

IX. 2008-2014 HOUSING ELEMENT

INTRODUCTION TO THE HOUSING ELEMENT

The City of Cypress, incorporated in 1956, is a relatively young suburban community located in northwestern Orange County. Soon after incorporation, Cypress began a period of rapid residential growth, with numerous single-family housing tracts built in the 1960s and 1970s. As the City has become built out, the majority of residential growth has occurred through the recycling of underutilized properties. Annexation of three older, predominately single-family neighborhoods into North Cypress in the 1970s and 1980s and rezoning for their transition to multi-family has provided significant opportunity for infill development. In addition, the City has been successful in integrating housing on the Lincoln Avenue commercial corridor. Further, with the adoption of a specific plan for this area, it continues to be a focus for mixed-use and residential development. The Cypress Redevelopment Agency has been actively involved in the provision of housing, and has assisted in the development of both ownership and rental housing affordable to low and moderate income households.

The Cypress 2008-2014 Housing Element is intended to guide residential development and preservation in a way that coincides with the overall economic and social values of the community. The residential character of a city is largely dependent on the type and quality of its dwelling units, their location, and such factors as maintenance and neighborhood amenities. The Housing Element is an official municipal response to a growing awareness of the need to provide housing for all economic segments of the community, as well as legal requirements that housing policy be made a part of the planning process. As such, the Element establishes policies that will guide City officials in daily decision making and sets forth an action program designed to enable the City to realize its housing goals.

STATE POLICY AND AUTHORIZATION

The California State Legislature has identified the attainment of a decent home and a satisfying environment for every Californian as the State's major housing goal. Recognizing that local planning programs play a significant role in the pursuit of this goal, and to assure that local planning effectively implements statewide housing policy, the legislature has mandated that all cities and counties include a housing element as part of their adopted local general plans. Section 65302(c) of the Government Code sets forth the specific components to be contained in a community's housing element.

The Government Code specifies the intent of the Legislature to ensure that cities and counties actively participate in attaining the state housing goal, and sets forth specific components to be contained in a housing element. These include the identification and analysis of existing and projected housing needs, resources and constraints; a statement of goals, policies, quantified objectives, and scheduled programs for the preservation, improvement and development of

housing; identification of adequate sites for housing; and adequate provision for the existing and projected needs of all economic segments of the community.

ORGANIZATION OF THE HOUSING ELEMENT

State Housing Element Guidelines require elements to include two basic components:

1. An evaluation of the housing problem and an analysis of housing needs, indicating the capacity of the existing housing supply to provide all economic segments of the community with decent housing.
2. A housing program consisting of the following:
 - A comprehensive problem solving strategy establishing local housing goals, policies, and priorities aimed at alleviating unmet need and remedying the housing problem; and
 - A course of action which includes a specific description of the actions the locality is undertaking and intends to undertake to effectuate these goals, policies, and priorities.

The Cypress Housing Element describes the City's housing needs and sets forth a program of action in accordance with State law. This first section of the Element defines the intent of the Housing Element, describes its relationship to State directives and other General Plan elements, and includes a description of the public participation and intergovernmental coordination utilized in its preparation.

The second section of the Housing Element provides an overview of the present and projected housing needs of the City's households; an analysis of potential constraints to meeting the City's identified housing needs, and an evaluation of sites and other resources available to further the development of new housing. This information is further described and defined in the Housing Element Technical Report, which serves as an appendix to the Element.

The third section of the Housing Element establishes a comprehensive program strategy to implement the City's housing goals. Finally, the fourth section sets forth the goals and policies to address Cypress' identified housing needs.

RELATIONSHIP TO OTHER GENERAL PLAN ELEMENTS

The City adopted a comprehensive update to the Cypress General Plan on September 10, 2001. All eight elements of the General Plan were updated, including: Land Use; Circulation; Conservation/Open Space/Recreation; Safety; Noise; Air Quality; Growth Management; and Housing. As part of the update of this Housing Element, the other Elements of the General Plan were reviewed to ensure consistency with the policies set forth in those elements.

The City will ensure continued internal consistency among all elements of the General Plans 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 the elements.

RELATED PLANS AND PROGRAMS

A number of local and regional plans and programs relate to the Housing Element. A brief description of these plans follows:

Regional Housing Needs Assessment (RHNA): California’s Housing Element law requires that each city and county develop local housing programs designed to meet its “fair share” of existing and future needs for all income groups, as determined by the jurisdiction’s Council of Governments. This “fair share” allocation concept seeks to ensure that each jurisdiction accepts responsibility for the housing needs not only of its resident population, but also for those households who might reasonably be expected to reside in the jurisdiction.

The Southern California Association of Governments (SCAG) is responsible for allocating the region’s future housing needs (Regional Housing Needs Assessment or RHNA) among subregions and individual jurisdictions. In Orange County, the Orange County Council of Governments (OCCOG) was delegated responsibility for developing the RHNA coordination with the cities and SCAG. The draft 2008-2014 RHNA adopted by SCAG and OCCOG has identified the 2008-2014 future housing need for Cypress as 451 units, including 177 lower income units. These regional housing needs are addressed in the Housing Element both through the provision of suitable sites, and the provision of programs to support housing for low and moderate income households.

Redevelopment Implementation Plan: The Cypress Redevelopment Agency is required to adopt an Implementation Plan every five years which identifies Agency activities for the elimination of blight, and addresses the Agency’s affordable housing responsibilities. More specifically, the housing component of the Plan addresses the Agency’s expenditure of low and moderate income housing funds over the five year planning period (2005-2009); the Agency’s replacement housing requirements; and the Agency’s housing production requirements. The City’s Housing Element is required to be consistent with the Agency’s Implementation Plan. The Agency will be updating the Implementation Plan in 2009.

PUBLIC PARTICIPATION

Section 65583(c)(5) of the Government Code states that “local government shall make 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. Cypress solicits input from the public throughout the housing element process as follows: during the development of the draft element; during public review of the draft element; and during the adoption process.

During development of the draft Housing Element, the City sought input from the public at a community workshop conducted on March 10, 2008. The workshop was held in the Board Room at City Hall, with the full City Council in attendance and serving as the presiding body. The City sent a direct notice of this meeting to an extensive list of interested parties: for-profit and non-profit developers active in the City; advocacy groups representing lower income populations; business organizations; realtors; and adjacent jurisdictions. The City’s efforts generated attendance of approximately 20 interested parties at the community workshop. Some of the attendees were representing other residents who were unable to attend. This attendance was relatively high for a community meeting in Cypress and included lower income and senior residents of a mobile home park. Copies of the meeting notification, distribution list, sign-in sheet, and meeting minutes are included in Appendix C of the Technical Report (General Plan Appendix H).

At that workshop, City staff and consultants began with an overview of Cypress' housing needs, discussed current housing element requirements, and discussed site options to address the city's regional housing growth needs. Approximately 20 members of the public were in attendance, and were asked to introduce themselves and provide any comments on Cypress' housing needs and programs. The following issues were raised by members of the public and City Council members presiding over the meeting, as well as in additional correspondence:

- Concerns regarding the transfer in ownership of a mobile home park, and an increase in rents with a concern regarding displacement of residents. Preservation of manufactured housing was asked to be addressed within the Housing Element.
- Look at opportunities for conversion and rehabilitation of older, long-term stay motels on Lincoln Avenue to single rental housing.
- Evaluate the impact on mortgage foreclosures on Cypress, and connect in with programs and resources to help residents address.
- Discussion of various site options for increasing densities to accommodate affordable housing, including emergency shelters.
- Interest in exploring potential of residential development on Cypress College campus.
- Concern about accessibility of affordable housing for elderly and disabled, particularly recently developed sites. Would like more for-sale product on one level with no stairs.
- Interest in affordable homeownership opportunities, even for the elderly, so as not to be subject to increasing rents.

Each of these issues has been addressed within the Housing Element's policies and programs. For example, a new program has been developed for the acquisition and rehabilitation of motel properties. In terms of mobile home park concerns, Program 6 (Mobile Home Park Preservation), affirms the City's commitment to preserve its two mobile home parks through the existing zoning and General Plan designations, as well as sharing of information on programs available to assist in tenant purchase of parks.

The City also holds both a public meeting and a public hearing annually as part of the City's process to request Community Development Block Grant (CDBG) funds from the County of Orange. This provides the City with feedback on an annual basis regarding housing and other community development needs. The City has primarily used CDBG funds for rehabilitation of single family owner occupied housing. However, the City has also requested funds for clean-up and infrastructure improvements in low-income neighborhoods. Comments from the public related to the use of CDBG generally focus on the need for infrastructure improvements in the neighborhood, including street and alley improvements. The City informs the public of the meeting and hearing through publication of a notice in a local newspaper.

Upon completion of the draft Housing Element, copies were made available for public review throughout the community, including City Hall, the local library, the Community Center, and the Senior Citizen Center. The City circulates a Notice of Availability to a variety of interested organizations, including the Cypress Senior Commission. The Notice is placed on the City's website, in the local newspaper, in front of City Hall, at the Police Department and the Cypress Community Center. The Notice defines a 60 day review and comment period, and identifies locations for review of the draft document, including the Cypress Community Center, the library, and City Hall. The draft Housing Element is available on the City's website at www.ci.cypress.ca.us. The draft is also sent to the State Department of Housing and Community Development (HCD) for review and comment.

Upon review of the draft Housing Element by the State Department of Housing and Community Development (HCD), the City Council conducts a hearing on the Element prior to adoption. Notification of the public hearing on the Element is published in the News Enterprise in advance of the hearing, and is also posted at the Cypress Community Center, the library, and City Hall.

SUMMARY OF EXISTING CONDITIONS

Assuring the availability of adequate housing for all social and economic segments of Cypress' present and future population is a primary goal of the Housing Element. This section of the Housing Element provides a summary of the community's key housing needs, and evaluates the City's ability to fulfill its future share of regional housing growth needs (RHNA).

HOUSING NEED

The following summarizes key housing needs as identified in the 2008-2014 Housing Element Technical Report, which serves as an Appendix to the Element. This summary of existing conditions is organized into four areas: housing availability; housing affordability; housing adequacy; and special needs households. These needs are also summarized in Table HOU-1 below.

**Table HOU-1
Cypress Existing Housing Needs**

Housing Availability		Housing Affordability	
Overcrowded Households	1,315	Overpaying Households	4,440
Renter	887	Renter	1,828
Owner	428	Owner	2,612
Housing Adequacy		Special Needs Households/Persons	
Age of Housing Structure		Elderly Households	3,005
0-29 years	48%	Disabled Persons	6,437
30-49 years	49%	Large Households	2,336
50+ years	3%	Female-Headed Households with Children	1,298
Source: 2000 Census			

HOUSING AVAILABILITY

In 2000, Cypress had a housing stock of 16,028 units, consisting primarily of single-family homes (77 percent). Multi-family homes comprised about 21 percent of the stock, with mobile homes making up the remaining two percent. The State Department of Finance estimates that Cypress' housing stock has grown to 16,611 units in 2008, an increase of 583 units, which are predominately single-family units. Approximately 70 percent of Cypress households are owner-occupied, nearly ten percent higher than the owner-occupancy rate County-wide.

Cypress has experienced an active housing resale market. A total of 393 homes and condominiums were sold in Cypress during calendar year 2007. About 80 percent of the sales were single-family homes with a median sales price of \$575,000, reflecting an increase of over 200 percent since the City's 1999 Housing Element. The median price of a condominium was reported at \$445,000, an increase of 240 percent over the past eight years.

Rental costs in Cypress range from \$1,095 to \$1,750 per month for a two-bedroom apartment, and \$1,725 to \$1,925 for a three-bedroom apartment. Of the 95 units advertised for rent in the fall of 2007, 40 percent were condominium/townhomes, single-family homes and guest houses. While these rentals are typically more expensive than apartments, they do provide larger unit sizes suitable to larger households.

Overcrowding is another indicator of housing availability. The census defines overcrowding as households with greater than 1.01 persons per room, excluding kitchens, bathrooms and porches. There were 1,314 overcrowded households (11 percent) in Cypress in 2000, an increase from the 7 percent document in 1990. While rental units comprise only one-third of the City's housing stock, two-thirds of the City's overcrowded households are rentals. Over forty percent of Cypress' overcrowded households were identified as severely overcrowded, defined as greater than 1.51 persons per room.

HOUSING AFFORDABILITY

Housing overpayment occurs when housing costs increase faster than income. State and Federal standards define housing overpayment as spending more than 30 percent of income on housing; severe overpayment is spending greater than 50 percent. In most urban communities in California, it is not uncommon to overpay for housing. However, to the extent that overpayment rates are particularly high among lower income populations, it is important for communities to begin to address these needs through their housing programs.

According to the 2000 Census, 30 percent (4,440) of Cypress' households were overpaying for housing, about 7 percent below the level of overpayment County-wide. Like overcrowding, overpayment is far more concentrated among the City's renter households, with 38 percent overpaying, compared to 27 percent of owner households.

As a means of assessing the affordability of the current housing market in Cypress, housing sales and rental costs can be compared with household incomes. With a 2007 median sales price of approximately \$575,000 for a single-family home and \$444,500 for a condominium (refer to Housing Element Technical Report), only above moderate income households can afford to purchase either a single-family home or a condominium in Cypress.

In terms of affordability of the City's rental housing, households earning moderate incomes can afford all rental options available in Cypress, and even many low income households can afford to rent in Cypress. However, larger sized units are out of reach for low income households. With the exception of individual rooms for rent, very low income households are priced out of the local rental market. The larger the household size, the greater the affordability gap for very low and low income households.

HOUSING ADEQUACY

In general, when housing reaches 30 years in age, major rehabilitation improvements begin to become necessary. In 2000, about half of the City's housing stock had reached the 30 year benchmark, with an additional 30 percent of Cypress' housing reaching this age by the year 2010. In total, by the end of the decade, 13,000 units will be of an age where ongoing housing improvements become essential. Continued maintenance of the housing stock will be necessary through independent property owner action as well as code enforcement and combined housing rehabilitation assistance to prevent deterioration of Cypress' pre-1980 neighborhoods.

SPECIAL NEEDS

Certain segments of the population may have more difficulty in finding decent, affordable housing due to their special needs, and are summarized below.

Elderly

Approximately 11 percent (4,879) of the City's population in 2000 was 65 years of age and older, a significant increase from the 7.5% (3,180) in 1990. Of Cypress' seniors, 14 percent are extremely low income, with 5 percent living below the "poverty level." Other Census statistics indicate that 19 percent of the City's households were headed by an elderly person, representing approximately 3,000 senior households. As the City's population continues to age, and a greater number of the elderly become frail, the need for supportive senior housing will increase.

Disabled Persons

Physical and mental disabilities can hinder access to traditionally designed housing units as well as potentially limiting the ability to earn adequate income. The 2000 Census indicates that approximately 14 percent of the population in Cypress has some form of work, mobility, or self-care limitation. Elderly individuals with mobility or self-care limitations comprise an estimated 30 percent of the City's disabled. As the City's senior population grows, so will the number of persons with disabilities in need of supportive housing.

Large Households

Cypress has an estimated 2,336 households with five or more members, representing approximately 15 percent of total households. Large families are identified as a group with special housing needs based on the limited availability of adequately sized, affordable housing units. Large families are often of lower income, frequently resulting in the overcrowding of smaller dwelling units and in turn accelerating unit deterioration.

Female-Headed Households

Single-parent households often require special consideration and assistance due to their greater need for affordable and accessible day care, health care, and other supportive services. In particular, female-headed households with children tend to have lower incomes than other types of households, a situation that limits their housing options and access to supportive services.

Cypress has an estimated 5,104 female-headed family households, accounting for about 33 percent of all households. Approximately 25 percent of these female-headed families have dependent children under 18 years of age.

Homeless

Generally, the homeless in Cypress are not visible on the street, but are often living in motels/hotels, living with other households in order to afford housing, or living in other non-permanent housing situations. Cypress School District data from 2007 reported 7 homeless children and youth in the schools, a decrease from the 30 reported in school year 2003-2004.

RESIDENTIAL SITES TO ADDRESS REGIONAL HOUSING NEEDS

An important component of the Cypress Housing Element is the identification of sites for future housing development and the evaluation of the adequacy of these sites to fulfill the City's share of regional housing needs. The City of Cypress is providing sites to accommodate the City's housing needs through a combination of identifying existing vacant and underutilized sites; amending the Lincoln Avenue Specific Plan to accommodate higher density development; and converting market rate units to affordable units with committed assistance from the Redevelopment Agency.

Vacant and Underutilized Land

For this Housing Element update, the City conducted a comprehensive review of all vacant and underutilized sites currently designated for residential and mixed-use development in Cypress, reviewing assessor parcel data and building permits, conducting windshield surveys, and using GIS to evaluate existing building footprints. As indicated in Table HOU-2, a total of 309 additional units can be accommodated on vacant and underutilized parcels under current General Plan and zoning designations. With only one remaining vacant residential parcel, the vast majority of future residential development in Cypress will occur through intensification in multi-family neighborhoods, and through residential infill and mixed use along Lincoln Avenue.

Table HOU-2
Residential Sites Inventory

General Plan Category	Zoning	Permitted Density	Assumed Density	Acres	Potential Dwelling Units
VACANT SITES					
Low Density Residential	RS-6000	5 du/acre	5 du/acre	3.37	16 units
UNDERUTILIZED SITES					
Low Density Residential	RS-6000	5 du/acre	5 du/acre	0.92	4 units
Medium Density Residential	RM-15	15 du/acre	13 du/acre	6.92	50 units
High Density Residential	RM-20	20 du/acre	18 du/acre	7.09	99 units
Specific Plan (Lincoln Avenue)	PC – Lincoln	15 du/acre	13 du/acre	0.34	5 units
Specific Plan (Lincoln Avenue)	PC – Lincoln	20 du/acre	18 du/acre	7.27	135 units
TOTAL AVAILABLE SITES				25.91	309 units
Source: City of Cypress Land Survey, March 2008					

Many of Cypress' underutilized sites are located in the City's "North End" underutilized neighborhoods. The City's General Plan provides for Medium and High Density residential development in these areas, at densities of 15 and 20 units per acre respectively, whereas many of these properties are currently developed with single-family units. The City continues to experience a significant level of residential intensification as encouraged under the General Plan. The existing housing stock in these areas is dominated by small, older bungalows, with property owners taking advantage of the zoning to build a second unit. Owners often move to the new unit and use the smaller bungalow to supplement their income or to provide housing for extended family. These neighborhoods, with a mix of owner-occupied and rental units, have been popular with first time homebuyers.

In addition to residential infill in the City's North End residential neighborhoods, the General Plan encourages multi-family residential development along Lincoln Avenue as a means of stimulating

activity on the corridor, also delineated in Exhibit HOU-1. The City adopted a Specific Plan for Lincoln Avenue in 1998 to further guide the continued development and redevelopment of the Plan area. Both the General Plan and Specific Plan provide for High Density residential uses along the corridor, and permit residential projects both as freestanding developments and integrated within mixed use projects. Furthermore, the Plan provides a range of development incentives for residential projects, and defines four districts along Lincoln Avenue which encourage high density residential infill and mixed use: Residential Mixed Use (RM), Commercial Mixed Use (CM), Campus Village (CV), and Downtown (D).

The Specific Plan provides high densities of up to 20 units per acre, with density bonuses permitted for projects with an affordable housing component. Actual densities in developed projects vary based on the product type, and range from 13 units per acre for a detached condominium project, 15–22 units per acre for attached condominiums, and 55 units per acre for senior apartments. A recently approved 16 unit for-sale development achieves the maximum density of 20 units per acre without any deviation in development standards. Projects which combine parcels are often better able to accommodate higher densities, and as a means of encouraging lot consolidation, the Specific Plan includes the following incentives (Section 7.3.1):

- No fee processing
- Reduction of parking and landscaping requirements
- Left-turn ingress/egress
- Redevelopment Agency assistance
- Street furnishing amenities
- Density bonus
- Increased floor area ratio and lot coverage

In summary and as indicated in Table HOU-2, the residential sites inventory identifies a total of 379 units which can realistically be developed in Cypress on sites currently designated for residential use. Of these sites, those in the RM-20 and the PC-Lincoln zones provide densities of 20 units per acre, a level considered appropriate to support moderate income development, whereas the remaining single-family and multi-family sites provide densities which more typically support housing for above-moderate income households. Because Cypress does not currently provide sites at the required 30 units per acre “default density” to support lower income development, the City is committing to an “adequate sites” program as provided for under Housing Element statutes,¹ amending the Lincoln Avenue Specific Plan to designate sites suitable for higher density development.

Adequate Sites for Lower Income Development

Pursuant to AB 2348, a program to provide adequate sites to address a RHNA shortfall for lower income units must adhere to the following parameters:

- Sites must be able to accommodate 100% of the RHNA shortfall for lower income units.
- Sites for lower income households must accommodate residential uses “by right”.
- Sites must be able to accommodate a minimum of 16 units.
- At least 50 percent of sites to address the lower income housing shortfall need to be accommodated on sites designated for exclusively residential use.

¹ AB 2348 amended Government Code sections 65583(c)(1)(A) and (B) to clarify requirements for a “adequate sites” program within the Housing Element to address a shortfall in sites for very low and low income households.

The following describes Cypress' adequate sites program structured to fulfill the parameters of AB 2348 and address the City's shortfall of 163 lower income units. Table HOU-3 summarizes sites within two districts of the Lincoln Avenue Specific Plan that will be amended to accommodate residential development at a higher density of 30 units per acre. The City will create a new Residential 30 (R30) district in the PC-Lincoln zone. This district will be designated as residential use only, can accommodate developments of 16 or more units and will allow residential development "by right". These exclusively residential sites provide opportunities for development of 143 units, more than half of the 177 units needed to address the City's lower income housing needs. The City will also amend the existing Residential Mixed Use (RM) district in the PC-Lincoln zone to allow mixed-use development with residential uses at 30 units per acre "by right". These sites provide opportunities for 473 units, for a total of 616 units on just over 20 acres to accommodate the development of lower income housing in Cypress.

**Table HOU-3
LINCOLN AVENUE SPECIFIC PLAN AMENDMENT –
SITES FOR REDESIGNATION TO 30 UNITS/ACRE**

Zoning	District	Density	Acres	Potential Dwelling Units
Planned Community – Lincoln Avenue	R30 – New	30 du/acre	4.82	143 units
Planned Community – Lincoln Avenue	RM - Existing	30 du/acre	15.83	473 units
TOTAL AVAILABLE SITES			20.65	616 units
Source: City of Cypress Land Survey, March 2008				

Committed Assistance

Government Code Section 65583.1(c) permits jurisdictions to rely on existing units to fulfill up to 25 percent of their residential sites requirement (RHNA) for a specific income category in the Housing Element, pursuant to specified criteria. To qualify, a community must provide "committed assistance" to specified projects within the first two years of the planning period through a legally enforceable agreement. Units must be provided at affordable rent levels to very low and/or low income households, with affordability terms ranging from 20 - 55 years, depending on the activity.

One option for committed assistance is to purchase affordability covenants on existing units. The Cypress Redevelopment Agency is negotiating with the owners of Tara Village, a 170 unit family apartment building, to extend the affordability on 80 units to a 55 year term. Of the 80 units, 14 will be converted from low income to very low income affordability. The Redevelopment Agency expects to enter an agreement with the owner by August 2008, committing \$6.8 million in housing set-aside funds for this purpose. Cypress has included a program in the Housing Element for purchase of affordability covenants in this project, and is seeking to apply credits towards the City's RHNA obligations (refer to Technical Report Appendix B - Adequate Sites Program Alternative Checklist).

Insert Exhibit HOU-1
Residential Sites Inventory

SHARE OF REGION'S HOUSING NEEDS

State law requires jurisdictions to provide for their "fair share" of regional housing needs. 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.

As part of the Regional Housing Needs Assessment (RHNA), the Southern California Association of Governments (SCAG) has determined the projected housing need for its region for the 2008-2014 Housing Element cycle, and has allocated this housing need to each jurisdiction by income category. The RHNA represents the minimum number of housing units each community is required to provide "adequate sites" for through zoning. For Cypress, the RHNA has been established at 451 new units, and is distributed among the four income categories as shown in Table HOU-4. Housing developed and permits issued as of January 2006 can be credited towards the City's future RHNA for the 2008-2014 period, providing for a reduction of 232 units in Cypress, and resulting in a remaining housing need of 253 units.

**Table HOU-4
2008-2014 REGIONAL HOUSING NEEDS (RHNA)**

Income Category	Housing Units	Percent of Total	Units Since 1/2006 ¹	Remaining Housing Need
Very Low (0-50% County median income)	98	21.7%	0	98
Low (50-80% County median income)	79	17.5%	0	79
Moderate (80-120% County median income)	89	19.7%	13 ²	76
Upper (over 120% County median income)	185	41.0%	219	0
Total Housing Units	451	100%	232	253
Source: http://SCAG.ca.gov/Housing/rhna.htm				
¹ Includes approved projects, completed projects and permits issued from January 1, 2006 through December 31, 2007.				
² Moderate income units include 10 apartment units and 3 inclusionary units. As discussed in the Technical Report, Chapter II, market rents are affordable to moderate income, with the exception of 4 or more bedroom single family homes.				

The residential sites inventory presented in Tables HOU-2 and HOU-3 identify the potential for 925 additional units in Cypress. Of these units, 616 are at densities suitable to address the City's lower income needs, 234 units are at densities suitable to support moderate income development, and 75 are at densities suitable to support upper income housing. Through the purchase of affordability covenants, the City will provide an additional 14 very low income units, for a total of 939 units. In summary, Cypress has provided adequate sites to address its regional housing needs for all income categories. The City will further support in the development of affordable housing through programs identified in the Housing Element, including inclusionary housing, financial and regulatory incentives, density bonuses, and first-time homebuyer assistance.

AVAILABILITY OF PUBLIC SERVICES AND FACILITIES

The City's 2000 General Plan Update identifies more than adequate total infrastructure capacity to accommodate the City's regional housing needs. As an urbanized community, Cypress already has in place the necessary infrastructure to support future development. All land currently designated for residential and mixed use development is served by water and sewer lines, streets, storm drains, and telephone, electric and gas lines. As documented in the Housing Element Technical

Report, none of the sites identified for residential development are affected by environmental constraints that would impact their development.

DESCRIPTION OF HOUSING PLAN

Previous sections of the Housing Element establish the housing needs, opportunities and constraints in the City of Cypress. The following section first evaluates the accomplishments of the last adopted housing element and then presents the City's housing program strategy for the 2008-2014 period.

EVALUATION OF ACCOMPLISHMENTS UNDER ADOPTED HOUSING ELEMENT

The City's 2000-2005 Housing Element was adopted in 2001, and sets forth a series of housing programs with related objectives for the following issue areas: conserving and improving existing affordable housing; provision of adequate housing sites; development of affordable housing; removing governmental constraints; and promoting equal housing opportunities. This section reviews the appropriateness of these programs, the effectiveness of the Element, and the progress in implementation since 2000.

**Table HOU-5
REVIEW OF ACCOMPLISHMENTS UNDER 2000 HOUSING ELEMENT**

Housing Program/Policy	Accomplishments
Conserving the Existing Supply of Affordable Housing	
<p>1. Single-Family Rehabilitation - <u>Home Enhancement Loan Program (HELP II) and County CDBG Rehabilitation</u> <u>Action:</u> Assist low and moderate income single-family homeowners with the improvement of their homes. <u>Goal:</u> Provide rehabilitation assistance to 50 low and moderate income households through HELP II and 25 low income households with CDBG funds.</p>	<p><u>Progress:</u> Since 2000, the City has assisted 67 homeowners with Redevelopment funds and 40 homeowners with CDBG funds. <u>Effectiveness:</u> The City has exceeded its overall housing rehabilitation goal. There is continuous demand for the program. <u>Appropriateness:</u> As the City's housing stock ages, these programs remain appropriate as they continue to provide assistance to low and moderate income homeowners with homes needing rehabilitation. Since County CDBG funds are competitive, the City supplements the program with redevelopment funds. The City anticipates allocating at least \$75,000 in CDBG funds annually to this program during this Housing Element period.</p>

Table HOU-5 Continued
 REVIEW OF ACCOMPLISHMENTS UNDER 2000 HOUSING ELEMENT

Housing Program/Policy	Accomplishments
<p>2. Community Rental Rehabilitation <u>Action:</u> Upgrade deteriorating and substandard rental properties. <u>Goal:</u> Establish policies and procedures by 2002, and rehabilitate 20 units with Agency assistance, with additional units to be rehabilitated using outside funding sources.</p>	<p><u>Progress:</u> In 2004, Tara Village was acquired and rehabilitated by a private developer, providing 170 rental units to low and very low income families for a period of at least 30 years. The City evaluated establishing a multi-family rental rehabilitation program and determined a program would not be effective in the existing high rent real estate market. Apartment owners have not been interested in financial assistance to upgrade existing developments in exchange for long-term affordability covenants. <u>Effectiveness:</u> One apartment project with 170 affordable rental units was acquired and rehabilitated using outside funding sources (bond financing). <u>Appropriateness:</u> Rent levels in Cypress remain significantly higher than rents affordable to lower income households. However, the City is adding a program to the updated Housing Element to explore the acquisition and/or rehabilitation of apartments and motels in certain areas as a means to eliminate blight and provide affordable housing.</p>
<p>3. Code Enforcement <u>Action:</u> Bring substandard units into compliance with City codes <u>Goal:</u> Continue to operate the Code Enforcement Program, and provide rehabilitation program information to property owners with violations.</p>	<p><u>Progress:</u> The City has maintained a proactive code enforcement program. <u>Effectiveness:</u> The City's program has brought residential units into compliance with City codes. <u>Appropriateness:</u> As the City's housing stock continues to age, proactive code enforcement will be both appropriate and necessary to maintain the City's residential standards. This program provides referrals to the City's rehabilitation program.</p>
<p>4. Neighborhood Cleanup <u>Action:</u> Provide assistance for neighborhood cleanup projects. <u>Goal:</u> Pursue County CDBG funds in 2000 to implement neighborhood clean-up program in targeted neighborhoods in 2001 – 2003.</p>	<p><u>Progress:</u> The City held a Cleanup event in Spring 2006 in conjunction with the California Department of Conservation and Consolidated Disposal Services. <u>Effectiveness:</u> The cleanup event was successful and the City plans to co-sponsor another with the assistance of the California Department of Conservation and Consolidated Disposal Services. <u>Appropriateness:</u> This program is coordinated with the City's code enforcement activity. It is appropriate to continue this program in coordination with other neighborhood improvement plans, including the Neighborhood Improvement Plan recently completed for the Lemon-Lime Neighborhood.</p>

Housing Program/Policy	Accomplishments
<p>5. Preservation of Assisted Rental Housing <u>Action:</u> Preserve the City's at-risk housing stock. <u>Goal:</u> Preserve the affordability of the 8 lower income units at 8781 Walker Avenue. Monitor at-risk units; work with potential purchasers; and evaluate provision of rent subsidies</p>	<p><u>Progress:</u> Though the City was unable to preserve the affordability of the lower income density bonus units at 8781 Walker Avenue, the owner continues to accept Section 8 vouchers. The City was able to assist in obtaining bonds for the preservation of Cypress Sunrise, a 75 unit senior apartment building, acquired and rehabilitated in April 2006. <u>Effectiveness:</u> The City's ability to preserve the affordability of density bonus units is limited, particularly as rents increase. <u>Appropriateness:</u> The program will refocus on projects and programs that address the Redevelopment Agency's inclusionary requirements. Such programs and projects require affordability terms of at least 45 years for ownership and 55 years for rental housing units. The City will continue to monitor continued affordability on assisted rental housing, but as no projects are at-risk over the next 10 years, a separate program is no longer necessary for the updated Element.</p>
<p>6. Section 8 Rental Assistance <u>Action:</u> Provide rental subsidies to very low-income households. <u>Goal:</u> Continue current levels of rental assistance and direct eligible households to the County program.</p>	<p><u>Progress:</u> In 2000, 150 households received Section 8 rental assistance. In January 2008, 119 household in Cypress received Section 8 rental assistance. <u>Effectiveness:</u> The number of households receiving Section 8 rental assistance has decreased since 2000. This is primarily a function of the availability of units to Section 8 clients at reasonable rents. As rents increase in Cypress, available units are more difficult to find. <u>Appropriateness:</u> The Section 8 program, administered by the County of Orange, provides opportunities for very low income households to rent units at affordable rates. The City will continue this program with an emphasis on promoting the Section 8 program to property owners within the City.</p>
<p>7. Rent Deposit Guarantee <u>Action:</u> Help income-qualified renters residing in motels to cover the initial "upfront" costs of securing an apartment. <u>Goal:</u> Apply to County HCD for CDBG funds in 2000, and begin program implementation in 2001. Provide assistance to approximately 20 households for 2001-2003.</p>	<p><u>Progress:</u> The program implementation has been delayed, primarily due to the lack of funding. The City applied for, but has been unsuccessful in, obtaining CDBG funds from the County to date. The City is also exploring a partnership with a local non-profit organization to administer the program and is assessing alternate funding sources. <u>Effectiveness:</u> This program has not yet been implemented. <u>Appropriateness:</u> The program remains appropriate for the updated Housing Element, and has been expanded to include evaluation of non-profit partners and alternate funding sources.</p>

Table HOU-5 Continued
 REVIEW OF ACCOMPLISHMENTS UNDER 2000 HOUSING ELEMENT

Housing Program/Policy	Accomplishments
Assisting in the Provision of Housing	
<p>8. Home Equity Loan (HELP I) <u>Action:</u> Expand homeownership opportunities for lower and moderate-income homebuyers. <u>Goal:</u> Provide assistance to 60 first-time homebuyers.</p>	<p><u>Progress:</u> 36 HELP I loans have been provided since 2000, using \$491,000 in Redevelopment housing set-aside funds. <u>Effectiveness:</u> The number of loans provided is less than the City's goal. Housing prices have risen significantly in the last five years, making it more difficult for income qualified homebuyers to afford the purchase of their first home, even with the City's assistance. <u>Appropriateness:</u> As the housing market changes, there may be more opportunities for moderate income homebuyers to purchase during this Housing Element's timeframe. The City's Redevelopment Agency is also focusing more on providing inclusionary units in new developments, creating home prices more aligned to moderate income homebuyers. This program will be continued in the updated Housing Element.</p>
<p>9. Mortgage Credit Certificate (MCC) <u>Action:</u> Expand homeownership opportunities for lower and moderate-income homebuyers. <u>Goal:</u> Provide 4 MCCs annually.</p>	<p><u>Progress:</u> No MCCs have been issued to homebuyers in the City since 2000. The MCC Program is currently on hold in Orange County. <u>Effectiveness:</u> The County's MCC program maximum assistance is not sufficient for lower income homebuyers to purchase homes in Cypress due to the escalating home prices since 2000. <u>Appropriateness:</u> Though the MCC program is limited, it does provide an opportunity for lower income households to become first time home buyers. This program will continue in the updated Housing Element.</p>
<p>10. Affordable Housing Development <u>Action:</u> Facilitate affordable housing development by for-profit and non-profit housing developers/ corporations. <u>Goal:</u> Continue to provide financial and regulatory incentives to private developers. Assist in the development of 36 affordable units.</p>	<p><u>Progress:</u> The Redevelopment Agency adopted a Comprehensive Affordability Strategy in January 2003, followed by an Inclusionary Housing Policy in March 2003. During this Housing Element period, the Policy has created 5 affordable for-sale units (2 low and 3 moderate income) with long-term affordability covenants. An additional 17 for-sale units (7 very low and 10 moderate income) with long-term affordability covenants have been completed and occupied in 2007. Of the 22 units, the Agency provided financial and/or regulatory assistance for the development of 12 units, including a Habitat for Humanity project producing 7 very low income ownership units. One developer also paid an in-lieu fee for 1 affordable unit. The affordability term is 45 years, as required by Redevelopment regulations. <u>Effectiveness:</u> The number of affordable units developed is less than the City's goal. However, through the Agency's Inclusionary Housing Policy, new for-sale units have been developed. Since mid-2007, for-sale housing developers have significantly slowed down housing unit production, again, due to the changing market. <u>Appropriateness:</u> This program is an effective way for the City to provide new affordable housing within the community.</p>

Table HOU-5 Continued
 REVIEW OF ACCOMPLISHMENTS UNDER 2000 HOUSING ELEMENT

Housing Program/Policy	Accomplishments
<p>11. Density Bonus <u>Action:</u> Facilitate the development of mixed income housing projects. <u>Goal:</u> Continue to utilize density bonuses to support development of mixed income housing projects.</p>	<p><u>Progress:</u> Since 2000, a five unit for-sale project was provided density bonus incentives, providing one unit affordable to a moderate income household. <u>Effectiveness:</u> This program provides opportunities for developers to increase density while creating affordable housing. <u>Appropriateness:</u> This program is an effective way for the City to provide new affordable housing within the community. The City's current ordinance was adopted in November 2004, just prior to the effective date of SB 1818 which made significant changes to State density bonus law. A new program has been added to the updated Housing Element to update the City's density bonus program to conform with current State requirements.</p>
<p>Providing Adequate Residential Sites</p>	
<p>12. Land Use Element <u>Action:</u> Provide adequate sites for future housing development. <u>Goal:</u> Provide appropriate land use designations, coupled with incentives for the development of affordable housing, to address the City's share of regional housing needs.</p>	<p><u>Progress:</u> The City's new Land Use Element was adopted on September 10, 2001 as part of the comprehensive Cypress General Plan. <u>Effectiveness:</u> The Land Use Element provides appropriate land use designations to address the City's share of regional housing needs. <u>Appropriateness:</u> The Land Use Element provides the appropriate land use designations to accommodate the City's share of regional growth housing needs. This program is no longer required and will not be continued in the updated Housing Element.</p>
<p>13. Residential Site Inventory <u>Action:</u> Identify sites for future housing development. <u>Goal:</u> Beginning in 2000 with the General Plan update, maintain an up-to-date residential sites inventory, and provide to interested developers.</p>	<p><u>Progress:</u> The City maintains and regularly updates an inventory of available and potential residential development sites. <u>Effectiveness:</u> The City and Agency use this inventory to help direct interested developers to potential sites for housing. <u>Appropriateness:</u> This program provides information to interested developers about potential residential sites. The City will continue this program.</p>

Table HOU-5 Continued
 REVIEW OF ACCOMPLISHMENTS UNDER 2000 HOUSING ELEMENT

Housing Program/Policy	Accomplishments
Removing Governmental Constraints	
<p>14. Regulatory and Financial Assistance <u>Action:</u> Facilitate the production of affordable housing through provision of regulatory and financial assistance. <u>Goal:</u> Continue to offer incentives for affordable housing. Periodically review all regulations, ordinances, and fees.</p>	<p><u>Progress:</u> The City and Redevelopment Agency continue to offer regulatory and financial assistance to developers of affordable housing. The assistance is to assure project viability while producing affordable housing. For example, the Agency financially assisted in the land acquisition and fee payment for a 7 unit detached for-sale project for very low income households developed by Habitat for Humanity. The City periodically reviews all regulations, ordinances, and fees to assess the impact on development of affordable housing. The City revised front setback requirements for residential developments in the Lincoln Avenue Specific Plan and reduced driveway landscape buffer requirements in the RM-15 and RM-20 Zones.</p> <p><u>Effectiveness:</u> The City/Agency provided financial assistance to selected new affordable housing development, focusing on achieving affordability for lower income households.</p> <p><u>Appropriateness:</u> The City and Agency will continue both regulatory and financial assistance to affordable housing developments. The assistance is particularly needed for housing affordable to lower income households.</p>
<p>15. Efficient Project Processing <u>Action:</u> Provide efficient development processing procedures. <u>Goal:</u> Continue to offer stream-line development processing. Offer priority processing for affordable housing developments.</p>	<p><u>Progress:</u> The City has continued offering streamlined development processing, including priority processing for affordable housing projects.</p> <p><u>Effectiveness:</u> The City's existing process with one decision-making body (City Council only, no Planning Commission) and concurrent processing is relatively streamlined.</p> <p><u>Appropriateness:</u> The City will continue this program in the updated Housing Element.</p>
Promoting Equal Housing Opportunities	
<p>16. Fair Housing Program <u>Action:</u> Further fair housing practices in the community. <u>Goal:</u> Continue to promote fair housing practices. Provide educational information on fair housing to the public. Refer fair housing complaints to the Orange County Fair Housing Council.</p>	<p><u>Progress:</u> The City maintains an active partnership with the Fair Housing Council of Orange County to address housing disputes, referring residents with landlord/tenant issues to the organization.</p> <p><u>Effectiveness:</u> This is an effective and efficient way for affected residents to obtain correct information regarding landlord/tenant regulations.</p> <p><u>Appropriateness:</u> The City will continue this program.</p>

SUMMARY OF HOUSING ELEMENT ACCOMPLISHMENTS

Since 2000, the City of Cypress has accomplished and made significant progress towards many of its housing goals. Major accomplishments include the following:

- Adopting a comprehensive and consistent General Plan on September 10, 2001 with eight elements including: Land Use; Circulation; Conservation/Open Space/Recreation; Safety; Noise; Air Quality; Growth Management; and Housing.
- Providing housing rehabilitation assistance to 94 low and moderate income homeowners, using both local Redevelopment housing set-aside and County of Orange Community Development Block Grant funds.
- Assisting developers in obtaining mortgage family revenue bonds for the acquisition and rehabilitation of Tara Village, a 170 unit family apartment building, ensuring 30 years of affordability for 34 very low and 136 low income households.
- Assisting developers in obtaining mortgage family revenue bonds for the acquisition and rehabilitation of Cypress Sunrise Senior Apartments, a 75 unit senior apartment building, ensuring 30 years of affordability for 23 very low and 51 low income households.
- Continuing Code Enforcement of residential units.
- Organizing a Neighborhood Cleanup in conjunction with the California Department of Conservation and Consolidated Disposal Services.
- Adopting of a Neighborhood Improvement Plan for the Lemon-Lime Neighborhood and implementing infrastructure projects in the area.
- Providing 36 loans to first time homebuyers.
- Adopting a Comprehensive Affordability Strategy for the Redevelopment Agency.
- Adopting an Inclusionary Housing Policy for the Redevelopment Agency, resulting in 5 affordable for-sale units in new housing developments, including 2 low income and 3 moderate income units. All units have covenants requiring 45 years of affordability. Obtaining long term covenants for 17 additional units to be completed in the upcoming Housing Element period.
- Adopting an updated Density Bonus Ordinance, which indirectly allowed for the development of a five unit for-sale project with one unit affordable to a moderate income household.
- Providing revisions to Lincoln Avenue Specific Plan front setback requirements to accommodate residential development.
- Reduced driveway landscape buffer requirements in the RM-15 and RM-20 Zones.
- Continuing relationship with the Fair Housing Council of Orange County, providing technical advice to residents on landlord/tenant issues.

**Table HOU-6
1998-2005 REGIONAL HOUSING GROWTH NEEDS COMPARED TO UNITS CONSTRUCTED**

Income Category	Regional Housing Needs (RHNA)	Number of New Units Constructed	Number of Units Rehabilitated ²	Number of Units Conserved ³
Very Low	107	0	67	119
Low	73	2	184	360
Moderate	121	8 ¹	44	
Upper	277	344		
Total	578	354	295	479

¹ Includes 3 income restricted inclusionary for-sale units and 5 apartment units.

² Includes Tara Village (34 very low, 136 low income); Cypress Sunrise (21 very low and 51 low income); and 94 single family units (33 very low, 48 low, and 44 moderate income)

³ Includes Section 8 (119) and mobile home units (360)

HOUSING PROGRAM STRATEGY

The goals, policies and programs contained in this Housing Element reflect a revision to those previously adopted to incorporate what has been learned from the prior Element and to adequately address the community's identified housing needs as identified through public input and from the housing needs assessment.

The goals and policies contained in the Housing Element address identified housing needs for the City of Cypress, and are implemented through a series of housing programs offered through the City's Community Development Department and Redevelopment Agency. Housing programs define the specific actions the City will undertake to achieve the stated goals and policies. According to Section 65583 of the State Government Code, a jurisdiction's housing programs must address the following five major 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; and
- Promoting equal housing opportunity.

The housing programs described on the following pages include existing programs as well as several new programs which have been added to address the City's housing needs. The program summary (Table HOU-5) included at the end of this section specifies for each program the following: five-year objective(s), time frame, funding source(s), and agency responsible for program implementation. With an estimated \$9.6 million available for Housing Fund expenditures from 2008 to 2014, Cypress redevelopment housing funds will provide an important source of funding for implementation of the City's housing programs.

The Housing Element statutes now require an analysis of the needs of extremely low income (<30% AMI) households, and programs to assist in the creation of housing for this population. The Cypress Housing Element sets forth several programs which help to address the needs of extremely low income households, including: Acquisition and Rehabilitation of Apartment and Motel Properties (Program 2); Section 8 Rental Assistance (Program 5); Rent Deposit Guarantee (Program 6); Inclusionary Housing Policy (Program 8); Affordable Housing Development Assistance (Program 9); Lincoln Avenue Specific Plan (Programs 14 and 14a); Alternative Sites Option – Purchase of Affordability Covenants (Program 15); and Fair Housing (Program 19).

CONSERVING THE EXISTING SUPPLY OF AFFORDABLE HOUSING

Conserving and improving the City's housing stock is an important goal for Cypress. While most of Cypress' housing stock is in good condition, approximately half of the City's housing stock is 30 years or older, the age when most homes start to have rehabilitation needs. An additional 30 percent will become 30 years old by the year 2010. The City has a pro-active approach to conserve the current housing stock with the coordination of rehabilitation, code enforcement, and neighborhood improvement plans.

1. Home Enhancement Loan Program (HELP II)

The Home Enhancement Loan Program (HELP II) utilizes redevelopment housing set-aside and CDBG funds to assist low and moderate income single-family homeowners with the provision of interior and exterior improvements of their homes. Currently, deferred loans of up to \$20,000 are available for help with correcting health and safety code violations, exterior improvements, such as

new roof and paint, and interior improvements, including new plumbing and floor covering. Lower income (80% MFI) homeowners may qualify for \$10,000 loans which are completely forgiven after 10 years. Eligible home improvements are prioritized as follows:

- 1) Health, Safety, and General Welfare correction items
- 2) Improvements to promote "curb appeal" and enhance community property values

This on-going program is marketed through the City's website, the City's quarterly newsletter, brochures available at City facilities including City Hall and the Senior Center, public announcements on the City's cable channel and on the City's on-hold info service. The City's Code Enforcement officer refers clients to the program. The program is also promoted when the City conducts neighborhood clean-ups.

As part of this program, the City will also explore the potential of becoming an entitlement city in order to receive CDBG funds directly from the Federal government, rather than competing with other cities in the Orange County program. Entitlement cities are generally defined as having a population of 50,000. Since Cypress is nearing that population, becoming a direct entitlement city may be feasible.

2008-2014 Objective: Provide rehabilitation assistance to 10 households annually, with the goal of assisting 60 households over the planning period. Annually apply to the County for CDBG funds to supplement redevelopment set-aside funds. Explore becoming an entitlement City to allow for the direct allocation of CDBG funds.

2. Acquisition and Rehabilitation of Motel and Apartment Properties

Cypress has several aging motels along Lincoln Avenue and older apartment complexes in other key neighborhoods that offer an opportunity for purchase, upgrading, and preserving as affordable housing. Under this program, the Redevelopment Agency acquires or assists in the acquisition of problem properties and then works with a development partner to coordinate the rehabilitation, maintenance and management of the project as long term affordable housing. The comprehensive rehabilitation of larger rental properties can be undertaken through the pooling of public funds from various agencies, including the County's Rental Rehabilitation Program which the City is eligible to participate in as part of the Urban County. The older Lincoln Avenue motel properties may be particularly suitable for conversion to single room occupancy use, as provided for in the Lincoln Avenue Specific Plan and detailed in the Comprehensive Affordable Housing Strategy adopted in 2003. Though motel conversion is not easily accomplished, the City is still interested in working towards this goal. As appropriate to the property and location, the Agency will encourage development of units with three or more bedrooms through the use of Redevelopment funds (Program 9).

2008-2014 Objective: Undertake a land use survey to identify apartments and motels in need of rehabilitation by July 2009. Initiate discussions with property owners and identify priority properties for acquisition, rehabilitation and conversions to affordable use by December 2010. Partner with non-profits to achieve at least one project during the Housing Element planning period by June 2013.

3. Code Enforcement Program

The objective of the City's Code Enforcement Program is to bring substandard housing units into compliance with City codes. Cypress' building inspectors work closely with the City code enforcement officer to identify units in need of housing assistance. Property owners in violation of

City codes are provided information on rehabilitation loans or grants they may be eligible for in correcting code violations.

2008-2014 Objective: The City will continue to operate its code enforcement program to stem housing deterioration and make appropriate referrals to the HELP II program.

4. Neighborhood Improvement Program

The Cypress Redevelopment Agency adopted a Neighborhood Improvement Plan for the Lemon-Lime Neighborhood in March 2008. The Neighborhood is composed of 27 residential lots characterized by fourplex developments built in the early 1960s. The Agency decided to focus on this area because of the configuration, potential for rehabilitation, rental rates that are lower than most of the City, increasing complaints from residents and property owners, and increased calls for police service to the area. The Agency engaged Jamboree Housing Corporation to assist in preparing a Neighborhood Plan for the area.

Goals noted in the Plan include infrastructure improvements, community oriented policing, code enforcement, improving property management, improving building maintenance, and providing affordable housing. Implementation actions include: beginning street and alley infrastructure improvements; bolstering the Home Owner Association; and establishing a neighborhood watch program.

The City is also continuing the neighborhood clean-up program that provides trash receptacles, on a periodic basis, to low and moderate income neighborhoods for the purpose of waste disposal and overall neighborhood enhancement. The Neighborhood Clean-up Program is administered in conjunction with the provision of proactive code enforcement activity and rehabilitation programs.

2008-2014 Objective: Implement the Lemon-Lime Neighborhood Improvement Plan, providing an annual report to the Agency assessing the progress of the implementation. Continue to sponsor neighborhood clean-up events, and explore developing a housing rehabilitation assistance program for the area.

5. Section 8 Rental Assistance Program

The Section 8 Rental Assistance Program extends rental subsidies to very low-income households who spend more than 30 percent of their gross income on housing. Rental assistance not only addresses housing affordability, but also overcrowding by allowing families that may be “doubling up” to afford their own housing. OC Community Services, through the Orange County Housing Authority (OCHA), coordinates Section 8 rental housing on behalf of the City of Cypress. As of January 2008, 119 Cypress households received Section 8 rental assistance.

2008-2014 Objective: Seek to continue current levels of Section 8 rental assistance and direct eligible households to the County program.

6. Mobile Home Park Preservation

Cypress contains two mobile home parks containing 362 mobile home units – the 306 space Lincoln Center Mobile Home Park, and the 56 space Lincoln Cypress Mobile Home Park. Mobile homes provide relatively affordable housing for many seniors and lower-income families and the City is interested in preserving its two mobile home parks. The Cypress General Plan established a distinct mobile home park land use designation, and the Zoning Code provided a distinct Mobile Home Park Zone (MHP-20A). With these designations currently in place, a park owner seeking

closure would have to first justify a General Plan amendment and zone change to the City Council, and comply with State regulations governing mobile home park closures.

The State Department of Housing and Community Development (HCD) offers a Mobile Home Park Resident Ownership Program (MPROP) to assist resident organizations, non-profit housing providers, or local public agencies to acquire and own mobile home parks. The program offers short and long term 3 percent interest loans for the purchase or rehabilitation of a mobile home park.

2008-2014 Objective: Preserve the long-term use of Cypress' two mobile home parks. Should tenants of the park indicate interest in purchasing the park as a means of maintaining control over space rent increases, provide information on State MPROP funding and assistance in preparing the application, as appropriate. City staff will meet at least once a year with mobile home park residents and property owners to understand current issues.

7. Rental Deposit Program

While Cypress has few visible homeless, several older motels on Lincoln Avenue house persons and families living close to homelessness. The City is exploring the feasibility of establishing a rental deposit program to assist income-qualified households currently residing in local area motels with funds to cover the initial "upfront" costs of securing an apartment. Funds would be allocated to cover first and last month's rent and the security deposit. The Program could also be used to provide one-time subsidies to lower income households falling behind in rent payments to stay evictions. The City is interested in pairing emergency rental assistance with completion of a financial and "life skills" training program to assist households in achieving long term success.

2008-2014 Objective: Research similar emergency rental assistance programs offered in other Orange County jurisdictions by 2009. Evaluate potential partnerships with non-profit organizations for program implementation and assess program funding options by 2010.

ASSISTING IN THE PROVISION OF AFFORDABLE HOUSING

To enable more households, especially renters, to own homes in Cypress, the City offers programs for first-time homebuyer assistance. New construction is a major source of housing for prospective homeowners and renters but generally requires public sector support for the creation of units affordable to lower income households. The following programs attempt to address the overall need for the provision of both affordable homeownership and rental housing in Cypress.

8. Inclusionary Housing Policy

In 2003, the Cypress Redevelopment Agency adopted an Inclusionary Housing Policy which requires all housing newly constructed or substantially rehabilitated within Cypress' merged and amended Redevelopment Project Area to meet the State mandated inclusionary housing obligations triggered by their development. The Inclusionary Policy mirrors the State redevelopment requirement of 15 percent inclusionary housing with 6 percent of the units reserved for very low income households and 9 percent reserved for low or moderate income households. The Redevelopment Agency can approve various financial or regulatory incentives to offset the costs of developing the required units, including: reduced affordable unit sizes; alternate affordable unit income mix; flexible development standards for on and off-site improvements; payment by the Agency of certain development fees; streamlined permit processing; technical assistance in securing outside funding; and direct financial assistance. Instead of providing the required

affordable units, a developer may be allowed to pay in-lieu fees to be deposited into the Affordable Housing Trust Fund. Also, at the discretion of the Agency, State density bonus incentives may be utilized in conjunction with the provision of inclusionary units.

2008-2014 Objective: Continue to implement the Inclusionary Housing Policy as a tool to integrate affordable housing within market rate developments, or alternatively, to generate fees in support of affordable housing in off-site locations.

9. Affordable Housing Development Assistance

The City and its Redevelopment Agency play an important role in facilitating development of affordable housing in Cypress. Cypress has granted land write-downs, regulatory incentives, and direct financial assistance to a number of developers to provide both ownership and rental housing to very low, low, and moderate income households. The Agency evaluates the need for financial assistance based on provision of affordable housing, level of affordability, and project viability. The Agency's focus in expending funds is to meet the Agency's replacement and inclusionary obligations generated by new development in the redevelopment project areas. The Agency will provide funds to encourage affordable housing for larger family households, as well as lot consolidation and mixed-use developments in the Lincoln Avenue Specific Plan area. Agency assistance will be promoted in conjunction with the Inventory of Residential and Mixed-Use sites (Program 13) and the Acquisition and Rehabilitation of Apartment and Motel Properties (Program 2).

2008-2014 Objective: Continue to provide financial and regulatory incentives to private developers to increase the supply of affordable housing in Cypress.

10. First-Time Homebuyer Program

The Cypress Redevelopment Agency initiated the Home Equity Loan Program (HELP I) in 1997 to provide funds to low and moderate-income homebuyers who wish to purchase a home within the City, including households who have not owned a home within the last three years. Loans of up to \$25,000 are available to program participants for help with the down payment, including a portion of non-recurring closing costs. The City reassessed the HELP I Program in 2000, and expanded eligibility to permit mobile home owners to participate in the program.

While the HELP I Program assisted 36 home purchasers during the last Housing Element cycle, due to the substantial increase in the price of housing in recent years, it has been difficult for moderate income households to qualify for a loan to purchase housing in the City. As housing prices begin to stabilize, the City will explore increasing the subsidy amount to help cover the gap between a price affordable to a moderate income household and the market price.

One way the Agency has been able to assist moderate income purchasers is by combining homebuyer assistance with affordable units developed within newly constructed condominium projects required under the Agency's Inclusionary Housing Policy.

The City will continue to market the program through the City's website, the City's quarterly newsletter, brochures available at City facilities, the City's cable channel, the City's on-hold information service, and direct communication with realtors and developers in conjunction with new for-sale developments with inclusionary units.

2008-2014 Objective: Evaluate increasing the loan limits under the HELP I Program by 2010. Seek to assist at least 30 moderate income purchasers both through assistance to

purchasers of Project Area inclusionary units, and through the HELP I Program.

11. Mortgage Credit Certificate

The Mortgage Credit Certificate (MCC) program is a federal program that allows qualified first-time homebuyers to take an annual credit against federal income taxes of up to 15 percent of the annual interest paid on the applicant's mortgage. This enables homebuyers to have more income available to qualify for a mortgage loan and make the monthly mortgage payments. The value of the MCC must be taken into consideration by the mortgage lender in underwriting the loan and may be used to adjust the borrower's federal income tax withholding. The MCC program has covenant restrictions to ensure the affordability of the participating homes for a period of 15 years. MCCs can be used in conjunction with Cypress' HELP I program.

While escalating housing prices have resulted in Orange County temporarily placing the MCC program on hold, given the rapidly changing homebuyer market, the program will likely be reinstated during the Housing Element planning period.

2008-2014 Objective: Upon reinitiation of the MCC Program through the County, provide informational brochures at City Hall and on the City's website, and market in conjunction with City homebuyer assistance.

12. Sustainability and Green Building

Cypress is concerned about the continued availability of all resources for the development of affordable housing. One opportunity for energy conservation, as required by Government Code Section 65583(1)(7), is encouraging "green buildings" which 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 and lessen a building's overall environmental impact.

To further green building goals, residential and mixed-use developments receiving Redevelopment Agency assistance will be encouraged to include sustainable design features to the extent financially feasible, such as:

- Energy and water reduction strategies
- Building design that maximizes sunlight for heat and light, and maximizes air flow for natural cooling
- Solid waste reduction technologies
- Storm water mitigation

2008-2014 Objective: The City will develop education materials regarding green building and provide to homeowners and builders in Cypress by 2009. The City will evaluate implementing requirements for green building/sustainable design in Agency-assisted new construction.

PROVIDING ADEQUATE HOUSING SITES

A major element in meeting the housing needs of all segments of the community is the provision of adequate sites of all types, sizes and prices of housing. The City's General Plan, Zoning Ordinance, and specific plans establish the location of housing in the City, thereby affecting the supply of land available for residential development.

13. Residential and Mixed-Use Sites Inventory

As an established City with the majority of remaining residential development opportunities to occur through infill, an active program for site identification is essential in Cypress. In support of the Element update, the City performed a parcel-specific analysis of vacant and underutilized sites using a combination of aerial photographs and field surveys. This inventory of potential housing sites can now be used to assist developers in the identification of potential sites for residential development.

As a means of facilitating the development of affordable and mixed income housing on identified residential and mixed use sites, the City offers a variety of financial and regulatory incentives, described in Program 9 (Affordable Housing Development Assistance) and Program 15 (Affordable Housing Density Bonus). In addition, the Agency's inclusionary housing policy requires the provision of 15 percent affordable units within Redevelopment Project Areas. Many of the sites within the residential sites inventory fall within the Lincoln Avenue component of the merged and amended Redevelopment Project Area where the Redevelopment Agency will continue to serve as a catalyst for change through assembly of sites for development.

The sites inventory will be available through Agency staff at City Hall. Reference to the inventory and financial incentives provided by the Agency will appear in the City's website and in the City's quarterly newsletter. The City will also promote lot consolidation by providing information at the Planning and Redevelopment Agency public counters regarding the development benefits (shared driveway, room for living area at grade), ownership of adjacent parcels and the potential financial assistance from the Agency to acquire adjacent parcels.

2008-2014 Objective: Maintain a current inventory of vacant and underutilized residential sites and potential mixed-use infill sites and provide to interested developers in conjunction with information on available development incentives.

14. Lincoln Avenue Specific Plan

One of the key tenets of the Lincoln Avenue Specific Plan is to encourage higher density multi-family residential and mixed-use development as a means of stimulating activity along the corridor. The Plan permits residential densities of 20 units per acre throughout the corridor, with bonus densities provided for projects with an affordable component. Within the Plan's Campus Village and Commercial Mixed Use districts, a 0.5 floor area ratio (FAR) bonus is provided for the integration of high density residential with commercial uses. Furthermore, the Plan provides numerous incentives for consolidation of parcels for development, such as no fee processing, reduced parking and landscaping requirements, increased floor area ratio and lot coverage, as well as direct Agency assistance. The City has completed an extensive streetscape improvement project that significantly upgrades the visual image of the Lincoln Avenue corridor. With the specific plan and streetscape improvements in place, Lincoln Avenue has become a focal point for economic development and is positioned for significant change.

As a means of further facilitating the provision of mixed income and affordable housing within the Lincoln Avenue corridor, the City is committed to amending the Plan to increase permitted densities to 30 units per acre within the existing RM district and creating a new, exclusively residential R30 district. The conditional use permit (CUP) requirement will be eliminated within these subdistricts.

Current development standards will need to be revised to accommodate development at 30 units per acre. Staff has identified that the following standards will need revision: increased Floor Area

Ratios; increased heights in the RM district; and allowance for common parking garages, rather than the current requirement of two to three car garages.

2008-2014 Objective: Implement the Lincoln Avenue Specific Plan as the primary tool to provide sites and incentives for development of high density and mixed-use housing. Increase allowable densities to 30 units per acre and permit residential uses by right within the existing RM district and a new R30 district.

14a. Residential Redesignation Program

As a means of providing adequate sites to address the City's shortfall of sites for 163 lower income units, Cypress will redesignate sites identified in Table HOU-3 to provide residential densities at a minimum of 30 units per acre. At least half of these sites will be designated for exclusive residential use. Rezoned sites will allow for residential uses "by right", have the capacity for at least 16 units, and will be available for development within 2008-2014. The City will consult with local advocacy groups, such as the Kennedy Commission, regarding best practices adopted by other local jurisdictions that could provide insights for the City in developing new standards for the redesignated zones.

2008-2014 Objective: Redesignate sites to accommodate at least 163 units at 30 units per acre, with half of these designated for exclusive residential use. Complete rezoning by June 2009.

15. Alternative Sites Option – Purchase of Affordability Covenants

As detailed in the Residential Sites section of the Housing Element and Technical Report Appendix, the Cypress Redevelopment Agency has committed to providing financial assistance to buy down affordability and extend the affordability term on 80 units in the 170 unit Tara Village Apartments. Affordability covenants will be structured to provide RHNA credits as follows: 14 of the project's units not currently available at very low income rents will be covenanted for very low income households for a period of 55 years. The Agency is interested in providing assistance to purchase affordability covenants in other existing rental housing, pending the availability of funds.

2008-2014 Objective: By December 2008, enter into a legally enforceable agreement for \$6.8 million in committed assistance to purchase affordability covenants for 14 very low income units in Tara Village apartments. Report to HCD on the status of purchasing affordability covenants no later than July 1, 2010, and to the extent an agreement is not in place, amend the Housing Element as necessary to identify additional sites.

REMOVING GOVERNMENTAL CONSTRAINTS

Under current State law, the Cypress Housing Element must address, and where legally possible, remove governmental constraints affecting the maintenance, improvement, and development of housing. The following programs are designed to mitigate government constraints on residential development and facilitate the development of a variety of housing.

16. Affordable Housing Density Bonus

The Cypress Zoning Code (Section 9, Division 3) sets forth provisions for density bonuses and other incentives in return for guarantees of affordable dwelling units in new construction. Prospective developers are provided with a list of standards for density bonus projects in the City, including tenant/owner income requirements, rent/mortgage limits, length of affordability, and

requirements that affordable units be of comparable quality to market rate units in the project; these standards are enforced through a Density Bonus Agreement which serves as a contract between the City and the developer.

Cypress last updated its density bonus provisions in November 2004 as a means of implementing State density bonus law. However, when the State legislature passed SB 1818 (effective January 2005), major changes were made to State density bonus requirements, including significantly reducing the number of affordable units that a developer must provide to receive a density bonus. Current provisions allow for density bonuses and additional incentive(s) for projects which provide 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 for housing for older persons; 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. Eligible projects may also 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 these incentives, State law now provides for the following reduced parking ratios at the request of the developer: 1 space for 0-1 bedroom units, 2 spaces for 2-3 bedroom units, and 2½ spaces for four or more bedrooms (inclusive of handicapped and guest parking) .

2008-2014 Objective: Amend the City's existing density bonus provisions by June 2009 to reflect current State requirements.

17. Zoning Ordinance Revisions

As part of the Governmental Constraints analysis for the Housing Element update, several revisions to the Cypress Zoning Code were identified as appropriate to better facilitate the provision of a variety of housing types:

- Add transitional housing and supportive housing within the code's definition section, and list as permitted uses within residential zone districts.
- Identification of emergency shelters as a permitted use in the Commercial **Mixed Use (CM) District of the Lincoln Avenue Specific Plan.**

Emergency shelters will be subject to the same development and management standards as other permitted uses in Industrial zones, as summarized in the Constraints section of the Housing Element Technical Report. In addition, the City will develop written, objective standards for emergency shelters to regulate the following, as permitted under SB 2:

- Maximum number of beds/persons permitted to be served nightly and length of stay;
- Off-street parking based on demonstrated need;
- Size/location of exterior and interior onsite waiting and client intake areas;
- Provision of onsite management;
- Proximity of other emergency shelters;
- Lighting and security during hours that the emergency shelter is in operation.

The City will also review the existing second unit program to ensure that the CUP criteria for larger units is only ancillary to the ministerial consideration required by Chapter 1062. In addition the City will revise the SRO development standards, if necessary, to ensure that SRO development is facilitated and encouraged.

2008-2014 Objective: Amend the zoning ordinance by June 2009 to make explicit provisions for transitional and supportive housing, and emergency shelters. Develop objective standards to regulate emergency shelters as provided for under SB 2. Review the second unit CUP requirement for larger units by June 2009. Review and revise, if necessary, the SRO development standards by June 2009.

18. Efficient Project Processing

The Cypress Community Development Department has a streamlined review process. Residential projects in Cypress generally receive concurrent processing and are governed by one decision-making body, thereby shortening review time and minimizing related holding costs. Nonetheless, a policy for priority processing of affordable housing project applications can assist in keeping project holding costs low.

2008-2014 Objective: The City will continue to offer streamline development processing for affordable housing developments.

PROMOTING EQUAL HOUSING OPPORTUNITIES

To adequately meet the housing needs of all segments of the community, the housing plan must include program(s) that promote housing opportunities for all persons regardless of race, religion, sex, family size, marital status, ancestry, national origin, color, age, or physical disability.

19. Fair Housing Program

The City uses the services of the Orange County Fair Housing Council for fair housing outreach and educational information, fair housing complaints, tenant/landlord dispute resolution, and housing information and counseling. The role of the Council is to provide services to jurisdictions, agencies, and the general public to further fair housing practices in the sale or rental of housing. Cypress advertises the fair housing program through placement of fair housing services brochures at public facilities including City Hall, the Cypress Community Center, the library; contact information on the City's website; and through the City's quarterly newsletter.

2008-2014 Objective: The City will continue to promote fair housing practices, and provide educational information on fair housing to the public. The City will refer fair housing complaints to the Orange County Fair Housing Council.

20. Accessible Housing

Cypress will adopt a reasonable accommodation procedure to encourage and facilitate the provision of housing for persons with disabilities including, but not limited to, procedures for the approval of group homes, accessibility improvements and ADA retrofit projects. The process for adopting a reasonable accommodation procedure will involve an evaluation of the zoning code and other applicable codes for compliance with fair housing laws. The adopted reasonable accommodation procedure may include measures that provide flexibility in development standards and land use controls, reduced processing times, expedited plan checks and public education/outreach efforts.

2008-2014 Objective: Adopt and implement a reasonable accommodation procedure by 2009; 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 Community Development Department's public counter.

**Table HOU-7
HOUSING IMPLEMENTATION PROGRAM SUMMARY**

Housing Program	Program Goal	2008-2014 Objective/ Time Frame	Funding Source	Responsible Agency
Conserving the Existing Supply of Affordable Housing				
1. Home Enhancement Loan Program (HELP II)	Assist low and moderate income homeowners with the improvement of their homes.	Provide rehabilitation assistance to 60 households. Apply to County on an annual basis for CDBG funds to supplement program funding. Explore entitlement city status for CDBG funds.	Redevelopment Set-Aside Funds; CDBG	Community Development Department; OC Community Services
2. Acquisition and Rehabilitation of Apartment and Motel Properties	Upgrade deteriorating apartment buildings and motels, and provide affordable rental housing.	Survey deteriorated properties (2009). Contact property owners and develop priority list (2010). Partner with non-profits to acquire and rehabilitate at least 1 property (2013).	Redevelopment Set-Aside Funds; HOME; Other Funds	Community Development Department; OC Community Services
3. Code Enforcement Program	Bring substandard units into compliance with City codes.	Continue to operate the Code Enforcement Program.	General Fund	Community Development Department
4. Neighborhood Improvement Program	Provide assistance for neighborhood improvement and clean-up projects.	Implement the Lemon-Lime Neighborhood Improvement Plan. Continue to sponsor neighborhood clean-up events. Provide information on rehab assistance.	General Fund; CDBG	Community Development Department; OC Community Services
5. Section 8 Rental Assistance Program	Provide rental subsidies to very low-income households.	Continue current levels of rental assistance and direct eligible households to the County program.	HUD	Orange County Housing Authority
6. Mobile Home Park Preservation Program	Preserve Cypress' two mobile home parks	Maintain mobile home park zoning and General Plan designations. Provide tenants information on MPROP resources as appropriate and meet annually with residents and property owners.	General Fund; MPROP	Community Development Department
7. Rent Deposit Guarantee Program	Help income-qualified renters residing in motels to cover the initial "upfront" costs of securing an apartment.	Research similar emergency rental assistance programs (2009). Evaluate partnerships with non-profits and funding options (2010).	CDBG; Redevelopment Set-Aside Funds; Other	Community Development Department
Assisting in the Provision of Housing				
8. Inclusionary Housing Policy	Integrate affordable units within market rate developments within the Redevelopment Project Area.	Continue to implement Policy to achieve affordable units, and generate in-lieu fee revenues.	Redevelopment Set-Aside Funds; Affordable Housing Trust Funds	Community Development Department
9. Affordable Housing Development Assistance	Facilitate affordable housing development by for-profit and non-profit housing developers/ corporations.	Continue to provide financial and regulatory incentives to private developers. Use assistance to encourage affordable housing for larger households; lot consolidation; and mixed-use.	Redevelopment Set-Aside Funds; Housing Trust Fund	Community Development Department

**Table HOU-7 Continued
HOUSING IMPLEMENTATION PROGRAM SUMMARY**

Housing Program	Program Goal	2008-2014 Objective/ Time Frame	Funding Source	Responsible Agency
10. First-Time Homebuyer Program	Expand homeownership opportunities for lower and moderate income homebuyers.	Evaluate increasing loan limits under the HELP I Program. Assist 30 first time homebuyers.	Redevelopment Set-Aside Funds	Community Development Department
11. Mortgage Credit Certificate (MCC)	Expand homeownership opportunities for lower and moderate income homebuyers.	Upon reinitiation of program, provide informational brochures at City Hall and on website, and market with City homebuyer assistance.	Federal Tax Credit	Orange County Community Development Commission
12. Sustainability and Green Building	Promote sustainable design and green building in new and existing development	Adopt a Citywide Green Building program by 2009 and evaluate requiring green building standards for Agency-assisted projects.	General Fund; Redevelopment Set-Aside Funds	Community Development Department
Providing Adequate Residential Sites				
13. Residential and Mixed-Use Sites Inventory	Provide adequate sites for future housing development	Maintain a current inventory of residential and mixed-use sites and provide to developers along with information on available incentives.	General Fund	Community Development Department
14. Lincoln Avenue Specific Plan	Implement the Plan as the primary tool to provide sites for development of high density and mixed-use housing.	Amend the Specific Plan by June 2009 to increase allowable densities and permit residential uses by right within R30 district.	General Fund	Community Development Department
14a. Residential Redesignation Program	Provide adequate sites to address the City's RHNA shortfall in lower income units	By June 2009, redesignate sites to accommodate at least 163 units at 30+ units/acre, with half of these designated for exclusive residential use.	General Fund	Community Development Department
15. Alternative Sites Option – Purchase of Affordability Covenants	Purchase affordability covenants at Tara Village Apartments, structured to provide RHNA credit for 14 very low income units.	By December 2008, enter into a legally enforceable agreement for \$6.8 million in committed assistance to Tara Village.	Redevelopment Set-Aside Funds	Community Development Department
Removing Governmental Constraints				
16. Affordable Housing Density Bonus	Facilitate the development of mixed income housing projects by offering density and other incentives.	Amend the City's existing density bonus ordinance by 2009 to reflect current State requirements.	Redevelopment Set-Aside Funds (as necessary)	Community Development Department
17. Zoning Ordinance Revisions	Provide appropriate zoning to facilitate the provision of transitional and supportive housing, and emergency shelters.	Amend the Zoning Ordinance by June 2009 to make explicit, by right provisions for supportive and transitional housing and emergency shelters. Review both larger second unit CUP requirements and SRO development standards, revising if necessary by June 2009.	General Fund	Community Development Department

Housing Program	Program Goal	2008-2014 Objective/ Time Frame	Funding Source	Responsible Agency
18. Efficient Project Processing	Provide efficient development processing procedures.	Continue to offer stream-line development processing for affordable housing developments.	General Fund	Community Development Department
Promoting Equal Housing Opportunities				
19. Fair Housing Program	Further fair housing practices in the community.	Provide educational information on fair housing to the public. Refer fair housing complaints to the Orange County Fair Housing Council.	Outside Sources	Community Development Department; Orange County Fair Housing Council
20. Accessible Housing	Provide housing accessible to persons with disabilities.	Develop reasonable accommodation procedures by 2009. Disseminate information on city's website and at City Hall.	General Fund	Community Development Department

**Table HOU-8
SUMMARY OF 2008-2014 QUANTIFIED OBJECTIVES**

Income Category	New Construction (RHNA)	Rehabilitation ¹	Conservation ²
Extremely Low Income	49		
Very Low	49	21	145
Low	79	21	400
Moderate	89	18	
Above Moderate	185		
Total	451	60	445
¹ Includes single family rehab (21 very low, 21 low and 18 moderate income units) ² Includes Tara Village (26 very low and 40 low income units); 119 Section 8 voucher holders (very low income); and 360 mobile home park units (low income)			

GOALS AND POLICIES

The prior chapters of the Housing Element establish the housing needs, opportunities and constraints in the City of Cypress, as well as the Housing Plan and programs required to meet the City's long-range housing goals. This section of the Housing Element contains the goals and policies the City intends to implement to address a number of important housing-related issues, and will serve as a guide to City officials in daily decision-making. The following five issue areas are addressed by the goals and policies of this Element:

- Conserving and improving the condition of the existing stock of affordable housing;
- Assisting in the development of affordable housing;
- Providing adequate sites to achieve a diversity of housing;
- Removing governmental constraints, as necessary; and
- Promoting equal housing opportunity.

CONSERVING AND IMPROVING HOUSING STOCK (MAINTENANCE AND PRESERVATION OF HOUSING)

HOU-1: Increase the supply of sound housing at prices affordable by all segments of the community through the rehabilitation of substandard housing units.

HOU-1.1: Focus rehabilitation assistance in the City's rehabilitation target areas in order to create substantive neighborhood improvement and stimulate additional improvement efforts.

HOU-1.2: Continue to provide rehabilitation and home improvement assistance to low- and moderate-income households, seniors, and the disabled.

HOU-1.3: Preserve and improve the quality of affordable rental housing by providing rehabilitation and refinancing assistance to owners of rental properties.

HOU-1.4: Coordinate with non-profit housing providers in the acquisition and rehabilitation of older apartment complexes and motels, and maintain these as long-term affordable housing.

HOU-2: Maintain and improve the supply of sound, affordable housing in Cypress through the conservation of the currently sound housing stock and residential neighborhoods in the City.

HOU-2.1: Promote increased awareness among property owners and residents of the importance of property maintenance to long-term housing quality.

HOU-2.2: Conserve existing affordable rental housing through placement of long term affordability controls on assisted housing, and through provision of rent subsidies to buy down the cost of market rate units.

HOU-2.3: Encourage vigorous enforcement of existing building, safety, and housing codes to promote property maintenance, and bring substandard units into compliance with city codes.

HOU-2.4: Encourage retention of Cypress' two mobile home parks to provide a relatively affordable form of housing.

DEVELOPMENT OF AFFORDABLE HOUSING (HOUSING OPPORTUNITIES)

- HOU-3: Encourage the provision of a wide range of housing by location, type of unit, and price to meet the existing and future needs of Cypress residents. Establish a balanced approach to meeting housing needs of both renter and owner households.
 - HOU-3.1: Provide financial and/or regulatory incentives to facilitate the development of affordable housing.
 - HOU-3.2: Continue to require new and substantially rehabilitated housing within the merged and amended Redevelopment Project Area to set-aside a portion of units for lower and moderate income households through the Inclusionary Housing Policy. Only if that is not economically feasible, then allow for payment of an in-lieu fee, but this is considered the less desirable alternative.
 - HOU-3.3: Provide homeownership assistance to low- and moderate-income households.
 - HOU-3.4: Support the provision of affordable housing to accommodate large families.
 - HOU-3.5: Facilitate the development of senior housing with supportive services.
 - HOU-3.6: Require affordable housing units, except those for the elderly, to be dispersed throughout a project, and not grouped together in a single area.
 - HOU-3.7: Encourage use of sustainable and green building design in new and existing housing.
 - HOU-3.8: Encourage the inclusion of space for childcare in new housing developments, including affordable housing developments.

PROVISION OF ADEQUATE HOUSING SITES

- HOU-4: Provide adequate housing sites through appropriate land use, zoning, and specific plan designations to accommodate the City's share of regional housing needs.
 - HOU-4.1: Maintain an up-to-date inventory of potential sites available for future development, and provide to the development community. Within the merged and amended Redevelopment Project Area, provide assistance in land assembly in support of affordable housing.
 - HOU-4.2: Facilitate development of mixed-use projects within the Lincoln Avenue Specific Plan, including stand-alone residential development (horizontal mixed-use) and housing above ground floor commercial uses (vertical mixed-use).
 - HOU-4.3: Consistent with State law, provide opportunities for additional rental housing by allowing second units within single-family districts.
 - HOU-4.4: Ensure compatibility of new residential development with existing

development to enhance the City's residential neighborhoods.

REMOVAL OF GOVERNMENTAL CONSTRAINTS

- HOU-5: Mitigate any potential governmental constraints to housing production and affordability.
 - HOU-5.1: Offer regulatory incentives and concessions, including density bonuses, to offset or reduce the costs of developing affordable housing.
 - HOU-5.2: Monitor all regulations, ordinances, departmental processing procedures, and residential fees related to rehabilitation and/or construction to assess their impact on housing costs, and revise as appropriate, to ensure that they do not constrain housing development.
 - HOU-5.3: Maintain the City's expedited and coordinated permit processing system.
 - HOU-5.4: Provide priority development review processing for low and moderate income housing applications.
 - HOU-5.5: Amend the City's Zoning Code to permit the following uses by right: supportive housing, transitional housing, and emergency shelters.

EQUAL HOUSING OPPORTUNITY (ACCESSIBILITY OF HOUSING)

- HOU-6 Promote equal opportunity for all residents to reside in the housing of their choice.
 - HOU-6.1: Continue active support and participation with the Orange County Fair Housing Council in the provision of fair housing services and tenant/landlord mediation.
 - HOU-6.2: Address the special housing needs of persons with disabilities through provision of supportive housing, homeowner accessibility grants, and adoption of reasonable accommodation procedures.
 - HOU-6.3: Encourage the provision of adequate housing to meet the needs of families of all sizes.
 - HOU-6.4: Support continued efforts to implement the Orange County Continuum of Care program for the homeless and persons and families at-risk of homelessness.