

May 9, 2022

Revisions Made in Response to HCD Comments on 2021-2029 Rolling Hills Draft Housing Element *(HCD's comments are numbered 1-34 in the left-hand margin)*

A. Review of the Previous Element (Element Chapter 2)

1 The element must provide a cumulative evaluation of the effectiveness of past goals, policies, and related actions in meeting the housing needs of special needs populations (e.g., elderly, persons with disabilities, large households, female-headed households, farmworkers, and persons experiencing homelessness).

City Response: A new section has been added to Page 2-4 to evaluate the cumulative effectiveness of past goals, policies, and actions in meeting the needs of special needs populations. See Section 2.3.5 of Adoption document.

B1. Needs Assessment/ Affirmatively Fair Housing (Appendix A: AFFH Analysis)

2 **Enforcement and Outreach:** The element must describe the City's compliance with existing fair housing laws and regulations.

City Response: This has been added to Appendix A: Affirmatively Furthering Fair Housing. Please see page A-4, which lists various federal and state programs which the City implements and abides by. The Element includes a number of programs to increase awareness of fair housing laws (Chapter 6).

3 **Regional Analysis:** While the element generally describes some regional data, the element must analyze Rolling Hills relative to the rest of the region regarding integration and segregation (disability, familial status, and income), access to opportunity (education, economic, and environmental), and disproportionate housing needs (cost burdened, overcrowding, and homelessness).

City Response: Each of the listed items is covered below:

Disability. A map showing the percentage of disabled residents by Census tract was included in the prior draft (Figure A-3), and an analysis was provided. This analysis has been expanded to more deeply interpret the data shown on the map. The City has a higher percentage of disabled residents than many surrounding tracts due to its higher median age (55). In general, health indicators for Rolling Hills confirm the community's designation as a high resource area. See Page A-10.

Familial Status: A map showing familial status by Census tract has been added (Figure A-4) and an analysis of this map has been provided. See Page A-15.

Income: Maps of income by Census tract were included in the prior draft (formerly Figures A-4 and A-5, renumbered A-5 and A-6), and an analysis was provided. The analysis has been expanded by adding a new map (Figure A-7) showing a larger geographic area. An analysis of the map has been added on pages A-12 and A-13.

Access to Education: A map showing regional data on education was included in the previous draft (formerly Figure A-9, now Figure A-11). Additional text has been added interpreting the data on the map for Rolling Hills, surrounding cities, and nearby parts of the region. See Page A-23.

Economic Opportunities: A map showing regional economic opportunity data was included in the previous draft (formerly Figure A-8, now Figure A-10). Additional text has been added interpreting the data on the map for Rolling Hills, surrounding cities, and nearby parts of the region. See Page A-22.

Environmental Factors: A map showing environmental outcomes was included in the previous draft (formerly Figure A-7, now Figure A-9). Additional text has been added interpreting the scores for Rolling Hills, surrounding cities, and nearby parts of the region. See Page A-22.

Cost Burdened: Two maps showing cost burdened households in the region (one for owners and one for renters) were included in the previous draft (formerly Figures A-11 and A-12, now renumbered as Figures A-13 and A-14). Data on these maps has been described in more detail through revisions to the text. See Pages A-30 and A-31.

Overcrowding: A map showing overcrowding was included in the previous draft (formerly Figure A-13, now Figure A-15). Data on the map has been described in more detail through revisions to the text. See Pages A-32 and A-33.

Homelessness: A new map has been added based on data from the County of Los Angeles. It shows the density of the homeless population throughout the County, providing a regional perspective (see new Figure A-17.) A new text section has been added to discuss the data. See Pages A-39 and A-40.

In HCD's subsequent clarification to this comment (correspondence from Gianna Marasovich on 4/26 at 4:38 PM), it was suggested that the City add the tables on pages 75-78 of HCD's AFFH Guidance Memo in response to this comment. We have done this and inserted eight new tables into the AFFH analysis (Appendix A), with data for 2010 and 2020 for Rolling Hills and Los Angeles County in each table, as requested. These tables are found on pages A-6, 7, 11, 13, 20, 29, 31, and 32 (page references are to the tracked changes version). We have also added narrative text that interprets the data.

4 **Other Relevant Factors:** The element must include other relevant factors that contribute to fair housing issues in the jurisdiction. For instance, the element should analyze historical land use, zoning, governmental and nongovernmental spending including transportation investments, demographic trends, historical patterns of segregation, or other information that may have impeded housing choices and mobility.

City Response: Please see Page A-41 (tracked change version). Additional data on land use, zoning, infrastructure, and historical patterns is included, and a table has been added showing tenure by race. Information on historical patterns of segregation is included in the section under "local knowledge" on page A-42.

5

Sites Inventory: The element must identify sites throughout the community to foster inclusive communities. While the element identifies and show sites and zoning throughout the community, it also notes the plan to accommodate half of the regional housing need for lower income households at the Palos Verdes Unified School District (PVUSD). The element should discuss whether this strategy potentially isolates housing need for lower income households and include actions as appropriate.

City Response: Please see Page A-43 (tracked change version). We have added a new section called "Distribution of Proposed Housing Sites." Given the City's physical constraints and the small size of the RHNA (29 lower income units), the City's strategy to meet its regional housing need is practical, responsive to economic conditions, and the most effective way to meet State AFFH objectives. As noted in the text, this strategy combines a vacant, developable affordable housing site (Rancho Del Mar) with scattered site ADUs. A single 16-unit affordable housing development plus 40 scattered site ADUs would not result in the isolation of lower income households.

6

Goals, Actions, Metrics, and Milestones: Goals and actions must significantly seek to overcome contributing factors to fair housing issues. Programs generally must address enhancing housing mobility strategies; encouraging development of new affordable housing in high resource areas; improving place-based strategies to encourage community conservation and revitalization, including preservation of existing affordable housing; and protecting existing residents from displacement. Given that most of the City is considered a high and highest resource community (pg. 3-50), the element could focus on programs that enhance housing mobility and encourage development of more housing choices and affordable housing. Programs also need to be based on identified contributing factors, be significant and meaningful. The element must add, and revise programs based on a complete analysis and listing and prioritization of contributing factors to fair housing issues. Furthermore, the element must include metrics and milestones for evaluating progress on programs, actions, and fair housing results. For more information, please see HCD's guidance at <https://www.hcd.ca.gov/community-development/affh/index.shtml>.

City Response: Text edited. See text on pages A-44 to A-47 (tracked change version). The discussion of contributing factors and priorities has been substantially rewritten in response to this comment, and in response to our review of recently certified elements that were deemed to comply with AB 686. We have documented the four categories of programs that address contributing factors (enhancing mobility, new affordable housing development in high resource areas, etc.); we have established priorities in two of these areas; we have ranked these priorities 1, 2, and 3 (disparities in access to opportunity, fair housing education and outreach, access for persons with disabilities), we have identified contributing factors in each case, and we have identified the significant and meaningful actions that are included in Chapter 6 of the Housing Element addressing each contributing factor.

B2. Needs Assessment/ Documentation of projections and existing/projected needs for all income levels (Element Chapter 3)

7

Extremely Low-Income Households: The element includes analysis regarding extremely low-income (ELI) households such as the number of households and overpayment but must also identify projected housing needs. The projected housing need for ELI households can be calculated by using available census data to determine the number of very low-income households that qualify as ELI households or presume that 50 percent of the regional housing need allocation (RHNA) for very low-income households qualify as ELI households. For additional information, see the Building Blocks at

<http://www.hcd.ca.gov/community-development/building-blocks/housing-needs/extremely-low-income-housing-needs.shtml>.

City Response: This information was provided in our December 2021 draft on page 6-20 (Table 6-1). As indicated there, the City used the CHAS data (consistent with the link cited by HCD above) to determine that 35 percent of the City's very low income households were extremely low income. We have edited Chapter 3 so that this same data and conclusion is referenced there. Please see Page 3-33 for new text.

B3. Needs Assessment/ Analysis of Household Characteristics, Overpayment, Housing Condition (Element Chapter 3)

8

Overpayment: While the element identifies the total number of households overpaying for housing, it must quantify and analyze the number of lower-income households overpaying for housing by tenure (i.e., renter and owner).

City Response: We have edited the document so that this information appears in two places. First, please see Table A-7, which was added to Appendix A (Affirmatively Furthering Fair Housing) to compare cost-burdens among extremely low income and low income renter and owner households in Rolling Hills and Los Angeles County. A new Table also has been added to Chapter 3 showing overpayment for housing by tenure among lower income households (see Page 3-17 of tracked change document, Table 3.11) along with supplemental narrative interpreting the table. This is based on CHAS HUD User data.

9

Housing Stock Condition: The element analyzed the age of the housing stock, discussed code enforcement data, and stated that there are no code enforcement or housing problems in the City. However, the element must estimate the number of units in need of rehabilitation and replacement.

City Response: Text edited. There are approximately 700 homes in Rolling Hills. City staff is aware of five houses in need of rehabilitation and replacement. This has been documented and is now included on Page 3-27 (tracked change version). This represents 0.8 percent of the city's housing stock.

B4. Sites Inventory (Element Chapter 4)

10

Progress in Meeting the RHNA –The element is counting two ADUs as credit towards RHNA. First, the element must demonstrate the availability of these units during the planning period. **For example, the element could discuss whether these units have pending or approved building permits.** Second, the element must demonstrate affordability based on actual or anticipated rents or other mechanisms ensuring affordability (e.g., deed-restrictions).

City Response: Text edited. ADU permits were issued for the units in question on October 27, 2020 and May 20, 2021 respectively. Both of these projects involve converting existing two-story stables (located on two separate parcels about a mile apart) into ADUs of approximately 600 square feet each. Neither of these units has a finalized building permit yet. Given the eight year timeframe of the Housing Element, both units are expected to be completed before 2029.

These are market rate units. The assumption that they will be affordable to low income households is based on the size of the units and the fact that they are being created by repurposing existing space

rather than building new space, which presumably would cost more. Current HCD income limits for Los Angeles County indicate that the upper end of the low-income range for a two-person household is \$75,700. At 30 percent of household income, monthly housing costs would need to be \$1,892 to be considered affordable. The City's survey of comparable properties in 2021 found that ADUs of 400 to 600 square feet in the Palos Verdes Peninsula sub-market were renting for \$900 to \$1,800 per month. The two new ADUs can be reasonably presumed to rent for comparable rates. Moreover, SCAG's ADU survey for Los Angeles County found that 60% of all ADUs in the coastal region could be presumed affordable to lower income households. As these two ADUs are the smallest of the nine approved units that are listed in the Housing Element (see Table 4-1), it is reasonable to presume they would fall in this range.

This information has been added to Chapter 4 (see Page 4-2).

11

Electronic Sites Inventory: Pursuant to Government Code section 65583.3, the City must submit an electronic sites inventory with its adopted housing element. The City must utilize standards, forms, and definitions adopted by HCD.

City Response: The City intends to comply with this requirement immediately following adoption and concurrently with submittal to HCD, consistent with the Government Code.

12

Emergency Shelters: The element must demonstrate compliance with emergency shelters parking requirements. Pursuant to AB 139 (Chapter 335, Statutes of 2019) emergency shelters are only required to provide sufficient parking to accommodate all staff working in the emergency shelter, provided that the states do not requirement more parking for emergency shelters than other residential or commercial uses within the same zone *[sic]*. Additionally, the element states emergency shelters are not allowed to be within 300 ft from each other; however, state law only allows a maximum of 300 ft separation requirement. The element should describe compliance with these requirements or include programs as appropriate.

City Response: Text edited, see Chapter 5 (P 5-11, tracked change version). The City's emergency shelter standards were reviewed by HCD in December 2020 and were determined to be legally compliant. Rolling Hills does not require more parking for emergency shelter than for other residential and commercial uses in this zone. This statement has been added to the text. The RDMO overlay is a residential zone, and the parking standards for other uses (multi-family housing and SROs) in this zone are based on the number of units and or bedrooms, which would be substantially higher than the requirements for a shelter. The separation standard used by the City is consistent with State law and is the same as the standard used by other jurisdictions with recently-certified Housing Elements. The current standard would allow two shelters to be 300 feet apart, as required by the Government Code. The wording in Chapter 5 has been amended for clarity. Please see Page 5-10 (tracked change version) for these edits.

13

Permanent Supportive Housing: Supportive housing shall be a use by-right in zones where multifamily and mixed uses are permitted, including nonresidential zones permitting multifamily uses pursuant to Government Code section 65651. The element must demonstrate compliance with this requirement and include programs as appropriate.

City Response: Text edited, See Chapter 5 (P 5-12). The City acknowledges this requirement and intends to comply with it. It was previously documented on Page 5-12 and also on Page 6-6, where there is a Program to address it (Program 4). The program will be implemented within six months.

14

Emergency Shelters, Single Room Occupancy (SRO), and Multifamily Zoning: The element identifies a 31-acre site with an overlay zone that will accommodate the City's lower-income RHNA, allow for emergency shelters by-right, and SROs with a CUP. The element should discuss and analyze the suitability of this site to accommodate these various housing types and the full spectrum of the housing needs (beyond RHNA).

City Response: We have added text to Page 4-10 which highlights the findings of Appendix B. Appendix B (included in the HCD Draft) demonstrates the suitability of this site for emergency shelters, SROs, and multi-family housing. As a 31-acre property, the site has the capacity for any one of these uses on its own, any combination of these uses, or all three uses (multi-family housing, SRO, and shelter), either in a single development or in three entirely separate developments within the property. As Appendix B notes, the parcel includes multiple subareas, some of which may be more conducive to shelters and SROs and some of which may be better suited for multi-family housing.

15

Accessory Dwelling Units (ADU) (Addressed in Chapter 5): After a cursory review of the City's ordinance, HCD discovered several areas which were not consistent with State ADU Law. This includes but is not limited to restricting bedroom count and permitting procedures, among others. HCD will provide a complete listing of ADU non-compliance issues under a separate cover. As a result, the element should add a program to update the City's ADU ordinance in order to comply with state law. For more information, please consult HCD's ADU Guidebook, published in December 2020, which provides detailed information on new state requirements surrounding ADU development.

City Response: Text edited. See Chapter 5 (P 5-7) As of May 9, 2022, the City has not received supplemental correspondence from HCD regarding ADU non-compliance issues. However, the ADU provisions in the Municipal Code were last updated in February 2020 and the City recognizes that State ADU legislation has changed in the last two years. Accordingly, we have added a new Program to Chapter 6 (see Program 6, new Program 6.10) to update the Municipal Code no later than October 15, 2022 to ensure that it complies with all current ADU regulations. This includes eliminating references to the two-bedroom maximum and updating the permitting procedures so that they are compliant with State law.

16 **Water Sewer Priority:** Water and sewer service providers must establish specific procedures to grant priority water and sewer service to developments with units affordable to lower-income households. (Gov. Code, § 65589.7.) Local governments are required to immediately deliver the housing element to water and sewer service providers. The element should discuss compliance with these requirements and if necessary, add or modify programs to establish a written procedure by a date early in the planning period.

City Response: Text edited. See Chapter 1, page 1-8 (tracked change version). The following language has been added. The City will follow through as described:

In addition, as required by SB 1087, the City sent an electronic copy of its Housing Element to the appropriate water and sewer providers immediately after adoption. The document was accompanied by a letter reminding these agencies they must have adopted written policies and procedures that grant a priority for service hook-ups to developments that help meet the community's share of the regional need for lower-income housing.

17 **Availability of Infrastructure:** While the element describes infrastructure capacity to accommodate the regional housing need, the element must also provide an analysis on access to dry utilities for the sites identified in the inventory.

City Response: Text has been added to Chapter 5, P 5-29 (tracked change version). All of the housing opportunity sites would be able to receive gas, electric, and telecommunication services if they are developed. The Rancho Del Mar site currently has access to these services, as it is a former school.

B5. Constraints Analysis (Element Chapter 5)

18 **Processing and Permit Procedures:** While the element included some information on approving single family homes, the analysis should address the approval body, the number of public hearings, if any, approval findings, and any other relevant information such as any design review requirements. The analysis should address impacts on housing cost, supply, timing, and approval certainty. For example, the element mentioned the requirement of a site plan review for any proposed development, the use of conditional use permit for single room occupancy units, and that City Council and Planning Commission take field trips to the proposed site as part of the review process. The element should specifically identify timing, approval findings, and criteria for approvals.

City Response: Text edited. See Chapter 5, P 5-17 and -18 (tracked change version). The City has provided more information on the approval body for single family homes (Planning Commission), the number of public hearings (minimum one hearing, plus one field trip, although more hearings typically occur), and the approval findings (these are described in the text). Design review is conducted privately by the RHCA, and is addressed as a non-governmental constraint on Pages 5-22 and 5-23. The text concludes that the processing and permit procedures do not substantially affect the cost, supply, timing or approval certainty for affordable units, ADUs, or multi-family housing, since these housing types are permitted by right (provided they comply with the objective standards in the Municipal Code) and would be exempt from these requirements. The text also documents the high rate of approval for site plan review applications for single family homes. As the text notes, single family homes are typically multi-million dollar construction projects requiring extensive grading and development on sites with geological hazards and very high fire danger. The review process provides an important opportunity to address public health and safety issues, respond to community concerns regarding construction, and establish approval conditions where necessary.

19 **On/Off Site Improvements:** While the element stated that specific parcels zoned for multifamily such as the PVUSD site will require ingress and egress improvements (p. 5-23), the element should identify typical site improvement requirements, such as minimum street widths (e.g., 40-foot minimum street width), and analyze their impact as potential constraints on housing supply and affordability.

City Response: Text added. See Page 5-18 (tracked change version). Site improvement requirements are documented in the previously submitted draft. The edited text confirms that there would be no special or unique site improvement requirements imposed on the PVUSD site. Off-site improvements are not typically required for new homes. Site improvements are associated with extension of electric service, installation of a septic system, and conformance to lighting standards (there are no street lights). The newly added text describes the site improvements specifically associated with subdivision of land, including street width standards, and requirements to install on-site water and storm drainage systems and to dedicate easements for gas and electric services. The text notes that all streets in Rolling Hills are private.

Constraints on Housing for Persons with Disabilities:

20 • **Group Homes for Seven or More:** The element must discuss how the City defines and permits group homes for seven or more persons. For your information, excluding these uses from residential zones or subjecting the uses to conditional use permits (CUP) is generally considered a constraint and programs should be modified as appropriate with specific commitment to allow the use in residential zones with objectivity and certainty.

City Response: Text added. See Page 5-14 (tracked change version). The City does not reference either large or small group homes in its Municipal Code, and treats these uses the same as other residential uses, as required by State law. The newly added text acknowledges that the absence of a definition and explicit listing of large and small residential care facilities as a permitted use could be a constraint. We have also added language to Program 4 (Chapter 6) calling for Code changes to add definitions or large and small residential care facilities, and to list these as permitted uses as required by State law.

21 • **Reasonable Accommodation:** While the element briefly describes its reasonable accommodation procedures, it must describe the process and decision-making criteria such as approval findings and analyze any potential constraints on housing for persons with disabilities.

City Response: Text added. See Page 5-13 (tracked change version). As requested, we have added a description of the process and decision-making criteria, including approval findings. No constraints have been identified.

22 **Other Local Ordinances:** The element must analyze any locally adopted ordinances that directly impacts the cost and supply or residential development (e.g., inclusionary requirements, short term rentals, growth controls).

City Response: Text added. See Page 5-22 (tracked change version). We have added a new Section 5.2.9 called "Other Local Ordinances." There are no other ordinances that directly affect the cost or supply of housing in the city.

23 **Zoning, Development Standards and Fees:** The element must clarify compliance with new transparency requirements for posting all zoning, development standards and fees on the City’s website and add a program to address these requirements, as necessary.

City Response: Text added. See Page 5-22 (tracked change version). The newly added Section 5.2.9 now includes a summary of AB 1483, requiring the posting of the referenced information on the City’s website. The analysis concludes that the City complies with the requirements. In addition, a new program has been added to Chapter 6 to reorganize this information, including a dedicated landing page on ADUs.

24 **SB 35 Streamlined Ministerial Approval Process:** The element must clarify whether there are written procedures for the SB 35 (Chapter 366, Statutes of 2017) Streamlined Ministerial Approval Process and add a program to address these requirements, if necessary

City Response: Text added. See Page 5-22 (tracked change version). The newly added Section 5.2.9 now also addresses the requirement to have written procedures for SB 35 projects. The revised Element now includes a program to prepare written procedures for SB 35 projects and include them on the City’s website.

B6. Nongovernmental Constraints (Element Chapter 5)

25 **Approval Time:** The element must analyze the length of time between receiving approval for a housing development and submittal of an application for building permits that potentially hinder the construction of a locality’s share of the regional housing need.

City Response: We have added a new section 5.3.4 to the Element that addresses this issue. See Page 5-24. This constraint is beyond the City’s control, but we acknowledge that inflated construction costs, shortages of labor and materials, rising interest rates, and factors such as the COVID-19 pandemic, have caused several property owners to postpone their plans, re-evaluate or redesign their projects, or sell their properties. Please note that we have also expanded Program 6 to add a new Action relating to follow-up communication with ADU permit recipients.

C. Programs (Element Chapter 6)

C1. Schedule of Actions

26 To have a beneficial impact in the planning period and address the goals of the housing element, programs must be revised with discrete timelines and specific commitment. Several programs included various actions but still must include a timeline for implementing each action including, Program 8 – Assist Senior and Disabled Households, Program 9 – Assist Extremely Low-Income Households, Program 12 – Facilitate Communication with Affordable Housing Service Providers...Program 14 – Sewer Feasibility Studies and Phase One Construction, Program 20 – Fair Housing Services Program Administration, Program 22 – Fair Housing Training for Staff.

City Response: The comment references Programs 8, 9, 12, 14, 20, and 22. The following edits have been made to Chapter 6 in response:

- *Program 8 currently includes a commitment to update the City’s website to add a dedicated page with “senior resources” by June 2023. We have added a second timeline and commitment, which is to convene a City Council study session before December, 2023 to discuss the needs of seniors, in collaboration with the RHCA Needs of Seniors Committee and non-profit senior organizations (such as Peninsula Seniors).*
- *Program 9 currently includes a commitment to establish a roster of ADUs offered to Extremely Low Income (ELI) households by 2024. A new quantified objective and timeline has been added to the Program, which is to facilitate assistance to 3 ELI homeowners by 2025.*
- *Program 12 currently includes a commitment to facilitate a meeting with affordable housing service providers by December 2022. The Program has been modified to facilitate such a meeting at least once a year during the planning period.*
- *Program 14 has a discrete timeline and specific commitment, which is to complete the Phase 1 project by 2024. The feasibility of future phases depends in the availability of grants. Additional timeline and commitment data has been added to the program.*
- *Program 20 has been modified, as the City seeks to determine the costs and benefits of different fair housing outreach and enforcement strategies. The program commits to a Fair Housing outreach and enforcement strategy by the end of 2022, thus providing a discrete timeline and specific commitment.*
- *Program 22 previously indicated a measurable objective of one staff training per year, starting in 2022. This has been reiterated through an edit to the text.*

C2. Programs relating to Sites

27

As noted in Finding B4, the element does not include a complete site analysis; therefore, the adequacy of sites and zoning was not established. Based on the results of a complete sites inventory and analysis, the City may need to add or revise programs to address a shortfall of sites or zoning available to encourage a variety of housing types. In addition, the element must be revised, as follows:

City Response: See responses to HCD comments numbered 10 through 17, as labeled in the left-hand margins of this document. The City has provided additional analysis demonstrating that the identified sites, which include the 31-acre RDMO site, vacant sites zoned for single family homes, and potential ADUs, are adequate to meet the RHNA of 45 housing units. In response to HCD’s comments and the supplemental analysis, we have also added Programs 6.10 and 6.11 to further improve the production of ADUs and Program 23 to support SB 35 applications (see responses to comments 15, 24, and 25 above).

28

Program 2 – Rancho Del Mar Opportunity Site Monitoring: The element identifies one site to accommodate a portion of its lower-income RHNA. While the program includes several actions such as subdividing the site, coordination with the school district, technical assistance and incentives, the program does not commit to these actions nor provide a date for when these actions will occur. Specifically, the element should include timelines for various actions and include commitments to outreaching, coordination, and establishing incentives that facilitate development on this site, as mentioned in the program.

City Response: Text modified, see Chapter 6, Program 2 (P. 6-4 and 6-5 of tracked change version). We have edited the program to provide a timeline for subdivision, coordinate with the school district and prepare a fact sheet for the site, all of which will facilitate its development.

29

Program 6 – Accessory Dwelling Unit (ADU) Production, Monitoring, and Incentives: The element heavily relies on ADUs to accommodate most of the City’s RHNA for all income levels. Given the City’s assumptions for ADUs exceed recent trends, the element should include a program to monitor permitted ADUs and affordability every other year and take appropriate action such as adjusting assumptions or rezoning within a specified time period (e.g., six months).

City Response: The Element is presuming five ADUs per year, which is a lower number of ADUs than were permitted in 2021. The City has expanded Program 6.2 to add provisions for monitoring ADU production, including taking action within six months in the event the number of ADUs approved is falling short of the projected need during any calendar year. We have also added Program 6.11 to monitor permitted ADUs to support their construction after they are approved.

30

Zoning for a Variety of Housing Types: The element identifies Program 4 and 5 committing to provide a variety of housing types (e.g., SROs, transitional and supportive housing, employee housing, etc.) and address constraints for people with disabilities. These actions were also identified in the last planning period but have not been completed. HCD encourages the City to utilize HCD’s technical assistance resources and model ordinances to ensure effective and efficient implementation. Please see the Housing Hub Site: Housing Planning Hub Site (arcgis.com)

City Response: Staff appreciates HCD’s references to the technical assistance and model ordinances and will follow up on available resources. The City’s Fifth Cycle Element was certified in July 2021, and there has been insufficient time to adopt all of the program recommendations in its first year while concurrently completing the Sixth Cycle Element. As noted in the revised Program 4, the City intends to adopt provisions for transitional and supportive housing, large and small residential care facilities, and employee housing in its Municipal Code by July 2022. Program 5 addresses density bonuses and is proposed for implementation by the end of 2022.

C3. Programs Relating to Constraints

31

As noted in Finding(s) B5 and B6, the element requires a complete analysis of potential governmental (*sic*). Depending upon the results of that analysis, the City may need to revise or add programs and address and remove or mitigate any identified constraints.

City Response: See responses to HCD’s numbered comments 12, 13, 15, 17, 18, 19, 20, 21, 22, 23, 24, and 25, as labeled in the left-hand margins of this document. The City has now provided a complete analysis of potential governmental constraints, as requested by HCD. Please note that as a result of the additional analysis, we have expanded Programs 4 and 6 (see Chapter 6 in the tracked change version), including the addition of new programs supporting ADU monitoring and development. We have also added programs 23 and 24 related to SB 35 and AB 1483.

C4. Programs Relating to AFFH

32

As noted in Finding B1, the element must include a complete analysis of affirmatively furthering fair housing. Based on the outcome of that analysis, the element must add or modify programs.

City Response: See responses to HCD's numbered comments 2 through 6, as referenced in the left-hand margins of this document. The City has now provided a complete analysis of AFFH, as requested by HCD. Please note that as a result of the additional analysis, pages A-44 to A-47 have been added to link the AFFH priorities and contributing factors to the specific programs listed in Chapter 6.

D. Quantified Objectives

33

While the element does include quantified objectives (p. 6-20), it must be revised to include quantified objectives for number of housing units that will be rehabilitated for low, moderate, and above moderate households.

City Response: In an email from HCD's Housing Policy Analyst Gianna Marasovich sent on April 27 (4:37 PM), we were advised that "we determined that Rolling Hills can disregard the Quantified Objectives finding". Accordingly, no edits have been proposed in response to this comment.

E. Public Participation

34

While the element described various efforts to achieve public participation in the preparation of the housing element update, it should also describe how comments were considered and incorporated into the element.

City Response: Text has been added to Page 1-8 indicating how comments were considered and incorporated into the element. Several examples are provided, including the selection of the Rancho Del Mar site for rezoning, the focus on accessory dwelling units as a strategy to meet the RHNA, and the importance of programs to help seniors age in place, given the large number of older adults in the community.