

Current

Program 2.c: Mt. Hope Specific Plan Area/Rancho Las Bolsas

The former Fountain Valley Community Development Agency acquired the land known as Mt. Hope and entered into an agreement with an affordable housing developer to construct 128 new rental housing units affordable to lower and moderate income households. Following the dissolution of the Fountain Valley Community Development Agency for Community Development, the Housing Authority retains control over the project. The Housing Authority will continue to work with the housing developer to explore alternative financing and funding that will allow construction of affordable housing on the site. If during the development process the City finds that changes to the Rancho Las Bolsas project are necessary to meet changes in funding/financing or market conditions, the City will evaluate additional sites to accommodate any remaining lower income needs resulting from a changed project.

Project Cancelled

Objective:	128 new housing units, affordable to lower and moderate income households
Responsible Agency:	Planning and Building Department, Housing Authority
Financing Source:	State, federal and/or private funds
Time Frame:	2021

Program Added

Program 2. C; South County Island

In 2015 the Housing Authority decided the best strategy was to sell the 3.9 acres since due to the restrictive covenant on the property it could no longer be used for affordable housing. The Authority issued a request for proposals from developers interested in buying the property for assisted living. A buyer for the property was found and escrow was closed in March 2017. The proceeds from the sale were placed in the Low to Moderate Income Housing Asset Fund. In April 2017, Authority began a search for suitable site for an affordable housing development. In June 2017 the Authority is contacted by C&C Development with an opportunity to develop 60 units of affordable workforce housing. The proposed parcel is part of an annexed County island. The annexed island consists of 6 parcels totaling 6.49 acres. The City's goal is to amend the current specific plan zoning on the parcels to allow the construction of affordable housing by right. This will provide the ability to construct approximately 194 affordable units. This site will exceed the number of units that was described in the 2014-2021 Housing Element.

The City of Fountain Valley is 98% built-out, the availability of land to develop affordable housing is very difficult to obtain. This site provides the ability to secure a parcel immediately that will accommodate approximately 60 units is very difficult to find. The parcel that is ready for development is a vacant parking lot that was used for car auctions. The other uses on the remaining parcels include self-storage and a retail building materials lot. The affordable housing developer has a pending purchase and sale agreement for two parcels that can yield the approximately 60 units. After the zoning change on the entire 6.49 acres (6 parcels) is completed, the remaining 4 parcels should become more attractive to affordable housing developers.

To permit the development of multifamily housing affordable to lower-income households by right (without discretionary action), the City will rezone and amend other designations as

appropriate for the 6.49 acres (described above), allowing affordable residential uses, at a density of minimum of 20 units per acre and up to 30 units per acre by April 15, 2018. An affordable housing developer may apply for a density bonus as per State law or utilize the Affordable Housing Incentives outlined in the amended Specific Plan of increased height limits and smaller unit sizes. Rezoned parcels will be suitable, have the capacity for at least 162 units, and will be available for development in the planning period where water and sewer can be provided.

Objective:	60 units of affordable housing meeting SB 341 funding requirements. Rezone 6.49 acres to allow affordable housing by right.
Responsible Agency:	Planning and Building Department, Housing Authority
Financing Source:	State, federal and/or private funds
Time Frame:	2021