

5.0 Constraints to Housing Production

5.1 Introduction

Government Code Sections 65583(a)(5) and (6) require the Housing Element to contain an analysis of governmental and non-governmental constraints on the maintenance, improvement, and development of housing for all income levels. Governmental constraints include land use controls, building codes and code enforcement practices, site improvement requirements, fees and other exactions required of developers, local processing and permit procedures, and any locally adopted ordinances that directly impact the cost and supply of residential development. Non-governmental constraints include the availability of financing, the price of land, the cost of construction, requests to develop at densities below what is allowed by zoning, community opposition, and similar factors.

In each case, the Housing Element is required to demonstrate local efforts to remove constraints that are identified, thus improving the City's ability to meet its Regional Housing Needs Allocation. The extent to which these constraints are affecting the supply and affordability of housing in Rolling Hills is discussed below, along with past (or proposed future) efforts to eliminate those constraints.

5.2 Governmental Constraints

Governmental constraints include activities imposed by local government on the development of housing. These activities may impact the price and availability of housing, the ability to build particular types of housing, and the time it takes to get housing approved and constructed. While these requirements are intended to improve housing quality and protect public safety, they may have unintended consequences.

5.2.1 Rolling Hills General Plan

Every city and county in California is required to adopt a General Plan for its long-term development. This Housing Element is actually part of the General Plan but it stands on its own as a separate document since it is updated on a schedule set by the State of California. The other elements of the General Plan are updated as needed. Most cities update their plans every 15 to 20 years.

Most of the Rolling Hills General Plan was drafted in 1990. In addition to the Housing Element, the Plan includes a Land Use Element, a Circulation Element, an Open Space/ Conservation Element, a Safety Element, and a Noise Element. An update to the Safety Element was prepared concurrently with the Housing Element, in response to recent State requirements.

The Rolling Hills Land Use Element includes a Land Use Policy Map illustrating the types of uses permitted throughout the city. When the Map was adopted in 1990, it reinforced existing parcel patterns and responded to the infrastructure, geologic, wildfire, and environmental constraints in

the city. Four categories are shown: Very Low Density Residential (2 acres per unit), Low Density Residential (1 acre per unit), Civic Center, and Publicly-owned Open Space. Prior to 2020, the City did not allow development at densities greater than one unit per acre and had no General Plan provisions for multi-family housing. As part of 5th Cycle Housing Element implementation, the City amended its Land Use Element to add the Rancho Del Mar Housing Opportunity Overlay designation to the Map (corresponding to the 31-acre Rancho Del Mar school site). At the same time, the City adopted new Land Use Element standards and policies allowing multi-family housing in the Overlay area, along with policies allowing a diverse mix of housing units, as required by state law.

The Land Use Element recognizes Rolling Hills' heritage as an equestrian community comprised of large lots on steep terrain. Its policies call for buffering between uses, preservation of views, and minimizing exposure to landslides, wildfires, and other hazards. These policies remain appropriate given the safety hazards in the community. The Element specifically discusses the 150-acre Flying Triangle landslide hazard area, noting that the area is subject to a moratorium due to unstable geologic conditions. It also notes that many existing parcels are constrained by steep slopes and have only small areas that are suitable for building pads and construction.

Recent amendments to the Safety Element further emphasize environmental hazards in the city, as well as constraints associated with evacuation, water supply, and emergency vehicle access. These constraints make most of Rolling Hills poorly suited for additional development or zoning changes that would result in increased density and population.

As it currently stands, the General Plan is not a development constraint.

5.2.2 Zoning Standards

The Rolling Hills Zoning Ordinance (Chapter 17 of the Municipal Code) implements the General Plan and provides objective development standards for all parcels in the City. There are three zoning districts in the City:

- Residential Agricultural Suburban 1 (RAS-1), which has a one-acre minimum lot size
- Residential Agricultural Suburban 2 (RAS-2), which has a two-acre minimum lot size
- Public Facilities (PF)

The RAS-1 zone roughly corresponds to the “Low Density Residential” General Plan designation. The RAS-2 zone roughly corresponds to the “Very Low Density Residential” General Plan designation.¹ The PF zone corresponds to the “Civic Center” General Plan designation. Parcels with a General Plan designation of “Publicly-owned Open Space” are zoned RAS-1 or RAS-2, whichever is prevalent on private parcels in the vicinity.

There are also two overlay districts. Overlays are mapped “on top” of one of the three base zones listed above and apply additional regulations specific to subareas of the city. The first overlay district (OZD-1) provides more lenient setback standards in an area of the city

¹ *Parcels along Spur Lane and Cinchring Road have a General Plan designation of Very Low Density Residential but a zoning designation of RAS-1.*

characterized by smaller lots. Roughly 70 lots along Middleridge Lane, Williamsburg Lane, Chesterfield Road and Chuckwagon Road, are covered. The second overlay district (RDMO) is the Rancho Del Mar Overlay, which is mapped on the Rancho Del Mar School site in the RAS-2 district. The RDMO requires the transfer of General Plan density for the property as a whole (which yields 16 units) to a single location in order to facilitate the production of multi-family housing. This overlay also includes objective standards for multi-family housing and emergency shelter, which are permitted by right.

The zoning ordinance includes definitions of terms (Chapter 17.12). At this time there are no definitions of transitional and supportive housing, both of which must be permitted in every residential district under state law. An action program in this Element has been included to make that Code amendment. The definitions expressly acknowledge manufactured and mobile homes as being the same as detached single family dwellings, provided they are located on a foundation.

The zoning regulations indicate permitted and prohibited uses in each zoning district. Single family residences and accessory dwelling units are permitted “by right” in RAS-1 and RAS-2. The only expressly prohibited uses are short-term rentals (less than 30 days), commercial cannabis activities and cannabis dispensaries. Numerous types of accessory structures are permitted by right, including stables, pools, sheds, and small (under 200 SF) cabanas, guest houses, pool houses, garages, greenhouses, and similar structures. Such structures generally require conditional use permits when they exceed 200 SF (accessory dwelling units are excluded from this requirement). Other conditional uses include schools, fire stations, and similar public buildings and utilities. Site plans are required when development is proposed.

Table 5.1 summarizes the development standards in the RAS-1 and RAS-2 zones, starting with the minimum lot size requirements of one acre and two acres. The Code states that existing parcels of record that are smaller than the minimum lot size requirements are considered to be conforming. Minimum dimensional standards are established for new lots, including the ratio of width to depth and a requirement for a minimum width of 150 feet. There are also standards for minimum street frontage, keeping in mind that most streets are private and contained within easements. These standards are more flexible on cul-de-sacs, depending on turning radius.

As indicated in Table 5.1, building coverage is limited to 20 percent of the net lot area in both the RAS-1 and RAS-2 zones. Total impervious surface coverage (structures and hardscape) is limited to 35 percent of the net lot area; maximum disturbed area is limited to 40 percent of the net lot area; and building height is restricted to one story. The code identifies 2:1 (50%) as the maximum buildable slope. A minimum dwelling size of 1,300 square feet is established for the primary unit on the site. The Code includes setback standards of 50’ for front and rear yards, and 20’ for side yards in RAS-1 and 35’ for side yards in RAS-2. Lower standards apply in the OZD-1 overlay zone and exceptions are provided for lots along street easements.²

The zoning code affirms the one-story construction requirement established by the Rolling Hills Community Association (the RDM Overlay area is subject to a two-story requirement). The finished floor of structures must be no more than five feet above grade. Basements are

² The City is currently developing standards to implement SB 9, which allows the division of existing lots into two parcels and the construction of two dwellings on each parcel, subject to specific objective standards and other considerations.

permitted and storage areas may be located above or below a story. The code also provides standards for graded building pads and requirements for stables and corral sites.

Table 5.1: Summary of Rolling Hills Zoning Standards⁽¹⁾

	RAS-1	RAS-2	OZD overlay
Minimum Lot Size	1 acre	2 acres	N/A
Setbacks			
Front	50' from front easement line ⁽²⁾		30 feet from front roadway easement
Side	35 feet ⁽³⁾	20 feet ⁽³⁾	20 feet, reduced to 10' for street side yards
Rear	50 feet		
Structure Coverage ⁽⁴⁾	20%		
Impervious Surface Coverage	35%		
Building Pad Coverage	30%		
Maximum Disturbed Area	40% of net lot area (excl. easements)		
Maximum Height	One-story		

(1) Standards for the RDM Overlay Zone and standards for ADUs are addressed in Section 5.3.2 of the Housing Element.

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

(3) Reduced to 20' in RAS-2 and 10' in RAS-1 and OZD if there is a private street along the side property line.

(4) The percentage figures in Table 5.1 apply to the "net lot area" on each parcel, which excludes these easements.

Additional standards in the Zoning Code prohibit reflective outdoor siding, limit outdoor lighting (to maintain dark skies), and require Class "A" roofing. Conditions are established for specific accessory uses, such as greenhouses, pools, and playgrounds. This includes a requirement that guest houses (which are different from ADUs) may not exceed 800 square feet. Whereas guest houses may not be rented and typically require a conditional use permit, ADUs are permitted by right and subject to different standards (see P. 5-5).

A minimum of two garage parking spaces are required for each single family dwelling unit. An additional space is required for homes with guest houses (as noted above, guest houses are treated differently than ADUs). Homes are also required to have driveways, which are generally limited to 20 feet in width and one per lot, though exceptions apply. The parking requirement is not a development constraint and is appropriate given the size of parcels, the high number of automobiles per household³, and the fact that the streets lack sidewalks and are too narrow to permit on-street parking. There is also no public transit service in the city.

³ The 2015-2019 US Census American Community Survey indicates that 63% of all households in Rolling Hills own three or more vehicles.

The development standards in Table 5.1 do not present constraints to the construction of single family homes. Even a “small” substandard lot of 200’ x 200’ (40,000) square feet would be allowed 16,000 square feet of buildable area after required setbacks are subtracted. The allowable structure coverage on such a lot would be 8,000 square feet, providing more than enough space for a residence and detached accessory structures. The requirement for single-story construction has not constrained single family construction, given the ample building footprint accommodated on each site. In fact, single-story construction has enabled many older adults in Rolling Hills to age in place.

State law also requires the Housing Element to include an analysis of requests to develop housing at densities below those anticipated in the sites inventory. No such requests have been received in Rolling Hills, as development typically occurs on existing lots rather than through subdivision or multi-unit construction.

5.2.3 Standards for Different Housing Types

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

Accessory Dwelling Units⁴

An Accessory Dwelling Unit—or ADU—is an attached or detached dwelling unit that provides complete independent living facilities for one or more persons and is located on a lot with a proposed or existing primary residence. ADUs are commonly known as in-law units, second units, or granny flats. A “Junior” Accessory Dwelling Unit (or JADU) is an ADU that it is no more than 500 square feet in size, contained entirely within the footprint of an existing or proposed single family dwelling, and has an efficiency kitchen. JADUs often have their own bathrooms but they may also share bathrooms with the primary residence. State law now requires that all cities and counties permit ADUs and JADUs meeting certain standards “by right”—in other words, without a public hearing or discretionary approval.

Prior to 2018, ADUs and JADUs were not permitted in Rolling Hills. However, the zoning regulations allowed the construction of non-rentable guest houses for family members, visitors, and domestic employees on all residential properties. The large size and high value of properties in Rolling Hills has supported the development of guest houses in the past, resulting in a large inventory of structures that could potentially be converted from guest houses to ADUs in the future. The city also has a large number of accessory structures such as barns, pool cabanas, studios and workshops that could be converted to ADUs. Because of the single story

⁴ *This text was prepared in December 2021. Subsequent to its initial publication, the City coordinated with HCD to adopt amendments to its ADU ordinance to ensure that it is fully compliant with State law. These amendments were approved in August 2022.*

construction requirement, there are also a substantial number of homes with floor plans conducive to Junior ADUs, as many homes have wings, additions, or rooms that could easily be partitioned as independent living units.

In January 2018, the City Amended Chapter 17.28 of the Municipal Code to allow for the construction of Accessory Dwelling Units and Junior Accessory Dwelling Units (ADUs and JADUs). Consistent with State law (Government Code 65852.2 and 65852.22), the City allows ADUs and JADUs ministerially (e.g., without a discretionary public hearing) provided the units meet specific standards and design criteria established in the zoning code. The City has also created a discretionary review path for projects that do not meet these standards.

Chapter 17.28 establishes that an ADU and JADU may be allowed with a simple building permit if it is within the space of an existing single family dwelling or accessory structure, including an allowance for up to 150 additional square feet for ingress and egress. The unit must also have exterior access independent of the single family dwelling and side and rear setbacks that meet building and fire codes. In addition, detached ADUs are permitted with a building permit (and no additional permit) if they are 800 square feet or less, no more than 16 feet tall, and have side and rear setbacks of at least four feet.

A second permitting path has been created for units that are between 800 and 1,000 square feet. Such units require an ADU Permit, which like the building permit is issued ministerially, with no discretionary review. These units are subject to a size limit of 850 square feet for a studio or one bedroom and 1,000 square feet for a two-bedroom unit. If attached to the primary dwelling, the unit is subject to a requirement that it may not exceed 50 percent of the floor area of the existing primary dwelling. The ADU may not cause the lot coverage on the property to exceed 50 percent or cause the FAR to exceed 0.45. Setback standards also apply.

The City's ADU ordinance incorporates State standards for parking, which waive parking requirements for JADUs and units created by converting habitable accessory structures. Parking is also waived for units near public transit stops or car-share vehicles. This is generally not applicable in Rolling Hills, since the community is not served by transit or car-share services. Per State law, the Code allows for carports and garages to be converted to ADUs without replacement parking. Where this situation does not apply, one space is required for each ADU, and tandem parking is permitted.

ADUs are subject to general requirements, such as fire sprinklers (if the unit is in the primary residence) and a prohibition on short-term rentals (less than 30 days). They are also subject to permit streamlining requirements, including a requirement to act on the application within 60 days after it is deemed complete. This time period may be extended at the applicant's request, or if the ADU is located within a new single family dwelling on the lot. The City allows both the ADU and the primary residence to be rented, although there are limitations on renting JADUs if the primary residence is not owner occupied.⁵ The City's Ordinance also prohibits the sale of an ADU separately from the lot and primary dwelling.

ADUs are also subject to basic architectural standards, including compatibility with the design of the primary dwelling. This is objectively quantified, for instance by specifying that the roof pitch

⁵ JADUs (units created within the floorplan of an existing home) are subject to an owner-occupancy requirement unless the property is owned by a government agency, land trust, or housing organization.

must match the primary dwelling, and that the entry be on the side or rear elevation. The ADU is also subject to a minimum length and width standard of 10 feet, and a minimum ceiling height of seven feet. Landscape screening requirements apply to units that are near adjacent parcels. If the ADU changes the building exterior or involves a new structure, it is subject to design review by the Rolling Hills Community Association Architectural Committee (see next section for further discussion).

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

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

While no constraints have been identified, there are opportunities to provide incentives for ADUs that have yet to be realized. Because of recent changes to State law, there are opportunities for ADUs to be conveyed separately or operated by non-profits and/or affordable housing providers. As noted in Chapter 6, the City will pursue future programs to encourage ADU construction, including ADUs for very low and low income households. This includes creating a roster of ADUs and an inventory of units that meet “extremely low income” needs by providing housing for family members, domestic employees, or other long-term occupants.

Additionally, State law for ADUs was amended in 2020 and 2021. Several provisions in the City’s regulations must be updated for consistency. This includes eliminating the prohibition on ADUs with more than two bedrooms, and adding a provision that completed applications be deemed approved if they are not acted upon within 60 days. The City will work with the State Housing and Community Development Department to determine if there are other provisions of the ordinance that require updating. Program 6.10 in Chapter 6 identifies this as a high priority action, to be completed by October 15, 2022.⁶

Multi-Family Housing

In February 2021, the City amended its General Plan and zoning regulations to allow multi-family housing within the City limits. This was a key implementation measure in the Fifth Cycle Housing Element. New policies in the General Plan Land Use Element expressly support a range of housing types in the city, including multi-family housing. Chapter 17.19 of the

⁶ [These changes were made and this action was completed in August 2022.](#)

Municipal Code creates the Rancho Del Mar Overlay (RDMO) Opportunity Overlay Zone, which has the following objectives:

- Create “by right” opportunities for multi-family housing
- Implement state laws that require cities to demonstrate available land capacity and zoning to accommodate the City’s current and projected need for housing
- Facilitate well-designed development projects
- Encourage development that provides attractive features that integrate the public realm with development on adjacent private property.

The zone is mapped on the 31-acre Rancho Del Mar school site, which as noted in Chapter 4 and Appendix B, is the most viable location for multi-family housing in Rolling Hills. The zone allows 16 units of multi-family housing on the site (excluding potential density bonus units), with a requirement that this housing be constructed at a density of 20 to 24 units per acre. The 20 unit per acre minimum density requirement corresponds to the “default density” under AB 2348, while the 16-unit requirement is based on the number of units permitted by the underlying General Plan and RAS-2 zoning designations. It is also a threshold used by HCD to identify viable housing sites.

Affordable multi-family housing is permitted **by right** in this zone, provided it is affordable to low and very low-income households and meets objective design standards that are included in the zoning code. These include minimum dwelling unit sizes of 250 square feet for a studio, 400 square feet for a one-bedroom, 650 square feet for a two-bedroom, and 900 square feet for a three-bedroom. Higher minimums had been proposed initially but were lowered to the adopted standards based on direction from HCD that the above figures would not constrain development.

As noted above, the allowable density range for the Zone is 20-24 units per acre. Numerous projects—both market-rate and affordable—have been developed in this density range in Los Angeles County in recent years. The range can accommodate apartments, condominiums, townhomes, row houses, clustered units, manufactured homes, and small detached cottages. All of these housing types would be permitted under the regulations prescribed by the Overlay Zone.

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

Development is subject to a requirement that 100 square feet of common open space be provided for each dwelling unit. Thus a 16-unit project would be required to set aside 1,600 square feet of shared open space, which is equivalent to about 5 percent of the development site (assuming a density of 20 units per acre). When drafting the Ordinance, the City initially proposed a common open space standard of 150 square feet per unit, but this was reduced to 100 square feet during HCD’s review of the draft to eliminate the potential for a constraint.

One parking space per unit is required, plus one guest parking space for every 10 units. For senior housing, one space per unit is required for the first 10 units, and 0.5 spaces per unit are required for any additional units. The RDMO zone allows surface parking, with no requirements for garages or carports. At 180 square feet per parking space, the total area dedicated to parking in a 20 unit per acre project would be 3,240 square feet, or about nine percent of the site. Even with driveway lanes, the total area of the site required for parking would be small. Moreover, the ordinance includes provisions for reduced parking where certain conditions exist (shared parking agreements with nearby uses, available street parking, etc.).

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

The development standards require that multi-family housing be located at least 50 feet from the toe of the slope associated with a hillside area within the Overlay District. Figure 5.1 shows the sloped area and indicates that the linear distance between the toe of the slope and the access road serving the multi-family development site is 337 feet. Thus the area where structures are acceptable extends 287 linear feet back from the access road (minus a 5-foot front setback). While the rear 50 feet may not include structures, it could include open space and other amenities, including parking and driveways. The 50' setback does not affect parcel width (i.e., the east-west dimension), and still leaves room for a substantial development site on the property.

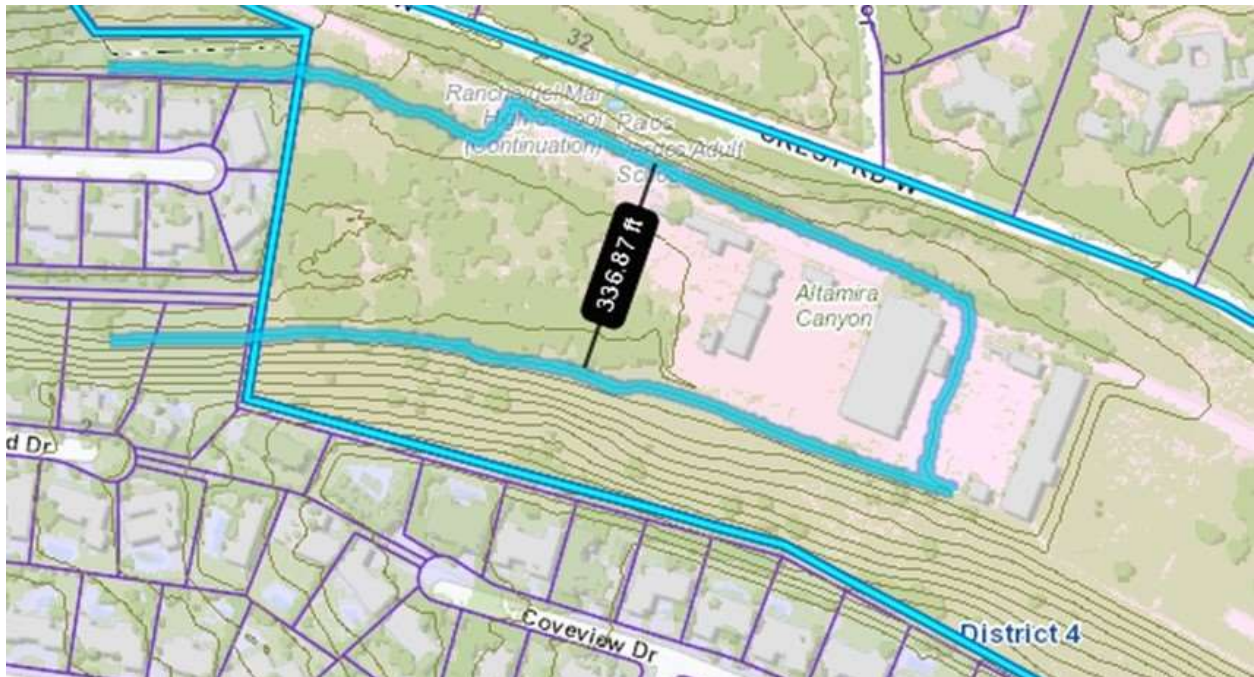


Figure 5.1: Slope Setbacks on PVUSD Site

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

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

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

Mobile and Manufactured Homes

As required by State law, the City Zoning Ordinance allows for manufactured housing units to reduce residential construction costs. Section 17.12.130 of the Rolling Hills Municipal Code defines manufactured homes and mobile homes as "single family dwellings"; as such, they are subject to the same standards as wood-frame construction.

Emergency Shelters

Every city in California is required to identify a zone where at least one year-round emergency shelter is permitted without a conditional use permit or other discretionary permit (Govt Code Section 65583(a)(4)(A)). The Government Code further requires that emergency shelters be subject to the same standards that apply to residential and commercial development in that zone, except that certain objective standards prescribed by the State may apply.

In February 2021, the City of Rolling Hills amended its zoning regulations to permit emergency shelters "by right" in the Rancho Del Mar Overlay (RDMO) Zone. Rolling Hills has adopted standards for shelters that meet the requirements of the Government Code and facilitate emergency shelter construction or conversion. The RDMO Zone encompasses over 31 acres of public property, most of which is underutilized. There are opportunities to create shelters by converting existing buildings, constructing new buildings, or using temporary facilities such as portables or tiny homes. This use is permitted by right, with no discretionary permit required by the City. There are no limitations on where shelters may locate within the boundary of the RDMO Zone. Since shelter beds do not constitute "dwelling units", an emergency shelter would

not be considered part of the 16 dwelling units permitted by the Overlay Zone and would not affect the number of allowable multi-family units in the Zone.

The City submitted preliminary standards to HCD for review in December 2020 and subsequently revised those standards to ensure that they are compliant with the Government Code and do not present a constraint to emergency shelter development. The adopted standards include:

- Shelters may be 300 feet apart, consistent with Government Code 65583(a)(4)(A)(v) One parking space for each staff person must be provided. There are no supplemental parking requirements based on the number of beds. The requirements are consistent with Government Code 65583(a)(4)(V)(A)(ii) and are no greater than those that apply to other land uses and activities in the RDMO zoning district.
- A maximum of 12 beds applies. This is comparable to the maximums that apply in nearby cities, including those with unsheltered populations.
- 50 square feet of personal living space is required for each occupant, excluding common areas.
- The standards allow, *but do not require*, shelters to include a dining room, commercial kitchen, laundry room, recreation room, child care facilities, and support services (the Code indicates these may be provided, but they are not mandatory)
- At least five percent of the shelter area must be dedicated for on-site waiting and intake, and an equivalent (or larger) area is required for exterior waiting
- Shelters must comply with building code, plumbing code, and trash enclosure requirements—the same standards that apply to other uses in the Overlay Zone and in the underlying base RAS-2 Zone.

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

The regulations do not constrain emergency shelter development and are compliant with Government Code requirements. As they were just put into effect in 2021, the City will monitor their effectiveness over the 2021-2029 planning period to determine if changes are needed.

Single Room Occupancy (SRO) Hotels

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

In December 2020, the City submitted preliminary standards to HCD for review and subsequently revised those standards to ensure that they do not present a constraint to SRO development. The adopted standards include:

- A minimum of six units and a maximum of eight units
- Maximum occupancy of two persons per unit
- Floor area of 250-350 square feet per unit
- Each room must include a water closet (Toilet plus sink)
- Each room must include a kitchen sink with a disposal (but not necessarily a full kitchen)
- Each unit must have a closet
- Full kitchens (i.e., with range, refrigerator, dishwasher, etc.) and full bathrooms (with shower/bath) *may* be provided in each unit but are not required. If these facilities are not included in each unit, then shared facilities are required on each floor.
- 0.5 parking spaces are required per unit, plus one space for each employee on duty
- Occupancy is for 30 days or more

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

Supportive, Transitional, and Employee Housing

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

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

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

Rolling Hills presently has no Code language that limits transitional, supportive, or employee housing or imposes any special restrictions on such housing. However, these housing types are not expressly acknowledged in the Municipal Code. The 2021-2029 Housing Element includes an action item to add definitions of transitional, supportive, and employee housing to the Municipal Code within six months of Housing Element adoption, acknowledging that such

housing is permitted or conditionally permitted in the same manner as other residential dwellings of the same type in the same zone, as required by State law.⁷

Housing Constraints for Persons with Disabilities

Government Code Sections 65583(a)(4) requires the Housing Element to include “an analysis of potential and actual governmental constraints upon the maintenance, improvement of development of housing...for persons with disabilities. AB 686 also requires the City to affirmatively further fair housing, which includes housing that meets the needs of persons with disabilities.

In November 2020, the City Council approved reasonable accommodation procedures, including application requirements, review procedures, findings, and provisions for noticing and advertising the opportunity. These procedures establish a process through which persons with disabilities can request reasonable accommodations (or modifications) to the City’s codes, rules, policies, practices or services so that they have an equal opportunity to enjoy or use a dwelling. The City has also adopted a resolution recognizing the Americans with Disabilities Act, including a commitment to assist disabled residents.

A request for reasonable accommodation may be made by any individual with a disability, his or her representative, or a developer or provider of housing for individuals with disabilities, when the application of a land use, zoning, or building regulation, policy, practice, or procedure acts as a barrier to fair housing opportunities. The City has posted notices at City Hall informing the public of its right to make such a request, including application forms for those making a request. Requests are generally made to the City Manager.

Once a completed application is received, the City Manager has 45 days to make a written determination. Additional information may be requested of the applicant in order to make an informed determination. An alternative solution to the one proposed by the applicant may be considered if it would reduce impacts and still achieve the intent of the request.

The request is granted, with or without conditions, if the City Manager finds that the housing will be occupied by an eligible individual, the requested accommodation is necessary to provide the individual with equal opportunity to use and enjoy a dwelling, the requested accommodation would not impose an undue financial or administrative burden on the City, or fundamentally alter the City’s zoning or building laws or undermine the General Plan, and there are no other reasonable accommodation methods that would allow the applicant to enjoy the dwelling that would be less impactful on the surrounding area.

Conditions of approval may be placed on the application. These may include periodic inspection to verify compliance, recordation of a deed restriction requiring removal of the improvements when it is no longer needed, time limits, measures to reduce off-site impacts, and measures that respond to the unique physical attributes of the property. Decisions may be appealed.

Rolling Hills has adopted the Los Angeles County Building Code. As long as construction is consistent with the Building Code, residents are permitted to provide any disabled access or

⁷ [This action was completed in August 2022 and the City is now fully compliant.](#)

amenity improvements necessary to reduce barriers. Access to homes via ramps is permitted. One-story construction throughout the community removes a major barrier for persons with disabilities and facilitates access for persons with mobility limitations. Accessibility improvements, universal design changes, and other accommodations for persons with disabilities are processed administratively in conjunction with the building permit process and are permitted in both of the City's residential zones.

No constraints to housing for persons with disabilities were identified in this analysis. As noted in Chapter 3, the city's large population of older adults requires ongoing efforts to facilitate retrofitting of existing homes for residents with physical limitations, and their caregivers.

Residential Care Facilities and Definition of "Family"

The Lanterman Developmental Disabilities Services Act requires that small licensed residential care facilities for six or fewer clients be treated as regular residential uses and permitted by right in all residential districts. Care facilities with seven or more clients (e.g., "large" residential care facilities) may be subject to additional requirements but must be treated the same as other residential uses in that zoning district. Cities that require conditional use permits for large residential care facilities are required to mitigate this constraint in their housing elements.

At this point in time, the Rolling Hills Zoning Code does not expressly mention or define residential care facilities, nor does it distinguish between "large" and "small" facilities. The Code should be amended to expressly indicate that this use is permitted by right in all zones where housing is allowed, and is subject to the same standards, fees, and procedures as other residential uses in those zones. This is required by State law. As required by California Health and Safety Code Section 1566.2, the City does not collect business taxes, registration fees, or other fees for small residential care facilities.

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

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

5.2.4 Cumulative Impacts of Land Use Controls

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

Because of the very large lot sizes in Rolling Hills, the zoning standards do not create an adverse cumulative impact on development costs or the housing supply. As previously noted (pages 5-2

and 5-4), a special zoning overlay (OZD-1) was created in 2012 to recognize that some parts of the city have prevailing lot sizes that are smaller than the one-acre minimum required by the RAS-1 district. Roughly 10 percent of the City's parcels are covered by this zone, which allows reduced setbacks in order to avoid the need for zoning variances.

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

The land use controls also do not present a cumulative constraint to ADU construction. Almost every parcel in the City has the land area or existing built floor area to support an ADU, and many homes already have spaces that could be easily converted to ADUs. The ADU and JADU regulations adopted in 2018 and revised in 2020 were drafted to work in tandem with the controls for the RAS-1 and RAS-2 districts and have laid the foundation for substantial ADU production.

There are no cumulative land use constraints to multi-family development. The Rancho Del Mar Overlay (RDMO) Zone standards have been tested to ensure they are internally consistent and can support housing in the 20-24 unit/acre range. The RDMO Zone allows multi-family housing to be either owner or renter occupied. New housing units in this zone must be affordable. The affordability requirement is not a constraint to development, as the site is publicly owned and represents a unique opportunity for reduced land and construction costs. There are no comparable opportunities in the city, as this is the only property in Rolling Hills that is flat, vacant, served by public sewer, and walking distance from public transit.

Prior to August 2022, one notable omission from the City's zoning regulations was a provision for density bonuses. State law requires that the City offer a density bonus for projects that set aside various percentages of units for affordable housing, senior housing, and other types of special needs housing. The number of bonus units is based on a sliding scale and can be up to 50 percent above the base density permitted by zoning. For projects where all units are affordable to low and very low income households, the density bonus rises to 80 percent. A density bonus could be requested for the Rancho Del Mar site, since the overlay requires that any multi-family housing is 100 percent affordable. This would allow 28 units on the site instead of the 16 allowed by the General Plan and zoning. Density bonus provisions were adopted by Rolling Hills in August 2022 and the City is now fully compliant with this requirement.

The Housing Element includes a program recommendation that the City amend the Municipal Code to adopt density bonus provisions or adopt the State provisions by reference.

5.2.5 Building Code Standards

The City of Rolling Hills adopted the Building Code for Los Angeles County in effect on January 1, 2020 as its Building Code. A number of local amendments to the Code were made. This includes an allowance for the City Council to hold a public hearing to review decisions of the County Board of Appeals, Code Enforcement Appeals Board, or Building Rehabilitation Appeals Board. Other local amendments include a modified definition of “basement” (to avoid the appearance of multi-story buildings), adjusted provisions for grading and cut slopes, limits on driveway slope, and limits on developing slopes over 50 percent. The City has also adopted the Los Angeles County Plumbing Code, Mechanical Code, Electrical Code, Residential Code, Fire Code, and Green Building Code.

Effective July 1, 2008, all land in the City of Rolling Hills was deemed to be a “Very High Fire Hazard Severity Zone” (VHFHSZ). As a result, several more restrictive fire safety standards have been adopted. The City also has adopted standards for hours of construction, and requirements for geological surveys and investigations.

5.2.6 Permit Processing Times and Approval Procedures

Processing and permit procedures can be a constraint to the production and improvement of housing due to the time they add the development process. Unclear permitting procedures, layered reviews, multiple discretionary review requirements, and costly conditions of approval can increase the cost of housing, create uncertainty in the development process, and increase the financial risk assumed by the developer.

In Rolling Hills, the time required to process a project varies depending on the size and complexity of the proposal, and the volume of projects being reviewed. Not every project must complete every possible step in the process. In addition, certain review and approval procedures may run concurrently.

For smaller projects, permit processing times tend to be faster than in most cities. Administrative review applications (i.e., those that do not require public hearings) typically take only a few days to process. However, the City’s capacity is limited, requiring that some permit processing functions are contracted out. Even smaller projects that are approved ministerially typically require review by the Rolling Hills Community Association and the Los Angeles County Building and Safety Department, in its role as the contracted building authority of the City.

The City collects no fees for over the counter review—such fees are assessed when the project is submitted to the Department of Building and Safety. Administrative review processes have been created for residential additions less than 1,000 square feet, accessory dwelling units and junior accessory dwelling units, remodels, foundation repair, and re-roofing. Such projects are required to submit two sets of plans, various checklists, and calculations of existing and proposed square footage, lot coverage, and impervious surface coverage. The City’s website provides comprehensive information for applicants seeking permits, including on-line portals for applications, payment, and checking progress on permit status.

Larger projects such as new homes take longer, but they are less common. New homes in

Rolling Hills are multi-million dollar projects that often require demolition, site preparation and grading, and new driveways before construction may begin. Larger projects may also require review by the LA County Health Department for the adequacy of the septic system, and the Fire Department for fuel modification.

Unless specifically exempted by State law, large projects such as new homes and residential additions of 1,000 square feet or larger are subject to Site Plan Review. An initial consultation with staff is strongly encouraged at the start of the process. Once an application is received, it is reviewed for completeness, including required calculations, elevations, and site plans. When the application is deemed complete, it is forwarded to the Planning Commission for a hearing, including a recommendation from staff.

The Site Plan review process typically takes three to six months from start to finish, including a field trip by Planning Commissioners to the project site at the start of the process. The process may be completed in a single hearing but on occasion may take two to three hearings so that issues raised by the Commission and public can be addressed. Additionally, project applicants may modify their site plans after approval and return to the Commission for approval of major revisions.

The Planning Commission has the authority to approve Site Plan Review applications. The decision of the Commission is considered final unless an appeal is filed with the City Council or the City Council decides to take the application under its jurisdiction. The decision becomes effective 30 days after adoption of the resolution.

Approval of a Site Plan Review application requires findings related to compliance with the General Plan and adopted lot coverage standards, preservation of topography and vegetation, grading that follows natural contours or does not adversely modify natural drainage channels, the use of drought-tolerant landscaping, impacts to pedestrian movement, and compliance with CEQA.

The Planning Commission does not expressly perform design review as part of this process, as its findings are principally related to address public health, safety, and welfare. Design review occurs privately, through the Rolling Hills Community Association (RHCA). The RHCA has an Architectural Committee that reviews plans for new homes and large additions to ensure that easements are kept free and clear of structures, including fences and other obstructions.⁸

Projects are submitted to LA County Building and Safety following RHCA review. RHCA maintains its own design guidelines, covering such topics as roofs, walls, windows, doors, and lighting. Because RCHA is a non-governmental agency, these guidelines are described later in this report under non-governmental constraints (see discussion of CC&Rs on page 5-22).

Projects that require Variances to development standards or Conditional Use Permits (CUPs) also require Planning Commission hearings. CUPs are required for large horse stables and corrals, detached garages, tennis courts, and a number of other large-footprint site features. From start to finish, the process from submittal of plans to approval of permits may take six months or longer for

⁸ School District and City-owned property is exempt from this requirement. Thus, any development in the RDMO Housing Opportunity Zone would not be subject to RHCA review.

a brand new home. Applications for ADUs, major remodels, residential additions, and accessory structures are more common, and are processed more rapidly. ADUs, JADUs, and other ministerially approved projects take approximately two to four weeks to process.

The City regularly seeks ways to expedite processing and improve the timeliness of its services. At the present time, permitting and processing time is not considered a constraint and the City complies with the time limit requirements established by Sections 65943 and 65950 of the Government Code. The Site Plan Review requirements and other permitting requirements are not a constraint to the development of multi-family or affordable housing as they would not apply to projects on the Rancho Del Mar site nor would they apply to ADUs that meet the City's adopted standards. As such, they have no impact on the cost, supply, timing, or approval certainty of these projects. For new single family homes, the review requirements result in processing times that may take several months. However, they do not affect the supply approval certainty. In a review of applications over the past eight years, only one application was denied (requesting a height modification to approved addition in 2017) and another application had a partial denial (for stairs and walls, in 2014).

5.2.7 Site Improvement Requirements

The principal site improvements required upon development of a vacant property are the undergrounding of electrical lines to the structure, installation of a septic system, and conformance to the City's outdoor lighting standards. Road and emergency access (fire safety) improvements may be required for properties that do not have street frontage or have other access constraints. New development in Rolling Hills consists almost entirely of custom homes on existing vacant or previously developed lots, rather than subdivision of "raw land," which tends to reduce overall improvement requirements. At the Rancho Del Mar affordable housing site, installation of curb and gutter improvements would be required prior to development, but the site already has road access, storm drainage, and water and sewer facilities in place. There would be no special or unique site improvement requirements imposed on development of this site.

Projects requiring the subdivision of land would be subject to the standards set forth by the City's subdivision regulations, which are specified in Title 16 of the Municipal Code. These standards establish a 24-foot road width for streets. A 32-foot turning radius is required on dead-end streets, and grades may not exceed six percent. The standards recognize that all streets in Rolling Hills are private. The City Council has the discretion to require additional site improvements adjacent to sites where land is being subdivided, including widening existing roads to meet neighborhood traffic and drainage needs. The subdivider may also be required to provide drainage improvements, in accordance with standards set by the City Engineer and with the city's MS4 permit (see P 5-26). The subdivision ordinance further specifies that water mains and fire hydrants may be required when new lots are created, and that easements for gas and electric services may be required.

The cost of installing a new septic system is generally not a constraint for brand new homes but can be an impediment for ADUs and smaller additions, particularly for homeowners with limited incomes. At minimum, the County Health Department requires a feasibility study for any project that could result in septic tank capacity being exceeded. Older homes may face costly septic

installation requirements that could render a home addition or ADU infeasible. Programs to assist lower income or senior homeowners with septic tank replacement could be considered, particularly where an ADU is being added.

5.2.8 Development and Permitting Fees

Fees are charged by the City and other agencies to cover the costs of processing permits and providing services and facilities, such as utilities, schools, and infrastructure. Most of these fees are assessed through a pro rata system based on the square footage or value of the project, the staff time required for processing, and the magnitude of the project’s impact. If fees become excessive, they can become a constraint on development and make it more difficult to build housing affordably. They can also place a burden on lower income homeowners seeking to modify their homes or add an Accessory Dwelling Unit.

Table 5.2: City of Rolling Hills Major Development Fees¹

Fee Type	Fee Amount	Notes
Site Plan Review	\$1,500	
Conditional Use Permit	\$1,500	
Variance	\$1,250	
Minor Variance	\$750	Encroachments from main structure that do not extend more than 5’ into required setbacks
Zoning Change or Code Amendment	\$2,000	
General Plan Amendment	\$2,000	
Accessory Dwelling Unit application	\$375	
Major Remodel Review	\$375	
View Impairment Review	\$2,000	Processing fee for Committee review of impacts on trees and views
Water Efficient Landscape Review	\$1,500	Unused balance refunded
Traffic Commission Review	\$300	Required for new driveways
Lot Line Adjustment	\$1,500	Plus County fee
Tentative Parcel Map	\$1,500	Plus County fee
Final Parcel Map	--	County fee only
Environmental Review Determination	\$200	Plus Fish and Game Fee
Environmental Impact Reports	Consultant fee plus 10%	Only required as needed
Appeal Fee	2/3 of original application fee	Only required as needed

Source: City of Rolling Hills, 2021. Barry Miller Consulting, 2021

ADOPTION DRAFT

¹ This is not a comprehensive list of all fees but covers the major development-related categories in the City's fee schedule. The fee schedule also covers records searches, inspections, and review of grading plans.

A summary of residential development fees charged by the City of Rolling Hills is presented in Table 5.2. Most projects do not require payment of these fees, as they would not typically require use permits, Variances, Zoning changes, General Plan amendments, CEQA review, lot line adjustments, and so on. However, Site Plan Review is commonly required for all new homes and major additions, and ADU permits are required for larger ADUs. For projects complying with City standards and requirements, the fees are not a development constraint.

Rolling Hills is one of 13 cities that contracts with the Los Angeles County Department of Building and Safety (LACDBS) for plan checking, building permits, and building inspection. The County issues building, plumbing, mechanical, and electrical permits on the City's behalf. The cost schedules for the incorporated cities served by LACDBS are higher than the schedules for the unincorporated area but are comparable to nearby cities with full-service building departments. A residential project with an assessed valuation of \$100,000 would be subject to a plan check fee of \$3,413 and a permit fee of \$4,029. This includes required energy and disabled access checking costs. As the value of a project increases, the fees decline as a percentage of total project costs. They represent 7 percent of a \$100,000 project but less than 5 percent of a \$500,000 project.

The fee schedules for other permits varies by type. Electrical permits are subject to a base fee of \$74.70, plus a cost per square foot (\$0.20/SF for multi-family and \$0.50/SF for single family and duplexes). Separate fees are collected for swimming pools, branch circuits, lighting fixtures, appliances, and electrical plan checking. Mechanical permits are collected for HVAC systems, compression units, boilers, refrigeration systems, etc. Plumbing permits are based on the number of fixtures and also cover projects requiring connection to septic tanks and work such as solar water heaters, sprinkler systems, and backflow protection devices. Relative to the other 12 cities that contract with Los Angeles County, the fee schedule in Rolling Hills is slightly higher. However, the fees are lower in Rolling Hills than in nearby Rolling Hills Estates.

The County also collects fees for projects requiring geotechnical review. This would apply to most new housing units in Rolling Hills. The fee ranges from \$2,752 to \$17,746, with the actual amount based on 0.50% of the value of the proposed structure. Additional fees are charged for geotechnical site inspections and geotechnical review of grading plans.

Los Angeles County typically updates its fees annually based on the consumer price index and other factors. The increase in 2021 was 2.2 percent for all cities served by the County. Rolling Hills updates its fee schedule less frequently, although fees are considered as part of the annual budgeting process. Some of the City's fees—such as the fees for parcel maps and lot line adjustments—have not been updated in many years.

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

A number of other fees apply in Rolling Hills; these are typically associated with new residences and are intended to offset the additional cost of providing services. These include:

- A Park and Recreation Fund Fee, which is equivalent to 2% of the first \$100,000 in building evaluation, plus an additional 0.5% of the remaining balance. The fee for a \$1 million construction project would be \$6,000. This fee is only charged for new primary homes---ADUs are exempt.
- A School Impact Fee, which is paid to the Palos Verdes Unified School District. In 2020, the fee was \$3.79 per square foot for new residential construction.
- A fee collected by the Rolling Hills Community Association (RHCA), equivalent to \$0.20 per \$100 of assessed valuation (i.e., \$2,000 for a project with a construction value of \$1,000,000)
- Additional architectural review fees collected by the RHCA, including a \$165 flat fee plus \$1 per square foot for new construction, additions and major remodels. In addition, RHCA collects fees ranging from \$25 to \$500 for individual features such as swimming pools, tennis courts, gazebos, and new roofs.

There are no sewer connection fees in the city, since there are no sewers. There is no water connection fee; water service charges are determined by the size of the meter and the number of fixtures, plus the amount of water used. The City likewise has no impact fees for housing, transportation, public art, or other services. Projects in the RDMO Zone would be exempt from the RHCA fee, since they are outside the HOA boundary.

In total, fees for a typical new home are roughly equivalent to 7-8 percent of total construction costs. This is comparable to other cities on the Palos Verdes Peninsula, though somewhat higher than in other urbanized parts of Los Angeles County. The higher fees are associated in part with the terrain and hazards in Rolling Hills and the size and complexity of applications for new homes, many of which require extensive grading and multiple inspections. Fees do not constrain development in Rolling Hills, but they do add to the cost of housing, which is already expensive in the City. Programs to reduce processing and permitting fees for ADUs could be considered, as they could incentivize ADU production.

5.2.9 Other Local Ordinances and Disclosure Requirements

No other local ordinances were identified that could present potential constraints to housing needs. The City does not have an inclusionary zoning requirement, growth control ordinance or limits on the number of units that may be constructed in a given year, or other locally-imposed requirement impacting the cost of residential development. The City prohibits the rental of rooms and houses for periods of less than 30 days, effectively disallowing short-term rentals. This supports the City's goal of using Accessory Dwelling Units as rental housing, rather than for transient occupancy.

The City also complies with AB 1483 (2019), which requires that agencies publish specific information on their websites starting January 1, 2021. This information includes:

- All current fees and exactions applicable to housing

ADOPTION DRAFT

- All zoning ordinances, design and development standards
- Current and five previous annual financial reports
- An archive of nexus studies for impact fees conducted after January 1, 2018

The City of Rolling Hills maintains a Planning and Community Services landing page on its website that contains all of this information. This landing page includes a link to all planning and development fees, the Zoning Map, the Municipal Code (which includes the zoning ordinance and all applicable development standards), the General Plan, the Local Hazard Mitigation Plan, Landscape Design Standards, the Water Efficient Landscape Ordinance, Planning and Development forms and application materials, the Planning Commission calendar, technical information for developers (related to stormwater management), permitting requirements, guidelines for equestrian facilities, information on solar panels and rainwater harvesting, and guidance on septic system installation. The City is also updating its [environmental programs](#) page. An action program in the Housing Element calls for this information to be reorganized and updated, with new information added on Accessory Dwelling Units and links to the RHCA Design Guidelines.

Every annual budget and audited financial report for the City since 2010 is available on the City's website. There have been no nexus studies for impact fees since 2018, but such studies would be posted if conducted in the future.

Disclosure requirements related to SB 35 also apply to Rolling Hills. In 2018, California adopted SB 35, which establishes streamlining provisions for multi-family projects meeting certain criteria related to affordability and payment of prevailing wages to construction workers. As of 2021, projects in Rolling Hills in which 10% or more of the units are affordable are eligible for SB 35. Article III Section 300 (b) of HCD's Guidelines for SB 35 requires that cities in this situation must provide "information, in a manner readily accessible to the general public, about the locality's process for applying and receiving ministerial approval, materials required for an application as defined in Section 102(b), and relevant objective standards to be used to evaluate the application." An action program in this Housing Element recommends creating an SB 35 information sheet and application and including it on the Planning and Community Services Website.

5.3 Non-Governmental Constraints

Non-governmental constraints significantly affect the affordability of housing in Rolling Hills. Specifically, the high cost of real estate in the city, its heritage as a rural, gated equestrian community, and its limited infrastructure and severe environmental constraints, make it extremely challenging to build traditional affordable housing units. The city is one of the most expensive and highly constrained communities in California. To be economically viable, affordable housing must be tailored to community context—for example, through accessory dwelling units.

5.3.1 Land Costs

Land in Rolling Hills is expensive. The city features dramatic topography, with sweeping views of the Pacific Ocean and Los Angeles basin. Property in the city is marketed as a location for prestigious estates. The supply of acre-plus homesites on the Palos Verdes Peninsula is limited, making demand for such properties very strong. A scan of Zillow.com in Fall 2021 shows two vacant lots for sale in the city—one for \$7.5 million and another with geologic constraints for \$1 million. Data on recent sales shows a vacant single family parcel that sold for \$6.85 million in November 2020 and another that sold for \$1.84 million in 2019. These properties have been marketed and sold as sites for large single family homes.

The economic viability of affordable housing on these sites is further challenged by the cost of the site improvements that would be required to facilitate safe development. The vacant parcels described above lack public sewer; are accessed by narrow, winding, private roads traversing an area with very high wildfire severity; and have slopes that exceed 50 percent in some cases. The cost of road widening, grading and earth movement, and installation of community-wide sewer and storm drainage construction make most types of multi-family housing economically infeasible. There is no public revenue source to make these improvements. The absence of commercial land uses in the city limits the City's ability to sponsor programs that would reduce or underwrite land or site improvement costs.

5.3.2 Construction Costs

The cost of construction, including labor and materials, is a significant constraint to housing development in Rolling Hills. While high costs have impacted the entire state, Rolling Hills is particularly impacted by the high cost of mitigating environmental constraints, including fire and geologic hazards. New home construction requires grading and earth movement, often with costly retaining walls and engineered drainage systems. Many homes in the city feature high-end finishes, as well as amenities that result in higher costs. The city is also vulnerable to elevated or inflated costs that reflect its reputation as a high-end, high-income market.

In 2014, the Rolling Hills Housing Element estimated that construction costs were approximately \$330 to \$500 per square foot. Based on recent projects in the city, costs have doubled since then. The National Association of Homebuilders estimated that costs increased 26 percent between June 2020 and June 2021 alone. There have been rapid increases in the price of lumber, copper, steel, aluminum, concrete, and other building materials, resulting in some

projects being placed on hold and others being cancelled altogether. Construction costs for home additions now regularly exceed \$800 per square foot.

Construction of septic tanks represents a unique expense in Rolling Hills that is not common in surrounding cities. Anecdotally, homeowners in the city report costs of well over \$25,000 to install new septic systems, which in some cases can be an impediment to adding an accessory dwelling unit or expanding an older home.

5.3.3 Financing

Financing is not a constraint to housing development in Rolling Hills, but the high cost of housing makes it infeasible for most households to buy a home in the community. Home mortgage interest rates were low at the time the Housing Element was drafted, with rates at around 3.0 percent for a 30-year mortgage in Fall 2021. Income and down payment requirements have become more stringent than they were following the mortgage crisis of a decade ago, and there are fewer flexible loan programs to bridge the gap between the amount of a required down payment and a potential homeowner's available funds.

Given the very high cost of housing in Rolling Hills, significant capital is required to purchase a home. A 20 percent down-payment on the median priced home in the City would be nearly \$750,000, with monthly mortgage payments of nearly \$19,000. A very high income would be required to qualify. First time buyers face particular challenges in the city, given the lack of equity from prior home ownership.

5.3.4 Delays Between Approval and Construction

Given the high cost of construction and rising interest rates, there may be delays between the time a project is entitled and when it is actually constructed. Applicants may postpone their projects due to high material costs, supply shortages and shipping delays, and a lack of skilled construction workers and contractors. Rising interest rates can also add to the cost of a project, leading to postponement. The economic uncertainty and upheaval of the COVID-19 pandemic has also caused some projects to stall over the last two years. In some cases, projects may be cancelled altogether, or the property may be sold to a new owner who may modify or abandon previously approved plans.

These factors are out of the City's control but can have a real impact on housing supply and construction. The City is particularly interested in the completion of permitted ADUs, as these units are critical to achieving affordable housing goals. As noted in Chapter 6, Rolling Hills intends to establish a monitoring program for permitted ADUs to facilitate their construction. This would include reaching out to those who receive ADU permits and monitoring construction progress on those units. The monitoring program includes follow-up conversations with any applicants who do not complete their projects to understand the factors leading to that decision, and any steps the City can take to improve completion rates.

Another issue that could potentially hinder housing production is the length of time between receiving approval for a project and issuance of a building permit. As noted in Section 5.2.6,

approval resolutions for projects that require discretionary action do not become final for 30 days. Approval by the RHCA also occurs after City approvals. The total required time between City approval and application for a permit is typically 30 to 90 days. Planning entitlements are valid for two years and may be extended, so this time interval does not hinder construction.

The time between submittal of an application for a building permit and issuance of the permit depends on the complexity of the project. As noted in Section 5.2.6, building permits are issued by the Los Angeles County Building and Safety Division (Building and Safety). Typical processing time for complex projects is less than nine months.

The City does not receive notification from Building and Safety when permits are issued, and the County's on-line record-keeping system does not consistently reflect current permit status. An action program in this Housing Element calls for Rolling Hills to work with the County to receive regular updates on active building permits. This will allow the City to track the status of development projects and follow up when necessary.

5.3.5 Conditions, Covenants, and Restrictions (CC&Rs)

Development in Rolling Hills is controlled through both municipal zoning and privately enforced CC&Rs. The CC&Rs are considered a non-governmental constraint because they are enforced by the Rolling Hills Community Association (RHCA), a private entity. The CC&Rs were established by the Palos Verdes Corporation in 1936 upon the initial development of the community. They apply to all property in the city except the City Hall Campus, Tennis Court Facilities, PVP Unified School District site (Rancho Del Mar), and Daughters of Mary and Joseph Retreat Center. The RHCA does not have design review or building permit review authority on these sites.

Elsewhere in Rolling Hills, the CC&Rs restrict the development and use of property to single family homes and limited public uses. They do not allow multi-family housing, commercial, office or industrial activity. One of the stated purposes of the CC&Rs is to preserve and maintain the rural character of the community, including regulating the architectural design of structures. The CC&Rs authorize the RHCA Board to appoint and maintain a five-member Architectural Review Committee to carry out this objective. The Committee is comprised of three Association members and two licensed architects.

The RHCA Board has adopted a Building Regulations manual that is used by homeowners and their architects/ contractors, and by the Committee to evaluate projects. Committee review is required for all new residences and accessory structures, and for all projects that modify the exterior of existing structures. Committee meetings occur twice monthly, on the first and third Tuesdays. The meetings are not considered "public hearings" since RHCA is not a public agency, but they are open to all members of the Association and are subject to Association bylaws.

RHCA's Building Regulations require that all homes under RHCA's jurisdiction be one-story, ranch-style construction. The Regulations identify three permissible style types: traditional ranch, contemporary ranch, and early California Rancho. Specific standards are provided for each style, including allowable exterior siding materials, roof materials (and colors), roof pitch,

building height (25 feet), and floor to ceiling plate heights (8'6" maximum in at least 50 percent of the structure). Regardless of style, all buildings must be painted white, conform to the natural grade, and have consistently designed doors and windows. A minimum floor area of 1,300 square feet, plus a two-car garage, is required for all residences.

The regulations align with the City of Rolling Hills zoning regulations—in fact, the CC&Rs expressly state that the Architectural Committee must comply with applicable provisions of the Rolling Hills Municipal Code. This includes allowing Accessory Dwelling Units (ADU), which are not mentioned in the Association's Building Regulations. Under AB 670 and AB 68 (effective January 2020), CC&Rs may not be used to deny ADU applications, and prohibitions on ADUs by homeowner associations are not enforceable.

State law does allow homeowner associations to review the design of ADUs, provided their process is fair, reasonable, and expeditious. This has been occurring in Rolling Hills for the last three years with no adverse effects on ADU construction.

As noted earlier in this chapter, the City has developed a ministerial process for ADU approval as required by state law. Projects meeting the dimensional requirements in the Municipal Code (which are consistent with State standards) are approved without a public hearing or discretionary review by the City. If an ADU does not affect the exterior of a home (for instance, a Junior ADU entirely within the footprint of an existing home, or the conversion of a detached guest house to an ADU), then no RHCA review is required. The Architectural Committee does review ADUs that modify the exterior, add square footage to a structure, or result in a new accessory structure. The purpose of this review is to verify that the structure meets the objective design requirements in the RHCA Building Regulations rather than to evaluate the merits of the project or its off-site impacts. According to the Committee's own guidelines, it "will not require modifications to working drawings that materially change the massing of the project."

City staff has worked closely with RHCA staff to ensure that their design review process is coordinated with City permitting, streamlined, and does not impose unreasonable restrictions on applicants. The RHCA office is adjacent to City Hall and there is ongoing coordination between the two entities. When an application for an ADU is submitted to the City, the City advises the applicant to proceed to RHCA immediately afterwards to initiate project review. Projects are typically forwarded to the RHCA Architectural Committee within two weeks and are typically approved at the initial meeting; if modifications are required, the plans are typically approved at the second meeting two weeks later. The review occurs concurrently with the City permitting process, avoiding potential delays.

In practice, every ADU application approved by City staff has subsequently been approved by the RHCA Architectural Committee. Nonetheless, an action program in this Element recommends that the City work with RHCA to update the 2017 Building Guidelines to acknowledge ADUs and provide guidance for homeowners seeking to add an ADU.

5.3.6 Infrastructure

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

Streets

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

The city's circulation infrastructure is not conducive to uses generating high trip volumes, such as higher-density housing. Given the entire city's designation as a very high wildfire hazard severity area, the capacity to evacuate the population is also a limiting factor. Most streets in the community are "dead ends" without emergency vehicle access alternatives in the event that ingress and egress is blocked.

A number of properties—including City Hall, the Retreat Center, and the PVUSD site, are accessed from roads outside the City gates. These parcels are less constrained by street access but could require ingress and egress improvements (resurfacing, driveways, etc.) in the event a change of use was proposed. Such improvements are typical for any development and would not adversely affect expected construction costs.

Wastewater Disposal

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

Over the past 35 years, the City has conducted multiple sewer system feasibility studies. In 2019, the City received approval from the Los Angeles County Public Works and Sanitation District to discharge effluent from up to 235 existing homes in Rolling Hills. The City is in the process of completing design drawings for Phase One, which is a 1,585-foot long 8-inch diameter sewer line along Rolling Hills Road/Portuguese Bend Road. This will provide service to City Hall, the RHCA offices, and the Tennis Courts. Future phases of the project could provide service to residences but would require significant grant funding and potentially special assessments.

In 2021, the City surveyed all households to determine the level of support for developing a sewer system. Roughly 16 percent of the City's households participated. The survey found that about three-quarters of the residents' septic tanks were more than 20 years old. More than 80

percent supported construction of a sewer system, though many responses were contingent on the cost. Past engineering studies have concluded that the terrain and unstable geological conditions in the city make a conventional gravity sewer system infeasible in the city, meaning the cost to property owners could be significant.

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

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

Storm Water Run-off

As a rural community without public streets, Rolling Hills does not have a municipal storm sewer system or continuous network of storm drains. Drainage follows topography, with stormwater flowing into steep ravines through the community. Water percolates into the ground along canyon bottoms, with runoff flowing to the ocean, or to larger streams and detention basins downstream, depending on location.

To comply with federal National Pollutant Discharge Elimination System (NPDES) requirements and maintain its Municipal Separate Storm Sewer System (MS4) permit, the City is required to screen and monitor its runoff to avoid compromising downstream water quality standards. It also required to implement a number of programs, such as an Illicit Discharge Elimination Program. The City also requires Best Management Practices (BMP) for construction in order to avoid erosion, pollution, sedimentation, and runoff that would degrade water quality. These requirements are not a development constraint but may add to the cost of construction. Moreover, the lack of a municipal storm drainage system represents another constraint to higher density housing in most of the city.

The Rancho Del Mar site is outside the area covered by the MS4 monitoring program and drains west toward Rancho Palos Verdes. Unlike the rest of Rolling Hills, it is served by an improved storm drainage system. A 2017 facility evaluation reported the storm drains and inlets on the site as being in good condition.

Water

Water infrastructure in Rolling Hills is owned, maintained, and operated by California Water Service (CalWater). The city is within CalWater's Palos Verdes District, which also serves the other cities on the Palos Verdes Peninsula. Facility planning is governed by an Urban Water Management Plan (UWMP), which evaluates anticipated demand and the water resources available to meet that demand.

Projections of future water use are based in part on expected population growth, which is derived from SCAG forecasts and local general plans. Water demand is projected to increase by 6 percent by 2045, reflecting very slow population and housing growth in the Peninsula cities. Development beyond that anticipated by SCAG forecasts could reduce water pressure, compromise firefighting capabilities, and curtail domestic water availability. This is a problem throughout California, made worse by persistent drought conditions. The UWMP provides water shortage contingency plans, including measures to reduce demand and procure emergency supplies.

Water storage facilities and pipelines in Rolling Hills are generally adequate to meet local needs. However, many of the city's water facilities are aging and the system as a whole is vulnerable to damage during earthquakes and landslides. Storage and distribution facilities reflect the rural density of the city and are not sized to accommodate significant growth. The Palos Verdes Unified School District site provides a unique opportunity in this regard, as its water system was designed for a public school campus with several hundred students.

The introduction of ADUs in Rolling Hills could potentially impact water demand in the City. The California Water Company has no plans to upgrade the aging water system. As ADUs are created, it will be important to consider potential impacts on water distribution lines and fire fighting capacity. Several factors work to mitigate the impacts of ADUs on the water system. First, the population of Rolling Hills has declined by roughly 300 since 1980. Thus, the addition of 40 or so ADUs over eight years may not increase the total number of residents in the City. Second, water conservation measures have been implemented—and continue to be implemented—to reduce water flows and water demand. These measures include water-efficient landscaping requirements, as well as requirements for more efficient plumbing fixtures.

Dry Utilities

Rolling Hills residences are also served by dry utilities. Electric services are generally provided by Southern California Edison while natural gas is provided by Southern California Gas Company. A range of private vendors provide phone, internet, and cable services. Capacity is available to serve new development, and all of the vacant and underutilized sites identified in Chapter 4 would have access to these services if they were developed. The Rancho Del Mar site currently has access to these services as it is a former school.

5.3.7 Environmental Constraints

Rolling Hills has severe environmental constraints to development. Slopes exceeding 25 percent are present on almost every remaining undeveloped parcel in the city. Geotechnical studies are required when new homes are constructed, and mitigation is often required to reduce the potential for future damage. The City's Site Plan Review Process and grading requirements are intended to strictly limit recontouring of existing terrain. Most grading occurs through "cut and fill" procedures that retain materials on site. This adds to local housing costs and limits the viability of multi-family housing on most properties in the city.

Landslide Hazards

Figure 5.2 shows landslide zones in Rolling Hills, as mapped by the California Geological Survey (CGS). Large portions of the city are considered hazardous and major slides have occurred in the past. This includes the Flying Triangle Landslide, which has impacted roads, homes, and properties in the southern part of the city for the last 50 years. These areas are poorly suited for development and are susceptible to slope failure. Human modifications to slopes (through development) can exacerbate the problem and the risk.

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

Earthquake Hazards

Like most of Southern California, Rolling Hills is vulnerable to earthquakes. Large earthquakes can cause building damage and collapse, as well as damage to roads and utilities. The City of Rolling Hills is crossed by the Cabrillo Fault, which is part of the Palos Verdes Fault Zone. It is also vulnerable to earthquakes on the Whittier Fault, the Newport-Inglewood Fault, the Malibu Fault, the Santa Monica Fault, the Redondo Canyon Fault. The location of these faults is shown on Figure 5.3.

The Whittier and Newport-Inglewood Faults are considered capable of generating earthquakes with magnitudes greater than 7.0 and have the potential to cause catastrophic damage. In the event of a major earthquake on either fault, the city of Rolling Hills would be vulnerable to ground shaking. Secondary hazards include liquefaction, earthquake-induced landslides and differential settlement. Fault rupture is not a significant hazard in the city, and there are no Alquist Priolo "special studies" zones within the city limits.

Wildfire

As shown on Figure 5.4, the entire city of Rolling Hills has been designated a "Very High Wildfire Hazard Severity Zone" by CalFire. The city's terrain creates challenges for vegetation management and presents conditions where a fire can travel quickly up and down canyon

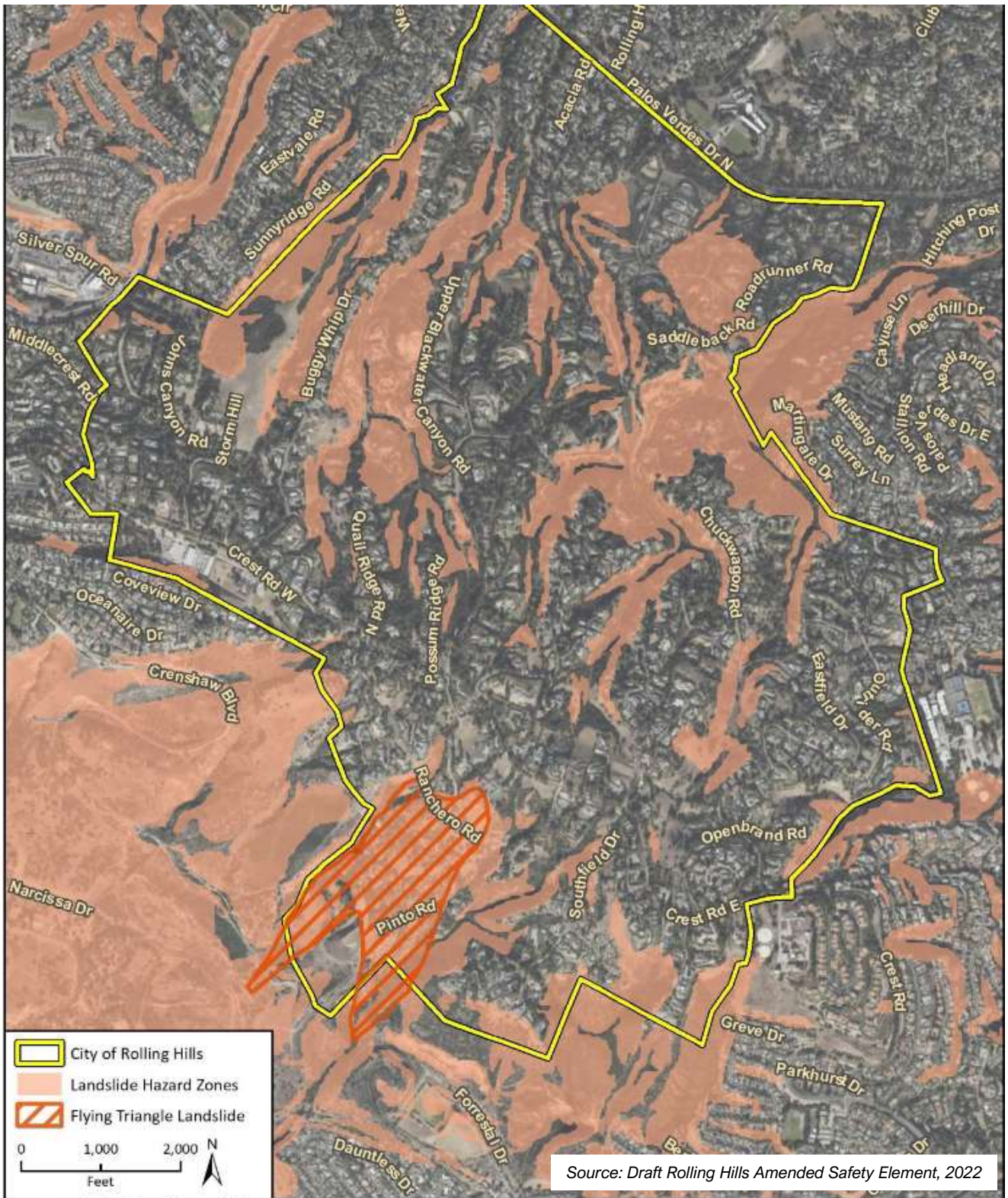
slopes. Despite defensible space requirements, the city's rural nature and equestrian heritage means that extensive areas are covered by dense scrub and brush. The Palos Verdes Peninsula has a history of destructive wildfire, including fires that destroyed homes in 1973, 1993, 2009, and 2018.

The City has taken measures to reduce fire hazards, including preparing a Community Wildfire Protection Plan in 2020. The Plan outlines measures to harden infrastructure, improve vegetation management, underground electric power lines, and improve inspections and enforcement. It also includes provisions for evacuation. Additionally, the City (and Los Angeles County) require special building safety measures, including standards for roofing, eaves, exterior finishes, and buffer zones that respond to the higher fire hazard levels.

Despite these measures, the risks of wildfire cannot be eliminated entirely. Moreover, the city continues to face evacuation constraints resulting from its narrow roads, limited ingress and egress points, and the presence of livestock on many properties.

Biological Resources

Rolling Hills supports a variety of plant and wildlife species, including some that are listed or under consideration for listing by the U.S. Department of Fish and Wildlife and/or the California Department of Fish and Wildlife. These species include the Palos Verdes Blue butterfly, the California Gnatcatcher, the Pacific Pocket Mouse, the San Diego Horned Lizard, and Brackishwater snail. Development that could adversely impact the habitat of these species must undergo review and approval by the overseeing federal and state agencies. Typical mitigation measures include preservation of habitat, further restricting the potential land available for development. This constraint is likely to continue throughout the planning period.



Imagery provided by Microsoft Bing and its licensors © 2022.

Additional data provided by California Geological Survey, 2015. The Flying Triangle Landslide polygon is from USGS, 2021, and is subject to data inaccuracies.

Figure 5.2: Landslide Hazard Areas in Rolling Hills



Imagery provided by ESRI, Microsoft Bing and its licensors © 2020. Additional data provided by California Department of Conservation, California Geological Survey, 2016. Source: Draft Rolling Hills Amended Safety Element, 2021

Figure 5.3: Earthquake Faults in the Rolling Hills Vicinity



Imagery provided by Microsoft Bing and its licensors © 2020.
Additional data provided by CalFire, 2020.

Source: Draft Rolling Hills Amended Safety Element, 2021

Figure 5.4: CalFire “Very High” Fire Hazard Severity Zones

6. Housing Goals, Policies, Objectives, and Programs

Chapter 6 provides the City's housing plan for the next eight years. The plan has three components:

- A statement of the City's goals and policies for housing. The goals and policies balance State mandates and Government Code requirements with local needs and priorities.
- An action program. The action program identifies the specific, measurable steps the City will take during 2021-2029 to implement the policies.
- Measurable objectives for housing production. These objectives correspond to the City's Regional Housing Needs Allocation (RHNA) and also include numeric targets for housing rehabilitation and conservation.

6.1 Goals and Policies

The following goals and policies reflect the City's continued commitment to actively support residential development and plan for the City's fair share of regional housing needs:

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

Policy 1.1: Accommodate Rolling Hills' share of the region's housing needs in a way that protects public safety, responds to infrastructure constraints and natural hazards, recognizes market conditions, and respects the historic context and land use pattern in the city.

Policy 1.2: Allow the development of a variety of housing types in the city, including multi-family housing. While Rolling Hills will remain a rural equestrian community, housing opportunities will be provided for all income groups as required by State law.

Policy 1.3: Facilitate development on the remaining vacant buildable lots in the city in a manner consistent with adopted zoning standards.

Policy 1.4: Allow Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (JADUs) in all residential zones. Maintain objective standards to ensure that ADUs and JADUs are compatible with the community; minimize visual, parking, traffic, and other impacts; and respect neighborhood context.

Policy 1.5: Explore incentives to create and maintain Accessory Dwelling Units that are affordable to low and very low income households.

Policy 1.6: Encourage the conversion of existing guest houses and other habitable accessory buildings into legal ADUs.

Policy 1.7: Work with other governmental entities and the non-profit community to support the development of affordable or senior housing on the Palos Verdes Peninsula and in nearby South Bay cities.

Policy 1.8: Maintain planning and building procedures that maximize efficiency and reduce permit processing times and high fees. Encourage public understanding of the planning and building processes to reduce project costs and delays.

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

Policy 2.1: Encourage and facilitate the maintenance and improvement of existing homes.

Policy 2.2: Ensure that new housing and home improvements comply with building code and fire safety requirements.

Policy 2.3: Maintain a code enforcement program, including procedures to remediate violations.

Policy 2.4: Require the design of home improvements, additions, ADUs, and infill housing to minimize impacts on existing residences. Include objective standards in the zoning ordinance that protect visual quality, privacy, and community character.

Policy 2.5: Mitigate hazards that could potentially cause a loss of housing units in the city, including wildfires, landslides, and earthquakes. Encourage home hardening and defensible space to minimize the potential for housing loss during a natural disaster.

Policy 2.6 Prohibit the use of ADUs as short-term rentals in order to maintain their viability as permanent housing units.

Policy 2.7: Encourage weatherization, energy conservation, and renewable energy to increase energy efficiency and reduce home energy costs.

GOAL 3: Address the housing needs of older adults and others in the community with special housing needs.

Policy 3.1: Provide reference and referral services for seniors, such as in-home care and counseling for housing-related issues.

Policy 3.2: Support shared housing programs and room rentals as options for seniors to remain in the community without financial hardship.

Policy 3.3: Encourage housing opportunities for live-in care givers, domestic employees, and family members who may assist elderly or mobility-impaired residents who wish to age in place.

Policy 3.4: Consider participation in state and federal programs that assist lower income and senior households in home repair and maintenance.

Policy 3.5: Strive to meet the needs of extremely low-income Rolling Hills residents, including seniors on fixed incomes.

Policy 3.6: Encourage the retrofitting of existing Rolling Hills homes so they are accessible to the disabled, including persons with developmental disabilities. Provide reasonable accommodations in rules, policies, practices, and procedures for disabled persons to ensure equal access to housing.

Policy 3.7: Participate in countywide programs to meet the needs of unsheltered residents and others who may need emergency housing assistance.

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

Policy 4.1: Affirmatively further fair housing by ensuring that housing opportunities for persons of all income levels, races and ethnicities, and physical abilities are available in Rolling Hills.

Policy 4.2: Enforce all applicable laws and policies pertaining to equal housing opportunity and discrimination. Maintain third party agreements to follow-up on and correct alleged violations.

Policy 4.3 Make information on fair housing laws available to residents and realtors in the City by providing information on the City's website and print media at the City Hall public counter.

Policy 4.4: Ensure effective and informed community participation in local housing decisions. This should include special efforts to include traditionally underrepresented groups, including persons working or providing services in Rolling Hills.

Policy 4.5: Distribute affordable housing opportunities around the city by focusing on ADUs as a housing strategy.

Policy 4.6: Participate in regional forums and initiatives to promote fair housing.

6.2 Housing Implementation Plan, 2021-2029

The goals and policies set forth in the Housing Element will be implemented through a series of housing programs. Some of these programs are already underway and others will be implemented over the next eight years. This section of the Housing Element provides a brief description of each program, including measurable objectives, responsible entities, and implementation timeframes. Each of these programs has been developed consistent with HCD guidelines and State Government Code requirements.

Program 1: Annual Progress Report

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

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

Program 2: Rancho Del Mar Opportunity Site Monitoring

In February 2021, the City adopted the Rancho Del Mar Overlay Zone on the 31-acre Rancho Del Mar (RDM) campus owned by the Palos Verdes Unified School District. As documented in Chapter 4 and Appendix B of this Housing Element, large parts of the RDM site are unimproved and vacant. The new zoning permits 16 affordable multi-family units on the site, which may be developed “by right” at a minimum density of 20 units per acre.

The City Manager will meet at least once annually with the School Superintendent to discuss the future of the site, including future development opportunities. Next steps to be pursued on the site include:

- Subdividing the site to create a separate parcel west of the PVPTA transit facility. This site could potentially be more easily marketed as a development opportunity than the 31-acre site as a whole.¹
- Preparation of a “fact sheet” for the site, for review by the School Superintendent and School Board, highlighting the potential for multi-family housing
- Further discussions with the School Board regarding opportunities for teacher housing and/or senior housing on the site.

¹ Subdivision is not required to develop the site—it can also be developed “as is” in 2022. However, subdivision could provide an incentive for future development during the planning period.

ADOPTION DRAFT

- In collaboration with the School District, make information on the site (e.g., the “Fact Sheet”) available to affordable housing developers.
- Further discussions with non-profit developers regarding the opportunity to construct housing on the site, including technical assistance to developers where requested.
- Consideration of permit streamlining, CEQA clearance, and fee reductions for future affordable housing development on the site. Multi-family housing is already permitted “by right” subject to objective design standards adopted in February 2021, but further steps could be taken to reduce future development costs.

Quantified Objectives:	(1) 16 units of affordable housing on the RDM site (2) Annual meeting between the City Manager and School Superintendent
Funding Source:	City General Fund
Responsible Agency:	City Manager
Implementation Time Frame:	(1) Meeting with School Superintendent by end of 2022 and once annually thereafter (2) Preparation of site “fact sheet” for review by School District and School Board by June 2023 (3) Subdivision creating “western” parcel by end of 2023, subject to School Superintendent and Board approval

Program 3: No Net Loss Monitoring and Other Multi-Family Housing Opportunities

The City has identified adequate capacity to accommodate 45 units of housing, as required by the Regional Housing Needs Allocation. Sixteen of these units are on the Rancho Del Mar Site. Five are new single family homes on vacant lots (three of which are already approved). The remainder are Accessory Dwelling Units. Rolling Hills will continue to maintain General Plan and zoning designations that facilitate development of the required number of units and will continue to comply with the Housing Accountability Act in the event projects are proposed.

SB 166 (2017) requires that every city maintain “adequate sites” to accommodate its RHNA by income category at all times during the eight-year Housing Element period. If a designated housing opportunity site becomes unavailable, the city must demonstrate that it still has adequate capacity on its remaining sites (e.g., “no net loss”). In the event the Rancho Del Mar site becomes unavailable to produce the housing units envisioned by the overlay zone, the City would need another suitable site to accommodate those units.

Cities generally meet the no net loss mandate by providing one or more “buffer” sites in addition to their primary sites. These sites must meet HCD criteria, including the ability to accommodate 16 units at a density of at least 20 units per acre. As demonstrated in Chapter 4, due to the lack of sewer and the community’s natural hazards, Rolling Hills does not have a buffer site available. The City will continue to explore potential housing sites that could supplement the RDM site, particularly where sanitary sewer service could be made available in the future. The City will continue to rely on accessory dwelling units to meet the balance of its lower-income housing assignment, regardless.

Quantified Objectives: No net loss of housing capacity to meet RHNA at all times
 Funding Source: City General Fund/ Permitting Fees
 Responsible Agency: Planning and Community Services Department
 Implementation Time Frame: Continuous through 2029

Program 4: Add Definitions of Transitional and Supportive Housing, Residential Care Facilities, and Employee Housing, to Municipal Code

This action was completed in August 2022.

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

The purpose of this program ~~was is~~ to add those definitions to the Rolling Hills Municipal Code (Chapter 17). The definitions ~~would~~ acknowledge that such housing is permitted in the same manner as other residential dwellings of the same type in the same zone as required by State law. The recent Code amendments also explicitly state that supportive housing shall be a use by-right in zones where multi-family and mixed uses are permitted, including non-residential zones permitting multi-family uses. The ~~Code~~ amendments ~~will~~ ensure that no special requirements are placed on residential care facilities with seven or more occupants, as required by State law. Definitions of low barrier navigation centers also have been ~~will be~~ added to the Code and referenced in other zoning regulations, as required by State law.

This program also included ~~s~~ a Municipal Code Amendment to add a definition for employee housing in accordance with the California Health and Safety Code (HSC). HSC Section 17021.5 states that employee housing providing accommodations for six or fewer people shall be deemed a single family structure with a residential land use designation. It further states that employee housing may not be considered a boarding house, rooming house, hotel, dormitory, or similar term that implies that such housing is a business run for profit or differs in any other way from a single family dwelling. State law precludes a city from requiring a conditional use permit, zoning variance or other zoning variance for such housing, and stipulates that the use of a single family dwelling for six or fewer employees does not constitute a change of occupancy for building code purposes. As of August 2022, the City fully complies with this requirement.

Quantified Objectives: ~~Council Action Adopting Definitions~~ N/A (program completed)
 Funding Source: City General Fund
 Responsible Agency: Planning and Community Services Department/ City Attorney
 Implementation Time Frame: Completed in August 2022 by December 2022

Program 5: Density Bonus Ordinance

This action was completed in August 2022.

Section 65915 of the California Government Code establishes mandatory statewide provisions for density bonuses for affordable and senior housing projects. Prior to August 2022, Rolling Hills ~~did does~~ not currently have density bonus provisions in its Municipal Code. Historically, the City has not had multi-family housing, nor any site where multi-family housing could be constructed. With the creation of the Rancho Del Mar Overlay Zone, a developer could request a density bonus and related concessions from a developer. State standards would apply in this instance. The City has adopted should adopt provisions in its Municipal Code acknowledging the applicability of State density bonus laws in the event a request is received.

Quantified Objectives: Municipal Code amendment related to Density Bonuses Application of density bonus to future affordable rental housing on Rancho Del Mar Overlay site (up to 12 additional units, assuming 100% affordable project on the site)

Funding Source: General Fund

Responsible Agency: Planning and Community Services Department

Implementation Time Frame: Ordinance Adopted in August 2022 Complete by December 2022

Program 6: Accessory Dwelling Unit (ADU) Production, Monitoring, and Incentives

As noted in Chapter 4, the City intends to meet its Regional Housing Needs Allocation of 29 lower income units through a combination of affordable housing on the Rancho Del Mar site (16 units) and privately constructed and rented ADUs on scattered sites throughout the city. At least 13 ADUs should meet affordability thresholds for low and very low income households.² Creating opportunities for lower income households on scattered sites supports one of the main objectives of the State's Affirmatively Further Fair Housing (AFFH) requirements, which is to avoid the concentration of lower income housing in a single location. An ADU-centered strategy also responds to the lack of sanitary sewer, storm drainage, and public streets in Rolling Hills and the community's rural densities and absence of supportive services.

As stated in Chapter 4, the City approved nine ADUs in 2021 alone, including two that are projected to be affordable to lower income households based on their small size. Thus, creating another 11 ADUs affordable to lower income households over the next eight years is an attainable goal. The Annual Housing Progress Report should address the City's progress toward meeting this goal; if the City is falling short after two years, the strategy should be revisited and additional incentives should be developed.

Program 6 includes a number of specific elements, which are listed below:

6.1 Develop Citywide ADU Registry ~~roster of ADUs~~. The City developed an ADU registry ~~roster~~ in October 2021 and will expand it the roster as new units are created. Currently, the

² Two ADUs meeting affordability criteria for low/very low are already under construction (see Table 4.1), leaving a balance of 11 needed.

registry roster (or data base) contains fields such as Address, Owner, month approved, square footage, and a description of each unit. This should be expanded to include information on whether the unit is occupied, the number of occupants, and the rent charged—this information would be requested from homeowners on a voluntary basis. Tracking occupancy and affordability is intended to determine how many units are serving very low- and low-income households, and to demonstrate that the City is meeting its RHNA.

6.2 Annual ADU Survey and Monitoring. The City will send an annual letter to households on the ADU roster requesting information on the status of the unit. The information will be used to prepare a summary that can be referenced as part of the City’s Annual Progress Report. As part of this task, the City will also identify instances where very low or extremely low income households (including family members, domestic employees, caregivers, etc.) are residing on Rolling Hills properties and paying below market rent (or no rent). To the extent these households are occupying independent living quarters, this data provides evidence that the City is accommodating its RHNA target for very low income households.

As part of this effort, the City will also implement an annual monitoring program to ensure that the Housing Element targets for ADUs are being achieved. A determination of the City’s progress toward meeting its RHNA target of 40 units over 2021-2029 shall be made once per year. In the event the City is not on track to meet its target, it will consider alternative means of meeting its RHNA goals within six months of this determination. These could include additional ADU incentives, modifications to the affordable housing overlay zone, and other actions that would facilitate production of additional affordable units.

6.3 Develop Inventory of Potential ADUs. Over time, the City will develop a parcel data base of potential (or “unintended”) ADUs, which are existing habitable spaces that could potentially be converted into independent dwelling units. This would include guest houses, pool houses, and similar accessory structures that are used by the primary residence. As the inventory is completed, owners would be advised of the opportunity to convert the space into a legal ADU.

6.4 Incentives for ADU Construction. The City will develop incentives for ADU construction. Different incentives may be developed for those building new homes (i.e., reduced fees for including an ADU in a new residence), those adding a new ADU on their property, and those converting existing habitable floor space into an ADU. In accordance with California Health and Safety Code (HSC), Section 65583(c)(7) (effective January 1, 2021), the City will explore the use of State CalHome, LEAP, REAP, and SB 2 funding to help local homeowners build or finance ADUs on their properties. Access to these funds typically requires rents that are affordable to low and very low-income households.

6.5 Pre-Approved ADU Plans. The City will determine its eligibility for State grant funding to develop “pre-approved” plans for ADUs that can be used by Rolling Hills residents. These architect-developed plans would be specifically tailored to meet the RHCA design guidelines and would respond to the topography and access constraints found on most Rolling Hills lots. Enabling homeowners to use pre-approved plans may reduce architectural design costs, and potentially reduce construction costs. This can make ADUs more feasible and allow them to be rented more affordably.

6.6 Coordination with RHCA. The City will coordinate with the Rolling Hills Community Association to ensure that RHCA’s design review practices and procedures do not constrain ADU construction or add to their costs. City staff will meet with RHCA staff and the RHCA Architectural Committee regularly to coordinate review, advise RHCA of State laws relating to ADUs, and address any issues that may arise in the future. The City will also work with the Rolling Hills Community Association to explore reduction of annual HOA fees for property owners agreeing to limit rents on their ADUs.

6.7 Septic Tank Replacement Grants or Financial Assistance. The City will pursue funding for a grant which can be used to assist homeowners with septic tank replacement when paired with the addition of an ADU. The grants would be targeted to lower income seniors who may seek to add an ADU but lack the financial resources to replace their septic tanks.

6.8 Non-Profit Construction of ADUs. The City will explore the possibility of engaging a non-profit housing developer in a program to develop ADUs in partnership with interested Rolling Hills property owners. Participation could be limited to qualifying lower income residents, or to homeowners who agree to limit rents to levels that are affordable to lower income households. Such a program was successfully implemented by the City of Santa Cruz, in collaboration with Habitat for Humanity, and could be considered locally.

6.9 Monitor Best Practices in ADUs. The City will continue to track statewide and national trends in ADU management, incentives, and regulations. The focus will be on cities in California that are comparable to Rolling Hills in density, character, and constraints, with an eye toward cities that are relying on ADUs to meet a substantial share of their RHNA for lower income households. Programs that are potentially transferable to Rolling Hills will be considered for local implementation. The City is currently working with the South Bay Cities Council of Governments on an ADU research study, including a state-funded “ADU Acceleration Project” to explore ways to promote ADUs in southern LA County cities.

6.10 Update Municipal Code Provisions for ADUs. ~~By October 15, 2022, † This action was completed in August 2022.~~ The City ~~has will~~ updated its ADU ordinance to reflect changes to State law made since the last revision to the ordinance in February 2020. This includes ~~ds~~ eliminating references to a maximum bedroom count in an ADU and including provisions for complete applications to be deemed approved if they are not acted upon within 60 days.

6.11 Outreach to ADU Permit Recipients. The City will monitor ADU approvals, including six-month “check-ins” with all applicants receiving ADU permits until the units are completed. These check-ins will include status updates on the projects, including whether a building permit has been issued and what progress is being made. In the event an applicant chooses not to follow through on an approved ADU, staff will make an effort to document the reasons and evaluate any changes that might be made to the City’s ADU program to improve completion rates. This information should be part of the City’s annual housing progress report.

In addition to the specific measures listed above, City staff will continue to assist homeowners who are interested in adding an ADU, and will work with applicants to facilitate ADU review, permitting, and approval.

ADOPTION DRAFT

- Quantified Objectives:
- (1) Citywide ADU ~~registry roster~~ of 40 ADUs by 2029, including at least 13 ADUs rented at levels meeting affordability criteria for lower income households
 - (2) ADU Survey, administered once a year
 - (3) Inventory of potential ADUs
 - (4) ADU Incentives
 - (5) Two to four pre-approved ADU architectural plans
 - (6) Municipal Code Revisions (see 6.10 above) ~~--Completed~~
 - (7) 100% completion of ADUs receiving permits
- Funding Source: City General Fund/ State grants
- Responsible Agency: Planning and Community Services Department/ City Attorney
- Implementation Time Frame:
- (1) Rosters and Surveys prepared by 2022 and updated annually
 - (2) ADU incentives by 2023
 - (3) Approved architectural plans by 2024, or as funding allows
 - (4) Amend Municipal Code Chapter 17.28 (Accessory Dwelling Units) for consistency with State law by ~~August~~ October 15, 2022 (this action has been completed)
 - (5) Establish protocol for 6-month check-ins with ADU permit recipients by January 1, 2023
 - (6) Annual monitoring report on ADU production

Program 7: Accessory Dwelling Unit (ADU) Outreach, Education, and Information

Program 7 addresses public outreach, education, and information on ADUs. Like Program 6, it has multiple elements.

7.1 Biennial Mailing. The City will send or help coordinate a mailing to all households in Rolling Hills at least once every two years advising them of the opportunity to create an ADU, the potential benefits of having an ADU, and potential incentives in the event the ADU will be occupied by a household worker, caregiver, family member, or other household meeting the definition of a low or very low income household. The mailing may consist of an article in the City’s monthly newsletter, or could be included as a component of the South Bay Cities COG efforts to encourage ADU production. The City is one of 15 cities participating in this program.-

7.2 Website. The City will develop a landing page on its website with information on ADU opportunities (“Thinking about building an ADU?”). The website landing page will include information on the types of ADUs an owner may consider (detached, attached, junior, etc.), the typical cost and cost considerations, financing options, tax implications, development standards, tenant selection, and so on. The information should also be provided in printed form for interested homeowners.

7.3 RHCA Design Guidelines Update. The City will work with the Rolling Hills Community Association to facilitate an update of the RHCA Design Guidelines so that they address ADUs. Currently, the Guidelines do not acknowledge ADUs at all. The Update would provide objective design standards for ADUs that are consistent with Rolling Hills zoning standards as well as the design guidelines that currently apply.

- Quantified Objectives: (1) Outreach mailer to 639 Mailings-to-all-Rolling-Hills-households (at least once every 2 years)
~~(2) Updated City website~~
~~(3) Updated Design Guidelines document~~
(2) Creation of 40 new ADUs by 2029 (5 per year)
- Funding Source: City General Fund, State grants
- Responsible Agency: Planning and Community Services Department
- Implementation Time Frame: (1) First mailing by March 2023 ~~December 2022~~
(2) Website update by June 2023
(3) Update of design guidelines by 2024

Program 8: Assist Senior and Disabled Households

The City will continue to address the housing needs of seniors and persons with disabilities by connecting those in need with social service agencies, non-profits, volunteer organizations, and other service providers, and by coordinating with the RHCA in the services and programs it provides. As noted in the Needs Assessment, more than one-third of the city's residents are over 65 and about 10 percent have one or more disabilities. The City will work with seniors, especially those on fixed incomes, to evaluate housing needs and resources. Within 18 months of Housing Element adoption, the City Council will convene a study session jointly with the RHCA Needs of Seniors Committee and at least one local non-profit serving seniors (such as Peninsula Seniors) to discuss the needs of Rolling Hills seniors and potential programs to address these needs.

Several of the programs listed elsewhere in this Element (shared housing, assistance with home maintenance, reduced utility rates, etc.) are primarily intended to benefit lower income seniors. The City also will support expanded opportunities for persons with disabilities, including the use of universal design principles and accessibility standards in new construction and ADUs. As part of this program, Rolling Hills will also work with the Harbor Regional Center to implement outreach services to Rolling Hills families on services available to persons with developmental disabilities. The City's website will be updated to include links to housing and supportive services for seniors and disabled persons.

Quantified Objectives:	Website landing page with senior housing resources Facilitate age-in-place retrofits for 10 senior households City Council study session on needs of seniors and potential actions to assist Rolling Hills seniors
Funding Source:	City General Fund
Responsible Agency:	Planning and Community Services Department/ City Manager
Implementation Time Frame:	June 2023 (for website) Council Study Session before December 2023

Program 9: Assist Extremely Low-Income Households

Extremely Low Income (ELI) households have incomes that 30 percent or less of the County median. In 2021, the income thresholds for ELI were \$24,850 for a household of one; \$28,400 for a household of two; \$31,950 for a household of three; and \$34,450 for a household of four.

Based on CHAS data, there are 25 ELI households in Rolling Hills, representing about 3.5 percent of the city's households. The CHAS data indicated that all 25 of these households were homeowners, suggesting they are primarily seniors on fixed incomes. The City will explore ways to assist elder Rolling Hills homeowners on fixed incomes with home maintenance, repair, and retrofit activities. It will also direct these households to appropriate resources, such as shared housing services and programs to reduce utility costs.

There are additional ELI households in Rolling Hills that may not be counted in the Census data, including extended family members living in independent quarters on a property, or domestic employees (housekeepers, au pairs, personal assistants, etc.) living in guest houses, accessory

buildings, or in separate quarters within the primary residence. The City will address the needs of these households by prioritizing applications for ADUs and encouraging homeowners to create opportunities for domestic employees and family members to live “on site.”

A study sponsored by SCAG in 2020 determined that 15 percent of the ADUs in the coastal Los Angeles area were likely to be available at rents affordable to Extremely Low Income Households.³ A 2018 study further found that 17% of the ADUs in Portland, Seattle, and Vancouver were occupied by a friend or family member for free.⁴ A 2014 study found that 18% of the ADUs in Portland were occupied for free or extremely low cost.⁵ A 2012 UC Berkeley publication indicates that up to half of all ADUs are occupied at no cost.⁶

Based on these analyses, the City is estimating that seven “rent free” or extremely low income rentals will be added to the Rolling Hills housing stock by 2029. It will seek to document and measure progress toward this objective by soliciting voluntary reporting of such units by individual homeowners. As noted in Program 6.2, an annual survey is proposed to be administered to all registered ADU owners in the city. This would enable tracking of rent-free or reduced rent ADUs.

Quantified Objectives:	Provide seven housing units affordable to Extremely Low Income
Funding Source:	City General Fund/ Permitting Fees
Responsible Agency:	Planning and Community Services Department
Implementation Time Frame:	Prepare inventory of Extremely Low Income (ELI) units by 2024, update annually
	Facilitate housing assistance to at least three ELI senior homeowners by 2025

Program 10: Support Regional Efforts to End Homelessness

Extremely low-income persons also include those who are homeless or may be at risk of becoming homeless. Although the point-in-time surveys for the last five years have not counted any homeless residents in Rolling Hills, the City recognizes that homelessness is a regional problem that requires regional solutions. Rolling Hills will continue to allow emergency shelters and single room occupancy hotels in the Rancho Del Mar Overlay Zone and will monitor the effectiveness of its regulations in its Annual Housing Progress Report.

The City will continue to work with adjacent communities on emergency shelter referrals. As a member of SCAG and the South Bay Cities COG, staff and elected officials participate in forums and discussions of homelessness, and potential programs and resources to end homelessness and increase the supply of shelter, transitional, and supportive housing in Greater Los Angeles.

³ SCAG Regional Accessory Dwelling Unit Affordability Analysis, 2020

⁴ Jumpstarting the Market for ADUs. Turner Center (for ULI), San Francisco, 2018

⁵ ADUs in Portland OR. Environmental Solutions Management, 2014

⁶ Scaling Up Secondary Unit Production in the East Bay. Berkeley Institute of Regional Development, 2012

Quantified Objectives: Participation in point in time surveys; participation in at least one regional meeting annually on strategies to end homelessness
Funding Source: City General Fund/ Permitting Fees
Responsible Agency: Planning and Community Services Department/ City Manager
Implementation Time Frame: Ongoing, 2021 through 2029

Program 11: Permit Streamlining

The City will continue its efforts to expedite permit processing, ensure efficiency, and reduce administrative and processing costs for new development. This could include provisions for reduced fees for ADUs that are rented at below market levels, or occupied by qualifying lower income households. As part of the annual budgeting process, the City will ensure that fees are appropriate for the services provided, and will consider ways to improve the permitting and entitlement processes.

This program includes working with LA County Building and Safety to receive periodic updates on the status of active building permits in Rolling Hills. While this data is available on-line through the County's website, it is not consistently updated or made available in a format that allows the City to easily track the status of entitled projects. The City will use this data to identify approved housing units (including ADUs) that have been entitled but not yet constructed so that it may follow up with owners in the event of permitting delays.

Quantified Objectives: Compliance with all provisions of the Permit Streamlining Act
Funding Source: City General Fund/ Permitting Fees
Responsible Agency: City Manager/ Finance Director/ Planning and Community Services Department/ LA County Building and Safety
Implementation Time Frame: Ongoing, 2021 through 2029

Program 12: Facilitate Communication with Affordable Housing Service Providers, Developers, and Advocates

The City of Rolling Hills periodically receives requests from housing advocates, non-profit developers, and service providers to disseminate information on affordable housing needs and opportunities and work collaboratively to address housing issues. City planning staff regularly field requests from for-profit and non-profit developers, participate in regional housing meetings and discussions, and work with other cities to explore creative, effective ways to meet housing needs. In the event a non-profit agency or developer wishes to submit a grant application that will increase housing affordability for senior or low income Rolling Hills residents, staff will provide administrative support wherever possible.

Quantified Objective: Hold at least one meeting a year with one or more non-profit housing sponsors to discuss housing opportunities and needs in Rolling Hills
See also Programs 8, 13, and 15
Funding Source: General Fund
Responsible Agency: Planning and Community Services Department
Implementation Time Frame: Convene one meeting before December 2022. Convene additional meetings at least once a year from 2023 to 2029.

Program 13: Shared HousingHome Sharing

Shared housing enables homeowners to offset their housing costs by receiving rent, or get additional help in managing housing duties. It also creates a resource for lower income households in the community, including college-aged students and young adults, caregivers, domestic workers, landscapers and building industry workers, child care workers, teachers, and other public service employees. It can also be a resource for seniors, some of whom may no longer wish to live alone or lack the financial resources to live alone.

Residents in Rolling Hills have access to two nearby home sharing ~~shared housing~~ programs: Focal Point at the South Bay Senior Services Center in Torrance and the Anderson Senior Center in San Pedro. Both these centers offer resources to assist seniors locate roommates interested in sharing housing. These programs make roommate matches between seniors based on telephone requests.

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

The City will continue to apprise residents about shared housing programs by providing information at the public counter and online, including an article in the City Newsletter in 2023. It will also proactively meet with at least one non-profit home-sharing service provider in 2023 to discuss opportunities in Rolling Hills.

Quantified Objectives:	Continue to provide informational brochures advertising shared housing programs at City Hall and on the City’s website <u>At least five Rolling Hills households participating in a non-profit managed home sharing program by 2029</u>
Funding Source:	City General Fund
Responsible Agency:	Planning and Community Services Department
Implementation Time Frame:	<u>Establish website links by December 2022</u> <u>Provide article and meet with home sharing service in 2023</u>

Program 14: Sewer Feasibility Studies and Phase One Construction

As indicated in Section 5.3.5 of this Housing Element, Rolling Hills does not have a sanitary sewer system. With a few exceptions, the entire city is served by private septic systems. Septic system installation is costly and requires customized design to reflect steep terrain. The cost of installing sanitary sewers and storm drains would be even more costly, as it would likely require easements, force mains, and lift stations.

The City recently completed design drawings for a sanitary sewer extension through adjacent Rolling Hills Estates that will bring service to Rolling Hills City Hall and the Tennis Courts. A future phase of this project could continue southward along Portuguese Bend Road, allowing some Rolling Hills homes and a number of vacant properties to be served by sewer. A survey done by the City in 2021 indicated there was strong support for a sewer extension project, contingent on the cost to each homeowner. There is currently no funding source for such an extension. Grant funding would be required, as it would reduce the cost burden on homeowners and make the project more feasible.

The City will continue to work toward addressing this constraint during the 2021-29 planning period. This includes:

- Developing the initial phase of the project, serving City Hall and the Tennis Courts
- Conducting feasibility and cost studies for a future phase to serve privately owned homes and parcels in the northern part of Rolling Hills
- Pursuing funding for future phases
- Continuing to poll Rolling Hills residents on their level of support for the project

In addition, the City continues to monitor water quality issues related to its MS 4 permit for stormwater discharge. Efforts to address runoff quality and implement best management practices to reduce pollution are ongoing and will continue.

Quantified Objective: (1) Complete 1,585-foot sanitary sewer extension to City Hall/ Tennis Courts (Phase I)
 (2) Complete feasibility / cost study of sanitary sewer extension
 (3) Obtain grants for Phase I project construction
(4) Updated “Will Serve” letter from the Los Angeles County Sanitation District, indicating ability to accept effluent from 235 existing homes -upon completion of future phase sewer system

Funding Source: General Fund/ State grants
 Responsible Agency: City Manager
 Implementation Time Frame: Complete Phase I by 2024
 Determine viability of future phases and available grants by 2023

Program 15: Consider Participation in CDBG Urban County Program Pursue Grants for Minor Home Repair Program

At least once every two years, the City should re-evaluate the feasibility of joining the Los Angeles Urban County CDBG program in order to create a funding source for home improvements for qualifying lower income Rolling Hills residents. In the event the City finds that the amount of funding it will receive exceeds the costs of administering the program (including staffing and reporting requirements), the City will participate in the program. Available funds will be used to improve housing conditions for lower income and senior Rolling Hills residents, including:

- Grants for minor home repair and rehabilitation projects, including electrical, plumbing, and heating repairs; health and safety improvements; and energy efficiency improvements;
- Grants to facilitate “aging in place” for lower income seniors and residents with disabilities;
- Grants for septic system repair for lower income homeowners seeking to add an ADU

If the City determines that CDBG participation is not viable, it will pursue other funding sources that could support a similar grant program for lower-income Rolling Hills homeowners. This could include administration of home repair grants by another entity (such as South Bay Cities COG) or a local non-profit.

The decision should consider the potential amount of funding that could be received by the city, and potential uses for that funding, as well as the administrative costs, reporting requirements, and staff resources required to carry out the program. In the event the City receives CDBG grants, it could consider using the funding to assist qualifying lower income households with energy efficiency improvements, housing rehabilitation and improvements, or septic tank replacement.

Quantified Objectives: Prepare staff report to City Council regarding participation in Urban County CDBG program
Minor home repair/ age-in-place/ septic tank replacement
assistance to at least ten lower-income or senior Rolling Hills households

Funding Source: LA Urban County CDBG Program/ State grants
 Responsible Agency: City Manager/ Finance Director
 Implementation Time Frame: By 2023, and every two years thereafter

Program 16: Code Enforcement

The City will continue code enforcement and nuisance abatement activities to ensure the safety and habitability of housing in Rolling Hills. While property maintenance in Rolling Hills is excellent, there is a need for ongoing enforcement of planning and building codes. The City has a “Code Enforcement” webpage with online forms for reporting suspected violations, including those relating to vegetation management and outdoor lighting as well as unpermitted construction or nuisances. Periodic information on code enforcement resources and requirements is also provided to residents through the City’s monthly newsletter.

Quantified Objective: Respond to 100 percent of resident Code Enforcement inquiries
 Funding Source: General Fund
 Responsible Agency: Planning and Community Services Department
 Implementation Time Frame: Ongoing, 2021-2029

Program 17: Reduce Home Energy Costs

Energy bills can be a significant cost burden, particularly for households on fixed incomes with large homes to heat and cool. The City has adopted the Green Building Code and enforces Title 24 energy efficiency requirements through its contract with the Los Angeles County Department of Building and Safety. New residential projects, including new homes, ADUs, renovations, and additions, will continue to be required to meet Title 24 standards. These requirements result in energy savings which reduce gas and electric consumption and home utility bills.

Rolling Hills also works with Southern California Edison to distribute information to residents on energy conservation and weatherization, including information on financial assistance and lower utility rates for low-income customers. The City will provide links on its website to assist lower income residents in accessing information on reduced utility rates. Rolling Hills is also a member of the South Bay Environmental Services Center, which provides information on energy incentives, audits and rebates. These programs will continue in the future.

The City will also support resident installation of solar energy systems. A growing number of Rolling Hills homeowners have installed photovoltaic panels, increasing energy independence and resilience while reducing home energy costs.

Quantified Objective: (1) Provide links on City website related to energy conservation, weatherization, and financial assistance
 (2) Adopt updated Building Code standards for energy efficiency
 Funding Source: General Fund, LIHEAP
 Responsible Agency: Planning and Community Services Department
 Implementation Time Frame: Website Update, with links: Complete by January 2023

Program 18: Facilitate New Construction and Home Improvements

The City will continue to work with property owners, architects, and builders to enable new housing to be built in the City. Continued cooperation and communication between City staff, applicants, and neighbors will facilitate the construction of new housing. The City is committed to efficient planning, building, and inspection procedures, and regularly seeks ways to improve the process and reduce delays.

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

Quantified Objective: 5 new single family homes (above moderate income)
Funding Source: Private Funds (Permitting Fees)
Responsible Agency: Planning and Community Services Department, LA County
Building and Safety
Implementation Time Frame: Objective covers the period from 2021 through 2029

Program 19: Remediate Geologic Hazards

The City will continue to explore solutions to ground stability and landslide problems. Grading, new structures and additions typically require a soils and geology report along with grading and building permits. The City has developed strict grading practices that limit grading to no more than 40 percent of the lot and require maintenance of natural slopes. These practices are necessary to safeguard the public against ground instability.

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

Quantified Objective: Geologic studies for new development and major grading permits
Funding Source: City General Fund
Responsible Agency: Planning and Community Services Department/ City Manager
Implementation Time Frame: On-going, 2021 to 2029

Program 20: Fair Housing Services Program Administration

The City will complete a Fair Housing Outreach and Enforcement Options Memorandum to determine options for ensuring that existing and prospective residents have access to fair housing services, and that property owners are apprised of Fair Housing laws and practices. This could include an agreement with a third party fair housing services provider to promote and affirmatively further fair housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, disability, or other characteristics protected by state and federal fair housing law. Other alternatives for outreach, education, and enforcement also may be considered. Based on the findings of the Memorandum, the City will implement Fair Housing measures, including Programs 21 and 22 described below.

Quantified Objective: 100% response rate for any fair housing complaint received by the City Fair Housing Outreach and Enforcement Memorandum

Funding Source: General Fund

Responsible Agency: City Manager

Implementation Time Frame: Complete memorandum by June 2023~~December 2022~~

Program 21: Fair Housing Outreach and Affirmative Marketing

The City will provide information on fair housing resources on its website, including links to fair housing services. Other outreach measures to be implemented include posting regulations regarding housing discrimination, as well as phone contacts, at City Hall and periodically providing this information in the City's newsletter.

The City will also provide a referral process for any person who believes they have been denied access to housing because of their race, sex, marital status, ancestry, national origin, color, familial status or disability. In the event a complaint is received, the City will refer the party to a fair housing service provider for follow up and work with the complainant to resolve the issue.

In addition, the City will affirmatively market future housing opportunities in the city by:

- Requiring an affirmative marketing plan for any affordable multi-family development created in the Rancho Del Mar Overlay Zone. Such a plan would be prepared by the project's developers and would ensure that future units are marketed to attract occupants who are demographically diverse, including lower-income households in other parts of the South Bay and Los Angeles County.
- Developing materials for Rolling Hills residents who may be seeking tenants for their ADUs, which will be provided to ADU applicants at the time they apply for a building permit or ADU permit. These affirmative marketing materials will include contact information for housing service providers and non-profit housing organizations that serve lower-income tenants in the surrounding region. Interested residents can use these materials to find prospective tenants in a larger market area than the Palos Verdes Peninsula, including residents of all races, ethnicities, ages, and abilities.

Quantified Objective: Active contract with fair housing services provider
(1) At least 50% of future occupants of affordable housing created on the RDMO site are from outside Rolling Hills.
(2) At least 50% of future ADU occupants are from outside Rolling Hills (to be measured through the ADU survey described in Program 6.2)

Funding Source: General Fund
 Responsible Agency: City Manager, Planning and Community Services Director
 Implementation Time Frame: Ongoing, 2021-2029. Website update by December 2022.

Program 22: Fair Housing Training for Staff

At least one City staff member will attend an on-line fair housing certification training class on an annual basis. These classes are typically three-hour sessions in which participants are informed and educated about federal and California fair housing laws, compliance, and illegal housing practices. The trainings cover prohibited and best practices, including language guidance for advertising housing for sale or for rent, and protected classes under federal and California law.

In addition, the City will regularly evaluate the need for multi-lingual services, including translation of material on its website into other languages. It will also continue to implement its reasonable accommodations ordinance and monitor data on persons with disabilities in the city to ensure that barriers to mobility are eliminated to the greatest extent possible.

Quantified Objective: Annual staff training
(1) At least one Rolling Hills staff member participates in on-line Fair Housing training each year through 2029
(+)(2) At least one presentation on fair housing is delivered to the City Council in a noticed public hearing, attended by at least 10 residents

Funding Source: General Fund
 Responsible Agency: City Manager
 Implementation Time Frame: 2023 initiate in 2022 and continue annually through 2029

Program 23: Written Procedures for SB 35 Projects

As required by State law, the City will prepare written procedures and application materials for projects seeking to use SB 35. Affordable multi-family housing development on the Rancho Del Mar site would be potentially eligible. The procedures would follow the provisions established by the Affordable Housing Overlay Zone, and include the objective standards and application procedures identified when that zone was adopted. Once completed, the information will be included as a PDF link on the Planning and Community Services Department website for easy access.

Quantified Objective: Posted information on SB 35, including application form
Funding Source: General Fund
Responsible Agency: Planning and Community Services Department
Implementation Time Frame: Complete by December 31, 2022

Program 24: Updating of Linked Files on Planning and Community Services Department Landing Page

AB 1483 requires that every city post current information on fees, zoning standards, design guidelines, processes and procedures, nexus studies and other pertinent information on its website. Although Rolling Hills complies with this requirement today, reorganization of the material could provide greater clarity and easier access to this information. For example, the website could include a link to the RHCA design guidelines, as well as updated flow charts and graphics showing approval processes. As noted under Program 7.2, the website also should include dedicated information about Accessory Dwelling Units (ADUs) and the steps residents can take to add an ADU on their property.

Quantified Objective: Reorganized and updated Planning and Community Services Department website
Funding Source: General Fund
Responsible Agency: Planning and Community Services Department
Implementation Time Frame: Complete by December 31, 2023

6.3 Summary of 2021-2029 Quantified Objectives

Table 6.1 provides quantified objectives for housing construction, rehabilitation, and conservation by income group. The new construction objectives align with the RHNA numbers that appear earlier in the Housing Element. The rehabilitation objective aims to assist 10 very low-income senior households over the eight year period. The conservation and preservation objectives correspond to the approximate number of households in Rolling Hills by income group based on Census data. The objectives aim to preserve housing for 100 percent of these households. There are no housing units in Rolling Hills that are at risk of conversion from affordable to market-rate.

Table 6.1: Quantified Objectives by Income Group for Rolling Hills (2021-2029)

Income Category	New Construction	Rehabilitation	Conservation/ Preservation
Extremely Low [1]	7	5	25
Very Low	13	5	45
Low	9		45
Moderate	11		25
Above Moderate	5		500
Total Housing Units	45	10	640

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

[1] City’s RHNA for “Very Low” income is 20 units. This has been allocated proportionally to “Extremely Low” and “Very Low” based on Table 3.8, which indicates the current proportion of “Very Low” income households in these two groups. Extremely low income households represent 35% of the “very low” total.

Table 6.2 summarizes the 24 Housing Element programs listed in this chapter. It includes a quantified objective and timeframe for each program, as presented above.

Table 6.2: Housing Element Action Plan Summary

#	Program	Timing	Quantified Objective
1	Prepare Annual Progress Report on Housing Element implementation	Annually, by April 1	One Report per year
2	Facilitate affordable housing on Rancho Del Mar Housing Opportunity site	<ul style="list-style-type: none"> • Annual meeting with School Superintendent • Subdivision by 2024 	16 lower-income units by 2029
3	No net loss monitoring/ other housing opportunities	Continuous, through 2029. Address in Annual Report.	No net loss of housing capacity for duration of planning period
4	Add definitions of transitional, supportive, employee housing and residential care facilities to Municipal Code	December <u>August</u> 2022	Council action adopting definitions and identification of permitted uses <u>(COMPLETED)</u>
5	Adopt density bonus provisions in Municipal Code	December <u>August</u> 2022	<ul style="list-style-type: none"> • <u>Council action adopting density bonus provisions (COMPLETED).</u> • <u>12 density bonus units by 2029 (on Rancho Del Mar site)</u>
6	Accessory Dwelling Unit production, monitoring, and production	<ul style="list-style-type: none"> • Updated ADU ordinance by <u>August 2022</u> 10/15/22 • ADU Roster in 2021 • Annual ADU survey, starting in 2022 • Pre-approved plans in 2024 • ADU incentives in 2023 • Annual monitoring program (2023) 	40 ADUs by 2029, including at least 13 ADUs affordable to lower income households
7	Accessory Dwelling Unit Outreach, Education, and Information	<ul style="list-style-type: none"> • First biennial mailing by end of 2022 • Website update by 6/23 • Update of design guidelines by 2024 	<ul style="list-style-type: none"> • Outreach mailer to 639 households • ADU website landing page • ADU section added to RHCA Guidelines
8	Assist senior and disabled households	<ul style="list-style-type: none"> • Website update by 6/23 • Housing assistance during 2021-2029 	Assist 10 lower income senior households with age in place retrofits
9	Assist extremely low income households	<ul style="list-style-type: none"> • Prepare inventory of ELI units by 2024 	7 ADUs affordable to ELI households

ADOPTION DRAFT

#	Program	Timing	Quantified Objective
10	Support regional efforts to end homelessness	Ongoing	<ul style="list-style-type: none"> • Participate in point-in-time surveys • Attend one mtg a year
11	Permit streamlining	Ongoing	Compliance with Permit Streamlining Act
12	Facilitate communication with affordable housing service providers, developers, and advocates	By December 2022	<ul style="list-style-type: none"> • <u>Convene at least one meeting a year</u> • <u>See Programs 8, 13, 15</u>
13	Shared housing <u>Home Sharing</u>	By December 2022	<ul style="list-style-type: none"> • <u>Provide information on website, plus print media resources</u> • <u>Five shared housing arrangements</u>
14	Sewer feasibility studies and Phase I construction	Phase I construction (serving City Hall) by 2024	<ul style="list-style-type: none"> • Sewer extension to City Hall/ Tennis Courts • <u>Feasibility study for sewer extension</u> • <u>“Will serve” letter for 235 existing homes</u>
15	Consider participation in Urban County CBDG Program	By 2023	<u>Staff report and Council discussion</u> <u>Minor home repair/septic tank replacement assistance to 10 lower income or senior households</u>
16	Code enforcement	Ongoing	100% follow up
17	Reduce home energy costs	By 2023	Website update
18	Facilitate new construction and home improvements	Ongoing	5 market-rate single family homes (including 3 already approved)
19	Remediate geologic hazards	Ongoing	Geologic studies for new development
20	Fair housing program administration	Develop fair housing compliance program by December 2022	<u>Fair Housing Planning Memo</u> <u>100% response to all Fair Housing complaints</u>
21	Fair housing outreach <u>and affirmative marketing</u>	Website update by December 2022	<ul style="list-style-type: none"> • <u>Contract with fair housing service provider</u> • <u>At least 50% of future occupants of affordable housing created on the RDMO site are from outside Rolling Hills</u> • <u>At least 50% of future ADU occupants are from outside Rolling Hills</u>

ADOPTION DRAFT

			<ul style="list-style-type: none"> • <u>Website links or landing page</u>
22	Fair housing training for City staff	Initiate in 2022	<ul style="list-style-type: none"> • <u>Training for one staff member annually</u> • <u>Noticed presentation to City Council attended by at least 10 residents</u> • <u>Annual training for at least one staff member</u>
23	Prepare written instructions for SB 35 applications	Complete by December 31, 2022	Guidance memo and application form
24	Update Planning and Community Services website	Complete by December 31, 2023	Updated website