



# AGENDA

## AD HOC VETERANS AFFORDABLE HOUSING COMMITTEE

October 6, 2015  
4:00 p.m.

Irvine Civic Center  
Conference Room L102  
One Civic Center Plaza  
Irvine, California

**CALL TO ORDER**

**PLEDGE OF ALLEGIANCE**

**ROLL CALL**

CHAIRWOMAN	Christina Shea
VICE CHAIR	Jeffrey Lalloway
COMMITTEE MEMBER:	Ronnie Guyer
COMMITTEE MEMBER:	Anthony Kuo
COMMITTEE MEMBER:	Bobby McDonald
COMMITTEE MEMBER:	Patricia Whitaker
COMMITTEE MEMBER:	William Woollett, Jr.

### **ADDITIONS AND DELETIONS TO THE AGENDA**

Additions to the agenda are limited by California Government Code Section 54954.2 of the Brown Act and for those items that arise after the posting of the Agenda and must be acted upon prior to the next Committee meeting.



**WELCOME AND INTRODUCTIONS**

**COMMITTEE BUSINESS**

**1. APPROVAL OF MINUTES**

RECOMMENDED ACTION: Approve the Minutes of the September 1, 2015, meeting of the Ad Hoc Veterans Affordable Housing Committee

**2. PRESENTATION - AD HOC VETERANS AFFORDABLE HOUSING COMMITTEE POLICY RECOMMENDATIONS TO CITY COUNCIL**

RECOMMENDED ACTION: Approve Ad Hoc Veterans Affordable Housing Committee policy recommendations and direct staff to forward the recommendations to the Irvine City Council for consideration and adoption.

**COMMITTEE MEMBER COMMENTS**

**FUTURE AGENDA ITEMS**

**PUBLIC COMMENTS**

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Any member of the public may address the Ad Hoc Veterans Affordable Housing Committee on items within the subject matter jurisdiction of the Committee, but which are not listed on this Agenda during PUBLIC COMMENTS. However, no action may be taken on matters that are not part of the posted agenda. PUBLIC COMMENTS are limited to three minutes per person.

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**ADJOURNMENT**

**CITY SERVICES TO FACILITATE ACCESS TO PUBLIC MEETINGS**

It is the intention of the City of Irvine to comply with the Americans with Disabilities Act (ADA) in all respects. If, as an attendee or a participant at this meeting, you will need special assistance beyond what is normally provided, the City of Irvine will attempt to accommodate you in every reasonable manner. Please contact the Community Development Department, Housing Division at 949-724-7444.

Assisted listening devices are available at the meeting for individuals with hearing impairments. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35. 102-35. 104 ADA Title II).

STATE OF CALIFORNIA)  
CITY OF IRVINE ) SS  
COUNTY OF ORANGE)

I declare under penalty of perjury that I, Kim Radding, am employed by the City of Irvine in the Community Development Department and that I posted this agenda in the binder located in the lobby of the Public Safety Department and on the public reader board located at the entrance to the Irvine City Hall at One Civic Center Plaza, Irvine, California, as well on the City's web site.

Dated: 10-02-15

  
\_\_\_\_\_  
Secretary

# **AGENDA ITEM NO. 1**



# **MINUTES AD HOC VETERANS AFFORDABLE HOUSING COMMITTEE**

**September 1, 2015**

Irvine Civic Center  
One Civic Center Plaza  
Conference Room L102  
Irvine, California

## **CALL TO ORDER**

A special meeting of the Ad Hoc Veterans Affordable Housing was called to order on September 1, 2015 at 4:12 p.m. in Conference Room L102 at Irvine Civic Center, One Civic Center Plaza, Irvine, California.

## **PLEDGE OF ALLEGIANCE**

Member Guyer led the Pledge of Allegiance.

## **ROLL CALL**

<b>PRESENT:</b>	<b>CHAIRWOMAN</b>	Christina Shea
	<b>MEMBER</b>	Ronnie Guyer
	<b>MEMBER</b>	Anthony Kuo
	<b>MEMBER</b>	Bobby McDonald
	<b>MEMBER</b>	Patricia Whitaker
	<b>MEMBER</b>	William Woollett, Jr.
<b>ABSENT:</b>	<b>VICE CHAIR</b>	Jeffrey Lalloway

Also present were Mark Asturias, Housing Manager and Kim Radding, Recording Secretary.

## **ADDITIONS AND DELETIONS TO THE AGENDA**

None.

## **WELCOME AND INTRODUCTIONS**

Mark Asturias provided the Members with information about the "Stand With Those Who Stood For Us" event on September 2 sponsored by the Veterans Legal Institute, the Black Chamber of Commerce and the Disabled Veterans Business Alliance.

## **COMMITTEE BUSINESS**

### **1. APPROVAL OF MINUTES**

**ACTION:** It was moved by Member McDonald, seconded by Member Guyer and approved by the following vote to adopt the Minutes of the June 2, 2015, meeting of the Ad Hoc Veterans Affordable Housing Committee as submitted.

<b>AYES:</b>	<b>6</b>	<b>MEMBERS:</b> Guyer, Kuo, McDonald, Shea, Whitaker, Woollett
<b>NOES:</b>	<b>0</b>	<b>MEMBERS:</b>
<b>ABSTAIN:</b>	<b>0</b>	<b>MEMBERS:</b>
<b>ABSENT:</b>	<b>1</b>	<b>MEMBERS:</b> Lalloway

*Member Kuo arrived at 4:16 p.m.*

### **2. PRESENTATION - SUBCOMMITTEE TO THE AD HOC VETERANS AFFORDABLE HOUSING COMMITTEE OF POLICY RECOMMENDATIONS TO CITY COUNCIL**

The report was presented by Mark Asturias with remarks contributed by Subcommittee Members Ronnie Guyer, Patricia Whitaker and William Woollett, Jr.

**ACTION:** It was moved by Chair Shea, seconded by Member Kuo and approved by the following vote to direct staff to confer with the City Attorney and provide refined policy statements for consideration by the Committee at the meeting of October 6, 2015.

<b>AYES:</b>	<b>6</b>	<b>MEMBERS:</b> Guyer, Kuo, McDonald, Shea, Whitaker, Woollett
<b>NOES:</b>	<b>0</b>	<b>MEMBERS:</b>
<b>ABSTAIN:</b>	<b>0</b>	<b>MEMBERS:</b>
<b>ABSENT:</b>	<b>1</b>	<b>MEMBERS:</b> Lalloway

**COMMITTEE MEMBER COMMENTS**

There were none.

**FUTURE AGENDA TOPICS**

The next agenda will include continued discussion of policy statements to be proposed to the City Council.

**PUBLIC COMMENTS**

Darlene Matthews commented that she would like future marketing efforts for veteran affordable housing be extended throughout Orange County. She would also like to see apartment units that combine both accessibility and affordability offered to veterans.

**ADJOURNMENT**

It was moved by Member McDonald, seconded by Member Guyer and unanimously supported by the Members present to adjourn the meeting at 5:23 p.m. to the next meeting of the Ad Hoc Veterans Affordable Housing Committee on October 6, 2015, at 4:00 p.m.

\_\_\_\_\_  
Date

\_\_\_\_\_  
CHAIR

\_\_\_\_\_  
RECORDING SECRETARY

# **AGENDA ITEM NO. 2**





# REQUEST FOR AD HOC VETERANS AFFORDABLE HOUSING COMMITTEE ACTION

**MEETING DATE:** OCTOBER 6, 2015

**TITLE:** PRESENTATION – AD HOC VETERANS AFFORDABLE  
HOUSING COMMITTEE POLICY RECOMMENDATIONS TO CITY  
COUNCIL

A handwritten signature in cursive script that reads "Susan Emery".

Director of Community Development

## **RECOMMENDED ACTION**

Approve Ad Hoc Veterans Affordable Housing Committee policy recommendations and direct staff to forward the recommendations to the Irvine City Council for consideration and adoption.

## **BACKGROUND**

On June 2, a Subcommittee was established to draft policy recommendations on veterans housing to bring forward for further discussion by the Ad Hoc Veterans Affordable Housing Committee (Committee). The Subcommittee, composed of Members Ronnie Guyer, Patricia Whitaker and William Woollett, presented an overview and explanation of its draft policy recommendations on September 1 to the Committee. Following Committee discussion staff was directed to work with the City Attorney to refine the draft policy recommendations incorporating the Committee's comments.

Attached is the proposed language for draft policy statements, incorporating City Attorney input, as requested by the Committee. The proposed language incorporates comments on the draft policy statements by the Committee and, when possible, consolidates policy statements to create a concise set of recommendations.

The Committee also discussed submitting draft policies that amend the City's approved Housing Element. Amending the Housing Element will require review and approval by the State of California Housing and Community Development Department, which is a lengthy process and would delay implementation of the recommendations. Therefore, staff and the City Attorney suggest the Committee's recommended policies amend the City's local housing policy document, the *City of Irvine Housing Strategy & Implementation Plan* (Plan), dated March 14, 2006. The proposed policy statements (Attachment 1) refine the policies discussed by the Committee and identify what sections of the Plan are recommended to be amended if

the Committee adopts the policy statements. The specific pages of the Plan that would be amended if the Committee's recommendations are forwarded to and adopted by the City Council are provided in Attachment 2.

### **FINANCIAL IMPACT**

There is no financial impact from the adoption of these recommendations.

**REPORT PREPARED BY**            Mark Asturias, Housing Manager

Attachments:

1. Draft Policy Statement for Review and Discussion with the Ad Hoc Veterans Affordable Housing Committee
2. *City of Irvine Housing Strategy & Implementation Plan* excerpts

**Draft Policy Statements for Review and Discussion with the  
Ad Hoc Veterans Affordable Housing Committee**

The City Council of the City of Irvine may be presented the following recommended policies affecting veterans housing if approved by the Committee:

1. That the City, for purposes of these Policy Statements, define the term “veteran” to mean a person who served in the active military, naval, or air service, and who was discharged or released therefrom under honorable conditions or conditions other than dishonorable.
2. That the City amend the City of Irvine Housing Strategy & Implementation Plan, adopted March 14, 2006 (the “Plan”), as follows:

- a. Amend the fourth “priority” listed in Figure 1 and page 6 of the City of Irvine Housing Strategy Vision Statement, which is set forth in the Plan and was adopted September 27, 2005, to read as follows:

Develop housing in all residential areas of the City for special needs groups (including, but not limited to youth, seniors, veterans, single parents, developmentally disabled, SROs, people living with AIDS or chronic illnesses).

- b. Amend the list of “priorities” in Figure 1 and page 6 to add a new priority, immediately following the fourth priority, that states:

Encourage development of a spectrum of housing choice and cost for veterans to permit “upward mobility”. Such housing should include, but not be limited to supportive/transitional housing, rental housing available at all income levels and for all household sizes, and ownership housing.

- c. Amend footnote 7 on page iv to include, as a special needs project, “housing projects for veterans.”

- d. Amend page 45, the “Special Needs and Homelessness” subsection of Article VII (Programs to Implement the Strategy), to add “veterans” to the special needs groups listed.

3. That the City, for purposes of these Policy Statements, define the term “restricted-income veteran household” to mean a household that (i) qualifies under Health and Safety Code section 50093 as “persons and families of low or moderate income,” and (ii) includes at least one member that qualifies as a “veteran.”

4. That for future affordable housing projects developed by for-profit or nonprofit developers, or developed on properties received by the City or the Irvine Community Land Trust (“Land Trust”), the City encourage that up to 10 percent of all affordable units in such projects be set aside for restricted-income veteran households, and that such

projects include services for veterans, such as, but not limited to housing counseling to maintain housing stability, employment services, financial planning, and medical and education benefits.

5. That the City require that covenants be recorded to ensure the sustainability of all affordable housing units set aside for restricted-income veteran households for a minimum term of 55 years, and to the extent possible in perpetuity.
6. That the City, in recognizing that supportive services are an essential component of housing for restricted-income veteran households, work with the broader community, including for-profit and non-profit developers, to attempt to make available funds and other municipal resources, to the extent feasible, for services for housing units set aside for restricted-income veteran households, and to use reasonable efforts to prioritize funding to developers who use such funds or municipal resources to leverage other public and private funding sources when developing housing with units set aside for restricted-income veteran households. Such funds would include federal and state funds, and City special purposes funds for affordable housing, but not City general funds.

DRAFT FOR DISCUSSION PURPOSES ONLY

# City of Irvine Housing Strategy & Implementation Plan

March 14, 2006

*Creating a spectrum of housing  
for our future*



Created By: CivicStone, Inc.  
Adam Eliason & John Trauth

ATTACHMENT 2

**Figure 1**

City of Irvine Housing Strategy  
Vision Statement  
Adopted 09.27.05

By the year 2025, The City of Irvine will have a population of 250,000 and will have a full spectrum of housing types to meet the shelter needs of all income groups and special needs populations in all stages of life. Total housing units will increase from 61,800 (2005) to 97,000 (2025) and the number of affordable units will increase from 5 percent currently (3,155) to 10 percent (9,700).

Candidate Housing Priorities

Irvine's overall housing strategy will maintain the high quality of both new and existing housing, emphasizing permanent affordability whenever possible, and continue to disperse the affordable units throughout the community. Design standards will incorporate green design/sustainable development and accessible development features to improve affordability and contribute to resource conservation and accessibility in the community.<sup>2</sup>

The strategy will have the following priorities (not stated by order of priority):

- Facilitate development of additional rental housing.
- Create equity-building opportunities for first-time homebuyers by facilitating the renter-to-owner transition process and increasing the amount of for-sale affordable housing.
- Partner with Irvine's colleges and universities to create additional faculty and student housing.
- **Develop housing for special needs groups (including, but not limited to, youth, seniors, single parents, developmentally disabled, SROs, people living with AIDS or chronic illnesses, supportive/transitional housing, and mobile home parks).**
- Preserve existing affordable housing.
- Reduce frequency and duration of homelessness.

The implementation of the strategy will take into account the housing needs assessment as reflected in the City's updated Housing Element. The City will partner with the business community in this effort and also encourage other Orange County cities to follow its lead in creating more affordable housing.

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<sup>2</sup> Recycling construction waste, decreasing energy consumption, using durable, sustainable, recycled materials, reducing water use for landscaping, providing on-site supportive services and creating transit alternatives.

- c. Initially staffed by City employees and later with non-City employees.
- d. Capitalized eventually with a seed grant from RDA set-aside funds (allowable expenditure) estimated at \$250,000.
- e. Self-sustaining from development fees and fees for services (projected to cover operating expenses after the Trust attains 200 units).
- f. Begin with the development of an affordable homeownership project and an affordable rental project, then expand into development of special needs projects.<sup>7</sup>
- g. City can take control, should problems arise, and resolve them.<sup>8</sup>

## 2. Modification of the City's Existing Homeownership and Rental Housing Programs

Modify the existing programs to work with the Trust would make the Trust the central implementing body of the City's housing strategy. Suggestions for various program modifications are included in the full report.

## 3. Adoption of New Design Guidelines

New design guidelines would incorporate green design/sustainable development features to improve affordability and contribute to resource conservation and accessibility in Irvine.

### **Strategy Implementation**

In order to achieve the ambitious goal of 10 percent (9,700 units) by 2025, the City must first establish the Irvine Community Land Trust. With the Trust in place, the City can use it to take maximum advantage of all available resources, both now and in the future, to create permanently affordable housing.

In order to project how the 10 percent (9,700 units) goal can be attained, a unit and revenue model was developed which includes a series of assumptions that influence the total unit outcome by 2025. Key assumptions include (1) estimates of per unit subsidies necessary to create affordability, (2) the various revenue sources generated over time to support the strategy, and (3) the costs of preserving affordability of existing "at risk" units. Other variables could also affect the final unit count (i.e. the use and/or transfer of density bonuses). The model summary appears on the following page and details appear in the appendix of the report.

The model demonstrates that the goal of 9,700 units is possible but will require significant changes to the City's housing programs. With conservative assumptions based on the City's currently projected revenues and inclusionary requirements, a total of 7,929 units are likely to be produced, 1,771 units short of the goal. However, the goal of 9,700 units would be achievable under slightly more aggressive assumptions. For

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<sup>7</sup> Special needs projects include senior housing, assisted living projects, transitional/supportive housing, homeless shelters and programs, projects for developmentally disabled populations, etc.

<sup>8</sup> Control is maintained by agreements on land transfer.

## **City of Irvine Housing Strategy Vision Statement Adopted 09-27-05**

By the year 2025, The City of Irvine will have a population of 250,000 and will have a full spectrum of housing types to meet the shelter needs of all income groups and special needs populations in all stages of life. Total housing units will increase from 61,800 (2005) to 97,000 (2025) and the number of affordable units will increase from 5 percent currently (3,155) to 10 percent (9,700).

### **Housing Priorities**

Irvine's overall housing strategy will maintain the high quality of both new and existing housing, emphasizing permanent affordability whenever possible, and continue to disperse the affordable units throughout the community. Design standards will incorporate green design/sustainable development and accessible development features to improve affordability and contribute to resource conservation and accessibility in the community.

The strategy will have the following priorities (not stated by order of priority):

Facilitate development of additional rental housing.

Create equity-building opportunities for first-time homebuyers by facilitating the renter-to-owner transition process and increasing the amount of for-sale affordable housing.

Partner with Irvine's colleges and universities to create additional faculty and student housing.

**Develop housing for special needs groups (including, but not limited to, youth, seniors, single parents, developmentally disabled, SROs, people living with AIDS or chronic illnesses, supportive/transitional housing, and mobile home parks).**

Preserve existing affordable housing.

Reduce frequency and duration of homelessness.

The implementation of the strategy will take into account the housing needs assessment as reflected in the City's updated Housing Element. The City will partner with the business community in this effort and also encourage other Orange County cities to follow its lead in creating more affordable housing.

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<sup>1</sup> Recycling construction waste, decreasing energy consumption, using durable, sustainable, recycled materials, reducing water use for landscaping, providing on-site supportive services and creating transit alternatives.



extending the below-market financing. However, while this will extend affordability, it probably will not create permanent affordability.

Another option would be for the developer to donate the existing land under the existing projects with affordable units to the TRUST, thereby gaining a charitable deduction. Following the land donation, the TRUST could lease the land back to the developer. The TRUST might, at the same time, issue mortgage revenue bonds (see above), either to purchase the improvements (which would probably create a tax recapture issue for the developer) or pass through the new mortgage revenue bond financing to the developer, with the developer retaining the management contract. The advantage of this last alternative is that TRUST would not own the improvements and only hold the land lease, making the role of the TRUST clear and consistent with its other projects.

These potential alternatives and variations will need to be explored with the owners/developers of the existing affordable units in Irvine. As stated above, it is recommended that the City propose to obtain permanent affordability covenants on the existing affordable units, while also negotiating future zoning changes on undeveloped land in return for extensions of affordability on existing units. Depending on the option that the City decides to pursue and based upon its negotiations with owners/developers, legal documents will need to be developed. The TRUST will be drawing from other land trusts around the country to create these documents in order to create a clear and consistent preservation strategy for the City to implement through the TRUST.

As a context for making the above decisions, the City should calculate the tradeoffs between extending the affordability of the existing affordable units in Irvine as opposed to creating new affordable rental units under the TRUST structure which will remain permanently affordable. Once the costs of affordability preservation are known (from negotiations with developers), the creation of new permanently affordable units may turn out to be the preferred option.

Rental projects for special needs groups are described in the following section.

### **Special Needs and Homelessness**

As described above, the City's adopted Vision Statement calls for the development of affordable housing for special needs groups, described as "youth, seniors, single parents, developmentally disabled, Single-Room Occupancy projects (SRO's), people living with AIDS or chronic illnesses, supportive/transitional housing, and mobile home parks. The Vision Statement also calls for the reduction of the frequency and duration of homelessness.

### **Special Needs Recommendations**

For special needs projects, the TRUST would work with a special purpose non-profit (i.e. senior services agency, etc.) to facilitate the development of special needs housing on land that was either donated or acquired as part of a larger project.