



CITY OF SANTA FE SPRINGS 2014-2021 HOUSING ELEMENT

Adopted January 30, 2014

**CITY OF SANTA FE SPRINGS
COMMUNITY DEVELOPMENT DEPARTMENT
1170 TELEGRAPH ROAD
SANTA FE SPRINGS, CA 90670**

Consultant to the City:



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I. INTRODUCTION

A. COMMUNITY CONTEXT

The City of Santa Fe Springs is located approximately 13 miles southeast of downtown Los Angeles and 18 miles north of the City of Long Beach. Neighboring cities include Whittier, La Mirada, Cerritos, Norwalk, Downey, and Pico Rivera. The City lies at the convergence of two major transportation routes – Interstate Routes 5 and 605 – and is traversed by the Southern Pacific and Santa Fe rail corridors. Santa Fe Springs’ regional location and proximity to major transportation corridors have been important factors contributing to the City’s development as a predominately industrial community.

Santa Fe Springs incorporated in 1957, with the majority of its residential growth occurring during the 1950s. Less than ten percent of the City’s nine square miles is designated for residential use, with residential neighborhoods historically concentrated in the western portion of the City away from industrial uses, although small pockets of housing also exist along the City’s eastern boundary adjoining residential areas in adjacent communities. The City contains approximately 5,100 housing units, with single-family homes comprising two-thirds of all housing, and a homeownership rate of 60 percent.

As Santa Fe Springs’ residential neighborhoods are entirely developed, the majority of recent housing development has occurred as a result of the City and its former Community Development Commission (CDC) assembling previous commercial and industrial parcels, selling the land at a substantially reduced rate, and rezoning for residential use. Examples of CDC supported projects include the 144 unit Little Lake Village Senior Apartments, and the 25 unit Lakeland Manor (AbilityFirst) for disabled adults. In the former CDC’s most ambitious residential project, 101 prior oilfield parcels were acquired and assembled for development of “The Villages at Heritage Springs” master planned development, encompassing 384 single-family homes and townhomes, and 150 apartment units.

In addition to providing sites to accommodate future growth, the City’s 2014-2021 Housing Element also focuses on conserving housing affordability, and maintaining and improving housing conditions and the quality of life in the community. Programs are geared towards meeting the needs of low and moderate income households and special needs households, including large family renters.

B. ROLE OF THE HOUSING ELEMENT

State law recognizes the vital role local governments play in the availability, adequacy and affordability of housing. Every jurisdiction in California is required to adopt a comprehensive, long-term General Plan to guide its physical development; the Housing Element is one of the seven mandated elements of the General Plan. Housing Element law mandates that local governments adequately plan to meet the existing and projected housing needs of all economic segments of the community. The law recognizes that in order for the private market to adequately address housing needs and demand, local governments must adopt land use plans and regulatory systems that provide opportunities for, and do not unduly constrain housing development. As a result, State housing policy rests largely upon the effective implementation of local General Plans and in particular, local Housing Elements. Housing Element statutes also require the State Department of Housing and Community Development (HCD) to review local housing elements for compliance with State law and to report their findings to the local government.

The Housing Element requires each jurisdiction to develop local housing programs to meet its “fair share” of existing and future housing needs for all income groups. The Southern California Association of Governments (SCAG) is responsible for developing and assigning these regional needs, or “RHNA”, to southern California jurisdictions. Pursuant to the SCAG RHNA cycle, the Santa Fe Springs Housing Element is an eight-year plan extending from 2014-2021.

Santa Fe Springs’ Housing Element identifies strategies and programs that focus on: 1) preserving and improving housing and neighborhoods; 2) providing adequate housing sites; 3) assisting in the provision of affordable housing; 4) removing governmental and other constraints to housing investment; and 5) promoting fair and equal housing opportunities. The Element consists of the following major components:

- An analysis of the City’s demographic, household and housing characteristics and related housing needs (*Section II*)
- A review of potential market, governmental, and infrastructure constraints to meeting Santa Fe Springs’ identified housing needs (*Section III*)
- An evaluation of residential sites, financial and administrative resources available to address the City’s housing goals (*Section IV*)
- The Housing Plan for addressing identified housing needs, constraints and resources; including housing goals, policies and programs (*Section V*)

C. DATA SOURCES

In preparing the Housing Element, and the Housing Needs Assessment in particular, data is compiled from a variety of sources. The following identifies the primary sources of information utilized, with the specific source referenced beneath each table in the Element.

- Demographic and housing data is derived from the 2010 Census, 2007-2011 American Community Survey, and the Southern California Association of Governments' (SCAG) Existing Housing Needs Statement;
- SCAG's 2008-2035 Regional Transportation Plan/ Sustainable Communities Strategy Growth Forecast provides population, housing and employment projections;
- Household income data by type of household is derived from the Comprehensive Housing Affordability Strategy (CHAS) prepared by HUD;
- 2013 housing market information is obtained through internet rent surveys, and DataQuick sales transactions;
- Employment data by industry type and commuting patterns are provided through the Census 2012, OnTheMap Application;
- SCAG's 2013-2021 Regional Housing Needs Assessment (RHNA) provides information on projected housing needs; and
- Lending patterns for home purchase and home improvement loans are provided through the Home Mortgage Disclosure Act (HMDA) database.

D. PUBLIC PARTICIPATION

Section 65583(c)(7) of the Government Code states that, "The local government shall make a diligent effort to achieve public participation of all economic segments of the community in the development of the housing element, and the program shall describe this effort." Opportunities for community stakeholders to provide input on housing issues and recommend strategies are critical to the development of appropriate and effective programs to address the City's housing needs. Santa Fe Springs solicits input from the public throughout the housing element process: during development of the draft element; during public review of the draft element; and during the adoption process.

Santa Fe Springs conducted two noticed public hearings/study sessions during development of the 2014-2021 Housing Element update, the first on September

23, 2013 before the Planning Commission, and the second on September 26, 2013 before the City Council. The purpose of these study sessions were to provide background information on the Element, discuss goals and objectives for the update, and to seek input from the public. Notification of the hearings were provided in the local newspaper and posted on the City's website. In addition, direct notification was provided to local stakeholders including: non-profit housing providers active in the City; affordable housing complexes in Santa Fe Springs; service agencies representing special needs and lower income populations; realtors; and adjacent jurisdictions. A copy of the meeting notification and distribution list is included in the Appendix to the Element.

Upon completion of the draft Housing Element, the City circulated a Notice of Availability to a variety of interested organizations. The Notice defines a 60 day review and comment period, and identifies locations for review of the draft document, including City Hall, the City library, the Gus Velasco Neighborhood Center, and the Betty Wilson Senior Center. In addition, the draft Housing Element is placed on the City's website. The draft is also sent to the State Department of Housing and Community Development (HCD) for review and comment. Upon receipt of input from HCD, public hearings are held before the Planning Commission and City Council during adoption of the Element.

Public input received through the City's outreach effort included:

- Suitability of affordable housing for families on the City-owned Lakeland/Laurel site, particularly given the adjacency of the Carmela Elementary School and Amelia/Mayberry Park.
- City has adequate affordable housing for seniors, and instead needs to attract more young families and nurture them to grow along with the City.
- Given the loss of Redevelopment Housing funds and greater reliance on outside programs, City should provide links to County housing programs on its website.
- City should encourage second units as a way to provide lower cost housing for seniors, family members, and renters.

The City's Housing Element is responsive to the input received from the public. Program 8, Affordable Housing Development Assistance, includes an objective to emphasize the provision of affordable housing for families on the two City-owned housing sites. The Element commits the City to placing links on its website and disseminating brochures for a variety of County programs for which eligible Santa Fe Springs residents can participate, including first-time homebuyer, residential rehabilitation, fair housing and Section 8 rental assistance programs (refer to Housing Element programs 5, 6,7,12 and 19). And the City continues to encourage second units, as presented in Program 10 in the Element.

E. RELATIONSHIP TO OTHER GENERAL PLAN ELEMENTS

The seven elements which comprise the Santa Fe Springs General Plan are required by law to be internally consistent. Together these elements provide the framework for development of those facilities, services and land uses necessary to address the needs and desires of the City's residents. To ensure these needs are clearly addressed throughout the General Plan, the elements must be interrelated and interdependent.

As part of the current Housing Element update, the other Elements of the General Plan were reviewed to ensure consistency with the policies set forth in those elements. The City will maintain consistency between the Housing Element and the other General Plan elements so that policies introduced in one element are consistent with other elements. Whenever any element of the General Plan is amended in the future, the Housing Element will be reviewed and modified, if necessary, to ensure continued consistency between elements.

Pursuant to AB 162, the City will be amending its Safety and Conservation Elements to include analysis and policies regarding flood hazard and flood management, and will be reviewing its Land Use Element for those areas subject to flooding. The City will review its housing element for internal consistency with these amendments.

The City is aware of the requirements under SB 244 to identify any "disadvantaged communities" present within its sphere of influence, and to update the Land Use Element to analyze the availability of infrastructure and services to such communities. Santa Fe Springs will abide by these requirements, and to the extent revisions are made to the Land Use, will review the Housing Element for internal consistency.



II. HOUSING NEEDS ASSESSMENT

This section of the Housing Element discusses the characteristics of the City's population and housing stock as a means of better understanding the nature and extent of unmet housing needs. A variety of housing needs maps are presented based on census data; Figure 1 depicts the 2010 census tract and block group boundaries for Santa Fe Springs.

A. DEMOGRAPHIC PROFILE

Demographic changes can affect the type and amount of housing that is needed in a community. This section addresses population, age, race/ethnicity, and employment trends in Santa Fe Springs.

1. Population Growth Trends

Table 2-1 presents population growth trends in Santa Fe Springs and surrounding communities from 1990-2013. During the 1990s, the City evidenced a 12 percent increase in population, well above that of most surrounding communities, as well as the seven percent increase Countywide. In contrast, the City's population actually declined by seven percent during the most recent decade, though in the most recent three years (2010-2013) has again began to evidence modest growth.

Table 2-1: Regional Population Growth Trends 1990-2013

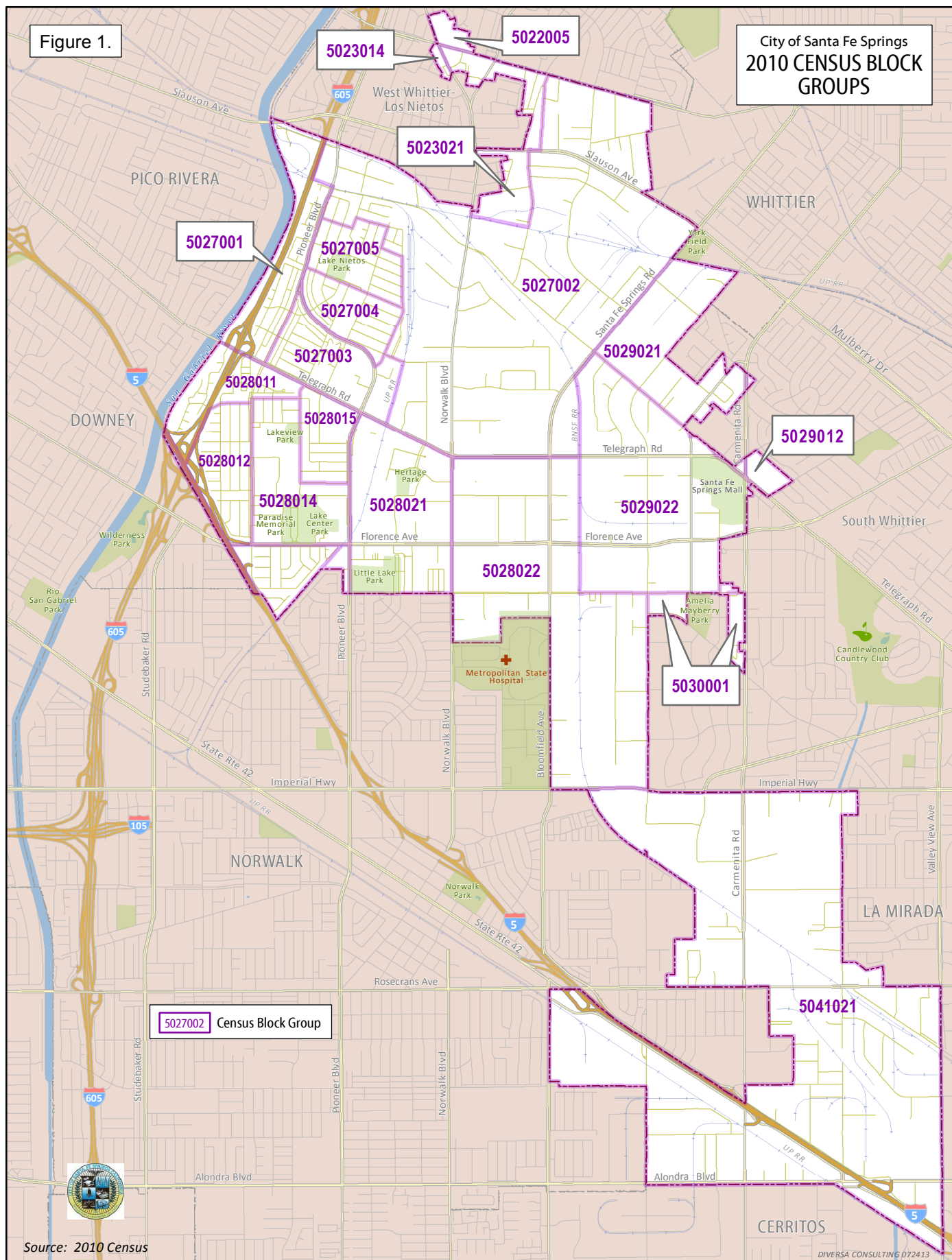
Jurisdiction	1990	2000	2010	2013	Percent Change		
					1990-2000	2000-2010	2010-2013
Downey	91,444	107,323	111,772	112,761	17%	4%	1%
Norwalk	94,279	103,298	105,549	106,093	10%	2%	1%
Pico Rivera	59,177	63,428	62,942	63,534	7%	-1%	1%
Santa Fe Springs	15,520	17,438	16,223	16,816	12%	-7%	4%
Whittier	77,671	83,680	85,331	86,093	8%	2%	1%
LA County	8,863,164	9,519,338	9,818,605	9,958,091	7%	3%	1%

Source: U.S. Census 1990, 2000 and 2010; 2013 Dept. of Finance E5 Population and Housing Estimates.

In terms of future growth trends, the Southern California Association of Government (SCAG) Regional Integrated Forecast forecasts a significant 25 percent increase in Santa Fe Springs' population between 2008-2035, with an estimated population of 20,300 residents by the year 2035. SCAG's projections reflect build out of the 500+ units in the Villages at Heritage Springs and the associated population growth this will bring to the City.

Figure 1.

City of Santa Fe Springs
2010 CENSUS BLOCK GROUPS



2. Age Characteristics

Housing need is often affected by the age characteristics of residents in the community. Different age groups have different lifestyles, income levels, and family types that influence housing needs. These housing choices evolve over time, and it is important to examine the changes in the age structure of Santa Fe Springs residents in order to identify potential impacts on housing needs.

Table 2-2 displays the age distribution of the City's population in 1990 and 2010, and compares this with Los Angeles County. As shown in the table below, 25 percent of the City's population in 2010 is under the age of 18, a decrease from the 29 percent in 1990. Changes in Santa Fe Springs' age profile also occurred in the young adult (25-44 years) and middle age (45-64 years) groups. The proportion of young adults declined from 30 to 26 percent of the population, decreasing by over 300 residents. Conversely, the middle age population grew by over 800 residents, increasing from 19 to 23 percent of the population. Senior citizens (65 years and older) also evidenced growth over the past two decades, with an increase of over 350 residents. At 13 percent, the proportion of seniors in Santa Fe Springs is above the 11 percent countywide.

The population of Santa Fe Springs, as a whole, is aging. The 2010 Census puts the median age of Santa Fe Springs at 35.3 years, an increase from the City's 30.8 median age in 1990, and slightly above the median age of 34.8 years for the County. Factors contributing to this shift in the City's age structure include an aging in place of young adults into middle age, a corresponding aging of the middle age population into senior citizens, and the limited number of new young adults and families moving into the community. As discussed later in the section, Santa Fe Springs has also experienced a decline in both the number and proportion of families with children over the past two decades.

Table 2-2: Age Distribution 1990-2010

Age Group	1990		2010		
	Persons	Percent	Persons	Percent	L.A. Co. %
Preschool (<5 yrs)	1,544	10%	973	6%	7%
School Age (5-17 yrs)	2,918	19%	3,130	19%	17%
College Age (18-24 yrs)	1,760	11%	1,953	12%	11%
Young Adults (25-44 yrs)	4,582	30%	4,272	26%	30%
Middle Age (45-64 yrs)	2,912	19%	3,735	23%	24%
Seniors (65+ years)	1,804	12%	2,160	13%	11%
TOTAL	15,520	100%	16,223	100%	100%
MEDIAN AGE	30.8 years		35.3 years		34.8 years

Source: U.S. Census 1990 and 2010.

3. Race and Ethnicity

Like many communities in Southern California, Santa Fe Springs' population has become increasingly diverse over the past twenty years. These changes may have implications for housing needs, because different ethnic groups sometimes have household characteristics that may affect their preferences and housing needs. Understanding changes in race/ethnicity, especially among first generation ethnic groups, provides a basis for addressing housing needs.

Table 2-3 displays the racial and ethnic composition of the Santa Fe Springs residents in 1990 and 2010, and compares this with the Countywide distribution in 2010. Hispanic residents continue to comprise the vast majority of the City's population, growing from 60 to 81 percent over the past two decades, representing an increase in over 4,300 Hispanic residents. In contrast, White residents declined from 37 to 12 percent of the population. Asians and African Americans both evidenced modest increases, though remain a small segment of Santa Fe Springs overall population.

Relative to the County's racial and ethnic distribution, Santa Fe Springs has a substantially higher percentage of Hispanic residents, while the proportion for all other race/ethnic groups was lower than the Countywide percentage.

Table 2-3: Racial and Ethnic Composition 1990-2010

Racial/Ethnic Group	1990		2010		
	Persons	Percent	Persons	Percent	L.A. Co. %
Hispanic	8,735	60%	13,137	81%	48%
White	5,343	37%	1,927	12%	28%
Asian/Pacific Islander	286	2%	644	4%	14%
African American	53	<1%	305	2%	8%
American Indian	-	-	65	<1%	<1%
Other Race	103	1%	145	1%	2%
TOTAL	14,520	100%	16,223	100%	100%

Source: U.S. Census 1990 and 2010.

4. Employment

Evaluation of the types of jobs held by community residents provides insight into potential earning power and the segment of the housing market into which they fall. Information on how a community's employment base is growing and changing can help identify potential housing demand changes in the future.

The State Employment Development Department estimates that as of July 2013, 8,000 Santa Fe Springs residents are in the labor force, with 9.0 percent unemployment, compared to a Countywide unemployment rate of 10.8 percent.

Table 2-4 presents the jobs held by Santa Fe Springs' residents by industry of employment. The most dominant employment sectors were Education/Health/Social Services and Manufacturing, accounting for 40 percent of resident employment. Approximately one-quarter of residents were employed in typically lower paying industries – retail, accommodations/food services, construction, and services.

Table 2-4: Residents Industry of Employment 2009

Industry Sector	Persons	Percent
Educational, health, and social services	1,450	21%
Manufacturing	1,296	19%
Transportation, warehousing and utilities	624	9%
Retail trade	519	8%
Arts/ entertainment, recreation, accommodation and food services	515	7%
Wholesale trade	513	7%
Public administration	405	6%
Professional, scientific, management and administrative services	393	6%
Construction	339	5%
Finance, insurance, real estate and rental housing	339	5%
Other services	272	4%
Information	128	2%
Armed Forces	45	1%
TOTAL	6,838	100%

Source: SCAG Existing Housing Needs Statement, 2012 (as derived from 2005-2009 American Community Survey).

Santa Fe Springs offers a strong industrial employment base, with approximately 50,000 jobs. This job base allows a large number of residents to work in their community. The SCAG 2012-2035 Regional Transportation Plan/Sustainable Communities Strategy projects a limited two percent increase, or 900 additional jobs, in Santa Fe Springs during the 2008-2035 period.

B. HOUSEHOLD PROFILE

Household type and size, income levels, and the presence of special needs populations all affect the type of housing needed by residents, discussed in detail in the following section.

1. Household Type

A household is defined as all persons living in a housing unit. Families are a subset of households, as are single persons living alone, and “other” non-family households. Group quarters, such as convalescent homes, are not considered households.

The 2010 Census documents 4,747 households in Santa Fe Springs, with an average household size of 3.38 persons (refer to Table 2-5). This represents a fairly stable household size from 1990 (3.33 persons), and remains higher than the Countywide average household size of 2.98. Larger household size can translate into a greater number of overcrowded households, particularly among renters due to the generally smaller size of rental units.

Table 2-5: Household Characteristics 1990-2010

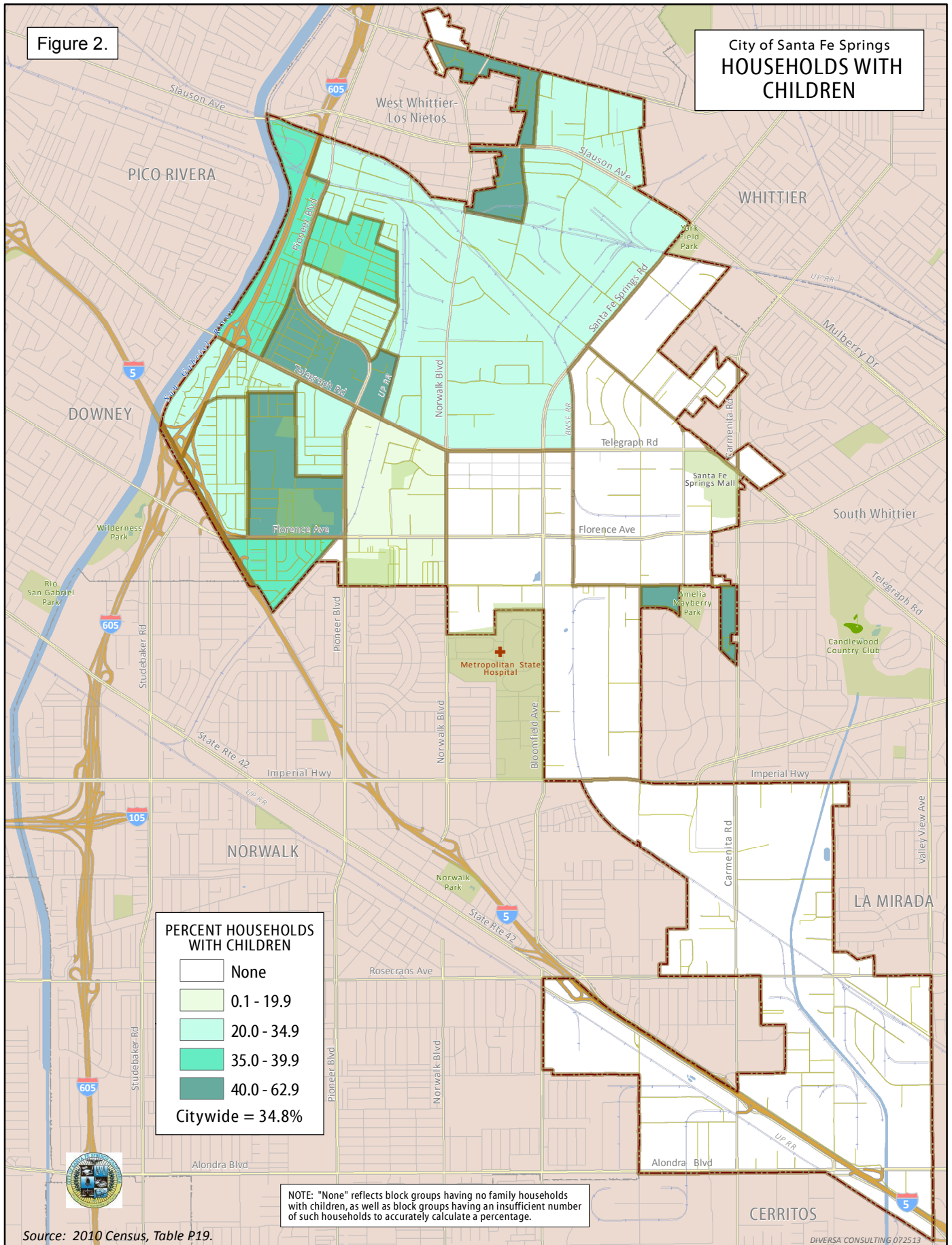
Household Type	1990		2010		
	Households	Percent	Households	Percent	LA County %
Families	3,692	79%	3,687	78%	68%
With children	2,079	(56%)	1,650	(45%)	(33%)
With no children	1,613	(44%)	2,037	(55%)	(35%)
Singles	796	17%	894	19%	24%
Other non-families	168	4%	166	3%	8%
Total Households	4,656	100%	4,747	100%	100%
Average Household Size	3.33		3.38		2.98

Source: U.S. Census 1990 and 2010.

Families comprise 78 percent of Santa Fe Springs’ households, compared to 68 percent family households Countywide. Families without children have surpassed families with children as the predominant family type in Santa Fe Springs. Over the past two decades, the City evidenced a decrease in over 400 families with children, reflecting an aging of young families with adult children moving out from their parents’ homes, and fewer young families moving into the community. Figure 2 depicts the location of family households with children by census block group.

Figure 2.

City of Santa Fe Springs
**HOUSEHOLDS WITH
CHILDREN**



Source: 2010 Census, Table P19.

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2. Household Income

Household income is one of the most important factors affecting housing opportunity and determining a household's ability to balance housing costs with other basic necessities of life.

Income Definitions

The State and Federal government classify household income into several groupings based upon the relationship to the County adjusted median income (AMI), adjusted for household size. The State of California utilizes the income groups presented in Table 2-6, and are used throughout the Housing Element.

Table 2-6: State Income Categories

Income Category	% County Area Median Income (AMI)	2013 L.A. County Income Limits		
		1 person household	2 person household	3 person household
Extremely Low	0-30% AMI	\$17,950	\$20,500	\$23,050
Very Low	0-50% AMI	\$29,900	\$34,200	\$38,450
Low	51-80% AMI	\$47,850	\$54,650	\$61,500
Moderate	81-120% AMI	\$54,450	\$62,200	\$70,000
Above Moderate	120%+ AMI	>\$54,450	>\$62,200	>\$70,000

Source: California Dept of Housing and Community Development, 2013 Income Limits.

Table 2-7 presents the distribution of household income in Santa Fe Springs by income category. At 40 percent, above-moderate income households (>120% AMI) comprise the majority of households, though nearly 2,000 households earn lower incomes (<80% AMI). Extremely low-income (ELI) households (<30% AMI) comprise 15 percent of the City's households, and have significant housing needs. According to the CHAS Data compiled by HUD, 77 percent of the City's ELI households are renters (570 households), with over 60 percent spending more than half their incomes on rent. Among the City's approximately 170 ELI homeowners, 54 percent spend more than half their income towards housing, placing them at risk of being unable to maintain, or potentially losing their homes.

Table 2-7: Household Income Distribution 2010

Income Level	Households	Percent
Extremely Low Income	740	15%
Very Low Income	536	11%
Low Income	712	14%
Moderate Income	970	20%
Above Moderate Income	2,010	40%
TOTAL	4,968	100%

Source: SCAG Existing Housing Needs Statement, 2012
(as derived from 2005-2009 American Community Survey).

Many of the workers who make up Santa Fe Springs' workforce earn modest incomes, making it challenging to afford to live in the City. Table 2-8 presents a sampling of occupations in Santa Fe Springs that fall within very-low, low and moderate-income thresholds (based on a single worker household). The analysis of housing costs and affordability presented later in this section compares current market rents and sales prices in Santa Fe Springs with the amount that households of different income levels can afford to pay for housing. This analysis illustrates that very low-income occupations, such as retail sales workers, nursing aides, and preschool teachers and teacher assistants cannot afford market rents in Santa Fe Springs. Median home and condominium sales prices in Santa Fe Springs are beyond the level of affordability to both low and moderate income households.

Table 2-8: Los Angeles County Wages for Select Occupations 2012

Very Low Income (< \$33,750 - 2 person household)	Hourly Wage	Annual Income	Max. Affordable Housing Cost
Waiters/Waitresses	\$10.41	\$21,645	\$541
Child Care Workers	\$12.11	\$25,187	\$630
Retail Salespersons	\$12.66	\$26,335	\$658
Nursing Aides, Orderlies, and Attendants	\$12.88	\$26,808	\$670
Security Guards	\$13.24	\$27,541	\$689
Emergency Medical Technicians and Paramedics	\$14.77	\$30,732	\$768
Preschool Teachers	\$15.26	31,736	\$793
Low Income (\$33,750 - \$54,000 - 2 person household)	Hourly Wage	Annual Income	Max. Affordable Housing Cost
Transit Bus Drivers	\$18.66	\$38,811	\$970
Bookkeeping, Accounting, and Auditing Clerks	\$19.42	\$40,378	\$1,009
Real Estate Sales Agent	\$22.32	\$46,422	\$1,161
Licensed Practical and Vocational Nurses	\$24.22	\$50,390	\$1,260
Executive Secretaries and Administrative Assistants	\$25.38	\$52,798	\$1,320
Child, Family, and School Social Workers	\$25.80	\$53,677	\$1,342
Carpenters	\$25.97	\$54,021	\$1,350
Moderate Income (\$54,000 - \$62,200 - 2 person household)	Hourly Wage	Annual Income	Max. Affordable Housing Cost
Food Service Managers	\$24.59	\$51,148	\$1,279
Architectural and Civil Drafters	\$26.32	\$54,733	\$1,368
Computer Support Specialists	\$26.38	\$54,859	\$1,371
Postal Mail Carriers	\$26.51	\$55,156	\$1,379
Insurance Appraisers	\$26.62	\$55,377	\$1,384
Paralegals and Legal Assistants	\$28.99	\$60,312	\$1,508
Graphic Designers	\$29.04	\$60,404	\$1,510

Source: 2012 State Employment Statistics – L A County; 2012 State HCD Income Limits.
Income categories based on two-person household with single wage earner.

C. SPECIAL NEEDS POPULATIONS

California law recognizes that certain households face greater difficulties in finding decent and affordable housing due to special circumstances, including but not limited to income, age disability, household size and household type. Special needs populations addressed in the Housing Element include the elderly, persons with disabilities, families with female heads of households, large households, farmworkers and the homeless. Table 2-9 summarizes the special needs populations in Santa Fe Springs. Each of these population groups, as well as their housing needs, is described below.

Table 2-9: Special Needs Populations 2010

Special Needs Groups	Persons	Households	Percent
Seniors (65+)	2,160		13%
With a Disability*	832		(38%)
Senior Households		1,383	29%
Renter		466	(34%)
Owner		917	(66%)
Seniors Living Alone	526		(24%)
Persons with Disability*	3,342		21%
Large Households		1,220	26%
Renter		413	(34%)
Owner		807	(66%)
Female-Headed Family Households		965	20%
With Related Children		392	(41%)
Farmworkers**	0		0%
Homeless***	74		
TOTAL Persons/Households	16,223	4,747	

Source: U.S. Census 2010; *2000 Census % applied to 2010 population; **SCAG Existing Needs Statement; ***2013 LAHSA Homeless Count.

Note: Numbers in () reflect the % of the special needs group, and not the percentage of the total City population/households. For example, of the City's senior households, 34% are renters and 66% are owners.

1. Senior Households

At 29 percent, senior households represent a significant special needs group in Santa Fe Springs. Consistent with trends throughout the nation, this population is expected to continue increasing as the baby boom generation approaches retirement.

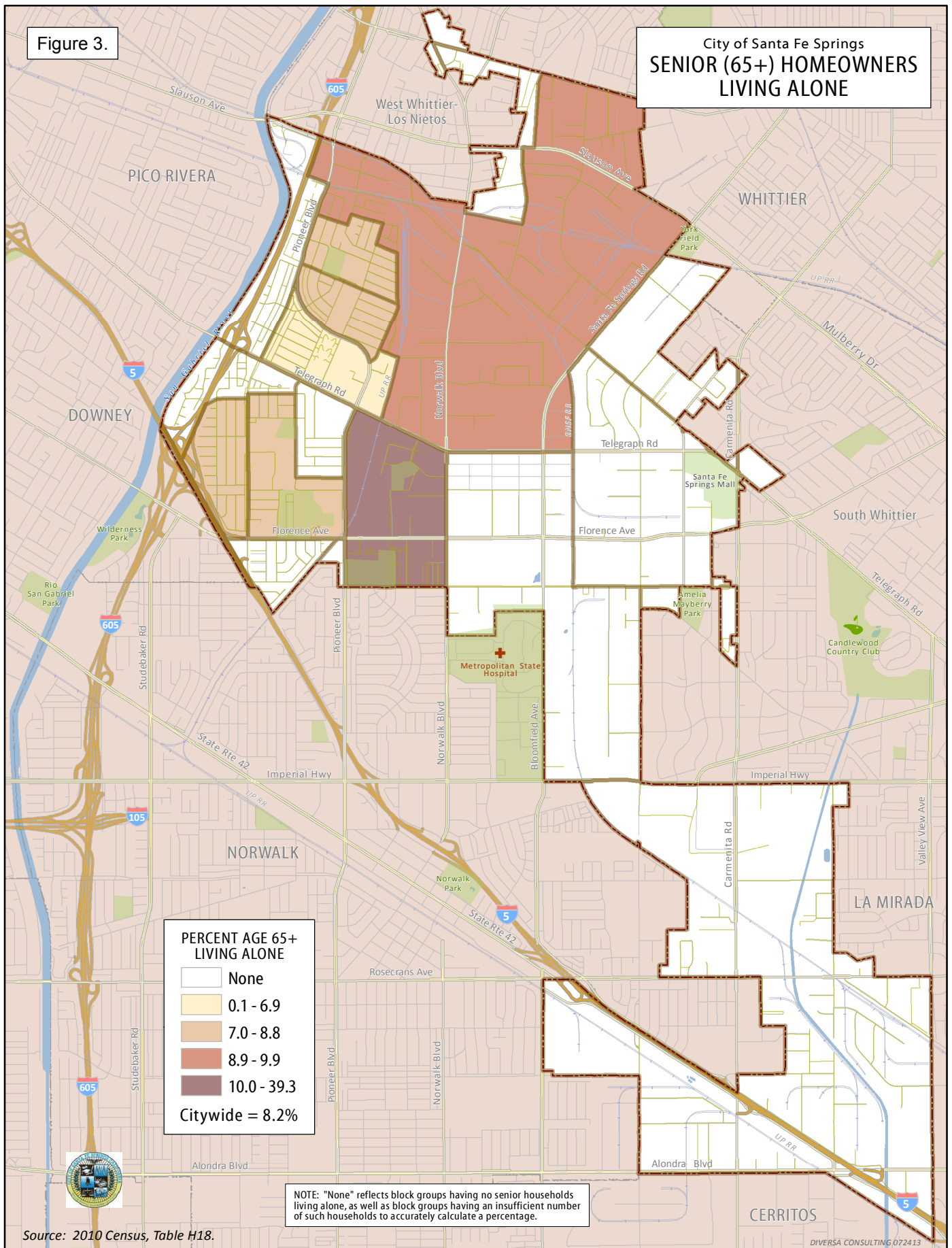
Although often viewed as homogeneous, Santa Fe Springs' senior population is quite diverse. Among the City's 1,383 senior households, 66 percent own a home and 34 percent rent housing. Half of Santa Fe Springs' seniors are 75 years of age and above, a population which may require more supportive housing options as they age and become more frail. Some of the more pressing housing needs of Santa Fe Springs' seniors include:

- **Rental affordability.** Rising rents are a particular concern due to the fact that most seniors are on fixed incomes. Of Santa Fe Springs' approximately 460 senior renter households, 60 percent are very low income (<50% AMI). Market rents in Santa Fe Springs are beyond the level affordable to very low-income households, as confirmed by the Census, which documents two-thirds of the City's very low-income senior renters spending more than 30 percent of their incomes on rent.
- **Disabilities.** The Census identifies 38 percent of Santa Fe Springs' seniors as having one or more disabilities, encompassing physical, sensory and mental disabilities, as well as conditions that limit the senior's ability to leave their home. Combined with the significant number of older seniors (age 75+), this indicates a large segment of the senior population, which may require various levels of housing support.
- **Housing maintenance.** Of Santa Fe Springs' approximately 920 senior homeowners, one-quarter live alone. As these homeowners age, many may be unable to maintain their homes and may benefit from the installation of assistance devices to enhance accessibility. Figure 3 depicts the incidence of senior homeowners residing alone in Santa Fe Springs by census block group, with the greatest concentrations in the neighborhoods located south of Telegraph Road, between Norwalk and Pioneer boulevards.

The City offers a range of services for senior residents at the Gus Velasco Neighborhood Center, the Betty Wilson Center, and the senior center located at Little Lake Village Apartments. These centers offer case management services for many housing related issues, as well as registry for in-home supportive services. The centers also provide educational, health, legal and transportation services to the elderly, including congregate lunch program at the Neighborhood Center. The Hope Through Housing Foundation operates comprehensive "Living Well Senior Services" at the Little Lake Village Center to enhance the overall quality of life for seniors – emotionally, socially, and physically.

Figure 3.

City of Santa Fe Springs
SENIOR (65+) HOMEOWNERS
LIVING ALONE



Source: 2010 Census, Table H18.

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Addressing the diverse housing needs of Santa Fe Springs' senior population will require strategies that foster independent living (such as home accessibility improvements, second units, rehabilitation assistance), as well as strategies that encourage the provision of variety of supportive living environments for seniors of all income levels.

2. Persons with Disabilities

A disability is defined as a long lasting condition (more than six months) that impairs an individual's mobility, ability to work, or ability to care for oneself. Persons with disabilities include those with physical, mental, or emotional disabilities. Disabled persons have special housing needs because of their often limited incomes, shortage of accessible housing, and higher health costs associated with their disability.

Approximately 21 percent of Santa Fe Springs residents (3,342 persons) reported having one or more disabilities in the Census. Among the City's senior population, 38 percent suffer from a disability. As Santa Fe Springs' population continues to age, the number of residents with disabilities will also increase.

The living arrangements for persons with disabilities depend on the severity of the disability. Many persons are able to live in an independent environment with the help of other family members. To maintain independent living, persons with disabilities may require assistance. This can include special housing design features for the physically disabled, income support for those who are unable to work, and in-home supportive services for persons with medical conditions.

Developmental Disabilities

Section 4512 of the Welfare and Institutions Code defines "developmental disability" as a disability that originates before an individual attains age 18 years, continues, or can be expected to continue, indefinitely, and constitutes a substantial disability for that individual. This term includes mental retardation, cerebral palsy, epilepsy, and autism. This term also includes disabling conditions found to be closely related to mental retardation or to require treatment similar to that required for individuals with mental retardation, but does not include other handicapping conditions that are solely physical in nature.

The East Los Angeles Regional Center (ELARC) is among 21 regional centers operated by the State DDS to serve the developmentally disabled population. The goal of these centers is to: 1) prevent/minimize institutionalization of developmentally disabled persons and their dislocation from family and community; and 2) enable this population to lead more independent and productive lives. Within the Santa Fe Springs zip code 90670, the East Los Angeles Regional Center currently provides services to 115 residents with developmental disabilities, generating an estimated need for 36 housing units:

**Table 2-10: Developmentally Disabled Residents
Served by East Los Angeles Regional Center**

Zip Code	0 - 14 years	15 - 22 years	23 - 54 years	55 - 65 years	65+ years	Total
90670	51	21	35	6	2	115
Est. Housing Need*	13	10	12	1	0	36

Source: East Los Angeles Regional Center, October 2013

* The following need factors have been developed by the Golden Gate Regional Center and can be used to generally estimate housing needs for the developmentally disabled population by age group: age 0-14 25% need hsg; age 15-22 50% need hsg; age 23-54 35% need hsg; age 55-65 25% need hsg; age 65+ 20% need hsg.

The regional centers have identified a number of community-based housing types appropriate for persons living with a developmental disability: licensed community care facilities and group homes; supervised apartment settings with support services; SB 962 homes (for persons with special health care and intensive support needs); and for persons able to live more independently, rent subsidized homes, affordable inclusionary units, and Section 8 rental vouchers.

Santa Fe Springs supports the provision of housing for persons with disabilities, has provisions in its Zoning Code to enable community care facilities and supportive housing, and currently has one State licensed residential care facility for up to five adults with developmental disabilities.

3. Large Households

Large households are defined as consisting of five or more members and are considered a special needs population due to the limited availability of affordable and adequately sized housing. Large households tend to live in smaller units if they are in the lower income groups. This often results in overcrowding. The increased strain which overcrowding places on housing serves to accelerate the pace of deterioration of the housing unit.

In Santa Fe Springs, large households comprise 26 percent of total households. Of the City's 1,220 large households, 413 are renter households and 807 are homeowner households. The 2007-2011 American Community Survey documents 503 rental units and 2,026 owner units in Santa Fe Springs with 3 or more bedrooms, the appropriate size for households with 5-6 members.

4. Female-Headed Households

Single-parent households typically have a special need for such services as childcare and health care, among others. Female-headed households with children in particular tend to have lower incomes, which limits their housing options and access to supportive services. The 2010 Census identifies 965 female-headed family households (no husband present) in Santa Fe Springs, comprising 20 percent of total households. Of these female-headed households,

41 percent have children under the age of 18. Many of these households thus need assistance with housing subsidies, as well as affordable day care.

The City's Community Services Department provides a comprehensive child development program for children ages 2 to 12, including subsidized childcare based on income eligibility. The Family Services Section provides numerous programs and resources for youth, including a new learning center, homework help and computer lab, and after school programs.

5. Homeless

The 2013 Greater Los Angeles Homeless Count, conducted by the Los Angeles Homeless Service Authority (LAHSA) includes a count of homeless on the street, in shelters, hidden homeless and youth. In eastern Los Angeles County, Service Provider Area (SPA) 7, the total homeless population decreased 49 percent from the 2011 count of 4,759 to 2,430 in 2013, the largest decrease of any of the Los Angeles County SPAs. Characteristics of the homeless counted in SPA 7 include: 20% are "chronic homeless"; 28% experienced substance abuse issues; 28% suffered from mental health issues; and 18% had a physical disability.

The L.A. Centers for Alcohol and Drug Abuse (L.A. CADA) administered the 2013 homeless count and registry within Santa Fe Springs, partnering with the city, churches, service clubs, United Way, Whittier First Day, and others. Of the 74 homeless persons counted, in-depth surveys were conducted with 37 individuals. The characteristics of those surveyed include:

- Average age of 47 years
- Average of 3.5 years living on the street
- Half reported a major physical illness
- 68% reported having at least one chronic medical condition
- 33% reported or were observed as having a severe mental condition
- 77% reported or were observed as having a substance abuse problem

L.A. CADA reports that there have been positive outcomes from the Santa Fe Springs homeless count. The Whittier Police Department and Cal-Trans have teamed up with Whittier First Day Outreach Team in order to help the homeless at "hot-spots". First Day now has Veterans vouchers and is housing homeless vets as well as providing field based medical services that include a nurse who can screen and transport for medical care.

Homeless families in the City are, more often than not, chronically homeless, which makes it far more difficult to get them accepted into a shelter. These families typically alternate between living in motels, staying with family and friends, and sleeping some nights in their vehicles. Families with children are usually referred by City staff to a homeless shelter or transitional living center. If a shelter or transitional living center is not available, City case workers may place them in a hotel for the night and request they return the next day when more suitable housing can be found. Periodically, the City's case workers assist

families who are only temporarily displaced. Temporarily displaced Santa Fe Springs residents are typically provided some level of support or financial assistance for a hotel stay during their transition.

The City has a variety of services aimed at assisting its homeless population. The City has a staff of Case Managers that assess individual client situations with a thorough assessment. These Case Managers are able to screen clients for eligibility for other available programs throughout the community and also develop individual case plans. Clients are then linked to the appropriate agencies for social services. An on-site emergency food pantry that supplies food to the homeless and families in need is also provided by the City.

City case workers refer homeless clients to several different resources. The resource most often utilized is "Dial 211" L.A. County. Dial 211 tracks the availability of homeless shelters countywide and can be used for individuals, as well as families. Staff also refer clients to the Access Center for Homeless Services to place homeless families into shelters on an emergency basis. Single adults are typically referred to First Day Shelter in the City of Whittier, a facility providing general case management and a transitional living program for homeless adults.

Santa Fe Springs is home to the Salvation Army's Transitional Living Center (TLC), located at 12000 E. Washington Blvd in the northern part of the City. TLC is the primary transitional living program in Southeast Los Angeles County for homeless mothers and their children who are victims of domestic violence and/or substance abuse. With 28 apartments, the Center can house up to 116 adults and children. TLC provides comprehensive services to clients, including: counseling and case management to address domestic violence issues, substance abuse support, family literacy and computer training, GED completion, job readiness, vocational training referrals, life skills training, and housing placement. Residents are required to save 80 percent of their income while in the program, and use a portion of their savings to purchase a used car to travel to work, and for security deposits for permanent housing when they complete the program. Families are permitted to stay up to 24 months, although the average stay is 18 months.

6. Farmworkers

Farmworkers are traditionally defined as persons whose primary incomes are earned through seasonal agricultural work. While in many parts of southern California agriculture production is an important contribution to local economies, the City of Santa Fe Springs does not have any farm housing or land remaining in agricultural use. Based on data compiled by SCAG, no Santa Fe Springs residents are employed in the industries of farming, fishing or forestry. Because of the urban nature of the City's employment base, there are no specialized housing programs targeted for farmworkers beyond overall programs for affordability.

D. HOUSING STOCK CHARACTERISTICS

This section presents the characteristics of Santa Fe Springs' physical housing stock including growth trends, housing conditions, housing costs and affordability, housing overpayment and overcrowding, and assisted housing at-risk of conversion.

1. Housing Growth

Santa Fe Springs was developed as a predominantly industrial community with limited areas of residential use. Less than ten percent of the City's nine square miles is planned for residential use, with more than 80 percent allocated to industrial and commercial uses. The majority of housing development has historically been concentrated in the western portion of the City away from the industrial uses, although small pockets of housing also exist along the eastern periphery of the City adjoining residential uses in the neighboring communities.

Table 2-11 displays housing production in Santa Fe Springs and surrounding region over the past two decades. Housing growth has been fairly limited in this southeast area of the County, reflective of the older, established character of these communities. During the 1990s, Santa Fe Springs added a little over 100 new units to its housing stock, with less than 50 units added during the most recent decade.

Table 2-11: Regional Housing Growth Trends 1990-2013

Jurisdiction	1990	2000	2010	2013	Percent Change		
					1990-2000	2000-2010	2010-2013
Downey	34,302	34,759	35,601	35,606	1%	2%	<1%
Norwalk	27,300	27,554	28,083	28,045	1%	2%	<1%
Pico Rivera	16,102	16,807	17,109	17,121	4%	2%	<1%
Santa Fe Springs	4,826	4,933	4,976	5,115	2%	1%	3%
Whittier	28,758	28,977	29,591	29,601	1%	2%	<1%
L.A. County	3,163,343	3,270,909	3,443,087	3,463,382	3%	5%	<1%

Source: U.S. Census 1990, 2000 and 2010; 2013 Dept. of Finance E5 Population and Housing Est.

Between 2010- 2013, 139 new units were developed in Santa Fe Springs, bringing the City's total housing stock to 5,115 units. This level of growth well exceeded that in the surrounding communities and the County as a whole, and is reflective of the initial phases of the 500+ new units being developed within The Villages at Heritage Springs (southeast corner of Norwalk and Telegraph). This master planned community consists of five single-family and townhome communities, as well as a 150 unit apartment community.



2. Housing Type and Tenure

Table 2-12 depicts the mix of housing types in Santa Fe Springs. Single-family homes remain the dominant housing type, comprising 65 percent of the City's 2010 housing stock, although a slight decrease from the 67 percent single-family homes in 1990. With the development of 384 new single-family detached and attached homes in the Villages, the relative proportion of single-family homes in the community can be expected to increase.

Table 2-12: Housing Type 1990-2010

Unit Type	1990		2010	
	Units	Percent	Units	Percent
Single-Family (SF) Detached	2,995	62%	3,119	63%
SF Attached	236	5%	124	2%
Total Single-Family	3,231	67%	3,243	65%
2 to 4 Units	99	2%	243	5%
5 or more units	1,318	27%	1,417	28%
Total Multi-Family	1,417	29%	1,660	33%
Mobile Homes & Other	169	4%	73	1%
Total Housing Units	4,817	100%	4,976	100%
Vacancy Rate	3.8%		4.6%	

Source: 1990 U.S. Census, 2010 Dept of Finance Population and Housing Est.

Housing tenure refers to whether a housing unit is owned or rented. Tenure influences residential mobility, with owner units generally evidencing lower turnover rates than rental housing. As indicated in Table 2-13, 61 percent of Santa Fe Springs households were homeowners in 2010, a slight reduction from the 65 percent homeownership rate in 1990, though still well above the Countywide homeownership rate of 48 percent. Corresponding to the increased proportion of single-family homes anticipated with buildout of the Villages, the City's rate of homeownership can also be expected to increase.

Table 2-13: Housing Tenure 1990-2010

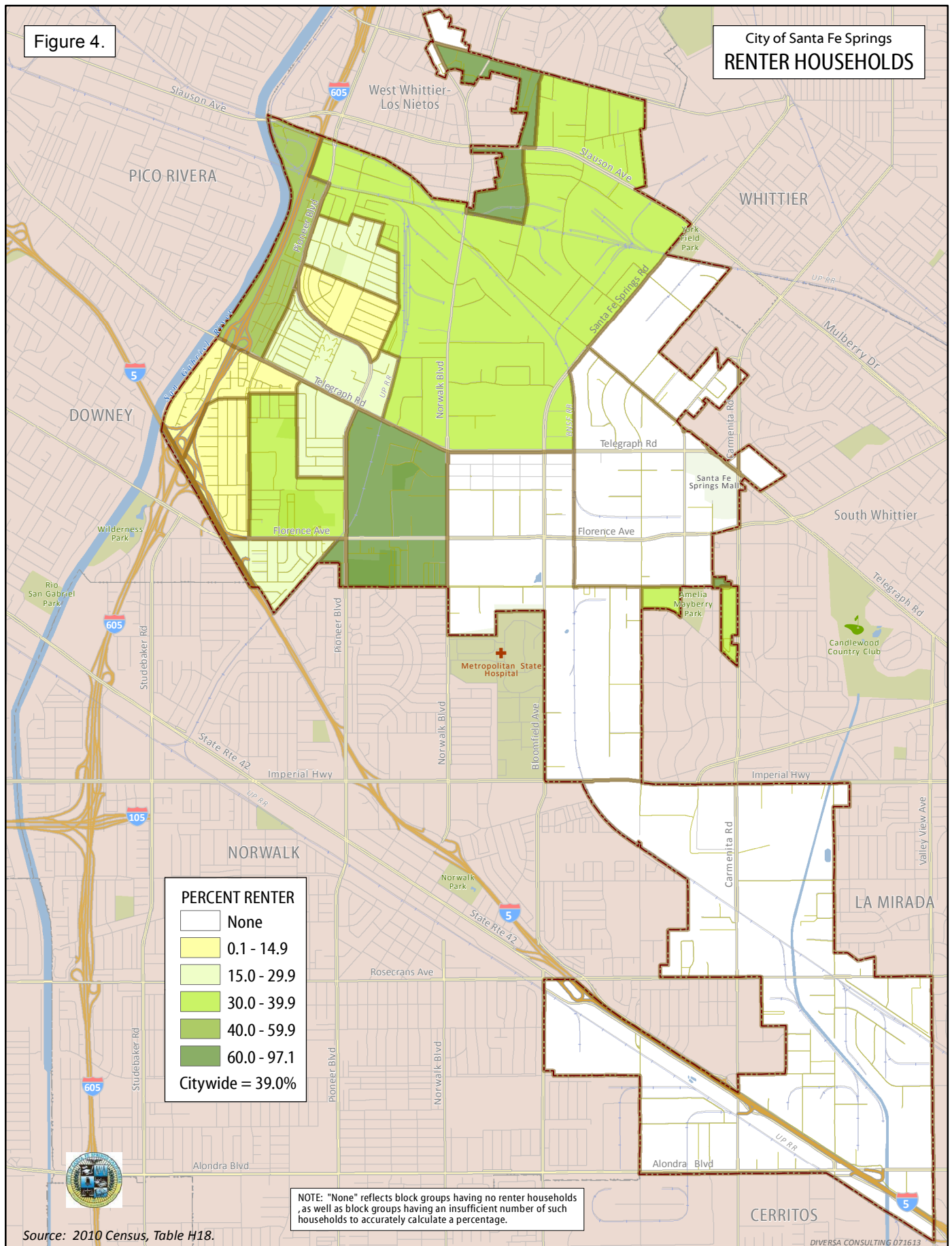
Housing Tenure	1990		2000		2010	
	Occupied Units	Percent	Occupied Units	Percent	Occupied Units	Percent
Renter	1,636	35%	1,794	37%	1,853	39%
Owner	3,020	65%	3,040	63%	2,894	61%
Total	4,656	100%	4,834	100%	4,747	100%

Source: U.S. Census, 1990, 2000, and 2010.

Figure 4 shows the proportion of renter-occupied housing by census block group in the City. A high concentration of renter households (over 60%) is present in the neighborhood south of Telegraph between Pioneer and Norwalk, which also contains high numbers of senior households.

Figure 4.

City of Santa Fe Springs
RENTER HOUSEHOLDS



Source: 2010 Census, Table H18.

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Vacancy Rate

The vacancy rate measures the overall housing availability in a community and is often a good indicator of how efficiently for-sale and rental housing units are meeting the current demand for housing. A low vacancy rate may indicate that households are having difficulty finding affordable housing, which can lead to overcrowding and/or overpayment. A particularly tight housing market with insufficient vacant units for normal mobility may also lead to high competition for units, placing upward pressure on rents and for-sale housing prices.

A vacancy rate of five percent for rental housing and two percent for ownership housing is generally considered healthy and suggests that there is a balance between the demand and supply of housing. As measured by the 2010 Census, the residential vacancy rate in Santa Fe Springs was 4.6 percent for all housing units, a healthy increase from the 2.0 percent vacancy rate in 2000. More specifically, 2010 vacancy rates in Santa Fe Springs were 5.5 for rentals and 2.1 for ownership units, indicating vacancy levels ideal for sufficient mobility.

With the opening of Little Lake Village Apartments in 2003, 144 affordable senior apartments were added to the City's supply of rental housing, helping to ease previously low rental vacancies.



Little Lake Village Apartments



3. Housing Age and Condition

The age of a community's housing stock can provide an indicator of overall housing conditions. Typically housing over 30 years in age is likely to have rehabilitation needs that may include new plumbing, roof repairs, foundation work and other repairs. Table 2-14 displays the age of Santa Fe Springs occupied housing stock by tenure based on the 2007-2011 American Community Survey. Approximately 1,400 renter units and 2,300 ownership units in Santa Fe Springs have reached the 30 year benchmark, representing over 70 percent of the City's occupied housing units.

Table 2-14: Age of Housing Stock

Year Structure Built	Renter Occupied Housing	Percent Renter	Owner Occupied Housing	Percent Owner	Total Percent
2005 or later	22	1%	0	0	1%
2000-2004	137	7%	17	1%	3%
1990-1999	111	6%	86	3%	4%
1980-1989	312	16%	117	4%	9%
1970-1979	426	21%	130	5%	12%
1960-1969	299	15%	276	11%	13%
1950-1959	588	30%	1,791	70%	52%
1940-1949	72	3%	98	4%	4%
1939 or earlier	17	1%	47	2%	2%
Total	1,984	100%	2,562	100%	100%

Source: U.S. Census 2007-2011 American Community Survey.

The advanced age of the majority of Santa Fe Springs' housing stock indicates the significant need for continued code enforcement, property maintenance and housing rehabilitation programs to stem housing deterioration. According to City Housing staff, much of the City's aging housing stock is in need of rehabilitation and repair to the home's infrastructure. Typical improvements include roof replacements and repair, new and updated pipe water systems, sewer line replacements, termite damage repairs, and extermination. The City also recommends the replacement of original furnace units in older homes with safer and more efficient models.

No current Citywide survey of substandard housing exists for Santa Fe Springs, and City staff have not been informed of any substandard homes to remedy. As deteriorated housing in Santa Fe Springs is largely related to housing age, City Housing staff generally estimates five percent of the 2,600 housing units greater than 50 years in age to be substandard, translating to 130 units. Of housing considered substandard, an estimated 80 percent is suitable for rehabilitation where necessary repairs are considered economically feasible.

The City's Code Enforcement Division implements a property maintenance ordinance which mandates the upkeep of properties. For owner occupied units, the City operates a rebate and home repair program for rehabilitation of housing units. To address upkeep of the City's rental stock, the City implements a rental inspection program that requires annual inspection of rental units to ensure they are properly maintained. Under the Housing Acquisition and Rehabilitation Program (HARP) implemented by the prior Redevelopment Agency, approximately two substandard homes per year are either substantially rehabilitated, or depending on the severity of unit deterioration, replaced with a new unit, and sold at an affordable housing cost to low and moderate income purchasers. However, due to the elimination of Redevelopment funding, the HARP Program is currently on hold until an alternate source of funds can be identified.

4. Housing Costs and Affordability

This section summarizes the cost and affordability of the housing stock to Santa Fe Springs residents.

Rental Housing Market

An internet rent survey was conducted in July 2013, supplemented by rent data collected by the City's Residential Rental Inspection Officer, to evaluate rental costs in Santa Fe Springs. As presented in Table 2-15, average apartment rents were \$1,000 for a one-bedroom, \$1,275 for a two-bedroom, and \$1,550 for a three-bedroom units. In comparison to 2007 rent levels (as documented in the City's 2008-2014 Housing Element), apartment rents have increased significantly in Santa Fe Springs, with one bedrooms units increasing 18 percent and two bedroom units increasing 21 percent.

In addition to the full rental units surveyed, approximately a dozen individual rooms were listed for rent within homes. Rooms were more affordable than small apartment units, ranging in price from \$450 to \$750, with an average price of \$575.

Table 2-15: Residential Rental Rates - July 2013

Unit Type and Bedrooms	Rental Range	Average Rent	Change from 2007
Apartments			
1	\$770 - \$1,295	\$1,000	+18%
2	\$910 - \$1,585	\$1,275	+21%
3+	\$1,400 - \$1,650	\$1,550	+7%
Rooms for Rent			
1	\$450 - \$750	\$575	n/a

Source: City of Santa Fe Springs Residential Rental Inspector; Craigslist July 2013.

Homeownership Market

Table 2-16 compares single-family and condominium sales prices in Santa Fe Springs and nearby communities by zip code during calendar year 2012. A total of 92 single-family homes were sold within the 90670 Santa Fe Springs zip code, commanding a median sales price of \$300,000. The City's median home price increased slightly by 1.7 percent from the previous year, comparable to the price increases evidenced in nearby communities, though below the 4.6 percent price appreciation countywide. Median sales prices in Santa Fe Springs were above those in Pico Rivera, Norwalk, and the unincorporated zip code 90606 located north of the City. Sales prices in zip codes 90604 and 90605 immediately east of Santa Fe Springs were comparable to the City, with median prices in the Whittier and Downey the highest among the cities surveyed.

Condominiums represented just ten percent of all units sold in Santa Fe Springs in 2012, with 14 condos sold. The median condominium sales price was \$213,000, representing a 9.4 percent decline from the previous year. Condominium prices in Santa Fe Springs were below the Countywide average of \$285,000, but higher than those in the other nearby communities surveyed such as Norwalk and Pico Rivera.

Table 2-16: Single-Family Homes and Condominium Sales 2012

Community	Zip Code	# Homes Sold	Median Home Price	Change from 2011	# Condos Sold	Median Condo Price	Change from 2011
Downey	90240	183	\$380,000	0.7%	17	\$225,000	-3.0%
	90241	247	\$370,000	1.4%	46	\$177,000	0.9%
	90242	244	\$315,000	-1.7%	25	\$169,000	-7.1%
Norwalk	90650	818	\$270,000	1.7%	96	\$179,000	-13.7%
Pico Rivera	90660	418	\$265,000	0.2%	54	\$190,000	-16.3%
Santa Fe Springs	90670	92	\$300,000	1.7%	14	\$213,000	-9.4%
Whittier	90601	194	\$350,000	0.0%	91	\$175,000	-10.3%
	90602	130	\$341,000	13.7%	9	\$215,000	0.9%
	90603	195	\$370,000	1.4%	34	\$329,000	118.0%
	90605	404	\$300,000	1.7%	11	\$196,000	22.5%
Unincorporated	90604	352	\$311,000	-2.8%	49	\$176,000	-11.1%
	90606	276	\$280,000	3.7%	2	\$234,000	-20.2%
L.A. County	All	59,561	\$340,000	4.6%	19,617	\$285,000	3.6%

Source: DQNews – 2012 Los Angeles Times Zip Code Chart, <http://www.dqnews.com>

While the prior Table 2-16 provides an overview of the sub-regional housing market during calendar year 2012, the following Table 2-17 provides more detailed information on home and condominium sales within the Santa Fe Springs during the most recent 12-month period (August 2012-July 2013). A total of 91 single-family home sales were recorded during this period, with median sales prices ranging from \$290,000 (two-bedroom) to \$325,000 (three-

bedroom) and \$340,000 (four or more bedrooms). The overall median sales price of \$320,000 during this period reflects a seven percent increase from the \$300,000 median documented in the previous calendar year. Average unit sizes are relatively modest, with two bedroom units averaging 980 square feet and three bedroom units averaging 1,255 square feet in size.

A total of 189 condominiums were sold during this 12-month period for a median price of \$337,000, nearly a 60 percent increase from the \$213,000 median price recorded in calendar year 2012. Many of the recent condominium sales in Santa Fe Springs have been within the Villages at Heritage Springs, increasing both the number and price of condominiums on the market.

Table 2-17: Santa Fe Springs Sales Prices August 2012-July 2013

# Bdrms	Units Sold	Price Range	Median Price	Avg. Unit Size	Avg. Lot Size	Avg. Year Built
Single-Family Homes						
Up to 2	20	\$190,000 - \$343,000	\$290,000	980 sq. ft.	5,470 sq. ft.	1951
3	56	\$224,000 - \$388,000	\$325,000	1,255 sq. ft.	5,500 sq. ft.	1953
4+	15	\$250,000 - \$400,000	\$340,000	1,500 sq. ft.	5,395 sq. ft.	1959
Total	91	\$180,000 - \$642,000	\$320,000	1,235 sq. ft.	5,475 sq. ft.	1954
Condominiums						
2	24	\$180,000 - \$343,000	\$285,000	--	--	1955
3	123	\$202,000 - \$618,500	\$333,000	--	--	1983
4	42	\$250,000 - \$642,000	\$385,000	--	--	1992
Total	189	\$180,000 - \$642,000	\$337,000	--	--	1981

Source: Dataquick On-Line Real Estate Database. Compiled by Karen Warner Associates, 2013.



The Villages at Heritage Springs

Home Foreclosures

Approximately 1.5 million of the 8.7 homes and condominiums in California have been involved in a foreclosure proceeding since 2007. In addition to impact of people losing their homes, foreclosed properties can lead to other problems as these homes are left abandoned, becoming potential blight and criminal concerns. Fortunately, the number of mortgage default notices in California has been consistently declining since its peak in 2009, with the number of default notices filed in the first and second quarters of 2013 the lowest level in more than seven years. According to the real estate information service DataQuick, the drop in foreclosure notices is the result of a combination of rising home values, an improving economy, and government efforts to reduce foreclosures.

Within Santa Fe Springs, www.Realtytrac.com identified 140 single-family home and condominiums units in July 2013 in various states of foreclosure, including “pre-foreclosure” having received a notice of mortgage default, notice of a trustee sale, and bank-owned. The number of properties that received a foreclosure filing in Santa Fe Springs in July was 62 percent lower than the previous month and 75 percent lower than the same time last year, and representing one filing for every 1,507 residential units in the City. In comparison, the ratio of July foreclosure filings to total housing units in the State, Los Angeles County, and nearby cities were higher than in Santa Fe Springs.¹

Pico Rivera	1 : 636
Whittier	1 : 877
Downey	1 : 1,021
California	1 : 1,029
Los Angeles County	1 : 1,184
Santa Fe Springs	1 : 1,507

While foreclosures have been on the decline, lenders have been shifting towards “short sales” – transactions where the sales price falls short of what is owed on the property. In terms of distressed property sales, short sales are preferable to foreclosures for several reasons: 1) units are typically occupied and in better condition; 2) they tend to be higher priced; and 3) short sales are more favorable financially for banks which may translate into improved lending conditions. In 2012, short sales comprised 26 percent of statewide resale activity.

¹ The foreclosure ratio is calculated by dividing the number of dwelling units in the jurisdiction by the total number of properties that received foreclosure notices that month. The lower the second number in the ratio, the higher the foreclosure rate.

Housing Affordability

The affordability of housing in Santa Fe Springs can be assessed by comparing market rents and sales prices with the amount that households of different income levels can afford to pay for housing. Compared together, this information can reveal who can afford what size and type of housing as well as indicate the type of households that would most likely experience overcrowding or overpayment.

For purposes of evaluating home purchase affordability, Table 2-18 presents the maximum affordable purchase price for moderate-income households (110% AMI), and compares this with market sales prices for single-family homes and condominiums in Santa Fe Springs as previously documented in Table 2-17. As illustrated below, the maximum affordable purchase price ranges from \$267,000 for a three-person household to \$300,900 for a four-person household. Median single-family and condominium sales prices in Santa Fe Springs are approximately ten percent above these moderate income affordability thresholds. However, there are for-sale units at the lower end of the price ranges identified in Table 2-17 affordable at the moderate income level.

Table 2-18: 2013 Los Angeles County Maximum Affordable Housing Cost

Moderate Income (110% AMI) Affordable Housing Cost	2 Bedroom (3 persons)	3 Bedroom (4 persons)
Household Income @ 110% Median ¹	\$64,130	\$71,280
Income Towards Housing @ 35% Income ¹	\$22,446	\$24,948
Maximum Monthly Housing Cost	\$1,870	\$2,079
HOA Fees ²	\$268	\$268
Utilities ³	\$91	\$112
Property Taxes (1.1% affordable hsg price)	\$245	\$276
Insurance (Property and Mortgage)	\$115	\$130
Monthly Income Available for Mortgage	\$1,151	\$1,293
Supportable 30 yr Mortgage @ 4.0% interest	\$241,000	\$270,800
Homebuyer Downpayment (10%)	\$26,700	\$30,100
Maximum Affordable Purchase Price	\$267,000	\$300,900
Santa Fe Springs Median Single-Family Sales Price	\$290,000	\$325,000
Santa Fe Springs Median Condo Sales Price	\$285,000	\$333,000

Source: Karen Warner Associates, 2013.

¹ 110% moderate income standard based on H&S Code Section 50093. 35% affordability standard based on H&S Code Section 50052.5

² Homeowner association fees provided by Villages of Heritage Springs.

³ Utility costs based on 2012/13 H&S Code schedule and assumes gas appliances.

Renter Affordability

Table 2-19 presents the maximum affordable rents for very low, low and moderate income households by household size, and compares with average apartment rents in Santa Fe Springs, as documented earlier in Table 2-15. As the table below indicates, market rents are well above the level of affordability for very low income households, with an affordability gap ranging from \$247 for two-person households (one bedroom units), up to \$615 for four-person households (three bedroom apartments). However, unlike many communities in metropolitan Los Angeles, apartment rents in Santa Fe Springs are still within the level affordable to low income households.

Table 2-19: 2013 Maximum Affordable Rents

Income Level	Maximum Affordable Rent After Utility Allowance*			
	Studio (1 person)	1 Bedroom (2 person)	2 Bedroom (3 person)	3 Bedroom (4 person)
Very Low Income	\$658	\$753	\$847	\$935
Low Income	\$1,107	\$1,264	\$1,423	\$1,574
Moderate Income	\$1,272	\$1,453	\$1,636	\$1,810
Santa Fe Springs Average Rents	n/a	\$1,000	\$1,275	\$1,550

Source: Karen Warner Associates

*For comparability with advertised rentals, affordable rent calculations subtract the following utility expenses based on the LACDC utility schedule: \$89 for studios, \$102 for 1 bedrooms, \$114 for 2 bedrooms, and \$133 for 3 bedrooms.

5. Housing Problems

A continuing priority of communities is enhancing or maintaining the quality of life for residents. A key measure of the quality of life in Santa Fe Springs is the extent of "housing problems." One measure of housing problems used by both the State and Federal governments is the extent of housing overpayment and overcrowding within a community.

Overpayment

Housing overpayment, as defined by the State and Federal government, refers to spending more than 30 percent of income on housing; severe overpayment is spending greater than 50 percent of income. Table 2-20 shows the incidence of overpayment in Santa Fe Springs.

Table 2-20: Housing Overpayment 2010

Overpayment	Households	Percent	L.A. Co. %
Owners			
Overpayment (<i>>30% income on housing</i>)	1,274	46%	45%
Severe Overpayment (<i>>50% income on housing</i>)	805	29%	22%
Lower Income Households Overpaying	442	52%	
Renters			
Overpayment (<i>>30% income on housing</i>)	1,245	57%	56%
Severe Overpayment (<i>>50% income on housing</i>)	736	34%	29%
Lower Income Households Overpaying	686	70%	
Total Overpayment	2,519	51%	

Source: SCAG Existing Needs Statement, as derived from the American Community Survey (ACS) 2005-2009. Lower income overpayment derived from HUD CHAS.

Note: Severe overpayment is a subset of overpayment.

The 2005-2009 American Community Survey estimates that 57 percent of renters in Santa Fe Springs were spending more than 30 percent of their total income on housing, with 34 percent spending more than half their incomes. This level of renter overpayment represents an increase from 2000 when 44 percent of Santa Fe Springs' renters experienced overpayment. Similarly, the level of renter overpayment increased significantly in Los Angeles County over the past decade, and at 56 percent is comparable to that of Santa Fe Springs.

In terms of overpayment among lower income households (<80% AMI), 686 lower income renter households and 442 lower income owners were faced with overpayment in Santa Fe Springs. The impact of housing overpayment on the City's lower income households is significant, with the community's special

needs populations – seniors, persons with disabilities, and female-headed households with children – most vulnerable to losing their housing due to an inability to pay.

Overcrowding

The State defines an overcrowded housing unit as one occupied by more than 1.01 persons per room (excluding kitchens, porches, and hallways). A unit with more than 1.51 occupants per room is considered severely overcrowded. The incidence of overcrowded housing is a general measure of whether there is an available supply of adequately sized housing units.

Table 2-21 shows the incidence of overcrowding in Santa Fe Springs and Los Angeles County by tenure in 2010 and 2000. As indicated, 14 percent of all households in Santa Fe Springs were living in overcrowded conditions, slightly above the incidence of overcrowding Countywide where overcrowding impacts 12 percent of households, and a significant decline from 2000 when 23 percent of households in both Santa Fe Springs and Los Angeles County were overcrowded.

Evaluation of overcrowding by tenure indicates that while homeowner overcrowding in Santa Fe Springs has declined significantly over the past decade, the incidence of overcrowding among renters has remained high and exceeds that of the County. Severe renter overcrowding continues to impact 16 percent of the City's renters, whereas Countywide severe renter overcrowding declined from 22 to 8 percent over the decade. Figure 5 graphically illustrates severe renter overcrowding by census block group, and identifies one primary concentration (> 30%) in the neighborhood in the vicinity of Paradise Memorial Park.

Table 2-21: Overcrowded Households 2000-2010

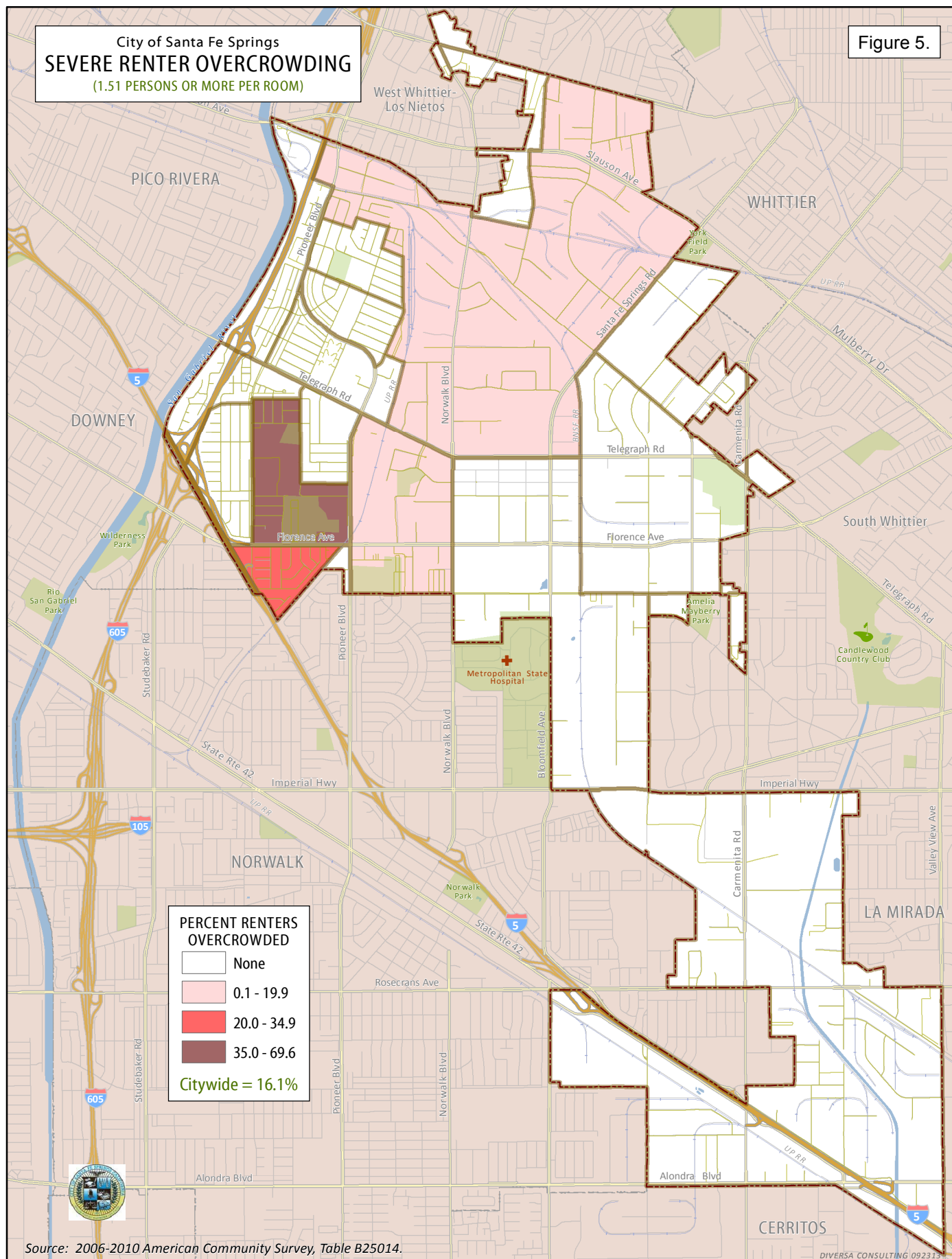
Overcrowding	2010			2000	
	Households	City %	L.A. Co. %	City %	L.A. Co. %
Owners					
Overcrowding	150	6%	6%	21%	14%
Severe Overcrowding	37	2%	1%	9%	7%
Renters					
Overcrowding	471	24%	18%	26%	32%
Severe Overcrowding	319	16%	8%	16%	22%
Total Overcrowding	621	14%	12%	23%	23%

Source: American Community Survey (ACS) 2006-2010.

Note: Severe overcrowding is a subset of overcrowding.

City of Santa Fe Springs
SEVERE RENTER OVERCROWDING
 (1.51 PERSONS OR MORE PER ROOM)

Figure 5.



Source: 2006-2010 American Community Survey, Table B25014.

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E. ASSISTED HOUSING AT-RISK OF CONVERSION

Housing Element law requires an analysis of the potential for currently rent-restricted low income housing units to convert to market rate housing, and to propose programs or replace any units “at-risk” of conversion. This section presents an inventory of all assisted rental housing in Santa Fe Springs, and evaluates those units at risk of conversion during the ten year, 2013-2023 planning period.

Assisted Housing Inventory

As presented in Table 2-22, Santa Fe Springs has 389 units of deed-restricted, affordable rental housing, representing over twenty percent of the City’s total rental housing stock. Approximately half of the City’s assisted rental housing is for families, and half is for seniors.

Table 2-22: Assisted Housing Inventory

Project Name	Tenant Type	Ownership	Funding Source	Units	Potential Conversion Date
Pioneer Gardens	Family	For-profit	HUD 236, Bond Section 8	141 units 135 units	2030 Annual Renewals
Silvercrest Residences	Senior	Non-profit	HUD 202 Section 8	22 21	8/1/2025 5/30/2015
Villa Verde	Family	For-profit	HUD 221 (D)(4) Section 8	34 34	2064
Lakeland Manor/ Ability First	Adult Disabled	Non-profit	Section 811	25 units	
Little Lake Village Senior Apartments	Senior	Non-profit	Tax Credit, Bond, HOME, City of Industry, Santa Fe Springs CDC	144 units	2058
Placita Park	Family Senior	For-profit	HUD 236 (j)(1) CDC Rent Subsidy	134 units 30 senior units	Converted 1997 Ongoing

Villa Verde is a 34 unit family apartment complex, with affordability previously tied entirely to the availability of Section 8 contracts and subject to periodic renewals from HUD. In 2009, the former Santa Fe Springs Community Development Commission committed \$1.4 million in financial assistance for the rehabilitation of Villa Verde in exchange for the property owner recording a Notice of Affordability Restrictions (pursuant to H&S Code Sec. 33334.3), restricting the property for affordable housing purposes for the next 55 years.²

At-Risk Projects

This section evaluates those lower income rental projects in Santa Fe Springs at-risk of converting to market-rate uses prior to June 30, 2023. As shown in

² The City received RHNA credit in its 2008-2014 Housing Element for providing committed assistance for preservation of Villa Verde as long term affordable housing.

Table 2-22, two affordable housing projects are considered to be at-risk during this period – Pioneer Gardens and Silvercrest Residences– both due to the uncertainty surrounding the long term availability of Section 8 funding. These two projects all maintain Section 8 project-based Housing Assistance Plan (HAP) contracts with HUD subject to annual renewals.

Pioneer Gardens: In 2000, the City entered into an Affordable Housing Agreement with the new owner of Pioneer Gardens Apartment, PRC Partners Realty Capital, to preserve the 141 family units at affordable rents. The City conducted a TEFRA (Tax Equity and Fiscal Responsibility Act) hearing in support of the developer obtaining State multi-family revenue bond financing. Provisions of the Affordable Housing Agreement include City approval of the Management and Maintenance Plan; provision of written notice to the City prior to issuing an eviction notice to any tenant; and requirements for the property manager to coordinate with the City in identifying tenants in need of City provided social services, and referring such tenants to the City’s Neighborhood Center. Pursuant to the bond financing, affordability controls are required to extend a minimum of thirty years (2030), although Section 8 contracts continue to be subject to annual renewals.

Silvercrest Residences: The 22 unit Silvercrest Residences senior housing was financed under the HUD Section 202 program, and is owned and operated by the Salvation Army. The affordability controls under the Section 202 financing extend through 2025, but are contingent upon the continued availability of Section 8 funding.

Preservation and Replacement Options

Santa Fe Springs has two rental projects considered at-risk of conversion due to their dependence on continued Section 8 subsidies. However, Pioneer Gardens refinanced to extend affordability controls, and Silvercrest Residences is owned by a non-profit, both factors which would indicate these projects are at low risk of conversion. Nonetheless, for purposes of the Housing Element, both projects are technically considered at-risk, and are, therefore, included in this analysis.

Preservation or replacement of at-risk projects in Santa Fe Springs can be achieved in several ways: 1) transfer of ownership to non-profit organizations; 2) provision of rental assistance to tenants using other funding sources; and 3) replacement or development of new assisted units. Each of these options are described below, along with a general cost estimate for each.

Option 1: Transfer of Ownership

Transferring ownership of the at-risk projects to non-profit organizations has several benefits: 1) affordability controls can be secured indefinitely; and 2) projects become eligible for a greater range of governmental assistance. The feasibility of this option depends on several factors, including the willingness of the apartment owner to sell the project, the existence of qualified non-profit

purchasers, and the availability of funding. Potential funding sources for acquisition include Federal tax credits, State mortgage revenue bonds and County administered funds.

Of the two at-risk projects in Santa Fe Springs, only Pioneer Gardens is owned by a for-profit developer. The current market value for this project can generally be estimated based on its potential annual income and standard costs associated with apartment maintenance and management. As shown in Table 2-23, the market value of the 135 units in Pioneer Gardens is estimated at \$16 million. This estimate is intended to demonstrate the magnitude of costs relative to other preservation and replacement options; the actual market value of this project will depend on the building and market conditions at the time of appraisal.

Table 2-23
Market Value of At-Risk Projects (*under for-Profit Ownership*)

Project Units	Pioneer Gardens
1 bdrm	4
2 bdrm	80
3 bdrm	33
4 bdrm	18
Total	135
Gross Annual Income	\$1,870,170
Annual Operating Cost	\$835,410
Net Annual Income	\$1,034,760
Est. Market Value	\$16,000,000

Market value based on the following assumptions:

1. Average market rents: 1-bd \$850, 2-bd \$1,050, 3-bd \$1,450, 4-bd \$1,600 Vacancy Rate = 5%
2. Annual operating expense = 35% gross income + 1.1% property taxes
3. Market value based on 6.5% capitalization rate

Option 2: Rental Assistance

The long-term availability of funding at the federal level for Section 8 contract renewal is uncertain. If terminated, rent subsidies using alternative State or local funding sources could be used to maintain affordability. Subsidies could be structured similar to the Section 8 program, whereby HUD pays the owners the difference between what tenants can afford to pay (30% household income) and what HUD establishes as the Fair Market Rent (FMR).

The feasibility of this alternative, in the case of the property owners, depends on their willingness to continue to accept rental vouchers and limit rents to fair market levels. Given the 156 Section 8 at-risk units in Pioneer Gardens and Silvercrest Residences and their associated bedroom mix, the total cost of subsidizing rents in these projects is estimated at approximately \$88,000 per month, or \$1 million annually, translating to \$20 million in subsidies over a 20-year period.

Table 2-24: Required Rent Subsidies for At-Risk Projects

# Bdrms	# Units	2013 Fair Market Rents	Hhld Size	Hhld Income (50%AMI)	Max. Afford Rent	Per Unit Subsidy	Total Monthly Subsidy	Total Annual Subsidy
0 bdrm	6	\$911	1 person	\$29,900	\$748	\$163	\$980	\$11,800
1 bdrm	19	\$1,101	2 person	\$34,200	\$855	\$246	\$4,700	\$56,400
2 bdrm	80	\$1,421	3 person	\$38,450	\$961	\$460	\$36,800	\$442,000
3 bdrm	33	\$1,921	4 person	\$42,700	\$1,067	\$854	\$28,200	\$338,000
4 bdrm	18	\$2,140	5 person	\$46,150	\$1,154	\$986	\$17,750	\$213,000
Total	156						\$88,430	\$1,061,200

An alternative way to structure rent subsidies is as a rent buy-down. This would involve providing a one-time assistance loan to the property owner to cover the present value of the decrease in rents associated with the extended affordability term compared with market rents achievable on the units. This approach offers a benefit to the owner in that they receive cash upfront from the loan.

Option 3: Construction or Purchase of Replacement Units

The construction or purchase of a replacement building is another option to replace at-risk units should they convert to market rates. The cost of developing housing depends on a variety of factors, including density, size of the units, location, land costs, and type of construction. Based on discussions with a non-profit housing developer active in greater southern California, current purchase prices for market rate apartment buildings range anywhere from \$180,000 - \$200,000 per unit. Therefore, the cost to replace the 156 rent-restricted units in Pioneer Gardens and Silvercrest Residences can generally be estimated to range from \$28 to \$31 million.

Comparison of Options

In terms of cost effectiveness for preservation of the 156 at-risk units, transferring ownership of Pioneer Gardens to a non-profit (\$16 million), is less expensive than 20 years with of rent subsidies for all 156 units (\$20 million), or purchase of replacement units (\$28-\$31 million). Transfer of ownership to a non-profit offers additional benefits in that affordability controls can be secured indefinitely, and projects become eligible for a greater range of funding.

F. REGIONAL HOUSING NEEDS

The Regional Housing Allocation (RHNA) is a state-mandated process, which determines the amount of future housing growth each city and county must plan for in their housing elements. This “fair share” allocation concept seeks to ensure that each jurisdiction accepts responsibility for the housing needs of not only its resident population, but also for the jurisdiction’s projected share of regional housing growth across all income categories. Regional growth needs are defined as the number of units that would have to be added in each jurisdiction to accommodate the forecasted number of households, as well as the number of units that need to be added to compensate for anticipated demolitions and changes to achieve an “ideal” vacancy rate.

The RHNA process begins with the California Department of Housing and Community Development’s (HCD) projection of future statewide housing growth need, and the apportionment of this need to regional councils of government throughout the state. As southern California’s designated Council of Government, the Southern California Association of Governments (SCAG) is the agency responsible for developing an allocation methodology to allocate the region’s assigned share of statewide need to cities and counties by income level. In allocating the region’s future housing needs to jurisdictions, SCAG is required to take the following factors into consideration:

- ✓ Market demand for housing
- ✓ Employment opportunities
- ✓ Availability of suitable sites and public facilities
- ✓ Commuting patterns
- ✓ Type and tenure of housing
- ✓ Loss of units in assisted housing developments
- ✓ Over-concentration of lower income households
- ✓ Geological and topographical constraints

SCAG has adopted the RHNA for the 2014-2021 Housing Element cycle, and has allocated Santa Fe Springs the following share of the region’s housing needs:

Table 2-25: Regional Housing Needs Assessment 2014-2021*

Income Level	Percent of AMI*	Units	Percent
Extremely Low**	0-30%	41	13%
Very Low	31-50%	41	13%
Low	51-80%	50	15%
Moderate	81-120%	53	16%
Above Moderate	120%+	139	43%
Total		324	100%

Source: <http://SCAG.ca.gov/Housing/rhna.htm>

* AMI – Area Median Income.

** An estimated half of the City’s very low income housing needs (41 units) are for extremely low income households.

The RHNA represents the minimum number of housing units each community is required to provide “adequate sites” for through zoning and is one of the primary threshold criteria necessary to achieve State approval of the Housing Element. As the RHNA represents a planning target for new residential growth and not a building quota, so long as a jurisdiction provides sufficient sites and does not impose constraints to development, it is not penalized for falling short of its RHNA target. Santa Fe Springs will continue to provide sites for a mix of single-family, multi-family and mixed use housing, supported by a variety of programs to enhance affordability, to accommodate its RHNA and contribute towards addressing the growing demand for housing in the southern California region.



III. HOUSING CONSTRAINTS

The provision of adequate and affordable housing can potentially be constrained by a number of factors. This section assesses the various governmental, market, infrastructure and environmental factors that may serve as a potential constraint to housing development and improvement in Santa Fe Springs.

A. Governmental Constraints

1. Land Use Controls

Santa Fe Springs has developed as a predominately industrial community, with only ten percent of the City's land zoned for residential uses. Due to its pervasive industrial character, residential development has been concentrated away from industry and is primarily located in the western portion of the City.

The City's General Plan and Zoning Regulations provide for the following residential categories:

- Single-family Residential (R-1) - 8.7 units/acre
- Multi-Family Residential (R-3) - 21.8 units/acre, or 25 units/acre with Planned Development Overlay
- Mobile Home

Table 3-1 summarizes the City's residential development standards. Residential parking standards require 2 parking spaces in a garage or carport for each dwelling unit. The Planning Commission has the discretion through the PD zone to reduce parking requirements for senior housing by up to 25 percent based on the proximity of shopping and transit, as well as to reduce the proportion of covered spaces by half for lower income senior housing.

Table 3-1: Residential Development Standards

Zone District	Permitted Uses	Setbacks	Height	Lot Coverage	Max. Density/Intensity
Single-Family Residential (R1)	1 S.F. du. per lot	20' front yard 15' rear yard 5' side yard	25'	40%	8.7 du/acre
Multiple-Family Residential (R3)	1 S.F. du per 2,000 sq. ft.	15' front yard 5' rear yard 5' side yard	25'	60%	21.8 du/acre

As residential neighborhoods in Santa Fe Springs are entirely built-out, the majority of recent residential development has been accommodated through a Planned Development (PD) Overlay to allow the integration of housing in

traditionally non-residential areas. The PD overlay provides for flexibility in development standards and allows for increased residential densities above those permitted by the base residential zoning by not mandating an upper density limit. The City utilized the PD overlay in conjunction with R-3 zoning as a mechanism for development of Lakeland Manor (2001), a 25 unit apartment complex for persons with disabilities on .68 acres; and for Little Lake Village Senior Apartments (2003), providing 144 lower income units on 4.75 acres.

Most recently, the City rezoned 54 acres of Industrial land to R-1-PD and R-3-PD to accommodate up 534 units at The Villages at Heritage Springs, utilizing the PD overlay to allow for deviation from certain requirements of the underlying zones and allowing the continuation of oil and gas production activities on a portion of the site. The PD mechanism allowed for deviations in minimum lot size and lot coverage, building setbacks, and height standards in the R-1 and R-3 zones, resulting in an overall increase in density. For example, building heights range from 30 to 40 feet; lot coverage for the multi-family product is at 80 percent, and single-family lot sizes range from 3,600 to 4,500 square feet.



The Villages at Heritage Springs - example of PD Overlay

In summary, the City's residential development standards have not served as a constraint to the provision of housing due, in part, to the City's practices of utilizing the PD overlay as a tool to provide modified standards. Of the total 109 acres of R-3 property in Santa Fe Springs, 99 acres are zoned R-3-PD and just 10 acres are zoned R-3; these 10 acres are fully developed, with all remaining developable multi-family property designated with the PD overlay. Should one of the City's existing R-3 sites propose to be redeveloped, the City will redesignate at that time with a PD overlay as necessary to provide flexibility in development standards.

2. Provision for a Variety of Housing Types

Housing Element law specifies that jurisdictions must identify adequate sites to be made available through appropriate zoning and development standards to encourage the development of various types of housing for all economic segments of the population, including multi-family rental housing, factory-built housing, mobile homes, emergency shelters, and transitional housing. Table 3-2 summarizes the housing types permitted in each of Santa Fe Springs' residential zone districts.

Table 3-2: Housing Types by Residential Zone Category

Housing Types Permitted	Zone District				
	R1	R3	A1	C4	ML
Single-Family	P	P	P		
Multiple-Family		P			
Mobile Home Parks		C			
Second Units	D	D			
Manufactured Housing*	D	D			
Care Facilities (6 or fewer)*	P	P	P		
Care Facilities (7 or more)*	C	C	C		
Transitional and Supportive Housing*	P	P	P		
Emergency Shelters*					P
Single Room Occupancy (SRO)*				C	C
Nursing and Boarding Homes		C			

P = Permitted

D = Director's Approval

C = Conditionally Permitted

* Pursuant to SB 2, the City has drafted Zoning Code provisions to explicitly accommodate emergency shelters, transitional and supportive housing, which was adopted by City Council in December 2013. The City will undertake additional Code revisions in 2014 to explicitly permit manufactured housing, community care facilities and SROs, as described in the narrative which follows.

Second Units

In August 2003, the City adopted Section 155.644 of the Zoning Ordinance, establishing a ministerial approval process for second units. The City allows attached and detached second units on minimum 5,000 square foot parcels in R-1 and R-3 zone districts, as long as the parcel is developed with an existing residential dwelling. The second unit must comply with all of the property development standards applicable to the residential zone in which it is located, with the exception of parking: only one additional off-street parking space is required, which may be uncovered and located in tandem with existing parking on the site.

The City requires all second residential dwelling units that are rented to be designated as "affordable" and be rented to low or very low income households. An affordability covenant is required, and the property owner is required to submit annual income and rent certification to the City in compliance with the covenant.

The Director of Planning and Development maintains responsibility for reviewing applications for second units for adherence to the standards established by the ordinance. Upon approval by the Director, a building permit is issued.

Mobile Homes/Manufactured Housing

The City allows mobile home parks as a conditional use within the R-3 and M-2 zone districts, and has designated mobile home parks as a discrete land use category in the General Plan.

As a matter of practice, the City permits manufactured housing by right within all residential zones, consistent with State law. However, the zoning ordinance does not currently explicitly identify manufactured housing as a permitted use, except as it pertains to manufactured second units. In 2014, the City will modify its Zoning Regulations to explicitly identify manufactured housing as a permitted use in any district where single-family detached units are permitted, subject to the same property development standards.

Community Care Facilities

The Lanterman Developmental Disabilities Services Act (Lanterman Act) is that part of California law that sets out the rights and responsibilities of persons with developmental disabilities. The Lanterman Act impacts local zoning ordinances by requiring the use of property for the care of six or fewer disabled persons to be classified as a residential use under zoning. More specifically, a State-authorized, certified or licensed family care home, foster home, or a group home serving six or fewer disabled persons or dependent and neglected children on a 24-hour-a-day basis is considered a residential use that is to be permitted in all

residential zones. No local agency can impose stricter zoning or building and safety standards on these homes.

The Santa Fe Springs Zoning Ordinance does not currently specify provisions for community care facilities, does not subject such facilities to a use permit, building standard, or regulation not otherwise required of single-family homes in the same zone, and imposes no spacing requirements between community care facilities. The City has permitted a licensed five-bed adult residential facility by right on Davenrich, as well as several other unlicensed group homes.

The City will amend the Zoning Code in 2014 to explicitly allow small community care facilities by right and large community care facilities with a conditional use permit in residential districts. Due to the unique characteristics of larger (more than six persons) community care facilities, a conditional use permit will be used to ensure compatibility in the siting of these facilities, focusing on the use and not the characteristics of the users. Santa Fe Springs does not require a public hearing for approval of a conditional use permit.

Definition of Family: The City's existing Zoning Code defines "family" as any number of persons living together in a room or rooms comprising a single housekeeping unit and related by blood, marriage, adoption, or any unrelated person who resides therein as though a member of the family and including the domestic employees thereof. Any group of persons not so related but inhabiting a dwelling unit shall be considered to constitute one family for each five persons, exclusive of domestic employees, contained in such group. As this definition of family could be construed to limit six or more unrelated persons from residing together in a single-family district, the City has updated this definition within the Zoning Code (for adoption in November 2013) to provide greater consistency with state and federal fair housing laws:

"Family" means two or more persons living together as a single housekeeping unit in a single dwelling unit. Family also means the persons living together in a licensed residential facility as that term is defined in Health & Safety Code Section 1502(a) (1), which serves six or fewer persons, excluding the licensee, the members of the licensee's family, and persons employed as facility staff who reside at the facility.

Transitional and Supportive Housing and Emergency Shelters

Transitional housing is temporary housing (often six months to two years) for a homeless individual or family who is transitioning to permanent housing. This housing can take several forms, including group housing or multi-family units, and often includes a supportive services component to allow individuals to gain necessary life skills in support of independent living. The City of Santa Fe Springs provides for transitional housing similar to any multi-family residential project. For example, Lakeland Manor, the 25 unit, Ability First transitional housing project was developed through an R-3-PD zone. While the City has permitted transitional housing facilities as a matter of purpose, until recently the

Zoning Ordinance did not contain a discrete definition of such facilities. In order to ensure compliance with recent changes in State law (SB 2) which require transitional facilities to be treated the same as any other residential use within the same zone, the City Council has adopted Zoning Code revisions consistent with these new requirements, adding the following definition to the Zoning Code, and explicitly permitting transitional housing in the R-1 and R-3 zone districts:

Transitional Housing (Health and Safety Code Section 50675.2(h)): *Transitional housing and transitional housing development means buildings configured as rental housing developments, but operated under program requirements that call for the termination of assistance and recirculation of the assisted unit to another eligible program recipient at some predetermined future point in time, which shall be no less than six months.*

Supportive housing is generally defined as permanent, affordable housing with on-site services that help residents transition into stable, more productive lives. Services may include childcare, after-school tutoring, career counseling, etc. Most transitional housing includes a supportive services component. The City of Santa Fe Springs regulates supportive housing as a residential use, provided supportive services are ancillary to the primary use and for use by the residents of the facility. Similar to transitional housing, SB 2 requires supportive housing to be treated the same as residential uses. The City has added the following definition to the Zoning Code, and explicitly permitting supportive housing in the R-1 and R-3 zone districts:

Supportive Housing (Health and Safety Code Section 50675.14(b)): *Housing with no limit on length of stay, that is occupied by the target population, and that is linked to on- or off-site services that assist the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community. "Target population" means persons, including persons with disabilities, and families who are "homeless," as that term is defined by Section 11302 of Title 42 of the United States Code, or who are "homeless youth," as that term is defined by paragraph (2) of subdivision (e) of Section 11139.3 of the Government Code.*

While Santa Fe Springs' Zoning Code has recently been amended to treat transitional and supportive housing as a residential use within residential zone districts, recent clarification of State statutes by the State Department of Housing and Community Development (HCD) indicates these uses must also be provided for in non-residential zone districts where housing is permitted. Within Santa Fe Springs' Planned Development (PD) Overlay zone, the Planning Commission, after holding a public hearing, may approve a combination of land uses which may include uses other than those permitted in the underlying zone, provided that at least 60% of the area is developed with one or more of the principal permitted, accessory, or conditional uses of the underlying zone. For example, a PD overlay added to a commercial zone district could also allow for the integration of residential uses. A program has thus been added to the Housing Element for the City to amend the Zoning Code to clarify that

transitional and supportive housing would be permitted within areas designated with a PD Overlay subject to the same approval processes as other residential uses.

An emergency shelter is a facility that provides shelter to homeless on a limited short-term basis. The Santa Fe Springs Zoning Ordinance does not currently specify provisions for emergency shelters. Pursuant to SB 2, jurisdictions with an unmet need for emergency shelters are now required to identify a zone(s) where emergency shelters will be allowed as a permitted use without a conditional use permit or other discretionary permit. The identified zone must have sufficient capacity to accommodate the shelter need, and at a minimum provide capacity for at least one year-round shelter. Permit processing, development and management standards for emergency shelters must be objective and facilitate the development of, or conversion to, emergency shelters.

As discussed in the homeless section of the Housing Element Needs Assessment (Chapter II), the 2013 homeless count and registry identified 74 homeless individuals in Santa Fe Springs. In compliance with SB 2, Santa Fe Springs has conducted a review of its zoning districts and determined the ML, Limited Manufacturing, Administration and Research Zone is best suited to house an emergency homeless shelter. The ML zone serves as a transitional district separating industrial uses from more sensitive commercial and residential uses, and provides for administrative offices, scientific research offices and laboratories, restricted manufacturing and appurtenant uses compatible to the development of an industrial park. ML zone districts are centrally located in the city and transit accessible. The City's Land Use Element identifies over 100 acres of Light Industrial designated land. While there are a limited number of vacant ML parcels, numerous ML properties are either underutilized or have existing structures which could potentially be suitable for conversion to shelter use, providing capacity for at least one emergency shelter.

City staff conducted a site availability survey in the ML zone and identified ten properties available for lease, totaling over 124,000 in available building square footage. Most of this leasable space is within concrete tilt-up "flex space", divisible into units as small as 1,500 square feet. Available properties are located on Pioneer, Telegraph, and Alburtus, all of which are served by bus lines.

The City has drafted revisions to its Zoning Code to permit shelters in the ML zone by right (for adoption by City Council on November 26, 2013), subject to the same development and management standards as other permitted uses in the zone. The City's ML development standards are appropriate to facilitate emergency shelters, and can be summarized as follows:

- Minimum lot size: 25,000 sq ft
- Minimum building size: none
- Maximum lot coverage: 50%
- Building height: 50 ft
- Front yard setback: 30 ft

- Side and Rear Yard setbacks: none
- Outside storage: Screened from public view
- Security during hours that the emergency shelter is in operation.

Single Room Occupancy (SRO) Units

Single Room Occupancy (SRO) residences are small, one room units (generally 100-250 sq. ft.) occupied by a single individual, and may either have shared or private kitchen and bathroom facilities. SROs are rented on a weekly to monthly basis typically without rental deposit, and can provide an entry point into the housing market for extremely low income individuals, formerly homeless and disabled persons. While the City's Zoning Ordinance does not currently explicitly address Single Room Occupancy uses, they would be treated the same as motels and hotels, which are conditionally permitted in the C-4 Community Commercial and M-2 Heavy Manufacturing zones.

The Santa Fe Springs Zoning Code specifies the following considerations in the Planning Commission's review of a CUP request:

- The proposed use will not be detrimental to persons or property in the immediate vicinity and will not adversely affect the city in general
- The Planning Commission shall consider the appearance of any proposed structure and may require revised architectural treated if deemed necessary to preserve the general appearance and welfare of the community.

The City will ensure zoning standards facilitate the provision of SROs, with conditions of approval limited to ensuring compatibility and focusing on the SRO use and not the users of the facility. In addition, in 2014, the City will revise its Zoning Code to explicitly specify SROs as a conditionally permitted use within the C-4 and M-2 zones, accommodating SROs both as new development and adaptive reuse of existing structures.

Accessibility Accommodations

Both the federal Fair Housing Act and the California Fair Employment and Housing Act impose an affirmative duty on local governments to make reasonable accommodations (i.e. modifications or exceptions) in their zoning and other land use regulations when such accommodations may be necessary to afford disabled persons an equal opportunity to use and enjoy a dwelling. For example, it may be a reasonable accommodation to allow covered ramps in the setbacks of properties that have already been developed to accommodate residents with mobility impairments.

For new construction, Santa Fe Springs' building code requires new housing to comply with the 1998 amendment to the Fair Housing Act, with multi-family development also subject to the Americans with Disabilities Act (ADA) standards. New apartment buildings are subject to requirements for unit "adaptability" on ground floor units. Adaptable units are built for easy

conversion to disabled access, such as doorway and hallway widths, and added structural support in the bathroom to allow the addition of handrails.

On November 26, 2013, the Santa Fe Springs City Council is scheduled to adopt Section 155.659 of the Zoning Code "Reasonable Accommodation Procedures for Disabled Persons" to provide a mechanism through which the City can grant reasonable adjustments to its zoning and land use regulations to avoid unequal treatment towards individuals with disabilities. The procedures for reasonable accommodation established by this Code section are as follows:

- A request for a Reasonable Accommodation may be made by any Disabled Person, his/her representative, or a developer or provider of housing for Disabled Persons, when the application of a zoning law, building code provision, or other land use regulation, policy, or practice acts as a barrier to a Disabled Person's equal opportunity to use and enjoy housing.
- Reasonable accommodation requests are considered an administrative adjustment, with the Director of Planning serving as the decision-making body. Where the adjustment is combined with an application requiring discretionary action – such as a parcel map – the Planning Commission serves as the decision-maker.
- No application fee shall be required to process an application for a request for a Reasonable Accommodation pursuant to this Section. Where the improvements or modifications approved through a request for a Reasonable Accommodation would otherwise require a variance, a variance shall not be required.
- The Director, or designee, shall consider an application and issue a written determination. At least ten (10) calendar days before issuing a written determination on the application, the Director shall mail notice to the applicant and adjacent property owners that the City will be considering the application, advising of the standards for issuing an accommodation, and inviting written comments on the requested accommodation.

The decision-maker shall make the following findings upon granting an accommodation:

- The dwelling that is the subject of the request for Reasonable Accommodation will be occupied by a Disabled Person;
- The requested accommodation is necessary to provide a Disabled Person with an equal opportunity to use and enjoy a dwelling;
- The requested accommodation will not impose an undue financial or administrative burden on the City, as defined in the Fair Housing Laws; and
- The requested accommodation will not require a fundamental alteration to the City's zoning or building laws, policies, and/or procedures, as defined in the Fair Housing Laws. In considering whether the accommodation would require such a fundamental alteration, the reviewing authority may consider, among other factors:
 - (1) Whether the requested accommodation would fundamentally alter the character of the neighborhood;
 - (2) Whether the requested accommodation would result in a substantial increase in traffic or insufficient parking;

- (3) Whether the requested accommodation would substantially undermine any express purpose of either the City's General Plan or an applicable specific plan; and
- (4) Whether the requested accommodation would create an institutionalized environment due to the number of, and distance between, facilities that are similar in nature or operation.

Farm Employee Housing

Based on Census data compiled by the Southern California Association of Governments (SCAG), no Santa Fe Springs residents are employed in the industries of farming, fishing or forestry. The City has no land remaining in agricultural use and does not have any farm housing. However, the City does have some remaining agricultural zoning (A-1), and consistent with California Health and Safety Code Section 17021.6, permits "living quarters of persons regularly employed on the premises" within the A-1 zone; A-1 is the only zone in the City allowing Agricultural use.

Health and Safety Code Section 17021.5 (Employee Housing Act) requires jurisdictions to permit employee housing for six or fewer employees as a single-family use. Employee housing shall not be included within the zoning definition of a boarding house, rooming house, hotel, dormitory, or other similar term that implies that the employee housing is a business run for profit or differs in any other way from a family dwelling. Jurisdictions can not impose a conditional use permit, zoning variance, or other zoning clearance of employee housing that serves six or fewer employees that is not required of a family dwelling of the same type in the same zone. A program has been added to the City's Housing Element to amend the Zoning Code to provide consistency with the Employee Housing Act.

3. Fees and Improvements

Various fees and assessments are charged by the City to cover the costs of processing permits and providing services and facilities, such as utilities, schools and infrastructure. Almost all of these fees are charged on a pro rata share system based on the magnitude of the project's impact or the extent of benefit which will be derived. Table 3-3 presents a list of application fees associated with development in the City.

Table 3-3: Development Fees for Residential Projects

Fee Category	Fee
Environmental Assessment	
CEQA Review - Initial Study	\$653
Environmental Impact Report	\$2,610 + cost
Preparation of Negative Declaration (no DFG impacts)	\$1,306
Preparation of Negative Declaration (impacts per DFG)	\$3,292
Plan Check (Landscape Review and Site Plan)	\$102
Development Plan Approval	
Principal Use	\$2,253
Incidental Use	\$1,140
Building Addition (greater than 1,000 sq. ft.)	\$1,140
Tentative Map (Filing Map)	\$4,275 + \$275 per lot
Final Map	\$4,275 + \$275 per lot
Parcel and Tract Maps	
Tentative Map (Filing Fee)	\$4,852 + \$285 per lot
Lot Line Adjustment	\$3,592
Conditional Use Permit	
Principal Use	\$2,253
Incidental Use	\$1,140
Hazardous Materials Surcharge	\$2,253
Public Hearing Surcharge	\$1,140
Time Extension	\$563
Zone Change (Application Fee)	\$1,140
Zone Variance	\$2,253
General Plan Amendment	\$2,253
Public Hearing	\$1,140
Residential Rental Inspection	
Apartment/Condo/Townhome Unit - Initial/Annual	\$108
Single Family Dwelling - Initial/Annual	\$142
Re-inspection (all unit types)	\$68

Source: City of Santa Fe Springs, Department of Planning and Development, 2011/2012.

As a means of assessing the cost that fees contribute to development in Santa Fe Springs, the City has calculated total Planning, Building and Engineering fees associated with three different residential prototypes: an individual single-family unit; a six unit condominium subdivision; and a 20 unit apartment complex. As indicated in Table 3-4, fees for the prototypical single-family project run approximately \$21,000 per unit, whereas per unit fees for condominium and apartment projects are \$42,000 and \$22,000 respectively. In comparison with the median single-family home price of \$320,000 and median condominium sales price of \$337,000 (refer to Table 2-17), the City's development fees constitute approximately 7 percent of the single-family sales price and 12 percent of the condominium sales price. In terms of apartments, based on a land cost of approximately \$32 per square foot, combined with average construction costs of \$120 per square foot, the City's development fees also comprise a relatively small portion of the total costs of apartment development. In summary, Santa Fe Springs' fees are comparable, if not lower, than those in other cities, and do not constitute a constraint to the production or improvement of housing.

Given the scale of the 550+ unit master planned The Villages at Heritage Springs project, the City required payment of a traffic mitigation fee of approximately \$400,000. This amount represented the owner/developer's fair share of the cost to construct offsite improvements identified in the project traffic study. While the City does not have a standard traffic mitigation fee, to the extent a project's traffic study identifies needed off-site traffic and intersection improvements, the project applicant pays a mitigation fee to pay for the development's fair share of the improvements.

Santa Fe Springs is highly urbanized with most of its necessary infrastructure, such as streets, sewer, and water facilities, already in place. As such, the cost of land improvement is less than in undeveloped suburban or rural areas. In terms of site improvements, the City's street design requirements are in compliance with HUD guidelines. The City uses a standard 30-foot curb-to-curb width requirement within a 54-foot right-of-way for local residential streets. Collector streets are 36 feet curb-to-curb, within a 60-foot right-of-way.

Table 3-4: Development Fees for Prototypical Residential Projects

Type Of Fee	Single Family	Condominium	Apartment
Building Fees			
Plan Check	\$3,371.50	\$9,847.10	\$15,784.00
Building Permit	\$4,235.70	\$12,093.10	\$19,302.40
Electrical Permit	\$447.50	\$1,552.47	\$3,752.20
Mechanical Permit	\$192.50	\$1,230.40	\$6,599.80
Plumbing Permit	\$417.60	\$3,004.90	\$4,962.00
School Fee (varies by District)	\$8,375.40	\$25,429.14	\$54,502.47
Subtotal	\$17,040.20	\$53,157.11	\$104,902.87
Planning Fees			
Art Fee (1% of valuation)	\$408.00	\$12,879.70	\$21,195.41
Development Plan Approval	N/A	\$2,253.00	\$2,253.00
Tract Map (\$4,852 + 285 per lot/unit)	N/A	\$6,562.00	\$10,552.00
Environmental Review (Neg Dec) (No impact -DFG)	N/A	\$2,610.00	\$2,610.00
Initial Study	N/A	\$653.00	\$653.00
Public Hearing	N/A	\$1,140.00	\$1,140.00
Review of CC&R's	N/A	\$318.00	N/A
Subtotal	\$408.00	\$26,415.70	\$38,403.41
Engineering Fees			
Engineering Plan Check (Est)	N/A	\$139,739.00	\$211,954.10
Water Trunk Line Fee	N/A	\$3,585.00	\$3,585.00
Drainage Fee	N/A	\$3,600.00	\$4,000.00
Sanitary Sewer Connection Fee	\$3,343.00	\$20,000.00	\$66,900.00
Regional Traffic Impact Fee	\$561.00	\$1,050.00	\$2,600.00
Final Tract Map (\$4,852+285 per lot/unit)	N/A	\$6,562.00	\$10,552.00
Subtotal	\$3,904.00	\$174,536.00	\$299,591.10
TOTAL FEES	\$21,352.20	\$254,108.81	\$442,897.38
TOTAL FEES PER UNIT	\$21,352.20	\$42,351.47	\$22,144.87

Note: Calculations based on the following assumptions:

a) Single-Family: 2,820 sq ft of living area + 420 sq ft garage. Building valuation of \$401,700.

b) Condominiums: 6 Units @ 8,562 sq ft of living area + 2,642 sq ft garage.
Building Valuation - \$214,662 per condo unit.

c) Apartments: 20 Units @ 18,351 sq ft of living area + 2,800 sq ft garage.
Building Valuation - \$105,977 per apartment.

4. Processing and Permit Procedures

The evaluation and review process required by City procedures can contribute to the cost of housing in that holding costs incurred by developers are ultimately reflected in the unit's selling price. One way to reduce housing costs is to reduce the time for processing permits.

As a small City with limited development, Santa Fe Springs does not experience the backlogs in development typical in many larger jurisdictions. In most cases, even when Planning Commission review is required, approval can be obtained in about 45 to 90 days. Small projects, such as single-family units or small duplexes, may receive over-the-counter approval with a simple site plan. Projects greater than 10,000 square feet in size are subject to a Development Plan Approval (DPA). As part of the application submittal, projects subject to DPA require submittal of a preliminary site plan, floor plan, building elevations and preliminary landscape design. DPA requires an action by the Planning Commission, although it is not subject to a public hearing and can be made simultaneously with an application for zone change, variance, conditional use permit, modification or other request for Commission approval. In evaluating applications for Development Plan Approval, the Planning Commission focuses on the project design, not the use, and considers the following factors:

- That the architectural design of the proposed structures are such that they enhance the general appearance of the area
- That the proposed structures are considered on the basis of their suitability for their intended purpose, on the appropriate use of materials, and on the principles of proportion and harmony
- That consideration is given to landscaping, fencing and other elements of the proposed development to ensure the entire development is in harmony
- It is not the intent of Development Plan Approval to require any particular style of architecture, or to interfere with architectural design, except as necessary to harmonize with the general area

Design Review is conducted by staff, with recommendation to the Planning Commission. The City publishes a list of standard development requirements on its website, and provides these standards during initial discussions with developers to serve as an early guide to project design.

The following outlines the development processing procedures for projects requiring Development Plan Review:

- Pre-Application Submittal (optional): Applicant submits site plan for preliminary review by Planning, Public Works, Fire and Police. A project planner is assigned to the project, and compiles comments from the various departments within two weeks of submittal. The project planner meets with the applicant to discuss the City's initial comments,

and reviews the additional items and fees necessary to submit a formal application.

- Application Submittal: The project planner reviews the application and deems the project complete or incomplete within 30 days. Once the application deemed complete, the project planner sends a Request for Conditions to various departments, who provide input within two weeks. Once the applicant agrees to the conditions of approval, the item is scheduled before the Planning Commission. Any required discretionary actions, such as Conditional Use Permit, Variance, or Modification of Property Development Standards, are processed concurrently with DPA.

For projects involving participation by the City or its former Community Development Commission, the deal points of the Development Agreement are established prior to undergoing the necessary planning entitlements. Little Lake Village Senior Apartments reflects the efficiency of the City's processes. The former CDC assisted in assembly of the 4.7 acre site, and completed the negotiation process for the Development Agreement in approximately four months. Entitlements for the 146 unit project involved a General Plan amendment and zone change, along with CEQA compliance, which were completed in approximately five months.

In summary, Santa Fe Springs processing and permit procedures are streamlined in comparison to many jurisdictions, and do not serve as a constraint to development.

5. Building Code

Santa Fe Springs has adopted the latest version of the California Code of Regulations, Title 24, along with all required updates. The City has also incorporated the 2010 California Energy Code and California Green Building Code Standards (CALGREEN) into the Municipal Code.

In January 2008, the City adopted the new International Building Code (IBC), as required of all jurisdictions in California. The new IBC establishes construction standards necessary to protect public health, safety and welfare, and the local enforcement of this code does not unduly constrain development of housing. The new IBC brings California building codes into consistency with the rest of the country. It is expected that changes from the previous State Building Code will increase the costs of development. Santa Fe Springs continues to adopt updates to its codes consistent with the County of Los Angeles, including most recently the 2013 update to the Building, Electrical, Mechanical, Plumbing and Residential codes.

Santa Fe Springs has adopted the following local amendments to the City Code:

- Section 150.096 (Residential Rental Inspection Program) does not allow a person to rent, lease, occupy or otherwise permit any unit vacated by the previous occupant until such unit is registered with and inspected by the City Fire Department or provided with a certificate of exemption.
- Section 150.009 requires proposed developments that need either a building permit or grading plan approval to prepare a drainage plan or a drainage element. This drainage plan or element must be approved by the City Engineer prior to the issuance of any building permit or prior to the approval of any grading plan.

Santa Fe Springs maintains a Residential Rental Inspection Program as a means of maintaining the habitable condition of rental units in the City. The City conducts sensitive enforcement of its residential codes by providing a minimum of three written notifications of code violations to property owners, allowing sufficient time for compliance, and by providing information on available rehabilitation assistance to code violators.

B. Market Constraints

1. Availability of Financing

The availability of financing in a community depends on a number of factors, including the type of lending institutions active in the community, lending practices, rates and fees charged, laws and regulations governing financial institutions, and equal access to those institutions. Through analysis of Home Mortgage Disclosure Act (HMDA) data on the disposition of residential loan applications, an assessment can be made of the availability of residential financing within a community.

Table 3-5 summarizes HMDA data for both Santa Fe Springs and Los Angeles County as a whole, providing information on the approval status of all home purchase loan applications during 2011. Residential lending activity in Santa Fe Springs was relatively modest, with just 343 applications for conventional and FHA home purchase loans, reflecting home purchase activity on approximately 12 percent of the City's ownership housing. At 73 percent, the mortgage loan approval rate in Santa Fe Springs was slightly higher than the County's approval rate of 71 percent. Review of loan denials by census tract indicates no residential tracts with loan denial rates significantly above the 13 percent citywide average.

Table 3-5: Status of Home Purchase Loans 2011

Loan Type	Loans Approved		Loans Denied		Loans Withdrawn/Incomplete	
	Santa Fe Springs	L.A. County	Santa Fe Springs	L.A. County	Santa Fe Springs	L.A. County
# Loan Applications	249	62,225	44	13,050	50	12,556
% of Total	73%	71%	13%	15%	14%	14%

Source: Home Mortgage Disclosure Act Data, 2011. Compiled by Karen Warner Associates.

Note: Approved loans include: loans originated and applications approved but not accepted.

2. Price of Land

The availability and price of land represents a significant market constraint to housing production throughout most of southern California. Since there is very limited residential land remaining in Santa Fe Springs, most new housing is built on land formerly used or zoned for other purposes, and may involve costly site clean-up. For example, the 500+ unit Villages at Heritage Springs involved clean-up of a 54 acre former oilfield, with oil and gas production activities to remain on a portion of the site. Based on analysis conducted by the City's economic consultant, multi-family residential land in Santa Fe Springs is valued at approximately \$32/square foot.

The City's former Community Development Commission (CDC) had historically played an important role in providing land write-downs in support of affordable and special needs housing. Two sites transferred from the former CDC to the City (3.9 acres at Lakeland/Laurel and 0.75 acres at 10934 Laurel) will continue to provide land resources in support of affordable housing development.

3. Cost of Construction

A major cost associated with the development of housing is the cost of building materials, which have risen dramatically in recent years. According to the U.S. Department of Labor Construction Cost Trends for 2013, the overall cost of construction materials rose from approximately \$178 to \$205 per square foot between 2006-2012, reflecting a 15 percent increase in materials costs. The increase in construction costs is slowing, but were up 2-2.5% in the first half of 2012, with labor cost increases above that of materials (2.5% labor compared to 1.5% material cost increases).¹

A reduction in amenities and the quality of building materials (above a minimum acceptability for health, safety, and adequate performance) can result in lower development costs. As part of the City's density bonus program, the City allows for affordable units to be smaller in size (maintaining the same number of bedrooms) and have different features and interior finishes than market rate units, provided all project units were comparable in construction quality and exterior design. Another factor related to construction costs is the number of units built at one time. As that number increases, overall costs generally decrease as builders are able to take advantage of the benefits of economies of scale.

¹ www.dcd.com/pdf_files/1301trends.pdf

C. ENVIRONMENTAL AND INFRASTRUCTURE CONSTRAINTS

1. Environmental Constraints

Like the entire southern California region, Santa Fe Springs is located within an area of high seismic activity. Strong ground shaking can be expected during major (6.0+) earthquakes from the San Andreas, Whittier, Norwalk and Newport-Inglewood Faults. The closest Type A fault to the City is the Cucamonga Fault, located approximately 20 miles away, and the closest Type B fault is the Elsinore-Whittier Fault, located approximately four miles away. However, the City does not contain a State designated Alquist-Priolo Earthquake Fault Zone. The potential for strong ground shaking is accommodated through building design consistent with the Uniform Building Code (ICBO 2008), and is addressed in the City's Safety Element.

Santa Fe Springs is not subject to major slope erosion or landslides, however, developments contemplated in area of previous high water level should be designed to address the potential loss of soil strength under moist conditions. Also, as the City contains areas with potential risk for liquefaction, subsidence should be considered in the City's planning.

As historically industrial areas of the City are opened up to residential development, a related health risk involves the presence of hazardous materials utilized in many of the City's industrial operations. The clean-up of the prior 54 acre Townlots Oilfield provides an example of the level of remediation involved in rendering a large-scale industrial site environmentally suitable for residential development. For the Townlots (The Villages at Heritage Springs) project, the local Certified Unified Program Agency (CUPA) at the City's Fire Department and Planning and Building Departments worked in conjunction with the Regional Water Quality Control Board throughout the process to ensure proper site closure activities were implemented to reduce potential exposure to hazardous chemicals from residual chemicals in the soil and groundwater. Site mitigation and closure requirements were identified based on the Cal EPA Department of Toxic Substances Control (DTSC) Preliminary Endangerment Assessment (PEA) Guidance. A human health risk assessment was then prepared for the property and reviewed by the Cal EPA, and resulted in a determination that the project site would not present a human health hazard after remediation was complete. The Remediation Action Plan provides the procedure for remediation that involves soil removal by excavation, and transport to a licensed facility.

While the cost of environmental remediation of the Townlots property is significant, the Santa Fe Springs Community Development Commission discounted the land to the developer to effectively reduce the cost of remediation. In addition, in the Fiscal Impact Report on this project, the City's economic consultant concluded that residential redevelopment could be designed so that it is economically feasible to clean up the Townlots Property and prepare the former oilfield geotechnically for residential use.

2. Infrastructure Constraints

As a completely urbanized community, the City of Santa Fe Springs already has in place all of the necessary infrastructure to support future development. All land designated for residential use is served by sewer and water lines, streets, storm drains, and telephone, electrical, and gas lines. However, as an older community, much of the City's infrastructure is aging and may require improvements or replacement over time. On the Townlots/The Villages at Heritage Springs project, the Water Availability Survey concluded there was sufficient existing capacity to serve the project and that upgraded water and wastewater conveyance lines were not required. Similarly, the City's Public Works Department has confirmed that there is sufficient water and sewer capacities to serve the city's regional housing needs for 324 additional units.

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IV. HOUSING RESOURCES

This chapter presents resources available for the development, rehabilitation, and preservation of housing in Santa Fe Springs. This includes the availability of land resources, financial resources available to support the provision of affordable housing, administrative resources available to assist in implementing the City's housing programs, and resources for energy conservation.

A. AVAILABILITY OF SITES FOR HOUSING

SCAG has determined the projected housing need for its region for the 2014-2021 Housing Element cycle, and has allocated this housing need to each jurisdiction by income category. This Regional Housing Needs Assessment (RHNA) represents the minimum number of housing units each community is required to plan for by providing "adequate sites" through the general plan and zoning. An important component of the Housing Element is the identification of adequate sites for future housing development, and evaluation of the adequacy of these sites in fulfilling the City's share of regional housing needs (RHNA). Santa Fe Springs has a RHNA allocation of 324 units distributed among the following income groups: 41 extremely low income, 41 very low income, 50 low income, 53 moderate income, and 139 above moderate income units.

The City plans to fulfill its share of regional housing needs using a combination of the methods below, which are further described in the following narrative:

- Residential projects with development entitlements with post 12/31/13 occupancy;
- Vacant residential sites, including sites owned by the Successor Agency to be developed with affordable housing; and
- Development/sale of HARP properties to first-time homebuyers.

In aggregate, the City's residential sites capacity from the above sources provides for 401 additional units, including 139 lower, 114 moderate and 148 above moderate income. Figure 6 at the end of this section maps the location of Santa Fe Springs' residential sites and entitled housing projects for the 2014-2021 Housing Element planning period.

1. Projects with Entitlements

Santa Fe Springs has three residential projects with development entitlements that will contribute towards addressing its future 2014-2021 RHNA needs. Projects under construction with occupancy projected to occur prior to 2014 are discussed under Review of Accomplishments in Chapter V. Only those projects with occupancy in the 2014-2021 planning cycle are credited towards the sites inventory, as presented in Table 4-1.

Table 4-1: Residential Projects with Entitlements (post 2013)

Project Name	Total Units	Market Rate	Affordable (Moderate Income)
Villages at Heritage Springs – Ownership units	55	45	10
Villages at Heritage Springs – Apartments	155	53	102
Jersey/Alburtis Townhomes	50	50	--
9735 Bartley (<i>HARP home</i>)	1	--	1
Totals	261	148	113

Source: Santa Fe Springs Community Development Department, 2013.

- The **Villages at Heritage Springs:** This master planned development involved the former Santa Fe Springs' Community Development Commission property acquisition and assembly of 101 lots in the Town Lots area and sale to The Villages at Heritage Springs, LLC. The complete 54.5 acres of previous Industrial oil production land was rezoned to R-1-PD and R-3-PD and is being developed with a total of 384 single-family homes and townhome units, as well as 150 apartment units (described below). While the majority of the 384 ownership units will be completed and occupied in 2013, the developer's (Comstock Homes) Director of Sales and Marketing estimates 55 of the ownership units will become available for occupancy in 2014, and are thus accounted for under the 2014-2021 Housing Element period. The former CDC provided the developer \$1 million in low/mod subsidies to buy the sales price down on ten of these units for moderate income first-time homebuyers.



- The **Villages at Heritage Springs Apartments:** In December 2012, the City's Planning Commission approved a conditional use permit for a 155 unit apartment complex to be developed by Comstock Homes. While none of the project units are deed-restricted as affordable, projected leasing rates for the 66 one-bedroom units, and 36 of the smaller two-bedroom units (Plan C), fall within moderate income rent thresholds (\$1,453 for one bedrooms and \$1,636 for two bedrooms). The project submitted for Plan Check with the City in Fall of 2013, with construction projected to be complete in 2014.



- The **Jersey/Alburtis townhomes:** In 2009, the City approved a zone change from ML to R-3-PD on three adjacent parcels on 9830 Jersey Avenue and 9841-51 Alburtis Avenue. Since that time, Comstock Homes assumed ownership of the 2.67 acre combined parcel, along with the associated entitlements for development of 50 townhomes. All of the project units will have three bedrooms and 2.5 baths, making the development well suited to families.
- **9735 Bartley** is a single-family home completed under the HARP program. While the unit was deemed final in June 2012, due to the elimination of Redevelopment and the suspension of first-time homebuyer loans being issued under HARP, the City has maintained ownership of the unoccupied unit on an interim basis. Upon completion of the State Controller's Audit and confirmation of CDC Housing Assets, the City intends to sell its remaining HARP properties (both this home and the vacant HARP parcel identified in Table 4-2) for moderate income first-time homebuyers.

2. Vacant Residential Sites

Santa Fe Springs is a predominately industrial city, with more than 80 percent of the City's nine square miles designated for industrial use. Less than ten percent of the City's acreage is dedicated to residential use, and existing neighborhoods are fully developed with no vacant sites remaining. While the City does include some vacant land in its commercial and industrial zones, the introduction of residential uses in most of these areas is inappropriate and may present potential health hazards due to a variety of environmental conditions including hazardous materials storage and processing, background contamination, noxious odors, noise pollution, and truck and railroad traffic generated by industrial operations. These factors, which tend to preclude the use of land for residential

purposes in much of Santa Fe Springs, must be considered in establishing appropriate locations for future housing development.

In response to a shortfall in sites to address its regional housing needs (RHNA) in the prior 2008-2014 planning period, the City rezoned the following two sites R-3-PD at minimum 20 unit/acre densities as specified in the City's Housing Element:

- An approximately four acre vacant site located at the **northwest corner of Lakeland and Laurel** was acquired by the Santa Fe Springs Community Development Commission (CDC) in 2008 when an application for 110 residential units was withdrawn due to the soft real estate market. The CDC purchased the property for the purpose of developing affordable housing, and at an assumed density of 30 units/acre, the site could accommodate 118 units. Prior to the Statewide dissolution of Redevelopment Agencies in February 2012, City staff was negotiating the final terms of a development agreement with a non-profit housing developer for an affordable housing project on the site; with the dissolution of the CDC, all negotiations ended.

With the rezoning of the site to R-3-PD and transfer of ownership from the CDC to the Housing Successor Agency, the City has experienced interest from several developers in providing affordable housing on the site. The City intends to issue a Request for Proposal (RFP) for development, as further described in the Housing Element programs section of the Element.

- Santa Fe Springs' former CDC also owns the vacant, .75 acre site at **10934 Laurel** located adjacent to Lakeland Manor, a 25 unit housing facility operated by Ability First for physically disabled adults. Prior to the dissolution of Redevelopment Agencies, the CDC was in discussion with Ability First about constructing a second phase of the Lakeland Manor project on the parcels for a 21 unit affordable rental project for persons with disabilities; that project has since been terminated. With the rezoning of the site to R-3-PD, the site is now available for a new developer to build affordable housing, and will be packaged with the City-owned Lakeland/Laurel site located across the street in the City's RFP for development.

In addition to these two multi-family sites, the City owns a vacant single-family property originally purchased by the CDC for development with a home under the HARP program, and resale to a moderate income family. With the Statewide dissolution of Redevelopment Agencies, this property has been transferred to the Successor Agency (City). The City intends to sell this property (along with the vacant HARP home identified in Table 4-1) to a non-profit for development with a moderate income, first-time homebuyer unit.

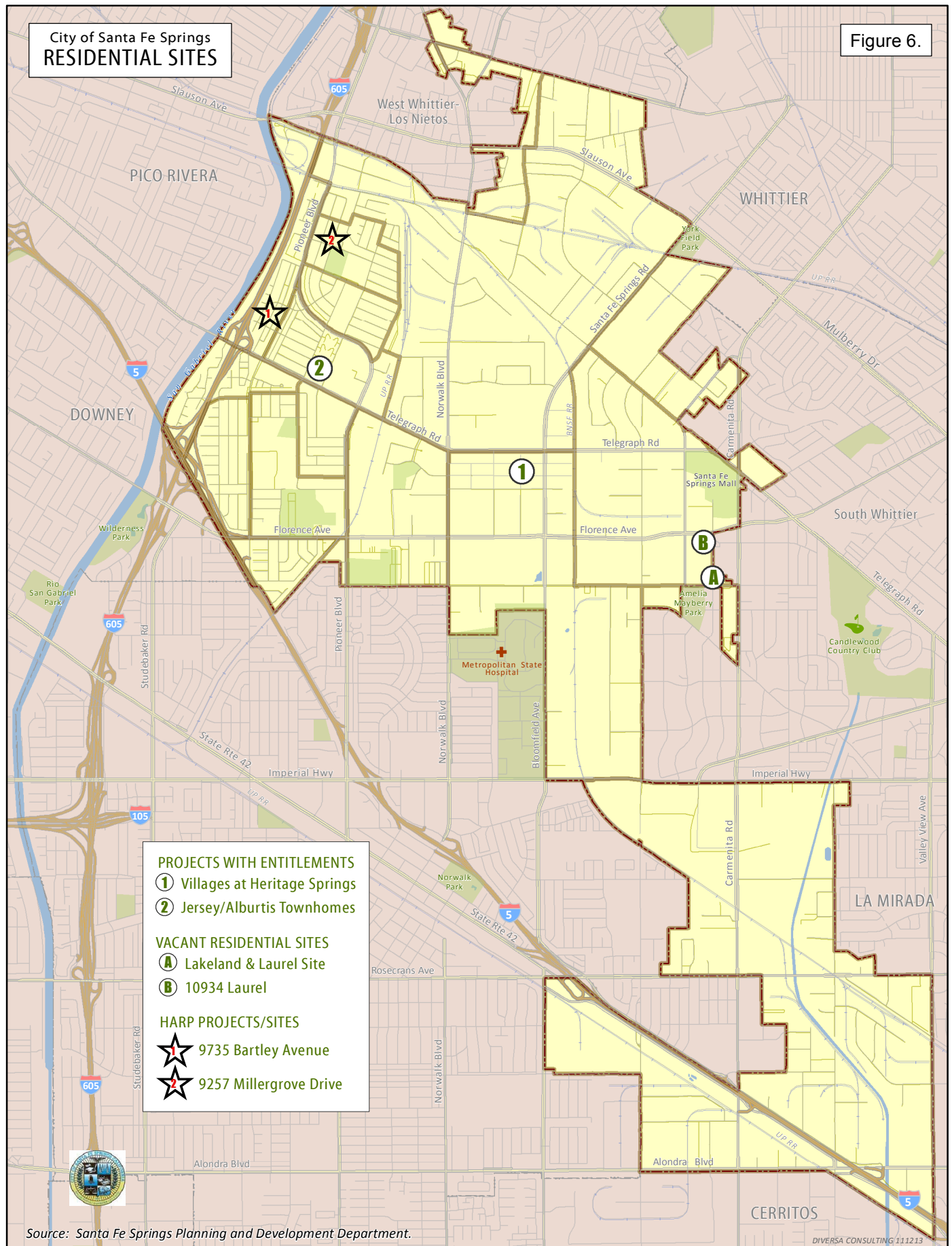
Table 4-2: Vacant Residential Sites Inventory

Site Location, Assessor Parcel #	Site Acreage	Existing Conditions	General Plan/ Zoning	Unit Potential	Pending Development
<i>13231 Lakeland*</i> <i>APN#8011-012-051</i>	3.9	Vacant – City owned (purchased with Low/Mod funds)	R-3-PD	118	Interest expressed by several developers. City to issue RFP for affordable development, consistent with Redevelopment statutes.
10934 Laurel* <i>APN#8011-011-906, 907,912</i>	0.75	Vacant – City owned (purchased with Low/Mod funds)	R-3-PD	21	City to issue RFP for affordable development in conjunction with 13231 Lakeland site
9257 Millergrove APN #8001-011-918	5,870 sq ft	Vacant – City owned (purchased with Low/Mod funds)	R-1	1 moderate income unit	City to sell to non- profit for development of moderate income for-sale units, similar to HARP program.
TOTALS				140 units	

*The City has assumed a realistic development density of 30 units/acre on these sites based on two R-3-PD multi-family projects: Lakeland Manor (36 du/acre) and Little Lake Village (30 du/acre). Minimum densities of 20 unit/acre are required, as stipulated under the rezoning.

**City of Santa Fe Springs
RESIDENTIAL SITES**

Figure 6.



Source: Santa Fe Springs Planning and Development Department.

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3. Residential Development Potential Compared with Santa Fe Springs Regional Housing Needs

Table 4-3 compares Santa Fe Springs' residential unit potential described in the sections above (and quantified in Tables 4-1 and 4-2), and provides a comparison with the City's 2014-2021 Regional Housing Needs (RHNA) for 324 units.

Table 4-3: Comparison of Regional Growth Need and Residential Sites

Income Group	Entitled Projects (post 2013 occupancy)	Vacant Sites	Total Unit Capacity	RHNA
Very Low	--	139	139	82
Low	--			50
Moderate	113	1	114	53
Above Moderate	148	--	148	139
Total	261	140	401	324

In terms of evaluating the adequacy of sites to address the affordability targets established by the RHNA, Housing Element statutes provide for use of "default densities" to assess affordability. Based on its population, Santa Fe Springs falls within the default density of 20 units per acre for providing sites affordable to very low and low income households; sites suitable for moderate income households can be provided at 12 units per acre. Allocating Santa Fe Springs' residential sites inventory based on these density thresholds, combined with the 113 moderate income units known in entitled projects, results in the provision of sites suitable for development of 139 units affordable to lower income households, 114 units affordable to moderate income households, and 148 units for above moderate income households. A comparison of this income distribution with the City's RHNA identifies sufficient sites at appropriate densities to accommodate Santa Fe Springs' regional housing needs.

It is to Santa Fe Springs' benefit that its residential site capacity exceeds the minimum RHNA required within each income category to help offset any sites that may be developed with fewer units than assumed in the Housing Element sites inventory. A healthy buffer above the required RHNA therefore provides a "margin of safety" from having to rezone additional sites during the 2014-2021 planning period of the element.

4. Availability of Infrastructure and Public Services

As a completely urbanized community, the City of Santa Fe Springs already has in place all of the necessary infrastructure to support future development. All land designated for residential use is served by sewer and water lines, streets, storm drains, and telephone, electrical, and gas lines. However, as an older community, much of the City's infrastructure is aging and may require improvements or replacement over time. On the Townlots/Villages at Heritage Springs project, the Water Availability Survey concluded there was sufficient existing capacity to serve the project and that upgraded water and wastewater conveyance lines were not required.

SB 1087, effective January 2006, requires water and sewer providers to grant priority for service allocations to proposed developments that include units affordable to lower income households. Pursuant to these statutes, upon adoption of its Housing Element, Santa Fe Springs will immediately deliver the Element to local water and sewer providers, along with a summary of its regional housing needs allocation.

B. FINANCIAL RESOURCES

The extent to which Santa Fe Springs can achieve its Housing Element goals and objectives is in large part dependent upon the availability of financial resources for implementation.

The primary local source of funds for affordable housing in Santa Fe Springs has traditionally been its Redevelopment Agency's Low- and Moderate-Income Housing Fund. However, due to passage of Assembly Bill (AB) 1X 26, redevelopment agencies across California have been eliminated as of February 1, 2012, removing this tool for creating affordable housing. Loans made by Santa Fe Springs' former Community Development Commission (CDC) using Low and Moderate Income Housing Funds will return to the City acting as the CDC's Housing Successor, and will be deposited into a Housing Asset Fund to support future affordable housing development; proceeds from any land or property sales purchased with Low/Mod funds will also contribute to Santa Fe Springs' Housing Asset Fund.

The City will continue to explore new funding sources and programs, and opportunities to partner with the private sector and local non-profit organizations. Examples of potential new funding opportunities include:

- The \$93 million Golden State Acquisition Fund (GSAF) was launched in early 2013 by State HCD in partnership with seven Community Development Financial Institutions (CDFIs), providing developers and public agencies with access to favorably priced funds for developing and preserving affordable rental and ownership housing.
- Passage of SB 391, the California Home and Jobs Act of 2013, would generate approximately \$525 million annually for affordable housing by imposing a \$75 recording fee on real estate documents. The bill has secured a super majority in the Senate and two Assembly policy committees, and will remain on the Assembly Appropriations Committee's calendar entering into the 2014 legislative session.
- SCAG Sustainability Program 2013-2014 Call for Proposals. This new local assistance planning program combines Compass Blueprint assistance for integrated land use and transportation planning with new Green Region initiative assistance for bicycle and pedestrian planning efforts.

Table 4-4 on the following pages identifies a variety of Federal, state, local and private resources that may be available to carry out housing activities in Santa Fe Springs.

Table 4-4: Financial Resources Available for Housing Activities

Program Name	Description	Eligible Activities
1. Federal Programs		
Community Development Block Grant (CDBG)	As a participating City in Urban LA County, grants are allocated directly to the City on a formula basis for housing and community development activities primarily benefiting low and moderate income households. Santa Fe Springs receives approximately \$115,000 in CDBG funds from LACDC on an annual basis, but may be subject to additional federal cutbacks.	<ul style="list-style-type: none"> ▪ Acquisition ▪ Rehabilitation ▪ Homebuyer Assistance ▪ Economic Development ▪ Homeless Assistance ▪ Public Services
HOME	Funding used to support a variety of County housing programs that the City can access for specific projects. Funds are used to assist low income (80% MFI) households.	<ul style="list-style-type: none"> ▪ New Construction ▪ Acquisition ▪ Rehabilitation ▪ Homebuyer Assistance ▪ Rental Assistance
Section 8 Rental Assistance	Rental assistance payments to owners of private market rate units on behalf of low-income (50% MFI) tenants. Administered by the Housing Authority of the County of Los Angeles.	<ul style="list-style-type: none"> ▪ Rental Assistance
Section 202	Grants to non-profit developers of supportive housing for the elderly.	<ul style="list-style-type: none"> ▪ Acquisition ▪ Rehabilitation ▪ New Construction
Section 811	Grants to non-profit developers of supportive housing for persons with disabilities, including group homes, independent living facilities and intermediate care facilities.	<ul style="list-style-type: none"> ▪ Acquisition ▪ Rehabilitation ▪ New Construction ▪ Rental Assistance

Table 4-4: Financial Resources Available for Housing Activities

Program Name	Description	Eligible Activities
2. State Programs		
Low-income Housing Tax Credit (LIHTC) www.treasurer.ca.gov/ctcac/	State and Federal tax credits to enable sponsors/ developers of low income rental housing to raise project equity through the sale of tax benefits to investors. 4% and 9% credits available, with 4% credits often coupled with tax-exempt bonds.	<ul style="list-style-type: none"> ▪ New Construction ▪ Acquisition/Rehab
Multi-Family Housing Program (MHP) www.hcd.ca.gov/fa/mhp	Deferred payment loans to local governments, non-profit and for-profit developers for new construction, rehabilitation and preservation of permanent and transitional rental housing for lower income households. Includes separate Supportive Housing and Homeless Youth MHP components.	<ul style="list-style-type: none"> ▪ New Construction ▪ Rehabilitation ▪ Preservation ▪ Conversion of nonresidential to rental ▪ Social services within project
Building Equity and Growth in Neighborhoods (BEGIN) www.hcd.ca.gov/fa/begin	Grants to cities to provide downpayment assistance (up to \$30,000) to low and moderate income first-time homebuyers of new homes in projects with affordability enhanced by local regulatory incentives or barrier reductions.	<ul style="list-style-type: none"> ▪ Homebuyer Assistance
CalHome www.hcd.ca.gov/fa/calhome	Grants to cities and non-profit developers to offer homebuyer assistance, including downpayment assistance, rehabilitation, acquisition/rehabilitation, and homebuyer counseling. Loans to developers for property acquisition, site development, predevelopment and construction period expenses for homeownership projects.	<ul style="list-style-type: none"> ▪ Predevelopment, site development, site acquisition ▪ Rehabilitation ▪ Acquisition/rehab ▪ Downpayment assistance ▪ Mortgage financing ▪ Homebuyer counseling

Table 4-4: Financial Resources Available for Housing Activities

Program Name	Description	Eligible Activities
Affordable Housing Innovation Fund www.hcd.ca.gov/fa	Funding for pilot programs to demonstrate innovative, cost-saving ways to create or preserve affordable housing. Under AB 1951 (2012), funding has been appropriated to the following activities: <ul style="list-style-type: none"> ✓ Local Housing Trust Fund Grant ✓ Golden State Acquisition Fund ✓ Innovative Homeownership Program 	Varies depending on activity
Infill Infrastructure Grant Program www.hcd.ca.gov/fa/iig/	Funding of public infrastructure (water, sewer, traffic, parks, site clean-up, etc) that supports higher-density affordable and mixed-income housing in locations designated as infill.	<ul style="list-style-type: none"> ▪ Development of parks and open space ▪ Water, sewer or other utility service improvements ▪ Streets, roads, parking structures, transit linkages, transit shelters ▪ Traffic mitigation features ▪ Sidewalks and streetscape improvements
Housing Related Parks Program www.hcd.ca.gov/hpd/hrpp	Financial incentives to jurisdictions who construct new units affordable to very low and low income households.	<ul style="list-style-type: none"> ▪ Grants for creation of new parks, or rehabilitation or improvements to existing parks.
CalHFA Residential Development Loan Program www.calhfa.ca.gov/multifamily/special/rdlp	Low interest, short term loans to local governments for affordable infill, owner-occupied housing developments. Links with CalHFA's Downpayment Assistance Program to provide subordinate loans to first-time buyers. Two funding rounds per year.	<ul style="list-style-type: none"> ▪ Site acquisition ▪ Pre-development costs

Table 4-4: Financial Resources Available for Housing Activities

Program Name	Description	Eligible Activities
3. County Programs		
City of Industry Funds	Industry funds are redevelopment tax increment funds administered by the Housing Authority of the County of Los Angeles (HACoLA). Loans for rental housing, special needs housing, and for-sale housing (acquisition and permanent financing). With the dissolution of redevelopment agencies, HACoLA has been designated the successor agency, and is responsible for dispersing the remaining \$38 million in City of Industry Funds for affordable housing.	<ul style="list-style-type: none"> ▪ Acquisition ▪ Rehabilitation ▪ New Construction ▪ Homebuyer Assistance
Southern California Home Financing Authority	Loans to first-time homebuyers in the County, provided through participating lenders	<ul style="list-style-type: none"> ▪ First-Time Homebuyer Assistance
4. Private Resources/Financing Programs		
Federal National Mortgage Association (Fannie Mae)	Fixed rate mortgages issued by private mortgage insurers; mortgages which fund the purchase and rehabilitation of a home; and low downpayment mortgages for homes in underserved areas.	<ul style="list-style-type: none"> ▪ Homebuyer Assistance
Federal Home Loan Bank Affordable Housing Program	Direct subsidies to non-profit and for profit developers and public agencies for affordable low-income ownership and rental projects.	<ul style="list-style-type: none"> ▪ New Construction
Savings Association Mortgage Company Inc.	Pooling process to fund loans for affordable ownership and rental housing projects. Non-profit and for profit developers contact member institutions.	<ul style="list-style-type: none"> ▪ New construction of rentals, cooperatives, self help housing, homeless shelters, and group homes

Source: Karen Warner Associates, August 2013.

C. ADMINISTRATIVE RESOURCES

Described below are several non-profit agencies that are currently active and have completed projects in Los Angeles County. These agencies serve as resources in meeting the housing needs of the City, and are integral in implementing activities for acquisition/rehabilitation, preservation of assisted housing, and development of affordable housing.

National Community Renaissance (*formerly Southern California Housing Development Corporation*): National CORE is a nonprofit 501(c)3 developer with in-house capacity to construct and renovate large scale developments. Its mission is to create affordable housing communities that contribute to neighborhood vitality. The company owns and manages more than 4,500 multifamily units throughout Southern California and serves more than 10,000 residents. As part of its inclusive approach to improving quality of life in Southern California communities, it staffs community resource centers at all its properties. These centers are supported and administered by the Hope Through Housing Foundation. National CORE was the developer of Santa Fe Springs' 144 unit Little Lake Village Senior Apartments.

Ability First (*formerly Crippled Children's Society*): Through 24 locations across Southern California, Ability First provides a broad range of employment, recreational and socialization programs to help children and adults with physical and developmental disabilities reach their full potential throughout their lives. Recognizing the critical need for accessible, affordable housing, Ability First has become a leader in building and operating residential facilities for individuals with physical and developmental disabilities, and currently operates ten apartment complexes, an adult residential facility, and a residential home for seniors. In 2001, Ability First worked in cooperation with the Santa Fe Springs CDC to develop Lakeland Manor, a 25 unit affordable housing complex for physically disabled adults.

Salvation Army: The Salvation Army operates a 28 apartment Transitional Living Center for families in Santa Fe Springs. At this adult rehabilitation center, individuals with identifiable and treatable needs receive adequate housing, nourishing meals and necessary medical care, and engage in work therapy. They also benefit from group therapy, spiritual guidance and skilled addictions counseling in clean and wholesome surroundings.

Habitat for Humanity: Habitat is a non-profit, Christian organization that builds and repairs homes for sale to very low income families with the help of volunteers and homeowner/partner families. Habitat homes are sold to partner families at no profit with affordable, no interest loans. Santa Fe Springs' former CDC previously donated a site to Habitat for Humanity which was subsequently developed with a single-family home and sold to a first-time homebuyer.

D. OPPORTUNITIES FOR ENERGY CONSERVATION

Housing Element statutes require an analysis of opportunities for energy conservation with respect to residential development. The energy conservation section of the element must inventory and analyze the opportunities to encourage the incorporation of energy saving features, energy saving materials, and energy efficient systems and design for residential development. Planning to maximize energy efficiency and the incorporation of energy conservation and green building features can contribute to reduced housing costs for homeowners and renters, in addition to promoting sustainable community design and reduced dependence on vehicles. Such planning and development standards can also significantly contribute to reducing greenhouse gases.

1. Green Building Practices

Conventional building construction, use and demolition along with the manufacturing of building materials have multiple impacts on our environment. In the United States, the building industry accounts for:

- ✓ 65% of electricity consumption
- ✓ 30% of greenhouse gas emissions
- ✓ 30% of raw materials use
- ✓ 30% of landfill waste
- ✓ 12% of potable water consumption

Interest in addressing these impacts at all levels of government has been growing. In 2004, the State of California adopted legislation requiring LEED (Leadership in Energy and Environmental Design) certification for new and renovated public buildings. Some local jurisdictions have not only adopted similar standards for their public buildings, but have also recently required LEED certification for larger commercial and residential developments. The City of Santa Fe Springs has hired an architectural firm specializing in sustainable buildings to design the City's new Multi-Purpose Building to attain silver LEED certification.

LEED certification building standards are just one piece of a coordinated green building program. Why would a city adopt a more comprehensive green building program? Most local building standards already consider energy and stormwater issues. In addition, many jurisdictions have programs related to recycling, water conservation, stormwater management, land use, and public health. However, these programs are often overlapping and uncoordinated. One of the primary goals behind establishing a green building program is to create a holistic, integrated design approach to green building.

A green building program considers a broad range of issues including community and site design, energy efficiency, water conservation, resource-efficient

material selection, indoor environmental quality, construction management, and building maintenance. The end result will be buildings that minimize the use of resources; are healthier for people; and reduce harm to the environment.

The City of Santa Fe Springs applies green building criteria in the rehabilitation and replacement of single and multi-family properties through the Home Repair, Rebate, and HARP programs. For example, the City utilizes tankless water heaters, Energy Star appliances, carpet made from recycled materials, bamboo flooring, low flush toilets, low flow faucets and florescent lighting. All HARP homes are built to the highest energy conservation standard approved by HUD.

The Villages at Heritage Springs planned development is designed as a solar community, and combined with the numerous energy-saving features included in every home, results in homes exceeding the National Energy Standard by 50 percent.

The City has established landscape guidelines for new development, including a requirement for all landscaping designs and plans to consider the following xeriscape materials and methods:

- Use of drought-tolerant shrubs, trees, ground cover and lawns.
- Incorporation of moisture sensor-activated controllers, rain detection devices and drip irrigation lines in irrigation design.
- On sites fronting a major or secondary highway, design of the irrigation plan to accommodate reclaimed water.
- Regarding grass lawns, on a case-by-case basis, the City will review the extent of lawn areas needed to satisfy the greenbelt requirements along Major and Secondary Highways.

The following presents a variety of additional ways in which Santa Fe Springs promotes energy conservation:

- Advertise at City Hall and on the City's website utility rebate programs and energy audits available through Edison and Southern California Gas, and State sponsored weatherization programs for lower income households. Provide brochure material to applicants in conjunction with the City's highly active residential rebate program.
- Offer expedited plan check services for private developments that are building green to a LEED standard.
- Support the elimination of contamination in older buildings (lead-based paint, asbestos, etc.) during rehabilitation and code inspections.
- Promote funding opportunities for private green buildings, including available rebates and funding available through the California Energy Commission for installation of solar panels.
- Provide resource materials and training opportunities regarding green building and energy conservation.

2. Energy Conservation Programs Offered through Local Utilities

In addition to green building, Santa Fe Springs can promote energy conservation by advertising utility rebate programs and energy audits available through Edison and Southern California Gas, particularly connected to housing rehabilitation programs. Lower-income households are also eligible for state sponsored energy and weatherization programs.

Southern California Edison (SCE) provides a variety of energy conservation services under its Customer Assistance Programs (CAP). These services are designed to help low-income households, senior citizens, permanently disabled, and non-English speaking customers control their energy use. The Southern California Gas Company offers an energy conservation service known as the Community Involvement Program (CIP). This service provides weatherization for the homes or apartments of low-income families, provided they meet the federally-established income guidelines. These services are provided to the low-income families free of charge while later being reimbursed by the Gas Company.

Income-qualified Edison and So Cal Gas customers may be eligible for the State's Energy Savings Assistance program, and/or a 20% bill discount under the California Alternate Rates for Energy (CARE) program.

Energy Upgrade California (EUC)

This new statewide program offers up to \$4,000 in incentives to homeowners who complete select energy-saving home improvements on a single-family residence and two-to-four-unit buildings. The incentive packages encourage customers to take the "whole house" approach by combining several improvements at one time to achieve greater energy efficiencies and savings. Homeowners are required to hire a contractor and perform an initial assessment. EUC has a list of participating contractors and raters. Southern California Edison (SCE) and Southern California Gas are among the five utilities that participate in the EUC program across the State.



V. HOUSING PLAN

Chapters II, III and IV establish the housing needs, opportunities and constraints in Santa Fe Springs. The Housing Plan presented in the following chapter sets forth the City's quantified housing goals, policies and programs to address Santa Fe Springs' identified housing needs.

A. EVALUATION OF ACCOMPLISHMENTS UNDER ADOPTED HOUSING ELEMENT

Communities are required to assess the achievements under their adopted housing programs as part of the five-year update to their housing elements. These results should be quantified where possible, but may be qualitative where necessary. The results should then be compared with what was planned in the earlier element. Where significant shortfalls exist between what was planned and what was achieved, the reasons for such differences must be discussed.

The Santa Fe Springs 2008-2014 Housing Element sets forth a series of housing programs with related objectives for the following areas:

- Housing Maintenance and Rehabilitation
- Homeownership Assistance
- Housing Development/Provision of Sites
- Conservation of Affordable Housing
- Equal Housing Opportunities

This section reviews the City's progress to date in implementing these housing programs and their continued appropriateness for the 2014-2021 Housing Element. Table 5-1 summarizes the City's housing program accomplishments, followed by a review of its quantified objectives. The results of this analysis will provide the basis for developing the comprehensive housing program strategy presented in Part C of this section.



**Table 5-1:
Review of Accomplishments under 2008-2014 Housing Element**

Program	2014-2021 Accomplishment
<p>1. Home Improvement Rebate Program <u>2008-2014 Objective:</u> Continued funding of approximately 300 rebates per year, equating to 1,800 over the planning period.</p>	<p><u>Progress:</u> Between 2008-2012, a total of 674 rebates were funded. <u>Effectiveness:</u> During its implementation, the Rebate Program was very successful in incentivizing homeowners to reinvest in their homes. <u>Appropriateness:</u> Due to the Statewide elimination of Redevelopment, as of January 1, 2012, Santa Fe Springs no longer received funds to implement the Home Improvement Rebate Program. The City will pursue alternative funds – such as through CDBG – to continue to program in the future.</p>
<p>2. Home Repair Program <u>2008-2014 Objective:</u> Continue to provide free home repair services on as needed basis, providing an estimated 80 home repairs per year, for 460 over the planning period.</p>	<p><u>Progress:</u> Between 2008-2012, a total of 749 homeowners were assisted with needed home repairs. <u>Effectiveness:</u> The Home Repair program was effective in assisting very low and low income homeowners in making needed repairs, and emphasizing the use of energy efficient replacement items. <u>Appropriateness:</u> Due to the Statewide elimination of Redevelopment, as of January 1, 2012, Santa Fe Springs no longer received funds to implement the Home Repair Program. The work crew that performed home repairs is no longer employed by the City.</p>
<p>3. Property Maintenance Program <u>2008-2014 Objective:</u> Continue to bring properties into compliance and provide information on rehabilitation assistance.</p>	<p><u>Progress:</u> The City continues to implement the property maintenance program and inform eligible households of available rehabilitation assistance. <u>Effectiveness:</u> The program has been effective in maintaining safe and sanitary housing in Santa Fe Springs. <u>Appropriateness:</u> As the City's housing stock ages, housing code enforcement will continue to be an important part of the preservation of the City's housing stock. This program will be continued in the updated Housing Element.</p>
<p>4. Residential Rental Inspection Program <u>2008-2014 Objective:</u> Continue the annual inspection of rental units; bring substandard units into compliance.</p>	<p><u>Progress:</u> The City continued its annual inspection of rental units during the planning period. <u>Effectiveness:</u> The RRI Program is very effective in ensuring that apartments and single-family homes available for rent are inspected to verify that they are safe and habitable. <u>Appropriateness:</u> As the rental housing stock ages, it is appropriate that the RRI Program ensure that these structures are inspected to ensure that they are properly maintained.</p>
<p>5. Housing Acquisition and Rehabilitation Lottery Program (HARP) <u>2008-2014 Objective:</u> Continue to purchase, rehabilitate, and sell approximately two homes per year to moderate income households, for approximately 12 homes over the planning period.</p>	<p><u>Progress:</u> Between 2008-2013, the City purchased, and either rehabilitated or replaced 4 homes; 3 of these have been sold to moderate income first-time homebuyers in the City. <u>Effectiveness:</u> The HARP Program has been effective in upgrading the housing stock, stabilizing neighborhoods, and providing affordable homeownership opportunities to moderate income households. <u>Appropriateness:</u> With the elimination of Redevelopment, the City no longer has funds to</p>

Review of Accomplishments under 2008-2014 Housing Element

Program	2014-2021 Accomplishment
	implement the HARP program. However, the Housing Successor Agency will be disposing of several properties originally purchased by the CDC for development with homes under the HARP program. The City intends to sell these properties to a non-profit for development with moderate income, first-time homebuyer units.
6. Mortgage Credit Certificate <u>2008-2014 Objective:</u> Advertise the availability of the MCC program, along with a listing of participating lenders.	<u>Progress:</u> Through the HARP Program, first-time homebuyers can opt to participate in the MCC program to either lower their monthly mortgage payment or become eligible for a slightly larger mortgage amount. <u>Effectiveness:</u> The City provides information on the MCC program to HARP participants, but ultimately the decision to participate is up to the home purchaser. <u>Appropriateness:</u> With the elimination of the HARP Program, the provision of information on homeownership assistance available through the County becomes more important and will be included in the Housing Element.
7. County Homeownership Program (HOP) <u>2008-2014 Objective:</u> Advertise the availability of the HOP program and LACDC bi-lingual homebuyer seminars.	<u>Progress:</u> The City is not aware of the County HOP Program being used in Santa Fe Springs. <u>Effectiveness:</u> This program was not effective. <u>Appropriateness:</u> With the elimination of the HARP Program, the provision of information on homeownership assistance available through the County becomes more important and will be included in the Housing Element.
8. Southern California Home Financing Authority (SCHFA) <u>2008-2014 Objective:</u> Advertise the availability of the SCHFA program, along with a listing of participating lenders.	<u>Progress:</u> The City is not aware of the SCHFA Program being used in Santa Fe Springs. <u>Effectiveness:</u> This program was not effective. <u>Appropriateness:</u> With the elimination of the HARP Program, the provision of information on homeownership assistance available through the County becomes more important and will be included in the Housing Element.
9. Affordable Housing Development Assistance <u>2008-2014 Objective:</u> Assist in development of approx. 200 affordable units (Little Lake Village #2; Salvation Army Transitional Housing; Lakeland/Laurel; AbilityFirst #2; CHP site). Pursue issuance of affordable housing bond for Villages at Heritage Springs.	<u>Progress:</u> Ten deed restricted moderate income units for first-time homebuyers are being provided in The Villages at Heritage Springs. The Salvation Army was unsuccessful in pursuit of funds to expand its transitional housing facility, and AbilityFirst and Little Lake Village did not pursue expansion. <u>Effectiveness:</u> This program was only partially effective in providing affordable housing. <u>Appropriateness:</u> Affordable Housing Development Assistance remains appropriate to the updated Housing element, but due to the elimination of redevelopment funds, will have a more modest goal associated with affordable housing development on prior Redevelopment Agency owned sites.
10. Residential Rezoning Program <u>2008-2014 Objective:</u> Redesignate sites to accommodate at least 139 lower income	<u>Progress:</u> The City Council rezoned the 3.9 acre vacant site at 13231 Lakeland Road and 0.75 acre vacant site at 10934 Laurel Avenue to R-3-PD. Based on an

Review of Accomplishments under 2008-2014 Housing Element

Program	2014-2021 Accomplishment
and 30 moderate income units.	<p>assumed density of 30 units/acre, these two sites can accommodate at least 139 lower income units. While the site located at 10051 Orr & Day was not rezoned and is still used by the California Highway Patrol, the City amended its Housing Element to provide an alternative site through “committed assistance” by preserving the 34 very low income units in the Villa Verde affordable rental project (refer to Program 13a for description).</p> <p><u>Effectiveness:</u> The City was effective in providing adequate sites to address its regional housing needs by income category.</p> <p><u>Appropriateness:</u> This program was completed and is no longer necessary for the updated Housing Element.</p>
<p>11. Sustainability and Green Building <u>2008-2014 Objective:</u> Adopt local green building program which provides incentives for building green. Advertise available energy conservation programs to residents.</p>	<p><u>Progress:</u> The City implements the State 2010 Green Building Code Standards, and applies green building criteria in its Home Repair, Rebate and HARP programs. The 500+ unit Villages at Heritage Springs was designed as a solar community, and combined with the numerous energy-saving features included in every home, has resulted in homes exceeding the National Energy Standard by 50 percent.</p> <p><u>Effectiveness:</u> The City has been successful in promoting energy conservation and green building.</p> <p><u>Appropriateness:</u> Continuing with ongoing education of the public on green building and sustainability practices remains appropriate to the Housing Element update.</p>
<p>12. Section 8 Rental Assistance <u>2008-2014 Objective:</u> Continue current levels of Section 8; encourage landlords to register units.</p>	<p><u>Progress:</u> The City continues to participate in the Section 8 program administered by HACO LA, and assists in advertising the program to residents.</p> <p><u>Effectiveness:</u> The Section 8 program is effective in providing needed rental assistance to lower income households, although limited Section 8 funding restricts the number of residents that can be assisted.</p> <p><u>Appropriateness:</u> The Section 8 program provides decent and safe living conditions to those who may not otherwise be able to afford it and remains appropriate to the Element.</p>
<p>13. Preservation of Assisted Rental Housing <u>2008-2014 Objective:</u> Monitor at-risk properties; as necessary, pursue alternative funding for rent subsidies and provide tenant education.</p>	<p><u>Progress:</u> All three of the projects considered at-risk of conversion have continued to renew their Section 8 contracts and have been maintained as affordable housing.</p> <p><u>Effectiveness:</u> The City has been effective in its continued monitoring of its assisted rental housing, and in establishing long-term affordability covenants on Villa Verde (described in 13a below).</p> <p><u>Appropriateness:</u> While the city has no projects at imminent risk of conversion during the upcoming planning period, should project-based Section 8 funding be diminished, preservation efforts would be necessary.</p>
<p>13a. Preservation of Villa Verde – Committed Assistance <u>2008-2014 Objective:</u> Commit funding to preserve and make rehabilitation</p>	<p><u>Progress:</u> Villa Verde is a 34 unit family apartment complex, with affordability previously tied entirely to the availability of Section 8 contracts and subject to periodic renewals from HUD. In 2009, the former</p>

Review of Accomplishments under 2008-2014 Housing Element

Program	2014-2021 Accomplishment
improvements to Villa Verde	<p>Santa Fe Springs Community Development Commission committed \$1.4 million in financial assistance for the rehabilitation of Villa Verde in exchange for the property owner recording a Notice of Affordability Restrictions, restricting the property for affordable housing purposes for the next 55 years</p> <p><u>Effectiveness:</u> The City was effective in preserving 34 affordable units in Villa Verde.</p> <p><u>Appropriateness:</u> This program was completed and is no longer appropriate for the updated Element.</p>
<p>14. Zoning Ordinance Revisions</p> <p><u>2008-2014 Objective:</u> Amend the Zoning Code to make explicit provisions for manufactured housing, community care facilities, SROs, transitional housing and emergency shelters. Monitor SRO CUP process. Update the definition of family consistent with Fair Housing law. Establish an administrative adjustment process for affordable housing requesting an increase in height or reduced parking.</p>	<p><u>Progress:</u> Due to significant cut backs in staffing, the City has not yet adopted the specified zoning ordinance revisions. In July 2013, the City hired contract Planning staff who have completed drafts of the SB 2 Zoning Code revisions and updated the definition of family, scheduled for adoption by City Council on November 26, 2013. The balance of identified Code revisions will be adopted in 2014. As the PD overlay is already used to provide flexible development standards (and per Program 10, both affordable housing sites are zoned R-3-PD), the City has determined as administrative adjustment process is unnecessary.</p> <p><u>Effectiveness:</u> This program has not yet been fully implemented.</p> <p><u>Appropriateness:</u> This program remains appropriate for the updated Housing Element.</p>
<p>15. Second Dwelling Unit Program</p> <p><u>2008-2014 Objective:</u> Implement City's ordinance to accommodate second units.</p>	<p><u>Progress:</u> The City continues to allow second units by right in the R-1 and R-3 zone districts, and require units that are rented to file an affordability covenant. During the prior planning period, the City issued one building permit for a second unit.</p> <p><u>Effectiveness:</u> While the demand for second units was limited during the prior planning period, the City's ordinance was nonetheless effective in accommodating second units, and ensuring their affordability through covenants on rental units.</p> <p><u>Appropriateness:</u> The second unit program remains appropriate for the updated Element, combined with additional outreach of its availability.</p>
<p>16. Fair Housing Programs</p> <p><u>2008-2014 Objective:</u> Promote the fair housing program through advertisement in the City newsletter, and through program brochures placed at public locations.</p>	<p><u>Progress:</u> The City has continued to provide fair housing brochures at City facilities, and advertise in the City newsletter.</p> <p><u>Effectiveness:</u> This program has been effective in educating residents on their rights under Fair Housing Law, and in providing referrals for services.</p> <p><u>Appropriateness:</u> This program remains appropriate for the updated Housing Element.</p>
<p>17. Social Service Programs for Special Needs Groups</p> <p><u>2008-2014 Objective:</u> Maintain a proactive social service program; augment services as directed by the Social Services and Senior Citizens Advisory Committees.</p>	<p><u>Progress:</u> With the renovation and modernization of the Gus Velasco Neighborhood Center, combined with the opening of the 5,000 square foot Betty Wilson Senior Center at Lake Center Park, the City continues to provide a high level of social services for its residents.</p> <p><u>Effectiveness:</u> The city's program are well attended,</p>

Review of Accomplishments under 2008-2014 Housing Element

Program	2014-2021 Accomplishment
	and range from daily senior meals; a food pantry; housing referrals and emergency housing assistance. <u>Appropriateness:</u> These programs fulfill a need for such in the community and remain appropriate to the Housing element update.
18. Reasonable Accommodation <u>2008-2014 Objective:</u> Adopt and implement reasonable accommodation procedures; disseminate information on the City's website and at the Planning Department public counter.	<u>Progress:</u> The City has completed a draft Reasonable Accommodation ordinance, with adoption scheduled for November 26, 2013. <u>Effectiveness:</u> This program has not yet been implemented. <u>Appropriateness:</u> The City is on schedule to adopt the Reasonable Accommodation ordinance by the end of 2013, and therefore the program is reflected in the updated Element.

Table 5-2 below summarizes Santa Fe Springs' quantified objectives for new construction, rehabilitation and conservation, and presents the City's progress in achieving its objectives during the planning period.

Table 5-2: Progress in Meeting 2008-2014 Housing Element Objectives

Income Level	New Construction		Rehabilitation		Conservation	
	Goal	Progress	Goal	Progress	Goal	Progress
Extremely Low	58	0	230	749 (Home Repair)	210	210
Very Low	57	34 (Villa Verde)	230		210	210
Low	73	1 (second unit)	1,800	674 (Rebates)		
Moderate	77	2-HARP	12	1- HARP		
Above Moderate	196	329				
Totals	461	366	2,272	1,424	420	420

New Construction: Goal reflects RHNA. Progress reflects 199 building permits issued between 1/2006-12/2012, and 133 ownership units in the Villages at Heritage Springs under construction with occupancy to occur in 2013. Affordable units include 34 very low income units at Villa Verde produced through committed assistance, 1 low income second unit, and 2 moderate income HARP units; the 10 moderate income first-time homebuyer units in The Villages will be occupied in 2014 and are thus counted in the future planning cycle.

Rehabilitation: Goal reflects 1,800 home improvement rebates, home repair to 460 households, and 12 HARP homes.

Conservation: Goal reflects preservation of 190 units in Pioneer Gardens, Silvercrest Residences, and Villa Verde; and preservation of 230 Section 8 vouchers. An estimated half of these units are extremely low income and half are very low income.

B. HOUSING ELEMENT GOALS AND POLICIES

The following five major issue areas are addressed by the goals and policies of the Housing Element: 1) ensure that housing is maintained and preserved; 2) ensure that a broad range of housing types are provided to meet the needs of both existing and future residents; 3) provide increased opportunities for home ownership; 4) ensure housing is sensitive to environmental and social needs; and 5) promote equal housing opportunity. Each issue area and the supporting goals and policies are identified and discussed in the following section.

1. Maintenance and Preservation

GOAL 1.0: Maintain and enhance the quality of existing housing and residential neighborhoods in Santa Fe Springs.

Policy 1.1: Preserve the character, scale and quality of established residential neighborhoods.

Policy 1.2: Support healthy neighborhoods by addressing public health and safety issues, performing property inspections, and eliminating threats to public health.

Policy 1.3: Promote the rehabilitation of residential structures that are substandard or in disrepair.

Policy 1.4: Educate property owners on the benefits of home repair and remodeling using design and materials consistent with the historic character of the residence.

Policy 1.5: Assist in alleviating unit overcrowding by permitting owners to add bedrooms, baths, and additional living areas in existing homes.

Policy 1.6: Minimize the undesirable displacement impacts occurring as a result of residential demolition.

Policy 1.7: Coordinate with property owners, tenants and non-profit purchasers to facilitate preservation of assisted rental housing.

2. Housing Opportunities

GOAL 2.0 **Promote the continued availability of a range of housing types to meet the needs of existing and future residents.**

Policy 2.1: Provide adequate sites to facilitate the development of a range of residential development types in Santa Fe Springs which fulfill regional housing needs, including low density single-family uses, moderate density townhomes, and higher density apartments and condominiums.

Policy 2.2: Provide regulatory and available financial incentives to facilitate the development of affordable housing.

Policy 2.3: Continue to provide flexibility in the density and mix of land uses through the Planned Development overlay and encourage the development of higher density, affordable housing in this zone.

Policy 2.4: Assist residential developers in identifying and preparing land suitable for new housing development. Maintain an up-to-date inventory of suitable residential sites.

Policy 2.5: Provide zoning which facilitates the following uses: manufactured housing, community care facilities, transitional and supportive housing, and emergency shelters.

Policy 2.6: Encourage the development of residential units accessible to persons with disabilities or are adaptable for conversion for persons with disabilities.

Policy 2.7: Coordinate with local social service providers and the Gateway Cities COG to address the needs of the homeless and persons at-risk of homelessness. Provide zoning to facilitate the provision of emergency, transitional and supportive housing.

Policy 2.8: Continue to offer neighborhood housing counseling services through the Santa Fe Springs Neighborhood Center for Social Services on matters such as review of leases, fair housing, and landlord-tenant disputes.

3. Home Ownership

GOAL 3.0: Provide increased opportunities for home ownership.

Policy 3.1: Combine housing rehabilitation with home ownership assistance as a tool to stabilize neighborhoods.

Policy 3.2: Assist in the development of housing affordable for ownership to moderate and, where feasible, low income residents.

Policy 3.3: Provide information and referral about homebuyer assistance programs available through the county, state and private lenders to existing and potential residents.

Policy 3.4: Promote homebuyer education seminars offered through the Los Angeles County Community Development Commission.

4. Environmental Compatibility

GOAL 4.0: Ensure that new housing is sensitive to the existing natural and built environment.

Policy 4.1: Ensure that in-fill development is compatible in character and design with existing residential neighborhoods.

Policy 4.2: Protect residential neighborhoods from excessive noise, through traffic, and incompatible land uses.

Policy 4.3: Accommodate new residential development which is coordinated with the provision of infrastructure and public services, and ensure that facilities and services are provided at a level which contributes to the maintenance of neighborhood quality.

Policy 4.4: Critically analyze the location of any proposed new housing in order to determine the ability of the surrounding area to provide a good living environment with compatible surrounding land uses and meet circulation and service system requirements.

Policy 4.5: Encourage use of sustainable and green building design in new and existing housing.

C. HOUSING PROGRAMS

The goals and policies of the Housing Element address Santa Fe Springs' identified housing needs and are implemented through a series of housing programs offered through various City departments, as well as through the Los Angeles County Community Development Commission. The housing programs define the specific actions the City will undertake in order to achieve its stated goals for the 2014-2021 planning period. Pursuant to State Housing Element law, the City's housing programs must address the following issue areas:

- Conserving the existing supply of affordable housing
- Assisting in the provision of housing
- Providing adequate sites to achieve a variety and diversity of housing
- Removing governmental constraints as necessary
- Promoting equal housing opportunity

The Plan for addressing these housing issues in Santa Fe Springs is described in this section. The Housing Program Implementation Table 5-3 located at the end of the section summarizes the 2014-2021 goals for each program, as well as program funding source and time frame for implementation.

HOUSING MAINTENANCE AND REHABILITATION PROGRAMS

1. Home Improvement Rebate Program

Santa Fe Springs has offered a home improvement rebate program since 1978, providing well over 6,000 rebates to low and moderate income homeowners. While the program has been on hold since the elimination of Redevelopment in 2012, rebates have proven highly successful in helping to maintain the City's housing stock, and thus the City will pursue alternative funding to re-initiate the program.

2014-2021 Objective: Pursue outside funding, such as CDBG or Redevelopment Housing Asset Funds, to support re-initiation of the Home Improvement Rebate Program. Re-evaluate program guidelines in light of funding constraints to ensure an effective program. Seek to assist a minimum of 100 lower income households.

2. Property Maintenance Program

The City's Property Maintenance Ordinance establishes minimum standards for exterior property maintenance. Property owners whose properties are not in compliance with the Ordinance are notified in writing and given a reasonable amount of time to bring the property into compliance. In the event of non-compliance, property owners are provided two additional written notifications. Code violators are also provided with information regarding available rehabilitation programs to assist in completing repairs to the property.

2014-2021 Objective: *Provide for continued monitoring and sensitive enforcement of the Property Maintenance Ordinance. Provide information to code violators regarding available rehabilitation assistance. Seek to complete 60 residential inspections on an annual basis.*

3. Residential Rental Inspection Program

The City initiated this program in 1990 to ensure a high level of maintenance among rental units in the City. Under this program, the City inspects the rental property on an annual basis as well as prior to re-occupancy when a change in tenancy occurs.

2014-2021 Objective: *Continue the annual inspection of rental units and assure that all units remain in compliance with the Uniform Building Code and other state and local codes relating to zoning, health, safety, and property maintenance.*

HOME OWNERSHIP ASSISTANCE PROGRAMS

4. Sale of HARP Properties

HARP (Housing Acquisition and Rehabilitation Lottery program) is designed to both upgrade the housing stock and increase homeownership among the City's low and moderate income households. Under this program, the City purchases vacant land or existing substandard homes, and either builds a new house or completely rehabilitates the existing dwelling. The City then sells the home to a qualified low or moderate income family.

With the elimination of Redevelopment, the City no longer has funds to implement the HARP program. However, the Housing Successor Agency will be disposing of several properties originally purchased by the CDC for development with homes under the HARP program. The City intends to sell these properties to a non-profit for development with moderate income, first-time homebuyer units.

2014-2021 Objective: *Transfer ownership of HARP properties to a non-profit for development with first-time homebuyer units. Seek to provide two moderate income units.*

5. County Homeownership Program (HOP)

The Los Angeles County Community Development Commission (CDC) administers the HOP Program, offering up to \$60,000 in deferred payment, 0 percent loans for downpayment and closing cost assistance for low income (80% MFI) first-time homebuyer households. The HOP Program is funded using federal HOME funds, and is available for existing, new construction, approved short sales and real estate owned (REO) properties. Santa Fe Springs is a participating jurisdiction in the HOP program, and has for-sale housing stock

which falls within the sales price maximums. This program can be used in conjunction with the Mortgage Credit Certificate (MCC), or the Southern California Home Financing Authority (SCHFA) Program. Participants are required to undergo an 8 hour first-time homebuyer seminar by a HUD approved agency before closing escrow.

2014-2021 Objective: *Advertise the availability of the HOP Program in the City's newsletter and on the City's website, along with the schedule of the County's bilingual first-time homebuyer seminars.*

6. Southern California Home Financing Authority (SCHFA)

Southern California Home Financing Authority (SCHFA) is a joint powers authority between Los Angeles and Orange Counties to create first-time homebuyer programs for low- to moderate-income households. The single-family mortgage revenue bond program offered by SCHFA provides 30 year, below-market fixed rate mortgage loans and a grant for downpayment and closing costs assistance. Eligibility includes maximum household incomes of approximately \$100,000, and sales price limits of approximately \$670,000, or up to \$820,000 in identified target areas (includes census tract 5041.02 in Santa Fe Springs).

The program is administered by the Los Angeles County Community Development Commission (CDC) and the Public Finance Division of the County of Orange. SCHFA does not lend money directly to homebuyers. Homebuyers must work directly with a participating lender.

2014-2021 Objective: *Advertise the availability of the SCHFA single-family bond program in the City's newsletter and on the City's website, along with a listing of participating MCC lenders.*

7. Mortgage Credit Certificate (MCC)

The MCC program provides an annual federal income tax credit of up to 15 percent of the mortgage interest paid for first-time homebuyers. The program helps first-time homebuyers qualify for a loan by allowing the lender to reduce the housing expense ratio by the amount of the tax savings. Eligibility includes maximum household incomes of approximately \$100,000, and sales price limits of approximately \$670,000, or up to \$820,000 in identified target areas (includes census tract 5041.02 in Santa Fe Springs).

2014-2021 Objective: *Advertise the availability of the MCC Program in the City's newsletter and on the City's website, along with a listing of participating MCC lenders.*

HOUSING DEVELOPMENT PROGRAMS/PROVISION OF SITES

8. Affordable Housing Development Assistance

The City can play an important role in facilitating the development of quality, affordable housing through provision of land write-downs and regulatory incentives, and as available, financial assistance. Santa Fe Springs' Housing Successor Agency owns two housing sites (Lakeland/Laurel and 10934 Laurel) originally purchased with Low/Mod Housing Funds and recently rezoned R-3-PD with minimum 20 unit/acre densities. Designating these sites with a Planned Development (PD) Overlay eliminates any upper density limit and allows flexible development standards, providing an effective regulatory mechanism to facilitate affordable housing development.

Pursuant to AB 1484, once Santa Fe Springs' Successor Agency receives a "finding of completion" by the State Department of Finance (DOF), the Agency can develop a long-range property management plan which delineates the use or disposition of all properties owned by the Successor Agency. Upon approval of the property management plan by DOF and the oversight board, the City's Successor Agency will issue a Request for Proposal for development of the two vacant R-3-PD sites with affordable housing.

2014-2021 Objective: *Enter into a development agreement(s) for development of the 3.9 acre Lakeland/Laurel site and .75 acre site at 10934 Laurel with affordable housing, with particular emphasis on family housing. Provide a land write-down and flexible development standards to enhance affordability, and waive Planning Dept application fees for projects with a minimum 10% extremely low income units. Seek to achieve a minimum of 100 affordable units on these two sites.*

9. Housing Element Monitoring/Annual Report

The Planning Department will be responsible for establishing the regular monitoring of the Housing Element, and preparing an Annual Progress Report for review by the public, City decision-makers and submittal to State HCD. Completion of the Annual Report is required for the City to maintain access to State housing funds.

The Report will document:

- Santa Fe Springs' annual residential building activity, including identification of any deed restricted affordable units and assignment of market rate units to an appropriate affordability category
- Progress towards the Regional Housing Needs Allocation since the start of the planning period; and
- Implementation status of Housing Element programs.

In addition to the Annual Report, the City will conduct ongoing monitoring of the Housing Element sites inventory in conjunction with development applications to ensure the continued provision of adequate site capacity to address Santa Fe Springs' regional housing needs. The City will also monitor any applications for redevelopment of R-3 sites, and designate with a PD overlay as necessary to provide development flexibility.

2014-2021 Objective: *Review the Housing Element annually and provide opportunities for public participation, in conjunction with the submission of the City's Annual Progress Report to the State Department of Housing and Community Development (HCD) by April 1st of each year. Conduct ongoing monitoring of the sites inventory to ensure adequate capacity to address the City's RHNA needs. Should a potential shortfall be identified, redesignate additional sites as necessary. Monitor redevelopment of R-3 sites, and add a PD overlay as appropriate.*

10. Second Dwelling Unit Program

A second unit is a self-contained living unit with cooking, eating, sleeping, and full sanitation facilities, either attached to or detached from the primary residential unit on a single lot. Second units offer several benefits. First, they typically rent for less than apartments of comparable size, and can offer affordable rental options for seniors and single persons. Second, the primary homeowner receives supplementary income by renting out their second unit, which can help many modest income and elderly homeowners remain in or afford their homes.

Pursuant to current State law, Santa Fe Springs offers a ministerial process for second unit applications, subject to review and approval by the Planning Director. The City permits attached and detached second dwelling units on minimum 5,000 square foot residential parcels within the R-1 and R-3 zones. Second units that are rented are required to be designated as "affordable" and be rented at affordable rents to very low and low income households.

2014-2021 Objective: *Through implementation of the City's second unit ordinance, provide additional sites for the provision of rental housing. Based on past trends, seek to achieve at least three new second units during the planning period.*

11. Sustainability and Green Building

Green buildings are structures that are designed, renovated, re-used or operated in a manner that enhances resource efficiency and sustainability. These structures reduce water consumption, improve energy efficiency, generate less waste, and lessen a building's overall environmental impact. The 2010 California Building Standards Code establishes mandatory Statewide green building standards. In addition to implementing the State CALGREEN standards, Santa Fe Springs will continue to apply green building criteria in its Home

Rebate and HARP programs. Pursuant to City Ordinance No. 914, the City requires builders to complete a Construction and Demolition Recycling form to identify materials to be reused, recycled, or disposed of, with the City's goal to reuse or recycle at least 75% of project waste. The largest residential project in Santa Fe Springs - the 500+ unit Villages at Heritage Springs - was designed as a solar community, and combined with the numerous energy-saving features included in every home, has resulted in homes exceeding the National Energy Standard by 50 percent.

As a means of encouraging energy conservation among its residents, the City will advertise utility rebate, weatherization and energy audit programs available through private utilities and the State.

2014-2021 Objective: *Provide outreach and education to developers, architects and residents on the CALGREEN code, and ways to incorporate sustainability into project design and in existing structures. Advertise energy conservation programs at City Hall, on the City's website, and in conjunction with the City's residential rebate program.*

CONSERVATION OF AFFORDABLE HOUSING

12. Section 8 Rental Assistance Program

The Section 8 program extends rental subsidies to extremely low and very low income households, providing a voucher to pay the difference between the fair market rent (FMR) as established by HUD and what a tenant can afford to pay (i.e. 30% of household income). The voucher allows a tenant to choose housing that costs above the payment standard, providing the tenant pays the extra cost. The Housing Authority of the County of Los Angeles (HaCOLA) coordinates Section 8 rental assistance on behalf of the City. HUD requires that 75 percent of new admissions be limited to extremely low income households (30% MFI). Given the gap between market rents and what these lower income households can afford to pay for housing, Section 8 plays a critical role in allowing such households to remain in the community.

2014-2021 Objective: *Continue to participate in the Section 8 program administered by HACoLA and advertise to residents in the City's quarterly newsletter and through placement of brochures at the Gus Velasco Neighborhood Center and City Hall. Encourage landlords to register units with HaCOLA and to undergo education on the Section 8 program in conjunction with the City's annual Rental Inspection Program.*

13. Preservation of Assisted Rental Housing

Santa Fe Springs contains two projects at risk of conversion to market rate during the 2013-2023 planning period – Pioneer Gardens and Silvercrest Residences. However, each of these projects is considered at relatively low

conversion risk due either to non-profit ownership, or recent debt refinancing. Nonetheless, each of the project's Section 8 Housing Assistance Plan (HAP) contracts are subject to annual renewals from HUD, and therefore are considered at-risk.

2014-2021 Objective: *The following are strategies the City will undertake to work towards preservation of its 156 units of at-risk rental housing:*

- **Monitor At-Risk Units:** *Maintain an ongoing dialogue with Pioneer Gardens and Silvercrest Residences to confirm the status of Section 8 contract renewals.*
- **Rental Assistance:** *Should Section 8 contracts not be renewed by HUD, pursue alternative funding sources for rent subsidies to maintain affordability. While the City no longer has local funds for preservation, outside financial resources may include HOME, CDBG, and State preservation funds.*
- **Tenant Education:** *Based on California law, property owners are required to give a twelve month notice of their intent to opt out of low income use restrictions. The City will work with tenants, and as necessary, contract with specialists like the California Housing Partnership to provide education regarding tenant rights, preservation opportunities and conversion procedures.*

REMOVAL OF GOVERNMENTAL CONSTRAINTS

14. Zoning Ordinance Revisions

As part of the Housing Element governmental constraints analysis, several revisions to the Santa Fe Springs Zoning Code have been identified as appropriate to better facilitate affordable housing and the provision of a variety of housing types. These zoning revisions include:

- a. Add transitional and supportive housing within the Code's definition section, and list as permitted uses within residential zone districts.
- b. Identification of emergency shelters as a by-right, permitted use in the ML zone.
- c. Modify the current zoning definition of "family" to ensure compliance with state and federal fair housing laws.
- d. Identification of manufactured housing as a permitted use in all residential zones.
- e. Listing of small community care facilities (6 or fewer) as a residential use under zoning, and identification of large community care facilities as a conditionally permitted use within all residential zones.
- f. Definition of single room occupancy hotels (SROs) and identification of SROs as a conditionally permitted use in the C-4 and M-2 zones.

- g. Clarification that transitional and supportive housing are permitted in areas designated with a PD Overlay subject to the same approval processes as other residential uses.

Due to significant cut backs in staffing associated with the end of Redevelopment, as of mid-2013 the City had not yet adopted the specified zoning ordinance revisions. In July 2013, the City hired contract Planning staff who have completed drafts of Zoning Code revisions a-c, and were subsequently adopted by City Council in December 2013. Zoning Code revisions d-g will follow, with adoption in 2014.

2014-2021 Objective: *Amend the zoning ordinance in 2013 consistent with SB 2 to make provisions for transitional/supportive housing and emergency shelters, and adopt an updated definition of family. In 2014, amend the Code to make explicit provisions for manufactured housing, community care facilities and SROs, and transitional and supportive housing within PD zones.*

15. Affordable Housing Density Bonus

The City is adding Section 155.612 to the Santa Fe Springs Municipal Code to implement State density bonus law, providing a process for applicants of residential projects with five or more units to apply for a density bonus and additional incentive(s) if the project provides for one of the following:

- 10 percent of the total units for lower income households; or
- 5 percent of the total units for very low income households; or
- A senior citizen housing development or mobile home park that limits residency based on age requirements; or
- 10 percent of the total dwelling units in a condominium for moderate income households.

The amount of density bonus varies according to the amount by which the percentage of affordable housing units exceeds the established minimum percentage, but generally ranges from 20-35 percent above the specified General Plan density. In addition to the density bonus, eligible projects may receive 1-3 additional development incentives, depending on the proportion of affordable units and level of income targeting. The following development incentives may be requested:

- Reduced site development standards or design requirements.
- Approval of mixed-use zoning in conjunction with the housing project.
- Other regulatory incentives or concessions proposed by the applicant or the City that would result in identifiable cost reductions.

In addition to development incentives, developers may request and receive reduced parking as follows: 1 space for 0-1 bedroom units, 2 spaces for 2-3 bedroom units, and 2½ spaces for four or more bedrooms.

2014-2021 Objective: *Adopt and maintain a local density bonus ordinance consistent with state requirements, and advertise on the City's website.*

16. Fee Deferrals and/or Waivers for Affordable Housing

Santa Fe Springs collects various fees from development projects to cover the costs of processing permits and providing services and facilities. While these fees are assessed on a per unit share basis, they are an element in the cost of housing and could potentially constrain the provision of affordable housing. The deferral, reduction or waiver of City fees can lower the production costs of affordable housing.

In order to specifically encourage the provision of housing affordable to extremely low income (ELI) households (<30% AMI), the City will waive Planning Department entitlement fees for projects with a minimum of 10% extremely low income units.

In addition, the California legislature passed AB 641 in 2007, which helps to address the cash flow challenges inherent in many affordable housing projects during the construction phase. For affordable housing developments in which at least 49 percent of the units are affordable to low or very low-income households, AB 641 prohibits local governments from requiring the payment of local developer fees prior to receiving a certificate of occupancy.

2014-2021 Objective: *In conjunction with affordable housing projects, inform developers that fee deferrals, reductions and waivers may be requested as an incentive. By 2014, update the Code to specify the waiver of Planning Department application processing fees for projects with a minimum of 10% Extremely Low Income units.*

17. CEQA Exemptions for Infill Projects

Santa Fe Springs will continue to utilize allowable California Environmental Quality Act (CEQA) exemptions for qualified urban infill and other residential projects where site characteristics and an absence of potentially significant environmental impacts allow. Use of the CEQA exemption must be consistent with the environmental review of individual projects.

2014-2021 Objective: *Continue to utilize categorical exemptions under CEQA on a case-by-case basis as appropriate based on the facts and circumstances of individual residential and mixed use infill development projects.*

18. Zoning for Small Employee Housing (6 or fewer)

California Health and Safety Code Section 17021.5 (Employee Housing Act) requires any employee housing providing accommodations for six or fewer employees to be deemed a single-family structure with a residential land use designation. For the purpose of all local ordinances, employee housing shall not be included within the definition of a boarding house, rooming house, hotel, dormitory, or other similar term that implies that the employee housing is a business run for profit or differs in any other way from a family dwelling. No conditional use permit, zoning variance, or other zoning clearance shall be required of employee housing that serves six or fewer employees that is not required of a family dwelling of the same type in the same zone.

2014-2021 Objective: Within two years of adoption of the Housing Element, amend the Zoning Ordinance consistent with the Employee Housing Act (H&S 17021.5) to permit employee housing for six or fewer employees as a single-family structure.

EQUAL HOUSING OPPORTUNITIES AND SPECIAL NEEDS

19. Fair Housing Programs

A variety of housing-related services are offered through the City of Santa Fe Springs Gus Velasco Neighborhood Center for Social Services. Legal counseling on housing matters is provided, including review of leases, fair housing matters, and landlord-tenant disputes. The population served generally tends to be low-income renters. Where necessary, fair housing cases are referred to the Long Beach Fair Housing Foundation.

2014-2021 Objective: *Promote the fair housing program through advertisements in the City's quarterly newsletter (mailed to every household in Santa Fe Springs), as well as through program brochures placed at City Hall and the Gus Velasco Neighborhood Center.*

20. Social Service Programs for Special Needs Groups

In addition to fair housing services, the Gus Velasco Neighborhood Center and Betty Wilson Senior Center offer numerous social service programs for seniors, families, and other special needs groups. These programs include the following:

- **Housing Referral:** The Neighborhood Center Program Coordinator maintains contact with the managers of the assisted housing developments in Santa Fe Springs and assists households in housing placement. If necessary, applicants are referred to the County Housing Authority for placement on the Section 8 waiting list for rental assistance.

- **Emergency Rental Assistance:** The City provides emergency rental or financial assistance to families experiencing extreme hardship.
- **Emergency Shelter Referral:** Referrals are made to the Salvation Army and other local shelters for emergency overnight accommodations. In emergency situations, the City may provide a voucher for overnight shelter in a local motel.
- **Daily Nutrition Program:** The Southeast Area Social Services Funding Authority provides seniors with daily hot lunches at the Neighborhood Center. Home delivered meals are also available for qualifying seniors age 60 and over.
- **Adult Day Care:** Trained volunteers visit homebound seniors, as well as provide transportation to and from the senior center where a variety of activities are available.
- **Food pantry and food vouchers** for low-income households.
- **Children Services Program:** Morning and afternoon day care is subsidized based on a sliding income scale. Preschool is also provided at a subsidized rate.
- **Employment Services:** Information and referral, as well as job training.
- **Community Psychologist:** A licensed psychologist is available to City residents for crises intervention involving family or domestic counseling, as well as teen counseling and diversion programs for high risk youth.

2014-2021 Objective: *Maintain a proactive social service program and augment with additional programs as deemed appropriate by the Social Services and Senior Citizen Advisory Committees.*

21. Reasonable Accommodation

Pursuant to Senate Bill 520, jurisdictions are required to analyze constraints to the development, maintenance, and improvement of housing for persons with disabilities and take measures to remove constraints. As part of this Housing Element, Santa Fe Springs has conducted a review of zoning, building codes, and permit processing procedures and has not identified any institutional barriers to the provision of accessible housing. Nonetheless, the City has not yet adopted written procedures for requesting a reasonable accommodation, and is in the process of doing so to further encourage and facilitate the provision of housing for persons with disabilities. Section 155.612 "Reasonable Accommodation Procedures for Disabled Persons" will be added to the Municipal Code to provide a mechanism through which the City can grant reasonable

adjustments to its zoning and land use regulations to avoid unequal treatment towards individuals with disabilities.

2014-2021 Objective: *Adopt and implement a reasonable accommodation procedure in 2013. Beginning in 2014, inform and educate the public on the availability of the reasonable accommodation procedure through the dissemination of information on the City's website and at the Planning Department's public counter.*

22. Housing Opportunities for Persons Living with Disabilities

The East Los Angeles Regional Center (ELARC) is among 21 regional centers operated by the State Department of Developmental Services to provide services and support for adults and children with developmental disabilities. The ELARC currently provides services to 115 developmentally disabled residents within the Santa Fe Springs 90670 zip code.

The Regional Center reports that 60 percent of their adult clients with developmental disabilities live with their parents, and as these parents age and become more frail, their adult disabled children will require alternative housing options. The Regional Center has identified several community-based housing types appropriate for persons living with a developmental disability, including: licensed community care facilities and group homes; supervised apartment settings with support services; and for persons able to live more independently, rent subsidized, affordable housing. The City will coordinate with the ELARC to implement an outreach program informing Santa Fe Springs families of housing and services available for persons with developmental disabilities, including making information available on the City's website.

Santa Fe Springs supports the provision of housing for its disabled population, including persons with developmental disabilities, through several means, including:

- By-right zoning for licensed residential care facilities (6 or fewer residents) in all residential zones, and provisions for larger care facilities (7 or more residents) in all residential zones, subject to a conditional use permit.
- Adoption of zoning ordinance provisions to specifically define supportive and transitional housing as a residential use of property, and to permit in residential zone districts subject only to those restrictions and processing requirements that apply to other residential dwellings of the same type in the same zone.
- Procedures for an individual with a disability to request a reasonable accommodation from zoning and building standards. No special permit or fee is required.
- Programs to facilitate affordable housing, including Density Bonuses and Affordable Housing Development Assistance.

2014-2021 Objective: *Continue to support a variety of housing types to help address the diverse needs of persons living with disabilities, and work with the ELARC to publicize information on available resources for housing and services. Evaluate the use of State and Federal funds available for supportive housing and services in conjunction with future affordable housing developments, and coordinate with affordable housing developers to apply for funds at least once during the planning period.*

**Table 5-3
Housing Program Summary**

Housing Program	Program Goal	2014-2021 Objective	Funding Source	Responsible Agency	Time Frame
HOUSING MAINTENANCE AND REHABILITATION					
1. Home Improvement Rebate Program	Provide financial assistance for home repairs to lower income homeowners.	Pursue outside funding to support re-initiation of program. Seek to assist 100 homeowners.	CDBG or other sources	Santa Fe Springs Planning Department	Re-initiate program in 2014
2. Property Maintenance Program	Assure that properties remain in compliance with the City's Property Maintenance Ordinance.	Continue to bring properties into compliance; provide information on available rehabilitation assistance. Seek to complete 60 residential inspections on an annual basis.	Department Budget	Santa Fe Springs Planning Department	2014-2021
3. Residential Rental Inspection Program	Maintain the quality of rental housing.	Continue the annual inspection of rental units; bring substandard units into compliance.	Property Owner Fees	Santa Fe Springs Department of Fire Rescue	2014-2021
HOMEOWNERSHIP ASSISTANCE					
4. Sale of HARP Properties	Provide quality affordable ownership housing through the purchase, rehabilitation/replace ment, and resale of previously substandard homes.	Transfer ownership of HARP properties to a non-profit for provision of first-time homebuyer units. Seek to provide two moderate income units.	Successor Agency Housing Assets	Santa Fe Springs Planning Department	2014-2015
5. County Homeownership Program (HOP)	Assist moderate income households in purchasing housing in the community.	Advertise the availability of the HOP program and LACDC bi-lingual homebuyer seminars.	Department Budget	Santa Fe Springs Planning Department; Los Angeles County CDC	Update advertising materials by 2014
6. Southern California Home Financing Authority (SCHFA)	Assist moderate income households in purchasing housing in the community.	Advertise the availability of the SCHFA program, along with a listing of participating lenders.	Department Budget	Santa Fe Springs Planning Department; Los Angeles County CDC	Update advertising materials by 2014
7. Mortgage Credit Certificate	Assist moderate income households in purchasing housing in the community.	Advertise the availability of the MCC program, along with a listing of participating lenders.	Department Budget	Santa Fe Springs Planning Department; Los Angeles County CDC	Update advertising materials by 2014

Housing Program Summary (cont'd)

Housing Program	Program Goal	2014-2021 Objective	Funding Source	Responsible Agency	Time Frame
HOUSING DEVELOPMENT/PROVISION OF SITES					
8. Affordable Housing Development Assistance	Provide land write-downs and regulatory incentives, and as available, financial assistance in support of affordable housing, with an emphasis on housing for families.	Enter into a DDA(s) on two City-owned sites for development with affordable housing. Seek to achieve a minimum of 100 affordable units, and waive application processing fees for projects with 10% ELI units.	Successor Agency Housing Assets	Santa Fe Springs Planning Department	For the Lakeland/Laurel site, enter into a DDA in 2014 and complete construction by 2016. For 10934 Laurel, enter into a DDA by 2015 and complete construction by 2017.
9. Housing Element Monitoring/Annual Report	Support the effective implementation of the Housing Element through monitoring.	Submit an annual Housing Element progress report to HCD. Monitor to ensure adequate sites to address RHNA throughout the planning period. Monitor redevelopment of R-3 properties.	Department Budget	Santa Fe Springs Planning Department	First annual report due April 1, 2014. Ongoing monitoring of sites and R-3 properties in conjunction with project applications.
10. Second Dwelling Unit Program	Provide additional sites for rental housing within existing neighborhoods.	Implement City's ordinance to accommodate second units. Seek to achieve at least 3 new second units.	Department Budget	Santa Fe Springs Planning Department	2014-2021
11. Sustainability and Green Building	Promote energy conservation and sustainable design in new and existing development.	Provide education/outreach to residents and development community on CALGREEN. Advertise available energy conservation programs to residents.	Department Budget	Santa Fe Springs Planning Department	Update advertising materials by 2014
CONSERVATION OF AFFORDABLE HOUSING					
12. Section 8 Rental Assistance	Provide rental assistance to extremely low and very low income households.	Continue participation in program and advertise through the City Newsletter and dissemination of brochures; encourage landlords to register units.	HUD Section 8	Santa Fe Springs Planning Department; HaCOLA	Advertise program quarterly in City Newsletter. Discuss with landlords in conjunction with annual Rental Inspection.

Housing Program Summary (cont'd)

Housing Program	Program Goal	2014-2021 Objective	Funding Source	Responsible Agency	Time Frame
13. Preservation of Assisted Rental Housing	Preserve 156 units of existing affordable rental housing at risk of conversion to market rate.	Monitor at-risk properties; as necessary, pursue alternative funding for rent subsidies and provide tenant education.	Section 8; HOME; and other State and Federal funds	Santa Fe Springs Planning Department	Contact at-risk property owners within one year of potential expiration
REMOVAL OF GOVERNMENTAL CONSTRAINTS					
14. Zoning Ordinance Revisions	Provide appropriate zoning to facilitate the provision of a variety of housing types.	Amend the Zoning Code to make explicit provisions for transitional & supportive housing, emergency shelters, manufactured housing, community care facilities, and SROs.	Department Budget	Santa Fe Springs Planning Department	Adopt SB 2 related amendments in 2013, with the balance of Code amendments in 2014.
15. Density Bonus	Provide density and other incentives to facilitate the production of affordable housing.	Adopt and maintain a density bonus ordinance and advertise on the City's website.	Department Budget	Santa Fe Springs Planning Department	Adopt a local density bonus ordinance in 2013
16. CEQA Exemptions for Infill Projects	Utilize allowable CEQA exemptions for qualified urban infill and other qualifying residential projects.	Continue to utilize categorical CEQA exemptions where appropriate, on a case-by-case basis.	Department Budget	Santa Fe Springs Planning Department	2014-2021
17. Fee Deferrals and/or Waivers for Affordable Housing	Provide information regarding fee waivers for affordable housing, and specifically incentivize the inclusion of ELI units.	Inform affordable housing developers that fee deferrals, reductions and waivers may be requested as an incentive. Amend the Code to waive application processing fees for projects with 10% ELI units.	Department Budget	Santa Fe Springs Planning Department	Provide information on available fee incentives in conjunction with affordable projects. By the end of 2014, amend Code for ELI units

Housing Program Summary (cont'd)

Housing Program	Program Goal	2014-2021 Objective	Funding Source	Responsible Agency	Time Frame
18. Zoning for Small Employee Housing (6 or fewer)	Provide expanded housing options for employee housing.	Amend Zoning Code consistent with Employee Housing Act (H&S 17021.5).	Department Budget	Santa Fe Springs Planning Department	Within two years of Housing Element adoption.
EQUAL HOUSING OPPORTUNITIES AND SPECIAL NEEDS					
19. Fair Housing Programs	Promote fair housing practices by providing legal services and tenant/landlord dispute resolution.	Promote the fair housing program through advertisement in the City newsletter, and through program brochures placed at public locations.	City Facility; Volunteer lawyers	Santa Fe Springs Neighborhood Center for Social Services; Long Beach Fair Housing Council	Advertise in City newsletter quarterly.
20. Social Service Programs for Special Needs Groups	Offer a variety of support programs to assist special needs populations.	Maintain a proactive social service program; augment services as directed by the Social Services and Senior Citizens Advisory Committees.	City General Fund; FEMA; County Nutrition Program; Non-profit fund raising	Santa Fe Springs Neighborhood Center for Social Services	2014-2021
21. Reasonable Accommodation	Facilitate the development and improvement of housing for persons with disabilities.	Adopt and implement reasonable accommodation procedures; disseminate information on the City's website and at the public counter.	Department Budgets	Santa Fe Springs Planning Department	Adopt Code procedures in 2013, and begin disseminating information in 2014.
22. Housing Opportunities for Persons Living with Disabilities	Support a range of housing options for persons with developmental disabilities.	Coordinate with ELARC to publicize info on resources for housing and services. Pursue State and Federal funds available for supportive housing and services in conjunction with future affordable housing projects, and apply for funds at least once during planning period.	Low Income Housing Tax Credits; other State and Federal funds.	Santa Fe Springs Planning Department	Publicize resources in 2014. Pursue funding in conjunction with affordable projects.

**Table 5-4
Summary of 2014-2021 Quantified Objectives**

Income Level	New Construction	Rehabilitation	Conservation
Extremely Low	41		78
Very Low	41	20	78
Low	50	80	
Moderate	53		
Above Moderate	139		
Totals	324	100	156

* Reflects RHNA

** Reflects re-initiation of home improvement rebate program.

*** Reflects preservation of 156 Section 8 units in Pioneer Gardens and Silvercrest Residences. An estimated half of these units are extremely low income and half are very low income.



APPENDIX A

PUBLIC OUTREACH

HOUSING ELEMENT WORKSHOP MAILING LIST

Veterans in Community Service
10260 Matern Place
Santa Fe Springs, CA 90670

Independent Living Center of So. Cal
14407 Gilmore Street #101
Van Nuys, CA 91401

Housing Rights Center
3255 Wilshire Blvd., Suite 1150
Los Angeles, CA 90010

Los Angeles County Housing Authority
700 West Main Street
Alhambra, CA 91801

LA Community Dev. Commission
Community Block Grant Div.
2 Coral Circle
Monterey Park, CA 91755

L.A. Neighborhood Housing Services
3926 Wilshire Blvd., #200
Los Angeles, CA 90010

National CORE
9065 Haven Avenue #100
Rancho Cucamonga, CA 91730

So. California Presbyterian Homes
516 Burchett Street
Glendale, CA 91203

City of Los Angeles
Planning Department
201 N. Figueroa Street #4
Los Angeles, CA 90012

City of Pico Rivera
Planning Department
6615 Passons Blvd.
Pico Rivera, CA 90660

City of Downey
Planning Department
11111 Brookshire Avenue
Downey, CA 90241

City of Norwalk
Planning Department
12700 Norwalk Blvd.
Norwalk, CA 90650

City of Whittier
Planning Department
13230 Penn Street
Whittier, CA 90602

Santa Fe Springs
Chamber of Commerce
12016 Telegraph Road #100
Santa Fe Springs, CA 90670

Villages at Heritage Springs
c/o Comstock Homes
321 12th Street
Manhattan Beach, CA 90266-5354
Attn.: Mr. Bob Comstock

Salvation Army Transitional Living Center
12000 Washington Blvd.
Santa Fe Springs, CA 90670

Ability First/Lakeland Manor Apts.
13331 Lakeland Road
Whittier, CA 90605

Little Lake Village
10902 Fulton Wells Avenue
Santa Fe Springs, CA 90670

Brenda Wiewel, L.C.S.W., Exe. Center
L.A. Centers for Alcohol & Drug Abuse
11015 Bloomfield Avenue
Santa Fe Springs, CA 90670

Whittier Area First Day Coalition
12426 Whittier Blvd.
Whittier, CA 90602

The Whole Child – Housing Program
10155 Colima Road
Whittier, CA 90603

Rancho Southeast Assoc. of Realtors
11812 South Street, Suite 200
Cerritos, CA 90703



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**CITY OF SANTA FE SPRINGS
NOTICE OF PUBLIC HEARING
STUDY SESSION-HOUSING ELEMENT UPDATE 2014-2021**

NOTICE IS HEREBY GIVEN that a Public Hearing will be held before the Santa Fe Springs Planning Commission and City Council on the Draft Housing Element Update 2014-2021.

The City of Santa Fe Springs has begun the process of updating the Housing Element of the General Plan for the 2014-2021 period as required by State law. The Housing Element establishes policies and programs to address Santa Fe Springs' existing and projected housing needs, including the city's fair share of the regional housing need (or "RHNA").

State law requires each city to regularly update its Housing Element to reflect a community's changing housing characteristics and needs. In addition to the above, State law recognizes that public participation is an important and necessary part of the housing element update process. Accordingly, the City welcomes comments and opinions from the public on the proposed Draft Housing Element Update 2014-2021. Written comments can be submitted to the Director of Planning and Development at the address listed below. Either oral or written comments can be presented at the Public Hearing.

THE PUBLIC HEARING/STUDY SESSION will be held before the Santa Fe Springs Planning Commission on September 23, 2013 at 4:30 p.m., and City Council on September 26, 2013 at 6:00 p.m. Both meetings will be held in the City Council Chambers within City Hall, located at 11710 Telegraph Road, Santa Fe Springs, California 90670. At that time anyone wishing to speak in regard to the proposed Draft Housing Element Update 2014-2021 will be given an opportunity to be heard.

If you have any questions concerning the study session or if you cannot attend but wish to submit comments, please contact Mr. Wayne M. Morrell in the Department of Planning and Development at (562) 868-0511, ext. 7550.

Richard J. Moore, Mayor • Juanita Trujillo, Mayor Pro Tem
City Council
Louie González • Laurie M. Rios • William K. Rounds
City Manager
Thaddeus McCormack



Santa Fe Springs 2014-2021 Housing Element



**City Council Study Session
September 26, 2013**

What is the Housing Element?



- **Part of the City's General Plan**
- **4 Major Components:**
 - ❖ **Housing Needs Assessment**
 - ❖ **Evaluation of Constraints to Housing**
 - ❖ **Identification of Residential Sites**
 - ❖ **Program Strategy to Address Needs**
- **Each California city required to update every 5 years, subject to the statutory schedule**
- **Review by State HCD for compliance with State law**



Benefits of HCD Compliance



- Presumption of **legally adequate** Housing Element in courts
- If courts invalidate Element, **suspend City's authority** to issue building permits until brought into compliance
- Maintain **discretionary review** over affordable housing projects
- Maintain eligibility for **State housing funds**
- Don't face **RHNA carry-over** into next Housing Element cycle



**SANTA FE SPRINGS 2008-2014 HOUSING ELEMENT
CERTIFIED BY HCD**

5th Cycle Housing Element Timing



**SCAG jurisdictions: October 2013 adoption due date
(+120 day grace period =
February 12, 2014)**

NEW - SB 375 Impact on Timing

- ❖ **Penalty for being late.** *If Element not adopted within 120 days of due date, jurisdiction subject to update every 4 years instead of 8*

***“If you want eight,
Don’t be late”***



Demographic Profile



- ❑ Limited **population growth** (↑ 8% 1990-2013)
 - ✓ Current 2013 population **16,816**
- ❑ Population **aging** in place
 - ✓ Median age ↑ from 30.8 to 35.3 years
 - ✓ Decrease in young adults (25-44 years)
 - ✓ Increase in middle age (45-64 years)
 - ✓ Increase in seniors (age 65+)
- ❑ Decrease in **families with children**
 - ✓ Loss of 400 families, ↓ from 56% to 45%



Special Needs Populations

26% large households (5+ members)

- 1/3 large renters (400 households)
- 85% large renters overpay/overcrowded
- Inadequate supply of large family rental units
- 2 affordable family housing projects
(Pioneer Gardens, Villa Verde)= 57 large family units



30% senior households (age 65+)

- 2/3s lower income
- 1/3 senior renters (500 households)
- 38% have disability
- 3 senior housing projects-
300 rental units, 200 rent-restricted units



Special Needs Populations

21% disabled population

- 3,300 persons with a disability
- Lakeland Manor provides 25 units for disabled adults



Homeless population

- Jan 2013 homeless count identified 74 homeless
 - ✦ Half reported a major physical illness
- Whittier First Day Outreach Team focusing on homeless “hot spots”- field based medical services, housing vouchers for veterans
- Salvation Army Transitional Housing provides shelter for 35 individuals/families
- SB 2 requires “by right” zoning for emergency shelters (ML zone)



Housing Costs



Santa Fe Springs Rental Market

- **\$1,000 1 bedroom**
 - **\$1,275 2 bedroom**
 - **\$1,550 3 bedroom**
- **2007-2013 20%↑ in Rents**

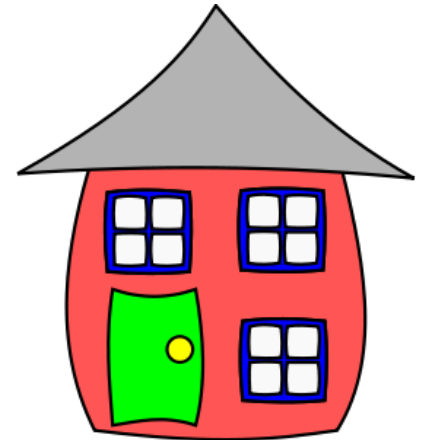
Santa Fe Springs For-Sale Market (8/2012-7/2013)

- **91 single-family homes sold - \$320,000 median**
- **189 condominiums sold - \$337,000 median**

Regional Housing Needs (RHNA)



- **RHNA = Regional Housing Needs Allocation**
- **Requires cities to zone for “fair share” of region’s housing needs**
 - ✓ Based on State population growth
 - ✓ Mix of housing for all economic segments
 - ✓ Affordability linked to zoning and density
- **RHNA is a planning target, not a building quota**



Santa Fe Springs 2014- 2021 RHNA



Income Level	2013 Income (3 person hh)	Units	“Default Density”
Very Low (<50% AMI)	\$38,450	82 units	Min. 20 du/acre
Low (51-80% AMI)	\$61,500	50 units	Min. 20 du/acre
Moderate (81–120% AMI)	\$70,000	53 units	Min. 10 du/acre
Above Moderate (>120% AMI)	>\$70,000	139 units	
Total		324 units	

Housing Element Goals



Goal 1.0: Maintain and enhance the quality of existing housing and residential neighborhoods in Santa Fe Springs.

Goal 2.0: Promote the continued availability of a range of housing types to meet the needs of existing and future residents.

Goal 3.0: Provide increased opportunities for home ownership.

Goal 4.0: Ensure that new housing is sensitive to the existing natural and built environment.

Housing Element Programs



Housing Maintenance and Rehabilitation

1. Home Improvement Rebate Program

Progress: 674 rebates during 2008-2012

2. Home Repair Program

Progress: 749 homeowners assisted during 2008-2012

3. Property Maintenance Program

4. Residential Rental Inspection Program

Housing Element Programs



Home Ownership Assistance Programs

5. Housing Acquisition and Rehabilitation Lottery Program (HARP)

Progress: 3 homes purchased, rehabilitated & sold at affordable cost.

6. Mortgage Credit Certificate Program (MCC)

7. County Homeownership Program (HOP)

8. Southern California Home Financing Authority

Housing Element Programs



Housing Development Programs/ Provision of Sites

9. Affordable Housing Development Assistance

Progress: 10 affordable first-time homebuyer units being provided in The Villages

10. Residential Rezoning Program

Progress: In process

11. Sustainability and Green Building

Progress: Enforcement of State Green Building Code

Housing Element Programs



Conservation of Affordable Housing

12. Section 8 Rental Assistance

13. Preservation of Assisted Rental Housing

Progress: No loss of affordable units

13a. Preservation of Villa Verde

Progress: Project rehabilitation and 55 year affordability covenant

Housing Element Programs



Removal of Governmental Constraints

14. Zoning Ordinance Revisions

Progress: In process

15. Second Dwelling Unit Program

Housing Element Programs



Equal Housing Opportunities

- 16. Fair Housing Program
- 17. Social Service Programs for Special Needs Groups
- 18. Reasonable Accommodation Procedures

Progress: In process

Provide Us Your Input



What are Santa Fe Springs Most Important Housing Needs?

What programs should the City Pursue to Address Its Housing Needs?





Santa Fe Springs 2014-2021 Housing Element



**City Council Study Session
September 26, 2013**