

## EXHIBIT A:

### 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](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 4<sup>th</sup> and 5<sup>th</sup> cycles). The analysis documenting the unaccommodated (4<sup>th</sup> cycle) need and the current (5<sup>th</sup> 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 4<sup>th</sup> and 5<sup>th</sup> 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 6<sup>th</sup> 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](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](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 4<sup>th</sup> and 5<sup>th</sup> 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](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](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](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.

## **Highlights of Changes Between the 2014 and 2021 versions of the 5<sup>th</sup> Cycle Housing Element**

- Acknowledgments and Foreword added
- Chapter 1 (Introduction): Section G expanded to cover public participation and planning process from 2014 to 2021, including public outreach and efforts to reach all economic segments of the community, per HCD comment
- Chapter 2 (Needs Assessment):
  - Data added on Extremely Low Income, per HCD comment
  - Updated and expanded data on disabilities, per HCD comment
  - Updated data on homelessness
  - Transitional/Supportive and SRO sections moved to next chapter
  - Updated discussion of ADUs
  - Updated/ expanded discussion of housing cost-burdened households
- Chapter 3 (Constraints)
  - Updated and expanded Government Constraints, per HCD comment
  - New heading “Constraints for Different Housing Types” added, with information included on multi-family, ADUs, emergency shelter, SROs, transitional/supportive, disabled, per HCD comment
  - New heading and section on Cumulative Impacts of Land Use Controls, per HCD comment
  - Fees and Improvements section expanded, per HCD comment
  - Processing Time and Approval Procedures expanded, per HCD comment
- Chapter 4 (Housing Assessment): Rewritten to include updated information on “carry over” of 4<sup>th</sup> Cycle RHNA to 5<sup>th</sup> Cycle
- Chapter 5 (Housing Opportunities)
  - Table added showing APNs and realistic capacity for each vacant site, per HCD comment
  - Section added on lot slits
  - Section on underutilized land bolstered to explain intent and limitations
  - Expanded discussion of PVUSD site added
  - New text on ADUs added
  - Results of ADU survey added
  - New section added demonstrating ability of land supply to meet RHNA
  - Financial resource table updated to reflect current programs
- Chapter 6 (Housing Plan)
  - Policies 1.4, 1.5, 1.6, 2.5, 3.4 added
  - Housing Plan restructured. New programs 1-12 added, including programs to reflect accomplishments since 2014 and those required by HCD comments
  - Programs 13-22 rewritten to reflect current status
  - Quantified objectives and implementation timeline added for each program
  - New construction, rehab, and preservation targets by income category added. Per HCD comments
  - Table 20 Action Plan added
- Appendix A added, with detail on PVUSD site, per HCD comments
- Appendix B added, summarizing ADU survey findings

## Exhibit B

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



City of Rolling Hills  
2 Portuguese Bend Road  
Rolling Hills, CA 90274  
Contact: Meredith T. Elguira  
tel: (310) 377-1521; email: [Melguira@cityofrh.net](mailto:Melguira@cityofrh.net)

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

# ACKNOWLEDGMENTS

---

## **Rolling Hills City Council**

*Jeff Pieper, Mayor*  
*Bea Dieringer, Mayor Pro Tem*  
*James Black, M.D., Councilmember*  
*Leah Mirsch, Councilmember*  
*Patrick Wilson, Councilmember*

## **Rolling Hills Planning Commission**

*Brad Chelf, Chair*  
*Greg Kirkpatrick, Vice-Chair*  
*Sean Cardenas, Commissioner*  
*Jana Cooley, Commissioner*  
*Matt Seaburn, Commissioner*

## **City Staff**

*Elaine Jeng, P.E., City Manager*  
*Meredith Elguira, Planning and Community Services Director*  
*Michael Jenkins, City Attorney*  
*Jane Abzug, Assistant City Attorney*  
*Stephanie Grant, Administrative Clerk*

## **Consultants**

*Barry Miller, Barry Miller Consulting (Housing Element)*  
*Anna Choudhuri, CSG Consulting (CEQA)*

## 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

## TABLE OF CONTENTS

Section	Page
<b>FOREWORD</b> .....	<b>i</b>
<b>TABLE OF CONTENTS</b> .....	<b>ii</b>
<b>EXECUTIVE SUMMARY</b> .....	<b>v</b>
<b>I. INTRODUCTION</b> .....	<b>I</b>
A. Community Overview.....	1
B. Purpose of the Element .....	3
C. Legislative Requirements .....	4
D. Scope and Content .....	5
E. Relationship to other General Plan Elements.....	5
F. Relationship to Private Land Use Restrictions .....	6
G. Public Participation.....	7
H. Sources of Information .....	9
<b>II. HOUSING NEEDS ASSESSMENT</b> .....	<b>II</b>
A. Population Characteristics .....	11
1. <i>Population Change</i> .....	11
2. <i>Age Characteristics</i> .....	12
3. <i>Race and Ethnicity</i> .....	14
4. <i>Employment</i> .....	15
B. Household Characteristics.....	15
1. <i>Household Type</i> .....	15
2. <i>Overcrowding</i> .....	16
3. <i>Household Income</i> .....	16
4. <i>Special Needs Groups</i> .....	19
C. Housing Characteristics.....	26
1. <i>Housing Growth</i> .....	26
2. <i>Housing Type</i> .....	27
3. <i>Age and Condition of Housing Stock</i> .....	27
4. <i>Housing Costs</i> .....	28
D. Assisted Housing at Risk of Conversion.....	32



<b>III.</b>	<b>CONSTRAINTS TO HOUSING PRODUCTION .....</b>	<b>33</b>
A.	Market Constraints.....	33
1.	<i>Land Costs</i> .....	33
2.	<i>Construction Costs</i> .....	33
3.	<i>Financing</i> .....	34
B.	Governmental Constraints .....	34
1.	<i>Land Use Controls</i> .....	34
2.	<i>Constraints for Different Housing Types</i> .....	36
3.	<i>Cumulative Impacts of Land Use Controls</i> .....	45
4.	<i>Fees and Improvements</i> .....	46
5.	<i>Permit Processing Times and Approval Procedures</i> .....	47
6.	<i>Building Code Standards</i> .....	48
C.	Contractual Constraints .....	49
D.	Infrastructure Constraints.....	49
1.	<i>Streets</i> .....	49
2.	<i>Wastewater Disposal</i> .....	49
3.	<i>Stormwater Runoff</i> .....	50
4.	<i>Fire Flow Requirements</i> .....	50
E.	Topographic Constraints .....	51
F.	Geologic Constraints.....	51
G.	Environmental Constraints .....	55
<b>IV.</b>	<b>HOUSING ASSESSMENT SUMMARY.....</b>	<b>56</b>
A.	Local Housing Assessment.....	56
B.	Regional Housing Assessment.....	56
<b>V.</b>	<b>HOUSING OPPORTUNITIES.....</b>	<b>58</b>
A.	Availability of Sites for Housing .....	58
B.	Ability to Meet RHNA Allocation .....	67
C.	Opportunities for Energy Conservation .....	68
D.	Financial Resources.....	70
<b>VI.</b>	<b>HOUSING PLAN .....</b>	<b>73</b>
A.	Review of Prior Housing Element Performance .....	73
B.	Goals and Policies .....	76
C.	Housing Implementation Plan.....	78
D.	Summary of 2014-2021 Quantified Objectives .....	89

	<b>Page</b>
<b>APPENDIX A:</b>	
Analysis of Palos Verdes Unified School District (PVUSD) Site .....	A-1
<b>APPENDIX B:</b>	
Accessory Dwelling Unit Survey Findings .....	A-2

<b>Figures</b>	<b>Page</b>
1. Vicinity Map .....	1
2. Slope Setbacks on PVUSD site .....	41
3. Seismic Hazards.....	52
4. Liquefaction and EQ-Induced Landslide Zones – Northern.....	53
5. Liquefaction and EQ-Induced Landslide Zones – Southern.....	54
6. Vacant Land Inventory Map .....	59

<b>Tables</b>	
1. Population in City, 1970, 1980, 1990, 2000, 2010, 2013 .....	12
2. Population by Age Group, Rolling Hills, 2010.....	13
3. Population by Race and Hispanic or Latino Origin, 2010.....	14
4. Household Type, Rolling Hills and Los Angeles County .....	16
5. Los Angeles County 2013 Area Median Income and Income.....	17
6. 2010 Rolling Hills, Surrounding Cities, County-Household Income .....	18
7. 2010 Rolling Hills Household Income.....	18
8. City of Rolling Hills Age of Housing Stock .....	28
9. Median Housing Values: Rolling Hills and Neighboring Cities .....	29
10. Affordable Housing Prices and Rents by Income Group .....	31
11. City of Rolling Hills Development Standards .....	35
12. Summary of Parking Requirements for Multi-Family Housing.....	40
13. City of Rolling Hills Development Fees.....	47
14. RHNA New Housing Construction Needs by Income Group .....	57
15. Inventory of Vacant Residentially Zoned Sites .....	60
16. City of Rolling Hills Future Residential Development Potential .....	61
17. Federal and State Housing Programs .....	71
18. City Progress toward Implementing 2006-2014 Element.....	74
19. Quantified Objectives.....	90
20. Housing Element Action Plan .....	91

## 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 of single-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

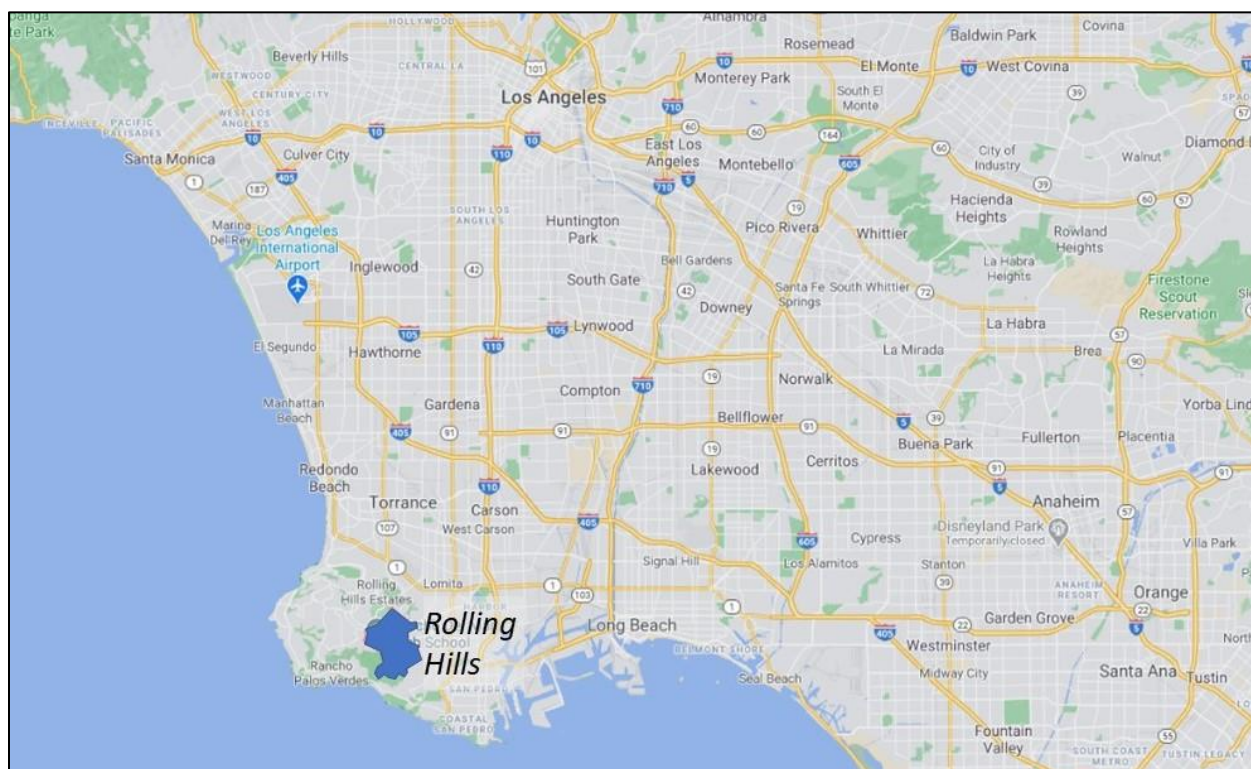


Figure 1. Vicinity Map

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. XIII D, § 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 trails, 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.

#### I. 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 I, 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 I**  
**City of Rolling Hills**  
**Population: 1970, 1980, 1990, 2000, 2010, 2013**

<b>Year</b>	<b>Population</b>	<b>Percent Change from Previous Year</b>
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**

<b>City of Rolling Hills</b>		
<b>Age Range</b>	<b># of Persons</b>	<b>% of Population</b>
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
<b>City Median Age - 2010</b>	<b>53.0</b>	
<b>County Median Age - 2010</b>	<b>35.9</b>	

### 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**

Race	City of Rolling Hills		Los Angeles County	
	# of Persons	% of Total	# of Persons	% of Total
<b>One Race</b>	<b>1,800</b>	<b>96.8</b>	<b>9,379,892</b>	<b>95.5</b>
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
<b>Two or More Races</b>	<b>60</b>	<b>3.2</b>	<b>438,713</b>	<b>4.5</b>
<b>TOTAL</b>	<b>1,860</b>	<b>100.0</b>	<b>9,818,605</b>	<b>100.0</b>
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.<sup>1</sup>

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.

### I. 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.

---

<sup>1</sup> 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%
<b>Total</b>	<b>663</b>	<b>100.0%</b>	<b>3,133,774</b>	<b>100%</b>
Average Household Size (all households)	<b>2.81</b>		<b>2.98</b>	
Average Family Household Size	<b>3.08</b>		<b>3.58</b>	

## 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.<sup>2</sup> California law and some

<sup>2</sup> 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**

Income Category	Maximum Income by Household Size			
	1 Person Household	2 Person Household	3 Person Household	4 Person Household
<b>Extremely Low Income</b>	\$17,950	\$20,500	\$23,050	\$27,650
<b>Very Low Income</b>	\$29,900	\$34,200	\$38,450	\$42,700
<b>Lower Income</b>	\$47,850	\$54,650	\$61,500	\$68,300
<b>Median Income *</b>	\$45,350	\$51,850	\$58,300	\$64,800
<b>Moderate Income</b>	\$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**

<b>Median Household Income – all households</b>	
Rolling Hills	<b>\$223,750</b>
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**

<b>2010 Income</b>	<b>Percent of Households</b>	<b>Cumulative Percent</b>
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
- Carson Senior Center
- Samoan American Senior Citizen

345 E. Carson Street  
801 East Carson Street  
23742 Main

#### TORRANCE

- Keep Safe Coalition
- Bartlett Senior Center
- Torrance YMCA Senior Center
- Herman Tillim
- Torrance Memorial Advantage Program
- Vistas Innovative Hospice Care
- RSVP
- Torrance South Bay YMCA Senior Program
- South Bay Senior Service
- South Bay Senior Service
- H.E.L.P.

4733 Torrance Blvd  
1318 Cravens Avenue  
2900 W. Sepulveda  
3614 W. Artesia Blvd  
3330 W. Lomita Blvd  
990 W. 190th  
1339 Post Avenue  
1900 Crenshaw  
3246 Sepulveda Blvd  
2510 W. 237th Street  
1404 Cravens Avenue

#### WILMINGTON

- Wilmington Senior Center
- Mahar House Community Center
- Harbor Area Senior Center
- Wilmington Jaycees Foundation

1148 N. Avalon  
1115 Mahar Avenue  
1371 Eubank Avenue  
1371 Eubank Avenue

#### HARBOR CITY

- Harbor City Senior Center

24901 Frampton



**Organization**

**Street Address**

**SAN PEDRO**

- Anderson Memorial Senior Center
- San Pedro Service Center
- Salvation Army Sage House
- Japanese Community Pioneer Center
- Toberman Senior Club

828 S. Mesa Street  
769 W. Third  
138 S. Bandini Street  
1964 W. 162nd Street  
131 N. Grand Avenue

**REDONDO BEACH**

- RB Community Center
- Meals on Wheels
- Beach Cities Health Group
- Redondo Beach Senior Center

200 N. Pacific Coast  
32 Knob Hill Avenue  
514 N. Prospect  
3007 Vail Avenue

**MANHATTAN BEACH**

- Joslyn Center
- Manhattan Beach Senior Center
- Manhattan Heights Senior

1601 Valley Drive  
Same as above  
Same as above

**HAWTHORNE**

- Hawthorne Senior Center

3901 El Segundo Blvd

**GARDENA**

- Behavioral Health Services, Medicine Education Program
- Special Services Group Care Project
- Asian Community Service Center
- Gardena Service Center
- Second Time Around
- Sociable Seniors

15519 Crenshaw Blvd  
14112 S Kingsley Dr  
same as above  
1670 162nd Street  
13220 Van Ness  
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.<sup>3</sup>

**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.

---

<sup>3</sup> 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.<sup>4</sup> The homeless facilities closest to Rolling Hills include Beacon Light Mission in Wilmington that currently provides 7 temporary beds for homeless men plus meals.<sup>5</sup> 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.

<sup>4</sup> <https://www.homelesshelterdirectory.org/cgi-bin/id/city.cgi?city=Los%20Angeles&state=CA>; accessed September 22, 2013.

<sup>5</sup> <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.<sup>6</sup> 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.<sup>7</sup> 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

<sup>6</sup> <https://afhusa.org>; accessed September 22, 2013.

<sup>7</sup> <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.

### **I. 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**

<b>Years</b>	<b># of Units</b>	<b>% of Total Units</b>	<b>Cumulative % of Total Units</b>
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.<sup>8</sup>

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

<sup>8</sup> Zillow.com; accessed 9/30/2013.



**Table 9**  
**City of Rolling Hills Median Housing Values 2010 Census**

<b>City</b>	<b>Median Sales Price 2010</b>
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.<sup>9</sup> 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.

<sup>9</sup> 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**

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

##### I. 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.<sup>1</sup> 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

<sup>1</sup> [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/](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.

### **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.

### **I. 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-I) 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: All property in 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, the adequacy 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).<sup>2</sup>

---

<sup>2</sup> 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.

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.

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.

### 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.

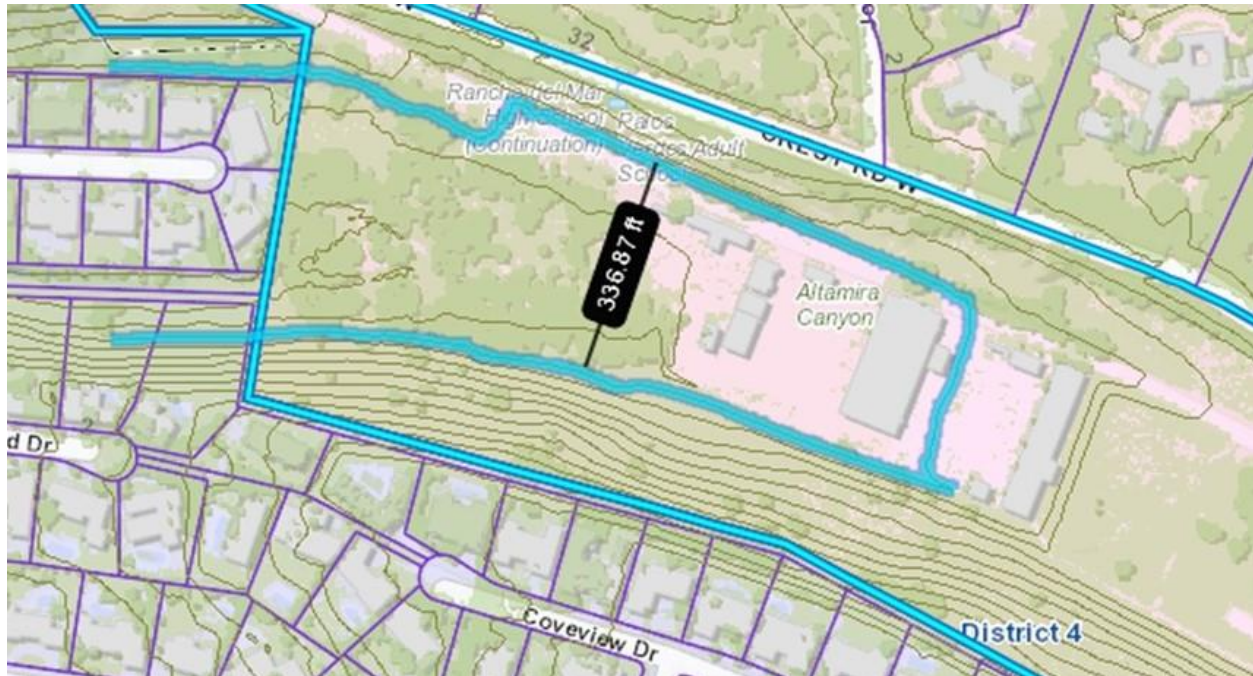


Figure 2: Slope Setbacks on PVUSD Site

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.

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.

## Supportive and Transitional 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.

Rolling Hills presently has no Code language that limits transitional and supportive housing or imposes any special restrictions on such housing. However, this housing type is not expressly acknowledged in the Municipal Code. An action program in this Housing Element recommends that definitions of transitional and supportive 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 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. Rolling Hills has no requirements relating to the spacing or concentration of housing for persons with disabilities.

### Residential Care Facilities and Definition of "Family"

The City permits small residential care facilities that serve 6 or fewer clients in every residential zone. 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-I district. An overlay zone was created for these areas in 2012, allowing smaller front and side yard setbacks. The zone has been 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.

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-I 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 Overlay Zone standards have been tested to ensure they are internally consistent and can support housing in the 20-24 unit/acre range. The City's new 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.<sup>3</sup>

<sup>3</sup> 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.

## 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.

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).<sup>4</sup> 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.

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.

<sup>4</sup> [http://planning.lacounty.gov/assets/upl/general/fee\\_20130301.pdf](http://planning.lacounty.gov/assets/upl/general/fee_20130301.pdf); accessed January 2, 2014.

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

Type of Fee	Cost
<b>All new residential development</b>	
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
<b>Special circumstance fees</b>	
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

## 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. Projects are submitted to LA County Building and Safety following RHCA review.

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.

## **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 would require ingress and egress improvements in the event a change of use was proposed.

### **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*<sup>5</sup>, 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

<sup>5</sup> Order No. 01-182 of the Los Angeles Regional Water Quality Control Board as amended by Order R4- 2006-0074.



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.

## **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.

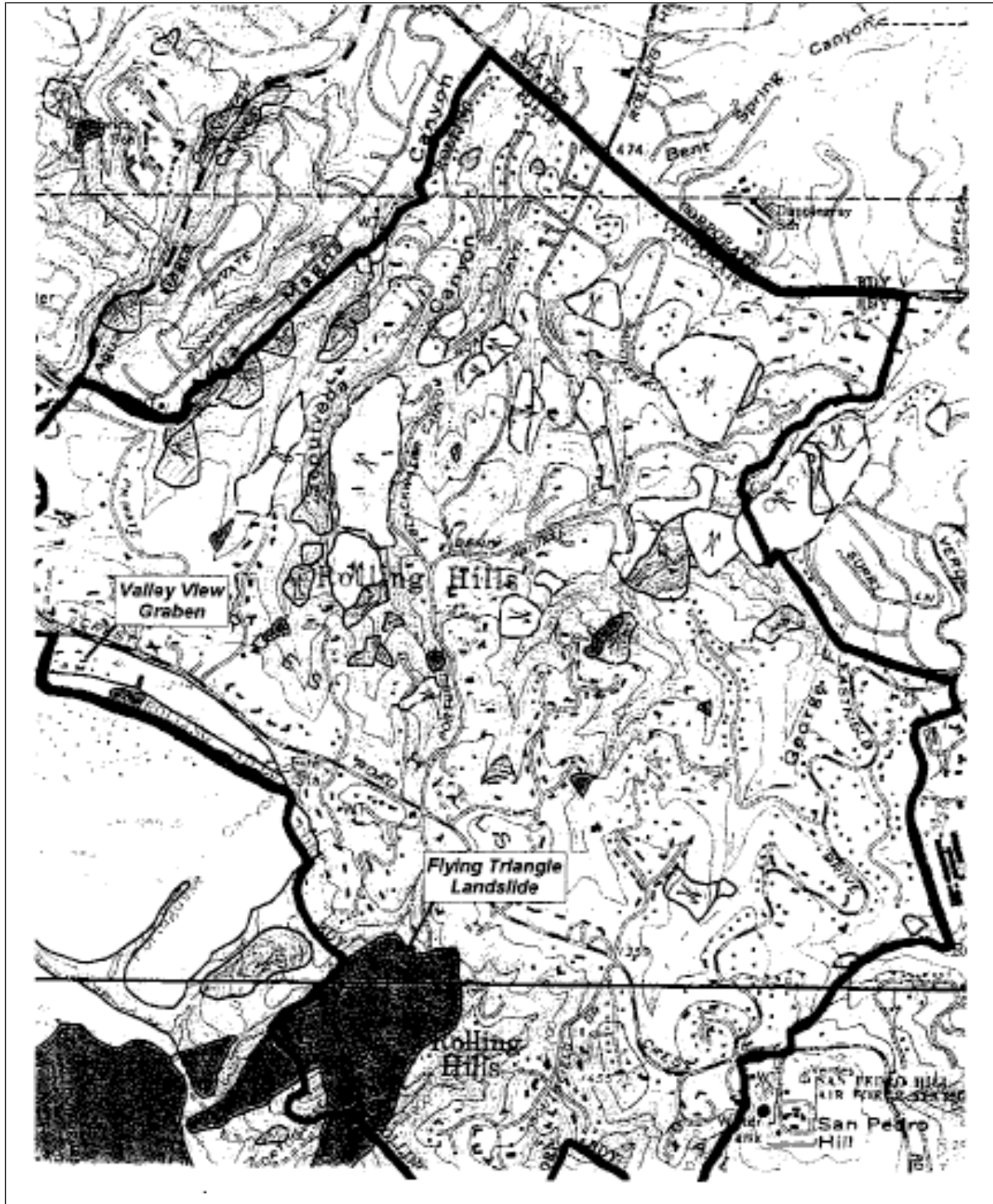


Figure 3: Seismic Hazards



## ROLLING HILLS HOUSING ELEMENT 2014-2021

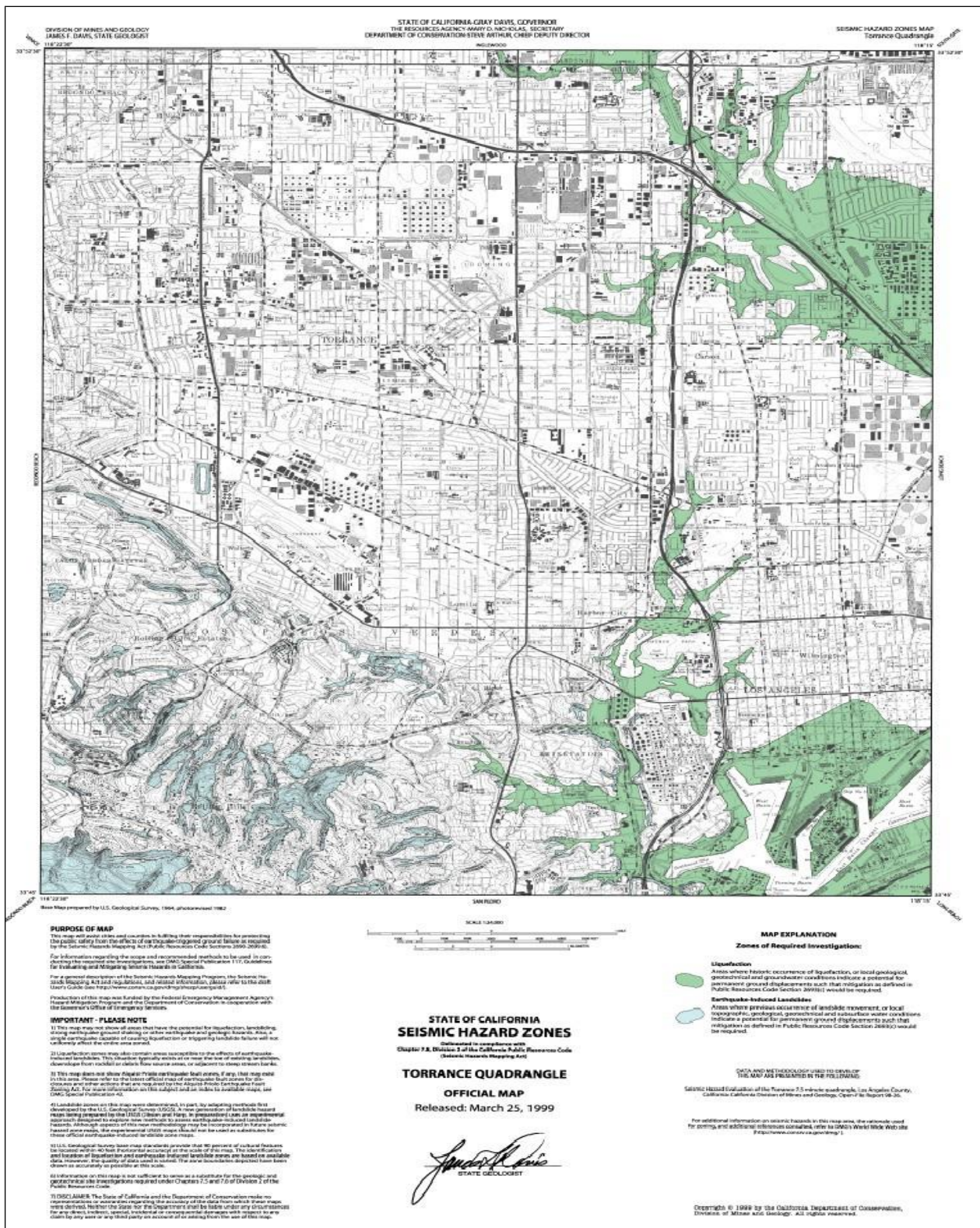


Figure 4. Liquefaction and EQ-Induced Landslide Zones in the City of Rolling Hills – Torrance Quadrangle

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





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 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 be 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)**

<b>Income Category</b>	<b>4th Cycle Housing Unit Construction Need by Income Group</b>	<b>5th Cycle Housing Unit Construction Need by Income Group</b>	<b>Total Need</b>
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
<b>Total Housing Unit Construction Need</b>	<b>22</b>	<b>6</b>	<b>28</b>

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 5 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.<sup>1</sup>

---

<sup>1</sup> 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.



## Vacant Parcels in City of Rolling Hills

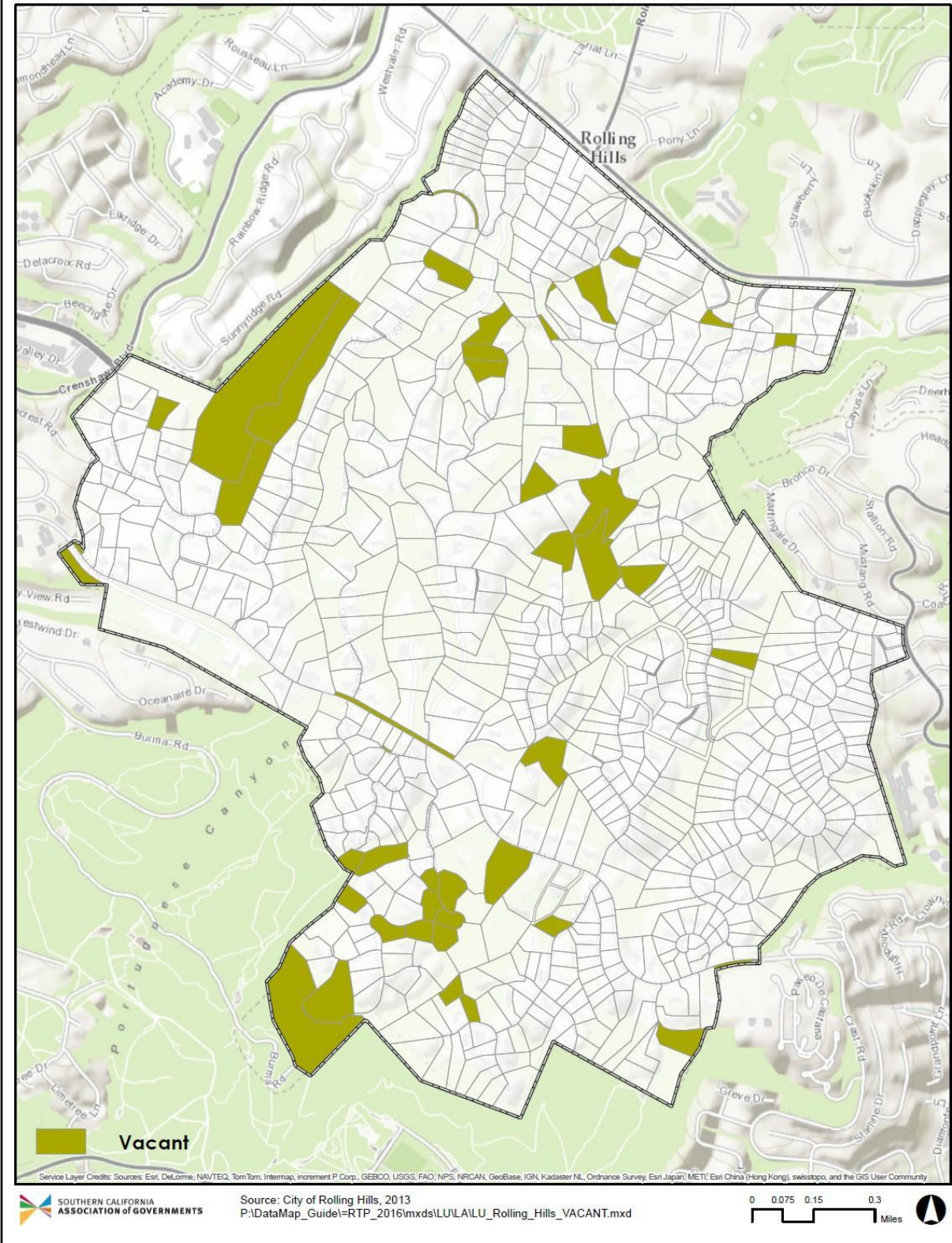


Figure 5: Vacant Land Supply

**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
		<b>TOTAL</b>	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 of 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 4<sup>th</sup> and 5<sup>th</sup> 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**

<b>Program</b>	<b>Comments</b>
<b>Federal Programs</b>	
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.
<b>State Programs</b>	
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.

# ROLLING HILLS HOUSING ELEMENT 2014-2021

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
<b>Goal 1: Provide for housing which meets the needs of existing and future Rolling Hills' residents.</b>	
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.
<b>Goal 2: Maintain and enhance the quality of residential neighborhoods in Rolling Hills.</b>	
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.

Table 18, page 2

Program	Accomplishments
<b>Goal 3: Provide housing services to address the needs of the City's senior citizen population.</b>	
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.
<b>Goal 4: Promote housing opportunities for all persons regardless of race religion, sex, marital status, ancestry, national origin or color.</b>	
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.<sup>1</sup> 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

<sup>1</sup> [http://www.hcd.ca.gov/hpd/housing\\_element2/PRO\\_overview.php](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 4<sup>th</sup> Cycle and 3 units from the 5<sup>th</sup> 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 be 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 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 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.

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.

Quantified Objectives:	ADU Survey (Program completed—29% response rate) Website materials and FAQs ADU Register
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. 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

## 14. 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)

## 15. 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)

## 16. 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 3 <sup>rd</sup> Quarter 2021

## 17. 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*<sup>2</sup>. 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

---

<sup>2</sup> Order No. 01-182 of the Los Angeles Regional Water Quality Control Board as amended by Order R4-2006-0074.

## 18. 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

## 19. 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

## 20. 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.

## 21. 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

## 22. 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)**

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

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 22 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 and transitional 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	Facilitate Communication with Affordable Housing Stakeholders	One meeting annually	Complete by Oct 2021
14	Provide information on shared housing programs	Web materials/ links for interested households	Ongoing (2014-21)
15	Provide information on reverse mortgages	Web materials/ links for interested households	Ongoing (2014-21)
16	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
17	Implement stormwater runoff improvements	Updated hydromodification policy	Complete by Oct 2021
18	Retain City Code Enforcement officer	One additional employee	Completed in 2019
19	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
20	Facilitate new construction and home remodels	10 net new homes	Over period from 2014-2021 (partially completed)
21	Facilitate slide repair and ground stability for residential construction	Geologic studies for new development	Ongoing (2014-21)
22	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 4<sup>th</sup> and 5<sup>th</sup> 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.



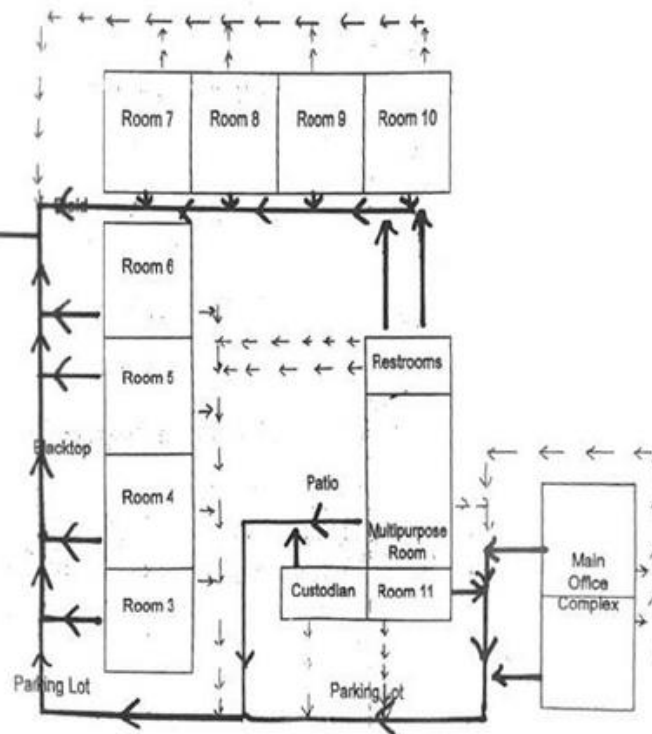
Source: LA County GIS, 2020. Aerial Fall 2019

- Site Boundary
- City Limits

Figure 1:  
Location of PVUSD Housing Opportunity Site







**Figure 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**





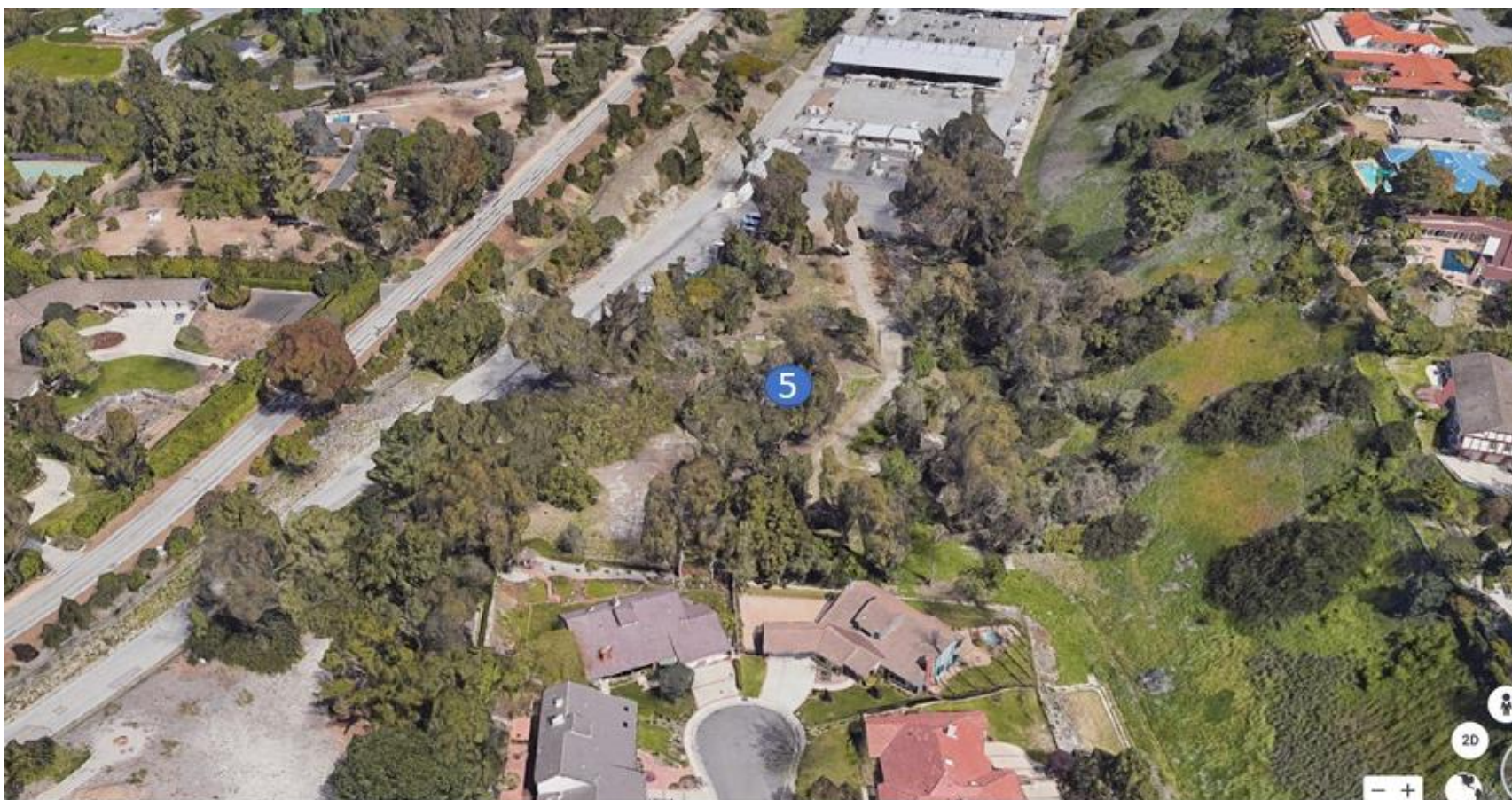
**Figure 5:**  
**PVUSD Opportunity Site Areas 1-4 (Looking East)**





**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 than 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.

/intentionally blank/

## **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.

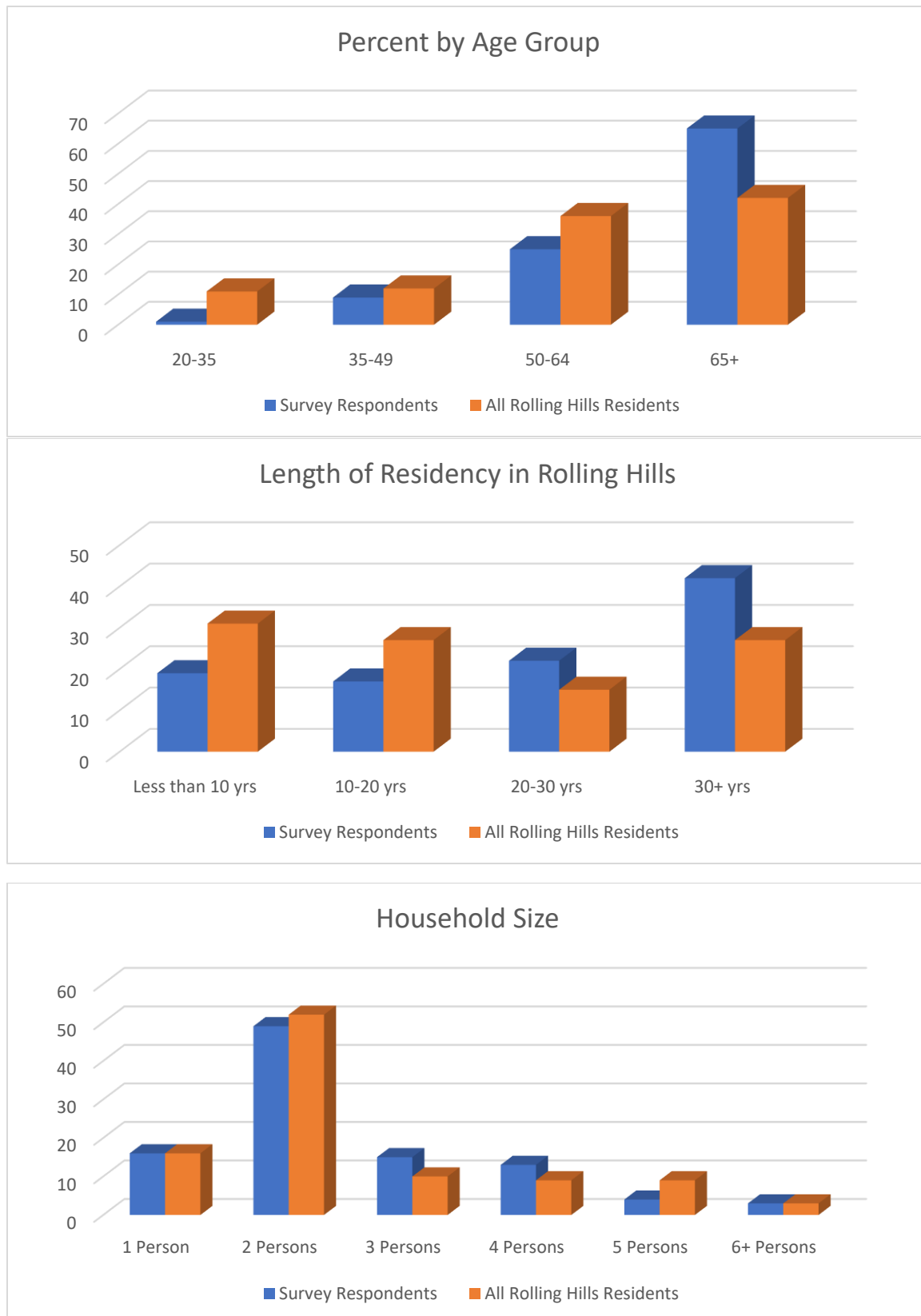
Respondents tended to be older than Rolling Hills residents as a whole and were mostly long-time residents. About two-thirds of the respondents were 65 or older and 25 percent were 50-64. By contrast, about 42 percent of the City's adult residents are over 65 and 36 percent are 50-64. About 42 percent 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.

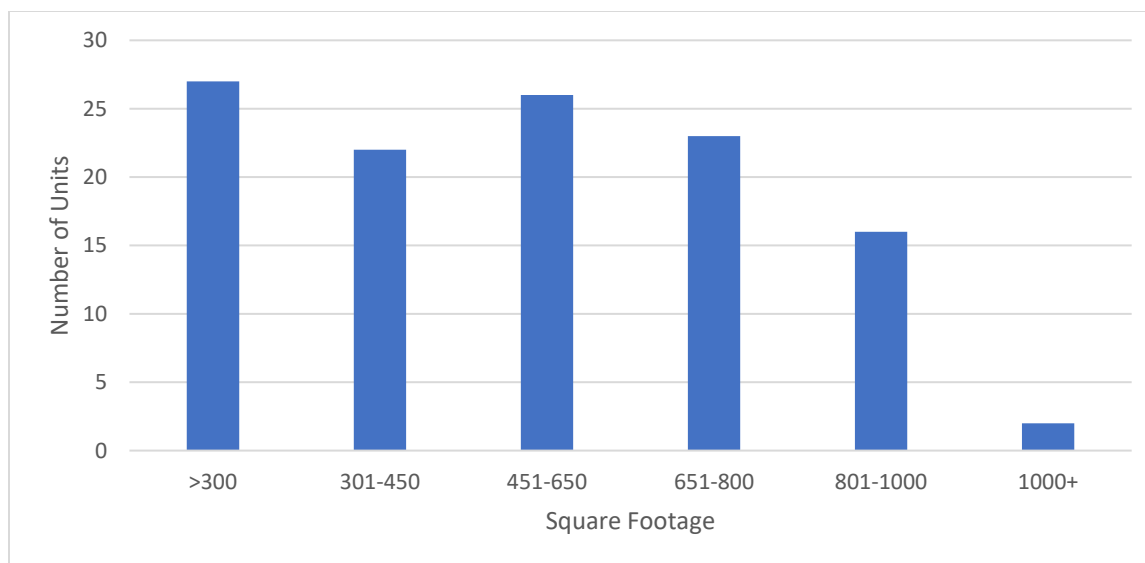
## **Current Use of ADUs and Spaces Suitable as ADUs**

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-I below:

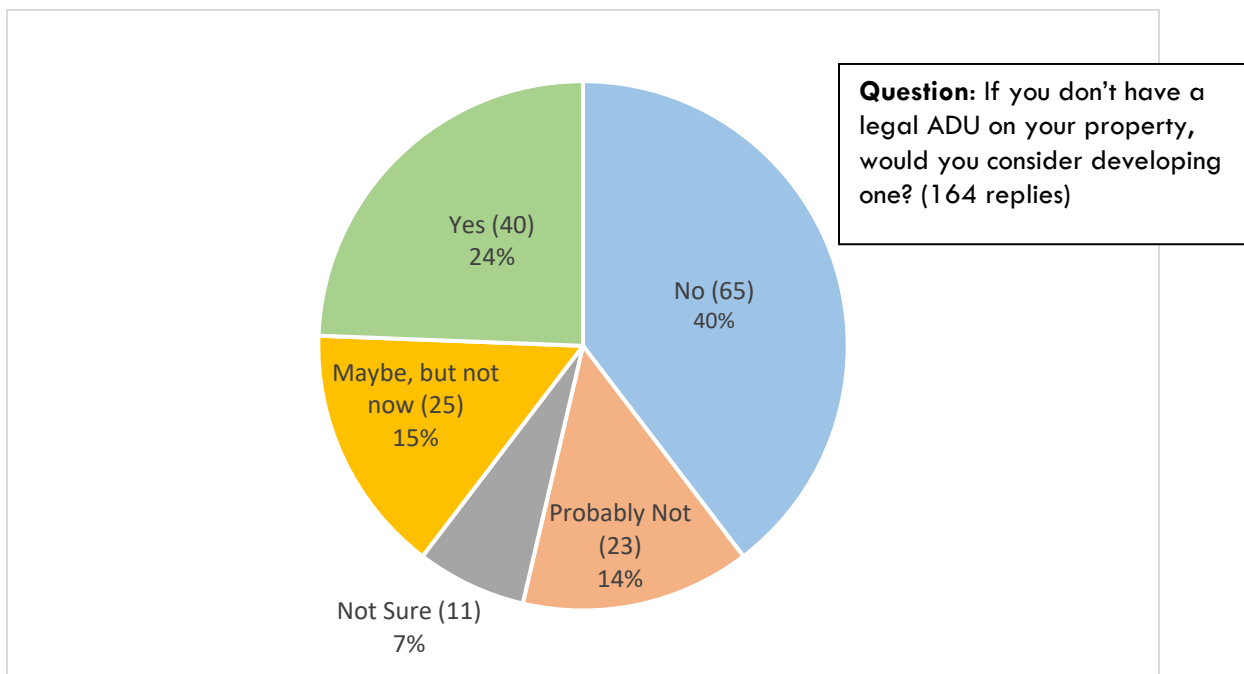
**Table B-1**  
**Household Size and Income of Households Occupying Formal or Unintended ADUs**

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.

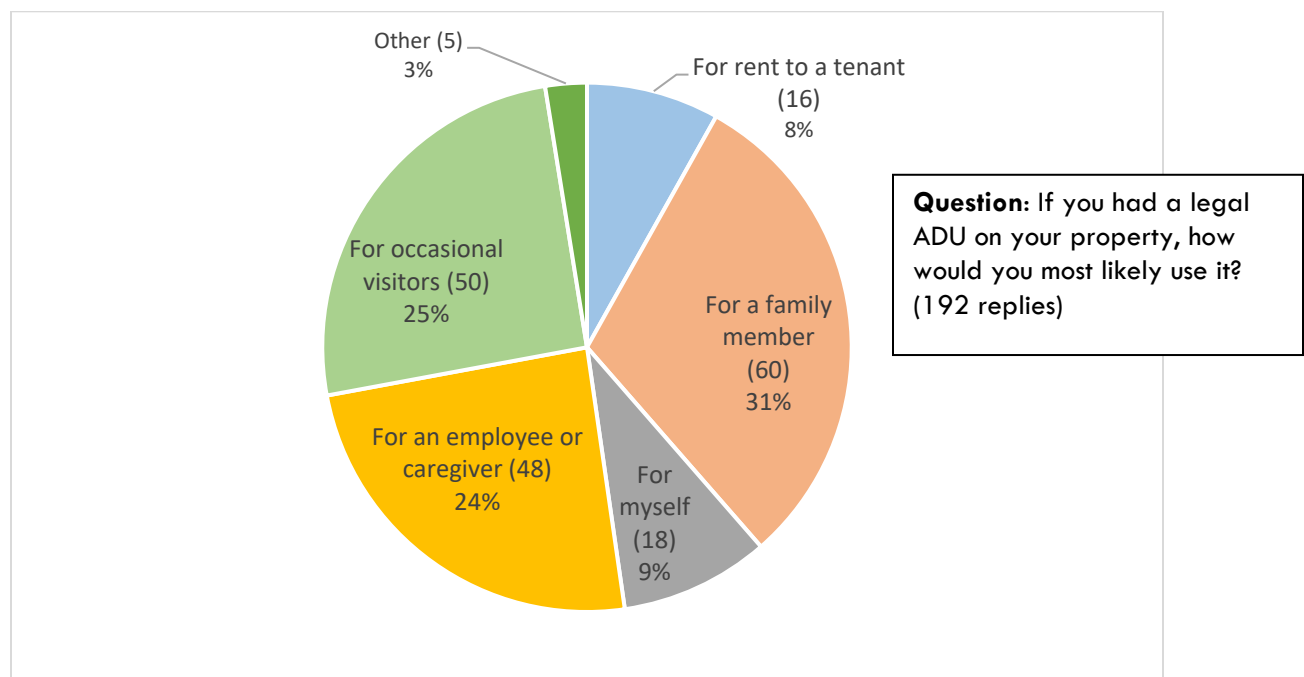
Nineteen of the respondents were not sure where they might locate an ADU. Again, a majority (about 115) were not interested in adding an ADU.

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.

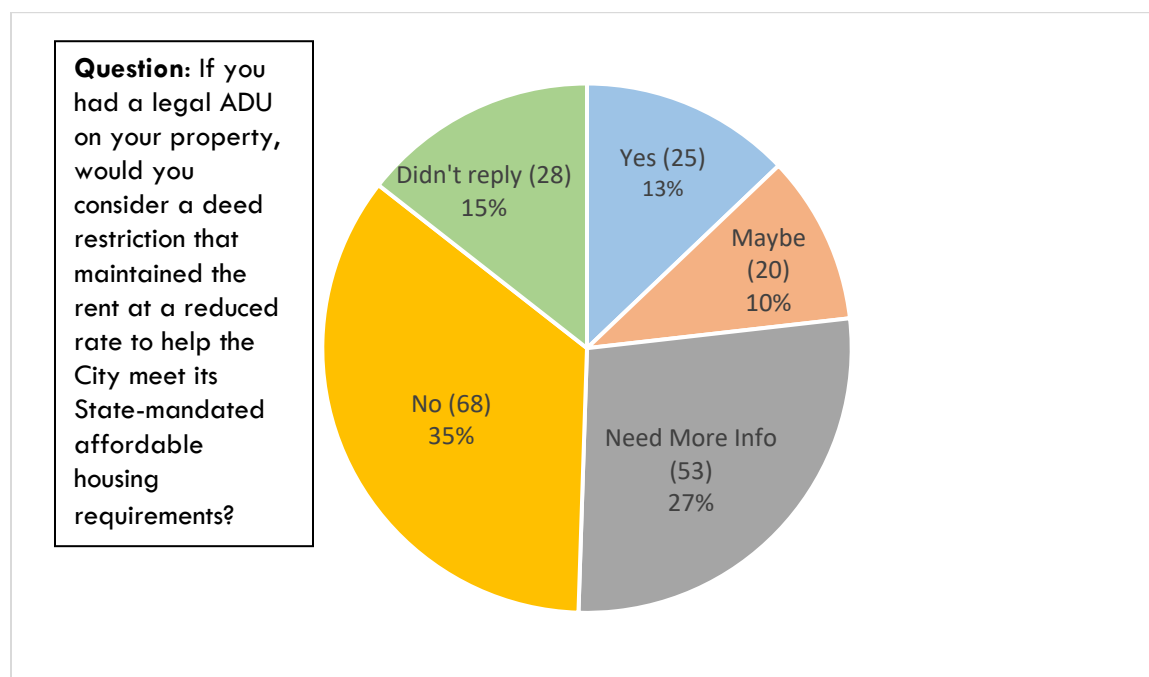


**Figure B-4: Likely Use of Future ADUs (N=192)**

## 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)**

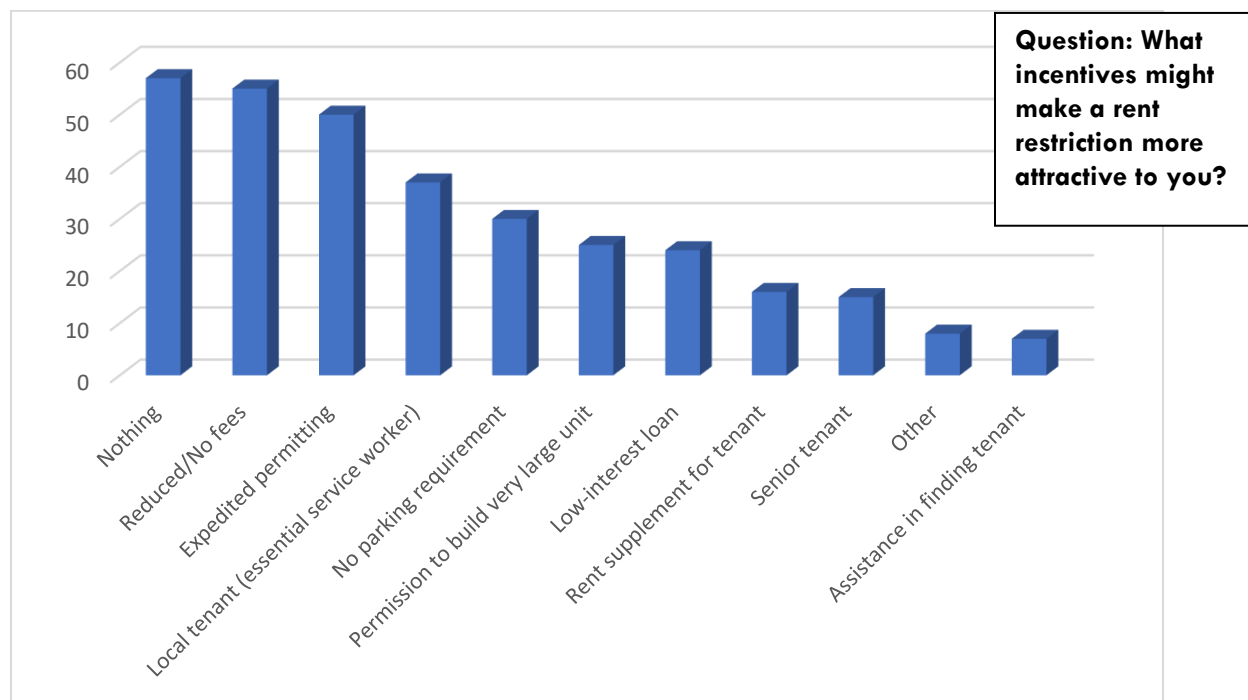
For the 98 respondents who answered “Yes”, “Maybe,” or “Need More Information”, the survey asked a follow-up question, which is the maximum length of time the respondent would consider acceptable for an affordability deed restriction. Two respondents did not reply, but the other 96 provided the answers 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](http://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)						
Annual Income	1	2	3	4	5	6
	\$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

C. I would need more information first

B. Maybe

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

D. Until I sell the house

B. 10 years

E. Not Sure

C. 20 years

F. Other \_\_\_\_\_

- 7B: What incentives might make a rent restriction more attractive to you? (circle all that apply)

A. No parking requirement

G. Senior tenant

B. Reduced (or no) permit fees

H. Low-interest financing to create the ADU

C. Expedited permit processing

I. Permission to build a unit larger than 1,000 square feet

D. Assistance in finding a tenant

J. Nothing

E. Rent supplement for the tenant

K. Other \_\_\_\_\_

F. Local tenant (e.g., school teacher, fire fighter, child care worker)

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

<u>Age</u> Under 35 35-49 50-64 65+	<u>How Long Have You Lived in Rolling Hills?</u> Less than 10 years 10-19 years 20-29 years More than 30 years	<u>How Many People Are in Your Household?</u> 1      4 2      5 3      6 or more	<u>Are you a Homeowner or a Renter?</u> Homeowner Renter
---	--	---	--

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:

## Exhibit C

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



City of Rolling Hills  
No. 2 Portuguese Bend Road Rolling Hills, CA 90274 Contact: Meredith T. Elguira  
tel: (310) 377-1521; email: [Melguira@cityofrh.net](mailto:Melguira@cityofrh.net)

October 1, 2013 (first draft)  
February 10, 2014 (second revision)  
April 17, 2020 (third revision)  
February #, 2021 (draft for HCD submittal)

# **ACKNOWLEDGMENTS**

---

## **Rolling Hills City Council**

Jeff Pieper, Mayor

Bea Dieringer, Mayor Pro Tem

James Black, M.D., Councilmember

Leah Mirsch, Councilmember

Patrick Wilson, Councilmember

## **Rolling Hills Planning Commission**

Brad Chelf, Chair

Greg Kirkpatrick, Vice-Chair

Sean Cardenas, Commissioner

Jana Cooley, Commissioner

Matt Seaburn, Commissioner

## **City Staff**

Elaine Jeng, P.E., City Manager

Meredith Elguira, Planning and Community Services Director

Michael Jenkins, City Attorney

Jane Abzug, Assistant City Attorney

Stephanie Grant, Administrative Clerk

## **Consultants**

Barry Miller, Barry Miller Consulting (Housing Element)

Anna Choudhuri, CSG Consulting (CEQA)

## 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.



**ALL PAGE NUMBERS AND HEADINGS HAVE BEEN UPDATED AS  
NEEDED IN THE “CLEAN” COPY**

**2014-2021 Update of the Housing Element of  
the General Plan City of Rolling Hills**

**TABLE OF  
CONTENTS**

<b>Section</b>	<b>Page</b>
<b>EXECUTIVE SUMMARY .....</b>	<b>I</b>
<b>I. INTRODUCTION .....</b>	<b>I</b>
A. Community Overview.....	I
B. Purpose of the Element .....	4
C. Legislative Requirements .....	5
D. Scope and Content .....	5
E. Relationship to other General Plan Elements .....	5
F. Relationship to Private Land Use Restrictions.....	6
G. Public Participation .....	6
H. Sources of Information.....	7
<b>II. HOUSING NEEDS ASSESSMENT.....</b>	<b>8</b>
A. Population Characteristics .....	8
1. <i>Population Change</i> .....	8
2. <i>Age Characteristics</i> .....	10
3. <i>Race and Ethnicity</i> .....	11
4. <i>Employment</i> .....	12
B. Household Characteristics.....	12
1. <i>Household Type</i> .....	13
2. <i>Overcrowding</i> .....	13
3. <i>Household Income</i> .....	14
4. <i>Special Needs Groups</i> .....	16
C. Housing Characteristics.....	25
1. <i>Housing Growth</i> .....	25
2. <i>Housing Type</i> .....	25
3. <i>Age and Condition of Housing Stock</i> .....	26
4. <i>Housing Cost</i> .....	27
D. Assisted Housing .....	30
<b>Section</b>	<b>Page</b>
<b>III. CONSTRAINTS ON HOUSING PRODUCTION.....</b>	<b>31</b>

A. Market Constraints.....	31
1. Land Costs.....	31
2. Construction Costs.....	32
3. Financing.....	32
B. Governmental Constraints .....	32
1. Land Use Controls.....	32
2. Fees and Improvements.....	35
3. Processing Times.....	36
4. Fire Safety Standards.....	36
C. Contractual Constraints.....	37
D. Infrastructure Constraints.....	37
1. Streets.....	37
2. Wastewater Disposal.....	38
3. Storm Water Run-off.....	38
4. Fire Flow Requirements.....	38
E. Geologic Constraints .....	39
F. Environmental Constraints.....	44
G. Constraints to Housing for Persons with Disabilities .....	44
<b>IV. HOUSING ASSESSMENT SUMMARY.....</b>	<b>45</b>
A. Local Housing Assessment.....	45
B. Regional Housing Assessment .....	45
<b>V. HOUSING OPPORTUNITIES.....</b>	<b>46</b>
A. Availability of Sites for Housing.....	46
B. Ability to Meet RHNA Allocation.....	49
1. Housing Supply .....	49
2. Housing Affordability.....	49
3. Availability of Public Services and Facilities.....	50
C. Opportunities for Energy Conservation .....	50
D. Financial Resources.....	52
<b>VI. HOUSING PLAN .....</b>	<b>56</b>
A. Review of Housing Element Performance .....	56
1. Progress in Implementing Existing Housing Element.....	56
B. Goals, Policies and Programs.....	58
C. Housing Implementation Plan .....	59

**ADD APPENDIX A AND APPENDIX B**

<b>Figures</b>	<b>Page</b>
1. Vicinity Map .....	2
2. Seismic Hazards .....	41
3. Liquefaction and EQ-Induced Landslide Zones – Northern.....	42
4. Liquefaction and EQ-Induced Landslide Zones – Southern.....	43
5. Vacant Land Inventory Map.....	48

## **Tables – AMENDED AS NEEDED**

<b>Page</b>
1. Population in City, 1970, 1980, 1990, 2000, 2010.....
2. Population by Age Group, Rolling Hills, 2010 .....
3. Population by Race and Hispanic or Latino Origin, 2010 .....
4. Household Type, Rolling Hills and Los Angeles County .....
5. Los Angeles County 2010 Area Median Income and Income .....
6. 2010 Rolling Hills, Surrounding Cities, County-Household Income.....
7. 2010 Rolling Hills Household Income .....
8. Special Needs Groups in Rolling Hills and County.....
9. City of Rolling Hills Age of Housing Stock.....
10. Median Housing Costs, Rolling Hills, Neighboring Cities.....
11. Affordable Housing Prices and Rents by Income Group.....
12. City of Rolling Hills Development Standards.....
13. City of Rolling Hills Development Fees .....
14. RHNA New Housing Construction Needs by Income Group.....
15. City of Rolling Hills Future Residential Development Potential .....
16. Federal and State Housing Programs .....
17. City Progress toward Implementing 2006-2014 Element.....
18. Quantified Objectives .....

## EXECUTIVE SUMMARY

This Housing Element addresses housing needs, opportunities, constraints, policies, and programs in Rolling Hills for the 2014-2021 planning period ~~from 2014-2021 in accordance with applicable state law, and consistent with the City of Rolling Hills General Plan and the community's vision of its housing needs and objectives.~~ As a semi-rural hillside community, Rolling Hills' ability to provide housing is limited by ~~its serious~~ geologic, topographic, wildfire, ~~and 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 affordable 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 ~~service~~ 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. Physically, 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).

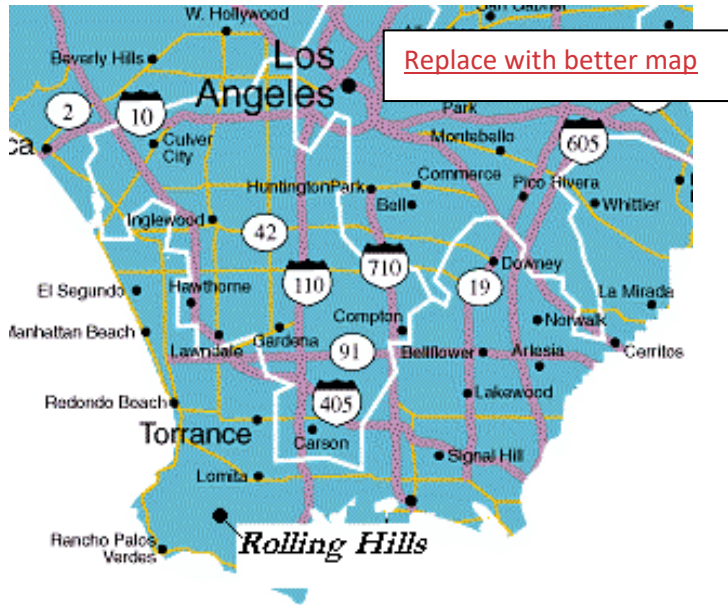


Figure 1. Vicinity Map

The land use pattern was established with the original subdivision and sale of parcels that began in 1936. The community is comprised of single-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 ~~Steeply-sloping hillsides~~
2. Landslide hazards ~~Fire-safety constraints~~
3. ~~Lack of urban infrastructure, specifically sewer~~
- 3.1. ~~Danger of wildland fires~~
4. Biological resource constraints, including ~~Ss~~ensitive animal habitats and species

~~6. Restrictions of enforceable~~ These constraints are described below. covenants, conditions, and restrictions of the Rolling Hills Community Association (RHCA), which existed prior to the City's incorporation.

## Geologic and Topographic Constraints:

~~Rolling Hills has been described as having the most severe terrain of any jurisdiction in Los Angeles County. Its The Rolling Hills~~ landscape is comprised of a system of rolling hills, steep canyons and blue-line streams. ~~It has been described as having the most severe terrain of any jurisdiction in Los Angeles County.~~ 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 soils 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 their property slid, requiring the property owners to do extensive and expensive slope restoration work. ~~Last year, 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 ~~of over 4 of the 8-acre lot~~ was required.

## Fire Safety Constraints:

According to the California Department of Forestry and Fire Protection, ~~effective July 1, 2008,~~ all land in the City of Rolling Hills was upgraded ~~in 2008 from “High Fire Hazard Severity Zone” one-level~~ to “Very High Fire Hazard Severity Zone” (VHFHSZ) ~~(Very High Fire Hazard Severity Zone).~~ As a result, ~~several~~ more restrictive fire safety standards ~~have been were~~ adopted in the City Building Code ~~that apply to all new development in the City.~~ Examples of the new fire safety building standards include requirements to box in eave projections (common to all ranch style homes in Rolling Hills), ~~to~~ install double paned windows, and use heavy timber construction materials and other construction materials approved by the California Fire Marshall ~~only~~. Professionally designed landscaping meeting ~~the~~ Fire Department fuel modification ~~standards zones requirements~~ (including fire-resistant plants around structures) ~~are also is~~ required. The new fire zone designation and related standards are placing additional constraints on new development, ~~especially~~ 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~~ homes on the western periphery of the City are served by a sewer system. Consequently, ~~most any~~ 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 ~~such~~ 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. XIII D, § 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 ~~densities~~ in the City.

#### ~~Environmental~~ Biological Resource Constraints:

Environmental constraints that limit development in Rolling Hills include sensitive animal habitats and species ~~that are either~~ listed or ~~being~~ considered for listing by the U.S. Department of Fish and Wildlife and/or the California Department of Fish and ~~Wildlife~~ Game. 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.

#### ~~Contractual Constraints:~~ (discussion moved to Section "F")

~~Rolling Hills has been largely built-out for the past thirty years. Most of the developable property in the City is subject to RHCA, a non-profit California Corporation, conditions and restrictions (CC&Rs) that run with the property in perpetuity with the exception of the following lots listed below. These lots were considered for potential residential development. The CC&Rs were in place prior to the City's incorporation.~~

- ~~1. City Hall Complex~~
- ~~2.1. Tennis Court Facility~~
- ~~3.1. PVP Unified School District~~
- ~~4.1. Daughters of Mary and Joseph Retreat Center~~

Within the context of ~~the these overwhelming~~ constraints described above, 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 ~~reached out to~~ adjacent communities to address ~~its~~ regional affordable housing needs. Additionally, the City amended Chapter 17.28 of the ~~City of~~ 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 ~~main~~-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 thea Housing Element and incorporated in the General Plan of each municipality.

## C. LEGISLATIVE REQUIREMENTS

The legislative requirements for Housing Element of the law 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 the identified housing needs, ~~the~~ market and governmental constraints, and ~~the~~ 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 City 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 ~~and Open Space and Conservation Element~~ are reflected in incorporated into the Housing Element. This Housing Element builds upon the other General Plan elements and is ~~entirely~~ 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 will help ensure and ensuring consistency between this Element and the ~~City's~~ 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 composed of 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 ~~(Covenants, Conditions and Restrictions)~~ 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.

These 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 trails, 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 475I—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 gain~~ public input ~~in to~~ 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 ~~received~~ included questions from the Planning Commission regarding feasibility of meeting the affordable housing goal given the City’s topographic and infrastructure ~~constraints~~goals. 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. ~~The Commission also commented on the two new market rate houses currently being proposed. These two units would satisfy the City’s RHNA requirement for above moderate income housing. No members from the public attended.~~

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 towards achieving a compliant Housing Element. The meeting was well~~highly~~ attended by residents inquiring as to the 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 ~~need to 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.

~~Notice of the September 26<sup>th</sup>, 2013 and November 25, 2019 public meetings were posted at City Hall and published in the Palos Verdes Peninsula News and in the City bi-weekly newsletter. In addition, the agenda for the City Council meetings is published in the bi-weekly Newsletter, posted on City's website and copy is emailed to those residents who registered for the agendas. Rolling Hills is a relatively small community and its residents are accustomed to the City's noticing procedures. The City's notices are made equally available to all residents of all income levels. In addition, the September 26<sup>th</sup>, 2013 meeting notices regarding the Housing Element update 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.~~

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.

~~Additionally, the City of Rolling Hills will conduct public hearings before the Planning Commission and City Council which will be open to all members of the public. At these meetings, additional public comment will be sought relative to the Housing Element Update and the need for new housing programs. Notices of these meetings will be distributed similar to the September 26, 2013 and November 25, 2019 public meetings.~~

~~To achieve public~~The City continues to encourage and support participation of all economic segments of the community. ~~in the Housing Element Update, s~~Staff will reach out beyond its City boundaries to solicit 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 also schedule~~ additional workshops, surveys, and public meetings ~~as part of its next leading up to the adoption of the~~ 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 ~~where appropriate. References to these informational sources are~~ 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 ~~the~~ housing needs ~~of the community and region~~. 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~~ ~~changes~~ reflect both local and regional conditions. ~~Consequently, the regional context is also presented. 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 ~~that follows~~ 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~~ ~~Stock~~, 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. ~~Such projects are at risk of losing those rent restrictions within the next few years, which can result in significant rent increases for their tenants.~~

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.

#### I. 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, ~~January 2013~~. 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 I, the City had a 1970 population of 2,050 and a 1980 population of 2,049. By 1990, ~~according to the Census~~, the City's population had dropped to 1,871. This decrease ~~from~~

~~1980 to 1990~~ includes some population lost as a result of the damage from ~~previous landslides and fires, including~~ the Flying Triangle Landslide, in which ten homes were destroyed ~~by fire in or near the Flying Triangle Active Landslide Area~~ in the southern portion of the City.

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

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 I**  
**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 ~~data from the~~ 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 ~~3020~~ years, its median age has increased from ~~38.2 in a 1980 median age of 38.2 years, to 45.5 in a 1990 median age of 45.5 years to a 53 in 2010 median age of 53 years~~. 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**

<b>City of Rolling Hills</b>		
<b>Age Range</b>	<b># of Persons</b>	<b>% of Population</b>
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
<b>City Median Age - 2010</b>	<b>53.0</b>	
<b>County Median Age - 2010</b>	<b>35.9</b>	

### 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, 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**

Race	City of Rolling Hills		Los Angeles County	
	# of Persons	% of Total	# of Persons	% of Total
<b>One Race</b>	<b>1,800</b>	<b>96.8</b>	<b>9,379,892</b>	<b>95.5</b>
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
<b>Two or More Races</b>	<b>60</b>	<b>3.2</b>	<b>438,713</b>	<b>4.5</b>
<b><u>TOTAL</u></b>	<b><u>1,860</u></b>	<b><u>100.0</u></b>	<b><u>9,818,605</u></b>	<b><u>100.0</u></b>
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 (~~72.1~~ percent) were employed in management, professional and related occupations. An estimated ~~20.4~~<sup>6.6</sup> percent worked in sales ~~and office jobs~~; ~~40.3~~ percent in service industries; ~~3.9~~<sup>0.6</sup> percent in natural resources, construction and maintenance; and ~~0.34~~ percent in production transportation, and material moving occupations.

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 ~~in the City~~ 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 ~~since no new source of employment is expected~~ in the future.

## B. HOUSEHOLD CHARACTERISTICS

Information on household characteristics is an important indicator of housing needs ~~in a community~~. 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 ~~combined with local housing costs~~ preclude ~~the option of~~ 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, ~~and a~~ <sup>A</sup> single ~~person~~ household refers to an individual~~s~~ 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.

### I. Household Type

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

Rolling Hills' average household size is 2.81 persons per household, ~~and~~ 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.

**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%
<del>Other</del> Non-family	124	18.7%	<del>224,943</del> 996,797	<del>31.87</del> 2%
<b>Total</b>	<b>663</b>	<b>100.0%</b>	<b>3,133,774</b>	<b>100%</b>
Average Household Size (all households)	<b>2.81</b>		<b>2.98</b>	
Average Family Household Size	<b>3.08</b>		<b>3.58</b>	

## 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, with 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.<sup>1</sup> California law and some

<sup>1</sup> Correspondence from Lisa Bates, Deputy Director, Division of Housing Policy Development,



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**

Income Category	Maximum Income by Household Size			
	1 Person Household	2 Person Household	3 Person Household	4 Person Household
<b>Extremely Low Income</b>	\$17,950	\$20,500	\$23,050	\$27,650
<b>Very Low Income</b>	\$29,900	\$34,200	\$38,450	\$42,700
<b>Lower Income</b>	\$47,850	\$54,650	\$61,500	\$68,300
<b>Median Income *</b>	\$45,350	\$51,850	\$58,300	\$64,800
<b>Moderate Income</b>	\$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

State of California Department of Community Development, February 25, 2013.

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, below, 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, an income level that generally correlates to usually associated with lower income households. Approximately 6.0 percent of Rolling Hills households report income below \$25,000 per year, an income level that generally correlates to usually associated with extremely low income households. Based on the 2010 Census estimate of 663 households, this could mean that as many as 394 Rolling Hills households are extremely low income.

~~Government Code Section 65583(a) requires jurisdictions to analyze the housing need for its extremely low income population. According to the 2010 Census, 90.8 percent of houses in Rolling Hills are valued at over \$1,000,000, with about 5 percent valued at under \$200,000. Recent for sales data for September 2013 shows a median for sale housing price of about \$5,500,000, with the lowest for sale price at \$2,225,000. [Deleted because same info. appears several pages later]~~

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.~~

~~It is also likely that the 40 households that declared to have incomes under \$25,000 would be interested in renting out a portion of their homes for additional 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%

#### 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. ~~This information is summarized in Table 8.~~ The identified special needs groups are defined below:

##### Elderly Older Adults and Frail Elderly

The special needs of many older elderly households result from their fixed incomes, higher rate of physical disabilities and common need for assistance from others. ~~Elderly is defined as age 65 or older.~~ In 2010, 513 residents or (27.9 percent of Rolling Hills’ population) ~~were were~~ 65 or older. ~~The number of households with at least one senior resident was substantially higher.~~ As shown in Table 8, 340 households ~~had with at least one member over 65-elderly persons, representing comprised 340 or~~ 51.3 percent of all Rolling Hills households. By comparison, countywide, 10.9 percent of County ~~residents persons~~ were 65 or older ~~households were headed by a person 65 years 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 Ssenior households are likely to be on fixed low incomes and are at a 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 ~~their~~ limited mobility, some older adults may the elderly also often need to live close or have transportation assistance to shopping and medical facilities.

According to the ~~2020 American Community Survey-2000 Census, of those Rolling Hills residents that are elderly, 19.1~~ 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 elderly~~ are ~~expected to be~~ 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 assist its~~ elderly residents find needed services, the City has ~~available at City Hall~~ 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 a 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  |

**Organization**

- South Bay Senior Service
- H.E.L.P.

**Street Address**

2510 W. 237th Street  
1404 Cravens Avenue

**WILMINGTON**

- Wilmington Senior Center
- Mahar House Community Center
- Harbor Area Senior Center
- Wilmington Jaycees Foundation

1148 N. Avalon  
1115 Mahar Avenue  
1371 Eubank Avenue  
1371 Eubank Avenue

**HARBOR CITY**

- Harbor City Senior Center

24901 Frampton

**SAN PEDRO**

- Anderson Memorial Senior Center
- San Pedro Service Center
- Salvation Army Sage House
- Japanese Community Pioneer Center
- Toberman Senior Club

828 S. Mesa Street  
769 W. Third  
138 S. Bandini Street  
1964 W. 162nd Street  
131 N. Grand Avenue

**REDONDO BEACH**

- RB Community Center
- Meals on Wheels
- Beach Cities Health Group
- Redondo Beach Senior Center

200 N. Pacific Coast  
32 Knob Hill Avenue  
514 N. Prospect  
3007 Vail Avenue

**MANHATTAN BEACH**

- Joslyn Center
- Manhattan Beach Senior Center
- Manhattan Heights Senior

1601 Valley Drive  
Same as above  
Same as above

**HAWTHORNE**

- Hawthorne Senior Center

3901 El Segundo Blvd

**GARDENA**

- Behavioral Health Services, Medicine Education Program
- Special Services Group Care Project
- Asian Community Service Center
- Gardena Service Center
- Second Time Around
- Sociable Seniors

15519 Crenshaw Blvd  
14112 S Kingsley Dr  
same as above  
1670 162nd Street  
13220 Van Ness  
1957 W. Redondo Bch

**Organization****RANCHO PALOS VERDES**

- Peninsula Seniors

**Street Address**

30928 Hawthorne Blvd

**PALOS VERDES ESTATES**

- St. Margaret Mary Church Senior Club

25511 Eshelman

**EL SEGUNDO**

- El Segundo Senior Center

3339 Sheldon Street

The City's continued commitment to meeting these needs is summarized in Section V.C., Housing Implementation Plan (2014-2021).

**Table 8** [This table has been deleted as it is redundant. The information it includes is included in other tables or is described as being "Not Reported"]

**Estimated Population of Special Needs Households  
in Rolling Hills and Los Angeles County  
2010 Census**

	<b>City of Rolling Hills</b>		<b>County of Los Angeles</b>
<b>Special Needs Group</b>	<b>Number</b>	<b>Percent</b>	<b>Percent</b>
Elderly (65 years +) Persons	513	27.6	10.9
Elderly -- Disabled	Not Reported	Not Reported	Not Reported
Disabled Persons	Not Reported	Not Reported	Not Reported
Female-Headed Households with Children under 18	3	1.0	8.0
Below Poverty Level		0	14.5

**Disabled Persons**

Physical and mental disabilities can hinder access to housing units as well as the income needed to pay for housing of conventional design as well as limit the ability of the disabled individuals to earn an adequate income. The proportion of physically disabled individuals is increasing nationwide due to overall increased longevity and lower mortality~~fatality~~ 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, Of Rolling Hills' disabled residents (152 total) Rolling Hills' 152 disabled residents included: 15 (or 9.9 percent) ~~were~~ aged 5 to 20 years old, 58 (or 38.1 percent) ~~were~~ aged 21 to 64 years old, and 79 (or 52.0 percent) ~~were~~ 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.

Countywide, The 2000 Census data identified 18 percent of Los Angeles County's the population ~~is identified~~ 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.

Rolling Hills disabled residents are generally more active (employed) and older (elderly) than County residents as a whole. 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. However with the large percentage of City disabled adults working (88 percent) and the upper income character of the community suggest that disabled persons in Rolling Hills can afford to modify their housing to accommodate special needs. This information indicates that in Rolling Hills disabled do not represent a special needs group.

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 1 child aged 3-years old, 1 child aged 4-years old, 1 child aged 5-years old, 3 children aged 7-years old, 1 child aged 8- years old, 2 children aged 9-years old, 2 children 10-years old, 1 child aged 11-years old, 3 children aged 12-years old, and 2 children aged 13-years old.<sup>2</sup>

**City Approach to Meeting Disabled Needs:** ~~Although disabled persons are not an identified special needs group in the Rolling Hills, t~~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.

~~The City's continued commitment to meeting the needs of the disabled is summarized in Section V.C. Housing Implementation Plan (2014-2021).~~

## 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 ~~Report~~, Rolling Hills has 3 female-headed households with children 18 years or younger. These 3 households, which comprise less than one-half of one + percent of all Rolling Hills households, are likely expected to be above-moderate upper income. Countywide, female-headed households with children 18 years or younger ~~also~~ comprise 8 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 are expected to be predominately upper income, they are not expected to have special housing needs that require City programs. ~~be constrained by the needs for day care, health care or housing. This information suggests that in Rolling Hills female-headed households do not represent a special needs group.~~

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

<sup>2</sup> Nancy Spiegel, Director of Information and Development, Harbor Regional Center, 21231 Hawthorne Blvd., Torrance CA 90503; September 5, 2013.

## 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 five or more members, compared to 16 percent in Los Angeles County as a whole. Also, no City housing units meet the definition of overcrowded.

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 increasingly reported 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.<sup>3</sup> The homeless facilities closest to Rolling Hills include Beacon Light Mission in Wilmington that currently provides 7 temporary beds for homeless men plus meals.<sup>4</sup> 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.

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.<sup>5</sup> 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.<sup>6</sup> 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 ~~in the name of two-term Mayor James R. Toberman~~, 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.

<sup>3</sup> <https://www.homelesshelterdirectory.org/cgi-bin/id/city.cgi?city=Los%20Angeles&state=CA>; accessed September 22, 2013.

<sup>4</sup> <http://beaconlightmission.org/>; accessed September 22, 2013.

<sup>5</sup> <https://afhusa.org/>; accessed September 22, 2013.

<sup>6</sup> <https://www.harborinterfaith.org/>; accessed September 22, 2013.

**City Approach to Addressing Meeting Needs of 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. ~~If adequate existing facilities are not available, the law requires jurisdictions to identify areas where new facilities are permitted “by right” (i.e., without requiring discretionary approval such as a use permit), or to accommodate the need through a multi-jurisdictional agreement.~~ 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 2021 through its creation and mapping of an Affordable Housing Overlay District where emergency shelter is permitted by right.

~~As discussed in Section III of this Element, numerous constraints make the rezoning of property in Rolling Hills to accommodate emergency shelters infeasible. Physical limitations of the City include:~~

- ~~• Steeply sloping hillsides;~~
- ~~• Landslide hazards;~~
- ~~• Lack of urban infrastructure, specifically sewer;~~
- ~~• Danger of wildland fires; and~~
- ~~• Sensitive animal habitats and species.~~

~~Contractual limitations further prohibit rezoning opportunities in the City. The RHCA has CC&Rs that run with the property in perpetuity. These CC&Rs have been in place prior to the City’s incorporation and continue to restrict development to low density single family based on the community’s unique constraints.~~

Although Rolling Hills has no feasible or suitable sites for permanent emergency shelters, 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.

~~Despite the lack of a quantified need for emergency shelters in Rolling Hills, the City is committed to addressing homelessness in the region and to complying with SB-2. Toward this end, the The City is committed to coordinating with and homeless service providers and meeting local homeless needs, directing any homeless person(s) to local social service providers, if the need arises in the future. A list of nearby social service agencies and shelters is ~~shown in the Housing Element and 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 hotels (SROs) are addressed in Chapter III and Chapter VI of the Housing Element.

## **Transitional and Supportive Housing**

~~SB 2 requires jurisdictions to allow transitional and supportive housing in all residential zones only subject to those restrictions that apply to other residential dwellings of the same type in the same zone. Transitional and supportive housing are allowed by right in existing or proposed single family dwelling unit in the two residential zones within Rolling Hills consistent with state law. Any necessary improvements to the property will require compliance with the adopted Building Code.~~

~~**City Approach to Meeting Transitional and Supportive Housing Needs:** The City is committed to addressing transitional and supportive housing needs within its residential zones consistent with state law. In addition, the City also is committed to coordinating with and directing any person seeking transitional or supportive housing to local social service providers if the need arises in the future. A list of nearby social service agencies and shelters is shown in the Housing Element and is maintained by the City Clerk.~~

## **Single-Room Occupancy (SRO) Units**

~~SB 2 also requires that a jurisdiction describe whether zoning is available to allow SROs. An SRO unit usually is small, between 200 to 350 square feet. These units provide a valuable source of affordable housing for individuals and can serve as an entry point into the housing market for formerly homeless people. HCD's website notes that many older SROs have been lost due to deterioration, hotel conversions, and demolition.<sup>7</sup> HCD recommends that jurisdictions both identify zoning and development standards that will allow and encourage the construction of new SROs, and commit to preserving and rehabilitating existing residential hotels and other buildings suitable for SROs.~~

~~No hotels exist in Rolling Hills. As discussed above, numerous constraints make the rezoning of the majority of property in Rolling Hills infeasible and continue to restrict development. However, the City's adoption of ADU and JADU laws allows for construction of second units on every lot in the City, with existing or proposed single family dwelling unit, by right and only requires administrative review by the Planning and Community Services Department if it complies with certain requirements. The maximum size of such an ADU is 1,000 square feet.~~

~~**City Approach to Meeting SRO Housing Needs:** In addition to potential construction of JADUs and ADUs that may be used as single room occupancy units, there are over 80 emergency shelters plus numerous other facilities assisting homeless and persons needing minimal housing in the Los Angeles area. The City is committed to coordinating with and directing any person seeking assisted housing local social service providers if the need arises in the future. A list of nearby social service agencies and shelters is shown in the Housing Element and is maintained by the City Clerk.~~

<sup>7</sup> [http://www.hcd.ca.gov/hpd/housing\\_element2/SLA\\_variety.php](http://www.hcd.ca.gov/hpd/housing_element2/SLA_variety.php); accessed January 2, 2014.

## C. HOUSING CHARACTERISTICS

A housing unit is defined as a house, apartment, mobile home, or ~~a~~ 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 ~~largely~~ built out for the last ~~forty thirty~~ 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 gained a net~~ 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 an average~~ 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 ~~are expected to~~ include guest houses and a few include permitted accessory dwelling units. Per the Municipal Code, occupancy of ~~the guest houses is shall be~~ limited to persons employed on the premises, the immediate family of the occupants of the main residence or ~~by~~ 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.

~~The City has a three-point plan to incentivize the creation of ADUs at affordable rent. As discussed above, it will invite non-profit organizations and affordable housing sponsors to its workshops and public meetings on the Housing Element Update to help establish ADU incentives. Specifically, it intends to explore partnerships with Habitat for Humanity or La Maz to subsidize construction of ADUs/JADUs in exchange for renting the ADUs/JADUs at affordable rates for a fixed period of time. The City will also waive Planning and Building Fees for property owners who covenant to rent ADUs or JADUs at affordable rates. Lastly, the City will explore a partnership with the Association to find ways to incentivize property owners who covenant to rent ADUs/JADUs at affordable rates.~~ **[TEXT MOVED TO LATER SECTION OF REPORT]**

### 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 older with deferred maintenance require more substantial repairs, such as new siding, plumbing or multiple repairs to the roof, walls, etc. As illustrated in Table 9, the majority of Rolling Hills' housing (51 percent) was constructed before 1960. ~~Due to a diminishing supply of available land, development in Rolling Hills slowed significantly in the past two decades.~~

**Table 9**  
**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%	



The fact that the 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:** ~~Because As noted above, the City encourages the conservation and maintenance of its housing stock maintenance and works with its homeowners to support home improvements and code enforcement activities. is not an identified need in the Rolling Hills, the City does not have active programs or policies to address this need.~~

## 4. Housing Costs

Housing costs are driven by the price of raw land, infrastructure ~~costs~~ (e.g. sewer and water), construction ~~costs~~, supply relative to demand, and financing ~~terms costs~~. The diminishing supply of developable land in Rolling Hills and the ~~recent~~ rapid rise in residential real estate prices that has occurred throughout the ~~s~~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.<sup>8</sup>

As shown in Table 10 below, Rolling Hills' housing prices are similar to most of its neighboring communities.

<sup>8</sup> Zillow.com; accessed 9/30/2013.

**Table 10**  
**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 <sup>9</sup>

## 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. The rental housing market in Rolling Hills is comprised only of single family homes. 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.<sup>9</sup> There are also a limited number of Accessory Dwelling Units that are more affordable. At these prices, only upper income households could afford to rent in Rolling Hills.

## 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.

## Household Tenure

<sup>9</sup> Zillow.com; accessed 9/30/2013.

~~According to the 2010 Census, 97.5 percent of the City's housing units were owner-occupied, with 2.5 percent renter-occupied.~~

## 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 ~~provided by HCD~~ indicates that ~~2 of 15 (13.0 percent)~~ of Rolling Hills' renter households and ~~206 of 598 (34.0 percent)~~ of owner households paid more than ~~nt~~ 30 percent of their income on housing.

Table 11, below, 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 11, 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 ~~currently~~ begins at about \$2,225,000. With ~~a~~ 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 11, are ~~certainly~~ well above the reach of the Extremely Low, ~~and~~ Very Low, Low, Median and Moderate Income households.

**Table 11 County of Los Angeles**  
**Affordable Housing Prices and Rents by Income Group: 2013**

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

~~Rental housing Single family homes~~ in Rolling Hills ~~rent for more starts at than~~ \$3,500 per month. These rents are ~~certainly~~ well above the reach of ~~the~~ Extremely Low ~~and~~ Very Low, ~~and Low, Low, Median and Moderate~~ 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~~ Consequently, it is unlikely that Rolling Hills' households are lower income. Rolling Hills households that report paying more than 30 percent of their income for housing are unlikely to qualify for federal or state sponsored housing programs or have a need for other affordable housing options.

#### **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, ~~and no further discussion of at risk units is required.~~

### III. CONSTRAINTS ~~TOO~~ 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.

##### I. 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 siteraw~~ land, 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 its proximity to the Pacific coast, dramatic ~~rolling hills~~ topography that tends to ~~require yield~~ 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.<sup>1</sup> A scan of Zillow.com in Fall 2020 showed only one vacant for-sale parcel in the City—a 7-acre lot 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 ~~would~~ necessitate significant grading to accommodate development. The extremely high land costs ~~would~~ make conventional construction of lower income housing in the City very challenging impossible without government subsidy. The City has very limited resources ~~and because~~ it is 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, which~~ typically comprise between more than 50 ~~to 60~~ percent of the ~~for-sale~~ price of a home. According

<sup>1</sup> [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/](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.

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 contributors. Typical residential construction costs for high quality homes like those found in Rolling Hills ~~were are~~ 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 and types of~~ amenities and construction materials are generally selected at the discretion of the property owner and/or developer. ~~However, As required by State law,~~ the City Zoning Ordinance allows for manufactured housing units ~~that can help~~ to reduce residential construction costs.

### 3. Financing

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

~~Property values have largely recovered from the losses of the Great Recession, but the~~ This mortgage crisis ~~had~~ made qualifying for a home loan more difficult. Although 30- year fixed rate mortgages are still available at ~~less than about~~ 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 factors in both the~~ private ~~and public~~ sector constraints. Actions by the City can have an impact on the price and availability of housing ~~in the City~~. 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.

### I. Land Use Controls

Land ~~u~~Use ~~c~~Controls are established by the City's General Plan Land Use Element, Zoning Ordinance, and Community Association Building Regulations. These controls existing zoning standards respond to the unique physical, health, and safety aspects of the City. Based on 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 (RA-S-1) and Residential Agricultural Suburban - two acre minimum (RAS-S-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 12, 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 ~~implemented in its~~ Zoning Ordinance standards to allow the development of manufactured homes in its residential zones.

**TABLE 12  
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
<p>*Note: All property in 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.</p> <p>Source: City of Rolling Hills</p>		

The development standards in Table 12 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 12 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**

#### **[TEXT BELOW MOVED HERE FROM CHAPTER 5]**

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, the adequacy 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) ~~to help increase the housing stock in the City.~~ 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 relatively small household sizes, the City is well positioned to accommodate a substantial number of ADUs and JADUs in the future.

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).<sup>2</sup>

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 also 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.

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.

<sup>2</sup> 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).

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.

### **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 designation 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 allowed 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 13 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.
- 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.



**TABLE 13**  
**CITY OF ROLLING HILLS**  
**SUMMARY OF PARKING REQUIREMENTS FOR MULTI-FAMILY HOUSING**

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

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. 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.

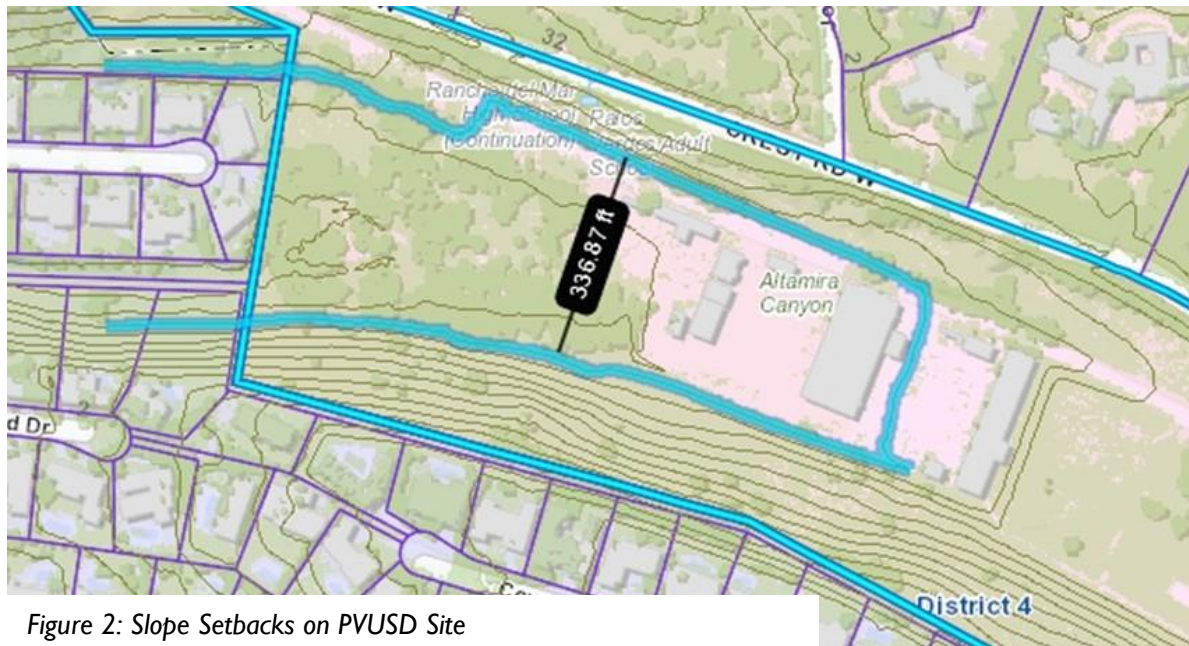


Figure 2: Slope Setbacks on PVUSD Site



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.

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 13).
- 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 13)
- 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 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.

### **Supportive and Transitional 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.

Rolling Hills presently has no Code language that limits transitional and supportive housing or imposes any special restrictions on such housing. However, this housing type is not expressly acknowledged in the Municipal Code. An action program in this Housing Element recommends that definitions of transitional and supportive 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 [Text below moved here from what was previously Section H]**

~~Constraints to the development, maintenance and improvement of housing for persons with disabilities impact housing production and availability. 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 require that the Housing Element include an analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels and for persons with disabilities, including land use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures. These changes also require that the Housing Element address methods for removing any governmental constraints that are identified to the maintenance, improvement, and development of housing, including housing for all income levels and housing for persons with disabilities.~~

~~As evidenced by its adoption of Resolution 699, Rolling Hills accommodates disabled access and~~

~~complies with the recent changes to state law. 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 ~~its~~ 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 ~~ss~~ is permitted. ~~One-story construction throughout the community removes a major barrier for persons with disabilities, and facilitates access for persons with mobility limitations. These d~~Accessibility improvements, universal design changes, and other ~~isabled~~ 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. Rolling Hills has no requirements relating to the spacing or concentration of housing for persons with disabilities.~~

### **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, t~~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:

~~"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."~~

~~Because of the unique infrastructure, geologic and fire safety constraints within Rolling Hills, higher density housing developments on the majority of areas within the City may pose adverse impacts on the public health, safety and welfare.~~

- ~~**Lack of Sewers** Development of high density housing developments could potentially double the amount of sewage effluent currently entering the soil thereby exacerbating soil stability problems. As noted previously, 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~~

~~such a small city with limited financial resources. Indeed, a recent attempt to form a sewer assessment district for properties abutting Johns Canyon Road in the City failed due to the high cost of installing the sewer line. [TEXT MOVED TO D.2]~~

- ~~• Geologic Setting — Numerous active landslides in Rolling Hills greatly diminish development potential and call for caution in increasing densities. [COVERED UNDER SECTION F]~~
- ~~• Rural Design and Community Roadway Character — The current capacity, design, and topographic constraints of the City roadways indicate increased residential densities would compromise road safety. [TEXT MOVED TO D.1]~~
- ~~• Fire Flow Requirements — The introduction of second units in Rolling Hills would change the infrastructure requirements on water facilities in the City. The California Water Company owns and maintains water lines in the City and the Utility has no plans to upgrade the aging water system. Therefore, fire-fighting capabilities could be compromised due to aging system, which could result in reduction in water pressure. [TEXT MOVED TO D.4]~~

~~The existing zoning standards respond to the unique physical, health, and safety aspects of the City. Based on infrastructure, geologic and environmental constraints, most land in the City has developed at a density less than that permitted by City zoning. [TEXT MOVED EARLIER]~~

~~City land use controls respond to Rolling Hills' unique topographic, geologic and infrastructure constraints. In an effort to fulfill its obligations to identify potential sites for low income housing and remove or limit, where appropriate and legally possible, governmental constraints to the maintenance, improvement, and development of housing, the City is considering rezoning either of the following properties within the City of Rolling Hills to accommodate higher density and lower income housing: 1) PVP Unified School District; or 2) Daughters of Mary and Joseph Retreat Center.~~

~~The remaining City land use controls do not represent a governmental constraint to the provision of housing as they directly respond to the City's unique topographic, geologic and infrastructure constraints to protect the public health, safety and welfare of the public.~~

### **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 zone was created for these areas in 2012, allowing smaller front and side yard setbacks. The zone has been 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.

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 Overlay Zone standards have been tested to ensure they are internally consistent and can support housing in the 20-24 unit/acre range.

The City's new 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.<sup>3</sup>

## **2.4. 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. ~~Almost all~~ Most of these fees are assessed through a pro rata ~~share~~ system based on the square footage or value of the project, the staff time required for processing, and the magnitude

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



of the ~~project's residence's impact or on the extent of the benefit that will be derived.~~

A summary of residential development fees in the City is presented in Table I ~~43~~. 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 Costs fees may be~~ required for ~~projects with~~ special circumstances, ~~such as apply to~~ 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's review under the Site Plan Review process for a typical new house in Rolling Hills averages between \$1,700 and \$2,450. The plan check and building permit ~~fees for the actual construction~~ 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.~~

~~Los Angeles County typically updates its fees annually based on the consumer price index and other factors. The majority of~~ 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 of~~ 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).<sup>4</sup> 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, ~~trails and parks~~ because these facilities are privately owned and maintained by the Rolling Hills Community Association.

~~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.~~

<sup>4</sup> [http://planning.lacounty.gov/assets/upl/general/fee\\_20130301.pdf](http://planning.lacounty.gov/assets/upl/general/fee_20130301.pdf); accessed January 2, 2014.



**TABLE I 43**  
**CITY OF ROLLING HILLS**  
**SUMMARY OF RESIDENTIAL DEVELOPMENT FEES**  
 (February 2013)

Type of Fee	Cost
<b>All new residential development</b>	
Building Permit	<del>2-1/2 times the amount set in the</del> 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. <del>City fee is 2-1/2 times the amount set forth by the County.</del>
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
<b>Special circumstance fees</b>	
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

### **3.5. 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” (i.e., ~~without requiring discretionary approval such as a use permit~~) in both the RA-S-1 Zone and RA-S-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. Projects are submitted to LA County Building and Safety following RHCA review.

~~ADUs and JADUs are approved ministerially. 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. Although the City is considering rezoning certain properties within the City of Rolling Hills to accommodate higher density and lower income housing, multifamily residential development is not currently permitted for the public health and safety reasons stated in Section III.B.1, above.~~

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 replacement) rarely exceeds 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.

~~The City typically requires~~ Two to three months is typically required to complete the processing of a ~~new home residential development~~ application in both the RA-S-1 Zone and RA-S-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.

#### **4.6. Fire Safety Building Code Standards**

As discussed above, effective July 1, 2008, all land in the City of Rolling Hills was ~~deemed to be a upgraded one level to~~ “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. ~~Virtually all Most properties of the land~~ 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 for commercial, office or industrial activity. The CC&Rs establish minimum parcel and dwelling unit sizes, and require approval by the RHCA Architecture Committee ~~for~~ of 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.

## 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.

### I. Streets

~~Rural Design and Community Roadway Character—The current capacity, design, and topographic constraints of the City roadways indicate increased residential densities would compromise road safety.~~

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. Use of privately owned roadways requires approval of the RHCA.~~ The City's privately owned 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~~private roadways, 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 ~~higher density housing 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 would require ingress and egress improvements in the event a change of use was proposed.~~

~~Because of the steep terrain and geotechnical issues of the Rolling Hills landform, this constraint is unlikely to be reduced during the current planning period.~~

### 2. Wastewater Disposal

~~Development of high density housing developments could potentially double the amount of sewage effluent currently entering the soil thereby exacerbating soil stability problems. As noted previously, 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 such a small city with limited financial resources. Indeed, a recent attempt to form a sewer assessment district for properties abutting Johns Canyon Road in the City failed due to the high cost of installing the sewer line.~~ [text moved from earlier]

With the exception of ~~a school site and~~ thirteen residences that have individually or ~~collectively (through the creation of a small sewer district) hooked in connected to an~~ with adjacent jurisdiction's sewer systems, there is no sanitary sewer system in Rolling Hills. Residences are served by individual septic tanks and leach lines. ~~Insofar as the City remains on a septic system, this will largely prevent the development of higher density housing. 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.~~

~~Because of its concern that septic systems hinder development and create potential water quality issues, the City has commissioned a number of sewer feasibility studies over the past several decades. has retained an engineering firm to assess the feasibility of a city-wide sewer system. Most recently, an The engineering study firm determined that a conventional gravity sewer system is not feasible in the City, and had studied a 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 for such a small city with 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. ~~Therefore, b~~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*<sup>5</sup>, the City has retained an engineering firm to ~~help assist~~ 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. ~~Fire Flow Requirements~~Water

As noted above, water infrastructure is owned and maintained by California Water Service (CalWater) ~~the CA. Water Co.~~ Additional development beyond that anticipated by the City General Plan ~~w~~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

<sup>5</sup> Order No. 01-182 of the Los Angeles Regional Water Quality Control Board as amended by Order R4- 2006-0074.

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.

~~Fire Flow Requirements—The introduction of ADUs second units in Rolling Hills would~~ could potentially impact water demand ~~change the infrastructure requirements on water facilities in the City. The California Water Company owns and maintains water lines in the City and the Utility 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.~~

~~Therefore, fire fighting capabilities could be compromised due to aging system, which could result in reduction in water pressure.~~

## 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 that~~ significantly ~~adds~~ 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 ~~s conditions~~ continue to place constraints on development within the City. As depicted in Figure ~~32~~, 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 ~~that provides essential and critical services to the community~~. 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 the~~ shaking ~~is possible. in the Newport-Inglewood Magnitude seismic event would be strong~~. Due to the proximity of this fault 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 and~~ areas subject to earthquake-induced landslides, as shown on Figures ~~43~~ and ~~54~~.

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~~ ~~insists on minimal grading to minimize~~ land disturbance and ~~other actions that would exacerbate~~ ~~ion of~~ soils instability. ~~The danger of increased soil~~ Ground instability, particularly if higher density development is constructed, would contribute to potential risk 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 by~~ 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. ~~However, export of soil from excavation activities, such as pools or basements is allowed.~~

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 ~~wide~~ variety of plant and wildlife ~~species~~. Many of these species are either listed or ~~under~~ ~~considerationed~~ for listing by the U.S. Department of Fish and Wildlife and/or the California Department of Fish and ~~WildlifeGame~~. 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 intrudes on these environmental constraints into areas of sensitive biological resources~~ must provide mitigation satisfactory to the overseeing federal and state agencies. Typical mitigation ~~requires is~~ 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.



## CONSTRAINTS ANALYSIS: Track Change Version



# ROLLING HILLS HOUSING ELEMENT: JANUARY 2021 DRAFT

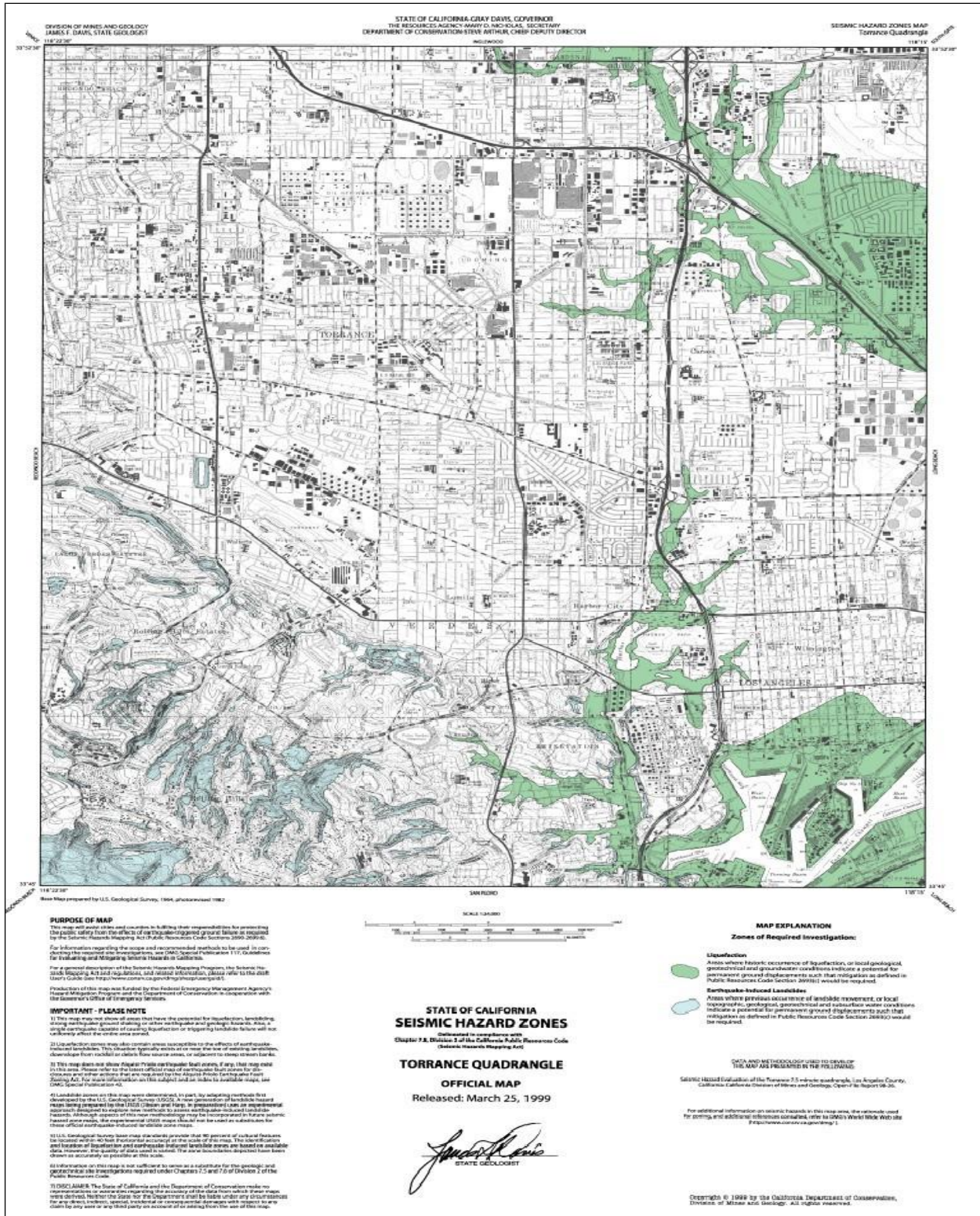


Figure 43. Liquefaction and EQ-Induced Landslide Zones in the City of Rolling Hills – Torrance Quadrangle

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

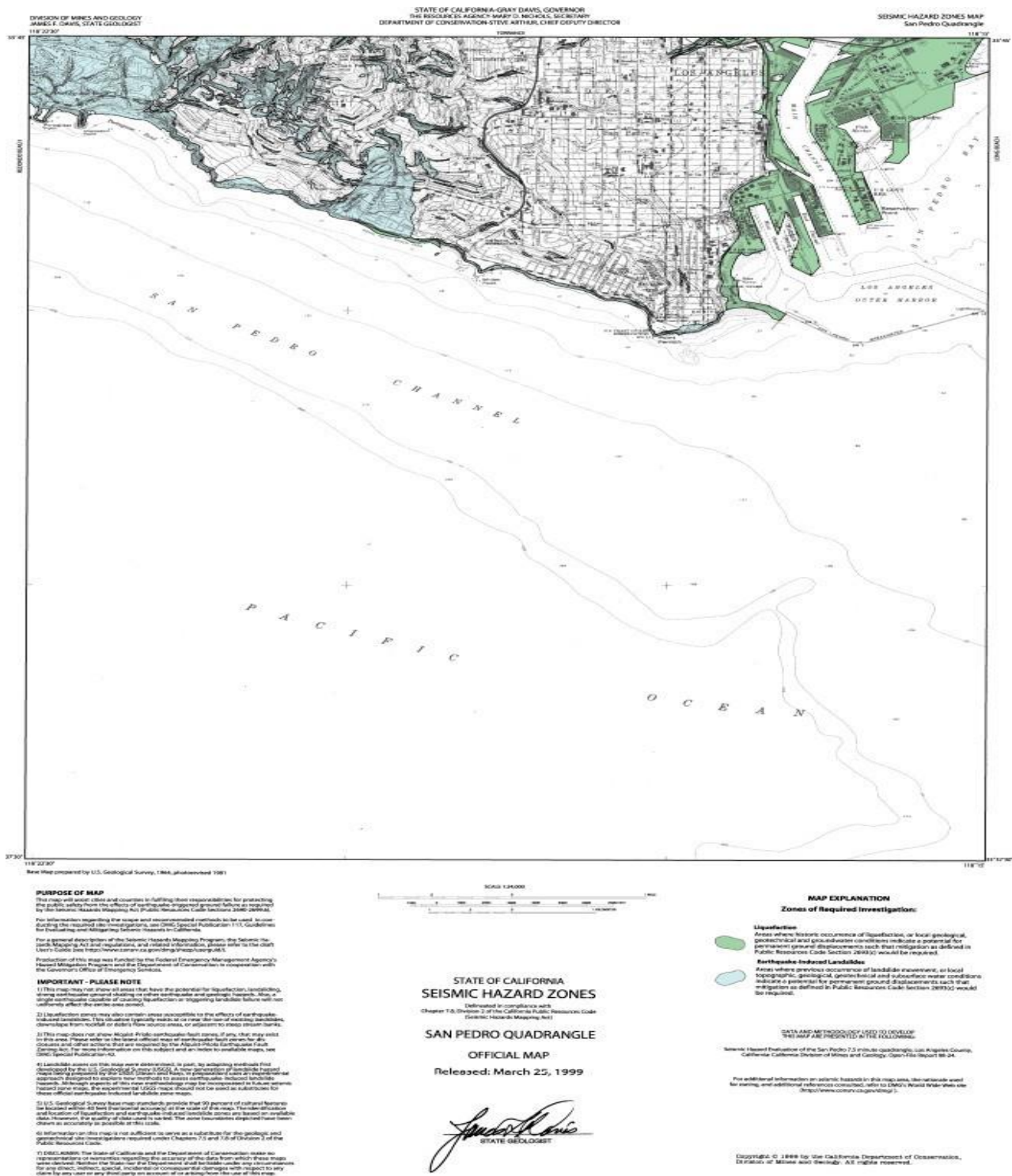


Figure 54. Liquefaction and EQ-Induced Landslide Zones in the City of Rolling Hills – San Pedro Quadrangle  
(Key: Green indicates area prone to liquefaction following earthquakes; Blue indicates area prone to landslides following earthquakes)

## **~~H. CONSTRAINTS TO HOUSING FOR PERSONS WITH DISABILITIES~~**

This section has been moved back to the discussion of housing types



## 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 ~~that follows~~, establishes specific policies and programs to address these identified ~~housing~~ 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.

~~Based on this information, Rolling Hills is an affluent community with no affordable housing needs. However, data regarding special housing needs indicate that the Census data indicates that the City has a large elderly 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, City's elderly population has no housing affordability needs, some households would benefit from assistance, including opportunities for on-site care, home maintenance, home sharing, or supplemental income through an accessory dwelling. members of Rolling Hills' elderly population may require senior assisted living arrangements. Section II.B.4 of this Element presents Chapter VI includes programs for addressing these senior housing 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 15 summarize 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 an "extremely low" (30% of median income or lower) and "very low" (30-50% of median income). The eight units have been evenly allocated across these two income groups.

As part of the Regional Housing Needs Assessment (RHNA), the Southern California Association of Governments (SCAG) determines the housing growth needs by income category for cities within its jurisdiction, which includes the City of Rolling Hills. RHNA determinations for the City of Rolling Hills during this planning period are presented in Table 14. Further discussion of these requirements is outlined below:

As illustrated in Table 14, Rolling Hills is required to provide adequate sites for the construction of 28 new dwelling units during the 4<sup>th</sup> and 5<sup>th</sup> Cycle planning period. Of these new units, 4 should be affordable to Extremely Low Income households, 4 to Very Low Income households, 5 to Low Income households, 5 to Moderate income households, and 10 to above moderate income households.

**Table I 54**

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

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

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



## V. HOUSING OPPORTUNITIES

This section of the Housing Element evaluates ~~the potential~~ opportunities to meet the City's Regional Housing Needs Allocation (RHNA) additional residential development that could occur in Rolling Hills pursuant to the General Plan and Zoning Ordinance. This section ~~It~~ also discusses opportunities for energy conservation in residential development and ~~potential~~ financial resources available to support the provision of affordable housing ~~are also summarized.~~

### A. AVAILABILITY OF SITES FOR HOUSING

Consistent with Government Code Sections 65583(a)(3) and 66683.2(h), ~~to assess future residential development potential in Rolling Hills,~~ an inventory of ~~vacant~~ parcels with the potential for future housing has been prepared. ~~and The inventory has been~~ evaluated both in terms of the number of units permitted by zoning and the realistic capacity actual capability of parcels to accommodate residential development. ~~In addition, large parcels- Parcels that which~~ are currently developed but ~~which~~ 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). ~~have also been evaluated. With the majority of the City's developable acreage already built out, m~~ 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 ~~existing~~ landslides.

#### Vacant Land

Figure 5 illustrates ~~the~~ vacant parcels in the City; the parcels are listed in Table 16. ~~The table identifies 35 vacant, privately-owned lots and two lots with homes under construction or approved for new homes.~~ ~~However, about half~~ Some of these 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 located~~ 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 16 are substantially larger than the minimum lot size allowed by zoning, subdivision into multiple lots is not presumed, and are developable with single family residence only. The buildable area ~~pad~~ on these lots is limited very small and in some cases could not accommodate more than one single family home due to steep slopes. In fact, the acreage cited in Table 16 is based on County Assessor parcel data which already subtracts out easements corresponding to flood hazards and other restrictions. larger developments. All of these parcels are subject to CC&Rs. Aggregating the development potential on available vacant lots, ~~there are 38 vacant sites in the City of an average size of one to two acres, with 16 of the sites having geological or environmental constraints that make development during this planning period unlikely.~~ Consequently, there are Approximately 22 ~~currently 16~~ 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.<sup>1</sup> Some of those also have extreme slopes and only portion of the lots could potentially be developed. Table 15 quantifies the number of dwelling units which could be accommodated on these parcels.

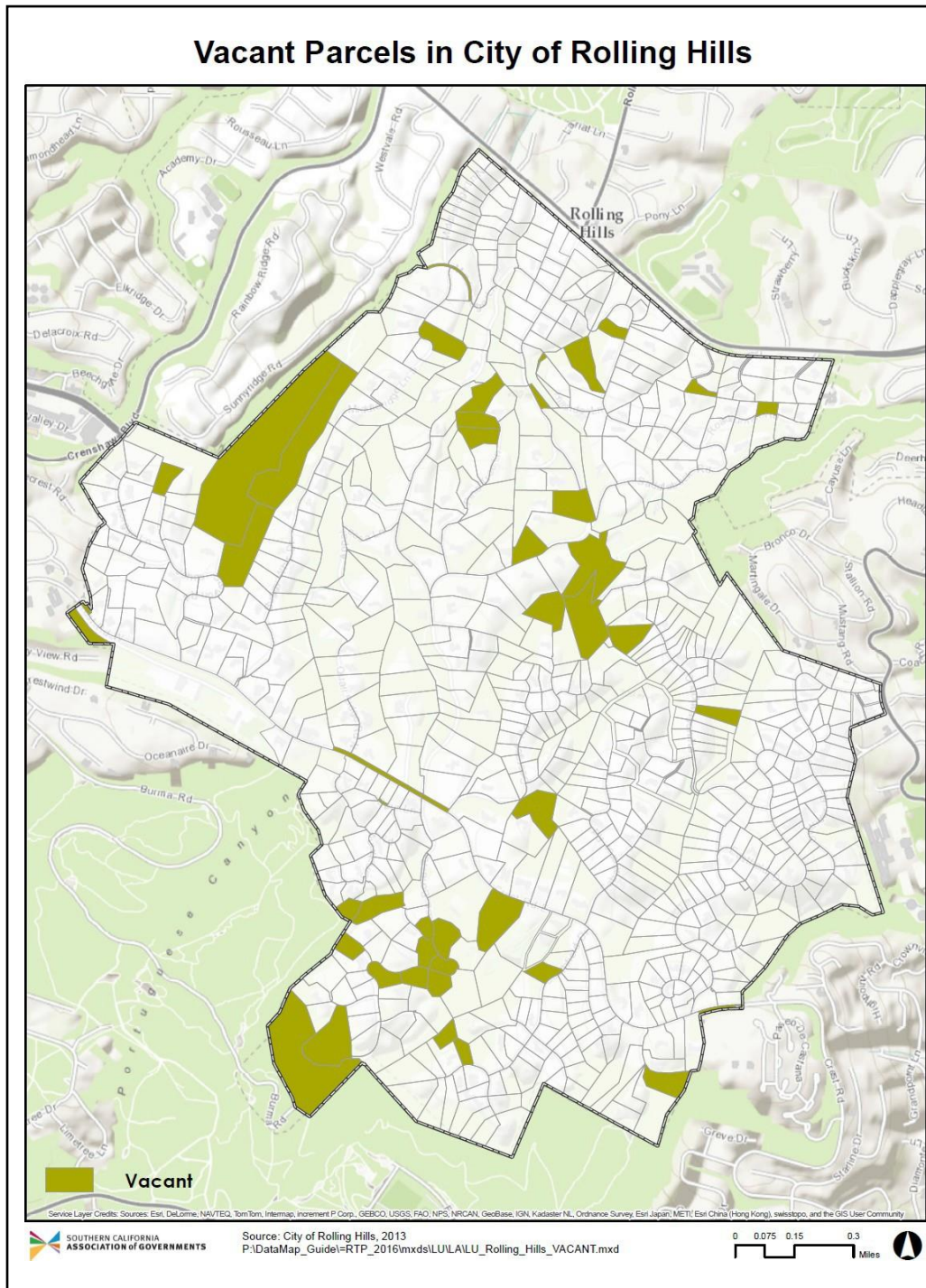


Figure 5: Vacant Land Inventory Map

<sup>1</sup> In fact, the number of “above moderate” income units needed is less than ten, as five new homes were built in the 4<sup>th</sup> Cycle and several more have been built in the 5<sup>th</sup> Cycle.

Table 15: Inventory of Vacant Residentially Zoned Sites

<u>APN</u>	<u>Location</u>	<u>Zoning</u>	<u>Acres</u>	<u>Units</u>	<u>Notes</u>
<u>7569-022-006</u>	<u>East of 5300 Crest</u>	<u>RAS-2</u>	<u>2.20</u>	<u>1</u>	<u>Parking lot for Mary and Joseph Retreat Center</u>
<u>7570-025-022</u>	<u>North end of Johns Canyon Rd</u>	<u>RAS-2</u>	<u>1.68</u>	<u>1</u>	
<u>7570-024-014</u>	<u>Storm Hill Lane extension</u>	<u>RAS-2</u>	<u>11.64</u>	<u>1</u>	<u>Actual area is 34.7 acres, but much of the property is restricted due to hazards and easements</u>
<u>7570-024-015</u>	<u>Storm Hill Lane extension</u>	<u>RAS-2</u>	<u>10.10</u>	<u>1</u>	<u>Actual area is 17.4 acres, but much of property is restricted due to hazards and easements</u>
<u>7570-024-016</u>	<u>Storm Hill Lane extension</u>	<u>RAS-2</u>	<u>6.04</u>	<u>1</u>	<u>7.6 acre site, with restricted use areas</u>
<u>7569-020-004</u>	<u>8 Middleridge Ln S</u>	<u>RAS-2</u>	<u>3.46</u>	<u>1</u>	<u>New house approved</u>
<u>7569-013-020</u>	<u>18 Pine Tree Lane</u>	<u>RAS-2</u>	<u>2.00</u>	<u>1</u>	<u>excludes flood hazard area and easements</u>
<u>7569-013-018</u>	<u>South of 18 Pine Tree Ln</u>	<u>RAS-2</u>	<u>2.20</u>	<u>1</u>	<u>excludes flood hazard area and easements</u>
<u>7569-013-017</u>	<u>North of 10 Pine Tree Ln</u>	<u>RAS-2</u>	<u>2.41</u>	<u>1</u>	<u>excludes easements</u>
<u>7569-004-026</u>	<u>B/w 35 and 45 Saddleback Rd</u>	<u>RAS-1</u>	<u>3.39</u>	<u>1</u>	<u>excludes easements</u>
<u>7561-001-020</u>	<u>B/w 2954 and 2956 PV Dr North</u>	<u>RAS-1</u>	<u>1.03</u>	<u>1</u>	
<u>7569-001-036</u>	<u>B/w 6 and 14 Roadrunner</u>	<u>RAS-1</u>	<u>1.00</u>	<u>1</u>	
<u>7569-012-022</u>	<u>25 Portuguese Bend</u>	<u>RAS-2</u>	<u>2.30</u>	<u>1</u>	<u>excludes easements</u>
<u>7569-012-025</u>	<u>Portuguese Bend, NW of Saddleback</u>	<u>RAS-2</u>	<u>3.51</u>	<u>1</u>	
<u>7567-001-017</u>	<u>Portuguese Bend, W of Poppy Tr</u>	<u>RAS-1</u>	<u>3.05</u>	<u>1</u>	<u>excludes easements</u>
<u>7567-001-018</u>	<u>1 Poppy Trail</u>	<u>RAS-1</u>	<u>4.59</u>	<u>1</u>	<u>New house under construction</u>
<u>7567-014-013</u>	<u>landlocked s/ of 26 Portg. Bend</u>	<u>RAS-2</u>	<u>3.79</u>	<u>0</u>	<u>landlocked and constrained</u>
<u>7567-014-031</u>	<u>landlocked e/ of 27 Georgeff</u>	<u>RAS-2</u>	<u>6.85</u>	<u>0</u>	<u>landlocked and constrained</u>
<u>7567-006-025</u>	<u>n end of Chuckwagon Rd</u>	<u>RAS-2</u>	<u>3.53</u>	<u>1</u>	
<u>7567-006-001</u>	<u>15 Chuckwagon</u>	<u>RAS-1</u>	<u>2.20</u>	<u>1</u>	
<u>7567-015-036</u>	<u>north of 1 Georgeff</u>	<u>RAS-2</u>	<u>4.56</u>	<u>1</u>	
<u>7567-011-020</u>	<u>b/w 17 and 29 Crest Rd East</u>	<u>RAS-2</u>	<u>6.53</u>	<u>1</u>	
<u>7567-011-017</u>	<u>54 Portuguese Bend Rd</u>	<u>RAS-2</u>	<u>2.67</u>	<u>0</u>	<u>severely constrained, slide area</u>
<u>7567-012-020</u>	<u>53 Portuguese Bend Rd</u>	<u>RAS-2</u>	<u>1.60</u>	<u>0</u>	<u>severely constrained, slide area</u>
<u>7567-012-019</u>	<u>s/w of 56 Portuguese Bend Rd</u>	<u>RAS-2</u>	<u>0.96</u>	<u>0</u>	<u>slide area--also awkward parcel shape</u>
<u>7567-012-038</u>	<u>62 Portuguese Bend</u>	<u>RAS-2</u>	<u>1.84</u>	<u>0</u>	<u>severely constrained, slide area</u>
<u>7567-012-036</u>	<u>64 Portuguese Bend</u>	<u>RAS-2</u>	<u>1.71</u>	<u>0</u>	<u>severely constrained, slide area</u>
<u>7567-012-035</u>	<u>66 Portuguese Bend</u>	<u>RAS-2</u>	<u>1.64</u>	<u>0</u>	<u>severely constrained, slide area</u>
<u>7567-012-026</u>	<u>end of Wrangler Road</u>	<u>RAS-2</u>	<u>1.82</u>	<u>0</u>	<u>very low assessed value--constrained parcel</u>
<u>7567-017-017</u>	<u>west of 5 Ranchero Road</u>	<u>RAS-2</u>	<u>4.28</u>	<u>0</u>	<u>landlocked and constrained</u>

<u>7567-017-045</u>	<u>17 Cinchring Road</u>	<u>RAS-1</u>	<u>1.52</u>	<u>0</u>	<u>landlocked and constrained</u>
<u>7567-009-007</u>	<u>5 Southfield Drive</u>	<u>RAS-1</u>	<u>1.61</u>	<u>1</u>	
<u>7567-010-013</u>	<u>East of 3 Packsaddle Rd W</u>	<u>RAS-1</u>	<u>1.24</u>	<u>1</u>	
<u>7567-010-015</u>	<u>North of 3 Packsaddle, adj to - 013</u>	<u>RAS-1</u>	<u>1.49</u>	<u>0</u>	<u>landlocked</u>
<u>7567-013-007</u>	<u>west of 73 Portuguese Bend</u>	<u>RAS-2</u>	<u>7.09</u>	<u>0</u>	<u>severely constrained, slide area</u>
<u>7567-013-005</u>	<u>west of 73 Portuguese Bend</u>	<u>RAS-2</u>	<u>19.84</u>	<u>0</u>	<u>severely constrained, slide area</u>
			<u>137.37</u>	<u>22</u>	<u>Includes two approved homes under constr.</u>

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 15

## City of Rolling Hills Future Residential Development Potential

MAXIMUM POTENTIAL INCREASE IN DWELLING UNITS	
Zone	Total
RA-S-1	<u>4.8</u>
RA-S-2	<u>+2 14</u>
TOTAL	<u>+6 22</u>

Source: City of Rolling Hills, ~~August 2013~~ 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 five moderate income units during the extended 4<sup>th</sup>-5<sup>th</sup> Cycle 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 state 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, ~~PVP Unified School District~~, Daughters of Mary and Joseph Retreat Center, ~~PVP Unified School District site~~, Los Angeles County Fire Station, and scattered public open space sites. ~~While neither the PVP Unified School District nor the Daughters of Mary and Joseph Retreat Center are anticipated to be redeveloped within the time frame of this element, both sites have the potential for redevelopment. Other governmental-owned properties are developed with recreational uses, and some are located on steeply sloping properties, most without adequate~~

~~road access.~~

The City Hall Complex, Tennis Court Facilities, ~~PVP Unified School District and~~ 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 ~~, most without adequate road 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~~east. 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 ~~the main~~ 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.

~~Developing the sites mentioned above with multi-family housing could create potential gridlock, during peak hour periods, on the two main arterials leading in and out of the City. This could also cause major traffic hazards during an emergency evacuation. Given the City's location in extreme high fire hazard zone and limited ingress and egress, this may pose very high health risks to local residents and adjacent communities.~~

[DISCUSSION OF PVP UNIFIED SITE MOVED TO #5]

### 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, ~~and west,~~ a school facility to the east and Crest Road ~~West~~ 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 site's flat portion is used as a parking lot that serves the current land use. The remaining area is on a slope and mostly unbuildable.

~~Although the lot is currently developed, the flat parking lot area, which is just under an acre in size, offers room spaces for additional 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 the site~~ further in the future. The parcel is ~~also~~ 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 are adjacent to the main arterial road~~ 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 ~~ed~~ by single family residential developments on all sides with ~~an the main~~ arterial separating them from ~~properties in the City of~~ Rolling Hills Estates ~~to the north~~. The ~~main~~ arterial serves as one of the main thoroughfares traversing the Palos Verdes Peninsula. The road section in front these parcels is a two-lane ~~width~~ road with ~~one lane going in opposite directions and~~ 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. may cause major gridlock on both directions of traffic during peak hour periods and poses very high health risks to Palos Verdes Peninsula residents during emergencies and evacuations.~~

#### 5. PVP Unified School District (APN 7569-022-900)– ~~31~~ 27 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.

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 4<sup>th</sup> and 5<sup>th</sup> cycle lower income RHNA for Rolling Hills.

Opportunities for density bonus also exist, given affordability requirements for new housing.

~~The school site is currently developed with multiple buildings consisting of high school facilities and outdoor fields and bus maintenance facility. The site is located on the west end of the City and it is surrounded by residences to east and south, a retreat center to the west and Crest Road, on higher elevation, to the north. The site is accessible by a private road adjacent to Crest Road West. Crest Road is a main arterial that leads in and out of the City.~~

~~Although Crest Road West is one of the main roads in the City that people would take during an emergency evacuation, the school site is located outside of the Association's gates which minimizes the potential impacts of a higher density housing development. Additionally, because the site is already developed to accommodate high school students entering and exiting the property by car, bus, bike, or foot multiple times per day, the site could likely accommodate a multifamily housing project where residents enter and leave their homes multiple times throughout the day for purposes of school or work.~~

~~The City of Rolling Hills' unmet 18 affordable units from 4<sup>th</sup> and 5<sup>th</sup> cycles are undoubtedly going to be difficult achieve due to topographic constraints, geotechnical and high fire hazards, and lack of accessibility to potentially available sites. Several other parcels are landlocked, others are very steep and not likely favorable for development, especially at higher than single-family residential density. Additionally, with the exception of the four parcels identified above, the rest of the parcels are under the purview of the Association and the CC&R restrictions.~~

### **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. Given the unique physical and contractual constraints of the City, and the homogenous constituency, with the majority of the income household significantly above the County median; an older community and tThe only jobs generated in the City are home-based service positions jobs (au pairs, nanny, care giver, staker, facilities manager, gardeners, and personal assistants, etc.), making ADUs a logical and sustainable solution to meeting local housing needs. the housing stock that is needed in Rolling Hills is onsite housing for workers and service providers. Unlike big cities

~~with large employment centers requiring dense multifamily housing stock close to transit corridors, Rolling Hills has a need for a housing stock that is best characterized by ADUs and JADUs.~~

~~The adoption of the amended RHMC Chapter 17.28 which mandates the City to allow ADUs and JADUs on lots zoned for single family development now opens the entire City to development of accessory dwelling units. The City adopted new ADU Laws that did not exclude any parcels in the City from building ADUs. HCD has passed bills encouraging local jurisdictions to incentivize production of ADUs to provide more affordable housing units in the market. The City of Rolling Hills is committed to facilitating construction of ADUs in the City. 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 Association to help facilitate the approval process.~~

### **TEXT BELOW MOVED TO CHAPTER 3**

~~The adoption of the following bills below made it mandatory for every city in California to allow the development of accessory dwelling units effective January 1, 2020. 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 immediately 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, the adequacy 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.~~

These new bills will guide the City of Rolling Hills ADU development and programs as it moves forward with its compliance with the required RHNA obligations. The City will reach out to non-profit organizations and affordable housing sponsors to help establish its ADU incentives. The City will establish programs that will waive Planning and Building Fees, provide workshops to inform and connect homeowners to local organizations who can teach them about how to rent ADUs and choose the proper tenants, process paperwork, and advertise their rentals. The City will also explore partnerships with non-profit like Habitat for Humanity to help with subsidize construction and build the unit. Lastly, the City could partner with the Rolling Hills Community Association to find ways to incentivize homeowners interested in building affordable rental ADUs or JADUs.

As mentioned earlier, approximately 21% of the population fall under the low to extremely low-income category. Development of accessory dwelling units could help this population supplement their income if needed and/or help them age in place if they choose. Converting guest units to legal accessory dwelling units could also add to the City's affordable housing stock, especially if the units are being occupied by property maintenance workers or personal caregivers.

In Fall 2020, the City surveyed all of its households to identify the extent of ADUs (permitted and unpermitted), the potential for new ADUs, 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 a good foundation for evaluating possible 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 that mixed views on 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**

### **I. Housing Supply**

As indicated in Chapter Table 14 above, the RHNA prepared by SCAG identifies a future housing need for Rolling Hills of six 28-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(48 affordable units) to be developed over the 2014–2021 planning period. 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.



The residential land inventory for Rolling Hills (Table 15 above) identifies the potential for a maximum development of 16 additional single-family dwelling units, indicating the City is able to accommodate its designated share of above moderate income housing. However, with its limited land and serious geological, infrastructure and environmental constraints, Rolling Hills is unable to identify suitable sites to accommodate its regional allocation of Extremely Low, Very Low, Low or Moderate Income housing.

Section III of this Element describes the numerous constraints that make the rezoning of property in Rolling Hills to multifamily infeasible. Physical limitations of the City include:

Steeply sloping hillsides;

Landslide hazards;

Lack of urban infrastructure, specifically sewer;

Danger of wildland fires; and

Sensitive animal habitats and species.

With the newly amended Municipal Code which allows for ADUs and JADUs on every residential lot in the City, the housing density could also substantially increase. If three percent of developed parcels are further developed with an ADU or JADU, the City could generate approximately 28 units. With the implementation of a program that incentivizes property owners to rent those units at affordable rates, the City could also supply its required 18 affordable units.

## **2. — Housing Affordability**

HCD, pursuant to AB 2348 and recent amendments to Housing Element Law, established a new default methodology to determine the affordability of a housing site or housing development. Although development in Rolling Hills is severely limited by geologic, topographic and environmental constraints, HCD placed Rolling Hills in the same category of cities as much larger urban cities and categorized it as a metropolitan city. The amendments require that in metropolitan cities a site be zoned to permit at least 20 dwelling units per acre in order to qualify as a housing site potentially affordable to households in the Extremely Low, Very Low or Low Income ranges. Alternately, a city can present market information or provide subsidies to demonstrate the affordability of a housing site or new development.

Growth in the City of Rolling Hills is limited, and high-density development is severely constrained by its physical and environmental constraints, as well the RHCA CC&Rs. The adopted City zoning densities of one or two acre lots is based on infrastructure, geologic and environmental constraints. In many instances, only a small portion of the one and two acre lots is



~~buildable, with the majority of the land constrained by steep slopes and canyons.~~

~~Consequently, having completed an inventory of land that could be 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 those sites (Section 85683(a)(3)), the City identifies PVP Unified School District and Daughters of Mary and Joseph Retreat Center as sites with the potential for higher density development projects to supply the necessary 18 affordable units.~~

~~With the newly amended Municipal Code which allows for ADUs and JADUs on every residential lot in the City, the housing density could also substantially increase. If three percent of developed parcels are further developed with an ADU or JADU, the City could generate approximately 28 units. With the implementation of a program that incentivizes property owners to rent those units at affordable rates, the City could also supply its required 18 affordable units. Providing ADUs and JADUs on parcels is the most expeditious and cost effective way to increase housing since the City's authority on applications is limited to ministerial review.~~

### ~~3. Availability of Public Services and Facilities~~ **[repeated earlier]**

~~As discussed in Section III.D above, infrastructure in the City is limited. New construction of many of the 16 sites available may not be feasible due to the inability to construct streets, sewer and water systems to accommodate additional development. Expansion of these infrastructure systems also is not feasible because topographic and geologic constraints make such improvements cost prohibitive. In addition, expansion of infrastructure systems may cause the following adverse impacts on public health, safety and welfare:~~

- ~~▪ *Geologic Setting* — Numerous active landslides in Rolling Hills greatly diminish development potential and call for caution in expanding infrastructure and increasing densities.~~
- ~~▪ *Rural Design and Community Roadway Character* — The current capacity, design, and topographic constraints of the City roadways indicate increased residential densities would compromise road safety and traffic.~~
- ~~▪ *Fire Flow Requirements* — The California Water Company owns and maintains water lines in the City and the Utility has no plans to upgrade the aging water system. Therefore, fire-fighting capabilities could be compromised due to aging system, which could result in reduction in water pressure.~~
- ~~▪ *Lack of Sewer* — Most areas of the City are unserved by sewer. Unstable soils make the extension of the sewer system extremely challenging.~~
- ~~▪ *Very High Fire Hazard Severity Zone* — The entire City has been designated by the State Fire Marshal as being located in the 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, making housing construction more expensive.~~

## C. OPPORTUNITIES FOR ENERGY CONSERVATION

Under current law, this Rolling Hills Housing Element must include the following:

Government Code Section 65583(a)(7) requires the Housing Element to include an ~~an~~ Analysis of opportunities for 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. ~~with respect to residential development. Government Code Section 65583(a)(7).~~

~~The California state legislature 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 were most recently updated to reflect new technology and new targets for reducing greenhouse gas emissions. by the Energy Commission and will be effective January 2014. 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 or wind power.

Through the Site Plan Review process and the building code for new development or additions, the City requires energy conservation in buildings and water conservation in the landscaping areas. The City has adopted a Water Efficient Landscape Ordinance that requires landscaping be water wise and plants be drought tolerant.

In addition, the Rolling Hills General Plan Open Space and Conservation Element 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 ~~rays~~ from overheating the unit.
- Landscaping - Strategically placed vegetation reduces the amount of direct sunlight on the windows. Incorporation of deciduous trees in the landscaping plans along the southern area of units reduces summer sun ~~rays~~, while allowing penetration of winter sun rays 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 Each household contains a different mixture of appliances. Regardless of the mix of appliances present, appliances can be~~ 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 ~~on the market.~~
- 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~~ Requires most ~~energy efficient lighting for all 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, appointed by the City Council ~~with the purpose to assess and track the City's flora and fauna;~~ to develop and recommend environmentally sustainable policies, practices and programs for Rolling Hills and ~~to provide outreach to residents and bring in educational programs to the City. However, because Rolling Hills' residents are already environmentally conscientious, the Council disbanded the Committee, finding it was not needed. 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. ~~and~~ ~~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 Section V.C.,~~ Housing Implementation Plan (2014-2021) of this document.

## D. FINANCIAL RESOURCES

~~Development of affordable housing in Rolling Hills would require extraordinary financial assistance. Assuming the other constraints previously discussed could be eliminated, potential sources of such assistance and the applicability to Rolling Hills must be examined.~~

~~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~~ The availability of Federal and State funding sources ~~would be is~~ 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 in need populations and deteriorated housing 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 housing assistance.~~

~~In addition, h~~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.

~~One source of housing assistance used by many local governments is money derived from redevelopment project tax increment. This source is unavailable, however, because the City has no redevelopment areas and the absence of blight in the City precludes the formation of a redevelopment area. The City's limited financial resources further preclude the use of City General Fund monies for housing assistance.~~

~~The absence of federal, state and local funding sources for affordable housing in Rolling Hills, coupled with the high cost of land and construction, act as a significant constraint to the provision of affordable housing in the City. Private financing of affordable housing is also unlikely given the low densities required by the CC&Rs and by the topography of the City.~~

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 CDBG program has made it infeasible for the City of Rolling Hills to continue in the program.

~~Although many available funding sources would not be available to Rolling Hills at this time, Table Table 17+6~~ 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
<b>Federal Programs</b>	
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 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 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 preconstruction costs. Currently used only in connection with Section 202 above.
<b>State Programs</b>	
<del>SB 99 Redevelopment Construction Loans</del>	<del>Authorizes issuance of bonds by redevelopment agencies. Rolling Hills does not have a redevelopment agency, or any areas that could be defined as blighted.</del>
California Housing Finance Agency	Provides loans to housing sponsors for construction (CHFA) -Direct Lending or rehabilitation of housing projects containing over five units. Program could be applied for by Rolling Hills' developers <u>within the Affordable Housing Overlay Zone</u> but <del>projects of the five-unit minimum cannot be built in the City because of legal and environmental constraints.</del>
California Housing Finance Agency (CHFA)	Provides financing for rehabilitation and purchase of Home Ownership and Home Improvement housing by low and moderate-income persons for (HOHI) Program housing in areas that are in need of rehabilitation. Absence of housing in need of rehabilitation <u>and very high acquisition costs</u> precludes use in Rolling Hills.
California Self-Help Housing Program	Provides grants and loans to assist low and moderate income families to build and rehabilitate their own homes. High land costs and home values make use of this program in Rolling Hills unlikely.

ROLLING HILLS HOUSING ELEMENT: JANUARY 2021 DRAFT

Mobile Home Park Assistance	Provides financial and technical assistance to mobile home park residents. No mobile home parks exist in Rolling Hills.
<del>Emergency Shelter HCD Homelessness Assistance Programs. 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.</del>	<del>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.</del>
<del>Special User Housing Rehabilitation</del>	<del>Program targeted towards substandard housing. No substandard housing exists in Rolling Hills.</del>
Predevelopment Loan <u>Programs</u>	Provides predevelopment loans for low-income housing projects. This source could be used by nonprofit developers in the City. <del>However, high</del> land costs, and environmental and <del>infrastructure</del> legal constraints render <del>infeasible the the</del> development of eligible projects <del>infeasible on most sites</del> in the City.
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.
<del>Rental Housing Construction Multi-family Housing Program (MHP)</del>	<del>Provides cash grants for the construction of housing developments containing at least five units with 30 percent of the units affordable to lower income households. Environmental and legal constraints on the development of multi-family housing in the City render this program inapplicable. 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.</del>
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.
<del>Marks Foran Rehabilitation Loans</del>	<del>Allows revenue bonds for housing rehabilitation. The City does not have housing in need of rehabilitation.</del>
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. <del>The City has not adopted its own density bonus program but will follow State requirements would apply to future development in on the Rancho Del Mar AHOZa case-by case basis.</del>
<del>AB 655-Affordable Multi-Family Revenue Bonds (CA Public Finance Authority)</del>	<del>Allows for participation in a Countywide bond program for low-income multi-family housing. Legal and environmental constraints on multi-family housing in Rolling Hills would make it very difficult to build housing meeting the low rent requirements of this program. 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.</del>
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.
<del>Redevelopment Tax Increment Financing</del>	<del>Allows local agencies to keep increases in taxes for redevelopment areas. This is inapplicable to Rolling Hills because there are no blighted areas, which could qualify for redevelopment.</del>

## VI. HOUSING PLAN

Chapters II to V ~~of the Housing Element establish~~evaluated the housing needs, ~~constraints, and opportunities, and constraints~~ in Rolling Hills. ~~The Housing Plan Chapter VI~~ evaluates the accomplishments of the last adopted housing element, and then presents the City's ~~eight-year~~ 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 ~~TO DATE~~

State Housing Element law requires communities to assess the achievements of adopted housing programs as part of the ~~five-year~~ 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 s must be discussed.

#### ~~I. Progress Toward Implementing the 2006-2014 (4<sup>th</sup> Cycle) Housing Element Programs~~

The 2006-2014 Rolling Hills Housing Element established programs to address the following ~~primary-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.

~~The following section A number of programs were examines the progress made towards implementing the City's housing programs as~~ set forth in the 2006-2014 Housing Element to achieve these goals. As summarized in Table ~~187~~, 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 ~~187~~**  
**City Of Rolling Hills Progress Toward Implementing the 2006-2014 Housing Element Programs**

Programs	Accomplishments
<b>Goal 1: Provide for housing which meets the needs of existing and future Rolling Hills' residents.</b>	
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



## ROLLING HILLS HOUSING ELEMENT: JANUARY 2021 DRAFT

	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 <del>were have been</del> constructed during the <del>2006-2014</del> past-planning period.
<b>Goal 2: Maintain and enhance the quality of residential neighborhoods in Rolling Hills.</b>	
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, <del>which have been</del> <u>These were all</u> 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 <u>ground stability</u> the problems. <del>However, d</del> Despite these <del>continued</del> 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 <del>has</del> retained a consulting engineer to assess the feasibility of establishing a citywide sewer system. Because of the geologic and topographic constraints, <u>the city's low density, high construction costs, and limited revenues, the cost of installing sewer citywide makes</u> installation of a sewer system <u>has been deemed</u> infeasible. <u>There is ongoing consideration for extending sewer service to individual properties or subareas within the city.</u>
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.
<b>Goal 3: Provide housing services to address the needs of the City's senior citizen population.</b>	
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.

<b>Goal 4: Promote housing opportunities for all persons regardless of race religion, sex, marital status, ancestry, national origin or color.</b>	
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 ~~overwhelming~~ 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 development of residential units that are accessible to the disabled or are adaptable for conversion to residential use by disabled persons.~~ (moved to 4.2)

**Policy 1.43:** 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 and reduce energy costs.

**Policy 1.45:** 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 ~~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.

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 ~~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 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 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 4.2-3:** 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 4.32:** 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 4.43:** 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, ~~planning period~~ quantified objectives, funding sources, responsible agencies,<sup>y</sup> 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.<sup>1</sup> ~~These programs are currently on-going and will continue through the current planning period. As appropriate, programs that have been completed since the initial draft of this Housing Element in 2014 have been included.~~

### I. 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,

<sup>1</sup> [http://www.hcd.ca.gov/hpd/housing\\_element2/PRO\\_overview.php](http://www.hcd.ca.gov/hpd/housing_element2/PRO_overview.php); accessed January 2, 2014.

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

### 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 4<sup>th</sup> Cycle and 3 units from the 5<sup>th</sup> 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 PVTA 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 could 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 prerequisite 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 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 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.

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. 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.

Quantified Objectives: ADU Survey (Program completed—29% response rate)  
Website materials and FAQs  
ADU Register  
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.)

#### 121. ADU Incentives (Text moved from Chapter 5)

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

#### 132. Assist in the Development of Facilitate Communication with Affordable Housing Service Providers, Developers, and Advocates Units:

As a means to help meet the RHNA housing obligations, 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, participates in regional housing meetings and discussions, and works 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 annual meeting a year ~~s-with one or more non-profit housing sponsors to discuss housing opportunities and strategies in Rolling Hills~~ coordinate and implement a strategy for developing affordable housing.

Funding Source: General Fund.

Responsible Agency: City Planning Department.

Implementation Time Frame: Currently On-going (2014-2021) ~~Convene one meeting before October 2021~~

#### 143. 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. ~~Records on the number of matches that have occurred during the planning period are not available. The City will continue to actively market the availability of these shared housing programs by providing informational brochures at the public counter.~~

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 on line. 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 ~~existing shared housing programs at City Hall and on the City's website to increase the number of roommate matches over the 2014-2021 period.~~

Funding Source: City General Fund

Responsible Agency: City Planning Department.

Implementation Time Frame: In progress ~~Currently on-going~~ (2014-2021).

154. 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.~~

~~The most substantial asset of most elderly homeowners is their home, which in Rolling Hills has increased significantly in value in the past years. But while owning a home in Rolling Hills may provide a rich asset base, the onslaught of retirement and a fixed income can cause many elderly homeowners to quickly become income poor. Home maintenance repairs multiply as the home ages, and with rising costs in home utilities, insurance, and taxes, housing maintenance often gets deferred.~~

~~An alternative option for elderly homeowners is to draw needed income from the accumulated equity in their homes through a reverse mortgage. A reverse mortgage is a deferred payment loan or a series of such loans for which a home is pledged as security. Qualification for the loan is based primarily on property value rather than income, allowing the elderly homeowner on a fixed income to receive a loan for which he or she would not otherwise qualify. Most reverse mortgage programs permit homeowners to borrow up to 80 percent of the assessed value of their property, to receive needed principal of up to 25 percent of the loan, and then to receive monthly annuity payments for the life of the loan.~~

~~Reverse mortgages may offer a viable financing alternative to many of Rolling Hills' elderly homeowners. The City provides information to its senior population interested in pursuing a reverse mortgage.~~

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: ~~Currently~~ On-going (2014-2021).

165. 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.

~~Because of its concern that septic systems hinder development and create potential water quality issues, the City has retained an engineering firm to assess the feasibility of a city-wide low pressure sewer system. The study determined that due to the terrain and unstable geological conditions of the City the cost of such a system would be prohibitive for such a small city with limited financial resources. Therefore, 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.~~

Quantified Objective:	<del>Continue to consider sewer systems as new technology becomes available.</del> <u>Design and financing plans for sanitary sewer system serving City Hall, Tennis Courts, and upstream properties</u>
Funding Source:	City General Fund/ Private Assessment District
Responsible Agency:	City Manager's Office.
Implementation Time Frame:	<del>Install first phase 2021</del> <u>Complete design plans by 3<sup>rd</sup> Quarter 2021</u>

#### 176. Storm Water Runoff:

~~Water quality conditions present a potential constraint to housing development in Rolling Hills. The City is required to comply with To comply with the National Pollutant Discharge Elimination System (NPDES) permit requirements, as outlined by for Municipal Storm Water and Urban Runoff Discharges Within the County of Los Angeles<sup>2</sup>. 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 the City control run-off from domestic and construction activities, and to reduce waste. These activities are intended to reduce development constraints associated with storm water quality.~~

Quantified Objective:	<del>Continued to implement</del> <u>ation of</u> Best Management Practices (BMPs) pursuant to NPDES requirements <del>and update</del>
-----------------------	---

---

<sup>2</sup> Order No. 01-182 of the Los Angeles Regional Water Quality Control Board as amended by Order R4-2006-0074.

Funding Source: ~~Hydromodification Policy:~~  
~~Safe Clean Water Program Measure W/City General Fund.~~  
Responsible Agency: ~~City Planning Department:~~  
Implementation Time Frame: ~~Update Hydromodification Policy by October 2021~~ ~~Currently on-going and update 2020~~

187. Code and CC&R 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 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" web-page with on-line 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). One factor contributing to the high levels of maintenance of Rolling Hills' homes and neighborhoods is the high pride of ownership by its residents. City staff and Los Angeles County Building Officials continuously assure that relevant City Codes and regulations are being adhered to. The Architectural Committee of the Association, under a separate process, also assures consistency with their CC&Rs. In the event that a violation of City codes or regulations is discovered, City staff works to cure the violation.~~

Quantified Objective: ~~Retain a~~ ~~Continue code enforcement efforts and hire full-time~~  
~~Code Enforcement Officer~~  
Funding Source: ~~General Fund~~  
Responsible Agency: ~~City Planning Department~~  
Implementation Time Frame: ~~Currently Ongoing and hire 2019~~ This action was completed in 2019

~~Reasonable Accommodation:~~

~~Pursuant to Government Code Section 65583(c)(3), the City is committed to providing reasonable accommodations for housing.~~

- ~~\*—Quantified Objective:—Permission of residents to construct modifications as required to reduce barriers consistent with the Building Code.~~
- ~~\*—Funding Source: General Fund.~~
- ~~\*—Responsible Agency: City Planning Department.~~
- ~~\*—Implementation Time Frame: Currently on-going (2014-2021).2020.~~

## 19. 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~~<sup>is committed</sup> to following sustainable development and energy conservation recommendations ~~the recommendations~~ of its former ~~past~~ 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 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:	<u>Provide links on City website related to energy conservation, weatherization, and financial assistance</u> <u>Adopt updated Building Code standards for energy efficiency</u> <del>Follow sustainable development and energy conservation recommendations of SCAG the Green Building Code and Climate Action Plan Toolkit</del>
Funding Source:	General Fund
Responsible Agency:	City Planning Department
Implementation Time Frame:	<del>Currently Ongoing and 2020</del> <u>Building Code Update (completed in 2020)</u> <u>Website Update, with links: Complete by October 2021</u>

## 20. Facilitate New Construction and Remodels:

The City will continue to work with ~~and assist property owners, architects, and builders~~<sup>housing developers and builders</sup> to enable new housing to be built in the City. The steep hillsides, deep canyons, geologic hazards and CC&Rs create ~~challenges constraints in the City~~ that require ~~a high degree levels~~ of cooperation between City staff, applicants, and neighbors. ~~developers and builders~~. 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.

~~and to allow the City to attain a feasible portion of its regional share allotment of new housing.~~

Quantified Objective: ~~The development of Rolling Hills' buildout potential of up to 16 housing units during this planning period. These potential units satisfy Rolling Hills' 2014-2021 regional share of Above Moderate Income housing~~  
10 new homes

Funding Source: ~~General Fund~~ Private Funds and Permitting Fees

Responsible Agency: City Planning Department

Implementation Time Frame: ~~Currently On-going (2014-2021)~~ Objective covers the period from 2014 through October 2021.

Facilitate Repair and Remodeling Activities:

~~Landslide-damaged homes may continue to conduct remedial repair work on damaged homes and hillsides in the City. In addition, many homeowners have instigated extensive home remodeling which has lead to significant increases in the value and quality of existing housing stock. Both repair and remodeling activities are expected to continue. City staff has been active in facilitating the permitting process for remodeling and remedial repair work and will continue to provide this assistance.~~

Quantified Objective: ~~Continue to assist all applicants for remodeling and remedial repair permits.~~

Funding Source: ~~General Fund~~

Responsible Agency: ~~City Planning Department~~

Implementation Time Frame: ~~Currently On-going (2014-2021).~~

21. Ground Stability and Landslide Repair~~Instability:~~

~~The City will c~~Continue to explore ~~possible~~ solutions to ground ~~instability~~ and landslide problems. ~~Any g~~Grading, new structures and additions typically require a soils and geology report ~~that proves stability~~ along with ~~City and County grading and building~~ permits. Also, any grading, new structures and additions of more than one thousand square feet or ~~that where the size of the structure increase the size of a structure s~~ 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 ~~lot~~ grading to no more than 40 percent of the lot, and require maintenance of natural slopes. These practices are necessary to safeguard the public ~~health and safety~~ against ground instability ~~problems~~.

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. ~~Landslide-damaged homes may continue to conduct remedial repair work on damaged homes and hillsides in the City.~~

Quantified Objective: Geologic studies for new development and major grading permits  
~~Continue to require geologic studies for each new development to ensure that land is suitable for construction and that construction will not negatively impact adjacent properties. Adopt latest Building Code.~~

Funding Source: City General Fund.

Responsible Agency: City Planning Department and City Manager's Office.

Implementation Time Frame: ~~Currently On-going and 2020 Building Code Adoption~~

~~Housing Repair on Landslide Sites: This is already covered by Programs above~~

~~The City will continue to allow the remedial repair of damaged structures and remedial grading in landslide areas with special permits.~~

- ~~\*—Quantified Objective: Continue to assist all persons qualified.~~
- ~~\*—Funding Source: General Fund.~~
- ~~\*—Responsible Agency: City Planning Department.~~
- ~~\*—Implementation Time Frame: Currently On-going (2014-2021).~~

## 22. 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. As a means of increasing public awareness of legal rights under fair housing laws, the City provides at its public counter brochures for the Fair Housing Foundation that advertise services offered by the Foundation, including housing discrimination response, landlord-tenant relations, housing information and counseling, and community education programs.

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 ~~Continue to provide informational brochures at the City Hall public counter and on request; and provide information regarding the Fair Housing Foundation and services they provide in the citywide newsletter.~~

~~This information is available for distribution at community events.~~

Funding Source: General Fund

Responsible Agency: City Planning Department

Implementation Time Frame: Provide web information by October 2021. Currently ongoing (2014-2021)

### Summary of 2014-2021 Quantified Objectives:

- ~~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/Preserved: 693 single-family housing units.~~

~~Table 198 provides quantified disaggregates these 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.~~

~~Because of the high median value of homes in Rolling Hills, each of the potential 16 additional houses are expected to be available to only households in the above moderate income range. The City's conservation/preservation objective includes all of the existing 693 housing units. These units are disaggregated by income group according to the percent of household income as reported in the 2010 Census (reference Table 7).~~

**Table 198**  
**Quantified Objectives by Income Group**  
**for the City of Rolling Hills (2014-2021)**

Income Category	New Construction	Rehabilitation	Conservation/ Preservation
Extremely Low [1]	<del>3</del> <u>4</u>	<del>0</del> <u>1</u>	<del>40</del> <u>25</u>
Very Low	<del>3</del> <u>4</u>	<del>0</del> <u>1</u>	<del>60</del> <u>25</u>
Low	<del>4</del> <u>5</u>	<del>0</del> <u>2</u>	

			9.40
Moderate	4.5	0	12.53
Above Moderate	8.10	0	543.520
<b>Total Housing Unit Construction Need</b>	<b>22.28</b>	<b>0</b>	<b>663</b>

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.

Table 20 summarizes the 22 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	<u>Prepare Annual Progress Report on Housing Element Implementation</u>	<u>One Report per year</u>	<u>Annually, by April 1 (report filed in 2020)</u>
2	<u>Amend Land Use Element to allow multi-family, density transfers, and create overlay zone</u>	<u>General Plan Amendment</u>	<u>Completed in Feb 2021</u>
3	<u>Create Affordable Housing Overlay Zone allowing affordable multi-family housing by right</u>	<u>Zoning/ Muni Code Amendment to allow 16-20 units</u>	<u>Completed in Feb 2021</u>
4	<u>Engage with School District/ Staff to develop plan for PVUSD site</u>	<u>Coordination Meeting</u>	<u>Complete by Oct 2021</u>
5	<u>Allow emergency shelter by right in Overlay Zone</u>	<u>Zoning allowance for at least one (1) shelter of up to 12 beds</u>	<u>Completed in Feb 2021</u>
6	<u>Allow SROs with a Conditional Use Permit in Overlay Zone</u>	<u>Zoning allowance for 6-8 units</u>	<u>Completed in Feb 2021</u>
7	<u>Adopt Reasonable Accommodation provisions for persons with disabilities</u>	<u>Municipal Code Amendment</u>	<u>Completed in Nov 2020</u>
8	<u>Add Code definitions of supportive and transitional housing</u>	<u>Municipal Code Amendment</u>	<u>Complete by Oct 2021</u>
9	<u>Adopt State density bonus provisions</u>	<u>Municipal Code Amendment</u>	<u>Complete by Oct 2021</u>
10	<u>Adopt and Update Accessory Dwelling Unit regulations</u>	<u>(1) Adopt ADU Ordinance (2) Amend ADU Ordinance (3) Produce 5 ADUs during 2014-2021</u>	<u>(1) Completed Feb 2018 (2) Completed Feb 2020 (3) By Oct 2021</u>
11	<u>Undertake ADU outreach and engagement efforts</u>	<u>(1) ADU Survey (2) ADU website materials (3) ADU Register</u>	<u>(1) Completed Nov 2020 (2) By Oct 2021 (3) Started in 2020</u>
12	<u>Develop ADU Incentives</u>	<u>Contact other cities and report to Council on ADU Incentive options</u>	<u>Complete by Oct 2021</u>
13	<u>Facilitate Communication with Affordable Housing Stakeholders</u>	<u>One meeting annually</u>	<u>Complete by Oct 2021</u>
14	<u>Provide information on shared housing programs</u>	<u>Web materials/ links for interested households</u>	<u>Ongoing (2014-21)</u>
15	<u>Provide information reverse mortgages</u>	<u>Web materials/ links for interested households</u>	<u>Ongoing (2014-21)</u>
16	<u>Complete sewer design for City Hall/ Tennis Court and nearby homes</u>	<u>(1) Feasibility Study (2) Design plans for sewer pipe extension</u>	<u>(1) First quarter 2020 (2) Third quarter 2021</u>
17	<u>Implement stormwater runoff improvements</u>	<u>Updated hydromodification policy</u>	<u>Complete by Oct 2021</u>
18	<u>Retain City Code Enforcement officer</u>	<u>One additional employee</u>	<u>Completed in 2019</u>
19	<u>Adopt building codes and practices that support energy conservation.</u>	<u>(1) Building Code Update to incorporate green</u>	<u>(1) Completed in 2020 (2) Complete by Oct</u>

ROLLING HILLS HOUSING ELEMENT: JANUARY 2021 DRAFT

	<u>Provide information to residents on conservation, weatherization, and assistance with energy bills.</u>	<u>bldg. and energy conservation measures</u> <u>(2) Update website re: energy conservation</u>	<u>2021</u>
<u>20</u>	<u>Facilitate new construction and home remodels</u>	<u>10 net new homes</u>	<u>Over period from 2014-2021 (partially completed)</u>
<u>21</u>	<u>Facilitate slide repair and ground stability for residential construction</u>	<u>Geologic studies for new development</u>	<u>Ongoing (2014-21)</u>
<u>22</u>	<u>Provide fair housing information to residents</u>	<u>Information and links on City website</u>	<u>Complete by October 2021</u>

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

<u>HOUSING ELEMENT PROGRAMS</u>		
<u>Programs</u>	<u>Objective</u>	<u>Time Frame</u>
<u>Shared Housing</u>	<u>Inform seniors of potential roommate Matches</u>	<u>On-going</u>
<u>Reverse Mortgage Program</u>	<u>Offer referral service to seniors</u>	<u>On-going</u>
<u>Sewer Feasibility</u>	<u>Install sewer system</u>	<u>2021 for first phase</u>
<u>Storm Water Runoff</u>	<u>Continue BMPs</u> <u>Update Hydromodification Policies</u>	<u>On-going</u> <u>2020</u>
<u>Code and CC&amp;R Enforcement</u>	<u>Continue enforcement.</u> <u>Hire full time Code Enforcement Officer</u>	<u>On-going</u> <u>2019</u>
<u>Reasonable Accommodation</u>	<u>Establish policies for accessibility and housing for persons with disabilities</u>	<u>2020</u>
<u>Energy Conservation</u>	<u>Continue to implement sustainable practices.</u> <u>Adopt Green Building Code. Adopt Climate Action Plan Tools</u>	<u>On-going</u> <u>2020</u> <u>2020</u>
<u>Facilitate New Construction</u>	<u>Meet RHNA obligations</u>	<u>On-going</u>
<u>Facilitate Repair and Remodeling Activities</u>	<u>Assist applicants on proposed projects</u>	<u>On-going</u>
<u>Ground Instability</u>	<u>Continue to implement Building Code requirements</u> <u>Adopt 2019 Building Code</u>	<u>On-going</u> <u>2020</u>
<u>Housing Repair on Landslide Sites</u>	<u>Facilitate process between departments to ensure expeditious approval of projects</u>	<u>On-going</u>
<u>Fair Housing Program</u>	<u>Provide information regarding Fair Housing Programs and Practices</u>	<u>On-going</u>
<u>Emergency Shelter Policies</u>	<u>Establish policies</u>	<u>2020</u>
<u>Assist in the development of affordable housing</u>	<u>Annual coordination with non-profit housing sponsors to coordinate strategies to develop affordable housing</u>	<u>2020</u>



## *City of Rolling Hills*

INCORPORATED JANUARY 24, 1957

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

February 26, 2020

Paul McDougall  
Department of Housing and Community Development  
2020 West El Camino Avenue, Suite 500  
Sacramento, CA 95833  
Subject: Request for Review of Amended 5<sup>th</sup> Cycle Housing Element

Dear Paul:

On February 22, 2021, the Rolling Hills City Council adopted General Plan and Zoning Amendments intended to bring the City into compliance with State requirements for its 5<sup>th</sup> Cycle (2014-2021) Housing Element. The General Plan Amendments included changes to the Land Use Map creating the Rancho Del Mar Affordable Housing Overlay District, along with new land use policies and narrative supporting a variety of housing types. The Zoning Amendments created an Affordable Housing Overlay Zone, which provides opportunities for multi-family housing, emergency shelter, and single room occupancy (SRO) units in Rolling Hills.

The City also has extensively revised its previously adopted (2014) 5<sup>th</sup> Cycle Housing Element in response to HCD's comments and subsequent correspondence and meetings with Robin Huntley. Please note that the amended Housing Element has been completed but is not yet adopted.

Prior to continuing the Planning Commission and City Council hearings on the amended Housing Element, the City requests technical review by HCD to ensure that we have adequately addressed all concerns. The City looks forward to a finding of compliance once it adopts the attached document so that we may proceed to our 2021-2029 Element in good standing and without a carry-over requirement.

We are including the following attachments to this letter:

- Exhibit A itemizes HCD's May 30, 2014 comments on the Housing Element and includes an explanation of how and where each comment has been addressed in the revised document. The Exhibit also includes a summary of the amendments at the end.
- Exhibit B is a "Clean" copy of the amended Housing Element, incorporating all changes. Please note that two Appendices have been added to the document—the first relating to the Housing Opportunity Zone and the second relating to the City's recent ADU survey.



- Exhibit C is a “Tracked Change” copy of the 2014 Housing Element showing changes to the document made over the last year. These changes are in addition to edits that were made between 2014 and 2019 in response to earlier discussions with HCD.

To summarize, the City has adopted Accessory Dwelling Unit standards, Reasonable Accommodation procedures, and standards for multi-family housing, single room occupancy hotels, and emergency shelter, as required by the Government Code. It has further adopted an Affordable Housing Overlay Zone on a 31-acre underutilized site which allows 16 units of affordable multi-family housing by right, thus meeting and exceeding the combined Fourth and Fifth Cycle RHNA requirement for lower income households. It has also adopted conforming amendments to its Land Use Element, circulated and certified relevant CEQA documents for General Plan and zoning amendments, and solicited public input—including direct input via surveys from nearly one-third of the City’s households.

If you have any questions about the attached documents, please do not hesitate to reach out to either me, our Planning and Community Services Director Meredith Elguira at 310.377.1521, or our Consultant Barry Miller at 510.847.0068.

Sincerely,



Elaine Jeng, P.E.  
City Manager

Attachments:

Exhibit A: Responses to HCD Comment Letter

Exhibit B: Amended Rolling Hills Housing Element for Council Adoption (Feb 2020)

Exhibit C: 2014 Housing Element with Tracked Changes