City of Rolling Hills INCORPORATED JANUARY 24, 1957

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ROLLING HILLS, CA 90274
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Agenda Item No.: 5B
Mtg. Date: 2/10/2014

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: YOLANTA SCHWARTZ, PLANNING DIRECTOR
JOANN LOMBARDO, COMPREHENSIVE PLANNING SERVICES

THROUGH: RAYMOND R. CRUZ, CITY MANAGER

SUBJECT: A. CONSIDERATION OF A 2014-21 HOUSING ELEMENT UPDATE OF THE CITY OF ROLLING HILLS AND THE ANNUAL REPORT ON GENERAL PLAN IMPLEMENTATION AND AMENDING THE GENERAL PLAN, GENERAL PLAN AMENDMENT NO. 2014-01.

B. RESOLUTION NO. 1158. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROLLING HILLS ADOPTING THE REVISED 2014-21 HOUSING ELEMENT, GENERAL PLAN AMENDMENT NO. 2014-01, OF THE GENERAL PLAN OF THE CITY OF ROLLING HILLS AND A NEGATIVE DECLARATION PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; AND ACCEPTING AND FILING THE 2014 REPORT ON THE IMPLEMENTATION OF THE GENERAL PLAN.

DATE PUBLISHED: JANUARY 2, 2014
JANUARY 30, 2014

ATTACHMENTS:

I. **Resolution No. 1158 with Exhibit A- Initial Study AND Exhibit B - 2014-21 Housing Element Update (page 7 – 110)**
II. **Annual Report on General Plan Implementation (page 111-120)**
III. **Letter from the Department of Housing and Community Development in response to the draft Housing Element (page 121 – 132)**
IV. **Letter from Native American Heritage Commission and City's response (page 133-139)**

RECOMMENDATION

It is recommended that the City Council review the subject document and Initial Study for the Housing Element Update, and the 2014 report on the Implementation of the General Plan; open the public hearing, take public testimony, and adopt the attached

Resolution No. 1158, self-certifying the Housing Element and adopting the Negative Environmental Declaration as well as receive and file the annual General Plan Implementation Report.

BACKGROUND

In keeping with state requirements for cities to submit their first draft Housing Element to the California Department of Housing and Community Development (HCD) by October 15, 2013, the Planning Commission held a Public Hearing Workshop on September 26, 2013 at which time the Commission discussed the governmental requirements for the Housing Element and reviewed and commented on the draft. No comments were received from the public at that meeting. The document was forwarded as a Draft to HCD for their 60-day review. On December 16, 2013 the City received a response from HCD requesting modifications, which have been incorporated into a revised Housing Element. The letter from HCD is enclosed with this staff report as Attachment III.

The Planning Commission held a public hearing and considered this document at its regular meeting January 21, 2014. At that meeting the Commission adopted Resolution No. 2014-03 recommending approval of the Housing Element by the City Council. No comments were received at that meeting, although staff received several inquires from residents as a result of publishing the notice of the public hearing.

The attached 2014 Housing Element Update and the environmental assessment or "Initial Study" were prepared, finding that the Housing Element will not have a significant effect on the environment, (Attachment I, Exhibits A and B).

The consultant, staff and the City Attorney's office worked together to respond to the State's comments. Responses to the State's comments were incorporated into the revised Housing Element reiterating City geological, environmental and topographical constraints and RHCA CC&R restrictions that existed prior to incorporation of the City in the production of affordable housing.

According to State law, until the current cycle of the Housing Element, the Housing Element was required to be updated every five years. Beginning with this cycle, the Housing Element is to be updated every eight years, except for those agencies that submit the Housing Element after February 15, 2014, the submittal cycle reverts to every four years. Therefore, it is of the utmost importance that the City meets the February 15, 2014 submittal requirement and holds public hearing and adopts the Housing Element prior to that date.

Since this is an update of an adopted element, the achievements of the existing Housing Element must be evaluated. Existing policies and programs were revised and augmented as appropriate to meet current and projected housing needs in the City.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

Pursuant to the CEQA requirements staff analyzed the project and prepared an Initial Study and concluded that the project will not have significant effect on the environment. A Negative Declaration was prepared and circulated to the appropriate agencies for their review and was posted at the County of LA Recorders Office. The

Department of Fish and Wildlife issued a No Effect Determination for the project acknowledging that there will be no significant effect on flora and fauna of the region resulting from this project. We received a letter from the Native American Heritage Commission, (see Attachment IV) advising the City of the requirements should archeological resources be found during any ground-disturbing activity. City's response to the letter is also attached. No other comments or inquires were received from other agencies or individuals.

HOUSING ELEMENT GOALS

The goal in revising the City's Housing Element is to develop a comprehensive housing program which addresses the identified needs of Rolling Hills' present and future residents, including affordability, availability, and adequacy of the City's housing stock. Criteria used in developing the City's housing program include: (1) compliance with State law, (2) appropriateness to the local community and decision-making bodies, (3) development constraints which include CC&Rs imposed by the Rolling Hills Community Association (RHCA); geologic and topographic constraints; environmental constraints; the high market value of land; lack of a sanitary sewer system and lack of employment opportunities in the City; and (4) feasibility given staff and budgetary constraints. The challenge in developing the Housing Element is to produce an analysis of existing conditions, needs, and constraints for land use planning and which will illuminate the workings of the local and regional housing market and provide a basis for policy and program development.

During preparation of the City's Housing Element, Ms. Joann Lombardo, of Comprehensive Planning Services, worked in conjunction with staff to develop a Housing Element that includes documentation of a variety of constraints to developing affordable and multi-family housing in the City.

A. Implementation of Regional Housing Needs Allocation.

The City of Rolling Hills is constrained by a variety of limitations listed above, including the fact that all territory in the City is subject to long-standing CC&Rs adopted prior to the incorporation of the City that strictly limit the type and density of development in the City. Those CC&Rs are administered and enforced by the Rolling Hills Community Association, a separate legal entity.

Historically, the City has provided its Community Development Block Grant (CDBG) funds to support regional housing needs. Between FY 1980-85 and FY 1994-95, the City of Rolling Hills allocated $159,465 in CDBG funds to the City of Lomita for acquisition of property for low-income senior citizen housing unit construction. Since 1995, the City of Lomita has not chosen to request Rolling Hills' available CDBG funds for housing unit construction.

However, in an effort to continue this commitment to regional housing needs and to utilize the City's available CDBG funds locally, since 1996 the City has provided its CDBG funds to cities of Lomita and Rancho Palos Verdes (RPV) for housing rehabilitation programs for seniors and low income residents. Although the City of Rolling Hills was committed to helping the region to meet its housing needs, the City was not given "credit" by the HCD for its efforts.

In the recent years the City's allocation of the CDBG funds were negligible, but the process of accepting the funds and its allocation to other cities required tremendous effort on staff time including public hearings. The City Council in 2010 opted to not to continue to receive these funds.

B. Housing Development in City

The City continues to work with and assist housing developers and builders to enable new and/or replacement housing to be built in the City. The unique geographic and infrastructure constraints in the City require high levels of cooperation between City staff, developers and builders. Continued cooperation will facilitate the construction of new housing to allow the City to meet its total regional share allotment of new housing. In January 1989, the Southern California Association of Governments (SCAG) established 40 housing units as Rolling Hills' regional share for 1989-1994. In that time period, 15 housing units were constructed, 5 of which were additional units. For the period of 1995-2005, SCAG has established 60 housing units as Rolling Hills' regional share. In that period 13 units were constructed, of which 5 were additional units. For the planning period through 2014, SCAG has established 22 housing units as Rolling Hills' regional share, of which 4 new units were constructed and 16 reconstructed or undergone a major remodel/addition. For the current Housing element cycle, through 2021, SCAG has established 6 housing units as City's Regional Housing Needs Assessment (RHNA) allocation, of which 4 are required to be moderate to very low income housing units. The attached Housing Element describes in detail the constraints on housing development in the City and concludes that the number of units that could be constructed in the City, due to the availability of vacant land is 22 units, however those units would not qualify for availability to lower income persons. In addition, several of these parcels have limited areas for development, with the remaining of the lots in steep slopes, therefore multifamily units could not be built on those lots.

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.

C. Constraints

In the past, efforts to promote and facilitate the development of homeowner sponsored sewer districts were successful in that the City coordinated with homeowners to develop a sewer district with 13 homeowners in the Johns Canyon/Morgan Lane area on the City's western periphery that was connected to the County system. When feasible, the City continues to promote and facilitate additional homeowner connections to the County system although most properties in the City are located at great distances from County sewer lines as well as from one another, and beyond the City's financial means to subsidize.

Because of its concern that lack of sewer system hinders development and creates a potential water quality issues, in the past 14 years the City supported several engineering and assessment district studies to assess the feasibility of a city-wide low pressure or hybrid sewer system as well as neighborhoods sewer systems. The studies showed that it would be extremely costly and disruptive to the City streets and

residents to construct a hybrid citywide sewer system. The neighborhoods driven studies also proved to be too costly for the residents to bear the cost of the construction.

GENERAL PLAN ANNUAL REVIEW

Government Code Section 65400 (b)(1) requires that an annual report be provided to the legislative body on the status of the General Plan. The purpose of the report is to identify the progress made in implementing the provisions contained within the General Plan, including a review of the status of efforts to meet the City's share of regional housing needs. The City's annual General Report has been prepared and will be forwarded to HCD along with the 2014 Housing Element, and is enclosed as Attachment II to this staff report.

CONCLUSION

The Housing Element update concludes that due to the City's geographical, geological, environmental constraints, high land value, cost of construction of septic tanks, lack of sewer system and CC&R restrictions, it is not possible to zone for or produce low income housing units in the City.

The attached state-mandated Housing Element update, with the City's resolution self-certifying the report and a response to the HCD December 16, 2014 letter, will be forwarded to the State Department of Housing and Community Development pending City Council's approval and adoption of the Housing Element.

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ATTACHMENT I

Resolution No. 1158 with Exhibit A- Initial Study AND
Exhibit B - 2014-21 Housing Element Update

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RESOLUTION NO. 1158

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROLLING HILLS ADOPTING THE 2014-2021 HOUSING ELEMENT AND GENERAL PLAN AMENDMENT NO. 2014-01, OF THE GENERAL PLAN OF THE CITY OF ROLLING HILLS. A NEGATIVE ENVIRONMETAL DECLARATION HAS BEEN PREPARED FOR THIS PROJECT; AND ACCEPTING AND FILING THE 2014 REPORT ON THE IMPLEMENTATION OF THE GENERAL PLAN.

THE CITY COUNCIL OF THE CITY OF ROLLING HILLS DOES HEREBY FIND, DETERMINE AND RESOLVE AS FOLLOWS:

Section 1. On January 4, 1957, the City of Rolling Hills was established as a duly organized municipal corporation of the State of California.

Section 2. The City of Rolling Hills adopted the current General Plan on June 25, 1990 and the Housing Element of the General Plan on December 25, 1991 and as amended on July 9, 2001 and January 9, 2009. The General Plan establishes goals, objectives and strategies to implement the community's vision for the future.

Section 3. Pursuant to the requirements of Government Code Section 65580 et seq., City staff has reviewed the Housing Element of the General Plan and determined that it is appropriate to revise that Element to reflect the results of this review.

Section 4. The City prepared a Draft Housing Element update for the period 2014-2021. The Planning Commission reviewed a Preliminary Draft Housing Element at a Public Hearing/Workshop held on September 26, 2013. The document was forwarded as a Draft to the California Department of Housing and Community Development (HCD) for their 60-day review. On December 16, 2013 HCD requested modifications which have been incorporated into a revised Housing Element update, which was considered by the Planning Commission at a public hearing on January 21, 2014.

Section 5. On December 30, 2013 pursuant to Government Code Sections 65090 and 65353, the State of California Clearinghouse, cities of Rolling Hills Estates, Rancho Palos Verdes, Palos Verdes Estates, the Palos Verdes Peninsula Center Library, the Palos Verdes Peninsula Unified School District, and the County of Los Angeles were notified of the public hearing for this project. Notifications of the public hearings were published in the Palos Verdes Peninsula News on January 2 and January 30, 2014 and the City of Rolling Hills Newsletter. Copies of the 2014-2021 Housing Element update and Initial Study were made available at the public counter and the City's web site.

Section 6. Pursuant to the provisions of the California Environmental Quality Act (CEQA), Public Resources Code Sections 21000 et seq., the State CEQA Guidelines,

California Code of Regulations, Title 14, Sections 15000 et seq., and the City's Local CEQA Guidelines, the City prepared an initial study and determined that there was no substantial evidence that the adoption of the 2014-2021 Housing Element may have a significant effect on the environment. Accordingly, a negative declaration was prepared and notice of that fact was given in the manner required by law. The initial study is incorporated herein as if set out in full and attached hereto as Exhibit "A."

Section 7. A duly noticed public hearing before the Planning Commission to consider the proposed negative declaration and the 2014-2021 Housing Element was held on January 21, 2014 at which time public comments on the negative declaration and the 2014-2021 Housing Element were received by the Commission. The Palnning Commisison at that meeting adopted Resolution No. 2014-03 recommendign to the City Council to adopt the Housieng Element and the Negative Delcaration.

Section 8. The City Council at a public hearing on February 10, 2014 considered individually and collectively, the proposed negative declaration and the 2014-2021 Housing Element and after due consideration of public testimony, staff analysis and the Planning Commission's recommendation, the City Council has determined that the 2014-2021 Housing Element, General Plan Amendment No. 2014-01, attached hereto as Exhibit "B" and incorporated by reference into this Resolution, implements the goals and the needs in terms of the type of housing envisioned by the City's General Plan.

Section 9. Based upon the facts contained in this Resolution, those contained in the staff report and other components of the legislative record, in the proposed negative declaration and the 2014-2021 Housing Element, and the public comments received by the City Council, the City Council finds as follows:

(a) The City Council considered the proposed negative declaration together with comments upon it received in the public review process and finds that there is no substantial evidence that the adoption of the 2014-2021 Housing Element will have a significant effect on the environment.

(b) The City Council has reviewed the Housing Element Guidelines adopted by HCD pursuant to Section 50459 of the Health and Safety Code and has reivewed the letter prepared by and has reviewed the findings contained in HCD's letter dated January 16, 2014. The City reivsed the Housing Element based on that letter. The City Council hereby incorporates as if set out in full as part of this resolution and by way of explanation for the basis of the City Council's conclusion that the revised Housing Element substantially complies with State law.

(c) The City has changed the draft Housing Element update to substantially comply with the requirements of Government Code Sections 65580-65589.8. As demonstrated by the analysis set forth in the element itself, the City's unique topographic, geologic, infrastructure, fire safety and land use contraints prevent the City from rezoning

property and otherwise restrict development in the City. Such constraints include steeply sloping hillsides, landslide hazards, lack of urban infrastructure such as sewers, the threat of wildland fires, sensitive animal habitats and species, and enforceable CC&Rs.

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

(e) The housing goals, objectives, and policies stated in the 2014-2021 Housing Element are appropriate for the City of Rolling Hills and will contribute to the attainment of the state housing goal.

(f) The adoption of the 2014-2021 Housing Element will aid the City's efforts to assist in the development of housing for all members of the community.

(g) For the foregoing reasons, the adoption of the 2014-2021 Housing Element is in the public interest.

(h) The City Council received and reviewed the annual report on implementation of the General Plan, and directs that the report be filed and forwarded to the State of California Office of Planning and Research and the Department of Housing and Comminity Development.

Section 10. The City Council hereby approves and adopts the proposed negative declaration, the revised Housing Element and the annual report on the implementation of the General Plan.

Section 11. The City Clerk is hereby directed to distribute copies of the 2008 Housing Element of the Rolling Hills General Plan as provided in Section 65357 and to submit a copy of the revised Housing Element and this Resolution to HCD, pursuant to Section 65585 of the Government Code.

PASSED AND APPROVED ON THE 10th DAY OF FEBRUARY 2014.

_____

FRANK HILL, MAYOR

ATTEST:

_____

HEIDI LUCE, CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) §§
CITY OF ROLLING HILLS)

I certify that the foregoing Resolution No. 1158 entitled:

> A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROLLING HILLS ADOPTING THE 2014-2021 HOUSING ELEMENT AND GENERAL PLAN AMENDMENT NO. 2014-01, OF THE GENERAL PLAN OF THE CITY OF ROLLING HILLS. A NEGATIVE ENVIRONMETAL DECLARATION HAS BEEN PREPARED FOR THIS PROJECT; AND ACCEPTING AND FILING THE 2014 REPORT ON THE IMPLEMENTATION OF THE GENERAL PLAN.

was approved and adopted at a regular meeting of the City Council on February 10, 2014 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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

Administrative Offices

_____
CITY CLERK

EXHIBIT A

Initial Study for 2014-21 Update of the
Housing Element of the General Plan

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CITY OF ROLLING HILLS

INITIAL STUDY

FOR

2014-21 UPDATE OF THE HOUSING ELEMENT OF THE GENERAL PLAN

City of Rolling Hills
No. 2 Portuguese Bend Road
Rolling Hills, CA 90274
Contact: Yolanta Schwartz
(310) 377-1521

December 26, 2013

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City of Rolling Hills

INITIAL STUDY FOR

UPDATE OF THE HOUSING ELEMENT OF THE GENERAL PLAN

SUMMARY AND FINDINGS

This Initial Study assesses the potential environmental impacts of the proposed City of Rolling Hills Update of the Housing Element of the General Plan for the 2014-2021 planning period. In the Housing Element Update, the City of Rolling Hills outlines its program to preserve and promote housing opportunities, including affordable housing opportunities, in the community.

To support provision of adequate housing opportunities, the City of Rolling Hills continues to undertake the following actions:

- Provision of housing service information to community senior citizens
- Enforcement of code violations within residential neighborhoods
- Facilitating new construction by working closely with housing developers and builders
- Monitoring the City land supply
- Support for fair housing counseling and monitoring.

Through these actions and the policies and programs, the City has determined that given its numerous geologic, infrastructure, contractual, fire safety and environmental constraints, it has earnestly endeavored to meet its local and regional housing needs, and its RHNA allocation for the 2014-2021 planning period.

This Initial Study finds that the Update to the Housing Element of the City of Rolling Hills General Plan will promote housing oppportunities in Rolling Hills. The Housing Element Update has been prepared consistent with the City General Plan and with State housing element law. No adverse environmental impacts will result from Housing Element Update adoption and implementation, and no mitigation measures are necessary. On the basis of this finding, a Negative Declaration is being recommended for adoption by the City Council.

PURPOSE AND SCOPE

This Initial Study serves as the environmental review of the proposed Project, as required pursuant to the California Environmental Quality Act (CEQA), Public Resources Code Section 21000 et seq. The proposed Project is the City of Rolling Hills Update to the Housing Element of the General Plan.

Pursuant to Section 65580 of the Government Code, each local community in the State of California must include a Housing Element within its General Plan. The Housing Element must provide a specific analysis of the community's housing needs and a realistic set of programs designed to meet those needs. The Housing Element must be periodically updated as specified by State law.

In accordance with Section 15378(a)(1) of the Guidelines for Implementation of CEQA (CEQA Guidelines), the City of Rolling Hills (City) is required to prepare an Initial Study to determine if the proposed Project may have a significant adverse effect on the environment. This Initial Study is intended to be an informational document providing the Planning Commission and City Council of the City of Rolling Hills, other public agencies, and the general public with an objective assessment of the potential environmental impacts that could result from the implementation of the proposed Project.

PROJECT DESCRIPTION:

1. **Project title:** 2014-2021 Update to the City of Rolling Hills Housing Element of the General Plan.

2. **Applicant name and address:** City of Rolling Hills, No. 2 Portuguese Bend Road, Rolling Hills, CA 90274.

3. **Lead agency name and address:** City of Rolling Hills, No. 2 Portuguese Bend Road, Rolling Hills, CA 90274.
4. **Contact person and phone number:** Yolanta Schwartz, Planning Director, (310) 377-1521.

5. **Project location:** Citywide. Rolling Hills is located in Los Angeles County, on the Palos Verdes peninsula (See Figure 1, Project Vicinity Map, below.)

6. **Approvals required:** Pursuant to State law, the California Department of Housing and Community Development (HCD) is empowered to review the housing element of each community to ensure its compliance with the provisions of the Government Code related to facilitating the improvement and development of housing in order to make adequate provisions for the housing needs of all economic segments of the community. HCD has review, but not approval, authority. The City Council will need to approve the Negative Declaration for the Housing Element Update. No other approvals will be required.

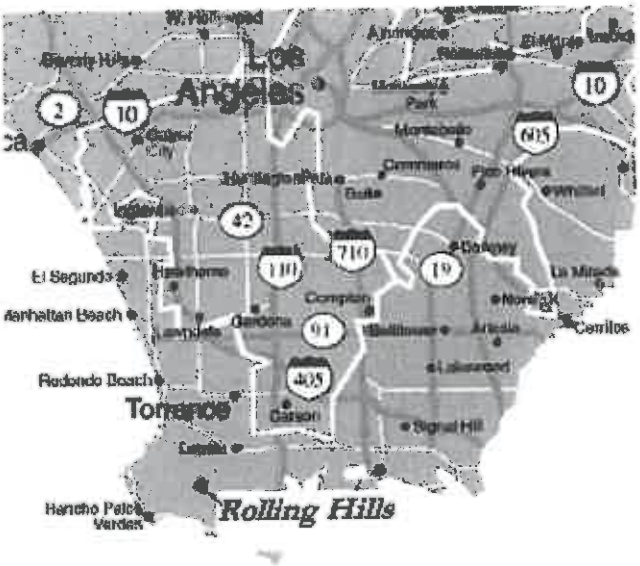

Figure 1. Vicinity Map

7. **Description of project: (Describe the whole action involved, including but not limited to later phases of the project, and any secondary, support, or off-site features necessary for its implementation.)**
As illustrated in Table 1, Rolling Hills is required to provide adequate sites for the construction of 6 new dwelling units during this planning period. Of these new units, 1 should be affordable to Extremely Low Income households, 1 to Very Low Income households, 1 to Low Income households, 1 to Moderate income households, and 2 to above moderate income households.

Table 1
RHNA New Housing Construction Needs by Income Group for the City of Rolling Hills (2014-2021)

Income Category	Housing Unit Construction Need by Income Group	Percent of Need by Income Group
Extremely Low (0-30% County median income) [1]	1	17%
Very Low (31-50% County median income)	1	17%
Low (50-80% County median income)	1	17%
Moderate (80-120% County median income)	1	17%
Above Moderate (over 120% County median income)	2	33%
Total Housing Unit Construction Need	**6**	**100%**

Source: SCAG Adopted Regional Housing Needs Determinations (November 2012)
[1] Extremely Low contains half (or 3) of the City Very Low Income allocation, which is 6 units.

Progress Toward Implementing the 2006-2014 (4th Cycle) Housing Element Programs
The 2006-2014 Rolling Hills Housing Element established programs to address the following primary housing goals:

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

The following section examines the progress made towards implementing the City's housing programs as set forth in the 2006-2014 Housing Element As summarized in Table 2, the City has actively pursued avenues for supporting residential development and facilitating affordable housing opportunities, despite the overwhelming constraints that limit development opportunities in Rolling Hills.

Table 2
City Of Rolling Hills Progress Toward Implementing the 2006-2014 Housing Element Programs

Programs	Accomplishments
Goal 1: Provide for housing which meets the needs of existing and future Rolling Hills' residents.	
Manufactured Home Program: Permit manufactured homes on all buildable, single family lots in the City.	The City has amended its Zoning Ordinance to provide for manufactured homes, and continues to permit this program. No request for a manufactured home was submitted to the City during the past planning period.
Facilitate New Construction: The City will continue to work with and assist housing developers and builders to enable new housing to be built in the City.	The City has continued to work with and assist developers and builders. Five new units and seven replacement units have been constructed during the past planning period.
Goal 2: Maintain and enhance the quality of residential neighborhoods in Rolling Hills.	
Code Enforcement: In the event that a violation of City codes or regulations is discovered, the City works with the County and the Association to remediate the violation.	The City continues to promote code enforcement in cases of violations. An educational program including information brochures has been implemented to discourage violations. A program to accomplish compliance also has been implemented. Approximately thirty violations have occurred in the City and only six of them consisted of residential structural deficiencies, which have been corrected during the past planning period. Code enforcement is intended to protect the public health, safety and welfare, and is not considered a constraint to the development of affordable housing.
Ground Instability: Continue to explore possible solutions to ground instability problems.	The City has continued to work with property owners and geotechnical consultants to establish construction regulations and to explore other potential solutions to the problem. However, despite these continued efforts, certain property in high-risk landslide areas remains unbuildable.
Neighborhood Sponsored Sewer Districts: Promote and facilitate the development of homeowner sponsored sewer districts.	The City has retained a consulting engineer to assess the feasibility of establishing a citywide sewer system. Because of the geologic and topographic constraints, the cost of installing sewer citywide makes installation of a sewer system infeasible.
Housing Repair on Landslide Sites: Continue to allow the repair of damaged structures and remedial grading in landslide areas.	The City continues to allow repair of damaged structures and remedial grading in landslide areas with special permits.
Home Improvement Program for eligible low and moderate-income residents.	In keeping with its commitment to support housing element objectives and low income housing needs, Rolling Hills assigned its

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

Housing Plan 2014-2021

Finally, the Housing Element Update must establish a plan for addressing the identified local and regional housing needs. The goals of the 2014-2021 Housing Element are formulated based on information provided in the Housing Needs Assessment and Constraints sections of the Housing Element document and input from the community, City officials and staff. Goals and policies of the Update are as follows:

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

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

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

Policy 1.3: Encourage the development of residential units that are accessible to the disabled or are adaptable for conversion to residential use by disabled persons.

Policy 1.4: Encourage the use of energy conservation devices and passive design concepts that make use of the natural climate to increase energy efficiency and reduce energy costs.

Policy 1.5: Continue to facilitate the development of housing in the City, taking into account existing financial, legal, and environmental constraints.

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

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

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

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

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

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

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

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

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

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

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

Policy 4.2: Make information on fair housing laws available to residents and realtors in the City by distributing at the City Hall public counter and on request.

Policy 4.3: Investigate any allegations of violations of fair housing laws.

Summary of 2014-2021 Quantified Objectives

Through the housing strategies outlined above, the City of Rolling Hills aims to obtain the quantified objectives required by State Housing Law. Each jurisdiction is required to establish the minimum number of housing units that will be constructed, rehabilitated, and conserved over the Housing Element planning period. The quantified objectives for the City of Rolling Hills Housing Element are summarized in below:

- Number of Units to be Constructed: 16 single-family units

- Number of Units to be Rehabilitated: 0 rehabilitation need
- Number of Units to be Conserved: 693 single-family housing units.

ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED:

The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" as indicated by the checklist on the following pages. If any of the factors are checked, an Environmental Impact Report (EIR) is required. If no factors are checked, a Negative Declaration or Mitigated Declaration is required.

☐ Aesthetics	☐ Hazards & Hazard Materials	☐ Recreation
☐ Agriculture & Forest Resources	☐ Hydrology/Water Quality	☐ Transportation/Traffic
☐ Air Quality	☐ Land Use and Planning	☐ Utilities/Service Systems
☐ Biological Resources	☐ Mineral Resources	☐ Mandatory Findings of Significance
☐ Cultural Resources	☐ Noise	
☐ Geology/Soils (Liquefaction)	☐ Population/Housing	
☐ Greenhouse Gas Emissions	☐ Public Services	

ENVIRONMENAL DETERMINATION: (To be completed by the Lead Agency)

On the basis of this initial evaluation:

X	I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.
	I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because mitigation measures described on the attached pages have been added to the project. A MITIGATED NEGATIVE DECLARATION will be prepared.
	I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.
	I find that the proposed project MAY have a significant effect(s) on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets, if the effect is a "potentially significant impact" or "potentially significant unless mitigated." An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.
	I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable legal standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

Signature:		Date:	December 26, 3013
Printed Name:	Yolanta Schwartz	Title:	Planning Director

EVALUATION OF ENVIRONMENTAL IMPACTS:

An Environmental Checklist Form (Form) has been used to evaluate the potential environmental impacts associated with the proposed project. The Form has been prepared by the Resources Agency of California to assist local governmental agencies, such as the City of Rolling Hills, in complying with the requirements of the Statutes and Guidelines for implementing the California Environmental Quality Act. In the Form, environmental effects are evaluated as follows:

1. A brief explanation is required for all answers except "No Impact" answers that are adequately supported by the information sources a lead agency cites in its response. A "No Impact" answer is adequately supported if the referenced information sources show that the impact simply does not apply to projects like the one involved (e.g., the project falls outside a fault rupture zone). A "No Impact" answer should be explained where it is based on project-specific factors as well as general standards (e.g., the project will not expose sensitive receptors to pollutants, based on a project-specific screening analysis).

2. All answers must take account of the whole action involved, including off-site as well as on-site, cumulative as well as project-level, indirect as well as direct, and construction as well as operational impacts.

3. Once the lead agency has determined that a particular physical impact may occur, then the checklist answers must indicate whether the impact is "Potentially Significant", "Less Than Significant With Mitigation", or "Less Than Significant". "Potentially Significant Impact" is appropriate if there is substantial evidence that an effect may be significant. If there are one or more "Potentially Significant Impact" entries when the determination is made, an EIR is required.

4. "Negative Declaration: Less Than Significant With Mitigation Incorporated" applies where the incorporation of mitigation measures has reduced an effect from "Potentially Significant Impact" to a "Less Than Significant Impact." The lead agency must describe the mitigation measures, and briefly explain how they reduce the effect to a less than significant level (mitigation measures from an "Earlier Analyses," as described in #5 below, may be cross-referenced).

5. Earlier analyses may be used where, pursuant to tiering, program EIR, or other CEQA process, an effect has been adequately analyzed in an earlier EIR or negative declaration. In this case, a brief discussion should identify the following:

   (a) Earlier Analysis Used. Identify and state where they are available for review.

   (b) Impacts Adequately Addressed. Identify which effects from the above checklist were within the scope of and adequately analyzed in an earlier document pursuant to applicable legal standards, and state whether such effects were addressed by mitigation measures based on the earlier analysis.

   (c) Mitigation Measures. For effects that are "Less than Significant with Mitigation Measures Incorporated," describe the mitigation measures which were incorporated or refined from the earlier document and the extent to which they address site-specific conditions for the project.

6. Lead agencies are encouraged to incorporate into the checklist references to information sources for potential impacts (e.g., general plans, zoning ordinances).

7. Supporting Information Sources: A source list should be attached, and other sources used or individuals contacted should be cited in the discussion.

8. The explanation of each issue should identify:
   (a) The significance criteria or threshold, if any, used to evaluate each question.
   (b) The mitigation measure identified, if any, to reduce the impact to less than significance.

ENVIRONMENTAL IMPACTS CHECKLIST:

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
I. AESTHETICS. Would the project:				
a) Have a substantial adverse effect on a scenic vista?				X
b) Substantially damage scenic resources, including but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?				X
c) Substantially degrade the existing visual character and quality of the site and its surroundings?				X
d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?				X
I. a), b), c), d). No Impact. The Housing Element is a policy document that analyzes housing need and promotes affordable housing. Any development that occurs pursuant to Housing Element policies will be consistent with City planning, engineering and building requirements. No impacts relative to aesthetics are expected to occur as a result of the Housing Element.				
II. AGRICULTURAL RESOURCES. Would the project:				
a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?				
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?				
c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)) or timberland (as defined in Public Resources Code section 4526)				X

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
d) Result in loss of forest land or conversion of forest land to non-forest use?				
e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?				X
II. a), b), c), d), e). No Impact. The City of Rolling Hills is an urbanized community. Policies and programs of the Housing Element Update promote infill housing. There are no designated agricultural lands or forest lands within the City. The Update will not impact any existing farmland or land zoned or contracted for farming.				
III. AIR QUALITY. Would the project:				
a) Conflict with or obstruct implementation of the applicable air quality plan?				X
b) Violate any air quality standard or contribute to an existing or projected air quality violation?				X
c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions with exceed quantitative thresholds for ozone precursors)?				X
d) Expose sensitive receptors to substantial pollutant concentrations?				X
e) Create objectionable odors affecting a substantial number of people?				X
III. a), b), c), d), e). *No Impact.* Rolling Hills is within the South Coast Air Quality Management District (SCAQMD), established to implement the California Clean Air Act of 1988 and protect air quality in California. SCAQMD's jurisdiction encompasses the counties of Los Angeles, San Bernardino, Riverside and Orange. The SCAQMD has developed the CEQA Air Quality Guidelines to assist local jurisdictions determine if a potential project may emit significant air quality impacts. Any development that occurs pursuant to Housing Element Update policies will be reviewed and processed in accordance with City planning policies and the SCAQMD CEQA Air Quality Guidelines. No impacts to air quality are expected to occur as a result of the Housing Element.				

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
IV. BIOLOGICAL RESOURCES. Would the project:				
a) Have a substantial adverse effect, either directly or through habitat modification, on any species identified as candidate, sensitive or special status species in local or regional plans, policies or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife?				X
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife?				X
c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including but not limited to marsh, vernal pool, coastal, etc.) through direct removal, filling hydrological interruption, or other means?				X
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?				X
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?				X
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Conservancy Conservation Plan, or other approved local, regional, or state habitat conservation plan?				X

IV. a), b), c), d), e), f). *No Impact.* Policies and programs of the Housing Element Update promote infill housing. Any development that occurs pursuant to Housing Element policies will occur in already urbanized areas of the community, and will be reviewed and processed in accordance with City planning policies. No impacts to biological resources are expected to occur as a result of the Housing Element Update.

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
V. CULTURAL AND RESOURCES. Would the project:				
a) Cause a substantial adverse change in the significant of a historical resource as defined in §15064.5?				X
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to §15064.5?				X
c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?				X
d) Disturb any human remains including those interred outside of formal cemeteries?				X
V. a), b), c), d). *No Impact.* Policies and programs of the Housing Element Update promote infill housing. Any development that occurs pursuant to Housing Element policies will occur in already urbanized areas of the community, and will be reviewed and processed in accordance with City planning policies. No impacts to cultural resources are expected to occur as a result of the Housing Element Update.				
VI. GEOLOGY AND SOILS. Would the project:				
a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:				X
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.				
ii) Strong seismic ground shaking?				X
iii) Seismic-related ground failure, including liquefaction?				X
iv) Landslides?				X
b) Result in substantial soil erosion or the loss of topsoil?				X
c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and				X

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?				
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?				X
e) Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?				X

VI. a), b), c), d), e). *No Impact.* The Housing Element is a policy document that analyzes housing need and promotes affordable housing. Any development that occurs pursuant to Housing Element Update policies will be subject to City planning, engineering and building requirements. No impacts to geological conditions are expected to occur as a result of the Housing Element Update.

VII. GREENHOUSE GAS EMISSIONS. Would the Project :

a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?				X
b) Conflict with any applicable plan, policy or regulation of an agency adopted for the purpose of reducing the emissions of greenhouse gases?				

VII. a), b). *No Impact.* In 2005, in recognition of California's vulnerability to the effects of climate change, Governor Schwarzenegger established Executive Order S-3-05, which sets forth a series of target dates by which statewide emission of greenhouse gas would be progressively reduced, as follows:

- By 2010, reduce greenhouse gas emissions to 2000 levels;
- By 2020, reduce greenhouse gas emissions to 1990 levels; and
- By 2050, reduce greenhouse gas emissions to 80 percent below 1990 levels.

Policies and programs of the Housing Element Update promote infill housing. Any development that occurs pursuant to Housing Element policies will occur in already urbanized areas of the community, and will be reviewed and processed in accordance with City planning policies. The Housing Element Update is a policy document consistent with the City General Plan. It will not result in changes that will increase greenhouse gas emissions or conflict with applicable policies.

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
VIII. HAZARDS AND HAZARDOUS MATERIALS. Would the project:				
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?				X
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?				X
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?				X
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?				X
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the Project area?				X
f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the Project area?				X
g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?				X
h) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?				X

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
VIII. a), b), c), d), e), f), g), h). *No Impact.* The Housing Element is a policy document that analyzes housing need and promotes affordable housing. The City is not within an airport or airfield safety hazard zone. Any development that occurs pursuant to Housing Element Update policies will be subject to state and local regulations regarding the transport, use and disposal of hazardous materials, and to City planning, engineering and building requirements. No impacts relative to hazards are expected to occur as a result of the Housing Element Update.				
IX. HYDROLOGY AND WATER QUALITY. Would the project:				
a) Violate any water quality standards or waste discharge requirements?				X
b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?				X
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?				X
d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?				
e) Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?				X
f) Otherwise substantially degrade water quality?				X
g) Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?				X

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
h) Place within a 100-year flood hazard area structures that would impede or redirect flood flows?				X
i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?				X
j) Inundation by seiche or mudflow?				X
IX. a), b), c), d), e), f), g), h), i), j). *No Impact.* The Housing Element is a policy document that analyzes housing need and promotes affordable housing. Any development that occurs pursuant to Housing Element Update policies will be subject to state and local regulations regarding water quality, run-off and hydrology, and to City planning, engineering and building requirements. No impacts relative to water quality or hydrology are expected to occur as a result of the Housing Element Update.				
X. LAND USE AND PLANNING. Would the project:				
a) Physically divide an established community?				X
b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?				X
c) Conflict with any applicable habitat conservation plan or natural community conservation plan?				X
X. a), b), c). No Impact. The City of Rolling Hills has prepared its Housing Element Update in accordance with Section 65580 et. al. of the Government Code. The Housing Element Update also has been prepared consistent with the City of Rolling Hills General Plan and the community's vision of its housing needs and objectives. Accordingly, this Housing Element examines Rolling Hills's housing needs as they exist today, and projects future housing needs. It sets forth statements of community goals, objectives and policies concerning those needs. It includes a housing program responsive to current and future needs, consistent with available resources. Any subsequent discretionary actions or development that occurs pursuant to Housing Element policies will be reviewed and processed in accordance with City planning policies. The Element has been prepared in full compliance with the State housing law, and no potential adverse impacts relative to land use are expected to occur.				
XI. MINERAL RESOURCES. Would the project:				
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?				X
b) Result in the loss of availability of a locally important mineral resource				X

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
recovery site delineated on a local general plan, specific plan or other land use plan?				

XI. a), b). No Impact. The Housing Element is a policy document that analyzes housing need and promotes affordable housing. Any development that occurs pursuant to Housing Element policies will be subject to City planning, engineering and building requirements. No impacts relative to mineral resources are expected to occur as a result of the Housing Element Update.

XII. NOISE. Would the project:				
a) Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?				X
b) Exposure of persons to or generation of **excessive groundborne vibration or** groundborne noise levels?				X
c) A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?				X
d) A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?				X
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the Project area to excessive noise levels?				X
f) For a project within the vicinity of a private airstrip, would the project expose people residing or working in the Project area to excessive noise levels?				X

XI. a), b), c), d), e), f). No Impact. The Housing Element is a policy document that analyzes housing need and promotes affordable housing. Any development that occurs pursuant to Housing Element policies will be subject to City planning, engineering and building requirements. No impacts relative to noise are expected to occur as a result of the Housing Element Update.

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
XIII. POPULATION AND HOUSING. Would the project:				
a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?				X
b) Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?				X
c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?				X

XIII. a), b), c). No Impact. Policies and programs of the Housing Element Update promote infill housing in order to meet the State and regionally mandated RHNA obligation for affordable housing. Any subsequent development accomplished pursuant to the Housing Element Update will be consistent with State and regional growth mandates. The Update will not displace housing or people, but conversely, is intended to increase affordability of the planned housing supply, which can support retention of households in all income categories. No significant impacts relative to population or housing are expected to occur as a result of the Housing Element Update.

XIV. PUBLIC SERVICES. Would the project: result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:				
a) Fire protection?				X
b) Police protection?				X
c) Schools?				X
d) Parks?				X
e) Other public facilities?				X

XIV. a), b), c), d), e). No Impact. The Housing Element is a policy document that analyzes housing need and promotes affordable housing. As noted under response #XII, above, any subsequent development accomplished pursuant to the Housing Element Update will be consistent with State and regional growth mandates. Subsequent development also will be subject to City planning, engineering and building requirements. No impacts to public services are expected to occur as a result of the Housing Element Update.

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
XV. RECREATION:				
a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?				X
b) Does the project include recreational facilities or require the construction or expansion of recreational facilities that might have an adverse physical effect on the environment?				X
XV. a), b. No Impact. The Housing Element is a policy document that analyzes housing need and promotes affordable housing. As noted under response #XII, above, any subsequent development accomplished pursuant to the Housing Element Update will be consistent with State and regional growth mandates. Subsequent development also will be subject to City planning, engineering and building requirements. No impacts to recreation are expected to occur as a result of the Housing Element Update.				
XVI. TRANSPORTATION/ TRAFFIC. Would the project:				
a) Exceed the capacity of the existing circulation system, based on an applicable measure of effectiveness (as designated in a general plan policy, ordinance, etc.) taking into account all relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit?				X
b) Conflict with an applicable congestion management program, including, but not limited to level of service standards and travel demand measures, or other standards established by the county congestion management agency for designated roads or highways?				X
c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?				X
d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?				X
e) Result in inadequate emergency access?				X

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
f) Conflict with adopted policies, plans, or programs supporting alternative transportation (e.g., bus turnouts, bicycle racks)?				X
XVI. a), b),c), d), e), f). No Impact. The Housing Element is a policy document that analyzes housing need and promotes affordable housing. As noted under response #XII, above, any subsequent development accomplished pursuant to the Housing Element Update will be consistent with State and regional growth mandates. Subsequent development also will be subject to City planning, engineering and building requirements. No impacts to transportation or traffic are expected to occur as a result of the Housing Element Update.				
XVII. UTILITIES AND SERVICE SYSTEMS. Would the project:				
a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?				X
b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?				X
c) Result in a determination by the wastewater treatment provider which serves or may serve the Project that it has adequate capacity to serve the Project as projected demand in addition to the provider's existing commitments?				X
d) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?				X
e) Have sufficient water supplies available to serve the project from existing entitlements and resources, or new or expanded entitlements needed?				X
f) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?				X
g) Comply with federal, state and local statutes and regulations related to solid waste?				X

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
XVII. a), b),c), d), e), f), g). No Impact. The Housing Element is a policy document that analyzes housing need and promotes affordable housing. As noted under response #XII, above, any subsequent development accomplished pursuant to the Housing Element Update will be consistent with State and regional growth mandates. Subsequent development also will be subject to City planning, engineering and building requirements. No impacts to utilities are expected to occur as a result of the Housing Element Update.				
XVIII. MANDATORY FINDINGS OF SIGNIFICANCE				
A. Does the project have the potential to substantially degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or an endangered threatened species, or eliminate important examples of the major periods of California history or prehistory?				X
XVIII. A. No Impact. As discussed in Items # IV and V, policies and programs of the Housing Element Update promote infill housing. Any development that occurs pursuant to Housing Element policies will occur in already urbanized areas of the community, and will be reviewed and processed in accordance with City planning policies. No impacts that will cause substantial degradation of biological or cultural resources are expected to occur as a result of the Housing Element Update.				
B. Does the project have impacts that are individually limited, but cumulatively considerable? ('Cumulatively considerable' means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?				X
XVIII. B. No Impact. The Housing Element is a policy document that analyzes housing need and promotes affordable housing. As noted under response #XII, above, any subsequent development accomplished pursuant to the Housing Element Update will be consistent with State and regional growth mandates. Subsequent development also will be subject to City planning, engineering and building requirements. No cumulative impacts are expected to occur as a result of the Housing Element Update.				
C. Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?		X		

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
XVII. C. No Impact. The Housing Element is a policy document that analyzes housing need and promotes affordable housing. Any development that occurs pursuant to Housing Element Update policies will be subject to state and local regulations, and to City planning, engineering and building requirements. No impacts that will cause substantial adverse effects on human beings, either directly or indirectly are expected to occur as a result of the Housing Element Update.				

SOURCES CITED IN EVALUATION OF ENVIRONMENTAL IMPACTS:

Section 15150 of the State CEQA Guidelines permits an environmental document to incorporate by reference other documents that provide relevant data. The documents outlined below are hereby incorporated by reference, and the pertinent material is summarized throughout this Initial Study where that information is relevant to the analysis of impacts of the proposed project. All documents incorporated by reference are available for review at the City of Rolling Hills Community Development Department, No. 2 Portuguese Bend Road, Rolling Hills, CA 90274. The office hours are Monday through Friday between 7:30 a.m. and 5:00 p.m.

1. City of Rolling Hills, General Plan (current)
2. City of Rolling Hills Zoning Code (current)

LIST BELOW THE PERSON OR PERSONS WHO PREPARED OR PARTICIPATED IN THE PREPARATION OF THE INITIAL STUDY:

Preparer: Joann Lombardo, Consultant.

Technical Review/City of Rolling Hills Staff:
Yolanta Schwartz, Planning Director

EXHIBIT B

Housing Element 2014-21
for the City of Rolling Hills

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

CITY OF ROLLING HILLS

City of Rolling Hills
No. 2 Portuguese Bend Road
Rolling Hills, CA 90274
Contact: Yolanta Schwartz
tel: (310) 377-1521; email: ys@cityofrh.net

October 1, 2013 (first draft)
January 2, 2014 (revised draft)

2014-2021 UPDATE

2014-2021 Update of the Housing Element of the General Plan

City of Rolling Hills

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EXECUTIVE SUMMARY

This Housing Element Update addresses the 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 hillside community, Rolling Hills' ability to provide housing is limited by its serious geologic, topographic and environmental 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 housing. These actions continue from the last planning period and strive toward the following accomplishments:

1. Provide housing service information to community senior citizens
2. Enforce code violations within residential neighborhoods
3. Facilitate new construction by working closely with housing developers and builders
4. Monitor the City land supply
5. Promote reasonable accommodations for the disabled
6. Support energy conservation and sustainable development measures
7. 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.) 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.

Figure 1. Vicinity Map

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

1. Steeply sloping hillsides
2. Landslide hazards
3. Lack of urban infrastructure, specifically sewer
4. Danger of wildland fires
5. Sensitive animal habitats and species
6. Restrictions of enforceable covenants, conditions, and restrictions of the Rolling Hills Community Association (RHCA), which existed prior to the City's incorporation.

Geologic Constraints:

Expansive soils and geologic hazard conditions continue to place constraints on development within the City. Portions of the City are located over ancient landslide, which from time to time reactivate and affect 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, further limiting the developable area within its boundaries.

In the past 7 years, three private properties experienced earth movement where a portion of their slope slid, requiring the property owners to do extensive and expensive slope restoration work. Last year, 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 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 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, heavy timber construction materials and other construction materials approved by the California Fire Marshall only. Professionally designed landscaping meeting the Fire Department fuel modification zones requirements including fire-resistive plants around structures are also 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 homes on the western periphery of the City are served by a sewer system. Consequently, 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. XIIID, § 4) for properties abutting Johns Canyon Road in the City, but the effort failed due to the high cost of installing the sewer line. The prohibitive cost of sewer line installation, in conjunction with recent active landslide activity, continues to constrain development densities in the City.

Environmental Constraints:

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

Topographic Constraints:

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.

Contractual Constraints:

Rolling Hills has been largely built-out for the past thirty years. All of the developable property in the City is subject to RHCA, a non-profit California Corporation, enforceable covenants, conditions, and restrictions (CC&Rs) that run with the property in perpetuity. These CC&Rs were in place prior to the City's incorporation, and continue to restrict development based on the community's unique constraints.

Within the context of these overwhelming 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 has reached out to adjacent communities to address its regional affordable housing needs. The City has conducted these efforts in compliance with State Housing Element Law as summarized below.

B. PURPOSE OF THE 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. 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 a Housing Element and incorporated in the General Plan of each municipality.

The requirements of the law are prefaced by several statements of State policy set forth in Section 65580 of the Government Code:

> "... The availability of housing is of vital statewide importance, and the early attainment of decent housing and a suitable living environment for every California family is a priority of the highest order."
>
> "... 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."
>
> "... 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."

C. LEGISLATIVE REQUIREMENTS

State law requires each municipality to accomplish the following tasks:

- To identify and analyze the current and projected housing needs of all economic segments of the community.
- To 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.
- To inventory and assess the availability of land suitable for residential use.
- To 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.

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 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 and ensuring consistency between this and the City's other General Plan Elements.

F. RELATIONSHIP TO PRIVATE LAND USE RESTRICTIONS

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 out in the 1930's. Rolling Hills Community Association (RHCA), composed of elected Rolling Hills community residents, oversees and enforces implementation of the CC&Rs. The RHCA and the CC&Rs existed and were in force prior to the City incorporation, which occurred in 1957.

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

The City of Rolling Hills has no jurisdiction over the RHCA or the content or implementation of the CC&Rs.

G. PUBLIC PARTICIPATION

Section 65583(c)(5) of the Government Code states that "[t]he local government shall make a diligent effort to achieve public participation of all the 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 gain public input 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 goals. 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.

Notice of the September 26th public meeting was 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 web-site 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 full compliance with Government Code Section 65583(c)(5). In addition, 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.

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 community. At these meetings, additional public comment from the community 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 26th public meeting.

H. SOURCES OF INFORMATION

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

- City of Rolling Hills Hazard Mitigation Plan.

Various other informational sources were also referenced where appropriate. References to these informational sources 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 changes reflect both local and regional conditions. Consequently, the regional context is also presented.

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 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.

1. Population Change

Rolling Hills had a resident population of 1,860 according to the 2010 Census, and a population of 1,884, 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 in Los Angeles County[1]. The City has been largely built-out for the past forty years.

As illustrated in Table 1, the City had a 1970 population of 2,050 and a 1980 population of 2,049. By 1990, according to the Census, the City 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 population remained stagnant from 1990 to 2000, and decreasing by 0.6 percent according to the 2010 census. The 2013 state of California Department of Finance estimates a slight increase of 1.3 percent. By comparison, the County of Los Angeles population increased 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 1
City of Rolling Hills
Population: 1970,1980, 1990, 2000, 2010, 2013

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

Source: (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

[1] 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 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 20 years, its median age has increased from a 1980 median age of 38.2 years, to a 1990 median age of 45.5 years to a 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

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

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

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

3. Race and Ethnicity

As shown in Table 3, the 2010 Census reported that 77.3 percent of Rolling Hills' population was white, which compared to 50.3 percent for the County overall. Rolling Hills' Black or African American population at 1.6 percent was lower than the County Black or African American population at 8.7 percent. American Indian or Alaskan Native comprised very small percentages of both the City and County population, 0.3 percent and 0.7 percent, respectively. Asians comprised 16.3 percent of Rolling Hills' population, compared to 13.7 percent for the County. Native Hawaiian or other Pacific Islander also comprised very small percentages of the City and County population, 0.1 percent and 0.3, 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, 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	
	No. Persons	% of Total	No. Persons	% of Total
One Race	1,800	96.8	9,379,892	95.5
White	1,437	77.3	4,936,599	50.3
Black or African American	29	1.6	856,874	8.7
American Indian and Alaska Native	5	0.3	72,828	0.7
Asian	303	16.3	1,346,865	13.7
Native Hawaiian and Other Pacific Islander	2	0.1	26,094	0.3
Other Race	24	1.3	2,140,632	21.8
Two or More Races	60	3.2	438,713	4.5
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 16.6 percent worked in sales; 10.3 percent in service industries; 0.6 percent in natural resources, construction and maintenance; and 0.4 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. 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 single household refers to individuals living alone. "Other" households reflect unrelated individuals living together (e.g., roommates). Persons living in retirement or convalescent homes, dormitories, or other group living situations are not considered households.

1. Household Type

As shown in Table 4, there were a total of 663 households in Rolling Hills according to the 2010 US Census Report. Most of these households (81.3 percent) are family 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%
Other Non-family	124	18.7%	224,943	7.2%
Total	**663**	**100.0%**	**3,133,774**	**100%**
Average Household Size (all households)	2.81		2.98	
Average Family Household Size	3.08		3.58	

2. Overcrowding

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

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

3. Household Income

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

State-Defined Income Categories

According to the Federal Department of Housing and Urban Development (HUD) and the California Department of Housing and Community Development (HCD), the area median income for a four-person household in Los Angeles County was $64,800 in 2013.[2] California law and some 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. The 2013 income limits for these categories by household size are presented in Table 5, as follows:

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

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

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 usually associated with low income households. Approximately 6.0 percent of Rolling Hills households report income below $25,000 per year, an income level usually associated with extremely low income households. Based on the 2010 Census estimate of 663 households, this could mean that as many as 41 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.

Because of the very high value of houses in Rolling Hills, it is likely that the approximately 40 households with declared incomes under $25,000 have other financial assets that allow them to continue to live in Rolling Hills. Consequently, these households are likely not extremely low income and do not have a need for affordable housing options such as single-room occupancy housing or rental vouchers. This conclusion is further supported by the poverty status information for the City. No Rolling Hills families had incomes at or below the 2009 federal poverty level; for Los Angeles County, this percentage was 13.0 percent.

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 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 and Frail Elderly

The special needs of many 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 or 27.9 percent of Rolling Hills' population were 65 or older. As shown in Table 8, households with elderly persons comprised 340 or 51.3 percent of all Rolling Hills households. By comparison, countywide, 10.9 percent of County 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.

Senior households are likely to be on fixed low incomes and 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, the elderly also often need to live close or have transportation assistance to shopping and medical facilities.

According to the 2000 Census, of those Rolling Hills residents that are elderly, 19.1 percent 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 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 developmnets. 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 assist its elderly residents find needed services, the City has available at City Hall a list of local senior facilities. These facilities are listed below.

SENIOR FACILITIES NEAR ROLLING HILLS

Organization	Street Address
CARSON	
▪ Carson Senior Assisted Living	345 E. Carson Street
▪ Carson Senior Center	801 East Carson Street
▪ Samoan American Senior Citizen	23742 Main
TORRANCE	
▪ Keep Safe Coalition	4733 Torrance Blvd
▪ Bartlett Senior Center	1318 Cravens Avenue
▪ Torrance YMCA Senior Center	2900 W. Sepulveda
▪ Herman Tillim	3614 W. Artesia Blvd
▪ Torrance Memorial Advantage Program	3330 W. Lomita Blvd
▪ Vistas Innovative Hospice Care	990 W. 190th
▪ RSVP	1339 Post Avenue
▪ Torrance South Bay YMCA Senior Program	1900 Crenshaw
South Bay Senior Service	3246 Sepulveda Blvd
South Bay Senior Service	2510 W. 237th Street #
H.E.L.P.	1404 Cravens Avenue

SENIOR FACILITIES NEAR ROLLING HILLS

Organization	Street Address
WILMINGTON	
▪ Wilmington Senior Center	1148 N. Avalon
▪ Mahar House Community Center	1115 Mahar Avenue
▪ Harbor Area Senior Center	1371 Eubank Avenue
▪ Wilmington Jaycees Foundation	1371 Eubank Avenue
HARBOR CITY	
▪ Harbor City Senior Center	24901 Frampton
SAN PEDRO	
▪ Anderson Memorial Senior Center	828 S. Mesa Street
▪ San Pedro Service Center	769 W. Third
▪ Salvation Army Sage House	138 S. Bandini Street
▪ Japanese Community Pioneer Center	1964 W. 162nd Street
▪ Toberman Senior Club	131 N. Grand Avenue
REDONDO BEACH	
▪ RB Community Center	200 N. Pacific Coast
▪ Meals on Wheels	32 Knob Hill Avenue
▪ Beach Cities Health Group	514 N. Prospect
▪ Redondo Beach Senior Center	3007 Vail Avenue
MANHATTAN BEACH	
▪ Joslyn Center	1601 Valley Drive
▪ Manhattan Beach Senior Center	Same as above
▪ Manhattan Heights Senior	Same as above
HAWTHORNE	
▪ Hawthorne Senior Center	3901 El Segundo Blvd
GARDENA	
▪ Behavioral Health Services, Medicine Education Program	15519 Crenshaw Blvd
▪ Special Services Group Care Project	14112 S Kingsley Dr
▪ Asian Community Service Center	same as above
▪ Gardena Service Center	1670 162nd Street
▪ Second Time Around	13220 Van Ness
▪ Sociable Seniors	1957 W. Redondo Bch
RANCHO PALOS VERDES	
▪ Peninsula Seniors	30928 Hawthorne Blvd

SENIOR FACILITIES NEAR ROLLING HILLS

Organization	Street Address
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
Estimated Population of Special Needs Households in Rolling Hills and Los Angeles County
2010 Census

	City of Rolling Hills		County of Los Angeles
Special Needs Group	**Number**	**Percent**	**Percent**
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 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 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.

Of Rolling Hills' disabled residents (152 total), 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, 18 percent of 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.

Rolling Hills disabled residents are generally more active (employed) and older (elderly) than County residents as a whole. 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.[3]

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

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

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

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 1 percent of all Rolling Hills households, are expected to be 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.

Because the female-headed households in Rolling Hills are expected to be predominately upper income, they are not expected to 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.

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. 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.

Homeless

During the past decades, homelessness had 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.[4] The homeless facilities closest to Rolling Hills include Beacon Light Mission in Wilmington that currently provides 7 temporary beds for homeless men plus meals.[5] While no one has been turned away from the dining tables in over a year, the beds are usually full. The Mission finds that the majority of its clients are people searching for work in the harbor area.

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

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

various topics, including budgeting, parenting and nutrition. They receive assistance on building a resume and seeking employment as well as free and reduced-cost childcare.

Harbor Interfaith Shelter in San Pedro provides housing to people each day in its emergency, transitional and low-income permanent housing. In 2012, it provided housing services to 18,000 persons.[7] The shelter also provides meals, personal counseling, and educational and vocational services. Toberman Settlement House is a non-profit neighborhood center providing services to low-income residents of Los Angeles. Its efforts are aimed at helping individuals and families move from poverty to self-sufficiency. Founded in 1903 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.

City Approach to Meeting Needs of Homelessness: Senate Bill 2 of 2007 (SB 2) 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.

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 enforceable CC&Rs that run with the property in perpetuity. These CC&Rs have

[7] http://www.harborinterfaith.org/about.html; accessed September 22, 2013.

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 or transitional housing, 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 City is committed to coordinating with and 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 to local shelters.

Transitional and Supportive Housing

SB 2 requires jurisdictions to allow transitonal and supportive housing in all residential zones only subject to those restrictions that apply to other residential dewellings of the same type in the same zone. Transitional and supportive housing are allowed in the two residential zones within Rolling Hills consistent with state law. As discussed in Section V.B of this Element, none of the reasonably available properties in the City of Rolling Hills could realistically develop at a density greater than 1 unit per acre, making development of multifamily transitional or supportive housing infeasible.

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. 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.[8] 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.

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

As discussed above, numerous constraints make the rezoning of property in Rolling Hills infeasible and continue to restrict development to low density single family. No hotels exist in Rolling Hills.

City Approach to Meeting SRO Housing Needs: Although Rolling Hills has no feasible or suitable sites for SRO zoning or development, 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.

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 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 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 an average growth rate of 2 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 housing stock was built in the 1950s, and is 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 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. Some of these homes are expected to include guest units. According to the 2010 Census, there are 693 single family units. The RCHA prohibits renting such guest units because of the community's limited sewer and water capacity.

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 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 Department. In response to complaints, the City Planning Director makes site inspections in the community. Any code enforcement violations noted by the Director or called in by a resident is 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 Director will follow-up with a letter. There are very few code violations regarding residential structural deficiencies in the City of Rolling Hills, and during this planning period, all noted violations have been resolved with a phone call or a letter.

City Housing Maintenance Efforts: Because housing maintenance 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 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 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.[9]

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

Table 10
City of Rolling Hills
Median Housing Values
2010 Census

City	Median Sales Price 2010
Rolling Hills	$1,000,000+
Rolling Hills Estate	$1,000,000+
Palos Verdes Estates	$1,000,000+
Rancho Palos Verdes	$ 950,000
Lomita	$495,0000

Rental Housing

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. [10] At these prices, only upper income households could afford to rent in Rolling Hills.

Vacancy Rates

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

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

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 that 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. 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 $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.

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.

Rental housing in Rolling Hills starts at $3,500 per month. These rents are certainly well above the reach of the Extremely Low and Very Low, Low, Median and Moderate Income 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. 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.

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

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

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

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

D. ASSISTED HOUSING

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 ON HOUSING PRODUCTION

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

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

A. MARKET CONSTRAINTS

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

1. Land Costs

The single largest cost associated with building a new house in Rolling Hills is the cost of land. Land costs include the cost of raw 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 yield large lots, and opportunities for canyon, ocean and city views. Average cost for an undeveloped, unimproved parcel of residential land in the City is $544,000 per acre[11].

In addition to raw land costs, 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 construction of lower income housing in the City impossible without government subsidy. The City has very limited resources because it is not eligible for state or federal funds. There are no commercial enterprises in the City, therefore the City does not receive any sales tax income.

[11] 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.

2. Construction Costs

A major cost associated with building a new house is the cost of building materials, which typically comprise between 50 to 60 percent of the for-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 oversees markets significant contributors. Typical residential construction costs for high quality homes like those found in Rolling Hills are approximately $330-500 per square foot. Construction of septic tanks adds tremendous cost to the construction of homes. Additionally, residential amenities (e.g., pools, fire places, 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, and types of amenities and construction materials are generally selected at the discretion of the property owner and/or developer. However, 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, there 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 has caused many home owners to default on the mortgages. Unable to recoup their investments, a number of lenders have had to shut down or file for bankruptcy.

This mortgage crisis had made qualifying for a home loan more difficult. Although 30-year fixed rate mortgages are still available at 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 factors in both the private and public sectors. 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.

1. Land Use Controls

Land Use Controls are established by the City's General Plan Land Use Element, Zoning Ordinance, and Community Association Building Regulations. 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 (RA-S-2). 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. These development standards reflect the requirements of the CC&Rs and therefore do not themselves constrain housing supply.

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

Source: City of Rolling Hills

The City defines a "second unit" as a detached or attached dwelling unit which provides complete, independent living facilities for one or more persons including permanent provisions for living, sleeping, cooking, and sanitation, on the same parcel as the primary residential structure. State law encourages the development of second units on single-family lots. The City of Rolling Hills permits guest houses, attached or detached to the main residence that may have separate living and bath quarters, but not separate kitchen and dining facilities.

Because of the unique infrastructure, geologic and fire safety constraints within Rolling Hills, second units may pose adverse impacts on public health, safety and welfare. The City of Rolling Hills has adopted an ordinance that prohibits second units on single-family lots. The ordinance makes the following findings that specify the adverse impacts on public health, safety and welfare that would result from allowing second units, and which justify their preclusion in Rolling Hills:

- Lack of Sewers - Development of second units 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.

- Geologic Setting - Numerous active landslides in Rolling Hills greatly diminish development potential and call for caution in 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.

- 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.

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.

City land use controls respond to Rolling Hills' unique topographic, geologic, infrastructure and contractual constraints. The City General Plan and zoning standards are considered appropriate to protect the health and welfare of the community, while complying with Government Code Section 65883(c)(3) to remove or limit where appropriate and legally possible, governmental constraints to the maintenance, improvement, and development of housing. City land use controls do not represent a governmental constraint to the provision of housing.

To modify the City existing zoning standards as requested by HCD's December 11, 2013 correspondence[12] would put future residential structures at risk of geologic failure and would compromise the function and safety of the City's wastewater and street systems.

2. 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 of these fees are assessed through a pro rata share system based on the magnitude of the 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 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. Costs required for special circumstances apply to residential developments requiring greater discretionary reviews.

TABLE 13
CITY OF ROLLING HILLS
SUMMARY OF RESIDENTIAL DEVELOPMENT FEES
(February 2013)

Type of Fee	Cost
All new residential development	
Building Permit	2-1/2 times the amount set in the County Building Code.
Plan Check Fees	Based upon 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. City fee is 2-1/2 times the amount set forth by the County.
Park and Recreation Fund Fee	Each new residence pays 2% of the first $100,000 in building valuation, plus an additional .5% for the remaining balance.
School Fee	$2.63 per square foot of habitable living space.
Site Plan Review	$1,500.
Water Service	Option 1: $600 Hydrant Meter Deposit, plus service charge for the amount of water used during construction.
	Option 2: No hook-up fee. Meter fees determined by the size of meter and the number of fixtures. Does not include service charge for amount of water used during construction.
Geotechnical fee	0.42% of valuation of proposed structure, up to $3588
RHCA	$.20 per $100 of assessed valuation
Special circumstance fees	
Traffic Commission Review	$300
Zone Change/Amendment	$2,000
View Impairment Committee Review	$500

[12] Correspondence from Glen A. Campora Assistant Deputy Director, Department of Housing and Community Development, to Yolanta Schwartz, City of Rolling Hills Planning Director, dated December 11, 2013. Letter is available at City of Rolling Hills City Hall.

TABLE 13
CITY OF ROLLING HILLS
SUMMARY OF RESIDENTIAL DEVELOPMENT FEES
(February 2013)

Type of Fee	Cost
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

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 permits for the actual construction are based on the Los Angeles County adopted schedule of fees, plus City's administrative costs. The majority of City fees have remained unchanged for the past fifteen years, and are in line with or lower than development fees 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).[13] This information demonstrates that Rolling Hills' development fees do not present an excessive constraint to development.

3. Processing Times

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. Multifamily residential development is not permitted for the public health and safety reasons stated in Section III.B.1, above.

The City typically requires two to three months to complete the processing of a 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.

4. Fire Safety Standards

As discussed above, effective July 1, 2008, all land in the City of Rolling Hills was 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,

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

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. City zoning does not in itself constrain housing development. Reducing zoning standards or increasing densities would not modify the development limitations dictated by the CC&Rs, which control density.

Virtually all of the land in Rolling Hills is subject to the CC&Rs established in 1936 by the Palos Verdes Corporation. Exceptions to CC&R controlled land include the civic center, fire station site and scattered public open space sites. These 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 of all new development.

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. 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 private roadways, effectively precludes public transit within the City. The City's circulation infrastructure is not conducive to higher density housing.

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

2. Wastewater Disposal

With the exception of thirteen residences that have individually or through the creation of a small sewer district hooked in 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 prevent the development of higher density housing, including the construction of second units.

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 sewer system. The engineering firm determined that a conventional gravity sewer system is not feasible in the City and had studied a hybrid approach consisting of low pressure sewer system and gravity 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. 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, 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.

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 Angles*[14], the City has retained an engineering firm to 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.

4. Fire Flow Requirements

As noted above, water infrastructure is owned and maintained by the CA. Water Co. Additional development beyond that anticipated by the City General Plan would reduce water pressure and compromise fire fighting capabilities. Because of Rolling Hills' steep and varied terrain and aging infrastructure, this constraint is unlikely to be reduced during the current planning period.

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 modification to the natural terrain that significantly adds to the cost of development.

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

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 hazard conditions continue to place constraints on development within the City. As depicted in Figure 2, 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 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, the shaking 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 and areas subject to earthquake-induced landslides, as shown on Figures 3 and 4.

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 insists on minimal grading to minimize land disturbance and exacerbation of soils instability. The danger of increased soil 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 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.

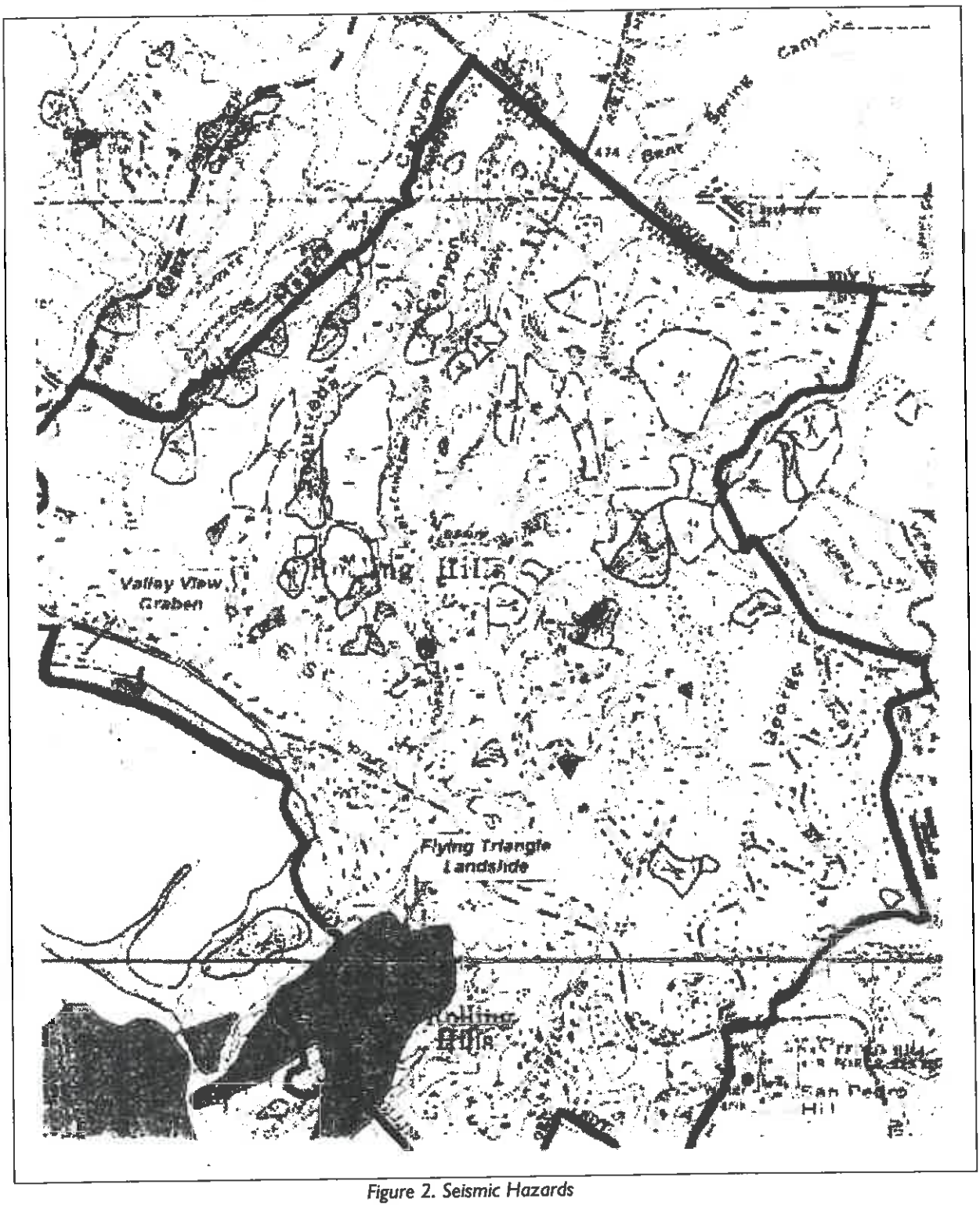

Figure 2. Seismic Hazards

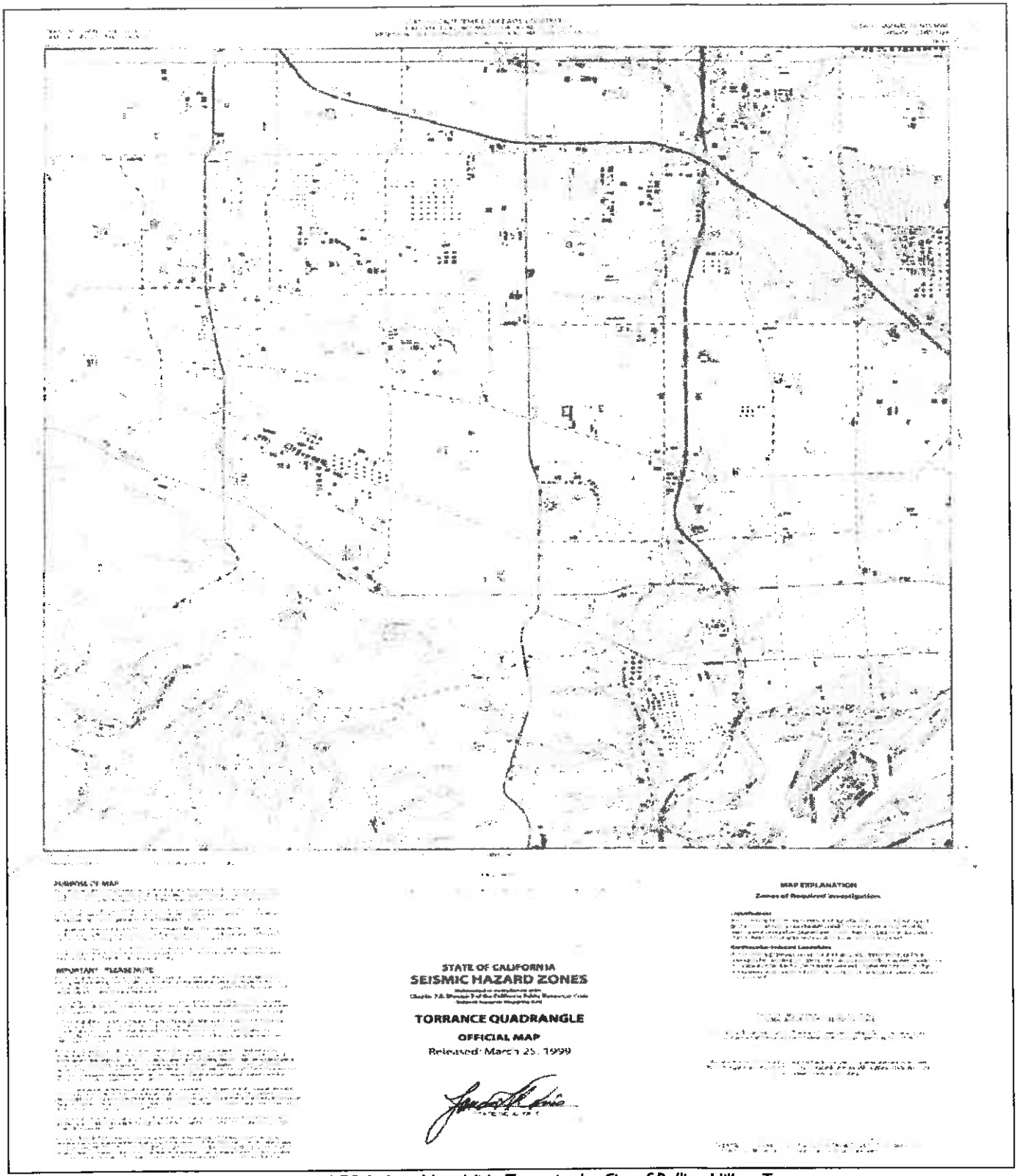

Figure 3. Liquefaction and EQ-Induced Landslide Zones in the City of Rolling Hills – Torrance Quadrangle (Key: Green indicates area prone to liquefaction following earthquakes; Blue indicates area prone to landslides following earthquakes)

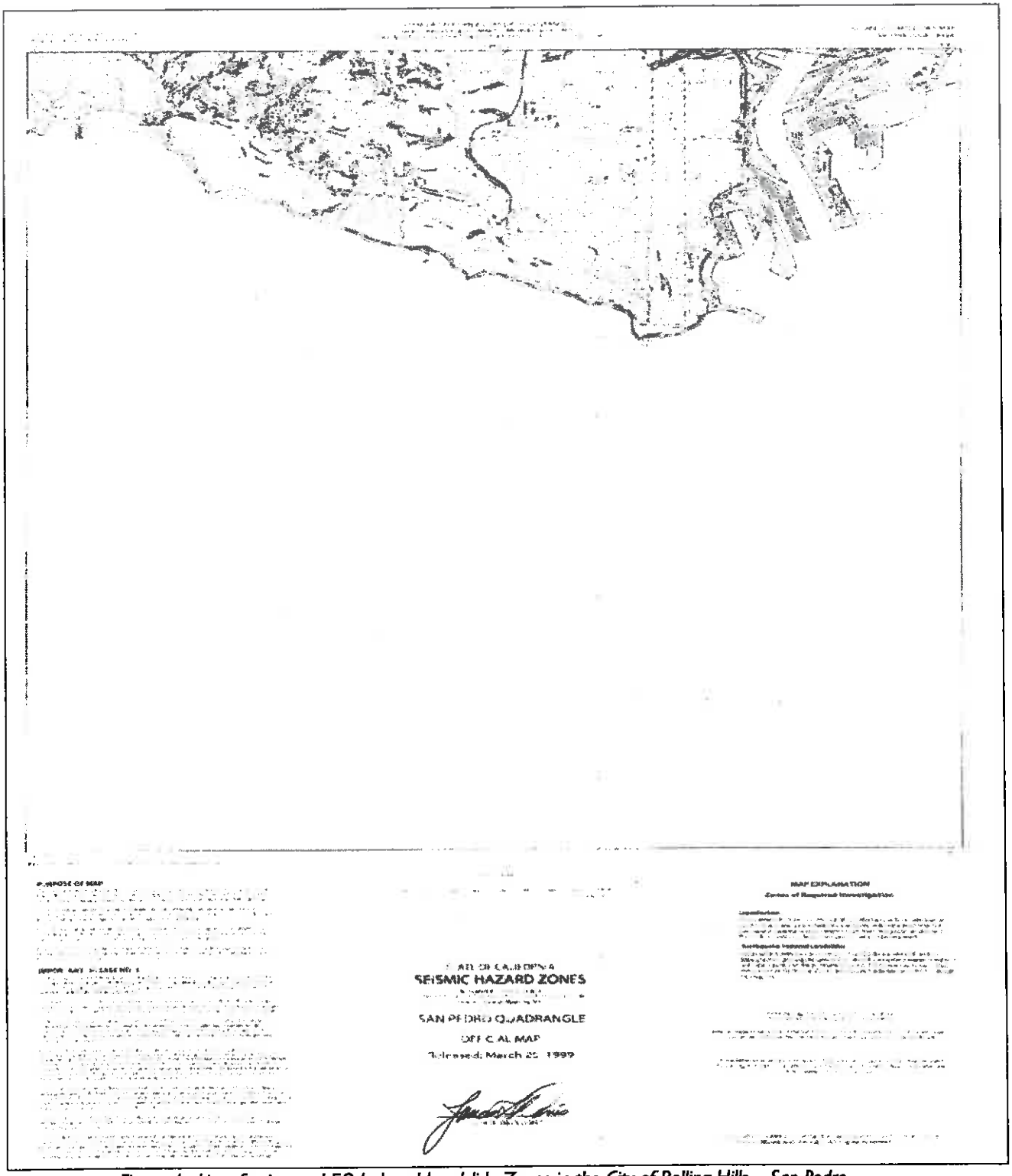

Figure 4. Liquefaction and EQ-Induced Landslide Zones in the City of Rolling Hills – San Pedro Quadrangle (Key: Green indicates area prone to liquefaction following earthquakes; Blue indicates area prone to landslides following earthquakes)

G. ENVIRONMENTAL CONSTRAINTS

Rolling Hills supports a wide variety of plant and wildlife. Many of these species are either listed or considered for listing by the U.S. Department of Fish and Wildlife and/or the California Department of Fish and 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.

Development that intrudes on these environmental constraints must provide mitigation satisfactory to the overseeing federal and state agencies. Typical mitigation 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.

H. CONSTRAINTS TO HOUSING FOR PERSONS WITH DISABILITIES

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)(4) 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 governmental constraints 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. Resolution 699 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 is permitted. These disabled accommodations are processed administratively in conjunction with the building permit process and are permitted in both of the City's residential zones.

Residential Care Facilities: 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.

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

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 City has a large elderly population. Although available data suggests that the City's elderly population has no housing affordability needs, members of Rolling Hills' elderly population may require senior assisted living arrangements. Section II.B.4 of this Element presents programs for addressing these senior housing needs.

B. REGIONAL HOUSING ASSESSMENT

State law requires jurisdictions to provide for their share of regional housing needs. 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.

As illustrated in Table 14, Rolling Hills is required to provide adequate sites for the construction of 6 new dwelling units during this planning period. Of these new units, 1 should be affordable to Extremely Low Income households, 1 to Very Low Income

households, 1 to Low Income households, 1 to Moderate income households, and 2 to above moderate income households.

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

Income Category	Housing Unit Construction Need by Income Group	Percent of Need by Income Group
Extremely Low (0-30% County median income) [1]	1	17%
Very Low (31-50% County median income)	1	17%
Low (50-80% County median income)	1	17%
Moderate (80-120% County median income)	1	17%
Above Moderate (over 120% County median income)	2	33%
Total Housing Unit Construction Need	**6**	**100%**

Source: SCAG Adopted Regional Housing Needs Determinations (November 2012)
[1] Extremely Low contains half (or 3) of the City Very Low Income allocation, which is 6 units.

V. HOUSING OPPORTUNITIES

This section of the Housing Element evaluates the potential additional residential development that could occur in Rolling Hills pursuant to the General Plan and Zoning Ordinance. This section also discusses opportunities for energy conservation in residential development. 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 has been prepared and evaluated in terms of the actual capability of parcels to accommodate residential development. In addition, large parcels which are currently developed but which have the potential for further subdivision have also been evaluated. With the majority of the City's developable acreage already built out, many of the remaining vacant parcels are characterized by physical constraints, which preclude their development. These constraints are primarily related to severe topography and/or existing landslides.

Figure 5 illustrates the vacant parcels in the City. However, about half of these parcels have been identified as inappropriate for residential or any other development because

of geologic constraints. Twelve of the vacant parcels in the southern portion of the City are located in the Flying Triangle area, where new development is prohibited by Los Angeles County Building Code. Three of the vacant parcels, located in the western portion of the City, have extreme geological constraints and are developable with single family residence only. The buildable pad on these lots is very small and could not accommodate 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 currently 16 vacant parcels available for development. 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.

Non-residential properties in Rolling Hills are limited to City Hall and a school district site that contains a school bus maintenance facility, continuation high school and Palos Verdes Transit parking facility. Both sites are fully developed as institutional uses. Neither of these properties are anticipated to be redeveloped within the time frame of this element. Other governmental owned properties are developed with recreational uses, and some are located on steeply sloping properties, most without adequate road access.

Table 15
City of Rolling Hills
Future Residential Development Potential

MAXIMUM POTENTIAL INCREASE IN DWELLING UNITS	
Zone	Total
RA-S-1	4
RA-S-2	12
TOTAL	16

Source: City of Rolling Hills, August 2013.

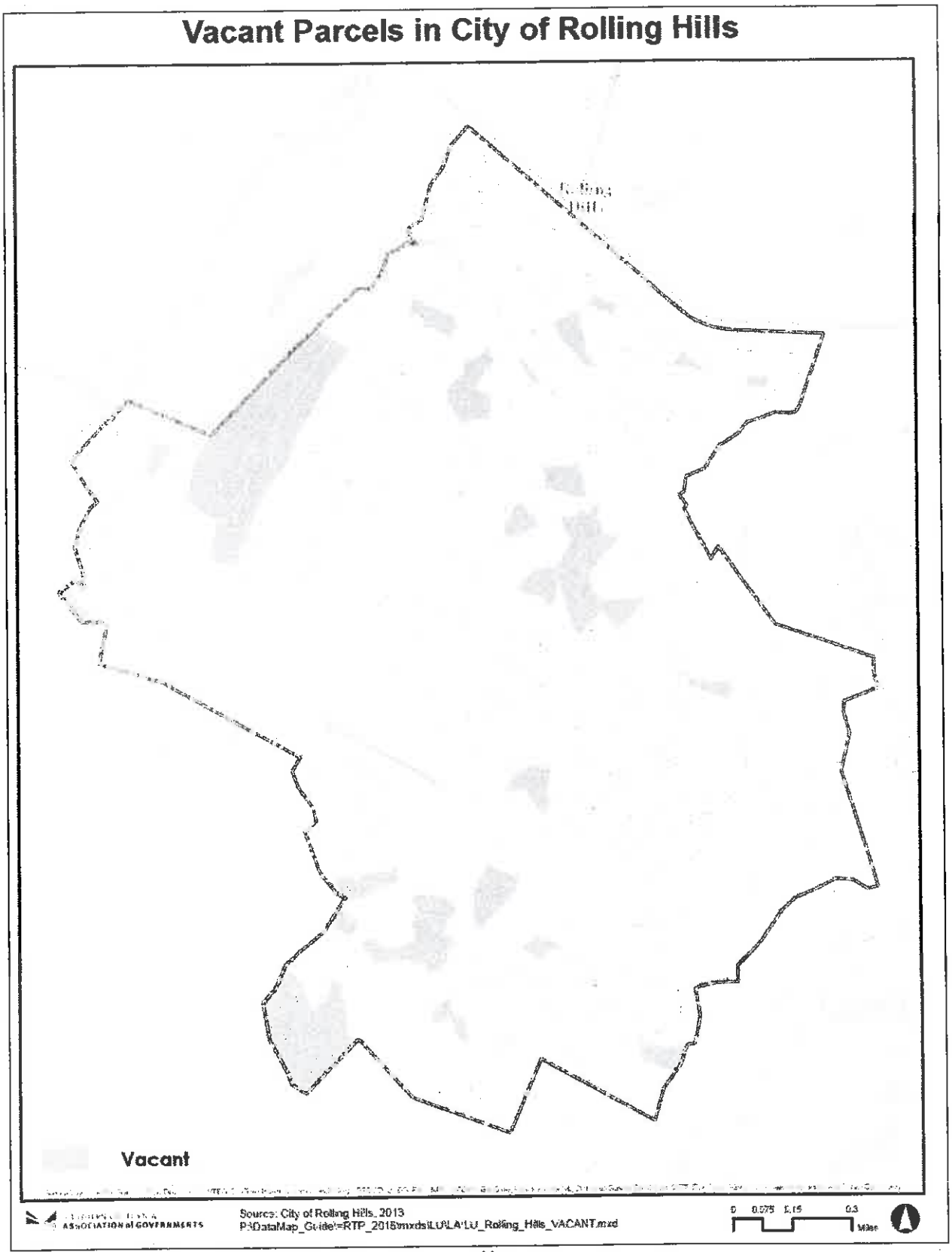

Figure 5. Vacant Land Inventory Map

B. ABILITY TO MEET RHNA ALLOCATION

1. Housing Supply

As indicated in Table 14 above, the RHNA prepared by SCAG identifies a future housing need for Rolling Hills of 6 units to be developed over the 2014-2021 planning period. 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.

Contractual limitations further prohibit rezoning opportunities in the City. The RHCA has enforceable 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.

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.

None of the reasonably available properties in the City of Rolling Hills could realistically develop at a density greater than 1 unit per acre. 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 of Rolling Hills finds no potential sites that could achieve the HCD default affordability density of 20 dwelling units per acre.

3. Availability of Public Services and Facilities

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:

> Analysis of opportunities for energy conservation with respect to residential development. Government Code Section 65583(a)(7).

The California state legislature in 1974 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, were most recently updated 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 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 sunrays 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 sunrays, while allowing penetration of winter 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 - 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, 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 – Requires most energy efficient lighting for all outdoor lighting.

- 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.

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 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 Section V.C., Housing Implementation Plan (2014-2021).

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.

The availability of Federal and State funding sources 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. In addition, high housing values in the City 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 16 summarizes potentially available funding sources as a reference to City staff and potential developers:

Table 16
Federal And State, Housing Programs
And Their Applicability In Rolling Hills

Program	Comments
Federal Programs	
Section 8	Provides rent subsidies to low-income renters. This source cannot be used in Rolling Hills because rents on housing in the City far exceed maximum rent levels required for participation in the program.
Section 8 Moderate Rehabilitation	Provides for payment contracts on units needing substantial rehabilitation. This source is inapplicable in Rolling Hills because no housing in the City has been identified as in need of rehabilitation.
Section 8 New Construction	Provides funding for the construction of housing affordable to lower-income persons. High land costs and legal and environmental constraints preclude the

Table 16
Federal And State, Housing Programs
And Their Applicability In Rolling Hills

Program	Comments
	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.
State Programs	
SB 99-Redevelopment Construction Loans	Authorizes issuance of bonds by redevelopment agencies. Rolling Hills does not have a redevelopment agency, or any areas that could be defined as blighted.
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 but projects of the five-unit minimum cannot be built in the City because of legal and environmental constraints.
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 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.
Mobile Home Park Assistance	Provides Financial and technical assistance to mobile home park residents. No mobile home parks exist in Rolling Hills.
Emergency Shelter	Provides grants for homeless shelters. No population in need of homeless shelter exists in Rolling Hills.
Special User Housing Rehabilitation	Program targeted towards substandard housing. No substandard housing exists in Rolling Hills.
Predevelopment Loans	Provides predevelopment loans for low-income housing

Table 16
Federal And State, Housing Programs
And Their Applicability In Rolling Hills

Program	Comments
	projects. This source could be used by nonprofit developers in the City. However, high land costs, and environmental and legal constraints render infeasible the development of eligible projects 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.
Rental Housing Construction	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.
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.
Marks Foran Rehabilitation Loans	Allows revenue bonds for housing rehabilitation. The City does not have housing in need of rehabilitation.
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. The City has not adopted its own density bonus program but will follow state requirements on a case-by-case basis.
AB 655-Multi-Family Revenue Bonds	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.
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.
Redevelopment-Tax Increment Financing	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.

VI. HOUSING PLAN

Chapters II to V establish the housing needs, opportunities, and constraints in Rolling Hills. The Housing Plan 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 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 difference must be discussed.

1. Progress Toward Implementing the 2006-2014 (4th Cycle) Housing Element Programs

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

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

The following section examines the progress made towards implementing the City's housing programs as set forth in the 2006-2014 Housing Element. As summarized in Table 17, 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 17
City Of Rolling Hills Progress Toward Implementing the 2006-2014 Housing Element Programs

Programs	Accomplishments
Goal 1: Provide for housing which meets the needs of existing and future Rolling Hills' residents.	
Manufactured Home Program: Permit manufactured homes on all buildable, single family lots in the City.	The City has amended its Zoning Ordinance to provide for manufactured homes, and continues to permit this program. No request for a manufactured home was submitted to the City during the past planning period.

Table 17
City Of Rolling Hills Progress Toward Implementing the 2006-2014 Housing Element Programs

Programs	Accomplishments
Facilitate New Construction: The City will continue to work with and assist housing developers and builders to enable new housing to be built in the City.	The City has continued to work with and assist developers and builders. Five new units and seven replacement units have been constructed during the past planning period.
Goal 2: Maintain and enhance the quality of residential neighborhoods in Rolling Hills.	
Code Enforcement: In the event that a violation of City codes or regulations is discovered, the City works with the County and the Association to remediate the violation.	The City continues to promote code enforcement in cases of violations. An educational program including information brochures has been implemented to discourage violations. A program to accomplish compliance also has been implemented. Approximately thirty violations have occurred in the City and only six of them consisted of residential structural deficiencies, which have been corrected during the past planning period. Code enforcement is intended to protect the public health, safety and welfare, and is not considered a constraint to the development of affordable housing.
Ground Instability: Continue to explore possible solutions to ground instability problems.	The City has continued to work with property owners and geotechnical consultants to establish construction regulations and to explore other potential solutions to the problem. However, despite these continued efforts, certain property in high-risk landslide areas remains unbuildable.
Neighborhood Sponsored Sewer Districts: Promote and facilitate the development of homeowner sponsored sewer districts.	The City has retained a consulting engineer to assess the feasibility of establishing a citywide sewer system. Because of the geologic and topographic constraints, the cost of installing sewer citywide makes installation of a sewer system infeasible.
Housing Repair on Landslide Sites: Continue to allow the repair of damaged structures and remedial grading in landslide areas.	The City continues to allow repair of damaged structures and remedial grading in landslide areas with special permits.
Home Improvement Program for eligible low and moderate-income residents.	In keeping with its commitment to support housing element objectives and low income housing needs, Rolling Hills assigned its CDBG funds to the City 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.
Goal 3: Provide housing services to address the needs of the City's senior citizen population.	
Shared Housing Program: Actively market the two area shared housing programs – Focal Point at the South Bay Senior Services in Torrance and Anderson Senior Center in San Pedro - which assist seniors in locating roommates to share existing housing in the community.	Informational brochures advertising existing shared housing programs are available at the public counter. Records on the number of matches that have occurred during the planning period are not available.
Reverse Mortgage Program: Inform residents about the advantages of reverse mortgages. A reverse mortgage is a deferred payment loan or a series of such loans for which a home is pledged as security, and can offer a viable financing alternative to many of Rolling Hills' elderly homeowners.	The City offers referral services to seniors interested in pursuing a reverse mortgage.
Elderly Services: Rolling Hills will continue to provide information to its elderly residents concerning available senior services.	In keeping with its commitment to assist its elderly residents find needed services, the City maintains a list of local senior facilities at City Hall.
Goal 4: Promote housing opportunities for all persons regardless of race religion, sex, marital status, ancestry, national origin or color.	

Table 17
City Of Rolling Hills Progress Toward Implementing the 2006-2014 Housing Element Programs

Programs	Accomplishments
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 governmental entities to explore the possibility of providing affordable housing for low and moderate income and senior citizen households in the South Bay region.

Policy 1.3: Encourage the development of residential units that are accessible to the disabled or are adaptable for conversion to residential use by disabled persons.

Policy 1.4: Encourage the use of energy conservation devices and passive design concepts that make use of the natural climate to increase energy efficiency and reduce energy costs.

Policy 1.5: Continue to facilitate the development of housing in the City, taking into account existing financial, legal, and environmental constraints.

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

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

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

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

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

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

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

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

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

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

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

Policy 4.2: Make information on fair housing laws available to residents and realtors in the City by distributing at the City Hall public counter and on request.

Policy 4.3: Investigate any allegations of violations of fair housing laws.

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 source, responsible agency and implementation time frame. 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.[15] These programs are currently on-going and will continue through the current planning period.

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.

- Quantified Objective: Continue to provide informational brochures advertising existing shared housing programs 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: Currently on-going (2014-2021).

Reverse Mortgage Program:

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.

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

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).

Sewer Feasibility:

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: Continue to consider sewer systems as new technology becomes available.
- Funding Source: City General Fund/ Private Assessment District
- Responsible Agency: City Manager's Office.
- Implementation Time Frame: Currently on-going (2014-2021).

Storm Water Runoff:

To comply with the National Pollutant Discharge Elimination System (NPDES) for *Municipal Storm Water and Urban Runoff Discharges Within the County of Los Angeles*[16], the City has retained an engineering firm to assist 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: Continue to implement Best Management Practices (BMPs) pursuant to NPDES requirements.
- Funding Source: City General Fund.

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

- Responsible Agency: City Planning Department.
- Implementation Time Frame: Currently on-going (2014-2021).

Code and CC&R Enforcement:

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: Continue code enforcement efforts.
- Funding Source: General Fund.
- Responsible Agency: City Planning Department.
- Implementation Time Frame: Currently Ongoing (2014-2021).

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).

Energy Conservation:

The City commits to following sustainable development and energy conservation recommendations of its past Natural Environment and Sustainability Committee and SCAG. The City has adopted the Green Building Code.

- Quantified Objective: Follow sustainable development and energy conservation recommendations of SCAG and the Green Building Code.
- Funding Source: General Fund.

- Responsible Agency: City Planning Department.
- Implementation Time Frame: Currently Ongoing (2014-2021).

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 steep hillsides, deep canyons, geologic hazards and CC&Rs create constraints in the City that require high levels of cooperation between City staff, developers and builders. Continued cooperation will facilitate the construction of new housing 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.
- Funding Source: General Fund.
- Responsible Agency: City Planning Department.
- Implementation Time Frame: Currently On-going (2014-2021).

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).

Ground Instability:

Continue to explore possible solutions to ground instability problems. Any grading, new structures and additions require a soils and geology report that proves stability along with City and County permits. Also, any grading, new structure and additions of more

than one thousand square feet or where the size of the structure increases 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.

- Quantified Objective: 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.
- Funding Source: City General Fund.
- Responsible Agency: City Planning Department and City Manager's Office.
- Implementation Time Frame: Currently On-going (2014-2021).

Housing Repair on Landslide Sites:

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).

Fair Housing Program:

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: 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: Currently On-going (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 18 disaggregates these objectives by income group. 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 18
Quantified Objectives by Income Group
for the City of Rolling Hills (2014-2021)

Income Category	New Construction	Rehabilitation	Conservation/ Preservation
Extremely Low	0	0	40
Very Low	0	0	60
Low	0	0	9
Moderate	0	0	12
Above Moderate	16	0	543
Total Housing Unit Construction Need	**16**	**0**	**663**
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.			

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ATTACHMENT II

Annual Report on General Plan Implementation

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City of Rolling Hills INCORPORATED JANUARY 24, 1957

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

ANNUAL REPORT ON GENERAL PLAN IMPLEMENTATION
(2014-01)

BACKGROUND/ANALYSIS:

Government Code Section 65400 (b)(1) requires that an annual report be provided to the legislative body on the status of the General Plan. The purpose of the report is to identify the progress made in implementing the provisions contained within the General Plan, including a review of the status of efforts to meet the City's share of regional housing needs.

There are two (2) on-going General Plan implementation measures that are the subject of this Annual Report for 2014. These measures involve implementation of the City 2008 Housing Element and completion and adoption of the City 2014 Housing Element.

IMPLEMENTATION OF THE 2008 HOUSING ELEMENT:

The 2008 Rolling Hills Housing Element established programs to address the following primary housing goals for the 2006-2014 planning period:

- 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.

As summarized in Table 1, 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 1
City of Rolling Hills Progress Toward Implementing
the 2006-2014 Housing Element Programs

Programs	Accomplishments
Goal 1: Provide for housing which meets the needs of existing and future Rolling Hills' residents.	
Manufactured Home Program: Permit manufactured homes on all buildable, single family lots in the City.	The City has amended its Zoning Ordinance to provide for manufactured homes, and continues to permit this program. No request for a manufactured home was submitted to the City during the past planning period.
Facilitate New Construction: The City will continue to work with and assist housing developers and builders to enable new	The City has continued to work with and assist developers and builders. Five new units and seven replacement units have been constructed during the past planning period.

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Table 1
City of Rolling Hills Progress Toward Implementing
the 2006-2014 Housing Element Programs

Programs	Accomplishments
housing to be built in the City.	
Goal 2: Maintain and enhance the quality of residential neighborhoods in Rolling Hills.	
Code Enforcement: In the event that a violation of City codes or regulations is discovered, the City works with the County and the Association to remediate the violation.	The City continues to promote code enforcement in cases of violations. An educational program including information brochures has been implemented to discourage violations. A program to accomplish compliance also has been implemented. Approximately thirty violations have occurred in the City and only six of them consisted of residential structural deficiencies, which have been corrected during the past planning period. Code enforcement is intended to protect the public health, safety and welfare, and is not considered a constraint to the development of affordable housing.
Ground Instability: Continue to explore possible solutions to ground instability problems.	The City has continued to work with property owners and geotechnical consultants to establish construction regulations and to explore other potential solutions to the problem. However, despite these continued efforts, certain property in high-risk landslide areas remains unbuildable.
Neighborhood Sponsored Sewer Districts: Promote and facilitate the development of homeowner sponsored sewer districts.	The City has retained a consulting engineer to assess the feasibility of establishing a citywide sewer system. Because of the geologic and topographic constraints, the cost of installing sewer citywide makes installation of a sewer system infeasible. However, the City supports and encourages individual and small neighborhoods privately funded sewer construction.
Housing Repair on Landslide Sites: Continue to allow the repair of damaged structures and remedial grading in landslide areas.	The City continues to allow repair of damaged structures and remedial grading in landslide areas with special permits.
Home Improvement Program for eligible low and moderate-income residents.	In keeping with its commitment to support housing element objectives and low income housing needs, Rolling Hills assigned its CDBG funds to the city Rancho Palos Verdes Home Improvement Programs for eligible low and moderate income residents to provide grants and zero percent deferred loans to correct hazardous structural conditions, eliminate blight, and improve disabled access. Beginning with the 2012-13 CDBG Program year the City elected not to participate in the CDBG Program.
Goal 3: Provide housing services to address the needs of the City's senior citizen population.	
Shared Housing Program: Actively market the two area shared housing programs – Focal Point at the South Bay Senior Services in Torrance and Anderson Senior Center in San Pedro - which assist seniors in locating roommates to share existing housing in the community.	Informational brochures advertising existing shared housing programs are available at City Hall. 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.

Table 1 City of Rolling Hills Progress Toward Implementing the 2006-2014 Housing Element Programs	
Programs	Accomplishments
Goal 4: Promote housing opportunities for all persons regardless of race religion, sex, marital status, ancestry, national origin or color.	
Fair Housing Program: As a means of increasing public awareness of legal rights under fair housing laws, the City will advertise services offered by the Fair Housing Foundation, including housing discrimination response, landlord-tenant relations, housing information and counseling, and community education programs.	As a past participating city in the Community Development Block Grant Program, Rolling Hills cooperated with the Los Angeles office of the Fair Housing Foundation to enforce fair housing laws. Informational brochures about the Foundation are available at the City of Rolling Hills City Hall and local library.

COMPLETION AND ADOPTION OF THE 2014 HOUSING ELEMENT:

As mandated by the State of California Housing and Community Development Department (HCD), the current 2014 Housing Element cycle covers the planning period from 2014-2021. To remain on an eight year planning cycle, pursuant to Senate Bill 375, the City of Rolling Hills must adopt its housing element within 120 days from the statutory due date of October 15, 2013, which is February 12, 2014.

To meet this due date, the City solicited public input to its Housing Element Update by conducting a public workshop before the Planning Commission on September 26, 2013 that was open to all members of the community. At that meeting, public comments received included questions from the Planning Commission regarding feasibility of meeting the affordable housing goal given the City's topographic and infrastructure goals. 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.

The City subsequently completed its draft 2014 Housing Element and submitted the document to HCD for review on October 9, 2013. HCD reviewed the draft element and submitted comments to the City in a letter dated December 11, 2013. HCD comments outlined a series of requested revisions to comply with State Housing Element law. The City subsequently revised the 2014 Housing Element to address these comments to the extent feasible given the considerable constraints to housing within Rolling Hills. These include market, governmental, contractual, infrastructure, topographic, geologic and environmental constraints.

As revised, the City of Rolling Hills 2014 Housing Element complies with the provisions of applicable state law, and is consistent with the City of Rolling Hills General Plan and the community's vision of its housing needs and objectives. Within the framework of its market, governmental, contractual, infrastructure, topographic, geologic and environmental constraints, the City endeavors to promote housing opportunities for all households.

The 2014 Housing Element Update reflects the City's continuing efforts to retain and expand housing opportunities in the community. For the duration of the 2014-21 planning period, the City of Rolling Hills commits to a series of actions to support affordable housing. These actions continue from the last planning period and strive toward the following accomplishments:

1. Provide housing service information to community senior citizens
2. Enforce code violations within residential neighborhoods
3. Facilitate new construction by working closely with housing developers and builders
4. Monitor the City land supply
5. Promote reasonable accommodations for the disabled
6. Support energy conservation and sustainable development measures
7. Support fair housing counseling and monitoring.

Rolling Hills' actions to be continued through the 2014-2021 planning period include:

Shared Housing for Seniors: 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.

Reverse Mortgage Program: 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.

Sewer Feasibility: 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. However, the City will continue to consider sewer systems as new technology becomes available.

Storm Water Runoff: To comply with the National Pollutant Discharge Elimination System (NPDES) for *Municipal Storm Water and Urban Runoff Discharges Within the County of Los Angeles*[1], the City has retained an engineering firm to assist 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.

Code and CC&R Enforcement: 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.

Reasonable Accommodation: Pursuant to Chapter 671, Statutes of 2091 (SB 520), the City is committed to providing reasonable accommodation. The City will continue to permit residents to construct modifications as required to reduce barriers consistent with the Building Code.

Energy Conservation: The City commits to following sustainable development and energy conservation recommendations of its past Natural Environment and Sustainability Committee and SCAG. The City has adopted the Green Building Code.

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 steep hillsides, deep canyons, geologic hazards and CC&Rs create constraints in the City that require high levels of cooperation between City staff, developers and builders. Continued cooperation will facilitate the construction of new housing and to allow the City to attain a feasible portion of its regional share allotment of new housing.

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

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.

Ground Instability: Continue to explore possible solutions to ground instability problems. Any grading, new structures and additions require a soils and geology report that proves stability along with City and County permits. Also, any grading, new structure and additions of more than one thousand square feet 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.

Housing Repair on Landslide Sites: The City will continue to allow the remedial repair of damaged structures and remedial grading in landslide areas with special permits.

Fair Housing Program: 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.

Summary of 2014-2021 Quantified Objectives: Table 2 summarizes Rolling Hills' quantified objectives during the 2014-21 planning period for the construction of new units, rehabilitation of existing units and conservation/preservation of existing units. Table 2 disaggregates these objectives by income group. Because of the high median value of homes in Rolling Hills, each of the potential 16 additional houses to be constructed 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.

Table 2
City of Rolling
Quantified Objectives by Income Group
for the 2014-2021 Planning Period

Income Category	New Construction	Rehabilitation	Conservation/ Preservation
Extremely Low	0	0	40
Very Low	0	0	60
Low	0	0	9
Moderate	0	0	12
Above Moderate	16	0	543

Table 2
City of Rolling
Quantified Objectives by Income Group
for the 2014-2021 Planning Period

Income Category	New Construction	Rehabilitation	Conservation/ Preservation
Total Housing Unit Construction Need	16	0	663

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.

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ATTACHMENT III

Letter from the Department of Housing and Community Development in response to the draft Housing Element

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

RECEIVED
DEC 16 2013
City of Rolling Hills
By_____

December 11, 2013

Ms. Yolanta Schwartz, Director
Planning Department
No. 2 Portuguese Road
City of Rolling Hills
Rolling Hills, CA 90274

Dear Ms. Schwartz:

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

Thank you for submitting the City of Rolling Hills' draft housing element received for review on October 16, 2013. Pursuant to Government Code (GC) Section 65585(b), the Department is reporting the results of its review. A telephone conversation on December 4, 2013 with you facilitated the review

The draft element addresses some statutory requirements but needs revisions to comply with State housing element law (Article 10.6 of the GC). For example, the element must include an analysis of identified sites and potential governmental constraints. The enclosed Appendix describes these and other revisions needed to comply with State housing element law.

For the City of Rolling Hills to remain on an eight year planning cycle, pursuant to Senate Bill 375 (Chapter 728, Statutes of 2008), the City must adopt its housing element within 120 calendar days from the statutory due date of October 15, 2013 for SCAG localities. If adopted after this date, the City will be required to revise the housing element every four years until adopting at least two consecutive revisions by the statutory deadline (GC Section 65588(e)(4)). Information on element adoption requirements is on our website: http://www.hcd.ca.gov/hpd/hrc/plan/he/he_review_adoptionsteps110812.pdf.

The Department is committed to assisting Rolling Hills in addressing all statutory requirements of housing element law. If you have any questions or need additional technical assistance, please contact Mario Angel, of our staff, at (916) 263-7442.

Sincerely,

Glen A. Campora

Glen A. Campora
Assistant Deputy Director

Enclosure

APPENDIX
CITY OF ROLLING HILLS

The following changes would bring the City of Rolling Hills draft housing element into compliance with Article 10.6 of the Government Code. The pertinent Government Code is cited for each recommended change.

Housing element technical assistance information is available on the Department's website at www.hcd.ca.gov. Refer to the Division of Housing Policy Development and the section pertaining to State Housing Planning. For other resources, please see the Department's latest technical assistance tool *Building Blocks for Effective Housing Elements (Building Blocks)* www.hcd.ca.gov/hpd/housing_element/index.html, the Department's publication, *Housing Element Questions and Answers (Qs & As)*, and the Government Code addressing State housing element law.

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.

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. For additional information and sample analysis, see the *Building Blocks* at http://www.hcd.ca.gov/hpd/housing_element2/EHN_Overpayment.php.

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. Further information can be found at http://www.hcd.ca.gov/hpd/hrc/plan/he/ab_1233_final_dt.pdf or in the *Building Blocks'* website at http://www.hcd.ca.gov/hpd/housing_element2/GS_reviewandrevise.php.

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 (page 45) 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). To address these requirements, please see the technical assistance memo on AB 2348 (Chapter 724, Statutes of 2004) http://www.hcd.ca.gov/hpd/hrc/plan/he/ab2348stat04ch724.pdf and also the Department's *Building Blocks'* website on land inventory and sites at http://www.hcd.ca.gov/hpd/housing_element/screen15_land.pdf.

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, mobilehomes, 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 RA-S-1 (one acre minimum lot size) and RA-S-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.

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. Refer to *Building Blocks* http://www.hcd.ca.gov/hpd/housing_element2/SIA_variety.php#Emergency and SB 2 Technical Assistance Memo at http://www.hcd.ca.gov/hpd/sb2_memo050708.pdf.

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. For additional information, see the Department's *Building Blocks* webpage at http://www.hcd.ca.gov/hpd/housing_element2/SIA_variety.php#Transitional

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. For additional information, refer to the section on zoning for a variety of housing types at the *Building Blocks'* technical assistance webpage http://www.hcd.ca.gov/hpd/housing_element2/SIA_variety.php#Single

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.

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.

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).

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.

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.

Constraints on Persons with Disabilities: The element indicates the City "endeavors to accommodate disabled access" (page 42), 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.

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 http://www.hcd.ca.gov/hpd/housing_element2/CON_fees.php

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			

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

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, mobilehomes, 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:

   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. For additional information, see the *Building Blocks*' at http://www.hcd.ca.gov/hpd/housing_element2/PRO_adqsites.php.

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*.

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/fa/Program_Directory_June%202012.pdf to assist the City with these efforts.

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. For additional information and a sample program and ordinance, see the *Building Blocks* at http://www.hcd.ca.gov/hpd/housing_element2/PRO_mitigate.php.

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.

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

Rolling Hills city, california

Total Households Characteristics	Number	Percent of Total Households
Total occupied units (households)	610	100%
Total Renter households	20	3%
Total Owner households	590	97%
Total lower income (0-80% of HAMFI) households	70	11.5%
Lower income renters (0-80%)	0	0.0%
Lower income owners (0-80%)	70	11.5%
Lower income households paying more than 50%	50	8.2%
Lower income renter HH severely overpaying	0	0.0%
Lower income owner HH severely overpaying	50	8.2%
Extremely Low Income (0-30%	20	
ELI Renter HH severely ovepaying	0	0.0%
ELI Owner HH severely overpaying	20	3.3%
Income between 30%-50%	15	
Income between 50% -80%	15	
Lower income households paying more than 30%	58	9.5%
Extremely Low Income (0-30%	20	3.3%
Income between 30%-50%	19	
Income between 50% -80%	19	

Lower income renter households paying in excess of 50% for housing (rent and utilities)

Renter Households Characteristics	Number	Percent of Total Households
Total renter-occupied units (renter households)	20	100%
Total lower income (0-80% of HAMFI) renter households	0	0.0%
Lower income renters paying more than 30% but less than 50%	0	0.0%
Extremely Low Income (0-30%	0	
Income between 30%-50%	0	
Income between 50% -80%	0	
Lower income renters paying more than 50%	0	0.0%
Extremely Low Income (0-30%	0	
Income between 30%-50%	0	
Income between 50% -80%	0	
Lower income renters paying more than 30%	0	0.0%
Extremely Low Income (0-30%	0	
Income between 30%-50%	0	
Income between 50% -80%	0	

Lower income owner households paying in excess of 50% for housing

Owner Households Characteristics	Number	Percent of Total Households
Total owner- occupied units (owner households)	590	100%
Total lower income (0-80% of HAMFI) owner households	70	11.9%
Lower income owner households paying more than 30% but less than 50%	8	1.4%
Extremely Low Income (0-30%	0	
Income between 30%-50%	4	
Income between 50% -80%	4	
Lower income owner households paying more than 50%	50	8.5%
Extremely Low Income (0-30%	20	
Income between 30%-50%	15	
Income between 50% -80%	15	
Lower income owner households paying more than 30%	58	9.8%
Extremely Low Income (0-30%	20	
Income between 30%-50%	19	
Income between 50% -80%	19	

Source: CHAS Data Sets Table S10708 : http://www.huduser.org/portal/datasets/cp.html
Based ACS 2005-2009

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ATTACHMENT IV

Letter from Native American Heritage Commission and City's response

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NATIVE AMERICAN HERITAGE COMMISSION
1550 Harbor Boulevard, Suite 100
West Sacramento, CA 95691
(916) 373-3715
Fax (916) 373-5471
Web Site www.nahc.ca.gov
Ds_nahc@pacbell.net
e-mail: ds_nahc@pacbell.net

RECEIVED
JAN 21 2014
City of Rolling Hills
By

January 16, 2014

Ms. Yolanta Schwartz, Planner
City of Rolling Hills
No. 2 Portuguese Bend Road
Rolling Hills, CA 90274

RE: SCH#2013121904; CEQA Notice of Completion; proposed Negative Declaration for the **"2014-21 Update of the Housing Element of the General Pland Project;"** located in the City of Rolling HIlls; Los Angeles County, California

Dear Ms. Schwartz:

The Native American Heritage Commission (NAHC) has reviewed the above-referenced environmental document. This project is also subject to the requirements of California Government Code Sections(s) 65040.2, *et seq.*

The California Environmental Quality Act (CEQA) states that any project which includes archeological resources, is a significant effect requiring the preparation of an EIR (CEQA guidelines 15064.5(b).. To adequately comply with this provision and mitigate project-related impacts on archaeological resources, the Commission recommends the following actions be required:

Lead agencies should include in their mitigation plan provisions for the identification and evaluation of accidentally discovered archeological resources, pursuant to California Environmental Quality Act (CEQA) §15064.5(f). In areas of identified archaeological sensitivity, a certified archaeologist and a culturally affiliated Native American, with knowledge in cultural resources, should monitor all ground-disturbing activities. Also, California Public Resources Code Section 21083.2 require documentation and analysis of archaeological items that meet the standard in Section 15064.5 (a)(b)(f).

We suggest that this (additional archaeological activity) be coordinated with the NAHC, if possible. The final report containing site forms, site significance, and mitigation measurers should be submitted immediately to the planning department. Any information regarding site locations, Native American human remains, and associated funerary objects should be in a separate confidential addendum, and not be made available for pubic disclosure pursuant

to California Government Code Section 6254.10.

A list of appropriate Native American Contacts for consultation concerning the project site has been provided and is attached to this letter to determine if the proposed active might impinge on any cultural resources.

California Government Code Section 65040.12(e) defines "environmental justice" to provide "fair treatment of People...with respect to the development, adoption, implementation, and enforcement of environmental laws, regulations and policies." (The California Code is consistent with the Federal Executive Order 12898 regarding 'environmental justice.' Also, applicable to state agencies is Executive Order B-10-11 requires consultation with Native American tribes their elected officials and other representatives of tribal governments to provide meaningful input into the development of legislation, regulations, rules, and policies on matters that may affect tribal communities.

Lead agencies should consider first, avoidance for sacred and/or historical sites, pursuant to CEQA Guidelines 15370(a). Then if the project goes ahead then, lead agencies include in their mitigation and monitoring plan provisions for the analysis and disposition of recovered artifacts, pursuant to California Public Resources Code Section 21083.2 in consultation with culturally affiliated Native Americans.

Lead agencies should include provisions for discovery of Native American human remains in their mitigation plan. Health and Safety Code §7050.5, CEQA §15064.5(e), and Public Resources Code §5097.98 mandates the process to be followed in the event of an accidental discovery of any human remains in a location other than a dedicated cemetery.

Sincerely,

Dave Singleton
Program Analyst

CC: State Clearinghouse

Attachment: Native American Contacts list

Native American Contacts
Los Angeles County California
January 16, 2014

LA City/County Native American Indian Comm
Ron Andrade, Director
3175 West 6th St, Rm. 403
Los Angeles , CA 90020
randrade@css.lacounty.gov
(213) 351-5324
(213) 386-3995 FAX

Gabrielino Tongva Indians of California Tribal Council
Robert F. Dorame, Tribal Chair/Cultural Resources
P.O. Box 490 Gabrielino Tongva
Bellflower , CA 90707
gtongva@verizon.net
562-761-6417 - voice
562-761-6417- fax

Tongva Ancestral Territorial Tribal Nation
John Tommy Rosas, Tribal Admin.
Private Address Gabrielino Tongva
,
tattnlaw@gmail.com
310-570-6567

Gabrielino-Tongva Tribe
Bernie Acuna, Co-Chairperson
P.O. Box 180 Gabrielino
Bonsall , CA 92003
(619) 294-6660-work
(310) 428-5690 - cell
(760) 636-0854- FAX
bacuna1@gabrielinotribe.org

Gabrieleno/Tongva San Gabriel Band of Mission
Anthony Morales, Chairperson
PO Box 693 Gabrielino Tongva
San Gabriel , CA 91778
GTTribalcouncil@aol.com
(626) 286-1232 - FAX
(626) 286-1758 - Home
(626) 286-1262 -FAX

Gabrielino-Tongva Tribe
Linda Candelaria, Co-Chairperson
P.O. Box 180 Gabrielino
Bonsall , CA 92003
palmsprings9@yahoo.com
626-676-1184- cell
(760) 636-0854 - FAX

Gabrielino /Tongva Nation
Sandonne Goad, Chairperson
P.O. Box 86908 Gabrielino Tongva
Los Angeles , CA 90086
sgoad@gabrielino-tongva.com
951-845-0443

Gabrieleno Band of Mission Indians
Andrew Salas, Chairperson
P.O. Box 393 Gabrielino
Covina , CA 91723
gabrielenoindians@yahoo.
(626) 926-4131

This list is current only as of the date of this document.

Distribution of this list does not relieve any person of the statutory responsibility as defined in Section 7050.5 of the Health and Safety Code, Section 5097.94 of the Public Resources Code and Section 5097.98 of the Public Resources Code.

his list s only applicable for contacting local Native Americans with regard to cultural resources for the proposed SCH#2013121094; CEQA Notice of Completion; proposed Negative Declaration for the 2014-21 Update of the Housing Element of the General Plan; City of Rolling Hills; Los Angeles County, California.

Native American Contacts
Los Angeles County California
January 16, 2014

Gabrielino-Tongva Tribe
Conrad Acuna,
P.O. Box 180 Gabrielino
Bonsall , CA 92003

760-636-0854 - FAX

Gabrielino /Tongva Nation
Sam Dunlap, Cultural Resorces Director
P.O. Box 86908 Gabrielino Tongva
Los Angeles , CA 90086
samdunlap@earthlink.net
909-262-9351

This list is current only as of the date of this document.

Distribution of this list does not relieve any person of the statutory responsibility as defined in Section 7050.5 of the Health and Safety Code, Section 5097.94 of the Public Resources Code and Section 5097.98 of the Public Resources Code.

his list s only applicable for contacting local Native Americans with regard to cultural resources for the proposed SCH#2013121094; CEQA Notice of Completion; proposed Negative Declaration for the 2014-21 Update of the Housing Element of the General Plan; City of Rolling Hills; Los Angeles County, California.

City of Rolling Hills INCORPORATED JANUARY 24, 1957

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

January 22, 2014

Dave Singleton
Program Analyst
NATIVE AMERICAN HERITAGE COMMISSION
1550 Harbor Boulevard, Suite 100 West Sacramento, CA 95691

Re: City of Rolling Hills Housing Element Update for the 2014-2021 Planning Period – Response to Comment Letter

Dear Mr. Singleton,

Thank you for your comment letter dated January 16, 2014, which the City received on January 21, 2014, regarding the subject project. The Housing Element Update discusses available housing sites and applicable housing policies that demonstrate the City of Rolling Hills' compliance with the provisions of Article 10.6 of the California Government Code (State Housing Element law). No land use changes are proposed as part of the Housing Element Update.

All development in the City is conducted in compliance with the CEQA Guidelines. Should human remains or any archeological resources be uncovered during development, the City requires compliance with Health and Safety Code Sections 7050.5, 7054, 5097.94 and 7051.

Should you have any questions, please contact me at 310 377-1521.

Sincerely,

Yolanta Schwartz
Planning Director

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