IN DANA POINT



TABLE H-13
AFFORDABLE RENT AND HOME PURCHASE PRICE IN DANA POINT

	Annual Income	Maximum Affordable		
<b>Income Category</b>	Limit <sup>1</sup>	Rent Payment <sup>2</sup>	Purchase Price	
Four-Person Household				
Extremely Low	\$38,450	\$961	\$143,100	
Very Low (31%-50%)	\$64,050	\$1,601	\$279,600	
Low (51-80%)	\$102,450	\$2,561	\$471,500	
Median Income	\$103,000	\$2,575	\$474,300	
Moderate (120%)	\$123,600	\$3,090	\$580,000	

Source: PlaceWorks and Zillow, 2020

1. Annual income limits based on California State income limits for 2020.

2. Calculated as 30% of income divided by 12 months; assumes set-asides for utilities.

3. Includes 10% down payment provided by the owner, 30-year period, 4% APR, 1.1% property tax, and set-asides for monthly debt, utilities, real estate taxes, and homeowners insurance.

#### Affordability of Ownership Units

Existing and new home prices in Dana Point are steadily rising as the community moves further and further from the recession of the late-2000s. Although home prices in Orange County's coastal communities generally were not as severely impacted as those in inland communities, foreclosures and short sales significantly increased, which weakened the local housing market. According to Realtor.com, Redfin, and Zillow, the median home sales price in Dana Point was between \$850,000 and \$1 million at the end of 2019. Mortgage rates, however, have steadily declined from 8% in 2000 to less than 5% in 2010 to an average of rate of 3.7 percent for a 30-year fixed loan in 2020. These lower rates offset some portion of the increases in housing costs occurring over the same time period.

However, the overall cost of buying a new home in the City of Dana Point will remain an unlikely option for lower and moderate-income households without substantial financial assistance. The existing stock of resale units will provide some homeownership opportunities for lower income households, particularly for smaller units in older areas of the community and in condominium projects.

#### **Affordability of Rental Units**

The 2015–2019 ACS reports the median gross rent of all rental units in the City at \$2,061. While rental prices have increased more slowly than sale prices, relatively few rental properties have been recently constructed in Dana Point. In 2019, the average apartment rent was \$1,663 for a one bedroom, \$2,088 for a two bedroom, and \$2,795 for a 3-bedroom condo or single-family home (ACS Table B25031).

A comparison of market prices with the rental affordability limits presented in Table H-13 indicates that the rental market could easily serve the moderate and above moderate-income households, with some existing rental units priced low enough for some lower income households.

Rental units require less land and can be built at higher densities than many ownership products. Additionally, rental units do not require the same level of amenities as is expected in



ownership developments. The construction of additional rental units represents a key step in providing affordable housing opportunities for current and future moderate-income households. For lower income households, two rental assistance programs are available. Through the City's participation with the Orange County Housing Authority (OCHA) and the Section 8 program, 24 Dana Point households receive assistance as of December 2020. Additionally, the Housing Initiative Program operated by Mary Erickson Community Housing, in collaboration with the Waldorf Astoria Monarch Beach, provides rental assistance to hotel employees. In 2020, approximately 37 employees received assistance.

### **Perceived Housing Affordability**

The periodic (2014 through 2019), Community Health Needs Assessments conducted by Mission Hospital provided South Orange County residents and organizations multiple opportunities to participate in focus group sessions. In addition to topics such as physical and mental health, the focus groups discussed housing and homelessness. For many, the combination of increasing rent prices and stagnating wages/salaries has created an increasingly common situation where multiple low-income individuals and families are living under the same roof. The assessments revealed that even finding affordable units is challenging, and those that exist are often of lower-quality and in need of repairs.

The City obtained addition input from an interview with Welcoming Neighbors Home (WNH), an initiative of the Tapestry Unitarian Universalist Congregation focused on serving and advocating for people experiencing homelessness in the area in and around southern Orange County. The WNH representatives indicated that a number of those they serve cannot find landlords who will accept HUD vouchers, increasing the difficulty of finding housing and increasing the likelihood and duration of homelessness.

#### Inventory of Income-Restricted Units

City records identified three projects currently providing 98 units of affordable housing, all of which are preserved in perpetuity. The income-restricted units anticipated to be built as part of the Victoria Boulevard Apartments project would also be preserved in perpetuity.

**Domingo/Doheny Park Road:** The Orange County Community Housing Corporation built the Domingo/Doheny Park Road rent-restricted project in 1983 specifically for large families. The project consists of 24 three-bedroom units for very low-income households. Affordability is for the life of the project, thereby eliminating any risk of conversion by 2031.

**South Cove:** At completion, the new residential development will add a total of 168 flats and townhouses for purchase, with 17 reserved for income qualified buyers. The 17 units will be preserved in perpetuity for households in the moderate-income threshold (110 percent of median household income). Sixteen of the 17 are currently built and occupied, with the 17<sup>th</sup> unit expected to be built within the next two years. With affordability preserved in perpetuity, there is no risk of conversion by 2031.



**Monarch Coast Apartments:** Out of 418 units, the Monarch Coast Apartments provides 40 one- and two-bedroom units for lower income households. Half of these are restricted for very low income households and half are restricted for low income households as guided by HUD fair market rents. These units were originally financed by a \$31.8 million bond in 1999 and will be preserved in perpetuity, thereby eliminating any risk of conversion by 2031.

**Silver Lantern Apartments:** A total of 17 housing units are owned by the Caritas Corporation and operated by the Friendship Shelter as permanent supportive housing for those experiencing chronic homelessness. The complex was originally rented at market rates above the low income threshold and is now converted to rent at levels affordable to extremely low income households (up to 30 percent of median household income). The units were originally financed in 2017 using a combination of state funds and revenue bonds and will remain affordable in perpetuity.

State housing element law requires the analysis of government-assisted housing that is eligible to change from lower income housing to market rate housing within 10 years after the beginning of the planning period (2031). As none of the units described in the previous paragraphs are at risk of converting to market rate by 2031, no analysis of preserving at-risk units is required.

# **Housing Needs**

The following analysis of current City housing conditions presents housing needs and concerns relative to various segments of the population. Several factors will influence the degree of demand or need for new housing and housing assistance in Dana Point in coming years. The three major categories of existing need considered in this element include:

- Overpayment refers to renters and homeowners who pay more than 30% of their gross incomes for shelter.
- Overcrowding occurs when lower income households cannot afford adequately sized housing and move into a smaller housing unit housing for available money. This may result in overcrowding where more than one person per room occupies a housing unit.
- Special needs are those associated with relatively unusual occupations or demographic groups that call for very specific program responses, such as preservation of residential hotels or the development of four-bedroom apartments. State law specifically requires analysis of the special housing needs of the elderly, the disabled, single-parent households, large families, farm workers, and homeless persons.

### Overpayment

Overpayment is generally defined as a renter household spending more than 30 percent or an owner household spending more than 35% of gross monthly household income on rent or a mortgage. Eventually this high cost of housing causes individuals with fixed incomes, particularly the elderly and lower income families, to spend a disproportionate percentage of



their income for housing. This may cause a series of related financial problems, which may result in a deterioration of housing stock because maintenance must be sacrificed for more immediate expenses such as food, clothing, health care, and utilities. It may also result in the selection of inappropriately sized units that do not suit the space or amenity needs of the household.

The 2019 American Community Survey (ACS) estimates that there are 54% of renter and 37 percent of owner-occupied households in Dana Point experience some level of overpayment (see Table H-14). Additional information from the ACS indicates that the vast majority (80 percent) of the City's 1,667 renter households that earn less than \$50,000 spent over 50 percent of their income on rent, with roughly two-thirds of such households paying at least \$1,500 per month in rent.

Tenure	Moderate Overpayment (30% to 49% Renter, 35% to 49% Owner)			/erpayment enter or Owner)	<b>Overpaying Households</b>		
	Number of Households	% of Total	Number of Households	% of Total	Number of Households	% of Total	
Renter	1,386	26%	1,544	29%	2,930	54%	
Owner	1,608	18%	1,952	22%	3,560	40%	
Total	2,994	20%	3,496	23%	6,490	43%	

TABLE H-14 OVERPAYMENT IN DANA POINT BY TENURE, 2019

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## Overcrowding

In response to higher housing prices, lower income households often settle for smaller, less adequate housing that results in overcrowding. Overcrowding strains physical facilities and can lead to unsatisfying or even unhealthy living environments.

Both state and federal housing law define overcrowded housing units as those in which there are more persons than rooms. Severe overcrowding is measured by the number of housing units with 1.51 or more persons per room. The rooms do not include bathrooms, kitchens, and hallways, but includes other rooms such as living and dining rooms. An overcrowded housing unit does not necessarily imply one of inadequate physical condition.

According to 2019 ACS 5-year estimates, there are 284 overcrowded rental households in Dana Point, representing roughly 5% of all rental households. Overcrowding is virtually nonexistent in ownership households. Despite the City's high housing costs, it appears that most lower income households are willing to pay a larger percentage of their income to avoid living in overcrowded conditions.



## TABLE H-15 OVERCROWDED HOUSEHOLDS IN DANA POINT, 2019

	ded Owner eholds		ded Renter eholds	All Overcrowded Households		
Number	% of Total	Number	% of Total	Number	% of Total	
27	<.01%	284	5%	311	2.1%	

## **Special Needs Groups**

Certain population groups are considered to have special housing needs. These groups include disabled persons, the elderly, large households, farm workers, female householders, extremely low-income households, homeless persons, and persons in need of emergency shelter. In many cases, the needs of these population groups are met in housing specifically designed for them.

The City publishes a Housing Resources Directory (available on the City's website and periodically updated) to assist Dana Point residents in finding affordable housing and related support. The directory describes programs operated by the City and other agencies and lists appropriate contact information. Many of these programs serve the special needs populations such as the disabled, homeless, and those in need of transitional housing.

### **Disabled Persons**

The Federal Rehabilitation Act of 1973, Section 104.3(j) defines a disabled person as "any individual who has a physical or mental impairment which substantially limits one or more major life activities, has record of such impairment, or is regarded as having such impairment." The disabled population encompasses several distinct groups such as, but not limited to, the physically handicapped, developmentally disabled, and severely mentally ill. The special housing needs of these populations include independent living units with affordable housing costs, supportive housing with affordable housing costs, and housing with design features that facilitate mobility and independence.

Many physically disabled or handicapped persons are living on state disability income benefits. The following type of supportive housing may be desirable for this population:

- Affordable to low- and moderate-income persons
- Wheelchair accessible
- Equipped with roll-in showers, grip bars, ceiling fans with extended cords, low sinks and light switches, automatic door openers
- Close to public transportation and stores

The State Department of Developmental Services provides community-based services to developmentally disabled persons through contracted regional centers. The Regional Center



Orange County (RCOC) is charged by the State of California with the care of people with developmental disabilities, defined as those with severe, life-long disabilities attributable to mental and\or physical impairments. RCOC serves approximately between 50 and 125 people a year in Dana Point with a developmental disability.

According to the 2019 ACS approximately 3,220 residents in Dana Point have at least one disability: 159 children, 1,064 adults, and 1,997 elderly. The ACS collects data on people with a disability in six categories: difficulty with hearing, vision, a cognitive impairment, ambulatory ability, self-care, and independent living. Residents living with a disability may be diagnosed with more than one disability—and so the number of individuals reported by disability is greater than the actual number of individuals with a disability. Table H-16 demonstrates the numbers of persons in each age group that have one or more disability. Less than 5% of adults (age 18-64) in the City are affected by a disability. The greatest challenges for disabled adults are cognitive impairment and living with an ambulatory difficulty. About 25% of elderly residents (age 65 and over) are impacted by a disability, with the greatest difficulty in ambulatory ability and living independently.

PREVALENCE OF DISABILITIES IN DANA POINT BY AGE, 2019								
Disability Type	Under 18 years	18 to 34 Years	35 to 64 Years	65 Years and over	Total			
With a hearing difficulty	64	19	210	811	1,104			
With a vision difficulty	31	42	61	361	495			
With a cognitive difficulty	95	153	381	567	1,196			
With an ambulatory difficulty	31	50	284	1,197	1,562			
With a self-care difficulty	20	64	250	450	784			
With an independent living difficulty	0	105	284	786	1,175			
Individuals with one or more disability	159	281	783	1,997	3,220			
Total individuals	5,227	4,776	15,724	8,042	33,769			

**TABLE H-16** 

Source: 2019 ACS 5-Year Estimates, Table S1810

### **Elderly Population and Households**

Elderly persons may experience special housing needs related to fixed income, health care support, and transportation. These characteristics indicate a need for smaller, lower-cost housing units with easy access to transit and health care facilities.

The City conditionally permits "Senior Citizen Housing," defined as licensed housing for persons 62 years of age or older or unlicensed housing for persons 55 years of age or olderincluding such housing facilities as retirement villas, apartments, and condominiums, (but not including state-licensed rest homes, group homes, or convalescent hospitals, which are separately regulated)—in the highest density residential single-family zone (RSF 22), several residential multifamily zones (RMF 7, 14, 22, and 30), and in mixed-use zones (Commercial/Residential and Professional/Residential). Senior citizen housing can provide a source of affordable housing because it is permitted at densities up to 30 units per acre and



enjoys reduced parking requirements (only required to provide one covered and assigned stall, plus one-half of a guest stall per dwelling unit).

As of 2019, there were an estimated 11,209 persons who were 60 or older residing in Dana Point and the ratio of females to males in this age group is 1.1. Table H-17 reports on the age of householder by tenure distribution for the City. There are an estimated 3,652 senior households in the 65 to 75 years and 75+ age groups. The majority of Dana Point's senior households are in the 65–74-year bracket—1,980 of the 3,652 households—and approximately 13% out of all householders are 75 years or older. Of the total senior households older than 65 years, 85% are owners and 15% are renters.

TABLE H-17ELDERLY HOUSEHOLDERS IN DANA POINT BY TENURE IN 2010 AND 2019

Age of			2010					2019			
Householder	Owner	%	Renter	%	Total	Owner	%	Renter	%	Total	
65 to 74	1,712	55%	268	48%	1,980	2,291	53%	751	73%	3,042	
75+	1,379	45%	293	52%	1,672	2,009	47%	273	27%	2,282	
Total	3,091	100%	561	100%	3,652	4,300	100%	1,024	100%	5,324	

The high percentage of senior homeowners may indicate a need for programs that assist seniors in maintaining their homes and facilitate independent living. The Dana Point Senior Center conducts free senior home assessments and provides case management to foster safe independent living. The Dana Point Senior Center performs an average of eight senior home assessments per year and performed 74 home checks for the participants of meal delivery to ensure their living conditions remain above standard. Other Senior Center programs that facilitate independent living include meal delivery, no-cost Medicare and insurance counseling, no-cost legal consultation, visual aide consultation for low-vision seniors, and social activities.

According to Table H-18, 70% of all seniors 65+ years live in families. Approximately 27% of Dana Point seniors live in nonfamily households, with 98% of these living alone. An estimated 21% of all seniors in this age group are women living alone. Seniors who live alone may greatly benefit from the free home assessment and social activities organized by the Dana Point Senior Center. Activities include a group lunch each weekday as well as special luncheons, twilight dinners and day-long outings each month.



# TABLE H-18 HOUSEHOLD STATUS FOR PERSONS OVER THE AGE OF 65 IN DANA POINT. 2019

Household Status	Number	Percent
In Family Households		
Male householder	2,085	26%
Female householder	898	11%
Spouse	2,209	28%
Parent	72	<1%
Other Relative	124	2%
Nonrelatives	56	<1%
Nonfamily Households		
Male householder, living alone	767	10%
Male householder, not living alone	177	2%
Female householder, living alone	1,258	16%
Female householder, not living alone	139	2%
Nonrelatives	190	2%
In group quarters	67	<1%
Total	8,042	100%

Some elderly persons need supportive housing assistance if they are disabled and/or frail. According to the data in Table H-19, there are an estimated 1,997 seniors (age 65+) with disabilities out of a total of 7,7986 (24%). Disabled seniors may need assisted living facilities or basic support services in order to maintain independence. For seniors ages 60 and over whose limited mobility impairs shopping and cooking, the Dana Point Senior Center will deliver three meals each weekday for a donation of \$7.50 dollars per day. Transportation is also a critical concern for many seniors, particularly those who are disabled. The Orange County Transportation Authority operates the nonemergency South County Senior Transportation to and from the Community / Senior Center. AgeWell Senior Services provides non-emergency medical transportation in Orange County for \$2 a ride.

Less than 2% of the seniors 65+ years in nonfamily households live in group quarters. Group quarters include state-licensed residential care facilities for six or fewer persons. These facilities are permitted by right in any residential zone within Dana Point. In 2021, the California Department of Social Services Community Care Licensing Services reported four small residential care facilities with a collective capacity to house 24 persons in Dana Point. The City also has two large residential care facilities with the ability to serve 164 persons. The nearby cities of San Clemente, Laguna Niguel, and San Juan Capistrano also provide additional means for seniors to remain in the area. The combined cities offer 74 residential care facilities, providing over 1,000 beds in South Orange County.



Dana Point seniors also greatly benefit from the resources made available by the County of Orange Office on Aging, the lead advocate for seniors residing in Orange County communities. The goals of the Office on Aging include improving transportation, health and safety, and access to affordable housing for the county's elderly population. The Office on Aging operates the InfoVan, a traveling library of outreach materials for seniors and their caregivers that makes scheduled stops throughout the county. Another resource is the Office on Aging's website, which provides an extensive database of useful information, such as guides for financial and legal matters, nutrition and exercise, safety, prescription medicine, diseases and conditions, and transportation.

Status	Total	% of Seniors
Hearing Difficulty	811	10%
Vision Difficulty	361	4%
Cognitive Difficulty	567	7%
Ambulatory Difficulty	1,197	15%
Self-Care Difficulty	450	6%
Independent Living Difficulty	786	10%
Total Senior Disabled	1,997	25%
Total Senior Population	8,042	100%
Source: 2019 ACS 5-Year Estimates, Table	S1810	

TABLE H-19 LIMITATIONS OF THE SENIOR (65+) POPULATION IN DANA POINT, 2019

# **Large Households**

In 2019, Dana Point had an estimated 14,905 total households, of which 633 were defined as large households—five or more persons. These large households accounted for 4% of the City's total households, as indicated by the data in Table H-20. Approximately 4% (256) of the City's owner households and 7% (377) of the City's renter households are large households. Large households need more space at affordable housing costs.

Household	Owner		Renter		Total	
Size	Number	%	Number	%	Number	%
1 person	2,714	29%	1,992	37%	4,706	32%
2 persons	4,455	47%	1,551	29%	6,006	40%
3 persons	1,190	13%	875	16%	2,065	14%
4 persons	894	9%	601	11%	1,495	10%
5 persons	159	2%	243	5%	402	3%
6 persons	48	<1%	125	2%	173	1%
7 persons	49	<1%	9	<1%	58	<1%
Total	9,509	64%	5,396	36%	14,905	100%

TABLE H-20HOUSEHOLDS IN DANA POINT BY HOUSEHOLD SIZE AND TENURE, 2019



# **Farm Workers**

Low wages and the seasonal nature of many agriculture jobs create special needs for farm workers. According to the U.S. Census Bureau Longitudinal Employer-Household Dynamics, there are an estimated 88 Dana Point residents employed in the "agriculture, forestry, fishing, and hunting" sector, many of which are fishermen likely due to the Dana Point Harbor and easily accessible ocean. The need for housing generated by farm workers is estimated to be nominal and can be adequately addressed by the City's affordability programs, particularly in the expansion of opportunities for Single Resident Occupancy hotels in the Town Center and Doheny Village planning areas and Community Facilities zone.

### **Single-Parent Householders**

According to the ACS 2019 5-year estimates, 3% of family householders in the City are single parents with children under 18 years of age. Of those single-parent householders, 42% are female and 58% are male. Female-headed households are considered a special needs group because of reported lower incomes than their male counterparts. There are approximately 6,641 households in Dana Point are headed by an individual without a spouse or partner. Of these, 3,920 are female-headed households and 137 have children. These single-income households may have a need for lower and moderate-income rental and homeownership opportunities.

# **Extremely Low Income Households**

Extremely low-income households are defined as those earning no more than 30% of the area median income. According to the Southern California Association of Governments, approximately 1,945 households in Dana Point were categorized as extremely low-income households. Many of these extremely low-income households are likely seniors, who are no longer working and are living on a fixed income.

The future housing need for extremely low-income households can be estimated (per state law) at one-half of the City's very low-income housing allocation. The City's very low-income housing allocation for the 2021–2029 planning period is 147 units (see Table HI-1), resulting in projected need of 73 extremely low-income households.

Such households could be on the verge of becoming homeless. An extremely low-income household of four would earn less than \$38,450 per year and would be able to spend only \$961 per month in rent before overpaying for housing. A two-person household earning less than \$30,800 would only be able to spend \$770 per month in rent before overpaying for housing.

This population can be most effectively served by Section 8 Housing Certificates and Vouchers and through the construction of second units, small apartments, single room occupancy units, and could benefit from low-cost senior housing. Public input does, however, indicate that it is difficult to find landlords who will accept HUD vouchers, increasing the difficulty of finding housing and increasing the likelihood and duration of homelessness. The Dana Point Town Center Plan, Community Facilities Zone, and Village-Commercial/Residential Zone in Doheny Village conditionally permit high density housing, including SROs.



# Homeless and Those in Need of Transitional or Emergency Shelter

Homeless persons and families lack a fixed, regular, and adequate nighttime residence; their primary nighttime residence is a supervised, publicly or privately operated shelter designed to provide temporary living accommodations, such as welfare hotels, congregate shelters, and transitional housing for those with mental health issues; an institution that provides a temporary residence for individuals intended to be institutionalized; or a public or private place not designed for or ordinarily used as a regular sleeping accommodation for persons.

A homeless individual is defined as a youth (17 years or younger) not accompanied by an adult (18 years or older) or an adult without children. A homeless family is defined as a family that includes at least one parent or guardian and one child under the age of 18, a pregnant woman, or a person in the process of securing legal custody of a person under the age of 18 who is homeless. Other subpopulations of the homeless include persons experiencing: chronic homelessness; mental health issues; substance use; physical disability; domestic violence; HIV/AIDS]; and/or a development disability. Many homeless individuals fall into one or more of these subpopulations.

A "Continuum of Care" system for homeless persons involves five components:

- Outreach/Needs Assessment: A Continuum of Care begins with a point of entry in
  which the needs of a homeless individual or family are assessed. In most communities,
  the intake and assessment component is performed by an emergency shelter or through
  a separate assessment center. To reach and engage homeless persons living on the street,
  the homeless service system should include a strong outreach component.
- **Emergency Shelter:** The County's 2019 Point in Time (PIT) Survey indicates on a countywide basis that 3,961 individuals and 110 families were experiencing unsheltered homelessness, with shelters experiencing average occupancy rates of 79%.
- Transitional Housing: Transitional housing provides rehabilitative services such as substance abuse treatment, short-term mental health services, and independent living skill classes. Appropriate case management should be accessed to ensure that persons receive necessary services. According to the County's PIT Survey, on a countywide basis, transitional housing facilities experienced an average occupancy rate of 78% in 2019.
- **Permanent Supportive Housing:** Once a needs assessment is completed, the person/family may be referred to permanent housing or to transitional housing where supportive services are provided to prepare them for independent living. For example, a homeless person with a substance abuse problem may be referred to a transitional rehabilitation program before being assisted with permanent housing. Some individuals, particularly persons with chronic disabilities, may require ongoing supportive services once they move into permanent housing.

The County of Orange conducts a countywide housing needs assessment every other year. Needs assessments, point-in-time counts, and gap analysis are not conducted on a city-by-city basis. Instead, information is combined from local organizations that serve the homeless. One organization may respond to the needs of homeless persons originating from several cities;



thus, the County's reports provide a countywide overview of the homeless and not any information specific to the City of Dana Point.

The County's 2019 Point in Time (PIT) Report (aka Homeless Census & Survey) provides the following estimates of persons and families that compose homeless subpopulations in the South Service Planning Area, which encompasses Dana Point. The South Service Planning Area stretches from Highway 261 in Irvine to the County line, and spans from the Pacific Ocean east to the County line, excluding Newport Beach. These estimates are summarized below:

- It is estimated that on any given day there are 763 homeless persons in the South Service Planning Area. More than 30 percent of these individuals experience homelessness as part of a family, with children making up slightly more than 20 percent of all homeless persons.
- Roughly 71 percent of all homeless individuals are unsheltered, including 68 minors and 65 victims of domestic abuse. Furthermore, chronically homeless individuals constitute 33 percent of the homeless population.
- Of the homeless surveyed in the South Service Planning Area, many indicated that they had a disabling condition. These conditions include a physical or developmental disability, mental illness, substance use issues, and HIV/AIDS. Mental health issues, physical disabilities, and substance use issues were most prevalent.

It is difficult to estimate the number of victims of domestic violence in the County since many cases go unreported. Within the network of service providers in the county, several programs operate that specialize in services for homeless subpopulations. Through proactive outreach or referrals, homeless individuals and families may reach any one of the components of the county's system of care. Once in the system, the region's network of service providers is geared toward moving the individual or family through the continuum toward self-sufficiency.

The transient nature of the homeless population makes obtaining a firm count difficult. The county-wide Point in Time (PIT) count of homeless people, which does not provide data specific to Dana Point, indicates a steady increase across the county in homelessness since 2013. In 2017 the PIT counted 286 homeless persons in South Orange County, which many believe to be an underestimate. In 2015, Dana Point commissioned its own homeless count, which found 35 visible homeless persons living in Dana Point. In 2019, the PIT count found 32 visible homeless persons living in Dana Point and the PIT in 2021 was postponed due to the COVID-19 pandemic.

More recently, to estimate the size of its homeless population, Dana Point relies on the number of known individuals who have been assessed by Dana Point's outreach worker. Those numbers fluctuate. In September 2016, there were 43 clients, in August 2017 there were 59 and by December 2017 there were 46 active homeless clients reported by the City outreach worker. In 2020, there was a monthly average of 20 homeless clients reported by the City outreach worker. These figures do not count those homeless persons who avoid contact with the outreach workers or who are service-resistant. Likely, there is an additional population,



who are unstably housed living in vehicles or couch surfing. Of those active clients, the median age is over 50, two thirds are male and the length of time living on the streets is five to six years. In 2020, the total number of individuals contacted by the City's outreach team was 87. The number of interactions, which includes calls, meetings, collaborations, and linkages to other service providers was 456. In 2020, 48 individuals were housed.

In April 2014, the Dana Point City Council established the Dana Point Homeless Task Force. In its first few years, the Task Force embarked on data collection, establishment of a Homeless Liaison Officer and entered a contract with Mercy House for part-time outreach and housing strategies. In the summer of 2017, the Task Force was reorganized and developed a draft Work Plan driven by the following purpose statement: "By working jointly with our neighboring cities, the County of Orange, and other engaged public agencies, and working through nonprofit organizations that provide services to the homeless, create a sustainable, measurable program to eliminate the necessity of homelessness in the Dana Point regional area."

The City recognizes that the complete elimination of homelessness in the near future is unlikely, so it is aiming realistically to reduce the number of homeless individuals living on Dana Point's streets by facilitating their transition into stable housing, self-sufficiency, or the return to a home-based support network. Professional Street Outreach, a Reconnection Program, and Emergency Services for the individuals and families are the primary activities undertaken to reach this outcome.

The City recognizes several challenges to its efforts to reduce homelessness. The primary barrier to housing the homeless is a lack of available affordable housing options and supportive housing in the county. The City will be actively working to help identify and/or contribute to the establishment of housing options. The Association of California Cities – Orange County Chapter has convened a steering committee comprised of city representatives to identify potential locations for housing, identify any issues or impediments, and financing for potential developments. One of the main goals of the steering committee is to approach funding distributed at State and Federal levels as a region, rather than as individual communities. The strategy's purpose is to convince decision makers that homelessness in Orange County should get a greater share of funds than has traditionally been allocated.

In 2017, the City entered into a joint powers agreement to issue \$67.5 million in revenue bonds for the Caritas Corporation to finance the acquisition and improvement of an existing apartment complex and operate it as a permanent supportive housing complex for those experiencing homelessness. Known as the Silver Lantern, the complex is operated by the Friendship Shelter and offers 17 rental units for extremely low income households.

Emergency shelters of up to 20 beds are permitted by right in the Community Facilities (CF) zone. There are 56.6 acres of CF, of which one acre is currently vacant (the site slated for the Victoria Boulevard Specific Plan is excluded). Emergency shelters for a maximum of 10 beds are permitted by right as an accessory use in places of worship or up to 20 beds with a conditional use permit.



In accordance with recent changes to state law (Government Code Section 65662, enacted through Assembly Bill 101, 2019), low barrier navigation centers must be allowed by right in areas zoned for mixed use and nonresidential zones permitting multifamily uses. Low barrier navigation centers are defined as a housing-first, low-barrier, service-enriched shelter focused on moving people into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing. "Low Barrier" means best practices to reduce barriers to entry, and may include, but is not limited to, the following: (1) the presence of partners if it is not a population-specific site, such as for survivors of domestic violence or sexual assault, women, or youth; (2) pets; (3) the storage of possessions; and (4) privacy, such as partitions around beds in a dormitory setting or in larger rooms containing more than two beds, or private rooms. The City, as part of Program X, will update its Zoning Code to be consistent with state law.

In conjunction with emergency shelters, the Zoning Code allows supportive services such as food, counseling, and access to other social services. In establishing conditions for all uses requiring a CUP, the City seeks to ensure the health and safety of the use and surrounding uses. The factors that are usually considered include parking, noise, and operational features of the use.

There are several options for providing emergency shelters in Dana Point, ranging from new construction to small modifications to existing facilities. Places of worship often have volunteer committees that serve the homeless and provide supportive services for people in transition to self-sufficiency. Such places of worship may be well positioned to provide emergency shelter. As previously stated, the Zoning Code allows emergency shelters providing up to 10 beds as accessory uses to places of worship without a conditional use permit or other discretionary permit. There are approximately 11 places of worship in Dana Point. By allowing new emergency shelters in the CF zone, conversion of existing buildings in the CF zone to shelters, and accessory shelters in places of worship, the City has the potential to accommodate 100 or more emergency shelter beds.

Transitional housing and supportive housing are permitted as a residential use in Dana Point. They are only subject to those restrictions that apply to other residential dwellings of the same type in the same zone. Facilities of this nature offer an interim home for homeless individual and families as they transition into permanent and maintainable housing.

Homeless persons in the City of Dana Point and its environs are served by a variety of South Orange County organizations. Table H-21 identifies the organizations and homeless shelters and facilities in or close to Dana Point.

• **Toby's House:** Toby's House is a nonprofit organization with two transitional housing facilities in Dana Point that serve homeless, pregnant women and their children under age five. Toby's House provides expectant mothers with shelter, prenatal care, life skills courses, and access to childcare so they may work, go to school, or complete a job training program.



- Laura's House: A state-approved domestic violence agency serving South Orange County battered women and children. Laura's House provides housing, counseling, and legal services.
- Mental Health Association of Orange County-Outreach Services: This nonprofit
  organization uses CDBG funds to provide mobile outreach services for emotionally
  disabled homeless. Services may include assistance for temporary shelter, outreach, and
  referral for transitional programs.
- Salvation Army/Family Services/South Orange County: The Salvation Army food, utility assistance, transportation, clothing, and household item distribution center serving South County communities is in San Clemente, approximately five miles from the city center of Dana Point.
- **Friendship Shelter:** Located in Laguna Beach and serving south Orange County, the facility provides shelter and a program to assist single men and women get back on their feet.
- **Community Services Program (CSP):** This nonprofit organization provides emergency shelter and counseling to youth and their families in south Orange County.
- San Clemente Community Service Center: The Center offers food bags, including brown bag lunch during office hours. These services are provided when funds are available—rent, mortgage, and utility assistance; transportation (bus tickets); transitional housing; info/referral; and counseling.
- South County Outreach: This nonprofit organization provides condominium housing for homeless families in South Orange County. Facilities are located in Lake Forest, Laguna Niguel, and Mission Viejo. Services include groceries, cleaning supplies, career coaching, computer training, legal counseling, consumer credit counseling, and psychological counseling.
- **Gilchrist House:** Owned and operated by Family Assistance Ministries (FAM), this organization provides a transitional shelter for single women and women with children under the age of one in San Clemente. FAM also provides a food pantry, rental and utility assistance, workforce development, and free nurse visits at churches throughout South Orange County.
- **The Teen Project:** Located in Lake Forest, this group provides transitional housing for emancipated foster youth ages 18 to 24.
- **Our Father's Table:** Assists those experiencing chronic homelessness and connects them to services and agencies with the goal of ending their cycle of homelessness.

These services comprise one or more components of a Continuum of Care plan for homeless persons and families in Dana Point and the South Orange County area. The City will continue to refer those in need to the above services and facilities. The City also will periodically update its inventory of service providers.



# TABLE H-21 ORANGE COUNTY HOMELESS SHELTERS

	ORANGE COUNTY HOMELESS SHELTERS						
	Shelter	Location	Organization	Population Served	Max Stay	Charge	
1	Alternative Sleeping Location Day Program	Laguna Beach	Friendship Shelter	Singles	30 days	\$ (no fee)	
2	Armories	Santa Ana; Fullerton	City Net	Open (Adults)	n/a	\$ (no fee)	
3	Bethany Women's Shelter	Santa Ana	Mercy House Living Centers	Single Women	6 mos.	Sliding Scale	
4	Beverly's House	Santa Ana	Orangewood Foundation	18–24 yr old women	n/a	n/a	
5	Casa Youth Shelter	Los Alamitos	Casa Youth	At Risk Teens 12– 17	n/a	\$ (no fee)	
6	Domestic Violence Emergency Shelter	Confidential	Human Options	Survivors of domestic violence	45 days	24 at \$4.00/day	
7	Domestic Violence Emergency Shelter	Seal Beach	Interval Housing	Survivors of domestic violence and their children	n/a	\$ (no fee)	
8	Domestic Violence Transitional Shelter	Seal Beach	Interval Housing	Survivors of domestic violence and their children	n/a	\$ (no fee)	
9	Eli Home	Seal Beach	Eli Home	Women w/kids 12 years or younger	n/a	Sliding Scale	
10	Emergency Maternity Shelter	Orange	Casa Teresa	Preg. Adults	n/a	\$(no fee)	
11	Family Promise of Orange County, Inc.	Confidential	Family Promise of Orange County	Couples w/children 18 and under	2 mos.	\$ (no fee)	
12	Gerry House	Santa Ana	Straight Talk Clinic, Inc.	Adult Substance Users/HIV/AIDSs	90 days	Sliding Scale (accepts MediCal)	
13	Hannah's House	Orange	Casa Teresa	Singles/Pregnant	n/a	n/a	
14	H.I.S. House	Placentia	Homeless Intervention Shelter-OC	Families/Singles	4 mos.	n/a	
15	House of Hope	n/a	Orange County Rescue Mission	Single Women or Women w/kids	18 mos.	\$	
16	La Mesa Emergency Shelter	Anaheim	Illumination Foundation	Singles, couples, and/or families	n/a	\$ (no fee)	
17	Laura's House	Garden Grove	Laura's House	Survivors of domestic violence	30-45 days	n/a	
18	Laurel House	Tustin	Orange County Rescue Mission	Teen girls 12-17	6-18 mos.	Sliding Scale	
19	Mary's Path	Santa Ana	Teen Shelter	Preg. Teens	n/a	\$	
20	Joseph House	Santa Ana	Mercy House	Single Men	24 mos.	\$350/mo	



# **TABLE H-21 ORANGE COUNTY HOMELESS SHELTERS**

	ORANGE COUNTY HOMELESS SHELTERS						
	Shelter	Location	Organization	Population Served	Max Stay	Charge	
21	New Vista	Fullerton	Pathways of Hope	Families	30-45 days	\$	
22	Precious Life Shelter	Confidential	Precious Life	Preg. Adults	30 days	\$	
23	Regina House	Confidential	Mercy House	Single Women w/kids	30-90 days	\$	
24	Rising Tide Communities	Tustin	Orangewood Foundation	Foster Youth 18 and older	n/a	\$200/month with a \$50 increase every 3 mos.	
25	Salvation Army Hospitality House	Santa Ana	Salvation Army	Homeless men	21 days every 45 days	\$	
26	Salvation Army Human Trafficking Interim Housing	Confidential	Salvation Army	Human trafficking victims rescued by HTTF	n/a	n/a	
27	Salvation Army Transitional Housing Program	Confidential	Salvation Army	At risk families	n/a	n/a	
28	Second Step	Confidential	Human Options	Survivors of domestic violence	12 mos.	1/3 income	
29	South County Outreach	Lake Forest; Laguna Nigel; Mission Viejo	South County Outreach	Families	Avg. 6–9 mos.	Rent that does not exceed 30% of the family's income	
30	The Link	Santa Ana	Illumination Foundation	Singles, couples, and/or families		\$ (no fee)	
31	The Sheepfold Transitional Shelter	Orange	The Sheepfold	Survivors of domestic violence and their children	6 mos.	\$ (no fee)	
32	Thomas House	Garden Grove	Thomas House Family Shelter	Families	n/a	0 for 6 mos./20% income	
33	Veterans First	Santa Ana	Veterans First of Orange County	Veterans	n/a	25% of income	
34	Vietnamese League	Garden Grove	Vietnamese League of Orange County	Asian refugees	n/a	n/a	



# 2018 Community Survey

In early December 2018, the City conducted a week-long survey that solicited feedback from members of the community. A total of 791 responses were collected via online and over-thephone interviews. The survey covered a variety of relevant topics, but homelessness was one of the most prominent discussion points for many respondents.

When asked an open-ended question about the most serious issue facing the City, 41% of respondents cited homelessness. Furthermore, 65% of respondents indicated that homelessness was either a very serious or extremely serious problem, making it the highest-ranked issue from a provided list of options. Approximately 82% of respondents indicated that addressing the number of individuals experiencing homelessness was either a very important or extremely important service provided by the City, but only 29% were satisfied with the City's management of the issue so far. Interestingly, the proportion of individuals satisfied with the City's response represents a 11% increase over 2017.

Dovetailing off these results, 80% of respondents conveyed that a homeless liaison officer was a medium or high priority for public safety spending, making it the fourth highest-ranking on the list of eight options. The desire for increased funding to address the homelessness issue was echoed by 32% of residents in an open-ended, follow-up question. For comparison, the next highest response was cited by only 18% of respondents.

# **Evaluation of Previous Housing Strategies**

Section 65588(a) of the Government Code requires that the City review the currently adopted Housing Element to evaluate:

- "The appropriateness of the housing goals, objectives, and policies in contributing to the attainment of the state housing goal."
- "The effectiveness of the housing element in attainment of the community housing goals and objectives."
- "The progress of the city ... in implementation of the housing element."

# Appropriateness of Previous Housing Goals, Objectives, and Policies

The previous Housing Element included appropriate goals and policies to encourage affordable housing and meet the requirements of state law. The update to the Housing Element includes the following evaluation of the previous goals, objectives, and policies to better understand how the City can and/or should take stronger action toward providing and maintaining quality affordable and market rate housing in Dana Point. Certification of the update is desired not only to meet the intentions of state law, but also to assist the City in implementing programs proposed to meet the housing needs of Dana Point residents. Table H-22 identifies and evaluates all of the housing programs in the 2014–2021 Housing Element, including their level of achievement and recommendations for future activity.



#### **EVALUATION MATRIX OF 2014–2021 HOUSING ELEMENT PROGRAMS** Program Intent Objective Level of Achievement **Evaluation** Goal 1: Identify Adequate Sites for a Variety of Housing Types 1.1 Housing Continue to monitor Maintain capacity to Capacity maintained to Continue to **Element Sites** meet the RHNA. meet the remaining residential monitor sites Monitoring development proposals **RHNA** allocation inventory and to ensure there are throughout the planning maintain adequate sites to period. adequate accommodate the capacity. RHNA throughout the planning period. 1.2 Density Utilize density bonus 10 lower income units The City did not receive City staff **Bonus Housing** provisions in the Town (through either market any requests for density proposes to Center and citywide. rate or SRO projects). bonus. update the City's existing density bonus ordinance in compliance with State regulations. Received 45 1.3 Second Promote the Approve 1-2 lower City staff Units development of second income second units applications, issued 26 proposes to annually, for a total of building permits, and units. update the 10 units. Continue to issued 13 certificates of City's existing promote second units as occupancy for ADUs second unit within the planning an affordable housing ordinance in option in the City's period. compliance with State **Housing Resource** Directory, with regulations brochures, and on the for Accessory City's website. Dwelling Units. Goal 2: Assist in the Development of Adequate Housing to Meet the Needs of Low and Moderate Income Households Continue to apply with 2.1 Mortgage Maintained agreement A federal income tax Continue program that increases Credit the County of Orange to with County of Orange program with Certificates the loan amount offered maintain eligibility for to administer program. Orange to a qualifying Dana Point residents. County homebuyer and reduces Housing federal income taxes by Authority. 20% of the annual interest paid on the home mortgage. 2.2 Mortgage Provides silent second Continue to apply with Maintained agreement Continue Assistance loans to qualifying very the County of Orange to with County of Orange program with Program low and low income maintain eligibility for to administer program. Orange first-time homebuyers. Dana Point residents. County Housing Authority.

# **TABLE H-22**



# TABLE H-22 EVALUATION MATRIX OF 2014–2021 HOUSING ELEMENT PROGRAMS

Program	Intent	Objective	Level of Achievement	Evaluation
2.3 CalHome First-Time Homebuyer Assistance	Apply to participate in the County's CalHome application. Qualifying residents of participating cities may apply for silent second loans.	Continue to apply with the County of Orange to maintain eligibility for Dana Point residents.	Maintained agreement with County of Orange to administer program.	Continue program with Orange County Housing Authority.
2.4 Housing Initiatives Program	Provide rental subsidies to employees of Dana Point hotel employees.	Provide assistance to 20 hotel employees residing in Dana Point annually.	Assistance provided annually to 37-47 Dana Point hotel employees. The program is operated by Mary Erickson Community Housing in collaboration with Waldorf Astoria Monarch Beach.	Consider expansion of program to apply toward development of new hotels
Goal 3: Address Development of		ital Constraints to the Mai	ntenance, Improvement a	ind
3.1 Parking Standards Study	Conduct a study to identify the most appropriate reductions in parking standards for affordable and special needs housing projects.	Conduct parking study.	In 2019, the City Council adopted the Citywide Parking Implementation Plan to evaluate citywide parking issue, including residential parking. City staff conducted a parking count and occupancy study including residential neighborhoods adjacent to Lantern District/ Town Center.	Evaluate parking reductions on a case-by-case basis for affordable and special needs housing projects.
3.2 Development Fee Study	Conduct a study for possible development fee reductions for affordable and special needs housing projects.	Conduct fee study.	In 2018, fee study completed and revised fee schedule adopted that waives all City imposed fees for processing development permits and building permit fees for deed- restricted housing affordable to lower income households. For mixed-income projects, fees are discounted proportional to the amount of affordable deed-restricted units.	Fee study completed. Promote program for affordable and special needs housing projects with online resources and handouts. Create new program to streamline project review.



EV	TABLE H-22 EVALUATION MATRIX OF 2014–2021 HOUSING ELEMENT PROGRAMS				
Program	Intent	Objective	Level of Achievement	Evaluation	
3.3 Priority Water and Sewer Service	Service providers should be aware of the City's housing plans and adopt procedures to expedite service to lower income residential projects.	Continue to provide adopted Housing Element to SCWD. Assist SCWD in adopting written procedures to provide priority service to lower income residential projects.	Housing Element sent to South Coast Water District.	Continue to coordinate with SCWD and adopt procedures to expedite service to lower income residential projects.	
3.4 Energy Conservation Study	Identify cost-effective means for Dana Point residents to reduce energy consumption.	Study measures for energy-savings in home construction, improvement, and utilities and provide findings to the public. Form a partnership with SDG&E to promote existing programs.	The City's Building Division staff established an online expedited plan review process for residential solar building permits.	Continue program and partner with SDG&E to promote conservation programs.	
3.5 Extremely Low Income Housing Development Fee Assistance	Consider fee exemptions and deferrals and adopt incentives to encourage the development of housing affordable.	Adopt fee waivers and deferrals for deed- restricted, extremely low income (<30% AMI) affordable housing from development fees.	Fee study completed in 2018. In June 2018, the City Council adopted a revised fee schedule that waives all City imposed fees to cover the cost of processing development permits and building permit fees for the development of deed restricted housing affordable to extremely- low, very-low, and low income households. For mixed income developments, the fees for processing will be discounted proportionally with the amount of deed restricted affordable dwelling units.	Promote fee reduction program for affordable and special needs housing projects. Create separate program for City's involvement and contribution to the Orange County Housing Finance Trust.	



Program	Intent	F 2014–2021 HOUSIN Objective	Level of Achievement	Evaluation
		tion of the Existing Stock		Lituration
4.1 Owner Rehabilitation	Apply to the County of Orange for CDBG and Home funds to provide rehabilitation assistance to owner- occupied low and moderate income households.	Provide assistance to 4 lower or moderate income households annually, for a total of 20 ownership households.	No rehabilitation projects initiated during the planning period.	Consider application for CDBG owner- occupied housing rehabilitation projects.
4.2 Rental Rehabilitation	Apply to the County of Orange for funding to provide rehabilitation grants for renter- occupied lower income households.	Provide assistance to 4 lower income households annually, for a total of 20 renter households.	No rehabilitation projects initiated during the planning period.	Consider application for CDBG renter- occupied housing rehabilitation projects.
4.3 Neighborhood Conservation	Ensure neighborhood quality and integrity.	Fund neighborhood improvements and monitor neighborhood conditions.	The City's Code Enforcement Division employs four full-time code officers and one manager who conduct inspections on a complaint basis. Staff monitors neighborhood conditions, encourages voluntary compliance, and issues citations as needed.	Continue neighborhood conservation program.
4.4 Condominium Conversions	Assist the public and development community in understanding the condominium conversion process.	Inform residents, property owners, and real estate agents of condominium conversion guidelines through the City's website.	Compliance achieved throughout the planning period.	Staff proposes modifications to the existing condominium conversion ordinance as part of the annual zoning code clean-up.

TABLE H-22 EVALUATION MATRIX OF 2014–2021 HOUSING ELEMENT PROGRAMS



	EVALUATION MATRIX OF 2014-2021 HOUSING ELEMENT PROGRAMS				
Program	Intent	Objective	Level of Achievement	Evaluation	
Goal 5: Promo	te Housing Opportunities				
5.1 Fair Housing Services	Comm. Dev. Dept for referrals, Fair Housing Council of Orange County and Legal Aid Society	Continue to refer persons in need of housing assistance to the Fair Housing Council of Orange County and other non-profit housing groups. Make housing information available on the City's website and in the Housing Resources Directory.	Compliance achieved throughout the planning period.	Continue program for Fair Housing Services.	
5.2 Senior Home Assessments	Assist in maintaining the ability of independently living seniors to remain in their homes.	Continue to refer seniors in need of free home assessments to South Coast Senior Services.	Compliance achieved throughout the planning period.	Continue program with Age Well Senior Services for free senior home assessments.	
5.3 Housing Resources Assistance	Continue to provide a directory of local housing resources and support organizations seeking to provide housing opportunities for special needs groups.	Continually update the Dana Point Housing Resources Directory and assist individuals and organizations on an as- needed basis. Include a section highlighting housing options such as second dwelling units that are suitable for persons with special needs.	Compliance achieved throughout the planning period. In 2014, the City Council established the Homeless Task Force and developed the Community Work Plan to Address Homelessness in 2018. The City has hired a Community Outreach Worker for homeless outreach on a full-time basis. As of 2018, outreach workers have assisted 67 individuals into housing.	Continue to update Dana Point Housing Resources Directory on an annual basis. Create separate program specific to Homeless Outreach and Resources.	

# TABLE H-22 EVALUATION MATRIX OF 2014–2021 HOUSING ELEMENT PROGRAMS



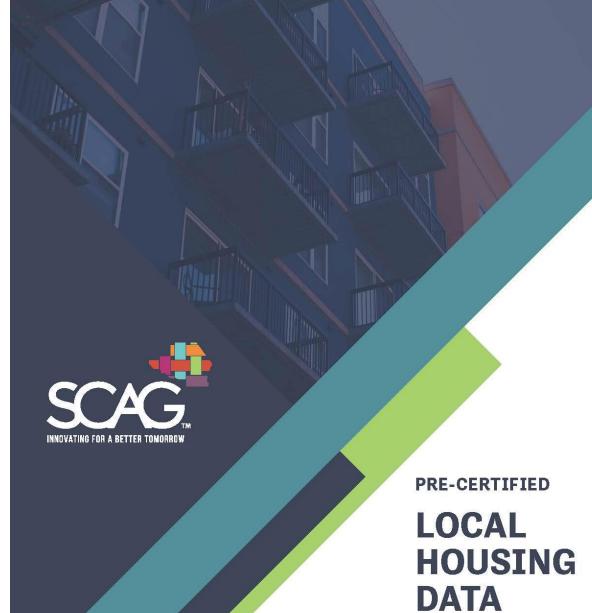
Program	Intent	F 2014–2021 HOUSIN Objective	Level of Achievement	Evaluation
5.4 Housing for Persons with Disabilities, including persons with Developmental Disabilities	Ensure that the housing needs of persons with disabilities, including persons with developmental disabilities can be met through assistance such as regulatory incentives, funding, and a partnership with Regional Center of Orange County.	Assist in the development or rehabilitation of up to 10 housing units; establish regulatory incentives, establish a relationship with developers of supportive housing; and work cooperatively with the Regional Center of Orange County in support of persons with disabilities, including persons with developmental disabilities.	Engaged with developers expressing interest in development of housing units for persons with developmental disabilities. No formal applications received.	Continue to provide assistance and encourage developers with regulatory incentives related to fee reductions and streamlined review.
Goal 6: Preserv	e Lower Income Assisted	And and another instantional and		
6.1 Affordable Housing Monitoring	Ensure that new affordable housing units remain affordable according to the terms established for the particular development.	Adopt affordability monitoring as a condition of approval for affordable housing projects. Notice tenants and make educational materials available at City Hall.	Managed third-party contract for compliance with affordability covenant for South Cove income-qualified for- sale condo units.	Continue monitoring program.
6.2 Conservation of Existing Assisted Housing	Ensure that existing affordable housing units remain affordable through negotiating with the current property owners or partnering with a nonprofit organization to purchase and rehabilitate assisted units.	Monitor the affordability of existing and new assisted units. Identify opportunities to preserve at-risk units and negotiate with owners or develop public/ private partnership with a qualified nonprofit organization to acquire and rehabilitate at-risk housing units. Notify qualified entities when affordable housing projects may convert to market rents. Assist OC Housing Authority with information distribution when application periods are open.	Friendship Shelter acquired and converted an existing 17-unit apartment complex to extremely-low income permanent supportive housing during the planning period. Continue to work with nonprofit organizations to purchase and rehabilitate assisted units.	No rent- restricted units are at risk of converting to market-rate rents before 2029. Consider utilization of housing in- lieu funds toward rehabilitation of Coffield Apartments.

# TABLE H-22



TABLE H-22		
EVALUATION MATRIX OF 2014–2021 HOUSING ELEMENT PROGRAMS		

Program	Intent	Objective	Level of Achievement	Evaluation
6.3 Section 8 Rental Assistance	Participate with the Orange County Housing Authority to provide rental assistance to very low income households.	Continue to refer extremely low and very low income households to the OC Housing Authority and encourage property owners to participate in the Section 8 program. Assist OC Housing Authority with information distribution when application periods are open.	Program maintained throughout the planning period.	Continue participation in the Housing Choice Voucher program with Orange County Housing Authority.



# SUPPORTING DOCUMENT 2: SCAG Local Housing Data Report

FOR THE CITY OF DANA POINT

AUGUST 2020



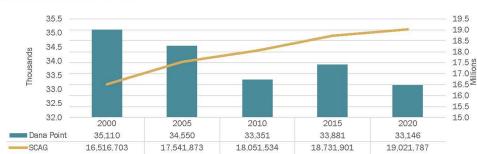
- I. POPULATION, EMPLOYMENT, AND HOUSEHOLDS
- II. SPECIALIZED HOUSEHOLD NEEDS: LARGE FAMILIES, SENIORS, AND FEMALE-HEADED HOUSEHOLDS
- III. PEOPLE EXPERIENCING HOMELESSNESS
- IV. PEOPLE WITH DISABILITIES, INCLUDING DEVELOPMENTAL DISABILITIES
- V. HOUSING STOCK CHARACTERISTICS
- VI. OVERPAYMENT AND OVERCROWDING
- VII. ASSISTED UNITS AT RISK OF CONVERSION
- VIII. REGIONAL HOUSING NEEDS ALLOCATION

Pre-Certified Local Housing Data for Dana Point

Developed by SCAG and pre-certified by the California Department of Housing and Community Development (HCD) for use in 6th cycle housing elements.

This report contains a wide range of jurisdiction-level data elements intended to provide an understanding housing need experienced in Dana Point as a part of its 6th cycle housing element update. Data sources are noted below each table or figure.

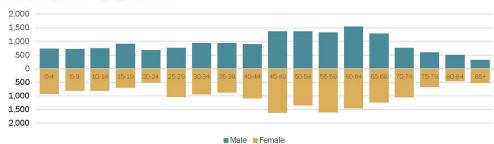
# I. POPULATION, EMPLOYMENT, AND HOUSEHOLDS



Population Trend, 2000-2020

CA DOF E-5 Population and Housing Unit Estimates

Dana Point has a 2020 total population of 33,146 including 241 living in group quarters according to the California Department of Finance. The chart above describes the population trend in Dana Point from 2000 to 2020. Over this period Dana Point had an annual growth rate of -0.3% compared to 0.7% for the region.

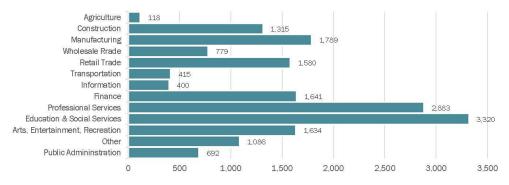


# Current Population by Age and Sex

American Community Survey 2014-2018 5-year estimates

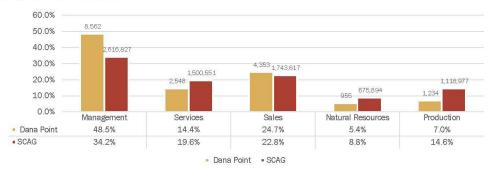
The population of Dana Point is 48.2% male and 51.8% female. The share of the population of Dana Point which is under 18 years of age is 17.5%, which is lower than the regional share of 23.4%. Dana Point's seniors (65 and above) make up 21.7% of the population, which is higher than the regional share of 13%.

# Employment by Industry



American Community Survey 2014-2018 5-year estimates using groupings of 2-digit NAICS codes.

Dana Point has 17,652 workers living within its borders who work across 13 major industrial sectors. The chart above provides detailed employment information. The most prevalent industry is Education & Social Services with 3,320 employees (18.8% of total) and the second most prevalent industry is Professional Svcs. with 2,883 employees (16.3% of total).



# Employment by Occupation

American Community Survey 2014-2018 5-year estimates using groupings of SOC codes.

In addition to understanding the industries in which the residents of Dana Point work, it is also possible to analyze the types of jobs they hold. The most prevalent occupational category in Dana Point is Management, in which 8,562 (48.5% of total) employees work. The second-most prevalent type of work is in Sales, which employs 4,353 (24.7% of total) in Dana Point.

#### Farmworkers

#### Farmworkers by Occupation:

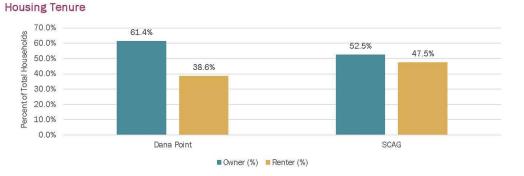
Dana Point	Percent of total Dana Point workers:	SCAG Total	
17	0.10%	57,741	Total jobs: Farming, fishing, and forestry occupations
17	0.15%	31,521	Full-time, year-round jobs: Farming, fishing, and forestry occupations

#### Employment in the Agricultural Industry:

Dana Point	Percent of total Dana Point workers:	SCAG Total	
118	0.67%	73,778	Total in agriculture, forestry, fishing, and hunting
74	0.67%	44,979	Full-time, year-round in agriculture, forestry, fishing, and hunting

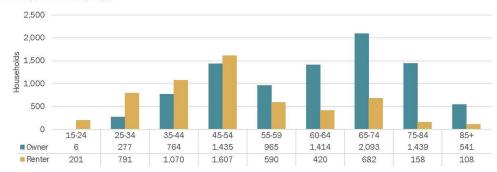
American Community Survey 2014-2018 5-year estimates using groupings of NAICS and SOC codes.

Statewide, farmworker housing is of unique concern and of unique importance. While only a small share of SCAG region jurisdictions have farmworkers living in them, they are essential to the region's economy and food supply.



American Community Survey 2014-2018 5-year estimates.

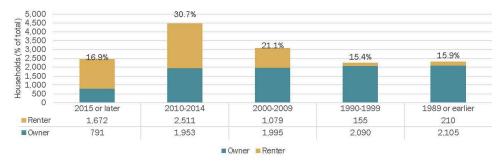
Housing security can depend heavily on housing tenure, i.e. whether homes are owned or rented. Dana Point's housing stock consists of 14,561 total units, 8,934 of which are owner-occupied and 5,627 of which are renter-occupied. The share of renters in Dana Point is lower than in the SCAG region overall.



# Housing Tenure By Age

American Community Survey 2014-2018 5-year estimates.

In many places, housing tenure varies substantially based on the age of the householder. In Dana Point, the age group where renters outnumber owners the most is 15-24 (by 94.2%). The age group where owners outnumber renters the most is 75-84 (by 80.2%).

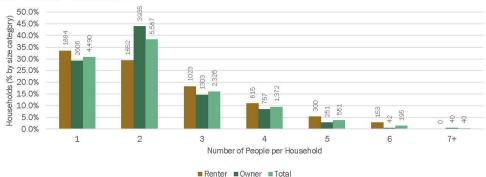


# Housing Tenure by Year Moved to Current Residence

American Community Survey 2014-2018 5-year estimates.

Across the SCAG region, the most common move-in period was 2010-2014 (31.9%) followed by 2000-2009 (26.1%). In Dana Point, the period during which most people started living in their current residence was 2010-2014 (30.7%) followed by 2000-2009 (21.1%).

# II. SPECIALIZED HOUSEHOLD NEEDS: LARGE FAMILIES, SENIORS, AND FEMALE-HEADED

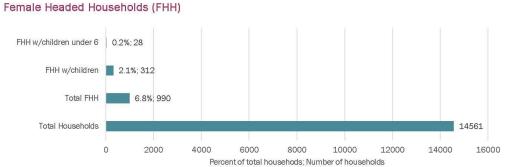


# Households by Household Size

American Community Survey 2014-2018 5-year estimates.

This chart illustrates the range of household sizes in Dana Point for owners, renters, and overall. The most commonly occuring household size is of two people (38.4%) and the second-most commonly occuring household is of one person (30.8%). Dana Point has a higher share of single-person households than the SCAG region overall (30.8% vs. 23.4%) and a lower share of 7+ person households than the SCAG region overall (0.3% vs. 3.1%).

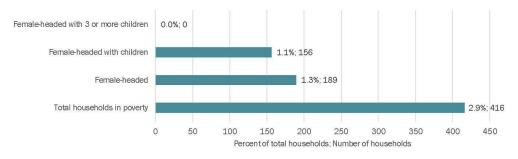




American Community Survey 2014-2018 5-year estimates.

Statute requires analysis of specialized housing needs, including female-headed households in an effort to ensure adequate childcare or job training services. Of Dana Point's 14,561 total households, 6.8% are female-headed (compared to 14.3% in the SCAG region), 2.1% are female-headed and with children (compared to 6.6% in the SCAG region), and 0.2% are female-headed and with children under 6 (compared to 1.0% in the SCAG region).

#### Households by Poverty Status



American Community Survey 2014-2018 5-year estimates.

2.9 percent of Dana Point's households are experiencing poverty, compared to 7.9 percent of households in the SCAG region. Poverty thresholds, as defined by the ACS, vary by household type. More information can be found at M256. In 2018, a single individual under 65 was considered in poverty with a money income below \$13,064/year while the threshold for a family consisting of 2 adults and 2 children was \$25,465/year.

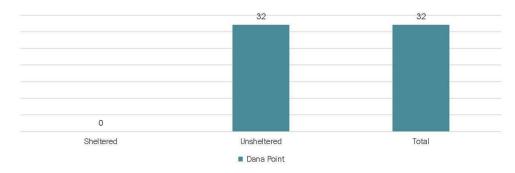
# Elderly Households by Income and Tenure

		Owner	Renter	Total	Percent of Total Elderly Households:
Income category, relative to surrounding area:	< 30% HAMFI	625	240	865	16.7%
surrounding area.	30-50% HAMFI	415	45	460	8.9%
	50-80% HAMFI	800	190	990	19.1%
	80-100% HAMFI	380	75	455	8.8%
	> 100% HAMFI	2,160	260	2,420	46.6%
	TOTAL	4,380	810	5,190	

HUD CHAS, 2012-2016. HAMFI refers to Housing Urban Development Area Median Family Income.

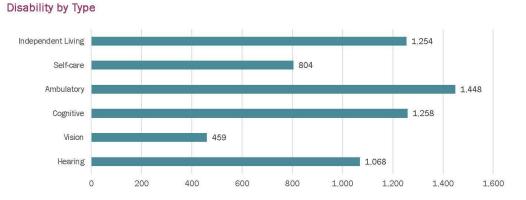
Statute requires analysis of specialized housing needs, including housing needs for seniors. Federal housing data define a household type as 'elderly family' if it consists of two persons with either or both age 62 or over. Of Dana Point's 5,190 such households, 16.7% earn less than 30% of the surrounding area income, (comared to 24.2% in the SCAG region), 25.5% earn less than 50% of the surrounding area income (compared to 30.9% in the SCAG region).

# **III. PEOPLE EXPERIENCING HOMELESSNESS**



2019 city and county homelessness point-in-time counts processed by SCAG. Jurisdiction-level counts were not avialable in Imperial County and sheltered population (and thus total) counts were not available in Riverside County. As a result, SCAG region totals from this compilation of data sources likely undercount true totals.

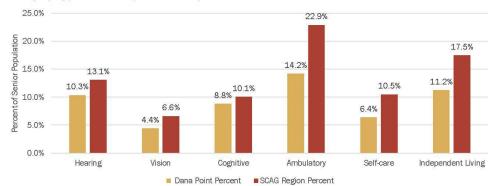
#N/A



# IV. PEOPLE WITH DISABILITIES, INCLUDING DEVELOPMENTAL DISABILITIES

American Community Survey 2014-2018 5-year estimates.

Disability data also provides valuable context for assessing current and future need for accessible housing units. Note that since some disability types are not recorded for children below a certain age, calculating disability as a percentage of total population may not be accurate.



Disability by Type - Seniors (65 and over)

American Community Survey 2014-2018 5-year estimates.

In Dana Point, the most commonly occuring disability amongst seniors 65 and older was an ambulatory disability, experienced by 14.2% of Dana Point's seniors (and 22.9% of seniors in the SCAG region).

# Disability by Employment Status

	With a Disability	Percent of Total	No Disability	Percent of Total
Employed	430	42%	15,262	78%
Unemployed	74	7%	727	4%
Not in Labor Force	529	51%	3,530	18%
TOTAL	1,033		19,519	

American Community Survey 2014-2018 5-year estimates.

Understanding the employment status of people with disabilities may also be an important component in evaluating specialized housing needs. In Dana Point, 41.6% of the population with a disability is employed, compared to 78.2% of the non-disabled population.

### **Developmental Disabilities**

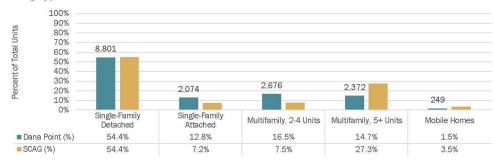
		Dana Point
By Residence:	Home of Parent/Family/Guardian	143
	Independent/Supported Living	10
	Community Care Facility	0
	Intermediate Care Facility	5
	Foster/Family Home	5
	Other	5
By Age:	0 - 17 Years	168
	18+ Years	73
TOTAL		409

CA DDS consumer count by CA ZIP, age group and residence type for the end of June 2019. Data available in 161/197 SCAG jurisdictions.

The California Department of Developmental Services also provides data on developmental disabilities by age and type of residence. These data are collected at the ZIP-code level and were joined to the jurisdiction-level by SCAG. Totals may not match as counts below 11 individuals are unavailable and some entries were not matched to a ZIP code necessitating approximation.

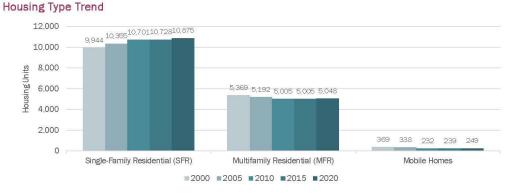
### V. HOUSING STOCK CHARACTERISTICS

# Housing Type



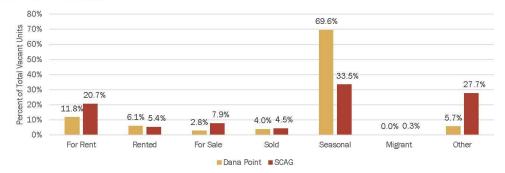
CA DOF E-5 Population and Housing Unit Estimates

The chart above provides detailed information on the housing stock in Dana Point, which has a total of 16,172 housing units. The most prevalent housing type in Dana Point is single-family detached with 8,801 units. The share of all single-family units in Dana Point is 67.2%, which is higher than the 61.7% share in the SCAG region. Out of the total housing units in Dana Point, there are 14,113 occupied-units, which equates to a 12.7% total vacancy rate. The average household size (as expressed by the population to housing unit ratio) is 2.332.



CA DOF E-5 Population and Housing Unit Estimates

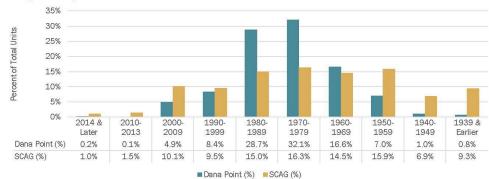
Over the past two decades (2000-2020), there has been more construction of single-family residential units than multi-family residential units in Dana Point. When comparing 2000 to 2020, SFR units increased by 931, MFR units increased by -321, and mobile homes decreased by -120.



# Vacant Units by Type

American Community Survey 2014-2018 5-year estimates.

The ACS provides additional detail on vacant housing units by category.



# Housing Units by Year Structure Built

American Community Survey 2014-2018 5-year estimates.

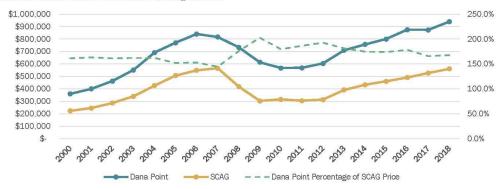
Examining the age of the current housing stock is one way to understand how historical development patterns have contributed to a city's form. The time period where the highest share of Dana Point's housing units were built is 1970-1979, while in the SCAG region more units were built during 1970-1979 than any other period.



American Community Survey 2014-2018 5-year estimates.

The ACS includes surveys about three factors of what may be considered substandard housing. In Dana Point, 332 units lack telephone service, 38 units lack plumbing facilities, and 200 units lack complete kitchen facilities.

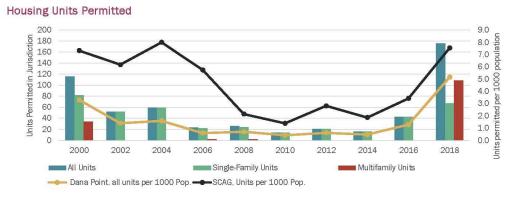
# Median Home Sales Price for Existing Homes



SCAG Local Profiles, Core Logic/Data Quick. SCAG median home sales price calculated as household-weighted average of county medians.

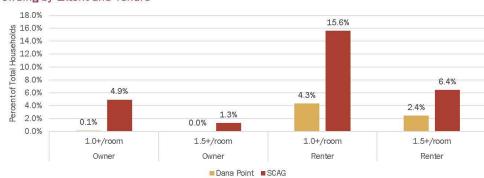
Between 2000 and 2018, median home sales prices in Dana Point increased 161% while prices in the SCAG region increased 151%. 2018 median home sales prices in Dana Point were \$940,000 and the highest experienced since 2000 was \$940,000 in 2018. Prices in Dana Point have ranged from a low of 144.4% of the SCAG region median in 2007 and a high of 202.6% in 2009.





Core Logic/Data Quick. Additional detail available in SCAG 2019 Local Profiles. SCAG median home sales price calculated as household-weighted average of county medians.

# VI. OVERPAYMENT AND OVERCROWDING



Crowding by Extent and Tenure

American Community Survey 2014-2018 5-year estimates.

In Dana Point, 9 owner-occupied and 242 renter-occupied households had more than 1.0 occupants per room, which meets the ACS definition for overcrowding owner-occupied households and 1.36 renter-occupied households had more than 1.5 occupants per room, which meets the ACS definition for severe overcrowding.

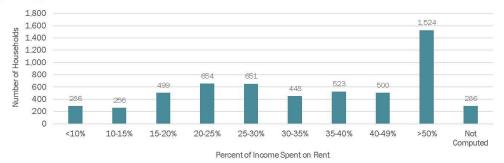
# Cost Burden by Income

Households by Share of Income Spent on Housing Cost:			
Income	< 30%	30-50%	> 50%
< 30% HAMFI	235	90	1,490
30-50% HAMFI	200	365	905
50-80% HAMFI	860	1,130	755
80-100% HAMFI	665	455	74
> 100% HAMFI	6,130	945	225
Total Households	8,090	2,985	3,449

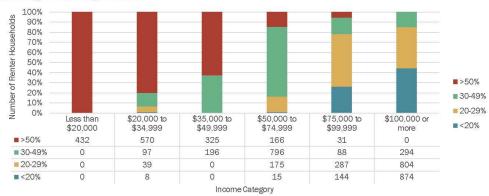
HUD CHAS, 2012-2016. HAMFI refers to Housing Urban Development Area Median Family Income.

Housing cost burden is most commonly measured as the percentage of gross income spent on housing, with 30% a usual threshold for 'cost burden' and 50% the threshold for 'severe cost burden.' However, a lower-income household spending the same percent of income on housing as a higher-income household will likely experience more true 'cost burden.' These data indicate the number of households in Dana Point by their income relative to the surrounding area and their share of income spent on housing.

# Spending on Rent



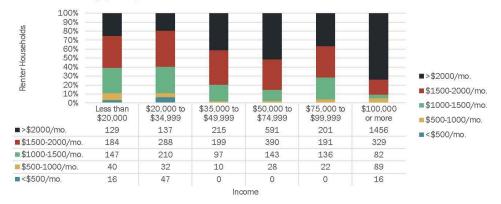
Across Dana Point's 5,627 renter households, 2,995 (53.2%) spend thirty percent or more of gross income on housing cost, compared to 55.3% in the SCAG region. Additionally, 1,524 renter households in Dana Point (27.1%) spend fifty percent or more of gross income on housing cost, compared to 28.9% in the SCAG region.



# Spending on Rent by Income

American Community Survey 2014-2018 5-year estimates.

While the previous table breaks down cost burden by area-relative income, the ACS also allows for the analysis of Dana Point's 5,341 renter households (for which income data are available) by spending on rent by income bracket (dollar amounts). As one might expect, the general trend is that low-income households spend a higher share of income on housing (e.g. over 50%) while high-income households are more likely to spend under 20% of income on housing.



# Household Income by (Cash) Rent

American Community Survey 2014-2018 5-year estimates.

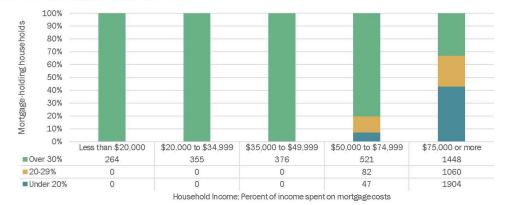
Dana Point renter households' cash rent paid can be broken down by household incomes. As one might expect, the general trend is that lower-income households spend less on rent while higher-income households spend more on rent, though this may not be universally true. Rent categories range from <\$500/month (1.5% of Dana Point renters) to >\$2000/month (50.3% of Dana Point renters). The most common rent category in Dana Point is >\$2000/month with 50.3% of renters.



# Monthly Owner Costs for Mortgage Holders

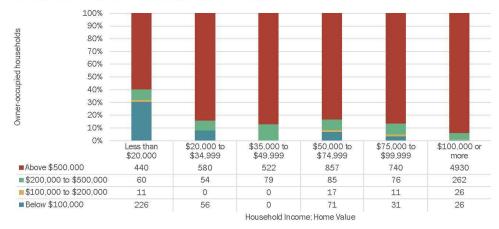
American Community Survey 2014-2018 5-year estimates.

While renter households receive much of the focus when it comes to housing cost analysis, owner households make up 61.4% of Dana Point and 52.5% of the SCAG region. The most commonly occurring mortgage payment in Dana Point is \$2000-\$3000/month and the most commonly occurring mortgage payment in the SCAG region is \$2000-\$3000/mo.



# Costs for Mortgage Holders by Income

Mortgage-holding households in Dana Point can be broken down by income and the percentage of income spent on mortgage costs. As one might expect, the general trend is that lower-income households spend a higher share of income on housing costs, while high-income households may spend a lower share of income on housing. The income category most prevalent amongst Dana Point mortgage-holding households is \$75,000 or more (4,412 households) and the most prevalent share of income spent on mortgage costs is over 30% (2,964 households).



# Household Income by Home Value (for owned units)

Another approach to evaluating the relationship between housing and income is to compare incomes and home values in Dana Point. The most commonly-occuring income category amongst owner households in Dana Point is \$100,000 or more (5,244 households) and the most commonly-occuring home value category is Above \$500,000 (8,069 households).

Extremely	Low	Income	Housing	Needs
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	Total Households	Households below 30% HAMFI	Share below 30% HAMFI
White, non-Hispanic	12,285	1,430	11.6%
Black, non-Hispanic	80	0	0.0%
Asian and other, non-Hispanic	622	65	10.5%
Hispanic	1,670	450	26.9%
TOTAL	14,657	1,945	13.3%
Renter-occupied	5,775	1,075	18.6%
Owner-occupied	8,875	870	9.8%
TOTAL	14,650	1,945	13.3%

HUD CHAS, 2012-2016. HAMFI refers to Housing Urban Development Area Median Family Income.

Housing the extremely-low income population (below 30% of area median income) can be especially challenging. HUD's CHAS dataset provides a wealth of information on such households in Dana Point. The above table provides a breakdown of extremely low income households by race and ethnicity. The race/ethnicity with the highest share of extremely-low income households in Dana Point is Hispanic (26.9% compared to 13.3% of total population). In the SCAG region, the highest share of extremely-low income households is Black, non-Hispanic (27.1% compared to 17.7% of total households).

# VII. ASSISTED UNITS AT RISK OF CONVERSION

Assisted Units at Risk of Conversion

Risk Level	Definition:	Low-income units in jurisdiction	Percent of county's low- income units
Very High	At-risk of converting to market rate within the next year	0	#DIV/0!
High	At-risk of converting to market rate in the next 1-5 years	0	#DIV/0!
Moderate	At-risk of converting to market rate in the next 5-10 years	0	#DIV/0!
Low	At-risk of converting to market rate in the next 10 or more years and/or are owned by a large/stable non-profit, mission-driven developer.	0	#DIV/0!
TOTAL		0	#DIV/0!

California Housing Partnership, July 2020. Includes HUD, Low-Income Housing Tax Credit (LIHTC), USDA, and CalHFA projects. Subsidized or assisted developments that do not have one of the aformentioned financing sources may not be included.

The California Housing Partnership (CHP) provides data on assisted housing units and assesses the level of risk to converting to market rate. These data identify homes without a known overlapping subsidy that would extend affordability beyond the indicated timeframe and unless otherwise noted are not owned by a large/stable non-profit, mission-driven developer. Detailed 2019 data can be found in SCAG's RHNA data appendix at http://scag.ca.gov/programs/Documents/RHNA/SCAG-Final-RHNA-Data-Appendix-030520.pdf. Complete, updated data can be requested from CHP through Danielle Mazzella, Preservation & Data Manager (dmazzella@chpc.net)

# VIII. REGIONAL HOUSING NEEDS ALLOCATION

6th Cycle Regional Housing Needs Allocation for Dana Point:

	Units
Very-Low Income (<50% of AMI)	146
Low Income (50-80% of AMI)	84
Moderate Income (80-120% of AMI)	101
Above Moderate Income (>120% of AMI)	199
TOTAL	530

SCAG, 2020. Estimate based on final adopted RHNA methodology (3/5/20). Final RHNA allocation will be issued following the conclusion of the RHNA appeals process in early 2021. Please note that for the housing element update, local jurisdictions will have to consider extremely low income (ELI) households as well. ELI housing needs may be calculated either by using Census data or simply assuming that 50 percent of the very low income households qualify as extremely low income households.

# **MAJOR DATA SOURCES USED**

	DESCRIPTION	FOR MORE INFORMATION, PLEASE SEE
ACS	American Community Survey 2014-2018 5-year estimates	www.data.census.gov
DOF	CA DOF E-5 Population and Housing Unit Estimates	www.dof.ca.gov/forecasting/demographics/
CHAS	HUD CHAS, 2012-2016	www.huduser.gov/portal/datasets/cp.html
CA DDS	California Department of Developmental Services	www.dds.ca.gov/transparency/
SCAG LOCAL PROFILES	Including Construction Industry Research Board (CIRB) and Core Logic/DataQuick	www.scag.ca.gov/DataAndTools/Pages/LocalProfiles.aspx



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