4. HOUSING RESOURCES

This section presents the various resources available for the development, rehabilitation, and preservation of housing in Brea. This includes the availability of land resources to accommodate future growth needs; financial resources available to support housing in the community; administrative resources available to assist in implementing Brea's housing programs; and resources for energy conservation.

A. AVAILABILITY OF SITES FOR HOUSING

SCAG has determined the projected housing need for its region for the 2008-2014 Housing Element cycle, and has allocated this housing need to each jurisdiction by income category. This Regional Housing Needs Assessment (RHNA) represents the minimum number of housing units each community is required to plan for by providing "adequate sites" through the general plan and zoning. An important component of the Housing Element is the identification of adequate sites for future housing development, and evaluation of the adequacy of these sites in fulfilling the City's share of regional housing needs (RHNA). Brea has a RHNA allocation of 2,048 units distributed among the following income groups: 441 very low income; 356 low income; 404 moderate income; and 847 above moderate income units.

The City plans to fulfill its share of regional housing needs using a combination of the following methods:

- Vacant and underdeveloped residential sites;
- Focused development sites within mixed-use areas;
- Residential projects with development entitlements;
- Existing market rate units that will be units provided at affordable levels with the City's committed assistance; and
- Residential permits issued during the RHNA "gap period" (January 2006 – December 2007).

In aggregate, the City's residential sites capacity from the above sources provides for 4,051 additional units, including sites suitable for development of 1,518 lower income, 282 moderate income and 2,251 above moderate income units, reviewed in detail in the following narrative. Parcel specific site inventories and maps are included in Appendix B to the Element.

1. Vacant/Underutilized Residential Sites

Brea's incorporated city limits encompass nearly ten square miles, totaling over 6,100 acres. Approximately one-fifth of the City's acreage is comprised of hillsides and open space, much of which has historically been used for oil production. Brea's 2003 General Plan established a Hillside Residential land use designation to provide for limited development within the privately-owned hillside areas of the City, as well as the 1,600 acres of hillsides within Brea's sphere of influence. Properties designated Hillside Residential are subject to the City's Hillside Management Ordinance, with permitted densities based upon average slope calculations, protection of environmental resources, and conformance with performance criteria.

As illustrated in Table HE-38, Carbon Canyon in Brea's eastern foothills contains over 700 vacant acres of Hillside Residential (excluding the 398 acre Canyon Crest project currently undergoing entitlements). Analysis of the parcelization and ownership of this hillside acreage results in an estimated development potential for 206 new single-family units. Any projects with more than 10 units would be subject to Brea's 10 percent inclusionary requirement, resulting in 16 units required to be provided at levels affordable to moderate income homebuyers.

In addition to Carbon Canyon, Brea contains 141 vacant acres designated Hillside Residential at the southwest corner of Valencia and Lambert adjacent to Olinda Ranch. This acreage could support 55 units, at an average density of one unit per 2.5 acres.

Two primary areas of vacant Low Density (R-1) Residential remain in Brea: 94 acres west of Valencia at Lambert, immediately west of Olinda Ranch; and 5 acres in northwestern Brea on a site occupied by an oil pipeline station currently undergoing closure. These Low Density sites can yield 395 units, including 39 moderate income units.

Table HE-38
Vacant and Underutilized Residential Sites

Land Use District	Realistic Residential Density (du/ac)	Acreage	Total Dwelling Units	Moderate Income (Inclusionary) Units
Hillside (HR) – Carbon Canyon	Varies based on slope	738	206	16
Hillside (HR) – Valencia/Lambert	1 du/2.5 acres	141	55	5
Low Density (R-1)	4 du/acre	99	395	39
High Density (R-3)	20 du/acre	1.1	22	11
Total		979	678	71

Source: Vacant Land Survey, Development Services Department, City of Brea, 2007

Brea contains two adjacent underutilized high density (R-3) parcels currently developed as a non-conforming, stone manufacturing facility surrounded by residential uses. The Redevelopment Agency is in the process of purchasing these sites for development with 22 units of higher density housing within walking distance of Downtown Brea.

2. Mixed Use Sites

In addition to providing for sensitive development within the City's hillsides, another key tenet of Brea's new General Plan is the establishment of mixed-use districts in the City's older, more centrally located districts. Downtown Brea and the Birch Street Corridor are designated MU-I, providing for residential densities of up to 50 units/acre. Mixed Use II provides for up to 40 units/acre and applies to the former Unocal Research property and similar larger properties that would benefit from an integrated approach to development; the 260 unit Olen Pointe Apartments is an example of 40 unit/acre residential being integrated within an exiting office complex in the MU-II district. The MU-III designation is designed to facilitate the revitalization of deteriorated commercial corridors, such as South Brea Boulevard and portions of Imperial Highway, by allowing the integration of residential uses at densities up to 18 units/acre. The award winning South Brea Lofts, which provides 47 live/work townhomes, was recently developed in MU-III.

South Brea Lofts

The City's vision for development within the three mixed use districts, as articulated in the General Plan, is predominately residential in focus to help realize Brea's goals for workforce housing. Within the highest density MU I district, affordable and mixed-income rental housing is emphasized, as exemplified by the Birch Street Lofts which provides 62 rental units, including 33 affordable units, at a density of 41 units per acre. All mixed use districts permit residential densities exclusive of commercial uses, which are separately regulated through floor area ratios (FAR). A description of Brea's vision for the future pattern of development within each of the three mixed use districts is presented in Appendix B to the Element.

While the General Plan designates a significant amount of land for mixed use (58 acres MU-I; 119 acres MU-II; 25 acres MU-III), for purposes of the 2008-2014 Housing Element, a two-tiered approach has been utilized to assess those mixed-use parcels most suitable for development during this six year planning period. First, City staff developed an inventory of mixed use parcels that were either vacant or developed with an existing building greater than 30 years in age, and thereby more likely to be redeveloped. As indicated in Table HE-39, this reduces the developable acreage to 43.6 acres in MU-I and 17 acres in MU-III.[8]

Focused Development Site

As a second refinement, the City identified "Focused Development Sites" from groupings of contiguous parcels which met one or more of the following criteria: development sites are anchored by Agency-owned or vacant parcels; sites include a high ratio of surface parking lots; City is aware of development interest on the site; a single parcel is of significant size (> 1 acre); and/or existing uses are particularly underutilized and marginal. As presented in Table HE-39, this second tier of refinements yields 34.5 acres of MU-I and 9 acres of MU-III.

In terms of estimating the residential development capacity on these Focused Development Sites, the City selected a development density based on recent projects built under the new mixed use standards. For MU-III, the maximum density of 18 units/acre is utilized, the density of the recently built South Walnut Bungalows project developed on .5 acres in the MU-III district. South Brea Lofts was also built to MU-III standards, but due to the project's larger unit sizes (up to 2,200 square feet), densities were slightly lower at 17 du/acre.

Since Brea has not yet had a project developed in the MU-I district, for purposes of estimating development potential, MU-I densities are conservatively estimated at 80 percent of the maximum, or 40 units/acre. The achievement of this density under MU-I development standards is confirmed through review of a recent site planning concept submitted to the City for Focused Development Site #2 (refer to Appendix B). The preliminary site plan for this 25,916 square foot site proposes 27 units, translating to 45 units per acre. Planning staff have reviewed the proposed site plan against the MU-I development standards and found it to be consistent with code criteria. While the site plan concept has not yet been developed to an extent providing for architectural concepts and other relevant project details, staff believes these issues could be successfully resolved without sacrificing density. Birch Street Lofts, while built prior to adoption of the mixed-use zoning standards, serve as a model for MU I development, with two stories of rental housing above ground floor retail at a density of 41 units per acre.

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[8] MU-II sites were not included in this analysis because the La Floresta projects already have entitlements pending for Brea's MU-II sites.

As presented in Table HE-39, using these realistic development densities, a total of 304 new units can be accommodated within the MU-III district, with 157 of these units on Focused Development Sites. Within the MU-I district, 1,744 high density units can be developed, including 1,380 units on Focused Development Sites.

A detailed inventory of all the MU-I and MU-III parcels included in the Housing Element sites inventory is presented in Appendix B to the Element. Parcels which comprise the Focused Development Sites are highlighted in the inventory, with a separate map presented for each area. As a means of documenting how Focused Development Sites can realistically be assembled and developed during in the planning period, a detailed "Sites Suitability Analysis" narrative has been prepared for each of the seven MU-I sites, also included in Appendix B. This analysis further details existing conditions, including the presence of economically marginal uses, underutilized parking lots, and Agency owned parcels, as well as where there has been recent development interest on the sites.

Table HE-39
Mixed Use Residential Sites

Land Use District	Realistic Density	Tier 1 Vacant /Use >30 years		Tier 2 Focused Development Sites	
		Acres	Unit Potential	Acres	Unit Potential
Mixed Use III	18 du/acre	16.9	304	9	157
Mixed Use I	40 du/acre	43.6	1,744	34.5	1,380
Total		60.5	2,048	43.5	1,537

Source: Land Use Survey, Development Services Department, City of Brea, 2007

As a means of encouraging lot consolidation within its mixed-use zones, the City has adopted the following incentives: reduced parking; increased parcel coverage (up to 10%); reduced open space (up to 10%); priority permit processing; City participation in infrastructure (e.g. installation of street, gutter and sidewalk, installation of streetscape, undergrounding/upgrading of utilities, etc.); and increased sign area (up to 20%).

3. Projects in Process

Several large residential projects in various stage of entitlement would contribute towards addressing the City's housing needs:

Entitled Projects

- Olen Point Apartments will provide 260 apartment units, including 26 moderate income units, within an existing office park setting. Olen Pointe received a General Plan amendment from commercial to MU-II to accommodate this integrated office/residential development.
- Peppertree Hills in the recently annexed Tonner Hills will provide 795 new single-family homes, including 46 moderate income units. This project is being processed under the County of Orange, and pursuant to a written agreement between Brea and the County, these units are credited under the County's Housing Element.

Projects in Process

- La Floresta #1 is a 120 acre, 1,088 unit mixed-use community planned for the former Unocal Research Center, encompassing active adult single-family homes, condominiums, and independent living, as well as non-age restricted single-family homes, townhomes, and live/work lofts. The 14 acre village core will provide specialty retail, restaurants and offices.
- La Floresta #2 is proposed on the Birch Hills Golf Course and will include 132 townhomes and 115 affordable workforce housing units being developed by Jamboree Housing, including 41 extremely low income units. A new community recreation center will be provided adjacent to the redesigned public golf course.
- Canyon Crest will provide 165 market rate single-family homes in the east end of Carbon Canyon.

Not including Peppertree Hills' 795 units, these four projects would contribute 1,760 new units to Brea, including 115 lower income units and 44 moderate income units.

La Floresta Site Plan

HE-40
Projects with Entitlements or Pending Entitlements

Project Name	Total Units	Extremely Low Income	Very Low Income	Low Income	Moderate Income	Market Rate
Olen Pointe Apts	260				26	234
La Floresta #1	1,088				18	1,070
La Floresta #2	247	41	34	40		132
Canyon Crest	165					165
Total	**1,760**	**41**	**34**	**40**	**44**	**1,601**

Source: Brea Development Services Department, January 2008.

4. Committed Assistance

Government Code Section 65583.1[c] permits jurisdictions to rely on existing units to fulfill up to 25 percent of their residential sites requirement (RHNA) in the Housing Element. The following activities may be eligible:

- Substantial rehabilitation of substandard rental housing
- Conversion of multi-family rental units from non-affordable to affordable
- Preservation of at-risk housing

To qualify, a community must provide "committed assistance" to specified projects within the first two years of the planning period through a legally enforceable agreement. Units must be provided at affordable rent levels to very low and low income households, with affordability terms ranging from 20 – 55 years, depending on the activity.

The City of Brea has committed to providing financial assistance to purchase affordability covenants on the 16 unit Acacia Street Apartments, and is seeking to apply credits towards the City's RHNA obligations (refer to Appendix C - Adequate Sites Program for documentation on compliance with the statutes).

Acacia Apartments
Prior to Rehabilitation

In summary, the Acacia Apartment project involves the Redevelopment Agency purchase of four parcels on which there are 16 apartment units; eminent domain was not used in the acquisition of these properties. The Agency is in the process of completely renovating the interior of the units and repairing the outside of the buildings, including landscaping and courtyard enhancements. Upon completion of the property rehabilitation, the Agency will sell the property to a non-profit developer at a reduced cost in exchange for conversion of the project's market rents to levels affordable to 13 very low and 3 low income households for a minimum 55 year term. Rehabilitation improvements on all units will be completed by mid 2008, at which time the Agency will issue a Request for Proposal for non-profit purchase and management, and enter into a Loan Agreement for committed assistance with the selected non-profit, targeted for August 2008.

Acacia Apartments
After Rehabilitation

Existing rent levels at Acacia Apartments are documented in Table 1, included in Appendix C. Of the project's 16 units, ten units have rents above the level of affordability to low income households, and four units have rents above the level of affordability to very low income households (but within the level affordable to low income). The remaining two units are already renting at levels affordable to very low income households, and while affordability covenants will be placed on these units, these units will not be counted for Housing Element purposes. In terms of RHNA credit and net increase in affordable units, eleven units that the Agency will restrict as very low income that are not currently available at rents affordable to very low income households will be credited, and the three units that the Agency will restrict as low income that are not currently affordable at low income rent will be credited.

The level of "committed assistance" provided by the Redevelopment Agency for Acacia Apartments reflects the difference in what the Agency paid for the project, including rehabilitation costs, versus the reduced cost the Agency will sell the project for to a non-profit in exchange for the affordability covenants. The Agency purchase and rehabilitation costs are estimated to run around $5.3 million, whereas the Agency's economic consultant estimates the post-rehabilitation sales price at $2 million. The Agency estimates total committed assistance for Acacia Apartments at between $2 - $4 million.

During rehabilitation of the units, temporarily displaced tenants are provided relocation assistance. Tenants who are "over income" (>80% AMI), and households considered overcrowded pursuant to Redevelopment statutes will not qualify to remain within the project after rehabilitation and will be provided permanent relocation. The project is estimated to cause the permanent displacement of four households. The Redevelopment Agency has prepared a Relocation Plan for the project.

The Acacia Apartments project fulfills the alternative sites requirements under Housing Element statutes, allowing it to be credited against the City's RHNA. As presented in Table HE-43 in the Housing Plan, Brea has fulfilled a portion of its affordable housing needs for very low and low income households in the prior planning period, rendering the City eligible to utilize the alternative sites program. The Housing Element includes a program to obligate the City to provide committed assistance to Acacia Apartments. Pursuant to Government Code Section 65583.1[c], the City of Brea will report to the State Department of Housing and Community Development (HCD) on the status of purchasing affordability covenants on Acacia Apartments no later than July 1, 2010. If the City has not entered into an enforceable agreement of committed assistance for the units specified, it will amend the Housing Element to identify additional appropriately zoned and suitable sites.

5. Comparison of Sites Inventory with RHNA

As presented in Table HE-41, Brea's new construction need (RHNA) for the 2008-2014 period is for 2,048 new units. Housing units receiving building permits during the 2006-2007 RHNA "gap period" can be credited towards the RHNA. Review of building permit records indicate a total of 62 residential permits were issued in Brea during this period, including: Walnut Bungalows (9 very low income units), South Brea Lofts (47 units, including 10 moderate income); 5 single-family homes and 1 duplex.

S. Walnut Bungalows under Construction

Table HE-41 compares Brea's RHNA for 2,048 new units with the City's aggregate residential sites inventory derived from the following:

- 62 units issued building permits in 2006-2007
- 678 units on vacant and underutilized residential sites
- 1,537 units on Focused Development Sites within the MU-I and MU-III districts
- 1,760 units in projects with entitlements/pending entitlements - Olen Pointe, La Floresta, Canyon Crest
- 14 units through committed assistance for purchase of affordability covenants

Table HE-41
Comparison of Regional Housing Growth Need and Residential Sites

Income Category	Building Permits (1/2006 – 12/2007)	Entitled Projects/ Pending Entitlements	Committed Assistance	Minimum Density Guidelines	Sites Inventory	Total Unit Potential	Total RHNA
Very Low	9	75	11	≥30 units/acre	1,380	**1,518**	**441**
Low	0	40	3				**356**
Moderate	10	44	0	≥15 units/acre	228	**282**	**404**
Above Moderate	43	1,601	0	<15 units/acre	607	**2,251**	**847**
Total Units	62	1,760	14		2,215	**4,051**	**2,048**

In terms of evaluating the adequacy of these sites to address the affordability targets established by the RHNA, Housing Element statutes now provide for use of "default densities" to assess affordability. Based on its population, Brea falls within the default density of 30 units/acre for providing sites affordable to very low and low income households. For moderate income households, based on several moderate income projects developed in the City, the City has chosen a threshold of 15 units/acre to reflect a reasonable density with which moderate income development can be achieved. Allocating Brea's residential sites inventory based on these density thresholds, combined with the affordability mix anticipated in both entitled and projects with pending entitlements, results in the provision of sites suitable for development of 1,518 units affordable to lower income households, 282 units affordable to moderate income households, and 2,251 units for above moderate income households.

In summary, Brea has provided more than adequate sites to fulfill its regional housing needs by income category. The City will further encourage and facilitate production of affordable units on these sites through regulatory incentives and direct financial assistance, and has allocated $12.7 million in Redevelopment housing set-aside and Housing In-Lieu Fee resources towards Affordable Housing Development Assistance during the planning period.

Availability of Public Facilities and Services

As an urbanized community, the majority of Brea has already in place all of the necessary infrastructure to support future development. All land currently designated for residential use is served by sewer and water lines, streets, storm drains, and telephone, electrical, and gas lines. To assure that future development can be served in the less developed, hillside areas of Brea such as Carbon Canyon, the City collects various impact fees from developers to cover the costs of providing necessary services and infrastructure. These fees apply to new developments in the City and annexed portions of the Sphere of Influence.

SB 1087, effective January 2006, requires water and sewer providers to grant priority for service allocations to proposed developments that include units affordable to lower income households. Pursuant to these statutes, upon adoption of its Housing Element, Brea will immediately deliver the Element to local water and sewer providers, along with a summary of its regional housing needs allocation.

B. FINANCIAL RESOURCES

A variety of funding sources are available to support affordable housing activities in Brea. Due to the high cost of developing and preserving housing and limitations on both the amount and uses of funds, the City leverages local funds with numerous outside sources. The following summarizes the major sources of housing funds available to Brea during the planning period.

1. Redevelopment Housing Set-Aside

Redevelopment housing set-aside funds are the primary source of funds for affordable housing activities in Brea. As required under California Redevelopment Law, the Brea Redevelopment Agency sets aside 20 percent of all tax increment revenue generated from the redevelopment project area for the purpose of increasing and improving the community's supply of housing for low- and moderate-income households. These set-aside funds are placed in a separate Low- and Moderate-Income Housing Fund.

Housing units developed using the Agency's housing set-aside funds must remain affordable to the targeted income group for the longest feasible period of time and not less than 55 years for rental housing and 45 years for ownership housing. In addition, housing set-aside expenditures by income group must be in proportion to the City's regional housing needs (RHNA) as defined in the housing element. For Brea, this means that set-aside expenditures over the 2002-2014 year compliance period must include a minimum of 37 percent of funds directed towards very low income households, and no more than 33 percent of funds directed towards moderate income households. Finally, age proportionality requirements specify that set-aside expenditures directed towards seniors are limited to the proportion that seniors age 65+ represent in the City's population, which for Brea is 11 percent.

The Brea Redevelopment Agency generates approximately $4.7 million in gross redevelopment set-aside funds annually. Approximately $3.1 million of these funds are pledged to repayment of outstanding bonds, leaving approximately $1.6 million available to fund housing activities. During the entire six year Housing Element cycle (2008-2014), a total of $16.4 million in set-aside funds are anticipated to be available for housing program implementation, including net set-aside contributions; a $2.3 million set-aside fund balance (July 1, 2008); land sales and loan repayments.

In addition to the $16.4 million in redevelopment housing funds, Brea is projected to accumulate $5.2 million in Housing In-Lieu funds, and receive an additional $600,000 in CDBG funds, providing a total of $22.2 million in housing funds available during the planning period. (While Brea leverages these funds with a variety of outside sources described below, these three sources represent the only funds the City is certain of receiving). Based on the program goals established in the Housing Element, these resources are allocated among the following activities:

- Affordable Housing Development Incentives - $12.7 million
- Homebuyer Assistance - $5 million
- Senior Subsidy and other Rental Assistance - $1.8 million
- Preservation of At-Risk Housing - $1.1 million
- Housing Rehabilitation (owner and rental)- $1.6 million

The Brea Redevelopment Agency is also pursuing issuance of bond refunding from Project Area C. If the bond refunding goes forward, a net $2.5 million in additional set-aside funds would become available during the Housing Element planning period.

2. Housing In-Lieu Fee

The City allows the payment of in-lieu fees to fulfill the inclusionary housing requirement under the Affordable Housing Ordinance. The City Council decides, on a case by case basis, whether a developer can pay in-lieu fees instead of providing the required affordable housing units. The in-lieu fees collected are deposited in an Affordable Housing Trust Fund to be used exclusively for the development or maintenance of housing affordable to low- and moderate-income households.

As of January 2008, the Agency had a balance of $1.6 million in the Affordable Housing Trust Fund. During the 2008-2014 Housing Element planning period, and based on housing projects in the pipeline, an additional $3.6 million in in-lieu fee revenues are projected.

3. Community Development Block Grant (CDBG) Funds

Through the CDBG program, the federal Department of Housing and Urban Development (HUD) provides funds to local governments for funding a wide range of community development activities benefiting low-income persons. The CDBG program provides formula funding to larger cities and counties, while smaller cities (less than 50,000 population) generally compete for funding that is allocated to and administered by the state or county. As a smaller city, Brea applies annually to the Orange County Housing and Community Services Department for CDBG funds. The City receives approximately $100,000 in annual funds, which it uses to fund its Residential Rehabilitation programs and Neighborhood Enhancement Program.

4. HOME Investment Partnership Program

The HOME program is designed to improve and/or expand a jurisdiction's affordable housing stock, and can be used for the following activities benefiting lower income households: land and building acquisition; new construction; moderate or substantial rehabilitation; homebuyer assistance; and tenant-based assistance.

The County of Orange Housing and Community Services Department (HCS) periodically releases Notices of Funding Availability (NOFA) for HOME funds for specified activities. The December 2006 Multi-family Affordable Rental Housing NOFA provided $6 million in funding from HOME, OCDA, and Mental Health Services Act funds for the development of affordable rental housing. Brea responds to the County's NOFAs as they are made available.

5. Tax Exempt Multi-family Revenue Bonds

The construction, acquisition, and rehabilitation of multi-family rental housing developments can be funded by tax exempt bonds which provide a lower interest rate than is available through conventional financing. Projects financed through these bonds, which can be issued by the Redevelopment Agency, are required to set aside 20 percent of the units for occupancy by very low-income households or 40 percent of the units for households at 60 percent of the area median income. Tax exempt bonds for multi-family housing may also be issued to refinance existing tax exempt debt, which are referred to as a refunding bond issue.

6. Housing Agreements

The Brea Redevelopment Agency assists in the development of new affordable housing units by entering into Disposition and

Development Agreements (DDA) or Owner Participation Agreements (OPA) with developers. DDAs or OPAs may provide for the disposition of Agency-owned land at a price which can support the development of units at an affordable housing cost for low- and moderate-income households. These agreements may also provide for development assistance, usually in the form of a density bonus or the payment of specified development fees or other development costs which cannot be supported by the proposed development.

7. Low Income Housing Tax Credits (LIHTC)

The federal LIHTC program is used to encourage the construction and rehabilitation of low-income rental housing, and represents the deepest federal subsidy available for rental housing. In 1987, the California legislature created a state LIHTC program to supplement the federal credit. Both programs are structured to allow investors an annual tax credit over a ten-year period, provided that housing meets low-income occupancy requirements: 20 percent very low income (50% AMI) units, or 40 percent low income (60% AMI) units. Developers apply to the State Tax Credit Allocation Committee (TCAC) in one of two annual rounds for 9 percent tax credits, or on an ongoing basis for 4 percent credits. Competition for state and federal LIHTC is intense. TCAC's highest funding priority is for rental housing for large families. Preservation of at-risk rental housing is also an eligible activity under tax credits.

8. State Dept of Housing & Community Development (HCD) Programs

Proposition 46 (2002) and Proposition 1C (2006) provide funding for numerous housing programs offered through HCD, including several new programs to be initiated in 2008. Major programs with potential applicability in Brea include the following:

- **Multi-family Housing Program:** Low interest loans for development of affordable rental housing. $70 million available in 2008.
- **Multi-family Housing Program – Supportive Housing:** Loans for rental housing with supportive services for the disabled who are homeless or at risk of homelessness. $37 million available in 2008.
- **Building Equity and Growth in Neighborhoods (BEGIN):** Grants to cities to provide downpayment assistance

($30,000) to low and moderate income purchasers of new homes in projects with affordability enhanced by local regulatory incentives or barrier reductions.

- **Infill Infrastructure Grant Program:** Funding of public infrastructure (water, sewer, traffic, parks, site clean-up, etc) to facilitate infill housing development. $240 million allocated.
- **Transit-Oriented Development Program:** Funding for housing and related infrastructure near transit stations. $95 million allocated.

9. California Housing Finance Agency (CalHFA) Programs

CalHFA administers a Residential Development Loan program, providing low interest (3%), short term (4 year) loans to local governments for site acquisition and predevelopment expenses related to development of affordable infill, owner occupied housing. The Development Loan Program links with CalHFA's Downpayment Assistance Program to provide subordinate loans to first-time buyers. Through the Downpayment Assistance Program, CalHFA makes below market loans to first-time buyers of up to 3 percent of the sales price. CalHFA also provides loans for non-profit agencies to acquire and preserve at-risk rental housing.

10. CalHOME

CalHOME provides grants to cities and non-profit developers to fund first-time homebuyer mortgage assistance and owner-occupied housing rehabilitation; $50 million is available in 2008. CalHome loans are available to cities and non-profits to fund homeownership development projects, with $20 million available in 2008. Funds become grants as qualifying households occupy units.

C. ADMINISTRATIVE RESOURCES

Described below are several non-profit agencies that can serve as resources in implementation of Brea's housing activities, including acquisition/rehabilitation, preservation of assisted housing, development of affordable housing.

Jamboree Housing Corporation (JHC): JHC is a non-profit developer that has developed and implemented numerous affordable housing projects throughout Orange County and the State. Jamboree has also established an in-house social services division, "Housing with a HEART," that operates at most properties to assist residents in maintaining self-sufficiency. JHC is currently developing 94 affordable rental units in Tonner Hills, and has been selected as the developer for 115 affordable rental housing units in La Floresta, including 41 units affordable to extremely low income households.

Habitat for Humanity: Habitat is a non-profit, Christian organization that builds and repairs homes for very low income families with the help of volunteers and homeowner/partner families. Habitat homes are sold to partner families at no profit with affordable, no interest loans. The City has supported Habitat in the development of seven new homes in Brea.

Orange Housing Development Corporation (OHDC): OHDC is a non-profit housing developer founded in 1990. Located in the City of Orange, the Agency's start-up costs were originally funded by the Orange Redevelopment Agency. OHDC's primary focus is within Orange County, but has developed over 3,000 units in communities throughout California.

Southern California Housing Development Corporation: SoCal Housing is a nonprofit developer with in-house capacity to construct and renovate large scale developments, with 4,500 units throughout Southern California. Its mission is to create affordable housing communities that contribute to neighborhood vitality. Community resource centers are provided at all SoCal Housing's properties, administered by the Hope Through Housing Foundation.

Southern California Presbyterian Homes (SCPH): SCPH is an experienced non-profit housing developer, with over 30 senior housing communities throughout southern California. In addition to assisted living and continuing care communities, SCPH has utilized a variety of federal, state and local funds to develop 23 affordable housing projects for seniors.

D. OPPORTUNITIES FOR ENERGY CONSERVATION

Conventional building construction, use and demolition along with the manufacturing of building materials have multiple impacts on our environment. In the United States, building construction, use and demolition accounts for:

- ✓ 65 percent of electricity consumption
- ✓ 30 percent of greenhouse gas emissions
- ✓ 30 percent of raw materials use
- ✓ 30 percent of landfill waste
- ✓ 12 percent of potable water consumption

Interest in addressing these impacts at all levels of government has been growing. In 2004, the State of California adopted legislation requiring LEED (Leadership in Energy and Environmental Design) certification for new and renovated public buildings. Some local jurisdictions have not only adopted similar standards for their public buildings, but have also recently required LEED certification for larger commercial and residential developments.

LEED certification building standards are one piece of a coordinated green building program. Why would a city adopt a green building program? Most local building standards already consider energy and stormwater issues. In addition, many jurisdictions have programs related to energy, recycling, water conservation, stormwater management, land use, and public health. However, these programs are often overlapping and uncoordinated. One of the primary goals behind establishing a green building program is to create a holistic, integrated design approach to green building.

A green building program considers a broad range of issues including community and site design, energy efficiency, water conservation, resource-efficient material selection, indoor environmental quality, construction management, and building maintenance. The end result will be buildings that minimize the use of resources, are healthier for people, and reduce harm to the environment.

Both the public and private sectors currently offer grants, refunds, and other funding for green building. In addition, developments built to green standards assist both the owners and tenants with energy and maintenance costs over time.

The following presents a variety of ways in which Brea can promote energy conservation and green building:

- Advertise utility rebate programs and energy audits available through Edison and Southern California Gas, particularly connected to housing rehabilitation programs. Lower-income households are also eligible for State sponsored energy and weatherization programs.
- Develop green (energy-efficient and environmentally-sensitive) building standards for public buildings.
- Provide incentives, such as expedited plan check, for private developments that are building green.
- Support the elimination of contamination in older buildings (lead-based paint, asbestos, etc.) during rehabilitation and code inspections.
- Promote funding opportunities for private green buildings, including available rebates.
- Promote financial resources available through the California Energy Commission for use of solar panels.
- Provide resource materials and training opportunities regarding green building and energy conservation.
- Apply green building criteria to rehabilitation of single and multi-family buildings.

Standards for green building are currently being developed at several different levels. The California Building Standards Commission is developing a State Green Building Standard; the International Code Council is developing a residential green standard in conjunction with the Building Industry of America; and the California Energy Commission (CEC) is publishing new energy regulations which are expected to be 50% above the national energy baseline. The Brea Planning Commission is evaluating various options for a local green building ordinance to reduce the City's carbon footprint.

A major tenet of Brea's 2003 General Plan is to create a more sustainable community for existing and future residents. Building upon an extensive community input process, the General Plan establishes the following Vision for Brea 2020:

> *Brea will be a community that provides great places to live, work, learn, and play, places that respect the community's natural and cultural resources, provide open space and public spaces that appeal to all Breans, encourage economic vitality, and enhance the overall quality of life for residents.*

In support of this vision statement, the community defined four overarching goals that embody the community's values and will guide all decisions made pursuant to the General Plan.

Goal 1
Create an inclusive community that strives to meet the needs of residents of all ages, income levels, occupations, family types, and *lifestyles.*
Goal 2
Plan for the sustainable stewardship of natural resources.
Goal 3
Provide a range of mobility options that reduce dependence on the automobile.
Goal 4
Maintain a sustainable economic base to provide a solid fiscal foundation and diverse employment opportunities, and to ensure the provision of quality community facilities and services.

Policies which embody these goals for sustainability are integrated throughout the various elements of Brea's General Plan; the following highlights but a few:

Policy CD-1.9 Encourage new development that is organized around compact, walkable, mixed-use neighborhoods and districts to conserve open space resources, minimize infrastructure costs, and reduce reliance on the automobile.
Policy CD-8.3 Require developers to employ sustainable approaches to development and environmentally sensitive design.
Policy CD-12.4 Implement local transit or paratransit service to provide efficient connections from residential neighborhoods to and among urban centers and Downtown.
Policy CD-12.5 Require new developments to incorporate transit-oriented design features, as appropriate.
Policy CD-13.4 Require new developments to provide for the use of alternative modes of transit via internal trails or travel ways – public or private – for pedestrians and vehicles other than cars. New developments shall include such features as well-designed sidewalks and parkways, bike lanes and paths, and dedicated bus turn-outs.
Goal CR-11 Conserve and protect water resources through water conservation standards, sustainable development practices, and water quality standards.
Policy CR-13.5 Encourage alternative modes of transportation, such as walking, biking, and public transportation to reduce emissions associated with automobile use.

In 2002, Brea joined the Community Energy Partnership, a coalition of ten diverse southern California cities and Southern California Edison and Southern California Gas. The goal of the Partnership is to engage communities in responsible energy use by raising awareness about energy efficiency, the importance of peak demand reductions, and renewable energy. Through the Partnership, Brea has distributed (free of charge) numerous energy-saving products to residents and small businesses, such as compact fluorescent light bulbs, fluorescent touchiere lamps, faucet aerators, and low flow showerheads.

The Brea Redevelopment Agency was an active partner in the development of South Brea Lofts, a sustainable mixed use project consisting of 47 live/work units (10 affordable) and 7,500 square feet of retail located south of Brea's downtown. The project sets an example of successful sustainability options in a mixed-use development, and has been awarded the California Redevelopment Association's 2008 Award of Excellence for Sustainability; the 2007 SCAG Compass Blueprint Award for Visionary Planning in Sustainability; and the 2007 American Planning Association, Orange County section Outstanding Planning Project Award.

NEV at Brea Lofts

South Brea Lofts introduces a concept new to Brea: each residential loft unit comes with a street legal Neighborhood Electric Vehicle (NEV). These zero emission vehicles can travel 30 miles on one charge, and serve as a convenience for local trips. The NEVs are transferred with the sale of the townhome and are managed under a NEV Operating Plan by the homeowners association. In addition to the NEVs, South Brea Lofts integrates numerous additional green building features, including: an innovative storm water retention and treatment system; 85% drought tolerant landscaping; and two-stage HVAC units which reduce household utility expenses by more than 50%.