



BUILDING INDUSTRY OF SOUTHERN CALIFORNIA, INC. ORANGE COUNTY CHAPTER

October 25, 2021

Chairman Thomas Morrissey
Planning Commission
City of Santa Ana
22 Civic Center Plaza
Santa Ana, CA 92701

Dear Chairman Morrissey and Commission,

We are writing to express our opposition to Zoning Ordinance Amendment No. 2021-03 to amend the Santa Ana Housing Opportunity Ordinance (HOO). In particular, we oppose the staff recommendation to adopt the Ordinance amending the HOO and instead call for a Study Session to illuminate the numerous contradictory provisions encoded in the current language that will prevent fair and reasonable application of the HOO, if adopted.

To illustrate, please see the “redline version” of the HOO provided as part of the Planning Commission packet. Therein, Sec. 41-1900 (Purpose) states that the HOO is to encourage affordable units when the number of units exceed the densities permitted under the general plan. This purpose statement is conflicted by redlines provided thereafter that do not reflect application of the fee only in exceedance of the General Plan.

The Skilled and Trained Workforce Incentive section is included with no supporting documentation and ultimately disincentivizes the use of such labor. A full market analysis is an important step for a Planning Commission to consider and it is lacking here. Further, the 35% local hire provisions “approved by Council” remains ill-defined. How can a policy be approved, that threatens housing opportunity, without any further clarifications?

We urge you to postpone consideration of the HOO, at a minimum, until the aforementioned discrepancies can be amended. Santa Ana has a current HOO in place that is generating funds for the city, there is no rush to amend this ordinance until it can be done in a way that resolves needless confusion and developmental uncertainty.

Sincerely,

Adam Wood
Vice President
BIA/SC – Orange County Chapter

EXECUTIVE COMMITTEE

PRESIDENT
SUNTI KUMJIM
MBK RENTAL LIVING

1ST VICE PRESIDENT
ERIC NELSON
TRUMARK HOMES

TREASURER
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TRADE CONTRACTOR VP
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PETER VANEK
INTREGAL COMMUNITIES

MEMBER AT LARGE
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COX, CASTLE, & NICHOLSON LLP

IMMEDIATE PAST PRESIDENT
RICK WOOD

VICE PRESIDENT, OC CHAPTER
ADAM WOOD
BIASC

October 25, 2021

Planning Commission
City of Santa Ana
20 Civic Center Plaza
P.O. Bo 1988, M31
Santa Ana, CA 92701

Re: Support: Strengthen Housing Opportunity Ordinance and Affordable Housing Funds Policies and Procedures

Dear Planning Commissioners,

Born of the War on Poverty, Community Action Partnership of Orange County (CAP OC) has worked to enhance the quality of life here since 1965. Through our broad network of community partners, we boldly address the root causes of poverty and advocate for change through systemic reforms, social justice, and racial equity. We live and work in the neighborhoods we so passionately serve—coming together from all backgrounds and experiences to stabilize, sustain and empower individuals and families so they may build stronger communities.

Every two years, we conduct a Community Needs Assessment (CNA) to capture the problems and conditions of poverty in Orange County. Our last CNA conducted earlier this year determined the lack of affordable housing to be one of the major concerns of our respondents. Many respondents felt they were "one check away from homelessness".

We are writing in support of the proposed amendments to the Housing Opportunity Ordinance and Affordable Housing Funds Policies. Many working families in Santa Ana continue to be impacted by the rising cost of housing and the scarce housing available at rents they can afford. In addition, many continue to face economic uncertainty because of the ongoing COVID-19 pandemic and loss of employment. It is crucial that the City strengthen the Housing Opportunity Ordinance (HOO) to ensure that housing opportunities are available for all residents in Santa Ana. Increasing affordable housing development opportunities along with market rate housing will be crucial in creating new housing that residents in Santa Ana can truly afford. The creation of housing at all income levels is vital to our recovery and will provide stability for the majority of Santa Ana residents that are struggling with housing availability and cost.

The City of Santa Ana is a renter majority city and despite the City's progress towards meeting its Regional Housing Needs Assessment (RHNA) allocation for very low- and low- income housing, there continues to be a great need for housing that is affordable to its residents. The current pandemic has increased the economic and housing pressures on low-income families in Santa Ana. As incomes are decreasing and jobs are being lost, many low-income families are struggling to remain housed. This is especially true for the majority of Santa Ana's low-income households that are suffering with the impacts of housing cost and economic uncertainty. According to the City's local data, 70 % of Santa Ana renters are low and very low-income renters. 80% of renters in Santa Ana fall into the moderate, low- and very low-income categories and 84 % of residents hold low-income occupations that pay less than \$53,500 per year. Santa Ana's households are predominantly families comprising 81% of households. These households are also rent burdened and live-in overcrowded conditions.

While the City has seen increased production of affordable housing there has been a disproportionate production of above moderate housing with a total of 3,274 above moderate units produced between 2013-2021, the City exceeded its RHNA allocation by 3,638% per the City's RHNA progress reports submitted to the state. With average rents of \$2000 - \$4000, none of these above market rental units are affordable to most of Santa Ana's working families.

The need will be much greater as the COVID-19 pandemic has exacerbated needs that were already existing in our communities. Housing costs in Santa Ana have been out of reach and will continue to be out of reach in this current economic climate. Households in Santa Ana must earn \$44.83 an hour to afford two-bedroom housing. The proposed amendments further incentivize housing units with market rate rents and are not affordable to the majority of the City's residents.

As such, we support the following amendments to the Housing Opportunity Ordinance and Affordable Housing Funds Policies and Procedures:

Housing Opportunity Ordinance Amendments

- **Proposed amendment to increase the in-lieu fee from \$5 to \$15 per sq ft and Amendment to add percentage of rental units for extremely low income households**

The City should ensure that affordable housing is built on housing developments or allow for developers to pay their fair share of funds to provide Santa Ana residents with affordable housing. The City must continue to prioritize a 15% affordable housing requirement focused on extremely low-, very-low and low-incomes. The City needs to update the in-lieu fee to \$15 per sq ft to be in line with a fee that is fair

and allows the City to fund affordable housing for its residents. The proposed fee is in line with regional in-lieu fees and is further supported by a feasibility study of Santa Ana's housing and real estate market. This funding will allow the City to secure additional state and federal funding sources to create much needed affordable housing. The City risks losing state and federal housing matching funds by not having the in-lieu fee at this level.

- **The HOO should apply to all City initiated Land Use changes and rezoning.**

The HOO should apply to all residential developments in the City. At a minimum the HOO affordable housing requirements should apply to all residential developments that are asking for zone changes, up zonings, or other development incentives. In addition, the HOO should apply to all developments taking advantage of City initiated land use and zoning changes, specific plans and general plan updates and amendments. Land use changes may create higher land values, profit, and incentives for market rate developers. At the same time many of these market developments are not affordable to the majority of Santa Ana's residents. In exchange for these development incentives, new affordable housing for Santa Ana residents must be created.

- **HOO- Inclusionary Housing Fund**

The City needs to make new construction of affordable housing for extremely low- and very low-income families a priority when using the housing fund monies. These are the families that have the most pressing needs in the City of Santa Ana. In addition, the fund should also prioritize addressing housing security, eviction prevention, and housing legal assistance for residents that would directly help current Santa Ana residents with the exception of code enforcement. Diversion of these funds to other programs unrelated to housing and direct help for families would not increase or improve the supply of affordable housing.

We urge you to support the proposed changes to the Housing Opportunity Ordinance. The proposed amendments will help the city increase affordable housing options for residents and help the city meet equitable housing production goals.

Sincerely,

A handwritten signature in blue ink that reads "Curt Hill".



www.kennedycommission.org
17701 Cowan Ave., Suite 200
Irvine, CA 92614
949 250 0909

October 25, 2021

Planning Commission
City of Santa Ana
20 Civic Center Plaza
P.O. Bo 1988, M31
Santa Ana, CA 92701

Re: Support: Strengthen Housing Opportunity Ordinance and Affordable Housing Funds Policies and Procedures

Dear Planning Commissioners,

The Kennedy Commission (the Commission) is a broad-based coalition of residents and community organizations that advocates for the production of homes affordable for families earning less than \$27,000 annually in Orange County. Formed in 2001, the Commission has been successful in partnering and working with Orange County jurisdictions to create effective housing and land-use policies that has led to the new construction of homes affordable to lower-income working families.

We are writing in support of the proposed amendments to the Housing Opportunity Ordinance and Affordable Housing Funds Policies. Many working families in Santa Ana continue to be impacted by the rising cost of housing and the scarce housing available at rents they can afford. In addition, many continue to face economic uncertainty because of the ongoing COVID-19 pandemic and loss of employment. It is crucial that the City strengthen the Housing Opportunity Ordinance (HOO) to ensure that housing opportunities are available for all residents in Santa Ana. Increasing affordable housing development opportunities along with market rate housing will be crucial in creating new housing that residents in Santa Ana can truly afford. The creation of housing at all income levels is vital to our recovery and will provide stability for the majority of Santa Ana residents that are struggling with housing availability and cost.

The City of Santa Ana is a renter majority city and despite the City's progress towards meeting its Regional Housing Needs Assessment(RHNA) allocation for very low- and low- income housing, there continues to be a great need for housing that is affordable to its residents. The current pandemic has increased the economic and housing pressures on low-income families in Santa Ana. As incomes are decreasing and jobs are being lost, many low-income families are struggling to remain housed. This is especially true for the majority of Santa Ana's low-income households that are suffering with the impacts of housing cost and economic uncertainty. According to the City's local data, 70 % of Santa Ana renters are low and very low-income renters. 80% of renters in Santa Ana fall into the moderate, low- and very low-income categories and 84 % of residents hold low-income occupations

that pay less than \$53,500 per year¹. Santa Ana's households are predominantly families comprising 81% of households.² These households are also rent burdened and live-in overcrowded conditions³.

While the City has seen increased production of affordable housing there has been a disproportionate production of above moderate housing with a total of 3,274 above moderate units produced between 2013-2021, the City exceeded its RHNA allocation by 3,638% per the City's RHNA progress reports submitted to the state. With average rents of \$2000 - \$4000, none of these above market rental units are affordable to most of Santa Ana's working families.

The need will be much greater as the COVID-19 pandemic has exacerbated needs that were already existing in our communities. Housing costs in Santa Ana have been out of reach and will continue to be out of reach in this current economic climate. Households in Santa Ana must earn \$44.83 an hour to afford two-bedroom housing.⁴ The proposed amendments further incentivize housing units with market rate rents and are not affordable to the majority of the City's residents.

As such, we support the following amendments to the Housing Opportunity Ordinance and Affordable Housing Funds Policies and Procedures:

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- **The HOO should apply to all City initiated Land Use changes and rezoning.**

The HOO should apply to all residential developments in the City. At a minimum the HOO affordable housing requirements should apply to all residential developments that are asking for zone changes, upzonings or other development incentives. In addition, the HOO should apply to all developments taking advantage of City initiated land use and zoning changes, specific plans and general plan updates and amendments. Land use changes may create higher land values, profit, and incentives for market rate developers. At the same time many

¹ City of Santa Ana General Plan Housing Element 2014-2021, p. 14, January 2014.

² City of Santa Ana General Plan Housing Element 2014 – 2021 page 11

³ City of Santa Ana General Plan Housing Element 2014 – 2021 page 20

⁴ National Low Income Housing Coalition. Out of Reach The High Cost of Housing 2021,pg.18. [Out of Reach 2021 \(nlihc.org\)](https://www.nlihc.org/out-of-reach)

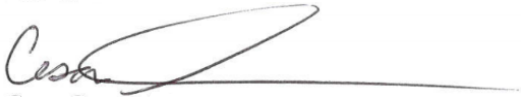
of these market developments are not affordable to the majority of Santa Ana's residents. In exchange for these development incentives, new affordable housing for Santa Ana residents must be created.

- **HOO- Inclusionary Housing Fund**

The City needs to make new construction of affordable housing for extremely low- and very low-income families a priority when using the housing fund monies. These are the families that have the most pressing needs in the City of Santa Ana. In addition, the fund should also prioritize addressing housing security, eviction prevention, and housing legal assistance for residents that would directly help current Santa Ana residents with the exception of code enforcement. Diversion of these funds to other programs unrelated to housing and direct help for families would not increase or improve the supply of affordable housing.

We urge you to support the proposed changes to the Housing Opportunity Ordinance. The proposed amendments will help the city increase affordable housing options for residents and help the city meet equitable housing production goals.

Sincerely,

A handwritten signature in black ink, appearing to read "Cesar", followed by a long horizontal line extending to the right.

Cesar Covarrubias
Executive Director



Latino Health Access
450 W. Fourth Street, Suite 130
Santa Ana, CA 92701
714-542-7792
www.latinohhealthaccess.org

October 25, 2021

Planning Commission
City of Santa Ana
20 Civic Center Plaza
P.O. Bo 1988, M31
Santa Ana, CA 92701

Re: Support: Strengthen Housing Opportunity Ordinance and Affordable Housing Funds Policies and Procedures

Dear Planning Commissioners,

Latino Health Access has been proudly working alongside community residents for 28 years to improve the social determinants of health in our city. We provide services that address immediate health needs while providing information and facilitating opportunities to increase civic participation and advocacy that will improve those social determinants in the long term. **Therefore, we are writing in support of the proposed amendments to the Housing Opportunity Ordinance and Affordable Housing Funds Policies.**

The COVID-19 pandemic has altered everyday life across the globe. Beyond the disastrous health consequences, the COVID-19 pandemic has disrupted the global economy with soaring income loss, underemployment, and unemployment rates. An impact that has worsened and aggravated the living conditions for many residents across the City of Santa Ana. The lack of affordable housing and the rising cost of housing for our low-income residents has forced people into overcrowded living conditions and rent-burden. Therefore, it is crucial that the City strengthen the Housing Opportunity Ordinance (HOO) to ensure that housing opportunities are available for all residents in Santa Ana. Increasing affordable housing development opportunities along with market-rate housing will be crucial in creating new housing that residents in Santa Ana can truly afford. The creation of housing at all income levels is vital to our recovery and will provide stability for the majority of Santa Ana residents that are struggling with housing availability and cost.

While the city has seen increased production of affordable housing it has not been enough to address the past deficits and growing needs for affordable housing based on the population's housing needs and incomes of residents in Santa Ana. As an example, according to the City's local data, 80% of Santa Ana renters are moderate, low, and very low-income renters. Yet the most significant increase of housing has been in the above moderate housing category with a total of 3,274 above moderate units produced between 2013-2021, the City exceeded its RHNA allocation by 3,638% per the City's RHNA progress reports submitted to the state. Hence, the majority of these new rental housing units, with an above moderate average rent of \$2000- \$4000, are not available to address the housing needs of most working families in Santa Ana

Housing costs in Santa Ana have been out of reach and will continue to be out of reach in this current economic climate. Households in Santa Ana must earn \$44.83 an hour to afford two-bedroom housing.¹ The proposed amendments further incentivize housing units with market-rate rents and are not affordable to the majority of the City's residents.

As such, we support the following amendments to the Housing Opportunity Ordinance and Affordable Housing Funds Policies and Procedures:

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- **HOO- Inclusionary Housing Fund**

The City needs to make new construction of affordable housing for extremely low- and very low-income families a priority when using the housing fund monies. These are the families that have the most pressing needs in the City of Santa Ana. In addition, the fund should also prioritize addressing housing security, eviction prevention, and housing legal assistance for residents that would directly help current Santa Ana residents with the exception of code enforcement.

Diversion of these funds to other programs unrelated to housing and direct help for families would not increase or improve the supply of affordable housing.

We urge you to support the proposed changes to the Housing Opportunity Ordinance. The proposed amendments will help the city increase affordable housing options for residents and help the city meet equitable housing production goals.

Sincerely,

Nancy Mejia, MPH, MSW
Chief Program Officer



October 25, 2021

Planning Commission
City of Santa Ana
20 Civic Center Plaza
P.O. Bo 1988, M31
Santa Ana, CA 92701

Re: Support: Strengthen Housing Opportunity Ordinance and Affordable Housing Funds Policies and Procedures

Dear Planning Commissioners,

We are writing in support of the proposed amendments to the Housing Opportunity Ordinance and Affordable Housing Funds Policies. The rising cost of housing and scarce housing available in Santa Ana disproportionately affects working families in Santa Ana. Additionally, many continue to face economic uncertainty because of the ongoing COVID-19 pandemic and loss of employment. It is crucial that the City strengthen the Housing Opportunity Ordinance (HOO) to ensure that housing opportunities are available for all residents in Santa Ana. Increasing affordable housing development opportunities along with market rate housing will be crucial in creating new housing that residents in Santa Ana can truly afford. The creation of housing at all income levels is vital to our recovery, as it will provide stability for the majority of Santa Ana residents that are struggling with housing availability and cost.

The City of Santa Ana is a renter majority city and despite the City's progress towards meeting its Regional Housing Needs Assessment (RHNA) allocation for very low- and low- income housing, there continues to be a great need for housing that is affordable to its residents. The current pandemic has increased the economic and housing pressures on low-income families in Santa Ana. As incomes are decreasing and jobs are being lost, many low-income families are struggling to remain housed. This is especially true for the majority of Santa Ana's low-income households that are suffering with the impacts of housing cost and economic uncertainty. According to the City's local data, 70 % of Santa Ana renters are low and very low-income renters. 80% of renters in Santa Ana fall into the moderate, low- and very low-income categories and 84 % of residents hold low-income occupations that pay less than \$53,500 per year. Santa Ana's households are predominantly families comprising 81% of households. These households are rent-burdened to the extreme and live-in overcrowded conditions.

While the City has seen increased production of affordable housing there has been a disproportionate production of above moderate housing with 3,274 above moderate units produced in the years of 2013-2021, the City exceeded its RHNA allocation by 3,638% per the City's RHNA progress reports submitted to the state. With average rents of \$2000 - \$4000, none of these above-market rentals is affordable to most of Santa Ana's working families.

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existed in our communities. Housing costs in Santa Ana have been out of reach and will continue to be out of reach in this current economic climate. Households in Santa Ana must earn \$44.83 an hour to afford two-bedroom housing. The proposed amendments further incentivize housing units with market rate rents and are not affordable to the majority of the City's residents.

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- **HOO- Inclusionary Housing Fund**

The City needs to make new construction of affordable housing for extremely low- and very low-income families a priority when using the housing fund monies. These families have the most pressing needs in the City of Santa Ana. In addition, the fund should also prioritize addressing housing security, eviction prevention, and housing legal assistance for residents that would directly help current Santa Ana residents with the exception of code

enforcement. Diversion of these funds to other programs unrelated to housing and direct help for families would not increase or improve the supply of affordable housing.

We urge you to support the proposed changes to the Housing Opportunity Ordinance. The proposed amendments will help the city increase affordable housing options for residents and help the city meet equitable housing production goals.

Sincerely,

/s/ Ugochi Anaebere-Nicholson

Ugochi Anaebere-Nicholson

Directing Attorney, Housing and Homelessness Prevention Unit

October 25, 2021

Planning Commission
City of Santa Ana
20 Civic Center Plaza
P.O. Bo 1988, M31
Santa Ana, CA 92701

Re: Support: Strengthen Housing Opportunity Ordinance and Affordable Housing Funds Policies and Procedures

Dear Planning Commissioners,

Providence St. Joseph Hospital is a values-based Catholic health care provider with a tradition of and commitment to excellence, based on the vision of the Sisters of St. Joseph of Orange. The hospital's strong belief in the intrinsic dignity of each person commits it to provide healthcare for the whole person, body, mind and spirit and to collaborate with the 1,000-member medical staff and other health care providers to increase access to quality health care. Providence St. Joseph Hospital's mission- As expressions of God's healing love, witnessed through the ministry of Jesus, we are steadfast in serving all, especially those who are poor and vulnerable. Based on this commitment, **we are writing in support of the proposed amendments to the Housing Opportunity Ordinance and Affordable Housing Funds Policies.** Many working families in Santa Ana continue to be impacted by the rising cost of housing and the scarce housing available at rents they can afford.

In addition, many continue to face economic uncertainty because of the ongoing COVID-19 pandemic and loss of employment. It is crucial that the City strengthen the Housing Opportunity Ordinance (HOO) to ensure that housing opportunities are available for all residents in Santa Ana. Increasing affordable housing development opportunities along with market rate housing will be crucial in creating new housing that residents in Santa Ana can truly afford. The creation of housing at all income levels is vital to our recovery and will provide stability for the majority of Santa Ana residents that are struggling with housing availability and cost.

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low- income housing, there continues to be a great need for housing that is affordable to its residents. The current pandemic has increased the economic and housing pressures on low-income families in Santa Ana. As incomes are decreasing and jobs are being lost, many low-income families are struggling to remain housed. This is especially true for the majority of Santa Ana’s low-income households that are suffering with the impacts of housing cost and economic uncertainty. According to the City’s local data, 70 % of Santa Ana renters are low and very low-income renters. 80% of renters in Santa Ana fall into the moderate, low- and very low-income categories and 84 % of residents hold low-income occupations that pay less than \$53,500 per year¹. Santa Ana’s households are predominantly families comprising 81% of households.² These households are also rent burdened and live-in overcrowded conditions³.

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Sincerely,

Cecilia Bustamante Pixa

Cecilia Bustamante Pixa, MPH, MHCML
Director, Community Health Investment



October 25, 2021

Planning Commission
City of Santa Ana
20 Civic Center Plaza

Dear City of Santa Ana Planning Commission,

As the City of Santa Ana moves forward with important policy decisions including the Housing Opportunities Ordinance, THRIVE Santa Ana (THRIVE) puts forward the following recommendations for the consideration of City staff, Commissioners, and Council. Further, THRIVE makes itself available to help answer any questions, provide additional research, language, or examples, as needed. **THRIVE supports the direction of proposed changes to the Housing Opportunities Ordinance, and requests the addition of the language below with regard to community land trusts (CLT) and the rights of displaced tenants.**

CLTs are being used in over 250 cities throughout the United States including Irvine, Oakland, San Francisco, and Boyle Heights, to create permanently affordable housing for both rental and homeownership. CLTs also assure that affordable housing is responsive to the needs of local communities. Since 2016, THRIVE Santa Ana has collaborated with the City of Santa Ana to develop this strategy locally.

Please consider including the following language, indicated in red and with brackets:

Sec. 41-1909. Inclusionary housing fund.

(a) Inclusionary housing fund. . .

(1) Monies deposited into the inclusionary housing fund must be used . . .

(i) Creating affordable units from the existing market rate housing stock including but not limited to, the purchase and rehabilitation of units.

(ii) Funding one-time programs for code enforcement, quality of life, and general health and safety activities.

(iii) Implementing and promoting programs addressing housing security, eviction prevention, and housing legal assistance for city residents.

(iv) Funding reasonable administrative or related expenses associated with the administration of this article.

(v) [Funding a Community Land Trust (CLT) program for the City of Santa Ana, providing funds for acquisition of land under conditions of permanent affordability and resident oversight under a CLT.]

. . .

(3) Monies deposited in accordance with this section shall be used in accordance with the affordable housing funds policies and procedures, housing element, consolidated plan, or subsequent plan adopted by the city council to construct, rehabilitate, or subsidize affordable housing or to recapture affordable housing at risk of market conversion, or to assist other government entities, private organizations, or individuals to do so. Permissible uses include, but are not limited to, assistance to housing development corporations, [community land trusts,] equity participation loans, grants, pre-home ownership co-investment, pre-development loan funds, participation leases, or other public-private partnership arrangements.

Additionally, THRIVE requests the inclusion of right to return policies, including first right of refusal of new units, for residents who are impacted by housing projects, as referenced in sections 41-1902(f) and 41-1906(c)(4).

Thank you for attention and consideration of these items.

Sincerely

Luis Sarmiento
THRIVE Santa Ana
(714)987-2009