

# IX. 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. With only limited vacant land available for additional development, the majority of recent residential growth has occurred through the recycling of underutilized properties, and through integration of housing on commercial corridors. The most significant residential development in Cypress during the 1990s was the completion of 671 single-family homes on the recycled acreage of a 144-acre oil storage tank farm site. The City's Redevelopment Agency has been actively involved in the provision of housing, and has assisted in the development of both ownership and rental housing affordable to low and moderate income households.

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

### STATE POLICY AND AUTHORIZATION

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

The Government Code specifies the intent of the Legislature to ensure that counties and cities 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

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

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

The Cypress Housing Element describes the City's housing needs and sets forth a program of action in accordance with State law. This first chapter 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 chapter of the Housing Element provides an overview of the present and projected housing needs of the City's households as defined by the Housing Element Technical Data Report, which serves as an appendix to the Element. This section also provides an analysis of potential constraints to meeting the City's identified housing needs and an evaluation of opportunities that will further the development of new housing. The third chapter of the Housing Element establishes a comprehensive program strategy to implement the City's housing goals. Finally, the fourth chapter sets forth the goals and policies to address Cypress' identified housing needs.

## RELATIONSHIP TO OTHER GENERAL PLAN ELEMENTS

Concurrent with this update to the City's Housing Element, the City is embarking upon a comprehensive update to the Cypress General Plan. A major purpose of the updated General Plan is to achieve internal consistency among all elements. Together these elements will provide the framework for development of those facilities, services, and land uses necessary to address the needs and desires of City residents.

Background information and policy direction presented in one element is also reflected within other Plan elements. For example, residential development capacities established in the Land Use Element and constraints to housing development identified in the Safety Element are incorporated within the Housing Element. The Housing Element is thus interrelated with the other General Plan elements, and is entirely consistent with the policies and proposals set forth by the Plan.

## RELATED PLANS AND PROGRAMS

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

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

The Southern California Association of Governments (SCAG) is responsible for allocating the region’s future housing needs (“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 1998-2005 Regional Housing Needs Assessment (RHNA) adopted by SCAG and OCCOG has identified the 1998-2005 future housing need for Cypress as 578 units, including 180 lower income units. These regional housing needs are addressed in the Housing Element both through the provision of suitable sites, and the provision of programs to support housing for low and moderate income households.

**Redevelopment Implementation Plan:** The Cypress Redevelopment Agency is required to adopt an Implementation Plan every five years which identifies Agency activities for the elimination of blight, and addresses the Agency’s affordable housing responsibilities. More specifically, the housing component of the Plan addresses the Agency’s expenditure of low and moderate income housing funds over the five year planning period (2000-2004); the Agency’s replacement housing requirements; and the Agency’s housing production requirements. The City’s Housing Element is required to be consistent with the Agency’s Implementation Plan. The Implementation Plan identifies \$2.6 million in redevelopment set-aside funds available to implement housing programs during the 2000-2004 period.

**PUBLIC PARTICIPATION**

Section 65583(c)(5) of the Government Code states that “local government shall make diligent effort to achieve public participation of all economic segments of the community in the development of the housing element, and the program shall describe this effort.”

During the initial needs gathering phase of the Housing Element Update, a publicly noticed community workshop was conducted at the Cypress Community Center to receive input on key housing issues. Participants were asked to complete a brief survey to identify what they felt were the community’s most pressing housing needs. A publicly noticed workshop was also conducted with the Cypress City Council to review the draft Housing Element goals, policies and programs. Upon completion of the draft Housing Element, copies were made available for public review throughout the community, including City Hall, the County library, the Community Center, and the Senior Citizen Center. The Environmental Impact Report (EIR) on the General Plan and Housing Element was widely distributed, and identifies locations for review of the draft Element.

Upon review of the draft Housing Element by the State Department of Housing and Community Development (HCD), the City Council conducts hearings on the Element prior to adoption. Notification of public hearings on the Element is published in the News Enterprise in advance of the hearing, and also posted at the Cypress Community Center, the library, and at City Hall. Public hearings are also held annually on the City’s participation in the Community Development Block Grant program of the County of Orange.

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.

## 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 2000 – 2005 Housing Element Technical Report, which serves as an Appendix to the Element. This summary of existing conditions is organized into four areas: housing availability; housing affordability; housing adequacy; and special needs households. These needs are also summarized in Table HOU-1 below.

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

Housing Availability		Housing Affordability	
Overcrowded Households	958	Overpaying Households	4,840
Renter	576	Renter	1,847
Owner	383	Owner	2,993
Housing Adequacy		Special Needs Households/Persons	
Housing Conditions		Elderly Households	1,917
Rehabilitation	75	Disabled Persons	3,439
Replacement	21	Large Households	2,077
		Female-Headed Households with Children	990
Source: 1990 Census; Housing Conditions Survey; SCAG Draft RHNA, November 1999.			

### HOUSING AVAILABILITY

In 1999, Cypress had a housing stock of 15,792 units, which consisted primarily of single family homes (77 percent). Multi-family homes comprised about 20 percent of the stock, with mobile homes making up the remaining three percent. According to the 1990 Census, almost 70 percent of Cypress households were owner-occupied. The City experienced an approximately seven percent increase in housing units from 1990 to 1999, due primarily to the completion of the 671-unit Sorrento Homes project at the former oil tank farm, along with development of several Redevelopment Agency assisted housing projects.

Cypress has experienced an active housing resale market. A total of 615 homes and condominiums were sold in Cypress from May 1998 to June 1999. About 90 percent of the sales were single-family homes with a median sales price of \$188,500. The median price of a condominium was reported at about \$130,000.

Rental costs in Cypress range from \$770 to \$940 per month for a two-bedroom apartment, and \$925 to \$1,040 for a three-bedroom apartment. According to the 1990 Census, approximately 40 percent of the rental units in Cypress are single-family homes. While single-family home rentals are typically more expensive than apartments, they do provide larger unit sizes suitable to larger households.

Overcrowding is another indicator of housing availability. The census defines overcrowding as households with greater than 1.01 persons per room, excluding kitchens, bathrooms and porches. There were 977 overcrowded households (6.8 percent) in Cypress in 1990. While rental units comprise only one-third of the City's housing stock, approximately 60 percent of the City's overcrowded households are rentals. Forty percent of the City's overcrowded households were identified as severely overcrowded, defined as greater than 1.51 persons per room.

**HOUSING AFFORDABILITY**

Housing overpayment occurs when housing costs increase faster than income. State and Federal standards state that a household overpays for its housing if it spends 30 percent or more of its gross income on housing. In most urban communities in California, it is not uncommon to overpay for housing. However, to the extent that overpayment rates are particularly high among lower income populations, it is important for communities to begin to address these needs through their housing programs.

According to SCAG's 1999 Regional Housing Needs Assessment (RHNA), one-third (4,840) of Cypress' households were overpaying for housing. Like overcrowding, overpayment is far more concentrated among the City's renter households, with 40 percent overpaying, compared to 28 percent of owner households. Among lower income renter households earning less than 80 percent of County median income, nearly 80 percent overpaid for housing costs.

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 1999 median sales price of approximately \$188,000 for a single-family home (refer to Housing Element Technical Report), only moderate and upper income households can afford to purchase a single-family home in Cypress. Low income households may be able to afford a one- or two-bedroom condominium (median price \$130,000), however, the downpayment and other ownership costs such as insurance may serve as a barrier to homeownership.

In terms of affordability of the City's rental housing, while low and moderate income households can afford the cost of all rental options available in Cypress, very-low income households have few rental options within their range of affordability. Market rents for studio and one-bedroom apartments are affordable to larger (4+ person) very-low income households, although these units are too small and would result in unit overcrowding. Larger apartments and single-family rentals are beyond the range of affordability for all very low income households.

**HOUSING ADEQUACY**

In general, when housing reaches 30 years in age, major rehabilitation improvements begin to become necessary. Over 55 percent of the City's housing units were built before 1970 and will be over 30 years old by the year 2000. This represents a significant proportion of the housing stock in the City. Continued maintenance of the housing stock will be necessary through independent property owner action as well as code enforcement combined with housing rehabilitation assistance to prevent deterioration of older housing in the City.

In 1996, windshield surveys were conducted by the City's Code Enforcement Officer to evaluate the structural conditions of the City's housing stock. The surveys focused on those areas of the City known to have a concentrated amount of deteriorated units. These surveys indicated that there were about 75 substandard units that were suitable for rehabilitation, and about 18 that were unsuitable for rehabilitation and in need of replacement. While the precise number of substandard units has likely changed somewhat since 1996, this housing conditions survey indicates the magnitude of substandard housing in the City is limited. In addition, the City has adopted a local housing rehabilitation program and participates in the County rehabilitation program to assist in the upkeep of housing in the City.

**SPECIAL NEEDS**

Certain segments of the population may have more difficulty in finding decent, affordable housing due to their special needs. These special needs groups, as defined by State housing element law, include the elderly, disabled persons, large households, female-headed households, farmworkers, and the homeless.

**Elderly**

Approximately 7.5 percent (3,180) of the City's population in 1990 was 65 years of age and older. Of the total seniors in Cypress in 1990, 3.5 percent were living below the "poverty level." Other Census statistics indicate that 13.4 percent of the City's households were headed by an elderly person, representing a total of over 1,900 households in 1990. As the City's population continues to age, and a greater number of the elderly become frail, the need for supportive senior housing will increase.

**Disabled Persons**

Physical and mental disabilities can hinder access to traditionally designed housing units as well as potentially limiting the ability to earn adequate income. The 1990 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 30 percent of the City's disabled. As the City's senior population grows, so will the number of persons with disabilities in need of supportive housing.

**Large Households**

Cypress has an estimated 2,077 households with five or more members, representing more than 14 percent of the 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 1,687 female-headed family households, accounting for almost 12 percent of all households in Cypress. Almost 60 percent of these female-headed families had dependent children under 18 years of age.

**Farmworkers**

The 1990 Census indicated that less than one percent (146 persons) of the residents of Cypress were employed in agriculture, fishing, and forestry. Due to the suburban setting of Cypress and nominal rural farmworker population, housing needs for farmworkers can generally be addressed by overall programs for housing affordability.

**Homeless**

According to the 1990 Census data, no homeless individuals in Cypress resided in emergency shelters or were seen on City streets at the time of the Census count. The Census count of homeless persons, however, may not be considered a complete or adequate indicator of homelessness in the City. Although Cypress has no emergency shelter within its boundaries, most homeless persons migrate to available services, and social service agencies located outside the City serve Cypress.

**RESIDENTIAL SITES TO ADDRESS REGIONAL HOUSING NEEDS**

An important component of the Cypress Housing Element is the identification of sites for future housing development, and evaluation of the adequacy of these sites in fulfilling the City's share of regional housing needs (as determined by SCAG). Table HOU-2 shows Cypress' residential development potential by General Plan land use category.

**Table HOU-2  
RESIDENTIAL SITES INVENTORY**

Land Use Category	Dwelling Unit Potential				Unit Totals
	Average Density	Vacant Acres	Vacant Units	Underutilized Units	
Residential Low	1.5 du/ac	1.3	2	--	2
Residential Medium	15 du/ac	3.18 <sup>1</sup>	22 <sup>1</sup>	190	212
Residential High	20 du/ac	4.64	93	120	213
Lincoln Avenue S.P.	20 du/ac	3.4	68	735	803
<b>Totals</b>		<b>12.52</b>	<b>185</b>	<b>1,045</b>	<b>1,230</b>
Source: Cypress General Plan Land Use Element, 2001.					
<sup>1</sup> Includes 2.02 vacant acres and 15 potential units in Orange Avenue Specific Plan.					

As part of the City's comprehensive 2000 General Plan update, the City conducted a parcel-specific land use survey to quantify the increase in residential units which could be accommodated on vacant and underutilized parcels, summarized in Table HOU-2. As illustrated in this Table, Cypress can accommodate 1,230 additional units under General Plan buildout. With only five small vacant parcels remaining in Cypress, the vast majority of future residential development will occur through intensification in multi-family neighborhoods, and through residential infill and mixed use along Lincoln Avenue.

Exhibit HOU-1 shows locations of underutilized residential neighborhoods in Cypress, located in the City's "North End" neighborhoods. The City's General Plan provides for Medium and High Density residential development in these areas, at densities of 15 and 20 units/acre respectively, whereas many of these properties are currently developed with single-family units. Particularly in those neighborhoods north of Lincoln Avenue where the parcels tend to be larger, the City has experienced a significant level of residential intensification as encouraged under the General Plan. For example, in the City's largest High Density neighborhood (Crescent/Moody), approximately half of the properties are still developed with single-family uses. Typical parcel sizes are 50' x 200',

with parcels frequently combined to accommodate larger projects. Evaluation of underutilized parcels in this neighborhood identify six locations where adjacent parcels currently built with older single-family homes could be consolidated to achieve a buildable parcel size of between 1.5–2 acres, the minimum parcel size generally deemed necessary in suburban communities to produce units affordable to lower income households.

Review of tentative tract map applications from 1998-2000 indicate all seven projects being developed are on underutilized parcels. Six of these projects had existing single-family residences on site, whereas one project is being developed on an office parking lot. In terms of the average density of development, of the two projects developed in Residential Medium Density districts, one was built at 13 units/acre, and the other at 14.5 units/acre, nearing the 15 unit/acre maximum zone density. No projects were built in the Residential High Density district during this time frame. Due to the limited land remaining in Cypress and the need to address regional housing growth needs, the City will continue to encourage development at the maximum attainable densities, and encourage use of density bonuses for inclusion of affordable units.

In addition to residential infill in the City's North End residential neighborhoods, the City's General Plan encourages multi-family residential development along Lincoln Avenue as a means of stimulating activity on the corridor, also delineated in Exhibit HOU-1. The City adopted a Specific Plan for Lincoln Avenue in 1998 to further guide the continued development and redevelopment of the Plan area. Both the General Plan and Specific Plan provide for High Density residential uses along the corridor, and permit residential both as freestanding developments and integrated within mixed use projects. Furthermore, the Plan provides a range of development incentives for residential projects, and defines four districts along Lincoln Avenue which encourage residential infill and mixed use: Residential Mixed Use, Commercial Mixed Use, Campus Village, and Downtown.

The Specific Plan provides densities of up to 25 units/acre, with bonus densities permitted for projects with an affordable housing component. Actual densities in developed projects vary based on the product type, and range from 13 units/acre for a detached condominium project, 15–22 units/acre for attached condominiums, and 55 units/acre for senior apartments. Projects which combine parcels are often better able to accommodate higher densities, and as a means of encouraging lot consolidation, the Specific Plan includes the following incentives (Section 7.3.1):

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

Based on past development trends, combined with incentives to combine lots, the General Plan assumes one-quarter of the total acreage on Lincoln Avenue will be developed with residential, at an average density of 20 units/acre. Given these assumptions, an estimated 803 housing units could be anticipated on Lincoln Avenue under buildout of the General Plan, as indicated in Table HOU-2.

Insert Exhibit HOU-1 – 8-1/2 x 11  
Residential Infill Areas

**SHARE OF REGION'S HOUSING NEEDS**

State law requires jurisdictions to provide for their share of regional housing needs. As part of the Regional Housing Needs Assessment (RHNA), the Southern California Association of Governments (SCAG) determines the five year housing growth needs by income category. In Orange County, the Orange County Council of Governments (OCCOG) was delegated responsibility for developing the RHNA in coordination with the cities and SCAG. Future housing needs reflect the number of new units needed in a jurisdiction based on households which are expected to reside within the jurisdiction (future demand), plus an adequate supply of vacant housing to assure mobility and new units to replace losses.

The draft Regional Housing Needs Assessment (RHNA) adopted by OCCOG and SCAG has identified a 1998-2005 future housing need for Cypress of 578 housing units, including 180 lower income units (refer to Table HOU-3). Housing developed as of January 1998 can be credited towards the City's future RHNA for the 1998 - 2005 period, providing for a reduction of 84 units in Cypress, and resulting in a remaining housing need of 494 units.

**Table HOU-3  
REGIONAL HOUSING NEEDS BY INCOME GROUP (RHNA)  
1998 – 2005**

Income Category	Housing Units	Percent of Total	Units Since 1/98 <sup>1</sup>	Remaining Housing Need
Very Low (0-50% County median income)	107	18%	0	107
Low (50-80% County median income)	73	13%	0	73
Moderate (80-120% County median income)	171	21%	53	118
Upper (over 120% County median income)	227	48%	31	196
<b>Total Housing Units</b>	<b>578</b>	<b>100%</b>	<b>84</b>	<b>494</b>
Source: SCAG Regional Housing Needs Assessment, November 1999				
<sup>1</sup> Includes both approved and completed projects as of December 1999.				

The residential sites inventory presented in Table HOU-2 identified potential for 1,230 additional units in Cypress under General Plan buildout. The City's remaining regional housing needs for the 1998-2005 period is 494 units, indicating the City has sufficient zoned residential land to address its RHNA. In terms of residential sites to address the City's need for 301 low and moderate income households, the City's General Plan provides for 213 High Density Residential units, with potential for an additional 803 High Density units along Lincoln Avenue. The 20+ units/acre densities provided for in these areas allow for the provision of market rate rental housing affordable to low income households, and multi-family ownership housing affordable to moderate income households. Like most urban and suburban communities in southern California, very low income households will require some level of subsidy to afford housing in Cypress.

In addition to providing sites to accommodate its regional growth needs, the City will further support the development of affordable housing through programs set forth in the Housing Element, including financial and regulatory incentives, density bonuses, and first-time homebuyer assistance.

**AVAILABILITY OF PUBLIC SERVICES AND FACILITIES**

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

As documented in the Housing Element Technical Report, none of the sites identified for residential development are affected by environmental constraints that would impact their development.

**DESCRIPTION OF HOUSING PLAN**

Previous sections of the Housing Element establish the housing needs, opportunities and constraints in the City of Cypress. The following section first evaluates the accomplishments of the last adopted housing element and then presents the City's housing program strategy for the 2000-2005 period.

**EVALUATION OF ACCOMPLISHMENTS UNDER ADOPTED HOUSING ELEMENT**

The City's last Housing Element was adopted in 1990, and sets forth a series of housing programs with related objectives for the following issue areas: conserving and improving existing affordable housing; provision of adequate housing sites; development of affordable housing; removing governmental constraints; and promoting equal housing opportunities. This section reviews the appropriateness of these programs, the effectiveness of the Element, and the progress in implementation since 1990.

**SINGLE-FAMILY REHABILITATION**

Cypress participates in the Urban County Program of the Federal Community Development Block Grant (CDBG) Program. Funds have been used for a variety of projects benefiting low income (up to 80% Median Family Income) households. Block grant funds have been utilized in Cypress to provide housing rehabilitation assistance to 75 lower income households through loans, grants and rebates over the past five years. This County-operated program is limited to designated low and moderate income target areas.

In addition to the housing rehabilitation program implemented through the County, in 1998, the City began implementation of its own housing rehabilitation program – the Home Enhancement Loan Program (HELP II). Since this program is funded using Agency low and moderate income housing funds, rehabilitation assistance can be offered Citywide. A total of 15 households have been provided assistance during the program's first year of operation.

**RENTAL REHABILITATION PROGRAM**

In addition to the CDBG single-family rehabilitation program, the County operates a separately funded Rental Rehabilitation Program to encourage rehabilitation of substandard apartment buildings in targeted neighborhoods. Block grant monies have been utilized in Cypress to provide assistance to rental property owners through loans, grants and rebates, resulting in the upgrading of approximately 50 rental units.

**HOME WEATHERIZATION IMPROVEMENTS**

As residential energy costs continue to rise, increasing utility costs reduce the affordability of housing, thus aggravating the City’s current shortage of affordable units. Southern California Edison offers a variety of energy conservation services designed to help low-income households. In order to expand utilization of these programs, the City provided informational brochures at the public counter and at the Community Center.

**CODE ENFORCEMENT**

The majority of the code violations in Cypress pertain to zoning and property maintenance violations, and according to the City’s Code Enforcement Officers, less than ten dwelling units are cited annually for substandard conditions. The City has modified its program to include informing property owners in violation of City code of available rehabilitation assistance.

**CONSERVATION OF EXISTING SUBSIDIZED HOUSING**

Since the mid-1980s, Cypress has actively been granting density bonuses on projects which reserve 20% of the project’s units for lower income households for a ten year period. For rental density bonus projects, the project owner typically signs up with the Housing Authority to accept Section 8 tenants for the lower income units. A total of 22 low income density bonus units in seven rental developments were eligible to lose their affordability controls prior to 1999. While the use restrictions under the density bonus agreements with the City have all since expired, according to the Housing Authority, most of these projects still have Section 8 tenants and therefore remain affordable.

**Land Use Element/Zoning Ordinance**

The City’s share of regional housing needs (RHNA) was identified as 792 units for the five-year period of the last 1989 Housing Element. Due to several extensions in the Housing Element cycle, the original RHNA for the 1989-1994 period has been extended through 1997. The City updated its entire General Plan in 1993, and provided expanded areas for new housing growth, primarily along Lincoln Avenue. The residential development capacity under the updated General Plan was more than adequate to address the City’s share of regional housing needs by income category. While the residential market was relatively slow in much of California, Cypress grew by over 1,000 units during the period of its last RHNA (1989-1997), surpassing its RHNA allocation of 792 units (refer to Table HOU-4).

The City’s Redevelopment Agency was instrumental in supporting in the production of housing for all income levels during the prior Housing Element cycle. The Agency issued bonds for the construction of public improvements in support of development of 671 units of single family housing on a recycled 144-acre oil storage tank farm site. The Agency also supported in development of two senior housing projects: Cypress Pointe Senior (110 units/11 very low income) and Cypress Park Senior Community (124 units/13 very low, 18 low income). Finally, the City approved two density bonus projects during this time period (Grand Lincoln Village and 8781 Walker Avenue), providing 7 low income and 8 very low income units respectively. In addition to the income restricted units in these projects, market rate rentals in Cypress rent at levels affordable to low income households.

**Table HOU-4  
1989-1997 REGIONAL HOUSING GROWTH NEEDS COMPARED TO UNITS CONSTRUCTED**

Income Category	Regional Housing Needs (RHNA)	Number of New Units Constructed
Very Low	104	32 <sup>1</sup>
Low	127	56 <sup>2</sup>
Moderate	178	227 <sup>3</sup>
Upper	383	763
<b>Total</b>	<b>792</b>	<b>1,078</b>
<sup>1</sup> Includes income restricted units in Cypress Pointe Senior, Cypress Park Senior, and 8781 Walker Avenue. <sup>2</sup> Includes income restricted units in Cypress Park and Grand Lincoln Village, and market rate apartment units. <sup>3</sup> Includes market units in Cypress Pointe Senior, Cypress Park Apts., and Grand Lincoln Village.		

**Site Suitability Criteria**

The City’s prior Housing Element considered the development of a set of “site suitability criteria” by which to judge the merits of potential project sites for low and moderate cost housing. Given the extremely limited availability of residential sites in Cypress, and their location within already established residential areas or on key commercial corridors, it was determined that site suitability criteria more typically applied to developing areas was not of particular benefit to Cypress.

**Residential Site Inventory**

Since the City is already developed to a large extent, the availability of sites for residential development may be difficult to identify. The City initiated a program to maintain an inventory of residential sites in Cypress for use by interested parties in identifying development opportunities.

**Sites For Homeless Shelters and Transitional Housing**

The City’s 1989 Housing Element identified a program to amend the Zoning Ordinance to permit the development of transitional housing in multi-family residential zones in locations close to services, and to permit emergency shelters in commercial and industrial zones, both subject to a Conditional Use Permit. The City undertook a comprehensive update to its Zoning Ordinance in 1998, and included specific provisions to address community care facilities (inclusive of transitional housing and emergency shelters) housing more than six persons. The code now provides for such facilities in RM-15, RM-20 and all commercial zone districts subject to a CUP.

**Section 8 Rental Assistance (Certificate/Voucher) Program**

The Section 8 program provides rental subsidies to very low-income households as a means of providing affordable rental housing not otherwise provided by the private market. The City continues to coordinate with the Orange County Housing Authority (OCHA) in implementation of the Section 8 Rental Assistance Program in its jurisdiction. Specifically, the City encourages property owners granted density bonuses to list their projects with the Housing Authority, as well as directing households requesting rental assistance to the appropriate Housing Authority Department.

**Density Bonus Program and Other Incentives**

The City’s zoning ordinance includes provisions to allow density bonuses in return for guarantees of affordable dwelling units in new construction as provided by State law. The City revised its ordinance to reflect changes in the State Density Bonus Law, and actively promotes density bonus opportunities. Since adoption of the City’s Housing Element in 1989, the City has granted over ten density bonuses for both rental and ownership projects.

**Mortgage Certificate Program**

The MCC program is designed to help low- and moderate-income first-time homebuyers qualify for conventional first mortgage loans by increasing their after-tax income. Since the City began participating in this County-run program in 1994, a total of 41 MCCs have been issued, 16 of which were issued in conjunction with loans from the City’s Homebuyer Assistance Program.

**Mortgage Revenue Bond Financing**

The City of Cypress participates with Orange County in their multi-family and single family bond programs. However, during the prior Housing Element cycle, no bond projects were developed in the City. The Redevelopment Agency did however issue its own bonds to provide the necessary infrastructure in support of development of the 671 unit Sorrento Homes project.

**Non-Profit Construction**

The Agency currently has one affordable project developed by a non-profit – Cypress Sunrise Apartments. The Agency has supported several for-profit developers in the production of affordable housing, and continues to work with both housing sectors in achieving its housing goals.

**Land Assemblage and Development Incentives**

The intent of this program is to reduce land cost to the point that it becomes economically feasible for a private developer to build affordable housing. The Redevelopment Agency purchased the six-acre Cypress Elementary School site for expansion of the existing Cypress Senior Citizens Multi-Purpose Center located on the site, and for the development of an affordable senior citizen housing project. The Agency completed the development of a 124-unit senior housing project using redevelopment set-aside funds. The Agency wrote down the cost of the land in exchange for deed restrictions on the rent and occupancy of 13 units for very low income households, 12 units for low income households and 6 units for moderate income households.

The Agency will continue to provide land write-down assistance as appropriate in support of affordable housing developments.

**Home Sharing**

The shared housing program provides an alternative to Cypress’ elderly residents which allows them to remain in their homes. Senior Meals and Services, Inc. administers a shared housing program available to Cypress’ residents at their facility in Los Alamitos. The shared housing coordinator is available on Mondays, Wednesdays and Thursdays, and indicates many Cypress seniors participate in the program.

**Reverse Mortgage Program**

Reverse Mortgages are offered through several private lending institutions to allow seniors to draw needed income from the equity in their homes. This program is not as popular with senior citizens as originally envisioned, and as such, the City is no longer interested in assuming an active role in promoting reverse mortgages.

**Shared Equity Program/Downpayment Assistance**

In 1997, the City initiated its Home Equity Loan Program (HELP I). This program provides up to \$25,000 to eligible first-time homebuyers for help with the downpayment, including a portion of non-recurring closing costs. This program has been so successful (49 loans have closed since the program's inception) that the City has had to develop a waiting list for when additional program funding becomes available. The HELP I program represents one of the City's major housing programs to help stabilize neighborhoods through increased homeownership, while providing affordable housing opportunities to low and moderate income renters.

**Remove Governmental Constraints**

The City has provided for modified development standards, including reduced parking and density increases, in support of affordable housing. The City has also waived and/or reduced certain development fees for the provision of affordable housing and will continue to provide subsidized fees to improve the feasibility of low and moderate income housing projects.

While the City has not developed a formalized process for priority review of affordable housing applications, the level of development activity has been such that no backlog has been experienced.

**Equal Housing Opportunity**

One of Cypress' Housing Element goals is to promote housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin or color. To achieve this goal, the City participates with the Orange County Fair Housing Council and has implemented a system of referring discrimination complaints to the proper agencies.

**HOUSING PROGRAM STRATEGY**

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

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

The housing programs described on the following pages include existing programs as well as several new programs which have been added to address the City's housing needs. The program

summary (Table HOU-5) included at the end of this section specifies for each program the following: five-year objective(s), time frame, funding source(s), and agency responsible for program implementation. With an estimated \$2.6 million available for Housing Fund expenditures from 2000 to 2004, and a Housing Fund balance of \$900,000 as of 7/1/2000, Cypress redevelopment housing funds will provide an important source of funding for implementation of the City's housing programs.

**CONSERVING THE EXISTING SUPPLY OF AFFORDABLE HOUSING**

Conserving and improving the City's housing stock is an important goal for Cypress. While most of Cypress' housing stock is in good condition, approximately one-third of the City's housing stock is 30 years or older, the age when most homes start to have rehabilitation needs. The proposed Neighborhood Clean-Up program is an example of the City's pro-active efforts to conserve its current housing stock. The neighborhoods identified as evidencing physical deterioration are specifically targeted for City housing improvement assistance.

**1. Single Family Rehabilitation Programs**

**1a. Home Enhancement Loan Program (HELP II)**

The Cypress Redevelopment Agency initiated the HELP II program to provide funds to low and moderate income single-family homeowners to assist with the provision of interior and exterior improvements of their homes. Currently, 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 loans which are completely forgiven after 10 years. The City is currently enhancing marketing efforts for the HELP II program to enhance utilization. One program modification under examination is the assessment of a nominal "up-front" fee for applicants to promote commitment to the program, and decrease the high attrition rate currently experienced.

**1b. County CDBG Rehabilitation Loans**

Cypress is a cooperating City in the rehabilitation loan program administered through the Orange County Department of Housing and Community Development. This program provides low interest rehabilitation loans to single-family and mobilehome households of up to \$15,000 per unit to lower (80% MFI) income homeowners. All health and safety problems must be corrected before any other home improvements can be made. Loans are limited to households located within the City's CDBG target areas.

**Five-year Objective:** The Redevelopment Agency will continue to provide rehabilitation loans to qualified low and moderate income homeowners. The objective is to provide rehabilitation assistance to 50 households during the five year planning period. In terms of rehabilitation assistance through the County's CDBG program, the City will assist in advertising the program to eligible households, with the goal of assisting 25 households over the five year period.

**2. Community Rental Rehabilitation Program**

This program proposed by the City's Redevelopment Agency will provide funds for the upgrading of deteriorating and substandard rental properties within the City to assist income qualified tenants within the complexes. The comprehensive rehabilitation of larger rental properties can be undertaken through the pooling of public funds from various agencies, including the County's

Rental Rehabilitation Program which the City is eligible to participate in as part of the Urban County.

**Five-year Objective:** By 2002, the Redevelopment Agency will develop policies and procedures for implementation of the Community Rental Rehabilitation Program. The objective is to rehabilitate twenty units with Agency assistance over the five year planning period, with additional units to be rehabilitated using outside funding sources.

**3. Code Enforcement Program**

The objective of the City's Code Enforcement Program is to bring substandard housing units into compliance with City codes. Cypress' building inspectors work closely with the City code enforcement officer to identify units in need of housing assistance. Property owners in violation of City codes are provided information on rehabilitation loans or grants they may be eligible for in correcting code violations.

**Five-year Objective:** The City will continue to operate its code enforcement program to stem housing deterioration.

**4. Neighborhood Clean-up Program**

This program proposed by the City will provide trash receptacles, on a periodic basis, to predominately low and moderate income neighborhoods for the purpose of waste disposal and neighborhood cleanup. The provision of funds and/or materials for the purpose of performing deferred maintenance and repair (including exterior painting and roof repair) to properties will also be incorporated into the program. An initial community outreach event is proposed to be conducted in each neighborhood to provide information on available housing rehabilitation and homeownership programs, followed by a neighborhood clean-up day. The Neighborhood Clean-up Program will be administered in conjunction with the provision of proactive code enforcement activity.

**Five-year Objective:** The City has submitted an application to the County Housing and Community Development Department (HCD) for CDBG funds to initiate a Neighborhood Clean-up Program. Funding would initially be for the 2001-2003 period, at which time the City will reassess the need to continue the program and pursue additional funds as necessary.

**5. Preservation of Assisted Rental Housing**

Preservation of the City's existing stock of subsidized housing units is far more cost effective than replacing affordable units through new construction. While the City has four subsidized rental projects, only one of these projects is at-risk of conversion to market rate during the next ten year period. The project – 8781 Walker Avenue – is a 42 unit project which was granted a density bonus for setting aside eight (20%) of the project's units for low income households for a ten year period expiring in September, 2001. The project owner accepts Section 8 tenants for the eight income restricted units, although Section 8 assistance is tenant based and not tied to the project. Because Fair Market Rents (FMRs) under the Section 8 program are higher than actual rents in the open market in Cypress, this serves as a strong incentive for the property owner to continue participation in the Section 8 program.

Even though 8781 Walker is at relatively low risk of conversion to market rate, the following are strategies the City may undertake as necessary to preserve this project as affordable rental housing.

- a. **Monitor Units At-Risk:** Contact project owner as expiration date on restricted units approach to determine the intent of property owner. Discuss with owner the City's desire to preserve at risk units as affordable to low income households.
- b. **Work with Potential Priority Purchasers:** Establish and maintain close contact with public and non-profit agencies, such as the Orange County Community Housing Corporation (OCCHC), interested in purchasing and/or managing units at-risk to inform them of the status of at-risk projects. Solicit technical assistance for additional means of preserving these units at risk from OCCHC and the California Housing Partnership.
- c. **Evaluate Provision of Locally Funded Rent Subsidies:** Should market conditions improve in Cypress such that the project owner no longer participates in the Section 8 program, or if Section 8 assistance were no longer available from HUD, additional subsidies would be necessary to maintain affordability to very low income households. The City's Redevelopment Agency could enter into a rent agreement with the project owner of 8781 Walker to provide the necessary rent subsidies, estimated at an annual subsidy amount of about \$6,000.

**Five-year Objective:** The City will seek to preserve the affordability of the eight lower income units at 8781 Walker Avenue.

**6. Section 8 Rental Assistance Program**

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

**Five-year Objective:** The City's objective is to continue current levels of Section 8 rental assistance, and to direct eligible households to the County program.

**7. Rental Deposit Guarantee Program**

This program proposed by the City would assist income-qualified renters currently residing in local area motels with funds to cover the initial "upfront" costs of securing an apartment. Up to \$3,000 would be allocated per household to cover first and last month's rent and the security deposit. Program participants would be required to satisfactorily complete a financial and "life skills" training program before receiving assistance.

**Five-year Objective:** The City has submitted an application to the County Housing and Community Development Department (HCD) for CDBG funds to establish a Rental Deposit Guarantee Program. Funding would be for the 2001-2003 period, and would enable the City to assist approximately 20 households over the two year period. Should the City not be awarded CDBG funds for this purpose, the City will consider directing redevelopment housing set-aside funds to implement this program.

**ASSISTING IN THE PROVISION OF AFFORDABLE HOUSING**

To enable more households, especially renters, to own homes in Cypress, the City offers programs for first-time homebuyer assistance. New construction is a major source of housing for prospective

homeowners and renters but generally requires public sector support for the creation of units affordable to lower income households. The following programs attempt to address the overall need for the provision of both affordable homeownership and rental housing in Cypress.

**8. Home Equity Loan Program (HELP I)**

The Cypress Redevelopment Agency initiated the HELP I Program in 1997 to provide funds to low and moderate-income homebuyers who wish to purchase a home within the City, including households who have not owned a home within the last three years. Loans of up to \$25,000 are available to program participants for help with the down payment, including a portion of non-recurring closing costs. The City reassessed the HELP I Program in 2000, and expanded eligibility to permit mobilehome owners to participate in the program. The City has also expanded the level of redevelopment set-aside directed to this program given the demand for assistance.

**Five-year Objective:** The City's objective is to provide assistance to 60 first-time homebuyers over the five year planning period.

**9. Mortgage Credit Certificate**

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

**Five-year Objective:** Through the County, the City will continue to provide MCCs to qualified first-time homebuyers. The objective is to provide four (4) MCCs per year.

**10. Affordable Housing Development**

For-profit and non-profit housing developers can play an important role in providing affordable housing in Cypress. The City has granted land write-downs, regulatory incentives, and direct financial assistance to a number of developers to provide both ownership and rental housing to low- and moderate-income households.

A major focus of the Lincoln Avenue Specific Plan is to provide for housing at key locations along Lincoln Avenue, although current market conditions do not support residential development along this corridor without some form of subsidy. The City and Redevelopment Agency could offer financial and regulatory incentives for the development of affordable housing within mixed use developments along Lincoln Avenue in support of both land use and housing goals.

**Five-year Objective:** The City will continue to provide financial and regulatory incentives to private developers to increase the supply of affordable housing in Cypress. Consistent with the Redevelopment Agency's Implementation Plan, the City's five year objective will be to assist in the development of 36 affordable units.

**11. Density Bonus**

The City of Cypress has incorporated provisions into its Zoning Code (Section 9, Division 3) to allow density bonuses in return for guarantees of affordable dwelling units in new construction as provided by State law. Density increases of greater than 25 percent may be granted if a higher percentage of units beyond the minimum eligibility requirements are designated for lower income households. 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. The developer shall agree to and the City shall ensure continued affordability of all lower income density bonus units for a minimum 30-year period. These standards are enforced through a Density Bonus Agreement which serves as a contract between the City and the developer.

**Five-year Objective:** The City will continue to utilize density bonuses as a means of supporting the development of mixed income housing projects.

**PROVIDING ADEQUATE HOUSING SITES**

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

**12. Land Use Element**

A key element in satisfying the housing needs of all segments of the community is the provision of adequate sites for housing of all types, sizes and prices. This is an important function in both zoning and General Plan land use designations. A variety of residential types are provided for in Cypress, ranging in density from one to 20 dwelling units per acre, with higher densities achievable through the City's density bonus provisions. The residential development capacity under the Cypress Land Use Plan is adequate to meet the City's share of regional housing needs, which has been identified as 578 dwelling units over the next five years. In addition, the Lincoln Avenue Specific Plan permits multifamily residential densities above ground floor commercial uses of up to 25 units per acre.

**Five-year Objective:** The City will continue to provide appropriate land use designations, coupled with incentives for the development of affordable housing, to address its share of regional housing needs.

**13. Residential Site Inventory**

As an established City with the majority of remaining residential development opportunities to occur through infill, an active program for site identification is essential in Cypress. In conjunction with update of the General Plan and development of a computerized land use data base, City planning staff have initiated a program to maintain an inventory of vacant and redevelopable residential sites in Cypress for use by interested parties in identifying development opportunities.

**Five-year Objective:** The City will maintain an up-to-date residential sites inventory, and provide this inventory to interested developers.

**REMOVING GOVERNMENTAL CONSTRAINTS**

Under current State law, 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.

**14. Regulatory and Financial Assistance**

Cypress has a strong track record in providing regulatory and/or financial incentives to facilitate the development of affordable housing. The City can provide the following incentives to for-profit and non-profit developers to reduce the costs of providing affordable housing: density bonus, deferral of development impact fees, flexible development standards, assistance in applying for public funds as well as any other viable means. Where direct Agency assistance is involved, the City would typically enter into a Development Agreement which may also provide regulatory relief from density, parking, and other multi-family development standards in exchange for affordable housing.

**Five-year Objectives:** The City will continue to offer regulatory and/or financial incentives to facilitate the provision of affordable housing by private developers. The City will periodically review all regulations, ordinances, and residential fees related to housing rehabilitation and/or construction to assess their impact on housing costs, and revise as appropriate.

**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.

**Five-year Objective:** The City will continue to offer streamline development processing, and will offer priority processing for affordable housing developments.

**PROMOTING EQUAL HOUSING OPPORTUNITIES**

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

**16. 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 the public counter, and through the City’s newsletter.

**Five-year 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-5  
HOUSING IMPLEMENTATION PROGRAM SUMMARY**

Housing Program	Program Goal	Five-Year Objective(s)/ Time Frame	Funding Source(s)	Responsible Agency
<b>Conserving the Existing Supply of Affordable Housing</b>				
1. Single-Family Rehabilitation  1a. Home Enhancement Loan Program (HELP II)  1b. County CDBG Rehab	Assist homeowners with the improvement of their homes.	Provide rehabilitation assistance to 50 households.  Assist 25 households	Redevelopment Set-Aside Funds  CDBG	Community Development Department  Orange County HCD
2. Community Rental Rehabilitation Program	Upgrade deteriorating and substandard rental properties.	Establish policies and procedures by 2002, and rehabilitate 20 units with Agency assistance.	Redevelopment Set-Aside Funds; HOME; Other Funds	Community Development Department; Orange County HCD
3. Code Enforcement Program	Bring substandard units into compliance with City codes.	Continue to operate the Code Enforcement Program.	General Fund	Community Development Department
4. Neighborhood Cleanup Program	Provide assistance for neighborhood cleanup projects.	Pursue County CDBG funds in 2000 to implement neighborhood clean-up program in targeted neighborhoods in 2001 - 2003.	CDBG	Community Development Department; Orange County HCD
5. Preservation of Assisted Rental Housing	Preserve the City's at-risk housing stock.	Preserve the affordability of the 8 lower income units at 8781 Walker Avenue.	Redevelopment Set-Aside Funds (as necessary)	Community Development Department
6. Section 8 Rental Assistance Program	Provide rental subsidies to very low-income households.	Continue current levels of rental assistance and direct eligible households to the County program.	HUD	Orange County Housing Authority
7. Rent Deposit Guarantee Program	Help income-qualified renters residing in motels to cover the initial "upfront" costs of securing an apartment.	Apply to County HCD for CDBG funds in 2000, and begin program implementation in 2001. Provide assistance to approximately 20 households.	CDBG; Redevelopment Set-Aside Funds (as necessary)	Community Development Department; Orange County HCD
<b>Assisting in the Provision of Housing</b>				
8. Home Equity Loan Program (HELP I)	Expand homeownership opportunities for lower and moderate-income homebuyers.	Provide assistance to 60 first-time homebuyers.	Redevelopment Set-Aside Funds	Community Development Department
9. Mortgage Credit Certificate (MCC)	Expand homeownership opportunities for lower and moderate-income homebuyers.	Provide 4 MCCs annually.	Federal Tax Credits	Orange County Community Development Commission

Housing Program	Program Goal	Five-Year Objective(s)/ Time Frame	Funding Source(s)	Responsible Agency
10. Affordable Housing Development	Facilitate affordable housing development by for-profit and non-profit housing developers/corporations.	Continue to provide financial and regulatory incentives to private developers. Assist in the development of 36 affordable units.	Redevelopment Set-Aside Funds	Community Development Department
11. Density Bonus	Facilitate the development of mixed income housing projects.	Continue to utilize density bonuses to support development of mixed income housing projects.	Redevelopment Set-Aside Funds (as necessary)	Community Development Department
<b>Providing Adequate Residential Sites</b>				
12. Land Use Element	Provide adequate sites for future housing development.	Provide appropriate land use designations, coupled with incentives for the development of affordable housing, to address the City's share of regional housing needs.	Redevelopment Set-Aside Funds (as necessary)	Community Development Department
13. Residential Site Inventory	Identify sites for future housing development.	Beginning in 2000 with the General Plan update, maintain an up-to-date residential sites inventory, and provide to interested developers.	General Fund	Community Development Department
<b>Removing Governmental Constraints</b>				
14. Regulatory and Financial Assistance	Facilitate the production of affordable housing through provision of regulatory and financial assistance.	Continue to offer incentives for affordable housing. Periodically review all regulations, ordinances, and fees.	Redevelopment Set-Aside Funds	Community Development Department
15. Efficient Project Processing	Provide efficient development processing procedures.	Continue to offer stream-line development processing. Offer priority processing for affordable housing developments.	General Fund	Community Development Department
<b>Promoting Equal Housing Opportunities</b>				
16. Fair Housing Program	Further fair housing practices in the community.	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.	CDBG	Community Development Department; Orange County Fair Housing Council
<b>Five-Year Goals Summary:</b> TOTAL UNITS TO BE CONSTRUCTED: 578 (107 Very Low, 73 Low, 171 Moderate, 227 Upper) TOTAL UNITS TO BE REHABILITATED: 95 (60 Low, 35 Moderate) TOTAL UNITS TO BE CONSERVED: Maintain current levels of Section 8 rent subsidies for very low income households. Conserve 124 low and moderate income assisted rental units. Preserve two mobile home parks (370 units).				

## GOALS AND POLICIES

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

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

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

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

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

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

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

HOU-1.4: Coordinate with non-profit housing providers in the acquisition and rehabilitation of older apartment complexes and maintenance 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.

**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: Use financial and/or regulatory incentives where feasible to encourage the development of affordable housing by both the private and public sectors.
- 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: Provide a variety of residential development opportunities in the City, ranging from low density to high density, as designated by Land Use policy.

**PROVISION OF ADEQUATE HOUSING SITES**

- HOU-4: Provide adequate housing sites through appropriate land use, zoning, and specific plan designations to accommodate the City's share of regional housing needs.
- HOU-4.1: Encourage residential construction in areas which can be adequately served by public services and facilities in accordance with local plans and programs.
- HOU-4.2: Facilitate development of a range of housing types in the City's targeted areas including redevelopment areas Lincoln Avenue and Civic Center.
- HOU-4.3: Identify available in-fill lots for future housing development opportunities
- 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 financial and/or regulatory incentives where feasible to off-set or reduce the costs of developing affordable housing.
- HOU-5.2: Monitor all regulations, ordinances, departmental processing procedures, and residential fees related to rehabilitation and/or construction to assess their impact on housing costs, and revise as appropriate, to ensure that they do not constrain housing development.
- HOU-5.3: Maintain the City's expedited and coordinated permit processing system.
- HOU-5.4: Provide priority development review processing for low and moderate income housing applications.

HOU-5.5: Amend the zoning ordinance to permit the development of transitional housing in the City's multi-family residential zones and emergency shelters in commercial and industrial zones, subject to a CUP.

**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 to enforce fair housing laws prohibiting arbitrary discrimination in the sale or rental of housing with regard to race, ethnic background, religion, handicap, income, sex, age and household composition.

HOU-6.2: Promote housing which meets the special needs of elderly persons and the handicapped.

HOU-6.3: Encourage the provision of adequate housing to meet the needs of families of all sizes.

HOU-6.4: Continue active support and participation with the Orange County Fair Housing Council to further fair housing opportunities.