

# IX. 2014-2021 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 along the Lincoln Avenue commercial corridor. Further, with the adoption of a specific plan for this area, Lincoln Avenue continues to be a focus for mixed-use and residential development. The former Cypress Redevelopment Agency, prior to the dissolution of Redevelopment by the State legislature, had been actively involved in the provision of housing, and assisted in the development of both ownership and rental housing affordable to low- and moderate-income households.

The Cypress 2014-2021 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 fulfill 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 law requires the 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, 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 Plan 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 among the elements.

## RELATED PLANS AND PROGRAMS

A number of local and regional plans and programs relate to the Housing Element. Descriptions of these plans are as follows.

**Regional Housing Needs Assessment (RHNA):** California 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 that might reasonably be expected to reside in the jurisdiction in the future.

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 2014-2021 RHNA adopted by SCAG and OCCOG has identified the 2014-2021 future housing need for Cypress as **308 units**, including 121 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.

## PUBLIC PARTICIPATION

Section 65583(c)(5) of the Government Code states that “local government shall make a diligent effort to achieve public participation of all economic segments of the community in the development of the housing element, and the program shall describe this effort.” Opportunities for community stakeholders to provide input on housing issues and recommend strategies are critical to the development of appropriate and effective programs to address the City’s housing needs.

The City sought input from the public at a community workshop conducted on April 22, 2013. 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 and special needs populations; business organizations; realtors; and adjacent jurisdictions. The City’s efforts generated attendance of approximately a dozen interested parties at the community workshop. This attendance was relatively high for a community meeting in Cypress and representatives of local affordable housing and disabilities nonprofit groups. Copies of the meeting notification, distribution list, and sign-in sheet are included in an Appendix to the Technical Report (General Plan Appendix H).

At the 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. The following issues and questions were raised by members of the public and City Council members presiding over the meeting, as well as in additional correspondence:

- When HCD is reviewing housing grant applications, do they consider whether a city has complied with its Housing Element goals?

- A representative from the Regional Center mentioned that approximately 244 developmentally disabled persons in Cypress receive services, including 34 individuals in group homes in the City.
- A representative from the Kennedy Commission commended the City for its efforts to meet the community's housing needs. She said rents continue to increase, and new housing opportunities are always needed. She suggested that more projects take advantage of low-income housing tax credit financing.
- A Councilman asked what factors might possibly be behind the decline in female-headed households in Cypress (between 2000 and 2010).

Each of these issues has been addressed in the Housing Element analysis, policies, and programs.

The City also holds both a public meeting and a public hearing annually as part of its 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.

Copies of the Housing Element have been made available for public review throughout the community, including City Hall, the local library, and on the City's website. 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. The draft Housing Element is available on the City's website at [www.ci.cypress.ca.us](http://www.ci.cypress.ca.us).

Upon review of the draft Housing Element by the State Department of Housing and Community Development (HCD), the City Council will conduct a hearing prior to adoption. Notification of the public hearing is published in The Event News in advance of the hearing, and is also posted at the Cypress Community Center, the Police Department 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 2014-2021 Housing Element Technical Report (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.

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

Housing Availability		Housing Affordability	
Overcrowded Households	589	Overpaying Households	6,367
Renter	464	Renter	2,399
Owner	125	Owner	3,968
Housing Age		Special Needs Households/Persons	
Age of Housing Structure		Elderly Households	3,540
0-29 years	20%	Disabled Persons	4,982
30-49 years	71%	Large Households	2,317
50+ years	9%	Female-Headed Households with Children	812
Source: 2010 U.S. Census and 2006-2010 American Community Survey.			

### HOUSING AVAILABILITY

According to the California Department of Finance, in 2010, there were an estimated 16,647 housing units in the City. A majority of the units (77 percent) are attached or detached single-family homes. Multi-family development comprised about 20 percent of the housing stock, with mobile homes making up the remaining three percent. According to the 2010 Census, 72 percent of households in Cypress were owner occupied, demonstrating a slight increase from 69 percent in 2000. The homeownership rate continues to be higher than the countywide homeownership rate of 59 percent.

Over the last decade, Cypress has experienced an active housing resale market. A total of 395 homes and condominiums were sold in Cypress during calendar year 2011. About 80 percent of the sales were single-family homes with a median sales price of \$395,000, reflecting a decrease in sales price of 30 percent since adoption of the 2008-2014 Housing Element. The median price of a condominium was reported at \$215,000, a 50 percent reduction from the prices reported during the 2008-2014 planning period.

Rental costs in Cypress range from \$950 to \$1,850 per month for a two-bedroom apartment, and \$1,725 to \$2,100 for a three-bedroom apartment. Of the 50 units advertised for rent in the spring of 2012, 90 percent were apartments or condominiums. While condos and apartments are often not as large as single-family homes, they are likely to provide units suitable to accommodate larger households at a more affordable cost.

Overcrowding is another indicator of housing availability. The U.S. Census defines overcrowding as households with more than 1.01 persons per room, excluding kitchens, bathrooms and porches. According to 2006-2010 American Community Survey estimates, there were approximately 589 overcrowded households (4 percent) in Cypress in 2010, a decrease from 11 percent as reported in 2000. While rental units comprise only one-third of the City's housing stock, four-fifths of the City's overcrowded households are rentals. Approximately 25 percent of Cypress' overcrowded households were identified as severely overcrowded, defined as more 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 for households to overpay for housing based on this definition. 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.

Based on 2006-2010 American Community Survey estimates, 40 percent (6,637) of households in Cypress were overpaying for housing, about 6 percent below the level of overpayment county-wide. Like overcrowding, overpayment is far more concentrated among the City's renter households, with 54 percent overpaying, compared to 36 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 2012 median sales price of approximately \$395,000 for a single-family home and \$215,000 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 local rental housing, households earning moderate incomes can afford all rental options available in Cypress, and even many low-income households can afford to rent. 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

As a general rule, when a housing unit reaches 30 years in age, major rehabilitation improvements begin to become necessary. According to 2006-2010 American Community Survey estimates, approximately 80 percent of the City's housing stock is more than 30 years old. As Cypress is almost entirely built out, fewer new units are being constructed. Between 2000 and 2010 approximately 624 units (or 4 percent) were added to the housing stock. Among owner-occupied housing, 81 percent of the units were constructed prior to 1980, with an additional five percent constructed in the 1980s. Similarly, 75 percent of renter housing units are greater than 30 years in age. In total, approximately 13,000 units are at an age where ongoing housing improvements are 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 pre-1980 neighborhoods.

## **SPECIAL NEEDS**

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

### **Elderly**

Approximately 13 percent (6,161) of the City's population in 2010 was 65 years of age and older in 2010, a slight increase from the 11 percent (4,879) in 2000. Of Cypress' seniors, approximately 3 percent are living below the U.S. poverty level, a 2 percent decrease from 2000. Other Census statistics indicate that 22 percent of the City's households were headed by an elderly person, representing approximately 3,540 senior households. As the 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 limit their ability to earn adequate income. The 2010 Census indicates that approximately 10 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 39 percent of the City's disabled population. Additionally, according to information provided by the Regional Center of Orange County, in 2012 there were approximately 240 individuals with a developmental disability (1.5 percent of the total population) actively utilizing services. There will consistently be a need for housing to accommodate elderly and disabled residents in the City.

### **Large Households**

Cypress has an estimated 2,317 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 2,166 female-headed family households, accounting for about 14 percent of all households. This is a significant decrease (57 percent) from 5,104 female-headed households reported in 2000. Approximately 37 percent of these female-headed families have dependent children less than 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 2011 reported 29 homeless children and youth in the schools, an increase from the 7 reported in 2007.

## RESIDENTIAL SITES TO ADDRESS REGIONAL 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) process, the Southern California Association of Governments (SCAG) has determined the projected housing need for its region for the 2014-2021 Housing Element cycle, and has allocated this housing need to each jurisdiction by income category. The RHNA represents the minimum number of housing units for which each jurisdiction is required to provide “adequate sites” for through zoning. For Cypress, the RHNA has been established at 308 new units, to be distributed among the four income categories as shown in **Table HOU-2**.

**Table HOU-2**  
**Regional Housing Needs Assessment (RHNA) 2014-2021**

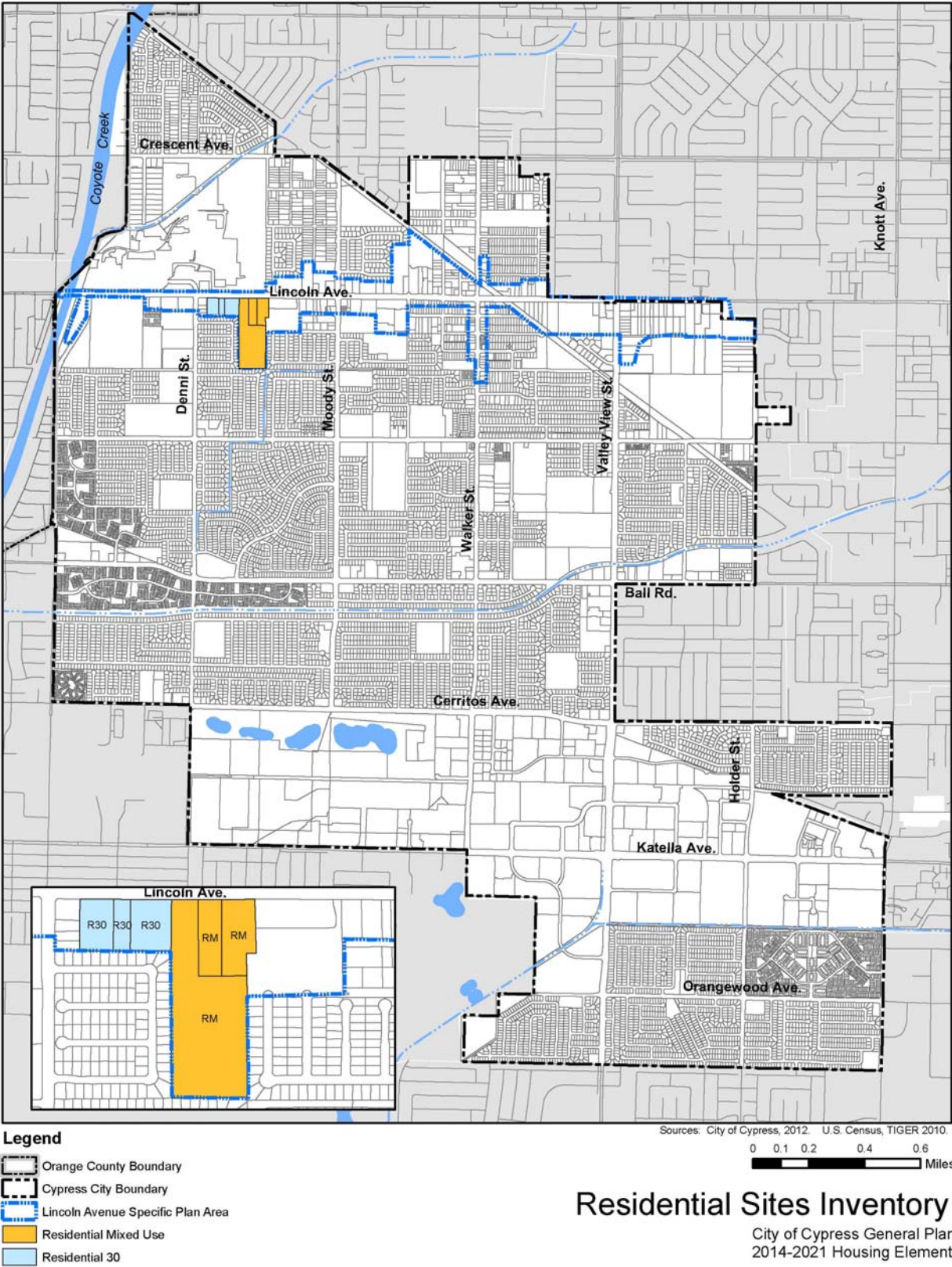
Income Level	Percent AMI	Units	Percent of RHNA
Very Low	0-50%	71	23.1%
Low	51-80%	50	16.2%
Moderate	81-120%	56	18.2%
Above Moderate	120%+	131	42.5%
		<b>308</b>	<b>100%</b>

Pursuant to State law, jurisdictions are required to present a detailed sites inventory identifying specific parcels available to accommodate their specific RHNA allocation. For the 2008-2014 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. For the 2014-2021 planning period, the City has revised the sites inventory to select key sites that were not developed or recycled during the previous planning period and that are likely to support construction of new housing units during the 2014-2021 timeframe. The specific parcels included in the 2014-2021 sites inventory are listed in **Table HOU-3** and shown in **Exhibit HOU-1**.

**Table HOU-3**  
**Residential Sites Inventory**

Site Address (APN)	Zoning	Permitted Density	Acres	Potential Dwelling Units*
<b>UNDERUTILIZED SITES</b>				
4574 Lincoln Ave (244-351-03)	PC – Lincoln (R30)	30 du/acre	0.89	26 units
4552 Lincoln Ave (244-351-23)	PC – Lincoln (R30)	30 du/acre	1.77	53 units
4604 Lincoln Ave (244-351-24)	PC – Lincoln (R30)	30 du/acre	2.13	64 units
4620 Lincoln Ave (244-361-03)	PC – Lincoln (RM)	30 du/acre	1.82	54 units
4656 Lincoln Ave (244-351-04)	PC – Lincoln (RM)	30 du/acre	11.56	346 units
4674 Lincoln Ave (244-361-24)	PC – Lincoln (RM)	30 du/acre	2.44	73 units
<b>TOTAL AVAILABLE SITES/CAPACITY</b>			<b>20.6</b>	<b>616 units</b>
Source: City of Cypress Land Survey, May 2012				
*Note: The potential number of dwelling units for each site assumes that 100% of the identified acreage will accommodate residential development.				

Exhibit HOU-1  
Residential Sites Inventory



As indicated in **Table HOU-3**, a total of 616 units can be accommodated on underutilized parcels under current General Plan and zoning designations. Given that limited vacant land exists in the City, the majority of future residential development in Cypress will occur through intensification in multi-family neighborhoods and via residential infill and mixed use along Lincoln Avenue, in conformance with the Lincoln Avenue Specific Plan.

The Lincoln Avenue Specific Plan, adopted in 1999, was written to encourage both higher density multi-family residential and mixed-use development as a means of stimulating pedestrian and transit-oriented activity along this street. The original Specific Plan, zoned Planned Community (PC), separated the corridor into four districts: 1) Residential Mixed Use (RM), 2) Commercial Mixed Use (CM), 3) Campus Village (CV), and 4) Downtown (D). Following the adoption of the 2008-2014 Housing Element, the City was required to identify and rezone sites within the Lincoln Avenue Specific Plan area to allow up to 30 dwelling units per acre, in compliance with State law (AB 2348). In November of 2009, the City Council adopted Ordinance 1111 and Resolution 6168 to amend the Specific Plan to create the new R30 Residential District within the PC Zone. The Council also amended the RM Residential Mixed Use district to allow up to 30 dwelling units per acre. The location of the rezoned parcels is illustrated in Exhibit HOU-1.

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.

To accommodate the 2014-2021 RHNA allocation of 308 units, the City has identified six specific parcels designated RM Residential Mixed Use and R30 Residential within the PC Planned Community Zone - Lincoln Avenue Specific Plan area. As indicated in **Table HOU-3**, these parcels totaling approximately 20.6 acres could accommodate up to 616 units if developed at the maximum density of 30 dwelling units per acre. Pursuant to AB 2348, parcels identified as part of the new R30 district are designated for residential use only, can accommodate developments of 16 or more units, and allow residential development by right. These exclusively residential sites provide opportunities for development of 143 units, exceeding the 121 units needed to address the City's RHNA for the lower-income housing categories.

The amended Residential Mixed Use (RM) district in the PC-Lincoln zone allows mixed-use development with residential uses at 30 units per acre by right. These sites provide opportunities for 473 units. To calculate the unit capacity for parcels in the RM District, the City assumes that 100% of the site will be developed with residential uses. Within the Lincoln Avenue Specific Plan, the development standards and design guidelines permit 100% housing development and specifically encourage residential developments in the RM District. Historically throughout the corridor, developments completed after the adoption of the Specific Plan were either 100% commercial or 100% residential per individual site within the mixed-use districts. Per the market trends, the majority was 100% residential and the City anticipates this trend to continue. Furthermore, to date all of the recycled sites located in the RM District have been developed entirely with residential uses.

To further encourage the development of market rate and affordable housing, the Specific Plan provides a range of development incentives for residential projects (Section 7.3.1):

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

Since 2006, a number of actual projects have been approved and developed within the Lincoln Avenue Specific Plan area. Actual densities in developed projects vary based on the product type, and range from 13 units per acre for a detached condominium project, 15 to 22 units per acre for attached condominiums, and 55 units per acre for senior apartments.

## AVAILABILITY OF PUBLIC SERVICES AND FACILITIES

The City's 2001 General Plan indicates that adequate total infrastructure capacity is available 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, and electric and gas lines. As documented in the Housing Element Technical Report, none of the sites identified for residential development is affected by environmental constraints that would impact development.

## DESCRIPTION OF HOUSING PLAN

This section first evaluates the accomplishments of the 2008-2014 Housing Element and then presents the City's housing program strategy for the 2014-2021 planning period.

## EVALUATION OF ACCOMPLISHMENTS UNDER ADOPTED HOUSING ELEMENT

The City's 2008-2014 Housing Element was adopted on October 27, 2008. It set forth 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;
- Removal of 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 2006.

Table HOU-4  
REVIEW OF ACCOMPLISHMENTS UNDER 2008-2014 HOUSING ELEMENT

Housing Program/Policy	Accomplishments
<b>CONSERVING THE EXISTING SUPPLY OF AFFORDABLE HOUSING</b>	
<p><b>1. Single-Family Rehabilitation - Home Enhancement Loan Program (HELP II) and County CDBG Rehabilitation</b></p> <p><u>Action:</u> Assist low- and moderate-income single-family homeowners with the improvement of their homes.</p> <p><u>Goal:</u> Provide rehabilitation assistance to 10 low- and moderate-income households annually and 60 over the planning period using CDBG and RDA funds. Explore becoming an entitlement City to allow for the direct allocation of CDBG funds.</p>	<p><u>Progress:</u> Since 2006, the City has assisted 60 homeowners through the HELP II program. The City researched the possibility of becoming a CDBG entitlement jurisdiction; however to qualify a jurisdiction must have a population of 50,000 residents and Cypress is still slightly under the threshold with a population of 48,273 according to Department of Finance 2012 estimates.</p> <p><u>Effectiveness:</u> The City met its housing rehabilitation goal by 2011 and exceeded its goal by the end of the planning period. There is continuous demand for the program.</p> <p><u>Appropriateness:</u> As the City's housing stock ages, this program remains appropriate to continue to provide assistance to low and moderate income homeowners with units in need of rehabilitation. Since County CDBG funds are competitive, the City previously supplemented the program with Redevelopment (RDA) funds. As RDA funding is no longer available, the City anticipates reducing the number of loans administered during the next planning period.</p>
<p><b>2. Acquisition and Rehabilitation of Motel and Apartment Properties</b></p> <p><u>Action:</u> Upgrade deteriorating and substandard hotel and rental properties.</p> <p><u>Goal:</u> Undertake a land use survey to identify apartments and motels in need of rehabilitation by September 2009. Initiate discussions with property owners and identify priority properties for acquisition, rehabilitation and conversion 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.</p>	<p><u>Progress:</u> During the planning period, the City pursued implementation of the recommendations outlined in the comprehensive Action Plan for Lincoln Avenue. Some specific actions undertaken during the planning period have included: 1) pursuit of targeted infill housing developments on underutilized parcels along the corridor with the negotiation of an affordable component to the residential proposals; 2) discussion with owners of key commercial parcels along the corridor to assess their interest in the pursuit of property upgrades; 3) pursuit of the acquisition of strategic properties to facilitate future commercial and residential redevelopment opportunities; 4) dialog with Cypress College representatives to explore possible City/College partnership opportunities in conjunction with the establishment of residential and/or commercial land use development at the College; and 5) examination of reuse options for the motels present along the Corridor.</p> <p><u>Effectiveness:</u> One apartment project, Tara Village, with 170 affordable rental units, was rehabilitated by a private developer using outside funding sources (bond financing) in 2004, and affordability covenants on 80 units were purchased by the City's Redevelopment Agency in 2009 to preserve the units for low- and very low-income families until 2064.</p> <p><u>Appropriateness:</u> Given the elimination of the City's Redevelopment Agency and the State taking of housing set-aside funds (unless new legislation is passed to preserve all or a portion of the funds), this program has been suspended and will not be continued as part of the 2014-2021 Housing Plan. The program can be revived if the City identifies an appropriate funding source.</p>

Housing Program/Policy	Accomplishments
<p><b>3. Code Enforcement</b></p> <p><u>Action:</u> Bring substandard units into compliance with City codes.</p> <p><u>Goal:</u> The City will continue to operate its Code Enforcement Program to stem housing deterioration and make appropriate referrals to the HELP II program.</p>	<p><u>Progress:</u> The City has maintained a proactive Code Enforcement Program. The City receives approximately 120 calls per month reporting violations, usually related to property maintenance issues. Of those complaints filed, approximately three to five per month represent more substantial health and safety code violations.</p> <p><u>Effectiveness:</u> The City's program has brought cited residential units into compliance with City codes.</p> <p><u>Appropriateness:</u> As the 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 HELP II rehabilitation program.</p>
<p><b>4. Neighborhood Improvement Program</b></p> <p><u>Action:</u> Provide assistance for neighborhood cleanup projects.</p> <p><u>Goal:</u> 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.</p>	<p><u>Progress:</u> In 2008, RDA staff, in partnership with Jamboree Housing Corporation (JHC), completed preparation of a neighborhood improvement plan for the Lemon-Lime neighborhood located adjacent to Cypress College. Staff has pursued implementation of the recommendations in the Plan, including the complete resurfacing of the public streets and alleys in the neighborhood, provision of new handicap accessible curb ramps, pursuit of a loan program to assist with building rehabilitation and renovation, exploration of reuse opportunities for the "common parcel" located at the center of the community, and support of the property owner's efforts to revise and update the area's underlying Homeowners Association's Covenants, Conditions, and Restrictions (CC&amp;Rs). Most importantly, two buildings on the 6000 block of the Lemon-Lime neighborhood were rehabilitated through the Community Rental Rehabilitation Program. Additionally, 60 single-family homes were rehabilitated using HELP II funds.</p> <p><u>Effectiveness:</u> The Neighborhood Improvement Plan has focused the City's efforts within the Lemon-Lime neighborhood and allowed for specific action to be taken to rehabilitate the area.</p> <p><u>Appropriateness:</u> This program is coordinated with the City's Code Enforcement activity. It is appropriate to continue this program in coordination with the implementation of the Neighborhood Improvement Plan completed for the Lemon-Lime Neighborhood in 2009.</p>
<p><b>5. Section 8 Rental Assistance</b></p> <p><u>Action:</u> Provide rental subsidies to very low-income households.</p> <p><u>Goal:</u> Continue current levels of rental assistance and direct eligible households to the County program.</p>	<p><u>Progress:</u> In January 2008, 119 household in Cypress received Section 8 rental assistance. In 2012, 111 households received Section 8 rental assistance.</p> <p><u>Effectiveness:</u> The number of households receiving Section 8 rental assistance has decreased only slightly from the previous planning period. This is due to the limited number of Section 8 vouchers issued by the Orange County Housing Authority, as well as the limited availability of units to Section 8 clients at program qualifying rents. As rents increase in Cypress, available units are more difficult to find.</p> <p><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 as part of its County Partnership Program aimed at distributing information about key County programs available to assist renters and homeowners.</p>

Housing Program/Policy	Accomplishments
<p><b>6. Mobile Home Park Preservation</b>  <u>Action:</u> Preserve the long-term use of the two mobile home parks in Cypress.  <u>Goal:</u> Provide information on State Mobile Home Park Resident Ownership Program funding and assistance in preparing the application. Meet annually with mobile home park residents and property owners to understand current issues.</p>	<p><u>Progress:</u> Due to staffing constraints, the City has not been able to meet with tenants annually to discuss the program; however, both mobile home parks in the City have been rehabilitated and upgraded to accommodate double-wide as well as single-wide homes.  <u>Effectiveness:</u> While the City has not fully implemented the program as presented in the 2008-2014 Housing Element, the mobile home parks in Cypress are in good condition after voluntary, privately-funded upgrades were completed during the planning period. City Staff has facilitated communication between residents and property owners when issues have arisen during the planning period.  <u>Appropriateness:</u> As mobile home and manufactured housing is a viable source of affordable housing for families and senior residents, the City will continue to monitor the two mobile home parks. It is appropriate to provide information on the City's website and in public places in proximity to the parks on the State Mobile Home Park Resident Ownership Program and to try to meet periodically with tenants in the upcoming planning period to discuss any concerns.</p>
<p><b>7. Rent Deposit Program</b>  <u>Action:</u> Help income-qualified renters residing in motels to cover the initial "upfront" costs of securing an apartment.  <u>Goal:</u> 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.</p>	<p><u>Progress:</u> Implementation has been delayed, primarily due to the lack of funding. The City applied for but has been unsuccessful in obtaining additional CDBG funds from the County to date. The City analyzed its five-year Implementation Plan and has explored the potential to partner with local non-profit organizations to administer the program; however, funding has not yet come to fruition. The City acknowledges that this program requires a strong funding source and is assessing alternate funding options.  <u>Effectiveness:</u> This program has not yet been implemented.  <u>Appropriateness:</u> The program remains appropriate for the updated Housing Plan; however, given the elimination of the Redevelopment Agency and the competition facing non-profit organizations to secure funding, this program may be challenging to implement in the early part of the 2014-2021 planning period. The City will continue to pursue partnerships with non-profit organizations and alternate funding sources.</p>
<p><b>8. Inclusionary Housing Policy</b>  <u>Action:</u> Continue to implement the Policy to integrate affordable housing within market rate developments.  <u>Goal:</u> For all projects developed within the Redevelopment Project Area, the City will enforce the requirement of 15 percent inclusionary housing with six percent of the units reserved for very low-income households and nine percent reserved for low- or moderate-income households.</p>	<p><u>Progress:</u> During the 2008-2014 planning period, the City had 16 projects that were required to provide affordable units to comply with the Inclusionary Housing Ordinance. Of the 16 developments, 8 projects contained affordable units, including 100 very low-income and 138 low/moderate-income units. Of the new construction that has occurred in the City, approximately 17 percent of the units are restricted for lower-income households.  <u>Effectiveness:</u> The Inclusionary Housing Policy has been an effective tool for the creation of new affordable units in the City. The number of affordable units constructed that are reserved for lower-income households has exceeded the City's goal of 15 percent.  <u>Appropriateness:</u> This program will not be continued in the updated Housing Plan. With the dissolution of Redevelopment in California in 2011, this policy can no longer be applied within the context of Redevelopment Project Areas.</p>

Housing Program/Policy	Accomplishments
<p><b>9. Affordable Housing Development Assistance</b></p> <p><u>Action:</u> Provide land write-downs, regulatory incentives, and direct financial assistance to developers to provide both ownership and rental housing.</p> <p><u>Goal:</u> Continue to provide financial and regulatory incentives to private developers to increase the supply of affordable housing in Cypress.</p>	<p><u>Progress:</u> In fiscal year 2010-2011, an agreement was approved to transfer an Agency-owned property to Habitat for Humanity of Orange County to facilitate the development of the property with affordable townhomes reserved for low-income households. The project will result in the construction of 15 units, with five units affordable to very low-income and 10 units affordable to low- or moderate-income households. In addition, a funding agreement was approved to provide \$2.4 million in Agency funds to pay for comprehensive sewer improvements on Lincoln Avenue.</p> <p><u>Effectiveness:</u> The City has effectively utilized land and financial assets to assist developers to produce affordable units for very low-, low-, and moderate-income units.</p> <p><u>Appropriateness:</u> The program remains appropriate for the updated Housing Plan; however, given the elimination of the Redevelopment Agency, the program will be modified for the 2014-2021 planning period. The City will continue to pursue partnerships with non-profit organizations and alternate funding sources.</p>
<p><b>10. Home Equity Loan (HELP I)</b></p> <p><u>Action:</u> Expand homeownership opportunities for lower- and moderate-income homebuyers.</p> <p><u>Goal:</u> Provide assistance to 60 first-time homebuyers.</p>	<p><u>Progress:</u> Due to the elevated cost of housing in the area during the past several years, the program has been inactive as very few applicants who met the program's income-qualification requirements could qualify to purchase a home within the City. However, during fiscal year 2010-2011, one income-eligible first time homebuyer obtained a HELP I loan and purchased a home in the City.</p> <p><u>Effectiveness:</u> The number of loans provided is substantially less than the City's goal. The cost of purchasing a home, combined with a tightening of the lending market, has made it more difficult for income-qualified homebuyers to afford the purchase of their first home, even with the City's assistance.</p> <p><u>Appropriateness:</u> Given the elimination of the City's Redevelopment Agency and the State taking of housing set-aside funds (although pending legislation may restore some funding), this program has been suspended and will not be continued as part of the 2014-2021 Housing Plan. The program can be revived if the City identifies an adequate funding source.</p>
<b>ASSISTING IN THE PROVISION OF HOUSING</b>	
<p><b>11. Mortgage Credit Certificate (MCC)</b></p> <p><u>Action:</u> Expand homeownership opportunities for lower- and moderate-income homebuyers.</p> <p><u>Goal:</u> 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.</p>	<p><u>Progress:</u> No MCCs have been issued to homebuyers in the City since 2000, as the MCC Program was on hold for most of the planning period.</p> <p><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.</p> <p><u>Appropriateness:</u> Though the MCC program is limited, it does provide an opportunity for lower-income households to become first-time home buyers. The City will continue this program as part of its County Partnership Program, aimed at distributing information about key County programs available to assist renters and homeowners.</p>

Housing Program/Policy	Accomplishments
<p><b>12. Sustainability and Green Building</b></p> <p><u>Action:</u> Provide monetary assistance when feasible to incorporate sustainable design features into new development.</p> <p><u>Goal:</u> The City will develop education materials regarding green building and provide them to homeowners and builders in Cypress by 2009. The City will evaluate implementing requirements for green building/sustainable design in Agency-assisted new construction.</p>	<p><u>Progress:</u> Due to staffing constraints, the City has not been able to fully implement this program. Cypress has, however, adopted the latest (2010) California Green Building Code, which incorporates the most recent (2006) International Building Code. The 2010 Building Code provides guidelines for the construction of energy efficient projects with elements of sustainable design and green building.</p> <p><u>Effectiveness:</u> As the City has not fully implemented the program as outlined in the Housing Plan, the effectiveness of the program can not be determined.</p> <p><u>Appropriateness:</u> To address the rising cost of housing and energy in the region, this program is appropriate to include in the 2014-2021 Housing Plan. The program will likely be modified to ensure implementation and to address the elimination of the City's Redevelopment Agency.</p>
<b>PROVIDING ADEQUATE RESIDENTIAL SITES</b>	
<p><b>13. Residential and Mixed-Use Sites Inventory</b></p> <p><u>Action:</u> Identify sites for future housing development.</p> <p><u>Goal:</u> 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.</p>	<p><u>Progress:</u> The City maintains and regularly updates an inventory of available and potential residential development sites.</p> <p><u>Effectiveness:</u> The City and Agency used this inventory to help direct interested developers to potential sites for housing.</p> <p><u>Appropriateness:</u> This program provides information to interested developers about potential residential sites. The City will update the inventory for the 2014-2021 planning cycle and continue to implement this program, without resources previously provided by the Redevelopment Agency.</p>
<p><b>14. Lincoln Avenue Specific Plan</b></p> <p><u>Action:</u> Amend the Specific Plan to increase permitted densities to a maximum of 30 units per acre within the existing RM (Residential Mixed-Use) district and creating a new, exclusively residential R30 (Residential) district.</p> <p><u>Goal:</u> Provide adequate sites to address the City's regional housing need of 451 units. Complete amendments by November 2009.</p>	<p><u>Progress:</u> In November 2009, the City approved Ordinance No. 1111 amending the Lincoln Avenue Specific Plan. As required by the previous Housing Plan, the Residential Mixed-Use district was amended to allow up to 30 dwelling units per acre, and a new R30 district was created allowing exclusively residential development up to 30 dwelling units per acre.</p> <p><u>Effectiveness:</u> The City effectively implemented the proposed amendments to the Specific Plan within the suggested timeframe.</p> <p><u>Appropriateness:</u> This program was created to address the City's RHNA allocation for the 2008-2014 planning period. As the City was able to implement the program during the planning period and there are adequate sites to meet the 2014-2021 RHNA allocation, this program is no longer needed in the Housing Plan.</p>
<p><b>14a. Amendment Program – RM (Residential Mixed-Use) District</b></p> <p><u>Action:</u> Amend the Specific Plan to increase permitted densities to a maximum of 30 units per acre within the existing RM (Residential Mixed-Use) district.</p> <p><u>Goal:</u> Complete amendments by November 2009.</p>	<p><u>Progress:</u> In November 2009, the City approved Ordinance No. 1111 amending the Lincoln Avenue Specific Plan to allow up to 30 dwelling units per acre in the existing Residential Mixed-Use district.</p> <p><u>Effectiveness:</u> The City effectively implemented the proposed amendments to the Specific Plan within the suggested timeframe.</p> <p><u>Appropriateness:</u> This program was created to address the City's RHNA for the 2008-2014 planning period. As the City was able to implement the program during the planning period and there are adequate sites to meet the 2014-2021 RHNA allocation, this program is no longer needed in the Housing Plan.</p>

Housing Program/Policy	Accomplishments
<p><b>14b. Residential Redesignation Program – R30 (Residential) District</b></p> <p><u>Action:</u> Establish a new R30 district of the Lincoln Avenue Specific Plan, and designate three parcels, totaling 4.8 acres, where exclusively residential development of a maximum 30 units per acre and a minimum of 20 units per acre is permitted by right.</p> <p><u>Goal:</u> Complete amendments by November 2009.</p>	<p><u>Progress:</u> In November 2009, the City approved Ordinance No. 1111 amending the Lincoln Avenue Specific Plan to create a new R30 district allowing exclusively residential development up to 30 dwelling units per acre.</p> <p><u>Effectiveness:</u> The City effectively implemented the proposed amendments to the Specific Plan within the suggested timeframe.</p> <p><u>Appropriateness:</u> This program was created to address the City's RHNA for the 2008-2014 planning period. As the City was able to implement the program during the planning period and there are adequate sites to meet the 2014-2021 RHNA allocation, this program is no longer needed in the Housing Plan.</p>
<p><b>15. Alternative Sites Option – Purchase of Affordability Covenants</b></p> <p><u>Action:</u> 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.</p> <p><u>Goal:</u> Report to HCD on the status of purchasing affordability covenants no later than July 1, 2010.</p>	<p><u>Progress:</u> In November 2008, the Cypress City Council approved an agreement with the owners of the Tara Village apartment complex to acquire long-term affordability covenants on a portion of the units in the development. In April 2009, an Affordable Housing Agreement was recorded, securing covenants on 40 very low-income units and 40 low-income units within the complex.</p> <p><u>Effectiveness:</u> The City more than exceeded its goal and has secured covenants on 80 units that will be reserved for lower-income households.</p> <p><u>Appropriateness:</u> Given the elimination of the City's Redevelopment Agency and the State taking of housing set-aside funds, this program will not be continued as part of the 2014-2021 Housing Plan. The program can be revived if the City identifies an adequate funding source.</p>
<b>REMOVING GOVERNMENTAL CONSTRAINTS</b>	
<p><b>16. Affordable Housing Density Bonus</b></p> <p><u>Action:</u> Facilitate the development of mixed-income housing projects.</p> <p><u>Goal:</u> Amend the City's existing density bonus provisions by November 2009 to reflect current State requirements.</p>	<p><u>Progress:</u> In January of 2010, the City Council approved Ordinance 1115 updating the Density Bonus Ordinance to be consistent with State law. Unfortunately, no projects have utilized the City's affordable housing density bonus incentive since 2006.</p> <p><u>Effectiveness:</u> This program provides opportunities for developers to increase density while creating affordable housing.</p> <p><u>Appropriateness:</u> This program is an effective way for new affordable housing to be developed within the community. The City's current ordinance is consistent with State law, and the program will be offered in the 2014-2021 Housing Plan.</p>
<p><b>17. Zoning Ordinance Revisions</b></p> <p><u>Action:</u> Amend the zoning ordinance by November 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.</p> <p><u>Goal:</u> Review and revise the Cypress Zoning Code to better facilitate the provision of a variety of housing types by June 2009.</p>	<p><u>Progress:</u> In November 2009, the Cypress City Council approved Ordinance No. 1110 revising the Zoning Ordinance to provide definitions for transitional and supportive housing consistent with the State Health and Safety Code definitions, and to permit these uses as "Community Care Facilities" within residential zoning districts subject to the same standards as other residential uses. The Zoning Ordinance and the Lincoln Avenue Specific Plan were also revised on October 26, 2009 to allow emergency homeless shelter by right in the Commercial Mixed Use District (CM) in the PC-Lincoln Zone.</p> <p><u>Effectiveness:</u> This program was implemented effectively within the suggested timeframe.</p> <p><u>Appropriateness:</u> This program addressed specific updates required to meet State requirements and was effectively implemented during the planning period. Thus, the program does not need to be included in the 2014-2021 Housing Plan.</p>

Housing Program/Policy	Accomplishments
<p><b>18. Efficient Project Processing</b>  <u>Action:</u> Provide efficient development processing procedures.  <u>Goal:</u> Continue to offer streamline development processing. Offer priority processing for affordable housing developments.</p>	<p><u>Progress:</u> The City has continued to offer streamlined development processing, including priority processing for affordable housing projects. During the planning period, two projects utilized this incentive: the Habitat for Humanity condominiums located at 6122 Lincoln Avenue and a condominium project located at 4851 Bishop Street.  <u>Effectiveness:</u> The City's existing process with only one decision-making body (City Council, not Planning Commission) and concurrent processing of related applications is relatively streamlined.  <u>Appropriateness:</u> The City will continue this program in the 2014-2021 Housing Plan.</p>
<p><b>19. Fair Housing Program</b>  <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 (OCFHC).</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. The City also provides informational handouts about the OCFHC in the Community Development Department lobby.  <u>Effectiveness:</u> This is an effective and efficient way for affected residents to obtain correct information regarding landlord/tenant regulations.  <u>Appropriateness:</u> The City will continue this program.</p>
<p><b>20. Accessible Housing</b>  <u>Action:</u> Cypress will adopt a reasonable accommodation procedure to encourage and facilitate the provision of housing for persons with disabilities.  <u>Goal:</u> 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.</p>	<p><u>Progress:</u> In 2013, the City adopted a reasonable accommodation policy to provide reasonable adjustments to its rules, policies, practices, and procedures to enable residents with a disability or developers of housing for people with disabilities to have an equal opportunity to access housing in the City.  <u>Effectiveness:</u> The City effectively implemented this program.  <u>Appropriateness:</u> This program is no longer needed in the Housing Plan.</p>

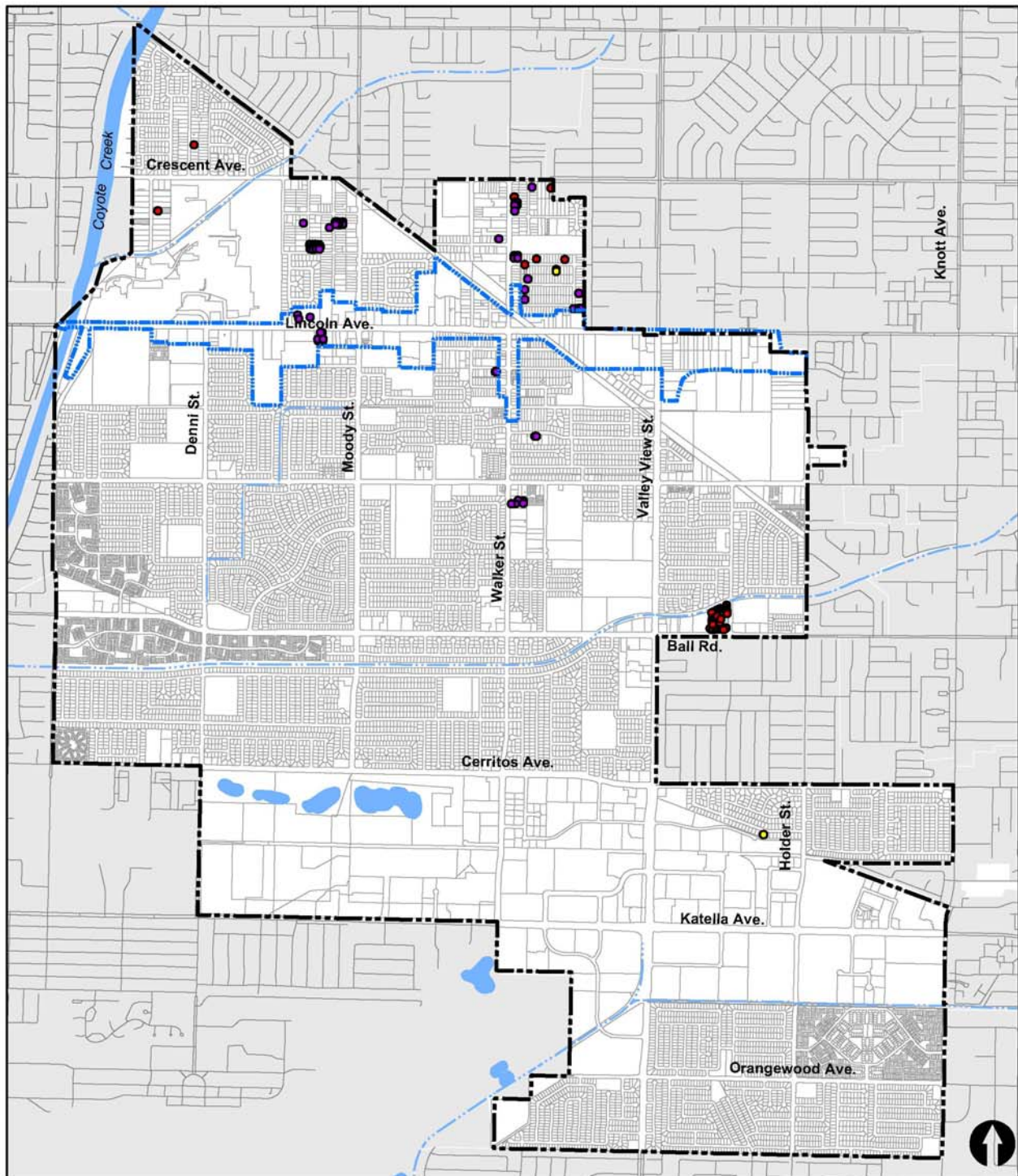
## SUMMARY OF HOUSING ELEMENT ACCOMPLISHMENTS

Since 2006, the City of Cypress has accomplished and made significant progress towards many of its housing goals. Major accomplishments include the following:

- Providing housing rehabilitation assistance to more than 60 low- and moderate-income homeowners through the HELP II program, funded by both local Redevelopment housing set-aside and County of Orange Community Development Block Grant funds.
- Approval of an agreement was made to transfer an Agency-owned property to Habitat for Humanity of Orange County, resulting in the construction of 15 units, with five units affordable to very low-income and 10 units affordable to low/moderate-income households.
- Enforcing the Inclusionary Housing Policy for the Redevelopment Agency, has created 238 affordable units in new housing developments, including 100 very low income and 138 low/moderate income units. All units have covenants requiring long-term affordability.
- Securing affordability covenants on 40 very low-income units and 40 low-income units within the Tara Village apartment complex located on Lincoln Avenue.
- Amending the Lincoln Avenue Specific Plan to allow up to 30 dwelling units per acre in the Residential Mixed-Use district and to create an R30 district that permits exclusively residential development up to 30 dwelling units per acre.
- Implementing Zoning Code amendments to allow for emergency shelters, transitional housing, and SRO units in zones appropriate to accommodate the specific uses, respectively.
- Providing efficient project processing, including priority processing for affordable housing projects which was utilized by two developers during the planning period.
- Continuing relationship with the Fair Housing Council of Orange County to provide information and technical advice to residents on landlord/tenant issues.
- Adopting reasonable accommodation procedures and providing relevant information on the City's website and at City Hall.
- Continuing the implementation of the neighborhood improvement plan for the Lemon-Lime neighborhood located adjacent to Cypress College, including goals, strategies, and recommendations to alleviate issues and concerns identified in the neighborhood.
- Continuing code enforcement of residential units.
- Providing one loan to first-time homebuyers through the HELP I program.
- Adopting an updated Density Bonus Ordinance to ensure consistency with State law.

During the prior planning period, a number of housing units have been constructed in Cypress, including units affordable to lower-income households. **Exhibit HOU-2** and **Table HOU-5** provide detailed information about the location and type of development that has occurred since 2006.

Exhibit HOU-2  
INVENTORY OF NEW RESIDENTIAL DEVELOPMENT



Legend

- Cypress City Boundary
- Lincoln Avenue Specific Plan Area
- Second Unit
- Single Family Attached
- Single Family Detached

Sources: City of Cypress, 2012 U.S. Census, TIGER 2010  
0 0.125 0.25 0.5 0.75  
Miles

New Residential Development

City of Cypress General Plan  
2014-2021 Housing Element

Table HOU-5  
UNITS CONSTRUCTED FROM JANUARY 2006 TO DECEMBER 2012

Year	Single Family Attached	Single Family Detached	Multi-Family 2-4 units	Multi-Family 5+ Units	Mobile Homes	Second Units	Total per year
2006	68	0	1	0	0	0	69
2007	65	4	4	0	0	0	73
2008	3	4	0	0	0	0	7
2009	21	10	0	0	0	1	32
2010	4	20	0	0	0	0	24
2011	13	1	0	0	0	1	15
2012	10	0	0	0	2	0	12
<b>Total</b>	<b>184</b>	<b>39</b>	<b>5</b>	<b>0</b>	<b>2</b>	<b>2</b>	<b>232</b>

Since 2006, a total of 232 new residential units have been constructed in Cypress, including 184 attached apartments or condominiums, 39 detached single-family homes, and 5 units in multi-family buildings. Two new units were added to the existing mobile home parks. Two second units were also constructed on single-family lots. **Table HOU-6** compares the City's accomplishments to the RHNA.

Table HOU-6  
2008-2014 REGIONAL HOUSING GROWTH NEEDS COMPARED TO UNITS CONSTRUCTED

Income Category	Regional Housing Needs (RHNA)	Number of New Units Constructed	Number of Units Rehabilitated <sup>1</sup>	Number of Units Conserved <sup>2</sup>
Very Low	98	7	15	151
Low	79	2	24	400
Moderate	89	13	5	0
Upper	185	210	0	0
<b>Totals</b>	<b>451</b>	<b>232</b>	<b>44</b>	<b>551</b>
<sup>1</sup> Includes 36 single-family homes assisted with HELP II funds and 8 apartment units assisted through the Lemon-Lime Neighborhood Improvement Program.				
<sup>2</sup> Includes Section 8 (111), mobile home units (360), and Tara Village covenants (80)				

## 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 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. 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-7**) included at the end of this section specifies for each program the following: eight-year objective(s), time frame, funding source(s), and agency responsible for program implementation.

The Housing Plan is focused on programs to provide a variety of housing types, including rental and ownership units, for each of the income categories: market rate, low-, very low-, and extremely low-income (<30% AMI) households. To achieve this, the City has prioritized funds for projects that include units for extremely low- and very low-income units. Generally, the City has a history of partnering with affordable housing developers to produce units affordable to a range of income levels. During the 2008-2014 planning period, the City provided developers with land write-downs, funding for infrastructure improvements, efficient project processing, density bonuses, and a number of other development incentives resulting in the creation of multiple affordable units.

The City historically has relied on Redevelopment housing set-aside revenues ranging from \$1.26 to \$1.5 million annually to support the development of affordable housing and the implementation of programs outlined in the Housing Plan. On December 29, 2011, the California Supreme Court ruled to uphold ABx1 26, which dissolved all Redevelopment Agencies (RDAs) in the State. A companion bill, ABx1 27, which would have allowed the RDAs to continue to exist, was declared invalid by the court. The courts decision required that all RDAs within California be eliminated no later than February 1, 2012. Per Resolution CRA 141, the City of Cypress Redevelopment Agency was dissolved as of January 23, 2012. The City was selected to be the Successor Agency responsible for all enforceable obligations owed. For the 2014-2021 planning cycle, the City is investigating new funding sources to utilize to continue administering its existing programs. However, the City must realistically identify programs that can be funded and has modified its programs accordingly for the 2014-2021 planning period.

## CONSERVING THE EXISTING SUPPLY OF AFFORDABLE HOUSING

Conserving and improving the existing housing stock is an important goal for Cypress. While most of the housing stock is in good condition, approximately 80 percent is 30 years or older, the age when most homes start to have rehabilitation needs. The City has a proactive 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 funds (which are no longer available as of 2012) and CDBG funds to assist extremely low-, 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 \$20,000 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 again 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 during this planning period.

***2014-2021 Objective:** Provide rehabilitation assistance to five households annually, with the goal of assisting 35 to 40 households over the planning period. Annually apply to the County for CDBG funds to fund the program. Monitor the City's population and apply to become an entitlement City to allow for the direct allocation of CDBG funds if the City population grows to 50,000 residents.*

### 2. Code Enforcement Program

The objective of the Code Enforcement Program is to bring substandard housing units into compliance with City codes. Cypress building inspectors work closely with the 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, for which they may be eligible; to correct code violations.

***2014-2021 Objective:** The City will continue to operate its Code Enforcement Program to stem housing deterioration and make appropriate referrals to the HELP II program.*

### 3. 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 four-plex developments built in the early 1960s. The former 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.

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: initiating 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.

*2014-2021 Objective: Continue to implement the Lemon-Lime Neighborhood Improvement Plan, providing a periodic report to the City Council assessing the progress of the implementation. Continue to sponsor neighborhood clean-up events, and explore developing a housing rehabilitation assistance program for the area.*

### 4. Orange County Partnership Program

As a means of further leveraging housing assistance, the City will cooperate with the Orange County Housing and Community Development department and Orange County Housing Authority to promote resident awareness and application for County-run housing assistance programs. These programs include:

- Mortgage Credit Certificate Program (MCC),
- Neighborhood Stabilization Program (NSP),
- Mortgage Assistance Program (MAP),
- Housing Choice Vouchers Program (HCV),
- Home Ownership Program (HOP), and
- Section 8 Rental Subsidies.

The County offers a variety of housing assistance programs that can supplement the City's current housing programs. As the City has little control over how the County's programs are administered, the City will be responsible for providing program information on the City's website and at City Hall.

*2014-2021 Objective: Increase resident awareness about housing programs offered by the County by advertising them on the City's website and by offering staff assistance at City Hall.*

### 5. Mobile Home Park Preservation

The two mobile home parks in Cypress contain 362 mobile home units. There are 306 spaces in the Lincoln Center Mobile Home Park and 56 spaces in the Lincoln Cypress Mobile Home Park. Mobile homes provide relatively affordable housing for many seniors and lower-income families,

and the City is interested in seeing these mobile home parks remain. The Cypress General Plan established a distinct mobile home park land use designation, and the Zoning Code provides for a 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, and local public agencies to acquire and own mobile home parks. The program offers short- and long-term three percent interest loans for the purchase or rehabilitation of a mobile home park.

***2014-2021 Objective:** Preserve the long-term use of the existing 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.*

## 6. Rental Deposit Program

While few visible homeless persons have been identified in Cypress, 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.

***2014-2021 Objective:** Continue to research similar rental assistance programs in the region and explore potential partnerships with non-profit organizations. Apply annually for additional CDBG funds and/or grants to fund the program.*

## 7. Alternative Housing Models

The City recognizes the changing housing needs of its population, including aging seniors and disabled residents (including the developmentally disabled) in need of supportive services. To meet such needs, the City can encourage the provision of more innovative housing types that may be suitable for the community, including community care facilities, supportive housing, and assisted living for seniors and the disabled. Assisted living facilities are designed for individuals needing assistance with activities of daily living but desiring to live as independently as possible for as long as possible. Such facilities bridge the gap between independent living and nursing homes, and offer residents help with daily activities such as eating, bathing, dressing, laundry, housekeeping, and assistance with medications. Assisted living can help to meet the housing and supportive services needs of Cypress' senior and disabled populations.

*2014-2021 Objective: The City will continue to provide appropriate standards to encourage development of senior housing to meet the needs of the growing senior population. These standards and alternative housing models will be addressed in discussions with developers. Additionally, the City will actively promote outside funding opportunities and regulatory incentives such as density bonuses and the HELP II program to offset the costs of providing affordable units. Further, the City will continue to permit community care facilities by right in residential zones pursuant to applicable State law.*

## ASSISTING IN THE PROVISION OF AFFORDABLE HOUSING

The following programs are aimed at addressing the overall need for the provision of both affordable homeownership and rental housing in Cypress. 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.

### 8. Affordable Housing Development Assistance

The City's Community Development Department plays an important role in facilitating development of affordable housing. City staff has worked with numerous developers over the years to provide land cost write-downs, regulatory incentives, and direct financial assistance to facilitate the development of both ownership and rental housing for extremely low-, very low-, low-, and moderate-income households. Historically, the focus of the former Redevelopment Agency was to expend funds to meet replacement and inclusionary obligations generated by new development in the Redevelopment Project Areas. As the Agency has been dissolved, the City has modified the program to focus on regulatory incentives, including modified or reduced development standards for projects that provide units affordable to lower-income households.

*2014-2021 Objective: The City will continue to provide regulatory incentives to private developers to increase the supply of affordable housing in Cypress.*

### 9. Second Unit Ordinance

Allowing for the development of second units on single-family lots offers a valuable affordable housing option to specific types of residents within the community. Second units can benefit seniors, students, and single persons who desire to live in a less dense setting. Allowing for second units can also provide property owners with a source of income which can benefit middle-class residents and elderly homeowners. Throughout the planning period, City staff will ensure that the second unit ordinance remains in compliance with State law and that development standards (including unit size, parking, fees and other requirements) are not arbitrary, excessive, or burdensome so as to unreasonably restrict the ability of homeowners to create second units in zones in which they are authorized by local ordinance. Staff will continue to administer and promote the second unit ordinance at City Hall and on the City's website.

*2014-2021 Objective: The City will develop and provide informational materials about the second unit ordinance at City Hall, on the City's website, and in other public places to increase awareness of this provision.*

### 10. 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 and cost savings, 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.

The City will review ordinances and recommend changes where necessary to encourage energy-efficient housing design and practices that are consistent with State regulations. The City will periodically distribute literature or post information on its website regarding energy conservation, including solar power, energy-efficient insulation, and subsidies available from utility companies, and encourage homeowners and landlords to incorporate these features into construction and remodeling projects. When possible, the City will encourage energy conservation devices including, but not limited to, lighting, water heater treatments and solar energy systems for all new and existing residential projects. The City will encourage maximum utilization of Federal, State, and local government programs, including the Orange County Home Weatherization Program, that are intended to help homeowners implement energy conservation measures. Additionally, as part of the HELP II program outlined above, residents can apply for loans to increase the energy efficiency of their homes.

***2014-2021 Objective:** City staff will maintain and distribute literature on energy conservation, including solar power, additional insulation, and subsidies available from utility companies, and encourage homeowners and landlords to incorporate these features into construction and remodeling projects. The City will provide information on Federal, State, and local government programs, such as the Orange County Home Weatherization Program and the City’s HELP II program that are available to assist homeowners in providing energy conservation measures.*

## PROVIDING ADEQUATE HOUSING SITES

A critical component of addressing the housing needs of all segments of the community is the provision of adequate sites to support development of all types, sizes, and prices of housing. The City’s General Plan, Zoning Ordinance, and specific plans establish regulations that govern the location of housing in the City, thereby affecting the supply of land available for residential development.

### 11. Residential and Mixed-Use Sites Inventory

As an established City where the majority of remaining residential development opportunities will 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 8 (Affordable Housing Development Assistance) and Program 14 (Affordable Housing Density Bonus). The sites inventory will be available through Community Development staff at City Hall. Reference to the inventory and financial incentives provided by the City will appear on the City’s website and in the City’s quarterly newsletter.

*2014-2021 Objective: Maintain a current inventory of vacant and underutilized residential sites and potential mixed-use infill sites, and provide this information to interested developers in conjunction with information on available development incentives.*

## 12. Lot Consolidation Program

Parcels identified as part of the sites inventory range in size from 0.9 acres to 11.5 acres; in some cases, these sites are narrow or shallow, which could be seen as an additional constraint to the development of housing. To encourage the development of residential and mixed-use projects, the City will establish a lot consolidation program which offers incentives such as a reduction in development standards (e.g., lot size, parking, and open space requirements) to merge adjacent lots. The City may also offer to subsidize a portion of development fees to encourage lot consolidation and to promote more intense affordable residential and mixed-use development on underutilized sites within the Lincoln Avenue Specific Plan area. The City will promote the program at City Hall and on its website, and will evaluate requests for funding on a case-by-case basis.

*2014-2021 Objective: Encourage lot consolidation of smaller parcels to accommodate projects, including a minimum of 16 units at a density of up to 30 dwelling units per acre. The City will also offer reductions in development standards and/or a reduction in development fees for qualifying projects that include units affordable to low- or very low-income households.*

## 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.

## 13. Remove Development Constraints

City staff will specifically review the development standards for the residential zones to identify standards that may constrain the development of affordable and market rate housing. Cypress is flexible and is committed to working with developers to build affordable units, which may require modifications to constraining standards. The City has a recent history of granting park fee reductions, modifying parking standards, and working with developers to provide units affordable to lower-income households on redeveloped sites. The City will further review any standards identified in Technical Background Report of the Housing Element as a constraint and alter them as necessary to ensure that the development of affordable housing is feasible. In particular, the City will review the Zoning Code to ensure compliance with Government Code Section 65583(a)(5) relating to transitional and supportive housing as a residential use of property, subject to only those restrictions applicable to other residential dwellings of the same type in the same zone. In the interim, staff will continue to, on a case-by-case basis, identify ways that standards can be relaxed if it is determined that such requirements are in any way impeding the development of affordable housing or housing for disabled residents. The City will also continue to provide development standards modifications and fast track processing for applications related to the creation of affordable housing, and will offer fee modifications for projects including affordable units that are required to apply for variations to the existing development standards. Incentives for extremely low-income housing will be encouraged to prioritize the development of units for this income group.

**2014-2021 Objective:** Periodically review development standards to ensure that the development of lower-income housing can occur. Revise the Zoning Code to address all constraints identified in the Background Technical Report of the Housing Element. Review the Zoning Code to ensure compliance with Government Code Section 65583(a)(5) related to zoning for transitional and supportive housing within one year of Housing Element adoption. Continue to use flexible development standards to facilitate the development of affordable housing through promotion of maximum development densities in the multi-family zone and the Lincoln Avenue Specific Plan.

#### 14. 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 2009 as a means of implementing Government Code Section 65915. Generally, applicants of residential projects of five or more units may apply for a 25 percent density bonus and additional incentive(s) if the project provides for one of the following: 10 percent of units for lower-income households, five percent of units for very low-income households, or a development for qualifying senior residents. In addition to the density bonus, eligible projects shall receive one to three development incentives or concessions. The Cypress Zoning Code identifies the following list of eligible incentives and concessions:

##### Incentives:

- Subsidized development fees
- Mixed-use zoning
- Waiver of certain development fees
- Direct financial participation by the City

##### Concessions:

- Increases in parcel coverage
- Decreases in minimum parcel size allowed for development
- Reduction in side setbacks
- Reduction in rear setbacks
- Coordination of placement/responsibilities for public works improvements
- Reduction in local building standards to minimums approved by the state
- Reduction in the number of required off-street parking spaces
- Waiver of certain fee or dedication requirements
- Vehicle parking ratio reduction

The City currently provides information to developers about the density bonus ordinance on the City website and at City Hall.

**2014-2021 Objective:** Continue to advertise and administer the City's updated density bonus provisions throughout the planning period.

15. 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.

*2014-2021 Objective: The City will continue to offer streamline development processing for affordable housing developments throughout the planning period.*

16. Water and Sewer Service Providers

In accordance with Government Code Section 65589.7 as revised in 2005, immediately following City Council adoption, the City must deliver a copy of the 2014-2021 Housing Element to all public agencies or private entities that provide water or sewer services to properties within Cypress.

*2014-2021 Objective: Immediately following the adoption and certification of the Housing Element, staff will deliver copies to all providers of sewer and water service within the City of Cypress.*

PROMOTING EQUAL HOUSING OPPORTUNITIES

To adequately meet the housing needs of all segments of the community, the Housing Element 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.

17. 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, and the library; contact information on the City's website; and through the City's quarterly newsletter.

*2014-2021 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.*

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

Housing Program	Program Goal	2014-2021 Objective/ Time Frame	Funding Source	Responsible Agency
<b>Conserving the Existing Supply of Affordable Housing</b>				
1. Home Enhancement Loan Program (HELP II)	Assist low- and moderate-income homeowners with the improvement of their homes.	Provide rehabilitation assistance to 35 to 40 households.  Apply to County on an annual basis for CDBG funds to supplement program funding.  Explore entitlement city status for CDBG funds.	CDBG	Community Development Department;  OC Community Services
2. Code Enforcement Program	Bring substandard units into compliance with City codes.	Continue to implement the Code Enforcement Program.  Encourage the use of HELP II funds for rehabilitation.	General Fund; CDBG	Community Development Department
3. 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 rehabilitation assistance.	General Fund; CDBG	Community Development Department;  OC Community Services
4. Orange County Partnership Program	Promote resident awareness and application for County-run housing assistance programs (i.e. Section 8 and MCC program).	Increase resident awareness about housing programs offered by the County by advertising them on the City's website and by offering staff assistance at City Hall by 2014.	General Fund; Orange County HUD funds	Community Development Department
5. Mobile Home Park Preservation Program	Preserve the two mobile home parks in Cypress.	Maintain mobile home park zoning and General Plan designations.  Provide tenants information on MPROP resources as appropriate.	General Fund; MPROP	Community Development Department
6. Rental Deposit Program	Help income-qualified renters residing in motels to cover the initial up-front costs of securing an apartment.	Research similar emergency rental assistance programs. Evaluate partnerships with non-profits and funding options.	CDBG; Other	Community Development Department

Housing Program	Program Goal	2014-2021 Objective/ Time Frame	Funding Source	Responsible Agency
7. Alternative Housing Models	Encourage the provision of more innovative housing types that may be suitable for the community, including community care facilities, supportive housing, and assisted living for seniors and the disabled, including developmentally disabled persons.	Continue to provide appropriate standards to encourage development of housing to meet the needs of the City's growing senior population. Address standards and alternative housing models with developers.	General Fund	Community Development Department
<b>Assisting in the Provision of Housing</b>				
8. Affordable Housing Development Assistance	Facilitate affordable housing development by for-profit and non-profit housing developers/ corporations.	Continue to provide regulatory incentives to private developers. Use assistance to encourage affordable housing for larger households, lot consolidation, and mixed use.	General Fund; CDBG and other funds as available	Community Development Department
9. Second Unit Ordinance	Allow and promote second unit development which can serve as a valuable housing source for seniors, students, and single persons.	Develop and provide informational materials about the second unit ordinance at City Hall, on the City's website, and in other public places to increase awareness.	General Fund	Community Development Department
10. Sustainability and Green Building	Review ordinances and recommend changes where necessary to encourage energy-efficient housing design and practices that are consistent with State regulations. Encourage energy conservation devices for all new and existing residential projects.	Maintain and distribute literature on energy conservation, including solar power, additional insulation, and subsidies available from utility companies, the Federal, State, and local government. Encourage homeowners and landlords to incorporate these features into construction and remodeling projects.	General Fund; CDBG	Community Development Department
<b>Providing Adequate Residential Sites</b>				
11. Residential and Mixed-Use Sites Inventory	Ensure the provision of adequate and appropriate sites for future housing development.	Maintain a current inventory of residential and mixed-use sites, and provide the information to developers along with information on available incentives.	General Fund	Community Development Department

Housing Program	Program Goal	2014-2021 Objective/ Time Frame	Funding Source	Responsible Agency
12. Lot Consolidation Program	Establish a lot consolidation program which offers incentives such as a reduction in development standards to merge adjacent lots.	Encourage lot consolidation of smaller parcels to accommodate affordable housing projects, including a minimum of 16 units at a density of at least 30 dwelling units per acre or higher.  Offer concessions for low- and vary low income qualifying projects.	General Fund	Community Development Department
<b>Removing Governmental Constraints</b>				
13. Remove Development Constraints	Review City development standards for the residential zones to identify standards that may constrain the development of affordable and market rate housing.	Periodically review development standards to ensure that the development of lower-income housing can occur.	General Fund	Community Development Department
14. Affordable Housing Density Bonus	Facilitate the development of mixed-income housing projects by offering density and other incentives.	Continue to advertise and administer the City's updated density bonus provisions throughout the planning period.	General Fund	Community Development Department
15. Efficient Project Processing	Provide efficient development processing procedures.	Continue to offer streamline development processing for affordable housing developments.	General Fund	Community Development Department
16. Water and Sewer Service Providers	Ensure that service providers are updated on long-term planning activities in the City.	Deliver a copy of the 2014-2021 Housing Element to all public agencies or private entities that provide water or sewer services to properties within Cypress.	General Fund	Community Development Department
<b>Promoting Equal Housing Opportunities</b>				
17. 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

## GOALS AND POLICIES

The prior sections 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 presents 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 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, including persons with developmental disabilities.

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 the two mobile home parks in Cypress 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 regulatory incentives to facilitate the development of affordable housing.
- HOU-3.2: Provide homeownership assistance to low- and moderate-income households.
- HOU-3.3: Support the provision of affordable housing to accommodate large families.
- HOU-3.4: Facilitate the development of senior housing with supportive services.
- HOU-3.5: Require affordable housing units, except those for the elderly, to be dispersed throughout a project, and not grouped together in a single area.
- HOU-3.6: Encourage use of sustainable and green building design in new and existing housing.
- HOU-3.7: Encourage the inclusion of space for childcare in new housing developments, including affordable housing developments.

## PROVISION OF ADEQUATE HOUSING SITES

- HOU-4: Ensure the provision of adequate and appropriate 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 the information to the development community.
- 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.

## 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 information regarding 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.

**Table HOU-8  
SUMMARY OF 2014-2021 QUANTIFIED OBJECTIVES**

	Income Level					Total
	Extremely Low <sup>1</sup>	Very Low	Low	Moderate	Above Moderate	
Construction Objective (RHNA)	71		50	56	131	308
HELP II Rehabilitation Objective	35-40				N/A	35-40
At-Risk Units Conservation Objective <sup>2</sup>	0	0	0	0	0	0

1: State law allows local jurisdictions to utilize 50 percent of the very low-income category to represent households of extremely low income (less than 30 percent of the Area Median Income).

2: No affordable housing units are at risk of conversion to market rate over the next ten years.



# **City of Cypress 2014-2021 Housing Element Technical Report**

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August 2013

City of Cypress  
Community Development Department  
5275 Orange Avenue  
Cypress, CA 90630

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# 1. INTRODUCTION

## 1.1 HOUSING ELEMENT TECHNICAL REPORT

A successful strategy for improving housing conditions must be preceded by an assessment of the housing needs of the community and the region. This Housing Element Technical Report provides an assessment of the City's housing needs in the following three components:

- An analysis of the City's demographic, household and housing characteristics and related housing needs (Section 2);
- A review of potential market, governmental, infrastructure, and environmental constraints to meeting Cypress' identified housing needs (Section 3); and
- A summary of available sites, financial resources, administrative resources, and opportunities for energy conservation (Section 4).

This Technical Report is incorporated in the 2014-2021 Housing Element Update as Appendix H of the General Plan, Volume III-Technical Appendices.

## 1.2 DATA SOURCES

Various information sources have been consulted in the preparation of this Technical Report. The 2010 Census provides the basis for population and household characteristics. Although slightly dated, the Census remains the most comprehensive and widely accepted source of information on demographic characteristics and provides consistency with other regional, State, and federal housing plans. Several data sources are used to supplement and provide reliable updates of the 2010 Census, including:

- Population and housing estimate data updates provided by the 2006-2010 American Community Survey 5-Year Estimates, and the State Department of Finance;
- The Southern California Association of Government's (SCAG) 2003-2035 Regional Integrated Forecast provides population housing, and employment projections;
- Housing market information, such as home sales and rents, was obtained through newspaper and internet rent surveys, DataQuick sales transactions, and regional market data reports;
- SCAG's 2014-2021 Regional Housing Needs Assessment (RHNA) provides information on existing and projected housing needs;
- Lending patterns for home purchase and home improvement loans are provided through the Home Mortgage Disclosure Act (HMDA) database;

- 
- Information on Cypress' development standards is drawn from the City's Zoning Ordinance (Appendix I of the Municipal Code) and applicable Specific Plans for planned developments; and
  - Information on projected redevelopment housing set-aside expenditures (for years prior to the dissolution of redevelopment in California) is derived from the former Redevelopment Agency's Implementation Plan.

This Housing Element Technical Report will provide the basis for identifying appropriate policies and programs for the 2014-2021 Housing Element and is adopted by the City as part of the Housing Element.

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## 2. HOUSING NEEDS ASSESSMENT

This section of the Housing Element examines the characteristics of the City's population and housing stock as a means of better understanding the nature and extent of unmet housing needs. The Housing Needs Assessment is comprised of the following components: 1) Demographic Profile; 2) Household Profile; 3) Housing Stock Characteristics; and 4) Regional Housing Needs.

### 2.1 DEMOGRAPHIC PROFILE

Demographic changes such as population growth or changes in age can affect the type and amount of housing needed in a community. This section addresses population, age, and race and ethnicity of Cypress residents.

#### 2.1.1 Population Growth and Trends

**Table 2-1** presents population growth trends in Cypress from 1980-2010, and compares this growth to neighboring jurisdictions and the County of Orange. Orange County experienced a high level of growth both during the 1980s (25%) and 1990s (18%), with the highest growth levels in the newer, south County communities. Cypress and many other central and north Orange County communities experienced population growth levels less than one-third of the countywide average largely due to their built-out character.

Census data from 2000 to 2010 show a significant slowdown in population growth rates for Cypress, surrounding jurisdictions, and Orange County in general during the decade. Countywide, population growth dropped to approximately 6%, while local communities experienced growth at a modest average of 1.4%. The City of Santa Ana experienced a decline in population. Cypress experienced a 3.4% growth in population, which is the highest rate of those surveyed.

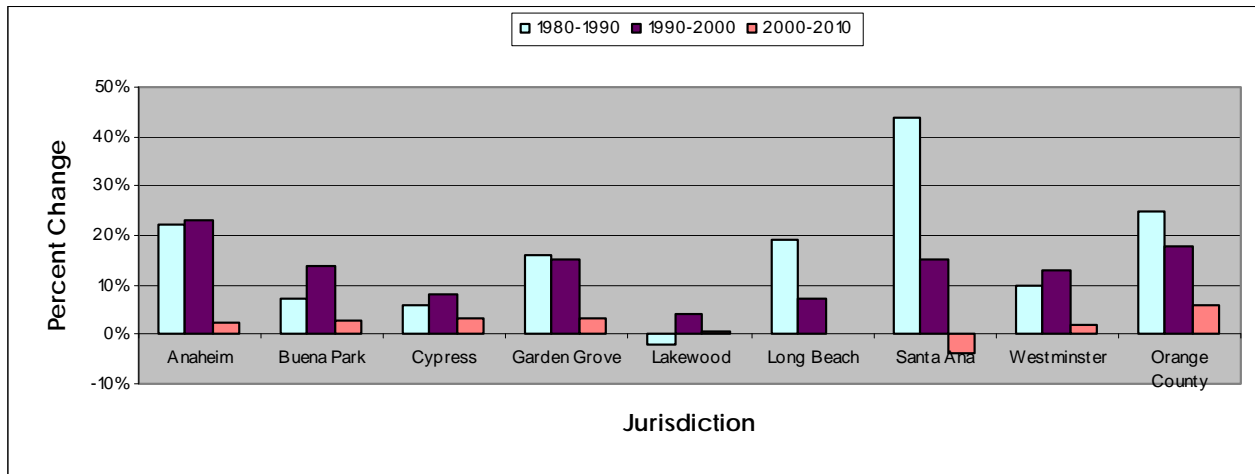
The 2010 Census estimates the population of Cypress to be 47,802. Cypress is among 14 of the 34 Orange County cities with populations under 50,000. According to 2010 Orange County Projections (OCP), the City's population is expected to grow to 52,413 by 2015, an 8% increase between 2005 and 2015. OCP Projections show a slowing in growth after this time, with a 4% increase in population between 2015 and 2025, and 1% growth between 2025 and 2035. These patterns are consistent with countywide projections, which identify nearly 60% of the 2005-2035 population increase in Orange County to occur within the 2005-2015 period.

**Table 2-1:  
Regional Population Growth Trends 1980 – 2010**

Jurisdiction	1980	1990	2000	2010	Percent Change		
					1980-1990	1990-2000	2000-2010
Anaheim	219,311	266,406	328,014	336,265	22%	23%	2.5%
Buena Park	64,165	68,784	78,282	80,530	7%	14%	2.9%
<b>Cypress</b>	<b>40,391</b>	<b>42,665</b>	<b>46,229</b>	<b>47,802</b>	<b>6%</b>	<b>8%</b>	<b>3.4%</b>
Garden Grove	123,307	143,050	165,196	170,883	16%	15%	3.4%
Lakewood	74,654	73,557	79,345	80,048	-2%	4%	0.8%
Long Beach	361,355	429,433	461,522	462,257	19%	7%	0.2%
Santa Ana	203,713	293,742	337,977	324,528	44%	15%	-4.0%
Westminster	71,133	78,118	88,207	89,701	10%	13%	1.7%
Orange County	1,932,709	2,410,556	2,846,289	3,010,232	25%	18%	5.8%

Source: U.S. Census 1980, 1990, 2000, and 2010. Dept of Finance 2011 Population and Housing Estimates.

**Figure 2-1:  
Population Changes from 1980 to 2010**



Source: U.S. Census 1980, 1990, 2000, and 2010. Dept of Finance 2011 Population and Housing Estimates

## 2.1.2 Age Characteristics

**Table 2-2** displays the age distribution of the City's population in 2000 and 2010, and compares this with Orange County as a whole. As displayed in the table, 24% of Cypress' population is comprised of children under the age of 18, which is comparable to the countywide population. From 2000 to 2010 the Census shows a slight decrease in the proportion of children (from 27% to 24%), confirming trends reported in discussions with the Cypress School District (CSD), which states that enrollment is declining. For the past five years, the CSD has experienced a decrease of 250 to 500 student enrollments annually. CSD staff states that high housing costs have required many families with school age children to relocate to lower cost areas. With three-quarters of Orange County school districts reporting declining enrollment since 2007 and a 6% decline in Cypress residents between the ages of 25 and 44 (2000-2010), similar trends are occurring throughout much of Orange County.

**Table 2-2:  
Age Distribution 2000-2010**

Age Group	2000		2010		
	Persons	Percent	Persons	Percent	Orange Co. Percent
Preschool (<5 yrs)	2,770	6%	2,369	5%	6%
School Age (5-17 yrs)	9,724	21%	8,974	19%	19%
College Age (18-24 yrs)	3,646	8%	4,700	10%	10%
Young Adults (25-44 yrs)	13,940	30%	11,685	24%	28%
Middle Age (45-64 yrs)	11,270	24%	13,913	29%	25%
Seniors (65+ years)	4,879	11%	6,161	13%	12%
<b>Total</b>	<b>46,229</b>	<b>100%</b>	<b>47,802</b>	<b>100%</b>	<b>100%</b>
<b>Median Age</b>	<b>36.7 years</b>		<b>39.9 years</b>		<b>36.2 years</b>

Source: U.S. Census 2000 and 2010.

The biggest change in Cypress' age profile is a shift from a younger population to a more mature population. This aging trend is borne out by an increase in the median age from 36.7 years in 2000 to 39.9 years in 2010, which is higher than the County's median age of 36.2 years. During the last decade, the City experienced declines in its school age (5-17 years) and young adult (25-44 years) populations, while experiencing significant growth in the middle adult (45-64 years) and senior (65+ years) populations. The middle age adult population increased from 24 to 29% (about 2,650 people) over the past decade. The senior population also increased from 7% in 1990 to 11% in 2000 and continued to increase to 13% in 2010. The majority of senior households are homeowners, indicating that this population has aged in place. Factors contributing to this shift in the City's age structure include: an aging in place of young adults into middle age, a corresponding aging of the middle age population into senior citizens, and the limited number of new young adults and families moving into the community, due in part to high housing costs, low vacancy rates, and the built-out nature of the City.

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### 2.1.3 Race and Ethnicity

**Table 2-3** displays the racial/ethnic composition of Cypress' population in 2000 and 2010, and compares this with the countywide distribution. White residents represent the majority racial group in the City, although this segment of the population continues to decrease each decade, most recently from 66% in 2000 to 54% in 2010. In contrast, over the last decade, the City's Asian/Pacific Islander population has grown from 21% to 32%, and is now significantly higher than the 18% Asian/Pacific Islander population countywide. Korean, Filipino, Chinese, and Japanese populations represent the predominant Asian/Pacific Islander nationalities in Cypress.

**Table 2-3:  
Racial and Ethnic Composition 2000-2010**

Racial/Ethnic Group	2000		2010		
	Persons	Percent	Persons	Percent	Orange Co. Percent
White	30,332	66%	26,000	54%	61%
Asian/Pacific Islander	9,802	21%	15,212	32%	18%
African American	1,280	3%	1,444	3%	2%
American Indian	274	<1%	289	<1%	<1%
Other Race	2,515	5%	2,497	5%	2%
Two or More Races	2,026	4%	2,360	5%	4%
TOTAL	46,229	100%	47,802	100%	100%
Hispanic	7,235	16%	8,779	18%	34%
Non-Hispanic	38,994	84%	39,023	82%	66%
<b>TOTAL</b>	<b>46,229</b>	<b>100%</b>	<b>47,802</b>	<b>100%</b>	<b>100%</b>

Source: U.S. Census 2000 and 2010.

The Hispanic population has also increased slightly over the last 10 years, from 16% to 18%, although still significantly below the 34% of Hispanics countywide. The percentage of African Americans and persons of "Other Races" has remained the same at 3% and 5%, respectively.

In summary, Cypress' population today is more diverse than in the 1990s, and has continued to change through the 2000s. Generally, the City's population is following the population trends experienced countywide.

### 2.1.4 Employment

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

As of January 2012 the State Employment Development Department estimates that 24,900 Cypress residents are in the labor force, with 8.4% unemployment. The City's unemployment rate is on par with the countywide unemployment rate of 8.0%.

**Table 2-4** presents the occupations of Cypress residents as reported by the 2010 Census. Residents employed in Management, Professional and related occupations (40%) accounted for the largest share of employed residents, followed by those employed in Sales and Office occupations (31%).

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Together, these two categories accounted for 71% of resident employment. Over one-third of employed residents in Cypress commute less than 20 minutes to work, indicating a large number of residents hold jobs within Cypress or in immediately adjacent communities.

**Table 2-4:  
Occupation of Residents 2010**

<b>Occupation</b>	<b>Persons</b>	<b>Percent</b>
Management, professional, and related occupations	9,445	40%
Sales and office occupations	7,390	31%
Service Occupations	3,244	14%
Production, transportation, and material moving occupations	2,202	9%
Construction, extraction, and maintenance occupations	1,590	6%
Farming, Forestry & Fishing	0	0%
<b>TOTAL</b>	<b>23,534</b>	<b>100%</b>

Source: U.S. Census 2010

Major businesses in Cypress include the following: professional healthcare, offices, and education (Cypress Community College), automotive and electronic corporate headquarters, and various types of manufacturing and distribution centers. Employment is projected to grow to 28,418 jobs by 2020, reflecting a 21% increase over the next decade, which would be above the 9% increase projected for the entire County, as estimated by SCAG projections for the Regional Transportation Plan and RHNA. The primary reason for this dramatic projection of growth is the City's plan for significant economic development around the Los Alamito Race Track along Katella Avenue west of Walker Street. The City has adopted the Cypress Business Park and Professional Center Specific Plan to provide comprehensive guidance and regulations for the development of almost 300 acres within this Specific Plan area. The entire Cypress Business Park area (concentrated along Katella Avenue, west of Knott Avenue) encompasses a total of 800 acres, which includes a diverse array of well-known companies such as United Health Care, Vans Corporation, Fuji, Mary Kay Cosmetics, Mitsubishi, and Yamaha.

In 2008, the Orange County Business Council updated the results of its Workforce Housing Scorecard. This report provides a comprehensive evaluation of the current and future state of Orange County's housing supply and demand, and its impact on the business community. Based on the following criteria, the scorecard rates each jurisdiction's record over the 1991-2005 and 2005-2030 periods in addressing workforce housing needs:

- Number of jobs, rewarding cities that promote job growth
- Housing unit density
- Housing growth, rewarding cities that promote housing growth
- Jobs/housing balance

Of the 34 cities in Orange County, Cypress ranks 14<sup>th</sup> in its success for the period between 2005 and 2030 in generating both new jobs and the supply of homes necessary to house these new workers. Since the rankings are weighted toward larger cities, this is impressive for Cypress, which is ranked 22<sup>nd</sup> in size. With the projected remaining development potential, Cypress is expected to continue to have a jobs/housing balance of close to 1.5 jobs per housing unit.

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## 2.2 HOUSEHOLD PROFILE

Household type and size, income levels, and the presence of special needs populations all affect the type of housing needed by residents. This section details the various household characteristics affecting housing needs in Cypress.

### 2.2.1 Household Type

A household is defined as all persons living in a housing unit. Families are a subset of households and include persons living together related by blood, marriage, or adoption. A single person living alone is also a household. “Other” households are unrelated people residing in the same dwelling unit. Group quarters, such as dormitories or convalescent homes, are not considered households.

**Table 2-5:  
Household Characteristics – 2000-2010**

Household Type	2000		2010		Percent Change
	Households	Percent	Households	Percent	
Families	12,243	78%	12,638	80%	3%
With children	6,081	39%	6,415	51%	2%
Without children	6,162	39%	6,268	49%	1%
Singles	2,750	18%	2,401	15%	3%
Other non-families	661	4%	690	4%	0%
<b>Total Households</b>	<b>15,654</b>	<b>100%</b>	<b>15,729</b>	<b>100%</b>	<b>0%</b>
Average Household Size	2.93		3.02		3%
Average Family Size	3.31		3.35		N/A

Source: U.S. Census 2000 and 2010.

As shown in **Table 2-5**, the 2010 Census documents 15,729 households in Cypress, with an average household size of 3.02 persons and average family size of 3.35 persons. This represents a slight increase in household size from 2.93 in 2000, and is similar to the Orange County average household size of 2.99.

Families comprise the overwhelming majority of households in Cypress (80%), split evenly between families with children (51%), and those without children (49%). Since 2000, the proportion of families with children increased by 2%. The proportion and number of single-person households decreased by approximately 350 households (from 18 to 15% of the total households) while other non-family households (unrelated roommates) increased slightly over the decade.

### 2.2.2 Household Income

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

#### 2.2.2. A Income Definitions

The State and federal governments classify household income into several groupings based upon the relationship to the County area median income (AMI), adjusted for household size. The State of California utilizes the income groups presented in **Table 2-6**. However, federal housing programs

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utilize slightly different income groupings and definitions, with the highest income category generally ending at >95% AMI. For purposes of the Housing Element, the State income definitions are used throughout, with the exception of data compiled by the Federal Department of Housing and Urban Development (HUD), which is specifically noted.

**Table 2-6:  
State Income Categories**

Income Category	Percent Annual Median Income (AMI)
Extremely Low	0-30% AMI
Very Low	0-50% AMI
Low	51-80% AMI
Moderate	81-120% AMI
Above Moderate	120%+ AMI

Source: Section 50093 of the California Health and Safety Code

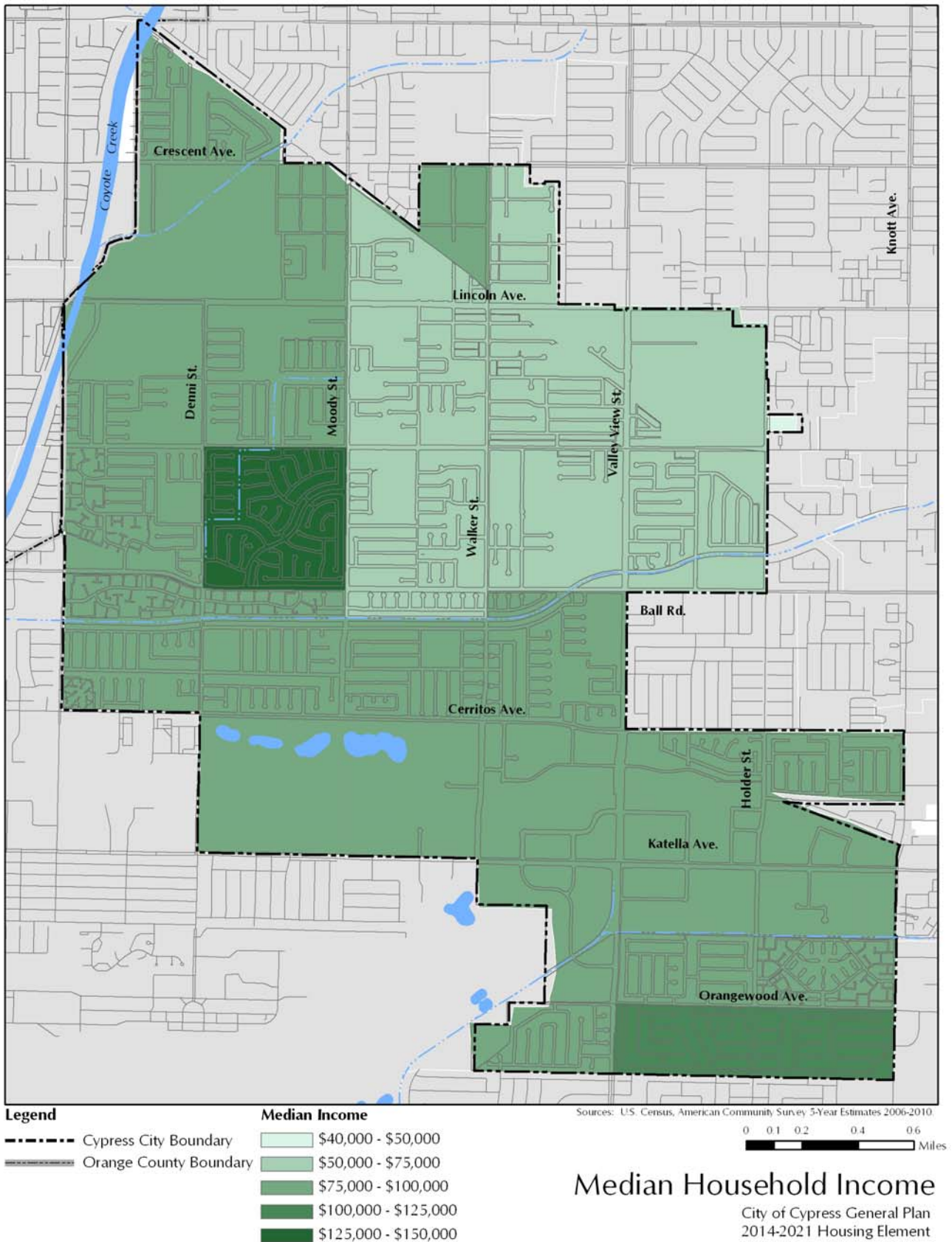
### **2.2.2.B Income Characteristics**

The City of Cypress is part of the Los Angeles-Long Beach-Santa Ana Metropolitan Statistical Area (MSA). The 2010 American Community Survey five-year estimates report an annual median income (AMI) of \$59,876 for the Los Angeles-Long Beach-Santa Ana MSA.

Between 2000 and 2010, the median household income in Cypress grew from \$64,377 to \$83,196, an increase of 29%. As the median income level in Cypress remains above that of Orange County (\$74,344), the City has seen an increase in the number and proportion of households earning moderate incomes and above. Similarly, the City has seen a significant decrease in lower-income (<80% AMI) households between 2000 and 2010. As illustrated in **Table 2-7**, during the 2000s the City experienced a reduction in the number of extremely low- (-10%), very low- (-21%) and low-income (-11%) households, while evidencing an increase in its moderate and above (8%) populations. This is a complete contrast to the previous decade when lower-income groups were increasing in presence while higher-income groups decreased. This shift may be related to the economic downturn that occurred in the late 2000s.

**Figure 2-2** illustrates median household incomes for 2010 in Cypress by census tract. In Cypress, the highest incomes are generally found in the newer single-family neighborhoods and where larger homes are located in the southeast, southwest, and western areas of Cypress. Additionally, there is a pocket of above moderate income households located in the relatively older core of Cypress, where smaller dwellings are located in proximity to Lincoln Avenue. These areas also contain a higher proportion of multi-family rental units.

**Figure 2-2: Median Household Income, 2010**



**Table 2-7:  
Household Income Levels 2000-2010**

Income Level	2000		2010		Percent Change
	Households	Percent	Households	Percent	
Extremely Low Income (<30% AMI)	1,202	8%	1,087	7%	-10%
Very Low Income (31-50% AMI)	1,221	8%	963	6%	-21%
Low Income (51-80% AMI)	2,442	16%	2,162	14%	-11%
Moderate Income & Above (> 80% AMI)	10,655	69%	11,517	73%	8%
<b>TOTAL</b>	<b>15,520</b>	<b>100%</b>	<b>15,729</b>	<b>100%</b>	<b>N/A</b>

Source: Census 2000 and 2006-2010 American Community Survey 5-Year Estimates.

**Table 2-8** shows the income level of Cypress residents by household tenure. A significantly higher percentage of renter households (63%) were lower income (<80% AMI) compared to residents who owned their homes (29%). The number of lower income households is similar for both renter (2,940) and owner (3,140), however there are more than twice as many owner households as there are renter.

**Table 2-8:  
Household Income Levels by Tenure (2010)**

Income Level	Renter		Owner	
	Households	Percent	Households	Percent
Extremely Low Income (<30% AMI)	860	18.6%	775	7.1%
Very Low Income (31-50% AMI)	735	15.9%	685	6.3%
Low Income (51-80% AMI)	1,345	29.0%	1,680	15.4%
Moderate Income & Above (> 80% AMI)	1,690	36.5%	7,780	71.2%
<b>TOTAL</b>	<b>4,630</b>	<b>100%</b>	<b>10,920</b>	<b>100%</b>

Source: HUD Comprehensive Housing Affordability Strategy (CHAS), 2005-2009.

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### 2.2.2.C Households in Poverty

The federal government publishes national poverty thresholds that define the minimum income level necessary to obtain the necessities of life. For example, the 2010 U.S. poverty threshold for a family of four was \$23,050. As indicated in **Table 2-9**, 6% of Cypress residents lived in poverty in 2010. There has been only a slight increase (less than 1%) in the number of persons/families living below the established poverty threshold.

**Table 2-9:  
Poverty Status**

Groups in Poverty	2000		2010	
	Persons /Families	Percent	Persons /Families	Percent
Individuals	2,799	6%	2,982	6%
Children (under 18)	918	7%	961	8%
Female-Headed Households	271	14%	143	11%
Female-Headed w/ Children	221	17%	114	10%

Source: U.S. Census 2000 and 2010.

About 8% of children under the age of 18 in Cypress live in poverty. In 2000, female-headed households with children were shown to be most impacted by poverty, with 17% of this group living in poverty. In 2010, this percentage had decreased to 10%. Despite this decrease, female headed households, with or without children, still represent one of the largest percentages of household types that falls below the poverty line.

### 2.2.3 Special Needs Populations

State law recognizes that certain households have more difficulty in finding adequate and affordable housing due to special circumstances. Special needs populations include the elderly, persons with disabilities, female-headed households, large households and farmworkers. In addition, many often have lower incomes as a result of their condition. **Table 2-10** summarizes the special needs populations in Cypress. Each of these population groups, as well as their housing needs, is described below.

**Table 2-10:  
Special Needs Populations 2010**

<b>Special Needs Groups</b>	<b>Persons</b>	<b>Households</b>	<b>Percent*</b>
TOTAL Persons or Households in City	<b>47,511</b>	<b>15,654</b>	
Large Households (5+ persons)		2,317	15%
Renter		725	(31%)
Owner		1,592	(69%)
Seniors (65+)	6,161		13%
With a Disability	2,335		(39%)
Senior Households		3,540	23%
Renter		398	(11%)
Owner		3,142	(89%)
Seniors Living Alone		766	(45%)
Persons with Disability	4,982		10%
Female-Headed Households		2,166	14%
with Related Children		812	(37%)
Farmworkers**	0		0%

Source: 2006-2010 American Community Survey 5-Year Estimates.

\* Numbers in ( ) reflect the percent of the special needs group and not the percent of the total City population/households. For example, of the City's large households, 31% are renters and 69% are owners.

\*\* Persons employed in Farming, Forestry or Fishing Occupations

### **2.2.3.A Large Households**

Large households consist of five or more persons and are considered a special needs group due to the limited availability of affordable and adequately sized housing. Large households often live in overcrowded conditions due to both the lack of large enough units and insufficient income to afford available units of adequate size. The lack of large units is especially evident among rental units. In 2010, Cypress had a total of 2,317 large households, representing 15% of total households in the City. Of these large households, 31% (725 households) were renters.

The 2006-2010 American Community Survey Five-Year Estimates identify 1,598 rental units in Cypress with three or more bedrooms, in general, the appropriate sized units for a large household with five or more members. In contrast, the City has 725 large renter households, indicating that Cypress has an adequate supply of rental units suitable for the City's large families. However, market rents for a three-bedroom apartment may exceed the level of affordability for lower-income large family households.

### **2.2.3.B Senior Households**

Approximately 13% (6,161) of Cypress' residents are over age 65, a 2% increase from the City's 2000 senior population of 4,879 (11%). About 23% of all households are headed by a senior, the majority of which are homeowners (89%). Twenty-seven percent of the City's senior households live alone. Almost 40% of elderly residents in Cypress have some type of disability related to self-care or mobility, which may limit their ability to live independently. Figure 2-3 illustrates the percentage of senior households by block group in Cypress. Historically, the highest concentration

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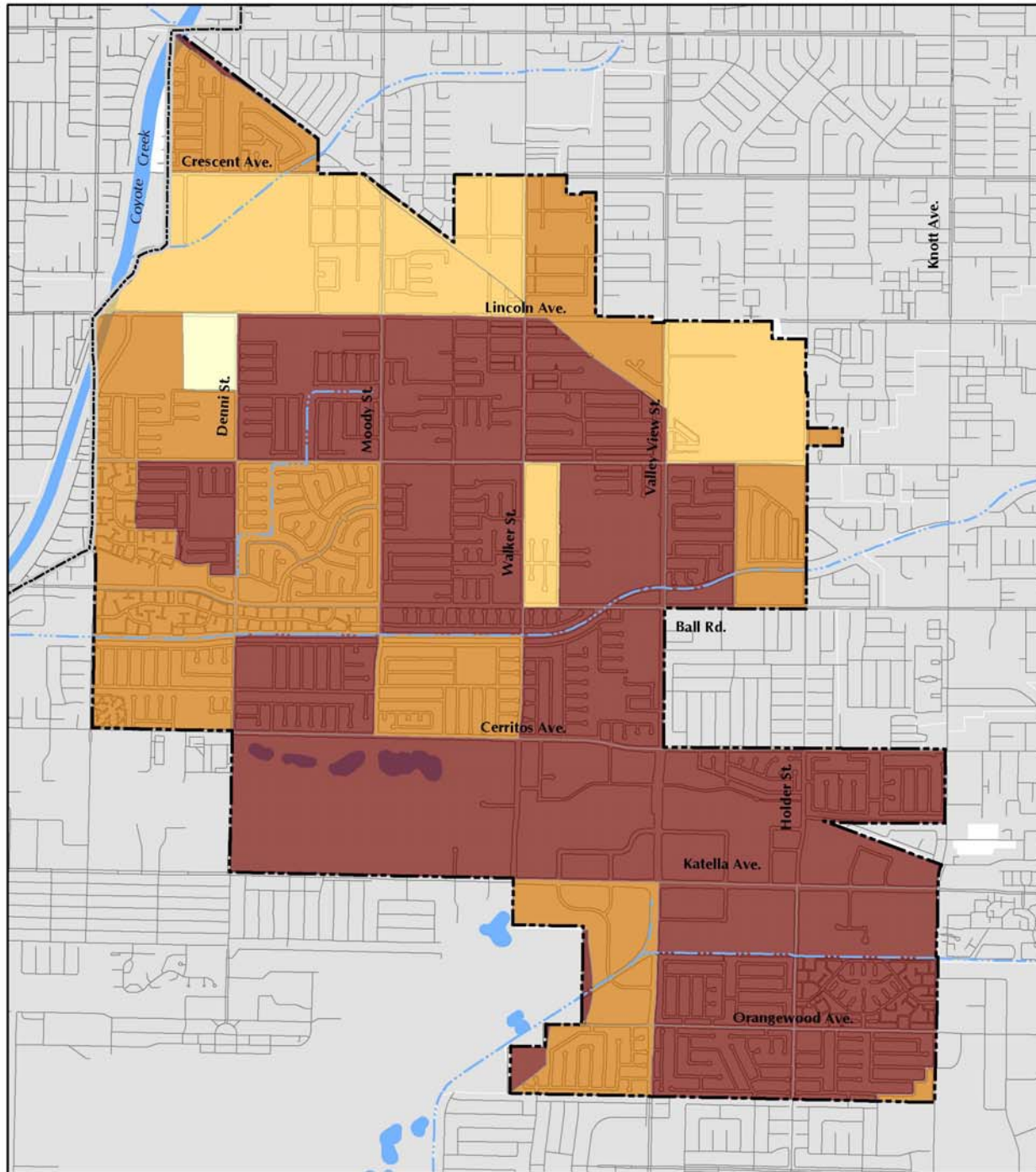
of senior households is in the northern central area of the City, reflecting the presence of three senior housing projects in this area. Other areas showing a large concentration of senior households are generally located in the older single-family areas of the City.

The elderly have a number of special needs including, housing, transportation, health care, and other services. Rising rents are a particular concern due to the fact that most seniors are on fixed incomes. Of Cypress' 398 senior renter households, 37% are lower income. As shown later in **Table 2-21**, there are three senior housing projects in the City providing 309 rental units, including 116 units affordable to a mix of very low-, low- and moderate-income households. The State of California Community Care Licensing Division identifies nine residential care homes for the elderly in Cypress providing 54 beds for senior residents, age 60+, requiring 24-hour assisted living. All of these residential care facilities are small (six or fewer beds) board and care homes.

For those seniors who live on their own, many have limited incomes and physical limitations, both of which may inhibit their ability to maintain their homes or perform minor repairs. Furthermore, the installation of grab bars and other assistance devices in the home may be needed. For financial assistance to complete such improvements, the City offers two Housing Rehabilitation Programs to eligible home owners. The Home Enhancement Loan Program (HELP II) provides loans to low- and moderate-income single-family homeowners. The County CDBG Rehabilitation Loan Program provides loans to lower-income single-family and mobile home homeowners.

The City of Cypress operates a Senior Center with a variety of programs for seniors in the community. Programs offered include recreational and social activities, a meals program, preventative healthcare, transportation services, and supportive services that include care management, community counseling, support groups and referral services. The Cypress Senior Citizens Commission advises the City Council on all matters pertaining to the concerns of senior citizens. The City's Department of Recreation and Community Services provides staff services to the Senior Citizens Commission.

**Figure 2-3: Percent Senior Households, 2010**



**Legend**

- Cypress City Boundary
- Orange County Boundary
- Percent Senior Household by Census Block Group
  - 0-10.0%
  - 10.1-20.0%
  - 20.1 - 30.0%
  - 30% or greater

Sources: U.S. Census, 2010.

0 0.1 0.2 0.4 0.6 Miles

## Cypress Senior Households

City of Cypress General Plan  
2014-2021 Housing Element

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### **2.2.3.C Female-Headed Households**

Single-parent households typically have a special need for such services as childcare and health care, among others. Female-headed households with children in particular tend to have lower incomes, which limits their housing options and access to supportive services. The Census reports 2,166 female-headed households in Cypress, 812 of these households had children. Of those households with children, 114 (14%) lived in poverty. These households need assistance with housing subsidies, as well as accessible and affordable day care.

The City of Cypress provides a variety of youth programs, including a teen center at Arnold/Cypress Park sponsored in conjunction with the City of La Palma; a skate plaza at Veterans Park; after-school daycare; as well as various intramural sports leagues, arts and dance classes, day camps, and teen dances. The Cypress Boys and Girls Club also provides low-cost after-school programs and offers paid sponsorships to low-income members, including a program specifically focused on assisting children residing in area motels. The “Motel Outreach” program works with at least four motels to provide financial assistance for attendance at the Boys & Girls Club program, operated at King Elementary School. The children are provided with two snacks during the afternoon. In the summer, the program hours are expanded from 9:30 A.M. to 5:30 P.M. The City’s Youth Action Committee advises the Recreation and Community Services Commission on activities and concerns of youth.

### **2.2.3.D Persons with Disabilities**

A disability is defined as a long-lasting condition that impairs an individual’s mobility, ability to work, or ability to care for himself/herself. Persons with disabilities include those with physical, mental, or emotional disabilities. Disabled persons have special housing needs because of their fixed income, shortage of affordable and accessible housing, and higher health costs associated with their disability.

According to the 2010 Census, an estimated 10% of Cypress residents (4,982 persons) have one or more disabilities. Approximately 4,668 of this disabled population have mobility/self-care limitations and require assistance in daily living. Of the senior population, almost 40% have one or more types of disabilities.

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

There are a number of housing types appropriate for people living with a developmental disability: rent subsidized homes, licensed and unlicensed single-family homes, inclusionary housing, Section 8 vouchers, special programs for home purchase, HUD housing, and group homes. The design of housing accessibility modifications, the proximity to services and transit, and the availability of group living opportunities represent some of the types of considerations that are important in serving this needs group. Approximately 50% of the City’s affordable housing units are reserved for seniors and disabled persons. Incorporating barrier-free design in all new multifamily housing (as required by California and Federal Fair Housing laws) is especially important to provide the widest range of

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choices for disabled residents. Special consideration should also be given to the affordability of housing, as people with disabilities may be living on a fixed income.

Both the federal Fair Housing Act and the California Fair Employment and Housing Act impose an affirmative duty on local governments to make reasonable accommodations (that is, modifications or exceptions) in their zoning and other land use regulations when such accommodations may be necessary to afford disabled persons an equal opportunity to use and enjoy a dwelling. For example, it may be a reasonable accommodation to allow covered ramps in the setbacks of properties that have already been developed to accommodate residents with mobility impairments. The City of Cypress allows a ramp projecting up to four feet into the setback area, with a building permit. In 2013, the City established a reasonable accommodation policy to provide reasonable adjustments to its rules, policies, practices, and procedures to enable residents with a disability or developers of housing for people with disabilities to have an equal opportunity to access housing in the City. The Reasonable Accommodation provisions outline the process for making requests for reasonable accommodation to land use and zoning decisions and procedures regulating the siting, funding, development and use of housing for people with disabilities.

The City does not require special building codes or onerous project review to construct, improve, or convert housing for persons with disabilities. Residential and community care facilities with six or fewer persons are permitted by right in all residential zoning districts, except the mobile home park zoning district. Residential and community care facilities with seven or more persons are permitted in the multiple-family zoning districts, subject to conditional use permit approval.

The State of California Community Care Licensing Division identifies five adult residential facilities in Cypress that provide 24-hour non-medical care for adults ages 18-59 who are unable to provide for their own daily needs. These five facilities provide a combined capacity for 29 adults.

### **2.2.3.E Developmentally Disabled**

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

Many developmentally disabled persons can live and work independently within a conventional housing environment. More severely disabled individuals require a group living environment where supervision is provided. The most severely affected individuals may require an institutional environment where medical attention and physical therapy are provided. Because developmental disabilities exist before adulthood, the first issue in supportive housing for the developmentally disabled is the transition from the person's living situation as a child to an appropriate level of independence as an adult.

The State Department of Developmental Services (DDS) currently provides community-based services to approximately 243,000 persons with developmental disabilities and their families through a statewide system of 21 regional centers, four developmental centers, and two community-based facilities. The Regional Center of Orange County is one of 21 regional centers in the State of California that provides point of entry to services for people with developmental

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disabilities. The center is a private, non-profit community agency that contracts with local businesses to offer a wide range of services to individuals with developmental disabilities and their families.

**Table 2-11** provides information from the Regional Center of Orange County on the number of developmentally disabled individuals in Cypress. In 2012, there were approximately 240 individuals (1.5% of the total population) actively utilizing services at the Regional Center for a developmental disability, 34 of whom reside in group homes in Cypress.

**Table 2-11:  
Developmentally Disabled Residents by Status**

Status	Number of Individuals	Percent of Age Group Population
Early Start	28	0.2%
Active Cases	212	1.3%
<b>Total with Disability</b>	<b>240</b>	<b>1.5%</b>

Source: 2012, Regional Center of Orange County.

In order to assist in the housing needs for persons with Developmental Disabilities, the City will implement programs to coordinate housing activities and outreach with the Regional Center of Orange County and encourage housing providers to designate a portion of new affordable housing developments for persons with disabilities, especially persons with developmental disabilities, and pursue funding sources designated for persons with special needs and disabilities.

### **2.2.3.F Homeless**

The Orange County Housing and Community Services Department (HCS) defines homelessness as not having a permanent address, sleeping in places not meant for habitation, not having ample food and medical attention or a place to change clothes or bathe. A Point-in-Time Count and Survey of the Homeless was conducted by the County of Orange in 2009 and 2011. The Point-in-Time Count estimated for the entire County a total of 8,333 homeless individuals in 2009 and 6,939 individuals in 2011. Between 2009 and 2011, the survey shows a 25% decline in the number of homeless persons in the County. Data for individual cities is not available, and it is difficult to quantify the number of homeless in the City of Cypress. However, information provided by school districts, interviews with local service providers, and the local police help give a picture of the homeless in the City.

One measure of homeless in specific areas of Orange County is the information collected by the Orange County Department of Education for the McKinney-Vento Homeless Education Assistance Act. This act ensures access to free public education for homeless children and youth, requiring all school districts to designate a local liaison whose responsibilities include ensuring homeless youth and children are identified and enroll in school, receive educational services for which they are eligible, and are provided every opportunity to succeed in school. In Orange County, each district's liaison annually reports the number of homeless youth and children to the County Department of Education.<sup>1</sup> For school year 2010-2011, a total of 59 homeless children and youth were reported within the Cypress School District, a significant increase from the three reported in the 2009-2010

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<sup>1</sup> The Act defines homeless as individuals who lack a fixed and adequate nighttime residence, and includes children and youth temporarily sharing the housing of others; living in cars, motels, trailer parks, or camping grounds due to the lack of alternative adequate accommodations; or living in emergency or transitional shelters.

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school year. There appears to be no specific reason why the number would have increased so significantly from the previous year.

To obtain additional information regarding the homeless in Cypress, interviews were conducted with: Orange County HCS staff; Orange County Partnership, a non-profit organization that coordinates homeless services throughout the County; local homeless service providers in Cypress; and the City's Police Department. The conclusion from most of the interviews is that generally, the homeless in Cypress are not visible on the street, but are often living in motels/hotels, doubling up with other households in order to afford housing, or living in other non-permanent housing. For example, the City's Police Department knows of only a few individuals who are "regulars" on the street, while service providers and the school district data indicate individuals and families are living in motels/hotels and doubling up with friends and family when possible.

Cypress has no emergency shelter within its jurisdictional boundaries, although Saint. Irenaeus Catholic Church is a long-term service provider within the City. Saint Irenaeus provides assistance to persons within the Cypress area through their Helping Other People Everyday (HOPE) program. The HOPE program provides rent payment assistance and motel/hotel vouchers at two local motels, as well as food, gas vouchers, and other services to people who are homeless or at risk of homelessness. HOPE clients include families, singles, elderly, and disabled. The HOPE program is funded through local donations and occasional grants for the motel/hotel vouchers. Another service provider to youth in Cypress is the Casa Youth Shelter located in the adjacent city of Los Alamitos. This organization serves 12 to 17 year old runaway youths; staff estimates that 2% of their approximately 200 clients served annually come from Cypress. Casa Youth Shelter is primarily a service provider and is able to shelter youth for only a short period of time. These two agencies are the most proximate to Cypress; however, other agencies that provide shelter and services to Cypress homeless are listed in **Table 2-12**.

**Table 2-12:  
Inventory of Homeless Services and Facilities  
Serving Cypress and Surrounding Orange County**

<b>Organization</b>	<b>Beds and/or Services Provided</b>
Anaheim Interfaith Center P.O. Box 528 Anaheim, CA 92815 (714) 774-8502	Provides transitional housing and supportive services for up to 9 homeless families at a time for a 6-9 month period. Case management counseling, and other services are provided.
Casa Youth Shelter 10911 Reagan Street P.O. Box 216 Los Alamitos, CA 90720 (714) 995-8601	Provides temporary shelter, counseling, children's services and outreach services for 12-17 year old runaway, homeless and/or abused youth. Serve an estimated 200 youth annually.
Fullerton City Lights 224-228 E. Commonwealth Avenue Fullerton, CA 92832 (714) 525-4751	Provides 137 Single Room Occupancy (SRO) apartments for individuals and couples with incomes between 30-60% AMI.
Fullerton Interfaith Emergency Services (New Vista Shelter) 244 E. Valencia, Room 16 Fullerton, CA 92634 (714) 680-3691	Provides transitional housing for families and singles for up to 4 months. Also provides food, basic supplies, case management, referrals, and childcare assistance.
H.I.S. House P.O. Box 1293 Placentia, CA 92670 (714) 993-5774	Provides 40 beds for families and individuals for up to 6 months. Services include job counseling and referrals, job training, financial management, counseling, and life skills classes.
Lutheran Social Services 215 N. Lemon Street Fullerton, CA (714) 738-1058	Provides clothing, limited transportation, referrals, prescriptions, utilities, counseling and English as a Second Language (ESL) classes.
Salvation Army Emergency Family Services Offices 1515 West North Street Anaheim, 92801 (714) 491-1020	Provides food distribution, utility assistance, transportation (gas vouchers, bus tickets), clothing, household items, and other forms of assistance and community referrals.
Sheepfold Women's Services Center P.O. Box 4487 Anaheim, CA 92863 (714) 237-1444	The Service Center in Anaheim provides assistance with legal obligations, medical and dental appointments to abused women and their families. Sheepfold also provides transitional housing at a facility in Brea for battered women and their children, with a capacity of 6 families.
St Irenaeus Catholic Church Helping Other People Everyday (HOPE) 5201 Evergreen Cypress, CA 90630 (714) 826-0760 x 135	Provides food bank, gas vouchers, utility assistance, counseling services, urgent medical care and motel/hotel vouchers to women and children.

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### 2.2.3.G Farmworkers

Farmworkers are traditionally defined as persons whose primary incomes are earned through seasonal agricultural work. Farmworkers have special housing needs because they earn lower incomes than many other workers and move throughout the season from one harvest to the next.

The 2010 Census identifies no Cypress residents employed in the industries of farming, fishing, or forestry. No land that is dedicated to agricultural production remains in Cypress. Therefore, given that there are no farmworkers classified in the community, the City has no specialized housing programs targeted to this group beyond overall programs for housing affordability.

## 2.3 HOUSING STOCK CHARACTERISTICS

This section identifies the characteristics of Cypress' physical housing stock. This includes an analysis of housing growth trends, housing conditions, housing prices and rents, and housing affordability.

### 2.3.1 Housing Growth

**Table 2-13** displays housing production in the City, compared to neighboring cities and the entire Orange County region. Between 1990 and 2000, Cypress' housing stock grew by 9%, higher than all other comparison cities and just slightly less than the 11% housing growth countywide. During the 2000s, housing growth has been more modest throughout most of the region. Cypress' growth is estimated at just 2%, less than the 9% housing growth reported countywide.

According to the Department of Finance, in 2010 Cypress had approximately 16,647 units in its housing stock, representing an increase of 619 units (or 4%) since 2000. As a maturing suburban community with little remaining vacant residential land for new development, housing growth in recent years has primarily been attributable to infill on small residential sites.

**Table 2-13:  
Regional Housing Growth Trends**

Jurisdiction	1990	2000	2010	Percent Change	
				1990-2000	2000-2010
Anaheim	93,177	99,719	105,525	7%	6%
Buena Park	23,358	23,690	24,523	1%	2%
Cypress	<b>14,715</b>	<b>16,028</b>	<b>16,647</b>	<b>9%</b>	<b>4%</b>
Garden Grove	46,038	46,703	47,617	1%	2%
Lakewood	26,795	27,310	27,464	2%	1%
Long Beach	170,388	171,632	176,042	1%	3%
Santa Ana	74,973	74,588	76,914	-1%	3%
Westminster	25,852	26,940	27,669	4%	3%
Orange County	875,072	969,484	1,054,626	11%	9%

Source: U.S. Census 1990, 2000 and Department of Finance, 2011.

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## 2.3.2 Housing Type and Tenure

**Table 2-14** presents the mix of housing types in Cypress. Of the 16,647 housing units in Cypress in 2010, 77% were single-family homes and 20% were multi-family units, relatively unchanged from the previous two decades. Cypress also has two mobile home parks containing 364 mobile home units, comprising approximately 3% of the local housing stock.

The Mobile Home Park designated residential area in the Cypress Land Use Policy Map has remained intact, and the City has not lost any permanent mobile homes since 1990. **Table 2-14** indicates that the number of mobile homes, also typically considered a source of affordable housing, have remained the same between 2000 and 2010. There are currently not any boats, RVs, vans, etc. classified as housing units in the City.

**Table 2-14:**  
**Housing Type 1990 - 2010**

Unit Type	1990		2000		2010	
	Units	Percent	Units	Percent	Units	Percent
Single-Family (SF) Detached	8,903	61%	9,887	62%	10,195	61%
SF Attached	2,345	16%	2,444	15%	2,717	16%
<b>Total SF</b>	<b>11,248</b>	<b>76%</b>	<b>12,331</b>	<b>77%</b>	<b>12,912</b>	<b>77%</b>
2 to 4 Units	481	3%	512	3%	529	4%
5 or more units	2,430	17%	2,817	18%	2,842	17%
<b>Total Multi-Family</b>	<b>2,911</b>	<b>20%</b>	<b>3,329</b>	<b>21%</b>	<b>3,371</b>	<b>20%</b>
Mobile Homes & Other	556	4%	361	2%	364	3%
<b>Total Housing Units</b>	<b>14,715</b>	<b>100%</b>	<b>16,021</b>	<b>100%</b>	<b>16,647</b>	<b>100%</b>
<b>Vacancy Rate</b>	<b>2.96%</b>	<b>-</b>	<b>2.34%</b>	<b>-</b>	<b>3.71%</b>	<b>-</b>

Source: U.S. Census 1990, 2000. Department of Finance, 2011.

Housing tenure refers to whether a housing unit is owned, rented or is vacant. Tenure is an important indicator of the housing climate of a community, reflecting the relative cost of housing opportunities, and the ability of residents to afford housing. Tenure also influences residential mobility, with owner units generally evidencing lower turnover rates than rental housing. **Table 2-15** shows that, according to the 2010 Census, 72% of households in Cypress were owner occupied, demonstrating a slight increase in ownership from 69% in the year 2000. The homeownership rate continues to be higher than the countywide homeownership rate of 59%.

**Table 2-15:  
Housing Tenure**

Occupied Housing Units	2000		2010	
	Households	Percent	Households	Percent
Renter	4,793	31%	4,423	28%
Owner	10,861	69%	11,306	72%
<b>TOTAL</b>	<b>15,654</b>	<b>100%</b>	<b>15,729</b>	<b>100%</b>

Source: U.S. Census, 2000. 2006-2010 American Community Survey 5-Year Estimates.

Generally, the areas with the highest concentration of rental housing include Lincoln Center Mobile Home Park, the Lemon/Lime area apartments near Cypress College, a portion of the north end area annexed in 1981, and neighborhoods adjacent to both Cypress College and the City of Buena Park.

### 2.3.3 Vacancy Rate

A vacancy rate measures the overall housing availability in a community and is often a good indicator of how efficiently for-sale and rental housing units are meeting the current demand for housing. A vacancy rate of 5% for rental housing and 2% for ownership housing is generally considered healthy and suggests that there is a balance between the demand and supply of housing. A lower vacancy rate may indicate that households are having difficulty in finding housing that is affordable, leading to overcrowding or households having to pay more than they can afford. A low vacancy rate or a particularly tight housing market may also lead to high competition for units, raising rental and housing prices substantially.

As measured by the 2010 Census, the citywide residential vacancy rate in Cypress was 3.7% for all housing units, a slight increase compared to the 2.3% vacancy rate in 2000. Taking into consideration tenure, the vacancy rate for owner-occupied units was 0.7% while rental units reported a higher vacancy rate of 4.7%. The vacancy rates reported by the 2010 Census suggest a healthy vacancy rate for renter occupied units and an unhealthy rate for ownership units. The low vacancy rates for ownership units may indicate that a high pent-up housing demand exists and that finding housing in the community is challenging for families wanting to own a home. The USC/Casden Multi-Family Market Report indicates that vacancy rates continued at low levels in 2011, with a range of 1.7 to 3.6% in Cypress and neighboring North Orange County jurisdictions.<sup>2</sup>

### 2.3.4 Housing Age and Condition

The age of a community's housing stock can provide an indicator of overall housing conditions. Typically, housing over 30 years in age is likely to have rehabilitation needs that may include new plumbing, roof repairs, foundation work and other repairs. **Table 2-16** displays the age of occupied housing stock by owner/renter tenure as of 2010. The majority of housing in Cypress (71%) was built in the 1960s and 1970s, and reached 30 to 40 years of age in 2010.

According to the 2010 Census, approximately 80% of the City's housing stock is more than 30 years old. As the City is almost entirely built out, fewer new units are being constructed. Based on reports provided by the California Department of Finance, between 2000 and 2010 approximately 483 units (or 4%) were added to the City's housing stock. Among owner-occupied housing, 81% of

<sup>2</sup> 2011 Southern California Multi-family Market Report, Casden Forecast, USC Lusk Center for Real Estate.

units were constructed prior to 1980, with an additional 5% constructed in the 1980s. Similarly, 75% of renter housing units are greater than 30 years in age.

**Table 2-16:  
Age of Housing Stock 2010**

<b>Year Structure Built</b>	<b>Renter Occupied Housing</b>	<b>Percent Renter</b>	<b>Owner Occupied Housing</b>	<b>Percent Owner</b>	<b>Total Percent</b>
2000 or later	51	1%	573	5%	4%
1990-1999	383	9%	971	9%	9%
1980-1989	660	15%	522	5%	7%
1970-1979	1,693	38%	3,447	30%	33%
1960-1969	1,045	24%	4,984	44%	38%
1950-1959	381	8%	563	5%	6%
1940-1949	172	4%	125	1%	2%
1939 or earlier	38	1%	121	1%	1%
<b>Total</b>	<b>4,423</b>	<b>100%</b>	<b>11,306</b>	<b>100%</b>	<b>100%</b>

Source: U.S. Census Bureau, 2006-2010 American Community Survey

The City's Code Enforcement Officer indicated that the City receives approximately 120 calls per month reporting violations, usually related to property maintenance issues. Of those complaints filed, approximately three to five per month represent more substantial health and safety code violations. Most violations occur at older single-family homes located throughout the City, built in the 1960s or earlier, and are generally occupied by an elderly homeowner with a fixed income. Many of these homes are located in the northern portion of the City in the areas annexed from the County during 1981 and 1988. The annexed areas contain approximately 1,316 housing units. Of these, 75% are single-family structures, 20% are multiple-family apartments, and 5% are mobile homes. Tract maps for the area indicate that the 1981 annexation area is composed of structures constructed from the late 1940s and later. The 1988 annexation area is composed of structures built from the late 1920s and later. Many of the property maintenance issues on these properties can be addressed by utilizing the City's HELP II Program. Eligible applicants must meet the specific low income criteria. The HELP II Program historically has been funded with both Community Development Block Grant (CDBG) and redevelopment agency (RDA) funds. (The loss of redevelopment funding in 2012 will reduce the money available for this program.)

The 2003 Comprehensive Affordable Housing Strategy (Strategy) prepared for the former Redevelopment Agency provides additional information on this program. In 2003, the majority of the homes participating in the HELP II, Single Family Rehabilitation Program were built in the early 1960s. The rehabilitation work included substandard and deteriorating items such as roofs and plumbing as well as improvements such as painting and windows. In reviewing the HELP II program, the former Redevelopment Agency concluded that the program not only preserves existing housing stock but also positively influences neighborhood stability. One priority of the Strategy was to continue the HELP II program using CDBG and HOME funds rather than RDA housing funds.

The former Agency also decided to explore focusing rehabilitation efforts in neighborhoods demonstrating a need. This led to the focus on the Lemon-Lime neighborhood in 2008. In addition to the age of the neighborhood (built in the early 1960s), the area was showing signs of stress, with

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increased calls to the Cypress Police Department for service and increased complaints about general neighborhood issues. The City hired Jamboree Housing Corporation to prepare an improvement plan for the area which was adopted by the Agency in March 2008. The Lemon-Lime Improvement Plan included infrastructure, property management, affordable housing, and quality of life goals for the neighborhood. During the 2011-2012 fiscal year, two rental four-plexes located in the 6000 block of Lemon and Lime Avenues were rehabilitated through the rental rehabilitation program created in response to the recommendation outlined in the Neighborhood Improvement plan. City staff has sent detailed information packets to all other owners to facilitate program participation.

During the 2008-2014 planning period a number of maintenance issues and squatter problems in foreclosed properties created undesirable conditions. In early 2012, there were approximately 120 foreclosed properties on record in the City, with another 60 properties in a state of pre-foreclosure. Cypress is making use of the provisions in Section 2923.5 of the California Civil Code which allows the City to impose a civil fine of up to \$1,000 per day for failure by the responsible financial institution to maintain a vacant foreclosed property. The City hopes that the continued use of this Code provision will help to maintain the neighborhood integrity in the affected areas.

As the housing stock ages, there is a continued need for code enforcement and housing rehabilitation programs. The City provides both an on-going code enforcement program and a housing rehabilitation program for low-income single-family homeowners.

### **2.3.5 Housing Costs and Affordability**

The cost of housing is directly related to the extent of housing problems in a community. If housing costs are relatively high in comparison to household income, there will be a higher prevalence of overpayment and overcrowding. This section summarizes the cost and affordability of the housing stock to Cypress residents.

#### **2.3.5A Rental Housing Market**

According to the USC/Casden Multi-Family Market Report<sup>3</sup>, the demand for apartments in Orange County significantly increased in 2011, greatly exceeding supply. The average apartment rent in Orange County was \$1,475 at the end of 2010, a 5.3% increase from 2006. Rents in Cypress and neighboring communities in northwest Orange County averaged \$1,401 during that same period, an increase of 0.8% from 2009. Vacancy remained relatively unchanged at 6.2%.

Rental information for Cypress was obtained from internet rental listings on Craig's List and Southland Rentals websites. **Table 2-17** presents the results of the rent survey by unit type, including apartments, condominiums/townhomes, and single-family homes.

Over 50 units were advertised for rent from March through May 2011, of which 35 were apartment units, accounting for 70% of all available rentals. One-bedroom units commanded a median rent of \$1,250, while the two-bedroom unit median rent was \$1,400. Only four three-bedroom apartments were advertised for rent during this three-month period, renting for a median of \$1,900. Generally, median rents remained the same in comparison to rents reported in 2007.

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<sup>3</sup> 2011 Southern California Multi-family Market Report, Casden Forecast, USC Lusk Center for Real Estate.

The other 30% of available rentals were split between condominiums/townhomes (18%) and single-family homes (12%). The condominium/townhouses and single-family homes offer larger units sizes for families. Three-bedroom condominium/townhouses rented for a median of \$1,925, and single-family homes with four or more bedrooms commanded a median rent of \$2,075. It is interesting to note that in some instances the median rent for a three-bedroom single-family home is comparable to the median rent for a three-bedroom apartment. This may be a reflection of the fact that most of the single family housing stock is older with fewer amenities than the condominium/townhome units.

**Table 2-17:  
Survey of Vacant Rental Units: March-May 2011**

Unit Type and Bedrooms	Units Advertised	Rental Range	Median Rent
<b>Apartments</b>			
1	13	\$950 - \$1,550	\$1,250
2	18	\$950 - \$1,850	\$1,400
3	4	\$1,775 - \$2,100	\$1,940
<b>Condominiums/Townhomes</b>			
2	6	\$1,500 - \$1,950	\$1,700
3	3	\$1,700 - \$2,150	\$1,925
<b>Single-Family Homes</b>			
1	0	N/A	\$N/A
2	2	\$1,500-1,725	\$1,620
3	2	\$1,700 - \$2,250	\$1,975
4+	2	\$2,000 - \$2,150	\$2,075

Source: www.craigslist.org and Southland classifieds

In addition to the full rental units surveyed, there were nine individual rooms advertised for rent within condominiums/townhomes and single-family homes, providing a lower cost rental option, with an overall median rent of \$675. Many of the rooms were marketed to students as nearby to Cypress College and California State University, Long Beach.

### **2.3.5B Homeownership Market**

For homes purchased throughout the SCAG region the median purchase price inched up slightly in mid-2012 but dropped below the level for 2011. Data for the first half of 2012 indicates that home sales have not risen across the price spectrum. Transactions below \$300,000 rose 9.5% since 2011, while the number of \$300,000-\$800,000 deals dipped 0.8% year-over-year, and sales above \$800,000 fell 12.6%. The median price paid for a home in the SCAG region in February 2012 was \$264,750, up 1.8% from \$260,000 in January, but down 3.7% from \$275,000 in February 2011.

Within Orange County, prices fell 5% between February 2011 and February 2012. Slow sales, flat appreciation, and subprime lending activity have all contributed to significant increases in foreclosures, with the number of mortgage default notices in Southern California at a 10-year all-time high.

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**Table 2-18** compares single-family and condominium sales prices during February 2012 in Cypress and nearby communities by ZIP code, and contrasts this with sales prices during February 2011. A total of 21 single-family homes were sold within the City during February 2012, commanding a median sales price of \$349,000. Median sales prices in Cypress were higher than Anaheim, Lakewood, and most of Long Beach and Santa Ana; comparable to Westminster; and lower than Costa Mesa, Huntington Beach, and the countywide median of \$455,000. While only a limited number of homes were sold in Cypress, at -15.9%, the City's year-over-year price decrease was comparable to that experienced among all the comparison cities, the majority of which evidenced a decrease in median single-family home prices.

Only seven condominiums sold in Cypress during February 2012. The median price was \$215,000, which is below the countywide median sales price of \$250,000. Similar to the depreciation in single-family homes in Cypress, condominium prices decreased 28.7% over the prior year, in contrast to a 14% decline in condominium prices countywide.

The 2008-2014 Housing Element presented a median home price of \$575,000 for 316 homes sold in Cypress. The 2012 median of \$349,000 represents a decrease of 40% since 2007. The median condominium price documented in the 2008-2014 Housing Element was \$444,500 for 77 sales in 2007. The 2012 median condominium price of \$250,000 represents a decrease of nearly 44% over the past five years. The drop in housing prices represents increasing opportunities for moderate-income families to afford homeownership in the City, provided they can obtain financing in a tight market.

**Table 2-18:  
Single-Family Home and Condominium Sales February 2012  
Cypress and Nearby Communities**

Community	Zip Code	No. of Homes Sold	Median Home Price	Percent Change from 2011	No. of Condos Sold	Median Condo Price	Percent Change from 2011
Anaheim	92801	18	\$304,000	-6.6%	9	\$245,000	-5.4%
	92802	10	\$345,000	-8.6%	1	\$284,000	N/A
	92804	29	\$310,000	-2.4%	10	\$161,000	-7.3%
	92805	19	\$307,000	-12.3%	8	\$184,000	-16.4%
	92806	15	\$355,000	-1.9%	N/A	N/A	N/A
Costa Mesa	92626	18	\$453,000	-12.1%	8	\$360,000	34.9%
	92627	18	\$497,000	-1.6%	6	\$321,000	-12.4%
<b>Cypress</b>	<b>90630</b>	<b>21</b>	<b>\$349,000</b>	<b>-15.9%</b>	<b>7</b>	<b>\$215,000</b>	<b>-28.7%</b>
Huntington Beach	92845	22	\$560,000	17.9%	15	\$254,000	-16.8%
	92647	15	\$506,000	7.1%	11	\$180,000	-12.3%
	92648	26	\$735,000	-8.7%	9	\$280,000	-25.9%
	92649	13	\$738,000	1.7%	11	\$378,000	32.5%
Lakewood	90712	23	\$320,000	-1.2%	N/A	N/A	N/A
	90713	16	\$335,000	-6.8%	N/A	N/A	N/A
	90715	7	\$275,000	-9.8%	3	\$177,000	-3.0%
Long Beach	90802	6	\$240,000	-5.7%	44	\$184,000	-8.0%
	90803	12	\$673,000	15.9%	24	\$485,000	21.3%
	90804	6	\$322,000	1.4%	7	\$180,000	44.0%
	90805	43	\$218,000	-5.2%	4	\$72,000	-45.0%
	90806	20	\$275,000	-11.9%	3	\$165,000	-25.0%
	90807	15	\$449,000	18.2%	5	\$125,000	-32.4%
	90808	37	\$360,000	-14.3%	N/A	N/A	N/A
	90810	17	\$243,000	-1.1%	1	\$105,000	N/A
	90813	4	\$222,000	-10.5%	2	\$90,000	2.6%
	90814	5	\$570,000	-15.6%	5	\$263,000	14.3%
	90815	18	\$418,000	-5.1%	3	\$230,000	-14.8%
Santa Ana	92701	10	\$227,000	-11.0%	10	\$105,000	4.7%
	92703	9	\$260,000	2.0%	3	\$119,000	-23.8%
	92704	30	\$314,000	-5.3%	14	\$111,000	-22.4%
	92705	27	\$450,000	-36.9%	5	\$172,000	-3.8%
	92706	15	\$360,000	24.0%	2	\$138,000	15.0%
	92707	18	\$298,000	1.1%	9	\$160,000	18.1%
Westminster	92683	47	\$380,000	-3.8%	N/A	N/A	N/A
Orange County	All	1,255	\$455,000	-4.2%	560	\$250,000	-13.8%

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

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### 2.3.5.C Housing Affordability

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

California Health and Safety Code defines affordable owner and rental housing costs as follows:

#### *Affordable Ownership Housing Cost – moderate income*

- Housing costs consist of mortgage debt service, homeowner association dues, insurance, utility allowance and property taxes.
- Affordable costs are up to 35% of the defined household income.
- Affordable costs for moderate income households are based on a standard of 110% of median area income for a household size equal to one more person than the number of bedrooms in the unit.

#### *Affordable Renter Housing Cost*

- Housing costs include rent plus utilities paid for by the tenant.
- Affordable costs are up to 30% of the defined household income.
- Household size is based on one person more than the number of bedrooms in the unit.

The HUD-published 2012 Area Median Family Income (MFI) for a four-person household in Orange County is \$85,300.

Based on these definitions of income and affordable housing cost, **Table 2-19** presents the maximum affordable purchase price for moderate-income households (110% MFI), and compares this with market sales prices for single-family homes and condominiums in Cypress as previously documented in **Table 2-18**. As illustrated in the table, median single-family home prices in Cypress are generally beyond the level of affordability for moderate-income households. For example, the maximum affordable purchase price for a moderate-income four-person household is \$445,043, whereas the median priced three-bedroom home in Cypress is \$453,700, an affordability gap of \$8,657.

A decrease in sales prices and interest rates over the past several years have made housing more affordable in general. As shown in **Table 2-19**, condominiums have become an affordable option for many moderate income families. The maximum affordable purchase price for a three-person household is \$416,740, and the median priced two-bedroom condominium in Cypress sells for \$236,460. These numbers indicate that in comparison to the early 2000s, housing in Cypress has become more affordable, due to a rise in the median income, lower interest rates, a high number of foreclosures, and an overall decrease in housing prices.

**Table 2-19:  
2012 Maximum Affordable Housing Cost (Moderate Income)  
Orange County**

<b>Moderate Income Affordable Housing Cost</b>	<b>1 Bedroom (2 persons)</b>	<b>2 Bedroom (3 persons)</b>	<b>3 Bedroom (4 persons)</b>	<b>4 Bedroom (5 persons)</b>
Household Income @ 110% Median	\$75,075	\$84,425	\$93,830	\$101,310
Income Towards Housing @ 35% Income	\$26,500	\$29,550	\$32,840	\$35,460
Maximum Monthly Housing Cost	\$2,210	\$2,460	\$2,740	\$2,955
Less Expenses:				
Utilities	(\$135)	(\$157)	(\$211)	(\$238)
Taxes (1.1% affordable hsg price)	(\$290)	(\$325)	(\$360)	(\$390)
Insurance	(\$115)	(\$150)	(\$165)	(\$200)
Monthly Income Available for Mortgage				
Supportable Mortgage @ 5% interest	\$341,452	\$378,855	\$404,585	\$432,354
Homebuyer Down Payment (10%)	\$34,145	\$37,886	\$40,459	\$43,235
<b>Maximum Affordable Purchase Price</b>	<b>\$375,600</b>	<b>\$416,740</b>	<b>\$445,043</b>	<b>\$475,589</b>
<b>Cypress Median Single-Family Price (2012)</b>	<b>N/A</b>	<b>\$390,500</b>	<b>\$453,700</b>	<b>\$526,650</b>
<b>Cypress Median Condo Price (2012)</b>	<b>\$109,000</b>	<b>\$236,460</b>	<b>\$325,000</b>	<b>N/A</b>

Source: Hogle-Ireland, Inc, 2012.

**Table 2-20** presents the maximum affordable rents for very low-, low-, and moderate-income households by household size, and compares with median apartment rents in Cypress, as documented in **Table 2-17**. As the table below indicates, citywide median rents are above the level of affordability for all very low-income households, with the affordability gap ranging from \$440 to \$1,000 per month depending on household size. There are individual rooms for rent that are affordable to very low-income one-person households. Smaller low-income households are able to afford rentals in the City. However, as household size increases, so does the affordability gap, with a monthly shortfall of approximately \$600 for a low-income, four-person household renting a three-bedroom unit. Households earning moderate incomes are able to afford market rents in Cypress, with the exception of the larger four or more bedroom single-family homes.

**Table 2-20:  
2012 Orange County Maximum Affordable Rents**

<b>Income Level</b>	<b>Maximum Affordable Rent After Utilities Allowance</b>			
	<b>Studio (1 person)</b>	<b>1 Bedroom (2 person)</b>	<b>2 Bedroom (3 person)</b>	<b>3 Bedroom (4 person)</b>
Very Low Income	\$696	\$803	\$859	\$941
Low Income	\$997	\$1,109	\$1,218	\$1,318
Moderate Income	\$1,507	\$1,742	\$1,954	\$2,135
<b>Cypress Median Apt Rents</b>	<b>N/A</b>	<b>\$1,250</b>	<b>\$1,400</b>	<b>\$1,940</b>
<b>Cypress Median Room Rent</b>	<b>\$600</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

Source: Hogle-Ireland, Inc.

\*Affordability calculations subtract the following utility expenses based on the Orange County Housing Authority utility allowance schedule: \$109 for studios, \$135 for 1 bdrms, \$157 for 2 bdrms, and \$211 for 3 bdrms

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## 2.3.6 Assisted Housing at Risk of Conversion

State Housing Element law requires an analysis of the potential for currently rent-restricted low-income housing units to convert to market rate housing, and to propose programs to preserve or replace any units “at risk” of conversion. This section presents an inventory of all assisted rental housing in Cypress, and evaluates those units at risk of conversion during the next ten years (through 2013).

### 2.3.6A Assisted Housing Inventory

Cypress contains five developments of assisted multi-family rental housing totaling 291 affordable units, as presented in **Table 2-21**. This inventory includes all multi-family rental units assisted under federal, State, and local programs, including HUD, State/local bond programs, density bonus, inclusionary, and local redevelopment or direct assistance programs.

**Table 2-21:  
Assisted Rental Housing Inventory**

Project Name	Tenant Type	Total Units	Affordable Units	Applicable Programs	Potential Conversion Date
Cypress Park Senior Community	Senior	124	31	RDA Set-Aside	3/2029
Cypress Pointe Senior Community	Senior	110	11	Density Bonus	4/2030
Sumner Place	Family	5	5	Density Bonus	3/2029
Cypress Sunrise	Senior	75	74	Bond; RDA Set-Aside	7/2023
Tara Village Family Apartments	Family	170	80	Bond; RDA Set-Aside	4/2064

### 2.3.6B Loss of Assisted Housing Inventory

All of the affordable rental projects have long-term affordability restrictions, and none are at risk of conversion during the 2013-2023 planning period. During the 2008-2014 planning period, the City negotiated with the owners of Tara Village to buy down affordability and to extend the affordability term on 80 of the project’s 170 units. With the City’s assistance, the affordability covenants on 40 units reserved for very low-income and 40 units for low-income households in Tara Village have been extended from 30 years to 55 years, or until 2064. To achieve this, the City utilized funds from the redevelopment set-aside (a funding source no longer available).

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## 2.3.7 Existing Housing Needs

### 2.3.7.A Overpayment

The 2010 Census indicates that overpayment remains a critical concern for lower-income households, who are disproportionately affected by this burden compared to other households. Affordability problems occur when housing costs become so high in relation to income that households have to pay an excessive proportion of their income for housing, or are unable to afford any housing and are homeless. Housing overpayment refers to spending more than 30% of income on housing; severe overpayment is spending greater than 50 percent. **Table 2-22** shows the incidence of overpayment in Cypress.

**Table 2-22:  
Housing Overpayment, 2010**

Overpayment	Households	Percent	Orange Co. Percent
Owners with mortgage	10,920	70%	
Overpayment (>30% income on housing)	3,880	36%	39%
Severe Overpayment (>50% income on housing)	1,730	16%	12%
Renters paying rent	4,630	30%	
Overpayment (>30% income on housing)	2,195	64%	58%
Severe Overpayment (>50% income on housing)	765	17%	20%

Source: U.S. Census Bureau , 2006-2010 American Community Survey

According to the 2010 Census, 64% of renters and 36% of homeowners in Cypress were spending more than 30% of their total income on housing, similar to the level of overpayment experienced countywide. However, the percentages of lower-income households overpaying is more significant, with 62% of low-income renters and 48% of low-income owners overpaying for housing. **Figure 2-4** illustrates the geographic areas of the City where severe rental overpayment is the greatest. Areas with more than one-quarter of the renter households paying more than 30 percent of household income for rent are generally areas of the City with more modest household incomes and older single-family units. These areas are dispersed throughout the City and are generally located in the south and the east as well as the center of the City,

**Table 2-23** provides a more detailed review of households that experienced severe housing overpayment. Among renters, the elderly were most impacted by severe overpayment, with 27% of the City's total 639 elderly renters spending more than half their income on rent. Among homeowners, all household types experienced fairly comparable levels of severe overpayment in 2010, ranging from 15 to 27%. Of homeowners, large families, and other types of households experienced the highest rate of severe overpayment. These households are most at risk of foreclosure, particularly in a declining housing market with rising interest rates.

**Table 2-23:  
Severe Housing Cost Burden by Type and Tenure, 2010**

Overpayment	Elderly	Small Family	Large Family	Other	Total
<b>Owners with mortgage</b>					
Total no. by household type	2,715	6,005	1,140	1,060	10,920
% with severe cost burden	15%	13%	20%	27%	16%
<b>Renters paying rent</b>					
Total no. by household type	639	2,680	405	906	4,630
% with severe cost burden	27%	15%	30%	13%	17%

Source: <http://socds.huduser.org/chas/reports>

### 2.3.7.B Overcrowding

The Census defines overcrowding as an average of more than one person per room in a housing unit (excluding kitchens, porches, and hallways). The incidence of overcrowded housing is a general measure of whether there is an available supply of adequately sized housing units. **Table 2-24** shows the incidence of overcrowding in Cypress by tenure, as reported by the 2010 Census.

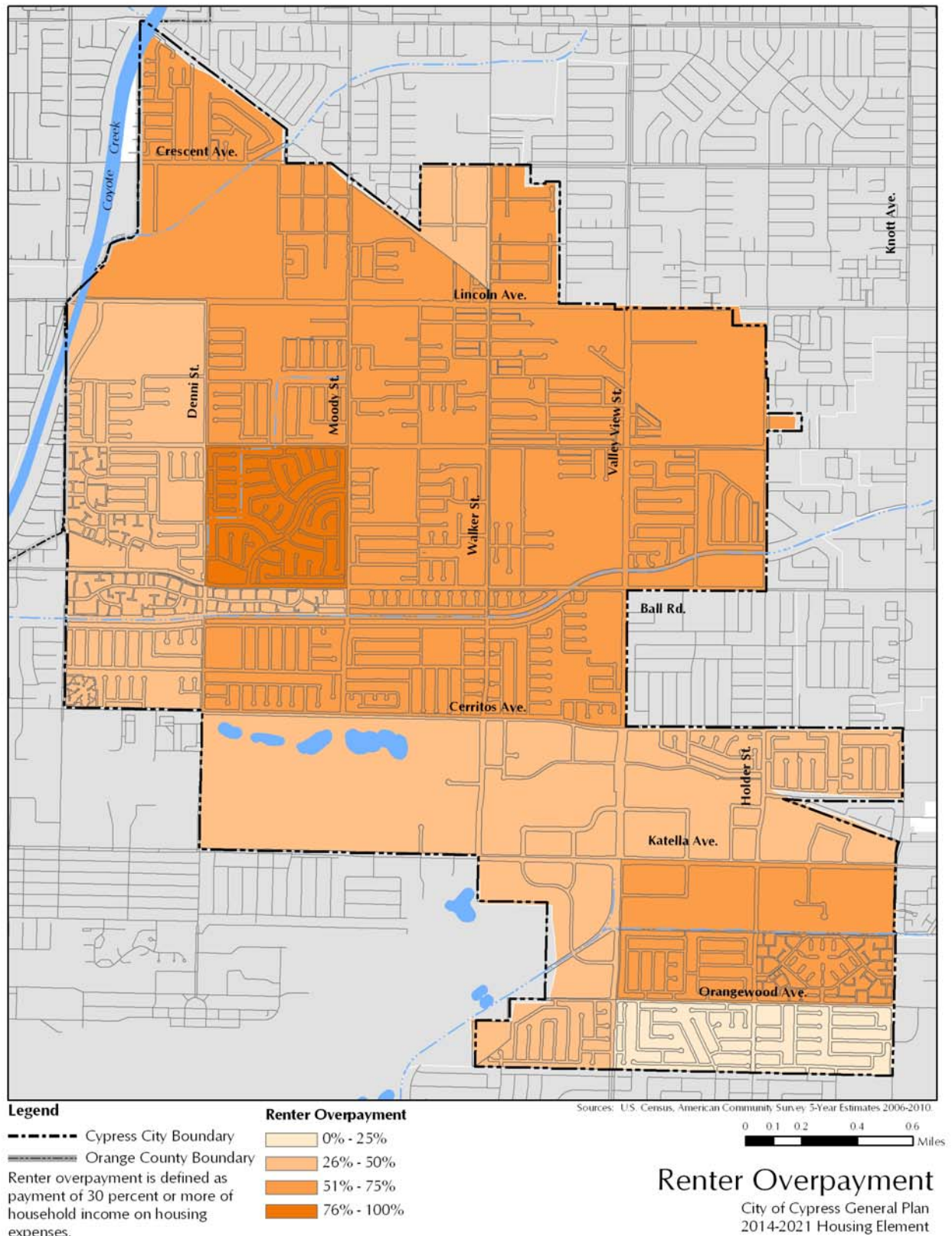
**Table 2-24:  
Overcrowded Households 2010**

Overcrowding	Households	%	Orange Co. %
<b>Owners</b>			
Overcrowding	118	1%	3%
Severe Overcrowding	7	<1%	1%
<b>Renters</b>			
Overcrowding	370	8%	10%
Severe Overcrowding	94	2%	7%
<b>Total Overcrowding</b>	<b>589</b>	<b>4%</b>	<b>9%</b>

Source: U.S. Census Bureau, 2006-2010 American Community Survey. Severe overcrowding is a subset of overcrowding.

In 2010, 589 households experienced overcrowded conditions in Cypress, representing 4% of all households. This is somewhat less than the 9% of overcrowding reported countywide. Of the households classified as overcrowded, approximately 8% were renter households. This is a noticeable decrease from 2000, when 19% of renter units were considered to be overcrowded. This percent is still less than the overcrowding rates for renter households countywide. Severe overcrowding, which is defined as more than 1.5 persons per room, was higher among renters, with 94 renter households (2%) experiencing severe overcrowding. The highest levels of overcrowding are generally in the northeastern area of the City, closest in proximity to Cypress College. The majority of these areas are also those with more modest household incomes and the highest percentages of renter occupied housing.

**Figure 2-4: Renter Overpayment, 2010**



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## 2.4 REGIONAL HOUSING NEEDS

State law requires all regional councils of governments, including the SCAG, to determine the existing and projected housing need for its region and determine the portion allocated to each jurisdiction. This is known as the “Regional Housing Needs Assessment” (RHNA) process.

State Housing Element law requires that each city and county develop local housing programs to meet its “fair share” of existing and future housing 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 of not only its resident population, but also for the jurisdiction’s projected share of regional housing growth across all income categories. Regional growth needs are defined as the number of units that would have to be added in each jurisdiction to accommodate the forecasted number of households, as well as the number of units that would have to be added to compensate for anticipated demolitions and changes to achieve an “ideal” vacancy rate.

In the six-county Southern California region, which includes Cypress, the agency responsible for assigning these regional housing needs to each jurisdiction is SCAG. The regional growth allocation process begins with the State Department of Finance’s projection of statewide housing demand for a five-year planning period, which is then apportioned by the State Department of Housing and Community Development (HCD) among each of the State’s official regions.

SCAG has determined the projected housing need for its region for the 2014-2021 Housing Element cycle, and has allocated this housing need to each jurisdiction by income category through the RHNA process. The RHNA represents the minimum number of housing units each community is required to provide “adequate sites” for through zoning, and is one of the primary threshold criteria necessary to achieve HCD approval of the Housing Element.

In allocating the region’s future housing needs to jurisdictions, SCAG is required to take the following factors into consideration:

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

As defined by the RHNA process, Cypress’ new construction need for the 2014-2021 period has been established at 308 new units, distributed among the four income categories as shown in **Table 2-25**. The City will continue to provide sites for a mix of single-family, multi-family and mixed-use housing, supported by a variety of programs to enhance affordability, to accommodate its RHNA and contribute towards addressing the growing demand for housing in the Southern California region.

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

<b>Income Level</b>	<b>Percent of AMI*</b>	<b>Units</b>	<b>Percent of Total RHNA</b>
Very Low**	0-50%	71	23.1%
Low	51-80%	50	16.2%
Moderate	81-120%	56	18.2%
Above Moderate	120%+	131	42.5%
<b>TOTAL</b>		<b>308</b>	<b>100%</b>

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

\* AMI – Area Median Income

\*\* An estimated half of Cypress’ very low income housing needs (36 units) are for extremely low income households earning less than 30% AMI

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## 3. HOUSING CONSTRAINTS

### 3.1 GOVERNMENTAL CONSTRAINTS

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

#### 3.1.1 Land Use Controls

The Cypress General Plan and Zoning Ordinance provide for a range of residential land use designations/zones in the City:

*Low Density Residential (RS-15000; RS-6000)* - Provides for development of low-density detached single-family dwellings. Maximum density is 5 dwelling units per acre.

*Medium Density Residential (RS-5000; RM-15)* - Provides for development of medium-density duplexes, townhomes, condominiums, and apartments. Single-family homes may also be appropriate. Maximum density is 15 dwelling units per acre.

*High Density Residential (RM-20)* - Provides opportunities for development of apartments, condominiums, townhouses, and other group dwellings in addition to single-family development. Maximum density is 20 dwelling units per acre.

*Mobile Home Park (MHP-20A)* - Provides for the development of mobile home parks subject to certain zoning restrictions. Maximum density is 12 spaces per gross acre.

The City's residential development standards set forth in the Zoning Ordinance are summarized in **Table 3-1**. The standards are not excessive, are fairly comparable to other Orange County communities, and do not serve as a constraint to development, as evidenced by continued residential development activity.

The development standards address minimum provisions for development of studio to five-bedroom residential units. Minimum unit sizes are also provided for in multiple-family units. The maximum height in all residential zones, except RS-5000, is 35 feet. Since the RS-5000 zone district allows zero lot line development, the maximum height is 30 feet. Regulations allow for development on existing lots smaller than 10,000 square feet in the RM-15 and RM-20 zone districts, provided the lot width is at least 50 feet and further provided that all parking, driveway, and interior setback requirements can be met.

**Table 3-1: Residential Development Standards**

	RS-15000	RS-6000	RS-5000*	RM-15**	RM-20**	MHP-20A
Minimum Parcel Size	15,000 s.f.	6,000 s.f.	10,000 s.f.	10,000 s.f.	10,000 s.f.	20 acres
Minimum Parcel Width	100'	60'	50'	100'	100'	250'
Minimum Setbacks						
Front (1st Story; 2nd Story)	30'; 35'	20'; 25'	10' from driveway	20'	20'	20'
Side (1st Story; 2nd Story)	10'; 15'	5' on 1 side; 10' on 1 side.	0' on 1 side; 10' min bldg distance	5';10'	5';10'	10'
Street Side	10'; 15'	10'; 15'	15'	10'	10'	10'
Rear	25'	10'	15'	10'	10'	5';8'
Maximum Height						
Dwellings	35'	35'	30' or 2 stories	35'	35'	-
Accessory Structures	15'	15'	15'	15'	15'	-
Minimum Unit Size	1,500 s.f.	1,100 s.f.	1,200 s.f.	450 s.f. - studio; 600 s.f. - 1-bd; 750 s.f. - 2-bd; 900 s.f. - 3-bd		-
Density (du/acre)	2.5	5.0	8.712	15	20	12.4
Maximum Lot Coverage	35%	40%	40%,	40%	45%	75%
Minimum Landscaped Open Area	N/A	N/A	N/A	35%	35%	20% per lot***
<b>Parking Standards</b>						
	<b>Studio</b>	<b>1 bed</b>	<b>2 bed</b>	<b>3 bed</b>	<b>4 bed</b>	<b>5 bed</b>
Single Family	2	2	2	2	2	3
Multi-Family	1	1 (+ .5 open)	2	2 (+ .5 open)	2 (+ .5 open)	2 (+ .5 open)
Guests – Multi-family	.25 per unit unassigned open spaces (4 or more units)					
Condominiums**** - Includes Detached 2 or fewer bedrooms	1	1 (+ .5 open)	2	2 (+ .5 open)	2 (+ .5 open)	2 (+ .5 open)
Guests – Condos	.5 unassigned open spaces for each dwelling unit (2 or more units)					
Condominiums - Detached - 3+ bedrooms (includes guest parking)	See above	See above	See above	2 (2 open)	2 (2 open)	2 (2 open)
Mobile Home Parks	1 covered space; plus 1 space for each 6 mobile homes or sites					
Planned Residential Developments	2 garage spaces per unit, plus 1 open on site; 1 open space for guests (driveway parking included)					
Single-Family, small lots	2 garage spaces; plus 2 open spaces for each unit; plus 1 unassigned open space for guest					

\* RS-5000 allows for zero lot line development and may incorporate common areas and private streets

\*\* RM-15 and RM-20 allow buildings on existing lots with less than min parcel size or min width

\*\*\* MHP-20A requires a minimum recreation area of 150 square feet per lot/space and 200 square feet per lot/space if children are allowed

\*\*\*\* Condominiums including townhouses, patio homes, and detached condominiums containing two or fewer bedrooms

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The parking standards for single-family units are a minimum two-car garage for up to four bedrooms. New single-family residences with more than four bedrooms require at least a three-car garage. The multiple-family zones require an increasing number of spaces as the unit has an increasing number of bedrooms: from one enclosed space for a studio or one-bedroom unit to two spaces for units with two or more bedrooms. Additional open parking of 0.5 spaces per unit is required for one- and three-bedroom units. Guest parking, at 0.25 - 0.5 open spaces per unit, is also required for apartments and condominiums, respectively. Detached condominiums with three or more bedrooms mimic small lot single-family residential standards, with two parking spaces per unit required.

The City's standards have not served as a constraint to the provision of housing, with recently completed or approved projects ranging in size from two to 16 units in the multiple-family zones (RM-15, RM-20 and PC). Since January 2008, a total of nine multi-family development projects have been approved or constructed. Of the nine projects, there have been at least three projects approved or completed in each of the RM-15, RM-20, and PC-Lincoln Avenue Specific Plan zones. Three developments in the RM-20 zone also involved demolition of single units in order to build new condominium units. In the last decade, 20 tentative tract maps have been approved in the higher-density residential zones. Of these, nine were on single lots and 11 were lot consolidations. As would be expected, the lot consolidations generally created more units than the single lots. The majority of these tract maps involved development of five to ten units; however, four recent projects involved between 11 and 19 units.

During the 2008-2014 planning cycle, the City approved several residential projects including two five-unit condominium developments in the RM-15 zone, as well as a three-unit and a 16-unit condominium project in the RM-20 zone. The 16-unit development, located at 4852 Lincoln (within the Lincoln Avenue Specific Plan area) achieved the maximum 20 units per acre density with attached two-bedroom units. The RM-20 development standards support the achievement of 20 units per acre on at least two consolidated lots for an attached product. However, up until the 2008-2011 economic downturn in the for-sale market, developers have preferred to build detached three- or four-bedroom condominium units in the RM-15 and RM-20 zones, resulting in projects below the maximum permitted densities.

With the decreasing market prices of condominiums and continued growth in market rents, City staff has witnessed a shift in development interest from condominiums to a rental product. One of the major incentives offered in the Zoning Ordinance is the consolidation of RM-15 and RM-20 parcels, which maximizes densities in multi-family rental housing by allowing for a single 24-foot wide access driveway. A single driveway shared by two or more consolidated parcels allows for increased lot coverage and room for living area at grade level, thereby increasing the unit yield on a lot.

During the 2008-2014 planning period, the City heavily promoted the lot consolidation incentive and identified sites for higher densities along Lincoln Avenue. The Lincoln Avenue Specific Plan was amended in November 2009 to allow up to 30 dwelling units per acre in the Residential Mixed Use district of the PC Planned Community Zone. The City also adopted the new R30 Residential district that also allows up to 30 units per acre. The City has identified the amendments as a key mechanism that has encouraged and facilitated the development of rental housing during the previous planning period.

Cypress has adopted other provisions in the Zoning Ordinance that facilitate a range of residential development types and encourage affordable housing, as discussed below.

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## **Affordable Housing Density Bonus**

Article 3, Section 12 of the Cypress Zoning Code sets forth the City's density bonus provisions for affordable housing, last updated in December 2009 to be consistent with current State law. In summary, applicants of residential projects of five or more units may apply for a 25% density bonus and additional incentive(s) if the project provides for one of the following: 10% of units for lower-income households, 5% of units for very low-income households, or a development for qualifying senior residents. In addition to the density bonus, eligible projects shall receive one to three development incentives or concessions. The Cypress Zoning Code identifies the following list of eligible incentives and concessions:

### *Incentives:*

- a. Subsidized development fees
- b. Mixed-use zoning
- c. Waiver of certain development fees
- d. Direct financial participation by the City

### *Concessions:*

- a. Increases in parcel coverage
- b. Decreases in minimum parcel size allowed for development
- c. Reduction in side setbacks
- d. Reduction in rear setbacks
- e. Coordination of placement/responsibilities for public works improvements
- f. Reduction in local building standards to minimums approved by the State
- g. Reduction in the number of required off-street parking spaces
- h. Waiver of certain fee or dedication requirements

During the 1980s and 1990s, density bonuses were used extensively in Cypress, largely in conjunction with available mortgage revenue bond financing available through the County. Since 2000, only one density bonus project has been developed, providing one ownership unit affordable to a moderate income household.

Cypress updated its density bonus provisions in 2009 to be consistent with Government Code Section 65915. This Code section includes major changes to State density bonus requirements, including significantly reducing the number of affordable units that a developer must provide to receive a density bonus. The City currently provides information to developers about the density bonus ordinance; however the ordinance has not been utilized by developers since 2004.

## **Inclusionary Housing Policy**

In March 2003, the former Cypress Redevelopment Agency adopted an Inclusionary Housing Policy (Resolution CRA -109). The policy requires that all housing newly constructed or substantially rehabilitated within Cypress' merged and amended Redevelopment Project Area meets the State mandated inclusionary housing obligations triggered by their development. The Inclusionary Policy mirrors the State redevelopment requirement of 15% inclusionary housing, with 6% of the units reserved for very low-income households and 9% reserved for low- or moderate-income households. Single-family homes are exempt from this requirement, unless constructed as part of a single-family subdivision. With the dissolution of redevelopment in California in 2012, this policy can no longer be applied within the context of Redevelopment Project Areas.

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## Density Incentive Overlay District

This overlay zoning district is designed to address development of larger parcels of residential land in the City, either existing or newly combined. The intent is two-fold: 1) to ensure maintenance of the low-density residential character of the area while accommodating larger parcels of land, and 2) to provide for the option of multi-family residential development in single-family districts by providing density increases up to 11 units per acre for combining parcels. The following development standards apply to the Density Incentive Overlay:

<b>Minimum Parcel Size</b>	13,000 square feet
<b>Minimum Structure Site per Unit</b>	3,950 square feet
<b>Minimum Parcel Width</b>	100 feet
<b>Minimum Parcel Depth</b>	130 feet
<b>Front and Rear Setbacks</b>	20 feet
<b>Sidyard Setback</b>	5 feet (single-story), 10 feet (two-story)
<b>Street Setback</b>	10 feet
<b>Maximum Parcel Coverage</b>	40%
<b>Maximum Structure Height</b>	35 feet
<b>Minimum Dwelling Unit Size</b>	450 sq ft – Studio 600 sq ft - 1 Bedroom 750 sq ft - 2 Bedroom 900 sq ft - 3 Bedroom

The Density Incentive Overlay was utilized to obtain approval for a three-unit detached condominium project completed in September 2007 and a seven-unit condominium project located at 5541 Bishop Street that is under construction (as of May 2012). The Density Incentive Overlay is used rarely, about once every two years, due primarily to the need to consolidate parcels to achieve the minimum 13,000-square-foot parcel required.

## Small Lot Development

The City established the RS-5000 zone district as a means of facilitating small lot development, and has established the following standards to regulate such development and ensure quality design and neighborhood compatibility:

### *Mandatory Requirements*

- Projects consisting of 15 or more dwelling units shall provide internal sidewalks adjacent to all private roads.
- Access onto adjoining streets shall be limited.
- Perimeter setbacks shall be increased to a minimum of 15 feet where adjacent property is zoned RS-6000. The setbacks shall include a minimum five-foot buffer area, to be planted with upright trees and shrubs.
- The dwelling units shall be oriented to maximize privacy.
- Long, continuous rows of identical dwelling units shall be avoided.
- Open space shall consist of landscaping, patios, and recreational areas.

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- Private open space shall consist of a minimum of 600 square feet for each dwelling unit. Projects with 15 units or more are required to provide a common recreational open space area at a minimum size of 100 square feet for each dwelling unit.
  - Masonry walls at least six feet in height shall be required along all rear and side property lines.

#### *Design Guidelines*

- Decorative paving for private roads and access driveways is encouraged.
- Widened private road and driveway entrances are encouraged.
- Private roads and access driveways wider than the 24-foot minimum are encouraged.
- The use of joint access between projects is encouraged.
- Varied streetscape is encouraged both along public streets and private roads and driveways.
- Building design shall incorporate varying setbacks, projecting architectural features (e.g., columns, offset roof planes, windows) and other features that create both vertical and horizontal articulation.

### **Special Purpose Zoning Districts**

The Cypress zoning code establishes special purpose zones for public and semi-public (PS), planned residential (PRD), and planned community (PC) development. Special purpose zoning districts permit design and development standards to be established that are tailor-made for planned project areas with unique attributes. The PS zoning district sets aside properties to be developed with public uses, other than street rights-of-way. The district is also intended to identify and preserve historic and community significance for the enjoyment of future generations. Senior housing is a conditionally permitted use in the PS zone. The PRD zoning district is established to provide flexibility in the design of residential projects. The district allows for more creative and innovative residential subdivision and unit design, promoting more economical and efficient use of the land, a higher level of urban amenities, and preservation of the natural and scenic qualities associated with open spaces. The PC zoning district is established to provide opportunities for the design and development of integrated, master-planned projects in specific areas of the City. The district permits a compatible use of land uses, planned commercial developments, and business parks, and a variety of housing styles and densities.

### **Multi-Family Housing in Commercial Zones**

The Cypress Zoning Ordinance provides for the development of multi-family housing and mixed use (residential over retail/office) in all commercial zone districts with a conditional use permit. These zones include the Office Professional (OP), Commercial Neighborhood (CN), Commercial General (CG), and Commercial Heavy (CH). Live/Work Facilities are also allowed with a conditional use permit in the OP and CN zone districts.

### **Lincoln Avenue Specific Plan**

Lincoln Avenue is one of Cypress' commercial thoroughfares. To facilitate revitalization and economic investment along Lincoln Avenue, in 1990 the City adopted a Redevelopment Plan (now obsolete) for Lincoln Avenue and in 1999 adopted the Lincoln Avenue Specific Plan. The Specific Plan encourages both higher density multi-family residential and mixed-use development as a means of stimulating pedestrian and transit-oriented activity along this street. The Specific Plan initially separates the corridor into eight districts, four of which allowed medium- to high-density residential development: 1) Residential Mixed Use (RM), 2) Commercial Mixed Use (CM), 3) Campus Village (CV), and 4) Downtown (D). Initially, the Plan permitted residential densities at a maximum of 20

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dwelling units per acre throughout the corridor, with increased densities possible through the City's density bonus provision. Following the adoption of the 2008-2014 Housing Element, the City was required to identify and rezone sites within the Lincoln Avenue Specific Plan area to allow 30 dwelling units per acre. In November of 2009, the City Council adopted Ordinance 1111 and Resolution 6168 to amend the Specific Plan to create the new Residential (R30) district within the existing PC Lincoln Avenue Zone. The R30 district permits exclusively high-density residential uses at a density of 30 dwelling units per acre, with the potential to utilize a density bonus as permitted by State law. The Council also amended the Residential Mixed Use district to allow up to 30 dwelling units per acre. **Table 3-2** provides the development standards for the Lincoln Avenue Specific Plan five districts which encourage residential infill and mixed-use development.

The Specific Plan includes the following incentives (Section 7.3.1 of the Specific Plan) to encourage lot consolidation:

- No processing fee
- 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

The City has completed an extensive streetscape improvement project that significantly upgraded the visual image of the Lincoln Avenue corridor. With the Specific Plan and streetscape amenities in place, as well as efforts to revitalize and intensify housing development along the corridor, Lincoln Avenue has become a focal point for economic development and is positioned for significant change. Since the Lincoln Avenue Specific Plan was adopted, Cypress has been successful in attracting several residential developments to Lincoln Avenue. Densities in developed projects vary based on the product type, and have ranged from 13 units per acre for a detached condominium project, 15 to 22 units per acre for attached condominiums, and 55 units per acre for senior apartments. Since 2008, a number of projects have been completed or approved within the Specific Plan area, including a seven unit condominium project on Bishop Street, a 15-unit condominium project by Habitat for Humanity at the east end of Lincoln Avenue, and a 16-unit condominium project near the center of the City at 4852 Lincoln Avenue.

As residential development has been realized in the Specific Plan area, the City has modified certain development standards to better facilitate development. For example, the City has reduced the front yard setback for residential projects in the Specific Plan area. Additionally as part of the amendment to the Specific Plan in 2009, the specific development standards were reviewed and revised to ensure achievement of these higher densities in both exclusively residential and mixed-use developments. Generally, the amended Specific Plan has been an effective mechanism for the creation of affordable units and the development of higher-density residential projects.

**Table 3-2:  
Lincoln Avenue Specific Plan Development Standards**

	<b>Residential Mixed Use</b>	<b>Commercial Mixed Use</b>	<b>Campus Village</b>	<b>Downtown</b>	<b>R30 Residential</b>
Minimum Parcel Size	10,000 sf	10,000 sf	20,000 sf	10,000 sf	10,000 sf
Minimum Lot Frontage	150 ft	150 ft	300 ft	100 ft	100 ft
Maximum Floor Area Ratio (FAR)	0.5:1	0.5:1	0.5:1	0.5:1	-
Maximum FAR with Density Bonus*	-	1:1	1:1	-	-
Maximum Height	35 ft	50 ft	50 ft	35 ft	50 ft
Max. % Lot Coverage	-	-	-	60	-
Maximum Front Setback	-	-	-	10 ft	-
Minimum Setbacks					
Front**	10 ft	10 ft	2 ft**	2 ft**	10 ft
Side	5 ft	5 ft	5 ft	5 ft	5 ft
Side – adjacent to residential zone	20 ft	20 ft	20 ft	20 ft	-
Rear	5 ft	5 ft	5 ft	5 ft	5 ft
Rear – adjacent to residential zone	20	20	20	20	-
Minimum Unit Size (s.f.)	450 - bachelor; 600 - 1-bd; 750 - 2-bd; 900 - 3-bd				
Density (du/acre)	30	20	20	20	30

\* An FAR of 1:1 can only be achieved with a one acre parcel and either a mix of high density residential, retail, restaurant, cultural/entertainment in the CV or a mix of high density residential and commercial in the CM districts.

\*\* Buildings may encroach into the front 10' landscape setback area, but no closer than 24" from the boundary of the public right-of-way. Parking shall not encroach into the 10' landscaped setback area.

### 3.1.2 Provision for a Variety of Housing Types

Housing Element law specifies that jurisdictions must identify adequate sites to be made available through appropriate zoning and development standards to encourage the development of various types of housing for all economic segments of the population. **Table 3-3** summarizes the housing types permitted in each of the Cypress zoning districts.

**Table 3-3:  
Housing Types by Residential Zone Category**

Housing Types Permitted	Zoning District								
	RS-15000	RS-6000	RS-5000	RM-15	RM-20	MHP-20A	CH	PC	PS-1A
Single-Family	P	P	P	P	P			CC	
Multiple-Family 2 - 4 units 5 - 9 units 10 or more units				P CC CC	P CC CC		CC CC CC	CC CC CC	
Condominiums, Townhouses, or Condominium Conversions				CC	CC		CC		
Senior Housing				CC	CC		CC	CC	CC
Single Room Occupancy (SRO)							CC	CC	
Manufactured Housing	P	P	P	P	P	P		CC	
Second Units (up to 640 sq.ft.)	P	P	P	P	P			P	
Second Units (>640 sq. ft.)	CC	CC	CC	CC	CC			CC	
Community Care Facilities (6 or fewer)	P	P	P	P	P			P	
Community Care Facilities (7 or more)				CC	CC			CC	
Transitional Housing/ Supportive Housing*	P	P	P	P	P			P	
Emergency Shelters								P	P
Farmworker Housing	As the Census indicated, since no farmworkers live in the City, there is no housing need.								

P = Permitted    CC = CUP by City Council

\* Long term housing is defined as community care facilities; short term housing is defined as temporary emergency facilities. The above table assumes that the transitional/supportive housing is for 6 or fewer persons. If the use accommodates 7 or more persons, it is permitted as a community care facility, with a conditional use permit in the RM-15, RM-20, and PC zoning districts.

### 3.1.2.A Second Units

Government Code Section 65852.2 requires local governments to use a ministerial process for second unit applications to facilitate production of affordable housing. The Code allows jurisdictions to impose development standards on second units addressing issues such as building size, parking, height, setbacks, and lot coverage. To comply with the law, the Cypress City Council adopted Section 3.17.200 of the Zoning Code in 2006 to permit second units as an accessory use in all single-family residential zone districts. The City's regulations comply with State Government Code Section 65852.2. One-bedroom second units up to 640 square feet in size are permitted by right in accordance with State law. The City also allows for larger second units through a conditional use permit (CUP) process. An additional parking space is required for each bedroom in the second unit; however, driveways located in front of existing garages may be counted as open parking spaces to satisfy this requirement.

The second unit may be within, attached to, or detached from the primary dwelling unit. The unit must fulfill the following conditions:

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- The unit shall conform to the development standards applicable to the primary unit and be architecturally compatible with the primary unit or the architecture of the area.
  - A legal, conforming, primary dwelling unit shall exist on the parcel.
  - Any building code violations in the primary dwelling unit shall be corrected.
  - The applicant shall be the owner of the primary unit and shall occupy either the primary or second dwelling unit and shall record a covenant preventing rental of both units simultaneously.
  - The second unit shall not be sold independently of the primary dwelling unit.
  - The second unit shall not be on separate meters for any utilities.

The Cypress Zoning Code also provides for a “granny unit” as a second unit either attached to or detached from a primary residence that is intended for occupancy by up to two seniors (at least 62 years old). The unit cannot exceed 1,200 square feet. During the 2008-2014 planning period, one granny unit was approved and constructed on Ferne Avenue through the City’s ministerial process for second units, pursuant to State Government Code section 658521, as amended in 2006.

### **3.1.2.B Single Room Occupancy (SRO)**

Single Room Occupancy (SRO) residences are small, one-room units occupied by a single individual, and may either have shared or private kitchen and bathroom facilities. SROs are rented on a monthly basis typically without rental deposit, and can provide an entry point into the housing market for extremely low-income individuals, formerly homeless, and disabled persons.

The City has adopted provisions in its Zoning Ordinance (Section 3.17.210) to accommodate and regulate establishment of SRO uses in the Commercial Heavy (CH) zone district, and within the Lincoln Avenue Specific Plan Commercial Mixed Use (CM) and Campus Village (CV) districts. A conditional use permit is required for SRO development. The City requires the following for SRO’s:

- Submittal of a management plan outlining policies and procedures; as well as an annual report to the City
- Resident manager available on a 24-hour basis for 16 or more units
- Requirement for weekly or monthly tenancies
- Restricted occupancy to very low and low income households at affordable rents
- Single occupancy rooms must be 175-220 square foot in size; double occupancy rooms must be 275-450 square foot in size and be not more than 10 % of all rooms in the development
- All rooms shall include a kitchen, bathroom, and closet
- Each SRO project shall have one monitored entrance, storage spaces, laundry facilities, and mailboxes for each room

These requirements provide flexibility in unit sizes and reflect common practice for SRO developments. The City’s conditional use permit requirement does not place an undue timing or financial hardship on development of SRO projects.

While the City has not had any applications for SROs, several of the older, long-term stay motels on Lincoln Avenue present potential opportunities for conversion. The City’s SRO ordinance can facilitate the provision of housing affordable to extremely low and very low income households.

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### 3.1.2.C Residential Care Homes

The Lanterman Developmental Disabilities Services Act (Lanterman Act) is the part of California law that sets out the rights and responsibilities of persons with developmental disabilities. The Lanterman Act impacts local zoning ordinances by requiring the use of property for the care of six or fewer disabled persons to be classified as a residential use, permitted by right, under zoning provisions. More specifically, a State-authorized, certified or licensed family care home, foster home, or a group home serving six or fewer disabled persons or dependent and neglected children on a 24-hour-a-day basis is considered a residential use that is to be permitted in all residential zones. No local agency can impose stricter zoning or building and safety standards on these homes. Due to the unique characteristics of larger (more than six persons) residential care facilities, most jurisdictions require a discretionary use permit to ensure neighborhood compatibility in the siting of these facilities.

The Cypress Zoning Ordinance identifies “residential care homes, small” (24-hour non-medical care for six or fewer occupants) as a permitted use in all residential zoning districts. “Residential care homes, large” (24-hour non-medical care for seven or more persons) is a conditionally permitted use in the RM-15 and RM-20 zoning districts. The conditional use permit requires findings that the proposed location is consistent with the General Plan and Zoning Ordinance; that the proposed location and conditions for operation would not be detrimental to the public health, safety, or general welfare, nor would be materially injurious to properties or improvements in the vicinity; and that the proposed use would comply with the Zoning Ordinance. The conditional use permit is aimed to regulate the use, but not the users of the site. The City imposes no spacing requirements between residential care facilities. The City does not define “family,” so does not restrict occupancy based on familial relationships.

Review of the California Community Care Licensing Division inventory of community care facilities identifies five adult residential facilities in Cypress. These facilities provide 24-hour non-medical care for adults ages 18-59 who are unable to provide for their own daily needs, and currently provide assistance to 29 adults in Cypress. There are nine residential care homes for the elderly, providing 54 beds for seniors age 60+ who need 24-hour assisted living. The City’s regulations have served to provide needed housing opportunities for seniors and persons with disabilities, and do not treat such housing for persons differently based on the personal characteristics of the residents.

### 3.1.2.D Manufactured Housing and Mobile Home Parks

In compliance with State law, the Cypress Zoning Ordinance permits manufactured housing in any residential zoning district where single-family detached units are permitted. Manufactured housing is treated the same as single-family dwellings, and is subject to the same property development standards and permitting process. Zoning regulations requires manufactured housing to be architecturally compatible (roofing overhangs, roofing materials, exterior siding, stucco, etc.) with single-family dwellings.

Manufactured housing is also permitted in the Mobile Home Park (MHP-20A) zoning district. The MHP-20A zone permits the development of mobile home parks subject to the standards presented in **Table 3-1** as incorporated from State law. Cypress contains two mobile home parks with approximately 360 mobile homes.

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### 3.1.2.E Transitional Housing, Supportive Housing and Emergency Shelters

Transitional housing is temporary housing (generally six months to two years) for a homeless individual or family who is transitioning to permanent housing. This housing can take several forms, including group housing or multi-family units, and often includes a supportive services component to allow individuals to gain necessary life skills in support of independent living. Cypress currently permits transitional housing as a “Residential Care Home.” With six or fewer persons, this use is permitted by right in all residential zones. With more than six persons, this use is permitted in the RM-15, RM-20, and all commercial zone districts, subject to a conditional use permit.

Supportive housing is generally defined as permanent, affordable housing with on-site services that help residents transition into stable, more productive lives. Services may include childcare, after-school tutoring, career counseling, etc. Most transitional housing includes a supportive services component. The City regulates supportive housing as a permitted residential use, provided supportive services limited to the residents and are ancillary to the primary residential use.

The 2008-2014 Housing Element included a program to ensure consistency with State legislation (SB2) and that the City would be able to address the needs of the homeless and transitional population. Previously, the Cypress Zoning Ordinance did not specifically define either transitional or supportive housing; however, in November 2009 the Zoning Ordinance was revised to provide definitions for transitional and supportive housing consistent with the State Health and Safety Code definitions, and to permit these uses as “Community Care Facilities” and “Residential Care Homes” within residential zoning districts subject to the same standards as other residential uses. The City will review these definitions and standards to ensure compliance with Government Code Section 65583(a)(5).

The Cypress Zoning Ordinance defines an emergency shelter as “a facility that provides immediate and short-term housing and supplemental services to homeless persons or families. Supplemental services may include counseling, food, and access to social programs.” Recent changes to Government Code Section 65583 (SB2) require jurisdictions with an unmet need for emergency shelters to identify a zone(s) where emergency shelters will be allowed as a permitted use without a conditional use or other discretionary permit. The identified zone must have sufficient capacity to accommodate the shelter need, and at a minimum provide capacity for at least one year-round shelter. Permit processing, development and management standards for emergency shelters must be objective and facilitate the development of, or conversion to, emergency shelters.

As discussed in the homeless section of this Housing Element Technical Report, while Cypress has few visible homeless, families and individuals living on the edge of homelessness make temporary residence within some of the older motels. For school year 2010-2011, a total of 59 homeless children and youth were reported within the Cypress School District, a significant increase from the three reported for the 2009-2010 school year. Pursuant to Government Code Section 65583, the City of Cypress Zoning Ordinance and the Lincoln Avenue Specific Plan were revised on October 26, 2009 to allow emergency homeless shelters by right in the Commercial Mixed Use (CM) District in the PC-Lincoln Avenue Zone. City Staff has indicated that the CM District in the PC-Lincoln Avenue Zone is most conducive to the provision of an emergency shelter should one be proposed. Each area has a variety of commercial and residential uses, is a transportation corridor, and has potential sites for emergency shelters, particularly existing motels/hotels located along the corridor.

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The PC-Lincoln Avenue Zone, CM district development standards are currently appropriate to facilitate emergency shelters, and are summarized as follows:

- Minimum parcel size: 10,000 square feet
- Front yard setback: 10 feet
- Interior side yard setback: 5 feet
- Rear Yard Setback: 5 feet; 20 feet adjacent to a Residential Zone
- Height: 50 feet
- Floor Area Ratio: 0.5:1; 1:1 with density bonus, one acre site and mixed-use character with high density residential

In addition to application of CM development standards, pursuant to Government Code Section 65583, the City can also specify written, objective standards to regulate the following aspects of emergency shelters to enhance compatibility:

- The maximum number of beds or persons permitted to be served nightly by the facility;
- Off-street parking based on demonstrated need, but not to exceed parking requirements for other residential or commercial uses in the same zone;
- The size and location of exterior and interior onsite waiting and client intake areas;
- The provision of onsite management;
- The proximity of other emergency shelters, provided that emergency shelters are not required to be more than 300 feet apart;
- The length of stay;
- Lighting; and
- Security during hours that the emergency shelter is in operation.

The Cypress Zoning Ordinance contains such special use standards for both permanent emergency shelter facilities (Section 3.17.240) and temporary emergency shelter facilities (Section 3.17.220.B.2.a) associated with disaster response.

### **3.1.2.F Farm Employee Housing**

The Census indicates there are currently no Cypress residents employed in farming, fishing, and forestry occupations. The City has no parcels remaining in agricultural use. Therefore, given the absence of farmworkers in the community, the City has not identified a need for specialized farmworker housing beyond overall programs for housing affordability.

### **3.1.2.G Accessibility Accommodations**

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

The City has conducted a review of zoning and building code requirements, and has not identified any barriers to the provision of accessible housing. Cypress currently allows handicapped ramps to

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encroach up to four feet in the front setback to provide first floor access for physically disabled residents.

For new construction, the City's building code requires new housing to comply with the 1998 amendment to the Fair Housing Act, with multi-family development also subject to the Americans with Disabilities Act (ADA) standards. New apartment buildings are subject to requirements for unit "adaptability" on ground floor units. Adaptable units are built for easy conversion to disabled access, such as doorway and hallway widths, and added structural support in the bathroom to allow the addition of handrails.

Though Cypress has not identified any constraints on the development, maintenance, and improvement of housing for persons with disabilities, in 2013 the City developed specific procedures for requesting a reasonable accommodation to continue to facilitate access to housing for persons with disabilities. .

### **3.1.3 Site Improvements**

Developers of single-family residential tracts in the City are required to install arterial and local streets; sewer and water lines; storm drainage; curbs, gutters, and sidewalks; street lighting; underground utilities; and landscaping in the public right-of-way within and adjacent to a tract. These facilities are in most cases dedicated to the City or other agencies which are responsible for maintenance. Without the site improvement requirement, there are no other means of providing necessary infrastructure. Requirements for site improvements are at a level necessary to meet the City's costs and are necessary to protect health, safety, and welfare.

The cost of these required off-site improvements vary with the sales price of each dwelling unit depending on the nature of development (i.e., level of improvements required). The City may also impose development impact fees on future housing developments in order to recover some of the cost of installing off-site improvements including upgrading the circulation system and other urban service systems to serve increased density. The developed portions of Cypress have the majority of necessary infrastructure, such as streets, electrical and water facilities, already in place. However, due to the age of the existing housing stock and the related infrastructure, many areas of the City where recycled and infill housing development is expected to occur may require infrastructure improvements to ensure sufficient capacity at build-out. The City's discretionary permit process incorporates the applicable required improvements and/or impact fees (approved by City resolution), as conditions of approval, on a project-by-project basis.

The General Plan Circulation Element, along with the Subdivision Ordinance, establishes the City's street width standards. Interior residential streets (local streets) are required to have a right-of-way width of 60 feet and a standard 40 foot curb-to-curb width, with two travel lanes and two parking lanes. Sidewalks are required to be at least four feet wide in residential areas and five feet wide in multi-family residential areas. Small lot subdivisions and planned developments have allowed decreased widths for such improvements when the street is privately constructed and maintained.

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### 3.1.4 Development Fees

The City collects various fees from developers to cover the costs of processing permits, including fees for planning approvals, subdivision map act approvals, environmental review, public works and plan check services, and building permits, among others. In addition to these service fees associated with development processing, the City also charges several impact fees to offset the future impact of development on parks and traffic circulation.

**Table 3-4** lists residential development fees in Cypress. Since the adoption of the 2008-2014 Housing Element, the majority of the fees imposed on development, including impact fees, have remained the same. Only two fees have notably increased: school impact fees, which increased from \$2.43 per square foot to \$2.97 per square foot (over which the City has no control), and the drainage fee which increased from \$7,657.98 to \$7,939.85 per development.

As a means of assessing the cost that fees contribute to development in Cypress, the City has updated and calculated the total Building, Planning, and Engineering fees associated with development of three different residential prototypes. **Table 3-5** presents the development fees for a low-density, subdivision of five 2,800-square-foot, three-bedroom single-family units. The development fee per unit is approximately \$28,150. The highest fees imposed are the Park and Recreation Fee (\$8,000 per unit), the school fee (\$2.97 per square foot), and the sewer connection fee (around \$4,500 per unit). **Table 3-6** presents two high-density, 20-unit projects; one is a condominium and the other an apartment. The amount of the development fee is approximately \$18,200 for one condominium unit and approximately \$17,430 for one apartment unit. Similar to the single-family unit, the highest fees for a multiple family unit are the Park and Recreation Fee (\$8,000 per unit), the school fee (\$2.97 per square foot), and the sewer connection fee (\$3,200 to \$3,600 per unit).

In summary, Cypress' development fees represent a small proportion of the overall cost of residential development, and are comparable to, if not lower than, many Orange County jurisdictions. The City's fees have not changed significantly (about 1%) since 2008 and do not serve as a constraint to development. In addition, the California legislature passed AB 641 in 2007, which helps to address the cash flow problems inherent in many affordable housing projects during the construction phase. For affordable housing developments in which at least 49% of the units are affordable to low- or very low-income households, AB 641 prohibits local governments from requiring the payment of local developer fees prior to issuance of a certificate of occupancy.

**Table 3-4: Residential Development Fees**

<b>Planning</b>	
Conditional Use Permit	
Minor	\$700 MF/Actual Cost
Major	\$2,000 MF/Actual Cost
Extension	\$400
Design Review Committee	
Preliminary (SFR)	\$250 MF/Actual Cost
Preliminary (Minor)	\$350 MF/Actual Cost
Preliminary (All Others)	\$1,000 MF/Actual Cost
Minor	\$500 MF/Actual Cost
Major	\$1,500 MF/Actual Cost
Development Agreement/Revision	\$2,500 MF/Actual Cost
Development Agreement - Annual Review	\$300
Director's Review	\$250
Extension of Time	\$400
Environmental Evaluation	
Exempt	\$100 MF/Actual Cost
Negative Declaration	\$350 MF/Actual Cost
Mitigated Negative Declaration	\$600 MF/Actual Cost
Environmental Impact Report - Staff Review	\$2,500 MF/Actual Cost
General Plan Amendment/Revision	\$600 MF/Actual Cost
Landscape Plan Review	\$200 (+\$50 for on-site inspection)
Lot Line Adjustment	
Non Single-Family	\$1,300 MF/Actual Cost
Single-Family	\$800 MF/Actual Cost
Mitigation Monitoring	
Initial	\$1,500 MF/Actual Cost
Annual	\$400
Specific Plan – Staff Review	\$1,200 MF/Actual Cost
Staff Review Committee Permit	\$350
Tentative Parcel Map	\$1,100 MF/Actual Cost
Tentative Tract Map	\$1,600 MF/Actual Cost
Variance	\$1,000 MF/Actual Cost
Vesting Map	\$1,600 MF/Actual Cost
Zone Change	\$2,000 MF/Actual Cost
Zoning Compliance/Rebuild Letter	\$200
<b>Engineering/Public Works Fees</b>	
Final Parcel/Tract Map Check	\$205 +\$16/lot, \$790 MF/Actual Cost
<b>Impact Fees</b>	
School Impact Fee	\$2.97/square foot
Sewer Connection Fee	\$4,517/unit*
Park Development Fee	\$8,000 per unit
Citywide Traffic Improvement Fee	\$595/unit - Low Density; \$508/unit - Medium Density; \$358/unit - High Density; \$44/unit - Senior Housing
Regional Traffic Improvement Fee	\$52/unit - Low Density; \$44/unit - Medium Density; \$31/unit - High Density; \$3.85/unit - Senior Housing

Source: City of Cypress Planning Department, 2012.

\* Base Charge is for a 3-bdrm Single Family Residence (SFR); fees for other SFR or Multi-family Residential are a percentage of the Base Charge depending on number of bedrooms

**Table 3-5:  
Single Family Residential Development Impact Fees**

Type of Fee	Condominium/ Single Family Unit
<b>Building Fees</b>	
Plan Check	\$ 5,208.95
Building Permit	8,013.75
Electrical Permit	750.00
Mechanical Permit	375.00
Plumbing Permit	675.00
Energy	2,003.45
Development Fee	250.00
Prime Contractor Tax	380.35
S.B. Earthquake Tax	146.30
School Fee (\$2.97 per sq. ft.)	41,580.00
<b>Subtotal</b>	<b>\$ 59,382.50</b>
<b>Planning Fees</b>	
Preliminary Project Review	\$ 250.00
Tract Map	1,600.00
Site Design Review	1,500.00
Environmental Review (Neg. Dec.)	350.00
<b>Subtotal</b>	<b>\$ 3,700.00</b>
<b>Engineering Fees</b>	
Engineering Plan Check (est.)	\$ 2,000.00
Grading Plan Check/Permit (est.)	1,000.00
Park and Recreation Fee	40,000.00
Drainage Fee	7,939.85
Sanitary Sewer Connection Fee	22,585.00
Traffic Improvement Fee	2,975.00
Regional Traffic Impact Fee	260.00
Final Tract Map	790.00
<b>Subtotal</b>	<b>\$ 77,549.85</b>
<b>TOTAL FEES</b>	<b>\$ 140,632.35</b>
	<b>\$ 28,126.47 per unit</b>

Source: City of Cypress, 2012.

Notes: Calculations based on:

- a. 5 du/gross acre on 1 acre = total 5 units
- b. Each unit 2,800 sq. ft. of living area with 400 sq. ft. garage
- c. Building valuation per unit of \$292,560.

**Table 3-6:  
Multi-Family Residential Development Impact Fees**

Type of Fee	Condominium	Apartment
<b>Building Fees</b>		
Plan Check	\$ 10,283.00	\$ 10,101.00
Building Permit	15,820.00	15,540.00
Electrical Permit	3,500.00	3,500.00
Mechanical Permit	1,500.00	1,500.00
Plumbing Permit	2,500.00	2,500.00
Energy	3,955.00	3,885.00
Development Fee	1,000.00	1,000.00
Prime Contractor Tax	529.40	514.80
S.B. Earthquake Tax	203.60	198.00
School Fee (\$2.97 per sq. ft.)	53,460.00	53,460.00
<b>Subtotal</b>	<b>\$ 92,751.00</b>	<b>\$ 92,198.00</b>
<b>Planning Fees</b>		
Preliminary Project Review	\$ 1,000.00	\$ 1,000.00
Tract Map	1,600.00	N/A
Conditional Use Permit (CUP)	2,000.00	2,000.00
Environmental Review (Neg. Dec.)	350.00	350.00
<b>Subtotal</b>	<b>\$ 4,950.00</b>	<b>\$ 3,350.00</b>
<b>Engineering Fees</b>		
Engineering Plan Check (est.)	\$ 10,000.00	\$ 10,000.00
Grading Plan Check/Permit (est.)	3,300.00	3,300.00
Park and Recreation Fee	160,000.00	160,000.00
Drainage Fee	7,939.85	7,939.85
Sanitary Sewer Connection Fee	73,140.00	63,200.00
Traffic Improvement Fee	10,160.00	7,160.00
Regional Traffic Impact Fee	880.00	620.00
Final Tract Map	790.00	790.00
<b>Subtotal</b>	<b>\$ 266,209.85</b>	<b>\$ 253,009.85</b>
<b>TOTAL FEES</b>	<b>\$ 363,910.85</b>	<b>\$ 348,557.85</b>
	<b>\$ 18,195.55 per unit</b>	<b>\$ 17,427.90 per unit</b>

Source: City of Cypress, 2012.

Calculations based on:

20 du/gross acre on 1 acre = total 20 units

Each unit has 900 sq. ft. living area with 400 sq. ft. garage

Building valuation per condo of \$101,800; for total condominium building \$2,036,000

Building valuation per apartment of \$99,000; for total apartment building \$1,980,000

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### 3.1.5 Local Processing and Permit Procedures

The evaluation and review processes required by City procedures contribute to the cost of housing in which developer holding costs are incurred. The specific steps for Cypress' development process are outlined below:

1. Discuss the potential project with planning staff to determine allowable density and development standards.
2. Submit application for Preliminary Project Review.
3. Submit formal application for one of the following:
  - Design Review Committee (single-family residences), or
  - Staff Review Committee (second units, duplexes, or triplexes), or
  - Conditional Use Permit (apartments or condominiums), and
  - Tentative map and/or Amendment to General Plan or Zoning Ordinance (if required) – submitted concurrently with Conditional Use Permit.
4. Concurrent grading/drainage plan check by Engineering Division and building plan check by Building Division.
5. Final map approval and issuance of grading permit and building permit.

For a single-family residence, the project would be discussed with planning staff at the counter, submitted for Preliminary Project Review (2-3 weeks), and then submitted for the Design Review Committee (6-8 weeks). The Design Review Committee time includes approval by the City Council, usually a consent calendar item. For a multi-family development of up to three units, the project is discussed with planning staff at the counter, submitted for Preliminary Project Review (2-3 weeks), and then submitted to the Staff Review Committee (2-3 weeks). This process does not require Council approval.

A multi-family development of four or more units is discussed with planning staff at the counter, submitted for Preliminary Project Review (2-3 weeks), and submitted for a conditional use permit (6-8 weeks). The CUP process includes the Design Review Committee review and Council review and approval. The majority of multi-family projects in Cypress are exempted from environmental review as infill projects. An environmental review may occur for larger sites. The same development process for multi-family development (usually four or more units) is applied in the Lincoln Avenue Specific Plan area. As a means of fostering an urban village environment, the Specific Plan does not permit single-family residential development.

The Staff Review Committee (SRC) and the Design Review Committee (DRC) are comprised of the same City staff representatives from each of the following divisions: Planning, Building, Code Enforcement, Engineering, Police, and Redevelopment. This provides consistency for projects requiring only staff level approval as well as projects requiring Council approval. The Design Review Committee is responsible for reviewing relevant applications for conformance with the zoning ordinance, and, in particular, for conformance with the design standards and principles. The Committee's design purpose, as delineated in the Zoning Ordinance (Section 4.19.060), is to ensure that projects consider the aesthetic qualities of the site's natural terrain and landscape, that the design of the proposed construction is compatible with the immediate neighborhood, that the design of the proposed construction would not be "so at variance with the design of structure(s)...in

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the immediate neighborhood as to cause a substantial depreciation of property values in the neighborhood”, and that the landscaping enhances the property and screens deleterious uses. The Committee is to be guided by the purpose statement and to consider access, architecture, circulation, land coverage, landscaping, parcel size and shape, parking, setbacks from all property lines, structure height and bulk, use, and compatibility with surrounding properties in the evaluation of applications. The Committee considers all elements of design visible from the boundaries of the site, including colors, textures, illumination, and compatibility with surrounding properties, but shall not consider elements of design that are not visible beyond the boundaries of the site. The question of property values is considered as an element of compatibility of the proposed development in the surrounding community and judged from a health and safety perspective. SRC reviews are completed within 2-3 weeks of complete application submittal and DRC permit reviews take 6-8 weeks, with formal adoption of the resolution by the City Council at the following Council meeting.

Conditional use permits are required for multi-family development with four or more units. Average processing times of 6-8 weeks include the DRC review and Council review and approval. The City’s required findings are straight forward: 1) the proposed location is consistent with the General Plan and Zoning Ordinance; 2) the proposed location and conditions for operation would not be detrimental to the public health, safety, or general welfare, nor would be materially injurious to properties or improvements in the vicinity; and 3) the proposed use would comply with the Zoning Ordinance. The conditional use permit process does not add significant uncertainty, time, or cost to development, and has not served as a constraint to the development of housing in the City. Nonetheless, as required under AB 2348, as part of the Housing Element program amending the Lincoln Avenue Specific Plan to establish a district that accommodates residential development at 30 units per acre, the City will eliminate the CUP requirement for that area. The City does plan to retain the City’s administrative Staff/Design Review Committee process as allowed by State law.

Residential projects in Cypress generally receive concurrent processing and are governed by one level of decision making: the City Council. This single reviewing body generally results in shorter review times for projects requiring discretionary approvals, in contrast to most communities which have two or more reviewing bodies. **Table 3-7** compares typical processing times for residential projects in Cypress, Huntington Beach, Costa Mesa, Irvine, and Orange County. Cypress compares very favorably with these communities. The table indicates that the concurrent processing and single level of decision making in Cypress significantly reduces the processing times, often by half or more for discretionary reviews. In addition, the City maintains a policy for priority review of affordable housing applications.

To encourage and facilitate the development of affordable housing, the City offers an efficient project processing to streamline the approval process for projects that include affordable units. Since 2008, at least two projects have utilized this development incentive including the Habitat for Humanity condos at 6122 Lincoln Avenue (under construction) and condominiums at 4851 Bishop St. (completed in 2009). The City plans to continue to offer this option to developers in the future.

**Table 3-7:  
Development Processing Times\***

Process	Cypress	Costa Mesa	Huntington Beach	Irvine	Orange County
General Plan Amendment	3 – 6	2 – 5	6 – 12	9	12 – 24
Zone Change	3 – 6	2 – 5	6 – 12	9	18 for un-developed <sup>1</sup> ; 4 - 8 for infill
Conditional Use Permit/ Variance	1.5 – 2	2 - 3 (Zoning Admin.)	2 - 3 (Zoning Admin.) 4 - 6 (Planning Comm.)	4 – 6	
EIR	3 – 4	4 – 6	6	12	6 – 9
Tentative Tract	1.5 – 2	2 – 3	4 – 6	4 – 6	1 - 2 <sup>2</sup>
Site Plan Review (Staff)	2-3 weeks	2 – 3	1	1	3 - 6 <sup>3</sup>
Site Plan Review (Planning Commission)	N/A	2 – 3	3 – 4	4	1 – 2
Plan Checking/ Building Permits	1 - 1.5	2 – 3	Initial check - 10 days; Recheck - 2 days	3 - 4 wks	1

Source: City of Cypress, April 2012:

\*In months

- Notes:
1. Often processed concurrently with a General Plan Amendment
  2. Assumes all discretionary approvals secured and no new environmental documentation needed
  3. Depending on environmental needs

### 3.1.6 Building Code

As required of all jurisdictions in California, Cypress has adopted the latest (2010) California Green Building Code, which incorporates the most recent (2006) International Building Code. This new Building Code establishes construction standards necessary to protect public health, safety, and welfare. While the new codes bring California building codes into consistency with the rest of the country, changes from the current State Building Code are anticipated to increase the costs of development.

The following are local amendments to the Building Code adopted by Cypress to protect the public health and safety from hazards indigenous to the City:

- The City requires on-site, automatic fire-sprinkler systems in all new residential construction with a floor area of 3,600 or greater attached square feet. This is due to the hot, dry, and strong Santa Ana winds, particularly in the fall and spring seasons; the potential for seismic activity to impede fire department access; and the traffic and circulation congestion existing in Orange County, which can add to the fire department's response time.
- The City requires that wood shingle and wood shake roofs be fire retardant, and establishes standards for class C roofing assembly and materials. This provides protection from the semi-arid, Mediterranean climate, which predisposes all fuels, including wood shingles, to rapid ignition of fire. Combined with the Santa Ana winds, these conditions can create a rapid spread of fire.

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## 3.2 MARKET CONSTRAINTS

### 3.2.1 Availability of Financing

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

Residential lending activity in Cypress consisted of 331 applications for conventional home purchase loans in 2010, reflecting purchase activity on approximately 4% of the ownership housing stock. This is a significant decrease from the 1,264 applications in 2006. **Table 3-8** provides information on the status of home purchase loan applications in both Cypress and Orange County. As illustrated by this table, at 76% the loan approval rate in Cypress was slightly higher than the 72% approval countywide.

**Table 3-8:**  
**Status of Home Purchase Loans, 2010**

	Loans Approved		Loans Denied		Loans Withdrawn/Incomplete	
	Cypress	Orange Co.	Cypress	Orange Co.	Cypress	Orange Co.
<b># Loan Applications</b>	331	25,910	44	5,057	61	4,921
<b>% of Total Applications</b>	76%	72%	10%	14%	14%	14%

Source: Home Mortgage Disclosure Act Data, 2010. Compiled by Hogle-Ireland, Inc.

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

### 3.2.2 Price of Land

The availability and price of land represents a significant market constraint to housing production throughout most of Southern California. In April 2011, an updated appraisal report was prepared for the former City of Cypress Redevelopment Agency for Agency-owned property located at 6122 Lincoln Avenue. The report prepared by R.P. Laurain & Associates includes a survey of recent sales of recent comparable properties in adjacent communities, and forms an estimate of market value of the property. The survey of recently sold comparable properties indicated a range of costs from \$22.87 per square foot to \$36.63 per square foot. Based on the analysis of the various sale properties, and considering the date of sale, terms of sale and the various elements of compatibility, the estimated valuation was \$28 per square foot. This estimate is significantly less than a March 2007 appraisal prepared for the former Redevelopment Agency, which indicated a land value of about \$48 per square foot for property that could be developed at 20 units per acre. Given that land prices have decreased by more than 40%, the cost of land in the City is more affordable now than it has been in previous planning cycles.

Historically, the City of Cypress has attempted to offset the high cost of land by providing former Agency-owned parcels to affordable housing developers at no cost or reduced cost. In November 2009, the City solicited a proposal to develop a project on the property located at 6122 Lincoln Avenue. The project was awarded to Habitat for Humanity Orange County, which proposed the

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development of 15 two-story condominiums located in three structures on the 0.98-acre site. To facilitate Habitat's development of the property, the former Agency agreed to a financial partnership in which the Agency would contribute the land and use low- and moderate-income housing monies to reimburse Habitat for Humanity for the closing costs and development fees incurred by the project. In exchange, the former Agency would receive 60-year affordability covenants for all 15 units, with five units affordable to very low-income households, four units to low-income households, and six units to moderate-income households. With the dissolution of redevelopment in California, such funding sources will no longer be available.

### **3.2.3 Cost of Construction**

The cost of building materials for residential construction rose dramatically in the 2000s. According to the U.S. Department of Labor, however the overall cost of residential construction materials rose by only 2% between 2011 and 2012, with steel costs increasing 0.4% and the cost of cement increasing 1.5%. With the slowdown in the real estate market during 2008 to 2012, the price of construction materials has shown a significant decrease from the 2006-2008 construction boom. The 2% increase in overall construction costs experienced over the past year is primarily due to increased labor costs.

Hard construction costs include building shell costs, on- and off-site improvements, parking, and all contractor costs. Construction costs for high-density apartment (20 units per acre) development run around \$150,000 per unit, including \$10,000 per unit for structured parking. Hard construction costs for development of medium-density (15 units per acre) condominiums over podium parking run approximately \$200,000 per unit, including \$35,000 per unit for the parking structure. Another factor related to construction costs is the number of units built at one time. As that number increases, overall costs generally decrease as builders are able to take advantage of the benefits of economies of scale.

A reduction in amenities and the quality of building materials (above a minimum acceptability for health, safety, and adequate performance) can result in lower development costs. As part of the City's density bonus and inclusionary housing programs, the City allows affordable units to be smaller in size (maintaining the same number of bedrooms), and could also consider allowing less costly features and interior finishes, provided all project units were comparable in construction quality and exterior design.

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## **3.3 ENVIRONMENTAL AND INFRASTRUCTURE CONSTRAINTS**

A wide range of environmental factors may constrain the development of new housing in Cypress. Areas of special environmental significance, potential safety hazards, and development constraints will influence land use policy. The General Plan Safety Element identifies areas of Cypress subject to a number of environmental constraints, including flooding, seismic hazards, hazardous and toxic materials, urban fires, aircraft overflights from the Los Alamitos Armed Forces Reserve Center, and noise. The Cypress General Plan recognizes these hazards and identifies programs to minimize them. The availability of public infrastructure and services for residential development is another potential constraint to the development of housing.

### **3.3.1 Flooding**

The Federal Emergency Management Agency (FEMA) publishes maps that identify areas of the City subject to flooding in the event of a major storm. These Flood Insurance Rate Maps (FIRMs) indicate areas that may be inundated in the event of a 100-year or a 500-year storm. In addition, the maps indicate the base flood elevations at selected intervals of the floodway.

The flood map contained in the Cypress Safety Element indicates the 100-year flood event would be contained within the Carbon Creek and Bolsa Chica storm drain channels. However, like most of Orange County, the projected 500-year flood may result in widespread flooding throughout the entire City.

Additional flood hazards include the potential for inundation from failure of the Prado, Carbon Canyon, and Whittier Narrows dams, all of which are located a significant distance from the City. The Prado Dam is located in Riverside County, the Carbon Canyon dam is located in Brea, and the Whittier Narrows Dam is located in Pico Rivera. The Prado Dam currently works in tandem with the Seven Oaks Dam, located approximately 40 miles upstream of the City on the Santa Ana River, to provide increased flood protection to Orange County. In addition, work is proceeding on the Santa Ana River Mainstem Project, involving improvement to the Prado Dam, Seven Oaks Dam, Mill Creek Levee, San Timoteo Creek, Oak Street Drain, Santiago Creek, and the lower Santa Ana River. This project is projected for completion in 2013, subject to continued funding. This project is supported by the City of Cypress and provides additional flood protection to the area.

Flood hazards in Cypress are less than significant. Areas designated for future residential development do not fall within the 100-year floodplain and are not subject to specialized flood construction requirements.

### **3.3.2 Seismic Hazards**

As stated in the Safety Element, the entire planning area – as well as all of Southern California – is located within a seismically active region that has been subject to major earthquakes in the past. There are no known faults in Cypress. However, the Whittier-Elsinore, Newport-Inglewood, Norwalk, El Modena, and Elysian Park faults are located within close proximity to Cypress. The closest faults – El Modena and Norwalk – traverses approximately five to 10 miles north of Cypress. The San Andreas and San Jacinto faults are located much more distant. San Jacinto crosses the region approximately 40 miles south of Cypress. Although farther away, these faults have the potential to deliver larger magnitude earthquakes than the other five faults mentioned above. Other major faults may be buried under alluvium, or fault traces may have been obliterated due to natural

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weathering. Two of the most destructive earthquakes that occurred in California in recent years, the Coalinga and Whittier earthquakes, originated from previously unknown faults. The City of Cypress suffered no significant structural damage from these earthquakes.

Liquefaction is a subsidiary hazard associated with intense ground shaking, in which the soil can destabilize and if sufficient water is present in the soil, the soil and water can mix. The Safety Element states: "Cypress, like most of Orange County, has granular sandy soil with high water content. Areas with these conditions may experience liquefaction during extreme ground shaking."

### **3.3.3 Urban Fires**

Materials and wind speeds can contribute to the spread of urban fires. According to the Cypress Disaster Plan, the community does not contain any large housing tracts with wood or shake roofs. However, a few apartment complexes in Cypress do have wood roofs and are at a greater fire risk. The City is subject to periodic high winds, including the hot, dry Santa Ana winds which can quicken the spread of fire. The separation and setback requirements in effect when most houses in Cypress were built help minimize the risk of spreading fire. In addition, the building code local amendments require fire sprinklers for new residential construction and fire retardant wood shingle and wood shake roofs.

### **3.3.4 Aircraft Overflights**

The Los Alamitos Armed Forces Reserve Center (AFRC) is located southwest of Cypress in the City of Los Alamitos. The AFRC is primarily used for helicopter training missions. A portion of Cypress lies in the prevailing approach path of the Army airfield located at AFRC. This portion of Cypress is primarily composed of business parks, but some residential areas south of Cerritos Avenue are within the High or Moderate Noise Impact Zone and the Approach Clearance Zone. Specific land use regulations consistent with the Federal Aviation Administration rules are in effect.

### **3.3.5 Noise**

Noise generated from mobile sources such as traffic and aircraft will continue to have the greatest potential impact on land use. The Noise Element describes the existing noise environment using maps that indicate high levels of noise in the planning area. The Noise Element also identifies noise sources and contains goals and policies that will be useful in reducing the effects of noise, if not the actual intensity of noise. Land use policy discourages the placement of noise-sensitive land uses in areas that are subject to high noise levels. The City requires new housing developments to provide an acoustic analysis and provide necessary mitigation, such as barriers or additional sound insulation, for projects located within the 65 CNEL noise contour zones, as identified in the Safety Element.

### **3.3.6 Public Services and Facilities**

The majority of Cypress is highly urbanized with most of the necessary infrastructure, streets, electrical lines, and water distribution already in place. New development is able to tap into existing water and sewer lateral lines, with no new sewer or water mains necessary. The General Plan identifies adequate infrastructure and public service capacity to accommodate the City's

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regional housing needs of 308 additional dwelling units during the 2014-2021 Housing Element planning period.

In 1990, Orange County voters approved Measure M, the Revised Traffic Improvement and Growth Management Ordinance, which provides funding to Orange County for needed transportation improvements over a 20-year period through the imposition of a one-half cent retail transaction and use tax. Cities such as Cypress can qualify for Measure M funds if they comply with the Countywide Growth Management Program component requirements and have an established policy framework for that Program. As part of the Program, Cypress implemented a development mitigation program establishing the following fees: 1) Citywide Traffic Fee related to needs in the General Plan circulation system, 2) Regional Traffic Fee providing proportionate share funding of impacts to the regional roadway system, and 3) the Los Alamitos Settlement Agreement Traffic Fee to offset impacts of development around the race track. The City has established a Capital Improvement Program for the transportation systems improvements to effectively manage the system based on the Orange County Transportation Authority (OCTA) timetables. This is an ongoing, consistently updated program in Cypress.

The City also participates in a variety of inter-jurisdictional efforts, related to Measure M: City and County impact fees, traffic and land use, jobs/housing balance, Facility Implementation Plans, and coordination of growth projections for the City and the County. These efforts enable Cypress to coordinate the provision of public services and adequate facilities with other adjacent cities and the County of Orange.

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## 4. HOUSING RESOURCES

This section describes and analyzes resources available for the development, rehabilitation, and preservation of housing in the City of Cypress. This includes the availability of land resources, financial resources available to support the provision of affordable housing, administrative resources available to assist in implementing the City's housing programs and resources for energy conservation.

### 4.1 LAND RESOURCES

SCAG has determined the projected housing need for its region for the 2014-2021 Housing Element cycle, and has allocated this housing need to each jurisdiction by income category. The RHNA represents the minimum number of housing units each community is required to plan for by providing "adequate sites" through the general plan and zoning. An important component of the Housing Element is the identification of adequate sites for future housing development, and evaluation of the adequacy of these sites in fulfilling the City's share of regional housing needs (RHNA). For the 2014-2021 planning period the City of Cypress was allocated a total of **308 units**.

The authority to determine housing needs for the various income groups for cities within the region has been delegated to SCAG pursuant to Section 65584 of the Government Code. Housing needs are categorized according to income groups. The income categories include very low-, low-, moderate-, and above-moderate income households, and the incomes of the selected income groups are based upon percentages of the median household income for the larger Orange County region:

- Very low-income households are those households whose income is less than 50% of the median household income for the greater Los Angeles area. The RHNA requires 71 very low-income units to be provided. Of these units, it is assumed that 35 units will be allocated for extremely low-income households.
- Low-income households earn from 50% to 80% of the County median. The RHNA requires 50 low-income units to be provided.
- Moderate-income groups earn from 80% to 120% of the County median. The RHNA requires 56 moderate-income units to be provided.
- Above-moderate Income households earn over 120% of the County median income. The RHNA requires 131 above moderate-income units to be provided.

The City's 2014-2021 RHNA allocation is presented by income category in **Table 4-1**.

**Table 4-1:  
Regional Housing Needs Assessment 2014-2021**

<b>Income Level</b>	<b>Percent of AMI*</b>	<b>Units</b>	<b>Percent of RHNA</b>
Very Low**	0-50%	71	23.1%
Low	51-80%	50	16.2%
Moderate	81-120%	56	18.2%
Above Moderate	120%+	131	42.5%
<b>Total</b>		<b>308</b>	<b>100%</b>

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

Density is a critical component in facilitating development of affordable housing. In theory, maintaining low densities typically increases the cost of construction per unit, while higher-density development lowers the per-unit land cost and facilitates construction in an economy of scale. In addition to density bonus provisions, more intense residential development can be achieved through a number of mechanisms, including clustering of residential development and zero lot line development, subject to City development standards. Clustering of housing can produce higher densities on a portion of land while creating space for amenities, and retaining the overall density assignment of the entire property. This method is effective when portions of the property not utilized for residential development can be developed with compatible uses, such as open space/recreation, parks, schools, public facilities and supportive commercial uses.

HCD has deemed that affordability correlates with density. Consequently, HCD has established “default densities” that by definition are considered sufficient to provide market-based incentives for the development of housing for lower-income households. For jurisdictions with a population greater than 25,000 that are located within a Metropolitan Statistical Area (MSA) with a population of more than two million, the default density is 30 dwelling units per acre. As Cypress has a population of approximately 49,000 and is within the Orange County MSA, HCD has determined that the default density for Cypress is 30 dwelling units per acre.

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### 4.1.1 2014-2021 Sites Inventory

Pursuant to Government Code Section 65583.2, a program to provide adequate sites to address a RHNA allocation for lower-income units must adhere to the following parameters:

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

The following describes Cypress’ adequate sites program structured to fulfill the parameters of Section 65583.2, and address the City’s RHNA allocation of 308 units, of which 121 must be for lower-income households. The City of Cypress is committed to addressing the affordable housing needs of the community, and has identified sites within the Lincoln Avenue Specific Plan that are currently zoned to allow residential development at 30 units per acre. These sites were selected based on several factors: existing land use, feasibility of higher density residential development, proximity to compatible uses, and community context.

The Lincoln Avenue Specific Plan, adopted in 1999, encourages both higher density multi-family residential and mixed-use development as a means of stimulating pedestrian and transit-oriented activity along this street. The Specific Plan initially separated the corridor into eight districts, four of which allowed medium- to high-density residential development: 1) Residential Mixed Use (RM), 2) Commercial Mixed Use (CM), 3) Campus Village (CV), and 4) Downtown (D). Initially, the Plan permitted residential densities at a maximum of 20 dwelling units per acre throughout the corridor, with increased densities possible through the City’s density bonus provision. Following the adoption of the 2008-2014 Housing Element, the City was required to identify and rezone sites within the Lincoln Avenue Specific Plan area to allow 30 dwelling units per acre. In November of 2009, the City Council adopted Ordinance 1111 and Resolution 6168 to amend the Specific Plan to create the new Residential (R30) district within the existing PC Lincoln Avenue Zone. The R30 district permits exclusively high-density residential uses at a density of 30 dwelling units per acre, with the potential to utilize a density bonus as permitted by State law. The Council also amended the Residential Mixed Use district to allow up to 30 dwelling units per acre. **Table 3-2** provides the development standards for the Lincoln Avenue Specific Plan; these five districts encourage residential infill and mixed-use development.

For the 2008-2014 planning period, the City provided a sites inventory to accommodate their RHNA allocation of 451 units. The 2008-2014 sites inventory included a number of vacant and underutilized residentially zoned parcels and parcels within the Lincoln Avenue Specific Plan area that have been rezoned to facilitate development up to 30 dwelling units per acre. Many of the sites identified were not redeveloped during the 2008-2014 planning period. Consequently, the City has revised the sites inventory to select key sites that are suitable to accommodate high-density affordable development, and likely to be redeveloped within the 2014-2021 planning period.

To determine which sites within the Lincoln Avenue Specific Plan are most suitable for residential development within the Housing Element timeframe, staff initially identified parcels developed with older uses nonconforming with the Specific Plan. These sites were then evaluated in terms of realistic redevelopment potential and economic viability of the existing use, thus those sites likely to

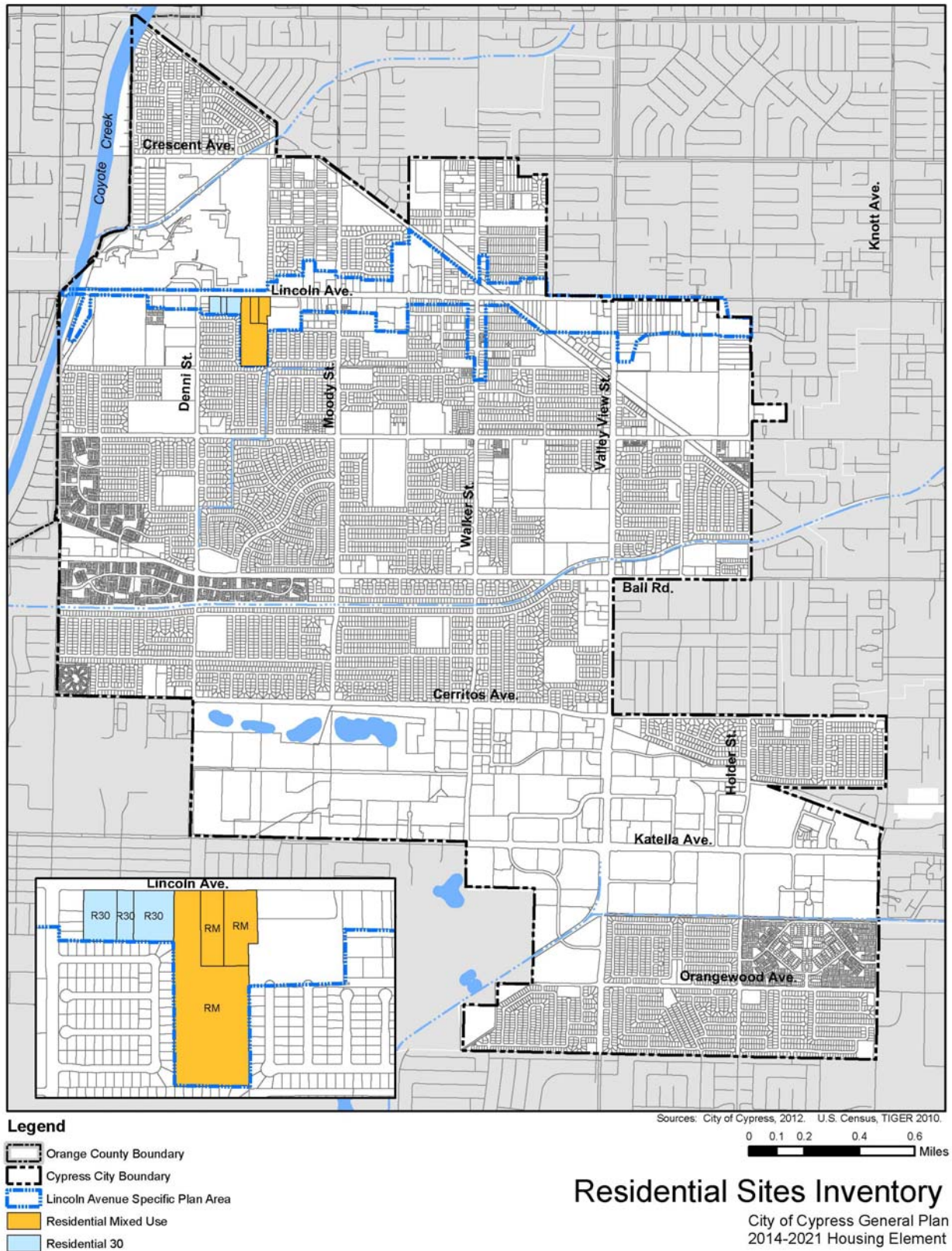
retain the existing developed use despite legal nonconforming status were eliminated. As a means of assessing the number of units each site could reasonably accommodate, staff considered the configuration of each site and existing building footprint.

**Table 4-2** summarizes the six sites within the Planned Community Zone for Lincoln Avenue (PC-Lincoln) that are available and zoned to accommodate densities of 30 units per acre. **Figure 4-1** provides a map of the parcels included in the sites inventory. **Figure 4-2** provides a zoomed-in look at the selected sites, labeled by assessor's parcel number and with an assigned reference number (ID No. in Table 4-2).

**Table 4-2:  
Sites to Accommodate the 2014-2021 RHNA**

ID No.	APN	SITE ADDRESS	ACRES	ZONING	GENERAL PLAN	DENSITY	UNIT CAPACITY	CURRENT USE	WATER/SEWER	FLOOD/FAULT
<b>Lincoln Aveue Specific Plan - Residential 30</b>										
1	244-351-23	4552 Lincoln Ave	1.77	PC- Lincoln (R30)	Specific Plan	30 du/ac	53	Office building	Yes/Yes	No/No
2	244-351-03	4574 Lincoln Ave	0.89	PC- Lincoln (R30)	Specific Plan	30 du/ac	26	RV Storage	Yes/Yes	No/No
3	244-351-24	4604 Lincoln Ave	2.13	PC- Lincoln (R30)	Specific Plan	30 du/ac	64	RV Storage	Yes/Yes	No/No
			<b>4.8</b>				<b>143</b>			
<b>Lincoln Aveue Specific Plan - Residential Mixed Use</b>										
4	244-351-04	4656 Lincoln Ave	11.56	PC-Lincoln (RM)	Specific Plan	30 du/ac	346	RV Storage	Yes/Yes	No/No
5	244-361-03	4620 Lincoln Ave	1.82	PC-Lincoln (RM)	Specific Plan	30 du/ac	54	Auto-related Use	Yes/Yes	No/No
6	244-361-24	4674 Lincoln Ave	2.44	PC-Lincoln (RM)	Specific Plan	30 du/ac	73	Auto-related Use	Yes/Yes	No/No
			<b>15.8</b>				<b>473</b>			
	<b>TOTAL</b>		<b>20.6</b>				<b>616</b>			

Figure 4-1: Inventory of Housing Opportunity Sites



**Figure 4-2: Detailed Inventory of Housing Opportunity Sites**



#### 4.1.1.A PC-Lincoln Zone – R30 Residential

As shown in **Figure 4-2**, Parcels 1-3 are part of the R30 Residential district within the PC-Lincoln Zone and are designated exclusively for residential use. These parcels, totaling 4.8 acres, are generally located in the northwest quadrant of the City, south of Lincoln Avenue, on the block between Denni Street and Moody Street. The R30 district is surrounded by a mix of commercial and office uses and single-family homes, and is across the street from Forest Lawn Memorial Park. Currently, each parcel is classified as underutilized with nonconforming commercial uses that are well below the permitted density of 30 dwelling units per acre. If all three parcels were redeveloped

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at the permitted density of 30 dwelling units per acre, a maximum of 143 units could be accommodated.

Parcel 1, the westernmost parcel in the R30 district, currently is developed with two older office buildings and was on the market for several years to be redeveloped with housing. As a result of the approval of the R30 district and the increased residential density, the City has received numerous inquiries from developers interested in high-density residential development as well as the possibility of a larger multi-family project on consolidated lots.

The two easternmost parcels, Parcels 2 and 3, currently support older auto repair shops, which are legal nonconforming uses in the R30 district of the PC-Lincoln Zone. The auto repair shop owner of Parcel 2 (APN 244-351-03) has expressed interest in expanding his business, but has been unable to do so because of the nonconforming status of the auto use. The increased residential density increases the value of the property, providing the owner an opportunity to sell the property and move to a location better suited to an expanded auto repair business.

The City believes that the identified R30 parcels are ideal for the development of high-density housing based on their location along a major commercial corridor which provides access to public transportation, employment opportunities, shopping, and services along Lincoln Avenue. The redevelopment of these sites is consistent with the City's plans to focus higher-intensity mixed uses along Lincoln Avenue, while preserving the character of the surrounding low-density suburban neighborhoods. Given the age of the structures and the increasing vacancy rates in the buildings, it is likely that this site could be redeveloped within the planning period.

#### **4.1.1.B PC-Lincoln Zone – RM Residential Mixed Use**

Also shown in **Figure 4-2**, Parcels 4-6 are part of the RM Residential Mixed Use district within the PC-Lincoln Zone and are designated primarily for residential development, while also allowing for limited, neighborhood-serving commercial development. While the amendment of the RM district to allow 30 units per acre was extended to all parcels within the district, the Housing Element sites inventory identifies three particular parcels currently developed with nonconforming uses most likely to redevelop with housing. The selected three parcels, totaling 15.8 acres, are adjacent to the R30 district, generally located in the northwest quadrant of the City, south of Lincoln Avenue, on the block between Denni Street and Moody Street. The three identified RM parcels are surrounded by a mix of commercial and office uses, single-family homes, and Forest Lawn Memorial Park on the north side of Lincoln Avenue. Currently, each parcel is classified as underutilized with nonconforming commercial uses that are well below the permitted density of 30 dwelling units per acre. If all three parcels were redeveloped as residential units at the permitted density of 30 dwelling units per acre, a maximum of 473 units could be accommodated.

Parcel 4, the largest of the three RM parcels in the inventory is an 11.6-acre parcel, extending deep into the residential neighborhood to the south, and is developed with a light industrial business. While a portion of the site is developed with two warehouse structures, the majority of the site remains undeveloped, serving as a surface parking lot. Existing nonconforming uses on the adjacent two sites include an older auto body/towing business and a commercial building. While both properties are in good condition, the increase in permitted density creates greater economic incentive for the property owners to redevelop all or part of their property to include residential development. Other sites in the RM district of the PC-Lincoln zone have been recently redeveloped and are unlikely to add residential uses during this Housing Element period.

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As the RM parcels included in the sites inventory are adjacent to the R30 district, the City believes that the location is ideal for the development of high-density housing. The access provided by Lincoln Avenue to public transportation, employment centers, shopping, and services offers opportunities for residents of varying income levels. The redevelopment of this site is consistent with the City's plans to focus higher-intensity mixed uses along Lincoln Avenue, preserving the character of the surrounding suburban neighborhoods. Given the age of the structures and the increasing vacancy rates in the buildings, it is likely that this site could be redeveloped within the planning period.

### 4.1.2 Summary of Sites Available to Meet the RHNA

Cypress' new construction need for the 2014-2021 period is 308 new units, distributed among four income categories. **Table 4-3** summarizes Cypress' plan to provide adequate sites to meet the RHNA.

**Table 4-3:  
RHNA Accommodation Summary**

	<b>TOTAL</b>
<b>2014-2021 RHNA Allocation</b>	<b>308</b>
Units accommodated by R30 District	143
Units accommodated by RM District	473
<b>Total Units Accommodated</b>	<b>616</b>
<b>Total remaining units</b>	<b>0</b>

As shown in **Table 4-3**, the City is able to accommodate a total of 616 units, including 143 units on land zoned PC-Lincoln R30 and 473 units on land zoned PC-Lincoln RM. The City is more than able to accommodate the RHNA allocation of 308 units on sites that allow densities of up to 30 dwelling units per acre. Based on the sites identified, the City has more than met the objective to encourage and facilitate the development of a range of housing opportunities.

### 4.1.3 Availability of Infrastructure and Public Services

Incorporated in 1956, Cypress is a generally younger suburban community with the necessary infrastructure in place to support future development. The City annexed one area in 1971 and two additional areas in the 1980s. In the older areas, generally along Lincoln Avenue and in the annexed areas, the infrastructure may need to be updated to accommodate higher intensity uses. These improvements will be included in the City's Capital Improvement Program as deemed necessary by the Public Works Department and the City Council.

Government Code Section 65589.7 requires local governments to provide a copy of the adopted housing element to water and sewer providers. In addition water and sewer providers are required to grant priority for service allocations to proposed developments that include units affordable to lower-income households. Pursuant to these statutes, upon adoption of its Housing Element, Cypress will immediately deliver the Element to local water and sewer providers, along with a summary of its regional housing needs allocation.

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## 4.2 FINANCIAL RESOURCES

A variety of potential funding sources are available to finance housing activities in Cypress. Due to both the high cost of developing and preserving housing, and limitations on both the amount and uses of funds, layering of funding sources may be required for affordable housing programs and projects. **Table 4-4** lists the potential funding sources that are available for housing activities. They are divided into five categories: federal, State, county, local, and private resources.

In previous years, the primary source of funds for affordable housing activities in Cypress was from the Redevelopment Agency housing set-aside fund. The 2010-2014 Implementation Plan allocated funding for housing programs during that period, as indicated below:

- Multi-Family Assistance:
  - Rental Deposit Guarantee
  - Community Rental Rehabilitation
  - Mixed-Use Housing Development
- Single Family Projects:
  - Neighborhood Clean-Up
  - First Time Homebuyer
  - Single Family Residential Rehabilitation
- Preservation of Affordable Units

On Dec. 29, 2011, the California Supreme Court ruled to uphold ABx1 26, which dissolved all redevelopment agencies (RDAs) in the State. A companion bill, ABx1 27, which would have allowed the RDAs to continue to exist, was also declared invalid by the court. The courts decision required that all RDAs within California be eliminated no later than February 1, 2012. Per Resolution CRA 141, the City of Cypress Redevelopment Agency was dissolved as of January 23, 2012. The City was selected to be the Successor Agency responsible for all enforceable obligations owed.

The City previously relied on estimated redevelopment housing set-aside revenues ranging from \$1.26 to \$1.5 million annually to support the development of affordable housing and the implementation of programs outlined in the Housing Plan. In addition to the Redevelopment housing set-aside funds, the City also received an estimated \$15,000 in inclusionary in lieu funds from housing developers. For the 2014-2021 planning cycle, the City is investigating new funding sources to utilize to continue administering its existing programs. Some of these potential funding sources are summarized in Table 4-4.

**Table 4-4:  
Financial Resources Available for Housing Activities**

Program Name	Description	Eligible Activities
<b>1. Federal Programs and Funding Sources</b>		
Community Development Block Grant (CDBG)	The City applies to Orange County annually for CDBG grant funds. Historically, Cypress has received approximately \$100,000 each year. However, the County anticipates a decrease in CDBG funds and Cypress anticipates a reduction to \$75,000. The City uses CDBG funds for the on-going HELP II single-family rehabilitation program.	Acquisition Rehabilitation Homebuyer Assistance Economic Development Homeless Assistance Public Services
Home Investment Partnership (HOME)	Cypress does not receive HOME funds directly from the Federal government. However, Cypress can apply for HOME funds through the State of California's annual NOFA. Affordable rental housing projects in Cypress can apply for HOME funds through the County of Orange annual notice of funding availability (NOFA). HOME funds are used to assist low income (80% AMI) households.	New Construction Acquisition Rehabilitation Homebuyer Assistance Rental Assistance
Housing Choice Vouchers (formerly Section 8)	Rental assistance payments to owners of private market rate units on behalf of low-income (50% MFI) tenants. Administered by the Orange County Housing Authority.	Rental Assistance
Emergency Shelter Grant (ESG) Program	Funds emergency shelters, services and transitional housing for homeless individuals and families.	Homeless Assistance Public Services
Neighborhood Stabilization Program (NSP) Funds	Provides funds to purchase abandoned and foreclosed homes and residential property.	Acquisition Homebuyer Assistance
Choice Neighborhoods Grants	Funds to address distressed neighborhoods and public and assisted projects to transform them into viable and sustainable mixed-income neighborhoods by linking housing improvements with appropriate services, schools, public assets, transportation, and access to jobs. Planning grants and implementation grants are available.	New Construction Acquisition Rehabilitation Economic Development Public Services

Program Name	Description	Eligible Activities
Section 202 Housing for Seniors	HUD provides capital advances to finance the construction, rehabilitation or acquisition with or without rehabilitation of structures that will serve as supportive housing for very low-income elderly persons, including the frail elderly, and provides rent subsidies for the projects to help make them affordable.	Acquisition Rehabilitation New Construction
Section 811 Housing for Disabled Persons	Grants to non-profit developers of supportive housing for persons with disabilities, including group homes, independent living facilities and intermediate care facilities.	Acquisition Rehabilitation New Construction Rental Assistance
Housing Opportunities for Persons with AIDS (HOPWA)	HOPWA is an entitlement grant distributed to the largest jurisdiction in each county. HOPWA funds may be used for a wide range of housing, social services, program planning, and development costs. These include, but are not limited to, the acquisition, rehabilitation, or new construction of housing units; costs for facility operations; rental assistance; and short-term payments to prevent homelessness. HOPWA funds also may be used for health care and mental health services, chemical dependency treatment, nutritional services, case management, assistance with daily living, and other supportive services.	Acquisition Rehabilitation Homebuyer Assistance Homeless Assistance Public Services Rental Assistance
Supportive Housing Program	Provides funding to develop supportive housing and services that will allow homeless persons to live as independently as possible. Grants under the Supportive Housing Program are awarded through a national competition held annually.	Homeless Assistance Public Services
Shelter Plus Care	Provides rental assistance for hard-to-serve homeless persons with disabilities in connection with supportive services funded from sources outside the program.	
<b>2. State Programs</b>		
Low-income Housing Tax Credit (LIHTC)	Tax credits are available to persons and corporations that invest in low-income rental housing. Proceeds from the sale are typically used to create housing. Tax credits are available between 4% and 9%.	New Construction

Program Name	Description	Eligible Activities
Building Equity and Growth in Neighborhoods (BEGIN)	Grants to cities to provide down payment assistance (up to \$30,000) to low and moderate income first-time homebuyers of new homes in projects with affordability enhanced by local regulatory incentives or barrier reductions. One funding round annually.	Homebuyer Assistance
CalHome	Grants to cities and non-profit developers to offer homebuyer assistance, including down payment assistance, rehabilitation, acquisition/rehabilitation, and homebuyer counseling. Loans to developers for property acquisition, site development, predevelopment and construction period expenses for homeownership projects. One funding round annually.	Predevelopment Site development Site acquisition Rehabilitation Acquisition/Rehab Down payment assistance Mortgage financing Homebuyer counseling
Transit-Oriented Development Housing Program	Under the program, low-interest loans are available as gap financing for rental housing developments that include affordable units, and as mortgage assistance for homeownership developments. In addition, grants are available to cities, counties, and transit agencies for infrastructure improvements necessary for the development of specified housing developments, or to facilitate connections between these developments and the transit station.	Homebuyer Assistance Predevelopment Site development Infrastructure
Infill Incentive Grant Program	Funding of public infrastructure (water, sewer, traffic, parks, site clean-up, etc) to facilitate infill housing development. One funding round annually.	Regulations pending
CalHFA FHA Loan Program	Low-interest, short-term loans to local governments for affordable infill, owner-occupied housing developments. Links with CalHFA's Down Payment Assistance Program to provide subordinate loans to first-time buyers. Two funding rounds per year.	Site acquisition Pre-development costs
CalHFA Homebuyer's Down payment Assistance Program	CalHFA makes below market loans to first-time homebuyers of up to 3% of sales price. Program operates through participating lenders who originate loans for CalHFA. Funds available upon request to qualified borrowers.	Homebuyer Assistance

Program Name	Description	Eligible Activities
CalHFA Mental Health Services Act Funds	Jointly administered by the California Department of Mental Health and the California Housing Finance Agency on behalf of counties, the Program offers permanent financing and capitalized operating subsidies for the development of permanent supportive housing, including both rental and shared housing, to serve persons with serious mental illness and their families who are homeless or at risk of homelessness. MHSA Housing Program funds will be allocated for the development, acquisition, construction, and/or rehabilitation of permanent supportive housing.	New Construction Acquisition Rehabilitation Homeless Assistance Public Services Rental Assistance New
CalHFA New Issue Bond Program (NIBP)	Provides affordable housing bond funding to CalHFA and other housing finance agencies. This funding allows developers to secure a source of affordable financing in the marketplace which otherwise could not be obtained.	New Construction Acquisition Rehabilitation Preservation
Golden State Acquisition Fund (GSAF)	Affordable Housing Innovation Program (AHIP): provides loans for developers through a nonprofit fund manager to provide quick acquisition financing for the development or preservation of affordable housing.	New Construction Acquisition Rehabilitation Preservation
Emergency Housing and Assistance Program Operating Facility Grants (EHAP)	Provides operating facility grants for emergency shelters, transitional housing projects, and supportive services for homeless individuals and families.	Homeless Assistance Public Services
Emergency Housing and Assistance Program Capital Development (EHAPCD)	Funds capital development activities for emergency shelters, transitional housing, and safe havens that provide shelter and supportive services for homeless individuals and families.	Homeless Assistance Public Services
Emergency Solutions Grant (ESG) Program	Funds projects that serve homeless individuals and families with supportive services, emergency shelter/transitional housing, assisting persons at risk of becoming homeless with homelessness prevention assistance, and providing permanent housing to the homeless population. The Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act of 2009 places new emphasis on assisting people to quickly regain stability in permanent housing after experiencing a housing crisis and/or homelessness.	Homeless Assistance Public Services

Program Name	Description	Eligible Activities
Infill Infrastructure Grant Program (IIG)	Provides grants for infrastructure construction and rehabilitation to support higher-density affordable and mixed-income housing in infill locations.	Predevelopment Site development Infrastructure
Multifamily Housing Program	Provides funding for new construction, rehabilitation, or acquisition and rehabilitation of permanent or transitional rental housing, and the conversion of nonresidential structures to rental housing. Projects are not eligible if construction has commenced as of the application date, or if they are receiving 9% federal low income housing tax credits. Eligible costs include the cost of child care, after-school care and social service facilities integrally linked to the assisted housing units; real property acquisition; refinancing to retain affordable rents; necessary onsite and offsite improvements; reasonable fees and consulting costs; and capitalized reserves.	Acquisition Rental Assistance Public Services Site development Infrastructure Development Fees
Predevelopment Loan Program (PDLP)	Provides predevelopment capital to finance the start of low income housing projects.	Predevelopment
<b>3. County Programs</b>		
Mortgage Assistance Program (MAP)	The County of Orange provides mortgage loans to first time homebuyers. The Affordable Housing Clearinghouse provides the homebuyer services for the County.	Homebuyer Assistance
Mortgage Credit Certificate (MCC)	The County of Orange offers the MCC program in partnership with Affordable Housing Applications. The MCC is a Federal Income Tax Credit program, effectively reducing the applicant's taxes and increasing their net earnings. Program currently on hold.	Homebuyer Assistance Income Tax Credit
<b>4. Local Programs</b>		
Tax Exempt Housing Revenue Bond	The City can support low-income housing by holding the required TEFRA hearing prior to enabling the issuance of housing mortgage revenue bonds. The bonds require the developer to lease a fixed percentage of the units to low-income families at specified rental rates.	New Construction Rehabilitation Acquisition

<b>5. Private Resources/Financing Programs</b>		
Federal National Mortgage Association (Fannie Mae)	Fixed rate mortgages issued by private mortgage insurers; mortgages which fund the purchase and rehabilitation of a home; low down-payment mortgages for homes in underserved areas.	Homebuyer Assistance
National Housing Trust	The Green Affordable Housing Preservation Loan fund through the National Housing Trust Provides below market predevelopment and interim development loans to affordable housing developers who seek to incorporate green building techniques when rehabilitating existing affordable housing. Under the program, a portion of the loan will be forgiven when the developer demonstrates that they have incorporated practical, environmentally friendly design elements in the property's rehabilitation plan.	Predevelopment Development Loans
California Community Foundation	Provides support for general operating of existing nonprofit affordable housing developers, with the focus on supporting the development and preservation of permanent affordable housing.	New Construction Rehabilitation Acquisition
MacArthur Foundation	Preserving Affordable Rental Housing Program is a \$150 million initiative that seeks to preserve and improve affordable rental housing.	Preservation Rehabilitation Acquisition
Local banks	Thanks to the Community Reinvestment Act of 1977, commercial banks are required to "meet the credit needs" of all the areas from which they draw deposits. They usually do this through below-market loans to both developers and qualified low-income homebuyers, and grants to community development nonprofits. Many banks have set up a separate community development division, and partner with local organizations that provide services like homeownership counseling to their borrowers. Larger banks often have a separate foundation to handle the grants.	

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### 4.2.1 Potential Future Funding Sources

In addition to the funding sources listed in **Table 4-4**, affordable housing advocates are working with large foundations in hopes of creating a low-interest loan fund from endowments. Housing groups are also continuing attempts to broaden infrastructure financing authority. An infrastructure financing district (IFD) may be formed pursuant to California Government Code Section 53395 et seq. (the “IFD Law”). These districts have rights to the tax increment for financing public infrastructure. This authority exists at both the state and local level, but under current law requires a vote. Another hurdle is that current IFD law prohibits IFDs within any portion of a redevelopment project area that is or has been previously created; coupled with the fact that the legislative intent of the IFD law is that IFD areas are substantially undeveloped. However, many advocates remain hopeful that IFDs may provide an opportunity to fill the redevelopment gap. Current drafts of new legislation would allow cities to create infrastructure districts without voter approval and make IFDs more user-friendly. There is also proposed legislation that, in addition to allowing for IFD formation by resolution, would require set-asides for affordable housing where an IFD is formed in a transit village development district. Certain legislation also seeks to broaden the share of property tax increment that IFDs in specified locations may collect, and seeks to address the current deficiencies in the IFD Law.

## 4.3 ADMINISTRATIVE RESOURCES

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

### Habitat for Humanity

Habitat is a non-profit, Christian organization that builds and repairs homes for sale to very low-income families with the help of volunteers and homeowner/partner families. Habitat homes are sold to partner families at no profit with affordable, no interest loans. The local affiliate, Habitat for Humanity Orange County, has been active in Cypress, having built 7 homes for very low-income families in the 2000-2008 Housing Element period and obtained City approvals for 15 condominium units which were under construction in June 2012.

### Jamboree Housing Corporation (JHC)

JHC is a non-profit developer that has developed and implemented numerous affordable housing projects throughout Southern California and the State. Jamboree has also established an in-house social services division to assist residents in maintaining self-sufficiency. “Housing with a HEART” (Helping Educate, Activate and Respond Together) now operates at most Jamboree-owned properties. Jamboree recently worked with the City of Cypress to develop a Neighborhood Improvement Plan for the Lemon-Lime neighborhood. This plan was adopted by the City Council, and some infrastructure improvements have begun.

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## **Mercy Housing California**

Mercy Housing has offices in Los Angeles, San Francisco, and Sacramento. Mercy Housing serves more than 10,000 people at about 100 properties. Residents range from families to people with special needs to seniors. Mercy Housing has approached City staff about developing affordable housing in Cypress.

## **Orange Housing Development Corporation (OHDC)**

OHDC is a non-profit housing developer founded in 1990. Located in the City of Orange, the Agency's start-up costs were originally funded by the Orange Redevelopment Agency. OHDC's primary focus is within Orange County, but the organization has developed over 3,000 units in communities throughout California. OHDC, along with the for-profit developer C&C Development Company, has approached the City of Cypress about potential motel conversions. Both developers have experience in converting existing motels to affordable housing.

## **4.4 OPPORTUNITIES FOR ENERGY CONSERVATION**

As cities construct more housing to meet growing population demands, the consumption rate of energy becomes a significant issue. The primary uses of energy in urban areas are for transportation, lighting, water, heating and space heating and cooling. The high cost of energy demands that efforts be taken to reduce or minimize the overall level of urban consumption. Interest in addressing these impacts at all levels of government has been growing. In 2004, the State of California adopted legislation requiring LEED (Leadership in Energy and Environmental Design) certification for new and renovated public buildings and in 2010 the State released an updated Building Code focusing on green building techniques. The City of Cypress has adopted the 2010 California Building Code with two local amendments to ensure public safety.

In addition to the sustainable practices required by the California Building Code, there are many opportunities for conserving energy in new and existing residential units. Typically, construction of energy efficient buildings does not lower the price of housing however, housing with energy conservation features should result in reduced monthly occupancy costs as consumption of fuel and energy is decreased. Similarly, retrofitting existing structures with energy conserving features can result in a reduction in utility costs. Examples of energy conservation opportunities include weatherization programs and home energy audits; installation of insulation; installation or retrofitting of more efficient appliances, and mechanical or solar energy systems; and building design and orientation which incorporates energy conservation considerations. The City enforces all provisions of Title 24 of the California Building Code, which provides for energy conservation features in new residential construction.

Both the public and private sectors currently offer grants, refunds, and other funding for green building. In addition, developments built to green standards assist both the owners and tenants with energy and maintenance costs over time. The following presents a variety of ways in which Cypress can promote energy conservation:

- Advertise utility rebate programs and energy audits available through Edison and Southern California Gas, particularly connected to housing rehabilitation programs. Lower-income households are also eligible for State sponsored energy and weatherization programs.

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- Develop green (energy-efficient and environmentally-sensitive) building standards for public buildings.
  - Provide incentives, such as expedited plan check, for private developments that are building green
  - Support the elimination of contamination in older buildings (lead-based paint, asbestos, etc.) during rehabilitation and code inspections.
  - Allow higher densities and mixed-use development within walking distance of commercial, thereby reducing vehicular trips and reducing greenhouse gas emissions.
  - Promote funding opportunities for private green buildings, including available rebates and funding available through the California Energy Commission for installation of solar panels.
  - Provide resource materials and training opportunities regarding green building and energy conservation.
  - Apply green building criteria to rehabilitation of single and multi family buildings.

Global Green, a leader in the green building field, has designed a step-by-step guide for local governments interested in creating a green building program. The steps are outlined as follows:

1. Establish Your Baseline - what are current local policies, ordinances, and environmental programs; identify gaps
2. Analyze Building Trends - what are past trends, planned city and major private projects, and projected growth
3. Review Existing Guidelines - do they fit with local climate, city procedures, local building practice, and address local priorities
4. Conduct Outreach - form city staff team and citizen committee; convene groups; and identify issues and priorities
5. Establish Framework - identify priority sectors; determine phasing; set incentives; and determine administration
6. Implementation - adopt policy; prepare and provide resources and materials; hold workshops and trainings; identify additional staff needs

To further green building goals, residential and mixed-use developments may be required 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
- Gray water recycling

### **Southern California Edison Energy Efficiency Programs ([www.sce.com](http://www.sce.com))**

Southern California Edison (SCE) offers a Multi-Family Energy Efficiency Rebate Program that provides property owners and managers incentives on a broad list of energy efficiency improvements in lighting, HVAC, insulation and window categories. Edison's refrigerator and freezer recycling program provides cash rebates and free pick up of old appliances as an encouragement to residents to replace old appliances with new energy-efficient ones.

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The following three programs are offered by SCE to help low income customers reduce energy costs and control their energy use:

- **Energy Management Assistance Program** - Pays for the cost of purchasing and installing energy efficient appliances and equipment
- **California Alternate Rates for Energy (CARE)** - Offers very low income customers a discount of 20% or more off their monthly electric bill. The Family Electric Rate Assistance (FERA) program also offers reduced rates for lower income families.
- **Energy Assistance Fund** - Assists income qualified customers with their electric bill once in a 12 month period

#### **Southern California Gas Company Energy Efficiency Programs ([www.socalgas.com](http://www.socalgas.com))**

The Southern California Gas Company offers several energy efficiency programs, including home energy rebates for energy efficient appliances; multi-family rebates for energy saving improvements; and home energy and water efficiency kits. Similar to SCE, several programs are available to assist lower income customers with energy bills:

- **California Alternate Rates for Energy (CARE)** - Offers very low income customers a discount of 20% or more off their monthly gas bill.
- **No-Cost Energy Saving Home Improvements** - Service provides free weatherization for the homes or apartments of lower income families.
- **One-Time Bill Assistance** - Up to \$100 in one-time assistance on the gas bill
- **Medical Baseline Allowance** - Households with a seriously disabled member, or person with life-threatening illness, may qualify for additional gas at a reduced rate schedule.

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# **APPENDIX A**

## **PUBLIC PARTICIPATION**

**Meeting Notification  
Distribution List  
Sign-In Sheet  
Meeting Minutes**

## NOTICE OF PUBLIC MEETING



by the  
CYPRESS CITY COUNCIL  
on Monday, April 22, 2013  
at 5:30 p.m. in the  
Executive Board Room  
5275 Orange Avenue  
Cypress, California 90630

Notice is hereby given that a City Council study session and community workshop will be held for:

The 2014-2021 Housing Element Update of the Cypress General Plan:

The City of Cypress is in the process of updating the Housing Element of its General Plan. The purpose of the study session is to review the Draft Housing Element Update, provide information to the Council about the Draft Element, and to answer any questions regarding the Housing Element and the update process. In addition, the City looks for input and comments on the Draft Element from residents, members of the business community, and other interested stakeholders on housing issues and concerns.

The Housing Element is one of the seven State-mandated elements of the City's General Plan, a long-range plan for land use in the community. The Housing Element identifies and assesses existing and projected housing needs and provides an analysis of constraints and resources relevant to meeting these needs. The Housing Element also establishes Cypress' goals, policies, and programs for addressing its housing needs. The current Cypress Housing Element covers the planning period of 2008-2014. The proposed Housing Element Update would cover the next 2014-2021 planning period, established by State law.

The current 2008 Cypress Housing Element may be found online at <http://www.ci.cypress.ca.us>, or at the Cypress Community Development Department located at 5275 Orange Avenue. Once a draft of the 2014-2021 Housing Element has been completed, a copy will be placed on the City's website and made available for public review at City Hall and the Public Library. For further information, you may also contact the project planner, Kori Nevarez, at (714) 229-6724 or [knevarez@ci.cypress.ca.us](mailto:knevarez@ci.cypress.ca.us).

**All interested persons have the right and are encouraged to attend this meeting and express their opinion. You may provide verbal or written testimony at the public meeting. You may also submit written comments in advance of the public meeting if you are unable to attend.**

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, you should contact the office of the City Clerk at (714) 229-6683. Notification by noon on Friday, April 19, 2013, will enable the City to make reasonable arrangements to assure accessibility to this meeting.

\_\_\_\_\_  
/s/Denise Basham  
CITY CLERK OF THE CITY OF CYPRESS

PUBLISHED: The Event  
April 12, 2013

## Mailing List for Housing Element Study Session April 22, 2013

City of Anaheim  
c/o Planning Department  
200 S. Anaheim Blvd.  
Anaheim, CA 92805

Anaheim Union High School District  
501 Crescent Way  
Anaheim, CA 92803

St. Joseph Health System  
1845 W. Orangewood Avenue  
Suite 100  
Orange, CA 92868

City of Buena Park  
c/o Planning Department  
P.O. Box 5009  
Buena Park, CA 90622-5009

Cypress Chamber of Commerce  
5550 Cerritos Avenue, Suite D  
Cypress, CA 90630

Orange County Rescue Mission  
Attn: Jim Palmer, President  
1 Hope Drive  
Tustin, CA 92782

City of Cerritos  
c/o Planning Department  
P.O. Box 3130  
Cerritos, CA 90703

Cypress College  
9200 Valley View Street  
Cypress, CA 90630

Building Industry Association  
Attn: Kristine Thalman, CEO  
17744 Sky Park Circle, Suite 170  
Irvine, CA 92614

City of Garden Grove  
c/o Planning Department  
P.O. Box 3070  
Garden Grove, CA 92842-3070

Cypress School District  
9470 Moody Street  
Cypress, CA 90630

Center for Public Law  
601 Civic Center Drive West  
Santa Ana, CA 92701-4002

City of Hawaiian Gardens  
c/o Planning Department  
21815 Pioneer Blvd.  
Hawaiian Gardens, CA 90716

Los Alamitos Race Track  
4961 Katella Avenue  
Los Alamitos, CA 90720

Fair Housing Council of OC  
Attn: Denise Y. Cato, Exec. Dir.  
201 S. Broadway  
Santa Ana, CA 92701-5633

City of La Palma  
c/o Planning Department  
7822 Walker St.  
La Palma, CA 90623

O.C. Community Housing Corp.  
2024 N. Broadway, Suite 300  
Santa Ana, CA 92706

Jamboree Housing Corporation  
Attn: Laura Archuleta  
2081 Business Center Dr., #216  
Irvine, CA 92612

City of Lakewood  
c/o Planning Department  
5050 Clark Ave.  
Lakewood, CA 90712

Dolores Kollmer  
Dayle Macintosh Ctr. for the Disabled  
13272 Garden Grove Blvd.  
Garden Grove, CA 92842

Adult Mental Health Services  
Attn: Maria I. Marquez  
405 W. Fifth Street, Suite 550  
Santa Ana, CA 92701

City of Long Beach  
c/o Planning Department  
333 W. Ocean Blvd.  
Long Beach, CA 90802

Orange County Council on Aging  
1971 E. 4<sup>th</sup> Street, Suite #200  
Santa Ana, CA 92705

A Community of Friends  
3701 Wilshire Boulevard  
Suite 700  
Los Angeles, CA 90010

City of Los Alamitos  
c/o Planning Department  
3191 Katella Ave.  
Los Alamitos, CA 90720

Kelly Lupro  
Orange County Community Resources  
1770 N. Broadway  
Santa Ana, CA 92706

Habitat for Humanity  
2200 S. Ritchey St.  
Santa Ana, CA 92705

City of Stanton  
c/o Planning Department  
7800 Katella Ave.  
Stanton, CA 90680

Mercy Housing  
1500 South Grand Ave., Suite 100  
Los Angeles, California 90015

Orange County Business Council  
Attn: Jill Dominguez  
2 Park Plaza, Suite #100  
Irvine, CA 92614-5904

## Mailing List for Housing Element Study Session April 22, 2013

Orange County Business Council  
Attn: Stan Otfelie  
2 Park Plaza, Suite #100  
Irvine, CA 92614-5904

Orange County Housing and  
Community Development  
Attn: Gilbert Melendez  
1770 North Broadway  
Santa Ana, CA 92706-2642

Affordable Housing Advocates  
Esperanza Comm. Housing Corp  
2337 South Figueroa St.  
Los Angeles, CA 90007

Kennedy Commission  
Attn: Cesar Covarrubias  
17701 Cowan Avenue, Suite 200  
Irvine, CA 92614

Irvine Housing Opportunities  
Attn: Cynthia Ricks-Maccotan  
18552 MacArthur Blvd., #208  
Irvine, CA 92612

Affordable Housing Advocates  
WNC & Associates, Inc.  
17782 Sky Park Circle  
Irvine, CA 92614-6404

SCAG  
818 W. Seventh St., 12<sup>th</sup> Floor  
Los Angeles, CA 90017-3435

Heritage Community Housing, Inc.  
Attn: Joseph Singh  
2000 E. 4<sup>th</sup> Street, Suite 204  
Santa Ana, CA 92705

Orange County Housing Trust  
Attn: Glenn Hayes  
198 W. Lincoln Ave., 2<sup>nd</sup> Floor  
Anaheim, CA 92805

Allison Rawlins  
Land Advisors Organization  
8105 Irvine Center Drive Suite 1460  
Irvine, CA 92618

OCCORD  
Attn: Eric Altman  
13252 Garden Grove Blvd, #200  
Garden Grove, CA 92843

Christmas in April  
Attn: Cy Baumann  
19357 Sierra Bello  
Irvine, CA 92612

Affordable Housing Advocates  
Hope Housing of America & R.E.  
1811 ½ W. Bay Avenue  
Newport Beach, CA 92663-4516

Civic Center Barrio Housing Corp  
980 W 17th St Ste E  
Santa Ana, CA, 92706

Cynthia Michels  
American Communities  
8520 Washington Blvd.  
Culver City, CA 90232

CA Dept of Housing and ComDv  
Attn: Cathy E. Creswell  
1800 Third Street, Suite #430  
P.O. Box 952053  
Sacramento, CA 94252-2053

Neighborhood Housing Services  
Attn: Glenn Hayes  
198 West Lincoln Ave., 2<sup>nd</sup> Floor  
Anaheim, CA 92805

County of Orange  
Planning & Development Svc. Dept.  
Attn: Tim Neely  
P.O. Box 4048  
Santa Ana, CA 92702-4048

Doty-Burton Associates  
1224 East Wardlow Road  
Long Beach, CA 90807

Mercy Housing  
Attn: Allison Harvey, Dev. Director  
P.O. Box 1905  
Santa Ana, CA 92702

OC Health Care Agency  
P.O. Box 355  
Santa Ana, CA 92702

Jamboree Housing Corporation  
Housing with Heart  
HOMES, Inc.  
17701 Cowan Avenue  
Suite 200  
Irvine, CA 92614

Mary Erickson Comm. Housing  
Attn: Susan McDevitt  
P.O. Box 775  
San Clemente, CA 92674-0775

AMCAL Multi-Family Housing  
Attn: Juan Arroyo  
30141 Agoura Road, Suite #100  
Agoura Hills, CA 91301

Hart Community Homes  
2807 E. Lincoln Ave.  
Anaheim, CA 92086

Orange County Housing Providers  
Attn: Vickie Talley  
25241 Paseo de Alicia, Suite 120  
Laguna Hills, CA 92653

Affordable Housing Advocates  
LINC Housing Corporation  
110 Pine Avenue, Suite 525  
Long Beach, CA 90802-4422

Housing Corporation of America  
31423 Coast Highway, Ste. 7100  
Laguna Beach, CA 92677

## Mailing List for Housing Element Study Session April 22, 2013

Mary Jo Goelzer  
Jamboree Housing Corporation  
17701 Cowan Avenue, Suite 100  
Irvine, CA 92614

Long Beach Affordable Housing  
Coalition, Inc.  
5855 E Naples Plaza #209  
Long Beach, CA 90803

Neighbor Works Orange County  
128 E. Katella Avenue  
Orange, CA 92867

Nexus for Affordable Housing  
1544 W. Yale Avenue  
Orange, CA 92867

Shelter For The Homeless  
15161 Jackson Street  
Midway City, CA 92655

Families Forward  
9221 Irvine Blvd.  
Irvine, CA 92618

Fullerton City Lights  
224 E. Commonwealth Ave.  
Fullerton, CA 92832

Orangewood Children's Home  
1575 E. 17<sup>th</sup> Street  
Orange, CA 92705

The Sheepfold  
P.O. Box 4487  
Orange, CA 92863

Salvation Army Hospitality House  
818 E. Third Street  
Santa Ana, CA 92701

Pacific West Assoc. of Realtors  
1601 E. Orangewood Avenue  
Anaheim, CA 92805

Demetria Devaney  
Senior Citizens Commission  
9692 Juanita Street  
Cypress, CA 90630

Thomas Ferguson  
Senior Citizens Commission  
4221 Devon Circle  
Cypress, CA 90630

Ted Lorber  
Senior Citizens Commission  
5264 Vista del Sol  
Cypress, CA 90630

Bob Matthew  
Senior Citizens Commission  
10171 Aqueduct Drive  
Cypress, CA 90630

Ruth Schnipper  
Senior Citizens Commission  
4051 Via Encinas  
Cypress, CA 90630

Gloria Straub  
Senior Citizens Commission  
9749 Pauline Drive  
Cypress, CA 90630

Mark Taylor  
Senior Citizens Commission  
9053 Brownstone Circle  
Cypress, CA 90630

# HOUSING ELEMENT WORKSHOP ATTENDANCE SHEET

Name/Organization	Mailing Address	Email Address	Phone Number
Jody Skloss			
Mike Pardo	9341 Alderway St		714 827-4250
George Pardon	10447 Santa Clara St Cypress	gpardon@sbcglobal.net	714 827-3585
Lynn Pardon	10447 Santa Clara St Cypress	lpardon@sbcglobal.net	714 827-3585
Bob Rendon	10438 SANTA CLARA ST CYPRESS	BOB.RENDON@CA.PR.COM	714 826 6031
Don Wesling	11431 ANEGADA ST	DIPSOFACTO3@AOL.COM	714-894-5085
Linda Tang	Kennedy Commission 17701 Cowan Ave Ste 200 Ft. Lauderdale, FL 33314	Underekenmedycommission.org	949 450-0409
Jacqueline	PO Box 2206 SA OR 92701	George.norrell.com	714-796-5299
Mr. Kevin Leiden	4761 Citty Ave	WDL2206@AOL.COM	714 828-0544
Virginia Leder	"	"	"
Maria & Ed Falcone	10444 SANTA RITA ST	MFAALCONE53@YAHOO.COM	562 706-7876
Bruce Marsan	13272 Garden Grove Ave	bmarsan@daxleinc.org	714-621-3200
Debra Mcintosh	Garden Grove		

MINUTES OF A REGULAR MEETING OF THE  
CYPRESS CITY COUNCIL

HELD

April 22, 2013

A regular meeting of the Cypress City Council was called to order at 5:30 p.m. by Mayor Narain in the Executive Board Room, 5275 Orange Avenue, Cypress, California.

Members present:

Mayor Prakash Narain  
Mayor Pro Tem Leroy Mills  
Council Member Doug Bailey  
Council Member Rob Johnson  
Council Member Mariellen Yarc

Staff present:

City Manager John Bahorski  
City Attorney William Wynder  
Police Chief Jackie Gomez-Whiteley  
Public Works Director Doug Dancs  
Recreation and Community Services Director June Liu  
Assistant City Engineer Kamran Dadbeh  
Planning Manager Doug Hawkins  
Redevelopment Project Manager Steve Clarke  
Associate Planner Kori Nevarez  
Human Resources Manager Cathy Thompson  
Administrative Services Manager Andrew Tse  
City Clerk Denise Basham

ORAL COMMUNICATIONS:

None.

WORKSHOP SESSION:

The City Manager stated that City Council would be presented with the 2014-2021 Housing Element Update of the Cypress General Plan.

Mayor Pro Tem Mills complimented staff on the thoroughness of the Agenda Report.

The Associate Planner introduced Laura Stetson of MIG Hogle-Ireland and indicated that the Housing Element update combines input from the City Council workshop as well as input from the public.

Ms. Stetson provided an overview of the Housing Element and the Regional Housing Needs Assessment (RHNA), and indicated that the Housing Element addresses the City's housing needs and the plans to address those needs during years 2014-2021. She stated that the Housing Element is one component of the General Plan and that it

requires review by the Department of Housing and Community Development. She stated that the Housing Element is required of every city and county. Ms. Stetson stated that housing needs in a community change over time and that the City's Housing Element has been affected by the recent loss of the City's Redevelopment Agency.

Ms. Stetson indicated that the Housing Element does not commit the City to actual housing construction but does obligate it to show opportunities to achieve the Regional Housing Needs Assessment based on the City's zoning and land use policies. She stated that RHNA housing unit projections for the City this cycle would be 308, and that it was 451 units last cycle.

Ms. Stetson reviewed the RHNA income level requirements that are based on the average medium income for Orange County, and indicated that the medium income level for Cypress in 2010 was \$83,000. She stated that the housing unit needs could be achieved through reusing sites, and mixed use and multiple-family unit sites on Lincoln Avenue.

Ms. Stetson indicated that the City has accomplished rezoning to allow 30 units per acre and has included provisions to allow for emergency shelters as required by State law. She stated that new State law requires a Housing Element for those with development disabilities.

Mayor Pro Tem Mills asked for clarification on the definition of developmentally disabled.

Ms. Stetson replied that developmentally disabled housing would be for groups of people who are mentally challenged. She indicated that, under State law, a group home with six or fewer persons could not be regulated by the City, and that supportive housing for seven or more persons would have be allowed by right in the multi-family zones.

Council Member Bailey asked how many housing units need to be designated for the developmentally disabled.

Ms. Stetson responded that there is not a specific number of housing units that must be designated for the developmentally disabled, however, the City must show no constraints.

Ms. Stetson spoke of conserving the existing supply of affordable housing units due to the loss of the Redevelopment funding source. She spoke of the importance of preserving and enhancing existing neighborhoods and how that would maintain high values.

Ms. Stetson stated that assistance in affordable housing could include providing adequate housing sites, relaxing standards through density bonuses, and incorporating second-unit ordinance for single-family units. She indicated that the City may not discriminate against a person in their pursuit for housing, and that the City contracts with the County of Orange for the implementation of fair housing laws.

Ms. Stetson concluded her presentation by indicating that comments from the City Council and the public would be taken at this time, and ultimately a hearing with the City Council would be held within the next several months.

Mayor Pro Tem Mills asked about enforcement of RHNA numbers for compliance.

Ms. Stetson responded that the City's progress must be reported annually, however, there is no penalty from the State level.

Council Member Johnson asked about the City's 308 RHNA housing units projection and what would be required.

Ms. Stetson responded that the 308 units would be for the eight-year period.

The public comment period was opened.

George Pardon, Cypress, spoke of existing Lincoln Avenue development and asked if the 30 acre site related to Measure A should be factored in to the housing element.

Ms. Stetson responded that only land use regulations that are in place at this time may be considered.

Jody Shloss, Los Alamitos, asked if there is no penalty, would the housing element be taken into consideration when the City applies for grant funds.

Ms. Stetson responded that she will discuss it with City staff to make a determination.

Edwin Kraemer asked why the 33 acre site on Katella Avenue is not included in the housing element.

The Associate Planner replied that known sites were looked at and that a mixed-use district was already in place. She stated that by adding density to the residential area, Lincoln Avenue property values increased. She indicated that there must be a minimum of 30 units per acre in order to be recognized as affordable housing, and the 33 acre site on Katella Avenue was not in the previous cycle.

The City Attorney clarified that, subject to Measure D, the 33 acre site on Katella Avenue was not eligible for consideration in the previous cycle.

Jackie Kerze, Regional Center of Orange County, indicated that her agency provides services for 244 persons in Cypress, and spoke in support of the need for affordable housing opportunities in the City.

Linda Tang, The Kennedy Commission, thanked the City Council for addressing the issue of affordable housing and asked that consideration be given for low income tax credits.

The public comment period was closed.