

4. Housing Resources

4.1 Potential for Future Housing

State law requires that jurisdictions provide an adequate number of and properly zoned sites to facilitate the production of their regional share of housing. To determine whether a jurisdiction has sufficient land to accommodate its share of regional housing needs for all income groups, that jurisdiction must identify “adequate sites.” Under State law (California Government Code section 65583[c][1]), adequate sites are those with appropriate zoning designations and development regulations —with services and facilities—needed to facilitate and encourage the development of a variety of housing for all income levels. The land resources available for the development of housing in San Clemente are addressed here.

4.1.1 Regional Housing Needs Allocation (RHNA)

California General Plan law requires each city and county to have land zoned to accommodate its fair share of the regional housing need. HCD allocates a numeric regional housing goal to the Southern California Association of Governments (SCAG). SCAG is then mandated to distribute the housing goal among the cities and counties in the region. This share for the SCAG region is known as the Regional Housing Needs Allocation, or RHNA. The SCAG region encompasses six counties (Imperial, Los Angeles, Orange, Riverside, San Bernardino and Ventura) and 191 cities in an area covering more than 38,000 square miles. The major goal of the RHNA is to assure a fair distribution of housing among cities and counties within the SCAG region so that every community provides for a mix of housing for all economic segments. The housing allocation targets are not building requirements; rather, they are planning goals for each community to accommodate through appropriate planning policies and land use regulations. Allocation targets are intended to assure that adequate sites and zoning are made available to address anticipated housing demand during the planning period.

The current RHNA for the SCAG region covers a seven-year planning period (January 1, 2014 to October 1, 2021)⁹ and is divided into four income categories: very low, low, moderate, and above moderate. As determined by SCAG, the City of San Clemente’s allocation is 581 new housing units during this planning cycle, with the units divided among the four income categories as shown in [Table 51](#).

⁹ The Housing Element planning period differs from the RHNA planning period. The Housing Element covers the planning period of October 15, 2013 through October 15, 2021.

Table 51: RHNA 2014-2021

Income Group	Total Housing Units Allocated	Percentage of Units
Extremely/Very Low	134	23.1%
Low	95	16.4%
Moderate	108	18.6%
Above moderate	244	41.9%
Total	581	100.0%

Source: Southern California Association of Governments (SCAG).
 Note: The City has a RHNA allocation of 134 very low income units (inclusive of extremely low income units). Pursuant to new State law (AB 2634), the City must project the number of extremely low income housing needs based on Census income distribution or assume 50 percent of the very low income units as extremely low. According to the CHAS data developed by HUD using 2007-2011 ACS data, the City had 5,160 households with incomes at or below 50 percent AMI (2,555 extremely low and 2,605 very low income). Therefore, the City's RHNA of 134 very low income units may be split equally into 67 extremely low and 67 very low income units. However, for purposes of identifying adequate sites for the RHNA, State law does not mandate the separate accounting for the extremely low income category.

4.1.2 Progress towards the RHNA

Since the RHNA uses January 1, 2014 as the baseline for growth projections for the 2014-2021 planning period, jurisdictions may count toward the RHNA housing units developed, under construction, or approved since January 1, 2014. From January 1, 2014 to [August 2017](#), [387](#) housing units have been completed, under construction, or permitted in San Clemente ([Table 52](#)). Included in that total are two affordable housing projects. As previously shown in [Table 37](#) on page [35](#), Cotton's Point Senior Apartments, completed October 2014, consist of 76 rental housing units affordable to very low and low income seniors. One-third of these units have also been set aside for older residents with mental disabilities. This project was assisted with former City redevelopment housing set-aside funds and Mental Health Services Act (MHSA) funds, and the affordable units are deed restricted for 55 years as affordable housing as required by the former redevelopment law. Avenida Serra Apartments, completed October 2015, is a 19-unit below-market workforce housing rental community. This project was assisted with Low Income Housing Tax Credits (LIHTC) and State HCD Infrastructure Grants. Affordable units in this project are also deed restricted for 55 years for low income use. Accounting for the housing units constructed and under construction, and permits issued, the remaining RHNA need for the 2014-2021 planning period is [242](#) units.

Table 52: Credits Toward the RHNA

	Extremely/ Very Low Income (0-50% AMI)	Low Income (51-80% AMI)	Moderate Income (81-120% AMI)	Above Moderate Income (121%+ AMI)	Total
Project Completed, Under Construction, or Permitted					
Single Family Homes	--	--	--	237	237
Multi-Family Units					
Various	--	--	--	55	55
Cotton's Point Senior Apartments	54	21	1	0	76

Table 52: Credits Toward the RHNA

	Extremely/ Very Low Income (0-50% AMI)	Low Income (51-80% AMI)	Moderate Income (81-120% AMI)	Above Moderate Income (121%+ AMI)	Total
Avenida Serra Workforce Apartments	11	7	1	0	19
Total	65	28	2	292	387
<i>2014-2021 RHNA</i>	<i>134</i>	<i>95</i>	<i>108</i>	<i>244</i>	<i>581</i>
Remaining RHNA	69	67	106	---	242

Source: City of San Clemente, [2017](#)

4.1.3 Residential Land Inventory

State law requires that jurisdictions demonstrate in the Housing Element that the land inventory is adequate to accommodate that jurisdiction’s share of the region’s projected growth. After calculating the number of housing units constructed, under construction, permitted and approved in San Clemente since January 1, 2014, the City’s remaining RHNA target for 2014-2021 is [242](#) units ([Table 52](#)).

A. Residential Sites Inventory

(1) Rezoned and Upzoned Properties since 2008 Housing Element

A number of properties included in the inventory have recently gone through General Plan/Zoning amendments to allow for higher density residential development by the City. The parcel located at 101 North La Esperanza (Map ID 29 in [Figure 4](#)) is a vacant 2.18-acre site formerly zoned RML. The City rezoned the parcel in 2014 to RM, which increased the maximum allowable density from 10 units per acre to 24 units per acre. The second site is an underutilized six-acre parcel that is part of the Shorecliffs Golf Course (Map ID 33 in [Table 55](#)). The property includes a clubhouse, driving range, and parking lot and was formerly zoned CRC2. The City amended the General Plan in 2014 to redesignate this area to RH, which allows residential development up to 36 units per acre. An interim policy was also adopted to allow implementation of the RH development standards while the specific plan is being amended. The recent specific plan amendments amended the designation to RH and senior to be consistent with the General Plan. The prior designation only allowed for hotels and similar uses. Currently, the designation allows multifamily housing for seniors at a density of 36 units per acre. In 2015, as part of the General Plan amendment, the Land Use Plan redesignated several older and underutilized industrial and commercial areas for mixed use developments. An area (Site R) along Calle de Los Molinos was redesignated from Commercial to Mixed Use and upzoned from C3 to MU2, conditionally allowing mixed use development between 24 and 36 units per acre. Another area (Site S) was redesignated from Light Industrial to Light Industrial with a Mixed Use Overlay and upzoned from C3 and M2 to LI(MU), utilizing the MU1 development standards and therefore, conditionally allowing mixed use development between 24 and 36 units per acre.

(2) Characteristics of Underutilized Properties

One key underutilized parcel is the Shorecliffs Golf Course (Site Q) mentioned above. A developer has expressed interest in developing senior housing on the Shorecliffs site; however, no application has been submitted or project details provided.

Another underutilized parcel is a vacated gas station (Site P). Due to the Environmental Protection Agency's (EPA) increased regulations on Underground Storage Tanks (USTs), many old gas stations, particularly those for smaller gasoline companies, could no longer meet the federal standards for the USTs. As a result, many such gas stations have been vacated and redevelopment of these sites has become an infill development trend throughout the nation. Resources and technical guides are available to assist in the redevelopment of vacated gas stations. Specifically, both the federal and California EPA have established funding programs to assist in the cleanup. Given the limited vacant land available in San Clemente, the City views this vacated gas station as a potential site in the future.

This upzoned area along Calle de Los Molinos (Site R) is currently developed with low intensity and older commercial and light industrial uses, and a few residences. The Los Molinos area was the original industrial area of San Clemente. An area which was once the outskirts of town in the 1920s now finds itself at the center of it. With the additional of master planned community, Marblehead Coastal, and the revitalization of the adjacent North Beach are, Los Molinos is primed to redevelop. Most of the properties were developed in the 1950s and 60s with single story developments and have been minimally remodeled. The oldest building constructed in 1939 (78 years old). These buildings do not typically have the amenities and configurations for modern day uses. In addition the land value of the area, its close proximity to the beach and transit (approximately a mile away), have resulted in added interest for redevelopment. Businesses are relatively small independent operations. Redevelopment of these properties would not involve the strategic considerations of major chain businesses. Specifically, several of the vacant and underutilized parcels are owned by real estate investment companies. Recognizing the area's redevelopment potential, the City modified the zoning to Mixed Use to help incentivize residential development near a transit district and future entertainment district.

Buildings are primarily single-story structures with large surface parking areas. Of the 18 parcels included as Site R, seven has no building structures on site and are either vacant, or used as parking or salvage yards. The existing average FAR for Site R is 0.25, significantly less than the 1.5 allowable for a mixed use development for its MU2 designation. Site S is primarily occupied by warehouse and self-storage uses with the majority of the site being vacant. The existing average FAR at Site S is 0.03, compared to the 2.0 allowable for a mixed use development for is LI(MU) designation that utilizes the MU1 standards. Immediately adjacent to this upzoned area are medium to high density residential uses. The significant discrepancies between allowable FAR and existing improvements on site, the location as a transition area between visitor-serving businesses and residential neighborhoods, and the small-scale business operations, along with City General Plan policy direction, encourage the future transition of these sites into a mixed use neighborhood. The City will implement economic development and marketing strategies in the future to facilitate the redevelopment of this area.

Two underutilized parcels (Site H and Site I) are currently occupied by low intensity commercial uses and are immediately adjacent to vacant parcels, offering great potential for lot consolidation.

(3) Lot Consolidation Potential

Properties in the sites inventory are grouped into sites for potential lot consolidation because of their adjacency. As shown in [Table 54](#), many of these parcels have common ownership, enhancing the likelihood of lot consolidation.

(4) Residential Uses in Nonresidential Zones

San Clemente is a primarily built out community. However, the City recognizes that it must provide opportunities for new residential, commercial, and job-generating uses in targeted areas. Recognizing the success of the Affordable Housing Overlay in creating new residential units in nonresidential zones, the Centennial General Plan retains the existing mixed use designations and introduces a new mixed use overlay to expand opportunities for mixed use development. In recent years, as the City slowly recovers from the recession, the City is beginning to see an increased interest in residential development in the mixed use zones due to their proximity to services and transportation corridors. Most recently the City has approved a mixed use project with five condominium units. The two latest affordable housing projects have been developed in such areas also because of the preference of State and Federal funding programs to locate housing in transit-oriented areas.

The City anticipates increased residential and mixed use developments in the City's nonresidential zones (via the Affordable Housing Overlay) and in the mixed use zones for the following reasons:

- There is a general lack of vacant and underutilized land in the City.
- The General Plan incentivizes mixed use development by allowing higher FARs for mixed use than commercial projects.
 - MU1 – Commercial: 1.00 FAR; Mixed Use: 2.00 FAR
 - MU2 – Commercial: 0.50 FAR; Mixed Use: 1.50 FAR
 - MU3 – Commercial : 1.00 FAR; Mixed Use: 2.00 FAR
 - MU3.1 – Commercial : 1.00 FAR; Mixed Use: 2.00 FAR
 - MU3.2 – Commercial : 1.00 FAR; Mixed Use: 1.50 FAR
 - MU3.3 – Commercial : 1.00 FAR; Mixed Use: 2.00 FAR
- To encourage lot consolidation for mixed use development, the General Plan also allows an additional story for sites larger than 12,000 square feet in most mixed use zones.

(5) Estimating Development Potential

In estimating the capacity of the City's residential sites inventory, the potential number of units is based on 100 percent of allowable density. [Table 53](#) presents examples of completed projects, both market-rate and affordable projects. These projects demonstrate that the City's development standards are reasonable and that developers are able to achieve a range of densities to accommodate different housing types and designs. For market-rate housing, even a townhome project in the MU3 district was able to achieve over 95 percent of the maximum allowable density. All three of the recent affordable housing projects achieved actual development density of over 29 units per acre. Specifically, Cotton's Point was developed at almost 100 percent of the maximum allowable density, and Avenida Serra requested and was granted additional density bonus for being a 100 percent affordable project. Vintage Shores, a senior housing project funded with LIHTC, developed at a moderately high density at 29 units per acre, not utilizing any density bonus.

Based on the City's development standards and past experience, the City's inventory of vacant and underutilized land totals 19.92 acres and has the potential to yield 634 units. [Table 54](#) organizes the City's sites inventory based on potential for lot consolidation. As shown, consolidated parcels can achieve a project of at least 20 units. The City's most recent affordable housing project – Avenida Serra Apartments – is a 19-unit project, with 58 percent of the units being affordable to extremely low and very low income households, and the other 37 percent of the units being affordable to low income households.

B. Affordability and Density

Pursuant to AB 2348, the “default density” for most Orange County jurisdictions, including San Clemente, is 30 dwelling units per acre. The default density refers to the density at which lower income housing development is presumed to be feasible, although state law allows jurisdictions to propose alternative densities that are sufficient to facilitate affordable housing based on local experience and circumstances. Table B-1 in Appendix B provides a list of affordable housing projects in Orange County and north San Diego County that were constructed at densities below 24 units per acre, including two projects in the City of San Clemente. These projects demonstrate the feasibility of facilitating affordable housing for lower income households in San Clemente at a density between 20 and 24 units per acre. The City’s RH and MU zones allow residential development up to 36 units per acre, above the default density established by State law. Specifically, a minimum density of 24 units per acre is established for the RH and all MU zones, with the exception of MU3.2, which has a minimum density of ten units per acre. However, no MU3.2 properties are included in this sites inventory.

Furthermore, the City does not rely on the RM zoning to achieve its affordable housing goal. The majority of the City’s affordable housing units have been and will continue to be constructed utilizing the Affordable Housing (AH) Overlay designation. Within the AH Overlay, because of the 51 percent affordable units requirement for non-residentially zoned properties, all such projects would qualify for a density bonus of 35 percent, raising the effective density to 32.4 units per acre for NC2 and NC3 properties, and to 48.6 units per acre for all MU properties.

Senior housing in mixed use and nonresidential zones can automatically have a maximum density of 45 units per acre plus the state density bonus. For mixed use projects, the applicants may request an increase in the FAR as part of the Site Plan Permit process. One-hundred percent affordable housing projects can also request additional density bonus above State law as part of the incentives offered by the City.

Table 53: Housing Projects and Achieved Densities

Project Address (Zoning)	Total Units	Project Type	Total Buildable Lot Size (acres)	DU/AC Allowed in Zone	Density Bonus per 17.24.070	DU/AC Allowed with Bonus	Maximum Units on Site with Bonus	Project Density	Percent of Maximum Achieved
412 Arenoso Lane (RH)	23	Market-Rate Townhome	1.58	36.0	---	---	57	14.56	40.44%
253 Marquita (RM)	6	Market-Rate Townhome	0.39	24.0	---	---	9	15.38	64.10%
1520 N. El Camino Real (MU3)	16	Market-Rate Townhome	0.46	36.0 ²	---	---	17	34.78	96.62%
Vintage Shores Apartments (NC3)	122	Affordable Senior Housing	4.20	45.0 ³	20%	54.0	227	29.04	53.79%
Cotton's Point Senior Apartments (NC3)	76	Affordable Senior Housing	1.45	45.0 ³	20%	54.0	78	52.40	97.06%
Avenida Serra Workforce Apartments (MU3-A)	19	Affordable Housing	0.37	36.0 ²	35%	48.6	18	51.35 ⁴	105.67%

Notes:

1. Project may have qualified for additional density bonus per subsection 4.(b)(iv) of 17.24.070.C
2. Based on one unit/1200sf of lot area allowed in MU zones
3. NC3 qualifies for 24 DU/AC for affordable housing per 1756.090.D; Senior housing projects in commercial zones are allowed a higher density at 45 DU/AC per 17.28.270
4. Project qualifies for additional density bonus per subsection 4.(b)(iv) of 17.24.070.C. Per staff report: "A total density bonus of 113 percent (35 percent bonus allowed by right, plus an additional 78 percent density bonus) was granted for the affordable housing project."

Table 54: Residential Sites Inventory

Site #	Map ID	APN	Property Address	Acres	GP	Zone	Allowable Density	Potential Units	Year Built/ Existing Use	-AH Overlay	From Previous HE	Common Owners	Redevelopment Potential
A	1	692-152-23	1010 S. El Camino Real	0.30	NC	NC2	32.4	10	Vacant	✓	✓		
B	2	692-131-06	near 1201 S. El Camino Real	0.42	NC	NC2	32.4	14	Vacant	✓	✓		
C	3	692-171-18	1430 S. El Camino Real	0.22	NC	NC2	32.4	7	Vacant	✓	✓	Owner A	
	4	692-171-19	1430 S. El Camino Real	0.22	NC	NC2	32.4	7	Vacant	✓	✓	Owner A	
D	5	690-422-03	near 2201 S. El Camino Real	0.10	NC	NC3	32.4	3	Vacant	✓	✓	Owner B	
	6	690-422-04	near 2201 S. El Camino Real	0.10	NC	NC3	32.4	3	Vacant	✓	✓	Owner B	
E	7	692-362-08	1400 N. El Camino Real	0.11	NC	NC2	32.4	4	Vacant	✓			
F	8	060-071-25	near 2801 S. El Camino Real	0.37	MU	MU5.1	48.6	18	Vacant	✓	✓		
G	9	692-395-27	902 N. El Camino Real	0.27	NC	NC2	32.4	9	Vacant	✓	✓		
H	10	692-381-25	1300 block N. El Camino Real	0.09	RM	RM	24.0	2	Vacant	✓	✓	Owner C	
	11	692-381-26	1300 block N. El Camino Real	0.09	RM	RM	24.0	2	Vacant	✓	✓	Owner C	
	12	692-381-27	1300 block N. El Camino Real	0.09	RM	RM	24.0	2	Vacant	✓	✓	Owner C	
	13	692-381-28	1300 block N. El Camino Real	0.10	RM	RM	24.0	2	Vacant	✓	✓	Owner C	
	14	692-381-29	1300 block N. El Camino Real	0.10	RM	RM	24.0	2	Vacant	✓	✓	Owner C	
	15	692-381-30	1300 block N. El Camino Real	0.10	RM	RM	24.0	2	Vacant	✓	✓	Owner D	
	31	692-381-31	1200 block N. El Camino Real	0.09	NC	NC2	32.4	3	Built in 1954 - Small single-story building used as an	✓	✓	Owner D	The current use is a dilapidated commercial building, and appears to

Table 54: Residential Sites Inventory

Site #	Map ID	APN	Property Address	Acres	GP	Zone	Allowable Density	Potential Units	Year Built/ Existing Use	-AH Overlay	From Previous HE	Common Owners	Redevelopment Potential
									insurance company office, with 75% of lot unimproved; adjacent to six vacant parcels				currently be operating as residence. The current property owner purchased the building in 1998 for less than \$500,000 for both properties and has done little to no improvements. The properties are significantly underutilized and could be developed with up to 5 units. If the lots combined with the other five adjacent vacant lots the sites could developed up to 18 units.
I	16	692-394-06	100 W. El Portal	0.09	NC	NC2	32.4	3	Vacant	✓	✓	Owner E	
	17	692-394-07	100 W. El Portal	0.09	NC	NC2	32.4	3	Vacant	✓	✓	Owner E	
	32	692-394-17	101 W. El Portal	0.65	NC	NC2	32.4	21	Built in 1957 - Low intensity strip shopping with large parking lot; adjacent to two vacant parcels. Uses include a smaller market (Ranch Market, a flower and party supply store.	✓	✓		The property owner of this site has approached the City about development of an affordable housing development while maintaining the on-site market. The owner has owned the site for a number of years.
J	18	690-445-02 690-445-03	1502 S. El Camino Real	0.15	NC	NC2	32.4	3	Vacant	✓		Owner F	
K	19	060-041-02 060-041-03	2400 S. El Camino Real	0.15	NC	NC3	32.4	3	Vacant	✓			
L	20	692-394-02	----	0.62	NC	NC2	32.4	20	Vacant	✓			
M	21	692-121-14	1631 Calle Las Bolas	0.15	RH	RH	36.0	5	Vacant		✓	Owner G	
	22	692-121-15	1629 Calle Las Bolas	0.15	RH	RH	36.0	5	Vacant		✓	Owner H	

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Site #	Map ID	APN	Property Address	Acres	GP	Zone	Allowable Density	Potential Units	Year Built/ Existing Use	-AH Overlay	From Previous HE	Common Owners	Redevelopment Potential
	23	692-121-16	1603 Calle Colina	0.12	RH	RH	36.0	4	Vacant		✓	Owner H	
	24	692-121-17	1601 Calle Colina	0.14	RH	RH	36.0	5	Vacant		✓	Owner H	
	25	692-121-13	1633 Calle Las Bolas	0.15	RH	RH	36.0	5	Vacant		✓	Owner G	
N	26	057-151-26	111 La Ronda	0.17	RM	RM	24.0	4	Vacant		✓		
	27	057-151-04	115 La Ronda	0.15	RM	RM	24.0	3	Vacant		✓		
	28	057-151-05	119 La Ronda	0.16	RM	RM	24.0	3	Vacant		✓		
O	29	690-013-01	101 North La Esperanza	2.18	RM	RM	24.0	30	Vacant	✓			Multiple easements on site that may present some challenges for development.
P	30	692-173-04	1502 S. El Camino Real	0.25	MU	MU3	48.6	12	Vacated gas station	✓			The gas/service station has been vacated for several years. Environmental concerns were noted as a potential barrier by previous developers and the property owner has since remediated the environmental issues. With this impediment resolved the property can be redeveloped without impediment.
Q	33	691-231-06	Shorecliffs Golf Course	6.00	RH	RH	36.0	216	Underutilized golf course with potential senior housing development		✓		Previously zoned for a hotel, the parcel is now zoned for Residential High. The property owners have expressed desire to develop a senior residential use on the site to replace the aged golf club. As of September 2017, no application has been submitted at this time.

Table 54: Residential Sites Inventory

Site #	Map ID	APN	Property Address	Acres	GP	Zone	Allowable Density	Potential Units	Year Built/ Existing Use	-AH Overlay	From Previous HE	Common Owners	Redevelopment Potential
R	34	057-182-21	105 Calle De Los Molinos	0.14	MU	MU2(CZ)	36.0	5	Built in 1951 - Single story business, currently being used as a baseball equipment store		Upzoned		This small single story building is a baseball equipment store with a batting cage facility in the back. The building (constructed in 1951) has had minor modifications. Due to its small on-site development (849 square feet) and increase in property value since time of purchase, the project has great potential to be redeveloped.
	35	057-182-52	109 Calle De Los Molinos	0.26	MU	MU2(CZ)	36.0	9	Built in 1958 - Currently 2 units on site, being used a furniture store, has been remodeled in the last 10 years		Upzoned	Owner I	This is a large parcel measuring over 12,000 square feet. The property was developed in 1958 and has two buildings located on-site; a one story and a two-story building, totaling 7,287 square feet. The buildings currently house a furniture and mattress store. This parcel could accommodate up to 9 units. The adjacent parcel located at 111 Calle De Los Molinos is owned by the same property owner. If the two parcels were merged the development could provide 12 residential units.
	36	057-170-22	110 Calle De Los Molinos	0.11	MU	MU2(CZ)	36.0	4	Vacant		Upzoned	Owner J	
	37	057-182-18	111 Calle De Los Molinos	0.11	MU	MU2(CZ)	36.0	3	Built in 1958 - Second hand store		Upzoned	Owner I	The parcel is currently developed with a 1,960

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Site #	Map ID	APN	Property Address	Acres	GP	Zone	Allowable Density	Potential Units	Year Built/ Existing Use	-AH Overlay	From Previous HE	Common Owners	Redevelopment Potential
													square foot-single story commercial building that houses a second hand store. The building has had minimal improvements since its construction in 1958. Individually the parcel could provide 3 residential units, but this property owner also owns the adjacent parcel and the two parcels combined could support 12 units.
38		057-170-21	112 Calle De Los Molinos	0.10	MU	MU2(CZ)	36.0	3	Built in 1951 - Small 2 story house being used as an office		Upzoned		See description of area under Subsection 4.1.3 A(2)
39		057-170-20	114 Calle De Los Molinos	0.11	MU	MU2(CZ)	36.0	4	Built in 1977 - Auto repairs and paint shop		Upzoned		See description of area under Subsection 4.1.3 A(2)
40		057-182-19	115 Calle De Los Molinos	0.15	MU	MU2(CZ)	36.0	5	Built in 1948 - Single story residence		Upzoned	Owner J	This 840 square-foot single story residence was constructed in 1948 and has had minimal improvements. As a single family home in a commercial and mixed use area it is anticipated that this property will redevelop in the near future. In addition the same property owner also owns three adjacent parcels. If all four of these parcels were to be developed they could develop 14 residential units.
41		057-170-64	116 Calle De Los Molinos	0.22	MU	MU2(CZ)	36.0	7	Built in 1976 - Sheet metal business		Upzoned	Owner K	This large parcel was purchased in 2003 for

Table 54: Residential Sites Inventory

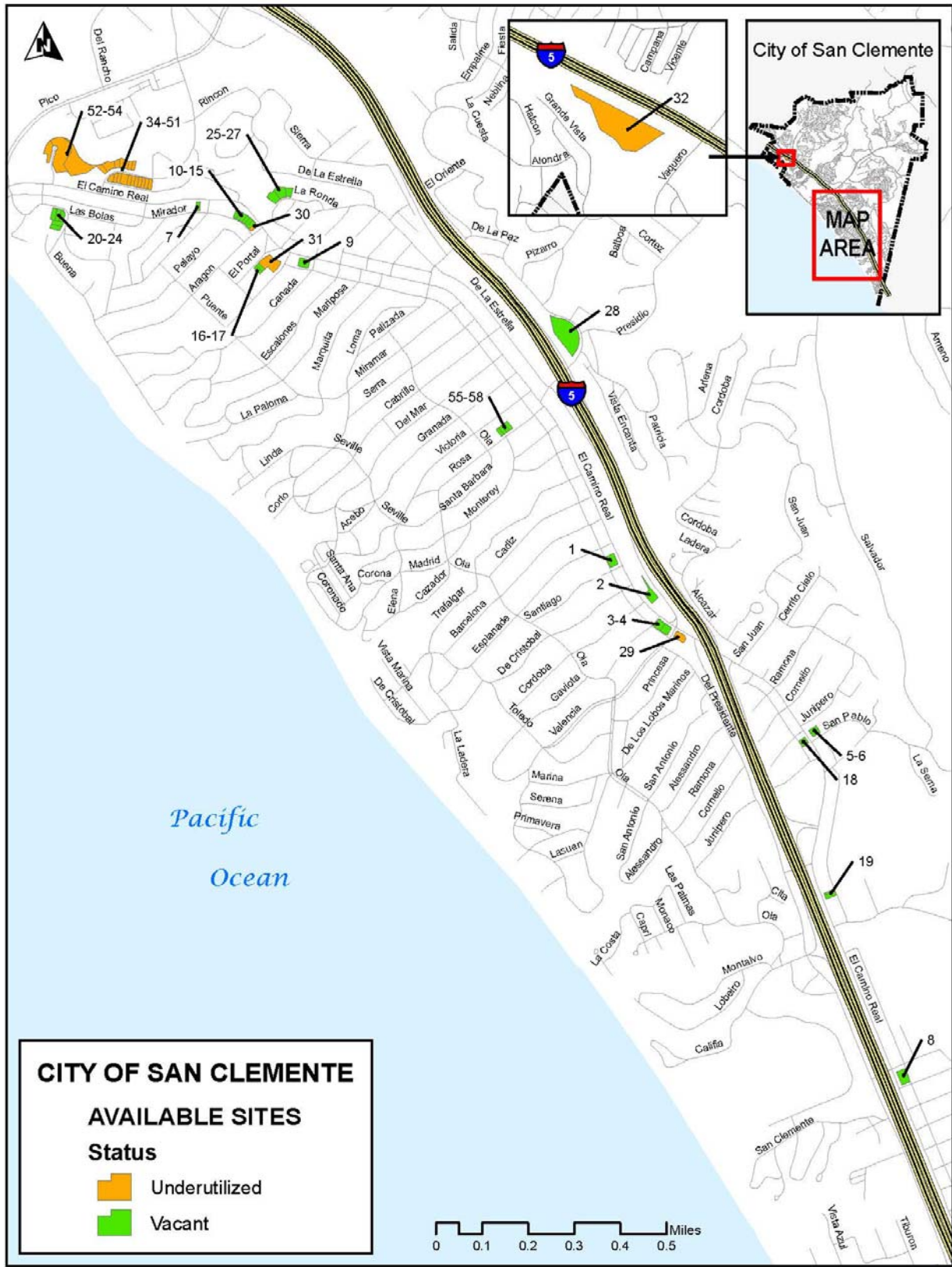
Site #	Map ID	APN	Property Address	Acres	GP	Zone	Allowable Density	Potential Units	Year Built/ Existing Use	-AH Overlay	From Previous HE	Common Owners	Redevelopment Potential
													\$80,000. It currently has a single story commercial building that is 5,760 square feet which was constructed in 1976. This lot can develop 7 residential units.
42		057-182-10	117 Calle De Los Molinos	0.08	MU	MU2(CZ)	36.0	3	Built in 1939 - Used to be a surfing and appliance repair shop, but has closed and is now a drivers' education school.		Upzoned	Owner J	Same as 115 Los Molinos
43		057-182-11	119 Calle De Los Molinos	0.09	MU	MU2(CZ)	36.0	3	Built in 1965 - No building on site, parking/salvage		Upzoned	Owner J	Same as 115 Los Molinos
44		057-182-12	119 Calle De Los Molinos	0.10	MU	MU2(CZ)	36.0	3	Built in 1965 - No building on site, parking/salvage		Upzoned	Owner J	Same as 115 Los Molinos
45		057-170-17	120 Calle De Los Molinos	0.11	MU	MU2(CZ)	36.0	4	Built in 1964 - T-shirts store		Upzoned	Owner K	See description of area under Subsection 4.1.3 A(2)
46		057-170-16	122 Calle De Los Molinos	0.11	MU	MU2(CZ)	36.0	4	Built in 1962 - Currently an office building		Upzoned		See description of area under Subsection 4.1.3 A(2)
47		057-170-15	124 Calle De Los Molinos	0.11	MU	MU2(CZ)	36.0	4	Built in 1956 - Furniture repairs.		Upzoned		See description of area under Subsection 4.1.3 A(2)
48		057-170-14	126 Calle De Los Molinos	0.11	MU	MU2(CZ)	36.0	4	Built in 1968 - Parking lot		Upzoned	Owner L	120-126 Calle de Los Molinos are 4 parcels developed as a parking lot in 1968. The parcels have a single owner and total approximately 19,944 square feet. If the parcels were developed with residential they could develop up to 14 dwelling units.

Table 54: Residential Sites Inventory

Site #	Map ID	APN	Property Address	Acres	GP	Zone	Allowable Density	Potential Units	Year Built/ Existing Use	-AH Overlay	From Previous HE	Common Owners	Redevelopment Potential
	49	057-170-13	124 Calle De Los Molinos	0.11	MU	MU2(CZ)	36.0	4	Built in 1968 - Parking lot		Upzoned	Owner L	See above
	50	057-170-12	122 Calle De Los Molinos	0.11	MU	MU2(CZ)	36.0	4	Built in 1963 - Parking lot		Upzoned	Owner L	See above
	51	057-170-11	120 Calle De Los Molinos	0.12	MU	MU2(CZ)	36.0	4	Built in 1963 - Parking lot		Upzoned	Owner L	See above
S	52	057-191-57	1607 Calle Lago	0.34	LI	LI(MU)	36.0	12	Built in 1977 - Hair salon		Upzoned		See description of area under Subsection 4.1.3 A(2). In addition these larger parcels also have great potential for redevelopment due to the number of residential units that could be developed. For each acre 36 units could be developed by right. These three parcels alone could produce more than 100 units.
	53	057-191-59	108 Calle Lago	1.46	LI	LI(MU)	36.0	53	Built in 1997 - Warehouse		Upzoned		See above
	54	691-433-03	1623 N El Camino Real	1.35	LI	LI(MU)	36.0	49	Built in 1975 - Self Storage		Upzoned		See above
I	55	058-091-16	100 Avenida Rosa	0.09	RM	RM	24.0	2	Vacant			Owner M	These are contiguous parcels
	56	058-091-15	100 Avenida Rosa	0.09	RM	RM	24.0	2	Vacant			Owner M	
	57	058-091-14	100 Avenida Rosa	0.10	RM	RM	24.0	2	Vacant				
	58	058-091-43	130 Avenida Rosa	0.09	RM	RM	24.0	2	Vacant				
		Total		19.92				634					

Source: City of San Clemente, 2017.

Figure 4: Residential Sites Inventory



C. Affordable Housing Overlay

The majority of parcels identified in the residential sites inventory are within this Affordable Housing (AH) Overlay. San Clemente is a nearly “built-out” city with very limited remaining vacant land. Nearly all vacant residential sites in the City are small, infill parcels located west of Interstate 5 ([Figure 4](#)). To assist in the development of affordable housing, the City established the AH Overlay which allows for mixed income housing to be built in NC2, NC3, MU 3, and MU 5.1 zoned properties along El Camino Real, the main intra-city transportation corridor. Overall, the AH Overlay covers 21.2 acres and 243 parcels (excluding the residentially designated parcels that also allow for affordable housing development). The sites inventory in this Housing Element includes only a sample of properties within the Overlay. Additional opportunities may be available in the Overlay.

In order to develop housing in these districts, 51 percent of the units must be affordable to households earning up to 50 percent of median income. The residential development must have a minimum density of 24 units per acre. Because of the 51 percent affordable housing requirement within the Overlay, the allowable density can effectively be increased to up to 32.4 units per acre for NC2 and NC3 properties and to 48.6 units per acre for the MU properties.

Several of the City’s affordable housing projects are located within the AH Overlay – Vintage Shores Senior Apartments (NC3), Cotton’s Point Senior Apartments (NC3), and Avenida Serra Workforce Apartments (MU3) – demonstrating the financial feasibility and development potential of locating affordable housing in the Overlay. These three projects achieved an average density of 36 units per acre.

Currently, other housing projects in the Overlay are in the pipeline. A developer is proposing a 15-unit affordable housing project on a parcel zoned NC1.2. Another developer is proposing a senior housing project property on the Shorecliffs Golf Course. The 19-unit Avenida Serra project and this new pipeline project of 15 units also demonstrate that relatively small affordable housing projects are feasible in the City’s AH Overlay.

4.1.4 Adequacy of Sites to Meet the RHNA

A. 2014-2021 RHNA

For the fifth cycle Housing Element, the City has a remaining RHNA of [242](#) units. The site inventory has identified capacity for [634](#) units; at least 574 units are on sites suitable for the development of lower income housing. Specifically, up to 240 units can be accommodated on high-density residential properties that allow up to 36 units per acre (RH zone), almost double the City’s remaining RHNA for lower income units. Another 113 units can be accommodated on NC properties within AH Overlay at an effective density of 32.4 units per acre. MU and MU Overlay properties can accommodate 30 units at 48.6 units per acre within the AH Overlay and 191 units at 36 units per acre outside the AH Overlay. The RM zone has vacant properties that can accommodate another [60](#) units. The MU and MU Overlay designations allow for nonresidential development. However, an estimated 221 units can be accommodated on these properties, representing 60 percent above the remaining RHNA for lower income units.

Overall, the City has the ability to adequately accommodate the remaining RHNA of [242](#) units. [Table 55](#) summarizes the RHNA status.

Table 55: Comparison of Sites Inventory and RHNA

Unit Capacity	Affordability Level Based on Density				Total
	Extremely/ Very Low	Low	Moderate	Above Moderate	
Vacant Sites					
RM (24 du/ac)	---		60	---	60
NC2/NC3 (32.4 du/ac) – AH Overlay	89		---	---	89
RH (36 du/ac)	24		---	---	24
MU (48.6 du/ac) – AH Overlay	18		---	---	18
Underutilized Sites					
NC2/NC3 (32.4 du/ac) – AH Overlay	24		---	---	24
RH (36 du/ac)	216		---	---	216
MU/LI(MU) (36 du/ac)	191		---	---	191
MU (48.6 du/ac) – AH Overlay	12		---	---	12
Total	574		60	0	634
<i>Remaining 2014 RHNA (after credits)</i>	<i>69</i>	<i>67</i>	<i>106</i>	<i>---</i>	<i>242</i>
Redistributed Surplus/Shortfall (+/-)	+438		-46	---	+392

B. Adequate Sites Commitment from Prior Housing Element

AB 1233 amended the State Housing Element law to promote the effective and timely implementation of local housing elements. If a jurisdiction fails to implement programs in its Housing Element to identify adequate sites or fails to adopt an adequate Housing Element, this bill requires local governments to zone or rezone adequate sites by the first year of the new planning period. The rezoning of sites is intended to address any portion of the Regional Housing Needs Allocation (RHNA) that was not met because the jurisdiction failed to identify or make available adequate sites in the previous planning period.

(1) Applicability

For the 2008-2014 Housing Element, the City of San Clemente had a RHNA of 584 units, with the following income distribution:

- Very Low Income: 126 units
- Low Income: 103 units
- Moderate Income: 116 units
- Above Moderate Income: 239 units

This RHNA began on January 1, 2006. The City of San Clemente’s 2008-2014 Housing Element outlines the following strategy for meeting its RHNA of 584 units for the planning period:

- **Units Built:** Between January 1, 2006 and July 5, 2011, the City developed a total of 532 housing units, nearly all of which were market-rate units. Three of these housing units, however, were affordable to lower income households.
- **Units Approved:** At the time the City’s Housing Element was adopted in July 2011, an additional 468 housing units had been approved. Two of these units were affordable to lower income households.

- **Vacant Land:** The City was able to identify sufficient vacant residential land to accommodate the development of 261 lower income housing units.

The strategy described above left the City of San Clemente with a RHNA shortfall of 116 moderate income units. To accommodate this shortfall, the City proposed the rezoning of five potential sites. Specifically in the 2008-2014 Housing Element, five properties, totaling 25.4 acres, were selected as candidate sites for rezoning to RM, RM-AH, NC2-AH, or Institutional-AH. The rezoning of these sites would give the City the potential to accommodate an additional 551 lower income units, adequate for meeting the City’s RHNA shortfall of 116 moderate-income housing units (Table 56).

Table 56: Candidate Sites for Rezoning

APN	Address	Acres	Current Zoning	Current GP Designation	Proposed GP/Zoning Changes		GP/Zoning Amended	
					Zone (du/ac)	Potential Units	Zone (du/ac)	Potential Units
690-013-01	101 North La Esperanza	2.18	RML	RML	RM-AH (24.0)	30	RM-AH (24.0)	30
692-351-02	Pico Plaza	0.60	WPCSP*	WPCSP*	NC2-AH (20.0)	12	---	---
692-351-09		7.60	WPCSP*	WPCSP*	NC2-AH (20.0)	152	---	---
692-351-10		0.40	WPCSP*	WPCSP*	NC2-AH (20.0)	8	---	---
690-012-01	City Hall	2.80	CVC	CVC	RM-AH (24.0)	67	---	---
690-012-02		1.70	CVC	CVC	RM-AH (24.0)	40	---	---
691-231-06	Shorecliffs Golf Course	6.00	CRC2	Forster Ranch SP	RM (24.0)	144	RH (36.0)	216
679-021-05	2651 Calle Frontera	4.10	I	Industrial	I-AH (24.0)	98	---	---
Total		25.38				551		246

* West Pico Corridor Specific Plan

(2) Conclusion

Since 2011, the City has successfully completed General Plan/Zoning changes to two of the five sites identified in [Table 56](#)—the 2.18-acre parcel on North La Esperanza and the six-acre Shorecliffs Golf Course site. The North La Esperanza site has been rezoned to RH at 24 units per acre, providing a capacity for 30 to 52 units. As a conservative estimate, the lower capacity of 30 units is used in this Housing Element. The General Plan was amended to change the designation of the Shorecliffs Golf Course site to RH as part of the Forster Ranch Specific Plan, allowing a density of 36 units per acre with a potential for 216 units. An interim policy was adopted, allowing the implementation of the RH development standards on this property while the specific plan is being amended. The General Plan and zoning amendments made to these two properties provided the City with an additional capacity of 246 lower income housing units, sufficient to meet the RHNA shortfall of 116 moderate income units. Therefore, the City of San Clemente did not incur any penalty under AB 1233 to be carried forward to the fifth cycle Housing Element.

4.1.5 Availability of Infrastructure and Services

The City is an urbanized community and the sites inventory includes only properties that are along the City's transportation corridors and infill sites where existing infrastructure and facilities are available. The City's Water and Sewer Utilities Division has confirmed its ability to provide potable water and sanitary sewer service to accommodate the City's remaining RHNA during this planning period. Due to extensive water conservation and the expansion of the City's recycled water system, there is additional capacity in the City's water and sewer systems to accommodate the residential growth.

4.2 Financial Resources

The provision of affordable housing to low and moderate income households, especially those with extremely low incomes, requires significant financial investment. Below is a summary of funding sources available to the City for new construction, acquisition and/or rehabilitation, and preservation of housing, as well as providing housing assistance and supportive services.

4.2.1 Inclusionary Housing In-Lieu Fund

San Clemente adopted an Inclusionary Housing Program (IHP) in 1980 to expand affordable housing options in San Clemente. The IHP requires developers of six or more units to provide a portion of their development to be designated and made available as affordable rental housing on-site, off-site, or through the payment of an in-lieu fee. The City collects an in-lieu fee for projects unable to provide on-site affordable units. The fee is based on the gap between the market rate units and the amount needed to subsidize units at 50 percent of median household income. In the past, the City has used in-lieu funds to assist non-profit developers (such as Mary Erickson Community Housing and Jamboree Housing) by providing grants to purchase existing housing or to finance the construction of new affordable housing. As of [August 2017](#), approximately [\\$1,013,191](#) was available in the in-lieu fund.

4.2.2 Community Development Block Grant (CDBG) funds

The City of San Clemente is an entitlement jurisdiction, eligible to receive CDBG grants directly from the U.S. Department of Housing and Urban Development (HUD) on an annual basis. Through the CDBG program, HUD provides funds to local governments for a range of housing and community development activities. The City of San Clemente uses federally entitled grant funds to support a wide range of services and programs that benefit the community's lower and moderate-income households. CDBG funds may be used for housing purposes in the acquisition of land and in the funding of rehabilitation and preservation programs. The City of San Clemente receives approximately \$300,000 annually in CDBG funds.

4.2.3 Public Financing

The State Housing and Community Development Agency, and HUD, offer construction, rehabilitation, and permanent financing as low as three percent to qualified applicants such as housing authorities or private not-for-profit developers. These funds are competed for based on participation of other funding sources and local need.

4.3 Partnership Resources

The City collaborates with various nonprofit housing developers to provide affordable housing for lower and moderate income households and households with special needs through new construction, acquisition/rehabilitation, and preservation of at-risk affordable housing. The following agencies have the capacity and experience to develop and manage affordable housing in San Clemente:

- **Mary Erickson Housing Community Housing (MECH):** The mission of Mary Erickson Community Housing is to promote the well-being of working families by preserving and increasing the supply of affordable housing. In 1994, MECH acquired its first apartment project in central San Clemente—a blighted eight-unit property. MECH currently operates four affordable apartment communities in San Clemente.
- **Jamboree Housing:** Jamboree was founded in 1990 to expand housing opportunities for low-income families and seniors. Jamboree developed the 186-unit Mendocino at Talega in San Clemente in 2003.
- **National CORE:** National CORE was founded over 20 years ago and manages affordable housing properties in California, Texas, Arkansas, and Florida. The organization also created the Hope Through Housing Foundation in order to provide high-quality supportive services for their over 27,000 residents.
- **Meta Housing:** Meta Housing was founded in 1993 and has since developed over 6,000 multi-family residential units in Southern California. In 2014, Meta completed their 50th affordable housing community—San Clemente’s Cotton’s Point Senior Apartments.