

**CITY OF PASADENA  
HOUSING ELEMENT,  
2014–2021**



February 3, 2014



# **PASADENA HOUSING ELEMENT**



TRIO  
APARTMENTS

TRIO  
APARTMENTS

Roy's  
HAWAIIAN FUSION  
CUISINE

El Molino Av

El Molino Av



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Vince P. Bertoni	Director of Planning & Community Development
David Reyes	Deputy Director, Planning
Denver Miller	Principal Planner
William Huang	Director of Housing
Jim Wong	Senior Project Manager

## CONSULTANT

Mark Hoffman	Associate Principal, The Planning Center DC&E
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# HOUSING FRAMEWORK

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The Housing Framework introduces the 2014–2021 Pasadena Housing Element, the process of development, a synopsis of major housing issues, and the City’s goals, policies, and programs to address its housing needs. Appendices attached to the Framework provide supporting information.

## 1. INTRODUCTION

Incorporated in 1886, the City of Pasadena is a thriving community of 138,000 persons located at the foot of the San Gabriel Mountains. The City is renowned for its vibrant economy, educational institutions, cultural and historic amenities, strong neighborhoods, diverse housing, and quality of life. Pasadena has been referred to as a city on the world stage, but with close-knit neighborhoods and smaller-scale community experiences unlike anywhere else. These amenities continue to distinguish Pasadena as one of the most livable and sought-after communities in the State of California.

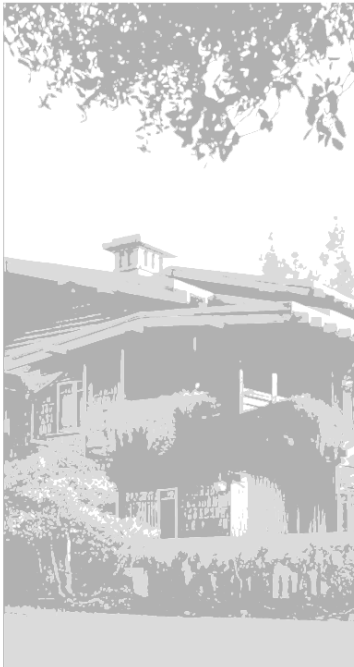


For many decades, federal and state legislation has been based on the goal of "a decent home and suitable living environment for every American." Housing and quality neighborhoods also play an important role in Pasadena. Yet more than just providing shelter, housing contributes to family well-being by providing a stable and safe environment for children to grow up, for parents to raise families, and for seniors to retire in safety and security. The environment or neighborhood in which housing is placed also provides the context where interactions so important to a community can take place.

The City of Pasadena has long been at the forefront of housing policies and programs, not only in the San Gabriel Valley but also in southern California as a whole. In 2000, Pasadena was one of the first communities to develop a housing vision that expresses its commitment to housing its residents.

*All Pasadena residents have an equal right to live in decent, safe and affordable housing in a suitable living environment for the long-term well-being and stability of themselves, their families, their neighborhoods, and their community. The housing vision for Pasadena is to maintain a socially and economically diverse community of homeowners and renters who are afforded this right.*

The 2014–2021 Pasadena Housing Element is all about achieving this vision. This vision encompasses more than simple statutory requirements. Rather it embraces a larger commitment to achieving the best, while balancing other important priorities in the community, including the economy, public health, open space and other amenities, education, transportation, and other complementary values held by residents, business, and the community.



## A. STATUTORY AUTHORITY

California law requires that cities develop housing programs to address existing and future housing needs in their respective communities. To comply with state law and provide housing opportunities for residents, the City of Pasadena prepares a housing element. The housing element is a state-mandated chapter of the Pasadena General Plan and is intended to address the production, maintenance, and improvement of housing. The current housing element covers an eight-year planning period from 2014 to 2021.

The detailed statutory requirements for preparing a housing element are contained in the California Government Code (sections 65580–65589.8). In accordance with state law, the housing element must include: an identification and analysis of its existing and projected housing needs; an analysis of the various governmental and nongovernmental constraints to meeting that need; and a series of goals, policies, and scheduled programs to further the development, improvement, and preservation of housing.

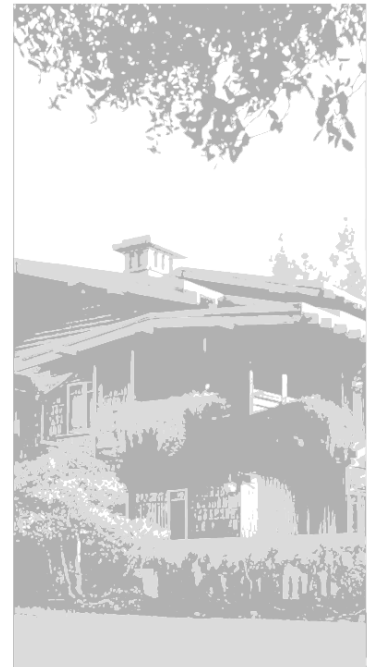
This housing element has two sections: Housing Framework and Appendices. The Housing Framework sets forth key housing issues in Pasadena, followed by the goals, policies, programs, and resources to address them. The appendices support the Housing Framework and address specific statutory requirements. These appendices are as follows:

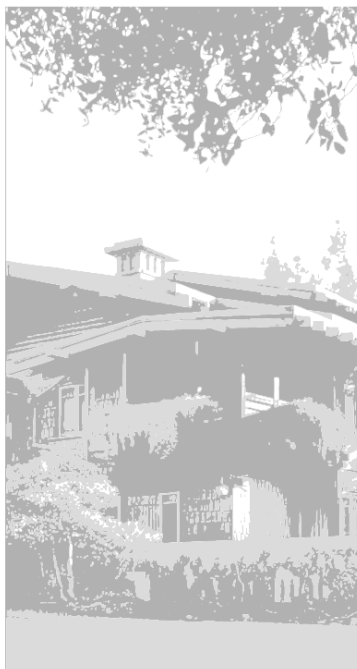
- **Appendix A: Housing Needs.** This includes an analysis of demographic, economic, social, and housing characteristics of Pasadena residents and an assessment of current and future housing needs in the community arising due to population and employment growth and change.
- **Appendix B: Constraints Analysis.** This includes an analysis of potential governmental constraints that affect the development, maintenance, and improvement of housing for all income groups and people with disabilities, commensurate with the City’s identified housing needs.
- **Appendix C: Housing Resources.** This includes an inventory of resources available to address the City’s housing needs, including available land to accommodate new housing, financial resources to support program efforts, and administrative capacity to manage housing programs.
- **Appendix D: Program Evaluation.** This includes an evaluation of current housing programs and accomplishments in addressing the housing needs identified in the 2006–2014 Housing Element. This appendix also includes a summary of comments received during this update.
- **Appendix E: Community Initiatives.** This includes the results input from many community forums held on housing issues over the decade. Although the City lacks resources to implement all these initiatives, this appendix is a resource to draw upon for creative housing solutions.

## B. RELATED PLANS

Pasadena’s 2014–2021 Housing Element is related to local planning efforts and others mandated by the State of California and the federal government. The housing element is required to maintain consistency with each of them. The following list describes these documents and how the City will maintain consistency with each of them.

- General Plan Housing Vision.** Pasadena’s General Plan affirms eight guiding principles: growth and development; historic preservation; economic vitality; social, economic, and environmental sustainability; circulation and mobility; regional prominence and leadership; community participation; and educational commitment. The City’s Housing Vision to maintain a socially and economically diverse community of homeowners and renters is consistent with the General Plan guiding principles.
- General Plan Consistency.** [The Housing Element is consistent with the current and proposed general plan. The City will maintain consistency between general plan elements by ensuring that changes in the housing element or other elements are consistent with one another when general plan amendments are needed. When the Land Use, Safety and Conservation elements are updated pursuant to SB162, the housing element will be reviewed to maintain continued internal consistency.](#)
- City of Pasadena Housing Plans.** Pasadena prepares a consolidated plan to receive housing and community development funds from the federal government. Pasadena’s Consolidated Plan was last revised for the 2010–2015 planning period. The City also prepared its 2010–2015 Analysis of Impediments to Fair Housing Choice and Ten Year Plan to End Homelessness. The housing, community development, and economic needs identified during those efforts and the program commitments made are consistent with those in the 2014–2021 Housing Element.
- Water and Sewer Services.** The Pasadena Department of Water and Power provides water service to the Pasadena community. Sewer services are provided by the Sanitation District of Los Angeles County and the Pasadena Public Works Department. The City transmitted its 2014–2021 Housing Element to these agencies so population projections could be incorporated into their plans. This allows purveyors to plan for infrastructure and set priorities to serve affordable housing—as required under Government Code section 65589.7—should a shortfall in water or sewer service occur.
- Disadvantaged Unincorporated Communities.** [As required by SB244, local governments are required to amend their land use element to address provision of services to disadvantaged communities within its sphere of influence. According to the Los Angeles County Local Agency Formation Commission, Pasadena does not have disadvantaged communities within its sphere of influence. Therefore, the City is not required to amend the General Plan Land Use Element to address this legislation.](#)





## C. PUBLIC OUTREACH

California law requires that local governments engage the public in the development of the housing element. Specifically, Government Code section 65583(c)(7) states “that the local government shall make a diligent effort to achieve public participation of all economic segments of the community in the development of the housing element, and the program shall describe this effort.” State law does not specify the means and methods for participation; however, it is generally recognized that the participation must be inclusive.

In accordance with a guiding principle of the General Plan, the City of Pasadena continues to engage the community in defining City housing needs and discussing creative ways to address them. During the preparation for this housing element, the following outreach events were held:

- **Land Use Workshops.** During the preparation of the land use and mobility element, the City of Pasadena held at least six workshops that dealt with housing and the land use plan. Held during 2011 and 2012, these workshops focused on where the City should direct residential growth and the types of housing products desired. These strategies underpin the City’s growth strategy articulated in the housing element.
- **Stakeholder Interviews:** The City interviewed stakeholders in Pasadena about their perception of housing needs, constraints to meeting housing needs, and potential programs. Stakeholders represented a wide diversity of groups that included homeless and mental health service providers, community organizations, affordable housing organizations, developers, faith-based organizations, residents, real estate industry, and many others.
- **Community Workshops.** A community-wide workshop was held on June 8, 2013, to solicit input from the public about the housing needs and issues facing the community. This workshop was extensively advertised by the Neighborhood Connections office, which notifies 90 organizations in the City with more than 1,200 members. The public was invited to attend. Comments made at the workshop are available on the City’s website.
- **Commission Hearings.** Pasadena has an active commission structure that is designed to obtain input from a broad segment of the community. The City solicited input on the housing element from four commissions: 1) the Human Services Commission on July 10, 2013; 2) the Senior Commission on July 31, 2013; 3) the Northwest Commission on August 8, 2013; and 4) the Planning Commission on September 11 and October 9, 2013.

Comments and recommendations received during these many public forums are summarized in Appendix D of the Pasadena Housing Element.

## 2. FRAMING THE CHALLENGE

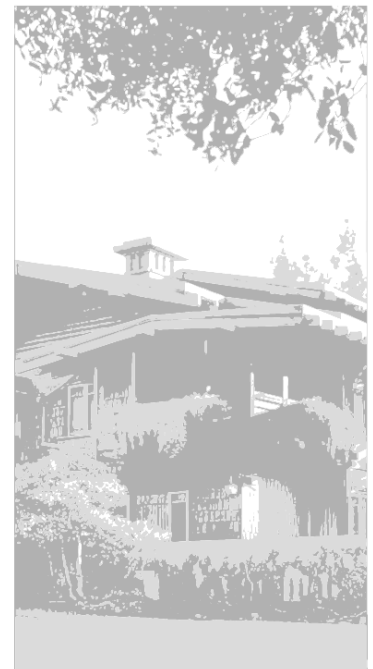
Pasadena's 2014–2021 Housing Element is prepared during a period unlike previous decades. Changes to the housing market, demographics, and overall economy are fundamentally different than was the case during the prior two decades. Pasadena faces unique challenges, potential constraints, and opportunities for furthering its housing vision.

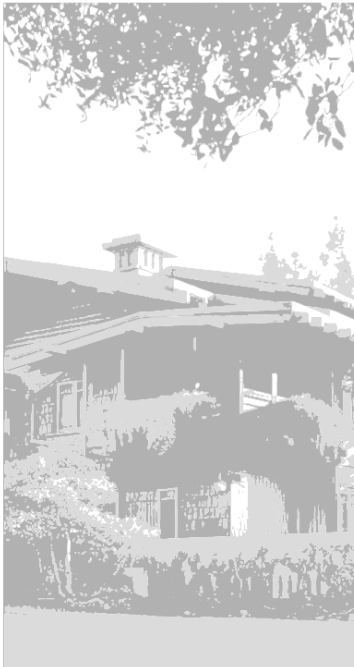
### HOUSING AND NEIGHBORHOOD CHANGE

A volatile housing market marked the 2000s in Pasadena, California, and the nation. From housing boom to recession and now to recovery, underlying housing issues remain. Pasadena's ability to further its housing vision is largely dependent on its success in addressing the following:

- High Housing Costs.** During the 2000s, Pasadena's housing prices soared. Despite the foreclosure crisis, prices for single-family homes doubled: the median price home is about \$600,000; the median priced condominium is \$400,000. According to RealFACTS, a newer two-bedroom apartment is priced at an average of \$2,500 per month. Though older, smaller apartment complexes may be charging \$1,400 for similar units, the prices are still high. The income required to afford housing is still above moderate incomes.
- Housing Overpayment.** As housing prices have increased faster than household income, the affordability crisis continues to worsen. From 2000 to 2010, the percentage of renter household overpaying for housing increased from 43% to 51%. During the same period, the percentage of all homeowners overpaying for housing increased from 33% to 43%, but more than 50% of those with a mortgage overpay for housing. This degree of overpayment means that many may have to forego other life expenditures.
- Housing Quality.** Overall, Pasadena's housing stock is in good condition. However, certain neighborhoods still have higher numbers of older homes that need maintenance and repairs. Because Pasadena's housing stock is older than many communities, it must address issues such as lead-based paint, asbestos, and other conditions associated with older structures. Homes also need to be closely monitored and repaired to keep structures in good condition and extend the useful life of the building.
- Potential Loss of Affordable Housing.** Pasadena's desirable quality of life has led to rapidly increasing housing prices and rents. This reality makes it particularly attractive for property owners to sell residential buildings to obtain a higher return on their investment. For publicly subsidized apartment projects that have covenants requiring affordable housing, as these covenants expire, these projects could be converted to market rate housing, displacing lower income renters.

Given the increasing desirability of Pasadena as a place to live and work, the City will continue to face the challenge of meeting its housing needs.





### DEMOGRAPHIC CHANGE

The 2000s were not only marked by a dynamic economy and housing market, but also by significant demographic changes. Some of these changes were more reflective of demographic patterns throughout the State of California and nation. Yet aside from these national demographic patterns, other demographic changes in Pasadena were more subtle and microfocused on conditions unique to our community. These demographic changes included:

- **Aging Baby Boom Generation.** Over the 2000s, Pasadena’s population increased by just over 3,000 residents, but this change was largely due to the baby boom generation. Residents ages 45 and older increased by nearly 9,000—three times the City’s total population growth. Meanwhile, every other age group declined during this period of time. Although this change is being mirrored throughout California, it is more pronounced in Pasadena because the relatively higher cost of rental and ownership housing makes it more difficult to afford housing.
- **Race and Ethnic Change.** Race and ethnic changes were also evident. The City’s Hispanic population recorded the first decline, albeit slight, in several decades, while Whites recorded the first numeric increase in decades. The African American population continued its long decline in numbers, and Asians recorded the fastest percentage increase in numbers. Some of these demographic trends are clearly more localized in the San Gabriel Valley, while other changes have raised concerns over gentrification.
- **Declining Household Size.** Pasadena’s household size has been declining for decades and is below 2.5 persons. Compared to the 88 cities in Los Angeles County, Pasadena has the tenth lowest average household size, in part due to the fifth lowest percentage of families with children. This trend is due in part to national trends, including an aging population, adults marrying later in life, and couples deciding to have fewer children. The City’s large educational institutions and student population is also a factor.
- **Increasing Household Income.** In 1990, the median household income was equal to the County of Los Angeles; 20 years later it is 125% of the County’s median. With respect to lower income residents, the percentage of lower income residents is 41%—which is the same as in 1990. Above moderate income households currently make up 48% of Pasadena residents. This leaves a small percentage of moderate income residents. These changes point toward a wider spectrum of income levels, with implications for how best to address the lower and moderate income levels.
- **Special Needs.** The City of Pasadena continues to have a large resident population with special housing needs. This includes seniors, large families, people with disabilities, people who are homeless, college students, transitional at-risk youth, and other groups. Regardless of the broader demographic trends at work, Pasadena’s special needs groups continue to be one of the largest groups in need of affordable housing.



### **BALANCING GOALS AND RESOURCES**

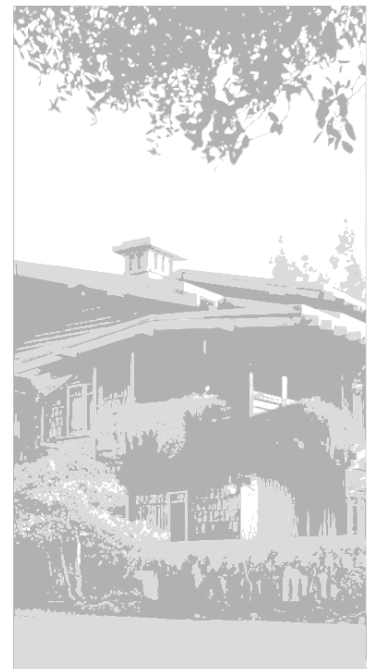
Pasadena has played a significant role in addressing its housing needs dating back to the Housing 2000 discussions nearly 15 years ago. Through programs implemented by planning and community, housing, community services, and community organizations, Pasadena's history has been marked by forward-thinking housing policy. The City's record of accomplishment of providing quality affordable housing through new construction, rehabilitation, and homeowner and renter assistance is well known.

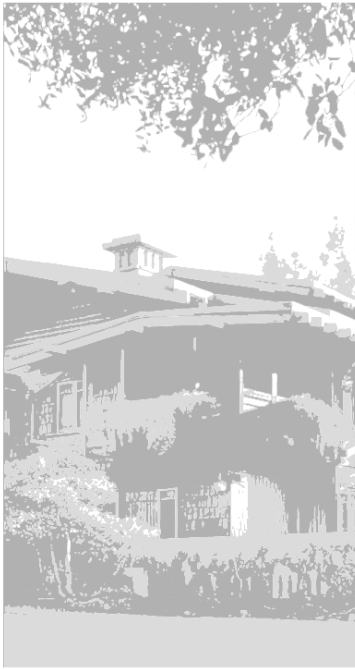
In the early 2000s, Pasadena benefitted from a robust housing market that generated significant revenues for the production of affordable housing. However, the subsequent financial crisis affecting the nation also curtailed Pasadena's ability to address its housing needs. On the heels of a poor economy, the Legislature's actions led to the elimination of redevelopment altogether, permanently taking millions in redevelopment funds that had been used to eliminate blight, stimulate economic development, and finance affordable housing in communities. This resulted in a 85% decline in the City of Pasadena's housing production funds in just a few years.

Part of this loss was due to sharp cuts in state and federal housing grants. These included federal community development block grants, state homeownership grants, City of Industry funds, and other funding sources. The economic downturn has also resulted in less sales tax, property taxes, building permit fees, and other revenues. Significant losses in funding, along with staff reductions in virtually every City department, continue to constrain the ability to address housing needs. Although the economy is recovering, it may take years for the City to restore curtailed programs.

The fiscal and administrative context facing Pasadena during this time should not be interpreted to mean that the City has changed its commitment toward housing. These contemporary fiscal challenges, although significant, will not remain indefinitely, as indicators suggest improvements in the local economy. Economic improvements, though, will not replace millions of dollars reallocated from redevelopment. It is therefore incumbent on Pasadena to devise creative strategies, unique partnerships, untapped funding sources, and other means to continue advancing its housing vision.

Despite these challenges, the City remains committed to furthering its housing vision and pursuing needed programs to address its housing needs. Guided firmly by an inclusive housing vision, the following section sets forth the goals, policies, and implementation programs that Pasadena is following to address the housing needs in the community.





### 3. GOALS AND POLICIES

Pasadena remains committed to furthering its housing vision and pursuing needed programs to address housing needs in the community. The following goals and policies are intended to further the City’s housing vision in balance with the guiding principles and other elements of the general plan.

#### **GOAL HE-1: HOUSING AND NEIGHBORHOOD**

Pasadena has a rich mosaic of neighborhoods that have developed over its more than 100-year history. Each neighborhood is distinguished by its history, architecture, housing types, density and urban form, and public amenities. The City has established 27 historic and landmark districts and numerous more neighborhood associations. Some neighborhoods comprise a single block, others a square mile or more, and still others are based at a larger apartment or condominium complex.

Natural geography and topography define many Pasadena neighborhoods. Residential neighborhoods along the Arroyo or northern foothills are framed by the surrounding hillsides, peaks, washes, and other features of the natural landscape. Neighborhoods are also defined by urban form. While the Central District offers an eclectic and highly differentiated urban form, east Pasadena offers the suburban residential environments of Hastings Ranch. Southern Pasadena provides single-family estate homes on larger lots.

Livable neighborhoods are more than the sum of housing and urban form. Essential services include maintaining adequate mobility and ensuring the safety of all forms of transportation. Others focus on crime prevention and law enforcement activities. Still others involve providing and maintaining adequate parks and recreational services, tree-lined streets and landscape amenities, libraries and cultural facilities, or other services. These essential services help to provide an enriching environment for residents.

Pasadena encourages substantial involvement from residents and its more than 80 neighborhood association to assist in neighborhood improvement efforts. Nonprofit organizations are also actively involved in numerous community-building projects, ranging from cleanups to providing services to residents. Through its Neighborhoods Connections Office, the City of Pasadena seeks to engage an expansive network of local organizations committed to the same goal of creating strong and healthy neighborhoods.

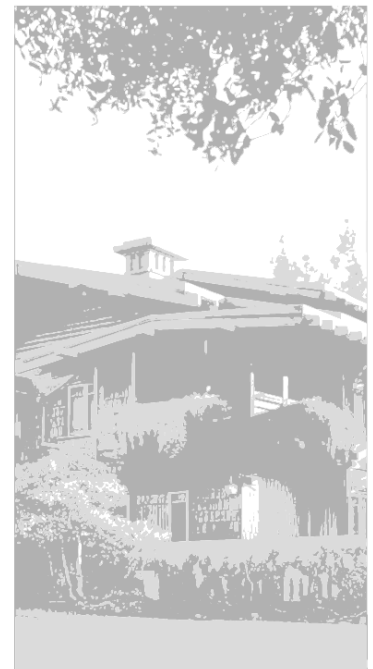
Regardless of location, urban form, or income level, Pasadena takes great care and pride in maintaining and improving the quality of neighborhoods. From improving infrastructure to planting landscape amenities, and from monitoring the condition of existing housing to carefully guiding the design and development of housing—these activities demonstrate a steadfast commitment to providing a quality environment for Pasadena residents.

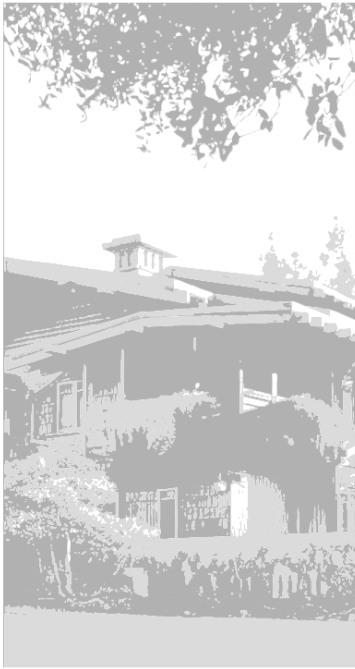
**GOAL HE-1**

**Sustainable neighborhoods of quality housing, parks and community services, infrastructure, and other associated services that maintain and enhance neighborhood quality, character, and the health of residents.**

**Policies**

- HE-1.1     **Neighborhood Character.** Encourage, foster, and protect a balanced mix, density, and form of residential and mixed-use districts and neighborhoods. Preserve the character, scale, and quality of established residential neighborhoods.
  
- HE-1.2     **Property Conditions.** Maintain the quality of rental and ownership housing by ensuring compliance with City building codes and standards. Facilitate and promote the renovation, improvement, and rehabilitation of housing.
  
- HE-1.3     **Housing Design.** Require excellence in design of housing through use of materials and colors, building treatments, landscaping, open space, parking, and environmentally sensitive and sustainable building design.
  
- HE-1.4     **Neighborhood Involvement.** Encourage residents and neighborhood organizations to be proactive in identifying and addressing housing and neighborhood needs and seeking solutions in partnership with the City.
  
- HE-1.5     **Historic Preservation.** Promote the preservation of historically and architecturally significant buildings and the quality of historic neighborhoods through the appropriate land use, design, and housing policies and practices.
  
- HE-1.6     **Community Services.** Integrate and maintain the provision of schools, public safety, community centers, infrastructure, green spaces and parks, and other public amenities with the planning and development of housing.
  
- HE-1.7     **Natural Environment.** Preserve the neighborhood and community parks, street trees, open spaces and recreational areas, hillsides, and other landscape amenities that support, define, and lend character to residential neighborhoods.
  
- HE-1.8     **Neighborhood Safety.** Support neighborhood safety measures, including neighborhood watch groups, neighborhood traffic programs, crime prevention, and other measures to maintain and improve the safety of neighborhoods.





### **GOAL HE-2: HOUSING SUPPLY AND DIVERSITY**

Pasadena’s housing strategy is founded on principles of sustainability, strategic growth, and inclusiveness consistent with the general plan. Pasadena has and continues to affirm sustainable patterns of development. The City is committed to providing safe, well-designed, accessible, and human-scaled residential and commercial areas where people of all ages can live, work, and play, including neighborhood parks, urban open spaces, and the equitable distribution of public and private recreation facilities.

Pasadena continues to link land use and transportation planning. From the streetcars of the 1900s to the modern light rail and freeways of the 2000s, Pasadena’s strategy has bolstered economic development, minimized environmental impacts, and preserved neighborhoods surrounding the core. The proposed 2014 General Plan Land Use Plan continues a highly sustainable pattern of growth. Higher density development will be directed away from residential neighborhoods and into the Central District, Transit Villages, and Neighborhood Villages more suited to accommodating growth and change.

Providing a wide range of housing choices is fundamental to furthering the City’s housing vision of an inclusive community and long-term sustainability. Housing products and prices must be diverse and suited to different incomes, lifestyles, and needs. To that end, Pasadena continues to allow the full range of housing types, including multi-family rental, mixed use and transit-oriented housing, manufactured and mobile homes, senior housing, student housing, residential facilities, supportive and transition housing, emergency shelters, and SROs, among others.

To guide residential development, Pasadena remains sensitive to ensuring excellence in the quality, scalability, compatibility, and sustainability of residential and mixed-use development. Pasadena aspires to see exemplary practices in site design, building design, quality materials and colors, sustainability principles, and aesthetic quality. Buildings are to be designed to exemplify timeless principles, so that structures make a positive, long-lasting contribution to their village, district, or neighborhood. Housing should also be built in a way that promotes health and well-being.

While striving for excellence in residential projects, it is important to balance this need with market feasibility. Pasadena strives to work within the dynamic nature of the economy. Codes are written with considerable flexibility to encourage creativity in design. Fees are designed to encourage the production of affordable housing. Pasadena strives to process residential projects in a timely manner while adhering to existing codes. Through a careful balance of these competing priorities, Pasadena can facilitate the production of quality housing within current market dynamics.

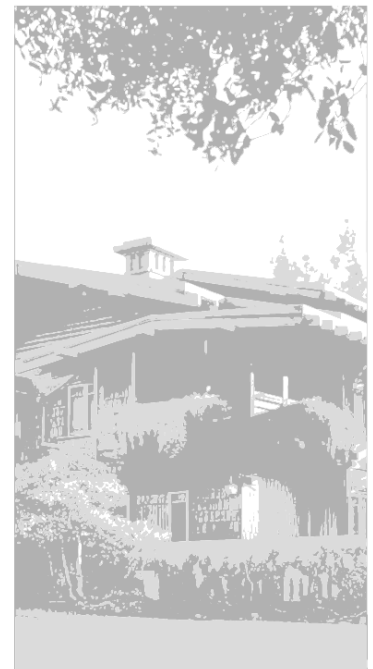
The following goal and policies further the production of housing that is affordable and suitable for the varied lifestyle needs of Pasadena residents.

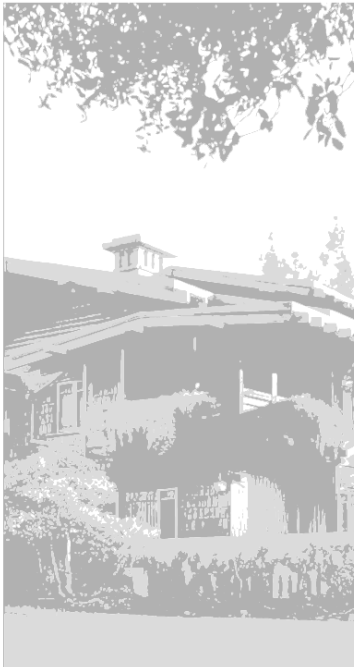
**GOAL HE-2**

**An adequate supply and diversity of quality rental and ownership housing opportunities suited to residents of varying lifestyle needs and income levels.**

**Policies**

- HE-2.1     **Housing Diversity.** Facilitate and encourage diversity in types, prices, ownership, and size of single-family homes, apartments, town homes, mixed-uses, transit-oriented developments, and work/live housing, among others.
  
- HE-2.2     **Strategic Growth.** Direct new residential development into the Central District, neighborhood, and transit villages to create neighborhoods where people can live and work, shop, and benefit from access to a Gold Line station or public transit.
  
- HE-2.3     **Environmental Sustainability.** Encourage sustainable patterns of residential growth and preservation with respect to land use, building and site design, resource conservation, open space, and health considerations.
  
- HE-2.4     **Affordable Housing.** Facilitate a mix of household income and affordability levels in residential projects and the appropriate dispersal of such units to achieve greater integration of affordable housing throughout the City.
  
- HE-2.5     **Adaptive Reuse.** Support innovative strategies for the adaptive reuse of residential, commercial, and industrial structures to provide for a wide range of housing types and residential uses that respect the historic integrity of the structure.
  
- HE-2.6     **Housing Incentives.** Facilitate the development of affordable housing through regulatory concessions, financial assistance, density bonuses, the inclusionary housing program, and other City and outside agency programs.
  
- HE-2.7     **Entitlement Process.** Explore continued improvements to the entitlement process to streamline and improve coordination of the processing of development permits, design review, and funding of affordable housing.
  
- HE-2.8     **Community Involvement.** Continue and support dialogue with builders, advocates, nonprofits, residents, finance industry, and other stakeholders in addressing the housing needs of residents and workforce in Pasadena.
  
- HE-2.9     **Healthful Housing.** Promote indoor air quality through a ban on smoking in apartments and condominiums and with construction materials that are sustainable, green, and not a detriment to indoor air quality.





### GOAL HE-3: HOUSING ASSISTANCE AND PRESERVATION

Pasadena residents value social, cultural, and economic diversity and its contribution to the rich character of community life. A diverse community is believed to evoke contrasting ideas, allow creative expression, foster a greater appreciation of lifestyles, and ultimately, although not without conflict, produce a stronger and more resilient community. The City of Pasadena has the privilege to support and promote a diverse community of unique neighborhoods where all residents are included and valued, where no group is privileged above any other group, and where all have opportunity.

Pasadena’s housing policies and programs have a fundamental role in preserving the social and economic diversity of the community. Pasadena’s inclusionary housing program, neighborhood reinvestment strategies, rental voucher subsidies, and other housing strategies preserve housing opportunities for residents. Pasadena supports concepts such as aging in place, barrier-free housing, and other innovative products that are designed to adapt to the changing lifestyle needs of Pasadena residents. These programs create, preserve, and help to maintain housing options.

Although affordable housing production is often the focus of state policy, Pasadena’s significant stock of existing affordable housing continues to provide the majority of quality and affordable housing for residents. This includes assisted housing deed restricted as affordable to lower income households. Pasadena has more than 4,000 units of assisted housing, including over 1,440 units assisted under the City’s Housing Choice Voucher program. Pasadena also has a larger inventory of non-deed-restricted housing priced at levels affordable to low and moderate income households.

The following goals and policies are intended to further achievement of the City’s housing assistance and preservation objectives.

### GOAL HE-3

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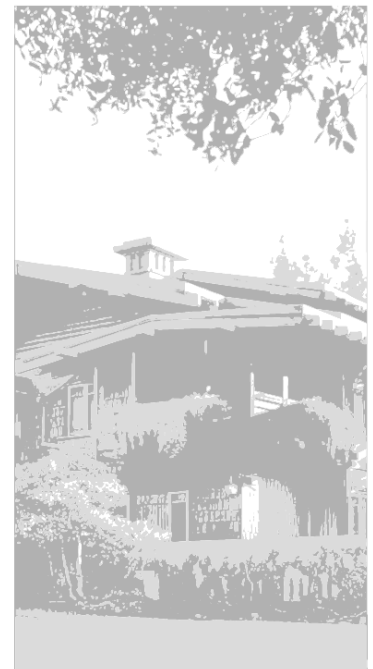
**Expand, protect, and preserve opportunities for households to find and retain housing in Pasadena and afford a greater choice of rental and homeownership opportunities.**

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#### Policies

- HE-3.1 **Financial Resources.** Pursue and maximize the use of state, federal, local, and private funds for the development, preservation, and rehabilitation of housing affordable to lower and moderate income households.
- HE-3.2 **Partnerships.** Support collaborative partnerships with nonprofit organizations, faith-based organizations, developers, business community, and state and federal agencies to develop, rehabilitate, preserve, and retain affordable housing.
- HE-3.3 **Homeownership Opportunities.** Increase homeownership opportunities for lower and moderate income residents and

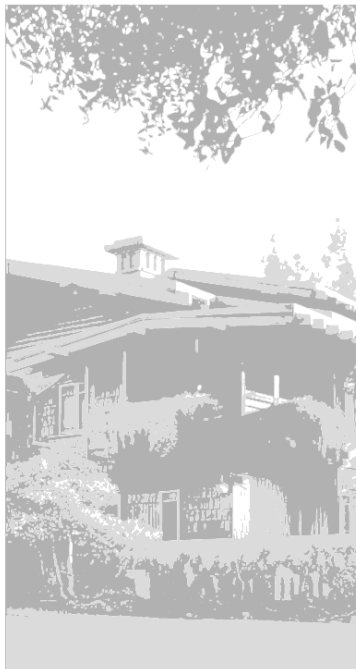
- employees through the provision of financial assistance, subject to funding availability, education, and partnerships.
- HE-3.4 **Preservation of Affordable Housing.** Establish and seek to renew long-term affordability covenants for all City-assisted housing projects; support the conservation of unassisted housing that is affordable to lower income households consistent with state law.
  - HE-3.5 **Homeownership Retention.** Support the provision of education and resources that enable residents to make informed decisions on home purchases and maintaining homeownership.
  - HE-3.6 **Rental Assistance.** Support the provision of rental assistance for residents earning lower incomes, including persons with special needs consistent with City preference and priority categories and fair housing law.
  - HE-3.7 **Workforce Housing.** Work with major employers, educational institutions, health care institutions, and other employers within Pasadena to facilitate and encourage the development of workforce housing opportunities.
  - HE-3.8 **Housing Acquisition and Rehabilitation.** Promote the acquisition, rehabilitation, preservation, or purchase of affordability covenants on multi-family housing and the maximum extension of affordability controls.
  - HE-3.9 **Geographic Dispersal.** Promote a balanced geographical dispersal of assisted affordable housing developments and associated supportive social services for individuals and households throughout the community.



#### GOAL HE-4: SPECIAL HOUSING NEEDS

The City of Pasadena contains a diversity of people of all backgrounds, family types, lifestyles, and income levels. Though adding to the richness and diversity of the community, many residents have special housing needs. Many of these special needs are common to all, while other special needs are more common to people of different ages, incomes, or other factor. Pasadena is actively involved in implementing creative responses to this challenge.

Providing housing for an aging population is one such example, where the City makes available opportunities for residents to age in place in Pasadena. The City is modifying its approaches to housing homeless people by blending its traditional continuum of care approach with a housing-first/rapid reentry approach. Increasing movement of persons with developmental disabilities out of institutions requires new models of permanent supportive housing. Pasadena is also exploring additional models for homeownership.



The following goals and policies further the provision, maintenance and improvement of housing for Pasadena’s special needs households.

#### **GOAL HE-4**

**Adequate housing opportunities and support services for seniors, people with disabilities, families with children, college students, and people in need of emergency, transitional, or supportive housing.**

##### **Policies**

- HE-4.1 **Senior Housing.** Support development and maintenance of affordable senior rental and ownership housing and supportive services to facilitate maximum independence and the ability of seniors to remain in their homes and/or in the community.
- HE-4.2 **Family Housing.** Facilitate and encourage the development of larger housing units for families with children, and the provision of support services such as childcare, after-school care, family development services, and health care.
- HE-4.3 **People with Disabilities.** Support the development of permanent, affordable, and accessible housing that allows people with disabilities to live independent lives; assist residents in maintaining and repairing their homes.
- HE-4.4 **Service-Enriched Housing.** Support and assist organizations in the provision of support services and service-enriched housing for special needs groups, such as seniors, families, disabled people, homeless people, and those with medical conditions.
- HE-4.5 **College Students.** Work with educational institutions to update campus master plans and provide housing accommodations for students, faculty, and employees that reflect the housing needs and preferences of their respective institution.
- HE-4.6 **Homeless Housing and Services.** Provide support and financial assistance to community service organizations that provide housing opportunities and supportive services for people who are homeless.
- HE-4.7 **Fair Housing.** Support federal and state fair housing laws that prohibit discrimination in the sale, rental, and occupancy of housing on the bases of race, religion, color, ancestry, national origin, age, sex, sexual orientation, family type, handicap, minor children, or other protected status under state and federal law.

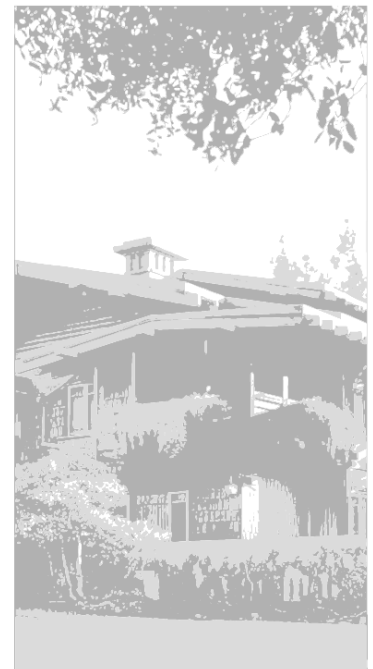


## 4. HOUSING PROGRAMS

The housing element vision, goals, and policies are achieved through the implementation of 22 housing programs. These housing programs are consistent with the general plan, City vision and mission, and state and federal mandates. The housing program section is organized into four goal areas—housing and neighborhood quality, housing diversity and supply, housing assistance, and special needs.

### QUANTITATIVE OBJECTIVES

To maintain consistency among planning efforts and address state law, quantified objectives for all housing programs are provided, where possible. Quantified objectives can refer to the number of households served, housing units built or preserved, or other units of service planned for from 2014–2021. The quantitative objectives are based on current funding known today. Should funding change, the achievable objectives would change as well. Table HE-1 provides a summary of quantified objectives for these programs.



**Table HE-1: Quantified Housing Objectives**

Program Area*	Income Category				
	0–30 % of MFI	31–50% of MFI	50–80% of MFI	81–120% of MFI	120%+ of MFI
Housing Construction <sup>1</sup>	170	170	207	224	561
Housing Rehabilitation <sup>2</sup>	95	49	201	-0-	-0-
Housing Preservation <sup>3</sup>	-0-	150	-0-	-0-	-0-
Homeownership Assistance <sup>4</sup>	-0-	-0-	19	8	-0-
Rental Housing Assistance <sup>5</sup>	1,247	203	-0-	-0-	-0-
<b>Total</b>	<b>1,512</b>	<b>572</b>	<b>427</b>	<b>232</b>	<b>561</b>

Source: City of Pasadena, 2013.

\* All quantified objectives are subject to funding availability

<sup>1</sup> Refers to the 2014–2021 regional housing needs allocation.

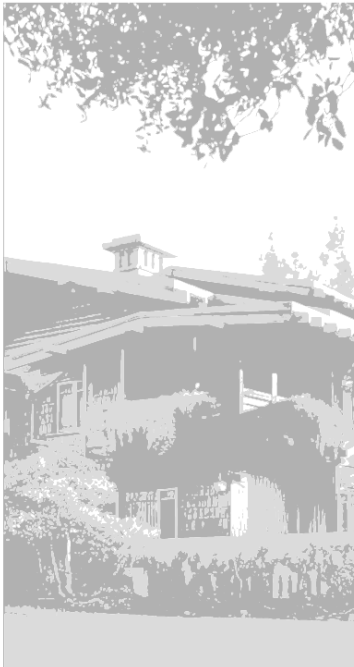
<sup>2</sup> Refers to City-assisted projects through MASH.

<sup>3</sup> Refers to the provision of incentives, technical assistance, and/or funding (subject to availability).

<sup>4</sup> Refers to the proposed 9-unit Desiderio project and down payment assistance loans funded from repayment of existing BEGIN and Calhome loans for units not included in above Program Areas.

<sup>5</sup> Refers to the annual number of housing choice vouchers, subject to federal funding.

The City of Pasadena will implement 24 initiatives to achieve the goals, policies, and objectives in the 2014–2021 Housing Element. The programs are organized with individual activities, specific objectives, timeframes for completion, funding sources, and agencies responsible for implementation. The following describes these housing initiatives and programs in detail.



### PROGRAM # 1: CODE ENFORCEMENT

Code enforcement is an important tool to maintain the quality of property values in neighborhoods and commercial areas, and to protect the health, safety, and welfare of residents. To achieve these goals, the City has several code enforcement functions, described below.

- **Code Compliance.** Code compliance is a means to ensure that the quality of the City's commercial and residential neighborhoods is maintained. Code compliance staff enforces state and local regulations governing exterior building conditions, property maintenance, and interior conditions. Code compliance staff also works with neighborhood groups to address common concerns. For properties found in violation, eligible property owners are directed to nonprofit organizations and City rehabilitation loans and grants for assistance in resolving code violations and making repairs.
- **Emergency Enforcement.** The Prosecutor's Office oversees an inter-departmental effort called City Resources Against Substandard Housing (CRASH). The CRASH team includes representatives from Health, Fire, Building, Humane Society, Police, and Code Enforcement. The CRASH team works to correct substandard buildings, eliminate blight, identify solutions to neighborhood crime, and provide emergency response and abatement for the worst properties. The program also encompasses an education component to train property owners in prevention of illegal activity.
- **Maintenance Assistance to Homeowners.** [The MASH program provides free services to low income, senior, or disabled homeowners unable to perform deferred maintenance on their owner-occupied, single-family homes. As a secondary function, the MASH program provides a unique program for providing on-the-job training for adults to gain the skills and work habits necessary to obtain a permanent job. MASH crews may also assist in times of emergencies, such as fire, storms, or earthquakes.](#)

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#### Implementation:

#### 2014–2021 Objectives:

- Continue program implementation; reallocate resources to maximize achievement of code compliance goals.
- Work with health department officials to coordinate efforts responding to health and safety concerns.

**Target Population:** Citywide, CDBG Benefit Area

**Time Frame:** Ongoing

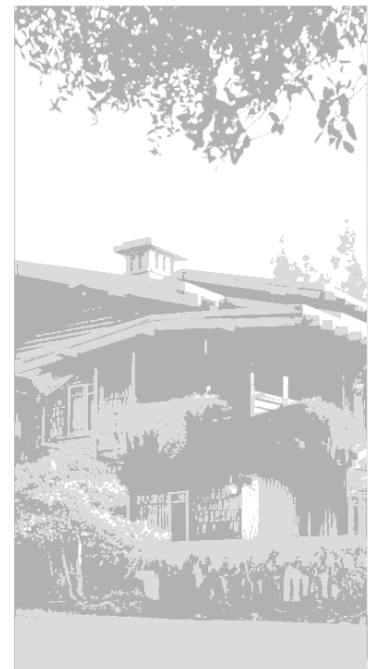
**Responsible Agency:** Interdepartmental

**Funding Source(s):** General Funds, CDBG

**PROGRAM #2: NORTHWEST PASADENA**

The City of Pasadena has long directed enhanced efforts at improving the Northwest Community Plan Area. Through community building efforts, enhanced community participation, and other efforts, the City continues to make substantial investments in this area. Ongoing efforts are as follows.

- **Community Building.** Pasadena supports for-profit, nonprofit, and faith-based organizations that are committed to implementing community building efforts in the Northwest Community Plan Area. These include, but are not limited to: Flintridge Center, Community Bible Church through its work at the Kings Village and Community Arms Apartment projects, and numerous other nonprofit and for-profit organizations. Other efforts include Neighbors Acting Together Helping All (NATHA), which has received three-year grants from the California Community Foundation.
- **Northwest Programs.** The Northwest Programs Office at City Hall also coordinates many projects within the Northwest Community Plan Area. Working in conjunction with the Northwest Commission, these include preparation of the Lincoln Avenue Specific Plan, monitoring of capital improvement projects, input into the Heritage Square project, improvements to Robinson Park, police department activities to address neighborhood safety, discussions regarding the potential 710 freeway extension, and ongoing liaison activities with neighborhoods associations.
- **Northwest Commission.** The Northwest Commission is tasked with advising the City Council on community issues affecting residents and business within the Northwest Community Plan Area. Since the dissolution of several redevelopment project areas in 2012, the City Council approved changes to the Northwest Commission. The Northwest Commission now is responsible for fostering business retention, expansion, and relocation to generate new development and employment opportunities.




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**Implementation:**

**2014–2021 Objectives:**

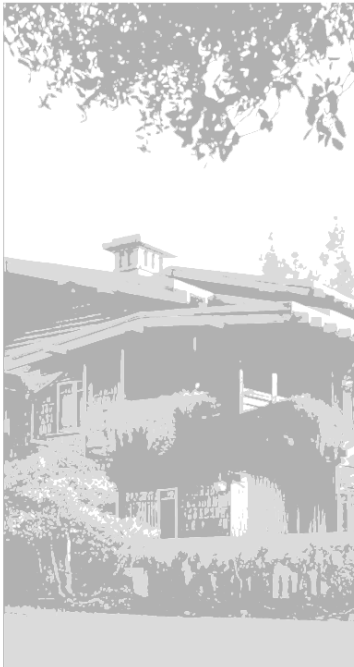
- Support community building efforts by funding organizations and dedicating staff resources to support efforts, subject to funding availability.
- Work with the Northwest Commission to address community concerns and support the long-term revitalization of this area.

**Target Population:** Northwest, CDBG Benefit Area

**Time Frame:** Ongoing

**Responsible Agency:** City Manager’s Office

**Funding Source(s):** General Funds



### PROGRAM #3: HOUSING INSPECTION

The City of Pasadena maintains three housing inspection activities that are essential to maintaining the quality, health, safety, and livability of residential structures within the community. Described below, these include the occupancy, quadrennial, and lead-based paint inspection programs.

- **Occupancy Inspection.** This inspection is designed to ensure the quality and maintenance of single-family homes, duplexes, and condominiums. Whenever a change in occupancy of an eligible unit occurs, the property is inspected for compliance with City codes. Typical items inspected include electrical, plumbing, heating, structural conditions, and health and safety items. If a housing code violation is found, the property owner is notified of the violations and given a reasonable time to correct them. Upon correction of the violations, a certificate of inspection is issued.
- **Quadrennial Inspection.** This inspection is designed to ensure that apartments are decent, safe, and well maintained. All rental properties with three or more units are inspected at least once every four years. Typical items inspected include the same as an occupancy inspection. Property owners are notified if code violations exist and, upon remedy, are issued a certificate of compliance. This program continues to be an effective way to identify code violations as they occur, before they affect the condition of the building and quality of life experienced by tenants.
- **Lead-Based Paint Hazards.** The City Public Health Department has a Childhood Lead Poisoning Prevention Program that is designed to prevent lead exposure and, when exposure occurs, to care for children with lead poisoning. Public health nurses provide case management for children and their families affected by lead poisoning. Environmental health specialists work with nurses to identify lead sources, provide advice on lead-safe painting and remodeling, enforce City ordinances for lead reduction, and provide information and assistance to care providers of children.

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#### Implementation:

#### 2014–2021 Objectives:

- Continue implementation of housing inspection programs.
- Continue to educate the community about health and safety hazards.
- Cross-train inspectors to identify and address health and safety hazards.

**Target Population:** Citywide, All economic groups

**Time Frame:** Ongoing

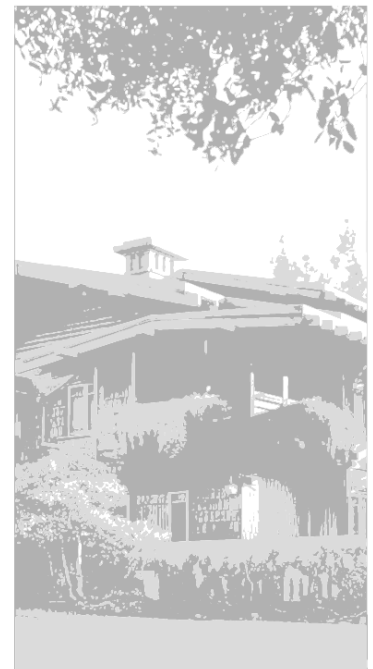
**Responsible Agency:** Planning & Community Development, Public Health

**Funding Source(s):** General Funds, Rental Fees

**PROGRAM #4: HOUSING REHABILITATION**

Pasadena’s housing is generally older than other communities. Because of its age, maintaining housing in good condition is a critical priority in Pasadena. Described below, the City offers three programs to encourage the maintenance, repair, and improvement of rental and ownership housing.

- **Maintenance Assistance to Homeowners.** The MASH program provides free services to low income, senior, or disabled homeowners unable to perform deferred maintenance on their owner-occupied, single-family homes. As a secondary function, the MASH program provides a unique program for providing on-the-job training for adults to gain the skills and work habits necessary to obtain a permanent job. MASH crews may also assist in times of emergencies, such as fire, storms, or earthquakes.
- **Single-family Rehabilitation Loan.** The City is currently working with Neighborhood Housing Services of Los Angeles County to provide services. This program includes a single-family rehabilitation loan program, homebuyer and homeownership education, foreclosure counseling, and other neighborhood services formerly provided by the Pasadena NHS. These programs are offered citywide, although many of the activities are targeted for residents in the Northwest Community Plan area.
- **Acquisition/Rehabilitation.** Pasadena implements multi-family housing acquisition and rehabilitation efforts as opportunities arise. However, initiation of a more strategic, proactive program can help fill a needed gap, serve to both upgrade older apartment properties and stabilize rents, and enhance City efforts to improve distressed neighborhoods. While Pasadena provides funding on a project-by-project basis, guidelines for a comprehensive program should be established.



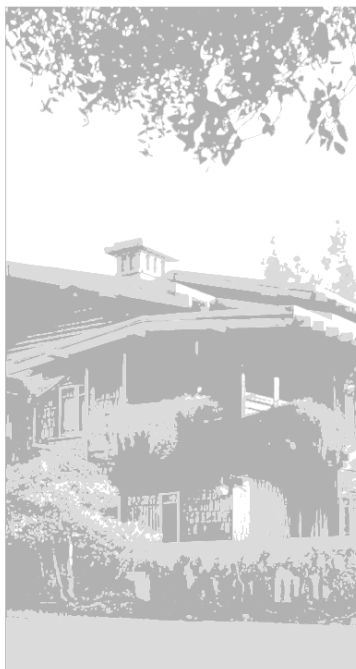

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**Implementation:**

**2014–2021 Objectives:**

- Implement the MASH program and focus on lead-based paint abatement and minor repairs. [Repair 192 homes over the planning period.](#)
- Monitor new contract to administer the single-family home rehabilitation program on behalf of the City.
- Establish program guidelines for a comprehensive acquisition/rehabilitation program by 2015, with goals and workplan—subject to the identification of a stable funding source.

<b>Target Population:</b>	Citywide; Extremely low, very low, and low income
<b>Time Frame:</b>	Ongoing; 2015
<b>Responsible Agency:</b>	Housing Department
<b>Funding Source(s):</b>	General Funds, CDBG, Grants



### PROGRAM #5: HISTORIC PRESERVATION

The City's historic preservation program promotes the identification, evaluation, rehabilitation, adaptive use, and restoration of historic structures, neighborhoods, and other landmarks. With respect to housing, key activities directed at historic preservation objects are as follows.

- **Historic Ordinance and Design Guidelines.** The Historic Preservation Ordinance implements the goals, policies, and programs of the General Plan and establishes the review authority of the Historic Preservation Commission and Design Commission. City codes require that properties within historic districts and individually designated historic properties be reviewed and approved prior to alteration or development. Pasadena's "Design Guidelines for Historic Districts" and the Secretary of the Interior's "Standards for Rehabilitation" help guide the review of historic properties.
- **Historic Preservation Incentives.** The City offers incentives to promote the preservation of historic sites and structures. City incentives include: reduction of building permit fees and construction tax, waiver of covered parking requirements in single-family landmark districts, modified City of Gardens standards, and variances for both adaptive reuse and relocation. The City's Mills Act program also allows owners of designated historic properties to reduce their property taxes in exchange for a contract with the City to maintain the property's historic character.
- **Home Acquisition, Rehabilitation, and Adaptive Reuse.** The City provides funding to acquire and rehabilitate historic homes and convert nonresidential uses to residential uses. Properties are targeted that contribute to neighborhood distress—abandoned, foreclosed, and dilapidated houses—which are acquired and rehabilitated using sound preservation principles and practices. Properties are sold to low and moderate income first-time homebuyers at below-market prices. This program continues to be implemented as funding is available.

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#### Implementation:

#### 2014–2021 Objectives:

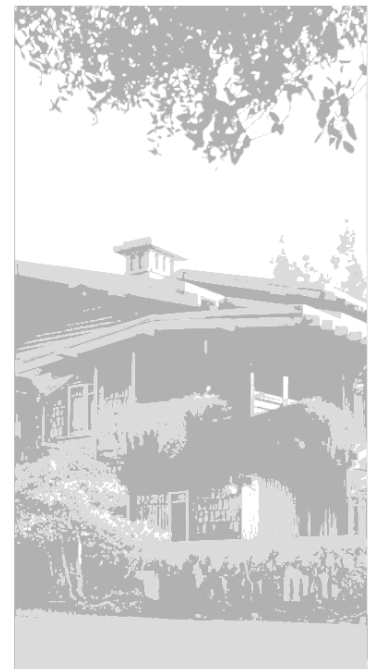
- Continue designating eligible landmark districts and structures, issuing Mills Act contracts, and completing historic design review.
- [Beginning in 2014](#), advertise incentives for historic preservation and continue to support historic preservation projects as funding is available.

<b>Target Population:</b>	Citywide, All economic groups
<b>Time Frame:</b>	Ongoing
<b>Responsible Agency:</b>	Planning & Community Development
<b>Funding Source(s):</b>	General Funds

**PROGRAM #6: HOUSING DESIGN**

As an urbanized city with carefully designed neighborhoods, Pasadena implements design review of proposed projects to ensure that new development is of exemplary quality and is sensitively integrated into the surrounding neighborhood context. Three key requirements are:

- **Design Review.** Pasadena requires excellence in architectural design that complements the scale and character of the City. Citywide design principles set the foundation, and City residential design guidelines provide clear examples of the quality and type of design recommended. Design guidelines work in tandem with development standards in the zoning code or appropriate specific plans. To expedite the process, developers may request a Consolidated Review, which combines concept and final design reviews into one step, thus reducing the time required.
- **City of Gardens Standards.** The City of Gardens Standards applies to multi-family projects within RM districts, certain specific plan areas, and the CL and CO commercial districts. Garden standards are an innovative set of zoning regulations aimed at creating more livable multi-family housing projects, encouraging designs that typify the garden character of earlier apartments and bungalow courts in Pasadena. These standards are also an integral way of encouraging the production of multi-family apartments and condominium projects of lasting quality.
- **Historic Review.** Because of the age, history, and rich fabric of Pasadena, many structures contain valuable and historic architectural features. Pasadena municipal codes require that properties within historic districts and individually designated historic properties must be reviewed and approved prior to alteration or development. Pasadena’s “Design Guidelines for Historic Districts” and the Secretary of the Interior’s “Standards for Rehabilitation” help guide historic review. City staff carefully reviews such structures to ensure that historic features are preserved.



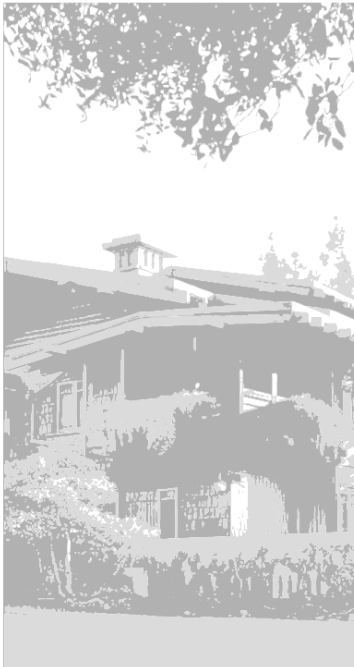

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**Implementation:**

**2014–2021 Objectives:**

- Continue to implement design review to ensure maintenance of Pasadena’s architectural character and quality of the built environment.
- Implement City of Garden standards as a tool to enhance the quality and compatibility of multi-family residential projects.

**Target Population:** Citywide, All economic groups  
**Time Frame:** Ongoing  
**Responsible Agency:** Planning & Community Development  
**Funding Source(s):** General Funds



**PROGRAM #7: HOUSING SITES**

Historically, Pasadena’s general plan, as part of its guiding principles, has explicitly directed new residential development into seven specific plan areas. This strategy is intended to allow for continuation growth and development, while reducing traffic congestion, improving air quality, providing housing, and stimulating economic development. The 1994 Land Use Element allowed for the net development of 11,000 units, of which 8,711 units were directed to specific plan areas (and 5,095 alone to the Central District). The 2004 update to the Land Use Element affirmed the direction of the 1994 Plan. Since then, the City has seen significant levels of development in the Central District.

In 2009, the City began an update of the general plan, working with the community through an award-winning program of participative planning. The general plan update focuses growth into neighborhood villages, transit villages, and within the Central District and specific plans areas. In April 2013, the City Council directed staff to begin preparation of the EIR. The EIR will review the impact of net development of 9,955 housing units, of which 8,245 will be in specific plan areas (4,885 alone in the Central District). Affordable housing units will continue to be exempt from the City’s development caps. Key sites in the housing element include the Lincoln Properties (Parsons site), which could accommodate hundreds of new housing units.

The City of Pasadena has a regional housing needs assessment of 1,332 units. The affordability breakdown of the 2014–2021 RHNA is 340 very low units, 207 low income units, 224 moderate income units, and 561 above moderate income units. These housing planning targets can be addressed through a combination of housing production credits and available housing sites. As mentioned in Appendix C, the City has adequate sites to accommodate the full RHNA and its income levels. The proposed general plan and mitigation in the program EIR ensures that sites are developable as envisioned in the Land Use and Mobility Plan within the housing element planning period.

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**Implementation:**

**2014–2021 Objectives:**

- Adopt the general plan and increase the development caps, including in the Central District, and implement mitigation in the EIR.
- Continue to review specific plans and make needed changes to ensure adequate sites to achieve the 2014–2021 RHNA.

**Target Population:** Citywide, All economic groups

**Time Frame:** 2014/2015; ongoing

**Responsible Agency:** Planning & Community Development

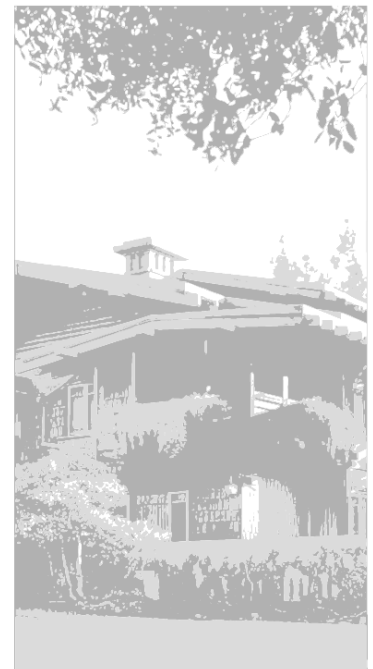
**Funding Source(s):** General Funds



**PROGRAM #8: MIXED USE/TOD STRATEGY**

Pasadena housing growth strategy relies predominantly on mixed-use and transit-oriented development that is focused into specific plan areas, transit villages, and neighborhood villages. To implement land use plan, the City has a mixed use/transit oriented development strategy described below.

- **Mixed Use Development.** Mixed use is an important strategy in the Pasadena General Plan to increase housing choices (including affordable housing), concentrate higher density projects in specific plan areas, support economic activity, and improve the walkability of an area. Mixed-use projects are a combination of commercial and residential uses in the same structure. To achieve these benefits, the City has codified zoning standards that facilitate and encourage mixed-use projects—such as reducing the project area required for open space, providing flexibility in meeting that requirement, and allowing a greater building envelope.
- **Transit Oriented Development.** Transit-oriented development is a concept that closely coordinates land use and mobility planning, making it more convenient to travel throughout the community by transit and foot. Pasadena has always embraced TOD planning; the City boasts a modern light rail and has established TOD districts throughout the City. In 2005, the City adopted TOD standards to encourage projects within a quarter-mile radius of a light rail station and the greater Central District. This has resulted in numerous residential and mixed use projects, including the Westgate, Del Mar Station, Holly Street, and Stuart Apartments.



Pasadena’s mixed use and transit oriented strategy has resulted in the recycling of virtually every land use and the construction of thousands of new units. It remains a cornerstone of the City housing and land use strategy.

**Implementation:**

**2014–2021 Objectives:**

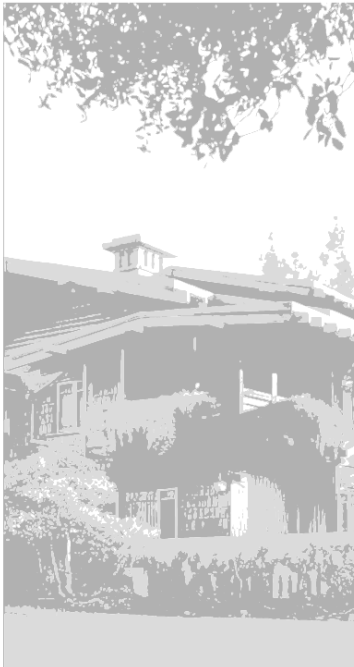
- Continue implementation of mixed-use incentives; monitor and assess the effectiveness due to the incentives on an annual basis.
- Continue land use, housing, and mobility strategy of encouraging transit-oriented developments around Gold Line stations.
- [By mid cycle or 2017/2018](#), review codes and incentives to facilitate the development of mixed-use and TOD consistent with the general plan.

**Target Population:** Central District and Corridors, All economic groups

**Time Frame:** Ongoing and [at mid cycle or 2017/2018](#)

**Responsible Agency:** Planning & Community Development

**Funding Source(s):** General Funds



### PROGRAM #9: RESOURCE CONSERVATION

Pasadena continues to be an industry leadership in encouraging sustainable development in a manner that reduces energy conservation, protects the environment, and facilitates the production of affordable housing. The City's efforts include building codes, development incentives, and services below.

- **Building Codes.** Pasadena implements the California Green Building Standards Code (CalGreen) to promote sustainable building design and construction practices in the community. Although CalGreen's mandatory provisions apply only to new construction and rehabilitation, the City extends these requirements to additions and alterations. Additional requirements, as permitted under state law, also apply to the residential and mixed use developments in Pasadena.
- **Solar Incentives.** Pasadena Solar Initiative (PSI) promotes the expansion of renewable solar power use in the community. Through rebates, additional incentives and education, the PSI aims to facilitate the generation of 14 megawatts of solar power by 2017. Through these incentives, the City has already facilitated the installation of 380 solar units in residential structures in Pasadena. Combined with other installations, Pasadena is 25% toward its goal by 2017.
- **Water and Sewer Services.** The housing element determined that there are adequate supplies of water supply, sewer capacity, and conveyance infrastructure in place to accommodate the 2014–2021 RHNA. However, in accordance with state law, the City is required to adopt written policies and procedures that grant priority for service allocations to proposed projects that include low income housing. This action was proposed in the 2008 housing element but needs to be completed.

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#### Implementation:

#### 2014–2021 Objectives:

- Continue to implement CalGreen and make technical refinements to the code as required to implement its provision.
- Continue to implement the City's solar initiative to help reach targets for nonrenewable energy production by 2017.
- Work with the City's Department of Water and Power to finalize written policies and programs to prioritize water and sewer service allocations.

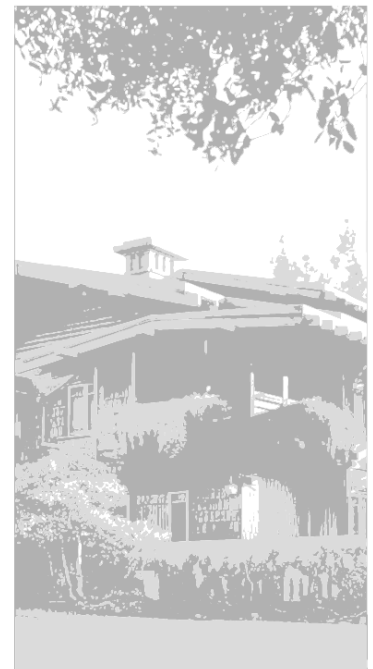
<b>Target Population:</b>	Citywide, All economic groups
<b>Time Frame:</b>	Ongoing, 2014 for policy changes
<b>Responsible Agency:</b>	Planning & Community Development
<b>Funding Source(s):</b>	General Funds; <a href="#">CDBG</a>

**PROGRAM #10: INCLUSIONARY HOUSING**

The City’s Inclusionary Housing Ordinance (IHO) requires that residential and mixed-use projects of 10 or more units dedicate 15% of the units as affordable to low and moderate income households. Ownership projects can fulfill the requirement with all moderate income units, whereas at least 10% of the required inclusionary units in rental projects must be set aside for low income (80% MFI) households. As an alternative to constructing the inclusionary units, a developer may choose one of three options: 1) construct the required units on another site, 2) donate another site for a portion or total number of units, or 3) pay a fee in lieu of building the units.

However, the 2009 case, *Palmer/Fifth Street Properties v. City of Los Angeles*, held that the Costa Hawkins Act does not permit the City to require affordable units in new rental housing unless it has provided incentives to the developer, and the developer has agreed by contract to provide the affordable units. In 2013, the Governor also vetoed state legislation proposed to give cities the authority to continue inclusionary housing programs. In light of these and other changes, the City may consider amendments to realign its program:

- Greater flexibility in the existing inclusionary option that allows the provision of off-site affordable units.
- A Citywide expenditure policy for IHTF that is closely tied to the City’s housing needs, tenure, and diversity goals.
- Incentives for the production and retention of affordable housing units for families, specifically three-bedroom units suitable for children.
- Consider potential amendments to the IHO to address concerns raised in recent court rulings (Palmer case) and other potential challenges.



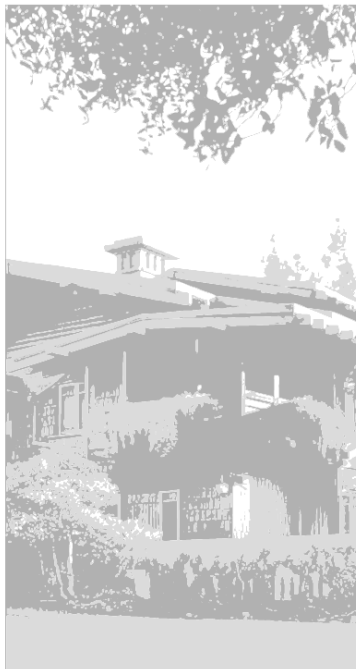

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**Implementation:**

**2014–2021 Objectives:**

- Continue to monitor effectiveness of the inclusionary housing ordinance and the expenditure of Inclusionary Housing Trust Funds.
- [In 2014, initiate a nexus study as a first step in the process of amending the IHO program; complete and present recommendations on amendments to the IHO to the City Council for consideration that year.](#)
- By 2016, review current ordinance to determine if inclusionary requirements can and should be increased in TOD districts.

**Target Population:** Citywide, Very low, low and moderate income  
**Time Frame:** Ongoing  
**Responsible Agency:** Planning & Community Development, Housing  
**Funding Source(s):** General Funds



### **PROGRAM # 1 1: POTENTIAL CONSTRAINTS**

The Housing Element identifies several issues that merit greater attention during the implementation of housing goals, policies, and programs. These issues are related to municipal codes, development fees, and processes. The following activities are proposed to address these potential constraints.

- **Development Review.** The City is considering various modifications to aspects of its development review procedures and requirements—design review, permit processing, commission reviews, and other features—to improve the land use entitlement process. The City is weighing options in light of current starting, community expectations, service demands, and funding. Appropriate recommendations will be progressively implemented.
- **Development Fees.** During the early to mid-2000s, Pasadena was successful in facilitating the construction of thousands of new housing units. The market crash halted this trend for years. During this period, concerns were raised about development fees. Although the building industry is recovering and numerous projects are in the pipeline, the City will reevaluate its fees in line with aforementioned process modifications.
- **Ongoing Evaluation.** Over time, potential constraints to the development, maintenance, and improvement of housing will arise due to changing conditions and community needs in Pasadena. These potential constraints could be related to municipal codes, environment, or city processes. The City will continue to examine these situations on a case-by-case basis, through a mid-cycle housing element review or through special studies.

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#### **Implementation:**

##### **2014–2021 Objective(s):**

- Consider the implementation of changes to the City’s development review process to improve timeliness and achieve desired outcomes.
- Reevaluate appropriateness of development fee schedules following implementation of development process improvements.
- Periodically review potential constraints to the development, maintenance, and improvement of housing as situations arise.

**Target Population:** Citywide, All economic groups

**Time Frame:** FY2014/2015 and ongoing

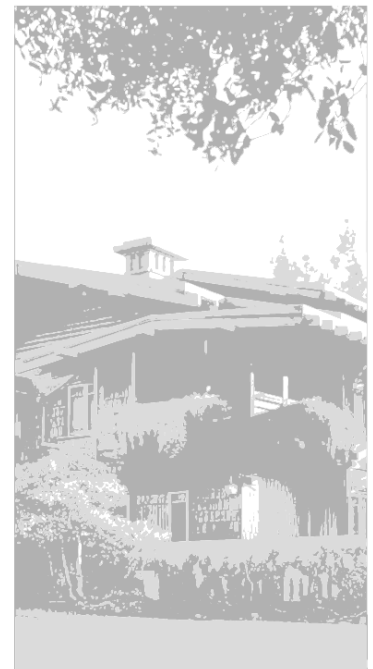
**Responsible Agency:** Planning & Community Development

**Funding Source(s):** General Funds

**PROGRAM #12: REGULATORY HOUSING INCENTIVES**

Because Pasadena is largely built out with a highly defined development pattern, the City uses an effective mix of regulatory housing incentives to facilitate the construction of affordable and market rate housing in strategic growth areas. The primary three tools used are described below.

- **Density Bonus.** Pasadena implements a density bonus ordinance to incentivize the production of affordable housing. Eligible projects may receive an increase in density if any of the following conditions are met: at least 5% of the units are affordable to very low income households; at least 10% are for-sale units affordable to low or moderate income households; or the project has at least 35 units available exclusively to persons aged 55 years and older. Up to three additional incentives are also available depending on the proportion and income targeting of affordable units.
- **Parking Incentives.** Reductions in parking requirements are available to facilitate affordable, special needs, and transit-oriented housing. For example, tandem parking may fulfill up to 30% of the parking requirement in multi-family and mixed-use projects. Parking may be reduced to 0.5 space per unit for senior housing and 0.25 space per SRO units. The City also requires a reduction in parking for transit-oriented development within ¼ mile of a light rail station and in the Central District Transit-Oriented Area.
- **Minor Variances.** The City has created other flexible tools to facilitate new housing, such as the minor variance process. Eligible projects can receive the following minor variances: 1) yard setback requirements, with no limit on percentage of deviation; 2) size of landscape areas in multi-family districts (including City of Gardens projects); 3) fence/wall height, with no limit on percentage of deviation; 4) building heights; and 5) other development standards set forth in the municipal code.



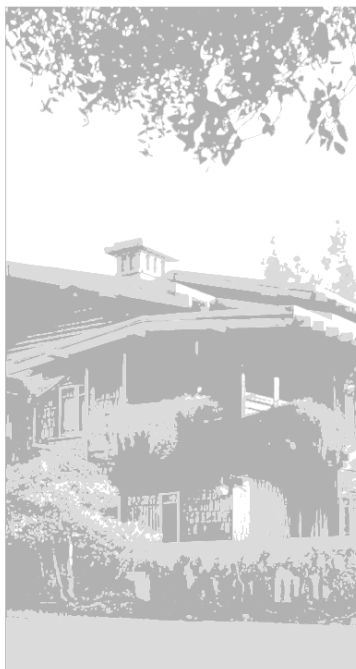

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**Implementation:**

**2014–2021 Objective(s):**

- Continue to provide flexibility through the density bonus, parking incentives, and minor variance programs.
- Consider changes to the zoning code to allow for a greater percentage of tandem parking and to allow for the uncoupling of parking costs from rental costs. [Complete by 2016/2017.](#)

**Target Population:** Citywide, All economic groups  
**Time Frame:** Ongoing and [2016/2017](#)  
**Responsible Agency:** Planning & Community Development  
**Funding Source(s):** General Funds



### **PROGRAM # 13: ALTERNATIVE HOUSING OPPORTUNITIES**

Pasadena residential neighborhoods offer a diversity of housing types that vary in type, density, and vintage. The challenge in creating new housing opportunities is how to integrate new units into established and highly defined neighborhoods. Two such efforts are as follows:

- **Small Lot Ordinance.** One of the more endearing forms of housing in Pasadena is small lot bungalows. The bungalow court, which features small houses arranged around a central garden, was the predominant form of multi-family housing in Southern California in the early 1900s. Adaptations of this concept have become popular in recent years in southern California. Small lot subdivisions allow for single-family homes, townhouses, or garden courts on smaller parcels than under standard zoning regulations. These housing products can have separate lots, do not require expensive subterranean parking, offer lower cost homeownership opportunities, and can be oriented in visually interesting ways.
- **Second Units.** Second units are self-contained units attached to or detached from the primary residential unit on a single lot. Second units typically rent for less than apartments of comparable size, and can offer affordable rental options for seniors, college students, single persons, and extended families. Rent from second units can help modest income and elderly homeowners remain in or continue affording their homes. The City has developed a ministerial approval process along with residential development standards. Though Pasadena has had few applications for second units in recent years, in consideration of continued input from the public, the City will reevaluate its current ordinance requirements.

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#### **Implementation:**

##### **2014–2021 Objectives:**

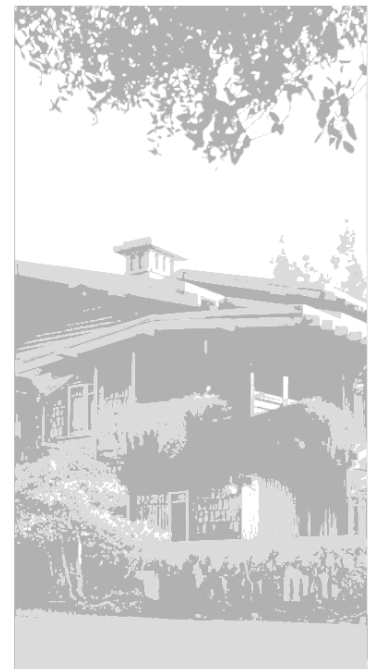
- Review zoning code and consider amendments to facilitate small-lot, single-family subdivisions as a means to providing affordable homeownership opportunities while balancing the need to protect the unique architectural and historical character of the City.
- Review the City’s second-unit standards, hold public meetings to solicit input, and evaluate the feasibility of changes to the ordinance to better facilitate such units within the context of maintaining the character and quality of residential neighborhoods.

<b>Target Population:</b>	Select neighborhoods, All economic groups
<b>Time Frame:</b>	2015/2016
<b>Responsible Agency:</b>	Planning & Community Development
<b>Funding Source(s):</b>	General Funds

**PROGRAM # 14: FINANCIAL ASSISTANCE**

The City provides a wide range of financial assistance for developers of affordable housing to encourage the production of affordable housing. Assistance may include City financial assistance, land assemblage/write-downs, and fee modifications or waivers, as briefly described below.

- **City Assistance.** The Housing Department provides funds for affordable housing production and preservation, including Inclusionary Housing Trust Funds, HOME, state and federal funds. Eligible uses include new construction (rental and ownership); property acquisition; rehabilitation (rental and ownership); homebuyer assistance; special needs housing; and affordable housing preservation. When funds are available, the Housing Department issues NOFAs and RFPs to solicit competitive proposals.
- **Land Assemblage/Write-downs.** The City may also provide land write-downs to selected developers in the acquisition and disposition of housing sites and/or surplus properties for the construction or rehabilitation of affordable housing units. Typically, developers acquire and assemble lots before submitting an application for development and City funding. Subject to the availability of funding, the City will continue to seek property acquisition opportunities, consider land write-downs and other creative land subsidies, and assemble sites for affordable housing.
- **Fee Waivers.** The City may waive part of the Plan Review Fee, Building Permit Fee, and Construction Tax in exchange for deed-restricted units affordable to very low, low, and/or moderate income households. Affordable projects receive fee reductions of up to \$25,000 per unit, with a cap of \$125,000 per project. Fee modifications and waivers are increased progressively for projects that provide a higher percentage of affordable units and deeper income targets. The fee waiver program also includes a reduced residential impact fee and traffic impact fee for affordable housing.



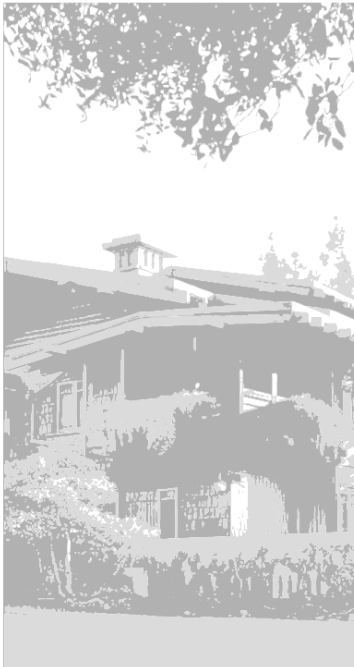

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**Implementation:**

**2014–2021 Objectives:**

- [Contingent on availability, provide funding support for the production, rehabilitation, and preservation of up to 14 affordable units annually.](#)
- [Provide reduced fees in return for developers providing affordable housing and/or meeting IHO requirements for an estimate of 50 units annually.](#)

<b>Target Population:</b>	Citywide, Extremely low, very low, low income
<b>Time Frame:</b>	Ongoing
<b>Responsible Agency:</b>	Planning & Community Development; Housing
<b>Funding Source(s):</b>	CDBG; General Funds; Grants



**PROGRAM # 15: HOMEBUYERS ASSISTANCE PROGRAMS**

Pasadena has traditionally offered several homeownership programs to increase the number of affordable housing opportunities. Though the loss of RDA funding has significantly curtailed these efforts, the City will be pursuing additional funding to restore past program efforts.

- **Homebuyer Education.** The City contracts with the Los Angeles Neighborhood Housing Services (LANHS) to provide homebuyers' education and counseling to lower income renters to purchase housing. Program services also include credit counseling, financial prequalification, referrals, and limited financial assistance to first-time homebuyers. LANHS also employs certified foreclosure counselors who work with homeowners and lenders in the home mortgage lending process.
- **Homeownership Assistance.** This program provides down payment assistance to first-time, income-qualified home buyer applicants in the form of a low interest, second trust deed loan. To encourage long-term ownership and allow Pasadena to reuse funds, the loan provides a means to secure a portion of the appreciation if the property is resold or refinanced before the loan maturity date. The City also offers a closing cost program, with funds from the Pasadena Foothill Association of Realtors.
- **Habitat for Humanity.** The City works with Habitat for Humanity, Heritage Housing partners, and other organizations to provide homeownership opportunities. One such effort is the former Desiderio Army Reserve Center. The City is working with Habitat to establish a PD that will include a passive park and a nine-home bungalow courtyard. Efforts are underway to raise \$2.9 million for this effort. Applicants for homes must contribute a minimum of 300 hours of sweat equity to help build the home.

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**Implementation:**

**2014–2021 Objective(s):**

- Evaluate ways to secure future rounds of CalHOME and BEGIN funds to reactivate the homeownership program as funding becomes available.
- Assist in obtaining funds to complete the Desiderio Army base conversion and work with Habitat to build 9 affordable homes.
- Continue to provide homebuyer education, foreclosure counseling, and closing cost assistance to prospective homebuyers on an annual basis.

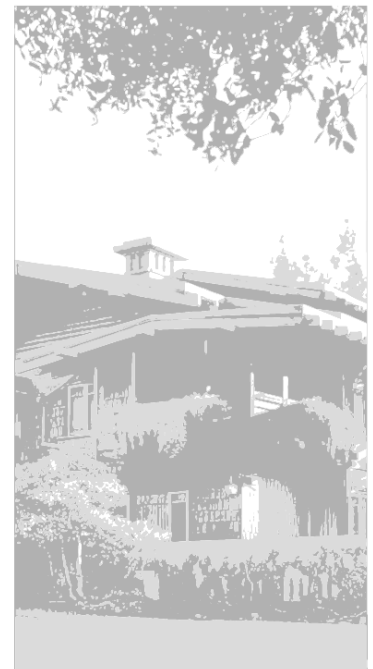
<b>Target Population:</b>	Citywide, Extremely low, very low, and low income
<b>Time Frame:</b>	Ongoing
<b>Responsible Agency:</b>	Housing Department, LANHS
<b>Funding Source(s):</b>	HOME; BEGIN; CALHOME



**PROGRAM # 16: RENTAL HOUSING ASSISTANCE**

The Pasadena Housing Department is the federally designated agency for implementing rental assistance programs for income-eligible households, and eligible homeless families, individuals, and persons with special needs. The City has three rental assistance efforts.

- **Housing Choice Vouchers.** The Housing Authority issues approximately 1,442 vouchers to income-eligible residents of Pasadena. Of this total, approximately 900 vouchers are issued to families and approximately 500 vouchers are issued to seniors. Five apartment projects also received project-based vouchers. The City’s priority and preference system for allocating vouchers adhere to the following order: residency, working, disability, veteran, involuntary displacement, and substandard housing.
- **Special Needs.** Pasadena administers vouchers for special needs groups. These include persons living with HIV/AIDS and their families under the Housing Opportunities for Persons with Aids (HOPWA) program. Vouchers are also issued to non-elderly disabled (NED) people under two programs: NED #1 must be selected from the Section 8 waiting list and meet the definition of non-elderly disabled households, and NED #2 provides rental assistance to very low income people. The City also allocates vouchers to assist homeless people under the Shelter Plus Care Program (S+C).
- **Emergency Rental Assistance.** The City of Pasadena historically offered an emergency rental assistance activity that offers security deposits, initial deposits, and back rents for very low and lower income Pasadena residents. The City also historically offered a similar program, called Tenant-Based Rental Assistance) for those temporarily displaced. Although these activities have been curtailed or cut back completely due to loss of funding, the City seeks to restore the program as funding opportunities become available.



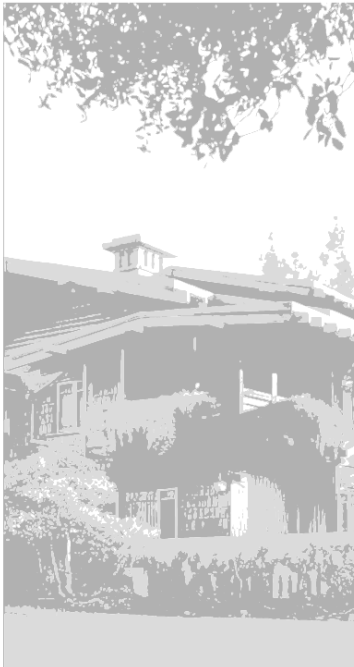

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**Implementation:**

**2014–2021 Objective(s):**

- Assist 1,442 households or the number of vouchers allocated under the housing choice voucher program, including project-based vouchers.
- Continue to allocate available vouchers to special needs groups under the HOPWA, NED, and S+C programs.
- Seek available funding or new grants to restore emergency rental assistance programs or similar programs.

<b>Target Population:</b>	Citywide, Extremely low, very low, and low income
<b>Time Frame:</b>	Ongoing
<b>Responsibility:</b>	Housing Department
<b>Funding Source:</b>	U.S. Department of Housing & Urban Development



### PROGRAM # 17: AFFORDABLE HOUSING PRESERVATION

The City of Pasadena has an expansive inventory of deed-restricted affordable housing and a smaller inventory of market-rate affordable projects. Preserving existing affordable housing, both market rate and government deed-restricted projects, are important goals. Activities are described below.

- **Deed-Restricted Affordable Housing.** Pasadena has about 2,500 publicly assisted multi-family units that are deed restricted as affordable to lower income households. Up to 25% of the covenanted units will come up for renewal by 2024. Although the City presently monitors the status of these projects, the high cost of replacement (as opposed to preservation) merits a stronger program. To that end, the City will: 1) create an updated assisted housing database; 2) annually monitor the list, 3) explore funding sources for projects at risk of conversion; 4) present options for developers building new projects to preserve at-risk units; and 5) ensure tenants are properly notified of impending conversions as required by state law.
- **Market Rate Affordable Housing.** Pasadena helps to preserve market rate housing affordable to lower income households through acquisition and rehabilitation (Program #4), historic preservation (Program #5), and funding assistance (Program #12). Developers can fulfill their IHO obligations by acquiring, rehabilitating, and preserving existing market rate units as affordable housing. During the update process, however, comments were raised about the need to prevent the loss of affordable rental housing. Since this is a complex issue, an objective to study options for preserving non-deed-restricted affordable housing and tenant protections is included as an action for the 2014–2021 Housing Element.

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#### Implementation:

##### 2014–2021 Objectives:

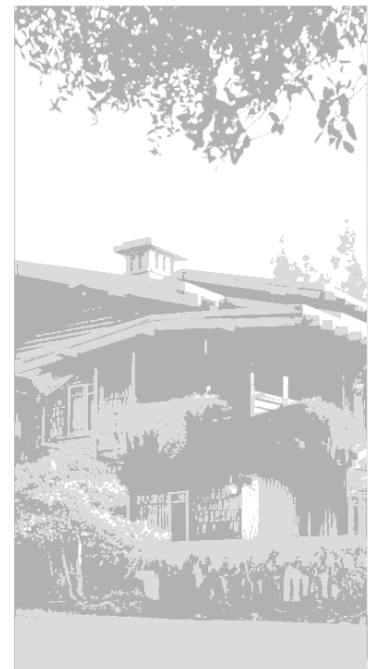
- Continue preservation of deed-restricted housing, focusing on housing projects at risk of conversion. As the ground lease is expiring on the Concord Senior project, explore preservation options.
- Continue activities to preserve market rate affordable housing through rehabilitation loans. Inform builders of the option to satisfy IHO requirements through acquisition/rehabilitation of rental properties.
- [Study options to change the tenant protection ordinance and for options for preserving non-deed restricted affordable housing by 2016.](#)

<b>Target Population:</b>	Citywide, Extremely low, very low, and low income
<b>Time Frame:</b>	Ongoing, 2016
<b>Responsibility:</b>	Housing Department
<b>Funding Source:</b>	Local, State, and Federal Funds

**PROGRAM #18: ADMINISTRATIVE RESOURCES**

The City employs various tools to achieve the community’s housing vision. These include expanding collaborative partnerships, seeking funding, and developing unique tools to publicize housing opportunities. Although not an exhaustive list, three tools are frequently used by the City and community.

- **Collaborative Partnerships.** In today’s market, creative approaches and partnerships are required to finance and build affordable housing. As mentioned in Chapter 4 and in the 2010–2015 Consolidated Plan, the City works with dozens of nonprofit and for-profit organizations to build affordable housing, rehabilitate housing, and preserve at-risk affordable housing from losing its affordability covenants. Additional organizations provide an extensive menu of supportive services to Pasadena. This network assists the City in effectively achieving its housing vision.
- **Funding Programs.** The Housing Department provides funding for the production, rehabilitation, and provision of assistance for housing. Many of these funds are not guaranteed and are allocated on a competitive basis. However, this funding is essential to maintaining the City’s economic and social diversity. From organizations dedicated to providing services to community building initiatives, these groups are essential. The City will continue to seek creative funding, including but not limited to private foundations, governmental grants, and other sources.
- **Housing Search Website.** The City subscribes to a free housing search website, located at <http://pasadenahousingsearch.com/>. As a partner, the City shares affordable housing listings with the L.A. County Housing Resource Center and other participating cities. The search engine has several useful features, including whether the property owner speaks Spanish, Section 8 is accepted, pets are accepted, or the unit is accessible for disabled people. The Housing Search website is highly used, with 200,000 successful searches for affordable housing each year.



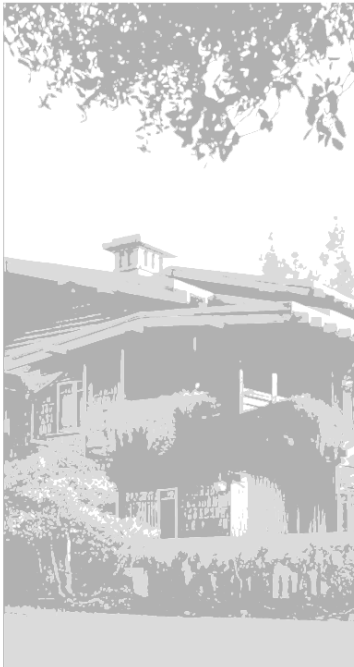

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**Implementation:**

**2014–2021 Objective(s):**

- Continue to expand partners and funding opportunities to leverage resources for housing programs.
- Continue to participate in and update affordable housing listings on the Department’s housing search engine.

<b>Target Population:</b>	Citywide, All economic groups
<b>Time Frame:</b>	Ongoing
<b>Responsibility:</b>	Housing Department
<b>Funding Source:</b>	Local, State, and Federal Funds



### PROGRAM #19: HOUSING FOR DISABLED PEOPLE

Pasadena implements activities to encourage the development of housing suitable for people with disabilities (including developmental disabilities) as well as fund supportive services to address their needs. City programs for providing housing and services to people with a disability follow.

- **Building Design.** The ADA mandates certain requirements for multifamily housing units to be accessible to people with disabilities. There are also techniques for improving the accessibility of housing through the adoption of principles of “universal design,” “visitability,” or “barrier free” housing. Features typically include zero-step entrances, wide enough doorways for wheelchairs, and other key features. Pasadena will explore ways to make these types of improvements where feasible.
- **Reasonable Accommodation.** Pasadena’s housing was predominantly built before ADA requirements and may not be as accessible as new units. Therefore, the City’s municipal code establishes a process for requesting and granting reasonable modifications to zoning, development regulations, building codes, and land use to allow for the fullest access to housing. The City will continue to implement this process to improve access to housing for people with disabilities in Pasadena.
- **Housing Opportunities.** At times, expanding housing opportunities for people with disabilities (including developmental disabilities) is needed. The City supports the construction of housing and group quarters that is suitable for people with disabilities. The City allocates vouchers (Program #16) for people with disabilities to live in housing in an integrated setting with other nondisabled people. Finally, the City seeks opportunities to fund the provision of supportive services to Pasadena’s disabled residents.

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#### Implementation:

##### 2014–2021 Objective(s):

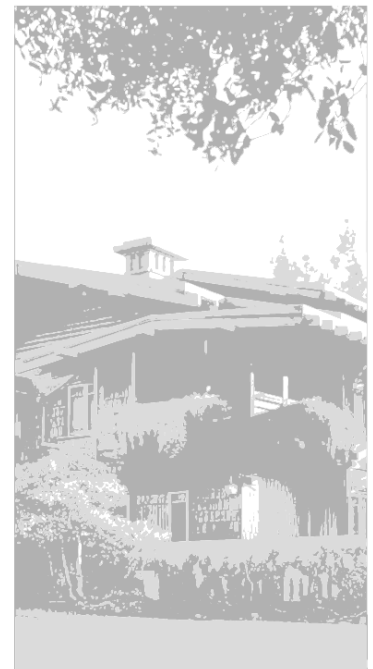
- [By 2018](#), evaluate feasibility of developing housing accessibility features consistent with ADA; implement reasonable accommodation ordinance.
- Seek opportunities and grants to fund the provision of housing and services for disabled people (including developmental) as funding arises.
- [By 2015, review zoning code to ensure residential care facilities, limited, are allowed in appropriate zones consistent with state law.](#)

<b>Target Population:</b>	Citywide, All economic groups
<b>Time Frame:</b>	<a href="#">Ongoing, 2015, and 2018</a>
<b>Responsibility:</b>	Planning & Community Development; Housing
<b>Funding Source:</b>	Local, State, and Federal Funds

**PROGRAM #20: HOUSING FOR SENIORS**

The City of Pasadena continues to have a sizable senior population because it is a desirable place to retire. Moreover, many retirement communities have chosen to locate in Pasadena. City activities dedicated to providing housing and services for seniors are described below.

- **Housing Facilities.** Pasadena offers approximately 1,200 units of senior housing, the majority of which are deed restricted affordable to low income seniors through covenants. In addition, more than 500 housing choice vouchers are allocated to seniors to rent housing in the community. The production of senior housing is also encouraged in multi-family districts, where provisions for parking reductions, density bonus incentives, and fee reductions also apply. The City creatively uses its resources to increase the supply of senior housing, such as the rehabilitation of Hudson Oaks.
- **Life Care Facilities.** As the baby boomer population ages, senior housing providers are expanding their housing facilities and services to include “life care” housing opportunities, ranging from independent and semi-independent to assisted-living housing. The concept is to allow seniors who no longer reside in single-family homes to age in place without having to move to a completely different community or building as their health needs change. To that end, Pasadena works with life-care facility providers and developers to facilitate the construction of senior life-care facilities.
- **Senior Services.** Pasadena seniors benefit from supportive services that enable them to live at home as independently as possible. The City funds organizations that provide meal and nutrition, recreation, health care, and service programs. Many programs operate from Pasadena’s Senior Center. The City’s transit line offers subsidized low-cost public transit for seniors. The City also implements its MASH program, which provides free home maintenance, repairs, and property maintenance for eligible seniors.



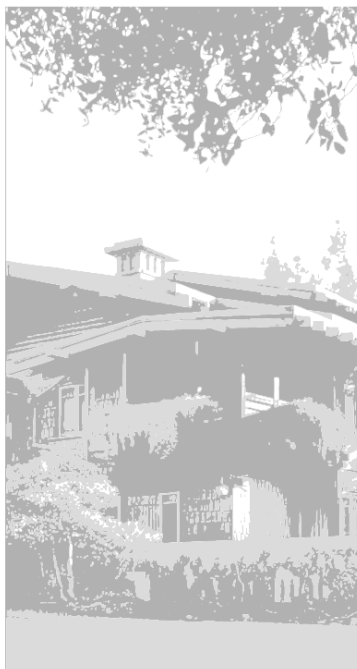

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**Implementation:**

**2014–2021 Objective(s):**

- Continue to support the provision of senior housing and life care facilities and the preservation of affordable senior housing as funding is available.
- Continue to fund the provision of supportive services for senior residents as funding is available.

<b>Target Population:</b>	Citywide, All economic groups
<b>Time Frame:</b>	Ongoing
<b>Responsibility:</b>	Housing Department
<b>Funding Source:</b>	Local, State, and Federal funds



### PROGRAM #21: FAMILY AND YOUTH HOUSING

The City of Pasadena implements three programs to assist in developing and providing housing for families, including families with children, emancipated youth, and college age youth.

- **Development of Housing for Families.** Recent market surveys show that developers are building primarily smaller condominiums and apartments targeted toward singles and couples without children. As part of Pasadena’s Policy on Children, Youth and Families (2006), the City Council adopted a policy to increase the supply of adequate and affordable housing for families with children. To implement this policy, the City will evaluate incorporation of incentives in the IHO and a comprehensive funding strategy, as funds are available, to promote family housing.
- **Housing for Emancipated Youth.** Emancipating youth refers to youth “aging out” of the foster care system, as well as a broader group of youth becoming independent adults before the age of 18. About 1,500 foster youth age out of the Los Angeles County child welfare system each year. Most have nowhere to turn for jobs, housing, education, or support. Studies show that this population is at higher risk of homelessness. Providing opportunities for affordable apartments and transition housing in conjunction with support services could help address these needs.
- **Student Housing.** Pasadena is home to Caltech, Fuller Theological Seminary, Art Center of Design, Pasadena Community College, and other smaller private colleges that collectively enroll more than 35,000 students. The exceptionally large number of educational institutions in Pasadena creates a high demand for apartments and affordable housing for faculty. The City will continue to work with local educational institutions to prepare and update Master Plans to provide additional housing opportunities.

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#### Implementation:

#### 2014–2021 Objective(s):

- [Annually review grants to determine suitability for improving housing and supportive services for youth leaving foster care and institutional living.](#)
- [In tandem with the review of the IHO under Program #10 in January 2014, evaluate the feasibility and/or extent to which incentives could be provided for large family units given funding and market constraints.](#)
- Continue to work with colleges to update master plans.

**Target Population:** Citywide, All economic groups

**Time Frame:** Ongoing

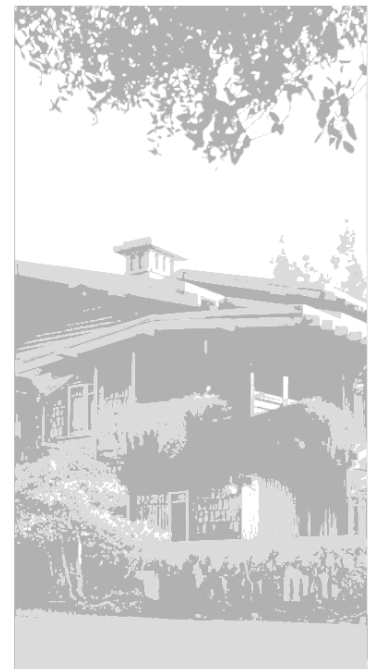
**Responsibility:** Housing Department

**Funding Source:** Local, State, and Federal funds

**PROGRAM #22: HOMELESS SERVICES**

Pasadena employs a multi-faceted approach to addressing homelessness as denoted in its Ten Year Strategy to End Homelessness as follows:

- **Continuum of Care.** Pasadena has traditionally implemented a Continuum of Care approach to addressing homelessness. A network of service agencies has emerged to address the needs of Pasadena’s homeless. The City continues to fund this network of shelter and service providers with ESG and COC funds. The City is in the process of adopting Zoning Code amendments to expand the area where shelters, transition housing, and permanent supportive housing can locate consistent with state law.
- **Rapid Re-housing/Transition.** Pasadena supplements the COC system with a Rapid Re-housing Approach. This highly successful model provides an option for placing homeless individuals and families immediately into permanent housing with supportive services. Rapid re-housing participants are provided with short-term interventions including deposit assistance; shallow, short-term rent subsidies; and stabilization services including case management, budgeting assistance, and assistance to increase income.
- **Supportive Services.** Pasadena continues to support agencies that provide supportive services to people who are homeless. Services are provided by a network of organizations (nonprofit, local government, for-profit, etc.) at all levels of homelessness, transition and permanent housing. This may include food services, job training, mental health, substance abuse recovery, referral services, and other services that enable people to transition into society and live full and productive lives.



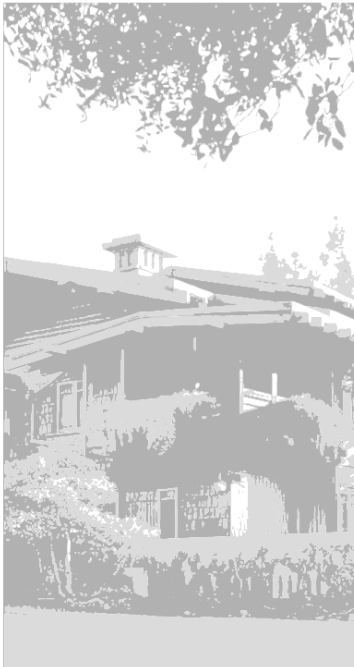

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**Implementation**

**2014–2021 Objective(s):**

- Periodically update and implement on an ongoing basis recommendations consistent with the City’s Ten Year Strategy to End Homelessness and integrate a new Rapid Re-housing approach.
- By 2015, update zoning code to allow transitional and permanent supportive housing in all zones allowing residential uses [subject to the same standards as to housing of the same type in the same zone.](#)
- [By December 2013, amend zoning code to allow emergency shelters as a by right use in the Light Industrial SP-2 \(IG\), Central District \(CD-6\), and EPSP-D1-IG subject to management and operational standards permitted in state law.](#)

<b>Target Population:</b>	Citywide, Extremely low, very low, and low income
<b>Time Frame:</b>	Ongoing, 2013, and 2015
<b>Responsibility:</b>	Planning & Community Development; Housing
<b>Funding Source:</b>	ESG; S+C; HOME



### **PROGRAM #23: FAIR HOUSING**

Pasadena’s fair housing program supports its vision of a socially and economically diverse community by facilitating the provision of housing opportunities for all persons, regardless of status. Pasadena’s efforts to affirmatively further the spirit of fair housing law are detailed below.

- **Fair Housing Services.** Pasadena contracts with nonprofit agencies to promote the enforcement of fair and equal housing opportunity laws. The Housing Rights Center provides counseling and referrals, landlord and tenant dispute resolution, discrimination and complaint processing, education, outreach, training, technical assistance, advocacy, and relocation assistance. The City implements its Housing Mediation Ordinance, which oversees landlord-tenant disputes.
- **Fair Housing Impediments.** Fair housing concerns have varied over the past decade concurrent with case law, improved awareness, and contemporary challenges. In accordance with federal and state fair housing law, the City periodically prepares an Analysis of Impediments to Fair Housing Choice that identifies potential impediments and offers a menu of strategies to address them. The City will continue to work with its fair housing provider to affirmatively address identified impediments.
- **Tenant Protection Ordinance.** The City requires property owners to pay relocation assistance for tenants who are involuntarily displaced from housing when the tenant is not at fault. Relocation assistance is required if: 1) the unit is slated for demolition; 2) the building must be vacated due to health and safety violations; or 3) the landlord seeks to remove the unit permanently from the rental market. Tenant protections are also enforceable in the case of condominium conversions.

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#### **Implementation:**

##### **2014–2021 Objective(s):**

- Continue to provide fair housing services, tenant-landlord mediation, enforcement, and outreach and education services.
- Periodically prepare the Analysis of Impediments to Fair Housing Choice and implement recommendations contained therein.
- Continue to implement the Tenant Protection Ordinance; by 2016, study appropriateness and options for strengthening provisions of the ordinance.

**Target Population:** Citywide, All economic groups

**Time Frame:** Ongoing and 2016

**Responsibility:** Housing Department

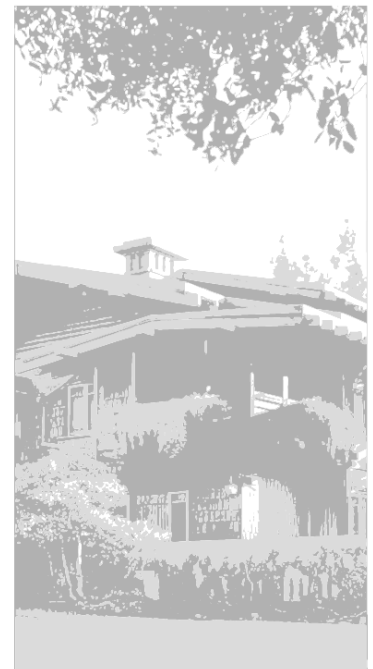
**Funding Source:** Local HOME funds; CDBG



**PROGRAM #24: HOUSING EDUCATION AND MONITORING**

Education and monitoring activities are an essential process for evaluating and refining housing programs. The City has three primary activities geared toward monitoring progress and engaging and educating decision makers and the community about housing policies and programs.

- **Monitoring Program.** The City maintains records of housing production for specific plans so that adequate sites remain available for development. Pasadena periodically prepares the annual monitoring reports—the Consolidated Annual Performance Evaluation Report for federal programs and the Annual Housing Element Progress report for the California HCD. The City will continue to prepare these reports as required by law and work toward integrating their preparation in a more coordinated manner.
- **Community/Commission Education.** Housing policy, programs, state and federal mandates, and funding sources are intricate in detail. Moreover, housing programs often change in response to market cycles. In an effort to enhance and inform the decision-making process for housing matters, the City will implement a more formal education process. This process will include educating elected leaders, city staff, and stakeholders, both individually and/or collectively, about Pasadena housing issues.
- **Midcycle Housing Forum.** The 2014–2021 Housing Element is prepared during a unique period of time. Southern California cities have one of the shortest periods to update the housing element. The region is struggling to recover from the worst economic downturn in generations and the loss of redevelopment dollars. Finally, the City could face new market pressures before the end of the housing element cycle in 2021. In this context, a midcycle review of the housing element may be an appropriate course of action to ensure that housing programs remain relevant through 2021.




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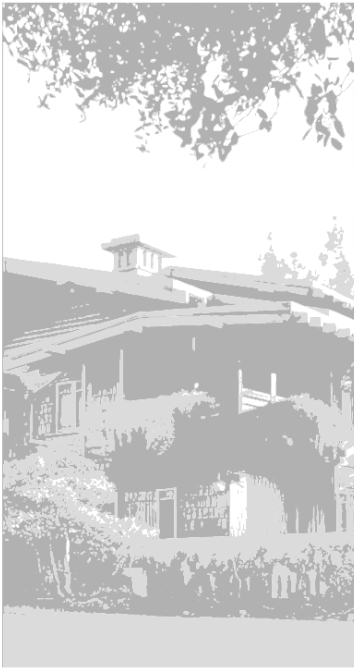
**Implementation:**

**2014–2021 Objective(s):**

- On annual basis, monitor the progress in meeting the objectives set forth in the housing element and prepare annual report as required.
- Conduct ongoing educational efforts to engage and inform the public, decision makers, and stakeholders about housing issues.
- At the midpoint of the 2014–2021 housing element period (2017), review select programs and activities to fine tune and adjust as deemed needed.

<b>Target Population:</b>	Citywide, All economic groups
<b>Time Frame:</b>	Annual and 2017 for midcycle review
<b>Responsibility:</b>	Planning & Community Development and Housing
<b>Funding Source:</b>	General Fund

## Housing Framework



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# HOUSING NEEDS

## APPENDIX A



# A. HOUSING NEEDS

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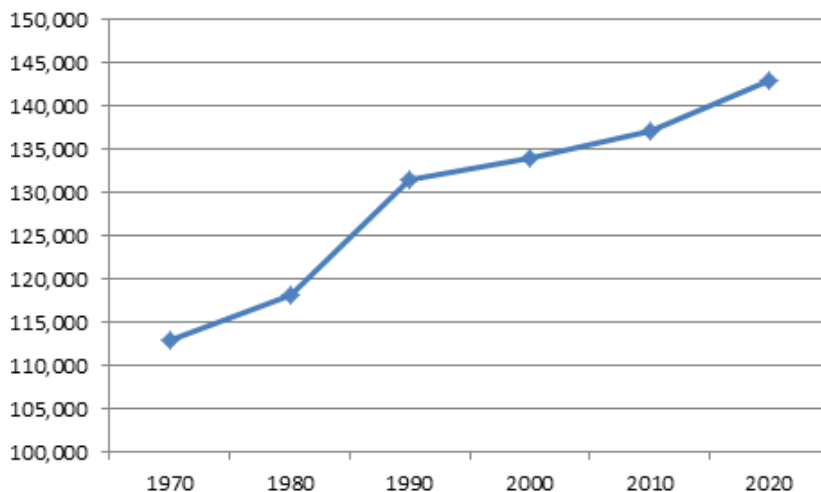
Appendix A includes an analysis of demographic, economic, housing, and special needs characteristics and trends in Pasadena. The analysis is intended to identify issues that affect the City's existing and future housing needs.

## 1. DEMOGRAPHIC TRENDS

### POPULATION GROWTH

The City of Pasadena is the seventh-largest city in Los Angeles County, with a population estimated at 137,122 according to the 2010 U.S. Census Bureau. Over the past 50 years, the City's population has increased by approximately 4% per decade. Historically, development pressures have migrated to different areas of Pasadena based on land availability, location of employment, and City General Plan policy. Since 1990, the majority of residential and mixed-use projects have been focused in the Central District.

According to the Southern California Association of Governments' forecasts, the City of Pasadena's population is projected to increase to 143,000 by the year 2020 (see Figure A-1). As was the case in prior decades, the majority of residential development is slated for the Central District, major transportation corridors, neighborhood villages, and transit villages. Other areas of Pasadena will continue to grow, although to a much lesser degree because these neighborhoods have limited opportunities for new housing.



**Figure A-1: Pasadena Population Growth, 1970–2020**

### AGE CHARACTERISTICS

Pasadena’s housing needs are influenced by the age characteristics of residents. Different age groups have different lifestyles, family types, and income levels that affect their preference and ability to afford housing. Typically, younger adults occupy apartments and condominiums that are more affordable. Middle-aged adults tend to choose larger homes to accommodate children, and seniors may begin to downsize to smaller homes that are easier to maintain. Understanding changes in age characteristics provides insight into present and future housing needs.

The state and the nation are in the midst of demographic change, with significant increases in age due to the aging of the baby boom generation. These trends are evident in Pasadena. Despite modest population growth during the 2000s, Pasadena’s median age of residents rose to 37 years. Mirroring national changes, Pasadena’s baby boom (middle-age) age adults also was the fastest growing segment of Pasadena’s population. Middle-aged adults (45 to 64 years) increased 25%, and seniors increased 14% since 2000. In contrast, every age group under 45 years old declined in number.

Changes in age distribution are also due to local housing market factors. Pasadena is known for relatively higher housing prices and apartment rents that are more difficult for younger households to afford (as opposed to middle-aged adults established in the workforce). In addition, Pasadena is an attractive community for seniors and middle-aged adults who enjoy the amenities offered by living in the community. These factors contribute to a nationwide trend, resulting in significant increases in resident age.

According to demographic and building trends, several trends appear likely. Continued development of apartments and condominiums in the Central District will likely attract younger adults to more affordable housing opportunities in Pasadena. Meanwhile, the aging baby boomer population supports the contention that the senior population will continue to increase. How these demographic changes will affect the demand and type of housing built over the decade remains unclear. Table A-1 summarizes these changes.

**Table A-1: Age Characteristics in Pasadena**

Age Category	Number of Residents			Population Change	
	1990	2000	2010	2000–10	Percent
0–19 yrs. (dependent)	32,545	34,091	29,848	-4,243	-12%
20–24 yrs. (household forming)	11,476	9,334	9,268	-66	-1%
25–44 yrs. (family forming)	48,124	46,748	45,371	-1,377	-3%
45–64 yrs. (move up housing)	22,108	27,540	34,073	6,533	24%
65 + yrs. (retirement years)	17,338	16,222	18,562	2,340	14%
<b>Total</b>	<b>131,591</b>	<b>133,935</b>	<b>137,122</b>	<b>3,187</b>	<b>2%</b>

Source: U.S. Census, 1990–2010.

## RACE AND ETHNICITY

Pasadena, from its earliest time, was known for its diverse population. The population boom before the 20th century included Chinese and Mexican workers on the railroads, and African Americans who started small businesses or worked in the large houses and hotels in Pasadena. Over time, the Northwest area became home to Latino and African American residents—a pattern existing today. Housing needs and preferences are sometimes influenced by cultural preferences, but typically the issue of race and ethnicity and housing has more to do with fair housing opportunity and incomes.

Although population totals have changed little during the prior decade, Pasadena saw significant change in the race and ethnic composition of its residents. As shown in Table A-2, the number of White (Caucasian) residents increased slightly during the 2000s, after decades of declining numbers back to the 1980s. Hispanics also increased in number, but to a lesser degree than in prior decades. African Americans continued a long decline dating back to the 1980s, decreasing 26% in the past ten years. Meanwhile, Asians recorded a 46% increase—the fastest of all groups individually and combined.

Although Pasadena has gradually become more integrated, some areas have a concentration of residents of one race/ethnicity. A commonly accepted definition of “concentration” is when one race or ethnic group in a neighborhood comprises a higher percentage of that neighborhood than their overall proportion of the population countywide. Under this definition, African Americans and Hispanics are more concentrated within Northwest Pasadena, while White residents are the majority group in eastern Pasadena. Asians are more concentrated in southern Pasadena and elsewhere.

According to U.S. Census Bureau, approximately 50% of Pasadena’s households speak a language other than English at home. A household is considered linguistically isolated if all members 14 years and older have at least some difficulty in speaking English. In accordance with the Census Bureau, approximately 11% of households are linguistically isolated. Of this total, 28% are households that speak Asian and Pacific Island languages, 28% are Spanish-speaking households, and 22% speak Indo-European languages.

**Table A-2: Race and Ethnicity Trends in Pasadena**

Race/Ethnicity	Number of Residents			Population Change	
	1990	2000	2010	2000–10	Percent
White (Caucasian)	61,325	52,381	53,135	754	1%
Hispanic	35,912	44,734	46,174	1,440	3%
African American	23,391	18,711	13,912	-4,799	-26%
Asian/Pacific Islander	10,171	13,357	19,293	5,936	44%
All Others	792	4,753	4,608	-145	-3%
<b>Total</b>	<b>131,591</b>	<b>133,935</b>	<b>137,122</b>	<b>3,187</b>	<b>2%</b>

Source: U.S. Census, 1990–2010.

### HOUSEHOLD CHARACTERISTICS

Pasadena’s housing needs also differ depending on household characteristics. This includes family size, single versus double income, and physical ability. Families with young children often seek the living space and the financial investment that homeownership offers. In contrast, single-person households tend to desire apartments and townhomes that are easier to afford and maintain and offer greater mobility. These patterns underscore the need for a diversity of housing types and prices for different households in the City.

National trends reveal several key changes in the composition and type of households since 1990. These include a declining share of families with children and a continued increase in the number of single person households. These changes are due to many factors, including the aging of the baby boomer generation (many of whom have children who have left home), single people choosing to wait longer to marry and have children, changing race and ethnic mix of the population, and many other factors. Subgroups of families have also changed, but to generally a lesser degree.

National trends are also evident in Pasadena, although to a greater degree. During the 2000s, the number of households living in Pasadena increased by 7%, but population increased only 3%. This pattern was due to a decline in married families with children (7% decline), a 14% increase in married couples with no children, and an 8% increase in single persons. As a result, the average household size declined to 2.4 persons. In Pasadena, single-person households now comprise more than one-third of households, which is the 10<sup>th</sup> highest percentage of all cities in the County of Los Angeles.

Looking forward, whether these trends continue depends on the housing market and demographic change. If development patterns in apartments and condominiums continue or demographic trends continue, Pasadena may then see a corresponding decline in household size for the foreseeable future. Table A-3 summarizes changes in household composition in Pasadena.

**Table A-3: Household Trends in Pasadena**

Household Types	Number of Households			Household Change	
	1990	2000	2010	2000–10	Percent
Population	131,591	133,396	137,122	3,178	3%
Total Households	50,199	51,844	55,270	3,426	7%
Married with Children	9,864	9,963	9,236	-727	-7%
Married with No Children	11,619	11,399	13,049	1,650	14%
Other Families	8,313	8,496	8,591	95	1%
Single Persons	16,041	17,460	18,838	1,378	8%
All Others	4,362	4,526	5,556	1,030	23%
<b>Average Size</b>	<b>2.6</b>	<b>2.6</b>	<b>2.4</b>		

Source: U.S. Census, 1990–2010.



## EMPLOYMENT GROWTH AND CHANGE

Economic trends play an important role in defining housing needs. This relationship includes: 1) the impact of job growth on the City's share of future housing needs; 2) the wage levels associated with employment growth; 3) the housing demand associated with new workers desiring to live in Pasadena; and 4) the mobility and land use decisions and environmental mitigations that must be made to accommodate housing or employment growth. The City of Pasadena is addressing the relationship of these complex issues through the update of the Land Use and Mobility Element.

The City of Pasadena serves as a major employment center of the Los Angeles Metropolitan region. Pasadena's estimated daytime population is 192,724. The City's daily workforce of 112,532 is nearly double the estimated 59,030 residents in the employed labor force. By all measures, Pasadena is a jobs center and must import labor from across the southern California region. The high demand for labor exists at virtually all industry levels, but is particularly strong in professional services, health care and social assistance, retail trades, local services, and other employment sectors (see Table A-4).

Looking forward, Pasadena is projected to experience gradual employment growth in all economic sectors through the remainder of the 2014–2021 housing element planning period. Projected employment growth is inferred from economic studies as part of the update to the general plan land use and mobility element. In summary, higher job growth is projected for retail trades. Lower employment growth is projected for miscellaneous services, health care, and social assistance. Moderate growth is projected for all other sectors.

**Table A-4: Employment in Pasadena**

Economic Sector	Trends in Growth		
	2010	2021	Change
Professional Services	40,647	43,897	8.0%
Health Care and Social Assistance	17,287	18,278	5.7%
Arts, Entertainment, Recreation, Food, Hospitality	10,850	11,644	7.3%
Retail Trade	10,225	11,214	9.7%
Educational Services	8,650	9,279	7.3%
Public Administration	8,227	8,829	7.3%
Goods Production and Movement	6,653	7,140	7.3%
All Others	8,491	8,872	4.5%
<b>Total</b>	<b>111,029</b>	<b>119,153</b>	

Source: Southern California Association of Governments (SCAG), 2013.

Notes:

Professional Services—includes professional, information, finance, insurance, real estate, and leasing

Good production—includes construction, manufacturing, transportation, wholesale, and warehousing

Public Administration—includes government and schools

### HOUSEHOLD INCOME

Household income affects the type and price of housing that can be afforded. In 2010, the City’s median household income was approximately \$68,400, which is 50% higher than the \$46,000 median household income in 2000. After taking inflation into account, Pasadena’s median income rose only 10%. Relative to the county, however, Pasadena residents have fared much better. Between 2000 and 2010, the City’s median income significantly increased, from 110% to 125% of the County median household income.

The State of California Department of Housing and Community Development (HCD) surveys households in each county on an annual basis to determine the median income. The median income is also adjusted for households of different sizes. Households are then grouped into four income groups for purposes of determining the need for assistance. Based on 2013 categories, these income groups and thresholds are:

- Extremely low: households earning up to 30% of the county median family income (CMFI), or a maximum of \$25,600 for a household of four.
- Very low: households earning 31% to 50% of CMFI, or a maximum income of \$42,700 for a household of four.
- Other low: households earning 51% to 80% of CMFI, or a maximum of \$68,300 for a four-person household.
- Moderate: households earning 81% to 120% of CMFI, or a maximum income of \$77,750 for a household of four.
- Above moderate: households earning above 120% of CMFI, which is more than \$77,750 for a household of four.

Table A-5 provides a summary of Pasadena households by income group. The majority of households earn above-moderate incomes (47%), yet more than one-third of all Pasadena households earn lower incomes. This is due in part to the General Plan policies encouraging the construction of a significant amount of affordable housing over the past several decades.

**Table A-5: Household Income in Pasadena**

Income Category	Total Households	
	Number of Households	Percent of Total Households
Extremely Low Income	7,245	13%
Very Low Income	5,611	10%
Other Low Income	7,022	13%
Moderate Income	8,636	16%
Above Moderate Income	25,709	47%
<b>Total</b>	<b>54,223*</b>	<b>100%</b>

Source: Southern California Association of Governments, 2011.

Note: Total households by income level are from a special run of the 2005–2009 ACS. The household total will therefore be different than the total household count in the 2010 Census.

## 2. HOUSING TRENDS

This section describes housing characteristics and trends to provide a basis for assessing the match between the demand and supply of available housing in Pasadena. These include housing growth, housing characteristics, age and condition of housing, housing prices and rents, and homeownership rates.

### HOUSING COMPOSITION

Pasadena has an exceptionally broad range of housing opportunities reflective of its diverse community. Approximately 51% of the housing stock is single-family homes and 49% is multi-family units. A unique feature of Pasadena’s housing is the more than 5,500 condominiums, townhomes, and other attached products built throughout the community. Pasadena is also home to a significant number of group homes. Although not typically counted as housing units, Pasadena has more than 125 facilities offering special needs accommodations for more than 4,000 residents.

In the past decade, residential developers have concentrated on building apartments and condominiums along transportation corridors or near employment centers, particularly in the Central District. Developers appear to be building multi-family housing for two demographic groups: (1) middle-aged baby boomers without children who desire the cultural amenities of Pasadena’s urban life; and (2) single professional adults or recently married couples who desire to be “where the action is” in Pasadena. In either case, both groups have greater levels of disposable income for housing,

Looking forward through 2020, Pasadena anticipates continued residential development along transportation corridors and in the Central District. Currently, more than one thousand housing units are in the pipeline. The vast majority are townhomes and apartment projects. According to SCAG growth projections, the City of Pasadena will have about 61,000 units by 2020, although current activity suggests a higher rate of housing development. Table A-6 shows changes in Pasadena’s housing stock over the past decade.

**Table A-6: Housing Composition in Pasadena**

Housing Products	2000		2010	
	Number of Units	Percent of Units	Number of Units	Percent of Units
<b>Single-Family Units</b>				
+ Single-Family Detached	24,785	46%	26,361	44%
+ Single-Family Attached	4,137	8%	3,949	7%
<b>Multi-family Units</b>				
+ Multi-family (2 to 4 units)	4,647	9%	5,248	9%
+ Multi-family (5 or more)	20,490	38%	23,863	40%
<b>Mobile Home Units</b>	73	<1%	130	<1%
<b>Total</b>	<b>54,132</b>	<b>100%</b>	<b>59,551</b>	<b>100%</b>

Sources: California Department of Finance, 2000 and 2010

## **HOUSING TENURE**

Housing tenure refers to whether a household owns or rents a home. Ample homeownership and rental opportunities allow people of all incomes and household sizes to choose the type of housing and location best suited to their needs and preferences. Housing vacancy rates, in combination with housing tenure, also affect the prices and rents charged for housing units.

### **Tenure Rates**

The American dream is often intertwined with homeownership, which brings with it independence, wealth, housing security and safety, and quality of life. Homeownership commits the owner to a long-term economic relationship with the home, typically resulting in increased investment into the property, which in turn increases property values within a neighborhood. Home investment and the physical presence of homeowners are thought to also improve the quality and stability of residential neighborhoods.

In the City of Pasadena, the majority of households (55% or 24,863) rent a home while 45% (30,407 households) own a home (U.S. Census 2010). Pasadena's homeownership rate has remained the same compared to 2000. In Los Angeles County, the homeownership rate was slightly better—48% of the units are owner occupied and 52% are renters. Homeownership rates are largely a function of the price of housing relative to household income, although homeownership rates have clearly fluctuated in recent years due to the highest foreclosure rates across the southland in generations.

### **Vacancy Rates**

Housing vacancies are a measure of how well the supply of housing matches the demand for specific types of housing. Typically, housing vacancy rates of 5% to 6% for apartments and 1% to 2% for homes are considered optimal. This amount of housing vacancies assures that consumers have sufficient choices for different types of housing products, that prices are generally moderated because a balanced supply is available, and that developers have a financial incentive to continue building housing. Higher vacancy rates lead to price depreciation. Lower vacancy rates are also not desirable; they indicate a tight market and cause housing rents and prices to increase.

According to the 2010 Census, the City of Pasadena's housing vacancy rate is estimated at 7.1%, which is above the countywide rate of 5.9%. Pasadena's vacancy rate is 2.3% among owner-occupied units and 6.6% among renter-occupied units, versus county vacancy rates of 1.7% and 5.8%, respectively. Housing vacancy rates do not generally include foreclosures, unless the unit is unoccupied and for sale. According to Trulia.com, the City of Pasadena has approximately 310 foreclosures (pre-foreclosure and foreclosed units) currently offered for sale in the community. This statistic makes it difficult to determine the actual number of vacant units at any given point in time.

### HOUSING AGE AND CONDITION

Pasadena’s housing is predominantly older, with 53% built before 1960 (or older than 50 years). Residential units generally begin to show age after 30 years and require some level of maintenance, such as roof repair, painting, landscaping, and exterior finishes. Homes between 30 and 50 years require more significant maintenance and renovation, and older homes may need more substantial repairs. These rules of thumb are not always the case, since many homes, particularly older historic homes, have been renovated.

Another concern related to the age of housing is lead-based paint hazards. Homes built prior to 1978 typically contain lead-based paint, which can cause a number of hazardous health conditions for children (specifically developmental delays). Health hazards occur when the paint chips and is inhaled by residents, particularly children. Since 1978, the federal government has banned the use of lead-based paint. Still, older homes may need to paint over lead-based paint or remove peeling paint. Since 1998, 211 child lead-poisoning cases have been reported in Pasadena.

Generally, Pasadena’s housing is in excellent condition, and most residential neighborhoods are well maintained. However, isolated structures need repair. The Census provides a limited assessment of housing conditions. According to the 2007–2011 CHAS, approximately 1.4% of rental housing units and 0.6% ownership units lack complete kitchens and/or complete plumbing. This translates to approximately 565 substandard units in Pasadena. Estimates for substandard housing do not include units lacking heating. Many of these conditions are concentrated in lower to moderate income areas of Pasadena.

To address housing condition issues, City staff inspects more than 6,000 units annually through its Occupancy Inspection and Quadrennial Inspection Program. In some cases, the City also assists in rehabilitating larger multi-family projects or single-family homes, through providing loans or grants, acquisition and rehabilitation activities, or support for state/ federal grants. Table A-7 summarizes the age of housing units in Pasadena.

**Table A-7: Age of Housing**

Decade Built	Housing Age	
	Number of Units	Percent of Units
2000s	5,437	9%
1990s	2,533	4%
1980s	4,950	8%
1970s	7,564	13%
1960s	7,489	13%
1940-1950s	<u>15,359</u>	<u>26%</u>
Before 1950	16,219	27%
<b>Total</b>	<b>59,551</b>	<b>100%</b>

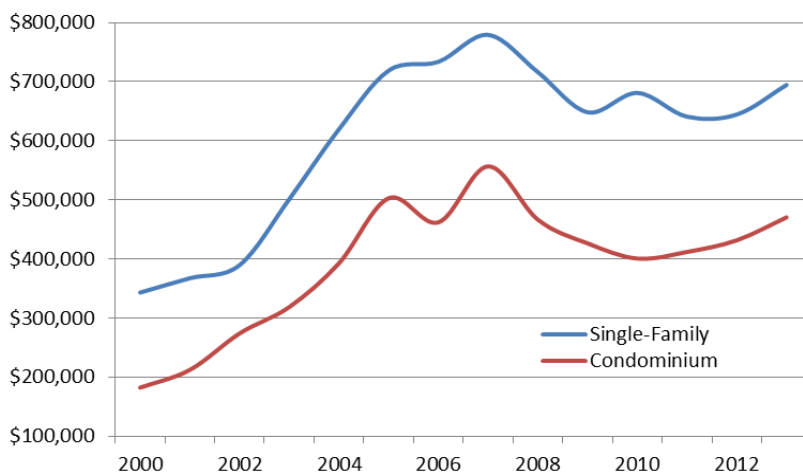
Source: City of Pasadena, 2012.

### HOUSING PRICES

The last decade has been characterized by volatility in the housing market. This volatility in prices and rents, relative to household income, is a primary reason for a loss of affordable housing, rising rates of overpayment, mobility of residents, and other conditions affecting the community.

#### Homeownership

Pasadena experienced unprecedented changes in housing prices since 2000. From 2000 to 2006, the median home more than doubled, from the mid \$300,000s to the high \$700,000s. However, as the recession deepened in the latter 2000s, median housing prices plummeted through 2010. Prices have begun to recover with new sales averaging \$600,000 in price. Condominium prices have followed an identical pattern, although less in price.



**Figure A-2: Pasadena Median Housing Prices, 2000–2012**

Pasadena has a wide variety of neighborhoods with housing of different sizes. Prices vary significantly not only by standard zip code or neighborhood, but also by block. Table A-8 below shows this variation in price.

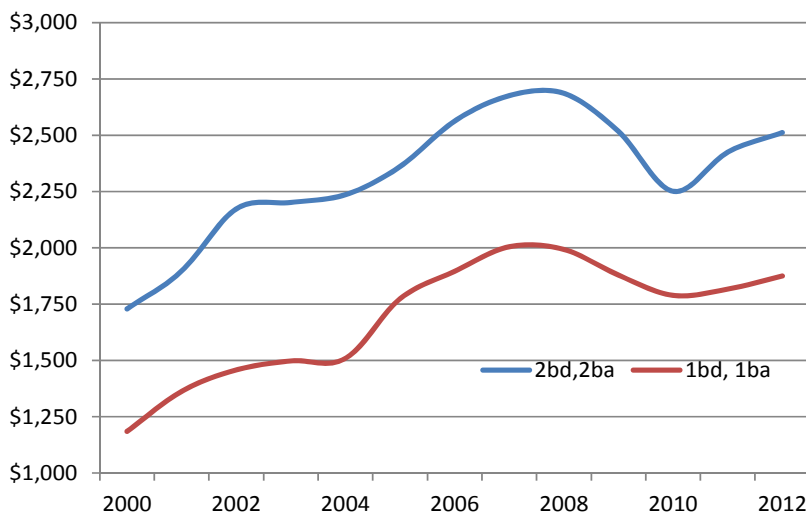
**Table A-8: Housing Prices in Pasadena by Zip Code**

Projects	Number of Sales and Average Prices			
	Single Family Homes	Average Price	Condominium Projects	Average Price
91101	--	--	190	\$550,000
91103	169	\$693,000	57	\$512,000
91104	231	\$584,000	21	\$337,000
91105	149	\$1,294,000	89	\$749,000
91106	114	\$1,457,000	191	\$411,000
91107	208	\$707,000	77	\$400,000

Source: Redfin.com, 2012/2013.

**Rental Units**

Apartment rents have not increased as dramatically as the sales prices of single-family homes or condominiums. RealFacts tracks the rents for apartment projects with more than 100 units. These are typically Class A and B investments with some level of amenities. As shown below, apartment rents have increased 50% over the past decade. However, rent levels also tended to follow the same pattern as single-family homes, peaking during the same time, declining during the downturn, and then picking up thereafter.



**Figure A-3: Pasadena Average Housing Rents, 2000–2012**

Housing rents vary by the age of the structure, surrounding neighborhood, and property amenities. Although the Census Bureau does not provide rents separately for different types of housing (e.g., apartments versus single-family homes), some generalizations can be made based on existing census surveys. For comparative purposes, Table A-9 provides housing contract rents by zip code. Zip code areas 91105 and 91101 are the most expensive areas, while zip code areas 91103 and 91104 (Northwest) are the most affordable in Pasadena.

**Table A-9: Housing Rents in Pasadena by Zip Code**

Projects	Median Contract Rents			
	Location	First Quartile	Median	Third Quartile
91101	Downtown	937	1,283	1,817
91103	West Pasadena	659	920	1,330
91104	Northwest	901	1,117	1,443
91105	Southwest	1,130	1,577	2,000+
91106	South Central	1,014	1,257	1,676
91107	East Pasadena	964	1,212	1,594

Source: American Community Survey, 2007–2011.

### HOUSING AFFORDABILITY

Housing affordability refers to how much a household can afford to pay each month in rent or mortgage for an apartment, townhome, or single-family home. Typically, housing affordability is defined as the ratio of housing expenses to income, referred to as a “cost burden.” It is assumed that households should not spend more than a certain proportion of income toward housing expenses; otherwise, they are deemed to be overpaying. Overpaying for housing makes it difficult to afford other basic necessities.

The housing industry assumes the “affordable” payment for a homeowner should range from 30% to 40% of gross monthly income, with the latter figure from the California Association of Realtors’ first-time homebuyers’ index. A mortgage payment typically includes several components—loan principal, interest, taxes, and insurance. For purposes of calculating affordability, we assume a conventional 30-year, FHA-insured loan at 5% interest rate. For renters, the appropriate cost burden also varies from 30% to 40%, with the latter being used under the federal housing choice voucher program.

With such a range in affordability criteria, this housing element uses a midpoint estimate of 35% cost burden for ownership (since many expenses are tax deductible) and 30% cost burden for rental housing as the thresholds. These two benchmarks of housing affordability are consistent with thresholds cited under the Health and Safety Code; however, individual cities may adopt different affordability thresholds depending on the housing program. Table A-10 shows the amount that households can afford for housing costs.

**Table A-10: Affordability of Housing in Pasadena**

Income Category <sup>1</sup>	Household and Unit Size			
	2-Person (1 bd unit)	3-Person (2 bd unit)	4- Person (2 bd unit)	5-Person (3 bd unit)
<b>Maximum Affordable Home Price<sup>2</sup></b>				
Extremely Low	\$64,000	\$73,000	\$83,000	\$90,000
Very Low	\$114,000	\$129,000	\$144,000	\$156,000
Low	\$187,000	\$212,000	\$236,000	\$256,000
Moderate	\$286,000	\$322,000	\$360,000	\$389,000
<b>Maximum Affordable Monthly Rent<sup>3</sup></b>				
Extremely Low	\$454	\$510	\$567	\$613
Very Low	\$756	\$850	\$945	\$1,021
Low	\$1,210	\$1,360	\$1,512	\$1,633
Moderate	\$1,815	\$2,041	\$2,268	\$2,450

Source: The Planning Center|DC&E, 2013.

<sup>1</sup> 2013 HCD Income Limits are based on surveys by the U.S. Department of Housing and Urban Development for Los Angeles County, adjusted by household size.

<sup>2</sup> Monthly affordable mortgage assumes 30-year fixed mortgage, 5% down payment, 5% interest rate, standard expenses, and maximum payment of 35% of income toward housing.

<sup>3</sup> Monthly affordable apartment rent based on monthly payments of up to 30% of gross household income, not including the cost of utilities.



### **Housing Affordability by Income Level**

The general affordability of rental and ownership housing to different income groups can be derived by comparing household income and housing costs from earlier section and data presented in Tables A-8, A-9, and A-10. This analysis will be used later in this housing element to determine how the City of Pasadena will meet its regional housing needs assessment requirement.

The affordability of housing in Pasadena is summarized below:

- **Extremely Low/Very Low Income.** For four-person households, extremely low income households can afford a home priced up to \$83,000, and very low income households can afford up to \$144,000. Condominiums and single-family homes sell for prices well above these thresholds. A very low income household could afford \$850 to \$1,021 in rent. Approximately 18% (5,045 unit )of the rental stock is estimated as affordable to very low income households, although the majority are assumed to be inclusionary units, assisted apartment projects, or housing units that accept a voucher.
- **Low Income.** Lower income households can afford to buy a single-family home priced up to \$256,000. According to current home sales prices, only 5% of condominiums and single-family homes sold within this price range. Low income households can afford \$1,200 to \$1,600 for an apartment. These rents are available for Pasadena’s older housing stock, but most rents for newer apartments are unaffordable to low income households. More affordable housing units are still found predominantly in the northern sections of Pasadena, which is approximately north of the I-210.
- **Moderate Income.** Moderate income households have the greatest housing opportunities; they can afford a single-family home or townhouse from \$286,000 to \$389,000. Over the past year, approximately 20% of all standard sale homes sold for less than the maximum threshold price for a moderate income family, but these homes are predominantly older condominium projects in the most affordable areas of Pasadena. With respect to apartments, moderate income households can afford from \$1,815 to \$2,450 per unit and would be able to afford older apartments, but new projects would be unaffordable to them.
- **Above Moderate Income.** Above moderate income households include households earning above 120% of the median family income. This group has the greatest opportunity to afford apartments, condominiums, or single-family homes in Pasadena. A 4-person household would need to make at least a minimum of 150% of the median family income in Los Angeles County to afford the median-priced condominium unit and at least 210% of median family income in Los Angeles County (\$136,000) to afford a median priced single-family home. Although above moderate income households have the greatest opportunity to afford housing in Pasadena, the household must still earn up to double the minimum income threshold.

### HOUSEHOLD PROBLEMS

Housing problems refer primarily to overpayment and overcrowding. Housing overpayment and overcrowding most often occur when a household cannot afford suitably sized and priced rental and ownership housing. In other cases, life changes (retirement, children moving back home, loss of job, etc.) can also cause housing problems. In these situations, a household can choose to either overpay for housing or double up with others into too small a unit in order to afford housing, which can result in overcrowding.

Table A-11 and the following text show the prevalence of housing problems in Pasadena according to the 2007–2011 American Community Survey.

- Overcrowding.** Overcrowding occurs where a household has more members than habitable rooms in a house. Moderate overcrowding refers to 1.0 to 1.5 persons per room, and severe overcrowding is anything higher. In Pasadena, 3% of homeowners and 11% of renters live in overcrowded situations, which is below county averages of 6% and 18%, respectively. The overcrowding rate has declined since the 2000 Census.
- Overpayment.** Housing overpayment refers to paying more than 30% of income toward housing. Moderate overpayment refers to paying 30 to 49% of income toward housing, and severe overpayment is anything higher. In Pasadena, 43% of owners and 51% of renters overpay for housing, which is less than the county average. However, not unlike many communities, overpayment has increased nine percentage points since 2000.
- Housing Needing Repair or Replacement.** [According to the 2007–2011 CHAS, 1.4% of all rental housing and 0.6% ownership units lack complete kitchens and/or complete plumbing—equaling 565 substandard units. Based on the City’s occupancy and quadrennial housing inspection programs, City staff estimates that approximately 1% of all single-family units and 1% of multiple units need repairs \(rehabilitation work\) and ¼ percent of all housing requires demolition. This translates into 379 single-family units and 366 multiple-family units for a total of 744 housing units.](#)

**Table A-11: Housing Problems**

Housing Problem	Overpayment		Overcrowding		Substandard Housing	
	Renters	Owners	Renters	Owners	Renters	Owners
None	13,818	14,080	26,565	23,987		
Moderate	2,768	2,246	1,978	682		
Severe	11,832	8,412	1,211	69		
<b>Total</b>	<b>29,754</b>	<b>24,738</b>	<b>29,754</b>	<b>24,738</b>	<b>29,754</b>	<b>24,738</b>
None	49%	57%	89%	97%	98.6%	99.44%
Moderate	10%	8%	7%	3%	1.4%	0.6%
Severe	42%	34%	4%	0%		
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Source: American Community Survey, 2007–2011

\*Substandard housing did not include units lacking heating and air conditioning.

**Lower Income Households**

Housing problems occur significantly more frequently among lower income households (defined as households earning less than 80% of the median family income adjusted for household size) and among special needs groups. According to the 2005–2009 CHAS, of the 6,250 lower income owners, 4,350 households or 70% overpay for housing. Among the 16,730 lower income renters, 12,960 renter households or 79% overpay for housing. The CHAS estimates are higher than SCAG’s estimate, because SCAG did not adjust for household size, whereas the CHAS dataset includes that adjustment.

Further, the housing problems facing extremely low income households, defined as those earning below 30% of the median family income, are greater. This subset earns income that is nearly equivalent to the federal poverty line. According to the 2005–2009 CHAS, Pasadena has approximately 8,210 extremely low-income households, including 6,790 renter and 1,420 owner households. The vast majority face a high incidence and severity of housing problems, defined as a cost burden greater than 30% of income, and/or overcrowding, and/or without complete kitchen or plumbing facilities.

As shown below in Table A-12, a significant percentage of renter households overpaid for housing. Renters overpaying for housing included 63% of other low income, 83% of very low income, and 87% of extremely low income households. Among owner households, 61% of other low income, 69% of very low income, and 84% of extremely low income overpaid for housing. Table A-12 highlights the housing problems facing these income groups. Furthermore, certain subgroups (e.g., seniors, large families, etc.) tend to have an even higher prevalence of housing problems than other groups.

**Table A-12: Housing Problems for Lower Income Households**

Housing Problems by Household Income Level <sup>1</sup>	Total Households		
	Renters	Owners	Total
<b>Income &lt; 30% of MFI</b>	6,790	1,420	8,210
Percent with Cost Burden > 30%	87%	84%	85%
<b>Income 30-50% of MFI</b>	4,745	1,895	6,640
Percent with Cost Burden > 30%	83%	69%	79%
<b>Income 50-80% of MFI</b>	4,835	2,935	7,770
Percent with Cost Burden > 30%	63%	61%	62%
<b>Total Lower Income 0-80% of MFI</b>	<b>16,370</b>	<b>6,250</b>	<b>22,620</b>
Percent with Cost Burden > 30%	<b>79%</b>	<b>71%</b>	<b>77%</b>

Source: Comprehensive Housing Affordability Strategy (CHAS) Data; 2005–2009.

1. The 2005–2009 CHAS is derived from the 2005–2009 American Community Survey (ACS). Unlike prior Census counts, the ACS has a wide margin of error for individual counts. These estimates should be used with caution as they may not be comparable to other estimates produced by SCAG and may not be comparable with previous censuses.

### 3. SPECIAL HOUSING NEEDS

Certain households in Pasadena have greater difficulty finding decent, affordable housing due to their special circumstances. Special circumstances typically relate to one's income-earning potential, family characteristics, physical or mental disabilities, age-related health issues, homelessness, and other factors that make it more difficult to secure and maintain housing. These groups often have lower incomes and higher rates of overpayment or overcrowding. As a result, these household groups are considered to have special housing needs relative to the general population.

State housing element law defines "special needs" groups narrowly to include senior households, disabled persons, large households, female-headed households, farmworkers, and people who are homeless. Due to their numbers in Pasadena, college students are also included. Moreover, due to the large number of homeless children and youth in relation to available housing, at-risk youth are also considered a special needs group. In keeping with state law and the City's priority for a socially and economically diverse population, this section provides a summary of needs for each group and the availability of resources to address their needs.

Shown below, Table A-13 compares numeric changes in the magnitude of special needs groups in Pasadena from 2000 to 2010.

**Table A-13: Trend in Special Needs Groups**

Special Needs Groups	2000		2010	
	Number	Percent of Residents or Households	Number	Percent of Residents or Households
Senior Residents	9,914	19%	11,851	20%
Large Families	6,236	12%	5,500	10%
Single Parents w/ Children	4,093	8%	3,490	6%
Persons with a Disability	N/A	N/A	13,110	9%
Homeless People	969	<1%	772	<1%
At-Risk Youth	N/A	N/A	N/A	N/A
Farmworkers	N/A	N/A	N/A	<1%

Source: City of Pasadena, 2013.

There are no active farms and no zones allowing agricultural use in Pasadena. The Census does report about 100 people employed in the farming industry, but these are horticulture, gardening, and jobs far removed from farm labor. Therefore, this analysis does not specifically call out this group. However, to the extent that agricultural workers may desire to live in Pasadena, their housing needs would be similar to that of other lower income persons, and affordable housing in the City could serve farmworkers as well.

## SENIOR CITIZENS

Seniors are defined as persons 65 years or older, although for housing purposes the age may be as low as 55 years. Pasadena has 18,562 residents 65 or older, representing 14% of the population. Senior citizens are considered a special needs group, because their limited income, higher health costs, and physical disabilities make it difficult to find suitable and affordable housing. Concurrent with trends throughout the nation, this population is expected to continue increasing as the baby boom generation approaches retirement.

Although often viewed as homogeneous, Pasadena's senior population is diverse as reflected in tenure, age, income, and housing needs. Seniors comprise 11,851, or one in five households (U.S. Census 2010). Of that total, 61% of senior households (or 7,184) own a home, and 39% (or 4,667) rent housing. Approximately half are older than 75 years. Each group requires a different strategy to address health, transportation, and housing needs.

Some of the key issues are:

- **Disabilities.** The majority of seniors will eventually have a disability that may limit one or more life activities. Whereas some disabilities may limit mobility, others may make it difficult to take care of personal needs. This underscores a need for accessible housing and supportive services.
- **Limited Income.** Senior have limited or fixed incomes in retirement. Although data is not readily available, the majority of Pasadena's senior renters and homeowners are on fixed incomes and earn lower incomes. As a result, seniors pay a larger share of income toward housing.
- **Overpayment.** More than 64% of senior renters and 32% of senior homeowners overpay for housing, leaving less income for other living expenses. This underscores the importance of affordable housing options, including programs to repair homes.
- **Special Housing Needs.** As seniors gradually age, there is often an increased demand for a broader type of senior living arrangements, from independent age-restricted housing for more active lifestyles to assisted living for those requiring more supportive services.
- **Service Needs.** In addition to housing, seniors rely on support services. Services can include transportation, health care, home maintenance assistance, low cost loans or grants for rehabilitating homes, referral services, and many other services that can improve the lives of seniors.

With its diverse senior population, Pasadena faces the challenge of how to accommodate the needs of its residents. With a growing baby boom population and aging of residents, a comprehensive strategy for housing seniors is an important housing challenge for Pasadena over the next decade.



*Fair Oaks Senior Housing*

**Housing Accommodations**

The City recognizes the goal of providing services to enable seniors to “age in place,” that is, to maintain their current residences for as long as possible. Achieving that goal involves providing a range of supportive services. The City provides low cost or free transit services, grants to low income senior homeowners to maintain their homes, and other services. The City’s Senior Commission also plays an active role in defining needs and making recommendations to the Pasadena City Council to address gaps in services.

Many Pasadena seniors reside in single-family homes, condominiums, or apartments. In addition to traditional housing, Pasadena provides for the following housing options for seniors shown below.

- **Senior Apartments.** Pasadena has 14 apartment projects that provide deed-restricted units affordable to lower income seniors. Several additional projects for seniors are in the planning stage. The City’s Housing Authority also provides about 500 rental housing vouchers, in a number authorized by the federal government, to very low income seniors renting apartments.
- **Age-Restricted Condominiums.** In recent years, there has been an increase in the number of age-restricted senior condominiums that are stand-alone projects or within age-restricted life care facilities. Since the majority of these uses are market rate, they are not included below.
- **Residential Care Facility.** Residential care facilities for the elderly serve persons 60 years of age and older who may have a disability but typically serve people in need of extended care services. The City’s 48 residential care facilities for the elderly serve 2,900 seniors in Pasadena.
- **Life-Care Facilities.** Pasadena has several life-care facilities that provide the full continuum of care for seniors, from independent to assisted care. These include faith-based (e.g., 88-unit Monte Vista), nonprofit-based (e.g., 200-unit Villa Gardens), and private (e.g., 128-unit Regency) projects.

**Table A-14: Housing for Seniors**

Housing Options	Senior Housing		
	Number of Projects	Number of Housing Units	Affordability
Age-Restricted Senior Apartments	15	1,212 units	Rents affordable to predominantly very low and low income seniors
Housing Vouchers for Seniors	N/A	539 units	Rents affordable to extremely low and very low income seniors
Residential Care Facilities for Elderly	48	2,886 beds	Typically affordable to moderate or above moderate income seniors
Life Care Senior Housing <sup>1</sup>	3	416 units	Rents affordable to above moderate income seniors

Source: City of Pasadena, 2013.

<sup>1</sup> No records are available as to the exact number; numbers are estimated and may also be included in the totals for residential care facilities for the elderly as some facilities are dual purpose.

## FAMILY HOUSEHOLDS

The City of Pasadena’s commitment to providing a supportive environment for families, children, and youth is codified in the City’s Policy on Children, Youth, and Families. The policy provides six initiatives to improve the health and well-being of children, youth, and families in Pasadena—good health, safety and survival, economic well-being, social and emotional well-being, education, information, and access to services. Providing housing and services are an essential component of furthering the spirit of this policy.

Pasadena is home to an estimated 30,876 families with children, of which 9,236 are families with children (2010 Census). Pasadena has the fifth lowest percentage of families with children of all cities in Los Angeles County. This is due in part to national trends—an aging population, adults marrying later, and couples having fewer children—as well as high cost of housing that makes it difficult for families with children to afford suitable affordable housing.

Two subsets of families with children have more difficulty securing housing.

- **Single-parent households.** The City of Pasadena has 3,490 single-parent households with children—which is 6% of all households (2010 Census). Of those families, a female householder heads 74% of single-parent families with children. Poverty rates are also higher among single-parent families. According to the 2007–2011 ACS, 18% of single male-headed families with children and 28% of single female-headed families with children live in poverty. This is two to three times the 8% poverty rate for all families.

Single-parent families typically have the same costs as any other families, but must rely on less income to cover normal life expenses. According to Kidsworks, the average cost can range from \$7,200 for a preschooler to \$10,500 for an infant. For single-parent families, this is a significant portion of annual income, leaving less income for housing, medical care, and other expenses. The financial burden is especially difficult to younger people, those who lack steady jobs, or those who are also underemployed.

- **Large Families.** The City of Pasadena is home to an estimated 5,500 large families with five or more members, or 10% of all households in the community. With respect to tenure, 2,677 large families own a home and 2,823 large families rent housing. According to the CHAS, large families encounter unique housing conditions in that approximately 90% of lower income large family renters and owners have at least one housing problem, defined as overcrowding, overpayment, or living in substandard housing.

The high prevalence of housing problems among lower income large families is due to the housing market. Pasadena, like many communities, has relatively fewer apartments with three or more bedrooms that can reasonably accommodate children. Because of this, family apartments are quite expensive. According to Bevin & Brock and REALFACTS surveys, a three-bedroom unit rents for \$1,800 to \$2,800 a month, which is affordable to only moderate or above moderate income households.



*Orange Grove Apartments*

**Housing Accommodations**

The City of Pasadena recognizes the importance of addressing the needs of families and has adopted a policy statement on youth, children, and families. Adopted by City Council, a key objective of this policy is to increase the supply of adequate and affordable housing for families with children. Pasadena implements numerous housing programs (e.g., inclusionary housing, homeownership program, rental housing vouchers, etc.) that collectively provide several thousand units of affordable housing.

In addition to providing or funding the provision of housing opportunities, Pasadena also provides a wide range of services for families with children. These services are available to large families, female-headed families, and single parents, but are particularly targeted for lower income families. Some are related to the provision of affordable housing, while others include childcare, transportation, parks and recreation, and related support services.

With respect to affordable housing, Pasadena offers the following housing options for families, which are summarized in Table A-15.

- **Affordable Apartments.** According to City records, Pasadena has 34 assisted apartment projects providing approximately 1,012 units of housing affordable to lower and moderate income families. The City’s IHO has been the primary vehicle to create new housing
- **Townhomes/Single-Family Homes.** Although fewer in numbers, the City has supported the construction and rehabilitation of townhomes for families in Pasadena, including 200 homeownership loans to families deed restricted to low and moderate income households.
- **Housing Vouchers.** Housing choice vouchers are provided to families renting housing in Pasadena. This includes 740 eligible family households (ranging in size from 1 to 5 or more residents) earning low or very low incomes and 241 vouchers for female-headed households with children.

**Table A-15: Housing for Families**

Affordable Housing	Family Housing		
	Number of Projects	Affordable Units	Affordability
Family Affordable Apartments	35	1,012	Rents affordable to extremely low, very low, and low income
Market Rate Housing for Families	N/A	N/A	Market rate housing affordable to families with children
Town homes and Single-Family Units	N/A	200	Affordable for-sale units to low and moderate income
Housing Choice Vouchers	N/A	981	Rents affordable to extremely low, very low, and low income

Source: The Planning Center|DC&E, 2013.



## DISABLED PEOPLE

Physical, mental, and/or developmental disabilities are impairments that substantially limit life activities and make it difficult to care for oneself. Because of that, disabled persons have special needs for accessible housing. The Census Bureau defines a disability as a long-lasting physical, mental, or emotional condition that makes it difficult for a person to do activities such as walking, climbing stairs, dressing, bathing, learning, or remembering. Pasadena has 13,110 disabled residents, 10% of residents (ACS 2009–2011).

The major categories of disabilities are listed below. It should be noted that many individuals have multiple disabilities; therefore, these totals should not necessarily be added together.

- With a hearing difficulty: 3,359 (2%)
- With a vision difficulty: 2,633 (2%)
- With a cognitive difficulty: 5,293 (4%)
- With an ambulatory difficulty: 7,566 (6%)
- With a self-care difficulty: 3,749 (3%)
- With an independent living difficulty: 6,105 (4%)

### Physical Disability

The vast majority of Pasadena residents will at some time experience a physical disability. Injury, illness or simply advanced age will limit an individual's physical ability to perform work, read, and eventually care for themselves. For those living in single-family homes, residents can benefit from wider doorways and hallways, access ramps, larger bathrooms with grab bars, lowered countertops, and other features common to "barrier-free" housing. Location is also important for disabled people because they often rely on public transit to travel to services like grocers or medical offices.

To assist physically disabled individual live in the community, the City of Pasadena implements a Reasonable Accommodation Ordinance that is designed to offer flexibility in municipal code requirements to expand opportunities for people to build and rent housing that is accessible to people with disabilities. The City also offers housing rehabilitation assistance that can be used to modify the exterior and interior of housing units to allow greater access and mobility for residents. The MASH program also assists disabled residents modify their homes to increase accessibility.

In 1991, shortly after the ADA become effective, Pasadena established the Accessibility and Disability Commission to serve as an advisory body to the City Council. Members represent a cross-section of the City's disability groups and include persons with professional experience in the field of disability. The commission studies issues and recommends access improvements to assist those with disabilities in the community and advance the priority of keeping Pasadena a barrier-free community for people with disabilities.



*United Cerebral Palsy Housing*

### **Developmental Disabilities**

According to the Lanterman Regional Center, Pasadena has 846 residents with developmental disabilities. These disabilities include cerebral palsy, autism, mental retardation, epilepsy, and other similar conditions that begin early in life. Of this total, 378 live with a parent or guardian, 339 reside in a community care facility, and the rest live in an independent, non-institutionalized setting. These numbers include only those served by the Regional Center, so the total affected population is likely higher.

Many developmentally disabled people can live and work independently within a conventional housing environment. More severely disabled individuals may require group quarters where supervision is provided or where medical needs and physical therapy are provided. However, because developmental disabilities occur before adulthood, the first issue in supportive housing is to transition from the person's living situation at home to an appropriate level of independence as an adult.

Many agencies in Pasadena work in tandem to provide housing, education, and services for disabled people in Pasadena. Ability First operates its Work Center, through which 60 developmental disabled adults are employed. The City also works with Ability First to provide an adaptive recreation programs. Villa Esperanza provides education services for 65 children and youth at its Pasadena campus as well as operates nine homes in Pasadena. Homes for Life Foundation is also quite active, managing three homes as well.

### **Mental Health/Substance Abuse**

According to the National Institutional of Mental Health, an estimated one in four adults—suffers from a diagnosable mental disorder in a given year. Even though mental disorders are widespread, the main burden of illness is typically concentrated in a much smaller proportion—or 1 in 17 people—who suffer from a serious mental illness. A smaller percentage of those with severe mental illness have difficulty maintaining adequate and affordable housing.

People with mental illnesses face multiple problems when looking for decent, affordable housing. People with serious and persistent mental illnesses often live in poverty, have unstable employment, and are unable to afford decent housing. This group may also require support services to live successfully in the community. Financial and housing resources available for those experiencing severe mental illness or for those caring for such individuals are limited, and NIMBY concerns are also present in every community.

According to the National Center on Addiction and Substance Abuse, one in four people may also have an alcohol or drug problem sometime in their life. Although many of these issues will be episodic rather than chronic, substance abuse can affect the ability to secure and maintain employment, housing, and productive relationships. The appropriate housing option is largely dependent on the severity of condition, but can include long-term residential care, short-term rehabilitation facilities, or services independent of housing.

**Housing Accommodations**

Pasadena’s housing vision is consistent with the ADA legislation to facilitate the most integrated setting appropriate for people with disabilities to reside, receive services, and participate in community life. The City’s strategy for addressing the various needs of people with disabilities is centered on three core goals: independence, productivity, and integration.

Pasadena’s housing options for disabled people are described below.

- **Residential Care Facilities.** These facilities serve persons ages 18 to 59 who may be physically handicapped, developmentally disabled, and/or mentally disabled. Pasadena provides 48 facilities serving 565 adults. A smaller number of facilities (two) serve children with disabilities.
- **Specialized Housing Facilities.** The City has funded the development of affordable housing projects that are dedicated solely for occupancy by people with a disability. These include housing for people with physical, mental, or developmental disabilities.
- **Housing Vouchers.** Pasadena allocates 100 vouchers for non-elderly disabled people under its NED program. An additional 879 housing choice vouchers are used by households with a disabled member to rent apartments in Pasadena where a housing voucher is accepted.
- **Substance Abuse/Mental Illness.** These facilities are California licensed facilities providing residential stays for people who are recovering from alcohol and drug addictions. Pasadena has 10 facilities serving 381 persons. In addition, numerous sober living facilities are located in Pasadena.

The City of Pasadena has also been active in funding development of the Wynn House, Sierra Rose, Crown House, and Pasadena Accessible Homes for people with developmental disabilities. For people with other disabilities, the City also funded the Ashtabula Projects and Villa Apartments. Table A-16 summarizes housing options in Pasadena for people with disabilities.

**Table A-16: Housing for People with Disabilities**

Type of Housing	Housing Accommodations		
	Type of Housing	No. of Facilities	Number of Units/Beds
Group/Small Family Home	Child with Develop. Disability	2	10
Adult residential care	Adults with a Mental Disability	7	284
Adult residential care	Adults with Develop. Disability	41	281
Independent housing	Adults with any Disability	–	979
Other Group Homes	Alcohol & Drug Rehabilitation	10	381
	<b>Total</b>	<b>60+</b>	<b>1,935</b>

Source: The Planning Center|DC&E, 2013.

## HOMELESS PEOPLE

Pasadena has a significant number of people who are homeless. Homeless persons are defined as those who lack a fixed and adequate residence. People who are homeless may be chronically homeless (perhaps due to substance abuse) or situationally homeless resulting from job loss, family strife, incarceration, or violence. Homeless people face critical housing challenges due to their very low incomes and lack of appropriate housing. Thus, state law requires cities to plan to help meet the needs of their homeless population.

Counting the homeless population is problematic due to their transient nature, different definitions of homelessness, and political and funding issues. According to the 2013 Pasadena Homeless survey, the City has 772 homeless people at the peak season when the bad weather shelter is open. Since many homeless people migrate to Pasadena during inclement weather to use the shelter, the permanent resident homeless population is approximately 602 homeless people. For planning purposes, it is important to note the total number of homeless people during peak season has declined 36% since 2011.

The 2013 Homeless Count also surveyed the composition of homeless people. Of the total population sheltered and unsheltered population, 653 are adults (more than 90% are single adults) and 119 are children. As in past counts, men outnumbered women two to one. Blacks comprised the largest share (36%), followed closely by Whites (33%), and Latinos (22%). The decline is attributable to a number of reasons, including the efforts of the City and Pasadena Housing and Homeless Network to implement its Housing First approach and develop over 100 units of permanent supportive housing.

The 2013 Homeless Count also revealed pressing needs of people who are homeless. For the unsheltered adult population, key needs include:

- **Mental Illness.** In Pasadena, approximately 17% of homeless adults reported a substance abuse problem, and 26% were diagnosed with mental or emotional health problems. In some cases, ongoing medication and treatment are necessary until the underlying condition is stabilized.
- **Physical Illness/Disability.** Prior surveys documented that about 28% of homeless adults surveyed reported a disability that impairs such activities as walking, eating, breathing, reading, etc. These conditions would also affect the ability to secure and maintain employment.
- **Life Experiences.** People who are homeless have significant negative life experiences that are associated with their homelessness. For instance, approximately 9% of homeless people surveyed were veterans, 19% experienced domestic violence, and 14% were released from jail.

These are just a few of the many subtleties and complexities of conditions facing homeless adults and children, which require a tailored approach for providing the right type of housing options and an appropriate service mix.

**Housing Accommodations**

Pasadena is adopting components of a “Housing First” approach to addressing the housing and supportive needs of its homeless population. Under this model, non-chronic and chronic homeless individuals and families are immediately transitioned into housing and provided wrap-around services to ensure longer-term housing stability. This is contrasted with a “housing readiness” model that focuses on individuals successfully addressing substance abuse or mental health issues or “graduating” through case management in a shelter/transitional home to become “housing ready.”

Although the City’s preference is for rapid reentry into permanent housing, Pasadena recognizes that a full continuum of housing options is needed to meet the needs of homeless people at various stages of recovery. The following housing options are provided in Pasadena for homeless people.

- **Emergency Shelter.** Several year-round shelters in Pasadena provide housing and case management to prepare residents to obtain and maintain housing. The City of Pasadena also has 242 shelter beds available during inclement weather.
- **Residential Rehabilitation.** A residence that provides housing for up to six months and provides specialized treatment and active rehabilitation for alcoholism and other drug-related issues on-site.
- **Rapid Re-housing.** This refers to an approach of moving chronically homeless people immediately off the street to permanent supportive housing that allows an environment conducive to stabilization.
- **Transition Housing.** A residence that provides a stay of up to two years, during which residents are provided case management services that prepare them to obtain and maintain housing and live self-sufficiently.
- **Permanent Supportive Housing.** A residence that provides permanent housing linked with ongoing support services designed to allow residents to live at the place of residence on an indefinite basis.



*Family Center Facility*



*Euclid Villa Project*

Table A-17 summarizes the City’s housing options for homeless people. Currently, the City’s unmet need is to house 393 people during the peak winter months, which equates to 326 households.

**Table A-17: Housing for Homeless People**

Need Categories	Shelter Status			Total Peak Season
	Emergency Shelter	Transitional Shelter	Not Sheltered	
Families (adults & children)	119	51	99	<u>269</u>
Unaccompanied Minors	0	0	2	<u>2</u>
Single Adults	148	61	292	<u>501</u>
<b>Total</b>	<b>267</b>	<b>112</b>	<b>393</b>	<b><u>772</u></b>

Source: City of Pasadena, Continuum of Care, 2013.



*Fuller Seminary Housing*

## **COLLEGE STUDENTS**

The City of Pasadena is home to four major colleges—Pasadena City College, Fuller Theological Seminary, Art Center College of Design, and Caltech—that collectively enroll 35,000 students. Numerous smaller private schools and colleges for children and youth are also in Pasadena. Because educational institutions play an important role in the history, economy, and community life of the City, it is important to ensure that the significant housing needs of current and future students, faculty, and employees are addressed.

### **Pasadena City College**

Pasadena City College (PCC) is a two-year post-secondary educational institution for transfer to four-year colleges. PCC enrolls approximately 30,000 students as of 2012. In keeping with the mission of community colleges throughout California, PCC does not provide student housing. However, because a significant number of PCC students live in Pasadena, it impacts the availability of rental housing for residents, particularly around the college. Faculty members, although smaller in number, may seek homeownership opportunities in Pasadena or adjacent communities near PCC.

### **Fuller Seminary**

Fuller Theological Seminary is one of the largest interdenominational seminaries in the country. It has a current enrollment of 1,700 students and is anticipating increasing enrollment to a maximum of 2,014 students by 2019. Fuller Theological Seminary updated its Master Plan in 2006 to accommodate future expansion plans. According to its approved Master Development Plan, Fuller Seminary will increase its housing stock by 514 apartment units and renovate a 92-unit apartment. Since 2006, Fuller Seminary has built a 179-unit apartment project for families and anticipates 335 more units by 2019.

### **California Institute of Technology**

Founded in 1889, the California Institute of Technology (Caltech) is one of the foremost institutes of higher education in the nation. Its 124-acre campus enrolls a total of 2,250 students. Caltech provides housing for 95% of its undergraduate students and 50% of its graduate students in either on-campus housing or university-owned off-campus housing. Caltech updated its Master Development Plan (MDP) in 2006. Funded with a \$25 million donation, Caltech is considering alternative plans for constructing a new dormitory facility to house all the undergraduates attending the college.

### **Art Center College of Design**

Founded in 1930, the Art Center College of Design has two campuses in Pasadena with an enrollment estimated at about 1,850 students in 2012. In 2006, the Art Center updated its long-range Master Development Plan, which included plans to add student housing through 2016. The college currently does not have on-campus housing. Although student population is not anticipated to grow significantly, the Art Center College can build 175 housing units / 334 beds for current and future students.

**Housing Accommodations**

Student housing needs vary depending on whether the student lives at home, commutes from outside the City, or seeks rental housing in Pasadena. Those living in Pasadena create a heightened demand for apartments and rentals around local colleges and influence the rental market. Typically, the need is for rental apartments affordable to lower or moderate income households or SRO units that fit the budget and lifestyle needs of students. The exceptionally large number of educational institutions in Pasadena also creates a demand for affordable housing for faculty members.

Housing available for students typically falls into three categories, depending on the household size, cost, and function. These are:

- **Student Housing.** Student housing includes group housing for students. Rooms are intended for single or dual occupancy by unrelated students. These types of units may also include single-room occupancy units.
- **Family Housing.** Includes apartments or single-family homes typically reserved for married students with or without children. Often these units are reserved for graduate-level students.
- **Faculty Housing.** Includes housing, often owned or leased by a college, for sole use by employees, faculty employed at the respective institution, or visiting employees.

Pasadena encourages the construction of university or privately owned housing that serves students and faculty (e.g., single room occupancy, dormitories, single-family homes, etc.). These types of housing are allowed by right in the RM-32, RM-48, and CL zoning districts and allowed conditionally in the PS zoning district. However, the City’s efforts have focused on working with colleges to provide for onsite and offsite housing. Table A-18 summarizes the current and planned enrollment of each of the major educational institutions in Pasadena and their respective housing stock.

**Table A-18: Student Housing in Pasadena**

Educational Institution	Housing Needs Statement			
	Current Enrollment in 2014	Proposed Enrollment in 2021	Current Housing Units (2014)	Proposed New Housing in 2021
Fuller Seminary	~1,052	1,052	615 units	-0-
Caltech	~2,250	2,440	527 units	135 du   250 beds
Art Center College	~1,850	~1,900	None	175 du   334 beds
Pasadena City College	~30,000	~ 32,000	None	None
<b>Total<sup>1</sup></b>	<b>35,152</b>	<b>38,355</b>	<b>1,142</b>	

Source: City of Pasadena, Master Development Plans, 2013 and interviews.

<sup>1</sup> Pasadena also has numerous smaller colleges and private schools, but none currently provide housing nor have plans to provide housing for students.

### AT-RISK YOUTH

Pasadena has a large population of youth in or aging out of the foster care system (emancipated youth). Because of their difficult upbringing, foster children need housing and a higher level of supportive services related to education, employment, mental health, and other issues. Addressing the needs of foster youth are critical, as it is well documented that up to one-third of all homeless people spent some time in the foster care system.

The Census Bureau does not provide estimates of the number of transitional youth living in Pasadena. Statewide studies of foster youth indicate that 50% of California's foster youth live in Los Angeles County. Many foster youth also live in Pasadena. Studies undertaken by the Casey Foundation found that the majority of foster youth do not originally come from Pasadena, but are instead being served at various rehabilitation facilities.

Addressing the needs of at-risk youth raises several challenges to help them become more housing ready and able to secure employment:

- **Social Capital.** At-risk youth, on average, have less income and personal assets than youth from stable homes. This often includes the lack of a high school diploma or GED, insufficient employment skills or experience, and/or limited independent living skills.
- **Family Safety Net.** Once youth leave the foster care system, they tend to have limited social supports, such as parental supervision or support, financial means, or other safety nets that would enable them to withstand periods of unemployment or housing instability.
- **Financial Security.** In order to secure housing, landlords will evaluate an applicant based on employment history, credit, and income, and clean juvenile record. Former foster care children often cannot meet one or more of these qualifications, making it difficult to secure housing.
- **Personal Health.** Foster children also tend to have higher prevalence of personal health needs. This may include ongoing services to address mental health concerns, physical health, or other conditions. These conditions make it challenging to adjust to an independent lifestyle.

The benefits of safe and secure housing for foster care youth and for those who have or will emancipate from foster care are often overlooked. The benefits of stable housing extend well beyond basic safety and shelter needs. Stable housing has been viewed as a necessary "platform" or foundation for achieving other positive outcomes across a range of necessary domains—educational achievement, employment, physical health, and mental health. This is particularly the case during the tenuous transition to adulthood because of the relationship of housing to self-sufficiency and independence.



**Housing Accommodations**

Meeting the full range of housing and supportive service needs for foster youth requires a comprehensive, multifaceted, and flexible strategy. This strategy should focus on providing residential care facilities where needed for younger youth and those requiring intensive on-site treatment in a group setting, supporting independent living services or centers to support youth, and providing realistic and attainable housing options for youth once they become of age and will transition out of the foster care system.

The following and Table A-19 summarize several larger organizations that provide housing and support services for children in Pasadena.

- **Residential Care.** A sizable number of residential care facilities for foster youth are located in Pasadena and Altadena. These include, but are not limited to the following organizations: Five Acres, Hillside, Rosemary’s Children, Sycamore/Hathaways, and Hestia House.
- **Transitional Housing.** Hillside operates an apartment building in Pasadena that offers housing accommodations for 28 emancipated foster youth. Several of the organizations provide group homes off-site to help facilitate transition to independent living. Hestia House is also in the community and offers 8 beds in a group home setting. These are the only housing options.
- **Support Services.** Pasadena is home to numerous support services for foster care youth. Some of the few examples include the Pasadena Alumni Support Center, Journey House, Youth Moving on Peer Resource Center, Bienvenidos, and other organizations. All Saints Church also provides community education, advocacy, and services to enhance the lives of foster, homeless, transitional, and incarcerated children and youth

Despite these services, there exists a significant gap in housing accommodations for foster care youth once they leave the foster care system.

**Table A-19: Housing for At-Risk Children**

Affordable Housing	Current Inventory	
	Licensed	Housing
Five Acres	76 clients	8 cottages onsite; 1 offsite group home
Hillside	66 clients	3 off-campus (18 beds) 28-bed apartment complex
Rosemary’s Children	43 clients	1 Group– 19 bed 4 Group– 6 bed each
Sycamore/Hathaways	48 clients	1 facility on site No off site facilities
Hestia House	8 clients	1 group home Part of City’s homeless facilities

Source: The Planning Center | DC&E, 2013.

## HOUSING CONSTRUCTION NEEDS

California law requires cities to plan for the accommodation of population and employment growth by implementing responsive housing programs. To assist in that effort, the Southern California Association of Governments (SCAG) prepares housing construction needs goals for each city as part of the Regional Housing Needs Assessment (RHNA). Total housing construction need comprises three primary factors, described below.

### Population and Job Growth

The first component of construction need represents the number of units needed to accommodate new households forming as a result of population and employment growth. Pasadena's housing need is based on SCAG's regional growth forecast adopted in the 2012 Regional Transportation Plan, with slight adjustments for the RHNA. The household growth component is determined by calculating the expected population and employment growth that will occur in Pasadena from 2014 to 2021.

- **Population Growth.** The City's population is expected to increase by about 8,000 residents from 2014 to 2021. This growth will gradually occur as development projects are approved, completed, and occupied.
- **Employment Growth.** Employment levels are projected to continue modest growth, increasing by about 8,000 jobs from 2010 through 2021. Employment growth is centered within the greater downtown.
- **Household Growth.** As a result of population growth, the number of households is expected to increase by approximately 3,300 households from 2014 to 2021 based on average household size.

### Housing Factors

The RHNA goal for new construction incorporates additional units to accommodate two factors in the housing market. First, the housing market requires a certain number of vacant units to allow sufficient choice for consumers, maintain rents and prices at adequate levels, and encourage normal housing maintenance and repair. In the southern California region, SCAG assumed a regional housing vacancy factor of 3.5%, which assumes a 1.5% ownership vacancy and 4.5% rental vacancy.

The RHNA model also adjusts the construction need goal to replace housing units lost from residential uses. Over time, all cities can expect that a certain number of housing units will be lost due to demolition, fire, conversion to nonresidential uses, recycling to other uses, or a variety of other reasons. In Pasadena, the demolition rate is typically one unit for every ten new units. Therefore, SCAG adjusts the City's housing production goals by a standard "replacement factor," which is based on the historical rate of residential units that are lost to demolition/other uses in the community.

**Fair Share Factor**

State law requires that the formula used to distribute the RHNA avoid over-concentration of income groups in any given community. The goal is to use the RHNA process to foster the production of an increasing supply and mix of housing types, tenure, and affordability in an equitable manner across the region. In practice, the idea is to require jurisdictions with a smaller proportion of lower income units to provide a larger share of lower income units as part of their construction need to compensate for other jurisdictions that already accommodate more than their fair share.

SCAG adopted a regional “fair share” policy that each community move 110% toward the respective county’s household income distribution in each income category. So if a particular jurisdiction has a higher or lower percentage of lower, moderate, or above moderate income households than the County as a whole, the new construction goal is adjusted accordingly. For communities still growing, this will tend to reduce the differences in household income distributions among communities in the region. The Southern California of Association of Governments provides a website with greater detail on the calculations for the Regional Housing Needs formula.

**Regional Housing Needs Share**

With the above criteria in mind, the City of Pasadena has a regional housing needs allocation (RHNA) of 1,332 units for the 2014–2021 planning period. The RHNA also determines the number of units by household income and level of affordability as follows: 170 housing units each affordable to extremely low and very low income households, 207 housing units affordable for low income households, 224 housing units affordable for moderate income households, and 561 units affordable for above moderate income households. These housing targets are summarized below in Table A-20.

**Table A-20: Regional Housing Needs Allocation**

Housing Affordability		Allocation	
Household Income Level	Definition of Category	Housing Units	Percentage of Units
Extremely Low Income	Households earning less than 30% of CMFI	170	13%
Very Low Income	Households earning 30–50% of CMFI	170	13%
Low Income	Households earning 50–80% of CMFI	207	16%
Moderate Income	Households earning 81–120% of CMFI	224	17%
Above Moderate Income	Households earning above 120% of CMFI	561	42%
<b>Total</b>		<b>1,332</b>	<b>100%</b>

Source: The Planning Center | DC&E, 2013.

## 4. AFFORDABLE HOUSING AT RISK OF CONVERSION



*Hudson Oaks Senior Housing*

Publicly subsidized affordable housing provides the largest supply of affordable housing in most communities. The City of Pasadena has a significant number of affordable housing units that receive public subsidies in return for long-term affordability controls. Typically, these residential projects provide units affordable to extremely low, very low, and low income households, including persons with special needs. Over time, certain affordable housing units are eligible to change from lower income housing to market rate housing within the planning period.

California law requires that all housing elements include an analysis of “assisted multi-family housing” projects as to their eligibility to change from low income housing to market rates. At-risk units are multi-family rental housing projects that receive federal, state, and/or local financial assistance and that may change from low income to market rate rents by 2024. If units are at risk, the element must include a detailed inventory and analysis.

The inventory must list:

- Each development by project name and address
- Type of governmental assistance received
- Earliest possible date of change from low-income use
- Total elderly and nonelderly units that could be converted
- An analysis of costs of preserving and/or replacing these units
- Resources that could be used to preserve the at-risk units
- Program for preservation of at-risk units and quantified objectives

A percentage of the City’s affordable housing is due to the IHO program, and these units are guaranteed to be affordable in perpetuity. However, the majority of assisted affordable housing units are not guaranteed to remain affordable indefinitely. The reasons why publicly assisted housing might convert to market rate include expiring subsidies, mortgage prepayments, and expiration of affordability restrictions. This represents a significant concern to residents. Affordable housing is most likely to convert to market rents during inflationary times when market rents escalate and create a financial incentive. Low vacancy rates and the recent upturn in the housing market therefore will place pressure on owners to convert their properties.

Table A-21 on the following page is a list of all multi-family rental projects that have received public assistance and are deed restricted as affordable.

**Table A-21: Publicly Assisted Multi-Family Housing**

Project Name and Address	Project Characteristics						
	Target Group	Year Built	Total Units  Bedroom Mix	Property Owner	Project Funding Sources	Expiration Date of Covenants	
Acappella Apts. 160 Corson	Family	2002	143 units 12 VLI	N/A	Profit-Motivated	City IHO; City DB	Perpetuity
Arpeggio Apts. 325 Cordova St.	Family	2002	135 units 11 VLI	N/A	Profit-Motivated	City IHO; City DB	Perpetuity
Archstone Apts. 25 S. Oak Knoll Ave	Family	2002	120 units 10 VLI	N/A	Profit-Motivated	City IHO; City DB	Perpetuity
Del Mar Gardens 240 E. Del Mar	Family	2009	31 units 3 L; 1 M	N/A	Profit-Motivated	City IHO; City DB	Perpetuity
Del Mar Station 202 S. Raymond Ave	Family	2006	347 units 14 L; 7 M	N/A	Profit-Motivated	City IHO; No DB	Perpetuity
Pasadena Place 169 W. Green St	Family	2006	38 units 3 VLI	N/A	Profit-Motivated	City IHO; City DB	Perpetuity
Renaissance Court 46 E. Grove Blvd	Family	2006	31 units 5 LI	N/A	Profit-Motivated	City IHO; City DB	Perpetuity
Trio Apartments 621 E. Colorado	Family	2006	304 units 12 L; 6 M	N/A	Profit-Motivated	City IHO; No DB	Perpetuity
Westgate Apartments 231 S. De Lacey Ave	Family	2010 and 2011	820 units 96 VLI	N/A	Profit-Motivated	City IHO	Perpetuity
The Bellevue 33 South Wilson Ave	Family	2007	45 units 4 VLI	N/A	Profit-Motivated	City IHO City DB	Perpetuity
Walnut Place 712 East Walnut	Family	2005	28 units 3 VLI	N/A	Profit-Motivated	City IHO	Perpetuity
Green Street SRO 1299 Green Street	Mixed	2009	89 units 9 L; 80 M	N/A	Profit-Motivated	City IHO	Perpetuity
Fuller Theological 135 N. Oakland	Students	2006	169 units 18 L; 151 M	N/A	Nonprofit	City IHO	Perpetuity
636 Holliston	Family	2009	10 units 1 LI	1 bd: 3 du 2+ bd: 7 du	Profit-Motivated	City DB	Perpetuity
422 Linda Rosa	Family	2010	7 units 1 LI	1 bd: 4 du 2 bd: 3 du	Profit-Motivated	City DB	Perpetuity
168 N. Wilson Avenue	Family	2005	23 units 1 VLI	N/A	Profit-Motivated	City IHO	Perpetuity
Raymond Grove 55. E. Orange Grove	Family	1998	12 units 12 VLI	1 bd: 5 du 2 bd: 7 du	Profit-Motivated	City Housing Trust Fund	2046
Villa Los Robles 473 N. Los Robles	Family	1992	8 units 8 VLI	2 bd: 1 du 3 bd: 7 du	Limited Partnership	LIHTC; RDA; CALHFA;	2032 2042

**Table A-21: Publicly Assisted Multi-Family Housing**

Project Name and Address	Project Characteristics					
	Target Group	Year Built	Total Units  Bedroom Mix	Property Owner	Project Funding Sources	Expiration Date of Covenants
Community Arms 169 E. Orange Grove	Family	1973 2002	133 units 133 VLI	1bd: 22 du 2bd: 86 du 3bd: 24 du	Community Bible CDC	Section 8 LIHTC; Bonds 2032+
Kings Village 1141 N. Fair Oaks	Family	1971 2002	313 units 312 VLI	1 bd: 29 du 2 bd: 113 du 3 bd: 170 du	Community Bible CDC	LIHTC ACF; MFRB 2042
Villa Los Robles 473 N. Los Robles	Family	1992	8 units 8 VLI	2 bd: 1 du 3 bd: 7 du	Limited Partnership	LIHTC; RDA; CALHFA; 2032 2042
Villa Parke Homes 422/488 N. Raymond; and 557 Los Robles	Family	1989 2013	9 units 9 LI/VLI	2 bd: 2 du 3 bd: 7 du	Abode Communities	LIHTC; RDA; HOME 2028
Villa Yucatan 2186 E. Villa	Family	1973	14 units 14 VLI	4bd: 14du	Villa Yucatan Nonprofit	LMSA HAP N/A
Northwest Manor 985 N. Raymond 700 E. Mountain	Family	1972	88 units 69 VLI	0 bd: 8 du 1 bd: 23 du 2 bd: 57 du	Nonprofit	LMSA; HAP N/A
Washington Townhms 529 E. Washington	Family	1972	20 units 20 VLI	2 bd; 20 du	Nonprofit	LMSA HAP N/A
Windrose Place 271 E. Bellevue Drive	Family	1986	134 units 27 MI	N/A	Profit-Motivated	City DB 2016
Orange Grove Gardens 252 E. Orange Grove	Family	2006	37 units 37 VLI	2 bd: 18 du 3 bd: 20 du	Abode Communities	HOME; ACF; HAP RDA; LIHTC, COI 2051
Parke Los Robles 626 N. Los Robles	Family	1994	12 units 12 VLI	2 bd. 6 du 3 bd: 6 du	Los Robles Dev. Corp	LIHTC; RDA 2024
Villa Washington 264 E. Washington	Family	1995	21 units 21 VLI/LI	2 bd: 11 du 3 bd: 10 du	Profit-Motivated	LIHTC RDA 2051
El Sereno Apts. 1525-1535 N El Sereno	Family	2001	6 units 6 VLI	1 bd: 2 du 2 bd: 4 du	Profit-Motivated	HOME Rental Rehabilitation 2017
Holly Street Apts. 151 E. Holly St.	Family	1993	374 units 75 VLI	1 bd: 31 du 2 bd: 43 du	Profit-Motivated	LIHTC; MFRB; City RDA 2026
Agape Court 445 N. Garfield Ave	Family	1999	44 units 12 L; 32 M	1bd: 4 du 2bd: 5 du	Beacon Housing	City HTF; HOME PropTax Exempt 2039
Magnolia Townhomes 1172 N. Raymond	Family	1981	5 units 5 VLI	3 bd: 5 du	Profit-Motivated	HAP/S8NC N/A
505 N. Marengo	Family	2000	7 units 6 VLI; 1 LI	N/A	Profit-Motivated	HOME 2020
543 N. Raymond	Family	1996	3 units 1 VLI; 2 LI	4 bd: 3 du	Profit-Motivated	HOME; RDA 2025

**Table A-21: Publicly Assisted Multi-Family Housing**

Project Name and Address	Project Characteristics						
	Target Group	Year Built	Total Units  Bedroom Mix		Property Owner	Project Funding Sources	Expiration Date of Covenants
Navarro House 1516 N. Navarro St	Special Needs	N/A	1 SFR 6 VLI	6 beds	Affordable Housing Svcs	HOME Loan; SHP; City Grant	2032
Casa Maria 691 E Washington Blvd	Special Needs	1998 2008	1 SFR 14 VLI	14 beds	URDC	EHAP	2063
Allen House 1808 Las Lunas	Special Needs	~2000	1 SFR 6 VLI	6 beds	Villa Esperanza	PRAC 811 COI Funds	2040 (est.)
Casa de Oro I 1370 N Dominion Ave	Special Needs	~1998	1 SFR 6 VLI	6 beds	Villa Esperanza	PRAC 811	2038 (est.)
Casa de Oro II 1115 N. Chester	Special Needs	~2001	1 SFR 6 VLI	6 beds	Villa Esperanza	PRAC 811	2041 (est.)
Dudley House 2131 E. Dudley	Special Needs	~2001	1 SFR 6 VLI	6 beds	Villa Esperanza	PRAC 811	2041 (est.)
Wagner House 1894 Wagner St	Special Needs	~2000	1 SFR 6 VLI	6 beds	Villa Esperanza	PRAC 811 COI Funds	2040 (est.)
Wynn House 1920 E. Villa	Special Needs	~1998	1 SFR 6 VLI	6 beds	Villa Esperanza	PRAC 811 City HTF	2038 (est.)
Villa Apartments 2089-97 E. Villa	Special Needs	~2001	5 units 10 VLI	1 bd: 0 du 2 bd: 5 du	Villa Esperanza	PRAC 811 COI Funds	2041 (est.)
Sierra Rose 3053 E. Del Mar	Special Needs	~2002	1 SFR 6 VLI	6 beds	Ability First	PRAC 811 HOME	2040 (est.)
Crown House 3055 E. Del Mar	Assisted Living	1987	11 units 10 VLI	1 bd: 10 du	Ability First	Sec 8 HAP; City RDA	2012 2027
Ashtabula Homes 390 Ashtabula	Special Needs	2003	21 units 20 VLI	1 bd: 21 du	Homes for Life	HUD 811; COI Funds; RDA	2024 2043
Madison House 1802 N Madison Ave	Special Needs	1994	9 beds	1 bd: 9 du	Homes for Life	HOME, RDA	2024
Wilson House 54 N Wilson Ave	Special Needs	1993	8 beds	1 bd: 8 du	Homes for Life	N/A	N/A
Pasadena Accessible 915 Rio Grande	Special Needs	2002	13 units 12 VLI	1 bd: 9 du 2 bd: 3 du	United Cerebral Palsy	COI Funds; PRAC 811	2042
Centennial Place 235 E Holly St.	Special Needs	1991 2010	144 units 143 VLI	144 Studios	Abode Communities	LIHTC; COI Vouchers	2054; 2067
Euclid Villa 154 S. Euclid	Special Needs	2000	15 units 15 VLI	1bd: 5 du 2bd+: 9 du	Union Station	LIHTC; City HTF COI; HACOLA	2030
Parke Avenue Apts. 270 E Parke St	Special Needs	2007	12 units 12 VLI	2 bd: 2 du 3 bd: 9 du	Affordable Housing Svcs	City HTF; SHP; Sec. 8; DB	2062

**Table A-21: Publicly Assisted Multi-Family Housing**

Project Name and Address	Project Characteristics						
	Target Group	Year Built	Total Units  Bedroom Mix		Property Owner	Project Funding Sources	Expiration Date of Covenants
Silvercrest Apts 975 E. Union	Senior	1996	75 units 74 VLI	1 bd: 32 du 2 bd: 42 du	Salvation Army	PRAC 202 City RDA	2036
Pilgrims Towers East 440 N. Madison	Senior	1979	158 units 157 VLI	1 bd: 157 du	Retirement Housing Found.	HFDA/8NC HAP; CALHFA	2019
Pilgrims Towers North 560 E. Villa	Senior	1974 2005	258 units 255 VLI	1 bd: 258 du	Retirement Housing Found.	LMSA: HAP; LIHTC	2063
Concord Senior 275 Cordova St.	Senior	1966 2001	150 units 149 VLI	0 bd: 57 du 1 bd: 92 du	Retirement Housing Found.	PRAC 202 HAP	2016
Rosewood Court 1890 Fair Oaks	Senior	2004	65 units 65 VLI	1 bd: 64 du	Beacon Senior Housing Corp	PRAC 202 COI Funds	2043
Fountain Glen 775 E. Union St.	Senior	2004	98 units 3 L/1 M	N/A	Profit-Motivated	City IHO; City DB	Perpetuity
Telacu Courtyard 42 E. Walnut	Senior	1997	70 units 69 VLI	1 bd: 69 du	TELACU	PRAC 202; City RDA	2036
Hudson Oaks 1267 N. Hudson	Senior	2012	45 units 44 VLI	1bd: 44 du 2 bd: 1 du	Adobe Communities	COI Funds; LAC HIF; HAP	2070
Green Hotel 50 E. Green St.	Senior	2006	139 units 139 VLI	Stud: 99 du 1 bd: 39 du	Goldrich & Kess	City Inc. Funds CA HTF; HAP	118 du – 2021 21 du – 2061
Villa Raymond 455 N. Raymond	Senior	1941	61 units 61 VLI	0 bd: 45 du 1 bd: 16 du	Profit-Motivated	LMSA; HAP	Sec 8: 2013 LMSA: 2031
Hudson Gardens 1255 N Hudson Ave	Senior	1982	42 units 41 VLI	1 bd: 42 du	AIMCO	HAP. Pending markup–market	2033 pending HUD approval
La Pintoresca 1235 La Pintoresca	Senior	1969	64 units 63 VLI	0 bd: 55 du 1 bd: 4 du 2 bd: 5 du	La Pintoresca Housing Corp.	221(d)(b)(3); now 5-yr project based Section 8	2014; owner appl. to HUD to extend 2034
Woodbury Apartments 476 E. Woodbury	Senior	1989	12 units 12 Low	0 bd: 2 du 1 bd: 10 du	Profit-Motivated	City RDA; CALHFA	2019
Heritage Square 762 N Fair Oaks	Senior	2015 (est.)	70 units 69 VLI	1 bd: 69 du	Bridge Housing	LIHTC; HOME, Vouchers	2070 (est.)

Notes:

Cal HFA:	California Housing Finance Agency	HOME:	HUD HOME Partnership
City DB:	City Density Bonus	HTF:	Pasadena Housing Trust Funds
City IHO:	City Inclusionary Housing Ordinance	LIHTC:	California Low Income Housing Tax Credit
City RDA:	Former City Redevelopment Agency	LMSA:	HUD Loan Management Setaside
COI Funds:	Former City of Industry Funds	MFRB:	Multi-family Housing Revenue Bond
EHAP:	HCD Emergency Housing Assistance	PRAC:	HUD Project Rental Assistance Contract
HACOLA:	Housing Authority of County of Los Angeles	SHP:	HUD Supportive Housing Program
HAP:	HUD Housing Assistance Payment	Vouchers:	HUD (Pasadena) Housing Choice Vouchers



**AT-RISK STATUS**

Pasadena has nine publicly assisted, family apartment projects with 160 deed restricted affordable units that could come up for renewal by 2024. Four senior apartment projects providing 436 deed-restricted units affordable for very low income seniors could also be up for renewal by 2024. Taken together, 13 projects and 596 units are at risk of converting from low income uses, although the more realistic number would be less given that many are managed by nonprofit entities dedicated to affordable housing.

The cost to preserve the at-risk units is derived from industry cost standards from large jurisdictions with substantial experience in preserving affordable housing deed restricted for very low and low income households. It also takes into account recent projects built and rehabilitated in Pasadena. The cost of the rental subsidy is determined by the difference of the amount of rent a very low income household can afford and the market rent for an older apartment multiplied by a 50-year affordability term.

The cost ranges from \$89 to \$132 million to preserve all the projects. Given the high cost of traditional preservation methods, many cities have found it more beneficial to financially assist in the transfer of the project to another owner, who is then able to secure tax credits, or alternatively the City can offer rental rehabilitation loans that would extend covenants. In the case of the Kings Village Apartments, the City was able to commit \$1.7 million, along with a low income tax credit, to preserve the project at a fraction of the cost.

Table A-22 provides a summary of cost estimates for preserving Pasadena’s 596 multiple-family units at risk of conversion to market rents. Resources to preserve these units are discussed at the end of Appendix C.

**Table A-22: Cost of Preserving At-Risk Housing**

Project Name and Address	Project Characteristics			
	Cost of Subsidy	Number of Units	Total Cost of Preservation	Benefits / Costs
Transfer Project to other Entity	Depends on bridge loan needed	596 units	TBD	Long-term preservation guaranteed
Acquisition / Rehabilitation	\$150,000	596 units	\$89million	Long-term preservation guaranteed
New Unit Construction	\$350,000 (includes land)	596 units	\$208 million	Long-term preservation guaranteed
Rental Housing Subsidy	N/A	596 units	\$132 million	Long-term preservation not guaranteed

Source: The Planning Center | DC&E

Housing Needs

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**CONSTRAINT ANALYSIS**  
**APPENDIX B**



# B. CONSTRAINT ANALYSIS

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Appendix B contains an analysis of potential market, governmental, and environmental constraints to the production, maintenance, and improvement of housing for persons of all income levels, including persons with disabilities.

## INTRODUCTION

Decent, suitable, and affordable housing is an important goal in Pasadena. Pasadena has a variety of housing needs due to changing demographics, rising housing costs, socioeconomic conditions, and various other factors. The City and its civic leaders recognize the challenge of providing sufficient housing opportunities and take great care to address them. However, the City's success in achieving its housing goals is not unlimited.

Market factors, including land costs, increase the cost of housing construction. Governmental regulations, although designed to maintain quality of life, can also increase housing construction costs. Beyond normal market and government factors, the City's success in addressing its housing needs are also constrained by many factors well beyond its control, such as the economic climate, lending industry, and foreclosures.

To that end, California law requires a housing element to identify and analyze potential and actual governmental and nongovernmental constraints to the maintenance, improvement, and development of housing (Section 65583[a][4][5]). This section analyzes three potential constraints:

- **Market Factors.** The demand for housing; development costs, fees, and taxes charged for housing projects; availability of financing; the price of land; and other factors that increase the cost of housing reinvestment.
- **Governmental Regulations.** Land use regulations, building codes, site improvements, fees and other exactions, local processing and permit procedures, and other regulations that raise the cost of development.
- **Environmental Factors.** The adequacy of infrastructure, water, air quality, and public services to support new residential developments, and other environmental considerations that affect housing investment.

State law requires the housing element to demonstrate efforts to remove governmental constraints to meeting the RHNA and address the need for housing for persons with disabilities (Section 65584[a][4]). If constraints preclude achievement of housing goals, state law requires jurisdictions to address and, where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing for persons of all incomes, including persons with disabilities.

## 1. MARKET CONSTRAINTS

Pasadena, like many communities, has seen a dramatic decline in the number of new housing units built. This decline in housing construction is due to a convergence of factors—including tighter lending policies, declining home values, foreclosures, and cost of materials. This section analyzes the impact of these “market” factors on the development of housing in Pasadena.

### DEVELOPMENT COSTS

Development costs include the whole range of costs incurred in the construction, maintenance, and improvement of housing. These include construction costs, which include labor costs, and the cost of residential land. The cost and availability of financing are also included, since they affect the construction industry and the financial feasibility of building new residential projects. The availability and cost of financing also affect the ability of homeowners to secure a loan to purchase or improve a home.

#### Construction Costs

Construction costs are largely a function of building materials and labor costs. Labor costs can significantly increase construction costs, depending on whether union or non-union labor is used. For affordable projects funded by the City, state law requires the payment of prevailing wages, increasing labor costs 20% to 30% in southern California. However, to mitigate the impact of increasing labor costs on affordable housing, state law exempts certain projects from paying prevailing wages—projects using low-income housing tax credits and tax-exempt bonds where no other subsidy is used.

Construction costs also vary widely depending on the type of construction and parking requirements. For instance, wood-frame Type 5 construction over concrete parking is substantially less expensive than steel-frame construction exceeding five stories over subterranean parking. According to pro formas of several affordable residential projects reviewed by City staff, direct construction costs averaged \$200 to \$300 per square foot for projects. These costs are higher than some jurisdictions, but nonetheless are standard for Pasadena and have not served as a disincentive for developers.

An appropriate modification in amenities and quality of building materials used in residential products can result in lower development costs. As part of Pasadena’s inclusionary housing program, the City allows off-site affordable units to be built with modified materials and different features and interior finishes than market rate units, provided all project units are comparable in construction quality and exterior design. Another factor related to construction costs is the number of units built at one time. As the project size increases, builders are able to take advantage of economies of scale and build projects at a lower per unit cost compared to smaller projects.

**Land Costs**

The cost and availability of land for residential development can represent a significant market constraint to the production of new housing in Pasadena. The lack of readily developable vacant land, combined with a strong housing market, means that land is quite expensive to acquire for new development. Other factors influencing land prices in the City include the costs associated with clearing existing structures, potential costs of relocating existing uses, the assembly of multiple parcels under different ownership, and environmental remediation costs when developing in commercial areas.

City staff compiled a dozen land sales transactions associated with multi-family development projects applying for plan check to assess land costs. Shown in Table B-1, residential land in Pasadena varied 25% in price, from \$59 to \$79 per square foot among higher density districts. When factoring in the number of units built, land costs declined from \$80,000 per unit in the RM-32 district to \$71,000 per unit in the RM-48 district to a low of \$34,600 per unit in the Central District. This supports the notion that higher allowable densities tend to result in lower per unit land costs, all other things being equal.

**Table B-1: Land Sales in Pasadena for Residential Uses**

District	Land Survey		Acquisition Cost	
	Density	Sample Size	Per Square Foot of Lot	Per Allowable Units
RM-32	32 du/ac	4	\$56	\$77,000
RM-48	48 du/ac	4	\$62	\$56,000
CD1/2/4	87 du/ac	4	\$69	\$36,000

Source: The Planning Center|DC&E, 2013.

**Access to Financing**

Changes in construction lending practices have also had a significant impact on the financial feasibility of building new housing. In past decades, housing developers could receive construction loans for 100% or more of a project's estimated future value. After the boom period of the early to mid-2000s and ensuing plummet in the housing market, financial institutions tightened regulations for approving construction. Loan underwriting has grown more conservative, with maximum leveraging topping out at 75%.

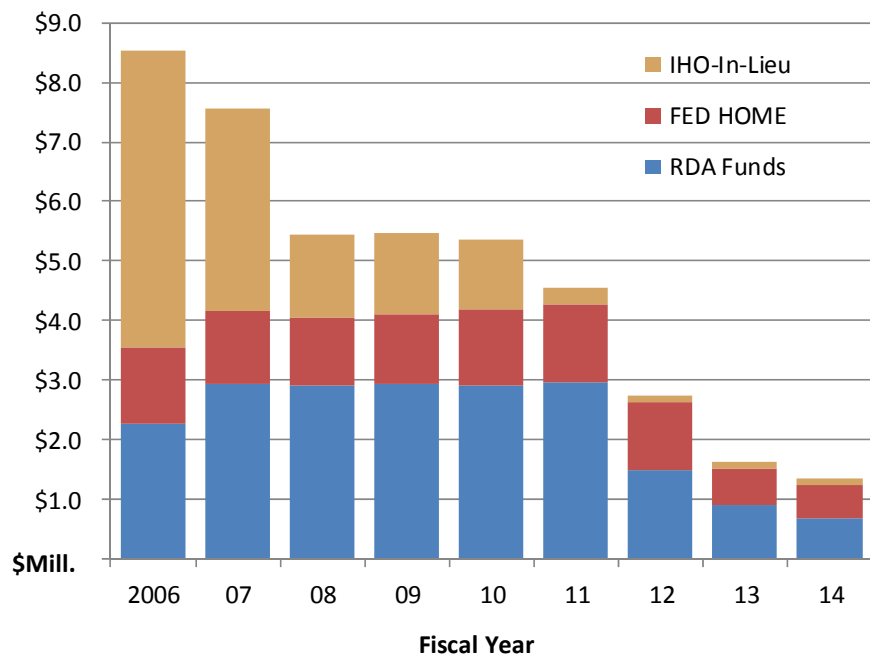
Lenders dramatically increased the amount of equity contribution needed to secure a loan, up from 10% to nearly 30%. Although there is no hard threshold for how much up-front cash equity is too much before a project would be deemed infeasible (or at least unattractive compared to other investment opportunities), the higher the proportion of equity required, the more unlikely a developer will proceed with the project. Not only would it require more up-front cash, but higher equity contribution means a project must be able to achieve an even higher value at completion in order to generate the cash flow needed to meet acceptable cash-on-cash returns.

### HOUSING REVENUES

The economic downturn also impacted the financing for affordable housing, such as Low Income Housing Tax Credit Program. LIHTCs provide affordable housing developers an allocation of tax credits, which are sold to investors to raise equity for projects. Investors that purchase tax credits are able to reduce their federal tax liability dollar for dollar, so that the purchase of \$1,000 in tax credits reduces tax liability by \$1,000. Because of the tax breaks, a developer can build or acquire projects with less debt, enabling them to make the housing more affordable. LIHTC projects collapsed following the market bust in 2006/2007, but have picked up considerably in the past few years.

The City has a long history of providing quality affordable housing through new construction, rehabilitation, and homeowner and renter assistance. However, the financial crisis that affected the nation and California also had a dramatic impact on the City’s ability to address local housing needs. Historically, Pasadena benefitted from a robust housing boom that generated significant revenues for the production of affordable housing. On the heels of a poor economy, Governor Brown appropriated millions of redevelopment funds that had been used to eliminate blight, stimulate economic development, and finance affordable housing in Pasadena.

Shown in Figure B-1, the three top sources of housing funds topped \$8 million in 2006. Since then, fees have plummeted 85% to just over \$1 million. Although building activity is beginning to recover for the first time in years, the City may never have the revenues it once had for affordable housing.



**Figure B-1: Housing Production Funds, 2006–2014**



## FEES, TAXES, AND EXACTIONS

Pasadena charges fees to recover the cost for processing planning reviews and approvals, building permits, design reviews, and other services. In addition, development impact fees are assessed to ensure that infrastructure, public services, and facilities have adequate capacity to accommodate the demands placed upon them by new residential development. The Government Code allows such fees provided the fee amount approximates the estimated reasonable cost of providing the service and has a reasonable relationship to the infrastructure costs associated with a proposed project.

Primary fees charged for new residential development include:

- **Planning and Environment Fees.** The City charges standard fees for environmental services, planning services, design review, public works plan checks, and other services. For projects containing housing units affordable to low and moderate income households, Pasadena can grant a waiver of up to \$125,000 of plan check and building permit fees.
- **Residential Impact Fee.** Adopted in 1988, this fee mitigates impacts to the City's park and facilities system. The fee is based on the number of bedrooms, but is estimated at \$19,478 for a two-bedroom unit. For projects containing onsite affordable housing, developers are charged only \$861 per affordable unit, and the fee is reduced 30% for all other units.
- **Transportation Fees.** In 2006, City Council adopted the Traffic Reduction and Transportation Improvement Fee to mitigate a project's impact to the City's transportation system. The impact fee is \$2,729 per net housing unit, with units demolished as part of the project credited against the fee. The City offers a 100% fee waiver for affordable units built on-site.
- **Construction Tax.** The City charges a construction tax of approximately 1.92% of the project valuation. This equates to an average of \$3,000 per dwelling unit. For projects containing housing units affordable to low and moderate income households, Pasadena can grant a waiver of up to \$125,000 of plan check, building permit fees, and construction tax.
- **Water and Sewer.** The City charges developers a fixed rate of \$1,700 per unit for sewer connections. In 2012, the City Council approved a full-cost recovery policy for new water services based on the actual cost of service. Based on a sample of projects, the fee averaged \$3,100 per unit for multi-family projects and up to \$9,000 for a single-family unit.
- **Inclusionary Fee.** In accordance with the inclusionary housing program, a developer can build the required units or pay an in lieu fee. The in-lieu fee varies by four subareas of Pasadena and ranges from \$1 to \$32 per square foot for rental projects and \$15 to \$56 per square foot for owner units. This typically averages out to be approximately \$20,000 to \$30,000 per unit.

**Assessment of Fees**

As a means of evaluating the impact that development fees contribute to the cost of building housing in Pasadena, the City calculated the average fees for six townhome projects, a mixed-income apartment project subject to inclusionary requirements, a mixed-use project with limited moderate income inclusionary units, and a 100% affordable project. Inclusionary in-lieu buy out fees were estimated based on projects in the Central District and RM-48 zone. As indicated below in Table B-2, all of the fees, collectively, can range between \$60,000 to \$70,000 per unit for residential and mixed use projects.

Taken alone, residential development fees are much higher than in surrounding cities. Based on standard construction costs (excluding land) for projects in Pasadena, development fees comprise 21% of the cost of housing construction costs. However, the fees are reasonable when taking into account the high cost of new construction and achievable sales prices and rents, which are considerably higher than neighboring cities. City fees are only 4% of the construction cost of 100% affordable rental projects. This shows how the City incentivizes the construction of affordable housing.

It also should be noted that the fees alone present an incomplete picture. Most affordable housing projects also receive density bonuses, which allow significantly higher densities that add additional revenue for a project.

**Table B-2: Residential Development Fees in Pasadena**

Fee Category	Approximate Fees per Housing Unit		
	Townhome	Apartment	Affordable
<b>City Service Fees</b>			
Plan Check and Building Fees	\$9,012	\$6,601	\$1,400
Planning and Environmental	\$1,366	\$221	\$232
<b>City Impact Fees</b>			
Construction Tax	\$3,071	\$3,071	\$0
Residential Impact (Parks)	\$19,478	\$19,478	\$861
Public Works/Transportation	\$3,151	\$3,151	\$1,500
Water Connect Fee	\$3,100	\$3,100	\$3,100
<b>Other Agency Fees</b>			
PUSD Impact Fee (\$2.24/sf)	\$2,980	\$2,467	\$2,203
County Sanitation Fee	\$4,220	\$4,220	\$4,220
<b>Inclusionary In-Lieu<sup>1</sup></b>	\$27,000	\$27,000	Provided
<b>Total Fee</b>	<b>\$73,378</b>	<b>\$69,309</b>	<b>\$13,516</b>
<b>Per Unit Construction Cost</b>	\$350,000	\$320,000	\$320,000
<b>Percent of Construction Cost</b>	21%	21%	4%

Source: City of Pasadena, 2013.

<sup>1</sup> In-lieu inclusionary fees based on projects in Subarea D (the most expensive area in Pasadena) that have been approved and built in the past 2 years. Projects built in other subareas will have substantially lower inclusionary housing in-lieu fees.

## 2. LAND USE CONTROLS

Pasadena implements a variety of regulations that affect land uses and the cost and supply of housing. These include land use controls, building codes and their enforcement, site improvements, fees and exactions, permit procedures, and others. This section discusses these governmental factors and whether they unduly constrain the provision of housing in Pasadena.

### GENERAL PLAN LAND USE

Each city and county in California must prepare a comprehensive, long-term general plan to guide its future. The land use element of the general plan establishes the basic land uses and density of development within the various areas of the city. Under state law, the general plan elements must be internally consistent, and the City's zoning must be consistent with the general plan. Thus, the land use plan must provide suitable locations and densities to implement the policies of the housing element.

Pasadena's comprehensive general plan is the blueprint for the growth and development of the community. It provides for five residential land use designations tailored to different locations and topography in the City. High density residential uses are allowed in several commercial designations to support the City's business sector and provide a mixed-use, urban living environment in specific areas of the community. Table B-3 below describes the primary general plan land use designations allowing housing.

**Table B-3: Primary Land Use Designations Allowing Housing**

General Plan Designation	Zoning District	Primary Residential Use Allowed
Low Density	RS	Single-family residential district typified by single-family detached homes within an established residential neighborhood setting.
Low-Medium Density	RM-12	District typified by single-family detached homes with some duplexes within an established neighborhood setting.
Medium Density	RM-16	Highest density single-family residential district with single-family, small multi-family complexes less than four units, and some two-story multi-family projects.
Medium-High Density	RM-32	Higher density multi-family complexes and condominiums near major arterials, employment centers, or activity centers.
High Density	RM-48	Highest density apartments and condominiums close to major arterials, freeways, and transit. Many are clustered in and around the Downtown Core.
Neighborhood Commercial	CO/CL	Highest density residential and mixed uses integrated in landscaped environment for offices and retail commercial developments.
Specific Plan Areas	Varies	Densities of up to 87 units per acre for residential, mixed-use, and work/live units that are transit-oriented and support employment centers.

Source: City of Pasadena General Plan, 2013.

**SPECIFIC PLAN LAND USE**

In addition to the primary residential and commercial districts, the General Plan establishes seven specific plan areas. These areas are designed to accommodate higher density residential uses ranging from a density of 32 to 87 units per acre, with variations based on location and adjacent commercial and residential uses. Development standards within the plans vary depending on the location of the district and proximity to transit or activity nodes.

The Pasadena General Plan allows for a net addition of about 8,700 higher density market-rate units within the eight specific plan areas. However, to ensure that development limits do not discourage the production of affordable housing, the general plan exempts the following from the specific plan caps: 1) low and moderate income ownership units (except in the northwest planning area; 2) low income rental units; and 3) affordable and market rate senior housing. Table B-4 summarizes each specific plan area.

**Table B-4: Pasadena’s Specific Plan Areas**

Specific Plan Area	Housing Cap*	Description of District
Central District	5,095	Creates a diverse mix of land uses for the City’s primary business, financial, retailing, and government center. Encourages mixed use, transit oriented, work/live, and adaptive reuse for housing.
South Fair Oaks	300	Facilitates transition to a center for biomedical and technology development, building on the assets of Huntington Hospital and Caltech. Provides limited residential-type uses near the hospital.
West Gateway	1,016	Focuses on the arts, culture, and education aspects by building on the strengths of the Norton Simon Museum. Mixed-use development is proposed, along with historic preservation.
East Pasadena	500	Focuses on the commercial corridors of East Pasadena, and provides for multi-family residential development near the light rail station, including work/live spaces.
East Colorado	750	Focuses on mixed-use and commercial developments that will build off light rail, Pasadena College, and residential neighborhoods and business centers.
North Lake	500	Focuses on design standards and on identifying areas for mixed use on North Lake, with an emphasis on a pedestrian-friendly environment, while buffering residential uses parallel to Lake Avenue.
Fair Oaks/Orange Grove	550	Encourages visual and physical unification within Northwest Pasadena, removal of barriers to business expansion, and neighborhood stabilization via affordable housing and adaptive reuse.
Lincoln Avenue	180	Encourages predominantly commercial uses with limited residential along Lincoln Avenue in the Northwest Community Planning Area.

Source: City of Pasadena General Plan, 2013.

\* Development limits are under consideration as part of the 2014 Land Use and Mobility Element.

**RESIDENTIAL USES BY ZONE**

California housing element law specifies that jurisdictions must identify adequate sites to be made available through appropriate zoning and development standards to encourage and facilitate the development of various types of housing for all economic segments of the population. This includes the production of housing to meet the needs of different types of households with incomes ranging from low to above moderate. The housing element is the City’s plan for achieving this objective.

As described later, Pasadena’s housing vision is one of inclusiveness, and is denoted by offering a broad range of housing types that accommodate people of all backgrounds. This includes standard conventional housing opportunities (e.g., single-family, multi-family, and mixed-uses, etc.) and housing opportunities for persons with special needs (e.g., disabled, seniors, homeless, families, college students) and other groups.

The primary land use designations allowing residential uses are in Table B-5. Following is a description of the various residential land uses.

**Table B-5: Permitted Residential Uses by Zone**

Type of Unit	Residential Zones					Commercial/Industrial Zone				
	RS	RM-12	RM-16	RM-32	RM-48	PS	CO	CL	CG	IG
<b>Conventional Housing</b>										
Single-Family	P	P	P	P	P		P	P		
Multi-Family		P	P	P	P	C	P	P		
Factory Built	P	P	P	P	P		P	P		
Mobile Home	P	P	P	P	P		P	P		
Mixed Use							P	P		
TOD Housing							P	P	P	P
Student Housing				P	P	C		P		
Affordable Senior		P	P	P	P	C	P	P		
Second Units	P	P	P	P	P					
<b>Special Needs Housing</b>										
Residential Care, Limited*	P	P	P	P	P		P	P		
Residential Care, General			C	C	C	C	C	C		
Life-Care Facilities						C		C	C	
Boarding House <sup>1</sup>				P	P			P		
Emergency Shelter									MC	MC
Temp. Homeless Shelter <sup>2</sup>	C	C	C	C	C	C	C	P	P	
Transition House		P	P	P	P		P	P		
SR Occupancy									P	

Source: City of Pasadena, Zoning Code, 2013.

Notes:

P = Permitted by Right; MC = Minor Conditional Use Permit; C = Conditional Use Permit

<sup>1</sup> Defined as a residence wherein three to five rooms are rented to individuals under separate rental agreements. Residents in a boarding house are not considered a family or single housekeeping unit

<sup>2</sup> Temporary Homeless Shelters are allowed by right in residential districts and the CO and PS districts at a religious facility if the facility was authorized through a CUP among other requirements

\* Under review as part of the housing element update

### MULTI-FAMILY HOUSING

The zoning code permits multi-family housing by right in all RM districts. Factory-built housing and mobile homes are permitted in all single-family (RS) residential districts and multi-family (RM) zones. In accordance with the Government Code, the requirements for such housing (e.g., planning, permitting, reviews) are the same as residential units in the same district. Multi-family residential uses are also allowed in two commercial districts. Described below, the zoning code also permits additional types of housing.



*Stuart Apartments*

### Mixed Use

Pasadena’s land use framework is designed to focus housing in areas of the community that can best accommodate residential growth and reduce transportation demands. Mixed residential-commercial uses are allowed in four commercial districts and several of the City’s seven specific plan areas. Urban housing and mixed-use standards, described later, are implemented to provide greater flexibility and higher densities in these specific plan areas. The City’s strategy has successfully facilitated thousands of mixed-use units.

### Transit-Oriented Development

In 2006, the City adopted standards to encourage transit-oriented development (TOD) within one-quarter mile of a light-rail station platform, and within the greater Central District Transit-Oriented Area. TOD is defined as a development within walking distance of a major transit stop designed for pedestrians without excluding motor vehicles. TOD can be new construction or redevelopment of structures whose design and orientation facilitate transit use. Mixed-use TOD is permitted by right in commercial districts.

### Student Housing

The City of Pasadena is home to four major colleges: Pasadena City College, Fuller Theological Seminary, Art Center College of Design, and Caltech. Numerous smaller private schools and colleges provide educational opportunities to people of all ages. Although the student population exceeds 35,000, approximately 5,000 students attend four-year colleges. The zoning code allows student housing as a by-right use in higher density residential zones and several nonresidential zones. The City also works with institutions to review their Master Development Plans to include student housing.

### Senior Housing

Pasadena has a large senior population. To allow for adequate housing opportunities, senior housing is permitted in most residential districts. In recent years the aging of Pasadena residents has created a need for additional senior housing for different age groups and abilities. In 2004, the zoning code was amended to allow life-care facilities that provide housing accommodations and varying level of care to seniors. Life-care facilities can provide independent units, residential care facilities, and hospice care. Life-care facilities are conditionally permitted in the PS, CL, and CG districts.

## Second Units

Second units are detached dwelling units that provide complete independent living facilities for one or more persons on the same parcel as a legal single-family residence. Second units offer several benefits. First, they typically rent for less than apartments of comparable size and can offer affordable rental options for seniors, college students, single persons, and extended families. Second, the primary homeowner receives supplementary income by renting out the unit, which can help many modest income and elderly homeowners remain in or afford their homes. Second units are allowed by right in RM-12, RM-16, RM-32, and RM-48 districts subject to the RM-12 standards

Assembly Bill (AB) 1866 (effective July 2003) requires local governments to use a ministerial process for second-unit applications, subject to reasonable development standards. In 2004, City staff held four neighborhood meetings, presented draft recommendations, and received comments regarding the proposed ordinance. The primary concerns voiced by the public related to additional traffic, increased density, massing of development, privacy issues, and potential loss of neighborhood character. In consideration of this input, the City Council adopted Section 17.50.275 of the Zoning Code to allow by-right provision of second units in RS districts, subject to the following:

- Minimum 15,000-square-foot lot requirement.
- Owner occupancy in either the primary or second unit.
- Requirement for second unit to meet existing standards for additions to single-family residences and provide two covered parking spaces.
- Limit on the size of second units to 800 square feet and 17 feet in height.
- Establishment of a minimum 500-square-foot distance requirement between second units to avoid overconcentration.
- Limitation on the maximum number of new second units to be allowed per year to 20, with no more than 200 allowed within a 10-year period.
- Flexibility from development standards for the relocation of a historic home onto a property with an existing single-family residence.

While second units can contribute to affordable housing, it is important to also ensure the integrity of Pasadena's residential neighborhoods. Concerns have been voiced about issues related to parking and traffic, affordability of the units, and the suitability of such units in different neighborhoods. Pasadena's second unit ordinance is intended to allow for the development of second dwelling units where appropriate, while maintaining and protecting the essential character and integrity of its single-family residential districts.

While second units represent a relatively small component of Pasadena's overall affordable housing strategy, the City has included an implementation program in the housing element to reevaluate the parameters of the current ordinance to better facilitate the provision of second units within the context of maintaining neighborhood character.

## **HOUSING FOR PEOPLE WITH DISABILITIES**

As described in Appendix A, the City has a sizable population of persons with disabilities that require different housing arrangements. The City permits a broad range of housing for people with disabilities and has provided financial supports for individual projects. The following describes generally how such facilities are permitted by the municipal code within the community.

### **Residential Care Facilities**

The Pasadena Zoning Code designates two types of community care facilities—Residential Care Limited (serving six or fewer people) and Residential Care General (serving seven or more people). These are state-licensed facility providing 24-hour nonmedical care for persons in need of personal services, supervision, protection, or assistance essential for sustaining the activities of daily living. The zoning code permits Residential Care Limited homes by right in all residential districts and conditionally permits Residential Care General in six residential and commercial districts.

Pasadena has more than 100 residential care facilities. The zoning code does not subject Residential Care Limited facilities to a use permit, building standard, or regulation not otherwise required of other residential uses in the same district, and imposes no spacing requirements between such facilities beyond those required by state law. However, due to a high concentration of uses in Northwest Pasadena, the General Plan Land Use Policy 14.5 prohibits establishing Residential Care General facilities in Northwest Pasadena. The Housing Plan proposes to amend the zoning code to allow Residential Care Limited Facilities in the CD and IG zones where residential uses are allowed.

### **Boarding House/Group Homes**

The City's Municipal Code distinguishes between licensed and unlicensed group home facilities and regulates unlicensed facilities as boarding houses. Consistent with the State Attorney General's opinion (86 Ops. Cal. Atty. Gen. 30 [2003]), boarding houses are prohibited in single-family residential districts and allowed by right in all multi-family residential districts subject to the City's operational standards. However, Title 8.19 of the Pasadena Municipal Code, "Group homes for the disabled which are not licensed by the State," provides reasonable accommodation procedures for boarding houses for the disabled, including allowances for location in all residential districts.

Group home for the disabled means any home, residence, facility, or premises that provides temporary, interim, or permanent housing to persons who are disabled in a group setting not licensed by the state of California. The City has enacted distance requirements for group homes for the disabled when it meets the definition of a boarding house and is allowed to locate in any RS, RM-12, or RM-16 district pursuant to a reasonable accommodation. The use shall not be located within 500 feet of any other boarding house or group home facility. State-licensed facilities that do not have separation requirements are not to be used in calculating the distance requirement.



**HOUSING FOR PEOPLE WHO ARE HOMELESS**

Pasadena has had a proactive policy of accommodating the housing need of people who are homeless. The following describes how the municipal code permits such facilities in the city. Given changes in state law and HCD guidance, the City is reviewing these provisions for consistency with state law.

**Emergency Shelter**

The City defines emergency shelters as those that provide short-term lodging on a first-come, first-served basis for people who must vacate the facility each morning and have no guaranteed lodging for the next night. Emergency shelters may operate with a minor conditional use permit in the CG and IG districts, the Central District, and the CG and IG districts of the East Colorado, East Pasadena, and South Fair Oaks Specific Plans. Religious facilities may also operate a homeless shelter for temporary stays as a by-right use in the CL and CG districts and in portions of Central District. They may also operate a shelter in all residential districts, CO district, and parts of the Central District.



*Union Station Emergency Shelter*

**Transition Housing**

Pasadena’s zoning code defines transition housing as a facility that provides housing for individuals in immediate need of housing in which residents stay longer than overnight. Such housing may include support services (e.g., emergency medical care, employment, housing counseling, etc.) provided the total area for supportive services does not exceed 250 square feet. Transition housing is currently treated as a residential use and permitted by right in multi-family districts, the CO and CL commercial districts, and specific plan areas (e.g., Central District, East Colorado and East Pasadena Specific Plans).



*Euclid Villa Transitional Housing*

**Permanent Supportive Housing**

Supportive housing refers to permanent, affordable housing linked to on-site or off-site services. Services typically include assistance to help residents transition into stable, more productive lives and may include case management, mental health treatment, and life skills counseling. Pasadena allows permanent supportive housing as a residential use, provided supportive services are ancillary to the primary use and comprise no greater than 250 square feet. Supportive housing, including housing suitable for individuals living with HIV/AIDS, is also available to homeless people.



*Casa Maria Supportive Housing*

**Single-Room Occupancy**

The municipal code defines a Single-Room Occupancy (SRO) as a facility where each unit has a floor area ranging from 150 to 220 square feet. SRO units may have kitchen or bathroom facilities and are offered on a monthly basis or longer. SROs are permitted by right in the CG zoning district. In addition, existing nonconforming SROs in the CL zoning district are permitted to be altered to comply with the City’s SRO development standards without obtaining a conditional use permit. Perhaps the most notable example is the 144-unit Centennial Place, an adaptive reuse of the City’s historic YMCA.

### 3. DEVELOPMENT STANDARDS

Land use policies in the general plan are implemented primarily through the zoning code. The zoning code is designed to protect and promote the health, safety, and general welfare of residents, which includes preserving the character and integrity of established residential neighborhoods. To that end, the City has established specific development standards that apply to residential construction in various districts. These include lot coverage, density, parking standards, and other applicable requirements.

#### DEVELOPMENT STANDARDS

Pasadena’s zoning code allows for a range of housing types and densities. Within RS districts, single-family homes with private open space are allowed from 1 to 6 lots per acre. The RM-12 and RM-16 districts allow multi-family housing at up to 16 units per acre. In Pasadena’s urban core, specific plans permit multi-family housing densities of 60 units per acre, with up to 87 units per acre permitted in portions of the Central District Specific Plan. Table B-6 summarizes the most pertinent development standards in Pasadena.

**Table B-6: Residential Development Standards**

Development Standards	RS	RM-12	Urban in CD**	Mixed Use in CO, CL, CD
Minimum Lot Area and Minimum Lot Width	1/6–1 acre 55–100 ft	7,200 sf 55 feet	None N/A	None N/A
Maximum Site Coverage	35- 40%	35-40%	N/A	N/A
Maximum Density	1 unit per lot	2 units per lot	48-87 units per acre	48-87 units per acre
Maximum Building or Structure Height	28-32 feet	28-32 feet	4–5 stories	4–5 stories
Front, Rear, Side Yard Setbacks	25', 25', 5'–10'	25', 10', 5'–10'	30% of net floor area	150 square feet per unit
Minimum Unit Size	None	None	None	None
Development Standards	RM-16*	RM-16-1	RM-32* CL	RM-48* CO
Minimum Lot Area and Minimum Lot Width	7,200 sf 75 feet	12,000 sf 75 feet	10,000 sf 60 feet	10,000 sf 60 feet
Maximum Site Coverage*	N/A	35%	N/A	N/A
Maximum Density (Units Per Acre)	16 units*	16 units	32 units	48 units
Maximum Building or Structure Height	23-36 ft	23-36 ft.	23-36 ft.	38 feet
Front, Rear, Side Yard Setbacks	20', 0'–5', 5'	40', 20', 10'	20', 0'–5', 5'	20', 5'–15', 5'
Minimum Unit Size	None	None	None	None

Source: City of Pasadena, Zoning Code, 2013.

\* Gardens Standards apply to multi-family projects in these districts.

\*\* Generalized standards only. There are slight differences within different subdistricts.

## PARKING STANDARDS

City parking standards are intended to progressively alleviate or prevent traffic congestion and shortages of curbside parking spaces, ensure that adequate off-street parking and loading facilities are provided in proportion to the need for the facilities created by each use, and ensure that off-street parking and loading facilities are designed in a manner that will ensure efficiency, protect the public safety, and, where appropriate, insulate surrounding land uses from adverse impacts. Shown in Table B-7 are the parking requirements for residential and mixed-use developments.

**Table B-7: Parking Standards for Residential Uses**

Residential Development	Parking Requirements	
	Basic Requirement	Regulatory Concession
Single-Family	2 covered spaces in a garage or carport per unit	None
Residential Care Facilities, Limited.	Same as single-family unit	None
Second Units	2 covered spaces in a garage or carport per unit	None
Multi-Family and Mixed-Use	2 covered spaces per unit larger than 650 square feet; 1 space for smaller units	For Central District and projects within ¼ mile of a light rail station, 1.5 to 1.75 spaces per units for units larger than 650 sq ft.; 1–1.25 for smaller units
Work-Live Units	3 parking spaces per 1,000 square feet	Shared parking with nonresidential uses allowed with approval of a minor conditional use permit
Emergency Shelter for Homeless	1 space for every four beds	None
Student Housing & Boarding House	1 covered space for every 3 habitable rooms	None
Single-Room Occupancy	1 space per units + 2 spaces for resident manager	Reduce requirement from 1 parking space per unit to 1 parking space per 4 units for affordable SROs
*Transition & Perm. Supportive Housing	2 covered spaces in a garage or carport per unit	None
Senior Housing	2 covered spaces/unit larger than 650 sf; 1 covered space for smaller units	Reductions to no less than 0.5 parking spaces/ per unit with approval of a minor conditional use permit

Source: City of Pasadena Zoning Code, 2008.

\* The City is reviewing parking requirements in light of HCD guidance. Program #22 proposes to change this provision so that transitional and permanent supportive housing is subject to the same parking requirements as similar housing is parked in the same zone.

Pasadena’s parking space requirements are generally two spaces per unit and match the vehicle ownership patterns and parking needs of residents. The guest parking requirement of one space per ten multi-family units is low. Parking space reductions are allowed for senior housing, special needs housing, and multi-family uses near light rail. In accordance with state density bonus law, the City will also permit an alternative parking ratio (inclusive of handicapped and guest parking) and other parking incentives.

## **BUILDING CODES AND ENFORCEMENT**

The City of Pasadena has adopted Title 24 of the most current California Code of Regulations, which is substantially based on the new International Building Code (IBC). State law requires that all local jurisdictions adopt the new Code; however, local governments are permitted to make local amendments to the Code that are necessary to address unique local climatic, geologic, and/or topographical conditions in their respective community.

### **Building Codes**

To address issues of local concern, the City has adopted the following local amendments to the California Code of Regulations to protect the public health and safety from hazards indigenous to the community.

- **Fire Hazards.** Pasadena’s location in the San Gabriel foothills creates additional concerns regarding fire hazards. To address these concerns, the code has restrictions on the use of wood as exterior wall and roof material in fire hazard areas, requirements for Class A assembly for other materials, and requirements for fire sprinklers in all new construction.
- **Seismic Hazards.** Pasadena’s location in a seismically active area necessitates greater structural modifications to protect from earthquake. More restrictive building standards for roof sheathing, diaphragms, footings and foundations, shear walls, and building separation reduce risk of injury and property damage in the event of an earthquake.
- **California Green Standards (CalGreen).** Mixed-use and multi-family projects of four stories or more are required to comply with the CalGreen’s Tier I requirements. This requires applicable structures to submit a checklist as part of building plan check documenting attainment of at least the minimum points to achieve Tier I standards.

### **Code Enforcement**

The City of Pasadena has adopted Title 14 of the Pasadena Municipal Code (PMC) addressing buildings and construction. Within that chapter, the PMC has several codes regulating the maintenance of properties and structures and remediation of blighted conditions. These include Chapter 14.12 (Housing Codes), Chapter 14.6 (Abatement of Buildings Exhibiting Slumlike Conditions), and Chapter 14.7 (Vacant Building and Vacant Lot Maintenance). These local codes are enforced by building and code enforcement staff.

Pasadena also implements a three-tiered code enforcement function to ensure that property and residential structures are well maintained. This includes an occupancy inspection program for ownership units when properties are sold. For rental properties, the City operates a quadrennial inspection program where all housing projects are inspected every four years. An interdepartmental team (called CRASH) also addresses situations involving the worst habitability and code violations where immediate action is needed. These programs are implemented uniformly throughout the community.

**Subdivision and Site Improvements**

After the passage of Proposition 13 and its limitation on local governments' property tax revenues, cities have faced increased difficulty in providing and financing appropriate public services and facilities to serve residents. In order to ensure public health and safety, Pasadena requires developers to provide on-site and off-site improvements necessary to serve proposed residential projects for projects that require a discretionary entitlement.

The City requires developers to fulfill obligations specified in the Subdivision Map Act. Such improvements may include water, sewer, and other utility lines and extensions; street construction to City standards; and traffic control reasonably related to the project. Pasadena regulates the design, installation, and maintenance of improvements needed for new housing. On/off-site improvements include street right-of-way dedication, sidewalks, street lighting, curbs and gutters, water and sewer mains, and others.

Typical standards requirements include:

- Local streets must have 60' of right of way (ROW) with 36' of roadway. Collector streets must have a 64' ROW and 40' of roadway. Secondary highways must have 90' of ROW and 66' of roadway, Major highways must have 108' of ROW and 80' of roadway.
- Street improvements—including street trees on both sides of the street in accordance with the City's Tree Master Plan, curbs and gutters, street lights, signage, and other similar appurtenances.
- Utility lines—including but not limited to electric, communications, street lighting and cable television to serve the subdivision shall be required to be placed underground.
- Water infrastructure—including water mains, submains and services needed for the distribution of water to each lot or parcel. or parcel of land. Construction of all new water and drainage distribution systems related to projects are completed by the developer.
- Parks and recreation—including open space, park and recreational facilities for which dedication of land and/or payment of a fee is required in accordance with the General Plan and fee schedule.

In the vast majority of cases, infrastructure is already in place and in surrounding projects. Sufficient capacity exists within the existing street network. In these cases, most of the City's on-and off-site improvements are provided simply through the payment of a pro-rate share of fees, which have been accounted for under residential development fees mentioned earlier. These subdivision requirements are similar to jurisdictions across southern California and are not deemed to place a unique cost or actual constraints upon the development, improvement, and maintenance of housing.

### Energy Conservation

Pasadena has taken a leadership role in developing and implementing resource conservation programs addressing water resources, renewable energy sources, solid waste management, urban forestry, and other efforts toward becoming a green and sustainable city. The City adopted a Green City Action Plan, established an Environmental Advisory Commission, and adopted a Green Building Ordinance. These efforts help to conserve energy usage and reduce adverse impacts on the environment.



*Hudson Oaks Solar Panels  
As of 2013, 380 residential solar  
units are operating in Pasadena.*

California's Energy Efficiency Standards require all new housing to meet minimum energy conservation standards. This requirement can be met in two ways, either with a prescriptive approach or a performance approach. With either option, mandatory components would be installed, such as minimum insulation, heating, ventilation, and air conditioning systems and efficient heating equipment. In addition, all residential projects are subject to meeting the state building codes, which also include energy conservation standards.

Originally, the City of Pasadena adopted a Green Building Code to achieve the goals underpinning statewide legislation and the City of Pasadena's desire to promote energy efficiency and resource conservation goals. The Green Building ordinance applied to new multi-family, mixed-use projects and commercial buildings of four stories or more and alterations or construction over 25,000 square feet and municipal building of 5,000 square feet or more. Buildings meeting this threshold were required to meet LEED standards.

In 2010, Pasadena adopted the new California Green Building Standards Code (CalGreen), replacing many provisions of the existing Green Building Code. CalGreen offers statewide uniformity to many established and emerging local green building ordinances. Pasadena's new code is designed to promote sustainable building design and construction that has a low impact on the environment, uses resources efficiently, is healthy for the occupants, and brings economic and social benefits to the community.

The CalGreen Code applies to all projects, residential and non-residential. The City exceeds CalGreen Standards by including additions and alterations of all projects except where exempted in City codes. The City also adopted additional requirements, including: 1) all new and re-roofs of low-slope roofs be "Cool Roof" certified; 2) water-resistant flashing must comply with industry standards or manufacturer's instructions; and 3) pre-installation of conduits in all new buildings for future photovoltaic systems. Moreover, mixed-use projects and multi-family buildings four or more stories in height must comply with Tier I standards, which are comparable to LEED certification.

The Planning & Community Development Department conducts outreach and education with developers, contractors, architect, and business owners to provide information on how to incorporate sustainability in project design.

**City of Gardens Standards**

The City of Gardens Standards refers to zoning regulations that encourage designs that typify the garden character of earlier apartments and bungalow courts in Pasadena. The garden standards are designed to ensure that high-density apartments and condominiums incorporate landscaped common open space rather than concrete interiors and bulky mass designs. These regulations apply to all multi-family residential district projects in portions of certain specific plan areas and in the CL and CO districts. The City of Gardens standards do not apply to the RM-12 district or mixed-use projects.

The Garden Standards are structured to emphasize multi-family projects with a landscaped open space feature as the central focus. This open space may take the form of a main garden, private garden, or landscaped court. It shall be a well-defined, coherent area that is an essential component of the project design, not merely space left over after the building mass is placed. Within the open space requirement for multi-family residential projects, the primary garden occupies between 17% and 37% of total site area. Table B-8 lists some of the primary requirements of the City of Garden standards.

Another key feature of the program is density and height incentives. For small lots, the densities range from 2 to 6 units in the RM districts. In the RM-16 district and on lots less than 60 feet in width in the RM-32 district, the maximum height of structures is two stories. However, for lots of 10,000 square feet or more, the minimum allowable units is 10 units, which automatically triggers the City’s IHO, and new apartments can be built at up to three stories in height. For historic structures, the City can modify virtually any development standard in the code and other applicable standards.



*City of Gardens Project*

**Table B-8: City of Garden Standards**

Standards	Residential Zoning District		
	RM-16	RM-32	RM-48
Lots less than 10,000 sf	1 to 4 units	6 or less units	6 or less units
Lots larger than 10,000 sf	4 or more units	7 or more units	10 or more units
Lots <60 feet in width	2 stories	2 stories	3 stories
Lots > 60 feet or greater	2 stories	2–3 stories	3 stories
Minimum Garden Space	32–37% of site	29–37% of site	29–37% of site

Source: City of Pasadena, Zoning Code, 2008.

In 2006, the City modified the Gardens Standards to provide greater flexibility in project design and allow projects to achieve maximum densities. An analysis of 14 multi-family residential projects submitted for City of Gardens plan check shows that the majority of projects submitted nearly achieved maximum density in the RM-16, RM-32, and RM-48 zones. In fact, none of these projects required a variance to comply with City of Gardens standards. Therefore, the City of Gardens requirements are not considered an actual constraint to the production of affordable or market rate housing.

### Historic Preservation

Pasadena has a rich collection of historic properties and neighborhoods. The presence of architecturally distinguished buildings throughout the community imparts an attractive character to neighborhoods and business districts. The City's historic resources also serve as tangible reminders of the eventful history of the community. They are a source of civic pride and of economic productivity, drawing residents, tourists, shoppers, and businesses.



*Heritage Partners Restoration*

The City formally recognizes the benefits of preserving its historic sites and structures. It has a cultural heritage ordinance, two commissions entrusted with protecting historic resources, and a program to support historic preservation. Pasadena contains eight districts listed on the National Register of Historic Places, including a historic overlay district covering much of the Central District. Pasadena now has 17 local landmark districts; the largest ones are Bungalow Heaven, Historic Highlands, North Pasadena Heights, Garfield Heights, and Washington Square.

Key efforts include:

- **Tax Incentive.** The City offers incentives to promote the preservation of historic sites and structures. These include the Mills Act Historic Contract Property Program, State Historical Building Code (SHBC), rehabilitation tax credit, facade easements, and technical assistance. A common tax incentive is the Mills Act Contract, whereby property owners of designated historic properties make improvements that maintain the historic character of their property in return for tax credits.
- **Design Review.** The Municipal Code provides for protection of locally designated landmarks and landmark districts through design review. Designated landmarks and properties within a landmark district must obtain a Certificate of Appropriateness (COA) prior to a building permit for alterations, additions, relocations, demolitions, or new construction. Depending on the scope of the project, the COA may be granted by staff or require review by the Historic Preservation Commission.
- **Zoning Incentives.** The Municipal Code offers zoning incentives to encourage the preservation of historic resources. Rehabilitation or the addition of new units subject to the City of Gardens standards may qualify for a waiver of development standards such as main garden's size, required parking, and building modulation.
- **Financial Incentives.** In other cases, the City has supported organizations dedicated to purchasing, renovating, and deed restricting historic structures for affordable housing purposes. Pasadena Heritage Partners has completed a number of restorations that now provide low and moderate homeownership opportunities for Pasadena residents. The City has also supported the rehabilitation of multi-family structures and older hotels (e.g., Green Hotel) for affordable housing as well.



## **AFFORDABLE HOUSING INCENTIVES**

To facilitate and encourage the development of housing that is affordable and accessible to special needs groups and lower income individuals and families, Pasadena offers a density bonus program, inclusionary housing ordinance, modified development standards to facilitate affordable housing, and a reasonable modification program. These incentives, described below, facilitate production of affordable and accessible housing.

### **Density Bonus**

Pasadena adopted a density bonus ordinance as required by state law. Residential and mixed-use projects are entitled to a density bonus (increase in the number of units allowed above the maximum in a zone) if any of the following are met: at least 5% of the units are set aside as affordable to very low income households; at least 10% are for-sale units affordable to low or moderate income households; or the project has at least 35 units available exclusively to persons aged 55 years and older and those residing with them.

The density bonus generally ranges from 5 to 35% according to the amount by which the percentage of affordable housing units provided. The City provides for further density bonuses of up to 50% in the Central District for increased percentages of affordable units. Density bonus requests do not require discretionary approval by the City, with the exception of bonuses exceeding 35% in the Central District, which require a conditional use permit. Eligible residential and mixed-use projects may also receive one to three concessions, development standard modifications, or financial incentives based on the proportion of and income targeting of affordable units.

The City of Pasadena requires that applicants seeking concessions or incentives under density bonus law complete an application for an Affordable Housing Concession that includes sufficient economic information on the project to demonstrate the concession or incentive is required for the designated units to be affordable. The Affordable Housing Concession Permit is processed the same as a minor variance, and is placed on the consent calendar for the Hearing Officer, unless a hearing is specifically requested. The Affordable Housing Concession Permit uses the “findings” given in the state density bonus/concession statute, not the minor variance findings.

During the past ten years, more than a dozen residential projects have received density bonuses, helping to facilitate at least 40 density bonus units since 2000. Along with the density bonus, developers have also received affordable housing concessions, fee waivers, or modifications in return for affordable housing units. These density bonus units have also been eligible to satisfy the inclusionary housing requirements. As such, the density bonus program and affordable housing concessions have been successful tools in making it more feasible to build affordable housing.

### **Inclusionary Housing**

Pasadena Inclusionary Housing Ordinance (IHO) requires that residential, mixed-use, and work/live projects of 10 or more units dedicate 15% of the units as affordable to low and moderate income households. Rental units must have at least 10% of the units affordable for lower income households, while ownership projects can fulfill the IHO with moderate income units. As an alternative to constructing inclusionary units, a developer may choose one of three options: 1) construct units on another site; 2) donate another site for a portion of the housing units, or 3) pay a fee in lieu of building the units.

Developers have significant flexibility in meeting their IHO requirements. Important provisions are as follows:

- **Flexibility by Substitution of Units:** Developers receive greater credit for providing a higher level of affordability: a very low income unit can be substituted for 1.5 low income units or 2 moderate income units. Each low income unit can be substituted for 1.5 moderate income units.
- **Reduced Residential Impact Fees:** For on-site units, park impact fees on affordable units are reduced to only \$861 per unit, adjusted for the CPI, compared to \$14,500–\$27,000 per market rate unit, with the impact fee on all other units in the development reduced by 30%.
- **Modified Standards for Affordable Units:** The ordinance provides flexibility in alternative materials and finished quality of habitable spaces for all the affordable units, allowing significant cost savings that make it more feasible to provide affordable units.
- **Provision of Financial or Regulatory Incentives:** For projects subject to the inclusionary ordinance, the developer may request one or more of the following incentives: 1) density bonus; 2) fee waivers; 3) financial assistance; or 4) additional incentives on a case-by-case basis.
- **Inclusion of Density Bonus Units:** For projects subject to the inclusionary ordinance, the developer may apply all of the density bonus units provided directly to the project, which creates a significant incentive and ability to satisfy the inclusionary housing requirements.

Since the inception of the IHO, Pasadena has facilitated the construction of 19 residential and mixed-use projects that have provided 450 very low, low, and moderate income units. An additional 35 projects have paid in-lieu fees totaling \$16.6 million, which have been leveraged with other funding sources to support the production, rehabilitation, or preservation of housing.

The 2009 case, *Palmer/Fifth Street Properties v. City of Los Angeles*, held that the Costa Hawkins Act does not permit the City to require affordable units in new rental housing unless it has provided incentives to the developer, and the developer has agreed by contract to provide the affordable units. In 2012, Assembly Bill 1229 was proposed to allow cities in California to continue inclusionary housing programs. The Governor vetoed this bill. The Housing Plan proposes a program to address concerns raised by both developments.

### Standards for Urban Housing and Mixed-Use Projects

Pasadena's land use framework focuses housing in areas of the community that can best accommodate residential growth and reduce transportation demands. Urban housing and mixed use are a key strategy in Pasadena to further its housing, economic, mobility, air quality, and neighborhood stabilization goals in the community. To achieve these ends, the City has adopted development standards for Urban Housing and Mixed-Use projects. These standards have facilitated the construction of more than 1,000 mixed-use housing units in the Central District and other specific plan areas.

The City's Urban Housing and Mixed Use Standards are intended to provide greater flexibility appropriate for downtown and commercial districts, such as the Central District and North Lake Avenue Specific Plan. The regulatory framework contains incentives that encourage the production of housing, including affordable housing. Key provisions are noted below:

- **Regulatory Concessions.** The Urban Housing standards allow densities of 48 to 87 units per acre due to flexibility in height limits, setbacks, and floor area ratios. These standards allow flexibility in open space by balconies, rooftop gardens, private patios, and setbacks. Because open space can be provided by nontraditional means, projects can achieve higher densities and more affordable units.
- **Density/Intensity Incentives.** Typically, new mixed use and urban projects in the Central District have ground-floor commercial space and three or four stories of above-grade housing. Residential and mixed-use developments have floor area ratios that vary from 1/1 to 3/1 but often achieve at least a ratio of 2/1. The floor area ratios have helped to accommodate new housing at densities from 48 to 87 units.
- **Affordable Housing Incentives.** Mixed-use projects greater than 10 units are subject to the City's IHO. Given that developers often seek to maximize density in specific plan areas and that the inclusionary requirement can satisfy state density bonus law, mixed-use projects often achieve very high densities and, as a result, offer more affordable units. The high level of affordability often results in fee waivers as well.
- **Permit Process.** A conditional use approval is required for nonresidential projects (or the nonresidential portion of a mixed-use project) that exceed an established gross floor area. A CUP requires a public hearing and review by the Hearing Officer, upon which the review authority may approve, conditionally approve, or disapprove an application for a CUP. Of the 22 mixed-use projects credited toward the 2006–2014 RHNA, only two projects triggered the CUP requirement, and both were approved.

Taken together, the Urban Housing and Mixed Use development standards, coupled with other incentives, have been instrumental in facilitating and encouraging a significant level of housing production in the Central District and therefore serve as a primary tool for achieving the City's RHNA goals.

## 4. PERMITTING PROCESS

Pasadena has the responsibility to ensure that residential developments are of lasting quality, that housing opportunities are available, and that the public health and welfare are maintained. To that end, the Municipal Code establishes the following standard procedures for processing applications for the development, maintenance, and improvement of housing.



*Pasadena Permit Center*

### DEVELOPMENT REVIEW

The City of Pasadena has established the Planning and Permit Center directly across the street from City Hall. The Permit Center on the first floor is organized to help developers secure all the necessary permits for residential projects in a one-stop environment. At the Permit Center, developers can obtain nearly all of the needed permits for their project. The City's development review process can be summarized in the following steps:

#### Normal Development Review

Proposed residential projects are subject to an initial determination of whether a project requires 1) preapplication conference; 2) discretionary permit, 3) legislative approval; or 4) other special review. Most single-family homes and multi-family projects under nine units do not require any of the aforementioned reviews, although multi-family projects of three to nine units are subject to staff-level design review. Using application packets available on the City's website, applicants can readily assess the appropriate documentation that needs to be submitted for project reviews.

#### Predevelopment Plan Review (PPR)

The PPR applies to multi-family projects larger than nine housing units, projects with more than 25,000 square feet of nonresidential floor area, projects of community-wide significance, and projects within a specific plan area, if needed. PPR is a preliminary evaluation conducted by City staff to provide input on requirements for a project before submittal of a development application to the City. A case manager is assigned to guide the development project through PPR and plan approval. PPR takes approximately four to eight weeks from inception to completion.

#### Preliminary Plan Check

Multi-family housing projects following the City of Gardens standards are reviewed in Preliminary Plan Check, an early determination of any changes that must be made to comply with the standards. City staff reviews the plans and discusses all necessary changes with the applicant, who then revises the drawings for a second review prior to submittal of a development application. The initial review, corrections, and second review typically take eight weeks. This review step is essential to developers wishing to build in the City's RM districts and receive guidance on the Garden Standards.

**Discretionary Permit**

Certain development projects may require a conditional use permit and/or a variance. Typically, multi-family residences are allowed as a by-right use. However, a mixed-use project that includes more than 25,000 square feet of nonresidential development requires a conditional use permit to ensure compatibility. However, deviations not exceeding 25% of the development standard may be processed as a minor variance and approved by a hearing officer without public hearing unless it is requested. Larger deviations require a major variance, public hearing, and approval by a hearing officer.

**Commission Review**

Residential projects may require approvals by commissions, depending on the age, location, scale, and use proposed. The Design Commission or City staff may review development applications for compliance with City design guidelines. Design review can take six months to complete, including Concept Design Review and Final Review. Discussed later, Consolidated Design Review reduces the time for project review. The Historic Preservation Commission reviews development applications in historic neighborhoods. Finally, the Community Development Committee has authority to review and approve concept plans for affordable housing subsidized by the City.

**Plan Check/Permit Issuance**

Once the residential or mixed-use project is approved by the necessary Commission and review bodies, the project is moved through the plan check stage and permit issuance. This involves verification that the project complies with building, zoning, fire, mechanical, plumbing, electrical, and health codes. The time frame required to complete plan check varies with the size, complexity, and location of the project. Generally, plan check requires one to two months to complete, but corrections and second submittals are common and can increase the time required to complete plan check.

For a single-family residence on a legal lot, the process typically requires only plan check, without discretionary review and design review. Plan check review requires about four weeks for City departments to either approve the drawings as submitted or to indicate what corrections are required. After changes are made by the applicant, the City's recheck is usually accomplished in two to three weeks. The cumulative time frame is generally no more than eight weeks from application submittal to permit issuance, unless the project is built in a historic district and subject to review.

Multi-family project approval depends on the environmental review process and mandated time frames, and the applicant's qualifications. Typically, multi-family projects can take eight weeks for PPR and plan project review, up to twelve weeks for design review, eight weeks for changes following design review, and six weeks to finalize the application prior to issuance of building permits, for a total time commitment of eight months. Residential projects larger than 25 units require a greater level of design review that adds two months to the process. If environmental review is required, an additional two months is needed to comply with state law.

## DESIGN REVIEW PROCESS

Pasadena has limited vacant land; new residential development often includes the demolition of existing structures and the construction of higher intensity uses, often in established multi-family residential neighborhoods or mixed-use commercial districts. In this context, it is critical to ensure new development is compatible with existing land use patterns. Pasadena has thus established a design review process to encourage excellence in architectural design, enhance the visual environment, and ensure that development is compatible with surrounding land uses.

The Citywide Design Principles in the Land Use Element are the foundation of all design reviews. To provide clear guidance to developers and reviewing authorities, the City has adopted design guidelines that fall into one of four categories: Citywide, specific areas, specific uses, and historic properties. The design guidelines work in concert with the development standards in the Zoning Code or Specific Plan. However, unlike development standards, which are mandatory, design guidelines are applied with flexibility to foster creativity, and strict adherence is not required for project approval.

Design review consists of the following three stages:

- **Preliminary Consultation.** This step is an informal discussion between the City staff and the applicant to explain the design guidelines and procedures that will apply to the project and to discuss compliance of the project with the guidelines. This step is designed to expedite the design review process by communicating clear expectations at the onset.
- **Concept Design Review.** This stage involves an application submittal that addresses basic project design, including compatibility with surroundings, massing, proportion, siting, and compliance with design guidelines. Depending on scope and location, concept review may occur at the staff level or as a public hearing before the Design Commission.
- **Final Design Review.** Final design review focuses on construction details, finishes, materials, landscaping, and consistency of the project with the design approved during concept design review. The Director maintains authority for final design review, unless the Design Commission, acting as review authority, is required at this stage.

City staff or the Design Commission may conduct design review, depending on the scale, location, and sensitivity of the project. City staff generally reviews projects of three to nine units, and the Design Commission reviews larger projects or those in the Central District and certain zoning districts in Pasadena. However, projects within a designated landmark or historic district (outside of the Central District) are reviewed by the Historic Preservation Commission. As an alternative to a separate Concept and Final Design review, an applicant may select single consolidated review. The design review process can take one to six months depending on complexity, responsiveness of the applicant, and whether it is subject to City of Gardens Standards.

## VARIANCE

A variance is a request for a deviation from the zoning code for a particular development standard because of unusual circumstances associated with a particular site, such as topography, shape, or other characteristic. Some examples of the types of variances requested are for building height and parking. No variances to the land use classifications of the zoning code are allowed. Variances require noticed public hearings with a review by the zoning hearing officer. A decision to approve or disapprove an application is based on the findings of fact in the zoning code.

A minor variance is intended for adjustments that are determined to have lesser (minor) potential impacts. The following examples may be processed as a minor variance: 1) yard setback requirements, with no limit on percentage of deviation; 2) size of landscape areas in multi-family districts (including City of Gardens projects); 3) fence/wall height, with no limit on percentage of deviation; 4) building heights (not to exceed 10 feet above requirement or 5 feet in an HD overlay district); and 5) other specified development standards.

The difference between a minor variance and a variance is in the process. A variance requires a noticed public hearing with a review by the hearing officer. A minor variance can be reviewed by staff and approved by the hearing officer without a public hearing unless a hearing is requested by an interested party or the applicant. Public notices are mailed to property owners within a designated radius. If a hearing is held, the hearing officer conducts the hearing in compliance with Chapter 17.76.

Following a public hearing, if required, the review authority may approve a variance application, with or without conditions, only after first finding that:

- There are exceptional or extraordinary circumstances or conditions applicable to the subject site that do not apply generally to sites in the same zoning district.
- Granting the application is necessary for the preservation and enjoyment of a substantial property right of the applicant and to prevent unreasonable property loss or unnecessary hardship.
- Granting the application would not be detrimental or injurious to property or improvements in the vicinity of the subject site, or to the public health, safety, or general welfare.
- Granting the application is in conformance with the goals, policies, and objectives of the general plan, and the purpose and intent of any applicable specific plan and the purposes of the zoning code, and would not constitute a grant of special privilege inconsistent with limitations.
- Cost to the applicant of strict compliance with a regulation shall not be the primary reason for granting the variance.

## CONDITIONAL USE PERMIT

Conditional use permits are required for uses typically having unusual site development features or operating characteristics requiring special consideration so that they may be designed, located, and operated to be compatible with neighboring properties. The municipal code provides for the review of the configuration, design, location, and potential impacts of the proposed use in order to evaluate the compatibility of the proposed use with surrounding uses and the suitability of the use to the site. Conditional uses are divided into two types—major and minor.

The difference between a minor or major conditional use permit is process. A CUP requires a public hearing and is reviewed by the hearing officer. A minor CUP is reviewed by planning staff, and a letter is written informing the applicant of the draft findings and any recommended conditions of approval. Public noticing of the hearing or review is the same for both processes. If an interested party requests a hearing, it is held before the hearing officer. Following a hearing, the review authority may approve, conditionally approve, or disapprove an application for a CUP. The review authority may approve a conditional use permit (major or minor) only after first finding that:

- The proposed use is allowed with a conditional use permit in the applicable zoning district and complies with zoning code provisions.
- The location of the proposed use complies with the special purposes of the zoning code and the purposes of the applicable zoning district.
- The proposed use conforms with the goals, policies, and objectives of the general plan and the purpose and intent of any applicable specific plan.
- The establishment, maintenance, or operation of the use would not, under the circumstances of the particular case, be detrimental to the health, safety, or general welfare of persons residing/working in the neighborhood of the proposed use.
- The use, as described and conditionally approved, would not be detrimental or injurious to property and improvements in the neighborhood or to the general welfare of the City.
- The design, location, operating characteristics, and size of the proposed use would be compatible with the existing and future land uses in the vicinity in terms of aesthetic values, character, scale, and view protection.

The CUP process has not constrained the production of mixed-use projects in Pasadena. Of the 22 mixed-use projects credited toward the 2006–2014 RHNA, only two projects triggered the established threshold of square feet of nonresidential use, and both projects were approved with affordable units. Developers are generally proposing mixed-use developments as a means to secure more flexible development standards. Given the volume of projects approved and built in the community, the permitting process has not constrained the production of housing, including affordable housing.



## **HOUSING FOR PEOPLE WITH DISABILITIES**

In accordance with Section 65008 of the Government Code, this section analyzes potential and actual constraints to the development, improvement, and maintenance of housing serving people with disabilities in Pasadena. Where actual constraints are found, this section describes specific programs that will be implemented as part of the 2014–2021 Housing Element to remove government constraints to housing people with disabilities.

### **Municipal Code Definitions**

Municipal codes can create fair housing concerns if the definitions could be used to limit housing opportunities or fair housing choice. Although cities rarely discriminate in this manner, the code definition in itself could discourage proposing a use that would otherwise be allowed. By example, fair housing law prohibits defining a family (and by extension living quarters) in terms of the relationship of members (e.g., marital status), number of occupants (e.g., family size), or other characteristics. Other definitions should also be consistent with fair housing law. The Pasadena Municipal Code defines a family as two or more persons living together as a single housekeeping unit in a dwelling unit. The term does include boarding house.

### **Permitted Land Use**

The Pasadena Zoning Code designates two types of community care facilities—Residential Care Limited (serving six or fewer people) and Residential Care General (serving seven or more people), as defined earlier. Residential Care Limited homes are permitted by right in all residential districts, and Residential Care General facilities are conditionally permitted in six residential and commercial districts. The zoning code does not subject Residential Care Limited facilities to a use permit, building standard, or regulation not otherwise required of homes in the same district, and imposes no spacing requirements between such facilities beyond state law allowance. Due to a high concentration of uses in Northwest Pasadena, the general plan prohibits establishing these uses, except residential care facilities (limited).

### **Building Codes, Development Standards, and Permitting Processes**

Pasadena has adopted the latest edition of the California Building Code, including all provisions related to facilitating disabled access. Accessibility is required to all covered multi-family dwellings. "Covered multi-family dwellings" are all dwelling units in buildings consisting of three or more privately funded units if such buildings have one or more elevators; and all ground floor dwelling units in other buildings consisting of three or more dwelling units. In covered multi-family dwellings in buildings with elevators, all units are required to be located on an accessible route. For such units, the units must be adaptable, so that the public and common use areas are readily accessible to and usable by a person with a disability, and all doors are designed sufficiently wide to allow passage into and within all premises by persons who use wheelchairs, as required by the building code. The City's building official enforces compliance with these requirements, among others.

**Reasonable Accommodation**

Reasonable accommodation means the process by which an operator may seek from the City an accommodation in rules, policies, practices, or services when such accommodation may be necessary to afford the disabled equal opportunity to use and enjoy a dwelling. Summarized below in Table B-9, the City has three procedures to implement state and federal fair housing law and to ensure housing opportunities for people with disabilities.

- **Building Codes.** Pasadena complies with the standards and processes contained and described in the current California Building Code with respect to housing for people with disabilities. Every three years, the California Building Codes are updated (including processes and codes affecting housing for people with disabilities), and the City adopts these codes to comply with state and federal disability requirements.
- **Land Use Classification.** The Pasadena Municipal Code has been amended over time to eliminate differentiation between housing units for people with disabilities and housing for people without disabilities. For example, two projects for people with disabilities were approved and built in recent years (e.g., the 21-unit Ashtabula and 13-unit Rio Grande apartments).
- **Zoning Standards.** Modifications to zoning standards are granted in a manner identical to the application, notice, and hearing requirements for a minor variance. The review authority may approve a modification with consideration for only findings specific to a reasonable accommodation: 1) the individual requesting the modification is disabled; 2) the request is necessary by state or federal laws to avoid discrimination; and 3) the modification is not detrimental to public health and safety.

**Table B-9: Reasonable Accommodation Process**

	<b>Building Standard Modification</b>	<b>Land Use Classification</b>	<b>Zoning Standard Modification</b>
Types of Requests	Application of building code to new housing	Appeal of determination of land use classification	All standards, except gross floor area, lot coverage, density
Process	California Building Code	Request for appeal of Zoning Code interpretation	Modification for people with disabilities
Decision Maker	Building Official	Board of Zoning Appeals	Hearing Officer
Public Hearing	No public hearing; not publicly noticed	Publicly-noticed meeting, but not a public hearing	Publicly-noticed; hearing if requested
Findings of approval	California Building Code	No findings required – letter of determination	Findings related to the existence of a disability
Appeal Authority	California Building Code	City Council	Board of Zoning Appeals-City Council

City of Pasadena, 2009.



**HOUSING RESOURCES**  
APPENDIX C



# C. HOUSING RESOURCES

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Appendix C contains an analysis and description of the land, financial, and administrative resources available to Pasadena to address its existing and future housing needs, including its regional housing needs allocation (RHNA).

## INTRODUCTION

State housing element law requires that all local governments facilitate and encourage the production of housing commensurate with their share of the RHNA. The City of Pasadena's RHNA is 1,332 units for the 2014–2021 planning period. Pasadena, like other communities, is tasked with the challenge of guiding residential development in a manner that benefits the community, respects its unique character, and addresses the requirements of state law.

The general plan land use framework places a great priority on preserving the quality and character of its residential neighborhoods by attention to harmonizing growth. Harmonizing change and preserving the environment are of tremendous importance to Pasadena residents, and both are directly linked to the integrity of neighborhood fabric. Harmonizing change requires that development respect the existing character and scale of neighborhoods. Change that does occur must enhance and blend with Pasadena's social fabric, natural features, and built environment.

With this backdrop, this chapter focuses on the wide variety of resources available to achieve the City's housing production and supportive service goals. To that end, this appendix addresses the following three issues:

- **Housing Production.** This section documents housing production credits toward the 2014–2021 RHNA for units built and occupied during the planning period. This refers to residential projects that are built after January 2014, the beginning of the planning period.
- **Land Inventory.** This section identifies and describes the sites that have adequate zoning in Pasadena that can accommodate the development of a wide range of housing opportunities commensurate with the RHNA. A general assessment of infrastructure must also accompany the analysis.
- **Financial Resources.** This section identifies the financial and administrative resources available to the City to assist in implementing the housing programs in the housing element. This includes the major funding sources and organizational entities that implement programs.

This following describes Pasadena's approach to addressing its 2014–2021 RHNA as determined by the Southern California Association of Governments.

## 1. HOUSING PRODUCTION

State law allows two ways of counting housing construction credits toward the RHNA: preservation of affordable units and new construction. The City is not proposing to count the preservation of publicly assisted affordable units at risk of conversion to market rates toward the 2014–2021 RHNA. This is because preservation agreements would likely occur after the first two years of the planning period, and therefore would be ineligible for credit toward the RHNA per the alternative sites provision of the Government Code.

The City of Pasadena continues to facilitate a wide range of housing products at an equal range of affordability levels. In fact, nearly every conceivable type of housing product continues to be developed. This includes townhomes, apartments, senior housing, mixed use, work/live, student housing, senior life care facilities, housing for people with disabilities, and other housing types. The City is crediting the following projects to the 2014–2021 RHNA.

- 700 units of apartments
- 500 units of condominiums
- 150 units of student housing
- 70 units of senior housing

Table C-1 is a summary of projects in Pasadena that are in the planning stage but are anticipated to be approved for construction after October 2013. Projects in the “pipeline” include those in preliminary stages: predevelopment plan review, preliminary consultation, concept design review, preliminary plan check for City of Garden projects, and other similar reviews. Not until these steps are completed and modifications made will a concept result in a bona fide project and move forward to more formal entitlement phases.

Determining the affordability of proposed residential projects is based on several criteria. These include:

- inclusionary housing plans or agreements
- density bonus or other controlling affordability mechanisms
- developer agreements or specific plan guidance
- tenure and size of proposed project and size
- market rents or sales prices of new housing

Where developers propose to pay in-lieu fees to satisfy the requirements of the inclusionary housing ordinance, no affordable units are counted even though the fees paid will be leveraged for affordable housing in the future.

**Table C-1: Housing Projects in the Pipeline**

ID	Project Characteristics					Units by Affordability Levels				
	Property Address	Type	GP and Zoning	Density Bonus	Incl Req.	VL	Low	Mod	Above	Total
1	496 S Arroyo Pkwy	MU--Apts	CD-6	Yes	IHP*	2	0	0	24	26
2	380 E Union Ave	Condos	PD-31	None	IHP-F*	0	0	0	18	18
3	175 & 177 E Del Mar	MU--Condos	CD-1	Yes	IHP*	0	0	2	15	17
4	70 N El Molino Ave	MU--Apts	CD-4	Yes	IHP*	11	0	0	107	118
5	530 S El Molino Ave	Condos	RM-48	None	IHP-F*	0	0	0	12	12
6	105 S Los Robles	MU--Apts	CD-2	Yes	IHP*	6	0	0	44	50
7	229-247 S Marengo	Condos	RM-48	None	IHP-F*	0	0	0	21	21
8	196 S Oakland Ave	Apartments	RM-48	Yes	IHP	2	0	0	19	21
9	270 S Oakland Ave	Condos	RM-48	Yes	IHP	0	4	1	23	28
10	167 E Walnut St	Apartments	CD-1	None	IHP-F	0	0	0	100	100
11	680, 700 E Walnut	MU--Apts	CD-3	None	IHA	0	4	6	72	82
12	770-788 E Walnut	MU--Apts	CD-3	None	IHA	0	1	12	78	91
13	3330 1/2 E Foothill	MU--Apts	EPSP-CG	None	DA	0	21	11	188	212
14	842 E Villa St	Asst Living	RM-48	None	N/A	0	0	0	25	25
15	1000 S Raymond	Student**	PS	None	N/A	0	23	129	0	152
16	300 W Green St.	Condos	WGSP-1A	None	IHA	11	2	5	182	200
17	100 S Orange Grove	Condos	WGSP-1B	None	IHP-F*	0	0	0	39	39
18	730-760 Fair Oaks	Sr. Housing	FGSP-C-3D	Yes	DA	69	0	1	0	70
19	1043 E Del Mar	Condos	RM-48	Yes	IHP-F*	0	0	0	30	30
20	2424 E Del Mar Bl	Condos	RM-32	Yes	IHP*	0	0	2	14	16
21	229-231 S Marengo	Condos	RM-48	None	IHP-F*	0	0	0	21	21
22	377-90 S Marengo	Condos	RM-32	None	IHP*	0	0	5	9	14
23	262 Ohio St	Condos	RM-48	None	N/A	0	0	0	5	5
24	114-116 Orange Grove	Condos	RM-16	None	N/A	0	0	0	5	5
25	2460-70 Oswego St	Condos	RM-32	None	IHP-F*	0	0	0	18	18
26	983 San Pasqual St.	Condos	RM-48	None	IHP-F*	0	0	0	11	11
27	200 S Sierra Madre	Condos	RM-32	None	IHP-F*	0	0	0	15	15
28	200 S Sierra Madre	Condos	RM-32	None	IHP-F*	0	0	0	32	32
29	200 S Sierra Madre	Condos	RM-32	None	IHP-F*	0	0	0	13	13
30	1046 E Villa St.	Condos	RM-48	None	N/A	0	0	0	4	4
<b>Summary</b>						<b>101</b>	<b>32</b>	<b>45</b>	<b>1,144</b>	<b>1,314</b>

Source: City of Pasadena, 2013

Notes:

IHP: Inclusionary Housing Plan

IHA: Inclusionary Housing Agreement

IHP-F: Inclusionary Housing Plan satisfied through in-lieu fee

\* Refers to IHA or IHP which is currently in process of being requested or approved

\*\* Units are not counted toward the RHNA goals as the project is considered group quarters

## 2. INVENTORY OF SITES

The Pasadena General Plan provides the overarching framework for guiding the growth, improvement, and preservation of the community. The land use element targets growth to eight specific plan areas: Central District, West Gateway, South Fair Oaks, East Colorado Boulevard, East Pasadena, North Lake, Fair Oaks/Orange Grove, and Lincoln. These specific plan areas are intended to accommodate future residential development, and other areas of the community are intended to experience modest levels of growth.

In January 2010 and again in August 2013, the City conducted extensive field surveys of RM-zoned and CD-zoned sites to identify the most feasible sites for recycling into residential and mixed-use developments. The potential for development was also informed by an extensive history and analysis of more than a hundred projects and several thousand units built within Pasadena and the specific plan areas (most notably the Central District) since 2000.

As Pasadena is essentially built out, there is no vacant or unimproved land available for development. Should developers propose to build new housing, an existing building would need to be demolished. City staff lent expertise to identify the most suitable sites for recycling. Potential housing sites were screened using several criteria: 1) condition and viability of the existing use; 2) the ability to achieve at least triple the existing density of development; 3) developer interest in a parcel or group of parcels; 4) common ownership; and 5) lot size among other factors. The survey ranked sites into three categories:

- **High Feasibility.** Denotes a vacant site or parking lot that has the highest likelihood of immediate development during the planning period without rezoning or consolidation. These sites comprise 1,468 units.
- **Mid-Term Feasibility.** Indicates that the current use is marginal (e.g., a business is operating but the structure shows significant wear or the use has limited business activity). These sites comprise a total of 368 units.
- **Longer-Term Feasibility.** Denotes an active use of an aging structure. Structures are not considered ripe for development in the short term, but may recycle by the end of the planning period. These sites total 653 units.

Table C-2 lists each site, and Figure 4-1 maps the location of each site.



**Table C-2: Inventory of Housing Sites**

Site	Site Characteristics			General Plan		Property Characteristics			Rating
	Assessor Parcel Number	Address	Acres	General Plan and Zoning	Maximum Density	Existing Use	Year Built	Potential Units	
1	5722-011-017	100 E GREEN ST	0.68	SP/CD1	87	VACANT LOT	N/A	59	HIGH
2	5723-026-024	254 E UNION ST	0.50	SP/CD2	87	PARKING LOT	N/A	43	HIGH
3	5723-014-027	150 N MADISON AVE	0.53	SP/CD3	87	PARKING LOT	N/A	46	HIGH
4	5723-015-024	99 N MADISON AVE	1.16	SP/CD3	48	PARKING LOT	N/A	56	HIGH
	5723-015-025	95 N MADISON AVE							
	5723-015-026	535 E UNION ST							
5		54 N OAKLAND AVE		SP/CD4	60	CHURCH-BLDG PARKING LOT	N/A	37	HIGH
	5723-028-024	585 E COLORADO BL	0.61		60		N/A		
6	5725-014-005	208 E. ORANGE GROVE	0.58	FGSP-C3D	40	VACANT LOT	N/A	18	HIGH
7	5732-016-045	577 N MENTOR AVE	0.30	RM-32	32	PARKING	N/A	28	HIGH
	5732-016-046	565 N MENTOR AVE	0.30						
	5732-016-047	555 N MENTOR AVE	0.28						
8	5738-010-051	290 N WILSON AVE	0.21	MHD/RM32	32	VACANT LOT	N/A	46	HIGH
	5738-010-055	285 MAR VISTA AVE	0.43						
	5738-010-052	295 MAR VISTA AVE	0.44						
	5738-010-031	277 MAR VISTA AVE	0.16						
	5738-010-032	273 MAR VISTA AVE	0.20						
9	5723-009-034	737 E WALNUT AVE.	0.37	SP/CD3	87	VACANT LOT	N/A	33	HIGH
10	5713-009-700	25 W WALNUT AVE	1.64	SP/CD1	87	VACANT LOT	N/A	143	HIGH
11	5723-021-022	200 N FAIR OAKS AVE	0.59	SP/CD1	87	SERVICE STATION	N/A	52	HIGH
			0.50						
12	5734-012-030	90 S LOS ROBLES AVE	0.50	SP/CD2	87	PARKING LOT	N/A	44	HIGH
13	5722-001-002	86 S FAIR OAKS AVE	0.74	SP/CD1	87	PARKING LOT	N/A	64	HIGH
14	5713-002-015	100 W WALNUT ST	23.0	SP/CD1	87	PARKING LOT	N/A	470	HIGH
	5713-003-024	75 N. FAIR OAKS							
15	5737-016-022	1787 E WALNUT ST	1.86	GC/CG SP/ECSP-CG-3	60	LUMBER YARD: PROPOSED BY OWNER FOR HOUSING	1920- 1930	128	HIGH
	5737-016-023	1757 E WALNUT ST							
	5737-016-024	1787 E WALNUT ST							
	5737-016-038	1757 E WALNUT ST							
	5737-016-039	1757 E WALNUT ST							
16	5848-029-001	1424 N LAKE AVE	0.17	SP-1b	32	VACANT LOT	N/A	11	HIGH
	5848-029-021	1416 N LAKE AVE	0.17	SP-1b	32	VACANT LOT	N/A		
17	5738-002-042	285 N WILSON AVE	0.31	MHD/RM32	32	VACANT LOT	N/A	10	HIGH
18	5725-021-024	814, 816 N MARENGO	0.32	MHD/RM32	32	VACANT LOT	N/A	10	HIGH
19	5732-010-026	494 N WILSON AVE	0.20	MHD/RM32	32	CLOSED MKT	1922	24	HIGH
	5732-010-024	506 N WILSON AVE	0.17	MHD/RM32	32	1-2 UNITS	1905		
	5732-010-027	1105 E VILLA ST	0.14	MHD/RM32	32	PARKING LOT	1966		
	5732-010-028	1107 E VILLA ST	0.09	MHD/RM32	32	2 UNITS	19/15		
20	5722-018-018	281 PLEASANT ST	0.25	SP/RM32	32	VACANT LOT	N/A	8	HIGH
21	5746-008-044	2189-91 E COLOARDO	0.62	SP/ECSP-CG-4	60	VACANT BLDG	1928	45	HIGH
22	5327-002-088	947 E CALIFORINA BL	0.32	HDR/RM48	48	VACANT LOT	N/A	15	HIGH
23	5731-021-042	484, 488 E VILLA ST	2.42	CL	32	99¢ STORE	1965	78	HIGH
<b>SUBTOTAL</b>								<b>1,468</b>	

13 Table C-2: Inventory of Housing-Continued

Site	Site Characteristics			General Plan		Property Characteristics			Rating
	Assessor Parcel Number	Address	Acres	General Plan and Zoning	Maximum Density	Existing Use	Year Built	Potential Units	
24	5732-017-020	429 N MENTOR AVE	0.25	RM48-HL36	48	2 UNITS	1905	31	MED
	5732-017-021	433 N MENTOR AVE	0.15	RM48-HL36	48	2 UNITS	1929		
	5732-017-025	424 N LAKE AVE	0.25	SP-1e	48	COMRC'L BLDG	1969		
25	5739-003-036	415 N CHESTER AVE	0.17	MHD/RM32	48	SFR	1916	25	MED
	5739-003-037	407 N CHESTER AVE	0.17	HD/RM48	48	TRIPLEX	1958		
	5739-003-040	401 N CHESTER AVE	0.17	HD/RM48	48	SFR	1904		
26	5838-040-011	507 E WASHINGTON	0.52	MHD/RM32	32	SFR	1909	17	MED
27	5838-039-001	547 E WASHINGTON	0.48	MHD/RM32	32	9 UNITS	1948	31	MED
28	5738-016-043	278 N HOLLISTON AV	0.24	MHD/RM32	32	4 UNITS	1908	8	MED
29	5731-004-034	550 N LOS ROBLES	0.29	MHD/RM32	32	SFR	1919	9	MED
30	5747-002-050	97 S ALTADENA DR	0.33	MHD/RM32	32	TRIPLEX	1895	15	MED
31	5732-017-028	399 N MENTOR AVE	0.25	RM-48	48	DUPLEX	1928	12	MED
32	5725-019-027	230 E OR GROVE BL	0.20	FGSP-C3D	32	JOE'S ICE	1968	15	MED
	5725-019-005	674 N MARENGO AVE	0.27	FGSP-C3D	32		N/A		
33	5838-014-003	1420-40 N GARFIELD	1.05	MHD/RM32	32	11 UNITS	N/A	28	MED
34	5738-011-057	131-35 MAR VISTA AV	0.24	HDR/RM48	48	SFR	1923	12	MED
35	5719-024-019	1351/2 HURLBUT ST	0.46	MHD/RM32	32	TRIPLEX	1900	15	MED
36	5725-027-036	417 N GARFIELD AVE	0.31	MHD/RM32	32	SFR	1890	10	MED
37	5734-010-066	265 S OAKLAND AVE	0.35	RM-48	48	1 SFR	1923	17	MED
38	5734-015-026	207 S EL MOLINO	0.24	RM-48	48	1 SFR	1907	10	MED
39	5738-005-040	170 N CATALINA AV	0.23	HDR/RM-48	48	2 UNITS	1909	21	MED
40	5848-026-005	789 E WASHINGTON	0.88	SP-1b	32	COMRC'L BLDG	1927	28	MED
41	5732-016-034	490 N LAKE AVE	0.15	SP1-e (48)	48	RETAIL	1960s	27	MED
	5732-016-035	490 N LAKE AVE	0.15	SP1-e (48)	48	RETAIL	1960s		
	5732-016-036	500 N LAKE AVE	0.14	SP1-e (48)	48	RETAIL	1960s		
	5732-016-037	510 N LAKE AVE	0.19	SP1-e (48)	48	RETAIL	1960s		
	5732-016-038	520 N LAKE AVE	0.23	SP1-e (48)	48	RETAIL	1960s		
42	5735-034-060	922-928 E GREEN ST	0.42	SP/CD5	87	OFFICE PRKG	1929	37	MED
43	5723-008-015	709 LOCUST ST	0.21	SP/CD-3 (87)	87	10 MFR	1958	66	LOW
	5723-008-030	719 LOCUST ST	0.30	SP/CD-3 (87)	87	7 MFR	1915		
	5723-008-026	729 LOCUST ST	0.25	SP/CD-3 (87)	87	8 MFR	1962		
44	5723-009-008	670 LOCUST AVE	0.18	SP/CD-3 (87)	87	QUADPLEX	1938	42	LOW
	5723-009-009	684 LOCUST AVE	0.06	SP/CD-3 (87)	87	SFR	1908		
	5723-009-010	246 N EL MOLINO AVE	0.24	SP/CD-3 (87)	87	TRIPLEX	1955		
45	5734-013-004	747 E GREEN ST	0.81	SP/CD4	60	OFFICE PRKG	1966	49	LOW
46	5732-018-035	420 N MENTOR AVE	0.23	RM-48	48	DUPLEX	1921	11	LOW
47	5730-028-035	1266 N HUDSON AVE	0.38	RM-32	32	QUADPLEX	1941	12	LOW
48	5725-014-009	140 E ORANGE GROVE	0.18	FGSP-C3D	32	COMRC'L & PRKG	1960	20	LOW
49	5725-014-010	680 SUMMIT ST	0.46	FGSP-C3D	32	COMMR'L 4 UNITS & PRKG	1967	20	LOW
	5725-019-005	674 N MARENGO AVE	0.27	FGSP-C3D	32		N/A		

**Table C-2: Inventory of Housing-Continued**

Site	Site Characteristics			General Plan		Property Characteristics			Rating
	Assessor Parcel Number	Address	Acres	General Plan & Zoning	Maximum Density	Existing Use	Year Built	Potential Units	
50	5730-002-029	560 E WASHINGTON	0.41	MHD/RM32	32	QUADPLEX	1918	13	LOW
51	5731-020-035	399 N EL MOLINO	0.28	HD/RM48	48	SFR	1909	14	LOW
52	5731-020-072	385 N EL MOLINO	0.37	HD/RM48	48	DUPLEX	1947	18	LOW
53	5731-021-046	413 N OAKLAND	0.27	HD/RM48	48	QUADPLEX	1902	13	LOW
54	5731-021-052	404 N OAKLAND	0.23	HD/RM48	48	TRIPLEX	1903	11	LOW
55	5732-020-035	411 MAR VISTA AVE	0.25	HD/RM48	48	TRIPLEX	1928	12	LOW
56	5732-020-036	415 MAR VISTA AVE	0.26	HD/RM48	48	DUPLEX	1927	12	LOW
57	5735-024-019	155 S WILSON AVE	0.25	HD/RM48	48	QUADPLEX	1938	12	LOW
58	5735-028-003	230 S MENTOR AVE	0.26	HD/RM48	48	DUPLEX	1906	12	LOW
59	5737-003-032	156 HARKNESS AVE	0.83	MHD/RM32	32	9 UNITS	1947	27	LOW
60	5738-005-030	130 N CATALINA	0.23	HD/RM48	48	SFR	1920	11	LOW
61	5738-005-031	140 N CATALINA	0.24	HD/RM48	48	TRIPLEX	1908	11	LOW
62	5738-005-033	160 N CATALINA	0.24	HD/RM48	48	QUADPLEX	1957	12	LOW
66	5739-001-050	409 N HILL AVE	0.25	HD/RM48	48	TRIPLEX	1911	12	LOW
64	5739-001-053	439 N HILL AVE	0.26	HD/RM48	48	SFR	1912	13	LOW
65	5739-001-056	400 N HOLLISTON	0.26	HD/RM48	48	DUPLEX	1920	12	LOW
66	5747-003-039	2460-2480 OSWEGO	0.46	MHD/RM32	32	SFR	1912	15	LOW
67	5748-014-031	47 EASTERN AVE	0.39	MHD/RM32	32	QUADPLEX	1940	12	LOW
68	5838-013-007	1497 N LOS ROBLES	0.43	MHD/RM32	32	TRIPLEX	1920	14	LOW
69	5838-014-019	1411 N LOS ROBLES	0.40	MHD/RM32	32	QUADPLEX	1909	13	LOW
70	5739-002-051	443 N HOLLISTON	0.27	HD/RM48	48	TRIPLEX	1923	13	LOW
71	5739-004-031	438 MAR VISTA AVE	0.27	HD/RM48	48	QUADPLEX	1924	13	LOW
72	5739-004-037	380 MAR VISTA AVE	0.58	HD/RM48	48	10 UNITS	1958	30	LOW
73	5739-004-051	385 N MICHIGAN	0.29	HD/RM48	48	QUADPLEX	1964	14	LOW
74	5739-019-015	647 N HILL AVE	0.36	MHD/RM32	32	TRIPLEX	1928	12	LOW
75	5738-002-043	1045 LOCUST ST	0.32	MHD/RM32	32	SFR	1939	10	LOW
76	5734-025-025	171 S HUDSON AV	.40	SP/CD4	60	COMRCL BLDG	1973	24	LOW
77	5746-017-047	94 N ALLEN AVE	.36	MHD/RM32	32	SFR	1946	12	LOW
	5746-017-049	98 N ALLEN AVE					1946		
78	5720-015-003	715 S MARENGO AV	.49	MHD/RM32	32	SFRs	1950	16	LOW
	5720-015-004	715-25 S MARENGO AV		MHD/RM32	32	SFRs	1909		
79	5737-002-003	109 HARKNESS AV	.27	MHD/RM-32	32	3 UNITS	1923	9	LOW
80	5732-012-041	545 N WILSON AV	.34	MHD/RM32	32	SFR	1904	11	LOW
	5732-012-042	555 N WILSON AV				DUPLEX	1940		

Source: City of Pasadena, 2013.

Notes:

SFR: Single-Family Residential Unit

MFR: Multi-Family Residential Project

PRKG: Site is currently used as a parking lot

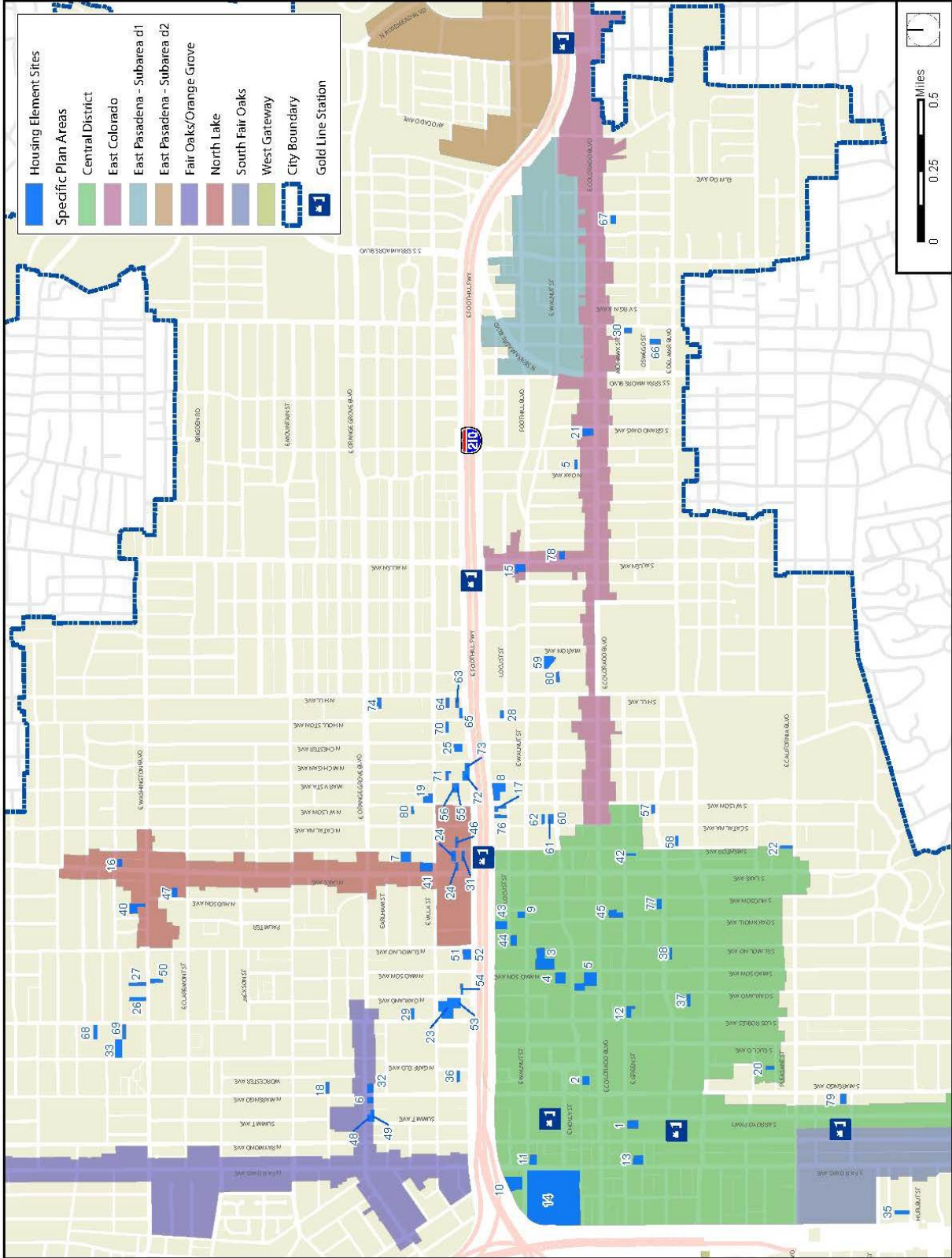
Rating Scale:

HIGH: Site is ripe for recycling during the short-term

MED: Site is ripe for recycling during the mid-term

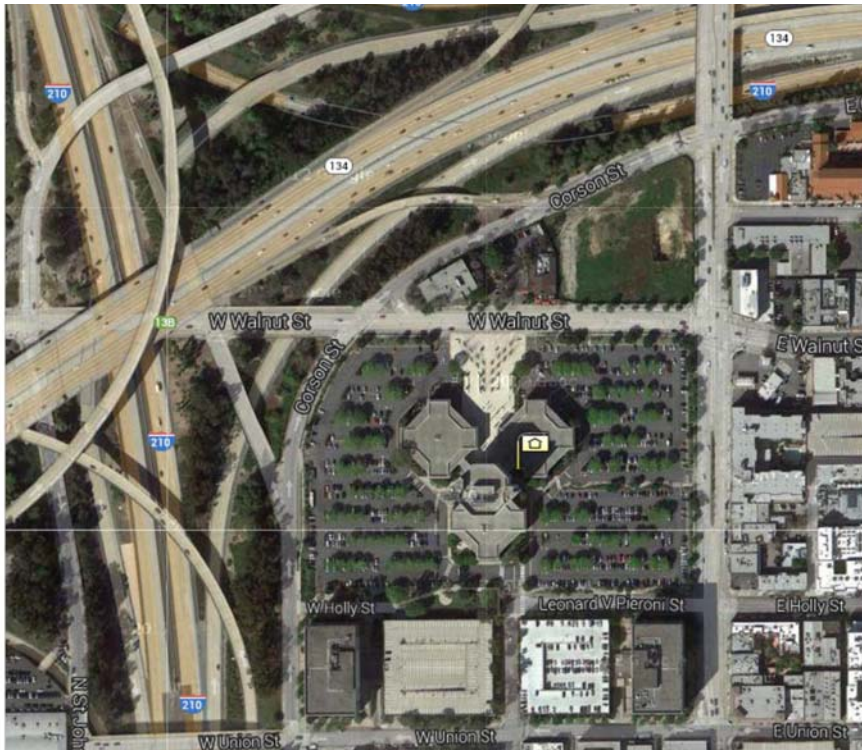
LOW: Recycling is not anticipated during the short or mid-term

# Housing Resources



### Lincoln Property (Parsons)

Parsons Engineering, a fixture in Pasadena since the 1970s, recently sold its 23-acre headquarters site on the north side of the Central District adjacent to the I-110 and I-210. The new owners are in preliminary discussions with the City to utilize the 400 acres of vacant parking lot around the existing 12-story headquarters facility into a residential and mixed-use project consisting of 1 million square feet gross floor area. Phase 1 of the project includes 475 units of residential uses, 210,000 square feet of office, and limited restaurant uses slated for buildout in the 2016/2017 timeframe. The remaining 400,000 square feet of office will be built later in the planning period.



#### ***Former Parsons Engineering Site***

This project is in the earliest stages and will be reviewed through the Planned Development process. Like all residential projects of ten units or more in Pasadena, this project will be subject to the City's Inclusionary Housing Ordinance and therefore offers significant potential for affordable housing.

## SITES FOR HOUSING HOMELESS PEOPLE

State law requires communities to more proactively address the unmet housing needs of their resident homeless people. This has presented unique challenges, as many surrounding jurisdictions in the San Gabriel Valley do not adequately house their resident homeless population. This has resulted in a continued influx of homeless people into Pasadena who benefit from the comprehensive services provided. Moreover, Pasadena incurs a concurrent financial burden to house the San Gabriel Valley's homeless population because of the lack of diligent efforts in other cities.

In providing for homeless needs, there are two primary ways to count the need for emergency shelter space in communities as described below.

- **Housing Element law.** Pasadena has 393 unsheltered homeless people during peak season. This number represents the number of people who are not residing in an emergency shelter, transitional housing, or permanent supportive housing. However, at any given time, some homeless people may choose not to reside in the emergency shelter. Indeed, of the 242 beds available in the City's emergency shelter, only 69% is utilized in peak season, leaving 75 beds available for use.

Under state law, the City has an unmet housing need for 318 beds for people who are homeless and not living in a shelter of any kind. The unmet need would be addressed by identifying and zoning sites to accommodate the construction of additional emergency shelters. However, it should be noted that this determination does not reflect best practices nor is it consistent with the City's Ten Year Plan to End Homelessness. Indeed, recent years have seen a paradigm shift to a Housing First Approach, which suggests a different solution to housing homeless people.

- **Housing First Approach.** Best practices research has shown that the Housing First Model can be more effective in addressing the needs of certain subgroups of homeless people. Under the Housing First Model, homeless people (particularly the chronically hard-to-serve homeless people) are moved directly into permanent supportive housing, where services can be immediately provided that stabilize their living situation. In response, the City of Pasadena recently transitioned its Centennial Place SRO into permanent supportive housing for people who are homeless.

Following this model, Pasadena estimates that 205 chronically homeless *individuals* and 99 *adults and children in families* with a chronically homeless member live in the city. If chronically homeless people were placed in transitional or permanent supportive housing, the unmet need is only 89 additional emergency shelter beds. This estimate should not be interpreted as a decline in the unmet housing need—the total need for housing remains the same. Rather, under the Housing First Model, the unmet need for shelter would be addressed through transitional or permanent supportive housing rather than emergency shelter beds.

### Emergency Shelter Sites

State law requires that cities with an unmet need (defined largely by housing element law) are required to identify a zone where emergency shelters are allowed as a permitted use without a conditional use permit or other discretionary permit. The identified zone must have sufficient capacity to accommodate the shelter need, and provide capacity for at least one year-round emergency shelter. Permit processing and development and management standards must be objective, must be the same as other allowable uses within the zone where the emergency shelter is permitted, and facilitate the development and conversion of uses to emergency shelters.

The City has identified two zones—Light Industrial SP-2 (IG) and Central District (CD-6)—within two broader areas that provide appropriate and adequate locations for accommodating emergency shelters. The identified zones can accommodate several opportunities for smaller emergency shelters that are dispersed throughout an area. These are described below.

- **West Pasadena.** The west Pasadena district has a homeless shelter and an intake and counseling center in the area. Health care providers are located within close proximity, including Huntington Hospital. The area is well served with transit and bus lines, with the Fillmore Station of the Gold Line in this area. The area has a mixture of retail, office, and light industrial uses and does not have major manufacturing uses that are incompatible with an emergency shelter. The west Pasadena overlay area has 114 acres and 260 lots. Of this total, 82 lots (31%) are 10,001 to 25,000 square feet in size, 19% (50 lots) are greater than 25,000 square feet, and the rest are smaller.
- **East Pasadena.** The east Pasadena district is located north of Colorado, south of Foothill, east of Sierra Madre, and west of I-210. This area excludes Eloise Avenue. This area is near medical facilities that can serve homeless people, including Pasadena Community Urgent Care, Prototypes, and Pacific Clinics. Three MTA bus lines (two lines that transport riders to the light rail station) serve the area. The area contains predominantly light industrial uses and 1- and 2-story commercial uses. The east Pasadena overlay area has 61 acres and 135 lots. Of this total, 38 lots (28%) are 10,001 to 25,000 square feet, and 20 lots (15%) are larger.

The City is presenting preparing an ordinance to address the unmet need. City staff is proposing a limit of 12 clients per emergency shelter and a minimum distance of 150 feet between facilities. With these parameters, the two identified areas could accommodate 35 facilities and 420 beds for clients. This exceeds the need for 318 emergency shelter beds calculated under housing element law and the need for 89 beds under the Housing First Approach. As the City progressively implement its Housing First approach, the unmet emergency shelter need will continue to decline further.

The City of Pasadena will be amending the zoning code within one year of adoption of the 2014–2021 Housing Element.

### 3. ENVIRONMENTAL CONCERNS

Environmental and infrastructure constraints cover a broad range of issues affecting the feasibility of residential development. Environmental issues range from the suitability of land for development to the provision of adequate infrastructure, services, and facilities to facilitate housing development commensurate with the 2014–2021 RHNA. This section discusses environmental factors in Pasadena.

#### **Environmental Factors**

Certain portions of Pasadena are not suitable for development due to flooding, geologic conditions, or biological resources. The following information is derived from the initial study prepared for the general plan land use and mobility element update, which is slated for adoption in 2014.

- **Flooding.** There are no 100-year flood zones designated by the Federal Emergency Management Agency (FEMA) in Pasadena. The dam inundation area for Devil’s Gate Reservoir extends south from the reservoir along the Arroyo Seco in the west part of the City. The dam inundation area for Eaton Wash Reservoir extends south and southeast from the reservoir to the I-210. As shown on FEMA map Community Number 065050, the entire City is in Zone D, for which no floodplain management regulations are required.
- **Geology.** Two active faults and one possible active fault cross the city. An active strand of the Sierra Madre Fault passes through the northwest part of the City north of Devil’s Gate Reservoir and an active strand of the Raymond Fault passes through the southernmost part of the City. A possibly active strand of the Sierra Madre Fault passes through the north-central and northwestern parts of the City near and north of Washington Boulevard. Although the City does have land within seismic hazard zones in the San Rafael Hills Arroyo Seco, and other locations throughout the City.
- **Biology.** Pasadena is primarily developed with urban and suburban uses. Open space and other vacant land is present in the northern end of the City on the lower slopes of the San Gabriel Mountains, the Arroyo Seco, and the San Rafael Hills. Most of these areas would be designated Open Space in the proposed General Plan Update. The only substantial area of vacant land not designated for Open Space is within the San Rafael Hills. All three of these areas may contain biological resources that could be affected.

Future housing sites identified to address the City’s regional housing needs allocation are identified in the urban core, particularly the Central District, and surrounding areas around the urban core. These areas are not subject to flooding concerns (e.g., 100-year flood plain), seismic hazards (e.g., Alquist Priolo-Zones), or areas of the City which may contain biological resources. Therefore, the sites in the housing element identified to address the RHNA are feasible for development during the 2014–2021 planning period.



**Sewer Capacity**

The City encompasses approximately 23 square miles and owns and operates a wastewater collection system that serves the local residential and commercial community. The City's wastewater system includes 350 miles of sewer pipelines ranging from 6 inches to 42 inches in diameter; two sewer pump stations; and approximately 7,430 manholes. It should be noted that no sewer treatment takes place within the City of Pasadena sewer service area. All sewer flow generated within the service area is conveyed to treatment facilities of the Sanitation Districts of Los Angeles County (LACSD).

Several factors are relevant to the housing element. Pasadena is one of the oldest cities in its region, and its sewer system contains older lines than those in most neighboring service areas. Approximately 35% of the City's system is over 80 years old, and over 60% of the system is over 70 years old. Though many of the lines are in good working condition and still have useful life (the pipes are designed to last 90 to 110 years), other improvements are needed. The City prepares a capital improvement and financing plan to upgrade or replace any sewer lines, pump stations, or appurtenances.

In 2007, the City of Pasadena updated its Sewer System Master Plan as the basis for the development of a plan for accommodating anticipated growth through 2020. Within updated Sewer System Master Plan and the population estimate for 2020 used to assess facility needs exceeds the growth forecast to accommodate the RHNA. The 2007 Sewer System Master Plan accepts the allowed growth under the 1994 General Plan of 11,021 proposed residential units, and determined that this level of residential growth could be accommodated with the adoption of a Sewer Facility Charge.

In 2007, the City of Pasadena adopted the Sewer Facility Charge to pay for the construction and upgrade of sewer infrastructure to meet the City's needs. Revenue generated by the Sewer Facility Charge can only be used for sewer capacity upgrades. This fee is set at about \$1,700 per unit. Since 2007, only 1,388 residential units have been constructed citywide, thus leaving adequate remaining capacity within the original cap. Therefore, the sewer system has sufficient capacity to accommodate the entire 1,322 housing units assigned to the City of Pasadena in Cycle 5 (2014–2021) of the RHNA allocation.

The City of Pasadena is not responsible for the management, planning, construction, or operation of sewer treatment facilities; these responsibilities are within the jurisdiction of LACSD. Pasadena is in District 16 of the LACSD. Based on the City's location and its associated sewerage conveyance and treatment needs, the District has developed fees to pay for the infrastructure needed to accommodate the City's long-term growth. Developers proposing projects in Pasadena are required to pay a connection fee of \$2,532 to \$4,220 per unit (as of July 1, 2013) on each residential project to LACSD.

**Water Capacity**

Unlike many communities, the City of Pasadena has its own water purveyor. The Pasadena Water and Power Department (PWP) is the designated provider

## Housing Resources

of water supplies to residents, businesses, and other water users. Pasadena's water supply is drawn from a combination of groundwater, local surface water, imported water, and short-term water exchanges with neighboring jurisdictions and water agencies. Pasadena obtains approximately 40% of its annual water supply from groundwater and the remaining 60% of its water supply from the Metropolitan Water District (MWD).

In recent years, PWP's local groundwater rights have been gradually curtailed to help mitigate groundwater depletion occurring over the last half century. With respect to imported supplies, a decade-long drought has reduced the ability to replenish regional groundwater supplies, resulting in reduced deliveries of water from the Colorado River and from the State Water Project. The City accounted for these conditions in its Water Integrated Resources Plan (adopted 2011) and Urban Water Management Plan (adopted 2011). As of April 2011, the MWD has lifted allocation restrictions as a result of improvements in Southern California's water reserves.

The Water Integrated Resources Plan (the Plan) provides an achievable, long-term strategy to meet current and future water needs. The goals of the Plan are to sustainably and cost-effectively address local and regional water supply and demand issues and adapt to changing conditions. The Plan relies on a strategy of increased conservation, improving storage for groundwater recharge, recycled water for non-potable reuse, groundwater storage of imported water, and improving stormwater capture for landscaping and groundwater recharge. Residential projects are required to demonstrate that they will be able to reduce water consumption by a minimum of 10%.

As of 2013, the City has met the goals outlined in the Plan. The Plan looked at the projected growth of residential units out to 2035. From the time period 2014 to 2021, the plan reviewed the construction of approximately 3,153 residential units. The five-year Cycle 5 RHNA allocation is only 1,322 units. Moreover, the City recently increased its water infrastructure fee to achieve full cost recovery, ensuring that adequate infrastructure can be financed to supply water to residential and commercial uses. Therefore, the City can supply water and provide infrastructure needed to accommodate its RHNA.

In 2006, the state legislature passed a requirement that local governments that provide water and sewer service must develop and adopt written policies and procedures that grant priority allocations for water service to proposed projects that include housing units affordable to lower income households. The 2014–2021 Housing Element's Housing Plan contains a program to work with the City's water and sewer providers to ensure that appropriate policies and programs are in place to address this law. Staff reviewed the Water Integrated Resource Plan and the Sewer Master Plan and determined there is a context for a written policy that will comply with this state requirement.

## 4. FEASIBILITY OF SITES

The proposed housing sites identified in the housing inventory were carefully selected as the most feasible for recycling to residential uses. As many of the sites are underutilized, the following analysis is intended to further demonstrate the feasibility of recycling in Pasadena.

### MARKET ACTIVITY

Since 2000, Pasadena has seen extensive construction of new housing. The significant level of construction is due to the achievable densities and market value of apartments. Several sites showed that the value of new apartments can be 25 times the value of the land, indicating that virtually every land use has been converted to housing in recent years. Recent projects include:

- Trio Apartments (304 units)
- Terrace Apartments (391 units)
- Acapella Apartments (143 units)
- Arpeggio Apartments (135 units)
- Archstone Apartments (120 units)
- City Place Apartments (214 units)
- Paseo Colorado Apartments (391 units)



*Gateway Villa Apartments*

Pasadena has also experienced significant development around its Gold Line Stations, including the 347-unit Del Mar Apartments, the 375-unit Holly Street Apartments, the 188-unit Stuart Apartments, and additional units above.

### ADEQUACY OF ZONING

The adequacy of zoning for affordable housing is determined by the allowable density of residential development. Housing element law provides guidance on how to establish the number of units that can accommodate the local government's share of the regional housing need for lower income households. Section 65583.2(c) of the Government Code states that if a local government has adopted density standards consistent with default densities, HCD is obligated to accept sites with those density standards as appropriate for accommodating a city's share of regional housing need for lower income households. The default density for cities in Los Angeles County is 30 units.

All the proposed sites designated for high density residential and mixed uses in the land inventory are located in the RM-32, RM-48, and CD zones. These districts allow multi-family residential and/or mixed uses at a density of more than 32 units per acre. Moreover, as discussed later, the City's development history shows that the projects built in these zones more often achieve maximum densities. Furthermore, many of the residential projects built in these zones contain an affordability component ranging from 15% to 100% of affordable units. Because Pasadena's zoning districts and realistic densities exceed the state "default threshold," both the RM zone and the CD zone are adequate to support the development of affordable housing.

**DEVELOPMENT CAPACITY AND RECYCLING**

The development capacity of sites identified as potential candidates to address the RHNA is determined by multiplying site acreage by the density normally achieved on similar sites. A survey of six projects built in and around the Central District since 2006 found that all projects built achieved maximum density allowed under the General Plan. Moreover, 14 multi-family projects proposed for plan check under the Garden Standards Ordinance were analyzed, and all achieved at least 90% of maximum density. Because of this history, the maximum density of a given zoning district is used as a realistic method of calculating the capacity for development on a particular site.

Concern is often expressed that small sites cannot necessarily yield affordable housing without incentives for lot consolidation or financial subsidy. While this rule of thumb is true for many communities, a survey of Pasadena projects demonstrates otherwise. Many residential projects in specific plan areas have been built on very small sites. Moreover, some projects offer all affordable units on sites as small as one-half acre with 10 to 20 housing units. For residential uses outside of specific plans, the land inventory only identified RM-zoned sites that are sufficiently large enough to accommodate at least 10 units per site, triggering local inclusionary housing requirements.

Shown in Table C-3, residential projects built since 2006 show several commonalities. First, affordable housing can be built on parcels as small as 0.34 acres, with certain projects achieving 100% affordable units capable of being built on sites as small as 0.6 acre. These projects demonstrate the feasibility of recycling of nonresidential and residential land uses to new affordable and market rate housing in Pasadena. Developers convert nearly every conceivable land use (parking, nursery, apartments, hotels, mixed uses, etc.) to housing, further demonstrating the feasibility of recycling.

**Table C-3: Recent Projects Built in Pasadena**

Project Name	Type	Zone and Maximum Density	Lot Size	Existing Use	Project Size	Incentives
Pasadena Place	Apts/ MxUse	CD1 (87 du/ac)	0.34 acres	Surface Parking Lot	38 units 3 affordable 112 du/ac	Density Bonus & Fee Waiver
Orange Grove Apts	Apts	FGSP-C-3D (32 du/ac)	1.17 acres	Nursery site	38 units All affordable 32 du/ac	MCUP & Financial
Fair Oaks Court Apts	Condo/ MxUse	FGSP-C-3A (40 du/ac)	1.76 acres	Multiple residential	31 units All affordable 23 du/ac	Fee Waiver
Green Street Apts.	SROs	CG	0.59 acres	Surface Parking Lot	89 units All affordable 151 du/ac	Fee Waiver
Trio Apts.	Apts/ MxUse	CD4 (87 du/ac)	3.3 acres	Mixed Cmrc and Parking	304 units 18 affordable 87 du/ac	None

Source: City of Pasadena, 2013.

## RECYCLING INCENTIVES

As in any housing market throughout the state, developing affordable housing is a challenge. Land costs, size of the site, construction costs, market demand, financing, permit processing, and other aspects affect the financial feasibility of affordable housing. Pasadena's success in facilitating and encouraging the production of mixed-use projects, market rate projects with an affordability component, or other publicly subsidized affordable projects is due to the unique blend of incentives offered by the City.

Developers have access to various incentives that target potential constraints, such as development regulations, financing, land assemblage, or other feature of the project. The following incentives are available for developers.

- **Density/Intensity Incentives.** The sites identified in the inventory already allow for high densities, ranging from 32 to 87 units per acre. However, if affordable housing is proposed (which is usually the case with rental projects in the specific plan areas), the state density bonuses are applicable. Within parts of Central District, further density bonuses of up to 50% for increased percentages of affordable units are allowed.
- **Flexible Development Standards.** Developers have the ability to use flexible development standards to make projects more feasible. As discussed earlier in Chapter 3, these incentives include parking reductions for certain affordable and/or transit oriented projects, flexible means to address open space (for Urban Housing and Mixed Use), and affordable housing concessions among others.
- **Land Assemblage/Write Downs.** The City has an active history in providing land write-downs in the acquisition and disposition of housing sites and/or surplus properties for the construction or rehabilitation of affordable housing units. This is the case with the Heritage Square Development and numerous other affordable housing projects in the City. The City may also assist in the acquisition and assemblage of sites.
- **Fee Waivers.** Under the fee waiver program, developers can receive waivers of modifications of the City's Plan Review Fee, Building Permit Fee, Construction Tax, and Residential Park Impact fees in exchange for 30-year affordability controls. As demonstrated in Chapter 3, affordable projects receive fee reductions of up to \$25,000 per unit, with a cap of \$125,000 fee reductions per affordable project. Many affordable housing projects have been funded since its inception in 1991.
- **City Assistance.** The City of Pasadena has established a Housing Opportunity Fund to support affordable housing activities. These include Inclusionary Housing Trust Funds, HOME, and a variety of other federal, state, and local funds. The Housing Division announces the availability of Housing Opportunity Funds on an annual basis, solicits competitive proposals for projects, and funds projects advancing City housing goals.

**SUMMARY OF CREDITS**

As shown below in Table C-4, the City will accommodate its 2014–2021 RHNA through a combination of housing production and its land inventory. Residential projects are credited to different income levels based on the methodology and Table C-1 detailed earlier in this chapter. Sites are credited toward different affordability levels based on the default density thresholds set forth in housing element law, the City’s experience with recent housing projects built in different zones, and expected density of development.

The City of Pasadena has more than sufficient housing projects in the pipeline and housing sites available for residential development to exceed its 2014–2021 RHNA for the housing element. Only 20% of the 2,630 housing units that could be accommodated by housing sites in the land inventory would need to be affordable to very low, low, and moderate income households in order to fully meet the housing planning goals for the 2014–2021 RHNA.

**Table C-4: Comparison of RHNA and Site Availability**

RHNA Credits	Affordability Ranges				Total
	Very Low	Low	Mod.	Above Moderate	
RHNA Targets	340 <sup>1</sup>	207	224	561	1,332
Planned Housing Projects	101	32	45	1,144	1,314
<b>Remainder</b>	<b>239</b>	<b>175</b>	<b>179</b>	<b>-0-</b>	<b>593</b>
<b>Housing Sites<sup>2</sup></b>					
Short Term Feasible Sites		1,468			1,468
Medium Term Feasible Sites		368			435
Long-Term Feasible Sites		653			727
<b>Subtotal</b>		<b>2,489</b>			<b>2,489</b>
<b>Remainder</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>

Source: The Planning Center|DC&E, 2013.

<sup>1</sup> The 340 unit very low income requirement includes 170 units for extremely low income households as allowed for under state housing element law.

<sup>2</sup> Sites are zoned for densities of at least 32 units per acre, with many zoned for 48–87 units per acre. This density is sufficient to satisfy the very low, low, and moderate income sites requirement for the regional housing needs assessment.

## 5. IMPLEMENTATION RESOURCES

The City of Pasadena relies on a combination of financial resources and nonprofit/for-profit organizations to assist in funding, building, preserving, and managing affordable housing and support programs. The following financial and administrative resources are being utilized. Program #16 of the housing element includes provisions to seek expansion of these resources.

### FINANCIAL RESOURCES

With the demise of redevelopment and cutback of many federal and state housing programs, securing permanent sources of financing for the production, rehabilitation, and preservation of affordable housing is critical. Financial resources used by the City to fund its programs are as follows.

- **Inclusionary Fees.** Pasadena collects inclusionary in-lieu fees from developers who wish to build, but pay a fee instead of building affordable units required under the Inclusionary Housing Ordinance. These funds are used for the production, rehabilitation, and preservation of housing. Due to the recession, only \$50,000 of in-lieu fees are generated annually, although with the recent resurgence in the housing market, in-lieu fee receipts could see a significant increase.
- **HOME Funds.** Pasadena is an entitlement jurisdiction and receives HOME Partnership Program funds directly from HUD. HOME funds can be used for activities that promote affordable rental housing and lower income homeownership, including but not limited to building acquisition, new construction, reconstruction, moderate or substantial rehabilitation, first-time homebuyer assistance, and tenant-based assistance. Since FY 2009, HOME funds have declined from \$1.3 million to about \$550,000 annually. The City has actively used these financial resources for preservation.
- **Housing Vouchers.** This federal housing program provides rent subsidies to very low income households with a housing cost burden or who are at risk of becoming homeless or displaced. The federal government provides approximately \$11.6 million annually to the Pasadena Housing Authority to administer its housing voucher program. The City of Pasadena recently increased the allocation of vouchers to accommodate the needs of non-elderly people with disabilities (NED 1 & 2 program) as well as veterans (VASH program).
- **Community Development Block Grants.** The federal government provides CDBG funds for community development and housing activities that benefit low and moderate income persons, aid in the prevention or elimination of slums or blight, or meet other urgent needs. Eligible activities include property acquisition, rehabilitation, affordable housing preservation, economic development, code enforcement, public facilities, and services. Pasadena's allocation is about \$1.5 million annually. The funds are typically used for rehabilitation and preservation.

- **Homeless Services.** The City receives funds from the federal government for many of its activities to reduce and ameliorate homelessness in the community. The City receives \$160,000 annually to support emergency shelter programs, \$885,000 annually for rental subsidies and supportive services for homeless people (Shelter Plus Care), and \$1 million for transitional and permanent supportive housing with services.
- **Low Income Housing Tax Credits.** Low Income Housing Tax Credits (LIHTC) are an important source of funding for the production of affordable housing. Additionally, the State of California sets aside a dedicated pool of tax credit funds for self-designated “at-risk” projects. Pasadena developers have used LIHTCs to build a wide range of affordable housing projects. LIHTCs have also been used to preserve at-risk affordable rental housing units, most notably the 313-unit Kings Villages Apartments.

### ADMINISTRATIVE RESOURCES

Pasadena collaborates and partners with a large array of nonprofit and for-profit organizations to provide affordable housing and supportive services for residents with special needs. Recent examples are:

- **Rehabilitation Partners.** Over the past decade, the City of Pasadena has worked with many nonprofit and for-profit partners to rehabilitate market rate and affordable housing and deed restrict the units as affordable to lower income households. Recent partners include Heritage Housing Partners, Union Station, Abode Communities, and others.
- **New Construction.** Pasadena works with a broad range of nonprofit and for-profit partners to finance and develop market rate and affordable housing, including Heritage Housing Partners (Herkimer Gardens), Los Angeles CDC (Hudson Oaks), Abode Communities (e.g., Orange Grove Gardens), Southern California Presbyterian Homes, and many others.
- **Preservation Partners.** Partners include Community Bible Community Development Corporation (e.g., Kings Village and Community Arms), Goldrich-Kest Industries (e.g., Green Hotel), Heritage Housing Partners (Herkimer Gardens), and Union Station (Centennial Place). The City is also exploring options for additional partners to assist in the preservation of publicly assisted multi-family projects at risk of conversion.
- **Qualified Entities.** Qualified entities are nonprofits approved by the California Department of Housing and Community Development. To qualify, an entity must be able to manage the project, maintain affordability for at least 30 years or the remaining term of assistance, preserve the existing occupancy profile, maintain rents at predetermined affordability levels, and agree to renew rent subsidies if available.

As part of the Housing Plan, the City will continue to work with and expand its network of nonprofit and for-profit organizations to build affordable housing, rehabilitate housing, preserve housing, and provide supportive services to Pasadena residents, families, and persons with special needs.





**PROGRAM EVALUATION**  
APPENDIX D



# D. PROGRAM EVALUATION

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Appendix D contains an analysis of the effectiveness of the existing housing element; the appropriateness of goals, objectives, and policies; and the progress in implementing programs for the previous planning period.

## 1. ACCOMPLISHMENTS

The 2008–2014 Housing Element goals were drafted to implement the required statutes in California housing element law and follow priorities expressed by the Pasadena community, including input received from the City Council, Planning Commission, and City staff. To that end, the housing element contained four primary goals, along with 30 supporting policies and several dozen implementation programs.

The four housing goals were:

- **Goal 1. Housing and Neighborhood Quality.** Promote and maintain sustainable neighborhoods of quality housing, parks and community services, infrastructure, and other services that maintain and enhance neighborhood character and the health of residents.
- **Goal 2. Housing Supply and Diversity.** Promote an adequate supply and diversity of quality rental and ownership housing opportunities suited to residents of varying lifestyle needs and income levels.
- **Goal 3. Housing Assistance.** Expand and protect opportunities for households to find housing in Pasadena and afford a greater choice of rental and homeownership opportunities.
- **Goal 4. Special Housing Needs.** Provide adequate housing opportunities and support services for Pasadena seniors, people with disabilities, families with children, college students, and people in need of emergency, transitional, or supportive housing.

Following the adoption of the housing element in 2009, Pasadena was tasked with following through on its implementation programs. This task has been curtailed by the most severe recession since the Great Depression and significant loss in tax revenues. Meanwhile, in an effort to bail out California's budget deficit, the Legislature and Governor appropriated billions of dollars in local redevelopment dollars, eventually leading to the dissolution of redevelopment altogether. In 2013, the Governor then vetoed AB 1229, which would have allowed cities to continue inclusionary housing under state law.

Although a recovering economy will eventually produce a California budget surplus in the foreseeable future, local governments are left with a permanent and structural deficit in long-term funding for housing.

## **GOAL 1: HOUSING REHABILITATION AND PRESERVATION**

The City's 2008–2014 Housing Element had a comprehensive program to encourage the repair, maintenance, and improvement of housing. This was accomplished through several housing inspection programs (Quadrennial and Occupancy programs) and the Code Compliance program. In addition, the City has several housing rehabilitation programs to repair homes and housing preservation activities directed at preserving at-risk housing projects.

The following lists a few of the many program highlights.

### **Code Enforcement**

The City's 2008–2014 Housing Element also set forth several major inspection and code enforcement programs. Approximately 4,000 code compliance inspections, 1,600 occupancy inspections, and 5,300 inspections under the Quadrennial Inspection Program are completed each year. The Building Department also conducted numerous property and structural building inspections as part of their work program. These activities are essential for monitoring and ensuring that homes are maintained in a safe condition.

In addition, the City of Pasadena's City Resources Against Substandard Housing (CRASH) program focuses on more serious health and safety issues. These have included addressing violations at boarding homes, illegally operating apartment projects, squatter homes, and other situations where fire hazards have resulted in a loss of property and life. The City's CRASH Team continues to enforce local and state housing and property maintenance codes to protect the health, safety, and welfare of residents.



### **Historic Preservation**

The City's historic rehabilitation programs continue substantial activity. The historic preservation ordinance continues to be implemented. In 2012, City staff continued to review cases for alterations, additions, and rehabilitation and processed designation of 21 new landmark properties. Moreover, Mills Act contracts were signed with 26 property owners. Signature properties were also rehabilitated, as discussed later. In addition, the City has been active in establishing historic or landmark districts. Since 2006, these include:

- 2013–Weston-Bungalowcraft Landmark District.
- 2011–Raymond-Esther Landmark Overlay District
- 2009–Marengo Pico Landmark Overlay District
- 2007–Highlands Landmark Overlay District
- 2006–North Pasadena Heights Landmark Overlay District
- 2006–South Madison Avenue Landmark Overlay District
- 2006–Bellefontaine Landmark Overlay District
- 2006–Tournament Fields Landmark Overlay District
- 2006–South Hudson Landmark Overlay District

**Housing Rehabilitation**

As a well-established community with an older housing stock, Pasadena has always maintained a number of housing rehabilitation programs. However, due to significant funding restrictions in recent years, many of these programs have changed or become inactive. The PHNS filed for bankruptcy, and the Repair and Neighborhood Revitalization program was discontinued. The MASH program was retooled to focus more on lead-based paint hazards. The Multi-family Housing Rehabilitation Program was also put on hold pending a revisiting of its guidelines and funding availability.

Despite these major obstacles, the City was successful in completing several projects involving housing rehabilitation and preservation.

- **Herkimer Gardens.** The Herkimer Gardens Apartments is the only Pasadena apartment building designed by Charles and Henry Greene. The development consists of 3 buildings: the Herkimer Apartments, Hammond House, and a separate mixed-use building. Extensive rehabilitation restored this historic structure and made it available to qualified homebuyers. The Herkimer Arms Project, funded by the City of Pasadena and restored by Heritage Housing Partners, received an award for excellence from the Los Angeles Conservancy.
- **Euclid Villa.** In 2010, Union Station received a \$1.18 million grant from the HACoLA, City of Industry Program to renovate Euclid Villa, a 14-bed transition housing facility. The grant covered green building and energy efficiency improvements that extended the life of the project. The two buildings—the 8,800-square-foot mansion and a 10,400-square-foot 1940s residential building—provide apartments for 14 families, plus staff offices, a common kitchen, computer lab, community rooms, and children’s area. This Colonial Revival home built in 1900 as a school for girls is listed on the National Register of Historic Places.
- **Livingstone Hotel.** The Livingston Hotel was built in 1926 and served as a hotel for 80 years. During the planning period, a private developer initiated a conversion to condominiums and the construction of 1,700 new square feet of retail space and 34 new condominiums. The project also provided five new inclusionary off-site housing units affordable to moderate income households. Pasadena assisted in this historic conversion project by providing a density bonus, affordable housing concession, development standard waivers, and floor-area-ratio bonus.

Taken together, the City of Pasadena continues to make substantial progress in addressing housing rehabilitation and property maintenance needs. However, recent funding cutbacks have severely impacted current programs. As part of the 2014–2021 Housing Element, the City anticipates reexamining its existing mix of rehabilitation programs, continuing to seek new financial and administrative partners, and restoring programs to the extent feasible.



*Herkimer Gardens Before*



*Herkimer Gardens After*



*Euclid Villa Rehabilitation*

**GOAL 2: HOUSING DIVERSITY AND SUPPLY**

State housing element law requires all cities in California to update their housing element, one chapter of the general plan. The housing element is designed with the express purpose of facilitating the production, improvement, and conservation of housing for people of all income levels and household types. The Southern California Association of Governments (SCAG) established a housing construction goal for the planning period of 2006–2014 totaling 2,869 housing units.

The City of Pasadena’s progress toward meeting its goals was determined by counting all building permits issued or projects approved during that period. In some cases, projects approved may carry across housing element cycles. No affordable housing projects were preserved that could count toward the alternative sites option and the RHNA. These figures slightly undercount actual progress because vouchers for homeless services are not included, nor is the construction of group housing (e.g., emergency shelters).

The City facilitated the construction of an estimated 3,175 new housing units that included condominiums, senior housing, housing for people with disabilities, apartments, and family housing. The City’s IHO, density bonus ordinance, and other regulatory incentives have been the primary tools to require and make feasible the provision of affordable housing units in Pasadena. The following IHO projects provided affordable units on site and were built during the 2006–2014 RHNA housing element planning period.

**Table D-1: IHO Projects Built Since 2006**

IHO projects with Affordable Units	Tenure	Affordability Ranges			
		Very Low	Low	Moderate	Total Affordable
859 N. Fair Oaks	MX-Condo	0	0	2	2
Westgate Apts	MX-R	96	0	0	96
Fair Oaks Gardens	Condos	0	0	2	2
Haskett Court	SFR	0	2	4	6
Del Mar Gardens	MX-Apts	0	3	1	4
1299 E. Green St.	MX-SRO	0	9	80	89
636 N. Holliston Ave.	Renter	0	1	0	1
Gardens On The Hill	MX-O	0	0	11	11
Fair Oaks Summit	Condos	0	0	5	5
Cinema Lofts	LW-O	0	0	6	6
Renaissance Court	MX-Apts	0	5	0	5
Bellevue Apartments	Apts	4	0	0	4
Pasadena Place	MX-Apts	3	0	0	3
Del Mar Station	MX-Apts	0	14	7	21
Trio Apartments	MX-Apts	0	12	6	18
Fuller Seminary	Student	0	18	151	169
<b>Total</b>		<b>103</b>	<b>64</b>	<b>275</b>	<b>442</b>

Source: City of Pasadena, 2013.

**Project Successes**

Pasadena facilitated a significant amount of new housing construction through the application of density bonuses, inclusionary housing, affordable housing concessions, and other regulatory incentives and financial assistance. Examples of projects are described below.

- **Stuart Apartments.** At the eastern terminus of the Gold Line, the Sierra Madre Transit Station, the City approved the construction of the Stuart Apartments. This 188-unit project sits adjacent to the transit station along Foothill Boulevard. The Stuart Apartments is an example of adaptive reuse of a portion of the historic Stuart Pharmaceutical building. These apartments are transit accessible (sharing Gold Line parking) and are designed to support and strengthen adjacent commercial uses.
- **Del Mar Station.** Pasadena continues to encourage the production of transit-oriented uses along the Gold Line Rail. In 2006, the City adopted mixed-use standards to encourage the construction of transit-oriented development (TOD) projects within one-quarter mile of a light-rail station platform and within the greater Central District Transit-Oriented Area. Using development standards and incentives for TOD projects, the 347-unit Del Mar Apartment project was built. This project incorporated the historic depot and train station and provides 21 affordable units.
- **Westgate Classics.** Pasadena continues to encourage the production of TOD projects along the Gold Line Rail. In 2005, the City adopted mixed-use standards and TOD standards to encourage projects within a quarter-mile radius of a light rail station and the greater Central District Transit-Oriented Area. Using TOD incentives, Pasadena approved the 820-unit Westgate project. This \$100 million project incorporates apartments, townhomes, flats, and lofts. The first phase of the project, now complete, includes 96 very low income rental units on site.



*Stuart Apartments*



*Del Mar Transit Station*

Shown in Table D-2, Pasadena has been successful in addressing much of its RHNA goals, including 32% of its very low income goal, 28% of its low income goal, and 68% of the moderate income goal. This progress is substantial given the worst recession in generations, the governor’s take of redevelopment funds and dissolution of redevelopment agencies, the foreclosure and lending crisis, and drastic reductions in affordable housing funds.

**Table D-2: Comparison of RHNA and Site Availability**

RHNA Credits	Affordability Ranges				Total
	Very Low	Low	Mod.	Above Moderate	
RHNA Targets	711	452	491	1,215	2,869
Housing Units Built	228	128	338	3,734	
<b>Remainder</b>	<b>483</b>	<b>324</b>	<b>153</b>	<b>0</b>	<b>960</b>

Source: City of Pasadena, 2013.

### GOAL 3: HOUSING ASSISTANCE

The City of Pasadena implemented programs to assist in the attainment of affordable housing for residents of all income levels. These included the rental housing voucher program, activities targeted at preserving publicly assisted rental projects at risk of losing affordability covenants, and the homeownership program. Notable successes are described below.

#### Rental Assistance

The Pasadena Housing Department, through its contract with HUD, provides four rental assistance programs. This includes the Section 8 Housing Choice Vouchers (HCV), Shelter Plus Care, HOME Tenant-Based Rental Assistance, and Housing Opportunities for Persons with AIDS. These programs provide affordable rental housing to approximately 1,567 very low and low income households, or about 3% of all households residing in the City of Pasadena. The City's Public Housing Agency Plan and Rental Assistance Plan detail the Agency's rental assistance priorities, programs, and various services.



*Hudson Oaks Senior Housing*

The Pasadena Housing Authority has continued to expand the HCV program. In 2010/11, the Pasadena Housing Authority was awarded funding for 100 new Section 8 HCVs for non-Elderly Disabled (NED) persons on the waiting list and those who are living in institutional or other health care settings until they can afford mainstream rental housing units. In 2012, the City also secured an additional 25 vouchers under the HUD-Veterans Affairs Supportive Housing (HUD-VASH) program that combines HCV rental assistance for homeless veterans with case management and clinical services. Finally, 44 additional vouchers were secured for the Hudson Oaks project.

Meanwhile, continued cutbacks in federal government programs have resulted in the discontinuation or winding down of certain traditional rental housing assistance programs offered by the City of Pasadena. For instance, the HOME Tenant-Based Rental Assistance program will no longer accept new applicants, although the current recipients will continue to receive assistance through their contracted two-year term. The City of Pasadena was also required to phase out the Emergency Rental Assistance Program (funds can be used for security deposit and back rent). Because of dramatic cutbacks in funding, these programs are being phased out.

#### Housing Preservation

Pasadena's 2008–2014 Housing Element included the goal of preserving the more than 2,500 publicly assisted affordable housing units in the community. According to the at-risk analysis included in Appendix A, potentially more than 800 units are at risk of conversion to market rents. Pasadena has been successful in preserving the Kings Village and the Green Hotel in the early 2000s, as funding became available. In 2010, the City also secured 116 housing vouchers and \$2 million in City of Industry funds to rehabilitate and preserve the long-term affordability of the Centennial Place project. The City also negotiated to allow the Meredian Apartments to be converted to condominiums provided that 20 units were set aside as affordable units.



**Homeownership**

Pasadena has long supported expansion of homeownership opportunities. The City’s Homeownership Opportunities Program (HOP) provides loan assistance to eligible low and moderate income first-time home buyers. In recent years, program activities have been significantly curtailed due to cutbacks in the same funding sources. Nonetheless, significant progress has been made during the planning period.

Several projects are described below and all are listed in Table D-3.

- **Fair Oaks Court.** Heritage Housing Partners developed this project in Northwest Pasadena. This provides affordable condominiums to 33 low and moderate-income households, 3 workforce income households, and 4 above moderate income households. The project won local awards from Affordable Housing Finance and the Southern California Association of Nonprofit Housing. The project also won Gold Nugget awards of merit for Outstanding Attached Project and one for Residential Community.
- **Haskett Court.** Haskett Court is deemed one of the finest remaining examples of a 1920s bungalow court in Pasadena. The Haskett family continued to own and live in the bungalow court until the early 1980s, at which time it was converted to commercial/retail use. In late 2007, HHP acquired, rehabilitated, and converted Haskett Court to homeownership. Completed in 2009, the one- and two-bedroom units were sold to first-time low- and moderate-income homebuyers.
- **Washington Classics.** Pasadena worked with Trademark Development to build the Washington Park Classics, an 8-unit single-family townhome project at the northeast corner of Washington Boulevard and El Molino Avenue. The project used IHO funds and City efforts to help acquire the site and close a liquor store that had become a public nuisance. The townhomes are a mix of two- and three-bedroom units ranging in size from 1,300 to 1,600 square feet. At least four of the homes will be sold as affordable housing for low- and moderate-income first-time homebuyers.



*Fair Oaks Court*



*Haskett Court*

**Table D-3: Homeownership Projects Built Since 2006**

Project Name	Address	Year Built	Project Units	Units Afford.	City Program
Herkimer Gardens	411 N. Raymond	8/2012	4	4	City Asst
Washington Classics	671 Washington	5/2012	8	6	City Asst
Allen-Brigden	1142 Allen	11/2010	8	6	City Asst
Haskett Court	824 E. California	12/2009	6	6	IHO
Fair Oaks Garden	1424 Fair Oaks	11/2009	12	2	IHO
Fair Oaks Court	Fair Oak/Preoria	5/2008	43	37	City Asst
Fair Oaks Summit	1715 Fair Oaks	4/2008	24	5	IHO; DB
Cinema Lofts	215 Marengo	3/2008	37	6	IHO
Gardens on Hill	315 Hill	12/2006	34	11	IHO

Source: City of Pasadena, 2013.

#### GOAL 4: SPECIAL HOUSING NEEDS

Because Pasadena has a large number of residents who have greater difficulty in securing and maintaining affordable housing, Goal 4 of the housing element was directed at addressing those with special needs in the community. Specifically, the goal was to provide adequate housing opportunities and services for seniors, people with disabilities, families with children, college students, and people needing emergency, transitional, or supportive housing.

These goals were met by specific policies designed to provide services and housing for each group as feasible. Specific successes are described below:



*Orange Grove Gardens*

- **Senior Housing.** In 2009, Abode Communities acquired and rehabilitated the building at 1267 N. Hudson. Built in 1971, the property sustained serious fire damage in 2005 and was closed for years. The City purchased the site and granted a 99-year lease to Abode Communities, who rebuilt the building and deed restricted 44 units as affordable to extremely low income seniors earning less than 30% of median family income. The project is funded with up to \$4.5 million in City housing funds, tax credits, and City of Industry funds. The City Council also approved allocation of 44 project-based vouchers. The project cost a total of \$17 million.

- **Family Housing.** Orange Grove Gardens is a 38-unit apartment project offering family-sized units affordable to very low income households. In addition to housing, the apartment project features landscaped courtyards, underground parking, and a community room. The services program links residents with services such as computer literacy, adult education, family health screening, financial literacy, ESL classes, and after-school programs. The project cost \$13.9 million and was funded through federal HOME funds, Fannie Mae American Communities Fund, tax increment, LIHTC, City of Industry funds, and Section 8 rent subsidies.



*Fuller Seminary Housing*

- **Student Housing.** Fuller Theological Seminary updated its Master Plan in 2006 to increase its affordable student housing to accommodate up to 2,014 students by 2019. The City worked with Fuller Seminary to approve and condition its 179-unit apartment project. City staff also worked with Caltech to update its Master Development Plan in 2006 and will be working with Caltech to revise its current master development plan. City staff also worked with the Art Center College of Design to add 200 to 300 new housing units as part of the Master Plan. Plans for the Art Center did not materialize into new units due to the downturn in the market.

- **Union Station.** Union Station Foundation, the San Gabriel Valley's largest private agency serving poor and homeless people, completed a new women's dormitory at their facility at 412 S. Raymond. More than seven years in the making, the project now provides 20 beds exclusively for women recovering from homelessness. Building renovations and expansion also included offices, a multi-purpose room for classes, and additional parking for staff and volunteers.

**Permanent Supportive Housing**

The Centennial Place was formerly a historic YMCA facility designed in the Mediterranean Revival Style and listed on the National Register of Historic Places. Over its long history, the facility fell into disrepair and was eventually closed. In 1989, the former Pasadena Community Development Commission approved \$4.5 million in loans assistance to acquire and rehabilitate the historic and iconic building. In return, affordability covenants were recorded that required 144 units to be set aside as affordable to very low income households. The Centennial Place project was completed in 1991 and has been operated and managed by Abode Communities for the past 20 years.

In 2009, the City, Abode Communities, and Union Station Homeless Services collaborated to convert the project into permanent supportive housing. The City allocated 116 new Section 8 Project-based Vouchers, \$1 million dollar grant from HACoLA, and City of Industry funds to improve the sustainability of the project. Moreover, in 2010, the City’s Public Works Department committed capital grant funds of \$300,000 to incorporate green and sustainable measures in the project. These efforts extended the affordability covenants nearly 50 years, from 2019 to 2067. The City will also receive 50% of the owner’s share of project residual receipts, which will be deposited into the City’s General Fund. Finally, these collaborative efforts resulted in the long-term preservation of an iconic and landmark structure in Pasadena.



*Centennial Place*

The following page summarizes progress and an abbreviated evaluation of the program’s suitability for the 2014-2021 Housing Element.

**Table D-4: Program Evaluation, 2008–2014 Housing Element**

Programs	Implementation Actions and Progress		
	Action	Timeframe	Progress and Evaluation
Program 1a: Citywide Code Enforcement	Continue monitoring and enforcement of building and property maintenance codes	Ongoing	<b>Evaluation:</b> Program considered successful; completed 400 inspections annually. However, process improvements are being considered to maximize effectiveness of program in light of current fiscal situation. <b>Status:</b> Program will continue for 2014-2021 planning period
Program 1b.: Emergency Code Enforcement	Continue program implementation	Ongoing	<b>Evaluation:</b> Program considered successful; completed about 20 CRASH Team inspections annually, focusing on most problematic buildings/cases. <b>Status:</b> Program will continue for 2014-2021 planning period
Program 1c: Neighborhood Revitalization	Continue program implementation	Ongoing	<b>Evaluation:</b> Program phased out due to budget cuts, and now consists of targeted code enforcement in CDBG-eligible areas. No plans to reinstate this program at this time. <b>Status:</b> Program will not continue for 2014-2021 planning period
Program 2a: Neighborhood Impact	Assist 25 households through the PNHS program	Ongoing	<b>Evaluation:</b> Program phased out due to PHNS bankruptcy; program responsibilities will be assumed by parent organization - Neighborhood Housing Services of L.A. County. <b>Status:</b> Program will continue for 2014-2021 planning period
Program 2b: Neighborhood Organizations	Continue program implementation	Ongoing	<b>Evaluation:</b> Program considered successful; continued to provide information and support to 86 residential neighborhood organizations. <b>Status:</b> Program will continue for 2014-2021 planning period
Program 2c: Northwest Pasadena	Continue program implementation	Ongoing	<b>Evaluation:</b> Program considered successful: completed the Lincoln Avenue Specific Plan and EIR, redefined Northwest Commission following demise of redevelopment, and engaged nonprofit assistance. <b>Status:</b> Program will continue for 2014-2021 planning period
Program 3a: Occupancy Inspection Program	Continue program implementation	Ongoing	<b>Evaluation:</b> Program considered successful; inspected 1,600 properties annually. However, process improvements are being considered to maximize effectiveness of program in light of current fiscal situation. <b>Status:</b> Program will continue for 2014-2021 planning period
Program 3b: Quadrennial Inspection	Continue program implementation	Ongoing	<b>Evaluation:</b> Program considered successful; inspected 5,000 multiple-family units annually. However, process improvements are being considered to maximize effectiveness of program in light of current fiscal situation. <b>Status:</b> Program will continue for 2014-2021 planning period

Programs	Implementation Actions and Progress		
	Action	Timeframe	Progress and Evaluation
Program 3c Lead-Based Paint Hazards	Train code compliance officers and inspectors to identify hazards. Conduct education and outreach	Ongoing	<b>Evaluation:</b> Program considered successful; City responded to 800 persons and distributed 2,000+ pieces of educational materials to city. <b>Status:</b> Program will continue for 2014-2021 planning period
Program 4a Maintenance Assistance to Homeowners	Assist 20 households on an annual basis	Ongoing	<b>Evaluation:</b> Program considered successful; completed approximately 25 lead stabilization painting projects annually, exceeding goal <b>Status:</b> Program will continue for 2014-2021 planning period
Program 4b: Multiple-family Acquisition and Rehabilitation	Establish program guidelines and workplan for an acquisition & rehabilitation program	2011	<b>Evaluation:</b> Implementation of program was deferred due to lack of available housing funds and depressed housing market. <b>Status:</b> Program will continue for 2014-2021 planning period
Program 5a: Historic Preservation on Housing	Implement the Historic Preservation Ordinance	Ongoing	<b>Evaluation:</b> Program considered successful; processed and completed 9 historic and landmark districts covering hundreds of homes. <b>Status:</b> Program will continue for 2014-2021 planning period
Program 5b Historic Preservation Incentives	Advertise available incentives for historic preservation and assist property owners in determining incentives for their properties	Ongoing	<b>Evaluation:</b> Program considered successful; signed about 25 Mills Act contracts annually in exchange for property tax reductions and investment in historic property improvements <b>Status:</b> Program will continue for 2014-2021 planning period
5c: Historic Home Rehabilitation	Continue program implementation	Ongoing	<b>Evaluation:</b> Program considered successful; completed rehabilitation of Herkimer Gardens, Fair Oaks Court, and several other projects. <b>Status:</b> Program will continue for 2014-2021 planning period
6a: Preservation of At-Risk Affordable Housing	Contact property owners of projects to initiate preservation. Based on outcome, provide appropriate assistance.	Ongoing	<b>Evaluation:</b> Program considered successful; preserved Centennial Place, Villa Raymond, and Park Robles project. Commenced discussions with several additional properties, including Concord Senior. <b>Status:</b> Program will continue for 2014-2021 planning period
Program 7a: Specific Plan implementation	Continue to provide land use designations and maintain and provide an inventory of potential sites for housing and development incentives	Ongoing	<b>Evaluation:</b> Program considered successful; completed Lincoln Avenue Specific Plan. Revising caps to accommodate more housing. <b>Status:</b> Program will continue for 2014-2021 planning period
Program 7b: Facilitating Mixed Use Developments	Continue implementation of mixed use incentives, and monitor and assess effectiveness annually	Ongoing	<b>Evaluation:</b> Program considered successful; the City approved many mixed use projects using regulatory and financial incentives. <b>Status:</b> Program will continue for 2014-2021 planning period
Program 7c: Second Unit Production	Review the second unit standards and evaluate changes to better facilitate second units in the context of maintaining neighborhood quality	Ongoing	<b>Evaluation:</b> Put on hold pending the completion of the General Plan Land Use Element that is anticipated to conclude in 2014. <b>Status:</b> Program will continue for 2014-2021 planning period

## Program Evaluation

Programs	Implementation Actions and Progress		
	Action	Timeframe	Progress and Evaluation
Program 7d: Water and Sewer Infrastructure	Work with the City's DWP and Public Works to ensure appropriate written policies and programs per SB1037	End of 2011	<b>Evaluation:</b> City Council adopted the Water Integrated Resources Plan in 2011 and the Water Management Plan. <b>Status:</b> Program will continue for 2014-2021 planning period
Program 7e: Monitoring Program	Continue to maintain record of housing production and regularly report to City Council. Identify the actual number of housing element sites and production on those sites.	Annual	<b>Evaluation:</b> City staff continues to maintain a record of housing production and reports progress to the City Council. Report informed update of General Plan. <b>Status:</b> Program will continue for 2014-2021 planning period
Program 8a: Inclusionary Housing	Continue to monitor the effectiveness of the IHO and expenditure of funds, including preparation of an annual performance assessment. Study modifications to the IHO program.	Annual Report	<b>Evaluation:</b> Program considered successful; approved 16 projects, resulting in 442 new affordable units. Considering refining program in light of court cases. <b>Status:</b> Program will continue for 2014-2021 planning period
Program 8b: Density Bonus Ordinance	Continue to implement the Affordable Housing Density Bonus Program and grant concessions as required under the ordinance.	Ongoing	<b>Evaluation:</b> Program considered successful; more than a dozen density bonuses were granted, resulting in a significant number of new affordable units. <b>Status:</b> Program will continue for 2014-2021 planning period
Program 8c: Parking Incentives for Housing	Continue to provide options for reduced parking as an incentive for the development of affordable, special needs, and transit-oriented development.	Ongoing	<b>Evaluation:</b> Program considered successful; incentives codified in the Zoning Code continue to be available. City is considering expansion of incentives where feasible <b>Status:</b> Program will continue for 2014-2021 planning period
Program 8d: Consolidated Affordable Housing Review	Continue to issue annual NOFAs for affordable housing and, upon its completion, annually review and assess the effectiveness and timeliness of the process.	Annual	<b>Evaluation:</b> The City issued several NOFAs, but at a significantly reduced rate in the past few years due to funding cutbacks. <b>Status:</b> This program is no longer necessary once the Housing Department was established
Program 9a: Financial Assistance for Housing	Continue to provide financial support for the production, rehabilitation, and preservation of affordable housing. Develop Affordable Housing Strategy to guide expenditure of housing funds consistent with local housing needs.	End of 2010	<b>Evaluation:</b> Program considered successful; City continues to provide financial assistance as funding is available. The City has not created new strategy to guide funding. <b>Status:</b> Program will continue for 2014-2021 planning period
Program 9b: Land Assemblage and Write downs	Issue RFPs for the development of affordable housing when \$5 million in uncommitted funds available. Examine creative partnerships and mechanisms for land assemblage and write downs	Ongoing	<b>Evaluation:</b> Program considered successful, but has been curtailed due to the loss of RDA, state, and federal funds. This program will be scaled back until funding returns. <b>Status:</b> Program will continue for 2014-2021 planning period
Program 9c: Fee Waivers and Modifications	Continue to provide reduced development fees in support of affordable housing. Examine appropriateness of the 4125,000 cap on affordable housing fee reductions.	Ongoing	<b>Evaluation:</b> Program considered successful; affordable housing projects continue to get fee waivers/modifications. No changes proposed due to high amount of waivers. <b>Status:</b> Program will continue for 2014-2021 planning period

Programs	Implementation Actions and Progress		
	Action	Timeframe	Progress and Evaluation
Program 10a: Green Building Design	Provide outreach and education to developers, contractors, architects, and business owners to provide information on how to incorporate sustainability in project design.	Ongoing	<b>Evaluation:</b> Program considered successful; sustainability principles incorporated into the Building Code. With adoption of Cal Green Code, it preempts program. <b>Status:</b> Program will continue for 2014-2021 planning period but with a much broader focus
Program 10b: Design Review	Continue to implement design review to ensure maintenance of Pasadena's architectural character and quality of the built environment.	Ongoing	<b>Evaluation:</b> Program considered successful; City adopted new multi-family residential design guidelines in 2009. Design standards are being implemented. <b>Status:</b> Program will continue for 2014-2021 planning period
Program 10c: City of Gardens Review	Implement City of Gardens standards as a tool to enhance the quality and compatibility of multiple-family housing built in Pasadena	Ongoing	<b>Evaluation:</b> Program considered successful; City continues to require adherence to City of Gardens standards. <b>Status:</b> Program will continue for 2014-2021 planning period
11a: Homebuyer Education and Counseling	Provide homebuyer education and foreclosure counseling to prospective homebuyers on an annual basis	Ongoing	<b>Evaluation:</b> This program was shifted from PHNS (which went bankrupt) to the parent organization, Los Angeles Housing and Neighborhood Services. <b>Status:</b> Program will continue for 2014-2021 planning period
Program 11b: Homeownership Opportunities	Continue to implement HOP program to expand homeownership opportunities.	Ongoing	<b>Evaluation:</b> Program activity has been significantly curtailed due to loss of RDA, state, and federal funds. Will need to secure new funds to reinstate this program. <b>Status:</b> Program will continue for 2014-2021 planning period
Program 11c: Mortgage Credit Certificate	Continue to advertise the MCC Program in conjunction with homebuyer education and assistance programs and maintain a current listing of participating vendors	Ongoing	<b>Evaluation:</b> The City continues to publicize this program, but it is administered by the County of Los Angeles. Therefore, its success is unknown at this time. <b>Status:</b> Program not included in 2014-2021 planning period
Program 11c Homebuyer Closing Costs	Support the PFAR closing cost assistance program; assist up to 11 households during period.	Ongoing	<b>Evaluation:</b> PFAR funds were not utilized during 2012. The Housing Dept. will publicize efforts to restart the program. <b>Status:</b> Program will continue for 2014-2021 planning period
Program 12a: Housing Choice Voucher	Continue to provide options for reduced parking as an incentive for the development of affordable, special needs, and transit-oriented development.	Ongoing	<b>Evaluation:</b> Program considered successful; assisted up to 1,400 households and secured addt'l vouchers for NED and VASH program and project based efforts. <b>Status:</b> Program will continue for 2014-2021 planning period
Program 12b: HOME Tenant-based Rental Assistance	Assist up to 90 households annually during the planning period	Ongoing	<b>Evaluation:</b> This program was discontinued due to funding reductions. During the period, 333 households were assisted. City will seek funds to restart program. <b>Status:</b> Program will continue for 2014-2021 planning period

## Program Evaluation

Programs	Implementation Actions and Progress		
	Action	Timeframe	Progress and Evaluation
Program 12c: Emergency Rental Assistance	Assist 300 households during the planning period	Ongoing	<p><b>Evaluation:</b> This program was discontinued due to reductions in HOME funds. However, City will continue to seek funds to restart program.</p> <p><b>Status:</b> Program will continue for 2014-2021 planning period</p>
Program 12d: Affordable Housing Website	Continue program implementation	Ongoing	<p><b>Evaluation:</b> Program considered successful; website receives thousands of hits annually.</p> <p><b>Status:</b> Program will continue for 2014-2021 planning period</p>
Program 13a: Collaborative Partnerships	Continue to work with and seek additional partners to implement City housing programs	Ongoing	<p><b>Evaluation:</b> Program considered successful; Pasadena continues to expand network of partners. Will further expand due to funding cutbacks and need to leverage resources.</p> <p><b>Status:</b> Program will continue for 2014-2021 planning period</p>
Program 13b: Pasadena Affordable Housing Advisors	Meet on a periodic basis to discuss housing issues and propose programs and policy solutions to housing and community development needs	Ongoing	<p><b>Evaluation:</b> Program proved infeasible to implement due to cutbacks in funding to support speakers.</p> <p><b>Status:</b> Program not included in 2014-2021 planning period</p>
Program 13c: Funding	Seek additional funding sources to meet City housing goals	Ongoing	<p><b>Evaluation:</b> Program considered successful; City successfully secured additional grants, 125+ housing vouchers, and other funds to help offset loss of RDA funds.</p> <p><b>Status:</b> Program will continue for 2014-2021 planning period</p>
Program 14a: Fair Housing Services	Continue to provide fair housing services and tenant landlord mediation.	Ongoing	<p><b>Evaluation:</b> Program considered successful; Housing Rights Center continues to implement program. City's updated Fair Housing Plan will require refocus on some services.</p> <p><b>Status:</b> Program will continue for 2014-2021 planning period</p>
Program 14b: Fair Housing Outreach	Develop a plan of action to address fair housing concerns for people with disabilities.	2010	<p><b>Evaluation:</b> Program considered successful; Housing Rights Center continues to implement program. City's updated Fair Housing Plan will require refocus on some services.</p> <p><b>Status:</b> Program will continue for 2014-2021 planning period</p>
Program 14c: Tenant Protections	Continue to implement the Tenant Protection Ordinance	Ongoing	<p><b>Evaluation:</b> Program considered successful; however, community input from the 2014–2021 Housing Element will result in City relooking at ways to strengthen provisions.</p> <p><b>Status:</b> Program will continue for 2014-2021 planning period</p>
Program 15a: Family Self Sufficiency	Provide Ongoing assistance to 25 households annually.	Ongoing	<p><b>Evaluation:</b> Program was successful for many years, but was eventually phased out due to lack of funding in 2008.</p> <p><b>Status:</b> Program not included for 2014-2021 planning period</p>



Programs	Implementation Actions and Progress		
	Action	Timeframe	Progress and Evaluation
Program 15b: Shelter Plus Care	Provide ongoing assistance for up to 90 households during the planning period and apply for additional certificates as they become available	Ongoing	<b>Evaluation:</b> 80 households are being assisted including specific outreach to chronically homeless persons. An additional 3 certificates were awarded in 2011 <b>Status:</b> Program will continue for 2014-2021 planning period
Program 15c: Housing for People with AIDS	Assist 35 households during the planning period	Ongoing	<b>Evaluation:</b> 2 household are being assisted and 10 addt'l households have been approved to participate and are searching for housing. 5 prior assisted households have transitioned to housing voucher program <b>Status:</b> Program will continue for 2014-2021 planning period
Program 16a: Homeless Prevention	Provide supplemental resources to 85 households at risk of homelessness annually. Implement the 10-year Strategy to End Homelessness.	Ongoing	<b>Evaluation:</b> Program assisted 144 homeless people. This will decline in future years due to closeout of stimulus funds and replacement with ESG, which is much less <b>Status:</b> Program will continue for 2014-2021 planning period
Program 16b: Emergency Shelter program	Continue program implementation consistent with City's Continuum of Care (COC)	Ongoing	<b>Evaluation:</b> Program considered successful; the City has updated its plan and is adopting a blended Housing First Approach to mirror best practices throughout the nation. The City still seeks to expand services and housing options for homeless. <b>Status:</b> Program will continue for 2014-2021 planning period
Program 16c: Transitional Housing and permanent Supportive Housing	Continue program implementation. Issue RFPs for the development of housing and use unallocated vouchers to support the COC.	Ongoing	<b>Evaluation:</b> Program considered successful; City continues to implement program. Allocated vouchers to make the Centennial Place permanent supportive housing. New projects (e.g., Mar Vista) are being negotiated. <b>Status:</b> Program will continue for 2014-2021 planning period
Program 16d: Sites for Emergency Shelters	Amend the Zoning Code to define a zone to permit emergency shelters by right in the IG and CD-6 District and/or other districts and develop objective criteria to implement efforts	2010	<b>Evaluation:</b> Program deferred due to severe budget cuts. In 2012, City restarted efforts, completed assessment, and will propose new ordinance for consideration in 2013. <b>Status:</b> Program will continue for 2014-2021 planning period
Program 17a. Reasonable Accommodation	Implement ordinance. Periodically analyze the process to identify potential constraints and take corrective measures as needed.	Ongoing	<b>Evaluation:</b> Program considered successful; City continues to implement ordinance. No changes proposed. <b>Status:</b> Program will continue for 2014-2021 planning period
Program 17b: Universal Design Visitability	Evaluate the feasibility of incorporating concepts of visitability, universal design, and other accessibility requirement for new or rehabilitated housing.	2010	<b>Evaluation:</b> Program deferred due to severe budget cuts. Although continued for future housing element, changes in ADA requirements may address the need. <b>Status:</b> Program will continue for 2014-2021 planning period

## Program Evaluation

Programs	Implementation Actions and Progress		
	Action	Timeframe	Progress and Evaluation
Program 17c: Housing Accessibility Assistance	Continue to provide assistance to disabled homeowners in making accessibility improvements to their homes. Seek ways to expand efforts to rental units.	Ongoing	<p><b>Evaluation:</b> Program is implemented through the MASH program. Additional efforts curtailed due to budget cuts.</p> <p><b>Status:</b> Program will continue for 2014-2021 planning period</p>
Program 18a: Development of Family Housing	Evaluate establishing incentives within the IHO and allocations within a housing expenditure policy for large family units.	2010	<p><b>Evaluation:</b> Program activity deferred due to budget cuts. In addition, national trends appear to be pointing toward a continued decline in large families.</p> <p><b>Status:</b> Program will continue for 2014-2021 planning period</p>
Program 18b: Housing for Emancipated Youth	Explore opportunities to improve access to housing and supportive services for youth emancipating from the foster care system.	Ongoing	<p><b>Evaluation:</b> The City continues to fund organizations that provide services to current and former foster youth. The City also evaluates the appropriateness of grants, vouchers, and other services for this special need group.</p> <p><b>Status:</b> Program will continue for 2014-2021 planning period</p>
Program 18c: Housing for Students	Work with educational institutions to process and approve master Plans that are consistent with the General Plan.	Ongoing	<p><b>Evaluation:</b> Program considered successful; City staff are working with Fuller Seminary, Caltech, Pasadena Community College, and Arts Center to update master plans.</p> <p><b>Status:</b> Program will continue for 2014-2021 planning period</p>
Program 19a: Housing for Seniors	Continue to support the provision of senior housing in the community.	Ongoing	<p><b>Evaluation:</b> Program considered successful; City completed renovation of the Hudson Oaks Senior project for 44 seniors and other projects as well.</p> <p><b>Status:</b> Program will continue for 2014-2021 planning period</p>
Program 19b: Life Care Facilities	Continue to support the provision of life/care housing in the community.	Ongoing	<p><b>Evaluation:</b> Program considered successful; City supported applications to expand or build projects. However, recent applicants have pulled out due to the economy.</p> <p><b>Status:</b> Program will continue for 2014-2021 planning period</p>
Program 19c: Senior Services	Continue to support the provision of senior services in the community.	Ongoing	<p><b>Evaluation:</b> The Community Services Department provides the vast majority of services. The Housing Department continues to fund services with CDBG funds.</p> <p><b>Status:</b> Program will continue for 2014-2021 planning period</p>

## 2. PUBLIC OUTREACH

California law requires that local governments include public participation as part of the housing element. Specifically, Government Code section 65583(c)(7) states “that the local government shall make a diligent effort to achieve public participation of all economic segments of the community in the development of the housing element, and the program shall describe this effort.” State law does not specify the means and methods for participation; however, it is generally recognized that the participation must be inclusive.

The City of Pasadena continues to engage the community in defining City housing needs and discussing creative ways to address them within the unique constraints facing the City. During the preparation for this housing element, the City’s outreach program included the following venues:

- **Land Use Workshop.** During the preparation of the land use and mobility element, the City of Pasadena held at least six workshops that dealt with housing and the land use plan. Held during 2011 and 2012, these workshops focused on where the City should direct residential growth and the types of housing products desired. These strategies underpin the City’s growth strategy articulated in the housing element. A summary of the general plan outreach effort, which includes housing, can be found at [http://www.cityofpasadena.net/GeneralPlan/Outreach\\_Summary\\_Report/](http://www.cityofpasadena.net/GeneralPlan/Outreach_Summary_Report/).
- **Stakeholder Interviews:** The City interviewed stakeholders in Pasadena about their perception of housing needs, constraints to meeting housing needs, and potential programs. Stakeholders represented a wide diversity of groups that included homeless and mental health service providers, community organizations, affordable housing organizations, developers, faith-based organizations, residents, real estate industry, and many others.
- **Community Workshops.** A community-wide workshop was held on June 8, 2013, to solicit input from the public about the housing needs and issues facing the community. These workshops were extensively advertised through the Neighborhood Connections office, which notifies 90 organizations in the City with more than 1,200 members. The public was invited to attend and share thoughts and comments. Comments from the workshop were made available on the City’s website.
- **Commission Hearings.** Pasadena has an active commission structure that is designed to obtain input from a broad segment of stakeholders with regard to housing and other civic affairs. The City therefore solicited input on the housing element from four commissions: 1) the Human Services Commission on July 10, 2013; 2) the Senior Commission on July 31, 2013; 3) the Northwest Commission on August 8, 2013; and 4) the Planning Commission on September 11 and October 9, 2013.

City staff also carefully considered comments made over the past three years on housing issues during the General Plan Land Use and Mobility Element.

## **PUBLIC COMMENTS: HOUSING AND NEIGHBORHOODS**

Pasadena is known for its exceptional quality of life, and residents cherish that aspect. Participants raised questions about the continued need to maintain the quality and character of residential neighborhoods. Development pressures, the need to preserve historic character, older apartments in need of repair, and ongoing code enforcement continue to be important themes.

Key ongoing themes heard include:

- ***Community Character.*** Although the focus of the outreach effort was housing, residents were passionate about what made Pasadena a special place. Focus always wove around preserving and recognizing Pasadena’s key attributes—small-town feel; great neighborhoods; historic architecture and preservation; trees and the beautiful natural setting; diversity of people, businesses and neighborhoods; and other attributes to preserve.
- ***Neighborhood Quality.*** Some participants believed that neighborhood quality does not adequately cover resident concerns. Housing policies should protect not only the quality of single-family neighborhoods, but also character. Chapter 7 of the 2010 Housing Element, where it reads “maintaining neighborhood quality” add the phrase, “and character.”
- ***Historic Preservation.*** Use caution in establishing Historic Landmark Districts as homes lived in by affordable, low-income people who may not be able to maintain or pay for restoration or maintenance of their property. Moreover, establishing such districts also, as currently written, preclude more and more areas from consideration of second unit developments.
- ***Preservation of Housing.*** Often, the focus of housing policy seems to be about new housing for new residents. Preservation of housing for existing residents is more important. Preservation should be about preserving mixed-income neighborhoods, preserving existing market rate affordable housing, not just about preserving historic architecture.
- ***Housing Conditions.*** Although housing conditions are relatively good throughout the majority of Pasadena, certain areas need improvement. Lack of inspections, including interior inspections, has a negative impact on neighborhoods. More code enforcement is needed in these areas. Landlord licensing may result in improved maintenance and accountability.
- ***Second Units.*** Second units raised considerable concern among participants. For some, second units should be precluded in hillside areas because of steep topography, roadway access, and incompatibility area. For others, the second unit ordinance should be customized, allowing units depending upon location and/or compatibility in historic districts.
- ***Resident Diversity.*** Participants valued the significant diversity of Pasadena’s residents—its race/ethnicity, income, age, and household types. However, concern was expressed that continued increases in housing prices and rents were driving out African Americans, causing properties to be demolished, displacing lower income residents and seniors.

## PUBLIC COMMENTS: HOUSING SUPPLY AND DIVERSITY

Participants raised questions about providing the appropriate mix and affordability of units. This includes not only traditional forms of housing, but also alternative models that might provide more opportunities for affordable housing for lower income and special needs households.

Key ongoing themes heard include:

- **Second Units.** The current second unit ordinance has a large (15,000 square feet) lot size requirement that constrains second unit development. Instead of focusing on lot size to determine neighborhood compatibility, the City should consider the context in which a site/lot is located. Moreover, if the goal is to increase the inventory of affordable housing, an affordability covenant should be considered as an effective tool.
- **Parking Options.** Parking allowances were also discussed. In certain parts of Pasadena, more flexible parking requirements could be beneficial. This includes bike parking spaces in lieu of auto parking spaces. The Central District might also benefit from provisions that allow for the unbundling of parking with apartment rent so that renters with no cars pay less rent.
- **Developer Fees.** The question of developer impact fees came up. One participant noted that developer fees are two to three times the rate of other communities. This made it extremely difficult for smaller residential projects to be built. The cumulative cost of the land, removal of structure, and IHO made it financially infeasible to build small residential projects.
- **Affordable Housing.** Production of affordable housing adequate to meet the City's needs was a continued theme. This included making sure the right mix, tenure, and type of housing was built (e.g., small versus family housing). Some participants advocated a set percentage as a goal for affordable housing as an important strategy for the housing element.
- **Inclusionary Options.** As the IHO is the primary affordable housing tool, participants expressed concern about the Palmer Case. The City might explore increasing the percentage of inclusionary units, modifying or eliminating the in-lieu fee to encourage the production of on-site units, or making other changes to encourage the appropriate mix and type of units.
- **Funding Constraints.** When the market improves, the IHO in-lieu fees will likely increase some. However, other state and federal funds are being cut. Critical funding losses led to discussion about opportunities for improving financing options. Ideas included establishing dedicated level of funding for affordable housing, using the documentary transfer tax on all properties sold, establishing a community land trust, or securing new grants.
- **Small Lot Ordinance.** Participants also discussed the option of evaluating the appropriateness of a small lot ordinance. These types of ordinances are being implemented in Glendale, Los Angeles, and other local communities. Small lot homes have been beneficial in that such homes are more affordable, easier to park, more easily financed than condominiums, and allow for the improvement of built out areas in a community.

## **PUBLIC COMMENTS: HOUSING ASSISTANCE AND SPECIAL NEEDS**

The City has an impressive inventory of affordable housing that has been developed over the past decade. Given past trends in the housing market and the desire to maintain a socially and economically diverse population, participants offered many ideas on how to increase assistance to existing residents, particularly those with lower and moderate incomes.

Common themes heard during the outreach are below.

- ***Preservation of Existing Affordable Units.*** Pasadena has a significant number of market-rate rental units affordable to lower income households. These projects are gradually being replaced by higher end developments. Rather than focus solely on new housing production, the City should protect affordable rental housing units for existing renters in Pasadena. Some residents desired a policy of either “no net loss of affordable units” or “one-to-one replacement” for the loss of low and very low income units.”
- ***Tenant Protections.*** City needs to have an ordinance to protect tenants, particularly when tenants are displaced from housing due to excessive rent increases, demolition of existing affordable housing, or conversion to other use. A stronger tenant protection ordinance could include: 1) protections from numerous rapid rental increases; 2) stronger relocation requirements where needed, and 3) prevention of unjust evictions without cause.
- ***Special Needs Housing.*** Participants seemed to unanimously agree with the City’s menu of programs and efforts to address special needs housing. However, several mentioned that all residential units should be wheelchair accessible for people with disabilities and that there should also be a policy for mandatory retention of all affordable senior housing.
- ***New Affordable Housing Models.*** Given the change in the economy and funding sources, participants continued to mention a need to explore and adopt new models for creating and maintaining affordable housing. These include faith-based models, a community land trust model, program to preserve single-family homes, and small lot ordinances, among others. The City should look for best practices throughout the country.
- ***Public Education and Dialog.*** This housing element update period is one of the shortest in California. Participants felt that more education and engagement is necessary. The City could benefit from a stronger learning environment, and decision making on housing needs to be more inclusive. All income levels needs to be encouraged to contribute to housing issues. This may include creating a Housing Commission to stimulate affordable housing and to provide information on housing issues to the community.



**COMMUNITY INITIATIVES**  
APPENDIX E





# E. COMMUNITY INITIATIVES

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Appendix E is a summary of community initiatives highlighted during forums held for the Housing Agenda for Action, Housing Affordability Task Force, and other community forums that addressed contemporary housing issues.

## INTRODUCTION

Pasadena is an excellent model of a successful urban community, and citizen participation is critical to that vision. The City’s vision affirms that people who live and work in Pasadena are the greatest asset. Pasadena welcomes the involvement and commitment that produces a greater quality of life, with citizens and city government working in partnership. This vision is reflected in the general plan as a guiding principle in that informed community participation is a permanent part of achieving a greater City. Such a process is also important for the housing element update.

Since the general plan is a snapshot of community values at a given point in time, it is essential that there is a process for continuously involving the public in planning, monitoring, implementation, and updating the general plan. Informed discourse occurs when there is an exchange of clear and understandable information, and opportunities for citizen input are available. The need for public discussion is critical in the subject of housing, where Pasadena has wrestled with an increasingly uncertain context.

The City held numerous forums to explore timely issues affecting housing policy and programs. Some of the larger efforts undertaken include:

- Housing Affordability Task Force (2004)
- Tenant Protections Task Force (2005)
- City of Gardens Committee (2005)
- PUSD 711 Commission (2005)
- Housing Summit (2006)
- Housing Agenda for Action (2006)
- Workforce Housing Task Force (2007)
- Condominium Conversion Task Force (2008)
- Second Unit Community Meetings (2009)

Through these forums, initiatives were raised by the community, and the merits and drawbacks were debated. Although many initiatives are no longer applicable due to changes in the economy or they have been implemented, the original effort has been included here as a record of those proceedings. As the economy improves and housing market changes, relevant issues may be revisited during the period covered by the 2014–2021 Housing Element.



## 1. HOUSING PRODUCTION

Pasadena's need for affordable housing has been the result of many factors. The demand for housing has been fueled by historical underproduction of housing in the San Gabriel Valley, demographic change locally and regionally, and the emergence of Pasadena as the major city center for employment, history/culture, and education. As the San Gabriel Valley continues to experience population and employment growth, these factors will increase the demand for and price of housing.

The Housing Affordability Task Force (HATF) identified key issues that contribute to the housing shortage today.

- **Greater Need for Affordable Units.** Preliminary regional housing need figures indicate an unmet future need for 2,982 housing units from 2005–2014. Of these new units, an estimated 54% of the new housing need will be needed for very low, low, and moderate income households. Production goals will likely be similar for future planning periods as well.
- **City Buildout.** The City is approaching residential buildout in downtown—many of the specific areas that have historically accommodated housing are reaching their cap. Yet the City wants to preserve lower density character in existing neighborhoods. These factors underscore the importance of targeting growth to selected areas and transportation corridors best suited to accommodate housing.
- **Development Standards.** The HATF contended that development standards, such as open space requirements and City of Gardens requirements, could be constraining the production of housing and, by inference, the production of affordable housing subject to the inclusionary housing ordinance. Mention was also made of potentially revisiting the second-unit ordinance as well.
- **Lack of Regional Coordination.** Lack of regional coordination and inter-jurisdictional equity in the development and dispersion of affordable housing among the San Gabriel Valley and Arroyo/Verdugo cities. Although each jurisdiction within the area is responsible for meeting its own housing obligations, Pasadena is the only city that meets its needs.
- **Rising Housing Prices.** Although not originally identified by the HATF, the increase in housing prices has resulted from historically low interest rates, lax lending practices allowed, overvalued land prices, and sheer speculation in the housing market. These market forces came to fruition in 2007 and led to one of the deepest downturns in recent memory.

The remainder of this appendix lists each major housing program discussed, assesses the applicability and appropriateness of the housing program for the City of Pasadena, and indicates progress and/or accomplishments to date.

**Table E-1: Housing Initiatives to Increase New Housing**

Community-Suggested Programs	Assessment
<p><b>Reduce Open Space Requirement</b> Reduce the open space requirements in residential/commercial mixed-use areas to increase maximum achievable density of mixed-use projects.</p>	<p>Residential densities in Central District are already very high (48 to 87 du/acre), not counting density bonuses. Residential densities of 48 units per acre permitted in CO zone, and 32 units per acre in the CL zone. With densities this high, maintaining sufficient open space in private development is key to ensuring livability.</p> <p>Even if maximum residential densities increased by the reduction of open space, the number of affordable units created would be limited to only 15% of new units. The trade-off between the loss of valuable open space that contributes to quality of life and the marginal increase in affordable housing is not desirable. Maintaining quality of life in a highly urbanized setting is a critical goal.</p>
<p><b>Amend Central District Specific Plan</b> Amend the Central District Specific Plan to provide for increased densities as a means to facilitate the production of additional housing.</p>	<p>The Central District has a limit of 5,095 net market rate units, but has reached its maximum cap under the General Plan and could not accommodate more units without a General Plan Amendment. Adding density in this dense environment without adequate park and recreational area is inconsistent with quality of life goals.</p> <p>Meanwhile, other specific plan areas can accommodate 2,300 additional units by 2015, and areas outside specific plans areas can accommodate 1,500 units by 2015. Targeting growth to other areas is more consistent with the City's General Plan land use goals, neighborhood preservation goals, and quality of life goals.</p>
<p><b>Housing outside Central District—Amend City of Gardens Standards</b> Given that the primary areas for future development of multi-family housing are located outside the Central District and Specific Plan areas, the City could facilitate more housing in either the RM 32 and/or RM-48 zoned areas.</p> <p>Residential development in these areas is regulated by "Gardens Standards." These standards could be amended to provide greater development flexibility to allow new projects to achieve maximum allowable densities—thus increasing the supply of affordable housing.</p>	<p>The City of Gardens Standards have been very successful in creating livable multi-family projects with ample park and open space. At the same time, City staff recognized that the Gardens Standards could preclude achievement of maximum densities and thus result in the loss of affordable housing under the density bonus provisions allowed under local and state law.</p> <p>In 2006, the Gardens Ordinance was amended to include the following flexibility:</p> <ul style="list-style-type: none"> <li>• Adjustments to address impacts of three-story buildings adjacent to RS districts</li> <li>• Allowances for surface parking beyond the rear 40% of the project site</li> <li>• Allowances for greater building height on lots greater than 60 feet in width</li> <li>• Increased flexibility in the shape and location of the main garden.</li> </ul>

**Table E-1: Housing Initiatives to Increase New Housing**

Community-Suggested Programs	Assessment
<p><b>Revisit City’s Inclusionary Ordinance</b>                      Evaluate increasing the inclusionary housing requirement from 15 to 30% around Gold Line stations and along transportation corridors. Include commercial development in inclusionary requirements to address impact on affordable housing demand.</p>	<p>The City has made tremendous strides in creating affordable housing through the Inclusionary Housing Program. However, in creating the affordable requirement, it is critical to balance the needs for new housing while still allowing a reasonable profit that can be used to fund the construction of affordable units.</p> <p>Increasing the inclusionary requirement could constrain residential development, particularly when the residential market begins to soften. According to economic studies undertaken to test the financial feasibility of the inclusionary programs, increasing the requirement beyond 15% is not economically viable.</p>
<p><b>Create Regional Housing Commission</b>                      Create Regional Housing Commission to foster a regional dialogue on issues of housing among local elected officials and provide a vehicle to launch collaborative initiatives to address critical housing needs.</p>	<p>No action has occurred on this to date. The City participates with neighboring cities in the San Gabriel Valley Council of Governments to address housing needs. City staff has been successful in limited joint ventures with surrounding communities, particularly in implementing the homeless continuum of care.</p> <p>Pasadena is exploring the reestablishment of the Arroyo Verdugo Housing and Homelessness Coalition, and joint affordable housing ventures with the City of Glendale, Los Angeles County, and LAHSA. However, the formation of such a regional housing commission has no precedent in California and would be difficult to create and administer in an effective manner.</p>
<p><b>Work with the San Gabriel Valley Council of Government on Subregional and Regional Housing Issues</b>                      Continue to work with the San Gabriel Valley Council of Governments to prioritize affordable housing issues. Develop an action plan for desired housing outcomes with SGVCOG, attend SGVCOG meetings, and follow up on the housing issues raised as part of Pasadena’s 2006 Housing Summit.</p>	<p>The San Gabriel Valley Council of Governments was previously involved in the subregional delegation of authority to allocate housing need among its member jurisdictions. The San Gabriel Valley Council of Governments adopted its Subregional Housing Production Strategy in 2005. This strategy suggests a reform of state housing policy on a pilot basis to allow communities in the San Gabriel Valley to work jointly in funding and producing housing.</p> <p>With the implementation of SB2 and other housing element laws and with a new SGVCOG Housing Committee, there may be greater opportunities for subregional cooperation on issues common to all jurisdictions in the Valley, such as homelessness, cooperative workforce housing initiatives, and other housing programs requiring inter-jurisdictional cooperation.</p>

## 2. HOUSING DIVERSITY

State housing law requires each community to facilitate and encourage a diverse range in types and prices of housing, affordable to all economic and social segments. The Housing Forums proposed the need for a broad range of housing types and prices to meet the diverse needs of Pasadena residents. Proposed types included mixed use, work/live units, workforce housing, cooperative housing, housing for families with children, special needs housing, and second units. Table E-2 lists programs recommended, assesses the applicability, and indicates progress made to date in implementing them.

**Table E-2: Housing Initiatives to Improve Housing Choice**

Community-Suggested Programs	Assessment
<p><b>Small Lot Homes</b> Adopt ordinance to facilitate small-lot, single-family subdivisions in the City as a means to providing affordable homeownership opportunities.</p>	<p>Communities that are not built out often have areas where small lot development is feasible. This type of product is also advantageous in cities with deep lots that are underutilized in terms of residential density, contain dilapidated structures that can be demolished, or where lots are adjacent to one another and can be merged into larger parcels.</p> <p>Pasadena has limited areas zoned RS that would be suitable for rezoning. Most land is developed and thus new projects would require demolitions. Finally, it is not economically feasible to reduce density and downzone other areas. Given these considerations, small lot homes are best accomplished through the existing planned development (PD) process.</p>
<p><b>Work/Live Developments</b> Facilitate work/live developments by reducing code restrictions and providing flexible design standards.</p>	<p>The City adopted an ordinance that conditionally permits work/live in the C-G district. The ordinance requires a maximum of 400 square feet dedicated to living space to ensure that the work component is primary use. However, the 400-square-foot size is insufficient to activate the work/live concept. In 2005, the City extended the inclusionary requirement to include work/live unit projects.</p> <p>Work/live housing satisfies a relatively minor portion of the overall demand for housing in that the housing units are typically small, suitable for only one or maybe two people, are generally expensive, and located in commercial areas. These uses rarely contribute much to affordable housing goals, except through the inclusionary requirement.</p>
<p><b>Revisit Second-Unit Codes</b> Second units can provide housing for seniors, college students, extended family members, and others. However, the 15,000-square-foot lot and two-space parking requirement are a constraint to development. The City should provide incentives to increase the production of second units that have long-term affordability covenants.</p>	<p>Recent changes to the California Government Code require cities to enact ministerial approval process for approving second units (unless very specific findings are made). State law also mandates the use of very permissive statewide development standards if development standards are not adopted by a local government.</p> <p>Pasadena adopted development standards to protect the character and integrity of neighborhoods. However, even if the City adopted more lenient standards, the number of units gained would be relatively few due to the relatively limited number of parcels in the community that can accommodate a second unit.</p>

**Table E-2: Housing Initiatives to Improve Housing Choice**

Community-Suggested Programs	Assessment
<p><b>Mixed-Use Housing</b> The forums proposed amending the Central District Specific Plan to provide for increased densities, and presumably allowing more mixed-use housing, in the Central District.</p>	<p>Amending the Central District Specific Plan would increase the opportunities for mixed-use housing. However, densification and intensification may run counter to quality of life goals. Meanwhile, the City has six other specific plans which offer potential for mixed-use housing along major corridors. Mixed-use housing built in Pasadena has substantially created new housing opportunities, but is typically suitable for small households and affordable to above moderate income households.</p>
<p><b>Rental vs. Ownership Housing</b> HATF advocated focusing 90% of City resources on rental units and 10% on ownership units. Renters have a greater need for affordable housing. Homeownership assistance should focus on moderate income owners.</p>	<p>Pasadena provides funding for homeownership opportunities that exceeds the 10% goal proposed by HATF. At the same time, Pasadena is facing increased displacement due to the loss of rental housing and rising price of homes that only the wealthiest can afford. This issue merits a discussion of the City's Housing Vision to maintain a socially and economically diverse community of renters and owners. This conversation should include a discussion of the subsidy levels required to ensure affordability, limitations of funding, and the perceived and desired need of affordable housing.</p>
<p><b>Encourage Accessible Development</b> The City should actively pursue the development and implementation of universal design standards to accommodate people with disabilities.</p>	<p>The City has adopted provisions that encourage the production of housing accessible to people with disabilities. These include:</p> <ul style="list-style-type: none"> <li>• Requiring PCDC-funded projects to be designed to allow first-floor accessibility and living accommodations for disabled persons in compliance with state law.</li> <li>• Facilitating the production of housing specifically designed for disabled people, including projects such as the Pasadena Accessible Apartments, Euclid Villa, etc.</li> <li>• Adopting an ordinance to allow City to grant reasonable modifications where needed to create or retrofit housing that is more accessible for people with disabilities.</li> <li>• Implementing, through the Accessibility and Disability Commission, regulations and practices to further equal opportunity.</li> </ul> <p>The City has also initiated Zoning Code amendments to encourage the production of life/care housing.</p>
<p><b>Affordable Housing Co-ops</b> Establish affordable housing co-ops, providing City funding to assist homebuyers to jointly purchase multi-unit properties.</p>	<p>There has been no action to date on this initiative. An affordable housing co-op program has potential applicability in Pasadena. Two co-housing groups already exist in Pasadena. Limited equity cooperatives, another form of co-ops, could also be explored.</p>

**Recommendation**

Pasadena has been successful in facilitating and encouraging a broad range of housing types—single-family homes, condominiums, apartments, mixed-use, special needs housing, and housing accessible to people with disabilities. The City could consider additional housing initiatives through a limited equity cooperative housing, workforce/employee housing, and other initiatives. Also recommended is a policy level forum on Pasadena’s diversity and the housing and price points required to ensure the City’s housing vision.

### 3. ENTITLEMENT PROCESS

The City of Pasadena is known for its high quality residential development that contributes to neighborhood character. While the entitlement process has been successful in facilitating quality residential development, the Housing Forums raised the same common theme—that the length of the entitlement process is a substantial impediment to the City achieving its housing production goals. Comments from the forum specifically mentioned:

- **Entitlement Process.** The City’s complex entitlement process for residential development adds significantly to project costs and development risk. This includes multiple reviews for discretionary permits from different City commissions, including environmental reviews, and significant delays in obtaining funding for affordable housing projects.
- **Development Fees.** The City’s development fees are high, particularly residential impact fees, although park fees have been historically one of the lowest in the San Gabriel Valley. Pasadena’s building permit, plan check, and development impact fees rank higher than comparable cities, and now comprise up to 15% of construction costs.
- **Review of Projects.** The City Council may become too involved at times in individual projects by calling up residential projects for review. Rather, City staff should be delegated more authority in reviewing and approving residential projects, particularly those consistent with City goals. Projects are receiving duplicative review by other Commissions.
- **Processing Time.** A key factor affecting the feasibility of housing production and in particular affordable housing financing is time. Reducing unnecessary delay in the entitlement process while providing greater predictability and certainty to developers would help ensure that market rate and affordable housing projects are built.

Housing developers face significant challenges in constructing new housing. For the private sector, for-profit developers must be creative and spot opportunities that provide an acceptable rate of return on investment. The nonprofit developer has a mission to provide housing and must combine market savvy with a hunt for subsidies to produce homes at below-market rates. At the same time, developers must navigate an uncertain housing market and secure and leverage multiple financing sources.

Summarized in Table E-3 are recommendations offered by the HATF and other groups for consideration by the City Council.

**Table E-3: Housing Initiatives to Improve Project Approval**

Community-Suggested Programs	Assessment
<p><b>Joint Powers Commission</b>                      Create a Joint Powers Commission consisting of representatives from the Design Commission, Pasadena Community Development Committee, and Planning Commission. The purpose of the Joint Powers Commission is to provide expedited, “one-stop” review of affordable housing and could include all discretionary items, such as design review, use permits, and variances.</p>	<p>This recommendation was in response to delays in the approval and construction of affordable housing projects. Staff believes the delays for most projects are not related solely to the approval process, but other issues such as project financing or site control. Staff expressed concern for significant financial or legal impacts by substantially modifying the existing entitlement process to support a new advisory body with unilateral approval authority.</p> <p>In lieu of creating a Joint Powers Commission, the Council adopted expedited approval of affordable housing projects. This goal is achieved by: (1) the processing of a single application for zone changes, variances, and other discretionary permits; and (2) assigning case managers to expedite processing and discretionary approval of projects.</p>
<p><b>Administrative Staff Review</b>                      Establish administrative, staff-level review for residential projects with 50 or fewer units, presumably projects which have less environmental impacts on neighborhoods, traffic, etc. (City of Santa Monica model)</p>	<p>The City is committed to providing opportunities for neighborhood involvement and public comment to ensure quality development. The City’s long history of providing for sufficient public involvement has resulted in excellence in project design and neighborhood compatibility.</p> <p>Administrative review of projects, although it expedites project review and approval, could lessen public involvement, a key City goal. Expedited review could also unnecessarily delay other projects as City staff is diverted to serve expedited projects unless additional financial and staff resources are provided.</p>
<p><b>Affordable Housing Expedited Review Mechanism</b>                      Create review mechanism to expedite approvals for affordable housing projects. Particularly critical when non-profits need to purchase land.</p>	<p>Priority development review is provided informally for affordable projects where HCD staff indicates to planning staff a need for expedited review. Case managers are already assigned to individual projects to help expedite the processing of discretionary approvals. This option differs from the former administrative review, in that expedited project review only applies to affordable housing projects. Affordable housing could also be expedited by creating a single point of entry into the City’s government structure.</p>
<p><b>Streamline CEQA Review</b>                      Adopt methods for streamlining CEQA reviews, including establishing a specific checklist for exempt projects, and provisions for tiering under the EIRs that are prepared for either the City General Plan or Specific Plan areas.</p> <p>Some cities, such as the City of San Diego, have adopted streamlined approaches to</p>	<p>Developing Master EIRs designed to help expedite projects are, in theory, workable. However, specific residential development projects often have site-specific impacts that cannot be accounted for in a Master EIR. These Master EIRs are often outdated very quickly. Granting exemptions is thus problematic. However, Program EIRs are an alternative.</p>



**Table E-3: Housing Initiatives to Improve Project Approval**

Community-Suggested Programs	Assessment
<p>CEQA review and proposed project exemptions that meet specific criteria.</p>	<p>For example, traffic impacts are a significant issue in Pasadena, particularly in downtown where densities are already high and in neighborhoods where intensified development is occurring. Streamlining CEQA to reduce traffic study thresholds would impact neighborhoods and engender challenge. Recent legal challenge to San Diego’s CEQA project exemptions have resulted in San Diego’s adopting a more conservative application of exemptions.</p>
<p><b>Affordable Housing Expedited Review Mechanism</b> Streamline City funding process and coordinate with planning entitlement process to ensure more predictability and timeliness in the process.</p>	<p>HCD recently devised a Housing Development Funding Application to solicit and accept funding proposals, with the goal to achieve funding approval within 4 months or less. Typically, the City enters into an exclusive negotiation with developers for the preparation of a DDA, OPLA, etc., to implement the proposed project. A project-specific summary of key terms/conditions is presented to the City Council upon completion of the negotiations for approval along with associated legal documents.</p>
<p><b>Waive Fees for Affordable Units</b> Fees charged on affordable housing projects should be waived or eliminated to reduce the cost of development</p>	<p>City offers significant waivers on the residential impact fee (RIF) for projects providing on-site IHO and/or workforce units. Projects providing affordable units pay reduced RIF of \$756 per affordable unit. If all required IHO units are provided on-site, market-rate units also receive a 30% RIF discount. Projects with at least 15% workforce units receive a 35–50% rebate on such units. Fee waivers for affordable housing mitigate the impact of the RIF on affordable housing and provide incentive for provision of on-site inclusionary units.</p>

**Recommendation**

Although the best method of expediting project review and approval review is undecided, it is clear that the option must meet several City objectives. Such an expedited process must: (1) respect the current purview of existing advisory bodies; (2) preserve neighborhood involvement and public review, (3) ensure housing of lasting quality and design, and (4) appropriately mitigate environment impacts. The City Planning and Development and the Housing Division could consider an expedited review process within the City, enhanced funding for City staff to review and expedite projects, and improved capacity through the development of a relationship with a Nonprofit Housing Development Corporation.

## 4. SOCIAL DIVERSITY

The City of Pasadena is committed to maintaining a socially and economically diverse population and affirming the contributions that each resident makes. As such, the City's commitment to diversity is reflected in the City's mission, its General Plan, Housing Vision, and the Policy on Children, Youth, and Families. This statement identifies six key areas to be pursued to improve the health and well-being of children, youth, and families in Pasadena—good health, safety and survival, economic well-being, social and emotional well-being, education, and information and access to services.

As discussed in earlier chapters, Pasadena has made considerable progress in facilitating the production of a range of housing—senior, housing for people with disabilities, student housing, mixed-use products, and many more. However, because of the price and supply of suitable housing, many lower and moderate income family households may locate in communities with lower housing prices. Some of the challenges to providing affordable housing opportunities are as follows:

- **Changing Demographics.** Pasadena has seen significant escalation of home prices and rents, to the point that only upper income households can afford housing. This is causing displacement of lower income and some minority groups. This trend is evidenced in declining enrollment in PUSD, particularly in northwest Pasadena, home to the majority of lower income, African-American, and Hispanic households.
- **Condominium Conversions.** In addition to increasing apartment rents, many older and modestly priced apartments are being converted to condominiums. Approximately 800 units have converted since 2001, with an increase in applications in recent years. While providing more affordable ownership opportunities, residents are still being displaced. This phenomenon has slowed in the past year with changes in the market.
- **Publicly Assisted Housing.** The City of Pasadena may have approximately 1,000 affordable units at risk of conversion from affordable to non-affordable rents. The loss of these affordable housing units would disproportionately impact low income persons, African Americans, Latinos, and individuals and families with special needs.
- **Housing Prices.** Although not originally identified by the HATF, the increase in housing prices has also made it increasingly difficult to afford housing in Pasadena. The causes are numerous, but essentially resulted from historically low interest rates, lax lending practices, overvalued land prices, and speculation in the housing market.

The following Table E-4 summarizes the major initiatives proposed by the community, the City's response, and the Consultant's assessment.

**Table E-4: Housing Initiatives to Reduce Displacement**

Community-Suggested Programs	Assessment
<p><b>Tenant Protections</b>                      The Task Force recommended expanding the outreach, accessibility, and related services of agencies that provide housing rights services to tenants. The HATF recommended that mediation be promoted if tenants are asked to vacate without fault. The Task Force also recommended that the City Council adopt an ordinance that requires landlords to give tenants 90-day notice if they raise rents by more than 10% per year or intend to evict the tenant due to demolition of the unit.</p>	<p>State law preempts cities from adopting more stringent regulations for tenant protections where a regulation is already provided for in state law. This is the case for advance notice of rent increases (90-day notice), but not for other measures, such as relocation assistance.</p> <p>As part of a new Tenants Protection Ordinance, the City adopted several measures to stem the displacement of tenants in good standing:</p> <p>Expanded housing mediation services to provide review of landlord decisions that affect rents for tenants in good standing.</p> <p>Requirement that landlords distribute a multilingual landlord/tenant information sheet to tenants.</p> <p>Requirement for relocation costs for households earning up to 140% MFI where the unit is removed from the rental housing market.</p> <p>Requirement that the tenant maintains first right of refusal to reoccupy the unit except for when the unit is permanently removed from the rental market.</p>
<p><b>Move-in Grant Program</b>                      Create a move-in grant program for lower income renters.</p>	<p>HCD has established new Emergency Rental Assistance Deposits Program that offers loans to low income households to cover the security deposit to move into a privately owned rental unit. Participants make monthly payments to the City on the loan, and when the participant vacates the unit, any outstanding monies are returned to the City. For this program, \$100,000 in HOME funds is allocated.</p>
<p><b>Preserve Market Rate Apartment</b>                      Preserve existing market-rate apartment buildings and transition into deed-restricted affordable units.</p>	<p>The City has in the past provided funding for multi-family housing acquisition and rehabilitation with affordability covenants on select projects. The City has not aggressively pursued efforts to buy down or purchase affordability covenants on existing market rate apartments.</p> <p>The City has funding available for all these activities and contacts property owners as new opportunities arise. It might be appropriate working with a local nonprofit or form a nonprofit housing corporation to pursue this goal. The City is committed to investigating the feasibility of enhancing its programmatic efforts in this area.</p>
<p><b>Extend Inclusionary Requirement to Condominium Conversions</b>                      Require condominium conversions to adhere to City inclusionary housing ordinance, providing on-site affordable ownership units within the project.</p>	<p>Condo conversions are presently accelerating due to the windfall of profits achievable. More than 400 units were converted in the past several years. City staff is working on a proposal to address the need to regulate condominium conversions to ensure the following:</p>

**Table E-4: Housing Initiatives to Reduce Displacement**

Community-Suggested Programs	Assessment
	<p>Consistency with the Inclusionary Housing Program with respect to income levels, affordability terms, and other key terms.</p> <p>Phased in affordability requirements for projects of different sizes that target moderate &amp; workforce income households.</p> <p>Long-term affordability covenants that mirror protections under the existing inclusionary ordinance.</p> <p>Provision to recapture equity in case a project is sold before the term ends and/or allows the City the first right of refusal.</p> <p>Consistency with the City’s Tenant Protections Ordinance with respect to relocation assistance and benefits, noticing, and other key terms.</p> <p>Consistency with Local Preference and Priority System Guidelines.</p>
<p><b>Preserve At-Risk Affordable Units</b> Focus resources to preserve affordable rental units at risk of conversion to market rate housing.</p>	<p>The City has provided funding support to assist in the long-term preservation of three affordable projects at risk of conversion to market-rate—Kings Village, Green Hotel, and the Concord. The three approaches involved—rehabilitation financing, purchase of affordability covenants, and acquisition—are a model for future efforts. In addition, the City’s IHO now provides for the purchase of affordability covenants as an eligible use of in-lieu inclusionary fee revenues.</p> <p>The housing element recommends expanding the preservation program as follows:</p> <ul style="list-style-type: none"> <li>• Augment staff capacity to implement expanded preservation program,</li> <li>• Develop additional sources to fund the preservation program,</li> <li>• Broaden preservation efforts to include purchase of existing apartments,</li> <li>• Work with property owners and the real estate community to identify projects.</li> </ul>

**Recommendation**

Pasadena housing rents and sales prices are increasing faster than household income, threatening and in many cases displacing long-term residents. The most cost-effective approaches to stemming displacement of residents while contributing to affordable housing goals are to: (1) preserve existing affordable housing at risk of conversion; (2) focus on providing financial assistance to help owners of market-rate apartments improve their properties in return for affordability covenants; and (3) direct efforts at extending affordability covenants onto condominium conversions.

## 5. HOUSING RESOURCES

All communities face the challenges of securing financial resources to produce affordable housing, whether through intergovernmental transfer of funds, private sources, or through the philanthropic community. Given the high prices of land in Pasadena’s hot real estate market, it is equally important to have available land at reasonable prices for new housing opportunities. The Housing Forums identified key challenges in securing resources:

- **High Land Costs.** Given the high demand for housing and the shortage of vacant land, most new opportunities for affordable housing are infill. Such development involves the purchase of land, demolition of an existing use, and in some cases relocation of the use. The difficulty of acquiring sites, particularly those that have commercial value, has resulted in unusually high land costs.
- **Financing Limitations.** Financing affordable housing is an expensive proposition, usually requiring multiple private, public, and nonprofit partners. Pasadena has been particularly aggressive in securing funding, but must continue to be creative in seeking, securing, and leveraging funding resources. At the same time, changes in the housing market and financing industry have made certain funding sources no longer feasible.
- **Need for Expanded Partnerships.** Public-private partnerships are key to addressing the need for affordable housing, including the provision of supporting community services. Partnerships need to be cultivated to not only leverage and maximize limited financial resources, but also to provide additional administrative resources to implement housing programs.

Table E-5 summarizes initiatives proposed by the Housing Forums for consideration by the City Council and the City’s actions taken to date.

**Table E-5: Housing Initiatives to Enhance Resources**

Community-Suggested Programs	Assessment
<p><b>Adopt New Special Taxes</b> Pursue new taxes, such as a parcel tax, transfer tax, and/or “flipper” tax, to help fund the production and retention of affordable housing in Pasadena.</p>	<p>Passage of new tax initiatives in today’s post-Proposition 218 climate requires a two-thirds majority of the electorate. In today’s climate, few cities are successful in adopting new special taxes, unless for public safety or other pressing need of existing residents. The City has had success in passing special taxes, but these were for current services affecting residents.</p>
<p><b>Federal New Market Tax Credits</b> Apply for funds through eligible entity created for this purpose, receive loans or investments from a recipient of the credits, and sell loans to a recipient of the credits for housing. NMTCs are attractive tax shelters for corporations and allow the City to leverage City funds for housing and community</p>	<p>The City, Los Angeles County, and the State have jointly sponsored the 39-unit Fair Oaks Court project, the first affordable ownership project in the City to use NMTCs. The City is committed to pursuing other NMTCs transactions where appropriate and feasible.</p>

**Table E-5: Housing Initiatives to Enhance Resources**

Community-Suggested Programs	Assessment
development activities.	
<p><b>Federal Home Loan Bank Funds</b> Apply for Federal Home Loan Bank funds for down payment assistance. Seek out partnerships with organizations that can use Affordable Housing Program (AHP) funds. Arrange for access to these funds through local banks.</p>	City has not directly applied for these funds but rather supported the leveraging of AHP funds by developers of City-sponsored projects.
<p><b>Attract Social Investment Funds</b> Attract funds for land assembly, projects, and loan funds. Examples include Calvert Social Investment Foundation and Los Angeles Genesis Workforce Housing Fund (pension funds).</p>	The City is actively pursuing participation of philanthropic organizations in the provision of affordable housing opportunities through the provision of social services, funding, and real estate resources. By example, the California Community Foundation is pursuing an initiative to develop a Community Reinvestment Plan for the City of El Monte that would provide the vehicle for channeling philanthropic investments into worthy community development projects.
<p><b>Affordable Housing Bond</b> Seek voter approval in passage of an Affordable Housing Bond.</p>	Typically, affordable housing general obligation bonds are difficult to pass on a local basis, as indicated by the recent failure of the Affordable Housing bond in the City of Los Angeles. Over the past five years, voters approved two state housing bonds: Prop 46 for \$2.1 billion and Prop 1C for \$2.8 billion. Local bonds for public safety and schools tend to gain greater public support. The City and Pasadena Unified School District (PUSD) have experience in passing various bonds for public facilities and services.
<p><b>Congressional Earmark</b> Request a congressional earmark for a specific project/program. Continue discussions with area churches regarding pursuit of funding via the President’s Faith-Based Initiatives.</p>	City and New Revelation Missionary Baptist Church sought faith-based funding for an eight-unit permanent housing development for formerly homeless. Project received funding and is moving forward.
<p><b>Commercial Linkage Fee</b> Pursue adoption of a commercial linkage fee on new development and where there is a change in use, and place the revenues in Housing Trust Fund to be used for affordable and workforce housing.</p>	Given the City’s desire to stimulate job creation, a commercial impact fee could disincentivize businesses to relocate or expand in Pasadena. The loss of potential jobs would be counterproductive to City economic development goals. Additional opportunities to consider might be a slight increase in existing affordable housing fees.
<p><b>Maintain Clearinghouse of Sites</b> Maintain clearinghouse of potential residential sites. These would include: City-owned land State property such as Caltrans PUSD surplus properties.</p>	The Redevelopment Agency maintains inventory of sites, yet majority are remnant parcels and difficult to develop. City previously pursued purchase of Caltrans homes for use as affordable housing and determined that such purchases were infeasible. City staff has compiled inventory of City-owned sites, including several public parking lots.

**Table E-5: Housing Initiatives to Enhance Resources**

Community-Suggested Programs	Assessment
<p><b>Establish Land Bank</b>                      Establish a land bank of properties for future development, including commercial and residential redevelopment opportunities, single-family homes for renovation and resale, assisted rental properties at risk of conversion, and nonresidential facilities suitable for adaptive reuse.</p>	<p>City currently purchases properties for affordable housing as opportunities present themselves. However, there is no comprehensive approach to assembling inventory of properties. Chapter 6 recommends a new program initiative to land bank properties.</p>
<p><b>Evaluate Long-Term Lease of PUSD Surplus Properties for Housing</b>                      PUSD recently published the 7-11 Committee Report on recommendations for use of seven surplus school properties. The District’s goal is for long-term ground lease of properties, with housing, including workforce housing, recommended on four sites.</p>	<p>The City has initiated limited discussion with PUSD regarding the sites, but no further action has been taken. Chapter 6 recommends a new program initiative to land bank properties.</p>
<p><b>Buy Covenants on Caltrans Homes</b>                      Evaluate the potential of the City purchasing affordability covenants on Caltrans-owned single-family homes sitting vacant along the 710 Corridor.</p>	<p>City initiated discussion with the State of California to purchase Caltrans homes for use as affordable housing. The City of Pasadena submitted a bid to Caltrans in 2004 for two of these properties for \$170,000 and \$292,500 with the intention of reselling the units as affordable ownership housing. However, the City was unsuccessful because under the provisions of the Roberti Bill (SB86), “Sales of Surplus Residential Property,” the City is designated as a lower priority purchaser. An amendment to the Roberti Bill to implement this strategy has not been approved.</p> <p>It is also important to continue and strengthen efforts toward acquiring covenants on existing multi-family units. Policies in the housing element will reinforce this emphasis.</p>

**Recommendation**

As mentioned above, the City of Pasadena has been creative and successful in securing a wide range of funds and land for production of affordable housing. The City has also been active in redesignating land to provide a range of housing opportunities for persons of all income levels and abilities. However, given the limited opportunities remaining, the City could also consider a new land banking program and creation of a new funding source for affordable housing through the San Gabriel Valley Trust Fund.

## ISSUE 6: ADMINISTRATIVE CAPACITY

The increasing complexity of structuring financial deals and transactions, seeking and applying for state/federal/private funding, and administering affordable housing programs requires significant administrative capacity. The City of Pasadena, HATF, and other forums recognized the complexity of the affordable housing landscape and thus proposed a series of alternatives for consideration by the City Council. These initiatives are shown in Table E-6.

**Table E-6: Housing Initiatives to Enhance Administrative Capacity**

Community-Suggested Programs	Assessment
<p><b>Create a Community Development Financial Institution (CDFI)</b>                      The City could partner with an existing CDFI or create a Pasadena-focused CDFI to facilitate affordable housing. CDFIs have enhanced ability to access funds from the U.S. Treasury with matching nonfederal funds. This allows the City to effectively invest its dollar resources with a significantly greater return on investment.</p>	<p>The City has discussed with Pasadena Development Corporation (which is already one) and Heritage Housing Partners the formation of a community development entity.</p>
<p><b>Create Regional Housing Commission</b>                      Create Regional Housing Commission to foster a regional dialogue on issues of housing among local elected officials and provide a vehicle to launch collaborative initiatives to address critical housing needs.</p>	<p>The City participates with neighboring cities in the San Gabriel Valley COG to address housing needs. City staff has been successful in limited joint ventures with cities, particularly in implementing the homeless continuum of care. The formation of a regional housing commission has no precedent in California and would be difficult to create and administer.</p>
<p><b>Work with SGVCOG on Housing Issues</b>                      Continue to work with the San Gabriel Valley Council of Governments to prioritize affordable housing issues. Develop an action plan for desired housing outcomes with SGVCOG, attend SGVCOG meetings, and follow up on Pasadena 2006 Housing Summit issues.</p>	<p>The SVCOG already is involved in the subregional delegation of authority to allocate housing need among its member jurisdictions. The San Gabriel Valley Council of Governments adopted its Subregional Housing Production Strategy in 2005. This strategy suggests a reform of state housing policy on a pilot basis to allow communities in the San Gabriel Valley to work jointly in funding and producing housing.</p>
<p><b>Lead Effort to Identify Existing and Potential Affordable Housing Organizations</b>                      Lead an effort to identify agencies in the San Gabriel Valley. Evaluate the capacity of these organizations and provide technical training and assistance.</p>	<p>The City facilitated an arrangement for New Revelation and A Community of Friends to partner in the development of an eight-unit permanent supportive housing project.</p>



**Table E-6: Housing Initiatives to Enhance Administrative Capacity**

Community-Suggested Programs	Assessment
<p><b>Nonprofit Pasadena Housing Development Corporation</b> Create and fund a local nonprofit Housing Development Corporation similar to Burbank, West Hollywood, and Santa Monica to focus on affordable housing, rehabilitation, and services in Pasadena.</p>	<p>No action to date. Chapter 6 proposes the development of a new Nonprofit Housing Development Corporation or establishment of direct working relationship with existing nonprofits to facilitate the production, rehabilitation, and preservation of affordable housing.</p>
<p><b>Faith-Based Communities</b> Establish coalitions with faith-based communities to produce affordable housing (e.g., Santa Fe New Mexico Roundtable). Pasadena has local resources available to help establish and strengthen a variety of faith-based housing initiatives.</p>	<p>The City of Pasadena facilitated a partnership consisting of New Revelation, A Community of Friends, and Southern Presbyterian Homes to pursue the development of a variety of affordable housing, including projects for homeless people.</p>
<p><b>Building Capacity of Local Affordable Housing Developers</b> Increasing capacity is both internal and external to the City of Pasadena. Part of ensuring adequate capacity is through use or building of capacity among local affordable housing developers. Knowledgeable developers are best positioned to efficiently propose successful affordable infill housing in complex settings such as Pasadena.</p>	<p>Local housing developers continue to receive funding and assistance from the City and provide new affordable housing in the City. Numerous workshops and roundtables were convened to review developer capacity and propose opportunities for training, linkage, or partnerships with veteran housing sponsors. Through the efforts above, the City initiated partnerships with New Revelation, Heritage Housing, Affordable Housing Services, Trademark, etc., for the provision and/or development of affordable housing.</p>
<p><b>Subregional Joint Powers Agency</b> Following the 1998–2005 RHNA process, significant discussion has occurred regarding the need for a cooperative structure for addressing the region’s housing needs and perhaps establishing a joint powers authority or trust.</p>	<p>The San Gabriel Valley Council of Governments, in its annual work plan, is considering pursuing the creation of a Joint Powers Authority or other cooperative arrangement to address the production of affordable housing.</p>

### Recommendation

The challenge to building administrative capacity is local and subregional. Clearly, action is needed at the local level to deal with Pasadena-based issues, which the formation of a local nonprofit housing corporation may address. However, given that affordable housing is an issued shared by all San Gabriel Valley cities and that no one city can do it alone, the City could consider formation of a subregional entity to address housing on a subregional scale.





