



City of Mission Viejo

Office of the Mayor and City Council

Wendy Bucknum
Mayor

Brian Goodell
Mayor Pro Tem

Trish Kelley
Council Member

Bob Ruesch
Council Member

Cynthia Vasquez
Council Member

August 25, 2026

Honorable Sheila F. Hanson
Presiding Judge of the Superior Court
700 Civic Center Drive West
Santa Ana, CA 92701

Subject: City of Mission Viejo Response to 2025-26 Orange County Grand Jury Report, "California Housing Mandates: The Unintended Reshaping of Orange County Neighborhoods"

Dear Judge Hanson,

The City of Mission Viejo has reviewed the May 2026 Orange County Grand Jury Report: *California Housing Mandates, the Unintended Reshaping of Orange County Neighborhoods*.

In compliance with California Penal Code section 933 and 933.05(a) and (b), the City of Mission Viejo City Council has reviewed and has authorized, at its August 25, 2026 meeting, the Mayor's response to each of the Grand Jury Report findings and recommendations directed to the City of Mission Viejo.

Attachment A, attached hereto and incorporated herein by this reference, provides the City's response to the Report's findings and recommendations.

The City of Mission Viejo extends its appreciation to the Grand Jury for investigating this pressing and relevant matter. Should you have any questions or need additional information, please contact Director of Community Development Larry Longenecker at llongenecker@cityofmissionviejo.org or 949-470-3053.

Sincerely,

Wendy Bucknum
Mayor



Attachment A:

City of Mission Viejo Response: "California Housing Mandates: The Unintended Reshaping of Orange County Neighborhoods" Findings and Recommendations;
Orange County Grand Jury 2025-2026 Report

cc: Orange County Grand Jury, 700 Civic Center Drive West, Santa Ana, CA 92701
City of Mission Viejo City Council
City of Mission Viejo Planning and Transportation Committee
Elaine Lister, City Manager
Tarquin Preziosi, City Attorney
Larry Longenecker, Director of Community Development
Brian Probolsky, OCCOG Executive Director

City of Mission Viejo Response:
"California Housing Mandates:
The Unintended Reshaping of Orange County Neighborhoods"
Findings and Recommendations
Orange County Grand Jury 2025-2026 Report

FINDINGS

Finding 1: In recent years, the California Legislature has enacted an unusually large and burdensome volume of housing-related laws intended to strengthen compliance with State Housing Mandates.

The City of Mission Viejo agrees with the finding. Of particular concern is the continuous volume of incremental and piecemeal legislation governing new housing requirements, especially when new legislation is amending regulatory requirements that have been recently adopted, such as in the topical areas of Accessory Dwelling Units and Transit-Oriented Development. Such a frequent and piecemeal approach to housing regulation increases the administrative and regulatory burden of local jurisdictions to continually try to keep abreast of changing requirements when reviewing development proposals, to ensure that the most up-to-date requirements are being imposed on homeowners and applicants. The City of Mission Viejo appreciates how the State Department of Housing and Community Development (HCD) has issued a comprehensive handbook on Accessory Dwelling Units (ADUs) and has been updating this handbook after each legislative session. This handbook serves as an excellent resource to local government. To keep abreast of changing ADU regulation. The City recommends that the State take a similar approach to develop up-to-date handbooks that detail the comprehensive changes to current requirements, on such housing categories as transit-oriented development, as an example.

Finding 2: Housing Mandates are implemented through a RHNA process that often lacks transparency and relies on complex methodologies that are difficult for local officials and the public to understand or meaningfully challenge.

The City of Mission Viejo partially agrees with the finding, and explanatory responses are discussed in greater detail in the related/duplicative Finding 5 and Finding 12 below.

As a preface, there needs to be a greater understanding that there are two distinct elements in a RHNA planning process that directly contribute to the RHNA allocation assigned to each individual jurisdiction in the SCAG region. Further, each of these two elements involve different processes, different timelines, different methodologies, and different actors in the decision-making process, within the overall RHNA planning process. The two elements are:

- 1) The RHNA Regional Determination Process, where State HCD must develop a methodology and determine how much housing need each of the MPO's/Councils of Governments responsible for RHNA planning in California must receive as a fair-share allocation of the State's overall housing need; and,
- 2) The Regional Housing Need Allocation Process, where an MPO/Council of Government responsible for RHNA planning in California, must then take its State HCD housing need number, and develop a fair-share methodology that distributes its regional allocation down to each jurisdiction in the MPO/Council of Government.

These are sequential steps, and from the City of Mission Viejo's perspective, the issues of lack of transparency and questionable methodologies were evidenced more in the 6th cycle RHNA Regional Determination process, as discussed in detail in Finding 12 below. Once the regional determination number is established by State HCD, said RHNA number essentially sets the policy framework for housing need for the entire MPO/Council of Government. The RHNA Allocation process then becomes more of an implementation process, where the MPO/Council of Government must take the State HCD regional number, and then develop a methodology to assign said regional number to each of the jurisdictions in the MPO/Council of Government.

As discussed in Finding 12 below, local jurisdictions were not afforded the opportunity to review the inputs used by State HCD during the consultation process between State HCD and SCAG in State HCD's development of a regional housing need number. It was only after State HCD's release of the regional determination number for the SCAG region, that the input factors used in the regional determination were shared with SCAG's policy committees and governing board. The consultation process thus operated in a vacuum, and during the 6th Housing Element Cycle, there was not an early opportunity for jurisdictions to provide any public outreach, input, or review. Additionally, with little to no transparency during the State HCD/SCAG consultation process, there is no way for local jurisdictions to question, provide input, or seek outside counsel, to determine if MPOs/council of governments throughout California were assigned a housing need that is equitable and based on an identical methodology.

From the City of Mission Viejo's perspective, an opportunity for early input by stakeholders on the factors under consideration for determining SCAG's regional housing number – during the consultation process between SCAG and State HCD, not after the release of an already determined number – would have provided greater transparency and an opportunity for outside consultation from independent agencies and other MPOs to raise questions and offer comment, before any regional need determination is released.

The City of Mission Viejo does agree that in both the Regional Determination Need methodology process to arrive at a region's total housing need, and the RHNA Allocation methodology, where an MPO/Council of Government must allocate the regional housing need number to each of its jurisdictions, there are very complex methodologies involved that are extremely technical and difficult for local jurisdiction staff, elected officials, and the public, to understand.

Further, the City of Mission Viejo finds, from experience, that a subregion such as OCCOG and individual jurisdictions must keep on top of each element of the RHNA planning process from the very start of the process, and engage and ask questions throughout the process. As noted above, the two-year RHNA planning process is a series of sequential steps that build upon each other, and warrants dedicated technical and elected official involvement throughout the process to monitor, engage and inform.

Finding 4: Meaningful participation by Orange County cities in both OCCOG and SCAG meetings is critical to ensuring that local perspectives are represented during the development and implementation of Housing Mandates policies.

The City of Mission Viejo agrees with the finding. As noted above, the two-year RHNA planning process is a series of sequential steps that build upon each other, and warrants dedicated technical and elected official involvement throughout the process to monitor, engage, respond and inform. Making inroads and contributing to recommendations to RHNA and housing matters receive better consideration when such active participation occurs while policy considerations are under discussion at SCAG or State HCD, versus afterwards when policy consensus has already been set.

As noted in the City's response to Finding 3 above, a subregion such as OCCOG and individual jurisdictions must therefore keep on top of each element of the RHNA planning process at the very start of the process, and engage and ask questions throughout the process.

The City of Mission Viejo was able to prioritize such engagement during the 6th cycle RHNA planning process, by:

- having a city councilmember – current Mayor Wendy Bucknum – appointed by the then-SCAG President as the Orange County representative on SCAG's RHNA Subcommittee for the two-year term, in addition to serving on the SCAG Community, Economic and Human Development (CEHD) Committee and the Regional Council representing SCAG City District 13 (Mission Viejo, Laguna Hills, Laguna Woods, Lake Forest, Rancho Santa Margarita) where RHNA and housing matters are discussed.
- dedicating staff consulting resources to serve as staff support to Mayor Bucknum during her two-year term on SCAG's RHNA subcommittee and on the SCAG CEHD and Regional Council, to be able to review the extensive staff reports, prepare summary briefing reports for use and reference.

Finding 5: SCAG's 6th Cycle RHNA assigned Orange County a questionable total of 183,861 housing units for the 2021–2029 planning period, with higher allocations concentrated in cities with major population and employment centers.

The City of Mission Viejo partially agrees with this finding. While the Orange County allocation of 183,861 housing units for the 6th cycle was significantly greater than the 5th RHNA cycle county allocation, there is no argument that the allocation of the 183,861 housing units to individual jurisdictions was calculated based on an approved methodology that the SCAG Regional Council adopted to distribute the State HCD-issued number to the SCAG region. While certain jurisdictions – including the City of Mission Viejo – disagreed with certain approaches and factors approved in the methodology – the majority vote decision by SCAG's Regional Council of elected officials from throughout the six-county SCAG region on the RHNA allocation methodology, led to the methodology that assigned 183,861 housing units to Orange County. This included an emphasis on concentrating higher allocations throughout the region to jurisdictions with better resources (non-Disadvantaged Communities jurisdictions), access to transit, and its share of the region's employment within a 30-minute auto commute.

It is also noteworthy to clarify that the RHNA allocation methodology that was adopted by SCAG's Regional Council for the 6th RHNA cycle, was not the allocation methodology that was recommended by the SCAG RHNA Subcommittee or the SCAG CEHD policy committee. Last-minute changes supported by non-Orange County jurisdictions were presented at the Regional Council meeting and ultimately adopted. There remain concerns by Orange County jurisdictions on whether greater review and input opportunities on the last-minute amendments made at the Regional Council meeting should have been provided by SCAG. Nonetheless, the methodology that was ultimately adopted, was the methodology that was used to quantify Orange County's allocation of 183,861 housing units.

Finding 6: RHNA allocations are unrealistic and not attainable within the current planning cycle due to limited available land, built-out urban conditions, infrastructure constraints, environmental factors, and public health and safety requirements.

The City of Mission Viejo agrees with the finding. RHNA allocations are also unrealistic due to increased land values, increased construction costs, and loan financing constraints. In addition, the City's lower income portion of its RHNA allocation (1,075 units) is more unrealistic because there is virtually no public financing available for affordable units as part of a market rate project. Therefore, affordable units must be subsidized by market rate units. Virtually every developer that has considered housing in the City of Mission Viejo has opted to provide the minimum 15% lower income units required in accordance with the City's Inclusionary Housing Ordinance. (The exception is a City-owned Housing Site 3, which requires a minimum 20% lower income units.)

Lower income units comprise 48.5% of the City's total RHNA obligation. Therefore, assuming virtually all development projects in the City achieve 15% affordability, a total of 7,167 new housing units, more than three times the City's total RHNA allocation, would have to be developed before the City could even achieve the lower income portion of its RHNA allocation.

Finding 7: Residents in Orange County consistently express a desire for local planning decisions to reflect community priorities, including but not limited to neighborhood character, safety considerations, the environment and open-space preservation.

The City of Mission Viejo agrees with the finding. The City of Mission Viejo further expresses concern with the trend of "tops-down" housing legislation from Sacramento, which prioritizes one-size fits all streamlined development requirements that will, over time, threaten the community and neighborhood planning that the City has championed and which residents seek, in the City's master-planned community.

Finding 8: California's regulatory construction costs (i.e. permitting fees) present substantial challenges for private housing developers—particularly those delivering affordable units.

The City of Mission Viejo partially disagrees with the finding. From the perspective of the City of Mission Viejo, permitting fees – such as development fees and permit processing fees – are not the foremost challenge in the delivery of affordable housing units. Other contributing factors include land acquisition costs, labor, construction materials, financing costs, and market conditions.

Finding 9: The cost of constructing a single affordable housing unit in California typically ranges from approximately \$500,000 to \$800,000 per unit when fully complying with current state regulations. New low-income housing is generally not financially feasible without public subsidy.

The City of Mission Viejo partially disagrees with the finding. While the City cannot verify the range of costs stated to construct an affordable housing unit, staff's understanding – based on experience and anecdotal evidence – is that the cost of construction is lower than stated in this Finding and is in the range of \$280 to \$350 per square foot.

Also, housing projects have been built in the City without public subsidy, demonstrating that some level of new low-income housing is financially feasible without public subsidy. While not privy to developers' specific financial records, anecdotal conversations with members of the development community indicate that costs for affordable units are typically subsidized by the revenues of the

market rate units in a project, such that providing (for instance) 15% of the units at lower-income rents results in higher rental rates for the market-rate units to cover the costs of the affordable units.

Other indirect costs and perhaps categorized as a subsidy for developers building affordable units, is the relief provided through the state's density bonus provisions. Developers building as little as 5% very low-income units qualify for a density bonus, allowing: increased density and therefore more market rate units in a project; lower parking standards; and, concessions and waivers, all resulting in significant construction cost savings for the developer.

Finding 10: Prior to their dissolution in 2012, redevelopment agencies served as a primary mechanism for cities and counties to finance affordable housing and related infrastructure. The loss of redevelopment has reduced cities' ability to support construction of affordable units.

The City of Mission Viejo agrees with the finding. As a result of state legislation in 2012, all redevelopment agencies in California were dissolved, including a redevelopment agency that was established in the City of Mission Viejo in 1992. Two residential projects in Mission Viejo revised their approved projects to provide fewer affordable units when Redevelopment went away.

This dissolution impacted the quantity and complexity of affordable housing development statewide. Redevelopment was a tax increment financing tool that allowed cities and counties to retain a higher share of the growth in property taxes in designated areas to invest in those areas. Redevelopment projects were further required to allocate 20% of all tax increment for affordable housing in the community.

More than 400 cities and counties in the State used this tool, and statewide, more than \$2 billion was generated on an annual basis for affordable housing, that was subsequently lost due to redevelopment agency dissolution

Despite State legislative efforts to replace Redevelopment with Enhanced Infrastructure Financing Districts and Community Revitalization Investment Areas (CRIAs), these financing tools are very restricted in their ability to be used for affordable housing projects. The City of Mission Viejo explored these options, and upon extensive legal review, the City determined that it could not feasibly meet the requirements and therefore does not have access to these alternate financing tools.

Finding 11: Because public subsidy is limited and highly competitive, cities seeking to produce meaningful quantities of low-income housing must rely in part on private development incentives, often resulting in higher overall development densities and unit counts than the RHNA allocation.

The City of Mission Viejo agrees with the finding. Also see City response to Finding 6, above.

Finding 12: The 6th Cycle RHNA methodology included numerous technical inputs published by SCAG and HCD; however, these inputs were highly complex and difficult for cities to interpret or independently verify.

The City of Mission Viejo agrees with the finding, and further notes there were other important factors at play. Several key issues of disagreement overlaid State HCD's determination of a 1.34 million housing unit need for SCAG region's 6th cycle RHNA number, causing Orange

County cities and OCCOG to question the accuracy of the 1.34 million housing unit number, and seeking an independent verification of data points and sources used in State HCD's regional need determination for the 6th cycle. These included:

- 1) Analyses and reports from other agencies and entities, questioning the 1.34 million housing unit allocation for the SCAG region. For example, a February 2020 report from the Federal Home Loan Mortgage Corporation, known as Freddie Mac, identified that the housing shortage for the entire State of California was 820,000 housing units, yet the SCAG region was assigned a housing need number of 1.34 million for a region representing one-half of the population of the state. Also, a September 2020 report from the Embarcadero Institute – a California non-profit public policy organization, questioned whether State HCD used an incorrect vacancy rate factor for owner-occupied housing units, and double-counted "overcrowding" and "cost-burden" factors, resulting in a 691,000-housing unit overcount for just the SCAG's 6th cycle RHNA.
- 2) The City of Mission Viejo also questioned whether State HCD appropriately followed housing statute when utilizing a regional population forecast as input into SCAG's housing need determination calculation. State housing law is explicit in stating that State HCD is to use an MPO's regional population forecast, if the MPO's population forecast is within 1.5% of the State Department of Finance (DOF) population forecast. SCAG's population forecast was within 1.5% of the State DOF population forecast. However, State HCD used its own population forecast, which, for the SCAG region, resulted in an overestimating of housing need.
- 3) During the 6th cycle RHNA process in the SCAG region, local jurisdictions were not afforded the opportunity to review the inputs used by State HCD during the consultation process between State HCD and SCAG. It was only after State HCD's release of the regional determination number for the SCAG region, that the input factors used in the regional determination were shared with SCAG's policy committees and governing board. An opportunity for early input by stakeholders on the factors under consideration for determining SCAG's regional housing number – during the consultation process between SCAG and State HCD, not after the release of an already determined number – would have provided greater transparency and an opportunity for outside consultation from independent agencies and other MPOs to raise questions and offer comment, before any regional need determination is released.

RECOMMENDATIONS

Recommendation 7: OCCOG, all Orange County cities and the County of Orange should reassess the current dues structure, by September 30, 2026, to ensure that OCCOG has the resources necessary to effectively represent Orange County jurisdictions in SCAG processes, including RHNA methodology development and appeals. (F3, F15)

The City of Mission Viejo supports this recommendation. Through the City's representation on the OCCOG Board of Directors and the Orange County City Managers Association (OCCMA), the City will assist OCCOG in raising awareness of the need for an OCCOG's dues structure to be reexamined, to achieve and align with the staffing resources necessary to effectively represent all Orange County jurisdictions during RHNA development, assignment, and appeals processes. A dues increase will also counterbalance the extensive RHNA staff support incurred by select Orange County jurisdictions by their own staff/consultants during prior 5th and 6th cycle RHNA

planning processes, which benefitted all Orange County cities, but which is not a sustainable approach over the long term, due to budget fluctuations and staffing changes and promotions.

Recommendation 8: By December 31, 2026, the Orange County Board of Supervisors should partner with cities to evaluate countywide infrastructure capacity—including water, wastewater, flood control, transportation, and public-safety systems—and develop a coordinated regional plan capable of supporting the level of housing growth required under state law. (F6)

The City of Mission Viejo does not object to this recommendation, and will actively participate in any regional infrastructure capacity evaluation spearheaded by the County of Orange, recognizing that any such evaluations have the potential to affect and impact the City of Mission Viejo. However, the City cautions that the degree of countywide infrastructure planning noted in Recommendation 8, extends beyond the jurisdiction of individual cities and the County of Orange. For water and wastewater planning alone, any assessment of water and wastewater infrastructure capacity would also need to include special districts and agencies such as the Moulton Niguel Water District, the Santa Margarita Water District, the El Toro Water District, and the Trabuco Canyon Water District in just South Orange County alone. Further, this recommendation falls under the initiative of the County of Orange, not any individual city or special district. The County of Orange will need to separately assess the budgetary and staffing resources needed to conduct any countywide infrastructure analyses in the areas as noted above.

Recommendation 9: By September 30, 2026, the Orange County Board of Supervisors should strengthen its engagement with OCCOG and increase staff support to develop a shared, countywide database of potential housing sites and key development-feasibility factors. (F15)

The City of Mission Viejo notes that Recommendation 9 is the responsibility of the County of Orange and not the City of Mission Viejo, and the County of Orange would thus need to assess the budgetary and staffing resources necessary to conduct a countywide database of potential housing sites and any assessment of key development-feasibility factors. If Recommendation 9 is initiated by the County of Orange, the City of Mission Viejo would assist in providing any requested city data. The City of Mission Viejo also observes that efforts to create a countywide database of potential Orange County housing sites may be duplicative of housing element sites data and mapping resources already collected by the State Department of Housing and Community Development (annual housing element progress report), the Southern California Association of Governments (SCAG Local Data Exchange process), and the Center for Demographic Research at CSU Fullerton (Orange County Projections process). Key development-feasibility factors associated with identified housing sites may also be identified in each jurisdiction's housing element sites inventory.

Recommendation 11: The County of Orange and each city should ensure consistent participation in SCAG and OCCOG committees by September 30, 2026, including the Technical Advisory Committee (TAC), to strengthen regional representation during RHNA-methodology development. (F3, F4, F15)

The City of Mission Viejo agrees with this recommendation. Throughout the 4th, 5th and 6th RHNA planning cycles, the City of Mission Viejo has dedicated staff and consultant resources in serving on SCAG and OCCOG technical committees to strengthen regional representation during RHNA methodology development. This includes city participation on OCCOG's Technical Advisory Committee, SCAG's Housing Working Group, SCAG's Technical Working Group, and

the Center for Demographic Research (CDR) Technical Advisory Committee. Further, during the 4th, 5th and 6th RHNA planning cycles, a City of Mission Viejo councilmember representing SCAG District 13 (cities of Mission Viejo, Laguna Hills, Laguna Woods, Lake Forest and Rancho Santa Margarita) served on SCAG's Community, Economic and Human Development (CEHD) policy committee as well as SCAG's governing board, the Regional Council, where recommendations and actions on RHNA-related policy and allocations were determined. Further, a City of Mission Viejo City Councilmember was also appointed to serve as Orange County's Primary Representative on SCAG's RHNA Subcommittee for the 6th RHNA planning cycle that discussed the methodology to allocate SCAG's regional housing need to each SCAG jurisdiction, as well as serving on SCAG's RHNA Appeals Committee for the 6th RHNA cycle to hear and decide on appeals filed by SCAG jurisdictions challenging their individual draft RHNA allocation.

For the 7th RHNA planning cycle that SCAG is kicking off in August 2026, the City of Mission Viejo will continue to have representation on OCCOG's Technical Advisory Committee and SCAG's Technical Working Group, and through December 2026, will have a member of the City of Mission Viejo City Council serving on SCAG's CEHD and Regional Council until said councilmember's term expires. City staff will continue to monitor the SCAG meeting discussions on the 7th cycle RHNA planning process, during SCAG's RHNA Subcommittee meetings and SCAG CEHD meetings. Two members of the City of Mission Viejo city council that serve on SCAG's Regional Council have also expressed commitment to monitor the SCAG RHNA Subcommittee meetings, which are accessible via Zoom technology.

Recommendation 12: The County of Orange and each city should designate a single technical representative, by September 30, 2026, along with an alternate, for all RHNA-related SCAG and OCCOG committees to ensure continuity of participation and eliminate gaps in representation across multiple decision-making bodies. (F4)

The City of Mission Viejo will implement this recommendation, as detailed in the response to Recommendation 11 discussed above.

Recommendation 14: By April 30, 2027, the County of Orange and each city should publish annual monitoring dashboards showing (a) entitlement pipeline conditions, (b) realistic site yield, (c) assembled funding sources for affordable units, and (d) conversion rates from planned capacity to issued permits and completed units, ensuring that County and city-determined capacity assumptions remain aligned with actual production. (F13)

As noted in the City's response to Recommendation 9 above, there are multiple reporting efforts already undertaken by different entities and agencies to capture housing related data. Any implementation of Recommendation 14 should first recognize and confirm existing efforts, to avoid duplication of effort.

For example, each jurisdiction in California must prepare a Housing Element Annual Progress Report (APR) on the jurisdiction's status and progress in implementing its housing element, and submit this Annual Progress Report to State HCD by April 1 of each year. This report includes data on each jurisdiction's progress towards its housing goals, including data on all housing development applications, entitlements, building permits, and completions. State HCD further publishes the annual housing data submitted by each California jurisdiction, and makes this data accessible and available through download, through a Statewide Housing Plan Dashboard on HCD's website.

Recommendation 15: By September 30, 2026, and ongoing, the County Board of Supervisors and all city councils should make a coordinated and sustained effort to educate their constituents about the RHNA process—its requirements, its impact on local planning and community character, and the role residents can play in shaping outcomes. Public education efforts should also include guidance on how community members can effectively engage with the California Legislature and advocate for more realistic, data-driven housing policies. (F1, F7)

The City of Mission Viejo agrees with and strongly supports this recommendation. City of Mission Viejo councilmembers serving on SCAG's CEHD policy committee, SCAG's Regional Council and SCAG's 6th cycle RHNA Subcommittee, provided briefings at city council meetings during the 6th cycle RHNA planning process to inform staff, fellow councilmembers, and the public on key RHNA and housing related matters. The City also posted on its housing website, a series of short, animated videos produced by OCCOG for the 6th RHNA planning cycle that explained aspects about housing and RHNA in simple, lay person terms. These videos were funded from State Regional Early Action Plan (REAP) grant funds. Should such REAP funding be made available by State HCD to SCAG and SCAG's subregions (such as OCCOG) for the 7th RHNA planning cycle, it is recommended that OCCOG pursue funding to update and expand these housing/RHNA videos for the 7th RHNA cycle. Doing so allows for a unified, Orange County message that each city can provide to its city council and city committees, its residents, its businesses and employees, and key stakeholders, including housing advocates, on the RHNA planning process.

Recommendation 16: By December 31, 2026, all cities should look to enhance their relationships with not-for-profit affordable housing developers to increase the opportunity to develop more affordable housing. (F8, F10, F12)

The City of Mission Viejo will implement this recommendation. The City has established relationships with nonprofit agencies as part of its implementation of the Housing Element, including specifically Policy P.3 of Goal HE 4 "to work with nonprofit organizations such as Families Forward and South County Outreach to encourage and help fund acquisition, ownership, and management of subsidized developments. In 2026, the City partnered with nonprofit organization WISEPlace to help said organization purchase two affordable housing units.

The City's Housing Element Implementation further directs staff to work with nonprofit groups related to: Program 1 for small-lot consolidation efforts, Program 5 for religious facility provisions in SB4, Program 9 for nonprofit agencies interested in purchasing or managing affordable units at risk of converting to market rate, and Program 19 related to homesharing.