City of Rolling Hills INCORPORATED JANUARY 24, 1957

NO. 2 PORTUGUESE BEND ROAD
ROLLING HILLS, CA 90274
(310) 377-1521
FAX (310) 377-7288

AGENDA
Regular Planning Commission Meeting

PLANNING COMMISSION
Tuesday, June 01, 2021

CITY OF ROLLING HILLS
6:00 PM

ADJOURNED PLANNING COMMISSION MEETING
Executive Order N-29-20

This meeting is held pursuant to Executive Order N-29-20 issued by Governor Newsom on March 17, 2020. All Planning Commissioners will participate by teleconference. Public Participation: City Hall will be closed to the public until further notice.

A live audio of the Planning Commission meeting will be available on the City's website (https://www.rolling-hills.org/PC%20Meeting%20Zoom%20Link.pdf).

The meeting agenda is also available on the City's website (https://www.rolling-hills.org/government/agenda/index.php).

Join Zoom Meeting via https://us02web.zoom.us/j/99343882035?pwd=MWZXaG9ISWdud3NpajYwY3dF bllFZz09

Meeting ID: 993 4388 2035 Passcode: 647943

Members of the public may submit comments in real time by emailing the City Clerk's office at cityclerk@cityofrh.net. Your comments will become a part of the official meeting record. You must provide your full name but do not provide any other personal information (i.e., phone numbers, addresses, etc) that you do not want to be published.

1. **CALL MEETING TO ORDER**

2. **ROLL CALL**

3. **APPROVAL OF THE AGENDA**

4. **PUBLIC COMMENTS ON MINUTES AND ANY ITEM NOT ON THE AGENDA**

5. **APPROVAL OF MINUTES**
   None.

6. **RESOLUTIONS**
   None.

7. **PUBLIC HEARINGS ON ITEMS CONTINUED FROM PREVIOUS MEETING**
   None.

8. NEW PUBLIC HEARINGS

8.A. RESOLUTION RECOMMENDING CITY COUNCIL ADOPTION OF AMENDED 2013-2021 HOUSING ELEMENT.

RECOMMENDATION: Recommend approval of Resolution No. 2021-06 to the City Council.

2021-06.PC RESOLUTION HousingElement.docx
Attachment2-HCDPre-ComplianceFinding-042621.pdf
Attachment3-2014HCDCommentswith2021Responses.pdf
RollingHills2014-2021HousingElement-forCouncilAdoption-April2021.pdf
Iniital Study 2014-2021 Update.pdf
Corso.pdf
Gregorio.pdf

9. NEW BUSINESS

None.

10. OLD BUSINESS

None.

11. SCHEDULE FIELD TRIPS

A. 75 Saddleback Road
B. 2 Spur Lane

12. ITEMS FROM STAFF

None.

13. ITEMS FROM THE PLANNING COMMISSION

14. ADJOURNMENT

Next meeting: 15, June, 2021 at 7:30 AM Field Trip and 6:30 PM via teleconference:
https://us02web.zoom.us/j/99343882035?pwd=MWZXaG9ISWdud3NpajYwY3dFbllFZz09
Meeting ID: 993 4388 2035 Passcode: 647943

Notice:

In compliance with the Americans with Disabilities Act (ADA), if you need special assistance to participate in this meeting due to your disability, please contact the City Clerk at (310) 377-1521 at least 48 hours prior to the meeting to enable the City to make reasonable arrangements to ensure accessibility and accommodation for your review of this agenda and attendance at this meeting.

Documents pertaining to an agenda item received after the posting of the agenda are available for review in the City Clerk's office or at the meeting at which the item will be considered.

All of the above resolutions and zoning case items have been determined to be categorically exempt pursuant to the California Environmental Quality Act (CEQA) Guidelines unless otherwise stated.

Agenda Item No.: 8.A
Mtg. Date: 06/01/2021

TO: **HONORABLE CHAIR AND MEMBERS OF THE PLANNING COMMISSION**

FROM: **MEREDITH ELGUIRA, PLANNING DIRECTOR**

THRU: **ELAINE JENG P.E., CITY MANAGER**

SUBJECT: **RESOLUTION RECOMMENDING CITY COUNCIL ADOPTION OF AMENDED 2013-2021 HOUSING ELEMENT.**

DATE: **June 01, 2021**

BACKGROUND:

State law requires all cities and counties in California to adopt a Housing Element as part of their General Plans. The Housing Element must show that each community is doing its fair share to meet the region's housing needs and has adopted policies and regulations that implement State housing laws. The State requires that Housing Elements are updated every eight years. The current planning period (called the "5th Cycle") extends from October 2013 – October 2021; the next planning period (the "6th cycle") runs from October 2021 through 2029.

The City of Rolling Hills met the statutory deadline for submitting its 5th Cycle Element. The City submitted a Working Draft for review by the State Department of Housing and Community Development (HCD) prior to the October 15, 2013 deadline. On December 16, 2013, HCD issued its determination that the Draft did not yet meet State Government Code requirements. The City revised the Element in response to the findings. On January 21, 2014, the Planning Commission recommended approval of the revised Draft by the City Council. The Council adopted the 5th Cycle Element on February 10, 2014 and submitted it to the State for certification.

On May 30, 2014, the City received a 9-page determination letter from HCD indicating that the adopted Fifth Cycle Element still did not comply with Government Code requirements. The letter acknowledged that a number of HCD's initial objections had been resolved. However, HCD found that the Element did not identify adequate sites for meeting Rolling Hills' Regional Housing Needs Allocation, including potential locations for affordable multi-family housing. Moreover, the State advised the City that because it did not have a certified element for the 2006-2013 (4th Cycle) planning period, it was obligated to "carry over" its unmet need from the 4th Cycle and plan for both the 4th and 5th cycles in its 2013-2021 Element.

On December 28, 2018, HCD issued a notice of non-compliance to the City. The City met with HCD a number of times in early 2019 to address their objections. In April 2019, the City issued a letter to HCD agreeing on a schedule for compliance, including rezoning of land to meet the Regional Housing Needs Allocation. The schedule established the end of 2020 as the target for submitting a compliant element to HCD.

During the remainder of 2019 and 2020, the City took a number of actions to develop a compliant Element, including adoption of Accessory Dwelling Unit regulations, reasonable accommodation procedures, and extensive outreach to residents on housing issues. In September 2020, the City retained a consultant to amend the Housing Element and address the specific issues raised in HCD's 2014 comment letter. In November 2020, the City prepared amendments to the Land Use Element of the General Plan creating the Rancho Del Mar (RDM) Affordable Housing Overlay and adopting Plan provisions allowing multi-family housing within the Overlay area. The City subsequently released an Initial Study/ Negative Declaration (IS/ND) on the Land Use Element Amendments and Draft RDM Affordable Housing Overlay Zoning District.

Draft amendments to the Municipal Code creating the RDM Overlay Zone were prepared in December 2020. The Zone permits 16 units of affordable multi-family housing on the 31-acre site at 38 Crest Road owned by the Palos Verdes Unified School District. While the zone maintains the General Plan density of one unit per two acres for the site as a whole, it requires that the allowable number of units be clustered in the area west of the PVPTA maintenance facility. The Zone further permits emergency shelter and Single Room Occupancy (SRO) residential uses on the site, subject to specific development standards included in the Code. At its meeting on December 22, 2020, the Planning Commission recommended that the City Council approve the Overlay Zone and IS/ND, with the modification that housing on the site should be 100% affordable.

The City Council convened a public hearing on the Ordinance creating the RDM Affordable Housing Overlay Ordinance, and Resolution amending the General Plan Land Use Element on January 22, 2021. A subsequent hearing was convened on February 8, 2021 and the Resolution was approved at that time. The Ordinance was approved at its second reading on March 8, 2021. Minor revisions to the General Plan Amendment and Ordinance were incorporated in response to Council comments.

While adoption of the Zoning Ordinance and General Plan Amendment was proceeding, staff worked with HCD on further revisions to the Housing Element. Meetings with HCD's Housing Policy Division took place on September 22, November 19, December 14, December 31, 2020, to discuss HCD's comments and the changes needed to achieve a compliance determination. On February 26, 2021, the City submitted a revised Draft Housing Element to HCD. On March 11, 2021, the City met with HCD to review their comments on the newest draft. HCD indicated that the latest revisions responded to most of their objections but requested a few minor clarifications. These clarifications were made and a revised Draft was submitted on March 29, 2021.

On April 2, 2021, HCD responded that all issues had been adequately addressed, but asked that the City provide an analysis of the Rolling Hills Community Association's role in reviewing applications for new Accessory Dwelling Units (ADU). Specifically, HCD requested that the City determine if RHCA's design review procedures were constraining the production of ADUs that were otherwise permitted ministerially (i.e., without review by the Planning Commission or City Council). Staff provided supplemental information on this topic, noting that every ADU reviewed by RHCA had been approved, and that the review did not adversely affect the time required for approval or result in costly changes to design or materials. Revisions to the document were made to provide the requested evaluation.

On April 26, 2021, HCD issued its finding that the Draft Element, as amended, met the requirements of the Government Code and would be deemed compliant if adopted as presented. Accordingly, the City has scheduled the amendments to the Element for public hearings before the Planning Commission and City Council. If the Commission adopts the attached Resolution, the item will be considered by the City Council on June 14, 2021.

HCD's decision letter includes a reminder to the City that the 6th Cycle Housing Element is due on October 15, 2021. A number of new State requirements will apply to that document. Moreover, the 6th Cycle housing allocation is 45 units, which is a 60 percent increase over the combined 4th and 5th Cycle allocation. The City is currently in the early stages of preparing its 6th Cycle Element and intends to have a Draft ready for Planning Commission review in late Summer.

DISCUSSION:

This section of the staff report highlights the changes made to the Housing Element to address HCD's comments. The most significant change is that the Element adopted in 2014 concluded that the City would be unable to meet its Regional Housing Needs Allocation (RHNA) due to slope, wildfire, land use, landslide, and infrastructure constraints, whereas the amended 2021 document demonstrates that the City has capacity to meet the RHNA. This conclusion is mandated under State law and is necessary for a compliance determination.

Specific changes to the document are highlighted below. The document is organized the same way it was in 2014. It includes an Introduction, a Needs Assessment, a discussion of Housing Constraints, an Assessment of Regional Needs, a discussion of Housing Opportunities (including potential sites), and Housing Goals, Policies, and Programs. Each chapter has been edited to respond to the State's comments and describe activities since 2014. Edits also reflect the fact that the City was required to "carry-over" 22 units from the 4th Cycle.

Foreword

A Foreword was added explaining that the Housing Element Update has been prepared to meet a State mandate. The Foreword notes that cities without certified elements face loss of funding and potential loss of local land use authority; thus, it is in the City's best interest to have a compliant Element.

Introduction

Background information on public participation has been added to show that City has made an effort to engage all economic segments of the community. This is required by State law.

Needs Assessment

Additional information on extremely low-income and disabled residents has been provided, per the State's comments on the 2014 Draft.

Housing Constraints

The following changes have been made:

- A section has been added on constraints for different housing types, per State guidelines

- Text on Accessory Dwelling Units has been moved here from Chapter 5 and expanded per the State's comments. Changes to City Ordinances made since 2014 have been described.
- The description of multi-family housing has been updated to reflect the new Affordable Housing Overlay Zone
- The text on emergency shelter and SROs (Single Room Occupancy) has been updated to show that the City has met State requirements
- The discussion of housing for persons with disabilities has been updated to reference the City's new reasonable accommodations provisions
- A new section has been added on the "Cumulative Impacts of Land Use Controls," per HCD requirements
- The discussion of permitting times, processing, and fees has been updated per HCD comments
- A discussion of ADU processing and the impacts of RHCA's design review procedures has been added, per HCD comments

Housing Assessment Summary

The text on the RHNA has been updated to describe the 4th cycle carry over requirements and increase the planning period target to 28 units (2006-2021).

Housing Opportunities

The following changes have been made:

- A list of vacant sites, including their Assessor Parcel Numbers, has been added—as required by state law
- A discussion of "underutilized land" has been added
- A detailed discussion of the 31-acre PVUSD (Rancho Del Mar) site has been added, including a description of the new Overlay Zone
- A discussion of ADU opportunities has been added, including the findings of the ADU survey administered in 2020
- The City's ability to meet the RHNA is affirmatively demonstrated

Housing Plan

The Housing Plan has been updated to respond to HCD's comments. Since the period covered by the Element is 2014-2021, the City has included many of the actions it has already completed in order to demonstrate its progress and responsiveness to the State's comments. The following new programs have been added to the document:

1. Prepare an Annual Progress Report (This is required by State law)
2. Amend Land Use Element to allow a variety of housing types (This has been completed)
3. Create Affordable Housing Overlay Zone (This has been completed)
4. Identify next steps for PVUSD site (This is "in progress")
5. Allow emergency shelter (This has been completed)
6. Allow SROs (This has been completed)
7. Adopt Reasonable Accommodation (This has been completed)
8. Add definition of supportive, transitional, and employee housing to code (This is required by State law and may be done later in 2021)
9. Adopt density bonus ordinance (This is required by State law and may be done later in 2021)

10. Adopt ADU requirements (This has been completed)
11. ADU education and outreach, including meeting with RHCA to make sure Architectural Review is not a constraint (This is "in progress")
12. ADU Incentives (This will be carried forward to the 6th Cycle Housing Element)
13. Monitoring of multi-family constraints and new opportunities (This was required by HCD and will be carried forward to the 6th Cycle)
14. Seek ways to assist Extremely Low-Income Households (ongoing, required by Government Code)
15. Facilitate communication with housing developers (ongoing, required by Government Code)

In addition, several programs from the Draft adopted in 2014 have been retained and carried forward, but with updated text. These include programs supporting:

- Shared housing (roommate matching, especially for seniors living alone)
- Sewer feasibility studies
- Stormwater runoff improvements
- Code enforcement (ongoing)
- Energy conservation
- Remodels and new construction
- Repair of landslide damaged lots
- Fair housing practices

Appendices

Two appendices have been added to the Housing Element. The first is a profile of the Rancho Del Mar site, demonstrating the viability of multi-family housing on the property. This was required by HCD in order to qualify the site as eligible to meet the RHNA. The second is the report on the 2020 ADU survey. The results of the survey were presented to the Planning Commission in March 2021.

NEXT STEPS:

If the Planning Commission approves the attached Resolution, the amended Housing Element will be presented to the City Council for action. Following Council adoption, the Element will be submitted to HCD for a formal determination of compliance. Once that determination is received, the City will be fully compliant with State Housing Element law and will not be subject to "carryover" requirements for its 6th Cycle Housing Element.

The City has already begun work on the 6th Cycle Element and will accelerate that work once the Council has adopted the amended 5th Cycle Element. Additional Planning Commission meetings on the 6th Cycle Element will take place this Summer.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):

Amendment of the Housing Element is considered a Project under CEQA. Accordingly, an Initial Study and Negative Declaration were prepared when the Housing Element was initially updated in 2013. The IS/ND was adopted by the City Council concurrently with the Housing Element on February 10, 2014. Most of the amendments to the Housing Element that are now under consideration were addressed by a separate IS/ND issued in November 2020. That IS/ND considered the environmental effects of amendments to the General Plan Land Use Element and creation of the RDM Affordable Housing Overlay Zone. The IS/ND for the General Plan Amendment and Overlay Zone was approved

on March 8, 2021. Both the 2014 Housing Element IS/ND and the subsequent 2021 IS/ND for the General Plan Amendment and Overlay Zone concluded that the project would have no significant environmental impacts. The edits included in the revised 2014-2021 Housing Element would not change these findings and do not require recirculation of the IS/ND or preparation of a third IS/ND. The edits primarily document measures that have already been taken by the City and the addition of data and analysis required by State law. Based upon all of the information in the record, including this staff report, none of the conditions outlined in Public Resources Code, section 21166 or State CEQA Guidelines, section 15162 requiring subsequent environmental review are triggered by these Housing Element Updates. Thus, no further environmental documentation will be prepared for this plan. To the extent that this Housing Element Update would involve future preparation of ordinances, such as a density bonus ordinance, those ordinances will be evaluated for compliance with CEQA at such time that they are formulated and prior to Council action on them.

FISCAL IMPACT:

The Housing Element is a planning document that establishes policies for the City of Rolling Hills and will not have a direct fiscal impact on the City. It may have an indirect positive fiscal impact by reducing legal risks and qualifying the City for State planning grants.

RECOMMENDATION:

Approve Resolution No. 2021-06 recommending that the City Council approve the amendments to the 2014-2021 Housing Element

ATTACHMENTS:

2021-06.PC RESOLUTION HousingElement.docx
Attachment2-HCDPre-ComplianceFinding-042621.pdf
Attachment3-2014HCDCommentswith2021Responses.pdf
RollingHills2014-2021HousingElement-forCouncilAdoption-April2021.pdf
Iniital Study 2014-2021 Update.pdf
Corso.pdf
Gregorio.pdf

ATTACHMENT 1:
DRAFT RESOLUTION FOR HOUSING ELEMENT

RESOLUTION NO.2021-06

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF ROLLING HILLS RECOMMENDING THAT THE ROLLING HILLS CITY COUNCIL ADOPT AMENDMENTS TO THE 2014-2021 ROLLING HILLS HOUSING ELEMENT. A NEGATIVE DECLARATION WAS PREVIOUSLY PREPARED, ADOPTED, AND FILED FOR THIS PROJECT

THE PLANNING COMMISSION DOES HEREBY FIND, RESOLVE AND ORDER AS FOLLOWS:

Section 1. Recitals

A. On January 4, 1957, the City of Rolling Hills was established as a duly organized municipal corporation of the State of California.

B. The City of Rolling Hills adopted its current General Plan on June 25, 1990. The General Plan establishes goals, objectives, and strategies to achieve the community's vision for its future. A Housing Element of the General Plan was initially adopted in 1991 and amended in 2001 and 2009.

C. Cities and counties in the Los Angeles region were assigned new Regional Housing Needs Allocations in 2013 and were required by State law to update their Housing Elements to cover the October 15, 2013 through October 15, 2021 planning period.

D. The City of Rolling Hills prepared a Draft Housing Element update for 2014-2021. The Planning Commission reviewed a Preliminary Draft Housing Element at a Public Hearing/ Workshop on September 26, 2013. The document was forwarded as a Draft to the California Department of Housing and Community Development (HCD) for their 60-day review. On December 16, 2013 HCD requested modifications which were incorporated into a revised Housing Element update,

E. On December 30, 2013 pursuant to Government Code Sections 65090 and 65353, the State of California Clearinghouse, the cities of Rolling Hills Estates, Rancho Palos Verdes, Palos Verdes Estates, the Palos Verdes Peninsula Center Library, the Palos Verdes Peninsula Unified School District, and the County of Los Angeles were notified of upcoming public hearings for this project. Notifications of the public hearings were published in the Palos Verdes Peninsula News on January 2 and January 30, 2014 and the City of Rolling Hills Newsletter. Copies of the 2014-2021 Housing Element update and Initial Study were made available at the public counter and the City's web site.

F. Pursuant to the provisions of the California Environmental Quality Act (CEQA), Public Resources Code Sections 21000 et seq., the State CEQA Guidelines California Code of Regulations, Title 14, Sections 15000 et seq., and the City's Local CEQA Guidelines, the City prepared an initial study and determined that there was no substantial evidence that adoption of

the 2014-2021 Housing Element may have a significant effect on the environment. Accordingly, a negative declaration was prepared and notice of that fact was given in the manner required by law.

G. A duly noticed public hearing before the Planning Commission to consider the proposed negative declaration and the 2014-2021 Housing Element was held on January 21, 2014 at which time public comments on the negative declaration and the 2014-2021 Housing Element were received by the Commission. At that meeting, the Planning Commission adopted Resolution No. 2014-03 recommending that the City Council adopt the Housing Element and Negative Declaration.

H. The City Council at a public hearing on February 10, 2014 considered individually and collectively, the proposed negative declaration and the 2014-2021 Housing Element. After due consideration of public testimony, staff analysis and the Planning Commission's recommendation, the City Council determined that the 2014-2021 Housing Element, General Plan Amendment No. 2014-01, furthered the housing goals of the City's General Plan, and adopted the proposed negative declaration and 2014-2021 Housing Element.

I. The State of California Department of Housing and Community Development (HCD) issued a determination letter on May 30, 2014, finding that the Element had only addressed some of the issues in the December 16, 2013 letter and was not in compliance with the California Government Code.

J. HCD issued a subsequent letter to the City on December 28, 2018 indicating its non-compliant status and requested that the City establish a timeline for compliance.

K. The City established a tentative schedule in collaboration with HCD to develop a compliant element by the end of 2020.

L. The City worked diligently during 2019 and 2020 to meet the requirements of the Government Code and State law, including the adoption of Accessory Dwelling Unit ordinances, Reasonable Accommodation Procedures, provisions for emergency shelter and single room occupancy dwellings, and adoption of the Rancho Del Mar (RDM) Affordable Housing Overlay Zone.

M. The City engaged the public through an on-line housing survey, newsletter updates, and web-based information on housing, and through notification of public hearings on housing-related issues.

N. The City issued a Negative Declaration on the RDM Affordable Housing Overlay Zone and conforming amendments to the Land Use Element of the General Plan on November 17, 2020, in accordance with State Law.

O. The Planning Commission convened a public hearing on the Negative Declaration, the General Plan Amendments, and the RDM Affordable Housing Overlay Zone on December 22, and recommended their approval to the City Council, with modifications.

P. The City Council convened public hearings on the Negative Declaration, the General Plan Amendments, and the RDM Affordable Housing Overlay Zone on January 25 and February 8, 2021. The Council adopted the Negative Declaration and General Plan Amendments on February 8 and approved the Zoning Code amendments establishing the Overlay Zone at its second reading on March 8, 2021.

Q. On February 26, 2021, the City submitted a revised Draft Housing Element to HCD reflecting the actions taken by the City Council in 2019, 2020, and 2021, and demonstrating the City's capacity for providing its fair share of the region's housing needs, as defined by the Southern California Association of Governments.

R. On March 11, 2021, HCD orally communicated requested revisions to the February Draft to staff. These revisions were substantially incorporated.

S. On March 29, 2021, the City submitted a second revised Draft responding to supplemental comments from HCD.

T. On April 26, 2021, HCD issued its finding letter that the Housing Element as revised met the requirements of the Government Code and would receive a compliance determination if adopted as presented.

Section 2. Findings. Based upon the facts contained in this Resolution, those contained in the staff report and other components of the legislative record, the previously adopted negative declaration for the 2014-2021 Housing Element and the previously adopted negative declaration for the General Plan Amendment and RMD Rezoning, and the written confirmation from HCD that the City will be in compliance with State Housing Element requirements if it adopts the Element as drafted, the Planning Commission finds that:

A. Substantive changes made to the Housing Element since adoption of the 2014 Negative Declaration for the project were addressed in the Negative Declaration for the Land Use Element amendment and creation of the RMD Affordable Housing Overlay Zone adopted in March 2021. There is no substantial evidence that adoption of the proposed amendments to the previously adopted 2014-2021 Housing Element will have a significant effect on the environment.

B. The Planning Commission has reviewed the proposed amendments to the Housing Element and the comment letters from HCD, including HCD's findings on April 26, 2021 that the amendments will bring the Element into compliance with State Housing Element law.

C. The City has edited the Draft Housing Element to comply with the requirements of Government Code Sections 65580-65589.8. The revisions demonstrate the capacity of the Rolling Hills to meet its Regional Housing Needs Allocation for the 4th and 5th Housing Element Cycles, and further demonstrate that topographic, geologic, infrastructure, fire safety and land use constraints preclude further rezoning of property or increases in the development capacity of the city.

D. The 2014-2021 Housing Element, as amended, is consistent with the other elements of the General Plan because the Element uses the land use designations of the Land Use Element and those designations in turn are reflective of, and consistent with, the policies and provisions of the remaining elements of the General Plan.

E. The housing goals, objectives, and policies stated in the 2014-2021 Housing Element are appropriate for the City of Rolling Hills and will contribute to the attainment of State housing goals. The Housing Element will aid the City's efforts to assist in the development of housing for all members of the community and is in the public interest.

Section 3. The Planning Commission of the City of Rolling Hills hereby recommends that the City Council of the City of Rolling Hills adopt the proposed amendments to the 2014-2021 Housing Element based on the preceding findings.

PASSED, APPROVED AND ADOPTED THIS 1ST DAY OF JUNE 2021.

_____

BRAD CHELF, CHAIRMAN

ATTEST:

_____

JANELY SANDOVAL, CITY CLERK

ANY ACTION CHALLENGING THE FINAL DECISION OF THE CITY MADE AS A RESULT OF THE PUBLIC HEARING ON THIS APPLICATION MUST BE FILED WITHIN THE TIME LIMITS SET FORTH IN SECTION 17.54.070 OF THE ROLLING HILLS MUNICIPAL CODE AND CODE OF CIVIL PROCEDURE SECTION 1094.6.
STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

CITY OF ROLLING HILLS

I certify that the foregoing Resolution No. 2021-06entitled:

RECOMMENDATION TO THE CITY COUNCIL TO ADOPT THE 2014-2021 HOUSING ELEMENT, AS AMENDED

was approved and adopted at regular meeting of the Planning Commission on June 1, 2021 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

and in compliance with the laws of California was posted at the following:

Administrative Offices

_____

JANELY SANDOVAL, CITY CLERK

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT
2020 W. El Camino Avenue, Suite 500
Sacramento, CA 95833
(916) 263-2911 / FAX (916) 263-7453
www.hcd.ca.gov

ATTACHMENT 2

April 26, 2021

Meredith T. Elguira, Director
Planning and Community Services
City of Rolling Hills
2 Portuguese Bend Road
Rolling Hills, CA 90274

Dear Meredith T. Elguira:

RE: Review of the City of Rolling Hills' 5th Cycle (2013-2021) Draft Housing Element Update

Thank you for submitting the City of Rolling Hills' (City) draft housing element update received for review on February 26, 2021 along with revisions received on March 29, April 1, and April 6, 2021. In addition, the California Department of Housing and Community Development (HCD) reviewed Ordinance Nos. 364, 366, and 369. Pursuant to Government Code section 65585, subdivision (b), HCD is reporting the results of its review. Our review was facilitated by a telephone conversation on March 11, 2021 with you and the City's consultant, Barry Miller.

The draft element, incorporating the revisions submitted, meets the statutory requirements of State Housing Element Law**.** This finding was based on, among other reasons, implementation of zoning to accommodate the City's Regional Housing Needs Allocation (RHNA) for lower-income households. Additionally, Programs 8 (Add Definitions of Transitional and Supportive Housing, and Employee Housing to the Municipal Code) and 13 (Multi-Family Zoning Monitoring and Consideration of Additional Opportunities) are crucial to meeting statutory requirements. The housing element will comply with State Housing Element Law (Article 10.6 of the Gov. Code) when it is adopted, submitted to and approved by HCD, in accordance with Government Code section 65585, subdivision (g).

HCD reminds the City that the City's 6th cycle housing element update is due on October 15, 2021. As such, the 5th cycle housing element expires on October 15, 2021. HCD's determination of compliance on an adopted 5th cycle housing element in no way implies compliance is forthcoming for the 6th cycle planning period. The updated 6th cycle housing element will be reviewed on its own contents, and new laws and new housing element requirements will apply. These include, but are not limited to, analysis

surrounding the City's efforts to affirmatively further fair housing pursuant to Government Code section 65583, subdivision (c)(10). Additionally, successful implementation of Programs 8 and 13, as noted above, including the identification and zoning of sites to accommodate market rate (i.e. not limited to affordable) multifamily housing zoning is critical for 6th cycle compliance.

Public participation in the development, adoption and implementation of the housing element is essential to effective housing planning. Throughout the housing element process, the City must continue to engage the community, including organizations that represent lower-income and special needs households, by making information regularly available while considering and incorporating comments where appropriate.

For your information, some general plan element updates are triggered by housing element adoption. For information, please see the Technical Advisories issued by the Governor's Office of Planning and Research at: http://opr.ca.gov/docs/OPR_Appendix_C_final.pdf and http://opr.ca.gov/docs/Final_6.26.15.pdf.

Several federal, state, and regional funding programs consider housing element compliance as an eligibility or ranking criteria. For example, the CalTrans Senate Bill (SB) 1 Sustainable Communities grant; the Strategic Growth Council and HCD's Affordable Housing and Sustainable Communities programs; and HCD's Permanent Local Housing Allocation consider housing element compliance and/or annual reporting requirements pursuant to Government Code section 65400. With a compliant housing element, the City meets housing element requirements for these and other funding sources.

HCD appreciates the hard work and dedication of the City's housing element team in preparation of the City's housing element and looks forward to receiving the City's adopted housing element. If you have any questions or need additional technical assistance, please contact Robin Huntley, of our staff, at Robin.Huntley@hcd.ca.gov.

Sincerely,

Shannan West
Land Use & Planning Unit Chief

ATTACHMENT 3:
Documentation of Rolling Hills' Actions on HCD Housing Element Comments

A. Housing Needs, Resources, and Constraints

1.	*Include an analysis of population and employment trends and documentation of projections and a quantification of the locality's existing and projected needs for all income levels, including extremely low-income households (Section 65583(a)(1)).* The element must quantify existing extremely low-income (ELI) households and analyze their housing needs. To assist the analysis, please find the enclosed Comprehensive Housing Affordability Strategy (CHAS) data. Information can be found at http://www.hcd.ca.gov/hpd/housing element2/EHN extremelylowincome.php.

This comment was made in the December 11, 2013 letter from HCD to the City of Rolling Hills and applied to the City's first draft for HCD review. The May 30, 2014 letter from HCD to the City of Rolling Hills indicated this requirement had been met in the document adopted by the City on February 10, 2014. Extremely low income households are quantified on page 18. Extremely low income housing needs also are addressed on pages 30-31 and on pages 57 and 67.

2.	*Include an analysis and documentation of household characteristics, including level of payment compared to ability to pay, housing characteristics, including overcrowding, and housing stock condition (Section 65583(a)(2)).* The element must include an estimate and analysis of the number of lower-income households, by tenure, paying more than 30 percent of their income on housing. For your information, US Census data indicates 2 of 15 (13 percent) of renter households and 206 of 598 (34 percent) of owner households paid more than 30 percent of their income on housing. This information should be incorporated into the element.

This comment was made in the December 11, 2013 letter from HCD to the City of Rolling Hills and applied to the City's first draft for HCD review. The May 30, 2014 letter from HCD to the City of Rolling Hills indicated this requirement had been met in the document adopted by the City on February 10, 2014. Housing overpayment is addressed on pages 29-30.

B. Housing Needs, Resources. and Constraints

1. Include an inventory of land suitable for residential development, including vacant sites and sites having the potential for redevelopment, and an analysis of the relationship of zoning and public facilities and services to these sites (Section 65583(a)(3)). The inventory of land suitable for residential development shall be used to identify sites that can be developed for housing within the planning period (Section 65583.2).

City must zone or rezone sites to accommodate any unaccommodated need (Section 65584.09). Since the City of Rolling Hills did not demonstrate adequate sites to accommodate the regional housing need in the prior planning period, the element must include an analysis and programs as appropriate to comply with this requirement.

For your information, the City of Rolling Hills must zone or rezone sites to accommodate any unaccommodated need within the first year of the 2013-2021 planning period (Section 65584.09). If the City does not complete the rezoning and does not adopt the element before this timeframe lapses, the Department will not be able to find the element in compliance until the required rezoning is complete and it is amended to reflect that rezoning.

As required by HCD, the City has zoned sites to accommodate the regional housing need for the prior and current planning periods (e.g., the 4th and 5th cycles). The analysis documenting the unaccommodated (4th cycle) need and the current (5th cycle) is on pages 56-57. The analysis demonstrating that the City has adequate capacity to meet this need is on page 67. The rezoning program is described on page 79. Appendix A provides further detail on the Rancho Del Mar opportunity site.

As the adopted Element indicates, the City has adopted an Affordable Housing Overlay Zone on an underutilized 31-acre parcel owned by the Palos Verdes Unified School District (e.g., the Rancho Del Mar Continuation High School site). The General Plan and Zoning Code permit 16 units on the site (one unit per two acres), which exceeds the RHNA need for 13 units for the 4th and 5th cycles. The Affordable Housing Overlay requires that these units be clustered on a development site within the 31-acre parcel where densities of 20-24 units per acre are achieved. Affordable multi-family housing is permitted by right, with no discretionary review required.

Sites Inventory and Analysis: The City of Rolling Hills has a Regional Housing Need Allocation (RHNA) of 6 housing units, of which 4 are for low-and moderate-income households. The element states that available land to accommodate residential development falls into two zone categories: RA-S-1 (one unit per acre) and R-S-2 (two units per acre), but only provides minimal additional information to demonstrate adequate sites to accommodate the RHNA. For example, the element must include a parcel listing and demonstrate zoning to accommodate housing for lower income households. However, the element does not identify any sites to accommodate Rolling Hills' housing need nor demonstrate zoning appropriate to accommodate housing for low- and moderate-income households. As a result, the element must be revised to identify sites to accommodate the RHNA and analyze the suitability of sites and appropriateness of zoning and include a program as appropriate to provide the necessary sites pursuant to GC Section 65583(a)(3), and 65583.2 and 65583(c)(1).

As required, the City has expanded the level of detail provided for each housing site, expanded the number of sites listed, and expanded the range of housing types permitted on each site. This information is provided on pages 57-67. Page 60-61 includes a parcel listing (with APNs) for each vacant lot in the City, including a realistic assessment of housing potential. Pages 62-65 evaluate sites for their potential for lower income households, including detailed information on the most viable site, which is the PVUSD site (now an Affordable Housing Overlay Zone). Pages 65-66 provide more detail on how ADUs will meet a portion of the RHNA for low- and moderate-income households. Programs 2, 3, 4, 5, 6, 10, 11, 12, and 13 all address steps the City is taking to provide the necessary sites pursuant to the Government Code.

> Sites with Zoning for a Variety of Housing Types:
>
> *Multifamily Zoning:* Government Code Sections 65583(c)(1) and 65583.2, require jurisdictions to demonstrate the availability of zoning to provide for a variety of housing types including multifamily rental, factory-built housing, mobile homes, housing for agricultural employees, supportive housing, emergency shelters, and transitional housing. The availability of multifamily housing is critical to providing the variety of housing necessary to address the needs of lower-income families and workers. The element (page 32) indicates only two zones allow residential uses: the RAS-1 (one-acre minimum lot size) and RAS-2 zone (two acre minimum lot size) and provides no discussion of zoning opportunities for multifamily uses. Therefore, the element must include an analysis and programs to provide realistic opportunities for multifamily development.

See pages 36-45, pages 62-65, and Appendix A. All of this content has been added to demonstrate that the City now provides for a variety of housing types, including multifamily rental (Programs 2, 3, and 4), factory-built housing and mobile homes (P 35), emergency shelter (Program 5), and Single Room Occupancy hotels (Program 6). Farmworker housing is not expressly called out in the Municipal Code since there is not a farmworker population in the City or nearby. The City also provides for transitional and supportive housing and treats these uses the same way it treats other residential uses in each zoning district. Page 81 (Program 8) includes an action to add definitions of transitional and supportive housing to the Municipal Code before October 2021.

> *Emergency Shelters:* The element states the City has provided funds to organizations to provide shelter services (page 53). However, the element must identify a zone(s) where emergency shelters are permitted without a conditional use permit or other discretionary action and demonstrate sufficient capacity to accommodate the need for shelters and at least one shelter (Section 65583(a)(4)). The element must also describe characteristics, suitability, and capacity within zone(s) for emergency shelters.

The City has amended its Municipal Code to allow emergency shelters without a CUP or other discretionary action in the Affordable Housing Overlay Zone. See page 42 of the attached document. The text describes the characteristics, suitability, and capacity within the zone as required by the Government Code. Although annual counts of unsheltered residents indicate there are no homeless residents in Rolling Hills, the City has met the requirement to allow for at least one shelter. This is also explained on page 80 (Program 5).

Transitional and Supportive Housing: Pursuant to SB 2, transitional and supportive housing must be permitted as a residential use in all zones allowing residential and only subject to those restrictions that apply to other residential dwellings of the same type in the same zone (Section 65583(a)(5)). The housing element must be revised to describe compliance with this requirement, including any necessary program actions.

This is addressed on pages 43-44 of the attached document. In addition, Program 8 has been added (Page 81) indicating that definitions of transitional and supportive housing should be added to the Municipal Code by October 2021, noting that these uses are considered residential uses and are subject to the same restrictions that apply to the other residential uses that are allowed in a given zoning district.

Single Room Occupancy (SRO) Units: The housing element should be revised to describe whether zoning is available to allow SRO units and add or modify programs as appropriate.

This is addressed on page 41 of the attached document. In addition, Program 6 has been added (Page 80) indicating that the City has amended its Municipal Code to allow SROs with a conditional use permit in the Affordable Housing Overlay Zone, subject to development standards that are evaluated on Page 41.

Second Units: The element notes the City has adopted an ordinance prohibiting second units (page 38). While the City's findings, made about 30 years ago to comply with Government Code Section 65852.2(c), may have been appropriate, conditions or circumstances might have changed. For example, new sewage disposal methods may be available to allow the development of second units. The City could include a program to evaluate its ordinance prohibiting second units and investigate sewage disposal technologies. For your information the National Small Flows Clearinghouse (NSFC) http://www.nesc.wvu.edu/wastewater.cfm, has information for small communities and individuals to solve their wastewater problems through objective information about onsite wastewater collection and treatment systems.

As indicated on pages 36-38, pages 65-67, and pages 82-83 of the attached document, the City amended its Municipal Code in 2018 and again in 2020 to permit Accessory Dwelling Units (ADU) and Junior ADUs by right in all residential zones, subject to development standards that are described in the document (see pages 36-38). The City's standards are compliant with State laws for ADUs and JADUs. Housing Element Program 12 addresses issues associated with septic systems, an issue the City will continue to work on as it moves into the 6th Cycle. The City has also adopted Policy 2.5 allowing ADUs in all residential zones.

The City also completed and analyzed a comprehensive, detailed survey of all residents regarding ADUs in 2020. This is documented in the revised Housing Element (page 66) and is described in detail in Appendix B.

2. *Analyze potential and actual governmental constraints upon the maintenance, improvement, and development of housing for all income levels, including land-use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures. The analysis shall also demonstrate local efforts to remove governmental constraints that hinder the locality from meeting its share of the regional housing need in accordance with Section 65584 (Section 65583(a)(5)).*

Land-Use Controls: The element lists some residential development standards, but concludes, without analysis, the standards do not impede achieving maximum densities and are not viewed as constraints (page 33). However, the element must include an analysis of potential impacts on the cost and supply of housing and add implementation actions as appropriate to address constraints on the maintenance, improvement and development of housing. This analysis must include an evaluation of the cumulative impacts of development standards and specifically address regulations such as parking and minimum lot size (one acre and two acre minimum lot size) or lack of smaller minimum lot sizes to demonstrate whether they constrain housing.

Chapter 3 of the newly adopted Housing Element covers Constraints, including Land Use Controls. This section has been substantially expanded from the first draft. It evaluates the impacts of land use controls for single family homes on development feasibility (P 34-35), and then evaluate the impacts of land use controls for different housing types, including ADUs and multi-family housing. Chapter 6 now includes Programs that specifically address the maintenance, improvement, and development of a variety of housing types, including programs that have been implemented since the Element was initially adopted in 2014. Page 45 includes an analysis of the cumulative impacts of development standards. The analysis concludes that parking is not a constraint, and that larger minimum lot sizes are necessary to address fire safety, landslide hazards, and the lack of sewer infrastructure, which is also addressed in this chapter.

As noted in our prior review letter (April 23, 2009), while covenants, conditions and restrictions (CC&Rs} limit development opportunities, the City has the obligation to remove governmental constraints (e.g., zoning) which in and of themselves inhibit development opportunities and restrict the availability of appropriate sites. The City should utilize its local powers to appropriately zone sites to accommodate its housing needs including the regional housing need as well as meet other requirements of State law (e.g., Section 65913(a)(1-3} of the Government Code).

Comment addressed in earlier replies. The City has expanded its analysis of governmental constraints and has added Programs 2, 3, 5, 6, 8, 9, and 10 to address zoning-related constraints and ensure adequate capacity to meet the regional housing need and comply with provisions of the Government Code regarding zoning for a variety of housing types. Many of these programs have been implemented since HCD's comment letter was sent in May 2014.

In addition, the City's land use policies prohibiting multifamily should be analyzed relative to the limitations of State and Federal fair housing laws. To assist with this analysis, refer to Government Code Section 65008.

While the City of Rolling Hills has never had a land use policy expressly prohibiting multi-family housing, it has amended its Land Use Element to expressly state that multi-family housing is permitted. It has also amended its Housing Element to encourage a variety of housing types (Policy 1.4). Housing Element Program 2 creates the Affordable Housing Overlay Zone and permits affordable multi-family housing by right (e.g., without a conditional use permit).

Processing and Permit Procedures: While the element includes some information indicating the City Council makes final decisions for all discretionary applications, it must describe and analyze permit processing and approval procedures by zone and housing type for impacts on the cost and supply of housing and approval certainty.

The discussion of permit procedures on pages 47-48 of the attached document has been substantially expanded from the 2014 document, including a discussion of the types of projects that are permitted administratively, the types of projects that require Planning Commission and/or Council review, and those requiring review by the RHCA Architectural Committee. The text includes further detail on the time required for permit processing for single family homes, major home improvements, and ADUs.

Constraints on Persons with Disabilities: The element indicates the City "endeavors to accommodate disabled access", however, it does not include an analysis or programs to comply with this requirement. For example, the analysis must describe any spacing or concentration requirements for housing for persons with disabilities. The element must also demonstrate the City has a reasonable accommodation procedure for providing exceptions in zoning and land use or include a program to do so (Section 65583(c}(1)(3)}. To assist in addressing this statutory requirement, refer to the Building. Blocks' section on Constraints for Persons with Disabilities at http://www.hcd.ca.gov/hpd/housing element/screen27_sb520.pdf.

An updated and expanded discussion of persons with disabilities has been included in the Needs Assessment on pages 22-23 and an analysis of housing constraints for persons with disabilities is now included on page 44. As the text on page 44 indicates, there are no spacing or concentration requirements for housing for persons with disabilities. As the text on pages 23, 44, 77 (Policy 4.2), and 81 indicate, the City has adopted Reasonable Accommodation procedures that comply with State law (see Program 7)

Fees and Exactions: The element lists some fees (pages 34); however, it must analyze their impact as potential constraints on housing supply and affordability. For example, the analysis should list and evaluate the total amount of fees for a typical development, including the proportion of total development costs. For additional information and a sample analysis and tables, see the Building Blocks at

This comment was made in the December 11, 2013 letter from HCD to the City of Rolling Hills and applies to the City's first draft for HCD review. The May 30, 2014 letter from HCD to the City of Rolling Hills indicated this requirement had been met in the document adopted by the City on February 10, 2014. The City has further expanded the discussion of fees and exactions in its latest adopted Housing Element on pages 46 and 47.

C. Quantified Objectives

Establish the number of housing units, by income level, that can be constructed, rehabilitated, and conserved over a five-year time frame (Section 65583(b)(1 & 2)).

The element includes a summary of quantified objectives (page 63), it must also include quantified objectives by income category, including extremely low. This requirement could be addressed by utilizing a matrix like the one illustrated below:

Income	New Construction	Rehabilitation	Conservation/ Preservation
Extremely Low			
Very Low			
Low			
Moderate			
Above Moderate			
TOTAL			

This comment was made in the December 11, 2013 letter from HCD to the City of Rolling Hills and applies to the City's first draft for HCD review. The May 30, 2014 letter from HCD to the City of Rolling Hills indicated this requirement had been met in the document adopted by the City on February 10, 2014. The City has further expanded its quantified objectives in its latest adopted Housing Element on pages 90-92.

D. Housing Programs

1. *Include a program which sets forth a schedule of actions during the planning period, each with a timeline for implementation, which may recognize that certain programs are ongoing, such that there will be beneficial impacts of the programs within the planning period, that the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the housing element through the administration of land use and development controls, the provision of regulatory concessions and incentives, and the utilization of appropriate federal and state financing and subsidy programs when available. The program shall include an identification of the agencies and officials responsible for the implementation of the various actions (Section 65583(c)).*

   Numerous programs in the element indicate "ongoing" implementation status. While this may be appropriate for some programs, where the programs include specific deliverables or implementation actions, the timeframes should indicate specific completion or initiation dates to demonstrate beneficial impact within the planning period. Sample programs are available on the Building Blocks website at http://www.hcd.ca.gov/hpd/housing_element2/PRO_overview.php.

The newly adopted Draft addresses this comment. Please note that every one of the 22 programs listed in Table 20 (the Housing Action Plan) also has a quantified objective and a specific timeframe for implementation. The timeframe acknowledges that certain programs are ongoing, but also identifies specific measures that have been accomplished since the Element was initially adopted in 2014, those that are now underway, and those that need to be accomplished by October 2021 when the Sixth Cycle begins. This information is color coded by status (see pages 91-92) and is explained in greater detail in the program descriptions on pages 78-89.

2. *Identify adequate sites which will be made available through appropriate zoning and development standards and with public services and facilities needed to facilitate and encourage the development of a variety of types of housing for all income levels, including rental housing, factory-built housing, mobile homes, and emergency shelters and transitional housing. Where the inventory of sites, pursuant to paragraph (3) of subdivision (a), does not identify adequate sites to accommodate the need for groups of all household income levels pursuant to Section 65584, the program shall provide for sufficient sites with zoning that permits owner-occupied and rental multifamily residential use by-right, including density and development standards that could accommodate and facilitate the feasibility of housing for very low- and low-income households (Section 65583(c)(1)).*

   As noted in finding B1, the element does not include a complete site analysis and the adequacy of sites and zoning were not established. Based on the results of a complete sites inventory and analysis, the City may need to add or revise programs to address a shortfall of sites or zoning available to encourage a variety of housing types. For example, the element must include programs as appropriate to provide for multifamily opportunities. In addition:

Per the response to finding B1 on page 2 of this Memo, the City has expanded the site analysis in order to establish the adequacy of sites and zoning. It has adopted the Affordable Housing Overlay Zone to meet the 4th and 5th Cycle RHNA for 13 lower income units by right, thereby closing a shortfall that had been identified in the 2014 Element. The adequacy of this site is documented in Appendix A and in Chapter 5 (P. 64-67), and is further addressed in Programs 3, 4, 5, and 6.

For Your Information: Where the inventory does not identify adequate sites pursuant to Government Code Sections 65583(a)(3) and 65583.2, the element must provide a program to identify sites in accordance with subdivision (h) of 65583.2 for 100 percent of the remaining lower-income housing need with sites zoned to permit owner-occupied and rental multifamily uses by-right during the planning period. These sites shall be zoned with minimum density and development standards that permit at least 16 units per site at a density of at least 20 units per acre. Also, at least 50 percent of the remaining need must be planned on sites that exclusively allow residential uses.

See prior response. The inventory includes a program (already implemented) to meet 100 percent of the remaining lower income housing need with sites zoned to permit multi-family housing by right during the planning period. As required, the Affordable Housing Overlay Zone accommodates 16 units at a density of 20-24 units per acre (the identified RHNA need is for 13 units, but the site accommodates a larger number). These 16 units are permitted by right, with no discretionary review. The City also allows ADUs and JADUs without discretionary review. Based on survey data and permitting records, a number of ADUs have been created since 2018 and are meeting a portion of the RHNA for low- and moderate-income housing.

Emergency Shelters and Transitional and Supportive Housing: As noted in finding B1, the element must comply with the provisions of SB 2 for emergency shelters, and transitional and supportive housing. To assist in addressing this statutory requirement, please refer to this website: http://www.hcd.ca.gov/hpd/sb2_memo050708.pdf.

See Program 5 (Emergency Shelter) on page 80 and Program 8 (Transitional and Supportive Housing) on Page 81. The City has adopted provisions for emergency shelter by right in the Affordable Housing Overlay Zone. The standards are described on page 42. Transitional and Supportive Housing is addressed on pages 43-44. While the City treats these uses in a manner consistent with State law, Program 8 includes an action to add definitions of these use types to the Zoning Code.

3. *The housing element shall contain programs which "assist in the development of adequate housing to meet the needs of extremely low-, low-and moderate-income households (Section 65583(c)(2)).*

   The element must include specific and proactive actions to assist in the development of housing for extremely low-, very low-, low-, and moderate-income households, including persons with persons with development disabilities and special needs. For example, actions could commit the City to annually contact nonprofit housing sponsors to coordinate and implement a strategy for developing housing including assisting with site identification; adopt priority processing, fee waivers or deferrals, modify development standards, grant concessions and incentives for housing developments that include units affordable to extremely low to moderate income household, and assist, support or pursue funding applications. The Department's Financial Assistance Program Directory is available at http://www.hcd.ca.gov/falProgram_Directory_June%202012.pdf to assist the City with these efforts.

See Chapter 6 of the attached Housing Element. Several programs have been added in response to this comment, including Program 4 (to market the housing opportunities at the PVUSD site and work with the School District on potentially creating a separate parcel on the site for housing, explore the possibility of teacher housing or employee housing, meeting with non-profit developers, etc.), Program 11 (outreach and education on Accessory Dwelling Units), Program 12 (Incentives for ADUs and JADUs), Program 13 (Facilitating communication with affordable housing providers, housing service providers, housing advocacy organizations, and senior housing organization), and Program 14 (Facilitating shared housing).

4. *The housing element shall contain programs which "address, and where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing" (Section 65583(c)(3)).*

   As noted in finding B2, the element requires an analysis of potential governmental constraints. Depending upon the results of that analysis, the City may need to add or revise programs and address and remove or mitigate any identified constraints.

   If the element indicates the City does not have a reasonable accommodation procedure, it must include a program to develop specific procedures for requesting and granting a reasonable accommodation. The procedure should not be limited to the installation of accessibility improvements and must provide reasonable accommodations to zoning and land-use requirements for housing for persons with disabilities.

In response to this comment, programs have been developed to address the removal of constraints, including Zoning Code Amendments adding definitions of transitional and supportive housing and density bonus provisions. As noted earlier, the City amended its Municipal Code in October 2020 to add reasonable accommodation procedures. This is Program 7 (Page 81) in the attached document. As Programs 16 and 17 indicate, the City is also actively working to address infrastructure constraints.

5. *The housing program shall promote equal housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin color, familial status or disability (Section 65583(c)(5)).*

   Fair Housing (Page 63): While the program notes the City provides fair housing brochures at the public counter, it must include broader efforts to promote equal housing opportunities such as making information available at a variety of community locations and events.

This comment was made in the December 11, 2013 letter from HCD to the City of Rolling Hills and applied to the City's first draft for HCD review. The May 30, 2014 letter from HCD to the City of Rolling Hills indicated this requirement had been met in the document adopted by the City on February 10, 2014. The City has bolstered the discussion of fair housing and added Program 22 (Page 89) which adds Fair Housing information to the City's website and provides guidance for making fair housing information available at community events.

E. Public Participation

Local governments 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 element shall describe this effort (Section 65583(c)(8)).

While the element notes a public workshop and a hearing, it did not demonstrate how the City made a diligent effort to achieve the participation of all economic segments in the development of the housing element including low and moderate-income and special needs households and/or the groups that serve them. For example, the element could describe a specific outreach effort with non-profits and service providers to make the element available and solicit information on housing needs and strategies. Additional information is available on the Department's Building Blocks' website at: http://www.hcd.ca.gov/hpd/housing_element2/GS_publicparticipation.php

Between the initial adoption of the Housing Element in February 2014 and adoption of the current Element in 2021, the City has held more than a dozen public hearings (Planning Commission and City Council) on the Housing Element or housing-related actions (such as the Affordable Housing Overlay Zone and the ADU Regulations). These meetings have been advertised to the entire community and elicited a high level of feedback. This is described on pages 7-8 of the attached document.

The City has featured articles about the Housing Element in the City newsletter, which is delivered to every household in the City. It also conducted a community survey on housing (specifically, on Accessory Dwelling Units) that was administered to every household in the City. The survey's 29 percent response rate is indicative of a very high level of interest and engagement. Rolling Hills has also continued to work with housing advocacy groups and has provided information to its Commissions and the City Council and disseminated information to the community.

2014-2021 UPDATE OF THE HOUSING ELEMENT OF THE GENERAL PLAN

CITY OF ROLLING HILLS

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October 1, 2013 (Draft for HCD Review)
February 10, 2014 (Adopted/ not certified)
April 17, 2020 (Revised Draft)
March 26, 2021 (Revised for HCD re-submittal)

April 2021 Draft for City Council Adoption

ACKNOWLEDGMENTS

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FOREWORD

This document has been prepared to comply with the requirements of California Government Code Sections 65580-65589, which mandate that all California cities and counties adopt a Housing Element to address local and regional housing needs. The Housing Element is part of the Rolling Hills General Plan and covers the time period 2014-2021. State law requires that the Housing Element is updated every eight years and submitted to the State Department of Housing and Community Development for certification.

Certification of the Housing Element is based on a determination that the City has complied with a variety of State laws addressing regional issues such as affordability, fair housing, density, housing type, overcrowding, and homelessness. These laws apply universally to all cities, including those with limited services and land capacity.

As a community within the Greater Los Angeles region, the City of Rolling Hills is obligated to provide for its "fair share" of regional housing needs as determined by the Southern California Association of Governments. Cities without certified Housing Elements are subject to legal and financial penalties, the loss of eligibility for grants which help fund City operations, and even the potential loss of local control over building and land use decisions. For these reasons, it is in the City's best interest to strive for a compliant element.

In adopting this Element, the City has endeavored to balance State mandates with the overarching goal of preserving the semi-rural, equestrian character of Rolling Hills. The Housing Element responds to local as well as regional needs, including the need to preserve the community's environment, minimize further exposure to wildfire and landslide hazards, and recognize infrastructure and public facility constraints.

2014-2021 Housing Element Update
Rolling Hills General Plan

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EXECUTIVE SUMMARY

This Housing Element addresses housing needs, opportunities, constraints, policies, and programs in Rolling Hills for the 2014-2021 planning period. As a semi-rural hillside community, Rolling Hills' ability to provide housing is limited by geologic, topographic, wildfire, environmental, and infrastructure constraints. Within the framework of these constraints, the City endeavors to promote housing opportunities for all households.

This Housing Element Update reflects the City's continuing efforts to retain and expand housing opportunities in the community. For the duration of this planning period, the City of Rolling Hills commits to a series of actions to support a variety of housing types serving persons of all incomes. These actions continue from the last planning period and strive toward the following accomplishments:

1. Provide housing information to the community's senior citizens and low- and moderate-income households.
2. Enforce code violations within residential neighborhoods.
3. Facilitate new construction by working closely with housing developers, property owners, and builders.
4. Partner with non-profit developers and affordable housing sponsors to support affordable housing development on identified housing sites, facilitate construction of affordable Accessory Dwelling Units (ADU) and Junior Accessory Dwelling Units (JADUs), and establish programs to promote affordable units.
5. Monitor the City's land supply for new affordable housing opportunities.
6. Promote reasonable accommodations for the disabled.
7. Provide opportunities for special needs housing, such as transitional and supportive housing and emergency shelter.
8. Support energy conservation and sustainable development measures.
9. Support fair housing counseling and monitoring.

I. INTRODUCTION

A. COMMUNITY OVERVIEW

The City of Rolling Hills is a rural, equestrian residential community, consisting entirely of large lot residential parcels of one acre or more. The community encompasses 2.98 square miles of land on the Palos Verdes Peninsula in the County of Los Angeles (Refer to Figure 1, Vicinity Map).

The land use pattern was established with the original subdivision and sale of parcels that began in 1936. The community is comprised ofsingle-story California ranch style homes with three-rail fences and equestrian facilities in a wooded setting, developed around the hilly terrain and deep canyons of the City.

From its inception in 1936, the emphasis in Rolling Hills has been to create and maintain a residential community that would respect its unique landform constraints. The City's minimum lot size requirements were established in recognition of these constraints, which include:

1. Geologic and topographic constraints, including landslide hazards
2. Fire-safety constraints
3. Lack of urban infrastructure, specifically sewer
4. Biological resource constraints, including sensitive animal habitats and species

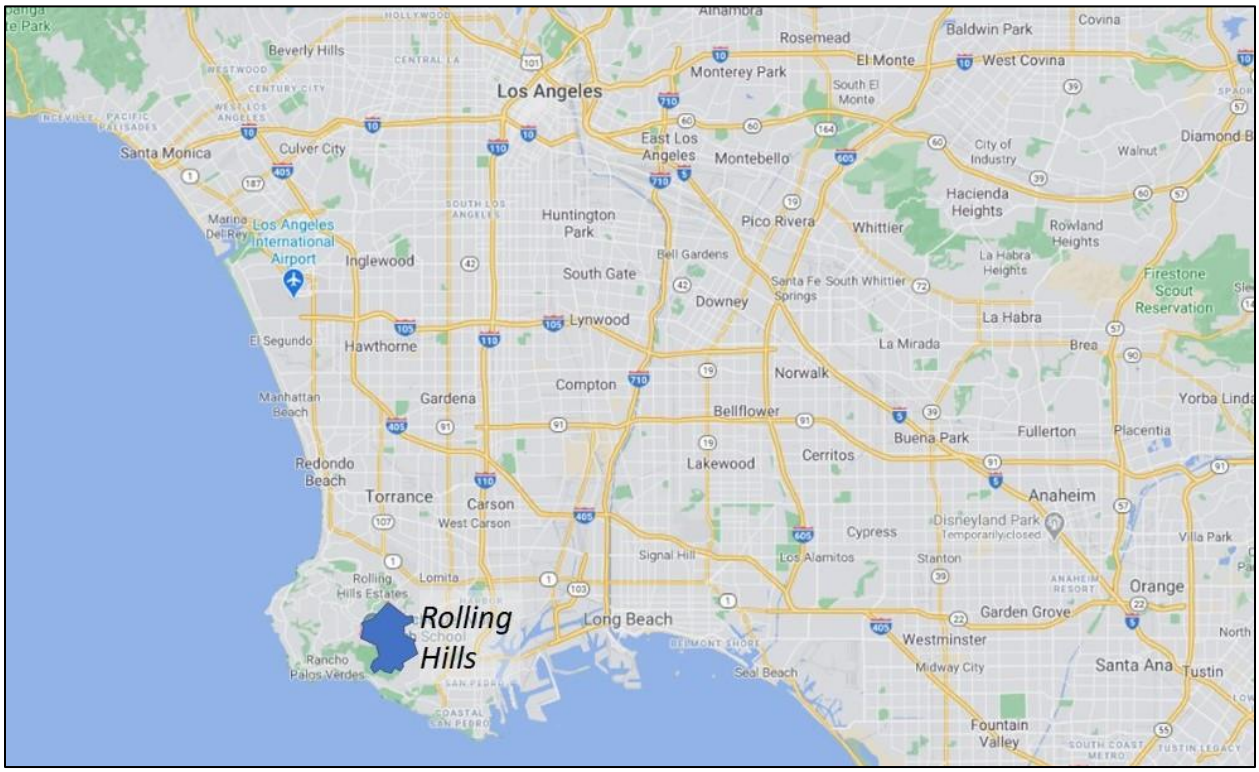


Figure 1. Vicinity Map

Source: Google Maps Screenshot, 2020

These constraints are described below.

Geologic and Topographic Constraints

Rolling Hills has been described as having the most severe terrain of any jurisdiction in Los Angeles County. Its landscape is comprised of a system of rolling hills, steep canyons and blue-line streams. Slopes of 25 to 50 percent are present on virtually every remaining undeveloped parcel in the City.

Expansive soils and geologic hazard conditions continue to place constraints on development within the City. Portions of the City are located over an ancient landslide, which from time to time reactivates and affects the land. It is impossible to predict when and if a property will be affected. One of the reasons the City insists on minimal grading is to minimize land disturbance and exacerbation of soil instability. Because of these geologic conditions, the City has experienced recent major landslides and erosion, further limiting the developable area within its boundaries.

In the past eight years, three private properties experienced earth movement where a portion of the property slid, requiring the property owners to do extensive and expensive slope restoration work. Recent geological exploration on an 8-acre vacant property where a home was being proposed revealed unstable conditions and an ancient landslide. Pursuant to the Los Angeles County Building Code, before the property owner could be allowed to proceed with construction, extensive remediation was required.

Fire Safety Constraints

According to the California Department of Forestry and Fire Protection, all land in the City of Rolling Hills was upgraded in 2008 from "High Fire Hazard Severity Zone" to "Very High Fire Hazard Severity Zone" (VHFHSZ). As a result, more restrictive fire safety standards have been adopted in the City Building Code. Examples of the new standards include requirements to box in eave projections (common to all ranch style homes in Rolling Hills), install double paned windows, and use heavy timber construction materials and other construction materials approved by the California Fire Marshal. Professionally designed landscaping meeting Fire Department fuel modification standards (including fire-resistant plants around structures) also is required. The new fire zone designation and related standards are placing additional constraints on new development, resulting in higher design and building costs.

In addition to the higher fire hazard rating, current firefighting capabilities in the City are limited by the California Water Company due to their distribution system and aging infrastructure and the City's topography.

Infrastructure Constraints

Only a few parcels on the western periphery of the City are served by a sewer system. Consequently, most new development must utilize septic tanks for disposal of sanitary waste. Recent engineering studies indicate that due to the terrain and unstable geological conditions of the City, the cost of a sewer system would be prohibitive for a small city with limited financial resources. In 2013, there was an attempt to form a sewer assessment district pursuant to

Proposition 218 (Cal Const. art. XIIID, § 4) for properties abutting Johns Canyon Road in the City, but the effort failed due to the high cost of installing the sewer line. The prohibitive cost of sewer line installation, in conjunction with recent active landslide activity and high cost of septic installation, continues to constrain development in the City.

Biological Resource Constraints

Environmental constraints that limit development in Rolling Hills include sensitive animal habitats and species that are listed or being considered for listing by the U.S. Department of Fish and Wildlife and/or the California Department of Fish and Wildlife. These species include the Palos Verdes Blue butterfly, the California Gnatcatcher, the Pacific Pocket Mouse, the San Diego Horned Lizard, and Brackishwater Snail. The community is also underlain with blue-line streams that are under the jurisdiction of the Army Corps of Engineers.

Within the context of these constraints, the City has actively pursued avenues to support residential development and facilitate affordable housing opportunities. Specifically, the City has adopted amendments to its Zoning Ordinance to allow for manufactured housing units and a variety of other housing types and has worked collaboratively with adjacent communities to address regional affordable housing needs. Additionally, the City amended Chapter 17.28 of the Rolling Hills Municipal Code to allow construction of Accessory Dwelling Units (ADU) and Junior Accessory Dwelling Units (JADU) in compliance with the provisions of Government Code Sections 65852.2 and 65852.22. As part of this Housing Element Update, it has also amended its General Plan to allow for multi-family housing and amended its Zoning Ordinance to permit emergency shelters, single room occupancy housing, transitional and supportive housing, and to require reasonable accommodation for persons with disabilities. It has also created opportunities and incentives for affordable housing, as required by the Government Code. The City has conducted these efforts in compliance with State Housing Element Law as summarized below.

B. PURPOSE OF THE HOUSING ELEMENT

The provision of adequate housing for families and individuals of all economic levels is an important public goal. It has been a focus for state and local governments for more than five decades. The issue has grown in complexity due to rising land and construction costs, as well as increasing competition for physical and financial resources in both the public and the private sectors.

In response to this concern, the California Legislature amended the Government Code in 1980. The amendment instituted the requirement that each local community include a specific analysis of its housing needs and a realistic set of programs designed to meet those needs. This analysis is to be set forth in the Housing Element and incorporated in the General Plan of each municipality.

C. LEGISLATIVE REQUIREMENTS

The legislative requirements for Housing Element are prefaced by several statements of State policy set forth in Section 65580 of the Government Code as follows:

The Legislature finds and declares as follows:

(a) The availability of housing is of vital statewide importance, and the early attainment of decent housing and a suitable living environment for every Californian, including farmworkers, is a priority of the highest order.

(b) The early attainment of this goal requires the cooperative participation of government and the private sector in an effort to expand housing opportunities and accommodate the housing needs of Californians of all economic levels.

(c) The provision of housing affordable to low- and moderate-income households requires the cooperation of all levels of government.

(d) Local and state governments have a responsibility to use the powers vested in them to facilitate the improvement and development of housing to make adequate provision for the housing needs of all economic segments of the community.

(e) The Legislature recognizes that in carrying out this responsibility, each local government also has the responsibility to consider economic, environmental, and fiscal factors and community goals set forth in the general plan and to cooperate with other local governments and the state in addressing regional housing needs.

(f) Designating and maintaining a supply of land and adequate sites suitable, feasible, and available for the development of housing sufficient to meet the locality's housing need for all income levels is essential to achieving the state's housing goals and the purposes of this article.

State law further requires each municipality to accomplish the following tasks:

- Identify and analyze the current and projected housing needs of all economic segments of the community.
- Evaluate the current and potential constraints to meeting those needs, including identifying the constraints that are due to the marketplace and those imposed by the government.
- Inventory and assess the availability of land suitable for residential use.
- Establish a series of goals, objectives, policies and programs aimed at responding to identified housing needs, market and governmental constraints, and housing opportunities.

D. SCOPE AND CONTENT

The Housing Element consists of five major components:

- An analysis of the City's demographic and housing characteristics and trends.
- A summary of the existing and projected housing needs of the City's households.
- A review of the potential market, governmental, and environmental constraints to meeting the City's identified housing needs.
- An evaluation of the resources available to achieve the City's housing goals.
- A statement of the Housing Plan for the years 2014 through 2021 to address the City's identified housing needs, including the housing goals, policies and programs.

This Element was initially adopted in 2014 and included these required components. The 2014-2021 Housing Plan has guided the City's housing programs for the last six years and has resulted in significant accomplishments. Revisions to the Plan adopted in 2021 ensure that the Plan is fully compliant with State Government Code requirements and provide additional guidance through the end of the planning period. The Action Plan in Chapter VI identifies programs that have already been completed during the eight-year planning period as well as programs that are underway or yet to be completed.

E. RELATIONSHIP TO OTHER GENERAL PLAN ELEMENTS

The Government Code requires internal consistency among the various elements of a General Plan. Section 65300.5 of the Government Code states that the General Plan and the parts and elements thereof shall comprise an integrated and an internally consistent and compatible statement of policies.

The Rolling Hills General Plan contains the following six elements: 1) Land Use; 2) Housing; 3) Circulation; 4) Open Space and Conservation; 5) Safety; and 6) Noise. The General Plan is internally consistent. Policy direction introduced in one element is reflected in other Plan elements. For example, residential development capacities established in the Land Use Element and constraints to development identified in the Safety Element are reflected in the Housing Element. The Housing Element builds upon the other General Plan elements and is consistent with the policies and proposals set forth by the Plan.

Pursuant to Government Code Section 65400, the City will annually review its progress in implementing this Housing Element. This review will help ensure consistency between this Element and the other General Plan Elements.

F. RELATIONSHIP TO PRIVATE LAND USE RESTRICTIONS

Most of the developable property in the City is subject to covenants, conditions, and restrictions (CC&Rs) adopted by the Rolling Hills Community Association (RHCA), a non-profit California Corporation and homeowners association that shares the boundaries of the City. RHCA is governed by elected Rolling Hills community residents and oversees and enforces implementation of the CC&Rs. The CC&Rs run with each property in perpetuity and cover all properties in the City except those listed below:

1. City Hall Complex
2. Tennis Court Facility
3. PVP Unified School District
4. Daughters of Mary and Joseph Retreat Center

CC&Rs represent private contractual obligations between homeowners and are usually established at the time a subdivision or community is built. Development in Rolling Hills has been governed by CC&Rs since the community was planned in the 1930's. The RHCA and the CC&Rs existed and were in force prior to the City incorporation, which occurred in 1957. The City of Rolling Hills has no jurisdiction over the RHCA or the content or implementation of the CC&Rs.

The CC&Rs limit the density on most parcels to one residence per one-acre and two-acre lots. Any construction, remodel, and grading for a building, fence or structure is required under the CC&Rs to adhere to traditional or California ranch and equestrian architectural styles and aesthetics. The uses and purposes of all perimeter easements around each property are required to be dedicated to the RHCA and maintained for the purposes of ingress, egress, construction, and maintenance of all infrastructure constructed as roadways, bridle trials, storm drains, utility access and drainage.

In some instances, State law may supersede the authority of CC&Rs. For example, AB 670 (Cal Civil Code 4751—effective January 1, 2020) limits CC&Rs from placing unreasonable limitations on accessory dwelling units (ADUs). To the greatest extent feasible, the programs in this Housing Element reflect the requirements of State law while maintaining the integrity of the CC&Rs.

G. PUBLIC PARTICIPATION AND PROJECT TIMELINE

Section 65583(c)(9) of the Government Code 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." For purposes of the Housing Element law, "community" means a city (Gov. Code § 65582(a)).

To gather public input in its Housing Element Update, the City of Rolling Hills conducted a public workshop before the Planning Commission on September 26, 2013 which was open to all members of the community. At that meeting, the Commission with assistance from City staff and the housing consultant, discussed the Housing Element Update. The public was invited to comment and offer suggestions for new housing programs. Public comments included questions from the Planning Commission regarding the feasibility of meeting the affordable housing goal given the City's topographic and infrastructure constraints. In addition to widely noticing and advertising this meeting to Rolling Hills residents via the City's newsletter, notices also were posted at City Hall and in the Palos Verdes Peninsula News and were provided to the cities of Rancho Palos Verdes, Rolling Hills Estates and Lomita, the County of Los Angeles, the Palos Verdes Peninsula Unified School district, the Palos Verdes Peninsula Center Library District and the Los Angeles County Local Agency Formation Commission.

Following the Planning Commission Hearing, public feedback was incorporated into the document. A Draft Element was submitted to HCD for review on October 15, 2013. HCD issued a response letter on December 11, 2013 indicating that the document required revision prior to certification. Revisions were made in response to State comments, and a revised Draft Element was recommended by the Planning Commission on January 21, 2014 and adopted by the City Council on February 10, 2014. Public comment was invited and encouraged at both meetings, which were advertised and noticed following City procedures. The adopted Element was submitted to HCD on March 3, 2014. On May 30, 2014, HCD made a determination that the adopted Element had not adequately responded to earlier State comments and required further revision.

The City of Rolling Hills continued to solicit public input on housing issues between 2014 and 2019 while implementing the policies and actions in its adopted Element. These policies and actions facilitated production of new housing, conservation and improvement of existing housing, and new affordable housing opportunities through revisions to the City's Accessory Dwelling Unit (ADU) requirements. In an effort to fully comply with State requirements and obtain State certification, the City met with HCD representatives in 2019 to develop a timeline for revising the previously adopted Element.

On November 25, 2019, a public meeting with the City Council was held to discuss the path toward achieving a compliant Housing Element. The meeting was highly attended by residents inquiring as to potential suitable sites and possible development impacts. Several potential sites were discussed and it was announced at the meeting that further analysis and outreach would be conducted to determine the suitability of each of the identified sites. As with the earlier meetings in 2013 and 2014, the 2019 meeting was widely noticed, including an advertisement in the Palos Verdes Peninsula News, an announcement in the City's newsletter, an email to the City's

interested parties list, and posting at City Hall. Persons of all income levels and housing circumstances were included in the noticing.

Revisions to the adopted Housing Element continued into 2020, along with further communication with HCD and the public. In September 2020, the City retained a consultant to facilitate additional revisions and to bring a revised document to the Planning Commission and City Council for adoption. Additional public hearings were necessary to revise the Municipal Code to provide for reasonable accommodations in housing. These occurred on October 20 (Planning Commission) and November 9 (City Council). Public hearings were then held to amend the Municipal Code to create an Affordable Housing Overlay Zone; allow multi-family housing, emergency shelter, and single room occupancy housing; make conforming amendments to the Land Use Element of the General Plan; and certify a CEQA Initial Study-Negative Declaration for these actions. The Planning Commission convened its hearing on December 22, 2020 and the Council convened its hearing on January 25, 2021. Both meetings were widely noticed and advertised, and residents of Rolling Hills and neighboring Rancho Palos Verdes participated and provided testimony. Subsequent public hearings on the Overlay Zone were held on February 5 (Planning Commission) and February 8 and February 22, 2021 (City Council).

The City also implemented housing outreach measures in 2020 to ensure that Rolling Hills residents were informed of the steps the City was taking to attain a compliant Housing Element, as well as new opportunities for ADUs. In October 2020, the City mailed a survey to every household in the City seeking opinions about ADUs, information on ADU potential, and the feasibility of an affordable ADU program. The response rate was nearly 30 percent and the findings will shape ADU programs that help the City meet its lower-income housing needs. Based on the responses to the survey, all economic segments of the community have been involved.

The public has also been engaged in adoption of the revised Element in 2021. Meeting notices and advertisements have been provided, and the public was encouraged to attend and participate. Draft copies of the revised Housing Element were posted to the City's website prior to its adoption. The Planning Commission held a public hearing on the Revised Draft Element on XX, 2021 and the City Council adopted the Element on XX, 2021.

The City continues to encourage and support participation of all economic segments of the community. Staff regularly solicits input from other public agencies, housing developers and non-profit housing organizations for strategies and information on how to best meet its affordable housing goals. Staff will convene additional workshops, surveys, and public meetings as part of its next Housing Element Update. In addition to its regular noticing practices, Staff will use social media and print media to inform the public of workshops and meetings.

H. SOURCES OF INFORMATION

A number of data sources were used to create the Rolling Hills Housing Element. These include:

- City of Rolling Hills General Plan, current.
- City of Rolling Hills Municipal Code, current.
- City of Rolling Hills Revised Final Environmental Impact Report: General Plan Update and Zoning Ordinance Revision, April 1990.
- City of Rolling Hills Planning Department building permit records, August 2013.
- Southern California Association of Governments (SCAG) Final Regional Housing Needs Assessment (RHNA), adopted November 26, 2012.
- Department of Finance Population and Housing data, January 2013.
- 1990, 2000, 2010 U.S. Census Reports, plus 2020 American Community Survey.
- City of Rolling Hills Hazard Mitigation Plan.
- Assembly Bill Nos.: 68, 670, 671, 881 and Senate Bill No. 13.
- Initial Study and Negative Declaration for the Rancho Del Mar Affordable Housing Overlay Zone and related General Plan Amendments

Various other informational sources were also referenced and are cited where they appear within the text.

II. HOUSING NEEDS ASSESSMENT

A successful strategy for improving housing conditions must be preceded by an assessment of housing needs. This section of the Housing Element reviews the major components of housing needs, including trends in Rolling Hills' population, households, and the type of housing available. These trends reflect both local and regional conditions. Data in this chapter is generally based on conditions as of 2013, providing the baseline for the eight-year RHNA planning period (2014-2021). Where appropriate, updated data from later in the planning period has been cited or referenced.

The analysis is broken down into four major subsections:

- Section A, Population Characteristics, analyzes the City of Rolling Hills in terms of individual persons and attempts to identify any population trends that may affect future housing needs.
- Section B, Household Characteristics, analyzes Rolling Hills in terms of households, or living groups, to see how past and expected household changes will affect housing needs.
- Section C, Housing Characteristics, analyzes the housing units in Rolling Hills in terms of availability, affordability, and condition.
- Section D, Assisted Housing At Risk of Conversion, analyzes housing units that have expiring use restrictions, such as project-based Section 8 contracts and early tax-credit financing contracts.

This assessment of Rolling Hills' housing needs is used as the basis for identifying appropriate policies and programs in this Element.

A. POPULATION CHARACTERISTICS

Rolling Hills' population characteristics are important factors affecting the type and extent of housing needs in the City. Population growth, age, race/ ethnicity and employment characteristics are discussed in this section.

1. Population Change

Rolling Hills had a resident population of 1,860 according to the 2010 Census, and a population of 1,884 in 2013, according to the State of California Department of Finance, City/County Population and Housing Estimates. In terms of population, Rolling Hills is the fourth smallest city in Los Angeles County. The City has been largely built-out for the past forty years.

As illustrated in Table 1, the City had a 1970 population of 2,050 and a 1980 population of 2,049. By 1990, the City's population had dropped to 1,871. This decrease population lost as a result of the

damage from the Flying Triangle Landslide, in which ten homes were destroyed in the southern portion of the City.

The City's population remained stagnant from 1990 to 2000 and decreased by 0.6 percent between 2000 and 2010. The 2013 California Department of Finance estimates a slight increase of 1.3 percent since 2010. By comparison, the County of Los Angeles population increased by 3.0 percent from 2000 to 2010, from 9,519,330 to 9,818,605.

Limited growth in the City's population demonstrates the diminishing supply of parcels available for development. Opportunities for new residents to move into Rolling Hills have occurred primarily through redevelopment of the City's original housing stock and changes in ownership.

Table 1
City of Rolling Hills
Population: 1970,1980, 1990, 2000, 2010, 2013

Year	Population	Percent Change from Previous Year
1970 (a)	2050	–
1980 (a)	2049	0
1990 (b)	1871	-8.7
2000 (c)	1,871	0.0
2010 (d)	1,860	-0.6
2013 (e)	1,884	1.3

Sources: (a) City General Plan; (b) 1990 Census; (c) 2000 Census; (d) 2010 Census;
(e) State of California Department of Finance, City/County Population and Housing Estimates, January 01, 2013

2. Age Characteristics

The age structure of a population is an important factor in evaluating housing needs and planning for future housing development. For example, if a city is experiencing an outmigration of young adults (ages 25-34), there may be a shortage of first-time homebuyer opportunities and/or well-paying employment opportunities. If a city has a substantial elderly population, special housing types or services may be needed, such as assisted living facilities, housing rehabilitation programs, paratransit, meals on wheels, and home health care services, in order to enable seniors to remain in the community. Table 2 shows the number and percentages of Rolling Hills residents in each age group according to Census 2010. The table also shows the median age for the City and County of Los Angeles.

Rolling Hills is a maturing community. During the past 30 years, its median age increased from 38.2 in 1980 to 45.5 in 1990 to 53 in 2010. By comparison, the 2010 Los Angeles County median age was 35.9 years.

Table 2
Population by Age Group: City of Rolling Hills, and Median Age for City and Los Angeles County Census 2010

City of Rolling Hills		
Age Range	**# of Persons**	**% of Population**
Under 5 years	44	2.4
5 to 9 years	100	5.4
10 to 14 years	143	7.7
15 to 19 years	165	8.9
20 to 24 years	61	3.3
25 to 29 years	39	2.1
30 to 34 years	21	1.1
35 to 39 years	39	2.1
40 to 44 years	92	4.9
45 to 49 years	168	9
50 to 54 years	162	8.7
55 to 59 years	156	8.4
60 to 64 years	157	8.4
65 to 69 years	138	7.4
70 to 74 years	117	6.3
75 to 79 years	105	5.6
80 to 84 years	84	4.5
85 years and over	69	3.7
City Median Age - 2010	**53.0**	
County Median Age - 2010	**35.9**	

3. Race and Ethnicity

As shown in Table 3, the 2010 Census reported that 77.3 percent of Rolling Hills' population was White, which compared to 50.3 percent for the County overall. Rolling Hills' Black or African American population at 1.6 percent was lower than the County Black or African American population at 8.7 percent. American Indian or Alaskan Native comprised very small percentages of both the City and County population—0.3 percent and 0.7 percent, respectively. Asians comprised 16.3 percent of Rolling Hills' population, compared to 13.7 percent for the County. Native Hawaiian or other Pacific Islander also comprised very small percentages of the City and County population—0.1 percent and 0.3 percent, respectively. An estimated 1.3 percent of Rolling Hills' residents indicated that they are of "other race"; for the County, the percentage of people identifying themselves as "other race" was notable larger at 21.8 percent.

Rolling Hills' residents who identified themselves as Hispanic or Latino comprised 5.5 percent of the City population. For the County, this percentage was much larger, with 47.7 percent of the population identifying themselves as Hispanic or Latino.

Table 3
Population by Race and Hispanic or Latino Origin,
for City and County Census 2010

	City of Rolling Hills		Los Angeles County	
Race	**# of Persons**	**% of Total**	**# of Persons**	**% of Total**
One Race	**1,800**	**96.8**	**9,379,892**	**95.5**
White	1,437	77.3	4,936,599	50.3
Black or African American	29	1.6	856,874	8.7
American Indian and Alaska Native	5	0.3	72,828	0.7
Asian	303	16.3	1,346,865	13.7
Native Hawaiian and Other Pacific Islander	2	0.1	26,094	0.3
Other Race	24	1.3	2,140,632	21.8
Two or More Races	**60**	**3.2**	**438,713**	**4.5**
TOTAL	**1,860**	**100.0**	**9,818,605**	**100.0**
Hispanic or Latino (of any race)	102	5.5	4,687,889	47.7

4. Employment

The 2010 Census shows that 54 percent of Rolling Hills' residents were in the labor force. Of these workers, 89.1 percent commuted outside the City to work, while 10.9 percent worked from their homes.

Most of Rolling Hills' workers (71.1 percent) were employed in management, professional and related occupations. An estimated 20.4 percent worked in sales and office jobs; 4.3 percent in service industries; 3.9 percent in natural resources, construction and maintenance; and 0.3 percent in production transportation, and material moving occupations.[1]

There is no commercial or industrially zoned land in the City. City Hall is located on the only institutionally zoned land in the City. Consequently, employment is limited to home-based occupations and jobs at City Hall and the Rolling Hills Community Association office, Los Angeles County Fire Station #56, and property maintenance and personal assistance care workers. No significant change in the number of jobs in Rolling Hills is expected in the future.

B. HOUSEHOLD CHARACTERISTICS

Information on household characteristics is an important indicator of housing needs. Income and affordability is best measured at the household level, as are the special housing needs of certain groups such as large families and female-headed households. As an example, if a community has a substantial number of young family households whose incomes preclude home purchase, the city may wish to initiate a home-buyer assistance program or participate in or publicize the programs that are available elsewhere.

The Bureau of the Census defines a "household" as "all persons who occupy a housing unit, which may include families, singles, or other." Boarders are included as part of the primary household by the Census. Families are households related through marriage or blood. A single-person household refers to an individual living alone. "Other" households reflect unrelated individuals living together (e.g., roommates and unmarried partners). Persons living in retirement or convalescent homes, dormitories, or other group living situations are not considered households.

1. Household Type

As shown in Table 4, there were a total of 663 households in Rolling Hills according to the 2010 Census. Most of these households (81.3 percent) are families, compared to 67.7 percent family households for the County.

Rolling Hills' average household size is 2.81 persons per household, slightly lower than the 2.98 persons per household for the County. Family households are somewhat larger, 3.08 persons per household for the City and 3.58 persons per household for the County.

[1] *American Community Survey, Table S2406, 2019*

Table 4
Household Type
City of Rolling Hills and Los Angeles County (2010 Census)

	City of Rolling Hills		Los Angeles County	
Household Type	**No. of Households**	**% of Total**	**No. of Households**	**% of Total**
Families	539	81.3%	2,136,977	68.2%
Non-family	124	18.7%	996,797	31.8%
Total	**663**	**100.0%**	**3,133,774**	**100%**
Average Household Size (all households)	**2.81**		**2.98**	
Average Family Household Size	**3.08**		**3.58**	

2. Overcrowding

Overcrowding is another indicator of housing affordability. Unit overcrowding is caused by the combined effect of low earnings and high housing costs in a community and reflects the inability of households to buy or rent housing that provides sufficient living space for their needs. The Census defines overcrowded households as units with greater than 1.01 persons per room, excluding bathrooms, hallways and porches.

According to the 2010 Census, there is no overcrowding in Rolling Hills. There are no households reporting more than one person per room. By comparison, 12 percent of Los Angeles County households reported incidences of overcrowding and 4.9 percent of Los Angeles County households reported incidences of severe overcrowding (more than 1.5 persons per room). A low incidence of overcrowding in Rolling Hills is expected to continue through the current planning period.

3. Household Income

An important factor in housing affordability is household income. While upper income households have more discretionary income to spend on housing, low and moderate- income households are more limited in the range of housing they can afford.

State-Defined Income Categories

According to the Federal Department of Housing and Urban Development (HUD) and the California Department of Housing and Community Development (HCD), the area median income for a four-person household in Los Angeles County was $64,800 in 2013.[2] California law and some

[2] Correspondence from Lisa Bates, Deputy Director, Division of Housing Policy Development, State of California Department of Community Development, February 25, 2013.

federal housing programs define several income categories based on a percentage of the area median income (AMI) determined by HUD and HCD, as follows:

- Extremely Low Income - 30 percent of the area median income and below
- Very Low Income - between 31 percent and 50 percent of the area median income
- Lower Income - between 51 and 80 percent of the area median income
- Moderate Income - between 81 and 120 percent of the area median income.

These income ranges are used to determine eligibility for various subsidized housing programs. Households earning more than 120 percent of the area median income are considered "Above Moderate Income." The 2013 income limits for these categories by household size are presented in Table 5, as follows:

Table 5
Los Angeles County 2013 Area Median Incomes and
Income Limits Adjusted by Household Size

	Maximum Income by Household Size			
Income Category	**1 Person Household**	**2 Person Household**	**3 Person Household**	**4 Person Household**
Extremely Low Income	$17,950	$20,500	$23,050	$27,650
Very Low Income	$29,900	$34,200	$38,450	$42,700
Lower Income	$47,850	$54,650	$61,500	$68,300
Median Income *	$45,350	$51,850	$58,300	$64,800
Moderate Income	$54,450	$62,200	$70,000	$77,750
* Income limits for extremely, very low and lower income levels are set by HUD based on historical income information; median and moderate income levels are set by HCD based on mathematical averages of County income. Consequently, numbers presented for lower income are higher than median income numbers.				
Source: CA Dept. of Housing and Community Development, February 25, 2013.				

Income limit data is updated annually to reflect increases (or decreases) in wages and the income characteristics of the population in a given area. Incomes in California and Los Angeles County increased significantly during the first six years of the 2014-2021 period. By 2020, the upper limit for four-person lower-income households in Los Angeles County grew from $68,300 to $90,100, an increase of 32 percent. For a four-person very low-income household, the income limit increased from $42,700 to $56,300, and for a four-person extremely low-income household, the threshold increased from $27,650 to $33,800.

These changes are important, as they are used to calculate the monthly housing costs considered "affordable" to each income group. The benchmark for housing affordability is typically 30% of monthly income. Based on HCD limits in 2020, "affordable" housing for a four-person household in Los Angeles County would cost no more than $2,252 monthly for a lower income household and $1,407 monthly for a very low-income household. This includes utilities and other related housing costs.

Census 2010 Estimates of Household Income

According to Census 2010 estimates, median household income in Rolling Hills was $223,750, compared to $56,226 for the County. Rolling Hills' higher median household income reflects the single family, large lot nature of the community. Table 6 shows the median income for Rolling Hills, neighboring cities and the County as reported by the 2010 Census.

Table 6
City of Rolling Hills, Los Angeles County, and Surrounding Cities –
2010 Census Median Household Income

Median Household Income – all households	
Rolling Hills	**$223,750**
Rolling Hills Estates	$151,757
Palos Verdes Estates	$159,038
Rancho Palos Verdes	$116,643
Lomita	$61,327
Los Angeles County	$56,226

Table 7 shows the percent of Rolling Hills' households by income range. Approximately 15.0 percent of Rolling Hills' households report income below $50,000 per year, a level that generally correlates to lower-income. Approximately 6.0 percent of Rolling Hills households report income below $25,000 per year, a level that generally correlates to extremely low-income households. Based on the 2010 Census estimate of 663 households, this could mean that as many as 39 Rolling Hills households are extremely low income.

Table 7
Rolling Hills Household Income 2010 Census

2010 Income	Percent of Households	Cumulative Percent
less than $10,000	2.3%	2.3%
$10,000 to $14,999	0.7%	3.0%
$15,000 to $24,999	2.9%	5.9%
$25,000 to $34,999	5.9%	11.8%
$35,000 to $49,999	3.1%	14.9%
$50,000 to $74,999	2.6%	17.5%
$75,000 to $99,999	4.9%	22.4%
$100,000 to $149,999	14.4%	36.8%
$150,000 to $199,999	9.3%	46.1%
$200,000 or more	53.9%	100.0%

Because of the very high value of houses in Rolling Hills, it is likely that most of the approximately 40 households with declared incomes under $25,000 have other financial assets that allow them to continue to live in Rolling Hills. Census data indicates that 50 percent of Rolling Hills homeowners over age 65 do not have a home mortgage. The Census further indicates that about

half of the persons living below the poverty line in the City are older adults. These factors point to a need for programs that assist lower-income seniors in home-sharing, opportunities for care givers to live on-site, and creation of accessory dwelling units for supplemental income.

4. Special Needs Groups

Certain segments of the population may have more difficulty finding decent, affordable housing due to special circumstances. These "special needs" groups include older adults and the elderly, large families, disabled persons, female-headed households, farm workers, and the homeless. Under State law, the housing needs of each group are required to be addressed in the Housing Element. The identified special needs groups are defined below:

Older Adults and Frail Elderly

The special needs of many older households result from their fixed incomes, higher rate of physical disabilities and common need for assistance from others. In 2010, 513 residents (27.9 percent of Rolling Hills' population) were 65 or older. The number of households with at least one senior resident was substantially higher. The Census identified 340 households with at least one member over 65, representing 51.3 percent of all Rolling Hills households. By comparison, countywide, 10.9 percent of County residents were 65 or older, and 24.4 percent of County households had members 65 years or older.

Persons over 85 (often used as a proxy to estimate the "frail elderly" population) represented 3.7 percent of Rolling Hills' population in 2010. This is one of the fastest growing segments of the population, increasing to 4.7 percent of Rolling Hills' population by 2020 based on US Census data.

Many senior households are likely to be on fixed low incomes and are at greater risk of housing over payment. In terms of housing, seniors typically require smaller, more affordable housing options and/or assistance with accessibility and home maintenance. They often require ramps, handrails, lower cupboards and counters to allow greater access and mobility for wheelchairs or walkers. Because of limited mobility, some older adults may need to live close or have transportation assistance to shopping and medical facilities.

According to the 2020 American Community Survey 23.2 percent of Rolling Hills residents over 65 have disabilities, which include sensory, physical and mental disabilities.

As discussed above, the median age for the City is much higher than the County—53.0 years compared to 35.9 years. Although most of Rolling Hills older adults are upper income, there is expected to be a continued need for accessible housing and senior related services throughout the planning period.

City Approach to Meeting Elderly Needs: In previous years, the City of Rolling Hills has assigned a portion of its Community Development Block Grant (CDBG) allocation to the adjacent city of Lomita to support its senior center and senior housing developments. In recent

years, the City of Lomita has not requested Rolling Hills' funds for senior housing. Most recently, due to the administrative burden associated with maintaining a CDBG program, the City no longer participates in the program. To continue to help elderly residents find needed services, the City has a list of local senior facilities available at City Hall. These facilities are listed below.

In addition, the City recognizes the benefits that Accessory Dwelling Units (ADUs) can provide to older residents, including the opportunity for a caregiver to reside on-site, thereby helping the homeowner age in-place. ADUs can also create a source of income and a sense of security for older residents. They can even provide an opportunity for homeowners seeking to downsize to a smaller home while remaining on their properties and within Rolling Hills.

SENIOR FACILITIES NEAR ROLLING HILLS

Organization	**Street Address**
CARSON	
• Carson Senior Assisted Living	345 E. Carson Street
• Carson Senior Center	801 East Carson Street
• Samoan American Senior Citizen	23742 Main
TORRANCE	
• Keep Safe Coalition	4733 Torrance Blvd
• Bartlett Senior Center	1318 Cravens Avenue
• Torrance YMCA Senior Center	2900 W. Sepulveda
• Herman Tillim	3614 W. Artesia Blvd
• Torrance Memorial Advantage Program	3330 W. Lomita Blvd
• Vistas Innovative Hospice Care	990 W. 190th
• RSVP	1339 Post Avenue
• Torrance South Bay YMCA Senior Program	1900 Crenshaw
• South Bay Senior Service	3246 Sepulveda Blvd
• South Bay Senior Service	2510 W. 237th Street
• H.E.L.P.	1404 Cravens Avenue
WILMINGTON	
• Wilmington Senior Center	1148 N. Avalon
• Mahar House Community Center	1115 Mahar Avenue
• Harbor Area Senior Center	1371 Eubank Avenue
• Wilmington Jaycees Foundation	1371 Eubank Avenue
HARBOR CITY	
• Harbor City Senior Center	24901 Frampton

Organization	**Street Address**
SAN PEDRO	
• Anderson Memorial Senior Center	828 S. Mesa Street
• San Pedro Service Center	769 W. Third
• Salvation Army Sage House	138 S. Bandini Street
• Japanese Community Pioneer Center	1964 W. 162nd Street
• Toberman Senior Club	131 N. Grand Avenue
REDONDO BEACH	
• RB Community Center	200 N. Pacific Coast
• Meals on Wheels	32 Knob Hill Avenue
• Beach Cities Health Group	514 N. Prospect
• Redondo Beach Senior Center	3007 Vail Avenue
MANHATTAN BEACH	
• Joslyn Center	1601 Valley Drive
• Manhattan Beach Senior Center	Same as above
• Manhattan Heights Senior	Same as above
HAWTHORNE	
• Hawthorne Senior Center	3901 El Segundo Blvd
GARDENA	
• Behavioral Health Services, Medicine Education Program	15519 Crenshaw Blvd
• Special Services Group Care Project	14112 S Kingsley Dr
• Asian Community Service Center	same as above
• Gardena Service Center	1670 162nd Street
• Second Time Around	13220 Van Ness
• Sociable Seniors	1957 W. Redondo Bch
RANCHO PALOS VERDES	
• Peninsula Seniors	30928 Hawthorne Blvd
PALOS VERDES ESTATES	
• St. Margaret Mary Church Senior Club	25511 Eshelman
EL SEGUNDO	
• El Segundo Senior Center	3339 Sheldon Street

Disabled Persons

Physical and mental disabilities can hinder access to housing as well as the income needed to pay for housing. The proportion of physically disabled individuals is increasing nationwide due to overall increased longevity and lower mortality rates. Mentally disabled individuals include those disabled by a psychiatric illness or injury, including schizophrenia, Alzheimer's disease, AIDS-related infections and conditions related to brain trauma. Disabilities tabulated by the Census include sensory, physical and mental limitations.

A tabulation of disabled persons in Rolling Hills is not included in the 2010 Census. However, according to the 2000 Census, 152 of all Rolling Hills residents (8.1 percent of the City population) were identified as disabled. Disabilities of these residents included each of the categories tabulated by the Census, with most persons having physical disabilities. In addition, the American Community Survey (a Census program that estimates population characteristics between the decennial censuses) includes disability data for Rolling Hills covering 2015-2019.

Based on the 2000 Census data, Rolling Hills' 152 disabled residents included 15 (or 9.9 percent) aged 5 to 20 years old, 58 (or 38.1 percent) aged 21 to 64 years old, and 79 (or 52.0 percent) aged 65 years or older. Of the disabled adults aged 21 to 64, 88 percent were employed outside the home, compared to 65 percent of non-disabled adults.

The 2000 Census identified 18 percent of Los Angeles County's population as disabled. Of these disabled County residents, 10 percent were aged 5 to 20 years old, 67 percent were aged 21 to 64 years old, and 23 percent were aged 65 years or older. Of the disabled County adults aged 21 to 64, 54 percent were employed outside the home, compared to 69 percent of non-disabled adults aged 21 to 64.

The 2014-2019 American Community Survey (ACS) data for Rolling Hills indicates that 161 Rolling Hills residents (10.6 percent of the population) have a disability. A majority are seniors, with 33.8 percent of the population over 75 (94 residents) reporting one or more disabilities. The most common disabilities are ambulatory (103 residents, including 82 persons over 65), hearing (56 residents, including 50 persons over 65), and cognitive (31 persons, including 10 over 65). Approximately 61 residents have a self-care limitation, including 44 residents over 65. These residents may require daily assistance from caretakers or family members.

While many elder disabled residents have the financial means to adapt their homes for decreased mobility, or to retain on-site care, some may need financial assistance. In addition, it is important that planning and building codes support adaptations to homes (such as wheelchair ramps and lower counter heights) that meet the needs of aging households and others with disabilities in the community.

Pursuant to SB 812 (Lanterman Act), cities must include in their Housing Elements an analysis of the special housing needs of the disabled including persons with developmental disabilities. The Harbor Regional Center, located in Torrance, provides services to Rolling Hills' residents with developmental disabilities pursuant to the Lanterman Act. The Harbor Regional Center is a private, not-for-profit corporation that serves over 10,000 people with developmental disabilities,

and their families, who reside in the South Bay, Harbor, Long Beach, and southeast areas of Los Angeles County.

Within Rolling Hills, the Harbor Regional Center served one child aged 3-years old, one child aged 4-years old, one child aged 5-years old, three children aged 7-years old, one child aged 8-years old, two children aged 9-years old, two children 10-years old, one child aged 11-years old, three children aged 12-years old, and two children aged 13-years old.[3]

City Approach to Meeting Disabled Needs: The City recognizes that regardless of income, disability can block adequate access to housing. The City has adopted Resolution 699 that certifies its recognition of the American with Disabilities Act and adopts necessary mitigation efforts to assist its disabled residents. It has also adopted a reasonable accommodation ordinance to ensure that disabled residents may enhance or modify their homes in a way that meets their needs.

Female-Headed Households

Single-parent households require special consideration and assistance because of their greater needs for day care, health care, and other facilities. Female-headed households with children in particular tend to have lower incomes, thus limiting housing availability for this group.

According to the 2010 US Census, Rolling Hills has three female-headed households with children 18 years or younger. These three households, which comprise less than one-half of one percent of all Rolling Hills households, are likely to be above-moderate income. Countywide, female-headed households with children 18 years or younger comprise eight percent of total households. Of these County households, 13 percent live in poverty. The equivalent data for Rolling Hills indicates there are no female-headed households with children below the poverty line.

Because the very small number of female-headed households in Rolling Hills, as well as their income characteristics, they are not expected to have special housing needs that require City programs.

City Approach to Meeting Female-Headed Households Needs: Because female headed households are not an identified need in Rolling Hills, the City does not have active programs or policies to address this need.

Large Households

Large households are identified in State housing law as a "group with special housing needs based on the generally limited availability of adequately sized, affordable housing units." Large households are defined as those with five or more members. As noted in Table 4 above, Rolling Hills has a smaller average household and family size than the County. Only 12.8 percent of the City's households have 5 or more members, compared to 16 percent in Los Angeles County as a whole. Also, no City housing units meet the definition of overcrowded.

[3] Nancy Spiegel, Director of Information and Development, Harbor Regional Center, 21231 Hawthorne Blvd., Torrance CA 90503; September 5, 2013.

Rolling Hills has the housing stock to accommodate large households. According to the 2010 Census, the average number of rooms per housing unit in the City is 6.9 compared to 4.6 for the County. Large family households in Rolling Hills are expected to be predominately upper income and adequately housed in the City's larger single- family homes. This information indicates that in Rolling Hills large households do not represent a special needs group.

City Approach to Meeting Large Households Needs: Because large households are not an identified need in the Rolling Hills, the City does not have active programs or policies to address this need.

Farm Workers

The special housing needs of many agricultural workers stem from their low wages and seasonal nature of their employment. An estimate of the "farm worker" population in the City is extrapolated from individuals who categorize their employment as "farming, fishing or forestry" in the 2010 Census.

Based on this estimate, there is one Rolling Hills' worker who identified him/herself as employed in this farming category. Because of the high median income in the City, this worker is expected to be of above moderate income. There are no designated agricultural uses in or adjacent to Rolling Hills. Consequently, farm workers are not a special housing needs group in Rolling Hills.

City Approach to Meeting Farmworker Needs: Because farm workers are not an identified need in the Rolling Hills, the City does not have active programs or policies to address this need.

Homelessness

During the past decades, homelessness has become an increasing problem throughout the state. Factors contributing to the rise in homelessness include the general lack of housing affordable to low- and very low-income persons, increases in the number of persons whose incomes fall below the poverty level, reductions in public subsidies to the poor, and the de-institutionalization of the mentally ill.

According to the Los Angeles Homeless Services Authority (LAHSA) 2013 Greater Los Angeles Homeless Count Executive Summary, there are 59,233 homeless persons in Los Angeles County. There are currently over 80 homeless shelters and numerous other emergency shelters, transitional housing facilities, hospital emergency rooms, motels that assist Los Angeles County homeless.[4] The homeless facilities closest to Rolling Hills include Beacon Light Mission in Wilmington that currently provides 7 temporary beds for homeless men plus meals.[5] While no one has been turned away from the dining tables in over a year, the beds are usually full. The Mission finds that the majority of its clients are people searching for work in the Harbor area.

[4] https://www.homelessshelterdirectory.org/cgi-bin/id/city.cgi?city=Los%20Angeles&state=CA; accessed September 22, 2013.
[5] http://beaconlightmission.org/; accessed September 22, 2013.

Other nearby homeless facilities include the American Family Housing (AFH), a nonprofit organization that provides emergency, transitional and permanent housing. AFH operates in Los Angeles, Orange, and San Bernardino counties and is currently helping 1,170 persons each day with shelter.[6] In the South Bay area of Los Angeles, it operates a 20- unit two-story apartment complex that features an outdoor play area and indoor children's recreation room. Occupants can stay at the shelter for up to 90-days. During that stay, the occupants meet with caseworkers and attend workshops on various topics, including budgeting, parenting and nutrition. They receive assistance on building a resume and seeking employment as well as free and reduced-cost childcare.

Harbor Interfaith Shelter in San Pedro provides housing to people each day in its emergency, transitional and low-income permanent housing. In 2012, it provided housing services to 18,000 persons.[7] The shelter also provides meals, personal counseling, and educational and vocational services. Toberman Settlement House is a non-profit neighborhood center providing services to low-income residents of Los Angeles. Its efforts are aimed at helping individuals and families move from poverty to self-sufficiency. Founded in 1903, Toberman House is the oldest charity in the city of Los Angeles, and the oldest United Methodist mission project in the Western U.S. It was originally located in Echo Park, but moved to Boyle Heights in 1917, then San Pedro in 1937. Toberman House offers a wide range of social services, ranging from state-licensed K through 5 childcare, and afterschool care, to a senior's club.

Recent contacts with each of these agencies indicate that they are fully occupied but have no record of patrons who have listed Rolling Hills as their previous place of residence. Part of the reason for this is that the City is not located along a major street, with other services or businesses, which would attract transient and homeless persons. Additionally, Rolling Hills' gated entries, which are monitored by the Rolling Hills Community Association and the rugged terrain provide a difficult environment for the homeless.

A "point in time" count of homeless residents in Greater Los Angeles is conducted annually by the Los Angeles Homeless Services Authority. Data for 2016, 2017, 2018, 2019, and 2020 counted no homeless residents in Rolling Hills.

City Approach to Addressing Homelessness: Senate Bill 2 of 2007 (SB2) requires that jurisdictions quantify the need for emergency shelters and determine whether existing facilities are adequate to serve the need. No homeless persons have been identified in or being from Rolling Hills. Consequently, there is no quantified need for emergency shelters in Rolling Hills.

SB2 further requires that every city and county in California, regardless of the size of its homeless population, provide at least one zoning category in which emergency shelter is permitted "by right"—in other words, without discretionary approval from the local government. At least one emergency shelter site must be identified in each city, and the Housing Element must confirm that the site has adequate capacity to meet the identified need. As addressed later in this document, the City of Rolling Hills met this requirement in February

[6] https://afhusa.org; accessed September 22, 2013.
[7] https://www.harborinterfaith.org/; accessed September 22, 2013.

2021 through its creation and mapping of an Affordable Housing Overlay District where emergency shelter is permitted by right.

Outside of Rolling Hills, there are over 80 emergency shelters plus numerous other facilities assisting homeless persons in the Los Angeles area, with the Beacon Light Mission in Wilmington being the closest to Rolling Hills. The City is committed to coordinating with and homeless service providers and meeting local homeless needs. A list of nearby social service agencies and shelters is maintained by the City Clerk. In addition, the Sheriff Department directs homeless individuals throughout the County to local shelters.

Provisions for transitional and supportive housing, and Single Room Occupancy (SRO) hotel units are addressed in Chapters III and VI of this Housing Element.

C. HOUSING CHARACTERISTICS

A housing unit is defined as a house, apartment, mobile home, or single room occupied as a separate living quarter or, if vacant, intended for occupancy as a separate living quarter. Separate living quarters are those in which the occupants live and eat separately from any other persons in the building and which have direct access from the outside of the building or through a common hall. A community's housing stock is the compilation of all its housing units.

1. Housing Growth

Rolling Hills has been built out for the last forty years. The supply of buildable land has become increasingly constrained by fires, landslides and identification of biologically sensitive species. Since 1990, the City has experienced a net gain of 10 units. Rolling Hills' housing supply has grown from a 1990 Census count of 674 units, to a 2000 Census count of 675 to a 2010 census count of 693 units. This represents a growth rate of 2 percent over 20 years, or less than two-tenths of one percent per year.

While the limited availability of land suitable for residential development has resulted in only nominal increases in the City's housing stock, additional residential development has been occurring through redevelopment of existing units. Much of the City's original housing stock was built in the 1950s and was typified by 3,000 to 4,000 square-foot ranch style homes. As in many communities with a strong market for residential development and limited available land, Rolling Hills' older housing stock is gradually being replaced with much larger, expansive units averaging 6,000 to 9,000 square feet in size, according to City building permit records. This trend of residential recycling can be expected to continue and potentially increase as less vacant land is available for development.

2. Housing Type

Rolling Hills is a community of single family houses. According to the 2010 Census, there are 693 single family units and no multi-family units. Some of these homes include guest houses and a few contain permitted Accessory Dwelling Units. Per the Municipal Code, occupancy of guest houses is limited to persons employed on the premises, the immediate family of the occupants of the main residence or the temporary guests of the occupants of the main residence. No temporary guest may remain in occupancy for more than thirty days in any six-month period. A resident needs a Conditional Use Permit for a guest house and is prohibited from renting out the guest house. (RHMC Section 17.16.210(A)(5)(f).) Prior to 2018, these limitations effectively prohibited accessory dwelling units (ADUs) in the City.

In January 2018, the City Amended Chapter 17.28 of the Municipal Code to allow for the construction of ADUs and JADUs to help increase the housing stock in the City. This includes potential conversion of guest houses to ADUs.

AB 167 amended Government Code Section 65583(c)(7) to require local governments, as part of their housing elements, to develop a plan that incentivizes and promotes the creation of ADUs at affordable rents. In addition SB 1069 required all cities and counties to allow ADUs, provided they met specific standards, and SB 13 limited the extent of development impact fees on ADUs. The City's ADU requirements are discussed in the next chapter of this Element, and ADU opportunities are addressed in Chapters V and VI.

3. Age and Condition of Housing Stock

Most homes begin to exhibit signs of decay when they approach thirty years of age. Common repairs needed include new roofs, wall plaster and stucco. Homes thirty years or over with deferred maintenance require more substantial repairs, such as new siding, plumbing or multiple repairs to the roof, walls, etc. As illustrated in Table 8, the majority of Rolling Hills' housing (51 percent) was constructed before 1960.

The fact that a large majority of the City's housing stock is owner-occupied, combined with the high quality of residential construction, has resulted in excellent upkeep of the City's units. According to the City code enforcement files, no significant housing condition problems have been identified.

Code enforcement in the City is the responsibility of the Planning and Community Services Department. In 2019, the City added a new position in the Planning and Community Services Department strictly for code enforcement. In response to complaints, the Code Enforcement Officer makes site inspections in the community. Any code enforcement violations noted by the Officer or called in by a resident are typically handled by a site inspection and phone call to the resident causing the violation. If the phone call fails to resolve the violation, the Officer will follow-up with a letter. The code violations regarding residential structural deficiencies in the City of Rolling Hills are monitored by the Officer and Building Inspector. Both City representatives monitor the violations until the issues are resolved.

City Housing Maintenance Efforts: As noted above, the City encourages the conservation and maintenance of its housing stock and works with its homeowners to support home improvements and code enforcement activities.

Table 8
City of Rolling Hills Age of Housing Stock 2010 Census

Years	# of Units	% of Total Units	Cumulative % of Total Units
1939 or earlier	33	4.8%	4.8%
1940-1959	324	46.7%	51.5%
1960-1969	115	16.6%	68.1%
1970-1979	110	15.9%	84.0%
1980-1989	40	5.8%	89.8%
1990-1999	30	4.3%	94.1%
2000-2004	18	2.6%	96.7%
2005+	23	3.3%	100.0%
Total	693	100%	

4. Housing Costs

Housing costs are driven by the price of raw land, infrastructure (e.g. sewer and water), construction, supply relative to demand, and financing rates. The diminishing supply of developable land in Rolling Hills and the rapid rise in residential real estate prices that has occurred throughout the Southern California region, have driven up the cost of both ownership and rental housing in Rolling Hills.

Ownership Housing

All ownership housing in Rolling Hills is single family homes. Minimum lot size as established by the RHCA is one acre. The value of these homes varies based on the type, size and location.

According to the 2010 Census, 90.8 percent of houses in Rolling Hills are valued at over $1,000,000. Recent for sales data for September 2013 shows a median for-sale housing price of about $5,500,000.[8]

As shown in Table 9 below, Rolling Hills' housing prices are similar to most of its neighboring communities.

[8] Zillow.com; accessed 9/30/2013.

Table 9
City of Rolling Hills Median Housing Values 2010 Census

City	Median Sales Price 2010
Rolling Hills	$1,000,000+
Rolling Hills Estates	$1,000,000+
Palos Verdes Estates	$1,000,000+
Rancho Palos Verdes	$ 950,000
Lomita	$495,000

Rental Housing

According to the 2010 Census, 97.5 percent of the City's housing units were owner- occupied, with 2.5 percent renter-occupied. Census data from 2014-2019 indicates there are 27 renter households in the city. Because of the large estate lots and limited supply of available housing in the community, rental rates are currently between $3,500 per month and $9,900 per month.[9] There are also a limited number of Accessory Dwelling Units that are more affordable.

Vacancy Rates

The residential vacancy rate, a translation of the number of unoccupied housing units on the market, is a good indicator of the balance between housing supply and demand in a community. When the demand for housing exceeds the available supply, the vacancy rate will be low. Concurrently, a low vacancy rate drives the cost of housing upward to the disadvantage of prospective buyers or renters.

In a healthy housing market, the vacancy rate would be between 5.0 and 8.0 percent. These vacant units should be distributed across a variety of housing types, sizes, price ranges and locations within the City. This allows adequate selection opportunities for households seeking new residences.

According to the 2010 Census, Rolling Hills' owner-occupied housing units have a vacancy rate of 5 percent. This rate indicates that the housing market is relatively healthy with some room for buyers to find a suitable unit or negotiate a lower purchase price.

Housing Affordability and Overpayment

Federal and state guidelines specify that households should not spend more than 30 percent of their gross income on housing. Census information indicates that 13.0 percent of Rolling Hills' renter households and 34.0 percent of owner households paid more than 30 percent of their incomes on housing.

[9] Zillow.com; accessed 9/30/2013.

Table 10 estimates the maximum housing costs affordable to Very Low Income, Low Income and Moderate Income households based on HCD established income criteria at the start of the eight-year Housing Element planning period. In the case of rent, the 30 percent assumes utilities are included in the monthly rental cost. Utilities may include water, sewer, trash pickup, electric and gas, and may add well over $100 to the monthly cost of a rental unit, exclusive of heating and cooling.

In the case of purchase, the 30 percent includes payment on mortgage principal and interest, plus property tax, homeowner insurance and utilities. To purchase a home, the buyer typically needs to put 20 percent of the housing cost down at the time of purchase.

As indicated in Table 10, maximum housing costs affordable to an Extremely Low Income four-person household are $136,015 to purchase a home and $691 per month to rent a home. For a Very Low Income four-person household, maximum costs are $210,048 to purchase a home and $1,068 per month to rent a home. For a Low Income four-person household, the maximum affordable housing costs are $335,979 to purchase a home and $1,708 per month to rent a home. For a Median Income four- person household, the maximum affordable housing costs are $318,762 to purchase a home and $1,620 per month to rent a home. For a Moderate Income four-person household, the maximum affordable housing costs are $382,465 to purchase a home and $1,944.00 per month to rent a home. By the later part of the planning period in 2020, these thresholds had increased by roughly 30 percent. However, housing prices and rents in Rolling Hills were still out of range for lower- and moderate-income households.

As presented above, the current cost to purchase a home in the City begins at about $2,225,000. With 20 percent down, this price would require a $399,800 down payment and a monthly payment of about $8,350. These costs, as indicated in Table 10, are well above the reach of Extremely Low, Very Low, Low, Median and Moderate Income households.

Single family homes in Rolling Hills rent for more than $3,500 per month. These rents are well above the reach of Extremely Low, Very Low, and Low Income households. Accessory Dwelling Units (ADUs) may provide more affordable options for a number of lower- and moderate-income Rolling Hills households.

As discussed under Section B.3 above, because of the very high value of houses in Rolling Hills, it is likely that households with declared incomes in the lower income ranges have other financial assets that allow them to continue to live in Rolling Hills or have paid off their mortgages. Data from the American Community Survey for 2014-2019 indicated that only seven households in the City of Rolling Hills were paying more than 30 percent of their incomes on rent, despite average monthly rents that exceed $3,500. These residents would be unlikely to qualify for federal or state sponsored housing programs or have a need for other affordable housing options.

Table 10 County of Los Angeles

Affordable Housing Prices and Rents by Income Group: 2013

	1 Person Household	2 Person Household	3 Person Household	4 Person Household
Extremely Low Income (per month)	**$1,496**	**$1,708**	**$1,921**	**$2,304**
Maximum Home Purchase Price	$88,299	$100,843	$113,387	$136,015
Maximum Home Rental Rate	$449	$513	$576	$691
Very Low Income (per month)	**$2,492**	**$2,850**	**$3,204**	**$3,558**
Maximum Home Purchase Price	$147,083	$168,236	$189,142	$210,048
Maximum Home Rental Rate	$748	$855	$961	$1,068
Low Income (per month)	**$3,988**	**$4,554**	**$5,125**	**$5,692**
Maximum Home Purchase Price	$235,382	$268,832	$302,529	$335,979
Maximum Home Rental Rate	$1,196	$1,366	$1,538	$1,708
Median Income (per month)	**$3,779**	**$4,321**	**$4,858**	**$5,400**
Maximum Home Purchase Price	$223,084	$255,059	$286,787	$318,762
Maximum Home Rental Rate	$1,134	$1,296	$1,458	$1,620
Moderate Income (per month)	**$4,538**	**$5,183**	**$5,833**	**$6,479**
Maximum Home Purchase Price	$267,849	$305,972	$344,342	$382,465
Maximum Home Rental Rate	$1,361	$1,555	$1,750	$1,944

Source: Incomes per month derived from HCD, reference Table 6 above.

1) Rental affordability based on 30% of income. Assumes utilities included
2) Home purchase based on monthly payment of 30% of income, with 20% down, 4.75% interest rate for 30 years. Assumes tax, insurance and utilities are included.

D. ASSISTED HOUSING AT RISK OF CONVERSION

State law requires the City to identify, analyze and propose programs to preserve housing units that are currently deed restricted to low-income housing use and will possibly be lost as low-income housing as these deed restrictions expire. There are no identified at-risk housing units in the City. No low-income housing units in the City have been constructed with the use of federal assistance programs, state or local mortgage revenue bonds, redevelopment tax increments, in-lieu fees, or inclusionary housing ordinance or density bonuses. As a result, there is no housing at risk of losing its subsidized status.

III. CONSTRAINTS TO HOUSING PRODUCTION

A variety of factors adds to the cost of housing in Rolling Hills and constrains the provision of affordable units. These include market, governmental, contractual, infrastructure, topographic, geologic, and environmental constraints. Potential and actual constraints to the development, maintenance, and improvement of housing for persons with disabilities also impact housing production and availability.

The extent to which these constraints are affecting the supply and affordability of housing in the City of Rolling Hills is discussed below.

A. MARKET CONSTRAINTS

The most significant factor affecting the affordability of housing within the City of Rolling Hills is the market. With the desirability and limited supply of hillside land, houses in a hillside community like Rolling Hills are highly valued. These costs are further driven by high construction costs, labor costs, and construction liability concerns.

1. Land Costs

The single largest cost associated with building a new house in Rolling Hills is the cost of land. Land costs include the cost of the site, site improvements, and all costs associated with obtaining government approvals. Like the entire Palos Verdes Peninsula, land costs are extremely high in Rolling Hills due to proximity to the Pacific coast, dramatic topography that tends to require large lots, and opportunities for canyon, ocean and city views. Average cost for an undeveloped, unimproved parcel of residential land in the City was $544,000 per acre.[1] A scan of Zillow.com in Fall 2020 showed only one vacant for-sale lot in the City: a 7-acre parcel for $1.4 million.

In addition to raw land costs, required site improvements contribute to the cost of land in the City. The remaining vacant parcels in the City have severe topographic and/or geologic constraints that necessitate significant grading to accommodate development. The extremely high land costs make conventional construction of lower income housing in the City very challenging. The City has very limited resources and not eligible for most state or federal funding sources. There are no commercial enterprises in the City—therefore the City does not receive any sales tax income, which could otherwise provide a revenue source for housing programs.

2. Construction Costs

A major cost associated with building a new house is the cost of building materials. These typically comprise between more than 50 percent of the sale price of a home. According to construction industry indicators, overall construction costs rose over 30 percent during the past decade, with rising energy costs and competition for building materials from overseas markets as significant

[1] http://www.zillow.com/rolling-hills-ca/#/homes/for_sale/Rolling-Hills- CA/pmf,pf_pt/6822_rid/33.902336,-117.647095,33.356915,-118.670197_rect/9_zm/; accessed September 22, 2013.

contributors. Typical residential construction costs for high quality homes like those found in Rolling Hills were approximately $330-500 per square foot at the start of the eight-year planning period and continued to accelerate through 2020.

Construction of septic tanks adds tremendous cost to the construction of homes. Additionally, residential amenities (e.g., pools, fireplaces, porches) and high-end construction materials further increase the cost of construction. Labor is another major cost component in building a house, constituting an estimated 17 percent of the costs of constructing a single-family dwelling.

Construction costs are generally controlled by the market, while project amenities and construction materials are generally selected at the discretion of the property owner and/or developer. As required by State law, the City Zoning Ordinance allows for manufactured housing units to reduce residential construction costs. Section 17.12.130 of the Rolling Hills Municipal Code defines manufactured homes and mobile homes as "single family dwellings"; as such, they are subject to the same standards as wood-frame construction.

3. Financing

Home mortgage interest rates have been at historic lows during the past ten years. At the start of the eight-year planning period, there had been a sharp rise in foreclosures in the subprime mortgage market. Increases in interest rates coupled with declining property values in the Los Angeles region had caused many homeowners to default on their mortgages. Unable to recoup their investments, a number of lenders had to shut down or file for bankruptcy.

Property values have largely recovered from the losses of the Great Recession, but the mortgage crisis made qualifying for a home loan more difficult. Although 30- year fixed rate mortgages are still available at less than 5.0 percent, the income and down payment requirements are more stringent. There are also fewer flexible loan programs to bridge the gap between the amount of a required down payment and a potential homeowner's available funds.

B. GOVERNMENTAL CONSTRAINTS

Housing affordability is affected by government constraints as well as private sector constraints. Actions by the City can have an impact on the price and availability of housing. Land use controls, site improvement requirements, building codes, fees and other local programs intended to improve the overall quality of housing may have the unintended consequence of serving as a constraint to housing development.

1. Land Use Controls

Land use controls are established by the City's General Plan Land Use Element, Zoning Ordinance, and Community Association Building Regulations. These controls respond to the unique physical, health, and safety aspects of the City. Because of infrastructure, geologic and environmental constraints, most land in the City has developed at a density less than that permitted by City zoning.

The Rolling Hills Land Use Element provides for two residential categories: Residential Agricultural Suburban - one acre minimum (RAS-1) and Residential Agricultural Suburban - two acre minimum (RAS-2). Land use policies support retention of the City's rural residential and equestrian character, recognizing the City's heritage as well as its natural constraints. Policies also call for buffering between uses, preservation of views, and minimizing exposure to landslides, wildfires, and other hazards. These are appropriate policies, given the severe environmental and safety hazards in the community.

The Rolling Hills Zoning Ordinance establishes development standards for the City's zoning districts. These correspond to the land use categories listed above, and also include a Public Facilities (PF) zone and two overlay districts. As summarized in Table 11, building coverage is limited to twenty percent of the net lot area. Total lot coverage (structures and hardscape) is limited to thirty-five percent of the net lot area; maximum disturbed area is limited to forty percent of the net lot area; and building height is restricted to one story.

A minimum of two covered parking spaces are required for each single family dwelling unit. This parking requirement can easily be met on the City's large residential parcels. The parking standard is appropriate given the high number of automobiles per household in Rolling Hills, and the fact that there are no sidewalks, curbs or gutters on the private streets, which are too narrow to permit on-street parking. There is also no public transit service in the City. The City has incorporated Zoning Ordinance standards to allow the development of manufactured homes in its residential zones.

Table 11
City of Rolling Hills Summary of Development Standards

Setbacks		
	Front Yard	50 feet from front easement line* in RA-S-1 and RA-S-2 Zones
	Side Yards	20 feet from property line in RA-S-1 Zone 35 feet from property line in RA-S-2 Zone
	Rear Yard	50 feet from property line in RA-S-1 and RA-S-2 Zones
Density		RA-S-1: one-acre minimum RA-S-2: two-acre minimum
Structural Lot Coverage		20% of net lot area maximum
Total Lot Coverage		35% of net lot area maximum
Building Pad Coverage		30% of coverage
Maximum Disturbed Area		40% of net lot area
Maximum Height		Single-story

*Note: Most property is Rolling Hills is subject to perimeter easements varying in width around each property boundary and road easements, granted by the property owner to the RHCA, a private corporation, or another person or entity for the purpose of construction and/or maintenance and use of streets, driveways, trails, utility lines, drainage facilities, open space, and/or a combination of these uses. The RHCA requires that all easements must be kept free of buildings, fences, plantings or other obstructions.

Source: City of Rolling Hills

The development standards in Table 11 do not present constraints to the construction of single family homes. Even a "small" substandard lot of 200' x 200' (40,000) square feet would be allowed 16,000 square feet of buildable area after required setbacks are subtracted. The allowable structure coverage on such a lot would be 8,000 square feet, providing more than enough space for a residence and detached accessory structures. The requirement for single-story construction has not constrained single family construction, given the ample building footprint accommodated on each site. In fact, single-story construction has enabled many older adults in Rolling Hills to age in place.

2. Constraints for Different Housing Types

Section 65583 and 65583.2 of the Government Code require cities to plan for a "variety of types of housing, including multi-family rental housing, factory-built housing, mobile homes, housing for agricultural employees, supportive housing, single room occupancy units, emergency shelters, and transitional housing." Accordingly, the Rolling Hills Housing Element includes provisions for each of these housing types in the city, with the exception of housing explicitly reserved for agricultural employees, since this was not identified as being a need in the city.

At the start of the eight-year planning cycle (2014), the regulations in Table 11 governed all residential development in Rolling Hills. Over the last seven years, the City has enacted new land use controls consistent with State law that allow a variety of housing types and make the development of affordable units more feasible.

Accessory Dwelling Units

The adoption of the following bills below made it mandatory for every city in California to allow the development of accessory dwelling units. The bills provided strict regulations on how much power local jurisdictions and homeowners associations have over development standards. The new ADU laws' objective is to increase the housing stock everywhere in the State to help alleviate the affordable housing crisis. HCD is mandated to come up with programs to incentivize property owners to build ADUs.

> Assembly Bill No. 671, Chapter 658:
>
> *This bill would require a local agency to include a plan that incentivizes and promotes the creation of accessory dwelling units that can be offered at affordable rent for very low, low-, or moderate-income households in its housing element. The bill would require the Department of Housing and Community Development to develop a list of existing state grants and financial incentives for operating, administrative, and other expenses in connection with the planning, construction, and operation of accessory dwelling units with affordable rent, as specified. The bill would require the department to post that list on its internet website by December 31, 2020.*
>
> Assembly Bill No. 881, Chapter 659:
>
> *The Planning and Zoning Law provides for the creation of accessory dwelling units by local ordinance, or, if a local agency has not adopted an ordinance, by ministerial approval, in accordance with specified standards and conditions. Existing law requires the ordinance to designate areas where accessory dwelling units may be permitted and authorizes the designated areas to be based on criteria that includes, but is not limited to, theadequacy of water and sewer services and the impact of accessory dwelling units on traffic flow and public safety. This bill would instead require a local agency to designate these areas based on the adequacy of water and sewer services and the impact of accessory dwelling units on traffic*

flow and public safety. The bill would also prohibit a local agency from issuing a certificate of occupancy for an accessory dwelling unit before issuing a certificate of occupancy for the primary residence.

Assembly Bill No. 670, Chapter 178:

The Planning and Zoning Law authorizes a local agency to provide for the creation of accessory dwelling units in single-family and multifamily residential zones by ordinance, and sets forth standards the ordinance is required to impose with respect to certain matters, including, among others, maximum unit size, parking, and height standards. Existing law authorizes a local agency to provide by ordinance for the creation of junior accessory dwelling units, as defined, in single-family residential zones and requires the ordinance to include, among other things, standards for the creation of a junior accessory dwelling unit, required deed restrictions, and occupancy requirements.

Existing law, the Davis-Stirling Common Interest Development Act, governs the management and operation of common interest developments. Existing law prohibits the governing document of a common interest development from prohibiting the rental or leasing of any separate interest in the common interest development, unless that governing document was effective prior to the date the owner acquired title to their separate interest. This bill would make void and unenforceable any covenant, restriction, or condition contained in any deed, contract, security instrument, or other instrument affecting the transfer or sale of any interest in a planned development, and any provision of a governing document, that effectively prohibits or unreasonably restricts the construction or use of an accessory dwelling unit or junior accessory dwelling unit on a lot zoned for single-family residential use that meets the above-described minimum standards established for those units. However, the bill would permit reasonable restrictions that do not unreasonably increase the cost to construct, effectively prohibit the construction of, or extinguish the ability to otherwise construct, an accessory dwelling unit or junior accessory dwelling unit consistent with those aforementioned minimum standards provisions.

Senate Bill No. 13, Chapter 653:

(9) Existing law requires the planning agency of each city and county to adopt a general plan that includes a housing element that identifies adequate sites for housing. Existing law authorizes the department to allow a city or county to do so by a variety of methods and also authorizes the department to allow a city or county to identify sites for accessory dwelling units, as specified. This bill would state that a local agency may count an accessory dwelling unit for purposes of identifying adequate sites for housing in accordance with those provisions.

In January 2018, the City Amended Chapter 17.28 of the Municipal Code to allow for the construction of Accessory Dwelling Units and Junior Accessory Dwelling Units (ADUs and JADUs). Prior to 2018, these housing types were not permitted, although zoning regulations did permit construction of guest houses for temporary use. As a result of prior allowances for guest houses, the City has a large inventory of structures and spaces that can be easily converted to ADUs or JADUs. Given the large size of Rolling Hills homes; the large parcels and common presence of accessory structures, barns, stables, and other outbuildings, and the relatively small household sizes, the City is well positioned to accommodate a substantial number of ADUs and JADUs.

Chapter 17.28 allows ADUs and JADUs ministerially – in other words, with a building permit only – in a number of scenarios. These include instances where the unit is within the footprint of an existing single family dwelling, or an accessory structure, including an allowance for up to 150 additional (net new) square feet for ingress and egress. The unit must also have exterior access independent of the single family dwelling and side and rear setbacks that meet building and fire codes. In addition, detached ADUs are permitted by right (e.g., building permit only) if they are 800 feet or less, no more than 16 feet tall, and have side and rear setbacks of at least four feet. Applications for ADUs and JADUs must be acted on within 60 days from the date the City receives a completed application.

Once completed, ADUs may not be used for short-term rentals (less than 30 days). They may not be sold separately from the primary dwelling. They are not subject to an owner-occupancy requirement (in other words, both the primary home and ADU may be rented).[2]

ADUs that exceed the 800 square foot limit also are permitted but are subject to an ADU permit requirement in addition to a building permit. These units may be as large as 1,000 square feet and may have up to two bedrooms. Such units may not exceed 50% of the floor area of the primary dwelling or cause the floor area ratio on the site to exceed 0.45 or lot coverage by structures to exceed 50% of the property.

The City's ADU standards incorporate State standards for parking, which waive parking requirements for ADUs near a public transit stop. This is generally not applicable in Rolling Hills, since the community is not served by transit. Per State law, the Code allows for carports and garages to be converted to ADUs without replacement parking. Where this situation does not apply, one space is required for each ADU, and tandem parking is permitted.

ADUs are also subject to basic architectural standards, including compatibility with the design of the primary dwelling. The ADU is also subject to a minimum length and width of 10 feet, and a minimum ceiling height of seven feet. Landscape screening requirements apply to units that are near adjacent parcels. If the ADU changes the building exterior or involves a new structure, it is subject to design review by the Rolling Hills Community Association Architectural Committee (see Page 50 for further discussion).

ADUs smaller than 750 square feet are exempt from all impact fees. Units larger than 750 square feet may only be charged impact fees that are proportionally related to the square footage of the unit. The Code also includes waivers for utility connection fees for most ADUs, thereby reducing construction and operating costs. Moreover, the Code provides the option for a conditional use permit for ADUs that do not conform to the basic development standards of Chapter 17.28.

Overall, these requirements do not constrain or inhibit ADU or JADU construction. The regulations reflect State regulations and create ample opportunities for homeowners to earn extra income while providing a new dwelling unit for a tenant, employee, caregiver or family member. Given the large lot sizes in the city, the setback standards, FAR standards, and lot coverage limits still allow for generous ADU footprints. Likewise, the single story requirement is consistent with the requirement for single family homes. The "bonus" 150 square feet for JADU ingress/egress creates an incentive for such units. The requirement to provide a parking space is consistent with State law, since there is no transit in Rolling Hills—and is not a constraint given the large lot sizes and substantial driveway space available on most lots.

While no constraints have been identified, there are opportunities to provide incentives for ADUs that have yet to be realized. As noted in Chapter VI, the City will pursue future programs to encourage ADU construction, including ADUs for very low and low income households.

[2] JADUs (units created within the floorplan of an existing home) are subject to an owner-occupancy requirement unless the property is owned by a government agency, land trust, or housing organization.

Multi-Family Housing

In February 2021, the City amended its General Plan and zoning regulations to allow multi-family housing within the City limits. New policies in the General Plan Land Use Element expressly support a range of housing types in the city, including multi-family housing. An Affordable Housing Overlay Zone has been established on the General Plan Map, corresponding to the Rancho Del Mar Continuation High School site. The General Plan indicates that multi-family housing is permitted in the Overlay and must be constructed at a density of 20-24 units per acre, which conforms to the State's "default density" requirements under AB 2348.

The Rolling Hills Zoning Ordinance has been amended for consistency with the General Plan and provides the regulatory standards for multi-family housing. The Rancho Del Mar Affordable Housing Overlay Zone affirms that multi-family housing is permitted on the site. Sixteen units of affordable multi-family housing—in other words, housing that is deed restricted to low and very low-income households—are permitted **by right** in this zone. With State-mandated density bonuses, the actual number of units on the site could potentially be higher. The Ordinance identifies an area within the 31-acre site, located on the west side of the property near the primary access road, as the location for these units.

Additional information on the Affordable Housing Opportunity Zone may be found in Chapter V. The text below focuses on the multi-family development standards, and the extent to which they may constrain multi-family housing.

As noted above, the allowable density range for the Zone is 20-24 units per acre. Numerous projects—both market-rate and affordable—have been developed in this density range in Los Angeles County in recent years. The range can accommodate apartments, condominiums, townhomes, row houses, clustered units, manufactured homes, and small detached cottages. All of these housing types would be permitted under the regulations prescribed by the Overlay Zone. As noted in Chapter V of this Element, the Overlay Zone includes multiple potential building sites that are level, easily accessed, served by utilities, and suitable for multi-family construction. A preferred location within the Overlay has been identified for affordable housing based on topography, access, and land use compatibility. This area is vacant, relatively flat, and unconstrained.

Development standards for multi-family housing within the Overlay Zone are conducive to higher density construction. These standards require 5-foot front and side setbacks and a 10-foot rear setback. Encroachments such as decks, balconies, awnings, porches, and stairways may extend into the setback areas, and architectural features such as eaves and cornices are also permitted in the setbacks. There are no lot coverage standards or Floor Area Ratio limits. A 28' height applies, allowing two-story construction. This is the only place in Rolling Hills where two-story construction is permitted.

An initial set of development standards was prepared for the Overlay Zone for review by the State Department of Housing and Community Development. Following comments from the State, the standards were revised to eliminate potential constraints. These are noted in the bulleted list below:

- Minimum dwelling unit sizes were initially proposed at 500 square feet for a studio, 650 square feet for a one-bedroom, 800 square feet for a two-bedroom, and 1,000 square feet for a three bedroom. Based on feedback from the State, these were reduced to 250 square feet for a studio, 400 square feet for a one-bedroom, 650 square feet for a two-bedroom, and 900 square feet for a three-bedroom. The adopted minimums are well below typical unit sizes in Los Angeles County and do not pose a constraint.

- The first draft of the Ordinance required 150 square feet of common open space per unit. Following the State's review, this was reduced to 100 square feet per unit. Thus, a 16-unit project would be required to set aside just 1,600 square feet of common open space—at a density of 20 units per acre, this would represent less than 5 percent of the development site and would not be a constraint.

- Table 12 shows parking requirements for multi-family housing. The standards do not pose a constraint, considering the absence of any public transit in Rolling Hills. Only one space per unit is required, which would equate to 16 spaces (plus 2 guest spaces) in a 16-unit affordable project. The spaces do not have to be covered or in a garage, further reducing development costs. At 180 square feet per parking space, the total area dedicated to parking in a 20 unit per acre project would represent 3,240 square feet—which would represent roughly nine percent of a development site. The access driveways would likely require another 5,000 square feet, but the total area dedicated to ingress, egress, and parking would still leave ample room for open space, landscaping, and building footprints.

Table 12
City of Rolling Hills
Summary of Parking Requirements for Multi-family Housing

Housing Type	Spaces Required Per Unit	Guest Parking
Multi-Family (Affordable)	One space per unit	10% of total
Senior Housing	10 units or less--One per unit; 11 units or more--0.5 per unit	10% of total
Single Room Occupancy	0.5 space per unit, plus 1 space for each staff on-duty	None
Emergency Shelter	1 space for each staff on-duty	None

- No parking is permitted in the 20' front setback area (at the driveway location). This would not be a constraint given the large size of any parcel that would be created in the future to accommodate multi-family development. Moreover, the front yard setback for structures is only five feet, which creates more space for the building envelope and encourages parking to be placed to the rear or side of the parcel, potentially within the setback.

- The Overlay Zone ordinance gives the Planning Commission and City Council the authority to further reduce parking if it is found that alternative parking is available, including street parking and shared parking with an adjacent use.

The development standards require that multi-family housing be located at least 50 feet from the toe of the slope within the Overlay District. As discussed in Chapter V, the area within the Overlay District identified as the desired location for affordable housing is west of the Palos Verdes Peninsula Transit Authority (PVPTA) facility. This area begins at the toe of the slope and extends site extends north to the site access road, a distance of 337 feet. Effectively, structures would not be permitted on the rear 50 feet, leaving 287 feet of remaining lot depth for multi-family structures (see Figure 2). The slope restriction would not impact the east-west dimension of the buildable area. Thus, a substantial area of the future parcel would be developable and available to support multi-family construction. Moreover, the 50-foot setback area could be used for parking, which would provide additional flexibility in site planning.

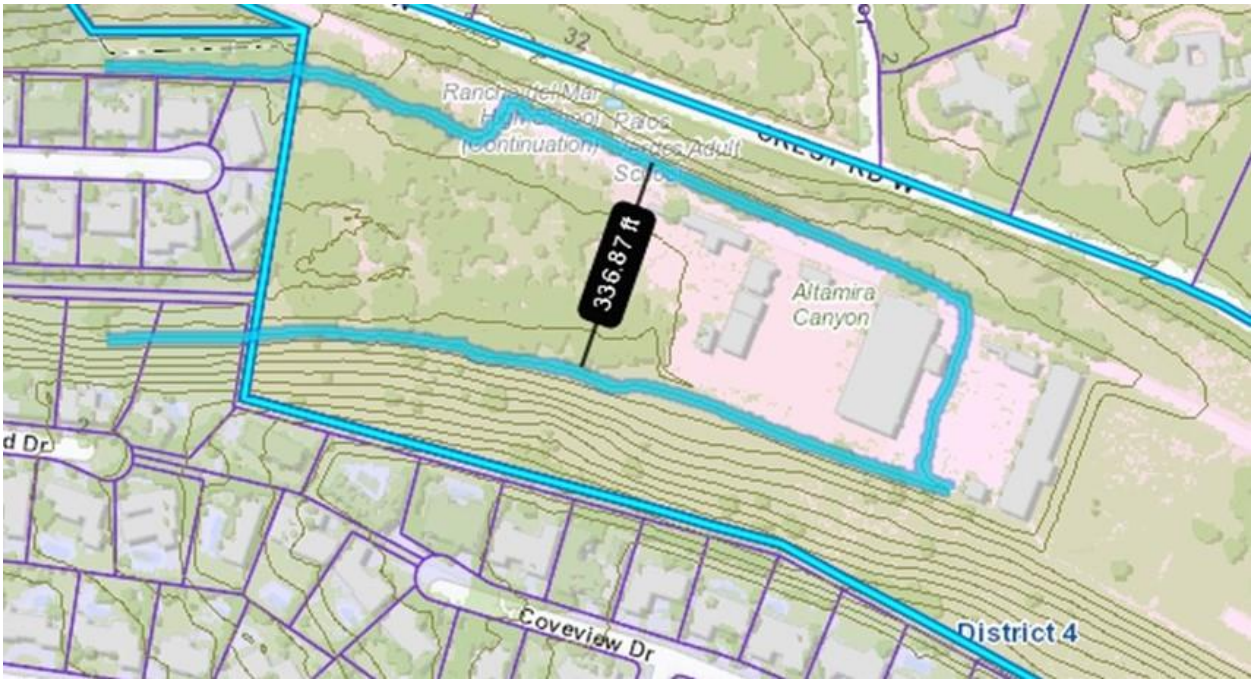


Figure 2: Slope Setbacks on PVUSD Site

Because affordable multi-family housing is permitted by right in the Overlay Zone, the City has adopted a number of design standards to ensure that new development is compatible with adjacent uses. These address residential frontages (facades, etc.), usable open space standards, public space amenity requirements, and operational standards. Such standards have the potential to create a development constraint if they are too onerous or add to the cost of housing.

The residential frontage standards require that the ground floor be no more than five feet above the ground surface. This is easily attained, since the preferred housing site is relatively flat. The standards establish a 10' floor to floor height, which is consistent with the overall 28' height limit as well as typical residential construction standards and interior ceiling heights. Entrances and windows are required along the front façade, and entrances to individual units may either be direct to the exterior, or to an interior hallway. Stoops and porches may be located on the exterior, and projecting elements (bay windows, eaves, balconies) may extend into setback areas. Street tree, landscaping, and lighting requirements apply, but these do not constrain development.

The usable open space standards likewise do not represent a constraint. These requirements call for an amenity such as a children's playground or clubhouse in multi-family projects. The amenity may be indoors or outdoors and may not include parking areas, streets, or driveways. Projects are also expected to include amenities such as pedestrian walkways, landscaping, bike storage racks, and screened trash enclosures, and would need to comply with building code standards for interior noise. These are common requirements in California communities and do not represent a constraint.

Emergency Shelters

In February 2021, the City of Rolling Hills amended its zoning regulations to permit emergency shelters "by right" in the Affordable Housing Overlay Zone. Although the annual homeless count for Los Angeles County has indicated there are no unsheltered residents in the community, every city in California is required to identify a zone where at least one year-round emergency shelter is permitted without a conditional use permit or other discretionary permit (Govt Code Section 65583(a)(4)(A)). The Government Code further requires that emergency shelters be subject to the same standards that apply to residential and commercial development in that zone, except that certain objective standards prescribed by the State may apply.

Rolling Hills has adopted standards for shelters that meet the requirements of the Government Code and facilitate emergency shelter construction or conversion. The Affordable Housing Overlay Zone encompasses over 31 acres of public property, most of which is underutilized. There are opportunities to create shelters by converting existing buildings, constructing new buildings, or using temporary facilities such as portables or tiny homes. This use is permitted by right, with no discretionary permit required by the City. There are no limitations on where shelters may locate within the boundary of the Overlay Zone. Since shelter beds do not constitute "dwelling units", an emergency shelter would not be considered part of the 16 units permitted by the Overlay Zone and would not affect the number of allowable multi-family units in the Zone.

The City submitted preliminary standards to HCD for review and subsequently revised those standards to ensure that they are compliant with the Government Code and do not present a constraint to emergency shelter development. These standards include:

- Shelters must be at least 300 feet apart, as allowed by the Government Code
- Parking for staff must be provided. There are no supplemental parking requirements based on the number of beds (see Table 12).
- A maximum of 12 beds applies. This is comparable to the maximums that apply in nearby cities, including those with unsheltered populations.
- The standards allow, *but do not require*, shelters to include a dining room, commercial kitchen, laundry room, recreation room, child care facilities, and support services (the Code indicates these may be provided, but they are not mandatory)
- At least five percent of the shelter area must be dedicated for on-site waiting and intake, and an equivalent (or larger) area is required for exterior waiting
- Shelters must comply with building code, plumbing code, and trash enclosure requirements—the same standards that apply to other uses in the Overlay Zone and in the underlying base RAS-2 Zone.

Consistent with the Government Code, an application to operate an emergency shelter requires submittal of a management and operations plan that addresses hours of operation, staffing levels, maximum length of stay, and security procedures. The application would require approval by the City Administrator, based on satisfaction of the conditions listed above and review for compliance with Building, Fire, and other applicable regulations.

Single Room Occupancy (SRO) Hotels

In February 2021, the City of Rolling Hills amended its zoning regulations to allow Single Room Occupancy (SRO) housing in the Affordable Housing Overlay Zone. These are facilities with individual rooms or small efficiency apartments designed for very low-income persons. There are no limitations on where SROs may locate within the boundary of the Overlay Zone. A Conditional Use Permit is required.

The City submitted preliminary standards to HCD for review and subsequently revised those standards to ensure that they do not present a constraint to SRO development. These standards include:

- A minimum of six units and a maximum of eight units
- Maximum occupancy of two persons per unit
- Each room must include a water closet (Toilet plus sink)
- Each room must include a kitchen sink with a disposal (but not necessarily a full kitchen)
- Each unit must have a closet
- Full kitchens (i.e., with range, refrigerator, dishwasher, etc.) and full bathrooms (with shower/bath) *may* be provided in each unit but are not required. If these facilities are not included in each unit, then shared facilities are required on each floor.
- 0.5 parking spaces are required per unit, plus one space for each employee on duty (see Table 12)
- Occupancy is for 30 days or more

The City initially proposed including a requirement for 24-hour on-site management, and a requirement for elevators in the event the building was two stories. Both of these requirements were removed following HCD's feedback that they were potential constraints. Requiring 24-hour management requirement could be a constraint for a 6-8 unit facility. As a result, on-site management is not required on a 24-hour basis. Given that the building would only be two stories, the requirement for elevators was removed. Since SRO rooms would not be classified as independent "dwelling units", they would not be considered part of the 16 units permitted by the Overlay Zone and would not reduce the number of allowable multi-family units in the Zone.

Supportive, Transitional, and Employee Housing

Supportive housing is a type of rental housing that includes on-site supportive services such as medical assistance or treatment of chronic health conditions or disabilities. Transitional housing is a type of supportive housing but is specifically intended for unsheltered residents who are transitioning to permanent housing. Supportive and transitional housing is not associated with a specific structure type—single family homes can be used in this manner, and so can multi-family buildings.

Government Code Section 65583(a)(5) requires cities to treat transitional and supportive housing as residential uses that are only subject to those restrictions that apply to other residential uses of the same type in the same zone. In other words, a City cannot hold a single family home used as supportive housing to a different standard for parking, setbacks, floor area, etc. than a single family home occupied by a family or other type of household.

Public Health and Safety Code Section 17021.5 requires the City to treat employee housing for six or fewer people the same as other single family housing in each zoning district. For example, if a corporation in another city purchased a home in Rolling Hills and allowed its employees to live there, the use would be treated like any other single family home.

Rolling Hills presently has no Code language that limits transitional, supportive, or employee housing or imposes any special restrictions on such housing. However, these housing types are not expressly acknowledged in the Municipal Code. An action program in this Housing Element recommends that definitions of transitional, supportive, and employee housing be added to the Municipal Code within six months of Housing Element adoption, acknowledging that such housing is permitted or conditionally permitted in the same manner as other residential dwellings of the same type in the same zone, as required by State law.

Housing for Persons with Disabilities

Recent changes to state law, including Government Code Sections 65583(a)(5) and 65583(c)(3), address the provision of accessible housing for disabled persons. These changes also require that the Housing Element address methods for removing any governmental constraints that are identified.

The City of Rolling Hills adopted Resolution 699, which certifies the City's recognition of the American with Disabilities Act and adopts necessary mitigation efforts to assist disabled residents. The City has adopted the Los Angeles County Building Code. As long as construction is consistent with the Building Code, residents are permitted to provide any disabled access or amenity improvements necessary to reduce barriers. Access to homes via ramps is permitted. One-story construction throughout the community removes a major barrier for persons with disabilities and facilitates access for persons with mobility limitations. Accessibility improvements, universal design changes, and other accommodations for persons with disabilities are processed administratively in conjunction with the building permit process and are permitted in both of the City's residential zones.

An analysis of housing constraints for disabled residents performed earlier in the 2014-2021 planning period found that the City did not have formal reasonable accommodation procedures for residents. Such procedures establish a process through which persons with disabilities can request reasonable accommodations to the jurisdiction's codes, rules, policies, practices or services so that they have an equal opportunity to enjoy or use a dwelling. In November 2020, the City Council approved reasonable accommodation procedures, including application requirements, review procedures, findings, and provisions for noticing and advertising the opportunity.

Residential Care Facilities and Definition of "Family"

The City permits small residential care facilities that serve 6 or fewer clients in every residential zone. Regarding business licenses, the City follows California Health and Safety Code Section 1566.2 for residential facilities with six or fewer persons. The code says that they shall not be subject to any business taxes, local registration fees, use permits, fees, or other fees.

The Rolling Hills Municipal Code also includes a definition of "family." Overly restrictive definitions may pose a housing constraint, but in this instance the definition is broad and inclusive. According to the Rolling Hills Municipal Code, "family" means:

> "one or more persons living as a single housekeeping unit, as distinguished from a group occupying a boarding, rooming or lodging house, hotel or club. Family may include domestic servants."

3. Cumulative Impacts of Land Use Controls

State law requires the City to consider not only the impact of individual development standards, but also the cumulative effects of these standards on the cost and supply of housing. For example, it is possible that a particular setback requirement may appear reasonable on its own but may limit development opportunities when combined with height and lot coverage limits. Sometimes, the combined effect of different development controls can require more expensive construction or result in frequent zoning variances.

Because of the very large lot sizes in Rolling Hills, the zoning standards do not create an adverse cumulative impact on development costs or the housing supply. A decade ago, the City recognized the potential for such an impact in several areas where lot sizes are smaller than the one-acre minimum required by the RAS-1 district. An Overlay Zoning District (OZD-1) was created for these areas in 2012, allowing smaller front and side yard setbacks. The zone was mapped on Middleridge Lane North and Williamsburg Lane in the northwestern part of the city, and on Chuckwagon Road and Chesterfield Drive in the eastern part of the city. Approximately 75 lots are covered by this Overlay. The reduced setbacks have facilitated continued single family home improvements in these areas without requiring Variances. No changes to the OZD-1 Overlay are proposed in this Housing Element.

As noted earlier, the combination of front, rear, and side yard setbacks on a rectangular one-acre lot would still allow for a buildable area of over 16,000 square feet. Most parcels are considerably larger than one acre and have buildable areas that exceed 20,000 square feet. FAR and lot coverage limits likewise allow ample structure coverage, and homes larger than 10,000 square feet can be built without Variances on most lots. The one-story height limit tends to produce building footprints that are quite large—but still within the 20% structure coverage requirement. Each residence is required to have two covered parking spaces (three, if an ADU or guest quarters are on-site). This requirement is modest given the typically large home size and does not constrain building construction.

The land use controls also do not present a cumulative constraint to ADU construction. Almost every parcel in the City has the land area or built floor area to support an ADU, and many homes already have spaces that could be easily converted to ADUs. The ADU and JADU regulations

adopted in 2018 were drafted to work in tandem with the controls for the RAS-1 and RAS-2 districts and have laid the foundation for substantial ADU production in the coming years.

There are no cumulative land use constraints to multi-family development. The new Affordable Housing Overlay Zone standards have been tested to ensure they are internally consistent and can support housing in the 20-24 unit/acre range. The Affordable Housing Overlay Zone allows multi-family housing to be either owner or renter occupied. New housing units in this zone must be affordable. The affordability requirement is not a constraint to development, as the site is publicly owned and represents a unique opportunity for reduced land and construction costs. Designation of market-rate multi-family housing sites is not appropriate in Rolling Hills due to the absence of sewer infrastructure, constrained land supply, and opportunities for other types of market rate housing in the city.[3]

4. Fees and Improvements

Various fees and assessments are charged by the City and other agencies to cover the costs of processing permits and providing services and facilities, such as utilities, schools, and infrastructure. Most of these fees are assessed through a pro rata system based on the square footage or value of the project, the staff time required for processing, and the magnitude of the project's impact.

A summary of residential development fees in the City is presented in Table 13. Costs required for all residential development projects are indicated. These costs include various City fees, school impact fees, water service fees, environmental review fees and a RHCA fee. Additional fees may be required for projects with special circumstances, such as residential developments requiring greater discretionary reviews, geotechnical studies, or use permits. Rolling Hills is one of 13 cities that contracts with the Los Angeles County Department of Building and Safety for plan checking, building permits, and building inspection. A local surcharge is applied to building, plumbing, mechanical, and electrical permits. Applicants have the option of paying a higher permit fee for expedited permitting by a consulting firm contracted by the City.

Fees for City review under the Site Plan Review process for a typical new house in Rolling Hills average between $1,700 and $2,450. The plan check and building permit fees are based on the Los Angeles County adopted schedule of fees, plus the City's administrative costs. The fee schedule also covers records searches, inspections, and review of grading plans. The cost of a building permit is based on project value, with the unit cost diminishing as value increases. In 2020, a project with a valuation of $500,000 required a permit fee of $12,000 (including energy and disabled access check). Electrical, mechanical, and plumbing fees would be added to this total.

There are no local surcharges or special fees associated with multi-family housing. On a per unit basis, permitting costs would be substantially lower for multi-family units than for new single family units. This is due to the smaller size of multi-family units and to multi-family housing being permitted "by right" within the Affordable Housing Overlay Zone, with no applicable administrative fees. The City's fee structure has not historically distinguished between single and multi-family construction, as multi-family housing only recently became a permitted use.

[3] Rolling Hills has identified a number of cities in California with certified housing elements that limit allowable multi-family housing to affordable units, including Hidden Hills, Hillsborough and Los Altos Hills.

Los Angeles County typically updates its fees annually based on the consumer price index and other factors. However, City of Rolling Hills fees and surcharges have remained unchanged for the past fifteen years and are in line with or lower than development fees in Los Angeles County and other local communities. For example, the Los Angeles County 2013 fee schedule indicates that the cost for a Negative Declaration is $3,022 (compared to $1,000 for Rolling Hills), the cost for a tentative tract map is $21,436 (compared to $1,500 for Rolling Hills), and the cost for a zone change is $12,844 (compared to $2,000 for Rolling Hills).[4] This information demonstrates that Rolling Hills' development fees do not present an excessive constraint to development. Rolling Hills does not charge impact fees for the development or maintenance of roads because these facilities are privately owned and maintained by the Rolling Hills Community Association.

Table 13
City of Rolling Hills
Summary of Residential Development Fees
(February 2013)

Type of Fee	Cost
All new residential development	
Building Permit	Based on building valuation, per the County Building Code.
Plan Check Fees	Based on building valuation. Assessed by County of Los Angeles.
Plumbing, Mechanical, and Electrical Permits	County assessment based upon the number of fixtures, outlets, switches, and panels.
Park and Recreation Fund Fee	Each new residence pays 2% of the first $100,000 in building valuation, plus an additional .5% for the remaining balance.
School Fee	$2.63 per square foot of habitable living space.
Site Plan Review	$1,500
Water Service	Option 1: $600 Hydrant Meter Deposit, plus service charge for the amount of water used during construction.
	Option 2: No hook-up fee. Meter fees determined by the size of meter and the number of fixtures. Does not include service charge for amount of water used during construction.
Geotechnical fee	0.42% of valuation of proposed structure, up to $3588
RHCA	$.20 per $100 of assessed valuation
Special circumstance fees	
Traffic Commission Review	$300
Zone Change/Amendment	$2,000
View Impairment Committee Review	$500
Variance	$1,250
Tentative Parcel Map	$1,500 + County fees plus 20%
Tentative Tract Map	$1,500 + County fees plus 20%
Negative Declaration	$1,300
Environmental Impact Report	City Consultant fee plus 20%

Source: City of Rolling Hills, September 2013

[4] http://planning.lacounty.gov/assets/upl/general/fee_20130301.pdf; accessed January 2, 2014.

School fees are collected by the Palos Verdes Unified School District based on the square footage of construction. A local Park and Recreation Fund Fee is collected base on building valuation. Projects are also subject to a fee from the Rolling Hills Community Association based on 0.2 percent of estimated valuation (e.g., $200 on a $100,000 project). In total, fees for a typical project are roughly equivalent to five percent of total construction costs, excluding utility connection fees. Fees do not constrain development in Rolling Hills, but they do add to the cost of housing, which is already expensive in the City. Programs to reduce processing and permitting fees for ADUs could be considered, as they could incentivize ADU production.

5. Permit Processing Times and Approval Procedures

As a small city with a limited number of vacant lots, Rolling Hills has permit processing times that are faster than most cities. However, the City's staff capacity is limited, requiring that some permit processing functions are contracted out. The City's website provides comprehensive information for applicants seeking permits, including on-line portals for applications, payment, and checking progress on permit status. Most permitting activity is for improvements to existing residences rather than new housing units.

All projects in Rolling Hills that require a building permit—regardless of size or value—must be approved by three entities: the City of Rolling Hills, the Rolling Hills Community Association, and the Los Angeles County Building and Safety Department (in its role as the contracted building authority for the City). Most projects can be approved ministerially—in other words, by staff—provided they meet the development standards in the Municipal Code.

Examples of projects eligible for administrative review include residential additions less than 1,000 square feet, accessory dwelling units and junior accessory dwelling units, remodels, foundation repair, and re-roofing. Such projects are required to submit two sets of plans, various checklists, and calculations of existing and proposed square footage, lot coverage, and impervious surface coverage. Administrative review applications typically take several days to process. The City collects no fees for over the counter review—such fees are assessed when the project is submitted to the Department of Building and Safety. Larger projects may also require review by the LA County Health Department for the adequacy of the septic system, and the Fire Department for fuel modification.

Single family residential development is permitted "by-right" in both the RAS-1 Zone and RAS-2 Zone. However, Planning Commission and City Council hearings are required for new homes. For a new home, an initial consultation with staff is strongly encouraged at the start of the process. Once an application is received, it is reviewed for completeness, including required calculations, elevations, and site plans. The Planning Commission routinely conducts several meetings for a new home, including an initial project review meeting, a field trip, and a meeting to forward the application to the City Council. Likewise, the Council conducts an initial meeting, a field trip, and a meeting to forward the plans to the RHCA. All meetings are publicly noticed.

The RHCA has an Architectural Committee that reviews plans for new homes and large additions to ensure that easements are kept free and clear of structures, including fences and other obstructions.[5] Projects are submitted to LA County Building and Safety following RHCA review.

[5] School District and City-owned property is exempt from this requirement.

Projects that require Variances to development standards or Conditional Use Permits (CUPs) also require Planning Commission hearings. CUPs are required for large horse stables and corrals, detached garages, tennis courts, and a number of other large-footprint site features. From start to finish, the process from submittal of plans to approval of permits may take six months or longer for a brand new home. However, there are very few vacant lots in Rolling Hills and the number of applications for new homes (or home demolition and replacements) rarely exceed one or two per year. Applications for ADUs, major remodels, residential additions, and accessory structures are more common, and are processed more rapidly. ADUs, JADUs, and other ministerially approved projects take approximately two to four weeks to process.

Two to three months is typically required to complete the processing of a new home application in both the RAS-1 Zone and RAS-2 Zone. This timing complies with the time limit requirements established by Sections 65943 and 65950 of the Government Code and does not present an excessive constraint to development. Applications for ADUs, JADUs, and other ministerially approved projects take approximately two to four weeks to process.

6. Building Code Standards

As discussed above, effective July 1, 2008, all land in the City of Rolling Hills was deemed to be a "Very High Fire Hazard Severity Zone" (VHFHSZ). As a result, several more restrictive fire safety standards have been adopted in the City Building Code that apply to all new development in the City. The new fire zone designation and related standards are expected to place additional constraints on new development, especially higher building costs. However, these standards are mandated by the State, and were not self-imposed by the City.

C. CONTRACTUAL CONSTRAINTS

Development in Rolling Hills is controlled through both City-enforced zoning and privately enforced CC&Rs. Most properties in Rolling Hills are subject to the CC&Rs established in 1936 by the Palos Verdes Corporation. The CC&Rs set forth two classifications of property and restrict the development and use of property within each classification to either only single family or single family and limited public use. Neither classification allows for the development of multi-family housing or commercial, office or industrial activity. The CC&Rs establish minimum parcel and dwelling unit sizes, and require approval by the RHCA Architecture Committee for all new development. AB 670 and AB 68, which became effective on January 1, 2020, allow homeowners to add an ADU to their property even if the CC&Rs specify otherwise. Consequently, the CC&Rs are no longer a constraint to ADU construction.

Exceptions to CC&R controlled land include the City Hall Campus, Tennis Court Facilities, PVP Unified School District, Daughters of Mary and Joseph Retreat Center, Los Angeles County Fire Station, and scattered public open space sites. Opportunities for multi-family housing and non-residential uses are limited to these properties. The RHCA does not have design review or building permit review authority on these sites.

Potential for Constraints Related to Accessory Dwelling Unit Review

While State law prohibits HOAs, including Associations such as RHCA, from disallowing or unreasonably restricting Accessory Dwelling Units, it does not expressly prohibit design review of proposed ADU applications by such entities. HOAs may still approve improvements or alterations, provided the process is fair, reasonable, and expeditious. In its review of the Rolling Hills Housing Element, the State of California noted the potential for RHCA review to be a constraint to ADU development, since it represents an extra step in the permitting process. An analysis of the process is consequently required.

Since 2018, the City of Rolling Hills has had a ministerial process for ADU approval that is consistent with State law. Projects meeting the dimensional requirements in the Municipal Code (which are consistent with State standards) are approved without a public hearing or discretionary review by the City. However, projects modifying the exterior of a home or adding a new structure are reviewed by the RHCA Architectural Committee, even when they are ministerially approved by the City. The purpose of this review is to verify that the structure is harmonious with the ranch-style architecture of Rolling Hills, rather than to evaluate the merits of the project or its off-site impacts. According to the Committee's own guidelines, it "will not require modifications to working drawings that materially change the massing of the project."

City staff has worked closely with RHCA staff to ensure that their design review process is coordinated with City permitting, streamlined, and does not impose unreasonable restrictions on applicants. In practice, every ADU application approved by City staff has subsequently been approved by the RHCA Architectural Committee.

The RHCA Architectural Committee is comprised of five members, including three Association members and two licensed architects. Committee meetings occur twice monthly, on the first and third Tuesdays. The meetings are not considered "public hearings" since RHCA is not a public agency, but they are open to all members of the Association and are subject to Association bylaws. The Committee does not make findings on cases, but rather confirms that the building height of the improvement does not exceed the maximum height allowed, and that the architectural style is similar to the primary residence.

The RHCA office is adjacent to City Hall and there is ongoing coordination between the two entities. When an application for an ADU is submitted to the City, the City advises the applicant to proceed to RHCA immediately afterwards to initiate project review. Projects are typically forwarded to the RHCA Architectural Committee within two weeks and are typically approved at the initial meeting; if modifications are required, the plans are typically approved at the second meeting two weeks later. The review occurs concurrently with the City permitting process, avoiding potential delays.

An action program in this Housing Element encourages continued coordination with the RHCA to ensure that the process adheres to State housing laws.

D. INFRASTRUCTURE CONSTRAINTS

Another factor adding to the cost of new construction is the limited availability of infrastructure, specifically streets, sewer, storm water and water facilities.

1. Streets

Rolling Hills has no public roads or streets. Since the 1930s, the community's internal street network has been designed to establish a rural, equestrian character. This historic aspect of the city's infrastructure is one of Rolling Hills' defining features. The road network is typified by winding roads with a 15- to 25-foot paved cross-section lacking in curbs, gutters and sidewalks. Narrow road width, coupled with steep grades and very low densities, effectively precludes public transit within the City. Access is also gate-controlled at three entry points.

The City's circulation infrastructure is not conducive to uses generating high trip volumes, such as higher-density housing. A number of properties—including City Hall, the Retreat Center, and the PVUSD site, are accessed from roads outside the City gates. These parcels are less constrained by street access but could require ingress and egress improvements (resurfacing, driveways, etc.) in the event a change of use was proposed. Such improvements are typical for any development and would not adversely affect expected construction costs.

2. Wastewater Disposal

With the exception of a school site and thirteen residences that have individually or collectively (through the creation of a small sewer district) connected to an adjacent jurisdiction's sewer systems, there is no sanitary sewer system in Rolling Hills. Residences are served by individual septic tanks and leach lines. Septic systems are generally designed to serve a single family residence and are not conducive to multi-family housing. This is particularly true given the geologic, slope, and soil constraints in Rolling Hills. To meet water quality and runoff requirements, high-density housing typically requires a viable sewer connection.

The City has commissioned a number of sewer feasibility studies over the past several decades. Most recently, an engineering study determined that a conventional gravity sewer system is not feasible in the City. A hybrid approach consisting of a low-pressure sewer system and a gravity sewer system was explored. The study determined that due to the terrain and unstable geological conditions of the City the cost of such a system would be prohibitive given the City's small size and limited financial resources. The study was presented to the residents, and due to the high cost of construction of such a system, the residents were not interested in funding such a project through an Assessment District or any other method. Based on the feasibility study it is very unlikely that the development constraints associated with wastewater disposal will be removed during the current planning period.

The Palos Verdes Unified School District site is connected to a wastewater treatment line that was installed when the school was initially constructed. Collection lines were sized to accommodate a school campus with several hundred students, and associated maintenance facilities—a higher level of demand than is associated with current uses on the site. Given the availability of sewer service to this site and the high cost of extending sewer services elsewhere, it is the most suitable property for multi-family housing in the City.

In some instances, septic systems may present a constraint to ADU development. This is generally not an issue for JADUs or smaller ADUs that repurpose existing habitable space, but a new detached ADU that adds floor space may require increasing the capacity of a septic system. A program in this Housing Element proposes further evaluation of this constraint, and possible ways to assist homeowners in addressing it.

3. Storm Water Run-off

To comply with the National Pollutant Discharge Elimination System (NPDES) for *Municipal Storm Water and Urban Runoff Discharges Within the County of Los Angeles*[6], the City has retained an engineering firm to help the City control run-off from domestic and construction activities, to implement best Management practices (BMPs), and to reduce waste. These activities are intended to reduce development constraints associated with storm water quality. In general, stormwater requirements are not a development constraint, but may add to the cost of construction due to the measures required to contain runoff and prevent erosion and sedimentation from development sites.

4. Water

As noted above, water infrastructure is owned and maintained by California Water Service (CalWater). Additional development beyond that anticipated by the City General Plan could reduce water pressure and compromise firefighting capabilities. Because of Rolling Hills' steep and varied terrain and aging infrastructure, this constraint is unlikely to be reduced during the current planning period. The Palos Verdes Unified School District property is unique in this regard, as its water system reflects the initial use of the site as a public school campus with several hundred students and associated maintenance facilities.

The introduction of ADUs in Rolling Hills could potentially impact water demand in the City. The California Water Company has no plans to upgrade the aging water system. As ADUs are created, it will be important to consider potential impacts on water distribution lines and fire fighting capacity. Several factors work to mitigate the impacts of ADUs on the water system. First, the population of Rolling Hills has declined by roughly 200 since 1980. Thus, the addition of ADUs may not increase the total number of residents in the City. Second, water conservation measures have been implemented—and continue to be implemented—to reduce water flows and water demand.

[6] Order No. 01-182 of the Los Angeles Regional Water Quality Control Board as amended by Order R4- 2006-0074.

E. TOPOGRAPHIC CONSTRAINTS

Slopes of 25 to 50 percent are present on virtually every remaining undeveloped parcel in the City. Development on such severely sloped parcels requires substantial grading and modification to the natural terrain, which adds significantly to the cost of development. The extreme topography present in Rolling Hills serves as a significant constraint to the development of affordable housing.

F. GEOLOGIC CONSTRAINTS

Expansive soils and geologic hazards continue to place constraints on development within the City. As depicted in Figure 3, Seismic Hazards, the majority of land in the City is located in earthquake-induced landslide areas. These are areas where previous landslide movement has resulted in permanent ground displacement. The California Division of Mines and Geology designates these areas as seismic hazards requiring mitigation.

As summarized in the City of Rolling Hills Hazard Mitigation Plan, Rolling Hills is located very near to the Palos Verdes Fault. In the case of a seismic event on that fault, Rolling Hills is expected to experience very strong ground shaking that could be devastating to the City and the nearby region. The Newport-Inglewood Fault is located a few miles east of the City of Rolling Hills. Although not as violent as the Palos Verdes Fault scenario, damaging ground shaking is possible. Due to the proximity of these faults to the urbanized area of Los Angeles and Long Beach, the City's essential and critical service providers could experience long term impacts.

Liquefaction is a secondary effect of earthquake hazards. Liquefaction occurs when ground shaking causes wet granular soils to change from a solid state to a liquid state. This results in the loss of soil strength and the soil's ability to support weight. Buildings and their occupants are at risk when the ground can no longer support these buildings and structures.

The California Geological Survey has identified areas most vulnerable to liquefaction. In the City of Rolling Hills, there are numerous identified liquefaction zones, as well as areas subject to earthquake-induced landslides, as shown on Figures 4 and 5.



Figure 3: Seismic Hazards

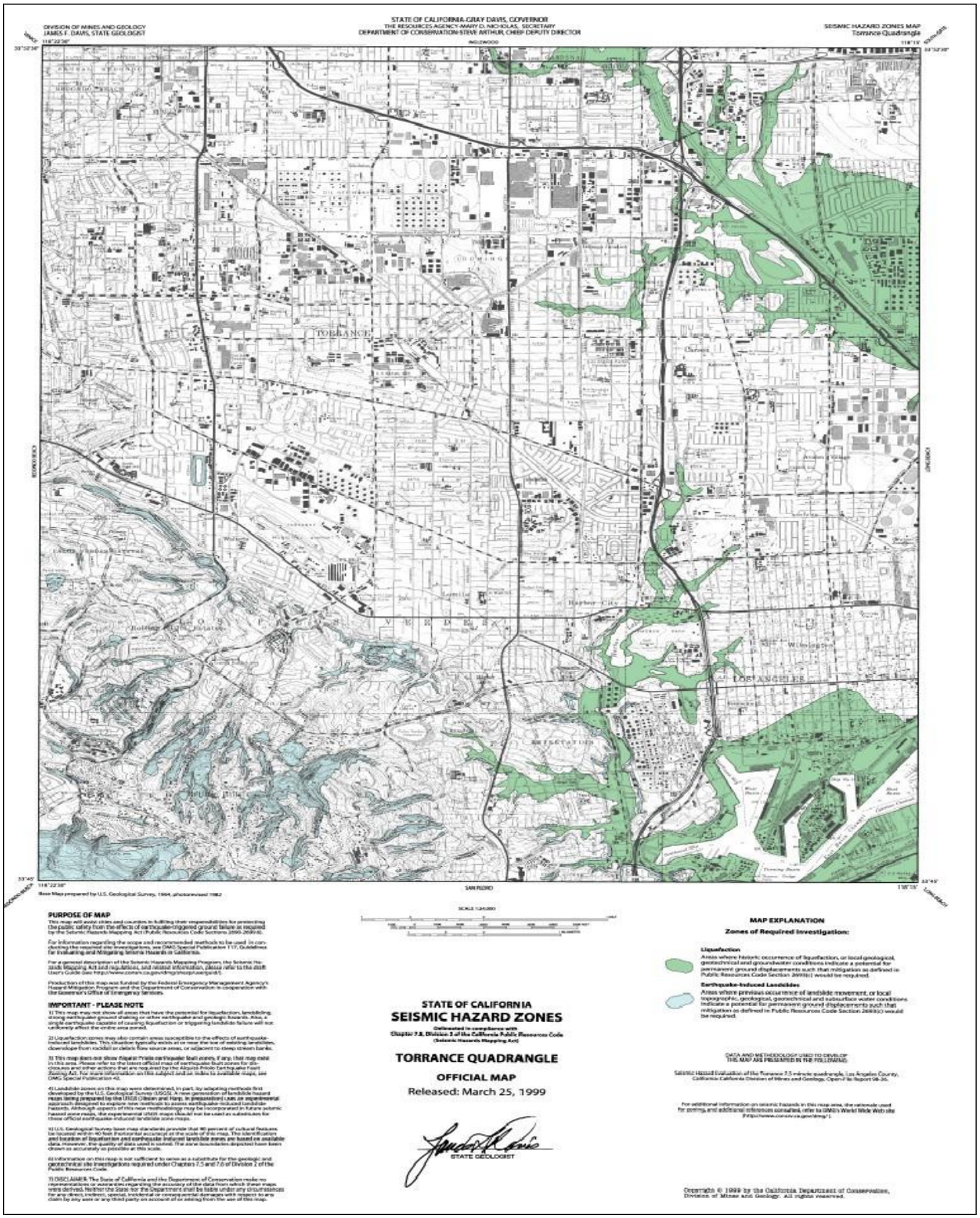


Figure 4. Liquefaction and EQ-Induced Landslide Zones in the City of Rolling Hills – Torrance Quadrangle

(Key: Green indices area prone to liquefaction following earthquakes; Blue indicates area prone to landslides following earthquakes)

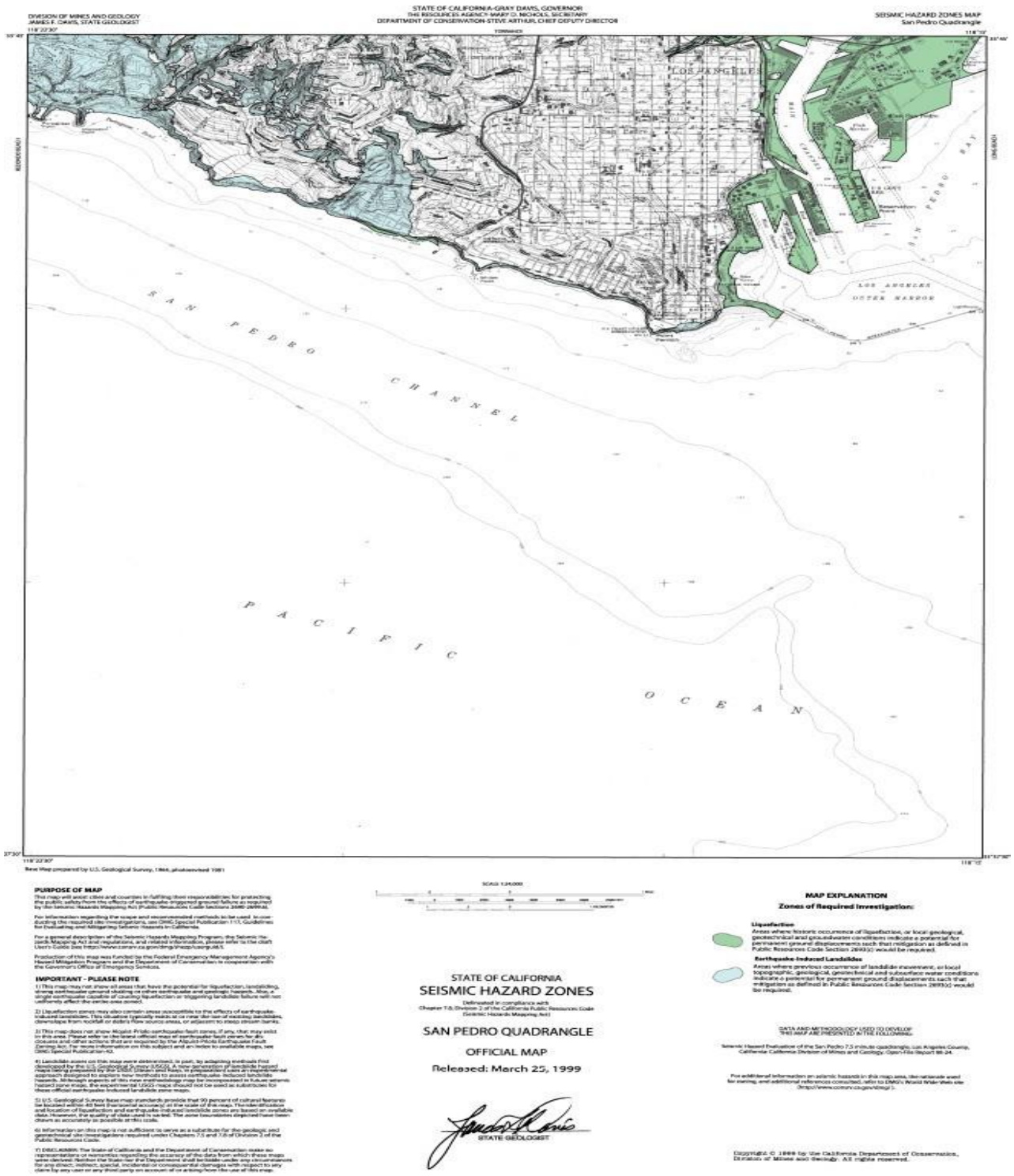


Figure 5. Liquefaction and EQ-Induced Landslide Zones in the City of Rolling Hills – San Pedro Quadrangle

(Key: Green indicates area prone to liquefaction following earthquakes; Blue indicates area prone to landslides following earthquakes)

Building at the head of a landslide can decrease the bedrock strength along an existing or potential rupture surface and "drive" the landslide down slope. Improper grading practices can also trigger existing landslides. Because of these geologic hazards, the City limits land disturbance and other actions that would exacerbate soil instability. Ground instability, particularly if higher density development is constructed, would contribute to potential risks to human life as well as to physical structures. The Safety Element of the General Plan sets forth policies to restrict new development and expansion of existing development in areas susceptible to landslides.

The City has developed a Site Plan Review Process through which most development must be reviewed and approved by the City to prevent erosion and landslides and preserve Rolling Hills' natural hillside topography. The City's grading requirements prohibit extensive grading and recontouring of existing terrain. The City has adopted the County of Los Angeles grading standards with some modifications necessary to ensure slope stability. The City requires that all soil from grading be balanced on-site, which is necessary because export of materials is not practical due to the narrow roadways and fragile road surfaces. The RHCA also restricts the use of the streets for soil export due to potential impacts on street condition and public safety.

Because of the public safety concerns associated with these geologic conditions, this constraint is unlikely to be reduced during the current planning period.

G. ENVIRONMENTAL CONSTRAINTS

Rolling Hills supports a variety of plant and wildlife species. Many of these species are either listed or under consideration for listing by the U.S. Department of Fish and Wildlife and/or the California Department of Fish and Wildlife. These species include the Palos Verdes Blue butterfly, the California Gnatcatcher, the Pacific Pocket Mouse, the San Diego Horned Lizard, and Brackishwater snail. The community is also underlain with blue-line streams that are under the jurisdiction of the Army Corps of Engineers.

Development that encroaches into areas of sensitive biological resources must provide mitigation satisfactory to the overseeing federal and state agencies. Typical mitigation requires the preservation of habitat area, further restricting the potential land available for development. Because of the federal and state regulations restricting development in Rolling Hills, this constraint is unlikely to be reduced during the current planning period.

IV. HOUSING ASSESSMENT SUMMARY

Housing Element law requires cities to meet both local and regional housing needs. Rolling Hills' local housing needs are discussed in Sections II and III above. Rolling Hills' regional housing needs are established by the Southern California Association of Governments (SCAG) and are summarized below.

The Housing Plan presented in Section VI establishes specific policies and programs to address these identified needs.

A. LOCAL HOUSING ASSESSMENT

Local housing needs, as discussed in Section II, have been identified based on input from available federal Census and state data, City Planning and Building Department records, and community input.

Census data indicates that the City has a large population of older adults, including empty nesters and persons with mobility limitations and other disabilities. The Census estimates that 8.3 percent of the City's households consist of seniors (persons over 65) living alone, while nearly one-quarter of the City's seniors have one or more disabilities. Although available data suggests that that most of these residents are financially secure, some households would benefit from assistance, including opportunities for on-site care, home maintenance, home sharing, or supplemental income through an accessory dwelling. Chapter VI includes programs for addressing these needs.

B. REGIONAL HOUSING ASSESSMENT

State law requires jurisdictions to provide for their "fair share" of regional housing needs. Every eight years, each metropolitan region of California is assigned a total housing need by the State Department of Housing and Community Development (HCD). It is then up to the regional Council of Governments—in this case SCAG—to disaggregate the total need to the cities and counties within each region. For the Fifth Cycle, the 191 cities and six counties in the SCAG region were assigned a total of 412,137 units. Rolling Hills' share of this total was determined by SCAG to be six (6) units, including two very low-income units, one low-income unit, one moderate-income unit, and one above moderate-income unit.

Government Code Section 65584.09(a) prescribes that a City that did not have a compliant element during the prior cycle (in this case the Fourth Cycle, which was 2006-2014), must zone or rezone sites to accommodate the unmet need from the prior planning period. For the low- and very low-income allocation, this means identifying suitable sites to accommodate the prior cycle RHNA "by right" (i.e., without a conditional use permit) at a density of at least 20 units per acre. Adequate sites must also be at least 0.5 acres in size and capable of supporting 16 units of housing.

These requirements apply to Rolling Hills because the City did not have a compliant Housing Element during the 2006-2014 Fourth Cycle.

Rolling Hills' RHNA for the Fourth Cycle was 22 units, including six very low-income units and four low-income units. The City's allocation also included four moderate-income units and eight above moderate-income units. The Government Code's "carry-over" requirement means that the 10 low- and very low-income unit allocation from the Fourth Cycle must be added to the three low- and very low-income unit allocation for the Fifth Cycle, for a total of 13 low- and very low-income units. The City is required to plan for these 13 units by identifying one or more sites where they are permitted "by right" on a site zoned for a density of at least 20 units per acre.

Table 14 summarizes the Fourth and Fifth Cycle Allocations and includes a "total" column indicating the housing needs that must addressed by this Element. The City is required to demonstrate capacity for 28 units, including eight very low-income units, five low-income units, five moderate-income units, and 10 above moderate-income units. State law requires that the "very low" component be further broken down into "extremely low" (30% of median income or lower) and "very low" (30-50% of median income) categories. The eight units have been evenly allocated across these two income groups.

Table 14
RHNA New Housing Construction Needs by Income Group for the City of Rolling Hills (2014-2021)

Income Category	4th Cycle Housing Unit Construction Need by Income Group	5th Cycle Housing Unit Construction Need by Income Group	Total Need
Extremely Low (0-30% County median income)	3	1	4
Very Low (31-50% County median income)	3	1	4
Low (50-80% County median income)	4	1	5
Moderate (80-120% County median income)	4	1	5
Above Moderate (over 120% County median income)	8	2	10
Total Housing Unit Construction Need	**22**	**6**	**28**

Source: SCAG Adopted Regional Housing Needs Determinations (November 2012)

V. HOUSING OPPORTUNITIES

This section of the Housing Element evaluates potential opportunities to meet the City's Regional Housing Needs Allocation (RHNA). It also discusses opportunities for energy conservation in residential development and potential financial resources to support the provision of affordable housing.

A. AVAILABILITY OF SITES FOR HOUSING

Consistent with Government Code Sections 65583(a)(3) and 66683.2(h) an inventory of parcels with the potential for future housing has been prepared. The inventory has been evaluated both in terms of the number of units permitted by zoning and the realistic capacity to accommodate residential development. Parcels that are currently developed but have the potential for further housing units are also discussed. Such units could occur through subdivision of large lots into two or more parcels, or the addition of Accessory Dwelling Units (ADUs). Many of the remaining vacant parcels are characterized by physical constraints, which preclude their development. These constraints are primarily related to severe topography, wildfire hazards, and/or landslides.

Vacant Land

Figure 6 illustrates vacant parcels in the City; the parcels are listed in Table 15. The table identifies 35 vacant, privately-owned lots and two lots with homes under construction or approved for new homes. Some of the vacant parcels have been identified as inappropriate for residential or any other development because of geologic constraints, limited access, or very steep terrain. Twelve of the vacant parcels, located in the southern portion of the City, are in the Flying Triangle Landslide area. Three of the vacant parcels, located in the western portion of the City, have extreme geological constraints.

While some the parcels listed in Table 15 are substantially larger than the minimum lot size allowed by zoning, subdivision into multiple lots is not presumed. The buildable area on these lots is limited and in some cases could not accommodate more than one single family home due to steep slopes. In fact, the acreage cited in Table 15 is based on County Assessor parcel maps which already subtract out easements corresponding to flood hazards and other restrictions imposed by the Rolling Hills Community Association. Approximately 22 vacant parcels have been identified as potentially available for development. These parcels have the capacity to accommodate the 10 "above moderate" income units included in the City's RHNA.[1]

[1] In fact, the number of "above moderate" income units needed is less than 10 as five new homes were built in the Fourth Cycle and several more have been built in the Fifth Cycle.

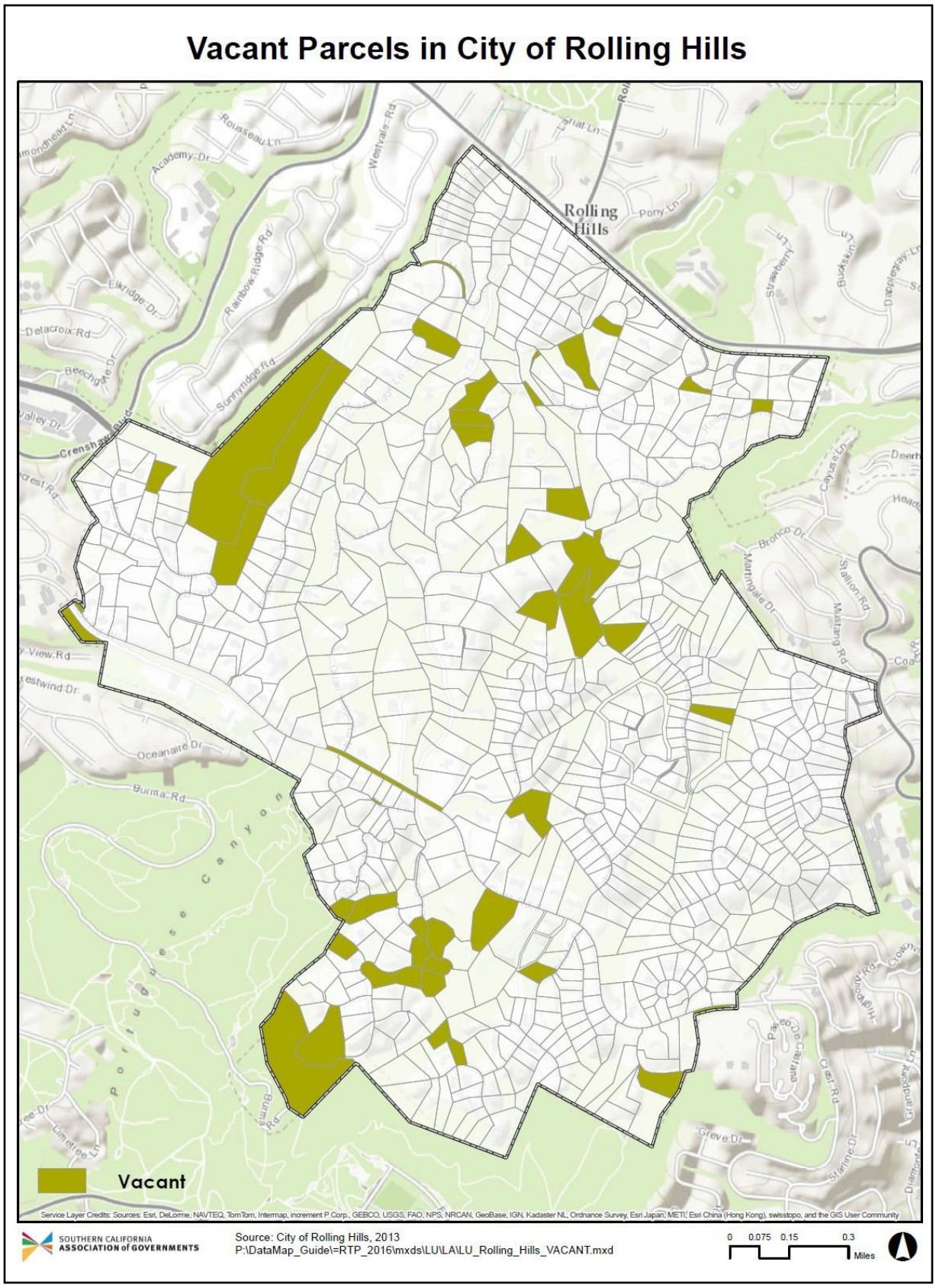


Figure 6: Vacant Land Inventory Map

Table 15:
Inventory of Vacant Residentially Zoned Sites

APN	Location	Zoning	Acres	Units	Notes
7569-022-006	East of 5300 Crest	RAS-2	2.20	1	Parking lot for Mary and Joseph Retreat Center
7570-025-022	North end of Johns Canyon Rd	RAS-2	1.68	1	
7570-024-014	Storm Hill Lane extension	RAS-2	11.64	1	Actual area is 34.7 acres, but much of the property is restricted due to hazards and easements
7570-024-015	Storm Hill Lane extension	RAS-2	10.10	1	Actual area is 17.4 acres, but much of property is restricted due to hazards and easements
7570-024-016	Storm Hill Lane extension	RAS-2	6.04	1	7.6 acre site, with restricted use areas
7569-020-004	8 Middleridge Ln S	RAS-2	3.46	1	New house approved
7569-013-020	18 Pine Tree Lane	RAS-2	2.00	1	excludes flood hazard area and easements
7569-013-018	South of 18 Pine Tree Ln	RAS-2	2.20	1	excludes flood hazard area and easements
7569-013-017	North of 10 Pine Tree Ln	RAS-2	2.41	1	excludes easements
7569-004-026	B/w 35 and 45 Saddleback Rd	RAS-1	3.39	1	excludes easements
7561-001-020	B/w 2954 and 2956 PV Dr North	RAS-1	1.03	1	
7569-001-036	B/w 6 and 14 Roadrunner	RAS-1	1.00	1	
7569-012-022	25 Portuguese Bend	RAS-2	2.30	1	excludes easements
7569-012-025	Portuguese Bend, NW of Saddleback	RAS-2	3.51	1	
7567-001-017	Portuguese Bend, W of Poppy Tr	RAS-1	3.05	1	excludes easements
7567-001-018	1 Poppy Trail	RAS-1	4.59	1	New house under construction
7567-014-013	Landlocked s/ of 26 Port. Bend	RAS-2	3.79	0	landlocked and constrained
7567-014-031	Landlocked e/ of 27 Georgeff	RAS-2	6.85	0	landlocked and constrained
7567-006-025	N/ end of Chuckwagon Rd	RAS-2	3.53	1	
7567-006-001	15 Chuckwagon	RAS-1	2.20	1	
7567-015-036	North of 1 Georgeff	RAS-2	4.56	1	
7567-011-020	B/w 17 and 29 Crest Rd East	RAS-2	6.53	1	
7567-011-017	54 Portuguese Bend Rd	RAS-2	2.67	0	severely constrained, slide area
7567-012-020	53 Portuguese Bend Rd	RAS-2	1.60	0	severely constrained, slide area
7567-012-019	SW of 56 Portuguese Bend Rd	RAS-2	0.96	0	slide area--also awkward parcel shape
7567-012-038	62 Portuguese Bend	RAS-2	1.84	0	severely constrained, slide area
7567-012-036	64 Portuguese Bend	RAS-2	1.71	0	severely constrained, slide area
7567-012-035	66 Portuguese Bend	RAS-2	1.64	0	severely constrained, slide area
7567-012-026	End of Wrangler Road	RAS-2	1.82	0	very low assessed value--constrained parcel

APN	Location	Zoning	Acres	Units	Notes
7567-017-017	West of 5 Ranchero Road	RAS-2	4.28	0	landlocked and constrained
7567-017-045	17 Cinchring Road	RAS-1	1.52	0	landlocked and constrained
7567-009-007	5 Southfield Drive	RAS-1	1.61	1	
7567-010-013	East of 3 Packsaddle Rd W	RAS-1	1.24	1	
7567-010-015	North of 3 Packsaddle, adj to -013	RAS-1	1.49	0	landlocked
7567-013-007	West of 73 Portuguese Bend	RAS-2	7.09	0	severely constrained, slide area
7567-013-005	West of 73 Portuguese Bend	RAS-2	19.84	0	severely constrained, slide area
		TOTAL	137.37	22	Includes 2 approved homes

Table 16 summarizes the vacant land inventory by zoning district. There are eight vacant parcels in the RAS-1 zone and 14 vacant parcels in the RAS-2 zone. Based on the one-acre zoning that applies in the RAS-1 district and the acreage of the parcels, the eight RAS-1 parcels have a theoretical capacity of 18 units. Based on the two-acre zoning that applies in the RAS-2 district and the acreage of the parcels, the 14 RAS-2 parcels have a theoretical capacity of 52 units. However, the theoretical capacity of the lots far exceeds the realistic capacity due to environmental constraints and hazards. The realistic capacity is estimated to be 22 units, which equates to one dwelling unit per lot. As noted, two homes are under construction or have approved plans, leaving 20 remaining vacant lots with the capacity for above moderate-income housing.

In addition to having the capacity for single family homes, these properties are also capable of supporting Accessory Dwelling Units. ADUs are permitted by right in both the RAS-1 and RAS-2 district.

Table 16

City of Rolling Hills Future Residential Development Potential

MAXIMUM POTENTIAL INCREASE IN DWELLING UNITS	
Zone	Total
RA-S-1	8
RA-S-2	14
TOTAL	22

Source: City of Rolling Hills,2020.

Lot Splits

There are a number of parcels in Rolling Hills with lot sizes that are more than double the minimum acreage required by zoning. Some of these parcels could theoretically be subdivided into two or more lots. However, the potential for lot splits is limited due to the configuration

of the lots as well as environmental hazards. Many of the city's larger lots have limited street frontage and irregular dimensions that would make it difficult to divide them. Moreover, the platting pattern responds to topography, and the larger lots are often steep and geologically constrained, making them difficult to subdivide. Their division could result in lots with no buildable area, street frontage, or access. While a limited number of new homes could occur as a result of future lot splits, a capacity estimate has not been made due to the constraints inherent in the community's topography and hazards. The supply of vacant lots is sufficient to meet the above moderate income RHNA without relying on lot splits.

Underutilized or Redevelopable Land

While Rolling Hills' above moderate income (or "market rate") RHNA can be met on vacant land, the City's moderate, low, and very low income RHNA will need to be accommodated through a combination of development on underutilized and redevelopable land, and through new accessory dwelling units. It would be difficult to meet the need for moderate, low, and very low income housing on vacant sites, given wildfire and landslide hazards, the high cost of land and construction, the lack of urban services, and historical patterns of development in the community.

Accessory dwelling units (ADUs) are discussed in the next section of this Housing Element. ADUs will enable the City to meet the RHNA requirement for moderate income units during the planning period. In future Housing Element cycles, the City will strive to meet a greater share of its lower income housing allocations through ADUs. However, as noted in the Introduction, the City is required by State law to meet its Fifth Cycle low and very low income allocation through rezoning for multi-family housing, since it did not have a certified Element during the Fourth Cycle.

The sites discussed below are evaluated for their suitability to accommodate 13 multi-family units. The 13 units represent the sum of the Fourth and Fifth cycle low and very low-income allocation. To meet statutory requirements under the State Government Code, the 13 units must be permitted at a density of at least 20 units per acre. Additional State requirements for affordable housing sites indicate that suitable sites must be capable of accommodating at least 16 units. Thus, the City's 13- unit assignment is rounded up to 16 units "by default" for the purposes of the State-mandated rezoning.

An evaluation of the potential for 16 multi-family units is included below. The focus is on non-residential properties that are outside the jurisdiction of the Rolling Hills Community Association. Residential properties on the south side of Palos Verdes Drive North also are addressed.

Non-residential properties in Rolling Hills are limited to the City Hall Complex, Tennis Court Facilities, Daughters of Mary and Joseph Retreat Center, PVP Unified School District site, Los Angeles County Fire Station, and scattered public open space sites.

The City Hall Complex, Tennis Court Facilities, Daughters of Mary and Joseph Retreat Center, and PVP Unified School District are the most viable housing opportunity sites and are discussed in more detail below. In particular, the PVP Unified School District site has been identified as being the most logical and realistic option, given its size, location, terrain, access, ownership, and

current land use. Other governmental owned properties are developed with recreational uses, and some are located on steeply sloping properties or have limited access.

1. City Hall Complex (APN 7569-003-904) – 1.22 acres zoned Public Facilities

The City Hall complex is located off of Palos Verdes Drive North at the main entrance to the City. The parcel is currently developed with three structures: City Hall, the Rolling Hills Community Association Administration Building and an accessory structure that houses an emergency generator. The site is surrounded by a steep canyon to the east, residence to the south, and a guardhouse and tennis courts to the west. The parcel is located on the southeast corner of Palos Verdes Drive North and Portuguese Bend Road. Palos Verdes Drive North is a high-volume arterial, consisting of one lane each way that traverses three cities on the Palos Verdes Peninsula. It is one of two main roads that lead in and out of the City of Rolling Hills. Portuguese Bend Road leads to the main entrance gate of the City and is another arterial road that leads in and out of the City. Given the small size of the site and its active community and civic uses, this site is less practical than some of the others identified.

2. Tennis Court Facility – 0.86 acres zoned Public Facilities (APN 7569-015-900)

The tennis court site is located across from City Hall on the southwest corner of Palos Verdes Drive North and Portuguese Bend Road. The site is surrounded by residences to the south and west and streets to east and north. While the site could feasibly be developed with housing, its function as a community amenity and open space makes it a less than ideal site.

3. Daughters of Mary and Joseph Retreat Center (APN 7569-022-006) – 2 acres zoned RAS-2

The parcel is located on the west end of the City. It is surrounded by residential development to the south, a school facility to the east and Crest Road to the north. The parcel immediately west of the site contains the Daughters of Mary and Joseph Retreat Center and is in the City of Rancho Palos Verdes. The Retreat Center is located on two parcels and spans the City limit line, with part of the parking lot and entrance drive in Rolling Hills.

The flat parking lot area, which is just under an acre in size, offers room for development. The remaining area is on a slope and would be difficult to develop without grading. Additionally, the retreat center itself could be converted to accommodate a higher density housing project. Staff has had conversations with the property owners about the use of the site and intends to investigate it further in the future. The parcel is outside of the Association's gates which minimizes the potential impacts of a higher density housing development in the case of emergency.

4. Privately-owned Parcels Along Palos Verdes Drive North

These are privately owned parcels that have frontage along Palos Verdes Drive North. These parcels are outside of the City gates but are located within the City of Rolling Hills. The parcels are generally developed with single family homes that are accessed from internal streets within Rolling Hills—several are large enough to be subdivided, which would create new vacant parcels with frontage and access from Palos Verdes Drive. The area is zoned for one-acre lots but includes a few parcels that could be divided. Rezoning could also be considered here.

These parcels are surrounded by single family residential developments on all sides with an arterial separating them from properties in the City of Rolling Hills Estates to the north. The arterial serves as one of the main thoroughfares traversing the Palos Verdes Peninsula. The road section in front these parcels is two lanes with a median separator. Developing these sites could present ingress and egress constraints, as well as public safety concerns due to wildfire hazards. If multi-family housing was pursued in this area, General Plan Amendments would be required as the potential for density transfers is limited.

5. PVP Unified School District (APN 7569-022-900)– 31 acres zoned RAS-2

As indicated in Chapter 3, the City has adopted an Affordable Housing Overlay Zone on the 31-acre property located at 38 Crest Road. This property is owned by the Palos Verdes Peninsula Unified School District (PVPUSD). A significant portion of the site is vacant or underutilized.

Appendix A of the Housing Element provides a detailed evaluation of the site, demonstrating that it is the most suitable location for multi-family housing in Rolling Hills and provides the City's best opportunity to meet its requirements for low- and very low-income units. The site is located outside the jurisdiction of the RHCA, is outside the Rolling Hills security gates, and is one of the largest properties in Rolling Hills. It includes multiple areas that are vacant and underutilized, relatively flat, and well buffered from adjacent uses. The site is also one of the only properties in Rolling Hills that is served by a public sewer system, substantially reducing potential development costs and addressing an infrastructure constraint that makes affordable housing cost-prohibitive in much of the city.

The PVPUSD site is currently home to Rancho Del Mar High School, a small continuation school with an enrollment of 46 students in 2020. The Beach Cities Learning Center also occupies a portion of the school building. Excluding the adjacent playing fields and lawn, the school campus occupies just six percent of the 31-acre site. The only other active use on the property is a Palos Verdes Peninsula Transit Authority (PVPTA) maintenance facility.

The Rancho Del Mar site was initially developed as an elementary school in 1960. The school closed in 1980 and was repurposed as a continuation high school in 1986. The continuation school was initially intended as a temporary use and the possibility of residential development on the site has been considered in the past. Enrollment at the continuation school has been steadily declining and has dropped 40 percent in the last five years alone. Sale of the school property (or a portion of the property) could generate significant revenue for the School District.

The analysis in Appendix A identified five potential development areas on the site, including the school itself (in the event it is closed), the ballfield east of the school, an open lawn area adjacent to the school, a vacant area between the school and the PVPTA facility, and an undeveloped area west of the PVPTA facility. Each of these areas is at least one acre in size. The area west of the PVPTA facility is the largest of the five areas and is considered the most viable location for multi-family housing. It is the closest location to the site entry on Crest Road and could easily be developed without interrupting activities at either the school or the transit facility. Accordingly, the Overlay Zone identifies this area as the location for future affordable housing.

The site has a General Plan designation of Very Low Density Residential and a zoning designation of RAS-2. Both designations allow one unit per two acres, or 16 units on the entire site. In February 2021, the City adopted an Affordable Housing Overlay designation on its General Plan Land Use Map, along with the Rancho Del Mar Affordable Housing Overlay Zone on its Zoning Map. Both of these designations require transfer of the allowable number of units to a subarea within the site where densities of 20-24 units per acre are required. Such development is permitted by right, provided the development complies with the objective development and design standards contained in the Overlay Zone (see discussion in Chapter 3).

The PVPUSD site also provides opportunities for emergency shelter and single room occupancy (SRO) hotels. Emergency shelter is permitted by right, subject to specific development standards that have been adopted by the City. SROs require a conditional use permit and are also subject to development standards. These provisions create opportunities for extremely low income households, as well as low and very low income households.

As noted in Appendix A, the City has met with the School District and confirmed that there are no prohibitions or limitations on multi-family and special needs housing on School District property. In fact, the District has expressed interest in developing housing for teachers in the past; such units would meet income criteria for low or very low income units. Programs in this Housing Element support the site's future development and ongoing communication with the School District regarding its disposition.

For the purposes of the Housing Element analysis, the site has been determined to have the capacity for 16 units affordable to very low and low income households, thus meeting and exceeding (by 3 units) the combined 4th and 5th cycle lower income RHNA for Rolling Hills. Opportunities for State density bonuses also exist, given the affordability requirements for new housing.

Accessory Dwelling Unit (ADU) Opportunities

Chapter 3 of this Housing Element describes the requirements for ADUs and Junior ADUs (JADUs) in Rolling Hills. The City adopted an ADU Ordinance compliant with State law in February 2018, and amendments to that Ordinance in February 2020 to reflect additional State laws that facilitate ADU development in all California cities. ADUs that meet adopted development standards are permitted ministerially—that is, without Planning Commission or City Council action. The analysis in Chapter 3 concluded that the City's adopted standards, fees, and procedures for ADUs are supportive of their future development.

ADUs are the most practical approach to meeting Rolling Hills' affordable housing allocations given the characteristics of the City's housing stock, the constraints to higher density housing, and the City's demographics. While the City has created affordable housing opportunities on the PVUSD site, the ADU ordinance provides opportunities for incremental, smaller-scale housing that meets the needs of individual households, often without even requiring construction of new buildings or creation of new habitable space. The City's large parcels, large home sizes, and large senior population are all conducive to ADU production. The only jobs in the City are home-

based service positions (au pairs, care givers, caretakers, gardeners, personal assistants, etc.), making ADUs a logical and sustainable solution to meeting local housing needs.

In Fall 2020, the City surveyed all of its households to identify the extent of ADUs (permitted and unpermitted), the potential for ADUs to meet affordable housing needs, and attitudes toward ADUs in general. A paper survey with return postage was mailed to every address in the City. Nearly 30 percent of the City's households replied, providing an excellent foundation for evaluating possible new policies and regulations. The survey was completely anonymous. The full survey, including an analysis of the replies, is included as Attachment B of the Housing Element.

The survey found mixed opinions about ADUs, with some households supporting their development and others opposed. Those supporting ADUs cited their potential as housing for care givers, domestic employees, family members, and seniors seeking to age in place. Those opposed cited concerns about privacy, parking, security, impacts on community character, and the erosion of local control over land use decisions. Some of the concerns regarding parking, privacy, tenants, etc. may be resolvable by including specific elements in ADU strategies and providing more outreach and opportunities for public discussion. A large number of the survey respondents felt they "needed more information" before weighing in on some of the questions.

While public opinions are mixed, the survey indicated that the potential for ADUs is very high in Rolling Hills. Some of the findings are summarized below:

- 25 percent of the respondents indicated they had an accessory structure on their property with a kitchen, bath, and habitable space.
- More than 10 percent (21) of the respondents indicated they had another household living on their property, including paying tenants (3), care givers (7), and relatives (11).
- The rents reported for ADUs (where rent was being collected) were within State affordability thresholds for low- and very low-income households
- Roughly half of the occupants of ADUs in Rolling Hills meet State definitions of low, very low, and extremely low-income households.
- 24 percent of the respondents indicated they would consider developing an ADU and 15 percent indicated they *might* consider developing an ADU in the future.
- 54 percent indicated they would not consider developing an ADU. Loss of privacy and not wanting to deal with tenants were the most common reasons selected.
- When asked how residents would use an ADU if they had one, 8 percent said they would rent it to a tenant, 24 percent said they use it for a care giver or home employee, and 31 percent said they would use it for a family member
- 13 percent of the respondents indicated they would be amenable to a deed restriction that limited the rent of the ADU to a lower income household; another 10 percent said they *might* be amenable. Most of the respondents favored short affordability terms (5 years—or until point of sale) and were less interested if the restriction was longer.
- When asked about incentives for creating "affordable" ADUs, the most popular choices were reduced fees and expedited permitting.

For its Fifth Cycle housing element, the City is presuming that ADUs will meet the requirement for five moderate income units. Based on the data above, the actual potential is higher and also extends to the very low- and low-income ranges. In October 2020, a scan of "Craigslist" ads for rental housing identified one ADU in (or immediately adjacent to) Rolling Hills renting for $1,200 a month, a rate that would meet affordability criteria for a low income household.

The City of Rolling Hills is committed to facilitating construction of ADUs. The City has conducted, and will continue to conduct, site visits to assist owners in identifying sites on their properties to build ADUs and provide additional information when needed. It is currently taking the City approximately two to four weeks to approve ADUs. The City is also working with the RHCA to facilitate the approval process.

B. ABILITY TO MEET RHNA ALLOCATION

As indicated in Chapter 4, the RHNA prepared by SCAG identifies a housing need for Rolling Hills of six units for the Fifth (2014-2021) Cycle. The City is also subject to a "carry over" requirement of 22 units from the Fourth Cycle (2006-2013), for a total of 28 units. The analysis above indicates that the City has the capacity to meet this allocation. This is based on the following assumptions:

- **Above Moderate Income Housing:** The City has 22 vacant lots zoned RAS-1 or RAS-2 with the capacity for one dwelling unit each. This is sufficient to meet the need for above moderate income or market-rate housing.

- **Moderate Income Housing:** The City of Rolling Hills currently has approximately 700 housing units. Based on Municipal Code amendments adopted in 2020, ADUs and JADUs are permitted in every home. The City's 2020 ADU survey indicates that as many as half already have space that could be converted into an ADU. The ADU survey also indicates that rents for ADUs would be affordable to Moderate Income households (and in many cases to Low and Very Low Income households). If an ADU were added to only one percent of the City's housing stock, Rolling Hills would exceed its allocation of five moderate income units. The City has already approved several ADUs during the Fifth Cycle.

- **Low and Very Low Income Housing:** The City has met its requirement to provide capacity for Low and Very Low Income units through the creation of the Rancho Del Mar (RDM) Affordable Housing Opportunity Overlay district. The Overlay allows the construction of 16 affordable multi-family units "by right" with no discretionary approval required. As previously noted, the site is one of the few in Rolling Hills with a public sewer system and is relatively unconstrained compared to sites in the rest of the city.

- **Extremely Low Income Housing:** The City has provided opportunities for extremely low income households by permitting emergency shelters by right in the RDM Overlay Zone and by allowing Single Room Occupancy hotels in the Overlay Zone. In addition, some of the ADUs that could be created in the future may meet eligibility criteria for Extremely Low

Income housing, to the extent they are offered without rent or are occupied by elder family members or others with very limited income.

C. OPPORTUNITIES FOR ENERGY CONSERVATION

Government Code Section 65583(a)(7) requires the Housing Element to include an analysis of opportunities for residential energy conservation. Energy costs are considered part of monthly housing expenses when calculating affordability and can be a cost burden, particularly for seniors on fixed incomes. The large size of many Rolling Hills homes and the high percentage of seniors indicates that this may be an important consideration in the City.

In 1974, the California state legislature created the California Energy Commission to deal with the issue of energy conservation. Since that time, the Energy Commission has set conservation standards for new residential and nonresidential construction. These standards, known as Title 24, are periodically updated to reflect new technology and new targets for reducing greenhouse gas emissions. The new standards, implemented by the City as part of the recently adopted California Green Building Code, specify energy saving design for walls, ceilings and floor installations, as well as heating and cooling equipment and systems, gas cooling devices, conservation standards, and the use of nondepleting energy sources, such as solar energy and wind power.

Through the Site Plan Review process and the Building Code (Title 15 of the Municipal Code) , the City requires energy conservation in all buildings. The City has also adopted a Water Efficient Landscape Ordinance (Chapter 13.18 of the Municipal Code) that requires landscaping to be water wise and plants to be drought tolerant.

In addition, the Rolling Hills General Plan establishes a policy to permit the use of solar panels to maximize energy efficiency. In the past few years, the City of Rolling Hills has approved 42 solar panel requests from residents. Other residential energy design standards can be applied to reduce energy costs, including:

- Glazing - Glazing on south facing exterior walls allows for winter sunrays to warm the structure. Avoidance of this technique on the west side of the unit prevents afternoon sun from overheating the unit.

- Landscaping - Strategically placed vegetation reduces the amount of direct sunlight on the windows. Incorporation of deciduous trees in landscaping along the southern area of units reduces summer sun, while allowing penetration of winter sun to warm the units.

- Building Design - The implementation of roof overhangs above southerly facing windows shield the structure from solar rays during the summer months.

- Cooling/Heating Systems - The use of attic ventilation systems reduces attic temperatures during summer months. Solar heating systems for swimming pool facilities save on energy costs. Natural gas is conserved with the use of flow restrictors on all hot water faucets and showerheads.

- Weatherization Techniques - Weatherization techniques such as insulation, caulking, and weatherstripping can reduce energy use for air-conditioning up to 55 percent and for heating as much as 40 percent. Weatherization measures seal a dwelling unit to guard against heat gain in the summer and prevent heat loss in the winter.

- Efficient Use of Appliances - Appliances can be designed and used in ways that increase their energy efficiency. Unnecessary appliances can be eliminated, and outdated appliances can be replaced with more energy-efficient models. Proper maintenance and use of the stove, oven, clothes dryer, clothes washer, dishwasher, and refrigerator can also reduce energy consumption. New appliance purchases of air-conditioning units and refrigerators can be made on the basis of efficiency ratings. The State prepares a list of air-conditioning and refrigerator models that detail the energy efficiency ratings of the product.

- Outdoor Lighting Ordinance – The City has adopted standards for outdoor lighting through its Municipal Code (Section 17.16.190(E)). Energy efficient lighting is required for most outdoor lighting, and outdoor lighting is prohibited in many instances to retain dark skies and the community's rural character.

- Efficient Use of Lighting - Costs of lighting a home can be reduced through purchase of light bulbs, which produce the most lumens per watt, avoidance of multi-bulb mixtures and use of long life bulbs and clock timers on security buildings.

In 2008, the City had adopted Resolution No. 1040, providing for a City of Rolling Hills Natural Environment and Sustainability Committee. The committee was composed of nine resident members and was appointed by the City Council to develop and recommend environmentally sustainable policies, practices and programs for Rolling Hills and provide outreach to residents and bring in educational programs to the City. Several Committee recommendations were incorporated as City policies prior to the Committee's dissolution.

As a member of SCAG, the City also participates in the Regional Comprehensive Plan to achieve a sustainable future. The City is a member of the South Bay Council of Governments Green Task Force. The City also has joined ICLEI, which is a membership association of local governments committed to advancing climate protection and sustainable development.

The City's commitment to energy efficiency is carried forward in the Housing Implementation Plan (2014-2021) of this document.

D. FINANCIAL RESOURCES

Conventional affordable housing usually requires a variety of state and federal tax credits and subsidies, locally-generated funds from housing programs, and active participation by the non-profit development sector. This type of development would be extremely challenging in Rolling Hills given the very high cost of land and construction, the community's topography and natural hazards, the City's small size and limited resources, and the absence of a public sewer system on most parcels. The only site where such housing would be financially feasible is the PVUSD site, given that it is publicly owned and has infrastructure and street access.

Elsewhere in the city, the availability of Federal and State funding sources would be subject to many limitations. Many types of government assistance are conditioned upon the existence of populations in need of assistance or housing stock conditions requiring repair or rehabilitation. The absence of high-need populations in Rolling Hills renders the City ineligible for many types of assistance. The housing stock is in excellent condition and there are few properties that would be eligible for rehabilitation assistance. The City's limited financial resources further preclude the use of City General Fund monies for assistance.

High housing values in the City and an extremely limited rental supply also preclude the use of the Section 8, Housing Voucher Assistance Payments Program. Under that program, the Department of Housing and Urban Development (HUD) provides subsidies to landlords under certain conditions. Only housing units with rents at or below maximum rent levels set by HUD for each county are eligible to receive subsidies. Rents in the City far exceed maximum allowable levels payable under the Section 8 Program.

Since inception of the CDBG program in 1979, the City of Rolling Hills has used its CDBG funds to provide over $225,000 to local communities for housing rehab programs and for construction of Section 8 housing. Between 2008 and 2011, Rolling Hills received a total of $25,331 in CDBG funds, an average of $6,333 per year. The City transferred these funds to the City of Rancho Palos Verdes for their Senior Citizens Home repair program. However, the cost of administering the program made it infeasible for the City of Rolling Hills to continue participating.

Despite these constraints, the City is amenable to exploring future funding sources and supporting applications that would facilitate housing rehabilitation and development. Programs that assist lower income seniors in energy conservation, septic system improvements, and minor home repair could be considered. Programs that underwrite ADU production could be explored in the future.

Table 17 summarizes potentially available funding sources as a reference to City staff and potential developers:

Table 17

Federal And State Housing Programs And Their Applicability In Rolling Hills

Program	Comments
Federal Programs	
Section 8	Provides rent subsidies to low-income renters. This source cannot be used in Rolling Hills because rents on housing in the City far exceed maximum rent levels required for participation in the program.
Section 8 Moderate Rehabilitation	Provides for payment contracts on units needing substantial rehabilitation. This source is inapplicable in Rolling Hills because no housing in the City has been identified as in need of rehabilitation.
Section 8 New Construction	Provides funding for the construction of housing affordable to lower-income persons. High land costs and legal and environmental constraints would likely preclude the development of projects in Rolling Hills that would be eligible for such funding.
Section 202	Provides private/non-profit funding for senior housing and supported services. High land costs and legal and environmental constraints make the development of projects that would be eligible for such funding infeasible in Rolling Hills.
Section 106(b) – Seed Money Loans	Provides interest free loans to non-profit housing sponsors for pre-construction costs. Currently used only in connection with Section 202 above.
State Programs	
California Housing Finance Agency	Provides loans to housing sponsors for construction. Direct Lending or rehabilitation of housing projects containing over five units. Program could be applied for by Rolling Hills' developers within the Affordable Housing Overlay Zone (AHOZ)
California Housing Finance Agency	Provides financing for rehabilitation and purchase of Home Ownership and Home Improvement (HOHI) housing by low and moderate-income persons in areas that are in need of rehabilitation. Absence of housing in need of rehabilitation and very high acquisition costs preclude use in Rolling Hills.
California Self-Help Housing Program	Provides grants and loans to assist low and moderate income families to build or rehabilitate their own homes. High land costs and home values make use of this program in Rolling Hills unlikely.
Mobile Home Park Assistance	Provides financial and technical assistance to mobile home park residents. No mobile home parks exist in Rolling Hills.
HCD Homelessness Programs (Emergency Solutions and Housing, Housing for a Healthy CA, Emergency Solutions Grants, Multi-family Supportive Housing) and OES Programs (Specialized Emergency Housing, Transitional Housing, etc.)	Provides grants for homeless shelters and direct subsidies to people experiencing homelessness. County data does not indicate a need for emergency shelter in Rolling Hills.
Predevelopment Loan Program	Provides predevelopment loans for low-income housing projects. This source could be used by nonprofit developers in the City.High land costs and environmental and infrastructure constraints render the development of eligible projects infeasible on most sites in the City.

Program	Comments
Senior Citizen Shared Housing	Provides grants to assist seniors find shared housing arrangements. Rolling Hills provides informational brochures on shared housing referral services offered at neighboring cities. Rolling Hills provides the brochures using local funds.
Multi-Family Housing Program (MHP)	Provides low-interest long-term deferred payment loans for the construction of affordable housing developments; could be considered in Rancho Del Mar AHOZ area.
Permanent Local Housing Allocation (PLHA)	Provides funding for predevelopment, development, acquisition, rehabilitation, and preservation of multifamily, residential live-work, rental housing that is affordable to extremely low-, very low-, low-, or moderate-income households, including ADUs for households with up to 150% of AMI in high-cost areas. Could be applied to facilitate ADU construction throughout Rolling Hills, as well as construction in the AHOZ area.
Deferred Payment Rehabilitation Loans	Provides loans for the rehabilitation of low and moderate-income housing. Not applicable in Rolling Hills because of absence of targeted housing.
Government Code Section 65915-Density Bonuses	Requires local governments to offer density bonuses or other incentives in exchange for the development of low- income housing. State requirements would apply to future development in the Rancho Del Mar AHOZ.
Affordable Multi-Family Revenue Bonds (CA Public Finance Authority)	Provides access to tax-exempt bonds for for-profit and non-profit developers building senior and low-income multi-family housing. Could be applied in the AHOZ area but not elsewhere. Limited availability and competitive funds could limit practical use.
Single-Family Mortgage Revenue Bonds	Allows for the issuance of bonds for below market loans for low and moderate-income homebuyers. The high costs of homes in the City make them unaffordable to persons targeted in this program.

VI. HOUSING PLAN

Chapters II to V of the Housing Element evaluated housing needs, constraints, and opportunities in Rolling Hills. Chapter VI evaluates the accomplishments of the last adopted housing element, and then presents the City's Housing Plan. The Plan sets forth the goals, policies, and programs to address Rolling Hills' identified housing needs.

A. REVIEW OF PRIOR HOUSING ELEMENT PERFORMANCE

State Housing Element law requires communities to assess the achievements of adopted housing programs as part of the update to their housing elements. These results should be quantified where possible but may be qualitative where necessary. These results need to be compared with what was projected or planned in the previous element. Where significant shortfalls exist between what was planned and what was achieved, the reasons for such differences must be discussed.

The 2006-2014 Rolling Hills Housing Element established programs to address the following four housing goals:

- Provide for housing which meets the needs of existing and future Rolling Hills' residents
- Maintain and enhance the quality of residential neighborhoods in Rolling Hills
- Provide housing services to address the needs of the City's senior citizen population
- Promote housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin or color

A number of programs were set forth in the 2006-2014 Housing Element to achieve these goals. As summarized in Table 18, the City has actively pursued avenues for supporting residential development and facilitating affordable housing opportunities, despite the constraints that limit development opportunities in Rolling Hills.

Table 18
City of Rolling Hills Progress Toward Implementing the 2006-2014 Housing Element Programs

Programs	Accomplishments
Goal 1: Provide for housing which meets the needs of existing and future Rolling Hills' residents.	
Manufactured Home Program: Permit manufactured homes on all buildable, single family lots in the City.	The City has amended its Zoning Ordinance to provide for manufactured homes and continues to permit this program. No request for a manufactured home was submitted to the City during the past planning period.
Facilitate New Construction: The City will continue to work with and assist housing developers and builders to enable new housing to be built in the City.	The City has continued to work with and assist developers and builders. Five new units and seven replacement units were constructed during the 2006-2014 planning period. In 2012, the OZD-1 overlay zone was created to facilitate construction on narrow and shallow lots in parts of the City. Reduced setback standards apply in this area.
Goal 2: Maintain and enhance the quality of residential neighborhoods in Rolling Hills.	
Code Enforcement: In the event that a violation of City codes or regulations is discovered, the City works with the County and the Association to remediate the violation.	The City continues to promote code enforcement in cases of violations. An educational program including information brochures has been implemented to discourage violations. A program to accomplish compliance also has been implemented. Approximately thirty violations have occurred in the City and only six of them consisted of residential structural deficiencies. These were all corrected during the past planning period. Code enforcement is intended to protect the public health, safety and welfare, and is not considered a constraint to the development of affordable housing.
Ground Instability: Continue to explore possible solutions to ground instability problems.	The City has continued to work with property owners and geotechnical consultants to establish construction regulations and to explore other potential solutions to ground stability problems. Despite these efforts, certain property in high-risk landslide areas remains unbuildable.
Neighborhood Sponsored Sewer Districts: Promote and facilitate the development of homeowner sponsored sewer districts.	The City retained a consulting engineer to assess the feasibility of establishing a citywide sewer system. Because of the geologic and topographic constraints, the city's low density, high construction costs, and limited revenues, installation of a sewer system has been deemed infeasible. There is ongoing consideration for extending sewer service to individual properties or subareas within the city.
Housing Repair on Landslide Sites: Continue to allow the repair of damaged structures and remedial grading in landslide areas.	The City continues to allow repair of damaged structures and remedial grading in landslide areas with special permits.
Home Improvement Program for eligible low and moderate-income residents.	In keeping with its commitment to support housing element objectives and low income housing needs, Rolling Hills assigned its CDBG funds to the City of Rancho Palos Verdes Home Improvement Programs for eligible low and moderate income residents to provide grants and zero percent deferred loans to correct hazardous structural conditions, eliminate blight, and improve disabled access.

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Program	Accomplishments
Goal 3: Provide housing services to address the needs of the City's senior citizen population.	
Shared Housing Program: Actively market the two area shared housing programs – Focal Point at the South Bay Senior Services in Torrance and Anderson Senior Center in San Pedro - which assist seniors in locating roommates to share existing housing in the community.	Informational brochures advertising existing shared housing programs are available at the public counter. Records on the number of matches that have occurred during the planning period are not available.
Reverse Mortgage Program: Inform residents about the advantages of reverse mortgages. A reverse mortgage is a deferred payment loan or a series of such loans for which a home is pledged as security and can offer a viable financing alternative to many of Rolling Hills' elderly homeowners.	The City offers referral services to seniors interested in pursuing a reverse mortgage.
Elderly Services: Rolling Hills will continue to provide information to its elderly residents concerning available senior services.	In keeping with its commitment to assist its elderly residents find needed services, the City maintains a list of local senior facilities at City Hall.
Goal 4: Promote housing opportunities for all persons regardless of race religion, sex, marital status, ancestry, national origin or color.	
Fair Housing Program: As a means of increasing public awareness of legal rights under fair housing laws, the City will advertise services offered by the Fair Housing Foundation, including housing discrimination response, landlord-tenant relations, housing information and counseling, and community education programs.	As a past participating city in the Community Development Block Grant Program, Rolling Hills cooperated with the Los Angeles office of the Fair Housing Foundation to enforce fair housing laws. Informational brochures about the Foundation are available at the City of Rolling Hills public counter and local library.

B. GOALS AND POLICIES

As part of this General Plan update, the goals and policies of the past Housing Element were reviewed as to their appropriateness in addressing the community's housing needs. The following goals and policies reflect the City's continued commitment to actively support residential development and avenues for facilitating affordable housing opportunities, despite the constraints that limit development opportunities in Rolling Hills. These policies will serve as a guide to City officials in daily decision making.

GOAL 1: Provide for housing which meets the needs of existing and future Rolling Hills' residents.

Policy 1.1: Evaluate ways in which the City can assist in providing housing to meet special community needs.

Policy 1.2: Work with other governmental entities to explore the possibility of providing affordable housing for low and moderate income and senior citizen households in the South Bay region.

Policy 1.3: Encourage the use of energy conservation devices and passive design concepts that make use of the natural climate to increase energy efficiency, as well as weatherization to reduce energy costs.

Policy 1.4: Continue to facilitate the development of a variety of housing types in the City, taking into account existing financial, legal, infrastructure, and environmental constraints. While Rolling Hills will remain a rural equestrian community, housing opportunities will be provided for all income groups as required by State law.

Policy 1.5: Ensure effective and informed community participation in local housing decisions.

Policy 1.6: Participate in countywide programs to meet the needs of unsheltered residents and others who may need emergency housing assistance.

GOAL 2: Maintain and enhance the quality of residential neighborhoods in Rolling Hills.

Policy 2.1: Encourage and assist in the maintenance and improvement of existing homes to maintain optimum standards of housing quality and design.

Policy 2.2: Require the design of housing to comply with the City's building code requirements.

Policy 2.3: Require compatible design to minimize the impact of residential redevelopment on existing residences.

Policy 2.4: Enforce City housing codes to assure the upkeep and maintenance of housing in the City.

Policy 2.5: Allow Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (JADUs) in all residential zones. Adopt standards to ensure that ADUs and JADUs are compatible with the community; minimize visual, parking, traffic, and other impacts; and respect neighborhood context.

GOAL 3: Provide housing services to address the needs of the City's senior citizen population.

Policy 3.1: Provide reference and referral services for seniors, such as in-home care and counseling for housing-related issues, to allow seniors to remain independent in the community.

Policy 3.2: Maintain information regarding shared housing programs as an option for seniors to share existing housing in the community.

Policy 3.3: Coordinate with lending companies and institutions to educate the City's elderly homeowners as to the availability of reverse mortgage loans, which allow seniors with limited income to remain in their homes.

Policy 3.4: Encourage housing opportunities for live-in care givers, domestic employees, and family members who may assist elderly or mobility-impaired residents who wish to age in place.

GOAL 4: Promote housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, disability status, or national origin.

Policy 4.1: Affirm a positive action posture, which will assure that unrestricted housing opportunities are available to the community, and enforce all applicable laws and policies pertaining to equal housing opportunity.

Policy 4.2: Encourage the development of residential units that are accessible to the disabled or are adaptable for conversion to residential use by disabled persons. Provide reasonable accommodations in rules, policies, practices, and procedures for disabled persons to ensure equal access to housing.

Policy 4.3: Make information on fair housing laws available to residents and realtors in the City by distributing at the City Hall public counter and on request.

Policy 4.4: Investigate any allegations of violations of fair housing laws.

C. HOUSING IMPLEMENTATION PLAN (2014-2021)

The goals and policies set forth in the Housing Element to address the City's housing needs are implemented through a series of housing programs. The Housing Element program strategy consists of both programs currently in use in the City and additional programs to provide the opportunity to adequately address the City's housing needs. The following section provides a brief description of each program, quantified objectives, funding sources, responsible agencies and implementation time frames. Each of these programs have been developed consistent with HCD guidelines for developing effective programs and are responsive to the unique constraints facing Rolling Hills.[1] As appropriate, programs that have been completed since the initial draft of this element in 2014 have been included.

1. Annual Progress Report

As required by State law, the City will create an annual report on the status and progress of implementing its Housing Element using forms and definitions adopted by the California Department of Housing and Community Development (HCD). Guidance on the content of the report is provided by the State Office of Planning and Research. It documents the City's progress toward meeting its share of regional housing needs and efforts to remove government constraints to housing production. The report must be presented to the City Council prior to its submittal (it may be approved as a consent item).

Quantified Objective: Provide one report per year
Funding Source: City General Fund
Responsible Agency: City Planning Department
Implementation Time Frame: File by April 1 of each year

2. General Plan Land Use Element Amendments

At the start of the 2014-2021 Housing Element Cycle, the Rolling Hills General Plan only permitted single family residences in the city. To comply with Government Code requirements to accommodate a variety of housing types, the City amended the Land Use Element of the General Plan to permit multi-family housing, emergency shelter and SROs. The Housing Element and Land Use Element are now internally consistent and support the development of a variety of housing types. Land use policies allow for by right multi-family development, accessory dwelling units, and other measures that facilitate housing development in the City. The City provided CEQA compliance for the General Plan Amendment through an Initial Study and Negative Declaration

Quantified Objective: Amendment of Land Use Element
Funding Source: City General Fund
Responsible Agency: Planning Department
Implementation Time Frame: Started in October 2020; Completed in March 2021

[1] http://www.hcd.ca.gov/hpd/housing_element2/PRO_overview.php; accessed January 2, 2014.

3. Affordable Housing Overlay Zone

The City of Rolling Hills is subject to the provisions of Section 65583.2(h) of the California Government Code, which require planning for 100 percent of the need for very low and low income housing for the current RHNA cycle and the previous RHNA cycle since the prior cycle element was non-compliant. Rolling Hills is obligated to provide by-right zoning to accommodate 13 units of multi-family housing (10 units from the 4th Cycle and 3 units from the 5th Cycle). State law requires that acceptable housing sites must accommodate at least 16 units—thus the 13 units has been rounded up to 16 units for this Housing Element. State law further requires that the sites are zoned to permit at least 20 units per acre.

This program calls for creation of Affordable Housing Overlay Zone (AHOZ), to be mapped on the 31-acre Rancho Del Mar site owned by the Palos Verdes Unified School District. As documented in Chapter 5 and Appendix A, an analysis of housing opportunities in Rolling Hills found that this was the most viable location for affordable multi-family housing and one of the only sites in the city with sewer infrastructure, thus reducing development costs. The AHOZ retains the General Plan density for the site but requires that the allowable number of units are clustered at a density of 20-24 units per acre. An analysis of site conditions determined that the area west of the PVPTA facility (located on the site) was the best location for the density transfer. The City has confirmed with the School District that the site is acceptable.

Quantified Objective: Zoning for 16 affordable multi-family units
Funding Source: City General Fund
Responsible Agency: City Planning Department
Implementation Time Frame: Completed in February 2021

4. Next Steps for PVUSD Housing Opportunity

The City will work with the Palos Verdes Unified School District and School Board to advance opportunities for affordable multi-family housing on the Rancho Del Mar property. This could include subdivision of the property to create a defined parcel west of the PVPTA facility that could be leased or sold, encouraging the PVUSD to consider teacher housing or PVUSD employee housing on the site, and identifying funding sources or permit streamlining and fee reduction measures to make affordable housing more viable. It will also include meeting with non-profit housing developers about the site and exploring expressions of interest from parties that may be interested. Specific measures will be determined through an initial meeting with the Superintendent of Schools following certification of the Housing Element.

Quantified Objectives: Initial City Manager/ School Superintendent Coordination Meeting
Funding Source: City General Fund
Responsible Agency: City Manager
Implementation Time Frame: Complete before October 2021

5. Zoning for Emergency Shelter

Section 65583(a)(4)(A) of the California Government Code requires that all cities identify a zone where emergency shelters are allowed as a permitted use without a conditional use or other discretionary permit. The zone must have sufficient capacity to accommodate the identified need in the community. While bi-annual homeless counts have determined there is not an unsheltered population in Rolling Hills, the City must still provide for at least one shelter.

At the start of the Fifth Cycle in 2014, emergency shelter was not a permitted use in Rolling Hills. In February 2021, the City adopted provisions for emergency shelters in the Affordable Housing Overlay Zone. A shelter of up to 12 beds is now permitted, subject to development standards that are consistent with state requirements. While no shelters are proposed at this time; the City will continue to work with homeless service providers, adjacent communities, the School District, and residents to evaluate needs, opportunities, and funding sources.

Quantified Objectives:	Adoption of Zoning Provisions for at Least One (1) Emergency Shelter
Funding Source:	City General Fund
Responsible Agency:	City Planning Director
Implementation Time Frame:	Completed in February 2021

6. Zoning for Single Room Occupancy (SRO) Hotels

SROs provide a housing resource for extremely low income households. They consist of small efficiency units with a water closet and sink, often with shared kitchen and bathing facilities. At the start of the Fifth Cycle in 2014, SROs were not permitted in Rolling Hills. In February 2021, the City adopted provisions for SROs in the Affordable Housing Overlay Zone. SROs of six to eight units are permitted with a conditional use permit, subject to development standards relating to unit size, on-site management, and length of stay.

Quantified Objectives:	Adoption of Zoning Provisions for SROs
Funding Source:	City General Fund
Responsible Agency:	City Planning Director
Implementation Time Frame:	Completed in February 2021

7. Reasonable Accommodation

Although Rolling Hills has accommodated the needs of persons with disabilities through its administration of the Building Code and Americans with Disabilities Act, it did not have a formal Reasonable Accommodation policy. Such a policy is required under the Government Code and is a pre-requisite for a certified Housing Element. Accordingly, this Housing Element includes adoption of a formal procedure through which a person with disabilities may request reasonable accommodation in order to have equal access to housing under the Federal Fair Housing Act and California Fair Housing and Employment Act. The Policy covers application requirements, review

authority and a review process, findings and determinations, appeals processes, and other provisions.

The City of Rolling Hills completed this program in October 2020. It will implement the policy on an ongoing basis and will provide relevant materials on its website and at City Hall for those who may interested in requesting Reasonable Accommodation in the future.

Quantified Objectives: Adoption of Reasonable Accommodation Policy
Funding Source: City General Fund
Responsible Agency: City Planning Director
Implementation Time Frame: Completed in October 2020

8. Add Definitions of Transitional and Supportive Housing, and Employee Housing, to Municipal Code

To comply with Government Code Section 65583(c)(3), the City of Rolling Hills must clarify that transitional and supportive housing are considered residential uses and are subject to the same restrictions that apply to the other residential uses that are allowed in a given zoning district. In other words, a single family home used as a group home for persons with disabilities it is subject to the same planning and zoning requirements that apply to a single family home used by a traditional family or any other household. Most local governments have addressed this requirement by adding definitions to their zoning codes for transitional and supportive housing.

The purpose of this program is to add those definitions to the Rolling Hills Municipal Code (Chapter 17). The definitions would acknowledge that such housing is permitted or conditionally permitted in the same manner as other residential dwellings of the same type in the same zone as required by State law.

This program also includes a Municipal Code Amendment to add a definition for employee housing in accordance with the California Health and Safety Code (HSC). HSC Section 17021.5 states that employee housing providing accommodations for six or fewer people shall be deemed a single family structure with a residential land use designation. It further states that employee housing may not be considered a boarding house, rooming house, hotel, dormitory, or similar term that implies that such housing is a business run for profit or differs in any other way from a single family dwelling. State law precludes a city from requiring a conditional use permit, zoning variance or other zoning variance for such housing, and stipulates that the use of a single family dwelling for six of fewer employees does not constitute a change of occupancy for building code purposes.

Quantified Objectives: Council Action Adopting Definitions
Funding Source: City General Fund
Responsible Agency: City Planning Director/ City Attorney
Implementation Time Frame: Complete by October 2021

9. Density Bonus Requirements

Section 65915 of the Government Code establishes provisions for density bonuses for affordable and senior housing projects. Rolling Hills does not currently have density bonus provisions in its Municipal Code. Historically, the City has not had multi-family housing, nor any site where multi-family housing could be constructed. With the creation of the Affordable Housing Overlay Zone, a developer could request a density bonus and related concessions from a developer. State standards would apply in this instance. The City should consider adopting its own density bonus standards or adopting Code provisions clarifying that State standards apply in the event a request is received.

Quantified Objectives:	Municipal Code amendment related to Density Bonuses
Funding Source:	General Fund
Responsible Agency:	City Planning Director
Implementation Time Frame:	Complete by October 2021

10. Adopt and Periodically Update Accessory Dwelling Unit (ADU) Regulations

At the start of the Fifth Housing Element Cycle (2014), ADUs (rentable to tenants) were not permitted in Rolling Hills. Although the City allowed guest houses, these were generally used for visitors, family members, or household employees and did not include kitchens. In 2017, the State of California adopted legislation requiring that ADUs be permitted in most residential zoning districts, with provisions for "by right" approval if the units met certain standards. Additional ADU requirements were adopted by the State in 2019 and became effective in 2020. Like all cities in California, Rolling Hills was required to allow rental ADUs—and then Junior ADUs—in accordance with State standards.

Program 10 covers actions taken by the City during the Fifth Cycle related to ADUs, including adoption of Chapter 17.28 of the Municipal Code in 2018 and amendment of this Chapter in January 2020. The City now permits ADUs up to 1,000 square feet or two bedrooms with a ministerial permit (e.g., a permit that does not require Planning Commission or City Council action). Units that do not conform to the adopted development standards may be approved with a conditional use permit. The City has approved 3 ADUs since the ordinance went into effect in 2018 and several more are pending.

Quantified Objectives:	Adoption of ADU regulations (Program completed) Five (5) ADUs between February 2018 and October 2021
Funding Source:	City General Fund
Responsible Agency:	City Planning Director
Implementation Time Frame:	Complete by October 2021

11. ADU Education, Outreach, and Community Engagement

This program covers outreach, education, and community engagement regarding ADUs and Junior ADUs in Rolling Hills. While ADUs became legal in 2018 and many homeowners have expressed interest, the procedures, standards, and opportunities may not be widely known to all residents. The City took a number of outreach steps in 2019 and 2020, including articles about ADUs in the City newsletter and a survey administered to all residents in October 2020. The survey responses suggest that continued outreach about ADUs is important.

Additional outreach and engagement measures include links on the Planning Department's webpage with more information about ADUs, including Frequently Asked Questions (FAQs). The City will also host a community meeting to discuss the possibility of using ADUs and JADUs to meet the City's affordable housing requirements, and to address the public's concerns about the impacts of ADUs. This meeting also could serve to connect homeowners to local organizations who can teach them about how to create or rent ADUs, choose the proper tenants, process paperwork, and advertise their rentals.

This program also includes ongoing data collection on ADUs and JADUs by the City, including developing a register of permitted ADUs by address. To the extent feasible, the City may monitor data on rent and occupancy of its ADUs in order to support the counting of these units as affordable for the purpose of the RHNA and Annual Progress Report.

Additionally, this program includes ongoing coordination with the Rolling Hills Community Association (RHCA) to keep the Association staff, Board of Directors, and Committees apprised of State laws on Accessory Dwelling Units and other housing-related issues. This includes limitations on design review practices or procedures that could be an impediment to ADU production. In the event a constraint related to the RHCA design review process is identified in the future, the City will work proactively with the Association to resolve it.

Quantified Objectives:	ADU Survey (Program completed—29% response rate) Website materials and FAQs ADU Register Meeting with RHCA staff on ADU design review practices
Funding Source:	City General Fund; State LEAP and REAP funds
Responsible Agency:	City Planning Director
Implementation Time Frame:	Complete FAQs by October 2021 (survey completed in November 2020. ADU Register started in 2020.)

12. ADU Incentives

Converting guest houses to legal accessory dwelling units could add to the City's affordable housing stock. The City will reach out to non-profit organizations (such as Habitat for Humanity) to evaluate ADU incentives such as fee reductions and streamlined permitting. The City will also reach out to other cities with successful ADU programs to determine what strategies have been most effective in incentivizing ADU production and achieving affordability. In addition, the City will explore ways to address ADU constraints associated with undersized septic systems. The extent of the problem and possible funding sources for septic system expansion will be identified.

Quantified Objectives:	Contact at least five other cities and two non-profits regarding their experience with ADUs and report back to City Council on findings
Funding Source:	City General Fund/ LEAP and REAP
Responsible Agency:	City Planning Director
Implementation Time Frame:	Complete by October 2021

13. Multi-Family Zoning Monitoring and Consideration of Additional Opportunities

There are two components to this program: first, ongoing monitoring of the new Affordable Housing Overlay Zone (AHOZ), and second, continued consideration of future multi-family housing opportunities in the City. Each component is addressed below.

Monitoring of the AHOZ is necessary to assess the effectiveness of the newly adopted regulations and determine if adjustments are needed to address any constraints that may be identified. The City will work with interested developers and/or non-profits and the School District to evaluate the need for future changes to the density, height, setback, parking, and design standards. This monitoring will continue into the sixth cycle Housing Element period. Changes will be proposed if needed.

The second part of this program is to continue to evaluate opportunities for multi-family housing in the City, including both market-rate and affordable units. This could include changes to the Affordable Housing Overlay Zone to permit market-rate units in the future, and the evaluation of other sites in the City with the potential for rezoning to allow market-rate or affordable multi-family housing. This program will be an important part of the City's sixth cycle Housing Element process, as requirements to "Affirmatively Further Fair Housing" will apply.

Quantified Objectives:	One City Council discussion/ informational report on Additional Multi-Family Opportunities
Funding Source:	City General Fund
Responsible Agency:	City Planning Director
Implementation Timeframe:	By October 2021 (and continuing into 2021-2029 Cycle)

14. Assisting Extremely Low Income Households

Extremely Low Income (ELI) households have incomes that 30 percent or less of the County median. In 2020, the income thresholds for ELI were $23,700 for a household of one; $27,050 for a household of two; $30,450 for a household of three; and $33,800 for a household of four. Based on Census data, about 6 percent of Rolling Hills' households are considered ELI. There are also household employees and contractors (landscaping, construction, health care, childcare, etc.) working part-time or full-time who are likely in this income category. The City will address the needs of ELI households by prioritizing applications for Accessory Dwelling Units and other housing units that meet the needs of ELI residents, encouraging homeowners to create opportunities for domestic employees and ELI family members to live "on-site", and working collaboratively with non-profits and advocacy groups providing services to ELI residents. The City will also explore ways to assist elder Rolling Hills homeowners on fixed incomes with home maintenance, repair, and retrofit activities.

Quantified Objectives:	See Table 19
Funding Source:	City General Fund/ Permitting Fees
Responsible Agency:	City Planning Director
Implementation Time Frame:	Objective covers the period from 2014 through October 2021

15. Facilitate Communication with Affordable Housing Service Providers, Developers, and Advocates

The City of Rolling Hills periodically receives requests from housing advocates, non-profit developers, and service providers to disseminate information on affordable housing needs and opportunities and work collaboratively to address housing issues. For example, the City recently received a request from Abundant Housing LA, a housing advocacy and education organization, with recommendations for identifying potential housing sites to meet the future RHNA. This information was provided to the City Council and Planning Commission for their consideration.

City planning staff regularly field requests from for-profit and non-profit developers, participate in regional housing meetings and discussions, and work with other cities to explore creative, effective ways to meet housing needs. In the event a non-profit agency or developer wishes to submit a grant application that will increase housing affordability for senior or low income Rolling Hills residents, staff will provide administrative support wherever possible.

Quantified Objective:	Hold at least one meeting a year with one or more non-profit housing sponsor to discuss housing opportunities and strategies in Rolling Hills
Funding Source:	General Fund
Responsible Agency:	City Planning Department
Implementation Time Frame:	Convene one meeting before October 2021

16. Shared Housing

Many seniors who prefer to live independently resort to institutionalized living arrangements because of security problems, loneliness, or an inability to live entirely independently. Seniors in Rolling Hills have access to two nearby shared housing programs: Focal Point at the South Bay Senior Services Center in Torrance and the Anderson Senior Center in San Pedro. Both these centers offer resources to assist seniors locate roommates interested in sharing housing. These programs make roommate matches between seniors based on telephone requests.

Numerous other home sharing services have emerged over the last decade. These include SHARE! Collaborative Housing, a public-private partnership supporting shared single family housing for persons with disabilities in Los Angeles County; Affordable Living for the Aging, which matches younger single tenants with seniors in Los Angeles County; and Los Angeles County HomeShare, which serves residents of all ages throughout the County. There are also private services such as Silverleaf (Long Beach) that facilitate home sharing for a fee.

The City will continue to actively market the availability of these shared housing programs by providing informational brochures at the public counter and online. It will also strive to obtain data on how many Rolling Hills households are using home sharing services.

Quantified Objectives:	Continue to provide informational brochures advertising shared housing programs at City Hall and on the City's website
Funding Source:	City General Fund
Responsible Agency:	City Planning Department
Implementation Time Frame:	In progress (2014-2021)

17. Reverse Mortgage Program

The City of Rolling Hills will continue to provide information to residents about reverse mortgage opportunities. Census data indicates that some older adults in Rolling Hills have fixed incomes but have paid off their mortgages, creating opportunities to draw from the equity in their homes. Payments from a reverse mortgage can help offset home maintenance and repair costs, as well as high utility and energy costs. Reverse mortgages are essentially deferred payment loans which rely on the home as security. There may be downsides associated with high closing costs and fees. In some cases, the proceeds from reverse mortgages and the repayment terms may be unfavorable. As such, the City will help older homeowners make informed choices through referrals to housing counseling services, lenders, and senior service providers.

Quantified Objective:	Continue to offer referral services to seniors interested in pursuing a reverse mortgage
Funding Source:	None necessary
Responsible Agency:	City Planning Department
Implementation Time Frame:	On-going (2014-2021)

18. Sewer Feasibility and Design Studies

Chapter 3 of this Housing Element identified a housing constraint related to the lack of sewer service in Rolling Hills. The absence of sanitary sewers makes higher density development infeasible on all but a few parcels in the City. It also limits the viability of lot splits and minor subdivisions. Septic systems also create potential water quality issues. Sewer feasibility studies completed in the past have generally concluded that the cost would be prohibitive given Rolling Hills small size, low densities, and limited municipal resources.

In 2018, the City commissioned a sewer feasibility study to determine options and costs for extending sewer lines from the adjoining City of Rolling Hills Estates to a limited number of properties in Rolling Hills, including City Hall and the Tennis Courts. The study included an initial phase that explored possible pipe alignments and a second phase with a preferred alignment and estimated cost. In early 2020, the cost was estimated at $1.1 million. During mid-2020, the City solicited bids and selected a firm to prepare design plans for the sewer extension.

Quantified Objective:	Design and financing plans for sanitary sewer system serving City Hall, Tennis Courts, and upstream properties
Funding Source:	City General Fund/ Private Assessment District
Responsible Agency:	City Manager's Office.
Implementation Time Frame:	Complete design plans by 3rd Quarter 2021

19. Storm Water Runoff

Water quality conditions present a potential constraint to housing development in Rolling Hills. The City is required to comply with National Pollutant Discharge Elimination System (NPDES) permit requirements, as outlined by *Municipal Storm Water and Urban Runoff Discharges Within the County of Los Angeles*[2]. The County's Municipal Separate Storm Sewer System (MS4) permit includes provisions for water quality monitoring and development of outfall structures that capture runoff and treat discharge before it flows into water bodies such as Machado Lake. The City has retained an engineering firm to assist in this process, including measures to reduce runoff from domestic and construction activities, and to reduce waste. These activities are intended to reduce development constraints associated with storm water quality.

Quantified Objective:	Continued implementation of Best Management Practices (BMPs) pursuant to NPDES requirements
Funding Source:	Safe Clean Water Program Measure W
Responsible Agency:	City Planning Department
Implementation Time Frame:	Update Hydromodification Policy by October 2021

[2] Order No. 01-182 of the Los Angeles Regional Water Quality Control Board as amended by Order R4-2006-0074.

20. Code Enforcement

Code enforcement is an important part of achieving Housing Element Goal 2: maintaining and enhancing the quality of Rolling Hills' neighborhoods. While property maintenance in Rolling Hills is generally excellent and there is high pride of ownership, there is a need for ongoing enforcement of planning and building codes. The City has a "Code Enforcement" webpage with online forms for reporting suspected violations, including those relating to vegetation management and outdoor lighting as well as unpermitted construction or nuisances.

This action program calls for the retention of a full-time Code Enforcement Officer to perform these functions on an on-going basis. The Officer can also work with property owners to help them correct violations, address structural deficiencies, and find financial resources in the event they are facing a hardship or have limited incomes. *(This program was achieved in 2019)*

Quantified Objective:	Retain a full-time Code Enforcement Officer
Funding Source:	General Fund
Responsible Agency:	City Planning Department
Implementation Time Frame:	Achieved in 2019, enforcement is ongoing

21. Energy Conservation

Energy bills can be a significant cost burden, particularly for households on fixed incomes with large homes to heat and cool. The City is committed to following the recommendations of its former Natural Environment and Sustainability Committee and SCAG for sustainable development and energy conservation. The City has adopted the Green Building Code and enforces Title 24 energy efficiency requirements through its contract with the Los Angeles County Department of Building and Safety. It works with Southern California Edison to distribute information to residents on energy conservation and weatherization, including information on financial assistance and lower utility rates for low-income customers. Rolling Hills is also a member of the South Bay Environmental Services Center, which provides information on energy incentives, audits and rebates, enabling residents to reduce their energy costs. These programs will continue in the future.

The City will also support the installation of solar energy systems by residents. A growing number of Rolling Hills homeowners have opted to install photovoltaic panels, increasing energy independence and resilience while reducing home energy costs.

Quantified Objective:	Provide links on City website related to energy conservation, weatherization, and financial assistance Adopt updated Building Code standards for energy efficiency
Funding Source:	General Fund
Responsible Agency:	City Planning Department
Implementation Time Frame:	Building Code Update (completed in 2020) Website Update, with links: Complete by October 2021

22. Facilitate New Construction and Remodels

The City will continue to work with property owners, architects, and builders to enable new housing to be built in the City. The steep hillsides, deep canyons, geologic hazards and CC&Rs create challenges that require a high degree of cooperation between City staff, applicants, and neighbors. Continued cooperation and communication will facilitate the construction of new housing. The City is committed to efficient, transparent planning, building, and inspection procedures, and regularly seeks ways to improve the process and reduce delays.

With few vacant lots remaining, most major construction projects in Rolling Hills consist of home additions, repairs and modernization, or replacement of existing dwellings. Continued investment in Rolling Hills housing stock is strongly encouraged and will continue to be supported in the future. Although the City does not provide direct financial assistance to lower income homeowners, it assists owners in keeping costs down through permit streamlining and fees that are generally below average compared to other cities in Los Angeles County.

Quantified Objective: 10 new homes
Funding Source: Private Funds and Permitting Fees
Responsible Agency: City Planning Department
Implementation Time Frame: Objective covers the period from 2014 through October 2021.

23. Ground Stability and Landslide Repair:

The City will continue to explore solutions to ground stability and landslide problems. Grading, new structures and additions typically require a soils and geology report along with grading and building permits. Also, any grading, new structures and additions of more than one thousand square feet or that increase the size of a structure by more than 25% in any 36-month period requires a Site Plan Review and approval by the Planning Commission and concurrence by the City Council. The City has developed strict grading practices that limit grading to no more than 40 percent of the lot and require maintenance of natural slopes. These practices are necessary to safeguard the public against ground instability.

The City will also support repair work on landslide-damaged homes and hillsides that have been damaged or compromised by past landslides. The City will strive to avoid further loss of its housing stock as a result of natural disasters, including landslides and wildfires.

Quantified Objective: Geologic studies for new development and major grading permits
Funding Source: City General Fund
Responsible Agency: City Planning Department and City Manager's Office
Implementation Time Frame: On-going

24. Fair Housing Program

The City has posted information on fair housing at the public counter in City Hall. Fair housing issues, including housing discrimination, landlord-tenant disputes, and community education, are referred to the Fair Housing Foundation, a non-profit entity that has served residents of the Los Angeles area for over 50 years. This action program calls for increased access to fair housing information, including information on the City's website and a link to the Fair Housing Foundation website and point of contact. The City will also work to make Fair Housing information available at community events, and at additional locations such as the Fire Station and the RHCA offices.

Quantified Objective:	Informational brochures on fair housing laws at City Hall Addition of fair housing information and a weblink to the Fair Housing Foundation on the City's website
Funding Source:	General Fund
Responsible Agency:	City Planning Department
Implementation Time Frame:	Provide web information by October 2021

D. SUMMARY OF 2014-2021 QUANTIFIED OBJECTIVES

Table 19 provides quantified objectives for housing construction, rehabilitation, and conservation by income group. The new construction objectives align with the RHNA numbers that appear earlier in the Housing Element. The rehabilitation objectives include assistance (potentially including reduced fees) to at least four low-income households for major home repair and rehabilitation projects.

The Conservation and Preservation objectives correspond to the approximate number of households in Rolling Hills by income group based on Census data. There are roughly 663 households in the City, with about 13 percent considered lower income and 8 percent considered moderate income. The objectives aim to preserve housing for 100 percent of these households. There are no housing units in Rolling Hills that are at risk of conversion from affordable to market-rate.

Table 19
Quantified Objectives by Income Group for the City of Rolling Hills (2014-2021)

Income Category	New Construction	Rehabilitation	Conservation/ Preservation
Extremely Low [1]	4	1	25
Very Low	4	1	25
Low	5	2	40
Moderate	5		53
Above Moderate	10		520
Total Housing Unit Construction Need	**28**	**4**	**663**

Source: SCAG Adopted Regional Housing Needs Determinations (November 2012)
[1] Extremely Low contains half of the City Very Low Income allocation

Table 20 summarizes the 24 Housing Element programs listed in this chapter. It includes a quantified objective and timeframe for each program, as presented above. The table has been updated to reflect the status of these programs as of February 2021. Because there is a limited amount of time remaining in the Fifth Cycle, the Element includes programs that have already been completed as well as those scheduled for the next six months. The table is color-coded to indicate programs that have been completed, programs that are underway, and programs to be completed in coming months.

Table 20: Housing Element Action Plan

#	Program	Quantified Objective	Timing
1	Prepare Annual Progress Report on Housing Element Implementation	One Report per year	Annually, by April 1 (report filed in 2020)
2	Amend Land Use Element to allow multi-family, density transfers, and create overlay zone	General Plan Amendment	Completed in Mar 2021
3	Create Affordable Housing Overlay Zone allowing affordable multi-family housing by right	Zoning/ Muni Code Amendment to allow 16-20 units	Completed in Feb 2021
4	Engage with School District/ Staff to develop plan for PVUSD site	Coordination Meeting	Complete by Oct 2021
5	Allow emergency shelter by right in Overlay Zone	Zoning allowance for at least one (1) shelter of up to 12 beds	Completed in Feb 2021
6	Allow SROs with a Conditional Use Permit in Overlay Zone	Zoning allowance for 6-8 units	Completed in Feb 2021
7	Adopt Reasonable Accommodation provisions for persons with disabilities	Municipal Code Amendment	Completed in Nov 2020
8	Add Code definitions of supportive, transitional, and employee housing	Municipal Code Amendment	Complete by Oct 2021
9	Adopt State density bonus provisions	Municipal Code Amendment	Complete by Oct 2021
10	Adopt and Update Accessory Dwelling Unit regulations	(1) Adopt ADU Ordinance (2) Amend ADU Ordinance (3) Produce 5 ADUs during 2014-2021	(1) Completed Feb 2018 (2) Completed Feb 2020 (3) By Oct 2021
11	Undertake ADU outreach and engagement efforts	(1) ADU Survey (2) ADU website materials (3) ADU Register	(1) Completed Nov 2020 (2) By Oct 2021 (3) Started in 2020
12	Develop ADU Incentives	Contact other cities and report to Council on ADU Incentive options	Complete by Oct 2021

Key: Light blue= Action completed
Light green = Action partially completed
Unshaded = Action to be completed by Oct 2021

#	Program	Quantified Objective	Timing
13	Monitoring of AHOZ standards and additional multi-family opportunities	Council meeting/discussion	Complete by Oct 2021 (continue into 6th cycle)
14	Assist Extremely Low-Income Households	See Table 19	Complete by Oct 2021
15	Facilitate Communication with Affordable Housing Stakeholders	One meeting annually	Complete by Oct 2021
16	Provide information on shared housing programs	Web materials/ links for interested households	Ongoing (2014-21)
17	Provide information on reverse mortgages	Web materials/ links for interested households	Ongoing (2014-21)
18	Complete sewer design for City Hall/ Tennis Court and nearby homes	(1) Feasibility Study (2) Design plans for sewer pipe extension	(1) First quarter 2020 (2) Third quarter 2021
19	Implement stormwater runoff improvements	Updated hydromodification policy	Complete by Oct 2021
20	Retain City Code Enforcement officer	One additional employee	Completed in 2019
21	Adopt building codes and practices that support energy conservation. Provide information to residents on conservation, weatherization, and assistance with energy bills.	(1) Building Code Update to incorporate green bldg. and energy conservation measures (2) Update website re: energy conservation	(1) Completed in 2020 (2) Complete by Oct 2021
22	Facilitate new construction and home remodels	10 net new homes	Over period from 2014-2021 (partially completed)
23	Facilitate slide repair and ground stability for residential construction	Geologic studies for new development	Ongoing (2014-21)
24	Provide fair housing information to residents	Information and links on City website	Complete by October 2021

Key: Light blue= Action completed
Light green = Action partially completed
Unshaded = Action to be completed by Oct 2021

APPENDIX A

Analysis of Palos Verdes Unified School District (PVUSD) Site

(APN 7569-022-900)

The intent of this Appendix is to provide supplemental analysis supporting the designation of the Palos Verdes Unified School District (PVUSD) site as an opportunity site for "by right" affordable housing in the City of Rolling Hills. This analysis was requested by the State Department of Housing and Community Development to demonstrate the site's capacity to provide 16 multi-family units at a density of 20 units per acre. Land use regulations supporting such development are required to meet the City's 4th and 5th Cycle affordable housing allocation. Based on existing land uses, access, infrastructure, topography and hazards, land ownership, and site utilization, the City has determined that this represents the most viable site in Rolling Hills for such development.

The 31-acre property is also known as the Rancho Del Mar site, as it is home to Rancho Del Mar High School, a small continuation school with an enrollment of 46 students in 2020. The Beach Cities Learning Center also occupies a portion of the school building. Excluding the adjacent playing fields and lawn, the school campus occupies just six percent of the 31-acre site. The only other active use on the property is a Palos Verdes Peninsula Transit Authority maintenance facility. A majority of the site is vacant.

Location and Surroundings

The PVUSD site is located at 38 Crest Road. Figure 1 provides an aerial photo of the site to provide context, orientation, and an overview of adjacent uses. Figure 2 is an assessor parcel map. Its exact area is 31.14 acres, including a 3.56-acre street internal to the site that provides access to Crest Road, at a point outside the controlled access entryway to the Rolling Hills (but within the city limits). The net acreage of the site without the street is 27.58 acres.

The site is oblong in shape, with a panhandle area at its western edge that extends to the Crest Road access point. Excluding this panhandle area, the site extends roughly 2,600 feet from east to west and averages more than 600 feet from north to south. Within this area are numerous flat, graded surface areas with no structure coverage and minimal programmed activities.

The City of Rancho Palos Verdes lies immediately south and west of the site. The area to the south is developed with single family homes at densities of 2-3 units per acre. This area is roughly 80 to 100 feet higher in elevation than the site itself, as there is a graded downslope between the residential neighborhood and the school property (the downslope is on the school property). Residential uses also abut the west side of the site, with densities around 3-4 units per acre.

There are no road or driveway connections between the PVUSD site and the Rancho Palos Verdes neighborhoods to the south and west. A 15' riding and hiking trail easement exists along the southern and western edges of the site but it is undeveloped. The difference in topography reduces the potential for visual impacts associated with future development.

The entire northern perimeter of the site is defined by the Crest Road right-of-way. There are large lot homes on the northern side of Crest Road, set back more than 100 feet from the School District property line and more than 200 feet from the improved area of the PVUSD site. The area to the north is well buffered not only by large setbacks and Crest Road, but also by an internal street on the PVUSD property. Effectively, there are two streets between homes in Rolling Hills and the developable area—Crest Road, and the parallel internal street within the PVUSD site.

On its eastern edge, the site is abutted by large lot residences. The home closest to the site is heavily screened from the PVUSD site by vegetation, as well as a private tennis court between the residence and the property line. The residence itself is more than 200 feet from the PVUSD ballfield and more than 550 feet from the school.

The site context creates effective buffering from adjacent uses, mitigating land use compatibility concerns such as privacy, noise, and visual impacts. At the same time, the site is easily accessible from Crest Road and is outside of the gated area of the city. A fire station is located 1,000 feet to the east, and major shopping facilities and services are located just over a mile away in the City of Rancho Palos Verdes. Crest Road is one of Rolling Hills' major thoroughfares and one of the few "through-streets" that bisects Rolling Hills and connects the city to adjacent cities and regional highways.

History of the Site and Current Uses

The site was initially home to Cresta Elementary School, which was constructed in 1960. A School District warehouse and maintenance facility was part of the original campus. The school closed in the early 1980s and was repurposed as Rancho Del Mar Continuation High School, which opened in 1986. At the time, there were discussions between the City and the School District to rezone the property and sell the site for residential development. However, Rancho Del Mar has remained on the site for the last 34 years. Given the value of the land and the low-intensity and limited extent of the existing use, residential development remains viable, even if the school does not relocate.

The Rancho Del Mar Campus consists of three one-story buildings totaling 20,000 square feet of floor area. Figure 3 shows the campus layout, as well as six photos of the school and adjacent areas. The campus consists of an L-shaped building (divided by a breezeway) with eight classrooms, a rectangular building with a classroom, multi-purpose room restroom, and custodial area, and a small building facing the parking lot with the main office. Classrooms at the school are open to the exterior and there are no interior hallways. The PVUSD shares its classroom and administrative facilities with the Beach Cities Learning Center. The Learning Center has 48 students aged 11-18 with emotional, behavioral, and learning challenges.



Source: LA County GIS, 2020. Aerial Fall 2019

Site Boundary

City Limits

Figure 1:
Location of PVUSD Housing Opportunity Site

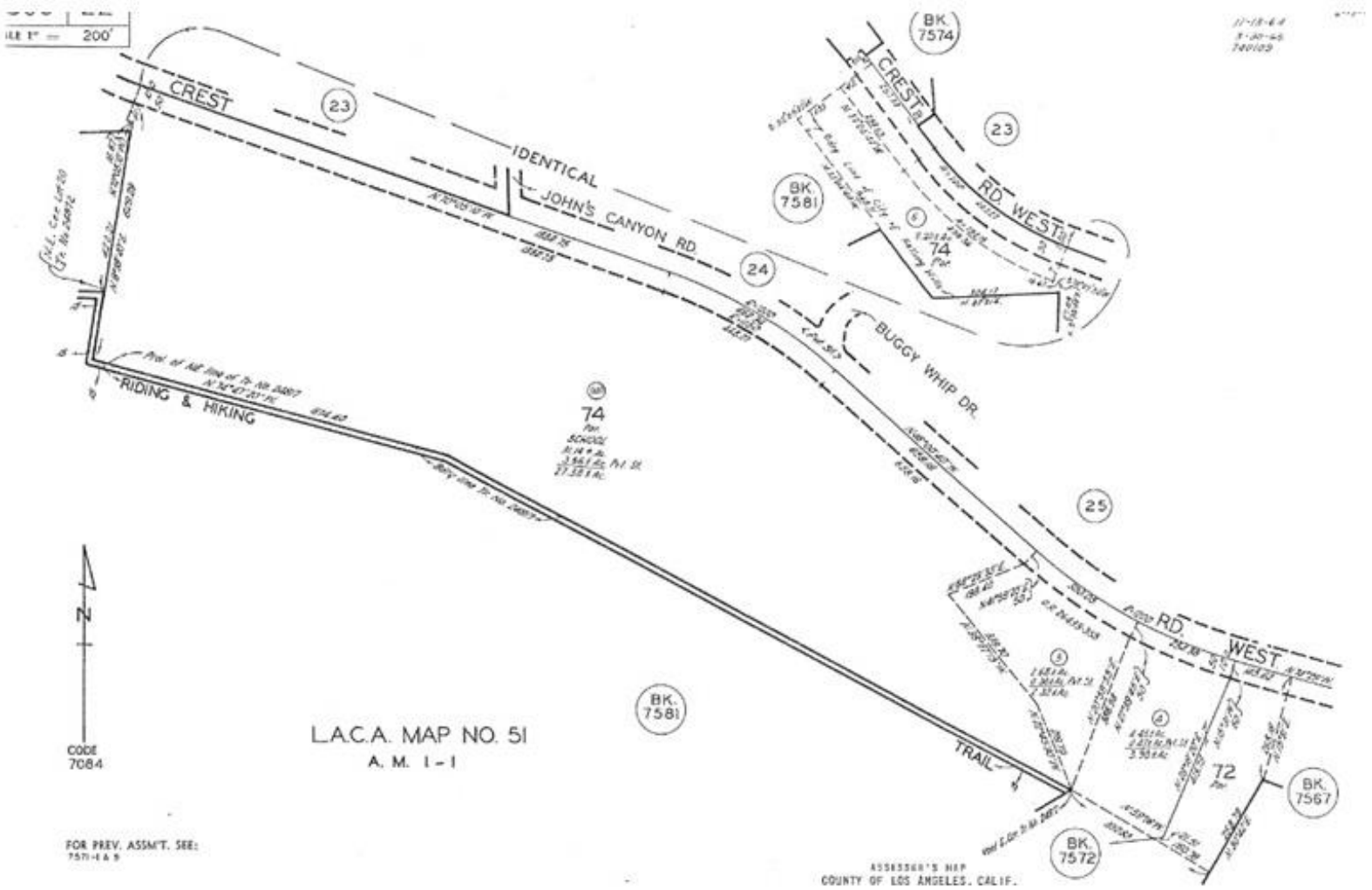


Figure 2:
Assessor Parcel Map of PVUSD Site



Figure 3:
Rancho Del Mar High School Building Plan and Photos

Rancho del Mar itself serves students ages 16-18 who were unsuccessful in a traditional high school setting. Students are referred to the school for a myriad of reasons, including poor attendance, personal crisis, behavioral issues, or other factors creating a high risk of drop-out. Enrollment at Rancho del Mar has been steadily declining and was just 46 students in the 2019-20 school year. Enrollment was 79 students in 2014-15, 72 students in 2015-16, 69 students in 2016-17, 58 students in 2017-18, and 47 students in 2018-19. There are also six teachers on site and three other personnel.

Thus, the combined enrollment (Beach Cities and Rancho Del Mar) is fewer than 100 students on a 31-acre site. By contrast, Palos Verdes Peninsula High School and Palos Verdes High School enroll roughly 2,300 and 1,700 students respectively, on sites of similar size. Sale of the school property could generate significant revenue for the School District. Sale of a portion of the property also is possible, as the site is configured in such a way that easily facilitates its subdivision.

A comprehensive structural evaluation of the school was completed in 2016 as part of the PVUSD Facilities Master Plan. Beach Cities Learning Center likewise prepared a facility condition status report in 2019 as part of its annual reporting requirements. Both evaluations found the building(s) to be in good condition. The buildings were last renovated in 2008. The 2016 evaluation called for resurfacing the parking area, upgrading the HVAC system, and upgrading the electrical system. Total capital needs were estimated at $1.9 million. All utilities were found to be in good condition, and drainage issues were minimal.

The school campus is adjoined by an approximately 100-space parking lot on its north and east sides. To the west of the buildings, there is a large flat lawn area. To the east, there is an athletic field area that includes a basketball court and ballfield. The 2016 facility evaluation determined that the Floor Area Ratio of the school campus was just 0.03, as it defined the campus area as being 15.2 acres (including athletic fields, lawns, and other open areas on the perimeter of the site). The square footage of floor space per student is well below District averages.

Beyond the 15.2-acre area associated with the school, the PVUSD has leased approximately 4.5 acres of the site (roughly 15 percent of the 31 acres) to the Palos Verdes Peninsula Transit Authority. The PVPTA facilities include maintenance buildings and administrative offices and are self-contained in the west central part of the site. The Housing Element analysis presumes this part of the site will not be available for development and that the transit district will remain a long-term tenant. However, the PVPTA site could potentially be sold and redeveloped in the future, leased to a new third party, or repurposed by the School District.

Potential Development Areas

Figure 4 shows potential development areas on the Rancho Del Mar site. These are summarized below:

- Area 1 is located between the transit facility and the school campus. It is an unimproved, almost completely flat rectangular area of 1.6 acres. Its dimensions are approximately 250 x 300, with 250 feet of frontage along the internal access street. The site is well situated for multi-family development and has no visible physical constraints.

- Area 2 is located immediately adjacent to the school and is 1.0 acre. The dimensions are approximately 200 x 200, with a "stem" area providing access to the interior street. The area is currently an unimproved lawn with a few mature trees. It is almost completely flat and has no physical development constraints. The site could easily support up to 16 to 20 multi-family units at a density of 20 units per net acre.

- Area 3 is the school itself, which occupies roughly 1.75 acres including parking, landscaped areas, courtyards, and classroom buildings. This option would be most viable if the school relocates and the site is sold, as co-location of a school and multi-family housing or emergency shelter would be unlikely. However, certain special needs housing types (such as housing for teachers) would be viable in this setting.

- Area 4 includes the area east of the school. It includes approximately three acres of level ground, with 0.5 acres of parking, a two-acre ballfield serving the school, and other paved areas used for basketball and recreation. There are several areas within the three acres where 16-20 units could be built without impacting use of the site for parking and school recreation.

- Area 5 includes approximately four acres and is located west of the PVPTA facility. It is regarded by the City as the best location on the 31-acre site for multi-family housing, as it would have the least impact on the school campus and transit facility. It is also the largest of the five areas and the most buffered from adjacent development. There are a number of extant foundations on the site from prior uses, and internal roadways that are not in use. The area has gently sloping terrain and has not been improved for school use, parking, or recreation, as the other portions of the site have.

Figures 5 through 7 provides a bird's eye view of each of the five areas.

Physical Constraints to Site Development

Approximately nine acres of the 31-acre site consists of a graded slope along the south side of Altamira Canyon. This area is shown in Figure 8. The slope exceeds 30 percent, making it poorly suited for development. The sloped areas also have the potential for landslides and other seismic stability issues, which limit their suitability for further grading and construction. The sloped area is not considered suitable for multi-family development or special needs housing. It occupies roughly 29 percent of the site, all of which has been excluded from consideration in the definition of Areas 1-5 above.



Figure 4:
PVUSD Potential Housing Opportunity Areas



Figure 5:
PVUSD Opportunity Site Areas 1-4 (Looking East)



Figure 6:
PVUSD Opportunity Site Areas 1-4 (Looking West)

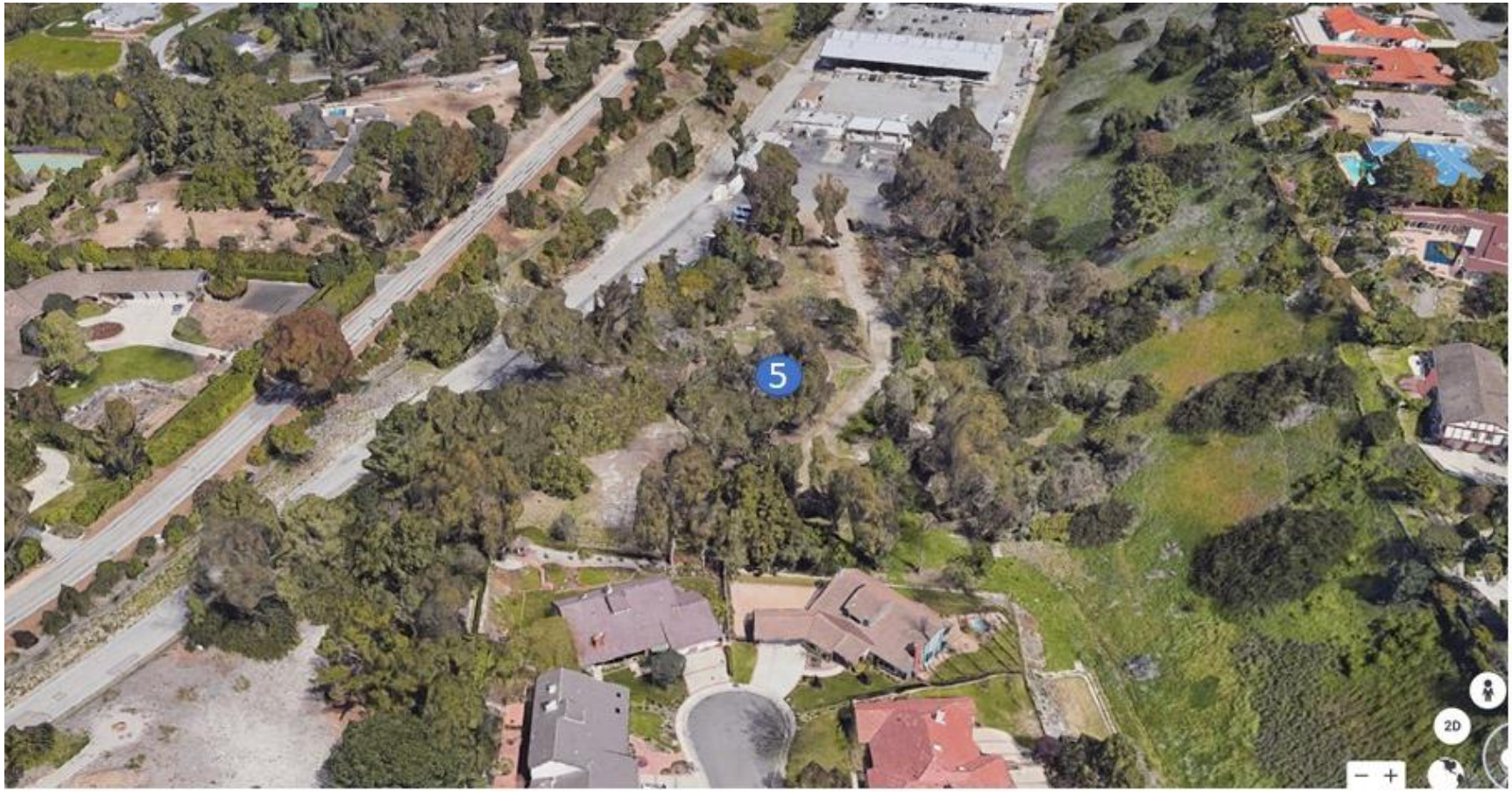
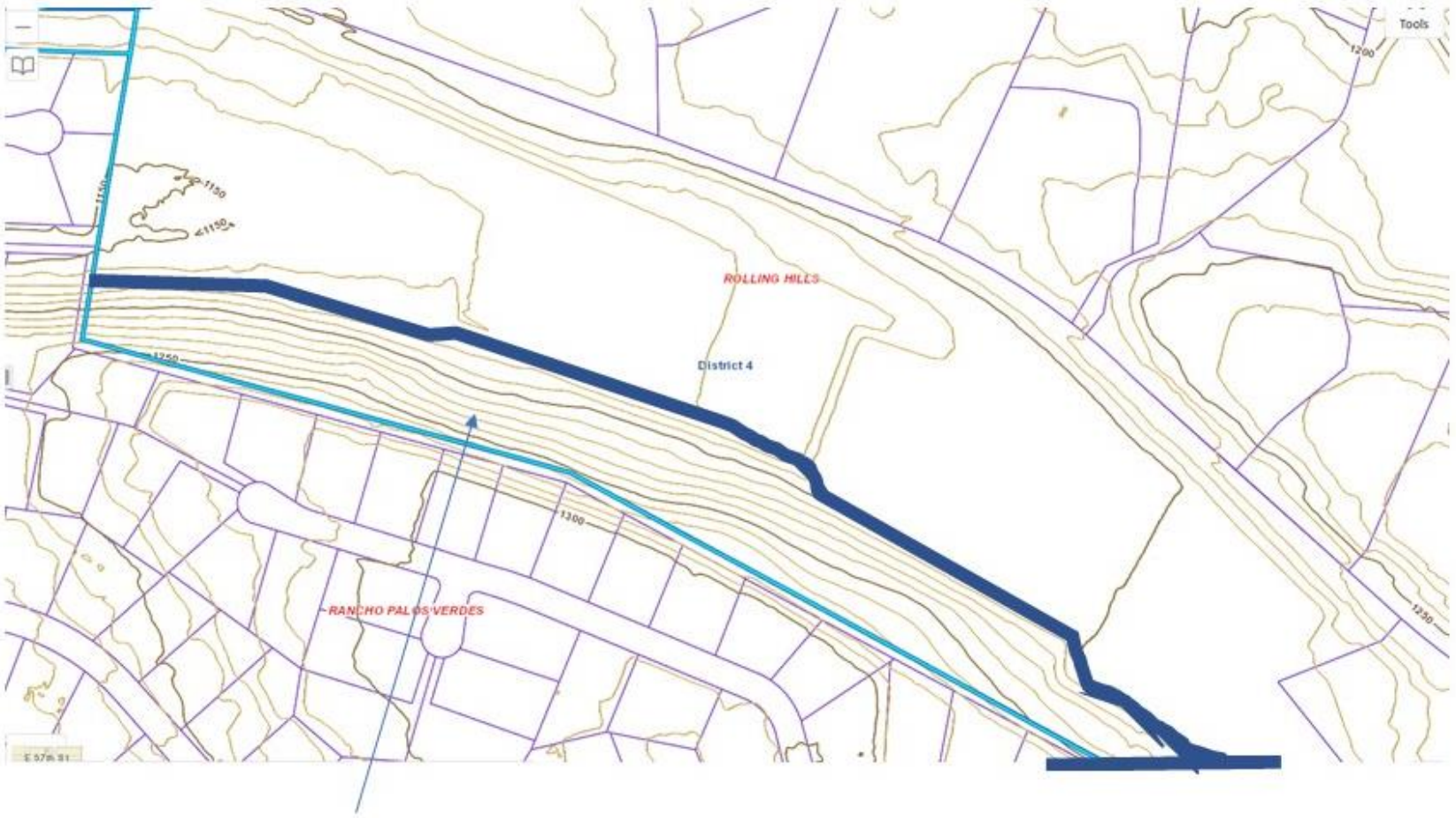


Figure 7:
PVUSD Opportunity Site Area 5 (Looking East)



Portion of site considered to have limited development potential due to slope

10-foot contour

50-foot contour

Figure 8:
PVUSD Opportunity Site Topography

The central portion of the site has historically been used for general maintenance activities, first by PVUSD and more recently by PVPTA. A search of the California State Water Resources Control Board (SWRCB) GeoTracker data base identified two leaking underground storage tanks (LUST sites) at this location. The sites were determined to contain gasoline and hydrocarbons resulting from leaking underground storage tanks. Both sites have been cleaned per SWRCB standards and are now designated by the SWCRB as "complete" and "case closed."

As noted elsewhere in the Housing Element, the City of Rolling Hills—including the PVUSD site—has been designated as a Very High Fire Hazard Severity Zone by the State of California. Rolling Hills is implementing a Community Wildfire Protection Plan to mitigate this hazard and is implementing vegetation management measures and programs to make structures more resilient. In the event of a housing proposal on this site, the need for an emergency-only access connection between the existing access road and Crest Road would be assessed.

An analysis of infrastructure and utilities on the site conducted as part of the Housing Element in Fall 2020 found no constraints associated with redeveloping this site with residential uses or special needs housing. The site is used less intensively now than when it was actively used as an elementary school and school maintenance facility. Water, drainage, and wastewater facilities are adequate to support the number of units contemplated by the Housing Element.

Importantly, this is one of the only sites in the City of Rolling Hills that has access to a public sewer system. As such, it is much more conducive to multi-family housing that sites elsewhere in the city that are served by private septic systems.

Regulatory Constraints to Site Development

Prior to December 2020, the PVUSD opportunity site was subject to a range of planning and regulatory constraints that limited the feasibility of multi-family housing. The site has historically had a General Plan designation of Very Low Density Residential and a zoning designation of RAS-2 (Residential Suburban 2-acre minimum lot size), which effectively limited uses to existing community facilities or new large-lot residential development. While Accessory Dwelling Units (ADUs) could conceivably be incorporated in new homes, the site would not have met State requirements for the Housing Element.

In February 2021, the City of Rolling Hills amended its General Plan and zoning regulations to allow multi-family housing and other special needs housing types "by right" on the PVUSD property, subject to specific development standards. As noted elsewhere in the Housing Element, the amendments included:

- Amending the Land Use Element of the General Plan to create the Rancho Del Mar Housing Opportunity Overlay. The Land Use Element now explicitly states that multi-family housing and emergency shelter are permitted by right in this area, subject to objective development standards. The number of units on the site is based on a transfer of the allowable General Plan density to a clustered area where 16 to 20 units could be added.

- Amending the Rolling Hills Municipal Code (Zoning Regulations) to create the Rancho Del Mar Housing Opportunity Overlay, and to map this Overlay on the entire PVUSD site. The Overlay establishes a minimum density of 20 units per acre and a maximum density of 24 units per acre. Affordable housing is permitted "by right" subject to objective development standards defined in the Ordinance. The Ordinance identifies the area west of the PVPTA site as the location for future housing.

- Amending the Zoning Regulations to allow emergency shelter on the property by right, subject to specific development standards specified in the Code.

- Amending the Zoning Regulations to allow single room occupancy (SRO) units on the site, with a conditional use permit.

Other Constraints to Site Development

Development of multi-family housing, emergency shelter, or SRO uses on the PVUSD site could occur either:

- by the School District itself (on its own or through a public-private partnership)
- through a long-term lease; or
- through sale of all or part of the property

The City has met with the School District and reviewed Board Policies and Codes. Current policies accommodate all of these options—and that there are no prohibitions or limitations on multi-family and special needs housing. Moreover, the School District has expressed interest in developing housing for teachers in the past; such units would meet income criteria for low or very low income units. There are ample opportunities for such housing on the property that would not impact operations at either Rancho Del Mar School or PVPTA. Rancho Del Mar is a logical location for these activities, given the size of the site and its significant underutilization.

The District is less likely to pursue development of an emergency shelter or SRO on its own, as these are not as clearly mission-aligned. However, it could sell or lease property to a third party who could develop these uses. SROs and emergency shelters would be unlikely to co-locate in the school building or on the 1.75-acre school footprint area, given the possibility for use conflicts. However, the 31-acre PVUSD property is large enough to accommodate multiple uses. There are developable areas on the site that are 1,500 feet away from the school. The District has already set a precedent by leasing a large portion of this site to a transit agency; it could do the same for a social service agency or another agency providing a public benefit service to the community.

Like most School Districts in California, the sale or lease of PVUSD property is subject to action by the School Board. Section 3280 of the Board's Policies allows the Superintendent or designee to study the existing and projected use of facilities to ensure the efficient utilization of space. A Board Committee is typically created prior to the sale of land (although teacher housing is specifically exempted by Board policy from any Committee requirements). A Board vote is required to approve the sale or lease terms. There are also requirements for how the

proceeds of a sale or lease may be used.

Once property is sold, the School District Board has no land use or decision-making authority over a site. Thus, the District could sell all or part of the PVUSD site to a non-profit housing developer, for-profit housing developer, social service provider, or other third party who could develop housing "by right" without further oversight by the Board or City Council. Subdivision of the property would be required, creating a new legal parcel on which housing could be developed.

Given its large size, the most likely scenario is only that a portion of the site would be sold, rather than the entire site. In effect, the Housing Element is creating a unique opportunity for the District to sell a vacant or underutilized subarea on its 31-acre site to a third party, who can then produce teacher housing, senior housing, affordable family housing, or another type of housing that meet local needs.

There are a number of examples of successful small affordable housing projects in the Los Angeles region that meet the density and height criteria established for this site. For example, Habitat for Humanity is currently developing a 10-unit affordable two-story townhome project in Long Beach on a 0.5-acre site. Similar two-story projects by Habitat have been developed in Lynwood, Burbank, Bellflower, and Downey.

In the event that the Rancho Del Mar School itself is closed in the future, the building could be sold and repurposed for other uses. Once sold, the floor space could be reconfigured for alternative uses, including special needs housing. The project would be subject to the objective standards prescribed by the zoning regulations (covered elsewhere in this Housing Element), but approval of the development would be ministerial.

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APPENDIX B:

Accessory Dwelling Unit Survey Analysis

In Fall 2020, the City of Rolling Hills surveyed its residents to determine the viability of Accessory Dwelling Units (ADUs) as a future affordable housing strategy. The survey was formatted as an 11 x 17 folded sheet printed double-sided (four 8.5 x 11 pages) and was mailed via the US Postal Service to approximately 720 addresses in the city. Return postage was provided so the survey could be easily returned. Residents had roughly one month to complete and return the survey. An option was provided to reply electronically via SurveyMonkey.

Approximately 190 surveys were returned, for a response rate of 27 percent. Another seven surveys were received by SurveyMonkey, bringing the total response rate to 28 percent. The survey represents the views and experiences of more than one in four Rolling Hills households. This is a high response rate and is indicative of the community's strong interest in the subject. Demographic information about the respondents was collected as part of the survey.

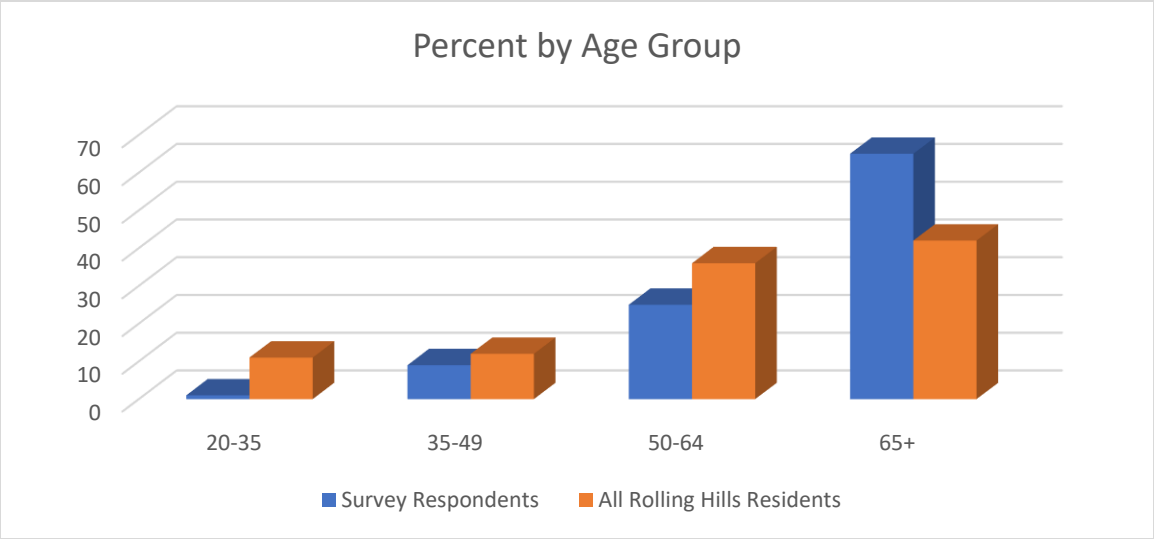
Respondents tended to be older than Rolling Hills residents as a whole and were mostly long-time residents. About two-thirds of the respondents were 65 or older and 25 percent were 50-64. By contrast, about 42 percent of the City's adult residents are over 65 and 36 percent are 50-64. About 42 percent of the respondents had lived in Rolling Hills for more than 30 years and only 20 percent had lived in the city for less than 10 years. By contrast, about 27 percent of all residents have lived in Rolling Hills for more than 30 years and 31 percent have lived in the city for less than 10 years.

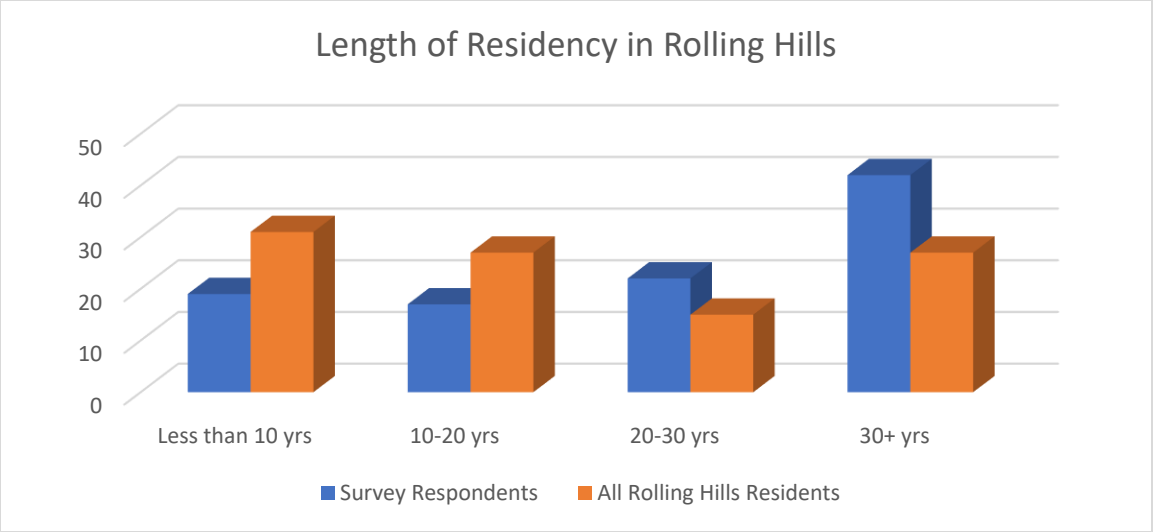
The distribution of respondents by household size was close to the citywide average. Approximately 65 percent lived in one and two person households, which is similar to the citywide average. Only seven percent lived in households with five or more residents, which is just below the citywide average. Of the 194 respondents who indicated their housing tenure, 192 were owners and two were renters. This is equivalent to one percent of the respondents, whereas renters represent about five percent of Rolling Hills households.

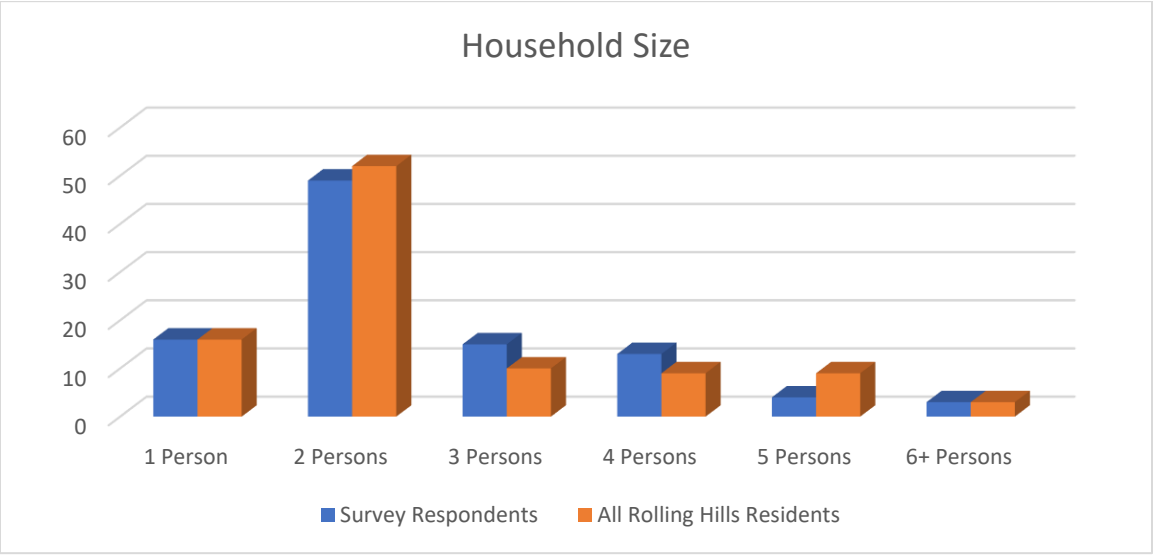
Figure B-1 compares demographics for the survey respondents and residents in the city as a whole.

Responses to the survey was completely anonymous. Respondents were given the option of phoning the City if they had questions or wanted more information about ADUs.

Figure B-1: Demographics of Survey Respondents Relative to All Rolling Hills Residents







Suitability of the Property for an ADU

Question 1 asked respondents to indicate if their property contained an ADU or other habitable spaces which could potentially be used as an ADU. Respondents were asked to check "all choices that apply," so the results are not additive.

Thirteen of the respondents indicated they had a legally permitted ADU on their properties with a separate kitchen, bath, and entrance. Some of these units may have been legally created in 2018-2020 after the City adopted its ADU Ordinance, but some likely already existed and are legally classified as guest quarters.

Thirty-four respondents, or roughly 25 percent of the total, indicated they had a secondary building on their properties with an indoor kitchen, bathroom, heat and plumbing. This included guest houses/ casitas, pool houses, habitable barns, and similar features that could be considered *potential* ADUs even if they are not used for habitation by another household. Ten respondents indicated they had a second kitchen in their homes. Eighteen said they had another space in their home that could "easily be converted" to a separate dwelling or junior ADU. While some respondents may have counted the same space twice, roughly half indicated they had spaces on their properties with the potential to be used as an ADU or JADU. This is further supported by the responses to Question 2 below.

Current Use of ADUs and Spaces Suitable as ADUs

Question 2 asked how the spaces described in Question 1 were being used. Only three of the respondents indicated they were renting ADUs to a paying tenant. Seven indicated that the space was used by a caregiver or domestic employee, while eleven had a family member or long-term occupant living on the property. Collectively, this represents 21 units, or just over 10 percent of the respondent households. The remainder of the respondents with potential ADU space indicated they used these spaces for house guests or their own families, or that the space was unoccupied or used as storage.

The survey findings indicate that ADUs (or "unintended" ADUs such as guest houses) already represent a component of the Rolling Hills housing supply. The survey suggests that there is potential to expand the number of permitted ADUs in the future, even without any new construction. About 15 percent of the respondents (30 in total) indicated they had potential ADU space on their properties that was vacant or used for storage.

Respondents were asked the square footage of the spaces they were describing. Figure B-2 shows the distribution. More than 100 responses were received, with a median size of about 600 square feet.

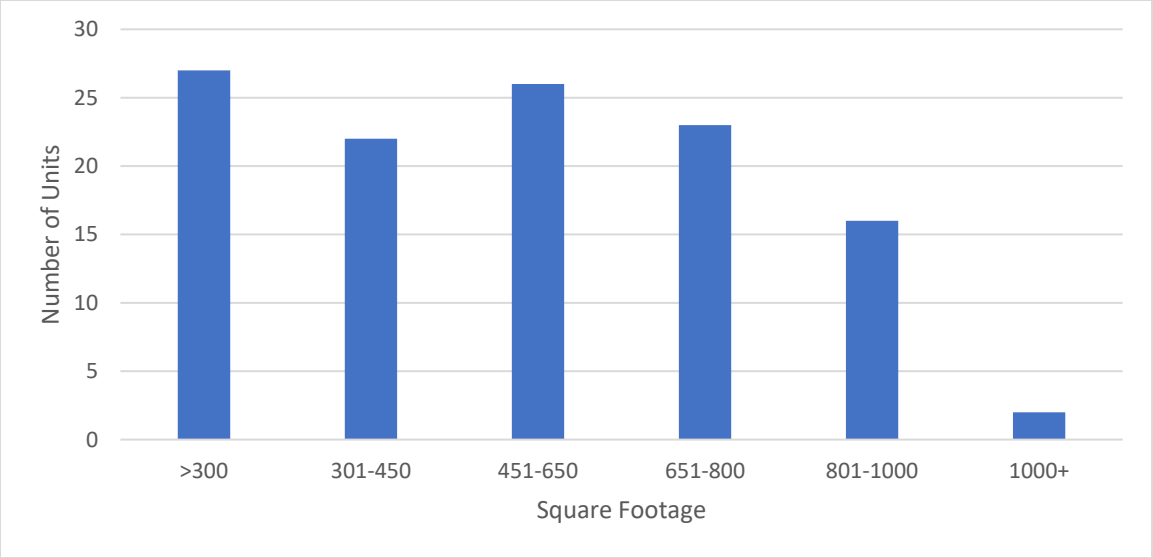


Figure B-2: Square Footage of Spaces Reported by Respondents as Potential ADUs on their Properties, Including Guest Houses

Respondents who had rented ADUs on their properties were given the option of reporting the rent that was being charged. Two of the three households who indicated they had a paying tenant replied. The monthly rents charged for these units were $950 in one case and $1,500 in another. Based on HCD income limits for Los Angeles County, the $950 unit would be considered affordable to a very low-income household of one or more persons. The $1,500 unit would be considered affordable to a low-income household of one or more persons. These units are presumed to have been created or legalized between 2018 and 2020, following adoption of the ADU ordinance.

Income Characteristics of Households in Occupied Units

Those who indicated their ADU (or "unintended" ADU/ guest house/ secondary space) was occupied by someone who was not part of their household were asked to describe the number of residents and total income of the occupants. The numeric HCD 2020 income limits (dollar amounts) and number of persons in the household were used so that the occupants could be easily identified using HCD's income categories.

There were 12 responses to this question, or about six percent of all surveys returned. This presumably includes the small number of units that are rented as ADUs, plus those occupied by caretakers, domestic employees, and other long-term occupants. The distribution by HCD's income categories is shown in Table B-1 below:

Table B-1
Household Size and Income of Households Occupying Formal or Unintended ADUs

Income	1 person	2 person	3 person	4 person	5 person	6+ person	TOTAL
Extremely Low	1		1				2
Very Low	2						2
Low	1						1
Moderate/ Above Mod	1	4		1		1	7
TOTAL	5	4	1	1	0	1	12

The data indicates that roughly half of the survey respondents' ADUs (including those which may be unpermitted and used "informally" on a long-term basis) provided housing for low, very low, and extremely low income households.

Interest in Developing an ADU

Question 4 asked respondents if they might be interested in developing an ADU if they didn't currently have one. There were 164 responses to this question, with 24 percent indicating "Yes" and 15 percent indicating "Maybe." Another 40 percent indicated "No" and 14 percent indicated "Probably Not." The responses are profiled in Figure B-3 below.

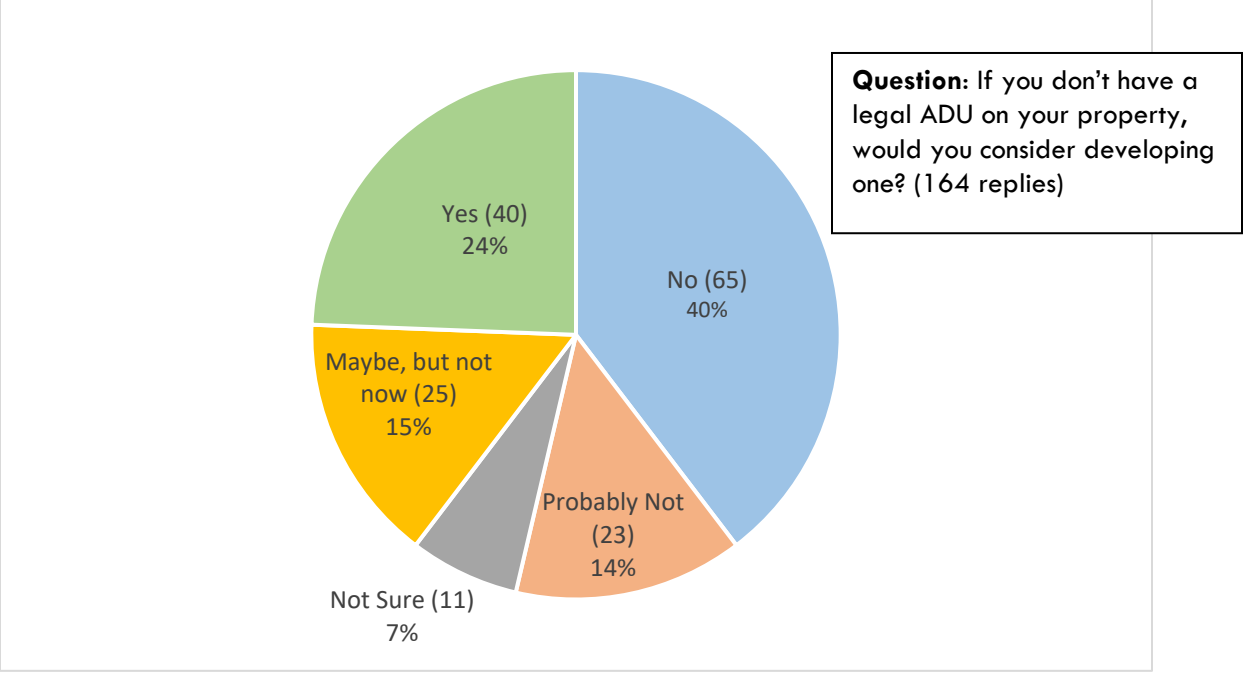


Figure B-3: Level of Interest in ADU development (N=164)

The chart above suggests that more than half of the City's residents are not interested in developing an ADU on their properties, and another quarter are undecided or not interested at this time. To flesh out possible barriers, Question 4 included a follow up asking why respondents were not interested. The responses suggest it is primarily a lifestyle choice rather than the result of regulatory or cost barriers. About one-third (51) listed the loss of privacy as a factor, and another one-third (48) indicated they didn't want to deal with tenants. The number of respondents listing the "permitting process" as a factor was relatively small (27 out of 164) and the percentage listing "cost" as a factor (24 out of 164) was even smaller. About 10 percent of the respondents cited lack of space as their reason.

Location of Possible ADUs

Those who expressed some interest in adding an ADU were asked where they might locate the ADU on their properties. The responses may help guide City programs that facilitate ADUs in particular locations. There were 85 responses, representing more than 40 percent of the total survey respondents. Conversion of an existing accessory building (such as a guest house or barn) was the most commonly selected choice (38 responses), followed by a new detached structure (21 responses) and conversion of existing space in the house (6 responses). Only one respondent indicated they would build an addition to their home.

Nineteen of the respondents were not sure where they might locate an ADU. Again, a majority (about 115) were not interested in adding an ADU.

The responses suggest stronger demand for traditional ADUs than Junior ADUs, given the large number of respondents indicating they would built or convert an accessory structure, rather than use space within their own homes.

Likely Use of Future ADUs

Respondents were asked how they would use an ADU on their property if they developed one in the future. The responses to this question are important, as the objective of the program is to create rental housing opportunities or opportunities for on-site care givers. Using the ADU as a home office or space for occasional house guests would not accomplish State-mandated housing program goals. Figure B-4 shows the responses to the question.

The responses indicate that roughly one-third would use the ADU for another household, including 16 who suggested they would rent it to a tenant and 48 who suggested they would use it for a domestic employee or caregiver. The latter statistic is particularly important, as it suggests a potential resource for health care workers, elder care professionals, construction and landscape workers, and others who may work in Rolling Hills but lack the financial resources to live here. Nearly a third of the respondents indicated they would use the ADU for a family member. The family member could be an extension of their own household or a relative or relatives living independently as a separate household. It is worth noting that only a quarter of the respondents indicated they would use the ADU for occasional visitors—historically, this has been the intended use of guest houses in the city.

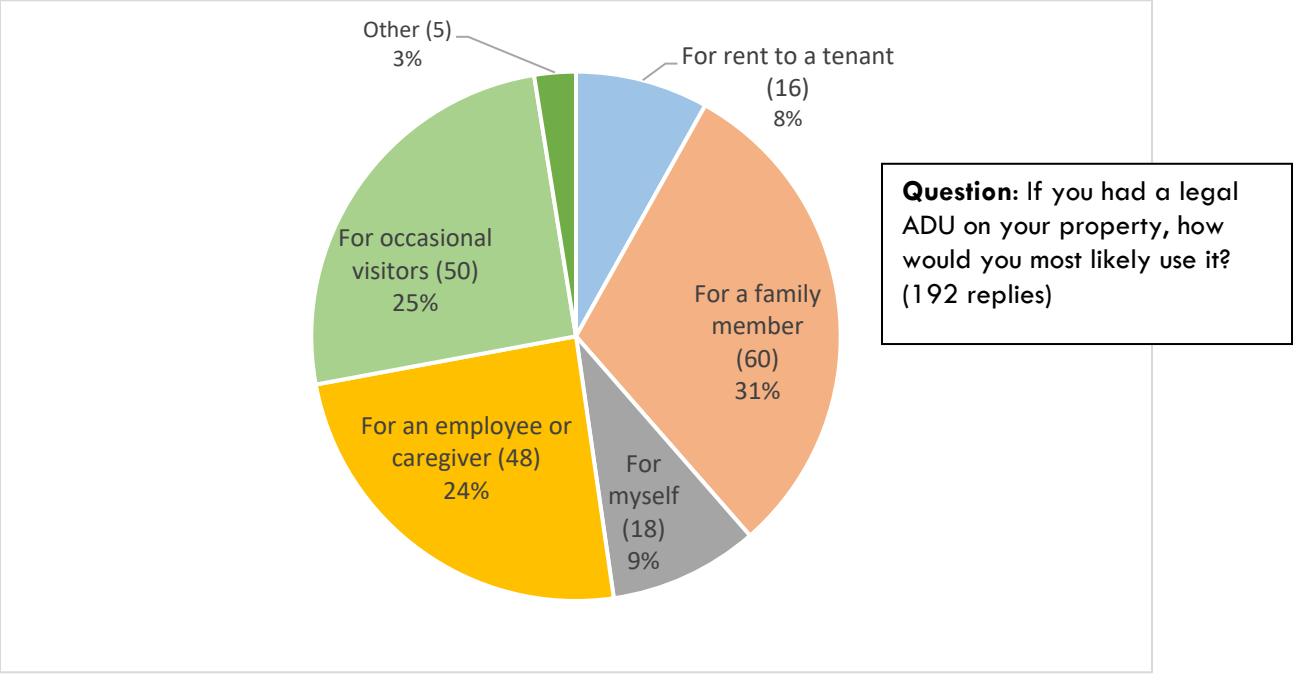


Figure B-4: Likely Use of Future ADUs (N=192)

Use of ADUs as Affordable Housing

Respondents were asked if they would consider limiting the rent on an ADU so that the unit was affordable to a lower income household. The question specifically asked if the respondent would consider a deed restriction that maintained the rent at a reduced rate (such as $1,200/ month for a two-person household) to help the City meet its State-mandated affordable housing requirements. Of the 194 surveys returned, 25 indicated they would consider this and another 20 indicated they might consider this ("maybe"). This represents nearly one-quarter of the total respondents. Another one-quarter indicated they would need more information before deciding. About 35 percent indicated they would not consider a lower income affordability restriction and 15 percent did not respond.

Figure B-5 shows the responses to this question. The data suggests that an "affordable" ADU program could generate sufficient participation for the City to meet its entire lower-income housing allocation through ADUs.

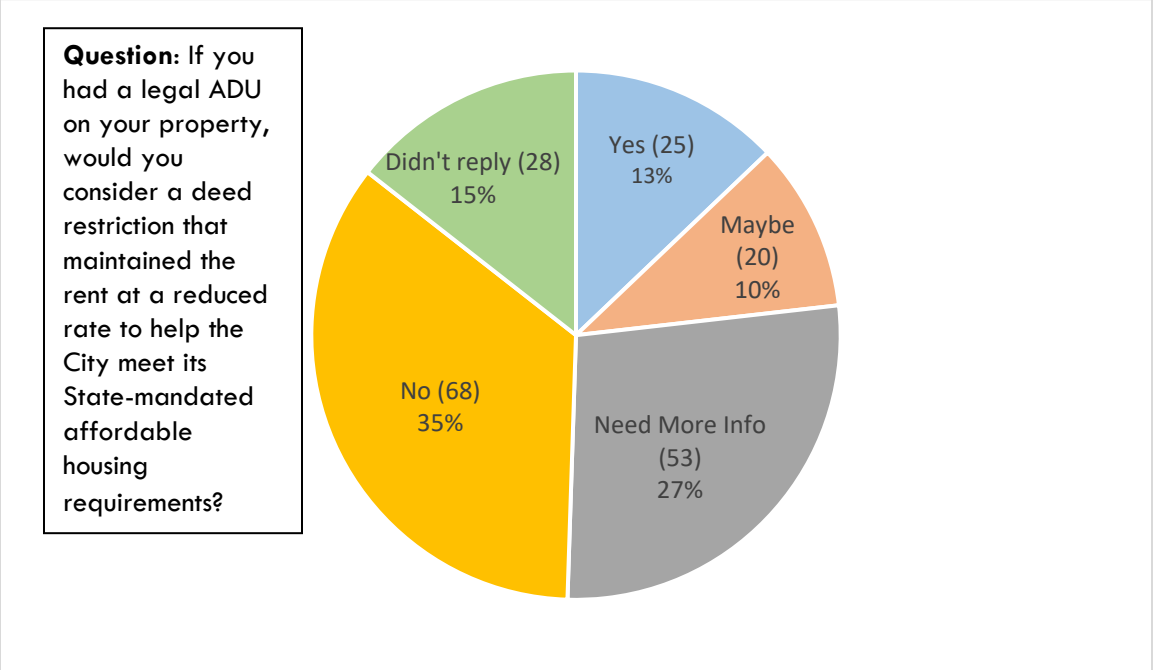


Figure B-5: Viability of ADUs to Meet Very Low Income Housing Assignment (N=194)

For the 98 respondents who answered "Yes", "Maybe," or "Need More Information", the survey asked a follow-up question, which is the maximum length of time the respondent would consider acceptable for an affordability deed restriction. Two respondents did not reply, but the other 96 provided the answers below:

- 20 would consider a 5-year term
- 2 would consider a 10-year term
- 3 would consider a 20-year term
- 17 would consider a deed restriction that ended when they sold the house
- 59 were not sure or answered "other"

The responses suggest that long-term deed restrictions (10 or 20 years) and affordability contracts that "run with the land" would have limited participation. Residents are more open to short-term arrangements such as five-year affordability terms, and flexible arrangements that would not encumber the resale of their homes. This is an important consideration in the event a program is established.

Incentives

The final question in the survey asked respondents to select from a menu of possible incentives that might make a rent-restriction on an ADU more acceptable to them. Respondents were invited to select as many of the choices as they wanted. The most frequently selected options are shown in descending order in Figure B-6 below.

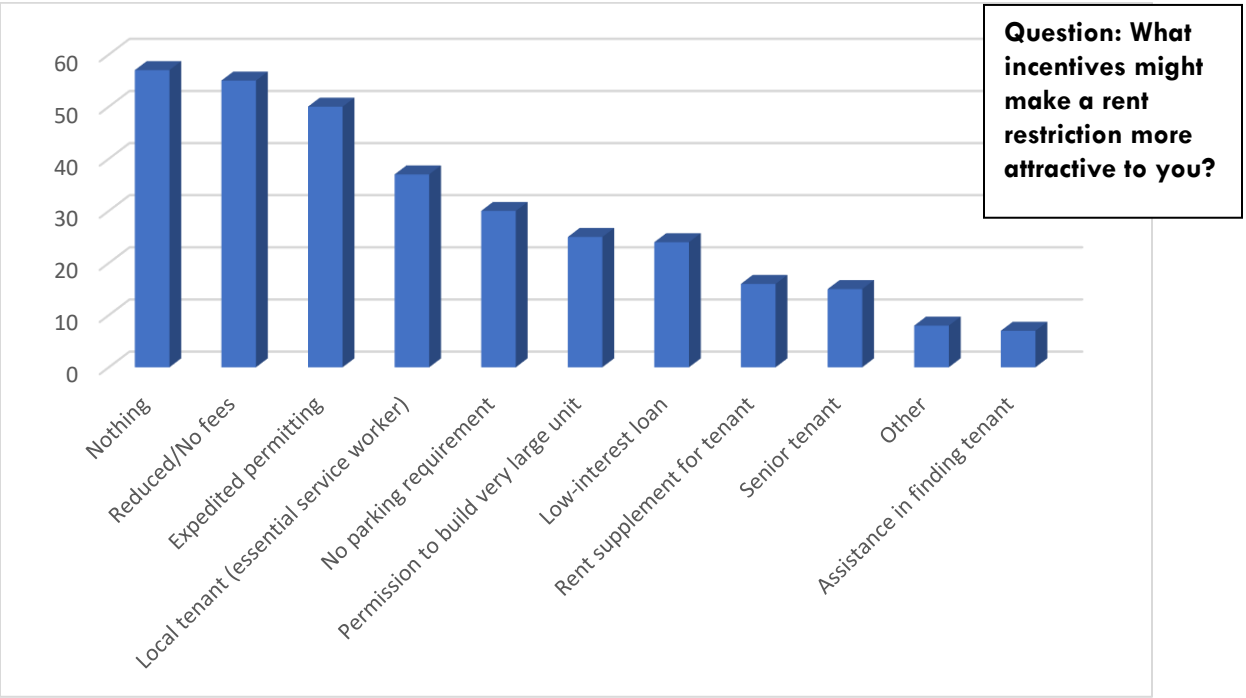


Figure B-6: Ranking of Potential Affordable ADU Incentives

The most frequently selected option was "nothing." However, 55 respondents indicated that fee waivers or reductions would be an incentive, and 50 said expedited permitting would be an incentive. Many respondents were also supportive of the idea of rent-restricted ADUs serving local essential service workers such as fire-fighters and teachers. The least popular incentive was assistance in finding a tenant.

Other Comments

The survey provided an opportunity for residents to make general open-ended comments on ADUs and housing issues in Rolling Hills, as well as the factors the City should consider as new ADU policies and regulations are developed. Feedback was provided by 52 of the respondents. This is summarized below.

Most of the open-ended comments expressed negative views about ADUs and their potential impacts on the character of Rolling Hills, as well as concerns with State housing mandates and the erosion of local land use control. Numerous concerns were raised about safety, security, and privacy. There were also concerns expressed about noise, parking, traffic, evacuation capacity, and impacts on the community's rural, equestrian feel. Some respondents expressed concerns that they would not be able to choose their own tenants if they created an ADU or would be penalized if they created an ADU but did not rent it. Questions were also raised about property tax impacts, septic system impacts, and whether tenants would pay association dues and have access to RHCA facilities.

There were also supportive comments, particularly from persons interested in creating ADUs for aging parents, or for themselves to age in place while renting out their primary home. Several respondents indicated an interest in renting space to a care giver. One respondent suggested prioritizing rentals to employees of the RHCA. Some respondents expressed their support for the idea of using the school property to meet affordable housing needs rather than relying on ADUs.

Survey

A copy of the survey mailed to residents follows this page.

City of Rolling Hills Accessory Dwelling Unit Survey

October 2020

Dear Resident:

Please take a few minutes to complete this survey about Accessory Dwelling Units (ADUs) in Rolling Hills. Your responses will help us understand community goals and concerns and will be used to develop new policies for consideration by the Rolling Hills Planning Commission and City Council.

State law requires that all cities and counties allow ADUs, provided they meet certain standards. Some of the potential benefits of ADUs include rental income for homeowners, on-site living space for caregivers or household employees, and accommodation of extended family (adult children, parents, etc.). ADUs can also help residents "age in place," particularly as homeowners need more care or assistance.

The City's objective in carrying out this survey is to determine the level of interest in ADUs among Rolling Hills residents and evaluate their potential to meet local housing needs. Like all cities in California, Rolling Hills is required by State law to provide for its "fair share" of the region's housing needs, including low- and very low-income households. ADUs provide a way to do that without significantly changing the character or appearance of the community. Some communities even provide special incentives for homeowners who rent ADUs at reduced rates to very low-income households, including household employees and local essential service employees.

The deadline for returning your survey is November 20, 2020. Please use the enclosed postage-paid envelope to return the survey to City Hall by this date. If you would prefer to complete the survey on-line, please visit www.surveymonkey.com//rollinghillsADUsurvey.

Please do not include your name or address on the survey as the intent is for all responses to be anonymous. If you have questions about the survey or about ADUs in Rolling Hills, please call Meredith Elguira at (310) 377-1521.



What are ADUs and JADUs?

Accessory Dwelling Units (ADUs) are sometimes referred to as "in-law apartments" or "second units." They are small independent dwelling units that exist on single family properties, either in a detached structure or as part of the primary structure with a separate entrance. ADUs include a bedroom or sleeping area, a bathroom, and cooking facilities.

Rolling Hills has adopted specific zoning standards for ADUs as required by state law. The maximum allowable size is 850 square feet for a studio or one-bedroom and 1,000 square feet for a two bedroom. Other standards also apply.

Junior Accessory Dwelling Units (JADUs) are a type of ADU created by converting existing living space inside a single-family home (usually a bedroom) to a separate living space. They have a maximum size of 500 square feet. JADUs may have their own kitchenette or bathroom, or they may share the facilities in the primary residence.

State law allows a property to have both an ADU and a JADU if certain requirements are met.

Thank you for taking the time to complete the survey!

Accessory Dwelling Unit Survey

1. Does your property include any of the following features? (circle all that apply)

A. A legally permitted Accessory Dwelling Unit (ADU) with kitchen, bath, and separate entrance?

B. A guest house, pool house, casita, barn or other outbuilding that has heat and plumbing?

_____ Check here if the space has a kitchen or other cooking facilities

C. A space inside your house with a separate entrance from outside and independent living quarters, including a bedroom/ sleeping area and bathroom?

_____ Check here if the space also has its own kitchen or cooking facilities

D. Another space within your house that could easily be converted into an accessory dwelling unit?

2. If you circled one of the choices above, how is the space currently used? (If you circled more than one choice, please provide a response for each applicable space on your property. Use the blank line to the right of each choice below to describe the space you're referring to).

A. It is occupied by a tenant paying rent _____

B. It is occupied by a family member or long-term visitor who is not part of my household _____

C. It is occupied by a caretaker or household employee(s) _____

D. It is used occasionally by guests or visitors _____

E. My own household uses the space _____

F. The space is currently not occupied by anyone, or is used for storage _____

G. Not applicable

2A. About how large is the space of each applicable feature from Question 1 (in square feet)?
(please skip question if not applicable)

_____ _____ _____

2B. If rent is collected for the space, what is the monthly amount? (if multiple spaces are rented, please indicate the rent for each area). (Please skip question if not applicable)

_____ _____ _____

3. **If you have space on your property occupied by a household other than your own, please circle the category in the table below that most closely matches their annual income based on the number of persons in their household, if you know that amount.** Recent data from the US Census indicates that 16 percent of Rolling Hills households have annual incomes below $50,000. ADUs (or potential ADUs) may provide a resource for these households. If Question 3 does not apply to your property, please skip to Question 4.

	Number of Persons in the Household (for other occupants only, not your own household)					
	1	2	3	4	5	6
Annual Income	$23,700 or less	$27,050 or less	$30,450 or less	$33,800 or less	$36,550 or less	$39,250 or less
	$23,700-$39,450	$27,050-$45,050	$30,450-$50,700	$33,800-$56,300	$36,550-$60,850	$39,250-$65,350
	$39,450-$63,100	$45,050-$72,100	$50,700-$81,100	$56,300-$90,100	$60,850-$97,350	$65,350-$104,550
	$63,100 or more	$72,100 or more	$81,100 or more	$90,100 or more	$97,350 or more	$104,550 or more

4. **If you don't currently have a legal ADU on your property, would you consider developing one? (circle one answer)**

No	Probably Not	Not Sure/ Neutral	Maybe, but not at this time	Yes

4A. If you answered A, B, or C, what are the reasons? (Circle All that Apply)

No Interest	Cost	Loss of Privacy	Permitting Process	Don't Want to Deal with Tenants	No Space

Other (please explain below)_____

_____

5. **If you decided to build an ADU on your property, where would it be located? (circle one)**

New detached structure on my property	Conversion of an existing accessory building on my property (e.g., guest house, barn, etc.)	An addition to my house	Conversion of space already within the footprint of my house	Not sure	I would not add an ADU on my property

6. **If you had a legally approved ADU on your property, how would you most likely use it? (circle one)**

For rent to a tenant	For a family member	For myself	For a household employee of caregiver	For occasional visitors	Other

7. If you had a legally approved ADU on your property, would you consider a deed restriction that maintained the rent at a reduced rate (for example $1,200/month, which is considered the threshold for an "affordable" housing unit for a two person very low income household) to help the City meet its State-mandated affordable housing requirements? (circle one)

A. Yes
B. Maybe
C. I would need more information first
D. No

7A. If your answer to Question 7 was A-C, what would be the maximum length of time you would consider for the rent restriction? (circle one)

A. Five years
B. 10 years
C. 20 years
D. Until I sell the house
E. Not Sure
F. Other _____

7B: What incentives might make a rent restriction more attractive to you? (circle all that apply)

A. No parking requirement
B. Reduced (or no) permit fees
C. Expedited permit processing
D. Assistance in finding a tenant
E. Rent supplement for the tenant
F. Local tenant (e.g., school teacher, fire fighter, child care worker)
G. Senior tenant
H. Low-interest financing to create the ADU
I. Permission to build a unit larger than 1,000 square feet
J. Nothing
K. Other _____

8. To ensure that we are hearing from a cross-section of the community, please tell us a little about you:

Circle one choice in each box

Age	**How Long Have You Lived in Rolling Hills?**	**How Many People Are in Your Household?**	**Are you a Homeowner or a Renter?**
Under 35	Less than 10 years	1	4	Homeowner
35-49	10-19 years	2	5	Renter
50-64	20-29 years	3	6 or more	
65+	More than 30 years		

9. Please share any concerns you may have about ADUs in Rolling Hills, or factors you'd like us to consider as new ADU policies and regulations are developed:

CITY OF ROLLING HILLS

INITIAL STUDY

FOR

2014-21 UPDATE OF THE HOUSING ELEMENT OF THE GENERAL PLAN

City of Rolling Hills
No. 2 Portuguese Bend Road
Rolling Hills, CA 90274
contact: Yolanta Schwartz
(310) 377-1521

December 26, 2013

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City of Rolling Hills

INITIAL STUDY FOR

UPDATE OF THE HOUSING ELEMENT OF THE GENERAL PLAN

SUMMARY AND FINDINGS

This Initial Study assesses the potential environmental impacts of the proposed City of Rolling Hills Update of the Housing Element of the General Plan for the 2014-2021 planning period. In the Housing Element Update, the City of Rolling Hills outlines its program to preserve and promote housing opportunities, including affordable housing opportunities, in the community.

To support provision of adequate housing opportunities, the City of Rolling Hills continues to undertake the following actions:

- Provision of housing service information to community senior citizens
- Enforcement of code violations within residential neighborhoods
- Facilitating new construction by working closely with housing developers and builders
- Monitoring the City land supply
- Support for fair housing counseling and monitoring.

Through these actions and the policies and programs, the City has determined that given its numerous geologic, infrastructure, contractual, fire safety and environmental constraints, it has earnestly endeavored to meet its local and regional housing needs, and its RHNA allocation for the 2014-2021 planning period.

This Initial Study finds that the Update to the Housing Element of the City of Rolling Hills General Plan will promote housing oppportunities in Rolling Hills. The Housing Element Update has been prepared consistent with the City General Plan and with State housing element law. No adverse environmental impacts will result from Housing Element Update adoption and implementation, and no mitigation measures are necessary. On the basis of this finding, a Negative Declaration is being recommended for adoption by the City Council.

PURPOSE AND SCOPE

This Initial Study serves as the environmental review of the proposed Project, as required pursuant to the California Environmental Quality Act (CEQA), Public Resources Code Section 21000 et seq. The proposed Project is the City of Rolling Hills Update to the Housing Element of the General Plan.

Pursuant to Section 65580 of the Government Code, each local community in the State of California must include a Housing Element within its General Plan. The Housing Element must provide a specific analysis of the community's housing needs and a realistic set of programs designed to meet those needs. The Housing Element must be periodically updated as specified by State law.

In accordance with Section 15378(a)(1) of the Guidelines for Implementation of CEQA (CEQA Guidelines), the City of Rolling Hills (City) is required to prepare an Initial Study to determine if the proposed Project may have a significant adverse effect on the environment. This Initial Study is intended to be an informational document providing the Planning Commission and City Council of the City of Rolling Hills, other public agencies, and the general public with an objective assessment of the potential environmental impacts that could result from the implementation of the proposed Project.

PROJECT DESCRIPTION:

1. **Project title:** 2014-2021 Update to the City of Rolling Hills Housing Element of the General Plan.

2. **Applicant name and address:** City of Rolling Hills, No. 2 Portuguese Bend Road, Rolling Hills, CA 90274.

3. **Lead agency name and address:** City of Rolling Hills, No. 2 Portuguese Bend Road, Rolling Hills, CA 90274.
4. **Contact person and phone number:** Yolanta Schwartz, Planning Director, (310) 377-1521.

5. **Project location:** Citywide. Rolling Hills is located in Los Angeles County, on the Palos Verdes peninsula (See Figure 1, Project Vicinity Map, below.)

6. **Approvals required:** Pursuant to State law, the California Department of Housing and Community Development (HCD) is empowered to review the housing element of each community to ensure its compliance with the provisions of the Government Code related to facilitating the improvement and development of housing in order to make adequate provisions for the housing needs of all economic segments of the community. HCD has review, but not approval, authority. The City Council will need to approve the Negative Declaration for the Housing Element Update. No other approvals will be required.

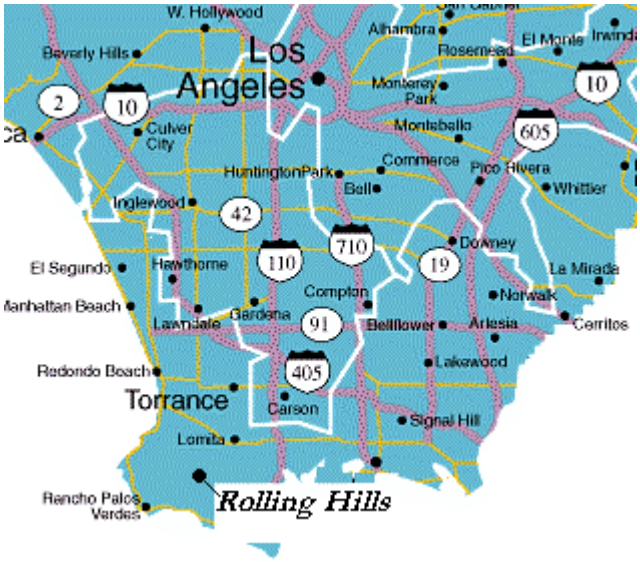


Figure 1. Vicinity Map

7. **Description of project: (Describe the whole action involved, including but not limited to later phases of the project, and any secondary, support, or off-site features necessary for its implementation.)**
As illustrated in Table 1, Rolling Hills is required to provide adequate sites for the construction of 6 new dwelling units during this planning period. Of these new units, 1 should be affordable to Extremely Low Income households, 1 to Very Low Income households, 1 to Low Income households, 1 to Moderate income households, and 2 to above moderate income households.

Table 1
RHNA New Housing Construction Needs by Income Group
for the City of Rolling Hills (2014-2021)

Income Category	Housing Unit Construction Need by Income Group	Percent of Need by Income Group
Extremely Low (0-30% County median income) [1]	1	17%
Very Low (31-50% County median income)	1	17%
Low (50-80% County median income)	1	17%
Moderate (80-120% County median income)	1	17%
Above Moderate (over 120% County median income)	2	33%
Total Housing Unit Construction Need	**6**	**100%**

Source: SCAG Adopted Regional Housing Needs Determinations (November 2012)
[1] Extremely Low contains half (or 3) of the City Very Low Income allocation, which is 6 units.

Progress Toward Implementing the 2006-2014 (4th Cycle) Housing Element Programs

The 2006-2014 Rolling Hills Housing Element established programs to address the following primary housing goals:

- Provide for housing which meets the needs of existing and future Rolling Hills' residents.
- Maintain and enhance the quality of residential neighborhoods in Rolling Hills.
- Provide housing services to address the needs of the City's senior citizen population.
- Promote housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin or color.

The following section examines the progress made towards implementing the City's housing programs as set forth in the 2006-2014 Housing Element As summarized in Table 2, the City has actively pursued avenues for supporting residential development and facilitating affordable housing opportunities, despite the overwhelming constraints that limit development opportunities in Rolling Hills.

Table 2
City Of Rolling Hills Progress Toward Implementing
the 2006-2014 Housing Element Programs

Programs	Accomplishments
Goal 1: Provide for housing which meets the needs of existing and future Rolling Hills' residents.	
Manufactured Home Program: Permit manufactured homes on all buildable, single family lots in the City.	The City has amended its Zoning Ordinance to provide for manufactured homes, and continues to permit this program. No request for a manufactured home was submitted to the City during the past planning period.
Facilitate New Construction: The City will continue to work with and assist housing developers and builders to enable new housing to be built in the City.	The City has continued to work with and assist developers and builders. Five new units and seven replacement units have been constructed during the past planning period.
Goal 2: Maintain and enhance the quality of residential neighborhoods in Rolling Hills.	
Code Enforcement: In the event that a violation of City codes or regulations is discovered, the City works with the County and the Association to remediate the violation.	The City continues to promote code enforcement in cases of violations. An educational program including information brochures has been implemented to discourage violations. A program to accomplish compliance also has been implemented. Approximately thirty violations have occurred in the City and only six of them consisted of residential structural deficiencies, which have been corrected during the past planning period. Code enforcement is intended to protect the public health, safety and welfare, and is not considered a constraint to the development of affordable housing.
Ground Instability: Continue to explore possible solutions to ground instability problems.	The City has continued to work with property owners and geotechnical consultants to establish construction regulations and to explore other potential solutions to the problem. However, despite these continued efforts, certain property in high-risk landslide areas remains unbuildable.
Neighborhood Sponsored Sewer Districts: Promote and facilitate the development of homeowner sponsored sewer districts.	The City has retained a consulting engineer to assess the feasibility of establishing a citywide sewer system. Because of the geologic and topographic constraints, the cost of installing sewer citywide makes installation of a sewer system infeasible.
Housing Repair on Landslide Sites: Continue to allow the repair of damaged structures and remedial grading in landslide areas.	The City continues to allow repair of damaged structures and remedial grading in landslide areas with special permits.
Home Improvement Program for eligible low and moderate-income residents.	In keeping with its commitment to support housing element objectives and low income housing needs, Rolling Hills assigned its

	CDBG funds to the city Rancho Palos Verdes Home Improvement Programs for eligible low and moderate income residents to provide grants and zero percent deferred loans to correct hazardous structural conditions, eliminate blight, and improve disabled access.
Goal 3: Provide housing services to address the needs of the City's senior citizen population.	
Shared Housing Program: Actively market the two area shared housing programs – Focal Point at the South Bay Senior Services in Torrance and Anderson Senior Center in San Pedro - which assist seniors in locating roommates to share existing housing in the community.	Informational brochures advertising existing shared housing programs are available at the public counter. Records on the number of matches that have occurred during the planning period are not available.
Reverse Mortgage Program: Inform residents about the advantages of reverse mortgages. A reverse mortgage is a deferred payment loan or a series of such loans for which a home is pledged as security, and can offer a viable financing alternative to many of Rolling Hills' elderly homeowners.	The City offers referral services to seniors interested in pursuing a reverse mortgage.
Elderly Services: Rolling Hills will continue to provide information to its elderly residents concerning available senior services.	In keeping with its commitment to assist its elderly residents find needed services, the City maintains a list of local senior facilities at City Hall.
Goal 4: Promote housing opportunities for all persons regardless of race religion, sex, marital status, ancestry, national origin or color.	
Fair Housing Program: As a means of increasing public awareness of legal rights under fair housing laws, the City will advertise services offered by the Fair Housing Foundation, including housing discrimination response, landlord-tenant relations, housing information and counseling, and community education programs.	As a past participating city in the Community Development Block Grant Program, Rolling Hills cooperated with the Los Angeles office of the Fair Housing Foundation to enforce fair housing laws. Informational brochures about the Foundation are available at the City of Rolling Hills public counter and local library.

Housing Plan 2014-2021

Finally, the Housing Element Update must establish a plan for addressing the identified local and regional housing needs. The goals of the 2014-2021 Housing Element are formulated based on information provided in the Housing Needs Assessment and Constraints sections of the Housing Element document and input from the community, City officials and staff. Goals and policies of the Update are as follows:

GOAL 1: Provide for housing which meets the needs of existing and future Rolling Hills' residents.

Policy 1.1: Evaluate ways in which the City can assist in providing housing to meet special community needs.

Policy 1.2: Work with governmental entities to explore the possibility of providing affordable housing for low and moderate income and senior citizen households in the South Bay region.

Policy 1.3: Encourage the development of residential units that are accessible to the disabled or are adaptable for conversion to residential use by disabled persons.

Policy 1.4: Encourage the use of energy conservation devices and passive design concepts that make use of the natural climate to increase energy efficiency and reduce energy costs.

Policy 1.5: Continue to facilitate the development of housing in the City, taking into account existing financial, legal, and environmental constraints.

GOAL 2: Maintain and enhance the quality of residential neighborhoods in Rolling Hills.

Policy 2.1: Encourage and assist in the maintenance and improvement of existing neighborhoods to maintain optimum standards of housing quality and design.

Policy 2.2: Require the design of housing to comply with the City's building code requirements.

Policy 2.3: Require compatible design to minimize the impact of residential redevelopment on existing residences.

Policy 2.4: Enforce City housing codes to assure the upkeep and maintenance of housing in the City.

GOAL 3: Provide housing services to address the needs of the City's senior citizen population.

Policy 3.1: Provide reference and referral services for seniors, such as in-home care and counseling for housing-related issues, to allow seniors to remain independent in the community.

Policy 3.2: Maintain information regarding shared housing programs in nearby cities as an option for seniors to share existing housing in the community.

Policy 3.3: Coordinate with lending companies and institutions to educate the City's elderly homeowners as to the availability of reverse mortgage loans which allow income-poor seniors to remain in their homes.

GOAL 4: Promote housing opportunities for all persons regardless of race religion, sex, marital status, ancestry, national origin or color.

Policy 4.1: Affirm a positive action posture which will assure that unrestricted housing opportunities are available to the community, and enforce all applicable laws and policies pertaining to equal housing opportunity.

Policy 4.2: Make information on fair housing laws available to residents and realtors in the City by distributing at the City Hall public counter and on request.

Policy 4.3: Investigate any allegations of violations of fair housing laws.

Summary of 2014-2021 Quantified Objectives

Through the housing strategies outlined above, the City of Rolling Hills aims to obtain the quantified objectives required by State Housing Law. Each jurisdiction is required to establish the minimum number of housing units that will be constructed, rehabilitated, and conserved over the Housing Element planning period. The quantified objectives for the City of Rolling Hills Housing Element are summarized in below:

- Number of Units to be Constructed: 16 single-family units

- Number of Units to be Rehabilitated: 0 rehabilitation need
- Number of Units to be Conserved: 693 single-family housing units.

ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED:

The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" as indicated by the checklist on the following pages. If any of the factors are checked, an Environmental Impact Report (EIR) is required. If no factors are checked, a Negative Declaration or Mitigated Declaration is required.

☐ Aesthetics	☐ Hazards & Hazard Materials	☐ Recreation
☐ Agriculture & Forest Resources	☐ Hydrology/Water Quality	☐ Transportation/Traffic
☐ Air Quality	☐ Land Use and Planning	☐ Utilities/Service Systems
☐ Biological Resources	☐ Mineral Resources	☐ Mandatory Findings of Significance
☐ Cultural Resources	☐ Noise	
☐ Geology/Soils (Liquefaction)	☐ Population/Housing	
☐ Greenhouse Gas Emissions	☐ Public Services	

ENVIRONMENAL DETERMINATION: (To be completed by the Lead Agency)

On the basis of this initial evaluation:

X	I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.
	I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because mitigation measures described on the attached pages have been added to the project. A MITIGATED NEGATIVE DECLARATION will be prepared.
	I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.
	I find that the proposed project MAY have a significant effect(s) on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets, if the effect is a "potentially significant impact" or "potentially significant unless mitigated." An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.
	I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable legal standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

Signature:	/s/ Yolanta Schwartz	Date:	December 26, 3013
Printed Name:	Yolanta Schwartz	Title:	Planning Director

EVALUATION OF ENVIRONMENTAL IMPACTS:

An Environmental Checklist Form (Form) has been used to evaluate the potential environmental impacts associated with the proposed project. The Form has been prepared by the Resources Agency of California to assist local governmental agencies, such as the City of Rolling Hills, in complying with the requirements of the Statutes and Guidelines for implementing the California Environmental Quality Act. In the Form, environmental effects are evaluated as follows:

1. A brief explanation is required for all answers except "No Impact" answers that are adequately supported by the information sources a lead agency cites in its response. A "No Impact" answer is adequately supported if the referenced information sources show that the impact simply does not apply to projects like the one involved (e.g., the project falls outside a fault rupture zone). A "No Impact" answer should be explained where it is based on project-specific factors as well as general standards (e.g., the project will not expose sensitive receptors to pollutants, based on a project-specific screening analysis).

2. All answers must take account of the whole action involved, including off-site as well as on-site, cumulative as well as project-level, indirect as well as direct, and construction as well as operational impacts.

3. Once the lead agency has determined that a particular physical impact may occur, then the checklist answers must indicate whether the impact is "Potentially Significant", "Less Than Significant With Mitigation", or "Less Than Significant". "Potentially Significant Impact" is appropriate if there is substantial evidence that an effect may be significant. If there are one or more "Potentially Significant Impact" entries when the determination is made, an EIR is required.

4. "Negative Declaration: Less Than Significant With Mitigation Incorporated" applies where the incorporation of mitigation measures has reduced an effect from "Potentially Significant Impact" to a "Less Than Significant Impact." The lead agency must describe the mitigation measures, and briefly explain how they reduce the effect to a less than significant level (mitigation measures from an "Earlier Analyses," as described in #5 below, may be cross-referenced).

5. Earlier analyses may be used where, pursuant to tiering, program EIR, or other CEQA process, an effect has been adequately analyzed in an earlier EIR or negative declaration. In this case, a brief discussion should identify the following:

   (a) Earlier Analysis Used. Identify and state where they are available for review.

   (b) Impacts Adequately Addressed. Identify which effects from the above checklist were within the scope of and adequately analyzed in an earlier document pursuant to applicable legal standards, and state whether such effects were addressed by mitigation measures based on the earlier analysis.

   (c) Mitigation Measures. For effects that are "Less than Significant with Mitigation Measures Incorporated," describe the mitigation measures which were incorporated or refined from the earlier document and the extent to which they address site-specific conditions for the project.

6. Lead agencies are encouraged to incorporate into the checklist references to information sources for potential impacts (e.g., general plans, zoning ordinances).

7. Supporting Information Sources: A source list should be attached, and other sources used or individuals contacted should be cited in the discussion.

8. The explanation of each issue should identify:
   (a) The significance criteria or threshold, if any, used to evaluate each question.
   (b) The mitigation measure identified, if any, to reduce the impact to less than significance.

ENVIRONMENTAL IMPACTS CHECKLIST:

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
I. AESTHETICS. Would the project:				
a) Have a substantial adverse effect on a scenic vista?				X
b) Substantially damage scenic resources, including but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?				X
c) Substantially degrade the existing visual character and quality of the site and its surroundings?				X
d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?				X
I. a), b), c), d). No Impact. The Housing Element is a policy document that analyzes housing need and promotes affordable housing. Any development that occurs pursuant to Housing Element policies will be consistent with City planning, engineering and building requirements. No impacts relative to aesthetics are expected to occur as a result of the Housing Element.				
II. AGRICULTURAL RESOURCES. Would the project:				
a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?				
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?				
c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)) or timberland (as defined in Public Resources Code section 4526)				X

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
d) Result in loss of forest land or conversion of forest land to non-forest use?				
e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?				X
II. a), b), c), d), e). No Impact. The City of Rolling Hills is an urbanized community. Policies and programs of the Housing Element Update promote infill housing. There are no designated agricultural lands or forest lands within the City. The Update will not impact any existing farmland or land zoned or contracted for farming.				
III. AIR QUALITY. Would the project:				
a) Conflict with or obstruct implementation of the applicable air quality plan?				X
b) Violate any air quality standard or contribute to an existing or projected air quality violation?				X
c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions with exceed quantitative thresholds for ozone precursors)?				X
d) Expose sensitive receptors to substantial pollutant concentrations?				X
e) Create objectionable odors affecting a substantial number of people?				X
III. a), b), c), d), e). *No Impact.* Rolling Hills is within the South Coast Air Quality Management District (SCAQMD), established to implement the California Clean Air Act of 1988 and protect air quality in California. SCAQMD's jurisdiction encompasses the counties of Los Angeles, San Bernardino, Riverside and Orange. The SCAQMD has developed the CEQA Air Quality Guidelines to assist local jurisdictions determine if a potential project may emit significant air quality impacts. Any development that occurs pursuant to Housing Element Update policies will be reviewed and processed in accordance with City planning policies and the SCAQMD CEQA Air Quality Guidelines. No impacts to air quality are expected to occur as a result of the Housing Element.				

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
IV. BIOLOGICAL RESOURCES. Would the project:				
a) Have a substantial adverse effect, either directly or through habitat modification, on any species identified as candidate, sensitive or special status species in local or regional plans, policies or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife?				X
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife?				X
c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including but not limited to marsh, vernal pool, coastal, etc.) through direct removal, filling hydrological interruption, or other means?				X
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?				X
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?				X
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Conservancy Conservation Plan, or other approved local, regional, or state habitat conservation plan?				X
IV. a), b), c), d), e), f). *No Impact.* Policies and programs of the Housing Element Update promote infill housing. Any development that occurs pursuant to Housing Element policies will occur in already urbanized areas of the community, and will be reviewed and processed in accordance with City planning policies. No impacts to biological resources are expected to occur as a result of the Housing Element Update.				

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
V. CULTURAL AND RESOURCES. Would the project:				
a) Cause a substantial adverse change in the significant of a historical resource as defined in §15064.5?				X
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to §15064.5?				X
c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?				X
d) Disturb any human remains including those interred outside of formal cemeteries?				X
V. a), b), c), d). *No Impact.* Policies and programs of the Housing Element Update promote infill housing. Any development that occurs pursuant to Housing Element policies will occur in already urbanized areas of the community, and will be reviewed and processed in accordance with City planning policies. No impacts to cultural resources are expected to occur as a result of the Housing Element Update.				
VI. GEOLOGY AND SOILS. Would the project:				
a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving: i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.				X
ii) Strong seismic ground shaking?				X
iii) Seismic-related ground failure, including liquefaction?				X
iv) Landslides?				X
b) Result in substantial soil erosion or the loss of topsoil?				X
c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and				X

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?				
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?				X
e) Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?				X
VI. a), b), c), d), e). *No Impact.* The Housing Element is a policy document that analyzes housing need and promotes affordable housing. Any development that occurs pursuant to Housing Element Update policies will be subject to City planning, engineering and building requirements. No impacts to geological conditions are expected to occur as a result of the Housing Element Update.				
VII. GREENHOUSE GAS EMISSIONS. Would the Project :				
a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?				X
b) Conflict with any applicable plan, policy or regulation of an agency adopted for the purpose of reducing the emissions of greenhouse gases?				
VII. a), b). *No Impact.* In 2005, in recognition of California's vulnerability to the effects of climate change, Governor Schwarzenegger established Executive Order S-3-05, which sets forth a series of target dates by which statewide emission of greenhouse gas would be progressively reduced, as follows: ▪ By 2010, reduce greenhouse gas emissions to 2000 levels; ▪ By 2020, reduce greenhouse gas emissions to 1990 levels; and ▪ By 2050, reduce greenhouse gas emissions to 80 percent below 1990 levels. Policies and programs of the Housing Element Update promote infill housing. Any development that occurs pursuant to Housing Element policies will occur in already urbanized areas of the community, and will be reviewed and processed in accordance with City planning policies. The Housing Element Update is a policy document consistent with the City General Plan. It will not result in changes that will increase greenhouse gas emissions or conflict with applicable policies.				

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
VIII. HAZARDS AND HAZARDOUS MATERIALS. Would the project:				
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?				X
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?				X
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?				X
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?				X
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the Project area?				X
f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the Project area?				X
g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?				X
h) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?				X

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
VIII. a), b), c), d), e), f), g), h). *No Impact.* The Housing Element is a policy document that analyzes housing need and promotes affordable housing. The City is not within an airport or airfield safety hazard zone. Any development that occurs pursuant to Housing Element Update policies will be subject to state and local regulations regarding the transport, use and disposal of hazardous materials, and to City planning, engineering and building requirements. No impacts relative to hazards are expected to occur as a result of the Housing Element Update.				
IX. HYDROLOGY AND WATER QUALITY. Would the project:				
a) Violate any water quality standards or waste discharge requirements?				X
b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?				X
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?				X
d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?				
e) Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?				X
f) Otherwise substantially degrade water quality?				X
g) Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?				X

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
h) Place within a 100-year flood hazard area structures that would impede or redirect flood flows?				X
i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?				X
j) Inundation by seiche or mudflow?				X
IX. a), b), c), d), e), f), g), h), i), j). *No Impact.* The Housing Element is a policy document that analyzes housing need and promotes affordable housing. Any development that occurs pursuant to Housing Element Update policies will be subject to state and local regulations regarding water quality, run-off and hydrology, and to City planning, engineering and building requirements. No impacts relative to water quality or hydrology are expected to occur as a result of the Housing Element Update.				
X. LAND USE AND PLANNING. Would the project:				
a) Physically divide an established community?				X
b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?				X
c) Conflict with any applicable habitat conservation plan or natural community conservation plan?				X
X. a), b), c). No Impact. The City of Rolling Hills has prepared its Housing Element Update in accordance with Section 65580 et. al. of the Government Code. The Housing Element Update also has been prepared consistent with the City of Rolling Hills General Plan and the community's vision of its housing needs and objectives. Accordingly, this Housing Element examines Rolling Hills's housing needs as they exist today, and projects future housing needs. It sets forth statements of community goals, objectives and policies concerning those needs. It includes a housing program responsive to current and future needs, consistent with available resources. Any subsequent discretionary actions or development that occurs pursuant to Housing Element policies will be reviewed and processed in accordance with City planning policies. The Element has been prepared in full compliance with the State housing law, and no potential adverse impacts relative to land use are expected to occur.				
XI. MINERAL RESOURCES. Would the project:				
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?				X
b) Result in the loss of availability of a locally important mineral resource				X

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
recovery site delineated on a local general plan, specific plan or other land use plan?				
XI. a), b). No Impact. The Housing Element is a policy document that analyzes housing need and promotes affordable housing. Any development that occurs pursuant to Housing Element policies will be subject to City planning, engineering and building requirements. No impacts relative to mineral resources are expected to occur as a result of the Housing Element Update.				
XII. NOISE. Would the project:				
a) Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?				X
b) Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?				X
c) A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?				X
d) A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?				X
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the Project area to excessive noise levels?				X
f) For a project within the vicinity of a private airstrip, would the project expose people residing or working in the Project area to excessive noise levels?				X
XI. a), b), c), d), e), f). No Impact. The Housing Element is a policy document that analyzes housing need and promotes affordable housing. Any development that occurs pursuant to Housing Element policies will be subject to City planning, engineering and building requirements. No impacts relative to noise are expected to occur as a result of the Housing Element Update.				

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
XIII. POPULATION AND HOUSING. Would the project:				
a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?				X
b) Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?				X
c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?				X
XIII. a), b), c). No Impact. Policies and programs of the Housing Element Update promote infill housing in order to meet the State and regionally mandated RHNA obligation for affordable housing. Any subsequent development accomplished pursuant to the Housing Element Update will be consistent with State and regional growth mandates. The Update will not displace housing or people, but conversely, is intended to increase affordability of the planned housing supply, which can support retention of households in all income categories. No significant impacts relative to population or housing are expected to occur as a result of the Housing Element Update.				
XIV. PUBLIC SERVICES. Would the project: result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:				
a) Fire protection?				X
b) Police protection?				X
c) Schools?				X
d) Parks?				X
e) Other public facilities?				X
XIV. a), b), c), d), e). No Impact. The Housing Element is a policy document that analyzes housing need and promotes affordable housing. As noted under response #XII, above, any subsequent development accomplished pursuant to the Housing Element Update will be consistent with State and regional growth mandates. Subsequent development also will be subject to City planning, engineering and building requirements. No impacts to public services are expected to occur as a result of the Housing Element Update.				

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
XV. RECREATION:				
a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?				X
b) Does the project include recreational facilities or require the construction or expansion of recreational facilities that might have an adverse physical effect on the environment?				X
XV. a), b. No Impact. The Housing Element is a policy document that analyzes housing need and promotes affordable housing. As noted under response #XII, above, any subsequent development accomplished pursuant to the Housing Element Update will be consistent with State and regional growth mandates. Subsequent development also will be subject to City planning, engineering and building requirements. No impacts to recreation are expected to occur as a result of the Housing Element Update.				
XVI. TRANSPORTATION/ TRAFFIC. Would the project:				
a) Exceed the capacity of the existing circulation system, based on an applicable measure of effectiveness (as designated in a general plan policy, ordinance, etc.) taking into account all relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit?				X
b) Conflict with an applicable congestion management program, including, but not limited to level of service standards and travel demand measures, or other standards established by the county congestion management agency for designated roads or highways?				X
c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?				X
d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?				X
e) Result in inadequate emergency access?				X

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
f) Conflict with adopted policies, plans, or programs supporting alternative transportation (e.g., bus turnouts, bicycle racks)?				X
XVI. a), b),c), d), e), f). No Impact. The Housing Element is a policy document that analyzes housing need and promotes affordable housing. As noted under response #XII, above, any subsequent development accomplished pursuant to the Housing Element Update will be consistent with State and regional growth mandates. Subsequent development also will be subject to City planning, engineering and building requirements. No impacts to transportation or traffic are expected to occur as a result of the Housing Element Update.				
XVII. UTILITIES AND SERVICE SYSTEMS. Would the project:				
a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?				X
b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?				X
c) Result in a determination by the wastewater treatment provider which serves or may serve the Project that it has adequate capacity to serve the Project as projected demand in addition to the provider's existing commitments?				X
d) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?				X
e) Have sufficient water supplies available to serve the project from existing entitlements and resources, or new or expanded entitlements needed?				X
f) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?				X
g) Comply with federal, state and local statutes and regulations related to solid waste?				X

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
XVII. a), b),c), d), e*), f), g). No Impact.* The Housing Element is a policy document that analyzes housing need and promotes affordable housing. As noted under response #XII, above, any subsequent development accomplished pursuant to the Housing Element Update will be consistent with State and regional growth mandates. Subsequent development also will be subject to City planning, engineering and building requirements. No impacts to utilities are expected to occur as a result of the Housing Element Update.				
XVIII. MANDATORY FINDINGS OF SIGNIFICANCE				
A. Does the project have the potential to substantially degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or an endangered threatened species, or eliminate important examples of the major periods of California history or prehistory?				X
XVIII. A. No Impact. As discussed in Items # IV and V, policies and programs of the Housing Element Update promote infill housing. Any development that occurs pursuant to Housing Element policies will occur in already urbanized areas of the community, and will be reviewed and processed in accordance with City planning policies. No impacts that will cause substantial degradation of biological or cultural resources are expected to occur as a result of the Housing Element Update.				
B. Does the project have impacts that are individually limited, but cumulatively considerable? ('Cumulatively considerable' means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?				X
XVIII. B. No Impact. The Housing Element is a policy document that analyzes housing need and promotes affordable housing. As noted under response #XII, above, any subsequent development accomplished pursuant to the Housing Element Update will be consistent with State and regional growth mandates. Subsequent development also will be subject to City planning, engineering and building requirements. No cumulative impacts are expected to occur as a result of the Housing Element Update.				
C. Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?		X		

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
XVII. C. No Impact. The Housing Element is a policy document that analyzes housing need and promotes affordable housing. Any development that occurs pursuant to Housing Element Update policies will be subject to state and local regulations, and to City planning, engineering and building requirements. No impacts that will cause substantial adverse effects on human beings, either directly or indirectly are expected to occur as a result of the Housing Element Update.				

SOURCES CITED IN EVALUATION OF ENVIRONMENTAL IMPACTS:

Section 15150 of the State CEQA Guidelines permits an environmental document to incorporate by reference other documents that provide relevant data. The documents outlined below are hereby incorporated by reference, and the pertinent material is summarized throughout this Initial Study where that information is relevant to the analysis of impacts of the proposed project. All documents incorporated by reference are available for review at the City of Rolling Hills Community Development Department, No. 2 Portuguese Bend Road, Rolling Hills, CA 90274. The office hours are Monday through Friday between 7:30 a.m. and 5:00 p.m.

1. City of Rolling Hills, General Plan (current)
2. City of Rolling Hills Zoning Code (current)

LIST BELOW THE PERSON OR PERSONS WHO PREPARED OR PARTICIPATED IN THE PREPARATION OF THE INITIAL STUDY:

Preparer: Joann Lombardo, Consultant.

Technical Review/City of Rolling Hills Staff:
Yolanta Schwartz, Planning Director

From: Bill Cunningham-Corso
To: Meredith Elguira
Subject: City Housing Plan
Date: Monday, May 10, 2021 1:00:46 PM
Attachments: Scan_0223.pdf

Meredith,

This is a major accomplishment. I wonder if the residents truly understand the magnitude of this!

I would like to stay on top of Programs 8 and 13 to see if I can participate and help us meet our goals.

I will tune in on may 18th and look forward to hearing the details.

If there is additional information you can email on the updated ordinances and amendments I would appreciate it – or just the final HCD submittal.

Again, excellent work!

Bill Cunningham-Corso
President
Cunningham Development Company, Inc.
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City of Rolling Hills Newsletter

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SPECIAL EDITION OF THE BLUE NEWSLETTER

5th CYCLE HOUSING ELEMENT UPDATE (PLANNING CYCLE 2013-2021)

On Februray 26, 2021, the City of Rolling Hills submitted its Draft Housing Element to the California Department of Housing and Community Development (HCD). Subsequent revisions responding to HCD's comments were submitted on March 29, April 1 and April 6, 2021. In addition to the Draft Housing Element, HCD also reviewed Ordinance Nos. 364: Accessory Dwelling Unit, 366: Amendment to Title 17. Zoning, and 369: Rancho Del Mar Overlay Zone.

On April 26, 2021, the City of Rolling Hills received a letter from HCD reporting that the 5th Cycle Housing Element Update meets the statutory requirements of the State Housing Element Law. This finding was based on, among other reasons, implementation of zoning to accommodate the City's Regional Housing Needs Allocation (RHNA) for lower-income households. Additionally, Programs 8 (Add Definitions of Transitional and Supportive Housing, and Employee Housing to the Municipal Code) and 13 (Multi-Family Zoning Monitoring and Consideration of Additional Opportunities) are crucial to meeting statutory requirements. The housing element will comply with State Housing Element Law (Article 10.6 of the Gov. Code) when it is adopted, submitted to and approved by HCD, in accordance with Government Code section 65585, subdivision (g).

The Planning Department will be presenting the Final Housing Element to the Planning Commission on May 18, 2021 and to the City Council on June 14, 2021 for adoption. When adopted, this will be the first time the City will have a compliant Housing Element, avoiding hefty fines and enforcement actions from the State. The Housing Element is available on the City's website: Rolling-Hillls.org. Please contact Meredith T. Elguira at 310.377.1521 or melguira@cityofrh.net if you have any questions.

6th CYCLE HOUSING ELEMENT UPDATE (PLANNING CYCLE 2021-2028)

City staff and the City's consultant, Barry Miller, are now starting to draft the 6th Cycle Housing Element which is due on October 15, 2021. The 6th Cycle will be reviewed for compliance with new laws and housing element requirements. These include, but are not limited to, analysis surrounding the City's efforts to affirmatively further fair housing pursuant to Government Code section 65583, subdivision (c)(10). Additionally, successful implementation of Programs 8 and 13, as noted above, including the identification and zoning of sites to accommodate market rate (i.e. not limited to affordable) multifamily housing zoning is critical for 6th cycle compliance.

Public participation in the development of the 6th Cycle Housing Element is highly encouraged. Staff will continue to reach out to engage the community in the planning process. Please make sure to check the Blue Newsletters for updates and the City's website for additional information. You may also contact Meredith T. Elguira if you have any questions or comments.

From: Laura Gregorio
To: Meredith Elguira
Subject: HCD
Date: Monday, May 3, 2021 12:56:41 PM

Hello.

My name is Laura Gregorio and we have lived in Rolling Hills for over 20 years.
Rolling Hills is a safe and special place to live in my opinion. I would not want to live anywhere else. The people who live here spend a great deal of their lives and their money to keep their properties up and live in the City in general.

We, my husband and I, are 100% opposed to any form of low income style housing coming into the city. We are also hearing that people are now able to rent out a portion of their home or the new buildings they are building on their property to surfice the new City 'ordinance' and can rent to any one they choose.

The State and the actions by the City are extremely grossly overexaggerated - we find no need to assume that every City in Cal needs to provide low income housing and if this is the case then maybe we should stop paying the RE taxes that the City charges and just open the gates to the City of Rolling Hills because in essence that is exactly what we are doing, opening the gates.

Respectfully
Laura Gregorio