



CITY COUNCIL AGENDA REPORT

MEETING DATE: JULY 19, 2005

ITEM NUMBER:

SUBJECT: VIABILITY OF CONVERTING MOTELS TO AFFORDABLE SENIOR HOUSING

DATE: JULY 7, 2005

FROM: DEVELOPMENT SERVICES/PLANNING DIVISION

PRESENTATION BY: DON LAMM, DEPUTY CITY MANAGER-DEVELOPMENT SVCS DIRECTOR

FOR FURTHER INFORMATION CONTACT: DON LAMM, (714) 754-5270

RECOMMENDATION:

Review Senior Housing Study and determine if staff should develop a list of financial incentives to promote the conversion of motels to affordable senior housing.

BACKGROUND/ANALYSIS:

On May 4, 2005, Council Member Bever requested staff to identify incentives and implementation measures for converting existing motels to affordable senior citizen housing. In response to this request, staff has attached the *Senior Housing Study* previously presented to Council at the March 2003 study session, prior to Council Member Bever's term. This study was prepared pursuant to City Council Community Objectives 03-B1 and 03-D1.

The Senior Housing Study provides a discussion of the City's current policy of converting motels to Single Room Occupancy Hotels (SROs) (see page 7). Specifically, City Council Policy 500-5 has been in place since 1991, and it has resulted in the conversion of three motels on Newport Boulevard to SROs. The Newport Senior Village project (91 units) is devoted entirely to senior citizens. Although, the Newport Senior Village project was developed without any public assistance, the report concludes development of a similar project will require public assistance.

Thus, the necessary implementation policy is in place to allow motels to be converted to permanent housing. However, staff believes that Council Policy 500-5 could be revised to place an emphasis on providing affordable senior citizen housing. The previous study does not include any financial incentives. Therefore, if Council desires it, staff will draft a list of financial incentives, including available public financial assistance programs, for promoting the conversion of additional motels to affordable senior housing. Staff will bring the financial incentives back for Council's consideration at a later date.

ALTERNATIVES CONSIDERED:

Council may determine that the City's existing policy to convert motels to Single Room Occupancy Hotels is sufficient and that additional financial incentives are not required.

FISCAL REVIEW:

This study does not require any fiscal review.

LEGAL REVIEW:

This study does not require any legal review.

CONCLUSION:

City Council may direct staff to develop a list of financial incentives to promote the conversion of existing motels to affordable senior citizen housing. If this is Council's direction, staff will return at a later Council meeting with incentives for Council's consideration.



DONALD D. LAMM, AICP
Deputy City Mgr.-Dev. Svs. Director

DISTRIBUTION: City Manager
City Attorney
Public Services Director
Staff (4)
File (2)

ATTACHMENTS: 1 Senior Housing Study

File Name071905SeniorHousng	Date: 070705	Time: 8 a.m.
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ATTACHMENT 1

Senior Housing Study



CITY OF COSTA MESA

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DEVELOPMENT SERVICES DEPARTMENT

**FOR ATTACHMENTS NOT INCLUDED IN THIS
REPORT, PLEASE CONTACT THE CITY CLERK'S
OFFICE AT (714) 754-5121**