

GENERAL PLAN HOUSING ELEMENT FOR PLANNING PERIOD 2013-2021



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2013-2021 HOUSING ELEMENT

INTRODUCTION

**City of Rancho Palos Verdes
2013-2021 Housing Element of the General Plan
Section 1-Introduction
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SECTION 1-INTRODUCTION

A. REGIONAL SETTING

The City of Rancho Palos Verdes is located in Los Angeles County, generally in the southwest area of the greater Los Angeles Metropolitan Area on the southern edge of the Palos Verdes Peninsula. The three other cities that comprise the peninsula are Rolling Hills, Rolling Hills Estates and Palos Verdes Estates. The City is approximately 13.5 square miles.

The nearest freeways include Interstate 405 (San Diego Freeway), Interstate 110 (Harbor Freeway), and Interstate 710 (Long Beach Freeway). Hawthorne Boulevard and Palos Verdes Drive provide access to the City.

B. HISTORICAL CONTEXT

On September 7, 2013, the City of Rancho Palos Verdes, the youngest city on the Palos Verdes Peninsula, will celebrate its 40th anniversary. Each year is a milestone for all of the people who worked so hard and so long for incorporation and for all of those who have enjoyed the benefits ever since.

The story of the City's fight for incorporation is indeed an interesting tale. The birth of Rancho Palos Verdes was the culmination of a series of events that occurred during the first half of the 20th Century, as well as the actual drive for incorporation, which began in earnest in the early 1960's and finally came to fruition in 1973.

At the close of the 19th Century, the Palos Verdes Peninsula was uninhabited, with the exception of a few sheepherders and their flocks. The high mesas and sweeping terraces of this land were lonely and barren. There were no trees, fences, roads or structures of any kind. Then, for a brief period of time in the early 1900's, the Peninsula enjoyed prosperity as a cattle ranch and rich farming area. During this time, 2,000 head of cattle roamed the open areas. Japanese families farmed the most southern slopes with fields of beans, peas and tomatoes, while the manager of the cattle ranch farmed the dryer northern slopes.

In 1913, Frank A. Vanderlip, president of the National Bank of New York, bought the 16,000-acre Palos Verdes Peninsula sight unseen from rancher Jotham Bixby. Even though Mr. Vanderlip had never seen the Peninsula, he recognized its strategic location and potential for development. Mr. Vanderlip had a grand vision to develop the "Palos Verdes Project" into the "most fashionable and exclusive residential colony" in the nation.



Abalone Cove looking east
toward Portuguese Point

Unfortunately, the area's remote location and lack of adequate roads initially thwarted his plans. Later, the Stock Market Crash, the Great Depression and the onset of World War II crippled the dream. However, none of these events changed the beauty and desirability of the Palos Verdes Peninsula, with its magnificent views, beautiful rolling terrain, mild climate and clean air, as an ideal place to live.

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Probably the greatest single event that would shape the future of Rancho Palos Verdes occurred in July 1953. By this time, Frank A. Vanderlip's eldest son, Frank Jr., was the president of the Palos Verdes Corporation, which controlled the family's remaining undeveloped acreage on the Peninsula. Since 1944, the Great Lakes Carbon Corporation had leased a 300-acre tract of land on the north side of the Peninsula for mining of diatomaceous earth. Although this mine's resources had nearly been exhausted, another rich deposit was known to exist on a 165-acre tract near the crest of the Peninsula. For two years, the Great Lakes Carbon Corporation had been unsuccessfully attempting to purchase this property from the Vanderlip family. Finally, Frank Vanderlip Jr. agreed to sell, provided that Great Lakes purchase all of the stock in the Palos Verdes Corporation. Upon completion of the transaction, Great Lakes Carbon Corporation suddenly owned 7,000 acres of prime undeveloped land, all that was left of the 16,000 acres bought from Mr. Bixby, with the exception of 500 acres retained by the Vanderlip family in the Portuguese Bend area.

What happened next was not surprising. The plans for mining operations were quickly discarded and a group of well-know architects and engineers were hired to create a master plan to develop the property.

The grand plan envisioned for the Palos Verdes Peninsula by Frank A. Vanderlip Sr. was to be only partially realized by the time of his death in 1937. In the nearly 25 years since he acquired the property, Mr. Vanderlip's plan had been fragmented and diluted by a variety of external forces.

In response to the changing circumstances, the other three Peninsula cities of Palos Verdes Estates, Rolling Hills and Rolling Hills Estates incorporated before the largest building boom began in the late 1950 and early 1960s. Fueled by the master plan created by the Great Lakes Carbon Corporation and the burgeoning economic growth occurring in the South Bay area, the remaining unincorporated area on the Peninsula began to develop rapidly and in ever-increasing densities.

The idea of a fourth city was first advanced in 1962 as an answer to controlling the unbridled development that was occurring in the unincorporated areas on the Peninsula, which remained under the control of Los Angeles County. Unfortunately, these early efforts were never able to get off the ground. In spite of protests from individually affected homeowner groups, adjacent cities and the local school district, the Los Angeles County Board of Supervisors routinely granted zone changes. In desperation, more than 40 homeowners groups joined together in 1965 to form the Peninsula Advisory Council (PAC) in the hopes that this collaboration would add weight to their arguments against the proposed zone changes. However, despite PAC's best efforts, the County continued to grant more zone changes for higher densities, with little concern for the sensitive environment. According to PAC's records, 43 times they protested to the County, and 43 times they failed.

Then, in 1969, came the new County Master Plan for the Peninsula that provided for a population density far beyond what the local residents wanted. In response, a Peninsula-wide organization was formed that same year called Save Our Coastline (SOC). Unlike previous efforts, SOC was able to combine political and financial power with experienced local governments focused on achieving a common goal. However, after several unsuccessful fights against the County's Master Plan for the Peninsula, it became evident that the only way to preserve the environment and to gain control over local zoning issues was through incorporation of a fourth city.

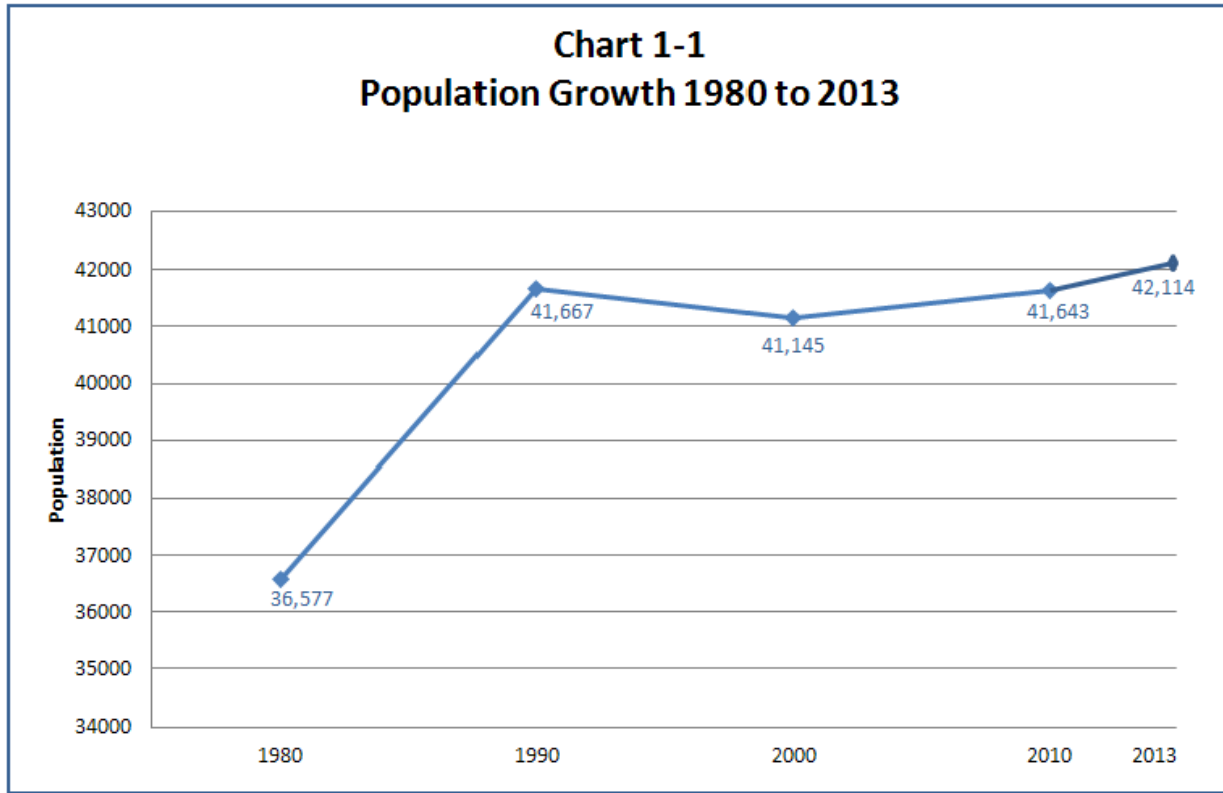
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The drive for incorporation of the fourth city intensified in February 1970 when a formal application was made to the Local Agency Formation Commission (LAFCO), which was the first step in a six-step process necessary for successful incorporation. LAFCO approved the application shortly thereafter. The second step was successfully completed when signatures supporting incorporation were obtained from the owners of 43% of the assessed valuation of the land, 63% of the homeowners and 70% of the registered voters. However, further progress was blocked when landowners representing more than 51% of the assessed land value protested the incorporation. In response, SOC filed a lawsuit in Federal District Court seeking to have Section 34311 of the State Code declared unconstitutional. The so-called "one man-one vote" suit contended that a vote should not be weighted by the land's assessed value, but rather by the actual number of voters in the area. There was further litigation and many setbacks before the State Supreme Court, in September 1972, ruled 7 to 0 in Curtis vs. Board of Supervisors that landowners could not prevent voters from determining their own form of municipal government. This cleared the way for completing the final steps with LAFCO towards incorporation and permitting a cityhood election to take place.

The election was finally held on August 28, 1973. An overwhelming majority of 5 to 1 voted in favor of incorporation. At the same time, the voters elected five City Council members out of a field of 24 candidates. The first City Council, consisting of Mayor Marilyn Ryan and Council members Gunther Buerk, Ken Dyda, Dave "Cisco" Ruth and Robert Ryan, all ran on similar platforms of low-density land uses, minimum taxes, and responsiveness to residents. The newly elected City Council held its first meeting on September 7, 1973 at Ridgcrest Intermediate School.

The first City Hall offices were located in the former SOC offices in the Golden Cove Center at the corner of Hawthorne Boulevard and Palos Verdes Drive West. One of the first actions taken by the new City Council was to declare a building moratorium and to begin work on the preparing the City's General Plan. In 1975, City Hall was relocated to its current location at the former Army Nike missile base on Hawthorne Boulevard, just above the Golden Cove Center.

Chart 1-1 shows the community's population growth from 1980 to 2013. During that 33-year period, the City's population has increased by almost 6,000 people.



C. STATE REQUIREMENTS AND LEGISLATIVE CHANGES

The Housing Element is one of the seven mandatory elements of the General Plan, and it specifies ways in which the housing needs of existing and future residents can be met. The element became a mandated element of a general plan in 1969, or 44 years ago. The law acknowledges that, in order for the private market to adequately address housing needs and demand, local governments must adopt land use plans and regulatory systems which provide opportunities for, and do not unduly constrain, housing development.

Government Code Section 65583 states:

The housing element shall consist of an identification and analysis of existing and projected housing needs and a statement of goals, policies, quantified objectives, financial resources, and scheduled programs for the preservation, improvement, and development of housing. The housing element shall identify adequate sites for housing, including rental housing, factory-built housing, mobile homes, and emergency shelters, and shall make adequate provision for the existing and projected needs of all economic segments of the community.

In enacting the housing element requirement in 1969, the State legislature found and declared that -

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

And that –

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

Also –

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 housing needs of all economic segments of the community.

The Housing Element must include six major components:

- An assessment of the community's housing *needs*.
- An inventory of *sites* that can accommodate the need for new housing.
- An analysis of housing market and governmental *constraints* that impede public and private sector efforts to meet the needs.
- A *progress report* describing actions taken to implement the *2008-2014 Housing Element*.
- A statement of *goals*, quantified *objectives* and *policies* relative to the construction, rehabilitation, conservation and preservation of housing.
- An *implementation program* which sets forth a schedule of actions which the City is undertaking or intends to undertake to implement the policies and achieve the stated goals and objectives.

The City's prior Housing Element was adopted on January 19, 2010. Since that date, SB 812 is the only major change to the law. Chapter 507, Statutes of 2010 (SB 812), which took effect January 2011, amended State housing element law to require the analysis of the special housing needs of persons with developmental disabilities. This analysis should include an estimate of the number of persons with developmental disabilities, an assessment of the housing need, and a discussion of potential resources.

SB 375 requires that the housing element due date is 18 months after adoption of the Regional Transportation Plan (RTP). October 15, 2013 (18 months after the RTP was adopted) is the due date for adoption of the Housing Element. According to Government Code Section 65588(f)(1):

"Planning Period" shall be the time period between the due date for one housing element and the due date for the next housing element.

The City's Housing Element planning period is from October 15, 2013 to October 15, 2021.

According to Government Code Section 65588(f)(2):

"Projection Period" shall be the time period for which the regional housing need is calculated.

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The SCAG Regional Housing Needs Assessment (RHNA) covers the period from January 1, 2014 to October 1, 2021.

According to SCAG, the anomaly of the housing element due date (October 15, 2013) preceding the RHNA start date (January 1, 2014) is due to (a) legislative changes and statutory definitions and (b) the date that SCAG adopted its Regional Transportation Plan. Also, HCD uses January 1 or July 1 for RHNA determination start date purposes as these are the effective dates used by Department of Finance (DOF) in updating housing estimates and population projections.

D. ROLE AND ORGANIZATION OF THE HOUSING ELEMENT

As previously noted, the Housing Element is one of seven mandatory elements of a General Plan. Its focus is on assessing the community's housing needs and describing programs to address those needs. The element must describe actions to –

- Identify adequate sites to accommodate a variety of housing needs
- Assist in the development of affordable housing
- Remove governmental constraints to housing improvement and construction
- Improve the condition of housing
- Preserve the affordable housing supply
- Promote fair housing
- Promote energy conservation

In addition to this Introduction, two additional Sections and two Appendices comprise the Housing Element:

Section 2: Overview: This Section provides an overview of the public participation efforts of the City during the development of the Housing Element, challenges the City faces in addressing housing needs, and a brief summary of the document.

Section 3 - Housing Program: This Section provides a summary of the housing needs and describes the goals, policies and objectives of the Housing Element. Section 3 also describes the individual programs that will be implemented during the eight-year planning period. Agencies involved in program implementation include the Community Development Department, other City Departments, the County Housing Authority and the County Community Development Commission.

Appendix A: This Appendix contains detailed information on the following:

- Housing Needs Assessment
- Sites Inventory and Analysis
- Housing Market Constraints Analysis
- Governmental Constraints Analysis
- Progress Report

Appendix B: This Appendix includes a list of organizations consulted, data sources, and definitions.

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E. HOUSING ELEMENT CONSISTENCY WITH OTHER GENERAL PLAN ELEMENTS

Six elements comprise the Rancho Palos Verdes General Plan:

- Natural Environment Element
- Socio/Cultural Element
- Urban Environment Element
- Land Use Plan
- Fiscal Element
- Housing Element

During the planning period, consistency between the Housing Element and General Plan will be maintained through the General Plan Annual Progress Report. This Report, which is usually completed in spring of each year, reports on the status and implementation progress of the General Plan Elements. The Progress Report contains information on the status of amendments to the General Plan and the status of work efforts and programs implemented by the City each year that go toward meeting the goals and objectives and fulfilling the policies set forth in each General Plan Element.

In future Progress Reports, the City will include information on whether any of these amendments will generate a need to amend the Housing Element with respect to goals, policies, objectives, programs or the sites inventory. Revisions to the Housing Element can then be made concurrently with amendments to the other General Plan Elements. In this way, internal consistency between the General Plan Elements and the Housing Element will be maintained throughout the planning period.

In addition, the City will add an internal consistency section to the Housing Element Progress Report which is completed in April of each year and submitted to HCD. That section will describe any revisions or changes to the Housing Element that were enacted the prior calendar year in order to maintain consistency with all the other General Plan Elements.

Future amendments to the Safety, Conservation, and Land Use Elements will require a review of the Housing Element for internal consistency, which may in turn, require amendments to the Housing Element. For example, if sites identified in the Housing Element as suitable for housing development are subsequently identified as inappropriate for development, other sites will need to be identified. Annual review of the Land Use Element will assist the City in future updates of the Housing Element and facilitate identification of appropriate sites to accommodate the City's share of the regional housing need.

F. OTHER STATUTORY REQUIREMENTS

1. Water and Sewer Priority

Chapter 727 amended Government Code Section 65589.7(a) as follows:

The housing element adopted by the legislative body and any amendments made to that element shall be immediately delivered to all public agencies or private entities that provide water or sewer services for municipal and industrial uses, including residential, within the territory of the legislative body. Each public agency or private entity providing water or sewer services shall grant *a priority for the provision of these services to*

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proposed developments that include housing units affordable to lower income households. [Emphasis added]

The water supply is provided by the California Water Services Company, Rancho Dominguez District, located at 2632 West 237th Street, Torrance, CA 90505. The Community Development Department will deliver to the District a copy of the Housing Element following its adoption by the City Council.

The Public Works Department (PWD) manages the City's sanitary sewer collection system. The City's local sewers discharge into Los Angeles County Sanitation District facilities for conveyance, treatment and disposal. The Community Development Department will deliver a copy of the Housing Element to the PWD and the Sanitation District's Administrative Office (1955 Workman Mill Road, Whittier, CA 90601).

2. Flood Hazards and Flood Management Information

Government Code Section 65302 requires all cities and counties to amend the safety and conservation elements of their general plan to include an analysis and policies regarding flood hazard and flood management information upon the next revision of the housing element on, or after, January 1, 2009. The "Safety" section of the Urban Environment Element contains the analysis and policies pertaining to flood hazards and flood safety programs.

Government Code Section 65302 also requires cities and counties, effective January 1, 2008, to annually review the land use element for those areas subject to flooding identified by flood plain mapping prepared by the Federal Emergency Management Agency (FEMA) or the State Department of Water Resources. The City conducts its annual review as part of the General Plan Annual Progress Report and also by the preparation of environmental impact reports.

2013-2021 HOUSING ELEMENT

OVERVIEW



**City of Rancho Palos Verdes
2013-2021 Housing Element of the General Plan
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The Section 2 Overview presents information on:

- Housing Element Public Participation Effort
- Challenges To Addressing the Community's Housing Needs
- Brief Housing Element Summary

A. HOUSING ELEMENT PUBLIC PARTICIPATION EFFORT

A housing element must:

Include a diligent effort by the local government to achieve public participation of all economic segments of the community in the development of the housing element

During the development of the *2013-2021 Housing Element Update*, public participation efforts included:

- Housing Needs Survey
- Community Stakeholder Outreach
- Public Review of the Draft Housing Element
- Planning Commission and City Council Public Hearings

1. Housing Needs Survey

A Housing Needs Survey comprised of eight questions was posted on the City's website. The public was notified of the survey by a publication in the Palos Verdes Peninsula News and to subscribers of the City's email listserve system. The purpose of the Survey was to garner insights on the respondents housing needs and their opinions on the community's housing needs. Nine residents responded to the Survey. A summary of the Survey results is presented below:

Household Characteristics:

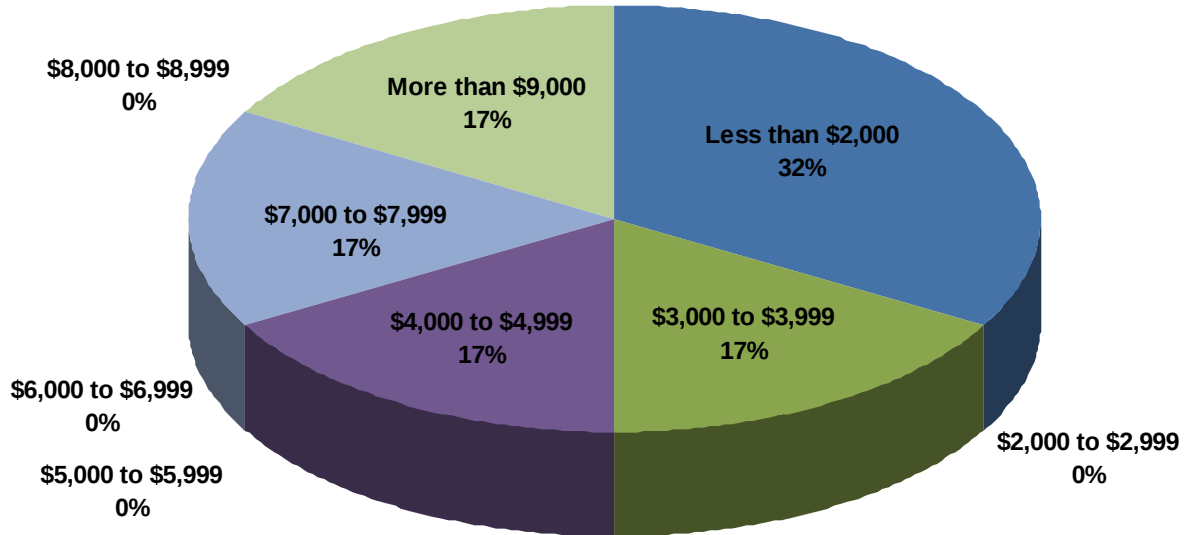
- 60% Owners
- 40% Renters
- 0% large families (5 Persons or more)
- 50% have annual incomes of less than \$48,000

Refer to Chart 2-1 for the income distribution of all survey respondents.

Of all respondents:

- 20% said they "need grab bars, ramps, or other accessibility modifications"
- 20% "have difficulty using stairs, bathtub, etc."

Chart 2-1
City of Rancho Palos Verdes
Monthly Household Income of Survey Respondents



When asked about their family's housing needs:

- 25% "need help with home repairs and maintenance"
- 75% say their "monthly housing costs are too high"
- 50% "need a larger place to live in"
- 75% say their "monthly utility bills are too high"

When asked about high priority community housing programs:

- 25% said "assistance to modify my home"
- 50% indicated "first time home buyer assistance"
- 33% indicated "assistance with monthly housing costs"
- 50% indicated "single-family home repair and rehabilitation"

While the survey is not a scientific sample, the respondents' answers reveal a need for assistance for home repairs and rehabilitation, and first-time homebuyer assistance. Sixty percent of the respondents indicated that senior housing was a priority while 25% stated new family housing as a priority.

2. Community Stakeholder Outreach

An essential part of the public participation effort was outreach to community stakeholders. Persons and organizations that represent the interest of low income families, the elderly, and special needs households were contacted, including:

- REACH – Developmentally Disabled
- Harbor Regional Center
- Fair Housing Foundation
- Mirandela Affordable Housing Development
- Peninsula Seniors

3. Public Review of the Draft Housing Element

The Draft Housing Element was posted on the City's website on August 8, 2013 in advance of the Planning Commission meeting scheduled for August 27, 2013. A notice was published in the Palos Verdes Peninsula News to inform residents of the opportunity to review and to provide comments on the Draft Housing Element. The Community Development Director notified community stakeholders that comments on the Draft Housing Element are welcomed.

On August 27, 2013, the Preliminary Draft Housing Element was presented to the Planning Commission for review and comments. The Planning Commission provided Staff with direction to make relatively minor modifications to the Preliminary Draft and to forward the document to the City Council for review. The revised Preliminary Draft with the Planning Commission recommended changes was distributed to the Council on September 3, 2013.

On August 29, 2013, a public notice was published in the Palos Verdes Peninsula News to inform residents of the opportunity to review and to provide comments on the Draft Housing Element at the September 17th City Council meeting. Subsequently, on September 17th, the City Council received a Staff Report on the Preliminary Draft, heard public testimony, discussed the Preliminary Draft and posed questions to Staff. At the meeting, the Council expressed some concerns regarding the Preliminary Draft and requested that Staff conduct additional research. The Council then continued the item to October 1, 2013. At the October 1, 2013 public hearing, the City Council approved the Preliminary Draft Housing Element and a site for re-zoning pursuant to an Adequate Sites Program.

During both the City Council and Planning Commission review, one property owner expressed support for residential zoning along Western Avenue. The City also received letters and testimony from residents opposing the ideas of residential zoning along Western Avenue.

On December 19, 2013, a public notice was published in the Palos Verdes Peninsula News to inform residents of the opportunity to review and to provide comments on the Initial Study/Negative Declaration and the Final Draft Housing Element. The Initial Study/Negative Declaration was also distributed to appropriate agencies for review. Both the Initial Study/Negative Declaration and the Final Draft Housing Element was posted on the City's website in advance of the Planning Commission meeting on January 28, 2014.

On January 28, 2014, the Final Draft Housing Element was presented to the Planning Commission for review and comments. The Planning Commission provided Staff with direction to make relatively minor modifications to the Final Draft Housing Element and to forward the document to the City Council for review. The revised Final Draft Housing Element with the Planning Commission recommended changes was posted on the City's website and distributed to the City Council in advance of the public hearing on February 4, 2014.

4. Planning Commission and City Council Public Hearings

The Public Hearings before the Planning Commission and City Council will offer another opportunity for the public to comment on the Draft Housing Element. Community stakeholders will be notified by the Community Development Director of the opportunity to comment on the Housing Element at the scheduled public hearings.

B. CHALLENGES TO ADDRESSING THE COMMUNITY'S HOUSING NEEDS

At the beginning of the prior planning period – July 1, 2008 – Rancho Palos Verdes was in a much better position to address the community's housing needs. Years before the prior planning period began; the City had established a Redevelopment Agency and had accumulated financial resources in the Low and Moderate Income Housing Fund. Now five years later as the City enters the new planning period it faces the challenge of diminishing resources.

1. Reduced Federal CDBG and HOME Funding

Additionally, over the recent years, the amount of Community Development Block Grant (CDBG) funds available to local communities has been dwindling. Rancho Palos Verdes is not a CDBG entitlement jurisdiction but receives funds from the County of Los Angeles Community Development Commission. Rancho Palos Verdes is one of 39 cities that participate in the County's CDBG program. The City is not a participating jurisdiction under the HOME Partnerships Program and, therefore, does not have a dedicated source of affordable housing funds.

During the past few years, the amount of CDBG funds allocated by HUD to the County has diminished. The County allocates funds to the participating through a formula that considers population, poverty and overcrowding. The City's percentage share of all funds received by the County is .008499%. In FY 2013-2014, the City will receive \$142,918. Because of the decrease in CDBG funding and new County requirements, the City discontinued the Home Improvement Program.

2. Loss of the Redevelopment Agency's Low and Moderate Income Housing Fund

Pursuant to State law, the Rancho Palos Verdes Redevelopment Agency was dissolved in February 2012. Prior to the dissolution, the RDA was receiving approximately \$225,000 per year in its Low and Moderate Income Housing Fund. As a result of the dissolution, these funds are no longer available.

C. HOUSING ELEMENT SUMMARY

Since the City adopted the current Housing Element in December 2009, only one major change has been made to the statute. That change requires an analysis of the needs of developmentally disabled persons. As noted above, resources to address housing needs have dwindled leaving the City in a much poorer position than it was five years. Table 2-1 on the next page shows the programs that the City will implement in order to meet the six program mandates of the housing element law.

Table 2-1
City of Rancho Palos Verdes
2013-2021 Housing Element
Housing Program Outline
List of Specific Individual Programs by Program Category

Program Category	Specific Individual Program
Category 1 – Identify Housing Sites to Accommodate the City’s Share of the Regional Housing Need	1. Adequate Sites Program
	2. Moderate Income Second Unit Development Program
	3. No Net Loss Program
Category 2 – Assist in the Development of Lower Income and Moderate Income Housing	4. Section 8 Rental Assistance for Cost Burdened Lower Income Households
	5. Citywide Affordable Housing Requirement/ Housing Impact Fee
	6. First Time Homebuyer Assistance
	7. Outreach Program for Persons with Disabilities
	8. Extremely Low Income Housing Program
Category 3 – Remove Governmental Constraints to the Maintenance, Improvement and Development of Housing	9. Zoning Ordinance Amendments to Remove Governmental Constraints
Category 4 – Conserve and Improve the Existing Stock of Affordable Housing	10. Housing Code Enforcement Program
	11. Housing Improvement Program
Category 5 – Promote Housing Opportunities for All Persons	12. Fair Housing Services Program
	13. Fair Housing Information Program
Category 6 – Promote Energy Conservation	14. Energy Conservation Program

2013-2021 HOUSING ELEMENT

HOUSING PROGRAM

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A. INTRODUCTION

Government Code Section 65583(c) requires that a housing element include:

A program which sets forth a five-year schedule of actions the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the housing element....

The housing program must:

- Identify Actions to Make Sites Available to Accommodate the City's Share of the Regional Housing Need [Government Code Section 65583(c)(1)]
- Assist in the Development of Adequate Housing to Meet the Needs of Extremely Low-, Very Low-, Low- and Moderate Income Households [Government Code Section 65583(c)(2)]
- Address and, Where Appropriate and Legally Possible, Remove Governmental Constraints to the Maintenance, Improvement and Development of Housing [Government Code Section 65583(c)(3)]
- Conserve and Improve the Condition of the Existing Stock of Affordable Housing [Government Code Section 65583(c)(4)]
- Promote Housing Opportunities for All Persons Regardless of Race, Religion, Sex, Marital Status, Ancestry, National Origin, Familial Status, or Disability [Government Code Section 65583(c)(5)]
- Promote Energy Conservation [Government Code Section 65583(a)(8)]

The City does not have affordable housing at risk of conversion to market rate housing (refer to pages A-10 and A-11). Therefore, Government Code Section 65583(c)(6) which concerns the preservation of at-risk housing does not apply to Rancho Palos Verdes.

For *each* of the six program categories listed above, Section 3 presents:

- A summary of the program category's housing needs. Each housing need (e.g., cost burden, housing rehabilitation) is discussed in greater detail in Appendix A.
- A statement of the program category's housing goals, policies and objectives.
- A description of the program category's individual programs that will be implemented during the 2013-2021 planning period.

Table 3-1 presents a summary description of the individual programs of each program category as follows:

- Individual Program Title
- Responsible Implementing Agency
- Objective
- Time Schedule
- Funding Source(s)

Under the Funding Source(s) column, CDD refers to Community Development Department.

The 14 individual programs are described in greater detail on pages 3-3 through 3-14.

SECTION 3 – HOUSING PROGRAM: NEEDS, GOALS, POLICIES, OBJECTIVES AND PROGRAMS

**Table 3-1
City of Rancho Palos Verdes – 2013-2021 Housing Program Summary**

Individual Programs	Responsible Implementing Agency	Objective	Time Schedule	Funding Source(s)
Adequate Housing Sites				
1. Western Avenue Vision Plan/Adequate Sites Program	Community Development Department	Minimum of 8 housing units for lower income households	Implemented no later than March 2017	General Fund for CDD Planning staff
2. Moderate Income Second Unit Development Program	Community Development Department	10 second units constructed	Applications will be processed during the October 2013 – October 2021 planning period	General Fund for CDD Planning staff
3. No Net Loss Program	Community Development Department	Establish the evaluation procedure to monitor housing capacity	Implemented by July 2014	General Fund for CDD Planning staff
Affordable Housing				
4. Section 8 Rental Assistance for Cost Burdened Lower Income Households	Housing Authority of the County of Los Angeles	4 units for extremely low and low income renter households	HAP contracts between the Housing Authority and HUD will be executed annually during the October 2013 – October 2021 planning period	County Section 8 contract with HUD
5. Citywide Affordable Housing Requirement/ Housing Impact Fee	Community Development Department	Minimum of 7 housing units for lower income households	New projects will be subject to Program #5 during the October 2013 – October 2021 planning period	General Fund for CDD Planning staff Housing Impact Fee
6. First Time Home Buyer Assistance	Community Development Department County of Los Angeles Community Development Commission So. California Home Financing Authority	3 moderate income households	Implemented throughout the October 2013 – October 2021 planning period	County Home Funds, Tax Credits, and Bond Proceeds
7. Outreach Program for Persons with Disabilities	Community Development Department REACH	Coordinate with Harbor Regional Center	Implement outreach components no later than July 2015	General Fund for CDD Planning staff
8. Extremely Low Income Housing Program	Community Development	Assist 4 extremely low	Implemented annually during the	HUD Section 8 funds, Citywide

SECTION 3 – HOUSING PROGRAM: NEEDS, GOALS, POLICIES, OBJECTIVES AND PROGRAMS

**Table 3-1-continued
City of Rancho Palos Verdes – 2013-2021 Housing Program Summary**

Individual Programs	Responsible Implementing Agency	Objective	Time Schedule	Funding Source(s)
Remove Governmental Constraints				
	Department and Housing Authority of the County of Los Angeles	Income households	2013-2021 planning period	Affordable Housing Requirement and Housing Impact Fee
9. Zoning Ordinance Amendments to Remove Governmental Constraints	Community Development Department	Adopted amendment	Adopted by July 2014	General Fund for CDD Planning staff
Improve Housing Conditions				
10. Housing Code Enforcement Program	Community Development Department	10 new cases per month	Implemented annually during the 2013 – 2021 planning period	General Fund for CDD code enforcement staff
11. Home Improvement Program	Public Works Department	5 housing units	Implemented throughout the 2013 – 2021 planning period, subject to funding availability	CDBG, CalHome, or Other Non-City Funds
Promote Fair Housing				
12. Fair Housing Services Program	Fair Housing Foundation	65 lower-income households	Implemented throughout the 2013 – 2021 planning period	County CDBG Funds
13. Fair Housing Information Program	Community Development Department	Information disseminated	Information will be posted on the City's website by July 2014. Brochures and other fair housing literature will be disseminated by January 2015. Website and fair housing information will be updated annually.	General Fund for CDD Planning staff
Promote Energy Conservation				
14. Energy Conservation Program	Community Development Department	Implement Voluntary Green Building Construction Program	Implemented throughout the 2013 – 2021 planning period; energy conservation ordinances will be updated as required by State law	General Fund for CDD Building staff

PROGRAM CATEGORY #1:

DESCRIBE ACTIONS TO MAKE SITES AVAILABLE TO ACCOMMODATE THE CITY'S SHARE OF THE REGIONAL HOUSING NEED AND ENCOURAGE THE DEVELOPMENT OF A VARIETY OF HOUSING TYPES

Government Code Section 65583(c)(1) states that the housing program must:

Identify actions that will be taken to make sites available during the planning period of the general plan with appropriate zoning and development standards and with services and facilities to accommodate that portion of the city's ... share of the regional housing need for each income level that could not be accommodated on sites identified in the inventory ... without rezoning...

Sites shall be identified as needed to facilitate and encourage the development of a variety of types of housing for all income levels, including multifamily rental housing, factory-built housing, mobilehomes, housing for agricultural employees, supportive housing single-room occupancy units, emergency shelters, and transitional housing.

1. Housing Needs, Goals, Policies and Objectives

SCAG's Regional Housing Needs Assessment has allocated a new housing construction need to Rancho Palos Verdes of 31 housing units, as follows:

SCAG'S Regional Housing Needs: January 2014 – October 2021

Extremely Low	Very Low	Low	Moderate	Above Moderate	Total
4	4	5	5	13	31

The Sites Inventory and Analysis (pages A-21 to A-24) demonstrates that there are sufficient sites to meet most of the housing needs listed above. To provide sufficient sites for moderate income households, however, the City will promote the development of second units. Additionally, the City will implement a Western Avenue Vision Plan/Adequate Sites Program to address the current shortfall of eight lower income housing sites.

Goals

- Accommodate the housing needs of all income groups as quantified by the Regional Housing Needs Assessment (January 2014 - October 2021).
- Facilitate the construction of the maximum feasible number of housing units for all income groups.

Policies

- Designate sites that provide for a variety of housing types.
- Implement the Land Use Element and Development Code to achieve adequate sites for all income groups.

- Prefer that persons, entities, and/or developers that are obligated to provide affordable housing units provide the affordable housing units on-site as part of their development project rather than paying in-lieu fees.

New Construction Objectives

Extremely Low	Very Low	Low	Moderate	Above Moderate	Total
1	2	2	10	116	131

2. Housing Programs

Program #1 – Adequate Sites Program

The City received Compass Blueprint funding from SCAG to complete a Western Avenue Vision Plan. Phase 1 has been completed and on September 12, 2013, the City obtained a Grant from SCAG to complete Phase 2.

The Western Avenue study corridor, for most of its two-mile length, constitutes the municipal boundary between the cities of Rancho Palos Verdes (on the west) and Los Angeles (on the east). The Vision Plan focuses on the two-mile stretch from Palos Verdes Drive on the north to Peck Park on the South. The study corridor provides a diversity of uses with commercial uses being concentrated on the south end, a mix of commercial and residential uses between Toscanini and John Montgomery Drives, and institutional uses located at the north end.

The City will implement an Adequate Sites Program to address the shortfall of sites to accommodate eight lower income housing units during Phase 2 of the Western Vision Plan process. The City has identified the following site as one that is appropriate to re-zone to a minimum of 20 dwelling units per acre:

- Geographic Identifiers: 29619 Western Avenue; Assessor Parcel Number 7557-039-011
- Size: .44 acres
- Current General Plan Designation: Commercial-Retail
- Current Zoning Designation: Commercial-General
- Existing Uses: Older commercial structure built in 1961, with a total of four tenants, measuring 14,092ft² in size. The site is considered legal non-conforming due to the lack of on-site parking. The property owner of this site indicated his interest and support in re-zoning the property to potentially attract developers to re-develop this aging, non-conforming site.
- Housing Capacity: 8 units at a density of 20 dwelling units per acre

Zoning of this site will be accomplished during the Western Avenue Vision Plan process, but no later than March 2017, and will allow multifamily uses by right, without a CUP, planned unit development permit or other discretionary action pursuant to Government Code Section 65583.2(h) and (i). One part of the Government Code requires that sites be sized to allow a minimum of 16 dwelling per site.

Program #2 – Moderate Income Second Unit Development

SCAG allocated a moderate income housing need of five housing units. . During the five-year between 2008 and 2013, four second units have been built and two are approved but have not been constructed. The annual average is 1.2 second units. Based on this annual average, it is projected that nine to 10 second units will be constructed during the eight-year planning period. The monthly rents of the second units would be affordable to moderate income households (refer to pages A-22 to A-24).

In order to encourage and facilitate the development of moderate income second units, the following actions will be implemented during the 2013-2021 planning period:

- Publish an article on second unit developments and standards in the Palos Verdes Peninsula News. The article will be published in the first quarter of 2014 and will be re-published at least annually.
- Keep homeowners informed of second unit development through periodic announcements on the City's Website and local newspaper.
- Consider adopting a policy to defer, reduce and/or waive second unit planning and development impact fees.
- Work with the local architectural community to post on the City's website drawings that may help homeowners to visualize how second units can be developed on their lots. The drawings will be posted on the City's website by mid-year 2014.
- Prepare and make available at the Community Development Department counter a brochure on second unit development. The brochure will be prepared and available by the mid-year 2014.
- Complete a survey of other methods used by cities to promote second unit development. Based on the findings of this review, the City would revise and/or establish new standards, procedures, and incentives. The City will complete the review and evaluation by the fourth quarter 2014.

Program #3 – No Net Loss Program

This is a model program developed by HCD and that Department recommends inclusion of this program in the Housing Element Update. The program implements Government Code Section 65863. The "no net loss" program is described as follows:

To ensure adequate sites are available throughout the planning period to meet the City's RHNA, the City will annually update an inventory that details the amount, type and size of vacant and underutilized parcels to assist developers in identifying land suitable for residential development.

The City will also report on the number of extremely low, very low, low and moderate income units constructed annually. If the inventory indicates a shortage of available sites; the City will rezone sufficient sites to accommodate the City's RHNA.

To ensure sufficient residential capacity is maintained to accommodate the City's RHNA, the City will develop and implement a formal ongoing (project-by-project) evaluation procedure pursuant to Government Code Section 65863. Should an approval of development result in a reduction of capacity below the residential capacity needed to accommodate the remaining need for lower income households, the City will identify and zone sufficient sites to accommodate the shortfall.

SECTION 3 – HOUSING PROGRAM: NEEDS, GOALS, POLICIES, OBJECTIVES AND PROGRAMS

This program will be implemented on an ongoing basis throughout the planning period.

The development of the evaluation procedure to implement Government Code Section 65863 will be accomplished by June-July 2014.

PROGRAM CATEGORY #2:

ASSIST IN THE DEVELOPMENT OF ADEQUATE HOUSING TO MEET THE NEEDS OF EXTREMELY LOW-, VERY LOW-, LOW-, AND MODERATE- INCOME HOUSEHOLDS

Government Code Section 65583(c)(2) states that a housing program shall:

Assist in the development of adequate housing to meet the needs of extremely low-, very low-, low- and moderate- income households.

The term “development” includes providing for affordability covenants in existing housing and construction of new affordable housing units.

1. Housing Needs, Goals, Policies and Objectives

Cost burden or overpaying, which is defined as spending 30% or more of gross household income for housing including utilities, is the most severe need experienced by lower income households. Cost burden is adversely impacting the quality of life of 700 lower income renters and 1,200 lower income owners. There also is need for 13 new lower-income and 5 new moderate- income housing units.

Goals

- Reduce the number of cost burdened lower income households.
- Reduce the number of crowded lower income households.
- Increase the number of moderate income, first-time homebuyers.

Policies

- Provide rental assistance to extremely low-, very low, and low- income households through programs administered by the Housing Authority of the County of Los Angeles.
- Monitor and protect the supply of affordable housing by enforcing existing regulations and affordability restrictions.
- Continue to implement the Citywide Affordable Housing Requirement/Housing Impact Fee.
- Facilitate the construction of new housing affordable to lower income households.
- Ensure the affordability of new affordable housing developments through long-term affordability covenants.
- Provide information to local residents about financial assistance available to first time homebuyers.

Housing Assistance Objectives*

Extremely Low	Very Low	Low	Moderate	Total
4	7	5	3	19

*Includes Section 8 assisted households (4), Citywide Affordable Housing Requirement/Housing Impact Fee (7), housing improvement program (5) and first time homebuyer assistance (3)

2. Housing Programs**Program #4 - Section 8 Rental Assistance for Cost Burdened Lower Income Renters**

The Housing Authority of the County of Los Angeles administers the Section 8 Housing Choice Voucher Program in the unincorporated area and 62 cities, including Rancho Palos Verdes. This program contributes to achieving the goals of reducing overpaying and crowding. The planning period objective is to provide rental assistance to 2 extremely low income households and 2 very low income households.

In order to assist the Housing Authority staff in program implementation, the City will do all of the following:

- Assist the Housing Authority in conducting a Landlord Outreach Program
- Inform the Housing Authority staff of the City's initiatives to provide affordable housing through the existing housing stock.
- Transmit apartment rental surveys to the Housing Authority staff
- Explore with the Housing Authority staff, opportunities for use of the Section 8 program in existing apartment housing.

The City actions will be accomplished by the 4th quarter 2014.

Program #5- Citywide Affordable Housing Requirement/Housing Impact Fee

All new residential developments of five or more dwelling units are required to provide up to 5% of all units affordable to *very low* income households or to provide up to 10% of all units affordable to *low* income households. The affordable units shall be provided on-site or off-site. Upon City Council approval, in-lieu fees can be paid instead of providing the required affordable housing units. The City Council established an in-lieu fee of \$201,653 plus a 10% administrative fee per affordable unit required.

In order to mitigate the impact of local employment generation on the local housing market, new nonresidential development or conversion of existing development to a more intense use, must make provision for housing affordable to low and very low households. This requirement applies to applications for the construction, expansion or intensification of nonresidential land uses, including but not limited to commercial projects, golf courses, private clubs, and institutional developments.

Developers of non-residential projects must pay a residential impact fee as established by the City Council. The fee must be adequate to provide one low or very low affordable housing unit

SECTION 3 – HOUSING PROGRAM: NEEDS, GOALS, POLICIES, OBJECTIVES AND PROGRAMS

for each 10 employees to be generated by the nonresidential development. The City Council established an in-lieu fee of \$1 per square foot of habitable residential structure.

Through these two initiatives, at least seven affordable housing units will be provided:

- 3 at the Crestridge Senior Housing Project
- 2 at the Highridge Condominium Project
- 2 off-site from the Trump Homes Project

Additionally, the City currently has approximately \$500,000 in its Affordable Housing In-Lieu Fund. The City will create a program by June 30, 2017 that addresses the expenditure of these funds towards affordable housing.

Program #6 – First Time Homebuyer Assistance

The City no longer has monies in an affordable housing fund due to the forced dissolution of the Redevelopment Agency. There are non-City programs, however, which provide financial assistance to first time homebuyers. The City will post on its website information on these programs which include:

- County Homeownership (HOP) Program
- County Mortgage Credit Certificate (MCC) Program
- Southern California Home Financing Authority Down Payment Assistance Program

The HOP Program offers down payment assistance to lower income households in the amount of \$50,000 or 20% of the purchase price, whichever is less. The MCC Program provides a credit against Federal income taxes owed by first time homebuyers. The tax credit is equal to 15% of each year's interest payment. The Southern California Home Financing Authority offers down payment and closing cost assistance in the form of a gift equal to 4% of the first loan amount.

Program #7 – Outreach Program for Persons with Developmental Disabilities

In order to assist in the housing needs for persons with developmental disabilities, the City will implement programs to coordinate housing activities and outreach with the Harbor Regional Center and to encourage housing providers to designate a portion of new affordable housing developments for persons with disabilities, especially persons with developmental disabilities, and pursue funding sources designated for persons with special needs and disabilities.

More specifically, the City will work with the Harbor Regional Center to implement an outreach program that informs families within Rancho Palos Verdes about housing and services available for persons with developmental disabilities. The program could include the development of an informational brochure, including information on services on the City's website, and providing housing-related training for individuals and families through workshops. The Community Development Department will work with REACH program for developmentally disabled persons.

Program #8 – Extremely Low Income (ELI) Program

The needs of extremely low income households are addressed within the framework of the programs administered by the City and Housing Authority of the County of Los Angeles. Each of these entities addresses the needs of low and moderate income households, including extremely low income households. The quantified objectives for extremely low income

SECTION 3 – HOUSING PROGRAM: NEEDS, GOALS, POLICIES, OBJECTIVES AND PROGRAMS

households are based on individual programs that address the existing and future needs of extremely low income households, as follows:

- Program #4 – Section 8 Rental Assistance - 2 extremely low income households
- Program #5 – Citywide Affordable Housing Requirement/Housing Impact Fee – 1 extremely low income households
- Program #11 – Home Improvement Program – 1 extremely low income households

In order to promote the Section 8 Rental Assistance Program, the City will accomplish the following:

- Transmit to the Housing Authority the Apartment Rental Survey that was completed as part of the Housing Element Update. This information may assist the Housing Authority to identify apartment complexes with monthly rents below the Fair Market Limits. This action will be accomplished by mid-year 2014.
- Host a Landlord Outreach Workshop to be conducted by the Housing Authority. This action will be accomplished by the 1st quarter of 2015.
- The outreach efforts and actions will be implemented periodically, as necessary through the balance of the planning period.

With regard to Program #5, the City will take the following actions:

- Continue to require the development of seven affordable housing units in three projects that will be constructed during the planning period.
- Create a program that will allocate existing and future in-lieu fees towards providing affordable housing, which may include the provision of one or more units for extremely low income households.

With regard to Program #11, the City will take the following actions:

- Annually evaluate the feasibility of reviving CDBG funds as a source to finance the Home Improvement Program. The drastic reduction in CDBG funding and related program administrative costs have hampered the City's ability to continue to use CDBG funds to finance this program. If the amount of CDBG funds allocated to the City is increased, it may be feasible to revive the program.
- Annually evaluate the potential to apply for housing resources other than CDBG funds to finance Home Improvement Program. Potential resources include the State CalHome Program.

PROGRAM CATEGORY #3:

ADDRESS AND, WHERE APPROPRIATE AND LEGALLY POSSIBLE, REMOVE GOVERNMENTAL CONSTRAINTS TO THE MAINTENANCE, IMPROVEMENT AND DEVELOPMENT OF HOUSING

More specifically, Government Code Section 65583(c)(3) states that a housing program must:

Address and, where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing, including housing for all income levels and housing for persons with disabilities.

The program shall remove constraints to, or provide reasonable accommodations for housing designed for, intended for occupancy by, or with supportive services for, persons with disabilities.

1. Housing Needs, Goals, Policies and Objectives

The governmental constraints analysis found a need to address farm employee housing.

Goals

- Attain barrier and constraint free City codes, ordinances, and policies.
- Provide codes, ordinances, and policies that lead to the improvement of the housing status of residents.

Policies

- Remove existing governmental constraints to the maintenance, preservation, improvement and development of housing.
- Affirmatively further housing goals through City codes, ordinances and policies that enhance the housing quality of life experienced by residents.
- Continue to implement land use regulations that facilitate meeting affordable housing needs.
- Continue the processing of new housing developments designed to address the needs of all income groups.

Objectives

The housing program efforts do not involve the production or rehabilitation of housing. Therefore, quantified objectives cannot be set for this Program Category.

2. Housing Programs

Program #9 - Zoning Ordinance Amendments to Remove Governmental Constraints – Employee Housing Act

According to the 2010 Census, none of the employed population in Rancho Palos Verdes works in the industries of farming, fishing or forestry, and there is no agriculturally zoned land in the

City. Therefore, given the apparent absence of farmworkers in the community, the City has not identified a need for specialized farmworker housing beyond overall programs for housing affordability.

California Health and Safety Code Section 17021.5 (Employee Housing Act) requires jurisdictions to permit employee housing for six or fewer employees as a single-family use. Employee housing shall not be included within the zoning definition of a boarding house, rooming house, hotel, dormitory, or other similar term that implies that the employee housing is a business run for profit or differs in any other way from a family dwelling. Jurisdictions cannot impose a conditional use permit, zoning variance, or other zoning clearance of employee housing that serves six or fewer employees that are not required of a family dwelling of the same type in the same zone.

The City will amend the Zoning Ordinance to provide consistency with the Employee Housing Act. Employee housing is privately owned housing that is provided by an employer in connection with any work, whether or not rent is involved. [See Health and Safety Code § 17008(a)] The zoning provisions will be enacted by June-July 2014.

**PROGRAM CATEGORY #4:
CONSERVE AND IMPROVE THE CONDITION OF THE EXISTING STOCK OF
AFFORDABLE HOUSING**

Government Code Section 65583(c)(4) states that a housing program shall describe actions to:

Conserve and improve the condition of the existing affordable housing stock, which may include addressing ways to mitigate the loss of dwelling units demolished by public and private actions.

1. Housing Needs, Goals, Policies and Objectives

Housing in need of rehabilitation is estimated to range from 300 to 500 housing units.

Goals

- Achieve a housing stock free of substandard structures.
- Conserve and improve the existing stock of affordable housing.

Policies

- Continue to implement the Housing Code Enforcement Program.
- Implement a Home Improvement Program when funds become available.

Objectives

- Housing code enforcement at an average level of 10 new cases per month for all income levels during the 2013-2021 planning period.
- Rehabilitation of five owner-occupied housing units.

The rehabilitation objective assumes that funding from a non-City source will become available during the planning period.

➤ **Housing Programs**

Program #10 - Housing Code Enforcement Program

The Housing Code Enforcement Division administers the *Code Enforcement Program* and works to ensure that the provisions of the City's Municipal Code are followed. The Division's actions are driven by complaints. However, the Division also is proactive when the resident's general health, safety and welfare are involved.

The Code Enforcement process typically includes the filing of a complaint with the Code Enforcement Officer, investigation of the complaint and notification to the property owner to correct any violation that does exist. The goal of this process is to obtain voluntary compliance; however, if compliance is not achieved then the City does pursue its available legal remedies.

Program #11 - Home Improvement Program

In December 2012, the City Council decided to discontinue the Home Improvement Program. This program offered grants up to \$7,000 and loans up to \$13,000 to help owners rehabilitate their homes. Over the recent years, the amount of CDBG funds allocated to the City has decreased by 26%. This decrease coupled with administrative costs that could not be fully charged to CDBG and which required a General Fund subsidy made the program not sustainable.

During the planning period, the City may revive the program if it is allocated a greater amount of CDBG funds and/or another funding source becomes available. The City may, for example, apply to the CalHome Program which provides financial resources for loans to low or very low income homeowners. Pursuant to Government Code Section 65583(a)(8) the City would include weatherization and energy efficiency improvements as part of a housing improvement program.

As stated on the previous page, the quantified objective is the rehabilitation of five owner-occupied housing units during the planning period. The income distribution is as follows:

- Extremely low income – 1 home
- Very low income – 2 homes
- Low income – 2 homes

Achievement of the objective depends on a funding source. If the amount of CDBG funds allocated to the City is increased in the future, it is a potential funding source. Other potential funding sources include the State CalHome Program and other State programs.

PROGRAM CATEGORY #5 PROMOTE HOUSING OPPORTUNITIES FOR ALL PERSONS
--

Section 65583(c)(5) requires that the housing program:

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

1. Housing Needs, Goals, Policies and Objectives

Federal and State fair housing laws prohibit discrimination in the sale, lease, negotiation, insurance, or financing of housing based on race, color, religion, sex, marital status, familial status, disability, national origin, ancestry, sexual orientation, source of income or other arbitrary factor. Housing discrimination complaints may be filed with HUD; the California Department of Fair Employment and Housing; and the Fair Housing Foundation, which serves many communities including Rancho Palos Verdes. Other fair housing needs include general housing counseling and resolving landlord/tenant conflicts.

Goals

- Attain a housing market with “fair housing choice,” meaning the ability of persons of similar income levels regardless of race, color, religion, sex, marital status, familial status, disability, national origin, ancestry, sexual orientation, source of income or other arbitrary factor to have available to them the same housing choices.

Policies

- Continue to promote fair housing opportunities through the City’s participation in the County’s Community Development Block Grant Program.
- Promote fair housing through the provision of information and referral services to residents who need help in filing housing discrimination complaints.

Objectives

- 50 General Housing Counseling/Resolutions
- 10 Inquiries (about possible housing discrimination)
- 5 Cases (opened when counseling and inquiries substantiate possible housing discrimination)

2. Housing Programs

Program #12 - Fair Housing Services Program

The City’s *Fair Housing Services Program* will continue to promote fair housing through its participation in the County’s CDBG Program. The City, in cooperation with the County and the Fair Housing Foundation (FHF), will continue to make available fair housing services to its residents. The FHF offers the following services:

Discrimination Services

FHF provides the following fair housing services to tenants, home-seekers and housing providers:

- Responding to Discrimination Inquiries and Complaints – screening and counseling
- Documenting Discrimination Complaints – opening fair housing cases
- Investigating Discrimination Complaints – extensive testing
- Resolving Discrimination Complaints – conciliation, mediation, administrative agency referrals, and litigation

Outreach and Education Services

FHF provides a comprehensive education and outreach program to educate tenants, landlords, owners, REALTORS, and property management companies on fair housing laws; to promote media and consumer interest; and to secure grass roots involvement within communities. The Program encompasses:

- Increase Public Awareness – participating in community and school events, attending conventions, providing staff and information at trainings, staffing clinics, and media exposure
- Conduct Training Sessions for Consumers – conducting 2-hour Tenant Workshops, staffing booths, and conducting community presentations
- Conduct Training Sessions for Housing Providers – conducting 2-hour Landlord Workshops, 4-hour Certificate Management Trainings, and REALTOR trainings

General Housing (Landlord/Tenant) Services

FHF counsels tenants, landlords, and housing providers on their rights and responsibilities which include:

- Responding to General Housing Inquiries – screening and counseling
- Documenting General Housing Inquiries – maintaining data on every client, the problem and the resolution
- Resolving General Housing Inquiries – counsel, pursue habitability cases, provide unlawful detainer assistance, conduct mediations, and provide appropriate referrals

The City will accomplish the following during the 2013-2021 planning period:

- The City will coordinate with the Fair Housing Foundation to hold one Fair Housing Workshop each year. Each Fair Housing Workshop will have a theme such as reasonable accommodations and accessibility requirements and target tenants, property managers, or REALTORS.
- Each year the City will work with the Fair Housing Foundation to identify services that should be emphasized in the upcoming year.
- Prepare a summary of the fair housing services provided each year and identify emerging fair housing issues. The summary will be transmitted to the Planning Commission and City Council and included in the Housing Element Annual Progress Report.

Program #13 - Fair Housing Information Program

The City will establish and implement a *Fair Housing Information Program*. The information will include, but not be limited, to providing:

- A Fair Housing brochure that describes fair housing laws and rights. The brochure will be available at the Community Development Department counter.
- A link to the Fair Housing Foundation website
- A link to the State Department of Fair Employment and Housing
- A link to the U.S. Department of Housing and Urban Development

PROGRAM CATEGORY #6 PROMOTE ENERGY CONSERVATION
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Government Code Section 65583(a)(8) states the Housing Element must include:

An analysis of opportunities for energy conservation with respect to residential development. Cities and counties are encouraged to include weatherization and energy efficiency improvements as part of publicly subsidized housing rehabilitation projects. This may include energy efficiency measures that encompass the building envelope, its heating and cooling systems, and its electrical system.

Program #14 – Energy Conservation Program

Rancho Palos Verdes has taken advantage of a “green” movement in the building and architectural communities that is fully underway and becoming a growing standard both in price and consumer demand, as well as through State-wide building requirements. In order to encourage the construction of “green” buildings, the City of Rancho Palos Verdes adopted a voluntary program for Green Building Construction that applies to residential and non-residential projects. The City is offering permit streamlining as well as up to a 50% rebate of Planning and Building Permit fees for voluntary participation in the City’s Green Building Construction program. The program is designed for new construction or major remodels, whereby more than 50% of the interior and exterior walls of an existing structure will be removed. Improvement such as renewable energy systems and small wind energy systems are encouraged.

2013-2021 HOUSING ELEMENT

APPENDICES

City of Rancho Palos Verdes
2013-2021 Housing Element of the General Plan
Appendix A
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APPENDIX A

HOUSING NEEDS, SITES, CONSTRAINTS & PROGRESS

A. INTRODUCTION

- Housing Needs Assessment
- Sites Inventory and Analysis
- Housing Market Constraints and Analysis
- Governmental Constraints Analysis
- Progress Report

The Housing Needs Assessment (pages A-2 to A-21) discusses:

- Existing Needs (housing condition, cost burdened, crowding, at risk housing)
- Special Needs (elderly, disabled, large families, farmworkers, female householders, and homeless)
- Projected Needs (new construction)

The Sites Inventory and Analysis (pages A-21 to A-24) describes the sites that can accommodate the need for lower-income, moderate-income and above moderate-income housing.

The Housing Market Constraints Analysis (pages A-25 to A-34) describes the following components of housing costs:

- Land
- Construction
- Financing
- Existing home sales

The Governmental Constraints Analysis (pages A-35 to A-54) describes actual and potential constraints on housing production and improvement such as:

- Land use controls
- Building codes and their enforcement
- Site improvements
- Fees and exactions required of developers
- Local processing and permit procedures
- *Constraints on housing for persons with disabilities*
- Constraints on meeting regional share housing needs

The Progress Report (pages A-54 to A-61) describes the appropriateness of the goals and policies of the *2008-2014 Housing Element* and the progress made toward implementation of the programs included in the prior element.

B. HOUSING NEEDS ASSESSMENT

1. INTRODUCTION AND SUMMARY

In addition to the Introduction and Summary, the Housing Needs Assessment describes the following:

- Part B - *housing characteristics* including the number and types of housing units and the condition of housing.
- Part C – *household characteristics* including the number of households, level of payment compared to ability to pay, and overcrowding.
- Part D - an analysis of existing *affordable housing developments at risk of converting to market rate housing* during the next 10 years.
- Part E - an analysis of *special housing needs* experienced by populations such as the elderly; persons with disabilities including those with developmental disabilities; large families; farmworkers; families with female heads of households; and families and persons in need of emergency shelter.
- Part F - an analysis of *population and employment trends* and of *projections* of existing and projected housing needs for all income levels. The existing and projected needs include the City's *share of the regional housing need*.

Key findings of the Housing Needs Assessment include:

Housing and Household Characteristics and At-Risk Housing

- 16,221 housing units comprise the existing housing stock
- Single-family detached homes comprise about 77% of the existing housing stock
- About 400 housing units need rehabilitation and 10 need replacement
- Of the occupied housing units, 80.2% are owner-occupied and 19.2% are renter occupied
- About 1,900 lower income households are cost burdened and 1,500 are severely cost burdened
- More lower-income owners (about 1,200) than renters (about 700) experience housing costs more than they cannot afford
- 191 households are overcrowded and renters comprise the majority of crowded households
- The City does not have an affordable multifamily rental housing complex potentially at-risk of converting to market rate housing

Special Housing Needs

- 9% of elderly owners (555/6,040) and 27% of elderly renters (194/723) are cost burdened – that is, paying more than they can afford for housing
- About 3,300 disabled persons live in Rancho Palos Verdes
- The elderly have the highest rate of disabilities as 22% of all people 65 years of age or older report one or more disability
- 247 developmentally disabled residents are served by the Harbor Regional Center
- Mental retardation/intellectual disability is the most prevalent condition experienced by the City's 247 residents
- 10% of the large family owners (109/1,087) and 13.5% of large family renters (40/297) are cost burdened

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- There are no farmworker jobs located within Rancho Palos Verdes
- There are 9 residents employed in the farming related industries
- About 3,300 female householders live in Rancho Palos Verdes, which is about 20% of all the City's householders
- About 1,200 female householders live with a family and 1,900 live alone
- The City's homeless estimate is 12 persons per year.

Projected Housing Needs

- SCAG's 2012 RTP Forecast shows an increase of 100 persons and 100 households between 2008 and 2020
- SCAG's 2012 RTP Forecast shows an increase in employment of 400 jobs between 2008 and 2020.
- 31 housing units is the City share of the regional housing need, which includes 13 units for lower income households

2. HOUSING CHARACTERISTICS

Part B provides information on the:

- Existing Housing Stock by Occupancy Status
- Numbers and Types of Housing Units

a. Existing Housing Stock by Occupancy Status

In January 2013, 15,602 housing units were occupied while 619 dwellings were vacant. The total housing stock is comprised of 16,221 housing units, which is an increase of 512 dwellings since the April 2000 Census. The occupancy status and total housing stock in 2013 is slightly higher than reported in the April 2010 Census. Table A-1 reports the detailed statistics.

Table A-1
City of Rancho Palos Verdes
Housing Stock by Occupancy Status
April 2000, April 2010 and January 2013

Occupancy Status	Number of Housing Units 2000	Number of Housing Units 2010	Number of Housing Units 2013
Occupied	15,256	15,561	15,602
Vacant	453	618	619
Total	15,709	16,179	16,221
Percent Vacant	2.88%	3.82%	3.82%

Source: Census 2000 Summary File 1 (SF 1), DP-1 Demographic Profile, Housing Occupancy
2010 Census Summary File 1, DP-1 Demographic Profile, Housing Occupancy
State of California, Department of Finance, *E-5 Population and Housing Estimates for Cities, Counties, and the State, 2011 and 2012, with 2010 Benchmark* Sacramento, California, May 2013.
Table construction by Castañeda & Associates

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b. Numbers and Types of Units

The composition of the housing stock in 2013 is about the same as reported by the April 2010 Census. Single-family detached homes comprise just over three-fourths (77%) of the housing stock. Housing units in multi-family structures of five or more dwellings comprise 14.5% of the housing stock. The housing stock contains a few mobile homes. Table A-2 reports the detailed data.

Table A-2
City of Rancho Palos Verdes
Housing Stock by Type of Unit
April 2010 and January 2013

Type of Unit	2010	Percent	2013	Percent
1 unit, detached	12,510	77.3%	12,518	77.1%
1 unit, attached	1,024	6.3%	1,024	6.3%
2 to 4 units	301	1.9%	301	1.9%
5+ units	2,319	14.3%	2,353	14.5%
Mobile homes*	25	.2%	25	.2%
Total	16,179	100.0%	16,221	100.0%

*A mobile home park is not located in Rancho Palos Verdes. It is assumed these mobile home units are dispersed throughout the City. State of California, Department of Finance, *E-5 Population and Housing Estimates for Cities, Counties, and the State, 2011 and 2012, with 2010 Benchmark* Sacramento, California, May 2013.
Table construction by Castañeda & Associates

c. Condition of the Existing Housing Stock

HCD guidance indicates that housing that is 40+years old – built before 1970 -- is an indicator of the *maximum* housing rehabilitation need. Table A-3 shows the age of the housing stock. About 10,400 housing units were constructed before 1970, a number that probably overstates dramatically the actual housing rehabilitation need.

In 2000 a housing condition survey found that about 700 housing units were in need of rehabilitation. About 80% of the 700 housing units had a Moderate 3 Rehabilitation Need – that is, replacement of a deteriorated roof. Only nine housing units had a Major Rehabilitation Need – that is, several minor and moderate level repairs.

Taking into account the home improvements made between 2000 and 2007, Census 2010 age of housing data, and estimates of the prior Housing Element, the City's housing rehabilitation need in 2007 was estimated to range from 300 to 500 housing units.

Between 2007 and 2012, 42 homes were rehabilitated through CDBG-funded deferred loans and grants. During this same time period, about 300 homeowners obtained financing for home improvement loans. It is not known if the loan proceeds were expended on addressing housing rehabilitation needs, remodeling, or non-structural improvements. Based on all of the above, the 2012 estimate of housing units in need of rehabilitation is about 400.

Table A-3
City of Rancho Palos Verdes
Age of Housing Stock by Year Built – 2010

Year Structure Built	Number of Units	Percent
2005 or later	145	.90%
2000 to 2004	226	1.41%
1990 to 1999	607	3.75%
1980 to 1989	853	5.27%
1970 to 1979	3,922	24.24%
1960 to 1969	6,448	39.85%
1950 to 1959	3,584	22.15%
1940 to 1949	193	1.19%
1939 or earlier	201	1.24%
Total	16,179	100.0%

Note: The American Community Survey was used to compute the percentage of units in each age cohort. The ACS percentages then were applied to the 2010 Census count of units [3,703] to estimate the number of housing units by year structure built.

Source: 2008-2010 American Community Survey 5-Year Estimates, Table B25034, Year Structure Built

Table construction by Castañeda & Associates

Housing that is beyond reasonable repair or in a dilapidated condition usually requires replacement, not rehabilitation. Often, housing lacking complete plumbing and/or kitchen facilities is an indicator of replacement needs. HUD estimates that 170 housing units are lacking complete plumbing or kitchen facilities. The 2009-2011 American Community Survey estimates 104 dwellings are lacking complete plumbing facilities and 476 are lacking complete kitchen facilities. All of these estimates seem to overstate the magnitude of the housing replacement need.

In 2000, about 10 dwellings were in such poor physical condition that they merited replacement instead of rehabilitation. Over the years some of these dwellings may have been replaced with new housing and other dwellings may have deteriorated to the degree they ought to be replaced. Therefore, the 2012 estimate of housing units in need of replacement is 10.

3. HOUSEHOLD CHARACTERISTICS

Part 3 examines the following household characteristics:

- Tenure – owners and renters
- Level of payment compared to ability to pay
- Overcrowding

a. Tenure – Owners and Renters

Tenure refers to whether housing units are occupied by owners or renters. Census 2010 reports 15,561 occupied housing units – 12,485 owners (80.2%) and 3,076 renters (19.8%). Table A-4 shows that the majority of households 35+ years of age are owners. Conversely, the younger households (15 to 34 years of age) are predominantly renters.

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Table A-4
City of Rancho Palos Verdes
Tenure by Age of Householder

Age of Householder	Owner	Percent	Renter	Percent	Total	Percent
15 to 24 years	32	0.3%	62	2.0%	94	0.6%
25 to 34 years	193	1.5%	316	10.3%	509	3.3%
35 to 44 years	1,354	10.8%	745	24.2%	2,099	13.5%
45 to 54 years	3,010	24.1%	932	30.3%	3,942	25.3%
55 to 64 years	2,652	21.2%	425	13.8%	3,077	19.8%
65 years and over	5,244	42.1%	596	19.4%	5,840	37.5%
Total	12,485	100.0%	3,076	100.0%	15,561	100.0%

Source: Census 2010, Summary File 1, Table QT-H2: Tenure, Household Size and Age of Householder
Table construction by Castañeda & Associates

b. Level of Payment Compared to Ability to Pay

Level of payment compared to ability to pay measures the number and percentage of households who are paying more than they can afford for housing. This problem is referred to as “overpaying” or “cost burdened.” For lower income households, overpaying occurs when they pay 30% or more of their income on housing costs. “Severe” overpaying is when lower income households spend 50% or more of their income on housing costs.

1. 2013 Income Limits for Income Groups

Table A-5 shows the 2013 household income limits for four income groups, adjusted by household size –

- Extremely low income <30% of the LA County median household income
- Low income 30%-50% of the LA County median household income
- Lower income 50%-80% of the LA County median household income
- Moderate income 80%-120% of the LA County median household income

The income limits are important because they determine eligibility for City programs that provide rehabilitation financial assistance to owners and renters.

Table A-6 shows the annual income and monthly income for a 3-person household in each of the four income groups. For instance, the monthly income of a lower-income 3 person household ranges between \$3,205 and \$5,062. Based on 30% of income expended on housing costs, such households could afford monthly payments in the range of \$961 to \$1,518.

2. Cost Burdened and Severely Cost Burdened Owners and Renters

Overpaying is often cited as one of the major problems confronting the lower income population. Table A-7 shows that about 1,900 lower income households are cost burdened and about 1,500 are severely cost burdened. More lower-income owners (about 1,200) than renters (about 700) experience housing costs exceeding their ability to pay. SCAG estimates, based on American Survey data, that a total of 5,583 households are cost burdened – 1,319 renters and 4,264 owners.

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Table A-5
Los Angeles County
2013 Annual Income Limits Adjusted by Household Size

Household Size (# of persons)	Extremely Low Income	Very Low Income	Lower Income	Moderate Income
1 person	\$17,950	\$29,900	\$47,850	\$54,450
2 persons	\$20,500	\$34,200	\$54,650	\$62,200
3 persons	\$23,050	\$38,450	\$60,750	\$70,000
4 persons	\$25,600	\$42,700	\$68,300	\$77,750
5 persons	\$27,650	\$46,150	\$73,800	\$83,950
6 persons	\$29,700	\$49,550	\$79,250	\$90,200
7 persons	\$31,750	\$52,950	\$84,700	\$96,400
8 persons	\$33,800	\$56,400	\$90,200	\$102,650

Source: California Department of Housing and Community Development, Year 2013
Income Limits, February 25, 2013
Table construction by Castañeda & Associates

Table A-6
Los Angeles County
Income Limits for a 3-Person Household

Income Group	Income Limits	Monthly Income
Extremely Low	less than \$23,050	less than \$1,920
Very Low	\$23,051-\$38,450	\$1,921-\$3,204
Lower	\$38,451-\$60,750	\$3,205-\$5,062
Moderate	\$60,751-\$70,000	\$5,063-\$5,833
Above Moderate	\$70,001+	\$5,834+

Source: Table A-5
Table construction by Castañeda & Associates

Table A-7
City of Rancho Palos Verdes
Lower Income Households Cost Burdened and
Severe Cost Burdened by Tenure: 2005-2009 CHAS

Tenure	Cost Burdened	Severely Cost Burdened	Percent Severely Cost Burdened
Owner	1,194	925	77.5%
Renter	719	595	82.8%
Total	1,913	1,520	79.5%

Source: U.S. Department of Housing and Urban Development, 2005-2009 CHAS
(Comprehensive Housing Affordability Strategy)
Table construction by Castañeda & Associates

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3. Extremely Low Income Cost Burdened and Severely Cost Burdened Owners and Renter

Extremely low income (ELI) households are those whose income is less than 30% of the Los Angeles County median household income. An extremely low income 3-person household is one whose annual income is less than \$22,800 or less than \$1,900 per month. (Refer to Table A-5.)

HUD CHAS data estimates there are 554 extremely low income households who are cost burdened – 329 owners and 225 renters. About 93% (305/329) of the owners and 100% (225/225) of the renters are severely cost burdened. The CHAS data indicates that the total number of ELI households is 980 (625 owners and 355 renters).

The elderly and small related families comprise about 46% and 34% of the cost burdened owner households. Small related families comprise 56% of all cost burdened renter households.

4. Housing Options and Resources

Housing options for cost burdened owners involve reducing housing and non-housing costs to a more affordable level. For some of these households, re-financing to lower monthly loan payments may be an option. However, it is possible that many of these owners are under water – their homes having a value less than the mortgage loan owed. Therefore, they do not have a re-financing option available to them. It also may be possible that some owners could rent a bedroom as a means of increasing their monthly income.

Housing options for cost burdened renters include the market rate and rent restricted apartments. Apartment vacancies and turnover is rare in Rancho Palos Verdes. Some renters may apply for Section 8 rental assistance and be placed on the County of Los Angeles Housing Authority's waiting list.

c. Overcrowding

Overcrowding is one result of the shortage of interior living space. Overcrowding reflects the financial inability of households to buy or rent housing units having enough space for their needs. Consequently, overcrowding is considered a household characteristic instead of a housing structural condition. An "overcrowded" housing unit does not necessarily mean it is in inadequate physical condition. Overcrowding also may be a temporary situation since some households will move to larger housing units to meet space requirements.

HUD CHAS provides estimates of the number of occupants per room based on the 2005-2009 American Community Survey (ACS). The following definitions apply to this topic:

Occupants per room is obtained by dividing the number of people in each occupied housing unit by the number of rooms in the unit. The figures show the number of occupied housing units having the specified ratio of people per room. Although *the Census Bureau has no official definition of crowded units*, many users consider units with more than one occupant per room to be crowded.

For each unit, rooms include living rooms, dining rooms, kitchens, bedrooms, finished recreation rooms, enclosed porches suitable for year-round use, and lodger's rooms. Excluded are strip or pullman kitchens, bathrooms, open porches, balconies, halls or foyers, half-rooms, utility rooms, unfinished attics or basements, or other unfinished

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space used for storage. A partially divided room is a separate room only if there is a partition from floor to ceiling, but not if the partition consists solely of shelves or cabinets.

Table A-8 shows there are almost 200 crowded households. Of this total, about 95% are “crowded” and 5% are “severely crowded.” Renters comprise the majority of crowded households. However, crowding is not a large problem as only about 1.2% of all households are crowded.

Table A-8
City of Rancho Palos Verdes
Crowding (Households with More than
One Occupant Per Room) by Tenure

Income	Owner	Renter	Total
1.01 to 1.50 occupants per room	90	91	181
1.51 or more occupants per room	0	10	10
Total	90	101	191

Source: U.S. Department of Housing and Urban Development, 2005-2009 CHAS (Comprehensive Housing Affordability Strategy)

Table construction by Castañeda & Associates

Crowded households are an indicator of the need for an increase in living space, rooms, and/or bedrooms. Under fair housing law, the occupancy limits are 2 persons per bedroom plus one more person. Thus, a 2-bedroom unit can accommodate five people and a 3-bedroom unit can accommodate seven people. Two- and three-bedroom units comprise the majority (71%) of the housing units found in the City’s apartment communities.

4. AT-RISK HOUSING ASSESSMENT

At-risk housing refers to multifamily *rental* housing complexes that receive governmental assistance and which can change to market rate housing by 2024. The City has no rental housing at risk of conversion to market rate housing during the 2014-2024 period.

There are seven *owner* affordable housing units located within the Villa Capri development (Tract No. 44239). The units were set-aside for families having annual incomes less than the City’s median income. The seven affordable units cannot be converted to market rate housing until 2019.

Four new affordable housing units were developed as a part of the Trump National Golf Club. These units are affordable for 30 years from the date of final permit, which happened on January 14, 2005. Thus, they are affordable until 2035.

In 2009, the City approved the Crestridge Senior Affordable Housing project, also known as Mirandela. A total of 33 lower income units were approved to accommodate extremely low, very

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low and low income housing units. The project was completed and occupied in 2010 and has a 55-year affordability term.

5. SPECIAL HOUSING NEEDS

Special housing needs refer to the needs of the following populations:

- Elderly
- Persons with disabilities
- Persons with developmental disabilities
- Large families
- Farmworkers
- Families with female heads of household
- Families and persons in need of emergency shelter

a. Elderly

Elderly special housing needs include, but are not limited, to:

- Affordable housing
- Units with accessibility modifications
- Units with special accommodations for live-in caretakers
- Housing developments that provide on-site supportive services
- Assistance in locating housing or in securing shared housing
- Housing located near transportation, shopping and medical services

The special housing needs of seniors are unique because of the aging process. The housing needs of seniors are often the result of the age, gender, health, and economic status of elderly couples and individuals.

A County study of senior housing needs explained that:

Due to the economic downturn and general cost of living increases, seniors are the most vulnerable as they move into their retirement years with the hopes of using their important property asset to finance their golden years. Unfortunately this plan does not always work out. The needs assessment survey analyzed how seniors were affected by energy/utility costs where they were living, and what specific housing challenges they encounter. 1 in 10 seniors (10%) reported having trouble paying rent. For Los Angeles County's seniors, the issues of housing affordability and the need for home maintenance services were prevalent. 25% of respondents reported needing help with minor home repairs. 10% had problems finding an apartment and 10% had problems paying rent.

The list below describes the percent of survey respondents with a need:

- **Affordability**
 - ✓ Has problems meeting mortgage/insurance/maintenance payments 7%
 - ✓ Has problems meeting condominium fee payments 2%
 - ✓ Has problems finding an affordable apartment 10%
 - ✓ Has problems paying rent 10%

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➤ Safety

- ✓ Has problems with sufficient lighting 3%
- ✓ Has problems with safety issues 5%

➤ Home maintenance

- ✓ Needs help with minor home repairs 25%
- ✓ Has problems with major homeowner repairs (plumbing/electrical) 17%
- ✓ Has problems with minor homeowner repairs (leaky faucets) 16%

Overall housing needs were about the same for all ages of the older adult respondents. The oldest residents, in greatest proportions, reported home maintenance needs. General home safety issues were roughly equivalent across all groups.

According to the 2010 Census, there are 6,763 elderly households (62+ years of age) –

- 6,040 owners
- 723 renters

Table A-9 shows the number of cost burdened elderly households by tenure and income group.

Table A-9
City of Rancho Palos Verdes
Cost Burdened Elderly Households by Income Group and Tenure

Income Group	Owners	Renters	Total
Extremely Low (0-30%)	205	80	285
Very Low (31-50%)	210	50	260
Low (51-80%)	140	64	204
Total	555	194	749

Source: U.S. Department of Housing and Urban Development, 2005-2009 CHAS (Comprehensive Housing Affordability Strategy)
Table construction by Castañeda & Associates

The HUD CHAS data estimates that 749 elderly households are cost burdened –

- 555 owners
- 194 renters

Therefore, 9% of elderly owners (555/6,040) and 27% of elderly renters (194/723) are cost burdened.

While 555 elderly owners are overpaying, there are no ongoing programs to provide monthly financial assistance to such owners. Some homeowners may benefit from the City's housing rehabilitation programs and some may need financial counseling to reduce overpaying.

Rental housing assistance for elderly renters is available from the Section 8 Housing Choice Voucher Program which is administered by the County of Los Angeles Housing Authority.

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However, no apartments surveyed in December 2012 have monthly rents below the Section 8 maximum rent ceilings.

b. Persons with Disabilities

Special housing needs may include, but are not limited, to:

- Affordable housing
- Units with accessibility modifications
- Units with special accommodations for live-in caretakers
- Housing developments that provide supportive services
- Units accessible to public transportation
- Assistance in locating housing or in securing shared housing
- Housing with design features that facilitate mobility and independence

The majority of housing units in most communities lack features such as ramps, extra wide doors, raised toilets, hand rails, lowered counters, or slip-resistant floors that would make them suitable for, or readily adaptable, to people with mobility limitations and people using assistive technology. The majority of existing dwellings are inaccessible to people with a mobility impairment.

Housing constructed after March 13, 1991 needs to comply with the accessibility standards of the Americans with Disabilities Act (ADA). Real estate property profiles indicate that none of the apartment communities were built after March 13, 1991. Most apartments were built in the late 1960s and early 1970s.

The City contacted the State Independent Living Council (SILC). The SILC is presently conducting a Needs Assessment Survey of disabled people living in California. The survey seeks to determine the “areas of need” which are most important to disabled people. The “areas of need” listed in the survey include, but are not limited, to:

- Housing
- Transportation
- Emergency Services
- Health Care
- Health Insurance
- Personal Assistance Services
- Accessibility

The survey also asks respondents to indicate the county they live in, type of disability or disabilities, gender, age and ethnicity.

The survey results will be published in the next few months.

Every three years the SILC conducts a statewide needs assessment study to inform the development of the triennial State Plan for Independent Living (SPIL) required under Title 34 of the Code of Federal Regulation, Part 364.42. The most recent Needs Assessment Study was completed in 2009.

With respect to unmet service needs, the *2009 Needs Assessment Study* clearly shows that people with disabilities are severely impacted by economic circumstances. As the economy has

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soured and state budget cuts have been made, the following unmet needs have become exacerbated, affecting older adults, working-aged people with disabilities, and children with disabilities:

- **Housing** has become less affordable, especially near locations where independent living services are available;
- **Public and other forms of transportation** have become more costly and less accessible due to eligibility restrictions;
- **Health care** co-pay and premium costs have increased and the availability of providers accepting Medi-Cal and Medicare has decreased; and
- **Other unmet needs** persist, such as the need for personal assistance services; information and referral; peer support; employment; and legal advocacy for children with multiple disabilities in the schools, the mental health system and the Medi-Cal payment system.

According to the *2009 Needs Assessment Study*:

The top issue, **housing**, was often tied to public benefits in that the lack of housing vouchers, e.g., Section 8 vouchers and other rent subsidies, combined with low vacancy rates, meant that many consumers could not afford housing or faced financial hardships in other areas in order to pay for housing. Housing and transportation were intertwined because affordable housing was often located far from independent living services and other resources offered in urban centers. For some, a key housing concern was the lack of universal design, which in some respects resonates with the frequently expressed need for home repairs among older adults as they become increasingly frail and encounter trouble living in their standard-designed homes. The lack of accessible and affordable housing limited some ILCs from acting aggressively in transitioning nursing home residents and others into the community.

Source: State Independent Living Council, *2009 Statewide Needs Assessment for People Living with Disabilities*, 40 pages

The City also reviewed the *State Plan for Independent Living (Fiscal Years 2011-2013)*. Among the key goals of the Plan are the following:

- Advancing Olmstead
- Strengthen and Advance the Independent Living (IL) Network
- Improvement for the Underserved and Underrepresented
- Increasing Capacity for Educating Policy Makers
- Improve Services to Older Individuals who are Blind

Advancing Olmstead refers to creating an environment in which –

People with disabilities choose from a variety of options for community-based living in housing, personal care assistance, transportation, with the aid of Assistive Technology.

Olmstead refers to the June 1999 Supreme Court ruling in *Olmstead v. L.C.*, 527 U.S. 581 (1999), where the Court found that, under certain circumstances, the Americans with Disabilities Act (ADA) requires states to provide community-based treatment for persons with disabilities. The decision provided that Title II of the ADA requires states to place, whenever possible, qualified individuals with *mental disabilities* in community settings rather than in institutions.

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Further, states were encouraged to develop “comprehensive, effective working plans” aimed at providing services to individuals with disabilities in the most integrated settings possible.

Executive Order 13217 and the New Freedom Initiative, both briefly described below, also promote community-based initiatives for individuals with disabilities.

President George W. Bush announced the New Freedom Initiative on February 1, 2001, as a means to promote full access to community life via the implementation of the Olmstead Decision. This initiative was part of the Administration’s efforts to remove the barriers to community living that are present in the lives of persons with disabilities. It proposed six broad objectives:

- increase access to assistive and universally designed technologies;
- expand educational opportunities;
- promote homeownership;
- integrate Americans with disabilities into the workforce;
- expand transportation options; and
- promote full access to community life.

Executive Order 13217 (Community-Based Alternatives for Individuals with Disabilities), signed by President Bush on June 18, 2001, directs federal agencies to work with states to ensure compliance with the Olmstead Decision and the ADA. *The Executive Order has a wider scope than the Olmstead Decision by targeting all persons with disabilities, rather than only those with mental disabilities.* In addition, the Executive Order directed the Department of Housing and Urban Development, the Department of Health and Human Services, the Department of Justice, the Department of Education, the Department of Labor, and the Social Security Administration to –

...evaluate the policies, programs, statutes and regulations of their respective agencies to determine whether any should be revised or modified to improve the availability of community-based services for qualified individuals with disabilities.

The collaborative efforts are designed to ensure that HUD and the other designated agencies work together to integrate persons with disabilities into local communities.

The SILC considered the potential impact on the independent living network of the unfunded federal mandate to serve “Olmstead transition candidates,” that is, nursing home residents and other institutionalized persons who wish to return to the community. Center for Medicare and Medicaid Services data from the third quarter of 2009 suggest that slightly more than 25,000 Californians who are currently in nursing homes would like to be back in their respective communities. As it happens, that number is very close to the total number of consumers currently served each year by the entire ILC system. Were all 25,000 to move out of their nursing homes and to seek ILC services to enable them to do so, they would more than double the statewide consumer population currently served by ILCs – effectively inundating the service delivery system.

The 2010 American Community Survey asks respondents about six different types of disabilities:

- Hearing difficulty – “deaf or [had] serious difficulty hearing.”
- Vision difficulty – “blind or [had] serious difficulty even when wearing glasses.”

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- Cognitive difficulty – “serious difficulty concentrating, remembering, or making decisions.”
- Ambulatory difficulty – “serious difficulty walking or climbing stairs.”
- Self-care difficulty – “difficulty dressing or bathing.”
- Independent living difficulty – “difficulty doing errands alone such as visiting a doctor’s office or shopping.”

About 3,300 disabled persons live in Rancho Palos Verdes. The elderly have the highest rate of disabilities as about 22% of all people 65 years of age or older report one or more disability. Table A-10 shows the number and percentage of disabled persons by age group.

Table A-10
City of Rancho Palos Verdes
Disability Status of Civilian Non-institutionalized
Population by Age Group – April 2010

Age Group	Total Population	Disabled Population	Percent Disabled
< 5 years	1,540	0	0.0%
5-17 years	7,708	247	3.2%
18-64 years	22,740	978	4.3%
65 years +	9,628	2,108	21.9%
Total	41,616	3,333	8.0%

Note: Total population per Census is 41,643 and there are 27 institutionalized persons residing in Rancho Palos Verdes.

Sources: 2010 Census DP-1 Profile of General Population and Housing Characteristics: 2010 Demographic Profile Data

2010 Census Summary File 1, Table QT-P13 Group Quarters Population by Sex, Age, and Type of Group Quarters: 2010 (institutionalized population by age group)

American FactFinder, U.S. Census Bureau, 2009-2011 *American Community Survey 3-Year Estimates, Table S1810, Disability Characteristics*

Table construction by Castañeda & Associates

Disabled householders could benefit from programs that provide assistance to retrofit their homes. Low income disabled householders could benefit from rental assistance programs.

c. Persons with Developmental Disabilities

According to Section 4512 of the Welfare and Institutions Code:

A "developmental disability" means a disability that originates before an individual attains age 18 years, continues, or can be expected to continue, indefinitely, and constitutes a substantial disability for that individual which includes mental retardation, cerebral palsy, epilepsy, and autism. This term shall also include disabling conditions found to be closely related to mental retardation or to require treatment similar to that required for individuals with mental retardation, but shall not include other handicapping conditions that are solely physical in nature.

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Many developmentally disabled persons, according to HCD, can live and work independently within a conventional housing environment. More severely disabled individuals require a group living environment where supervision is provided. The most severely affected individuals may require an institutional environment where medical attention and physical therapy are provided. Because developmental disabilities exist before adulthood, the first issue in supportive housing for the developmentally disabled is the transition from the person's living situation as a child to an appropriate level of independence as an adult.

The State Department of Developmental Services (DDS) currently provides community based services to approximately 243,000 persons with developmental disabilities and their families through a statewide system of 21 regional centers, four developmental centers, and two community-based facilities. The Harbor Regional Center (HRC) – located in Torrance - is one of 21 regional centers in the State of California that provides point of entry to services for people with developmental disabilities. The center is a private, non-profit community agency that contracts with local businesses to offer a wide range of services to individuals with developmental disabilities and their families. The City is located with the HRC service area.

About 0.59 percent of California's population is served by the DDS. This percentage applied to Rancho Palos Verdes' population yields an estimate of 247 residents who could be served by the HRC. Based on HRC's clients by diagnosis, the most prevalent condition among the City's 247 residents would be mental retardation/intellectual disability. The other most prevalent diagnosis – in rank order - would be autism, epilepsy, cerebral palsy, and other. However, individuals may have more than one diagnosis.

According to HCD, there are a number of housing types appropriate for people living with a development disability: rent subsidized homes, licensed and unlicensed single-family homes, inclusionary housing, Section 8 vouchers, special programs for home purchase, HUD housing, and SB 962 homes. The design of housing-accessibility modifications, the proximity to services and transit, and the availability of group living opportunities represent some of the types of considerations that are important in serving this need group.

The City's General Fund provides financial support to the REACH Program for Developmentally Disabled Persons. This project assists physically and developmentally severely disabled adults to be self-confident and improve their communication skills through a social interaction program with others in a relaxed learning atmosphere.

d. Large Families

HCD defines large families as consisting of five or more persons. Lower income, large families need more space, rooms and/or bedrooms at affordable costs. Affordability is key need of large families/households.

Table A-11 shows the number of large family households by household size and tenure. According to the 2010 Census, there are 1,384 large family households – 1,087 owners and 297 renters.

Table A-12 shows the number of cost burdened large family households by tenure and income group. The HUD CHAS data estimates that 149 large family households are cost burdened – 109 owners and 40 renters.

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Table A-11
City of Rancho Palos Verdes
Large Families by Tenure - 2010

Large Families	Owners	Percent	Renters	Percent	Total	Percent
5 Persons	782	71.9%	211	71.0%	993	71.8%
6 Persons	214	19.7%	62	20.9%	276	19.9%
7 Persons+	91	8.4%	24	8.1%	115	8.3%
Total	1,087	100.0%	297	%	1,384	100.0%

Source: Census 2010, Summary File 1, Table QT-H2: Tenure, Household Size and Age of Householder

Table construction by Castañeda & Associates

Table A-12
City of Rancho Palos Verdes
Cost Burdened Large Families by Tenure and Income Group

Income Group	Owners	Renters	Total
Extremely Low (0-30%)	4	15	19
Very Low (31-50%)	10	0	10
Low (51-80%)	95	25	120
Total	109	40	149

Source: U.S. Department of Housing and Urban Development, 2005-2009 CHAS (Comprehensive Housing Affordability Strategy)

Table construction by Castañeda & Associates

In summary, 10% of the large family owners (109/1,087) and 13.5% of large family renters (40/297) are cost burdened.

Two- and three-bedroom housing units can serve the needs of large families. Two- and three-bedroom units comprise the majority (71%) of the housing units found in the eight apartment complexes surveyed in December 2012.

e. Farmworkers

HCD guidance indicates that a housing element should estimate the number of permanent and migrant farmworkers within the community. A farm worker is --

- A person who performs manual and/or hand tool labor to plant, cultivate, harvest, pack and/or load field crops and other plant life.
- A person who attends to live farm, ranch or aquacultural animals including those produced for animal products.”

[Source: State of California, Employment Development Department, Labor Market Information Division Occupational Definition]

Because of their predominantly low incomes, housing affordability is an acute need for farmworkers.

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The City has no land devoted to the production of field crops and/or other plant life. Likewise, there is no land used for animals. As a result, there are no farmworker jobs located in Rancho Palos Verdes. There may be persons residing or “housed” in the City who are farmworkers at locations outside the municipal boundaries. According to the 2007-2011 American Community Survey nine residents were employed in the agriculture, forestry, fishing, hunting and mining industry all in management occupations. In 2000, 37 residents were employed in that industry.

The *housed* “farmworkers” who may reside in the City would live in a household and occupy a housing unit. As such, they would be among the existing households counted as part of the CHAS housing needs, and estimates of existing and projected housing needs produced by SCAG. Consequently, the resident low-income “farmworker” households – if any -- would be included among all the households. That is, the resident farmworker housing needs would be counted as part of the lower income households experiencing problems of overpaying, overcrowding, and living in substandard housing.

f. Female Householders

Table A-13 shows that slightly more 3,300 female householders live in the City, which represents about 20% of all householders. About 1,200 female householders live with a family and almost 1,900 live alone. About 39% of all female householders are 65 years of age or older and live alone.

Table A-13
City of Rancho Palos Verdes
Female Householders by Tenure – 2010

Type of Household	Owner	Renter	Total	Percent
Family, No Husband	841	377	1,218	36.6%
Living with others	165	75	240	7.2%
Living Alone				
<65 Years	383	174	557	16.8%
65 Years+	1,051	259	1,310	39.4%
Subtotal Living Alone	1,434	433	1,867	56.2%
Total	2,440	885	3,325	100.0%
Percent	73.4%	26.6%		

Source: 2010 Census Summary File 1 (SF 1), Table QT-H3 Household Population and Household Type by Tenure: 2010
Table construction by Castañeda & Associates

Some important housing needs of female householders include:

- Affordable housing
- Housing developments that provide supportive services
- Assistance in locating housing or in securing shared housing
- Access to housing which accommodates children
- Access to housing which is designed for security and convenience
- Access to housing near parks and open space to serve the needs of female householders with children.

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Potential housing needs include rental assistance and assistance with home maintenance and repairs for owner female householders living alone.

g. Families and Persons in Need of Emergency Shelter

According to HUD, a person is considered homeless only when he/she resides in one of the places described below at the time of the count.

- An unsheltered homeless person resides in a place not meant for human habitation, such as cars, parks, sidewalks, abandoned buildings, or on the street.
- A sheltered homeless person resides in an emergency shelter or transitional housing for homeless persons who originally came from the streets or emergency shelters.

City staff and the County Sheriff's Department occasionally see homeless persons as they drive through the City. An average of twelve homeless persons are seen every year. There are neither encampments nor homeless sleeping in the City parks or cars. Consequently, there are no recurring long-term homeless persons in the City.

Emergency shelters are a permitted use in the Commercial General (CG) district. When combined, the CG district totals 36.53 acres in size, all of which are currently developed with no vacant properties. Emergency shelters are defined as follows:

Housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less by a homeless person. No individual or household may be denied emergency shelter because of an inability to pay.

6. PROJECTED HOUSING NEEDS

a. Population Trends and Projections

Over the past 32 years, the City's population grew by 5,320 persons. The largest population gains happened in the 10 years between 1980 and 1990. Table A-14 shows the population trends during the past three decades.

The population growth projections indicate modest gains. The SCAG 2012 RTP Forecast shows an increase of 100 persons and 100 households between 2008 and 2020 (12 years).

b. Employment Trends and Projections

Employment generates income, which leads to effective housing demand and housing choice. The labor force and employment characteristics in 2000 and 2010 are described in Table A-15. During the 10-year span, the labor force increased by 159 residents and employed workers *declined* by 587 workers. Consequently, the jobless rate grew from 2.6% to 6.5%. Unemployment weakens housing choice. The SCAG 2012 RTP Forecast shows an increase of 400 jobs between 2008 and 2020.

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Table A-14
City of Rancho Palos Verdes
Population Growth Trends - 1980 to 2013

Year	Population	Incremental Increase	Incremental % Increase	Cumulative Increase	Cumulative % Increase
1980	36,577				
1990	41,667	5,090	13.9%	5,090	13.9%
2000	41,145	-522	-1.3%	4,568	12.5%
2010	41,643	498	1.2%	5,066	13.8%
2013	42,114	471	1.1%	5,537	15.1%

Source: U.S. Census of Population and Housing for years 1980, 1990, 2000 and 2010
 State of California, Department of Finance, *E-5 Population and Housing Estimates for Cities, Counties, and the State, 2011 and 2012, with 2010 Benchmark* Sacramento, California, May 2012.
 Table construction by Castañeda & Associates

Table A-15
City of Rancho Palos Verdes
Civilian Labor Force and Employment Characteristics
For Population 16 Years and Over: 2000 and 2010

Employment Status	2000	2010
Population 16 Years +	32,925	33,279
In the Labor Force	18,890	19,049
Employed	18,399	17,812
Unemployed	491	1,237
Unemployment Rate	2.6%	6.5%

Source: 2000 Census, Table DP-3 Profile of Selected Economic Characteristics: 2000, Employment Status Population 16 Years and Over
 2009-2011 American Community Survey 3-Year Estimates, Table DP-3: Selected Economic Characteristics, Employment Status Population 16 Years and Over
 Table construction by Castañeda & Associates

c. Share of Regional Housing Needs

1. Citywide Share

Pursuant to State law, SCAG has allocated to each city and county in the region its share of the regional housing need. The regional share includes new housing needed to -

- Accommodate household growth
- Replace units lost from the inventory due to demolitions, fires and other causes
- Provide a healthy vacancy rate

The City's share of the regional housing need for the period from January 1, 2014 to October 1, 2021 is 31 housing units. Table A-16 shows number of housing units needed for five income groups.

Table A-16
City of Rancho Palos Verdes
Share of Regional Housing Needs
January 1, 2014 – October 1, 2021

Income Group	Number	Percent
Extremely Low	4	12.9%
Very Low	4	12.9%
Low	5	16.1%
Moderate	5	16.1%
Above Moderate	13	42.0%
Total	31	100.0%

Source: Southern California Association of Governments, 5th
Cycle Housing Needs Assessment Final Allocation Plan, 1/1/2014
– 10/1/2021

2. Extremely Low Income Housing Need

Four housing units are needed for the extremely low income households. Given their extremely low incomes, the most suitable housing option would be rent restricted apartments. The ELI households would not have the means to afford market rate housing and very deep subsidies would be required in owner-type housing units.

C. SITES INVENTORY ANALYSIS

1. INTRODUCTION

Government Code Section 65583(a)(3) states that a housing element must include:

An inventory of land suitable for residential development, including vacant sites and sites having potential for redevelopment and an analysis of the relationship of zoning and public facilities and services to these sites.

Government Code Section 65583.2(a) states that the inventory of land suitable for residential development –

...shall be used to identify sites that can be developed for housing within the planning period and that are sufficient to provide for the jurisdiction's share of the regional housing need for all income levels...."

HCD guidance indicates:

The purpose of the land inventory is to identify specific sites suitable for residential development in order to compare the locality's new construction need by affordability category with its residential development (total supply) capacity.

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2. SITES TO ACCOMMODATE THE CITY'S SHARE OF THE REGIONAL HOUSING NEED

Government Code Section 65583.2(c) states:

“...a city or county shall determine whether each site in the inventory can accommodate some portion of its share of the regional housing need by income level during the planning period.”

a. Sites to Accommodate the Above Moderate Income Housing Need

Table A-17 shows that the above moderate income housing need can be accommodated by 116 housing units on four sites.

Table A-17
City of Rancho Palos Verdes
Sites Inventory and Analysis for Above Moderate Income Housing Units – February 2013

Project Name	Geographic Identifier	Size (Ac/SF.)	Housing Units	Density (DUs/Ac.)	Zoning	Project Status
Crestridge Senior Housing Project	5601 Crestridge Road APN 7589-013-009	9.76 acres	57 (60 total)	6.15	Senior Housing	Vacant Final EIR prepared
Highridge Condominium Project	28220 Highridge Road.	1.25 acres	26 (28 total)	22.4	RM –22	Vacant Approved
Trump Project	Final Tract Map 50667	108.8 acres	28	Low	RS-1/RPD	Vacant Approved
Nantasket Residential Project	APN 7573-014-013	1.42	4	Low	RS-3	Vacant Approved

b. Available Sites to Accommodate Moderate Income Housing Need

The moderate income housing need is five housing units. Second units will accommodate the moderate income housing need. During the five-year between 2008 and 2013, four second units have been built and two are approved but have not been constructed. The annual average is 1.2 second units. Based on this annual average, it is projected that nine to 10 second units will be constructed during the eight-year planning period (October 2013-October 2021).

Table A-18 shows the square footage of each of the six second units. The average size of the second units is 743 square feet. Table A-19 shows the average per square foot rent of the one-bedroom apartments that were surveyed in December 2012.

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Table A-18
City of Rancho Palos Verdes
Size (SF) of Second Unit Projects

Location	Zone	Attached/Detached	Size (S.F.)
6968 Alta Vista	SFR	Detached	825
108 Rockinghorse	SFR	Attached	582
5431 Meadowdale	SFR	Attached	373
4400 Miraleste	SFR	Attached	500
5 Cayuse	SFR	Attached	1,073
5317 Rolling Ridge	SGR	Detached	1,107
Average			743

Table A-19
City of Rancho Palos Verdes
Monthly Rents and Rent per Square Foot of 1-Bedroom Apartment Units

Project	Rent Range	Sq. Ft Range	Rent/S.F.
Palos Verdes Terrace	\$1,495-\$1,695	900-1100	\$1.66-\$1.54
Highridge	\$1,750-\$2,200	900-1050	\$1.94-\$2.10
Knollbrook Falls	\$1,425	800-900	\$1.58-\$1.78
Palos Verdes Victoria	\$1,495-\$1,700	900-1225	\$1.66-\$1.40
	\$1,685-\$1,850	900-1225	\$1.87-\$1.51
The Villas at RPV	\$1,500-\$1,900	775	\$1.94-\$2.45
Vista Catalina	\$2,025-\$2,515	841-971	\$2.41-\$2.59

Second unit development is within the means of moderate income households as follows:

- Average rent is \$1.87 to \$1.91 per SF
- Median average rent is \$1.89 per SF
- 743 SF X \$1.89 per SF = \$1,404
- Monthly income @ housing expense ratio of 30% = \$4,681
- Annual income = \$56,172 [\$4,681 x 12]
- 2013 moderate income ceiling for a 2-person household = \$62,200

The apartment market survey demonstrates that as the size of the apartment units increase, the average per square foot rent decreases. An apartment unit with 1,100 square feet currently has a market rent of \$1.54 per SF. The larger second units would be affordable to moderate income households as follows:

- Average rent is \$1.54 per SF
- Largest second unit is 1,107 SF
- 1,107 SF x \$1.54SF = \$1,705
- Monthly income @ housing expense ratio of 30% = \$5,683
- Annual income = \$68,196 [\$5,683 X 12]
- 2013 moderate income ceiling for a 3-person household = \$70,000
- 2013 moderate income ceiling for a 4-person household = \$77,500

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Apartment units with 1,100 square feet were comprised of 2-bedroom units – Knollbrook Falls, Peninsula Apartments, and The Villas at Rancho Palos Verdes. Three- or four-person households can be accommodated in a 2-bedroom unit.

c. Available Sites to Accommodate Lower Income Housing Need

Table A-20 shows two sites that can accommodate five of the 13 lower income housing units. These include on-site inclusionary housing units of the Crestridge Senior Housing Project and the Highridge Condominium Project.

Table A-20
City of Rancho Palos Verdes
Sites Inventory and Analysis for Lower Income Housing Units – February 2013

Project Name	Geographic Identifier	Size (Ac/SF.)	Housing Units	Density (DUs/Ac.)	Zoning	Project Status
Crestridge Senior Housing Project	5601 Crestridge Road APN 7589-013-009	9.76 acres	3 (60 total)	6.15	Senior Housing	Vacant
Highridge Condominium Project	28220 Highridge Road.	1.25 acres	2 (28 total)	22.4	RM –22	Vacant Approved

The City will implement the Western Avenue Vision Plan/Adequate Sites Program to address the shortfall of sites to accommodate eight lower income housing units.

3. ENVIRONMENTAL CONDITIONS

Rancho Palos Verdes has special geologic conditions, because it is situated on a unique and complicated geologic structure known as the Palos Verdes Peninsula. The Peninsula is a rugged area that is underlain chiefly by folded sedimentary rocks. Weak layers exist within these bedded rocks, and many ground failures (landslides) have taken place on the Peninsula over geologic time. These failures range from the currently active Portuguese Bend Landslide to very old landslides that have horizontal depths of several thousands of feet. In the interest of public safety, proposals to develop residential units over these landslides must be critically evaluated on a site-by-site basis. Besides landslides, the frequency and location of steep slopes have traditionally constrained development on the Peninsula. Within Rancho Palos Verdes, approximately 40 to 50% of all land has slopes equal to or greater than 25%.

Because of the complex nature of the City's geology and the existing and potential concerns about slope stability, development in Rancho Palos Verdes is closely managed. Of special interest to the City is the coastline. When exposed to wave action and surface runoff, sea cliff retreat occurs on an order of magnitude of six inches per year. In fact, the present topography of the coastal region of the City is reflective of this interaction between geomorphic processes and geologic materials underlying the landscape.

The sea cliffs are the result of continuous erosion of the shoreline by wave action, and the coves and promontories of the shoreline are indicative of the presence of different geologic

materials having varying degrees of resistance to this erosion. The absence of a bold sea cliff along sections of the southern shoreline is a condition attributable to recent geological episodes of landsliding, and the hummock ground surface of the adjacent landward areas indicates that several of these landslides encroached either well into, or across the coastal region. The deep, steep walled canyons crossing the coastal region have been cut by the intermittent flow of water that drains from higher parts of the Palos Verdes Peninsulas.

Early development in the City (prior to incorporation), while consistent with recognized development standards of the time, did not provide the safety standards expressed through today's uniform building codes. Later development, occurring in the 1960's and 1970's, was generally limited to those areas of acknowledged geologic stability and removed from canyons and coastal bluff tops.

Today, the City has found that redevelopment and improvement of these older portions has generally resulted in the need for new and in-depth geotechnical analysis and alternative foundation systems to meet the current and more comprehensive, safety standards of the Uniform Building Code. Intensification of existing residential densities in these areas has proven inappropriate, as geologic conditions have precluded such intensification.

Additionally, the geomorphic processes responsible for the existing topography of the coastal zone are still active, and they will continue to modify the landscape in the future. Clearly, land-use planning in the coastal region of Rancho Palos Verdes must take into account the likelihood of occurrence and the severity of potential geologic hazards.

The physical conditions existing in Rancho Palos Verdes present very real limitations to the development of residential land use. Nonetheless, the City has identified suitable residential sites to meet the construction need that was allocated by SCAG in the RHNA for the 2014-2021 time period (31 total housing units).

4. PUBLIC FACILITIES AND SERVICES

Rancho Palos Verdes is a part of the South Bay Region. In mid-year 2003, the South Bay Cities Council of Governments completed an assessment of the South Bay cities infrastructure. [*South Bay Cities Infrastructure and Services Capacity Assessment*, Volumes One and Two, June 30, 2003]

That infrastructure assessment found that the existing infrastructure capacity is more than sufficient to distribute the South Bay's projected water demands. In terms of supply, the Metropolitan Water District (Southern California's wholesale water agency) forecasts that it will be able to meet the imported water needs for the sub region through 2020. However, the District indicated that all of Southern California might be affected by limitations on imported water supply in the coming years. This may result in higher water prices and a heightened emphasis on developing local supplies, increasing use of recycled water, and conservation.

Three central wastewater treatment plants serve the South Bay, each under the control of a regional sanitation district: the Joint Water Pollution Control Plant, the Hyperion Treatment Plant, and the Terminal Island Plant. South Bay wastewater generally receives primary and secondary treatment and is then discharged into the Pacific Ocean.

Individual cities in the South Bay own and maintain the local sewer systems that transfer wastewater to sanitary district trunk sewers, which flow to the regional treatment plants. The

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volume of wastewater generated in the South Bay is expected to grow in step with population growth, or 12% by 2025. Capacity at the wastewater treatment plants is sufficient to handle expected growth.

Public Works Department staff in most cities reports that local sewer capacity is also adequate to handle all expected growth in wastewater, although some cities have areas in which selected components (e.g. sewer mains, pumping stations) are undersized. The most critical issue affecting South Bay sewer systems in the future is deterioration due to age.

Waste disposal planning for the South Bay is performed by Los Angeles County Department of Public Works. Their forecasts show that current landfill capacity will be exhausted by 2009. Los Angeles County, including the South Bay, will be able to accommodate the solid waste needs associated with forecast growth provided that the County is able to successfully expand in-county and out-of-county landfill capacity. Efforts by individual South Bay cities to expand waste diversion programs will be an important component in the sub region's efforts to manage demand for landfill disposal. Nine individual South Bay cities, and the sub region as a whole, have not achieved the state mandated goal of 50% diversion.

In Rancho Palos Verdes residential sites are located in areas that are served by all utilities (i.e. water, sewer, and storm drains) and other public services (i.e. police, fire, and solid waste). Also, if needed, the existing facilities can be readily upgraded and/or extended onto the sites to serve housing development.

The Rancho Palos Verdes storm drain system consists of pipes, inlets, outlets and natural drainage courses. During storms, the system collects and carries storm water runoff to the ocean and to other drainage systems beyond the City's boundaries. Because the City of Rancho Palos Verdes is built on hilly terrain with environmentally sensitive habitat, unstable soil, open space and bluff tops – it's critical that water be directed away from those areas and instead, flows directly to the ocean. Good storm drains help prevent erosion, flooding, landslides and reduce pollution in the ocean. The City wants to keep the ocean clean and minimize property damage and street closures during storms. About 90 storm drains run underneath the major streets that are used for commuting.

The City established a Water Quality and Flood Protection Program (the "Storm Drain Program") in early 2005, after completion of a multi-year engineering and financial analysis that led to the resident Finance Advisory Committee's recommendation to establish a dedicated revenue source to repair the storm drain system. The Storm Drain Program was formed with a \$2 million transfer into its "restricted funds". During mid- 2005, the City conducted a mail ballot election, and the property owners that use the storm drain system approved the imposition of a dedicated annual Storm Drain User Fee that they will pay and will be deposited into the Storm Drain Program fund to be used only for storm drain repairs.

D. HOUSING MARKET CONSTRAINTS

1. INTRODUCTION

Government Code Section 65583(a)(6) requires –

An analysis of potential and actual nongovernmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the availability of financing, the price of land, and the cost of construction.

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According to HCD:

Although nongovernmental constraints are primarily market-driven and generally outside direct government control, localities can significantly influence and offset the negative impact of nongovernmental constraints through responsive programs and policies. Analyzing specific housing cost components including the cost of land, construction costs, and the availability of financing assists the locality in developing and implementing housing and land-use programs that respond to existing local or regional conditions. While the cost of new housing is influenced by factors beyond a locality's control, local governments can create essential preconditions (favorable zoning and development standards, fast track permit processing, etc.) that encourage and facilitate development of a variety of housing types and affordable levels.

The requisite analysis includes:

- Land Costs – Estimate the average cost or the range of costs per acre for single-family and multifamily zoned developable parcels.
- Construction Costs – Estimate total construction costs which includes materials and labor.
- Availability of Financing - Consider whether housing financing, including private financing and government assistance programs, is generally available in the community. This analysis could indicate whether mortgage deficient areas or underserved groups exist in the community.

In addition to the above, the market constraints analysis includes the cost of housing in terms of monthly rental rates and sales prices.

Market constraints impede the private sector's ability to produce housing within the means of low-income and sometimes also moderate-income households. Affordable housing costs are set forth by several local, State and Federal programs. The Low Income Housing Tax Credit Program establishes affordable maximum rents based on:

- Maximum household income adjusted by household size
- Expected occupancy of the unit, regardless of the number of people who actually live in the unit
- Tenants at maximum income paying 30% of their income for housing

Table A-21 shows the lower income maximum affordable housing monthly rents by unit type.

Table A-21
Los Angeles County: Lower Income (60% of Median Income)
Affordable Housing Monthly Rents: 2013

Unit Type	Expected Occupancy	Maximum Income	Maximum Rent (Income/12)*.3
Studio	1.0 person	\$35,860	\$896.50
One-Bedroom	1.5 persons	\$38,420	\$960.00
Two-Bedroom	3.0 persons	\$46,110	\$1,152.50
Three-Bedroom	4.5 persons	\$53,280	\$1,330.00
Four-Bedroom	6.0 persons	\$59,430	\$1,485.50

2. LAND COSTS

Land costs are a major component of new housing production costs. The development industry typically categorizes land into three types, raw land, entitled land and finished lots. The values attributed to parcels of land increase through these three stages. Raw land is a vacant piece of land without any entitlements or improvements. Entitled land can range from having the appropriate zoning to having a recorded subdivision for the land. Again the values can increase the further a piece of land is in the entitlement process. Finally, land can be categorized as “finished lots”. This is the final stage prior to the actual construction of a home. All grading has been completed and all infrastructure (streets, curbs, gutters, storm drains, sewers and utilities) have been installed. In most cases, this also means that all fees (except those associated with building permits) have also been paid. At this stage, the land is at its highest value.

As of December 2012:

- 5 sales had closed with the least expensive being \$500,000 to \$600,000 for one-half acre lots
- There were two pending sales with prices in the range of \$250,000 to \$600,000
- There are 15 lots on the active market with the least expensive having a sales price of \$199,000

The basic conclusion is that land costs alone are beyond the means of lower income households.

3. CONSTRUCTION COSTS

a. Components of Construction Costs

Average construction costs are difficult to estimate because they can vary due to the following physical characteristics:

- Design type
- Construction type
- Quality
- Shape
- Location (mountains vs flatlands)

[Source: California State Board of Equalization, Assessors’ Handbook Section 531, *Residential Building Costs*, January 2010, page 4]

The International Code Council (ICC) provides Building Valuation Data (BVD) for its members. The BVD table provides the “average” construction costs per square foot, which can be used in determining permit fees for a jurisdiction. The ICC states:

...it should be noted that, when using this data, these are “average” costs based on typical construction methods for each occupancy group and type of construction. The average costs include foundation work, structural and nonstructural building components, electrical, plumbing, mechanical and interior finish material.

Table A-22 shows the BVD average per square foot construction costs for three types of buildings.

**Table A-22
Building Valuation Data (BVD)
Construction Costs per Square Foot for Residential Construction**

Group (2012 International Building Code)	Type IV Classification
R-2 Residential, multiple family	\$124.24
R-3 Residential, one- and two-family	\$122.07
R-4 Residential, care/assisted living facilities	\$149.84
Private garage	\$56.48

Source: International Code Council, Building Valuation Data (BVD), August 2012

Based on the above, the following are estimated construction costs for a -

- 1,000 SF housing unit in an apartment building \$124,240
- 1,500 SF single-home on a level lot \$183,105
- 400 SF garage for single family home \$22,592

However, it is important to note that while this BVD table does determine an estimated cost of a building (i.e., Gross Area x Square Foot Construction Cost), this data is only intended to assist jurisdictions in determining their permit fees. This data table is not intended to be used as an estimating guide because the data only reflects average costs and is not representative of specific construction.

The above costs are too low to be representative of construction costs. For example, the average cost of a low income housing tax credit unit built in Los Angeles County is \$333,715. (Source: California Tax Credit Allocation Committee, *Cost Containment Forums Report*, August 23, 2011.)

The preceding analysis is based on average costs and do not account for the unique features of land in Rancho Palos Verdes. According to the City's Building Official, the "average" construction costs are very low. In fact, construction costs actually range from \$250 to \$300 per square foot. The reasons are that the geology and expansive soils conditions often require that new construction have deepened footings, grade beams, caissons, removal and recompaction of soils and other conditions that increase construction costs.

Affordable housing projects need to pay prevailing wages. This requirement typically drives up construction costs by 15% to 20%.

The cost of construction alone exceeds the cost affordable to lower income households. Several factors contribute to the cost of construction including dwelling unit size, height (elevator may be required), terrain, slopes, quality, State laws, and profit motivations

New affordable homes and apartments cannot be constructed without some public funding sources that subsidize the entire development and reduce the loan amount to that which can be supported by the affordable rents and ownership costs. The loss of redevelopment funds and the federal cutbacks of HOME funds have severely crippled efforts to produce affordable housing in the City.

4. AVAILABILITY OF FINANCING

a. Financing Availability Based On Interest Rates

For a sustained period of time, market mortgage interest rates have been either very reasonable or at historic lows. Table A-23 shows interest rates for two points in time. According to a weekly survey of 20 southland lenders, as of July 3, 2013, the average mortgage interest rates on all loans have increased during the past six months. For loans up to \$417,000, a 30-year fixed rate loan is available at an interest rate of 4.43%, which is 1.03% higher than six months ago. For “jumbo” loans of more than \$417,000, the interest rate is 4.61% for 30-year term, which is .76% higher than six months ago.

It should be noted that not all would be homebuyers would qualify for the lowest interest rates available. The most favorable interest rates are available to loan applicants who have good FICO credit scores.

(FICO refers to Fair Issac Corporation, a firm that developed the mathematical formulas used to produce FICO scores. A FICO score is a snapshot of an applicant’s credit risk; the higher the score, the lower the risk to lenders. The FICO score is computed based on: payment history, amounts owed, length of credit history, new credit, and types of credit in use.)

**Table A-23
Average Mortgage Rates
Weekly Survey of 20 Southland Lenders - As of July 3, 2013**

Type of Loan	July 3, 2013	Six Months Prior
<i>Rates for loans up to \$417,000</i>		
30-year fixed	4.43%/.29 pt.	3.39%/.40 pt.
15-year fixed	3.53%/.29 pt.	2.72%/.36pt.
<i>Rates for loans of \$417,00 and up</i>		
30-year fixed	4.61%/.18 pt.	3.85%/.39 pt.
15-year fixed	3.93%/.20 pt.	3.09%/.34 pt.

Note: A pt. (point) is a term used by the lending industry to refer to the loan origination fee. One point is equal to 1% of the loan amount.

Source: Compiled by HSH Associates, Financial Publishers

b. Financing Availability Based on HMDA Data

1. Introduction

HCD has advised cities that an understanding of the geographic areas and or groups without sufficient access to credit will help localities to design programs to address known deficiencies. The information that helps most to understand the geographic areas served by credit is the Home Mortgage Disclosure Act or HMDA data.

HMDA requires lenders to disclose the number, amount, and census tract location of mortgage and home improvement loan applications. The HMDA data encompasses lender activity for conventional, FHA, home improvement loans and refinancing loans. The data identifies five types of action taken on a loan application: loan originated, application approved by the lender

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and not accepted by the applicant, application withdrawn, file closed for incompleteness and application denied.

It is important to remember that the *census tract location* in the following tables refers to the *property location* on which a loan application was made. However, borrowers who live outside the City frequently make the loan applications, and the reasons for denial may be due entirely to the credit worthiness of the borrower, and not the characteristics of a census tract.

Financing had been readily available until early 2007. Because of the large number of southern California owners defaulting on subprime loans and the number of foreclosed homes, financing is not as available as it was prior to these two events. The number of loan applications and approved loans has dropped as mortgage loan standards have tightened, including the unavailability of 100% financing, the need for larger down payments and verified income, and a requirement for a solid credit history including high FICO scores.

2. 2011 Loan Applications

In calendar year 2011, 479 loan applications were made in the City – 92% for conventional loans and 8% for FHA insured loans. The loan denial rates were 12.5% for conventional loans and 7.5% for FHA insured loans. Compared to other communities, the denial rates are quite low. Denial rates vary within the City as four census tracts have conventional loan denial rates higher the 12.5% average. Only three applications for FHA insured were denied. Tables A-24 and A-25 shows the denial rates for conventional and FHA loans for each census tract.

Table A-24
City of Rancho Palos Verdes
Conventional Loan Denial Rates by Census Tracts – 2011

Census Tract	Loans Originated	Approved, Not Accepted	Applications Denied	Total Applications	Denial Rate
6703.01	49	2	11	62	17.7%
6704.03	20	2	4	26	15.4%
6704.05	23	3	2	28	7.1%
6704.07	25	4	3	32	9.4%
6704.11	29	1	0	30	0.0%
6704.13	30	5	5	40	12.5%
6704.14	25	1	6	32	18.8%
6706.00	51	4	7	62	11.3%
6707.01	51	6	12	69	17.4%
6707.02	51	2	5	58	8.6%
Total	354	30	55	439	12.5%

Source: Federal Financial Institutions Examination Council (FFIEC), Home Mortgage Disclosure Act (HMDA), Loan Application Register System (LARS) 2011.

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Table A-25
City of Rancho Palos Verdes
FHA/VA Loan Denial Rates by Census Tracts – 2011

Census Tract	Loans Originated	Approved, Not Accepted	Applications Denied	Total Applications	Denial Rate
6703.01	1	1	0	2	0.0%
6704.03	0	0	0	0	0.0%
6704.05	2	1	0	3	0.0%
6704.07	1	0	1	2	50.0%
6704.11	0	0	0	0	0.0%
6704.13	2	0	0	2	0.0%
6704.14	0	0	0	0	0.0%
6706	7	2	0	9	0.0%
6707.01	16	1	2	19	10.5%
6707.02	3	0	0	3	0.0%
Total	32	5	3	40	7.5%

Source: Federal Financial Institutions Examination Council (FFIEC), Home Mortgage Disclosure Act (HMDA), Loan Application Register System (LARS) 2011.

3. Home Improvement Loan Applications – 2011

Typically, loan applications for home improvement loans have higher denial rates than home purchase loans. Seventy three home improvement loan applications were made of which 62 were approved and 11 denied. The denial rate was 15%. The City's Home Improvement Program can assist some of these denied applicants through grants and deferred loans. These grants and deferred loans would not increase an applicant's debt-to-income ratio. In addition, the City can be somewhat more lenient than a private lender insofar as past credit history.

4. Reasons for Loan Denial – 2011

Table A-26 shows that 67 loan applications for conventional, FHA/VA and home improvement loans were denied in 2011. The four major reasons for loan denials were: Debt-to-income ratio, about 36%; Credit application incomplete, about 16%; Other about 13%; and Collateral, about 10%.

According to HMDA:

- Debt-to-income ratio refers to "income insufficient for amount of credit requested and excessive obligations in relation to income"
- Credit application incomplete refers to loan application being submitted incomplete
- Other refers to length of residence, temporary residence and other reasons
- Collateral refers to "value or type of collateral insufficient." This may mean that the appraised value was lower than the price agreed to by seller and buyer.

Source: Federal Financial Institutions Examination Council, *A Guide to HMDA Reporting – Getting Right*, January 1, 2008, Appendix A, Reasons for Denial

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Table A-26
City of Rancho Palos Verdes
Reasons for Loan Denial by Type of Loan – 2011

Reasons for Loan Denials	Conventional	FHA/VA	Home Improvement	Total	Percent
Debt-to-Income Ratio	22	1	1	24	35.8%
Employment History	1	1	1	3	4.5%
Credit History	2	0	4	6	9.0%
Collateral	6	1	0	7	10.4%
Insufficient Cash	2	0	0	2	3.0%
Unverifiable Information	3	0	2	5	7.5%
Credit Application Incomplete	10	0	1	11	16.4%
Mortgage Insurance Denied	0	0	0	0	0.0%
Other	9	0	0	9	13.4%
Total	55	3	9	67	100.0%

Source: Federal Financial Institutions Examination Council (FFIEC), Home Mortgage Disclosure Act (HMDA), Loan Application Register System (LARS) 2011.

5. MONTHLY HOUSING RENTS AND SALES PRICES

Although the Housing Element Law and guidelines do not explicitly mention the price of existing housing, this potential constraint falls within the meaning of “nongovernmental” or market-driven barriers to affordability. The analysis also helps to show how the housing market impedes the application of housing programs such as rental assistance and down payment assistance programs.

a. Apartment Rental Housing Market

An apartment rent survey completed in December 2012 included eight complexes and 1,153 units. The bedroom distribution is as follows:

- Studios 7
- 1-bedroom 330
- 2-bedrooms 712
- 3-bedrooms 104
- Total 1,153

Two-bedroom units comprise 62% of all the apartment units surveyed. Table A-27 lists the monthly apartment rents.

HUD’s Section 8 Housing Choice Program offers rental assistance to extremely low and very low income families. The Section 8 rent limits (Fair Market Rents) are listed below:

- Efficiency Unit \$911
- 1 bedroom \$1,101
- 2 bedrooms \$1,421
- 3 bedrooms \$1,921

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Table A-27
City of Rancho Palos Verdes
Apartment Rent Survey December 2012

Type of Unit	Number of Units	Monthly Rent
Studio Units	3	\$1,125-\$1,175
	4	\$1,195
Subtotal	7	
1-Bedroom Units	27	\$1,425
	147	\$1,495-\$1,700
	28	\$1,500-\$1,900
	21	\$1,685-\$1,850
	101	\$1,750-\$2,200
	6	\$2,025-\$2,575
Subtotal	330	
2-Bedroom Units	48	\$1,550
	42	\$1,575-\$1,650
	59	\$1,650
	36	\$1,695-\$1,895
	224	\$1,745-\$2,122
	163	\$1,900-\$3,500
	113	\$2,300-\$2,600
	27	\$2,445-\$2,995
Subtotal	712	
3 Bedroom Units	2	\$1,995
	13	\$1,995-\$2,025
	12	\$1,995-\$2,050
	12	\$2,050-\$2,500
	24	\$2,500-\$3,300
	41	\$2,800-\$3,600
Subtotal	104	

All of the apartment units have monthly rents exceeding the Section 8 Fair Market Rents (FMRs). In effect, the rental assistance program is extremely difficult to implement in the City.

[Fair Market Rents (FMRs) are primarily used to determine payment standard amounts for the Section 8 Housing Choice Voucher Program. They establish a ceiling for the maximum rents of apartment units that can be rented by families receiving Section 8 rental assistance.

[FMRs are gross rent estimates. They include the shelter rent plus the cost of all tenant-paid utilities, except telephones, cable or satellite television service, and internet service. HUD sets FMRs to assure that a sufficient supply of rental housing is available to program participants. To accomplish this objective, FMRs must be both high enough to permit a selection of units and neighborhoods and low enough to serve as many low-income families as possible. The level at which FMRs are set is expressed as a percentile point within the rent distribution of standard quality rental housing units. The current definition used is the 40th percentile rent, the dollar amount below which 40 percent of the standard-quality rental housing units are rented. The

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40th percentile rent is drawn from the distribution of rents of all units occupied by recent movers (renter households who moved to their present residence within the past 15 months). HUD is required to ensure that FMRs exclude non-market rental housing in their computation. Therefore, HUD excludes all units falling below a specified rent level determined from public housing rents in HUD's program databases as likely to be either assisted housing or otherwise at a below-market rent, and units less than two years old.]

b. Housing Sales Prices

Table A-28 shows the median sales prices and number of sales by type of home and number of bedrooms. The median sales prices increases as the number of bedrooms increase.

Table A-28
City of Rancho Palos Verdes
Summary of Home Sales: 2012

Type of Home	# of Sales	Median Price
Single Family 2 Bedrooms or Less	12	\$770,000
Single Family 3 Bedrooms	98	\$810,000
Single Family 4 Bedrooms or More	217	\$1,080,000
Attached Homes (Condominiums)	93	\$418,000

Source: Pacific West Association of Realtors Multiple Listing Service (MLS).

Table A-29 shows the detailed sales price distribution of 420 detached and attached homes that sold between January 1, 2012 and December 17, 2012 according to the Pacific West Association of Realtors Multiple Listing Service.

The sales data show that existing homes are out of the financial reach of lower income households.

The average marketing time for a home in Rancho Palos Verdes was just over three months at 95.2 days on the market. The vast majority of the borrowers obtained conventional financing.

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**Table A-29
City of Rancho Palos Verdes
Homes Sales 1/1/2012-12/17/2012**

Residential Detached Sales				Other Statistics		
Price	Bedrooms			Attached	Detached Active	Attached Active
	2 OR Less	3	4 OR More			
\$0 - \$99,999	0	0	0	0	0	0
\$100,000 - \$149,999	0	0	0	0	0	0
\$150,000 - \$199,999	0	0	0	0	0	0
\$200,000 - \$249,999	1	0	0	3	0	1
\$250,000 - \$299,999	0	0	0	6	0	3
\$300,000 - \$324,999	0	0	0	3	0	0
\$325,000 - \$349,999	0	0	0	12	0	0
\$350,000 - \$374,999	0	0	0	8	0	1
\$375,000 - \$399,999	0	0	0	11	0	2
\$400,000 - \$424,999	0	0	0	5	0	1
\$425,000 - \$449,999	1	0	0	3	0	2
\$450,000 - \$474,999	0	0	0	8	0	1
\$475,000 - \$499,999	0	0	0	1	0	1
\$500,000 - \$549,999	0	5	1	9	0	2
\$550,000 - \$599,999	2	2	1	5	1	0
\$600,000 - \$649,999	1	4	4	3	1	3
\$650,000 - \$699,999	0	12	8	6	2	1
\$700,000 - \$749,999	0	7	9	1	4	2
\$750,000 - \$799,999	2	15	11	4	5	0
\$800,000 - \$999,999	1	36	56	4	20	0
\$1,000,000 - \$1,999,999	4	17	107	1	37	5
\$2,000,000 and over	0	0	20	0	16	4
Totals	12	98	217	93	86	29
Average Price	819.3	829.5	1267.8	470	1836.1	931.5
(In Thousands \$)						
Median Price	770	810	1080	418	1290	699
(In Thousands \$)						

E. GOVERNMENTAL CONSTRAINTS

The Housing Element must include -

"An analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels...."

The required analysis includes seven governmental factors:

- Land use controls
- Building codes and their enforcement
- Site improvements
- Fees and exactions required of developers
- Local processing and permit procedures
- Constraints on housing for persons with disabilities
- Constraints on meeting regional share housing needs

The purpose of the analysis is to find out if a standard or practice "...constitute(s) a barrier to the maintenance, improvement or development of housing."

1. ACTIONS TAKEN TO REMOVE CONSTRAINTS IDENTIFIED BY THE 2008-2014 HOUSING ELEMENT

The *2008-2014 Housing Element* identified governmental constraints that needed to be removed. Consequently, the adopted element included action programs to amend the Development Code with regard to the following:

- Emergency Shelters
- Transitional Housing
- Supportive Housing
- Single Room Occupancy Housing
- Reasonable Accommodation Procedure
- Density Bonus Ordinance

a. Emergency Shelters

Section 17.96.625 of the Development Code added an emergency shelter definition:

Housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less by a homeless person. No individual or household may be denied emergency shelter because of an inability to pay.

Section 17.20.020 of the Development Code permits by right emergency shelters in the Commercial General (CG) District.

b. Transitional Housing

Section 17.96.2115 of the Development Code added the following transitional housing definition:

Rental housing that in which residents stay longer than overnight, but not more than six months, and is exclusively designated and targeted for individuals and households at immediate risk of becoming homeless or transitioning from homelessness to permanent housing.

Transitional housing is a permitted use in the single-family and multi-family residential zones.

c. Supportive Housing

Section 17.96.2095 of the Development Code added the following supportive housing definition:

A facility that provides housing with no limit on length of stay, that is occupied by the target population, and that is linked to onsite or offsite services that assist the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community. For purposes of this definition, "target population" means persons with low incomes having one or more disabilities, including mental illness, HIV or AIDS, substance abuse, or other chronic health conditions, or individuals eligible for services provided under the Lanterman Developmental Disabilities Services Act (Division 4.5 (commencing with Section 4500) of the California Welfare and Institutions Code) and may include, among other populations, adults, emancipated youth, families, families with children, elderly persons, young adults aging out of the foster care system, individuals exiting from institutional settings, veterans, and homeless people.

Supportive housing is a permitted use in the single-family and multi-family residential zones.

d. Single Room Occupancy Housing

The Development Code was amended to make provisions for single room occupancy (SRO) housing. A section was added to the Development Code to provide for SRO housing, as follows:

This section provides criteria for the development, operation and regulation of single-room occupancy facilities. These criteria ensure that single-room occupancy facilities are developed and operated on adequate sites, at proper and desirable locations with respect to development patterns, adjacent land uses, and the goals and objectives of the general plan and any applicable specific plans.

Development standards were established for SRO housing. SROs are permitted through a CUP in the Commercial General (CG) zone district.

e. Reasonable Accommodation Procedure

The Development Code was amended to establish a reasonable accommodation procedure. Section 17.67.010 of the Development Code states:

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Pursuant to the federal Fair Housing Amendments Act of 1988 and the California Fair Employment and Housing Act, this chapter establishes formal procedures allowing individuals with disabilities and their representatives to request reasonable accommodations in the application of zoning laws and other land use regulations, policies and procedures when necessary to eliminate barriers to housing opportunities.

A complete description of the procedure is found on pages A-51 and A-52.

f. Density Bonus Ordinance

Section 17.11.060 of the Development Code was amended on October 6, 2009 to be consistent with SB 1818 - Government Code Sections 65915-65918. The amendments addressed the percentage of affordable units required by income group to be eligible for the 20% bonus; sliding scale increases up to the maximum density bonus of 35%; concessions and incentives; parking standards; continued affordability; and other requirements of Sections 65915-65918.

g. Licensed Residential Care Housing

Licensed group homes serving six or fewer persons are permitted use in single-family and multi-family zones. Section 17.02.020 M of the Development Code states that such zones must permit "Any other use which specifically is required to be permitted in a single family residential district by state or federal law."

h. Employee Housing

Section 3 – Housing Program – includes an action program to enable the Development Code to comply with the Government Code requirements regarding employee housing. Employee housing is privately owned housing that is provided by an employer in connection with any work, whether or not rent is involved.

2. DESCRIPTION OF FACTORS FOUND NOT TO BE GOVERNMENTAL CONSTRAINTS

a. Land Use Controls

1. Zoning

Rancho Palos Verdes has six single-family residential designations and five multi-family residential designations. Tables A-30 and A-31 describe the development standards for the following:

- Lot Sizes
- Lot Dimensions
- Setbacks
- Maximum Lot Coverage
- Maximum Height
- Parking Requirements

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Table A-30
Single-Family Residential Development Standards

DISTRICT	LOT DIMENSIONS ¹			MINIMUM SETBACKS ^{3,6} FOR CITY CREATED LOTS					MINIMUM SETBACKS ^{2,1,6} FOR LOTS CREATED PRIOR TO INCORPORATION / ANNEXATION				MAXIMUM LOT COVERAGE	MAXIMUM HEIGHT ^{3,4,7}	PARKING REQUIREMENT ⁵
	AREA	WIDTH	DEPTH	FRONT	INTERIOR SIDE		STREET SIDE	REAR	FRONT	INTERIOR SIDE	STREET SIDE	REAR			
					TTL BOTH SIDES	ONE SIDE									
RS-A5	5 acres	200	300	20	30	10	20	20	20	5	10	15	6%	16	less than 5,000 s.f. of habitable space = 2 enclosed garage spaces 5,000 s.f. or more of habitable space = 3 enclosed garage spaces
RS-1	1 acre	100	150	20	25	10	20	20	20	5	10	15	25%	16	
RS-2	20,000 sf	90	120	20	20	10	20	20	20	5	10	15	40%	16	
RS-3	13,000 sf	80	110	20	20	10	20	15	20	5	10	15	45%	16	
RS-4	10,000 sf	75	100	20	20	10	20	15	20	5	10	15	50%	16	
RS-5	8,000 sf	65	100	20	20	10	20	15	20	5	10	15	52%	16	

- For an existing lot which does not meet these standards, see Chapter 17.84 (Nonconformities).
- Lots of record, existing as of November 25, 1975 (adoption of this code), or within Eastview and existing as of January 5, 1983 (annexation), shall use these development standards for minimum setbacks.
- For description, clarification and exceptions, see Chapter 17.48 (Lots, Setbacks, Open Space Area and Building Height).
- For a description of height measurement methods and the height variation process, see Section 17.02.040 of this chapter. A height variation application shall be referred directly to the planning commission for consideration, if any of the following is proposed:
 - Any portion of a structure which exceeds sixteen (16) feet in height extends closer than twenty-five (25) feet from the front or street-side property line.
 - The area of the structure which exceeds sixteen (16) feet in height (second story footprint) exceeds seventy-five percent (75%) of the existing first story footprint area (residence and garage); and
 - Sixty percent (60%) or more of an existing garage footprint is covered by a structure which exceeds sixteen (16) feet in height (a second story).
 - The portion of a structure that exceeds sixteen feet in height is being developed as part of a new single-family residence; or
 - Based on an initial site visit, the director determines that any portion of a structure which is proposed to exceed sixteen (16) feet in height may significantly impair a view as defined in this chapter.
- For parking development standards, see Section 17.02.030(B) of this chapter.
- A garage with direct access driveway from the street of access shall not be less than twenty feet from the front or street-side property line, which ever is the street of access.
- Exterior stairs to an upper story are prohibited, unless leading to and/or connected to a common hallway, deck or entry rather than a specific room.

Table A-31
Multiple-Family Residential Development Standards

	MINIMUM LOT SIZE AND DIMENSION				MINIMUM SETBACKS ¹				OPEN SPACE AREA	MAX. HEIGHT ²	PARKING SPACES REQUIRED/DU ²	
	MINIMUM LOT AREA/ DU (s.f.)	SIZE (s.f.)	WIDTH	DEPTH	FRONT	INT. SIDE	STREET SIDE	REAR	%		0-1 BDRM UNITS	2+ BDRM UNITS
RM-6	7300	13,000	65	110'	25'	10"	25'	20'	45	30'	1 garage spaces	2 garage spaces
RM-8	5400	10,000	65	110'	25'	10'	25'	20'	43	30'		
RM-10	4400	12,000	75	110'	25'	10'	25'	20'	43	30'		
RM-12	3600	15,000	75	110'	25'	10'	25'	20'	40	30'	(+25% of total parking required)	
RM-22	2000	24,000	100	110'	25'	10'	25'	20'	35	36'		

- For description, clarification and exceptions, see Chapter 17.48 (Lots, Setbacks, Open Space Area and Building Height).
- For parking area development standards, see Chapter 17.50. Any under-building parking structures must be completely enclosed or have openings screened from the public right-of-way and other affected views. In all RM Districts, twenty-five percent of the required parking shall be provided as guest parking in addition to the standard parking requirements.

Note: This table (A-31) is from Municipal Code Section 17.04.040. Consequently, it is not clear that parking requirements for RM-22 are 1 garage space per 0 to 1 bedroom units, 2 garage spaces for 2 or more bedroom units and an additional 25% of total parking for guests, which is what the table should describe. As such, prior to July 1, 2014, a code interpretation will be processed by the City to address the ambiguity.

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The minimum lot sizes for single-family districts range from five acres to 8,000 square feet (almost 1/5 acre). The minimum lot sizes listed for multi-family developments could be translated to maximums of 6 to 22 units per acre for RM-6 through RM-22 designations. These are maximums and actual development potential is usually less due to factors such as the topography and configuration of the site, easements, and roadways.

While most of the City is zoned and established at single-family residential densities, 16.4% of the existing housing stock is multi-family units. In fact, the City's housing stock contains 2,654 housing units in multi-family structures.

In addition to the single-family and multi-family zones, the Institutional Zone accommodates housing since the Zone allows educational institutions, including colleges, to develop student housing with a CUP. With a CUP, the Institutional Zone also allows for homes for the aged, which may include age-restricted for-sale or for-rent residential developments provided that such a development includes a City-approved supportive service program. Mobile homes and manufactured homes are allowed by-right in the Single-Family Residential Zone.

2. Minimum Dwelling Unit Sizes

The City does not impose minimum housing unit sizes based either on total square footage or square footage in terms of the number of bedrooms.

3. Design Criteria

The City has not established architectural design criteria. With single-family developments, the City has a Neighborhood Compatibility analysis that has a similar function, whereby the City would compare the proposed development with the 20-closest homes in regards to architectural style, bulk/mass, structure size, open space, etc. This only applies to some single-family developments that meet a certain threshold.

4. Open Space Requirements

Open space for single family homes is determined through a combination of minimum lot sizes, minimum setbacks, and maximum lot coverages.

Section 17.04.040.D of the Development Code establishes the open space requirements for multiple family zones as follows:

As part of the open space area required, all of the units shall have an appurtenant private patio, deck, balcony, atrium or solarium with a minimum area of one hundred fifty square feet, except that one bedroom unit shall have a minimum of one hundred thirty square feet of private open space. Such space shall have a configuration that would allow a horizontal rectangle of one hundred square feet in area, and no side shall be less than seven feet in length. Such space shall have at least one electrical outlet. Such space may count for up to thirty percent of the required open space area.

5. Parking Requirements

Single-family homes with less than 5,000 square feet of habitable space are required to provide two (2) enclosed garage spaces. Single-family homes with 5,000 or more square feet of habitable space are required to provide three (3) enclosed garage spaces.

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Two-bedroom apartment units are required to have 2.25 parking spaces with one space completely enclosed in a garage. The requirement for a space to be enclosed adds incrementally to the total production costs of rental housing. The dimension of a one-car garage is 180 square feet (9 feet by 20 feet). The costs for a one-car garage would represent only a small percentage of the total costs of new housing, including construction and land costs. This additional construction cost adds incrementally to the total development costs, but is not considered a major constraint to affordability.

6. Specific Plans

Two Specific Plans guide residential uses. Specific Plan District I is the coastal specific plan district. This district comprises all land seaward of Palos Verdes Drive South and Palos Verdes Drive West. The requirements of this District require Coastal Permits pursuant to Chapter 17.72 for specified land uses.

Specific Plan District IV encompasses all properties, which front on the west side of Western Avenue from and including 29019 to 29421 Western Avenue. This area is located between Specific Plan Districts II and III. The Plan encourages quality renovation and development that builds on the opportunities available to this area and eliminates, or reduces, the constraints this area faces.

7. Second Unit Development Standards

Second units are permitted in all RS and RM zone districts. The development standards are described in Section 17.10 of the City's Development Code. The total floor area for a detached second unit shall not exceed 1,200 square feet. The total floor area for an attached second unit shall not exceed 30% of the floor area of primary residence floor area. The second unit must include one bathroom and one kitchen and is limited to a maximum of two bedrooms. A garage space must be provided.

8. Affordable Housing Land Use Controls

To encourage and facilitate the development of affordable housing, the City has adopted the following land use controls:

Citywide Affordable Housing Requirement: All new residential developments of five or more dwelling units are required to provide up to 5% of all units affordable to *very low* income households or to provide up to 10% of all units affordable to *low* income households. The affordable units shall be provided on-site or off-site. Upon City Council approval, in-lieu fees can be paid instead of providing the required affordable housing units. The City Council established an in-lieu fee of \$201,653 plus a 10 percent administrative fee per affordable unit required.

Housing Impact Fee: In order to mitigate the impact of local employment generation on the local housing market, new nonresidential development or conversion of existing development to a more intense use, must make provision for housing affordable to low and very low households. This requirement applies to applications for the construction, expansion or intensification of nonresidential land uses, including but not limited to commercial projects, golf courses, private clubs, and institutional developments.

Developers of non-residential projects must pay a residential impact fee as established by the City Council. The fee must be adequate to provide one low or very low affordable

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housing unit for each 10 employees to be generated by the nonresidential development. The City Council established an in-lieu fee of \$1 per square foot of habitable residential structure.

Projects that provide for very low and low-income housing are exempt from the housing impact fee.

Density Bonuses for Affordable Housing: The City's density bonus incentives were updated in 2009 to be consistent with SB 1818. SB 1818, which took effect on January 1, 2005, requires all cities to adopt an ordinance that specifies how compliance with Section 65915-65918 will be implemented.

9. Moratoria and Prohibitions Against Multifamily Housing Developments

The City has no moratoria or prohibitions against multifamily housing developments. The City does have a site ("Point View") located within the Landslide Moratorium Area (LMA). About 60 of the site's 95 acres are located within the LMA. This site, however, is zoned for single-family housing.

(The moratorium boundary prohibits development of new residences with the exception of certain lots due to active landslide movement.)

10. Growth Controls, Urban Growth Boundaries

The City does not have a "growth control ordinance" that limits the number of housing units that be constructed. In addition, the City does not have an "urban growth boundary" extending beyond the current incorporated area. The City is completely surrounded by the incorporated cities of Palos Verdes Estates, Rolling Hills, Rolling Hills Estates and Los Angeles and unincorporated territory.

In summary, the above analysis demonstrates that the City's land use controls, second unit development standards and affordable housing incentives are not a constraint to the maintenance, improvement or development of housing. The City's land use controls will facilitate the development of housing for moderate-income and lower income households through the continued development of second units and implementation of affordable housing land use controls.

b. Building Codes and Enforcement

HCD guidance indicates -

The element must describe the building code adoption and enforcement process, including identification of any local amendments to the Uniform Building Code (UBC) and how building code enforcement is carried out by the jurisdiction.

The following is a list of the current code versions used by the City:

- 2013 California Green Building Standards Code
- 2013 California Residential Code based on the 2012 International Building Code
- 2013 California Building Code based on the 2012 International Building Code
- 2013 California Plumbing Code based on the 2012 Uniform Plumbing Code

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- 2013 California Mechanical Code based on the 2012 Uniform Mechanical Code
- 2013 California Electrical Code based on the 2012 National Electrical Code
- 2013 California Title 24 Energy Standards

A city (or county) may make such changes or modifications in the requirements contained in the California Building Standards Code if the city (or county) makes findings that they are reasonably necessary because of local climatic, geological, or topographical conditions. Due to its unique climatic, topographical and geological characteristics, the City has adopted amendments to the CBC. These amendments include storm damage precautions, fire resistive roofing, specialized foundation requirements, and geological and geotechnical reports for the evaluation and elimination of hazards. The specialized foundation requirements apply only to the active landslide areas of Portuguese Bend Landslide and Abalone Cove Landslide.

The City does not consider these local amendments to the CBC to be more restrictive than is necessary to protect the public health and safety due to the hazards arising from the City's climate, topography and geology, and are not intended to act as constraints to the housing supply.

The Building Division's focus is on construction safety through the implementation and enforcement of construction standards and codes. The building division functions include checking plans for compliance with all of the applicable codes, issuing building permits, and conducting inspections of the construction projects as they progress to ensure that the code standards are met and that the project is constructed in accordance with the approved plans. In addition, the Building Division coordinates with the City's geological consultants on the review of geology and soils reports for new construction projects

The California Building Standards Code, as noted, was adopted by reference with only minor variations. The cost of new housing is not adversely impacted by the adopted amendments. The Building Code and related Codes are considered to be the minimum necessary to protect the public health, safety and welfare. The Codes, which are based on the State Housing Law and uniform codes, are adopted by many cities throughout southern California and do not pose a constraint to residential development.

c. On- and Off-Site Improvements

HCD guidance indicates -:

The element must also describe and analyze the impact of on- and off-site improvement standards including street widths, curb, gutter, and sidewalk requirements, landscaping, circulation improvement requirements and any generally applicable level of service standards or mitigation thresholds.

1. On-Site Improvements

The following on-site improvements are required for new development:

- All utility lines installed for new construction are to be placed underground from an existing power pole or other off-site point of connection. This requirement can be waived if the nature of the development makes such installations unreasonable or if there are existing overhead lines and the underground location is not consistent with

a likely future utility “undergrounding” project. Single family additions or additions increasing gross floor area less than 25% are exempt.

- Underground cable television is to be installed in all new residential development.
- All mechanical equipment and all outside storage areas are to be screened from view of public areas and neighboring properties.
- All required 20’ front and 10’ street-side setback areas are to be landscaped.
- Two garage spaces (18’ width by 20’ depth), completely enclosed, are required for each single-family dwelling unit. Multiple family units are required to have one completely enclosed garage space per unit (9’ width by 20’ depth), with an additional one-third parking space for each unit with less than two bedrooms and one additional parking space for each unit with two or more bedrooms. Another one-quarter parking space per unit is to be provided for visitors.
- Residential planned developments are required to have at least two completely enclosed garage spaces (18’ width by 20’ depth) for each unit of less than two bedrooms, and two additional uncovered spaces for each unit with two or more bedrooms.
- Two-bedroom apartment units are required to have 2.25 parking spaces with one space completely enclosed in a garage. The requirement for a space to be enclosed adds incrementally to the total production costs of rental housing.
- A driveway shall be a minimum width of 10’ and a paved 25’ turning radius shall be provided between the garage or other parking area and the street of access for driveways which have an average slope of 10% or more, and which are 50’ or more in length.

2. Off-Site Improvements

Off-site improvements, according to the Development Code, refer to the installation or construction of facilities outside the boundaries of a private parcel or lot, such as street paving, curbs and gutters, sidewalks, street trees, street lights, street signs, sewers, utilities and drainage structures.

The City requires the following off-site improvements:

- Street or alley paving/repaving
- Sidewalks, curbs and gutters
- Street trees
- Ornamental street lights
- Sewer and drainage facilities
- Easements and dedications

Because each site is unique due to the nature of adjacent properties, topography, and geology, it is possible that development of some sites will not need to adhere to each of the above requirements.

Street (36’ minimum width) or alley (20’ minimum width) paving or repaving are not to exceed the area from the centerline to the curb for the length of the lot frontage. Pavement width standards and specifications are contained in the street standards study. The street standards specifications are similar to those used by Los Angeles County, but generally are less expensive designs.

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Sidewalks (36" minimum width), curbs (6" minimum width) and gutters (18" minimum width), where required, not to exceed the length of the lot frontage, or the total length of the front and street-side property lines for corner lots. *Sidewalks are not usually required, but when necessary, are usually placed on only one side of the street.*

Curb and gutter specifications are of two types: The vertical curb is designed to specifications of Los Angeles County as detailed in the Los Angeles County Road Department Standards Plans. The alternative curb is a concrete rolled design, as illustrated in the street standards study report.

Street trees, 15-gallon minimum sizes (unless the City specifies a smaller size) at City determined spacing. Trees are placed in the center of the lot's street frontage (1 tree per lot).

Ornamental street lights (20' minimum height), per the type and spacing designated for the particular street. *Street lights are not usually required*, reducing costs while maintaining the rural character of the City as stated in the General Plan.

The Director of Public Works may require sewer and drainage facilities. Also, sewer improvements are only for on-site and then to the hook up point. Drainage improvements are required for all effected downhill areas that would become inadequate with the new development.

Easements and dedications may be needed. This includes street rights-of-way, utility storm drain, and/or school pathway easements, and park recreation land dedication and fees.

The scope (i.e., streets, sidewalks, street trees) of the City's off-site improvement requirements is similar to those of other cities located in Los Angeles County. The standards, in some cases, are based on those of the County of Los Angeles or comparable to those of other cities in Los Angeles County.

In summary, the improvement requirements described above have been applied to existing housing as well as all residential developments under construction and approved for development. In summary, most cities in Los Angeles County require more stringent improvements than Rancho Palos Verdes does. It is for these reasons, that the City concludes that the on-site and off-site improvements required are not a constraint to development, or to the development of affordable housing.

d. Fees and Exactions

This part describes and quantifies permit, development, impact and other fees imposed on housing development. Exactions also are discussed.

1. Fees

1) *City Fees:* Attachment A contains the fee schedule for minor and major applications. Not every residential development project requires all of these applications. Individually, the applications are not highly expensive. For example:

➤ Site Plan Review	\$326
➤ Parcel Map Tentative	\$5,744
➤ Parcel Map Final	\$1,244

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➤ Tentative Tract Map	\$6,243
➤ Final Tract Map	\$1,455
➤ Initial Study/Negative Declaration	\$5,594
➤ Conditional Use Permit	\$7,222

Dedications and fees associated with on-site and off-site improvements are generally required of new subdivision tracts or parcel maps, not for improvements on existing lots. Such improvements and fees are based on the actual cost of providing needed infrastructure and public services. It is difficult, if not impossible, to estimate these costs on a “typical” development basis. For instance, parkland dedication fees amount to the equivalent of funding needed to provide .014 acre of parkland per dwelling unit (approximately 4 acres of parkland per 1,000 population). The dollar amount of the fee, however, is dependent on both the value of the land involved and the number of units proposed for development. Other improvements, such as roadways or landscaping, are particularly site specific, differing widely from project to project.

Although the fees for “typical” single-family and multi-family developments cannot be computed, the aggregate total fees would represent a small percentage of the cost of new housing in Rancho Palos Verdes. Construction costs range from \$250 to \$300 per square foot. The reasons for such relatively high construction costs are that geology and expansive soils conditions often require that new construction have deepened footings, grade beams, caissons, removal and compaction of soils and other conditions that drive up costs. In addition, land costs are extremely high in the City. As a result, the City’s fees would represent a very small percentage of the cost of new housing, which includes both land and construction costs.

As stated above, typical fees cannot be computed; however, the actual fees for built projects is known. The 34-unit Mirandela senior affordable housing development paid the following City fees:

Planning fees	\$17,526	\$515 per dwelling unit
Building fees	<u>\$166,822</u>	<u>\$4,907 per dwelling unit</u>
Total	\$184,348	\$5,422 per dwelling unit

A 10,000 square foot single family home development paid the following City fees:

Planning fees	\$2,255	\$0.23 per square foot
Building fees	<u>\$28,378</u>	<u>\$2.84 per square foot</u>
Total	\$30,633	\$3.06 per square foot

2) *School Impact (Developer) Fees:* The Palos Verdes Peninsula Unified School District Board of Education has adopted the levying of these fees in accordance with Assembly Bill 2926, Statutes of 1986, State of California. For residential development projects, the fee is \$2.63 per square foot. Most of the City (pre-annexation) pays this amount.

The eastside of the City that was annexed in the 1980s pays an amount set by the Los Angeles Unified School District. The fees paid by residential construction are \$4.18 per square foot of assessable space. The District allows a reduced fee of \$2.63 per square foot for owners and developers of affordable housing.

2. Exactions

By definition, an exaction is a large capital improvement included in a project's approval for development (e.g., a park dedication, building a school, etc.). The City does not generally require large-scale capital improvements to be constructed by project applicants. Instead, the City's fees are intended to finance construction of such facilities.

In summary, the City concludes that the fees established by the City do pose a constraint to development. Since the City does not carry out exactions, they are not a constraint to local development.

e. Permit and Processing Procedures

HCD guidance indicates that the element should identify and analyze the types of permits, processing time required of housing developments, overlay zones, and other applicable regulations.

1. Residential Single-Family Zones

The Residential Single Family zone districts permit by right single-family residential buildings, mobile homes and residential care facilities. Uses permitted subject to a conditional use permit include residential care facilities for seven or more persons.

2. Geology Reports for Single-Family Residences

Pursuant to Section 17.02.035 of the Development Code, applications that involve the construction of a new single-family residence must include a geology report determining that the project is geologically feasible. The city geologist reviews and approves said report prior to the application for said project being deemed complete for processing.

3. Multifamily Rental Housing

The Housing Element Law requires cities to facilitate and encourage the development of multifamily rental housing. More specifically, a housing element should include a review of existing development standards and permit procedures in the zones that allow multifamily housing to identify any constraints to rental housing. Uses permitted in the residential Multiple Family zone districts include single-family and multiple-family residential buildings. All multifamily housing sites have been constructed or approved for development.

4. Site Plan Review

A site plan review application is required for all new development, which does not otherwise qualify for review under a review process or application procedure listed in Development Code. The applicant must submit the site plan review application to the Community Development Director and pay a fee as established by resolution of the City Council.

The site plan review procedure enables the Director and/or Planning Commission to check development proposals for conformity with the provisions of Development Code and for the manner in which they are applied, when no other application is required by the Development Code.

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The site plan is reviewed and approved by the Director for conformity with provisions of the Development Code.

5. Processing Time

In evaluating processing times, it is important to recognize that the developments processed in the City are both unique and complex. The average processing times of surrounding cities do not reflect projects of the same size, scale and complexity as those in Rancho Palos Verdes. Additionally, the City complies with all requirements of the California State Permit Streamlining Act.

All multi-family zones and housing have been constructed or are approved. New single family residences, including tear-down rebuilds, that are no taller than 16-feet in height go through a Neighborhood Compatibility (NC) process. The review focuses on the proposed size, architectural style, and setback, and the proposal is reviewed against what is currently in the immediate neighborhood to ensure that the new structure will be compatible with the immediate neighborhood. Due to topography and soils conditions in the City, geotechnical reports must be submitted and approved prior to processing a NC application. The process requires the property owner to construct a silhouette illustrating the location and outline of the proposed residence. Further, the process requires that a notice of the application be mailed to all property owners within a 500-foot radius of the property. This process usually takes 3 to 6 months to complete, and the decision making body is the Community Development.

Residences taller than 16-feet in height also must go through a Height Variation process, which is processed concurrently with the NC process. However, in addition to the review criteria of the NC, the review includes an assessment on view impairment to other residences resulting from the proposed structure, and an analysis on privacy infringement to determine whether the project will infringe upon the adjacent properties. The requirements for processing are the same with regards to geotechnical, silhouetting, and notices, but the process usually takes around 6-9 months to complete. The decision making body in these instances is the Planning Commission.

The average processing times will not pose a constraint to the production of housing during the planning period. The NC and HV requirements are required of single family residences.

6. Overlay Zones

Overlay Control Districts, according to the Zoning Code, provide criteria that further reduce potential impacts, which could be directly created or indirectly induced by proposed and existing developments in sensitive areas of the City. These areas have been identified in the General Plan and other studies to be sensitive areas due to unique characteristics contributing significantly to the City's form, appearance, natural setting, and historical and cultural heritage.

The Districts include:

- Natural Overlay Control District OC-1
- Socio-Cultural Overlay Control District OC-2
- Urban Appearance Overlay Control District OC-3
- Automotive Service Station Control District OC-4

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The Natural Overlay Control District is established to:

- Maintain and enhance land and water areas necessary for the survival of valuable land and marine-based wildlife and vegetation.
- Enhance watershed management, control storm drainage and erosion, and control the water quality of both urban runoff and natural water bodies within the City.

The Socio-Cultural Overlay Control District is established to:

- Preserve, protect and maintain land and water areas, structures and other improvements which have significant historical, archaeological, or cultural importance; and
- Provide for the designation, protection and maintenance of land and water areas and improvements, which may be of unique scientific or educational value.

The Urban Appearance Overlay Control District is established to:

- Preserve, protect and maintain land and water areas, structures and other improvements, which are of significant value because of their recreational, aesthetic and scenic qualities.
- Preserve, protect and maintain the City's visual character, views and vistas.

Eight sites are affected by the Automotive Service Station Overlay Control District, which is established to encourage service stations to remain in the City. Two of the eight sites have existing service stations and are residentially zoned. Application of the Automotive Overlay Control District does not hinder the City's capacity to meet its share of the regional housing need, as the sites have been developed for numerous years.

None of the four Overlay Districts have been designated on the housing sites identified to accommodate the City's share of the regional housing need (see Technical Appendix D). Consequently, the Overlay Districts do not constrain or reduce the housing capacity of the sites that are identified as addressing the City's share of the regional housing need.

In summary, the City's processing and permit procedures do not pose a constraint to the development of housing. Sites to accommodate a portion of the City's share of the regional housing need already have been approved for development.

3. EFFORTS TO REMOVE CONSTRAINTS ON HOUSING FOR THE DISABLED

The Housing Element must identify constraints on housing for people with disabilities and efforts to remove any such constraints. More specifically, the analysis must:

- Identify whether the locality has an established reasonable accommodation procedure
- Review zoning laws, policies, and practices for compliance with fair housing laws
- Evaluate permits and processing as they affect applications from disabled persons
- Review Building Code amendments and practices that might diminish the ability to accommodate persons with disabilities

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In summary, the City's rules, policies, and standards are consistent with fair housing laws. The City's Development Code does not impose constraints on the development of housing for disabled persons.

a. Reasonable Accommodation Procedure

The City amended the Development Code on April 5, 2011 to add a reasonable accommodation procedure. Section 17.67.020 of the Development Code states:

A request for a reasonable accommodation may be made by any person with a disability, their representative, or any developer or provider of housing for an individual with a disability, when the application of a zoning law or other land use regulation, policy or practice acts as a barrier to fair housing opportunities.

A request for a reasonable accommodation may include a modification or exception to the rules, standards and practices for the siting, development and use of housing or housing-related facilities that would eliminate regulatory barriers and provide a person with a disability equal opportunity to the housing of their choice.

The adopted reasonable accommodation procedure describes the following:

- Procedure for requests for a reasonable accommodation
- Reference to applicable fair housing laws
- Definition of disability
- Timeline for a decision within 60 days
- Findings for granting a reasonable accommodation request
- Community Development Director determines whether to grant a request

b. Definition of Family

The City's definition of family is:

'Family' means an individual or two or more persons, living together as a single housekeeping unit in a dwelling unit.

The City's definition of family complies with fair housing laws, as it does not limit the number of persons that occupy a housing unit, does not make a distinction regarding related or unrelated persons living together, does not define family in terms of blood, marriage, or adoption, and emphasizes that a family means a single "housekeeping" unit in a dwelling unit.

The City's definition of a dwelling unit is:

'Dwelling unit' means one or more habitable rooms, which are intended or designed to be occupied by a family with facilities for living and the cooking and/or preparation of food.

c. Residential Care Facilities for Seven or More Persons

In the single- and multi-family family zones, the City requires a conditional use permit for residential care facilities involving seven or more persons. State law -- as the summary below explains -- allows cities to require a conditional use permit for residential care facilities for seven or more persons.

Because California law only protects facilities serving six or fewer residents, many cities and counties restrict the location of facilities housing seven or more clients. They may do this by requiring use permits, adopting special parking and other standards for these homes, or prohibiting these large facilities outright in certain zoning districts. While this practice may raise fair housing issues, no published California decision prohibits the practice, and analyses of recent State legislation appear to assume that localities can restrict facilities with seven or more clients. Some cases in other federal circuits have found that requiring a conditional use permit for large group homes violates the federal Fair Housing Act. However, the federal Ninth Circuit, whose decisions are binding in California, found that *requiring a conditional use permit for a building atypical in size and bulk for a single-family residence* does not violate the Fair Housing Act. [Emphasis added]

Source: Barbara Kautz, Goldfarb & Lipman LLP, *Select California Laws Relating to Residential Recovery Facilities and Group Homes*, pg. 3, (presented at the Residential Recovery Facilities Conference, Newport Beach, March 2, 2007)

d. Siting or Separation Requirements for Licensed Residential Care Facilities

The City's Development Code does not establish siting or separation requirements for the facilities.

Over concentration of certain care homes in a neighborhood is regulated by the State for licensed facilities. Except for foster homes and elderly care, licenses issued by the Department of Social Services (CDSS) must be a minimum of 300 feet away from any other licensed home (as measured from the outside walls of the house – Health and Safety Code Section 1520.5) If a home is less than the 300 feet, an exemption must be granted by the city, otherwise the license is denied. This 300-foot separation restriction does not apply to licenses issued by the State Department of Alcohol and Drugs for rehabilitation homes.

CDSS must submit any application for a facility covered by the law to the city where the facility will be located. The city may request that the license be denied based on the over concentration or an existing facility (or within 1,000 feet of a congregate living health facility) unless the city approves the application. Even if there is adequate separation between the facilities, a city or county may ask that the license be denied based on over concentration.

These separation requirements apply only to facilities with the same type of license. For instance, a community care facility would not violate the separation requirements even if located next to a drug and alcohol treatment facility.

The DOJ and HUD acknowledge that neighborhoods as well as the disabled may suffer if licensed residential care facilities are over concentrated. The DOJ and HUD offer the following guidance:

...if a neighborhood came to be composed largely of group homes, that could adversely affect individuals with disabilities and would be inconsistent with the objective of integrating persons with disabilities into the community. Especially in the licensing and regulatory process, it is appropriate to be concerned about the setting for a group home. A consideration of over-concentration could be considered in this context. This objective does not, however, justify requiring separations which have the effect of foreclosing group homes from locating in entire neighborhoods.

APPENDIX A – HOUSING NEEDS, SITES, CONSTRAINTS & PROGRESS

Source: Joint Statement of the Department of Justice and the Department of Housing and Urban Development, *Group Homes, Local Land Use, and the Fair Housing Act*, August 18, 1999, page 4.

The City has not adopted a spacing and separation standard.

e. Parking Requirements for Persons with Disabilities

The City's parking standards are established for different uses, not in terms of the occupants of the use. For instance, the City does not have parking standards for single- or multi-family housing occupied by disabled or elderly persons. A parking space reduction, though, may be approved pursuant to the City's affordable housing incentives.

The City recognizes that disabled persons who occupy licensed residential care facilities generate a parking need different from non-disabled persons. For instance, developmentally disabled persons may not have licenses to drive a car. The "reasonable accommodation procedure" includes an opportunity for disabled persons (or their representatives) to request a reduction and/or waiver of parking requirements.

f. Permits and Processing

According to HCD -

Issues to evaluate include the process for requesting retrofit for accessibility, ensuring compliance with all State laws regulating permit requirement of licensed residential care facilities with fewer than six persons in single-family zones, and identification of any conditions or use restrictions for licensed residential care facilities with greater than 6 persons or group homes that will be providing services on-site.

1. Requesting Retrofit for Accessibility

Non-structural retrofits within buildings like adding grab bars, replacing doorknobs with single-lever doorknobs, and exchanging toilets do not require building permits, or City approvals. Structural retrofits like widening doorways or constructing ramps requires a building permit. These requirements are the same for single- and multi-family housing. Tenants residing in apartments must first obtain permission from the owner and/or property manager to make the retrofits.

2. Ensuring Compliance with all State Laws Regulating Requirements for Licensed Residential Care Facilities:

As previously mentioned, the City allows - by right - all licensed residential care facilities housing six or fewer persons to be located in single- and multi-family residential zones. The City has several licensed facilities, including Adult Residential Facilities (ARF) and Residential Care Facilities for the Elderly (RCFE). The City does not impose any requirements on these facilities other than those required for single-family homes.

APPENDIX A – HOUSING NEEDS, SITES, CONSTRAINTS & PROGRESS

The California Community Care Licensing Division defines these facilities as follows:

ARFs are facilities of any capacity that provide 24-hour non-medical care for adults ages 18 through 59, who are unable to provide for their own daily needs. Adults may be physically handicapped, developmentally disabled, and/or mentally disabled.

RCFEs provide care and supervision and assistance with activities of daily living, such as bathing and grooming. They may also provide incidental medical services under special care plans. The facilities provide services to persons 60 years of age and over and persons under 60 with compatible needs. RCFEs may also be known as assisted living facilities, retirement homes and board and care homes. The facilities can range in size from six beds or less to over 100 beds. The residents of these facilities require varying levels of personal care and protective supervision.

3. Conditions or Use Restrictions for Licensed Residential Care Facilities with Greater than 6 persons or Group Homes that will be Providing Services On-Site:

Apart from requiring a conditional use permit, the City has no other conditions or use restrictions on group homes serving seven or more persons.

g. Building Codes

HCD recommends the analysis include the following:

The year of the Uniform Building Code adoption and any amendments that might diminish the ability to accommodate persons with disabilities, identification of adopted universal design elements in the building code, the provision of reasonable accommodation for persons with disabilities in the enforcement of building codes and the issuance of building permits.

1. Building Code Adoption and Amendments

The City has adopted the 2010 California Building Code (CBC). Due to its unique climatic, topographical and geological characteristics, the City has adopted amendments to the CBC. These amendments include storm damage precautions, fire retardant roofing, specialized foundation requirements, seismic safety requirements, and geological and geotechnical reports for the evaluation and elimination of hazards. None of these amendments affect housing for the disabled.

2. Universal Design Elements

On October 31, 2005, HCD certified and made available the “Model Universal Design Local Ordinance.” HCD indicated that the Ordinance might be adopted voluntarily in substantially the same form by any city or county pursuant to Section 17959.

Although the City has not adopted a “universal design ordinance” this is not deemed a constraint on existing or new housing for disabled persons. The City understands that universal design aims to serve all people of all ages, sizes, and abilities and is applied to all buildings. For instance, a universal design feature is any component of a house that can be used by everyone regardless of his or her level of ability or disability. A feature, for instance, such as no steps at entrances. Or single-lever water controls at all plumbing fixtures and faucets.

3. Building Code Reasonable Accommodations

The City has adopted a reasonable accommodation procedure. A request for a reasonable accommodation may include a modification or exception to the rules, standards and practices for the “development” of housing. The term “development” includes modifications or exceptions to the Building Code.

In summary, the City’s rules, policies, and standards are consistent with fair housing laws. The City’s Development Code does not impose constraints on the development of housing for disabled persons.

4. CONSTRAINTS ON MEETING SHARE OF REGIONAL HOUSING NEEDS

The housing element law requires the City to identify and remove any governmental constraints that hinder meeting the community’s share of the regional housing need.

The City has sufficient capacity to accommodate its share of the regional housing need, which is thirty-one housing units. Public services and facilities are adequate and have enough capacity to meet the needs generated by new housing development.

F. PROGRESS REPORT

HCD suggests that the Progress Report (officially known as review and revision) discuss:

"Appropriateness of goals, objectives and policies" (Section 65588(a)(1)): A description of how the goals, objectives, policies and programs of the updated element incorporate what has been learned from the results of the prior element.

"Effectiveness of the element" (Section 65588(a)(2)): A comparison of the actual results of the earlier element with its goals, objectives, policies and programs. The results should be quantified where possible (e.g., rehabilitation), but may be qualitative where necessary (e.g., mitigation of constraints).

"Progress in implementation" (Section 65583(a)(3): An analysis of the significant differences between what was projected or planned in the earlier element and what was achieved.

1. APPROPRIATENESS OF GOALS AND POLICIES

Table A-32 (pages A-57 to A-60) discusses the appropriateness of goals and policies pertaining to the following housing needs:

- Construction
- Rehabilitation
- Conservation
- Preservation
- Fair Housing

All of the goals and policies remain appropriate and will be carried forward to the *2013-2021 Housing Element* with the exception of those dependent on funding from the Redevelopment Agency, which was dissolved in February 2012.

APPENDIX A – HOUSING NEEDS, SITES, CONSTRAINTS & PROGRESS

CDBG funding is not likely to be available to support a Housing Improvement Program. However, funding could become available during the planning period. Consequently, it was included in the Section 2 – Housing Program.

APPENDIX A – HOUSING NEEDS, SITES, CONSTRAINTS & PROGRESS

Table A-32
City of Rancho Palos Verdes
2008-2014 Housing Element
Evaluation of the Appropriateness of Goals and Policies

Goals	Policies	Appropriateness
Construction		
<i>Accommodate the housing needs of all income groups as quantified by Regional Housing Needs Assessment</i> <i>Facilitate the construction of the maximum feasible number of housing units for all income groups</i>	1. <i>Designate sites that provide for a variety of housing types.</i>	This policy is appropriate and will be included in the 2013-2021 Housing Element Update. The variety of housing sites was enhanced by Development Code amendments to provide for emergency shelters, single-room occupancy housing, transitional housing and supportive housing.
	2. <i>Implement the Land Use Element and Development Code to achieve adequate sites for the moderate- and above-moderate income group</i>	The City has approved projects to meet the housing needs of all income groups. This policy remains appropriate.
	3. <i>Continue to pursue development of an affordable housing project at the RDA-owned Crestridge site.</i>	This policy was implemented. The Redevelopment Agency has been dissolved.
	4. <i>Continue to implement the Housing Component of the Redevelopment Agency's Implementation Plan</i>	The Redevelopment Agency has been dissolved. The Agency's Housing Plan provided guidance to the goals and policies of the <i>2008-2014 Housing Element</i>.
	5. <i>Prefer that persons, entities and/or developers that are obligated to provide affordable housing units provide the affordable housing units on-site as part of their development project rather than paying in-lieu fees.</i>	This policy remains appropriate; on-site affordable housing is preferred.

APPENDIX A – HOUSING NEEDS, SITES, CONSTRAINTS & PROGRESS

Table A-32 continued
City of Rancho Palos Verdes
2008-2014 Housing Element
Evaluation of the Appropriateness of Goals and Policies

Goals	Policies	Appropriateness
Rehabilitation		
<i>A housing stock free of substandard structures.</i>	1. <i>Continue to implement the current Housing Code Enforcement Program.</i>	This policy continues to remain appropriate. The City continues to manage housing code enforcement which maintains the quality of the existing housing stock.
	2. <i>Continue to implement the Housing Improvement Program.</i>	This policy is appropriate for FY 2013-2014. However, funding could be unavailable for the balance of the planning period.
Conservation		
<i>Conserve and improve the existing stock of affordable housing</i>	1. <i>Provide rental assistance to extremely low-, very low, and low- income households through programs administered by the City, Redevelopment Agency and/or the County of Los Angeles Housing Authority</i>	This policy is appropriate; however, due to lack of funds reference to the City and Redevelopment Agency will be eliminated.
	2. <i>Continue to support a Housing Code Enforcement Program to help maintain the physical condition of housing</i>	This policy continues to remain appropriate. The Housing Code Enforcement Program is responsible for ensuring that properties meet City standards.
	3. <i>Continue to support a Housing Improvement Program financed by Community Development Block Grant Funds.</i>	The CDBG funds allocated to the City have been reduced and this program no longer can be financed. FY 2013-2014 will be the last year that the program will be implemented.

APPENDIX A – HOUSING NEEDS, SITES, CONSTRAINTS & PROGRESS

Table A-32 continued
City of Rancho Palos Verdes
2008-2014 Housing Element
Evaluation of the Appropriateness of Goals and Policies

Goals	Policies	Appropriateness
Preservation		
<i>Remove existing governmental constraints to the maintenance, preservation, improvement and development of housing</i> <i>Preserve the existing and future supply of affordable housing that is financially assisted by the City, County, and State or Federal governments.</i>	1. <i>Continue to implement land use regulations that facilitate meeting affordable housing needs.</i>	This policy is appropriate in the event opportunities emerge during the 2013-2021 planning period.
	2. <i>Continue the processing of new housing developments designed to address the needs of the entire range of income groups.</i>	This policy is appropriate because of the State mandate and the needs of the City's lower income households.
	3. <i>Monitor and protect the supply of affordable housing by enforcing existing regulations and affordability restrictions.</i>	This policy remains appropriate. However, it should be modified to reflect that the City is not responsible for affordable use restrictions on all the affordable housing that has been constructed.
	4. <i>Ensure the long-term affordability of future affordable housing developments.</i>	This policy is appropriate. However, the development of a new affordable housing development will be constrained due to limited sites and funds.

APPENDIX A – HOUSING NEEDS, SITES, CONSTRAINTS & PROGRESS

Table A-32 continued
City of Rancho Palos Verdes
2008-2014 Housing Element
Evaluation of the Appropriateness of Goals and Policies

Goals	Policies	Appropriateness
Fair Housing		
<i>Attain a housing market with "fair housing choice," meaning the ability of persons of similar income levels regardless of race, color, religion, sex, national origin, handicap and familial status to have available to them the same housing choices</i>	1. <i>Continue to promote fair housing opportunities through the City's participation in the County's Community Development Block Grant Program</i>	This policy remains appropriate. The City is located within the service area of the Fair Housing Foundation. The following services continue to be made available through the Fair Housing Foundation: <i>Fair Housing Education and Outreach, Discrimination and Investigation, Random Audits, Landlord and Tenant Counseling, Unlawful Detainer Action, Conciliation, Mediation and Referrals</i>
	2. <i>Promote fair housing through the provision of information and referral services to residents who need help in filing housing discrimination complaints</i>	This policy is appropriate as the City continues to refer residents needing assistance in filing a housing discrimination complaint to the appropriate contact person(s) through the <i>Fair Housing Foundation, California Department of Fair Employment and Housing, and HUD</i>

APPENDIX A – HOUSING NEEDS, SITES, CONSTRAINTS & PROGRESS

2. EFFECTIVENESS OF THE ELEMENT

All programs were successfully implemented. However, the Housing Improvement Program has been suspended due a lack of CDBG funding. All planned Development Code amendments have been completed. An employee housing code amendment will be processed in 2014. Table A-33 below and on the next two pages summarizes the effectiveness in implementing the adopted housing programs.

Table A-33
City of Rancho Palos Verdes
2008-2014 Housing Element Effectiveness

Housing Program	Effectiveness/Implementation Progress
Land Use Element/Specific Plans	84 housing units were constructed between January 1, 2006 and December 31, 2011. 33 affordable housing units were constructed during this period.
Development Code Amendment Program	A Code Amendment that the City Council adopted: a) established a reasonable accommodations procedure for individuals with disabilities, b) established standards for single room occupancy facilities, c) permits emergency shelters in the CG Zone by right, and d) allows for the development of transitional and supportive housing.
Western Avenue Specific Plan Update	In June 2013, a <i>Draft Western Avenue Corridor Vision Plan</i> was completed. The Draft Vision Plan does not designate areas for mixed use development.
Section 8 Rental Assistance Program	The County Housing Authority reports that Section 8 Rental Assistance Program assists two resident households. The City continues to assist the Housing Authority staff by conducting a Landlord Outreach Program, informing the Housing Authority of the City's status on providing affordable housing through the existing housing stock and providing an Apartment Rental Survey to the Housing Authority.
Crestridge Senior Affordable Housing Program - Mirandela	The City approved the Crestridge Senior Affordable Housing project, also known as Mirandela, in 2009. A total of 33 lower income units were approved to accommodate extremely low, very low and low income housing units. The project was completed and occupied in 2010.

APPENDIX A – HOUSING NEEDS, SITES, CONSTRAINTS & PROGRESS

Table A-33 Continued
City of Rancho Palos Verdes
2008-2014 Housing Element Effectiveness

Housing Program	Effectiveness/Implementation Progress
Moderate Income Second Unit Program	Staff continues to track and monitor the number of second dwelling units that are created in the City.
	City continues to distribute and promote the development of second dwelling units when accessory structures are proposed.
	Between 2006 and 2013, six (6) second dwelling units have been approved
Conversion of Existing Housing to Affordable Housing	In 2008, two (2) market-rate housing units were purchased with the intent to sell to a qualified low-income household and a qualified moderate-income household. In 2010, a qualified moderate-income household was identified, and the RDA owned unit was sold in 2011
	Pursuant to the provisions of the City's Inclusionary Housing Ordinance, a developer was required to purchase a market-rate unit and convert it to an affordable unit. In 2009, the unit was sold to a qualified low income homeowner
Reasonable Accommodation Procedure	The City researched Federal and State laws and policies that require adoption of a reasonable accommodation procedure, and evaluated reasonable accommodation procedures from other California Cities.
	Staff drafted a reasonable accommodations ordinance that was forwarded to the Planning Commission and City Council. The City Council adopted a reasonable accommodations ordinance in 2011.
Licensed Residential Care – Development Code Revision Program	Section 17.02.020 permits licensed group homes in residential zones that allow single family homes. Reference is made to the fact that uses required to be permitted by state or federal law are permitted. Staff has determined that it is not necessary to set forth spacing criteria as these are established by state law.
Density Bonus Ordinance Program	The City's Density Bonus Ordinance was updated in 2009. The City will continue to monitor legislation and will amend the Density Bonus Ordinance when required by law.

APPENDIX A – HOUSING NEEDS, SITES, CONSTRAINTS & PROGRESS

Table A-33 Continued
City of Rancho Palos Verdes
2008-2014 Housing Element Effectiveness

Housing Program	Effectiveness/Implementation Progress
Housing Code Enforcement Program	The City continues to manage the housing code enforcement on a complaint basis and continues to strive for voluntary compliance through the Code Enforcement Division
	The City averaged 30 code enforcement cases per month in 2011
	The City continued to manage property maintenance and illegal construction code enforcement on a proactive basis
Housing Improvement Program	City continues to manage the HIP by providing assistance to eligible homeowners in the form of grants or zero interest deferred loans (Program is administered through the Public Works Department). Since its inception, the HIP has provided assistance to 89 households. CDBG funding for this program was discontinued in December 2012.
Fair Housing Services Program	City continues to promote fair housing through its participation with the LA County's Community Development Block Grant (CDBG)
	The following services continue to be made available through the Long Beach Fair Housing Foundation: <i>Fair Housing Education and Outreach, Discrimination and Investigation, Random Audits, Landlord and Tenant Counseling, Unlawful Detainer Action, Conciliation, Mediation and Referrals</i>
Fair Housing Information Program	City continues to refer residents needing assistance in filing a housing discrimination complaint to the appropriate contact person(s) through the <i>Fair Housing Foundation, California Department of Fair Employment and Housing, and HUD</i>
	City has also developed a list of contacts at the key entities

G. COASTAL ZONE REQUIREMENTS

Cities located within the boundaries of the Coastal Zone must include the following information in the Housing Element:

- Housing approved for construction within the coastal zone after January 1, 1982.
- Affordable housing required to be provided in new housing developments either within the coastal zone or three miles from it.
- Number of dwelling units occupied by low or moderate-income households that have been converted or demolished.
- Number of dwelling units that have been required for replacement of housing converted or demolished.

Projects located in the coastal specific plan district that result in the demolition or conversion of three or more dwelling units occupied by low and moderate-income households must be replaced on a one-for-one basis. The replacement units may be located on the same site, elsewhere in the coastal specific plan district, or within three miles of the district. Upon City Council approval, in-lieu fees can be paid instead of providing the required affordable replacement housing units. New developments in the Coastal Zone must provide affordable housing. Where it is not feasible to include affordable units within new development, developers can satisfy the requirement by constructing them at another specific site within the coastal zone or within the City. No low and moderate income housing units in the coastal zone have been converted, demolished or replaced since January 1, 1982.



APPENDIX B

ORGANIZATIONS CONSULTED, DATA SOURCES & DEFINITIONS

APPENDIX B – ORGANIZATIONS CONSULTED, DATA SOURCES & DEFINITIONS

**City of Rancho Palos Verdes
2013-2021 Housing Element of the General Plan
Appendix B-Organizations Consulted, Data Sources & Definitions
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A. LIST OF ORGANIZATIONS CONSULTED

- California Housing Partnership Corporation
Main Office
369 Pine Street
Suite 300
San Francisco, CA 94104
415-433-6804
- City of Los Angeles
Department of Aging
3580 Wilshire Boulevard
Suite 300
Los Angeles, CA 90010
213 252-4030
- Fair Housing Foundation
3605 Long Beach Boulevard
Suite 302
Long Beach, CA 90807
562-989-1206
- Harbor Regional Center
21231 Hawthorne Boulevard
Torrance, CA 90503
310-540-1711
- Los Angeles County Community and Senior Services
3175 W. Sixth Street
Los Angeles, CA 90020
213-738-2600
- Los Angeles County Community Development Commission
700 W. Main Street
Alhambra, CA 91801
626-262-4511
- Los Angeles Homeless Services Authority
811 Wilshire Boulevard
#600
Los Angeles, CA 90017
213-683-3333
- Southern California Association of Governments
Main Office
818 West 7th Street
12th Floor
Los Angeles, CA 90017-3435
213-236-180

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- State Employment Development Department
Labor Market Information Division
Customer Outreach Unit
P.O. Box 826880, MIC 57
Sacramento, CA 94280-0001
916-262-2162
- State Independent Living Counsel
1600 K Street, Suite 100
Sacramento, CA 95814
866-866-7452

B. DATA SOURCES

- 2000 and 2010 Census
- 2005-2009 American Community Survey
- California Department of Housing and Community Development, *Year 2013 Income Limits*, February 25, 2013
- California State Board of Equalization, *Assessors' Handbook Section 531, Residential Building Costs*, January 2010
- City of Rancho Palos Verdes, *General Plan*
- City of Rancho Palos Verdes, *Zoning Ordinance*
- Federal Financial Institutions Examination Council (FFIEC), Home Mortgage Disclosure Act (HMDA), *Loan Application Register System (LARS)*, 2011
- HSH Associates, Financial Publishers, Interest Rates
- International Code Council (ICC), *Building Valuation Data (BVD)*, August 2012
- Barbara Kautz, Goldfarb & Lipman LLP, *Select California Laws Relating to Residential Recovery Facilities and Group Homes*, (presented at the Residential Recovery Facilities Conference, Newport Beach, March 2, 2007)
- Los Angeles County Community and Senior Services, *Survey of Older Adult Population*, 2010, 81 pages
- Pacific West Association of Realtors Multiple List Service
- Realist property tax records available from Pacific West Association of Realtors
- Southern California Association of Governments, *5th Cycle Final Regional Housing Needs Assessment Allocation Plan*, adopted by the Regional Council on October 4, 2012

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- Southern California Association of Governments, *Local Housing Element Assistance: Existing Housing Needs Data Report*, City of Rancho Palos Verdes
- Southern California Association of Governments, *2012-2035 Regional Transportation Plan/Sustainable Communities Strategy Growth Forecast (adopted by SCAG Regional Council on April 4, 2012)*
- State of California, Department of Finance, *E-5 Population and Housing Estimates for Cities, Counties, and the State, 2011 and 2013, with 2010 Benchmark* Sacramento, California, May 2013
- State Independent Living Council, *2009 Statewide Needs Assessment for People Living with Disabilities*, 40 pages
- Alene M. Taber, Esq., AICP and Michael J. Alti, Esq., Jackson, Demarco, Tidus & Peckenpaugh, *Residential Recovery Homes and Their Local Impacts*, (presented at the Residential Recovery Facilities Conference, Newport Beach, March 2, 2007)
- Telephone interviews of resident apartment managers
- U.S. Department of Housing and Urban Development, *2005-2009 CHAS (Comprehensive Housing Affordability Strategy)*

C. DEFINITIONS

Above Moderate Income: A household whose annual income is 120% or more of the Los Angeles County median income, adjusted by number of persons in the household.

Cost Burden: For lower income households, gross housing costs including utilities that exceed 30% of gross income

Crowding, Overcrowding: A housing unit containing more than one person per room, as defined by the U.S. Census Bureau, for which data are made available by the Census Bureau.

Developmental Disability: "Developmental disability" means a disability that originates before an individual attains age 18 years, continues, or can be expected to continue, indefinitely, and constitutes a substantial disability for that individual. As defined by the Director of Developmental Services, in consultation with the Superintendent of Public Instruction, this term shall include mental retardation, cerebral palsy, epilepsy, and autism. This term shall also include disabling conditions found to be closely related to mental retardation or to require treatment similar to that required for individuals with mental retardation, but shall not include other handicapping conditions that are solely physical in nature.

Disabled Person: A person who is determined to:

(1) Have a physical, mental or emotional impairment that:

(i) Is expected to be of long-continued and indefinite duration;

(ii) Substantially impedes his or her ability to live independently; and

(iii) Is of such a nature that the ability could be improved by more suitable housing conditions;

or

(2) Have a developmental disability, as defined in section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001-6007)

APPENDIX B – ORGANIZATIONS CONSULTED, DATA SOURCES & DEFINITIONS

Elderly: Persons 62 years of age or older.

Emergency Shelter: Housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less by a homeless person. No individual or household may be denied emergency shelter because of an inability to pay. (per Health and Safety Code 50801)

Extremely Low Income: A household whose annual income is between 0% and 30% of the Los Angeles County median income, adjusted by number of persons in the household.

Homeless person: According to HUD, a person is considered homeless only when he/she resides in one of the places described below at the time of the count.

- An unsheltered homeless person resides in place not meant for human habitation, such as cars, parks, sidewalks, abandoned buildings, or on the street.
- A sheltered homeless person resides in: An emergency shelter or transitional housing for homeless persons who originally came from the streets or emergency shelters.

Large family: Family of five or more persons.

Low Income: A household whose annual income is between 50% and 80% of the Los Angeles County median income, adjusted by number of persons in the household.

Moderate Income: A household whose annual income is between 80% and 120% of the Los Angeles County median income, adjusted by number of persons in the household.

Overpaying: Same as cost burden and severe cost burden

Severe Cost Burden: For lower income households, gross housing costs including utilities that exceed 50% of gross income

Small family: Family of two to four persons.

Supportive Housing: Housing with no limit on length of stay, that is occupied by the target population as defined in subdivision (d) of Section 53260, and that is linked to onsite or offsite services that assist the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community. (per Health and Safety Code 50675.14(b))

Transitional Housing: Buildings configured as rental housing developments, but operated under program requirements that call for the termination of assistance and recirculation of the assisted unit to another eligible program recipient at some predetermined future point in time, which shall be no less than six months. (Per Health and Safety Code 50675.2(h))

Very Low Income: A household whose annual income is between 30% and 50% of the Los Angeles County median income, adjusted by number of persons in the household.