June 18, 2008

Ann Avery Andres, Foreman
Orange County Grand Jury
700 Civic Center Drive West
Santa Ana, CA 92701

Dear Foreman Andres and Members of the Grand Jury:

The City would like to thank you for your time and interest in participating in the review of the City of Costa Mesa’s Housing Element. Per your request, the following is the City’s response to the Grand Jury letter dated May 2, 2008.

Responses to Grand Jury Findings:

- **The City of Costa Mesa agrees with finding for F-1 and F-2 regarding senior housing.** In response to findings F-1 and F-2, addressing the number of affordable senior housing units and the need to focus on the population growth and housing needs of the aging baby boomer generation, the City appreciates the Grand Jury’s acknowledgement of Costa Mesa’s efforts in monitoring trends with respect to Costa Mesa’s senior population. In your letter, you stated that in your review of Housing Elements from other Orange County cities, it appears in most cases that there is insufficient focus on the housing needs of the senior population with the exception of the Cities of Costa Mesa and Brea.

- **The City agrees with finding F-3 of providing the Housing Element on-line via the City’s website.** The City of Costa Mesa submitted its 2008-2014 Housing Element to the State for review in February, 2008 in an effort to comply with Government Code Section 65585 (b). In response to F-3, the Housing Element was promptly placed on-line for availability to the public for review, since its initial submittal to the State. At that time, we were one of the first cities to submit our comprehensive Housing Element to the State. Based on these efforts, it should be evident that we are serious about addressing the housing needs of our community to achieve an overall housing balance.

- **The City of Costa Mesa agrees with Finding F-4, and also finds that it is necessary to provide housing for all socioeconomic groups in a community based on the City’s goals, objectives, projects, programs and resources to create an overall balanced community.** Following initial review by the State, we responded to their comments and have subsequently submitted a revised Housing Element.
• The revised document is currently on-line for easy access to the public and it includes the City’s response to public comments. In response to F-4, it is important to note that the Housing Element does include new innovative programs and sites for the provision of affordable housing.

Responses to the Grand Jury’s Recommendations:

R-1 Include the current and projected affordable senior housing inventory by type, location and cost in the 2008 and future years’ development of the Housing Element.

Recommendation R-1 has been implemented. The City of Costa Mesa’s 2008-2014 Housing Element does include current and proposed affordable senior housing projects within the community by type.

R-2 Include sufficient data in the Housing Element to acknowledge the imminent growth in the county’s aging population. This data is to include the current population and the growth trend of the aging baby boomer generation as well as the current median income and the income trend of the senior population.

Recommendation R-2 has been implemented. City of Costa Mesa was recognized by the Orange County Grand Jury as providing sufficient data in the Housing Element regarding imminent growth in Costa Mesa’s senior population.

R-3 Put all Housing Elements online on each city’s website.

Recommendation R-3 has been implemented. The 2008-2014 Housing Element has been on-line since the initial submittal to the State in February, 2008.

R-4 Confer with developers to establish the needs for affordable senior housing and to encourage investment in future projects.

Recommendation R-4 has been implemented with respect to discussions with developers for future projects.

Staff met and discussed various affordable senior housing projects with several developers. As a result of these discussions, the following projects included some which are new and innovative and are proposed to occur during the 2008-2014 time period:

• The rehabilitation of 36 affordable senior rental units, previously considered at-risk units, at St. John’s Manor – 2031 Orange Avenue.
• The preservation and potential extension of affordability covenants for 270 affordable senior rental units at Bethel Towers.
• The potential construction of 150 affordable senior rental units at the Costa Mesa Senior Center 695 W. 19th Street.
State is considering residential development of the area known as Shannon's Mountain on the Fairview Developmental Center site with a potential development of 170 very low/low income rental units.

Conversion of Motels to Single-Room Occupancy (SROs)- 53 , Family Residential Occupancy (FROs) and Extended Stay units for affordable rental units.

The City of Costa Mesa is working diligently to receive State certification with regards to its Housing Element, while also contributing toward meeting its share of the region's housing needs. Thank you for the opportunity to respond to the Grand Jury's Housing Element findings and recommendations.

Sincerely,

Eric R. Bever
Mayor

/hv:cg

c: Presiding Judge of the Superior Court
City Council
City Manager
Assistant City Manager
Deputy City Mgr., Dev. Svcs. Director
Assistant Dev. Svcs. Director
Claire Flynn, Principal Planner
Hilda Veturis, Management Analyst
Veronica Tam, VTA