DECLARATION OF JOHN HARBISON

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#### **DECLARATION OF JOHN HARBISON**

I, John Harbison, declare as follows:

- I am a member of plaintiff Citizens for Enforcement of Parkland Covenants 1. ("CEPC"). I am also a named plaintiff. This lawsuit concerns the disposition and use of real property located adjacent to 900 Via Panorama (the "Panorama Parkland.")
- I am aware of a contention by the defendants in this case that the Panorama Parkland (also known as "Area A") is "roughly equivalent" in value and size with two other parcels previously owned by the Palos Verdes Peninsula School District known as "Lots C & D." That is not true. Lots C and D together measure 37,962 square feet. Area A measures 75,930 square feet. These measurements are set forth in the Memorandum of Understanding that preceded the sale of Panorama Parkland. The defendants in this case have also contended that Area A is steep and inaccessible while Lots C and D are not steep. Again this is not true. The elevation change between the top and bottom of Area A is 60 feet. The elevation change between the top and bottom of Lots C and D is 65 feet. The source of my information regarding altitude change is Google Maps. A summary of these figures and other comparisons of the view and uses for the two properties is attached hereto and incorporated herein as Exhibit "31."
- 3. The City of Palos Verdes Estates ("City") has taken the position in this case that it may decide the best use for the Panorama Parkland and it is not bound by deed restrictions. In other instances, the City has claimed to have no power over open space such as the Panorama Parkland. On January 28, 2014, the City of Palos Verdes Estates issued a staff report in support of adopting a housing element of the City's general plan. The City is required to submit a housing element to the State of California to ensure that the City is complying with state requirements regarding providing housing for the community. At pages 59-60 of the housing element, the City represents to the state:

All land in the City of Palos Verdes Estates is subject to private deed restrictions developed at the time the master planned Palos Verdes project was established. These restrictions include allowable land uses and architectural style. Thus, the potential for subdivision or intensification of use in most areas is quite low. ... Deed restrictions also apply to dedicated City 1

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open space. Thus, such areas would not be available for other uses, even if constraints posed by topography, infrastructure and other factors discussed below did not exist. These legally binding private restrictions were established prior to City incorporation. The Palos Verdes Homes Association currently oversees compliance with the deed restrictions. The Homes Association operates independently from the City and consists of owners of property within the planned community subdivision, both inside and outside the boundaries of the City of Palos Verdes Estates. The City has no authority to alter or override the deed restrictions or the decisions of the Homes Association.

(Emphasis added). A true and correct copy of the relevant portions of the January 28, 2014 staff report and housing element is attached hereto and incorporated herein as Exhibit "32." I obtained the staff report from the City's website.

- 4. I obtained from the Malaga Cove branch of the Palos Verdes Library District a publication from 1969 entitled "Open Space Action." A true and correct copy of the relevant portions of the article is attached hereto and incorporated herein as Exhibit "33."
- The City routinely posts audio recordings of city council meetings. I have reviewed the audio recording for the May 8, 2012 meeting where the city council approved the memorandum of understanding authorizing the sale of the Panorama Parkland. At 44 minutes into the audio, then-mayor George Bird made the below comments which I personally transcribed:

As it's been said eloquently by my colleagues to my left and right, this was a Win-Win-Win. The Homes Association, the School District has asked us to sign off on this, and credit goes to one person, and that's our City Attorney, who the public must know that she really spearheaded and brought together the parties after having talked to each of them and worked together to come up with a Win-Win-Win-Win situation. As it's been said, rarely in legal settlements does everyone come out better off, and this is one of those situations where it can be truly said everyone is the better because of coming together of all these individuals and entities to resolve an issue. I agree with Mr. Barnett -- there is no good precedent to selling parkland, it's our most valuable resource here, and what we all do. The reason why I am also in favor of this proposed MOU is because of the liability issues that we would undoubtedly have, the uniqueness of that particular issue with regard to that particular property, the inaccessibility of any members of the public to utilize that parkland, and the preservation of that dirt forever to never be developed—so it will look the same to our residents. We will all get the benefit of looking at that open space and now someone else will be paying property tax on it, which will put a few extra dollars in our pockets - so that's an additional win that hasn't been mentioned previously. For those reasons and as eloquently as Councilmember Perkins stated it, I am also in favor. That being said, can we have a motion?

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### Comparison of Lots C & D vs Area A

### Comparison

Claim	Lots C & D	Area A (Panorama Parkland
"Comparable in Size"	37,962 sq ft	75,930 sq ft
Views	PV Drive on east and PV High School on west	Queen's Necklace view of ocean, coastline up to Malibu
Park Use	Occasional walkers from PV Drive to High School	Crowds for July 4 <sup>th</sup> fireworks, daily people stopping by to take photos and enjoy the view
Slope	65 feet elevation change from top to bottom	60 feet elevation change from top to sports field area
Area that is relatively flat (less than 40-50 ft elevation change)	1 acre (all of property)	1 acre (part of property on Via Panorama)
Wheel chair access	Curb prevents	No curb

### Views from Lots C & D









### Views from Area A





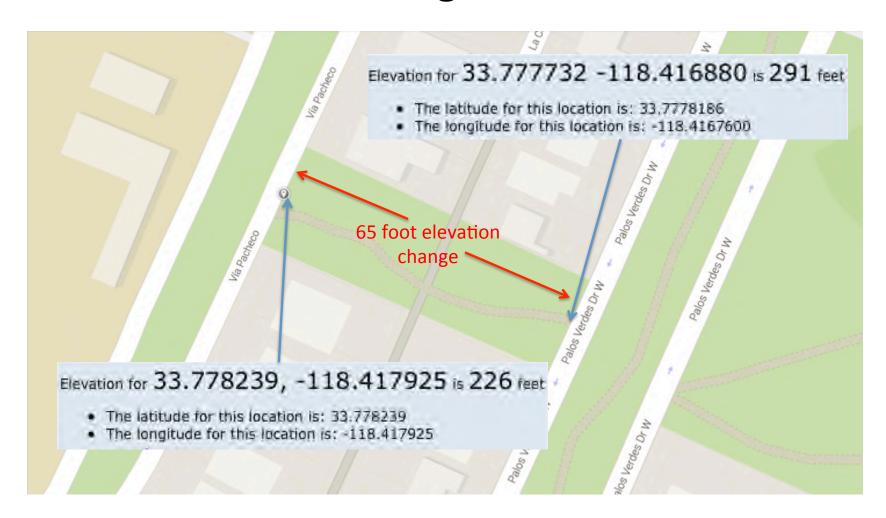
### Public Use of Area A



July 4, 2013 Spontaneous Crowd to view Fireworks



### Elevation Change of Lots C & D



### Elevation Change of Area A



### Area A worth \$5.4 M not \$0.5 M



Area A (Via Panorama)		844 Via Del Monte
1.7 acres	Lot Size	0.66 acres
September 2013	Date Sold	March 2006
\$0.5 M (land only)	Sale Price	(\$1.9 M in 2006 land only) \$2.1 M per Zillow
\$5.4 M	Price @ 844 Via DM (on per acre basis)	\$2.1 M



#### MEMORANDUM

Agenda Item #: 14
Meeting Date: 1/28/14

TO:

HONORABLE MAYOR AND CITY COUNCIL

THRU:

ANTON DAHLERBRUCH, CITY MANAGER

FROM:

ALLAN RIGG, PLANNING AND PUBLIC WORKS DIRECTOR

SUBJECT:

RESOLUTION R14-02 ADOPTING THE 2013-2021 HOUSING ELEMENT

AND APPROVING A NEGATIVE DECLARATION PURSUANT TO

**CEQA** 

DATE:

**JANUARY 28, 2014** 

#### Background

State law requires every city in California to update its Housing Element for the "5<sup>th</sup> Cycle" planning period. For jurisdictions within the Southern California Association of Governments (SCAG) region, the 5<sup>th</sup> planning period runs from October 2013 through October 2021.

The Housing Element is a mandated component of each city's General Plan. The law governing Housing Elements is far more detailed than for other elements of the General Plan, and is also unusual in that cities are required to submit Housing Elements to the California Department of Housing and Community Development (HCD) for review in draft form prior to adoption as well as after adoption. The legislature has granted HCD the authority to promulgate detailed guidelines for the preparation of Housing Elements, and also to issue opinions regarding whether local Housing Elements substantially comply with the requirements of state law. A finding of substantial compliance is often referred to as "certification" of the Housing Element.

The Housing Element must include an analysis of housing needs, available resources, governmental and non-governmental constraints, and City policies and programs related to the maintenance, improvement and development of housing for all segments of the community. Two components of the Housing Element normally receive the most attention: 1) the Regional Housing Needs Assessment (RHNA); and 2) City zoning regulations regarding housing for persons with special needs.

#### RHNA

Chapter III of the Draft Housing Element includes a summary of potential sites for residential development and demonstrates that there are adequate sites with appropriate zoning that could accommodate the level of development identified in the RHNA. However, HCD has indicated that small parcel sizes can pose a constraint to redevelopment of these properties. In order to address this concern and encourage redevelopment of smaller parcels, Chapter V of the Draft Housing Element includes Program 3 (p. V-2) to create an incentive for consolidation of small lots by allowing a 5% density increase for projects that combine smaller parcels into a building site of at least one acre.

#### **Special Needs Housing**

An important component of the Housing Element is demonstrating that the City's zoning regulations do not pose unreasonable constraints on housing for persons with disabilities or other special needs. These types of housing include group homes, community care facilities, emergency shelters, transitional housing and supportive housing. State law also requires cities to establish procedures to allow "reasonable accommodation" for persons with disabilities in the administration of planning and building regulations. State and federal statutes and case law regarding these types of housing are very complex and continue to evolve, therefore the following discussion is only intended to provide an overview of how HCD reviews this issue in the context of Housing Elements.

Chapter IV of the Draft Housing Element (beginning on p. IV-3) includes a discussion of these state requirements regarding special needs, and Chapter V includes Program 11 (p. V-5) to revise the Municipal Code in conformance with these requirements. Code amendments will require subsequent public notice and review at public hearings of the Planning Commission and City Council.

#### **HCD** Review

State law requires that draft Housing Element amendments be submitted to the California Department of Housing and Community Development (HCD) for review at least 60 days prior to adoption. The proposed Housing Element amendment was submitted to HCD on November 21, 2013. In December City staff had informal discussions with HCD staff regarding the Housing Element and in response to HCD's questions several revisions were made to the element, as summarized in an attachment to this report. HCD's formal review letter was received on January 17, 2014 and indicates that the Housing Element meets the statutory requirements of law, meaning it is approved pending some elements identified in the Housing Element.

#### Planning Commission Review

The Planning Commission reviewed the draft Housing Element along with the City Council at a joint study session on November 19, 2013. On January 21, 2014, the Palos Verdes Estates Planning Commission held a duly noticed public hearing to consider the Housing Element Amendment, the Initial Study/Negative Declaration, the staff report, public testimony, and other information in the record, and adopted a resolution recommending that the City Council adopt the Housing Element Amendment. Please note that there was no public testimony.

The Planning Commission will need to review and approve several Code modifications as mentioned in the Special Needs Housing section of this report. There is no deadline for these modifications, but the City is at risk for challenges to the Housing Element by third-party groups until these modifications are made.

#### Notification

Public notice for this public hearing was provided by publishing a notice in the Peninsula News on December 26, 2013 and by posting the agenda in the typical locations per City policy. The 2013 Draft Housing Element was also posted on the City's website on December 23, 2013.

#### **CEQA Review**

An Initial Study/Negative Declaration ("IS/ND") was posted on December 26, 2013 for the Housing Element update (Attachment D). The IS/ND concludes that adoption of the Housing Element would not have a significant effect on the environment. The 30-day public review period for the IS/ND will close on January 27<sup>th</sup>. At the time this report was prepared no comments had been received.

#### Fiscal Analysis

Each update of the City's Housing Element costs at least \$30,000 for an outside consultant plus approximately \$10,000 in staff time. If the Housing Element is certified by the City Council prior to February 12, 2014, the next update will be in eight years instead of four years.

#### Alternatives Available to the City Council

- Receive the staff presentation, open the public hearing, receive public input, close the
  public hearing, and adopt Resolution R14-02 adopting the 2013-2021 Housing Element
  of the General Plan and approving a negative declaration pursuant to CEQA.
- Receive the staff presentation, open the public hearing, close the public hearing, receive public input, and adopt Resolution R14-02 adopting the 2013-2021 Housing Element of

- the General Plan and approving a negative declaration pursuant to CEQA, with modifications.
- 3. Receive the staff presentation, open the public hearing, receive public input, close the public hearing, and direct staff to return with modifications to the 2013-2021 Housing Element of the General Plan.

#### **Staff Recommendation**

Staff recommends the City Council receive the staff presentation, open the public hearing, receive public input, close the public hearing, and adopt Resolution R14-02 adopting the 2013-2021 Housing Element of the General Plan and approving a negative declaration pursuant to CEQA.

#### Attachments

- A. Resolution R14-02, Including Exhibit A the 2013-2021 Housing Element Amendment Published January 2014
- B. Letter dated January 17, 2014 from HCD
- C. Staff Report to Planning Commission
- D. Summary of proposed Housing Element revisions in response to HCD questions
- E. Initial Study/Negative Declaration
- F. Status of Housing Element Compliance for Cities in Los Angeles County

ATTACHMENT: A

#### CITY OF PALOS VERDES ESTATES CITY COUNCIL RESOLUTION NO. R14-02

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALOS VERDES ESTATES ADOPTING THE NEGATIVE DECLARATION PREPARED FOR THE GENERAL PLAN AMENDMENT FOR THE 2013-2021 HOUSING ELEMENT AND APPROVING A GENERAL PLAN AMENDMENT FOR THE 2013-2021 HOUSING ELEMENT

THE CITY COUNCIL OF THE CITY OF PALOS VERDES ESTATES DOES HEREBY FIND, ORDER AND RESOLVE AS FOLLOWS:

#### Section 1. Recitals.

- A. All cities in California are required to prepare a General Plan, which includes a Housing Element.
- B. Cities in the Southern California Association of Governments region are required to prepare an update to the General Plan Housing Element for the 2013-2021 planning period.
- C. On November 19, 2013, the City Council and Planning Commission conducted a joint study session regarding the Housing Element update.
- D. On November 21, 2013, a draft 2013-2021 Housing Element was submitted to the California Department of Housing and Community Development ("HCD") for review pursuant to Government Code §65585.
- E. On January 18, 2014, HCD issued a letter pursuant to Government Code §65585(b) finding that the draft Housing Element meets the statutory requirements of state housing element law.
- F. On January 21, 2014, the Planning Commission held a duly noticed public hearing to consider the Housing Element Amendment, the Initial Study/Negative Declaration, the staff report, public testimony, and other information in the record, and adopted a resolution recommending that the City Council adopt the Housing Element Amendment.
- G. Pursuant to Government Code Section §65585(e) the City Council has considered the findings of HCD in its deliberations.

#### Section 2. Environmental Findings.

A. An Initial Study/Negative Declaration ("IS/ND") for the 2013-2021 Housing Element was prepared and posted for public review on December 24, 2013 in accordance with the California Environmental Quality Act ("CEQA") and the state CEQA Guidelines. The IS/ND concluded, on the basis of the whole record, that there is no substantial evidence that adoption of the Housing Element will have a significant effect on the environment. The City Council hereby finds and determines that the IS/ND reflects the City Council's independent judgment and analysis, and that the ND has been

City Council Resolution No. R14-02 Page 1 of 2 prepared in compliance with CEQA.

- B. Based on the IS/ND and the entire record of proceedings, there is no substantial evidence that the project will individually or cumulatively have an adverse effect on wildlife, as that term is defined in Section 711.2 of the California Fish and Game Code, and a Finding of No Effect has been issued by the California Department of Fish and Wildlife pursuant to Section 711.4(c) of the Fish and Game Code.
- <u>Section 3</u>. <u>Negative Declaration Adoption</u>. The City Council hereby adopts the ND prepared for the project, finding that there is no substantial evidence that the adoption of the Housing Element Amendment will have a significant adverse impact on the environment.
- <u>Section 4.</u> <u>General Plan Amendment.</u> Based upon the facts contained in this Resolution, the staff report, the IS/ND, other components of the legislative record, the Planning Commission's recommendation and the public testimony received during the public hearings held regarding this project, the City Council finds and determines as follows:
- A. The 2013-2021 Housing Element Amendment, attached hereto as Exhibit A, is in full compliance with the requirements of Government Code §§65580-65589.8.
- B. The Housing Element Amendment is consistent with the other elements of the General Plan.
  - C. The Housing Element Amendment is hereby approved and adopted.
- <u>Section 5</u>. <u>Certification of Adoption</u>. The City Clerk shall certify the adoption of this resolution and shall file a Notice of Determination with the Los Angeles County Clerk.

PASSED, APPROVED AND ADOPTED this 28<sup>th</sup> day of January 2014.

ATTEST:	Ellen Perkins, Mayor Pro Tempore	
Vickie Kroneberger, Deputy (	City Clerk	
APPROVED AS TO FORM:		
Christi Hogin, City Attorney		

City Council Resolution No. R14-02 Page 2 of 2

## CITY OF PALOS VERDES ESTATES

HOUSING ELEMENT 2013-2021

Public Review Draft January 2014

#### Acknowledgements

#### **City Council**

Mayor James F. Goodhart

Mayor Pro Tempore Ellen Perkins

Councilmember George F. Bird, Jr.

Councilmember Rosemary Humphrey

Councilmember John Rea

#### **Planning Commission**

Jim Vandever, Chair
Commissioner Winston Chang
Commissioner David Evans
Commissioner Jennifer King
Commissioner MichaelThomas

#### **City Staff**

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Stacey Kinsella, Senior Planner/Project Manager

Christi Hogin, City Attorney

Consulting Assistance:

J. H. Douglas & Associates

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#### I. Introduction

State law requires the preparation of a Housing Element as part of a jurisdiction's General Plan (*Government Code* §65302(c)). The Element is to consist of an identification and analysis of existing and projected housing needs, and a statement of goals, policies, quantified objectives and scheduled programs for the preservation, improvement and development of housing. It is also required to identify adequate sites for housing and to make adequate provision for the existing and projected needs of all economic segments of the community (§65583).

Guidelines adopted by the Department of Housing and Community Development (HCD) are also to be considered in the preparation of the Element (§65585). Periodic review of the Element is required to evaluate (1) the appropriateness of its goals, objectives and policies in contributing to the attainment of the state housing goals, (2) its effectiveness in attaining the City's housing goals and objectives and (3) the progress of its implementation (§65588).

#### A. Purpose of the Housing Element

State law recognizes the vital role local governments play in the supply and affordability of housing. Each local government in California is required to adopt a comprehensive, long-term General Plan for the physical development of the city or county. The Housing Element is one of the seven mandated elements of the General Plan. Housing Element law, first enacted in 1969, mandates that local governments plan to meet the existing and projected housing needs of all economic segments of the community. The law recognizes that, in order for the private market to adequately address housing needs, local governments must adopt land use plans and regulatory systems that provide opportunities for, and do not unduly constrain, housing development. As a result, housing policy in California rests largely upon the effective implementation of local General Plans and, in particular, local Housing Elements. Housing Element law also requires the California Department of Housing and Community Development (HCD) to review local housing elements for compliance with state law and to report its written findings to the local government.

As mandated by state law, the planning period for this Housing Element extends from 2013 to 2021<sup>1</sup>. This Element identifies strategies and programs that focus on: 1) providing diversity in housing opportunities and 2) maintenance and preservation of the housing stock.

The Housing Element consists of the following major components:

- An analysis of the City's demographic and housing characteristics and trends (Chapter II);
- An evaluation of land, financial, and administrative resources available to address the City's housing goals (Chapter III);
- A review of potential constraints, both governmental and non-governmental, to meeting the City's housing needs (Chapter IV); and
- A Housing Action Plan for the 2013-2021 planning period, including housing goals, policies and programs (Chapter V).

The projection timeframe for the Regional Housing Needs Assessment process is 7.8 years from January 2014 through October 2021

• A review of the City's accomplishments and progress in implementing the previous Housing Element (Appendix A).

#### **B.** Public Participation

Section 65583(c)(5) of the *Government Code* states that "The local government shall make diligent effort to achieve public participation of all the economic segments of the community in the development of the housing element, and the program shall describe this effort." Public participation played an important role in the formulation and refinement of the City's housing goals and policies and in the development of a Land Use Plan which determines the extent and density of future residential development in the community.

City residents had several opportunities to recommend strategies, review, and comment on the Housing Element. A public study session was held jointly by the City Council and Planning Commission on November 19, 2013. Following review by HCD, public hearings were held by the Planning Commission and City Council on January 21, 2014 and January 28, 2014 respectively. All meeting notices were posted on the City's website, and notification was published in the local newspaper in advance of the meetings. Copies of the draft Element were made available for review at City Hall and were posted on the City website. These service providers included organizations that represent the housing interest groups.

Additional information regarding the public involvement process are discussed in Appendix C.

#### C. Consistency with Other Elements of the General Plan

The City's General Plan sets forth broad policy guidance in the areas of land use, circulation, conservation, recreation, open space, housing, scenic highways, seismic safety, safety and noise. The various General Plan elements provide a consistent set of policies and programs intended to preserve and enhance the quality of life, while accommodating growth and change in a proactive manner. For example, residential development capacities established in the Land Use Element and constraints to development identified in the Conservation, Open Space and Seismic Safety Elements are reflected in the Housing Element. This Housing Element builds upon the other General Plan elements and is consistent with the policies and proposals set forth by the Plan. As the General Plan is amended from time to time, the City will review the Housing Element for internal consistency, and make any necessary revisions.

Senate Bill (SB) 1087 of 2005 requires cities to provide a copy of their Housing Elements to local water and sewer providers, and also requires that these agencies provide priority hookups for developments with lower-income housing. The Housing Element will be provided to these agencies immediately upon adoption.

#### II. HOUSING NEEDS ASSESSMENT

This chapter examines general population and household characteristics and trends, such as age, race and ethnicity, employment, household composition and size, household income, and special needs. Characteristics of the existing housing stock (e.g., number of units and type, tenure, age and condition, costs) are also addressed. Finally, the city's projected housing growth needs based on the 2014-2021 Regional Housing Needs Assessment (RHNA) are examined.

The Housing Needs Assessment utilizes the most recent data from the U.S. Census, California Department of Finance (DOF), California Employment Development Department (EDD), Southern California Association of Governments (SCAG), and other relevant data sources.

#### A. Population Characteristics

#### 1. Population Growth Trends

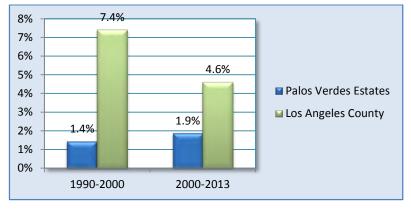
The City of Palos Verdes Estates has grown slowly since 1990 (Table II-1 and Figure II-1). This contrasts dramatically with Los Angeles County, which grew by 7.4% between 1990 and 2000, and 4.6% between 2000 and 2013. As an essentially built-out city, there have been few opportunities for substantial growth during the last 30 years, except through infill.

Table II-1 Population Trends, 1990-2013 – Palos Verdes Estates vs. Los Angeles County

	1990	2000	2013	Growth 1990-2000	Growth 2000-2013
Palos Verdes Estates	13,152	13,340	13,589	1.4%	1.9%
Los Angeles County	8,863,164	9,519,330	9,958,091	7.4%	4.6%

Source: U.S. Census, California Dept. of Finance Table E-5 (2013)

Figure II-1
Population Growth



Sources: US Census 1990, 2000; California Department of Finance Table E-1(2013)

#### 2. Age

Housing needs are influenced by the age characteristics of the population. Different age groups have different housing needs based on lifestyles, family types, income levels, and housing preference. Table II-2 provides a comparison of the city's and county's population by age group in 2010. This table shows that the age distribution of the city's population is significantly older than Los Angeles County as a whole. It is especially noteworthy that approximately 23% of the city's population is over age 65, whereas only 11% of Los Angeles county's population is over age 65. An aging population has implications regarding the type and size of future housing needs, as well as accessibility.

Table II-2
Age Distribution –
Palos Verdes Estates vs. Los Angeles County

	Dolos Vo	rdes Estates	Los Angeles County		
. ~	Palos Verdes Estates				
Age Group	Persons	%	Persons	%	
Under 5 years	475	4%	645,793	7%	
5 to 9 years	821	6%	633,690	6%	
10 to 14 years	1,101	8%	678,845	7%	
15 to 19 years	965	7%	753,630	8%	
20 to 24 years	339	3%	752,788	8%	
25 to 29 years	282	2%	759,602	8%	
30 to 34 years	234	2%	716,129	7%	
35 to 39 years	416	3%	715,635	7%	
40 to 44 years	855	6%	714,691	7%	
45 to 49 years	1,253	9%	706,742	7%	
50 to 54 years	1,278	10%	662,205	7%	
55 to 59 years	1,129	8%	560,920	6%	
60 to 64 years	1,042	8%	452,236	5%	
65 to 69 years	969	7%	323,287	3%	
70 to 74 years	713	5%	245,183	2%	
75 to 79 years	599	4%	192,881	2%	
80 to 84 years	526	4%	152,722	2%	
85 years and over	441	3%	151,626	2%	
Total	13,438	100%	9,818,605	100%	
Median age	49.9	_	34.8	_	

Source: 2010 Census, Table DP-1

#### 3. Race and Ethnicity

The racial and ethnic composition of the city differs from the county in that a much lower proportion of city residents are Hispanic/Latino or other racial minorities. Approximately 73% of city residents are non-Hispanic white, contrasted with 28% for the county as a whole. The percentage of Hispanics residing in the city, at 4.7%, is significantly lower than the county's Hispanic population of almost 48%. Asians, at approximately 17%, represent the largest minority group (Table II-3).

Table II-3
Race/Ethnicity –
Palos Verdes Estates vs. Los Angeles County

	Palos Vei	rdes Estates	Los Angeles County		
Racial/Ethnic Group	Persons	%	Persons	%	
Not Hispanic or Latino	12,807	95.3%	5,130,716	52.3%	
-White	9,868	73.4%	2,728,321	27.8%	
-Black or African American	156	1.2%	815,086	8.3%	
-American Indian/Alaska Native	14	0.1%	18,886	0.2%	
-Asian	2,306	17.2%	1,325,671	13.5%	
-Native Hawaiian/Pacific Islander	8	0.1%	22,464	0.2%	
-Other races or 2+ races	455	3.4%	220,288	2.2%	
Hispanic or Latino (any race)	631	4.7%	4,687,889	47.7%	
Total	13,438	100%	9,818,605	100%	

Source: 2010 Census, Table DP-1

#### **B.** Household Characteristics

#### 1. Household Composition and Size

Household characteristics are important indicators of the type and size of housing needed in a city. The Census defines a "household" as all persons occupying a housing unit, which may include single persons living alone, families related through marriage or blood, or unrelated persons sharing a single unit. Persons in group quarters such as dormitories, retirement or convalescent homes, or other group living situations are included in population totals, but are not considered households.

Palos Verdes Estates had 5,066 households as reported in the 2010 Census. Table II-4 provides a comparison of households by type for the city and Los Angeles County as a whole. Family households in 2010 comprised approximately 81% of all households in the City, compared to 68% for the county. Although non-family households are a small proportion of the city's households, the city's average household size is still somewhat lower than Los Angeles County as a whole (2.65 persons per household city vs. 2.98 persons per household county).

Table II-4 Household Composition – Palos Verdes Estates vs. Los Angeles County

	Palos Verdes Estates		LA County	
Household Type	Households	%	Households	%
Family households:	4,083	80.6%	2,194,080	67.7%
Husband-wife family	3,649	72.0%	1,480,665	45.7%
With own children under 18 years	1,428	28.2%	721,804	22.3%
Male householder, no wife present	138	2.7%	216,368	6.7%
With own children under 18 years	59	1.2%	92,161	2.8%
Female householder, no husband present	296	5.8%	497,047	15.3%
With own children under 18 years	130	2.6%	239,012	7.4%
Non-family households:	983	19.4%	1,047,124	32.3%
Householder living alone	848	16.7%	784,928	24.2%
Households with individuals under 18 years	1,686	33.3%	1,220,021	37.6%
Households with individuals 65 years and over	2,175	42.9%	790,386	24.4%
Total households	5,066	100%	3,241,204	100%
Average household size	2.65		2.98	

Source: 2010 Census, Table DP-1

#### 2. Housing Tenure and Vacancy

Housing tenure (owner vs. renter) is an important indicator of the housing market. Communities need an adequate supply of units available both for rent and for sale in order to accommodate a range of households with varying incomes, family sizes and composition, and lifestyles. Table II-5 provides a comparison of the number of owner-occupied and renter-occupied units in the city in 2010 as compared to the county as a whole. It reveals a high level of homeownership in the city, almost double the county's proportion of homeownership.

Table II-5 Household Tenure and Vacancy– Palos Verdes Estates vs. Los Angeles County

	Palos Verdes Estates		LA Co	untv
Housing Type	Units	%	Units	%
Occupied housing units	5,066	95.9%	3,241,204	94.1%
Owner-occupied housing units	4,496	85.1%	1,544,749	44.8%
Average household size of owner-occupied units	2.66		3.16	
Renter-occupied housing units	570	10.8%	1,696,455	49.2%
Average household size of renter-occupied units	2.57		2.81	
Vacant housing units	217	4.1%	203,872	5.9%
For rent	34	0.6%	104,960	3.0%
Rented, not occupied	3	0.1%	4,994	0.1%
For sale only	30	0.6%	26,808	0.8%
Sold, not occupied	23	0.4%	6,726	0.2%
For seasonal, recreational, or occasional use	51	1.0%	19,099	0.6%
All other vacants	76	1.4%	41,285	1.2%
Homeowner vacancy rate (%)	0.7		1.7	
Rental vacancy rate (%)	5.6		5.8	
Total housing units	5,283	100%	3,445,076	100%

Source: 2010 Census, Table DP-1

#### 3. Overcrowding

Overcrowding is often closely related to household income and the cost of housing. The U.S. Census Bureau considers a household to be overcrowded when there is more than one person per room, excluding bathrooms and kitchens, with severe overcrowding when there are more than 1.5 residents per room. Overcrowded households are usually a reflection of the lack of affordable housing. Table II-6 summarizes overcrowding for Palos Verdes Estates based on recent Census data.

Table II-6 Overcrowding – Palos Verdes Estates vs. Los Angeles County

		Verdes states	LA C	County
Occupants per Room	Units	%	Units	%
Owner occupied units	4,480	100%	1,552,091	100%
1.01 to 1.50	0	0.0%	71,920	4.6%
1.51 to 2.00	0	0.0%	17,241	1.1%
2.01 or more	0	0.0%	4,877	0.3%
Renter occupied units	504	100%	1,665,798	100%
1.01 to 1.50	0	0.0%	163,166	9.8%
1.51 to 2.00	0	0.0%	86,760	5.2%
2.01 or more	0	0.0%	43,489	2.6%

Source: Census 2006-2010 ACS, Table B25014  $\,$ 

Based on U.S. Census standards, Palos Verdes Estates residents live in significantly less crowded housing conditions than the rest of Los Angeles County. According to recent Census data, no overcrowded units were reported in the city. This compares to about 18% of renter-occupied units and 6% of owner-occupied units in Los Angeles County that were considered overcrowded.

#### 4. Household Income

Household income is a primary factor affecting housing needs in a community – the ability of residents to afford housing is directly related to household income. According to recent Census data, the median household income in Palos Verdes Estates was over \$186,000, over 3 times the median income for Los Angeles County as a whole (Table II-7).

Table II-7
Median Household Income –
Palos Verdes Estates and Los Angeles County

Jurisdiction	Median Income	% of County Median Income
Palos Verdes Estates	186,651	336%
Los Angeles County	55,476	100%

Source: U.S. Census, 2006-2010 ACS, Table DP-3

#### 5. Overpayment

According to State housing policy, overpaying occurs when housing costs exceed 30% of gross household income. Table II-8 displays recent HUD estimates for overpayment for renter and owner households in Palos Verdes Estates. Approximately 81% of lower-income renters and 68% of lower-income owners reported overpayment.

Although homeowners enjoy income and property tax deductions and other benefits that help to compensate for high housing costs, lower-income homeowners may need to defer maintenance or repairs due to limited funds, which can lead to deterioration. For lower-income renters, severe cost burden can require families to double up resulting in overcrowding and related problems.

Table II-8 Overpayment by Income Category

Inaoma Catagony	Owners		Renters	
Income Category	Households	Percent	Households	Percent
Extremely low households	185		35	
Households overpaying	170	91.9%	35	100.0%
Very low households	170		50	
Households overpaying	100	58.8%	30	60.0%
Low households	145		20	
Households overpaying	70	48.3%	20	100.0%
Subtotal: All lower-income households	500		105	
Subtotal: Households overpaying	340	68.0%	85	81.0%
Moderate households	315		25	
Households overpaying	165	52.4%	0	0.0%
Above moderate households	3,610		365	
Households overpaying	1,035	28.7%	55	15.1%

Source: HUD CHAS, based on the 2006-2010 ACS

#### **Extremely Low Income Households**

State law requires quantification and analysis of existing and projected housing needs of extremely low-income (ELI) households. Extremely-low-income is defined as households with income less than 30% of area median income. The 2013 area median income for Los Angeles County was \$64,800 (see Table II-15). For extremely-low-income households, this results in an income of \$25,600 or less for a four-person household. Households with extremely-low-income have a variety of housing situations and needs, such as overpayment and overcrowding.

Recent Census estimates published by SCAG reported that approximately 147 extremely-low-income households resided in Palos Verdes Estates, representing about 3% of all households.

The projected housing need for extremely-low-income households is assumed to be 50% of the very-low-income share of regional housing need of 4 units. As a result, the City has a projected need for 2 extremely-low-income units in this planning period (see Table II-20). The resources and programs to address this need are the same as for low-income households in general and are discussed throughout the Housing Element, and particularly Chapter V, Housing Action Plan. The needs of extremely-low-income households overlap extensively with other special needs groups, and further analysis and discussion of special needs households can also be found in Chapter IV, Constraints, Section A.1.c. Special Needs Housing. Programs to address the needs of extremely-low-income households and persons with special needs are described in Chapter V (Housing Plan) and include Program 3 (Mixed Use), Program 5 (Streamline the Development Process), Program 8 (Density Bonus), Program 9 (Shared Housing), and Program 11 (Emergency Shelters, Transitional/Supportive Housing, Community Care Facilities, SROs, Agricultural Employee Housing and Reasonable Accommodation).

#### C. Employment

Employment is an important factor affecting housing needs within a community. The jobs available in each employment sector and the wages for these jobs affect the type and size of housing residents can afford.

#### 1. Current Employment

Current employment and projected job growth have a significant influence on housing needs during this planning period. Table II-9 shows that the city had a workforce of 5,647 persons, or 53% of the working-age population, according to recent Census data. By contrast, Los Angeles County had over 65% of its working-age population in the labor force.

Table II-9 Labor Force – Palos Verdes Estates vs. Los Angeles County

	Palos Verdes Estates		LA County	
Labor Force Status	Persons	%	Persons	%
Population 16 years and over	10,630	100%	7,602,252	100%
In labor force	5,647	53.1%	4,959,167	65.2%
Civilian labor force	5,647	53.1%	4,953,791	65.2%
Employed	5,470	51.5%	4,522,917	59.5%
Unemployed	177	1.7%	430,874	5.7%
Armed Forces	0	0.0%	5,376	0.1%
Not in labor force	4,983	46.9%	2,643,085	34.8%

Source: Census 2006-2010 ACS, Table DP3

Approximately 65% of the city's working residents were employed in management and professional occupations, while 26% were in sales or related fields (Table II-10). A low percentage of workers (under 5%) were employed in service related occupations such as waiters, waitresses, and beauticians. Employment in the natural resources, construction, maintenance, production, transportation and material moving fields constituted about 5% of the workforce.

Table II-10 Employment by Occupation

	Palos Verdes Estates	
Occupation	Persons	%
Civilian employed population 16 years and over	5,470	100%
Management, business, science, and arts occupations	3,530	64.5%
Service occupations	262	4.8%
Sales and office occupations	1,419	25.9%
Natural resources, construction, and maintenance occupations	144	2.6%
Production, transportation, and material moving occupations	115	2.1%

Source: U.S. Census 2006-2010 ACS, Table DP3

# 2. Projected Job Growth

Table II-11 shows projected job growth by industry for the Los Angeles-Long Beach-Glendale MSA for the period 2010-2020. The greatest number of new jobs projected to be produced in Los Angeles County over the next few years will be among the lower-wage occupations. Because a high proportion of new jobs created will be low-wage jobs, there will be a growing demand for units affordable to low-income persons, typically far below the average home price of the area.

Table II-11 2010-2020 Industry Employment Projections – Los Angeles-Long Beach-Glendale Metropolitan Statistical Area

NAICS		Annual . Emplo		Employment Change		
Code	Industry Title	2010	2020	Jobs	Percent	
	Total Employment	4,246,700	4,904,300	657,600	15.5	
	Self-Employment (A)	337,500	366,900	29,400	8.7	
	Unpaid Family Workers (B)	3,300	3,400	100	3.0	
	Private Household Workers (C)	126,600	163,300	36,700	29.0	
	Total Farm	6,200	5,800	-400	-6.5	
	Total Nonfarm	3,773,100	4,364,900	591,800	15.7	
1133,21	Mining and Logging	4,100	4,500	400	9.8	
23	Construction	104,500	129,600	25,100	24.0	
31-33	Manufacturing	373,200	362,500	-10,700	-2.9	
22,42-49	Trade, Transportation, and Utilities	739,800	887,700	147,900	20.0	
51	Information	191,500	211,700	20,200	10.5	
52-53	Financial Activities	209,500	231,300	21,800	10.4	
54-56	Professional and Business Services	527,500	640,600	113,100	21.4	
61-62	Educational Services, Health Care and Social Assistance	522,000	660,000	138,000	26.4	
71-72	Leisure and Hospitality	384,800	480,000	95,200	24.7	
81	Other Services (excludes 814-Private Household Workers)	136,700	150,700	14,000	10.2	
	Government	579,600	606,300	26,700	4.6	
	Federal Government (D)	51,600	43,900	-7,700	-14.9	
	State and Local Government	528,000	562,400	34,400	6.5	
	State Government	80,700	88,100	7,400	9.2	
	Local Government	447,300	474,300	27,000	6.0	

Data sources: U.S. Bureau of Labor Statistics' Current Employment Statistics (CES) March 2011 benchmark and Quarterly Census of Employment and Wages (QCEW) industry employment.

Industry detail may not add up to totals due to independent rounding.

Notes: (A) Self-Employed persons work for profit or fees in their own business, profession, trade, or farm. Only the unincorporated self-employed are included in this category. The estimated and projected employment numbers include all workers who are primarily self-employed and wage and salary workers who hold a secondary job as a self-employed worker.

- (B) Unpaid family workers are those persons who work without pay for 15 or more hours per week on a farm or in a business operated by a member of the household to whom they are related by birth or marriage.
- (C) Private household workers are employed as domestic workers whose primary activities are to maintain the household. Industry employment is based on QCEW.
- (D) Temporary U.S. Census workers are included in the base and projected year employment numbers.

# 3. Jobs-Housing Balance

A regional balance of jobs to housing helps to ensure that the demand for housing is reasonably related to supply. When the number of jobs significantly exceeds the housing supply, the rental and for-sale housing markets may become overheated, requiring households to pay a larger percentage of their income for housing. In addition, a tight housing market can result in overcrowding and longer commute times as workers seek more affordable housing in outlying areas. Conversely, a lack of jobs can also result in longer commutes, particularly for low-wage service workers. The current jobshousing objective within the SCAG region is one new housing unit for every 1.5 jobs.<sup>2</sup>

According to recent Census data, about 94% of employed Palos Verdes Estates residents worked in Los Angeles County, but only 15.5% of workers were employed within the city limits (Table II-12).

Table II-12 Job Location for Palos Verdes Estates Residents

Workplace Location	%
Worked in state of residence	98.6%
Worked in county of residence	93.5%
Worked in place of residence	15.5%
Worked outside county of residence	5.1%
Worked outside state of residence	1.4%

Source: Census 2006-2010 ACS, Table S0801

# D. Housing Stock Characteristics

This section reviews the characteristics of the community's housing stock and helps in identifying and prioritizing needs. The factors evaluated include the number and type of housing units, recent growth trends, age and condition, tenure, vacancy, housing costs, affordability, and assisted affordable units at-risk of loss due to conversion to market-rate. A housing unit is defined as a house, apartment, mobile home, or group of rooms, occupied as separate living quarters, or if vacant, intended for occupancy as separate living quarters.

## 1. Housing Type and Growth Trends

The housing stock in Palos Verdes Estates is comprised mostly of single-family homes, which make up 94% of all units. Multi-family and mobile homes comprise the remaining 6%. Table II-13 provides a breakdown of the housing stock by type along with growth trends for the city compared to the county as a whole for the period 2000-2012. Between 2000 and 2012, there have been 92 housing units added to the city's housing stock. The reported reduction in multi-family units may be due to condominium conversions.

SCAG Regional Comprehensive Plan, Land Use & Housing Chapter

Table II-13 Housing by Type – Palos Verdes Estates and Los Angeles County

Stuncture Trans	2000		2012		Growth		
Structure Type	Units	%	Units	%	Units	%	
Palos Verdes Estates							
Single-family	4,820	93%	4,955	94%	135	146.7%	
Multi-family	382	7%	327	6%	-55	-59.8%	
Mobile homes	0	0.0%	12	0.2%	12	13.0%	
Total units	5,202	100%	5,294	100%	92	100%	
Los Angeles County	-	-	3	-	3	3	
Single-family	1,835,024	56%	1,947,820	56%	112,796	61.6%	
Multi-family	1,379,277	42%	1,447,958	42%	68,681	37.5%	
Mobile homes	56,605	2%	58,314	2%	1,709	0.9%	
Total units	3,270,906	100%	3,454,092	100%	183,186	100%	

Source: Cal. Dept. of Finance, Tables E-5 & E-8

# 2. Housing Age and Conditions

Housing age is often an important indicator of housing condition. Housing units built prior to 1978 before stringent limits on the amount of lead in paint were imposed, may have interior or exterior building components coated with lead-based paint. Housing units built before 1970 are the most likely to need rehabilitation and to have lead-based paint in deteriorated condition. Lead-based paint becomes hazardous to children under age six and to pregnant women when it peels off walls or is pulverized by windows and doors opening and closing.

Table II-14 shows the age distribution of the housing stock in Palos Verdes Estates compared to Los Angeles County as a whole as reported in recent Census data.

Table II-14
Age of Housing Stock by Tenure –
Palos Verdes Estates vs. Los Angeles County

	Palos Verdes Estates		LA Co	ounty
Year Built	Units	%	Units	%
Built 2005 or later	97	2%	54,241	2%
Built 2000 to 2004	113	2%	109,255	3%
Built 1990 to 1999	313	6%	208,791	6%
Built 1980 to 1989	266	5%	403,248	12%
Built 1970 to 1979	913	17%	496,376	14%
Built 1960 to 1969	1,235	23%	518,500	15%
Built 1950 to 1959	1750	33%	722,473	21%
Built 1940 to 1949	329	6%	396,035	12%
Built 1939 or earlier	262	5%	516,817	15%
Total units	5,278	100%	3,425,736	100%

Source: Census 2006-2010 ACS, Table DP-4

This table shows that about two-thirds of the housing units in Palos Verdes Estates were constructed prior to 1970. Statistics indicating that a significant portion of the housing stock is more than 30 years old would often indicate a growing need for maintenance and rehabilitation. However, the high household incomes and housing values in the city results in few properties actually falling into disrepair, and therefore the need for public assistance with maintenance and rehabilitation is considered to be very low.

# 3. Housing Cost

### a. Housing Affordability Criteria

State law establishes five income categories for purposes of housing programs based on the area (i.e., county) median income ("AMI"): extremely-low (30% or less of AMI), very-low (31-50% of AMI), low (51-80% of AMI), moderate (81-120% of AMI) and above moderate (over 120% of AMI). Housing affordability is based on the relationship between household income and housing expenses. According to HUD and the California Department of Housing and Community Development, housing is considered "affordable" if the monthly payment is no more than 30% of a household's gross income. In some areas, these income limits may be increased to adjust for high housing costs.

Table II-15 shows affordable rent levels and estimated affordable purchase prices for housing in Los Angeles County by income category. Based on state-adopted standards, the maximum affordable monthly rent for extremely-low-income households is \$640, while the maximum affordable rent for very-low-income households is \$1,068. The maximum affordable rent for low-income households is \$1,708, while the maximum for moderate-income households is \$1,944.

Maximum purchase prices are more difficult to determine due to variations in mortgage interest rates and qualifying procedures, down payments, special tax assessments, homeowner association fees, property insurance rates, etc. With this caveat, the maximum home purchase prices by income category shown in Table II-15 have been estimated based on typical conditions.

Table II-15 Income Categories and Affordable Housing Costs – Los Angeles County

2013 County Median Income = \$64,800	Income Limits	Affordable Rent	Affordable Price (est.)
Extremely Low (<30%)	\$25,600	\$640	
Very Low (31-50%)	\$42,700	\$1,068	\$140,000
Low (51-80%)	\$68,300	\$1,708	\$235,000
Moderate (81-120%)	\$77,750	\$1,944	\$280,000
Above moderate (120%+)	\$77,750+	\$1,944+	\$280,000+

### Assumptions:

- -Based on a family of 4
- -30% of gross income for rent or PITI
- -10% down payment, 4.5% interest, 1.25% taxes & insurance, \$200 HOA dues

Source: Cal. HCD; J.H. Douglas & Associates

#### b. **For-Sale Housing**

Housing sales price statistics for the calendar year 2012 reported by DataQuick<sup>3</sup> showed a median single-family home price of \$1.36 million and a median condo price of \$550,000. Due to the small number of sales in each city, these data are for the entire Palos Verdes peninsula, which includes Palos Verdes Estates. Clearly there is a large gap between market prices and what low- and moderate-income families can afford.

#### **Rental Housing** c.

An internet search for vacant rental units found apartments advertised with rents ranging from \$1,950 to \$2,600 for 2-bedroom units and up to \$10,000 per month for single-family homes. When these rents are compared to affordable housing costs (Table II-15), it is clear that low- and moderate-income households have a difficult time finding rental housing without overpaying.

#### E. **Special Needs**

Certain groups have greater difficulty in finding decent, affordable housing due to special circumstances. Such circumstances may be related to one's employment and income, family characteristics, disability, or other conditions. As a result, some Palos Verdes Estates residents may experience a higher prevalence of overpayment, overcrowding, or other housing problems.

State Housing Element law defines "special needs" groups to include persons with disabilities, the elderly, large households, female-headed households with children, homeless people, and farm workers. This section contains a discussion of the housing needs facing each of these groups.

#### 1. Persons with Disabilities

The most recent Census data regarding persons with disabilities was reported in the 2000 Census. In 2000, approximately 652 people between 16 and 64 years of age, or 8% of the working age population, reported a work-related disability (see Table II-16). Of those aged 65 and over, 326 persons reported a physical disability (12%). Housing opportunities for those with disabilities can be improved through housing assistance programs and universal design features such as widened doorways, ramps, lowered countertops, single-level units and ground floor units.

<sup>&</sup>lt;sup>3</sup> http://www.dgnews.com/Charts/Annual-Charts/LA-Times-Charts/ZIPLAT12.aspx

Table II-16 Persons with Disabilities by Age

Disability by Age	Persons	Percent
Age 5 to 15 - total persons	2,010	
Sensory disability	12	0.6%
Physical disability	12	0.6%
Mental disability	71	3.5%
Self-care disability	12	0.6%
Age 16 to 64 - total persons	7,923	
Sensory disability	78	1.0%
Physical disability	111	1.4%
Mental disability	80	1.0%
Self-care disability	30	0.4%
Go-outside-the-home disability	118	1.5%
Employment disability	652	8.2%
Age 65 and over* - total persons	2,681	
Sensory disability	170	6.3%
Physical disability	326	12.2%
Mental disability	135	5.0%
Self-care disability	93	3.5%
Go-outside-the-home disability	213	7.9%

Source: 2000 Census, SF3 Tables P8 and P41

Note: Totals may exceed 100% due to multiple disabilities per person

# **Persons with Developmental Disabilities**

As defined by federal law, "developmental disability" means a severe, chronic disability of an individual that:

- Is attributable to a mental or physical impairment or combination of mental and physical impairments;
- Is manifested before the individual attains age 22;
- Is likely to continue indefinitely;
- Results in substantial functional limitations in three or more of the following areas of
  major life activity: a) self-care; b) receptive and expressive language; c) learning; d)
  mobility; e) self-direction; f) capacity for independent living; or g) economic selfsufficiency;
- Reflects the individual's need for a combination and sequence of special, interdisciplinary,
  or generic services, individualized supports, or other forms of assistance that are of
  lifelong or extended duration and are individually planned and coordinated.

Examples of developmental disabilities include cerebral palsey, epilepsy and autism. The Census does not record developmental disabilities as a separate category of disability. According to the U.S. Administration on Developmental Disabilities, an accepted estimate of the percentage of the population that can be defined as developmentally disabled is 1.5 percent. Many developmentally disabled persons can live and work independently within a conventional housing environment. More severely disabled individuals require a group living environment where supervision is provided. The most severely affected individuals may require an institutional environment where medical attention and physical therapy are provided. Because developmental disabilities exist before adulthood, the first issue in supportive housing for the developmentally disabled is the transition from the person's living situation as a child to an appropriate level of independence as an adult.

The California Department of Developmental Services (DDS) provides community-based services to approximately 243,000 persons with developmental disabilities and their families through a statewide system of 21 regional centers, four developmental centers, and two community-based facilities. The Harbor Regional Center (<a href="http://www.harborrc.org/">http://www.harborrc.org/</a>), with offices in Torrance and Long Beach, provides services for people with developmental disabilities on the Palos Verdes Peninsula, including Palos Verdes Estates. The HRC is a private, non-profit community agency that contracts with local businesses to offer a wide range of services to individuals with developmental disabilities and their families.

There is no charge for diagnosis and assessment for eligibility. Once eligibility is determined, most services are free regardless of age or income. There is a requirement for parents to share the cost of 24-hour out-of-home placements for children under age 18. This share depends on the parents' ability to pay. There may also be a co-payment requirement for other services.

Regional centers are required by law to provide services in the most cost-effective way possible. They must use all other resources, including generic resources, before using any regional center funds. A generic resource is a service provided by an agency that has a legal responsibility to provide services to the general public and receives public funds for providing those services. Some generic agencies may include the local school district, county social services department, Medi-Cal, Social Security Administration, Department of Rehabilitation and others. Other resources may include natural supports, which refers to help that disabled persons may get from family, friends or others at little or no cost.

According to its latest Fact Sheet<sup>4</sup> the Harbor Regional Center provides services to more than 11,000 people with developmental disabilities and their families. About 15% are between birth and 2 years of age and are served under the early intervention program. About 37% are between the age of 3 and 18 years of age, and 48% are adults over 18 years of age. Most of HRC's clients (about 83%) live at home with families. An additional 10% live in some type of licensed home in the community, and about 7% live on their own with supports.

# 2. Elderly

According to recent Census estimates, there were 1,836 owner households and 504 renter households in Palos Verdes Estates where the householder was 65 or older (Table II-17). Some elderly homeowners may be physically unable to maintain their homes or cope with living alone. In areas where elderly persons are living in poverty, housing needs can be addressed through smaller units,

<sup>&</sup>lt;sup>4</sup> http://www.harborrc.org/files/uploads/aboutclientsfam r0313 (2).pdf

second units on lots with existing homes, shared living arrangements, congregate housing and housing assistance programs.

Table II-17 Elderly Households by Tenure

	Owner		Renter		
Householder Age	Households	%	Households	%	
Under 65 years	2,644	59.0%	348	69.0%	
65 to 74 years	944	21.1%	64	12.7%	
75 to 84 years	641	14.3%	92	18.3%	
85 years and over	251	5.6%	0	0.0%	
Total Households	4,480	100%	504	100%	

Source: U.S. Census 2006-2010 ACS, Table B25007

# 3. Large Households

Household size is an indicator of need for large units. Large households are defined as those with five or more members. According to recent Census estimates, about 60% of all owner households and 53% of renter households have only one or two members. About 8% of owner households had five or more members, while less than 6% of renters were large households (Table II-18). This distribution suggests that the need for large units with four or more bedrooms in Palos Verdes Estates is expected to be significantly less than for smaller units.

Table II-18 Household Size by Tenure

	Owner		Renter		
Householder Age	Households	%	Households	%	
1 person	613	13.7%	149	29.6%	
2 persons	2,060	46.0%	118	23.4%	
3 persons	643	14.4%	45	8.9%	
4 persons	789	17.6%	163	32.3%	
5 persons	308	6.9%	29	5.8%	
6 persons	57	1.3%	0	0.0%	
7 persons or more	10	0.2%	0	0.0%	
Total Households	4,480	100%	504	100%	

Source: U.S. Census 2006-2010 ACS, Table B25009

### 4. Female-Headed Households

Recent Census estimates reported that about 5% of owner households and 7% of renter households were headed by a female (Table II-19). While female-headed households represent a small portion of households in Palos Verdes Estates, they can face difficult challenges dealing with work and child care responsibilities.

Table II-19 Household Type by Tenure

	Owner		Renter	
Household Type	Households	%	Households	%
Married couple family	3,481	77.7%	259	51.4%
Male householder, no wife present	48	1.1%	14	2.8%
Female householder, no husband present	223	5.0%	35	6.9%
Non-family households	728	16.3%	196	38.9%
Total Households	4,480	100%	504	100%

Source: U.S. Census 2006-2010 ACS, Table B11012

### 5. Farm Workers

Farm worker households are considered a special needs group due to their transient nature and the lower incomes typically earned by these households. Migrant workers, and their places of residence, are generally located in close proximity to agricultural areas providing employment. No significant agricultural activities are found in Palos Verdes Estates or in the surrounding communities.<sup>5</sup> In addition, Census data published by SCAG<sup>6</sup> did not identify any farm workers residing in Palos Verdes Estates.

### 6. Homeless Persons

The U.S. Department of Housing and Urban Development (HUD) defines the term "homeless" as the state of a person who lacks a fixed, regular, and adequate night-time residence, or a person who has a primary night time residency that is:

- A supervised publicly or privately operated shelter designed to provide temporary living accommodations;
- An institution that provides a temporary residence for individuals intended to be institutionalized; or
- A public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.<sup>7</sup>

<sup>&</sup>lt;sup>5</sup> 2005 Crop and Livestock Report, Los Angeles County Agricultural Commissioner

<sup>6</sup> http://rtpscs.scag.ca.gov/Pages/Housing-Elements-2012.aspx

Stewart B. McKinney Act, 42 U.S.C. §11301, et seq. (1994)

Although there are myriad causes of homelessness, among the most common are:

- Substance abuse and alcohol
- Domestic violence
- Mental illness

Homelessness is a regional problem best dealt with at a regional or countywide scale. Los Angeles County's focus is to provide funding for access to mainstream resources such as income supports, health care, mental health care, substance abuse treatment programs, child care, and job training placement. These resources serve the existing homeless population, and also work toward the prevention of homelessness.

According to the 2013 Homeless Count Report<sup>9</sup> by the Los Angeles Homeless Services Authority (LAHSA), it is estimated that 53,798 persons were homeless at the time of the survey. Of this population, 24% were in shelter facilities, 42% were unsheltered and 34% were estimated to be "hidden homeless." Palos Verdes Estates is located within LAHSA's Service Planning Area (SPA) 8 – South Bay. The homeless count for SPA 8 found 5,245 single adults, 551 family members, and 15 unaccompanied youth. The estimated total number of homeless persons in SPA 8 was approximately 14% lower than the previous survey in 2011. LAHSA's survey did not count the homeless population for each jurisdiction, therefore 2010 Census data is the most recent available source. As reported by SCAG<sup>10</sup>, the Census Bureau reported no homeless persons in Palos Verdes Estates.

Senate Bill (SB) 2 of 2007 requires that jurisdictions identify a zone or zones that can accommodate at least one year-round emergency shelter<sup>11</sup>. Cities must quantify the need for emergency shelters and determine whether existing facilities are adequate to serve the need. If adequate existing facilities are not available, the law requires jurisdictions to identify areas where new facilities are permitted "byright" (i.e., without requiring discretionary approval such as a use permit), or enter into a multi-party agreement with up to two other jurisdictions to accommodate the need. When there is no unmet need, cities may identify a zone where emergency shelters are permitted subject to a conditional use permit. Since no homeless population has been identified in Palos Verdes Estates, there is no unmet need for emergency shelter facilities and the Housing Action Plan (Chapter V) includes Program 11 to amend the Municipal Code in conformance with SB 2.

# F. Assisted Housing at Risk of Conversion

State law requires that the Housing Element report assisted affordable units that are at risk of conversion to market rate housing during the next ten years. According to SCAG and the California Housing Partnership Corporation, there are no assisted units in Palos Verdes Estates.

# G. Low and Moderate Income Housing in the Coastal Zone

Section 65590 of the California Government Codes provides for the preservation and production of low- and moderate-income housing in the Coastal Zone. Section 65590 requires the inclusion of low- or moderate-income housing in new residential development in the Coastal Zone where feasible. It

Los Angeles County Housing and Community Development Consolidated Plan, page 5-21

http://documents.lahsa.org/planning/homelesscount/2013/HC13-Results-by-SPA-and-SD.pdf (8/27/2013)

http://rtpscs.scag.ca.gov/Pages/Housing-Elements-2012.aspx

Government Code Sec. 65583(a)(4)

also contains requirements for replacement of low- and moderate-income housing within the Coastal Zone with such housing is demolished or converted to other uses.

Government Code Section 65590(b)(3) states that replacement housing must be provided only where feasible if the local jurisdiction has less than 50 acres, in aggregate, of privately-owned, vacant land which is available for residential use. The City of Palos Verdes Estates currently has well below 50 acres of vacant land available for residential use citywide, and less than 5 acres is in the Coastal Zone.

In accordance with Government Code Section 65588(c) housing elements must take into account any low- or moderate-income housing provided or required pursuant to Section 65590. Section 65588(d) provides a framework for the analysis.

The City has not lost any low- or moderate-income dwellings to demolition. Because new housing in the Coastal Zone consists only of development or redevelopment of single-family lots, it is not feasible to require inclusionary units and none have been required. Thus, no low- or moderate-income housing units have been provided or lost pursuant to Section 65590.

# H. Future Growth Needs

# 1. Overview of the Regional Housing Needs Assessment

The Regional Housing Needs Assessment (RHNA) is a key tool for local governments to plan for anticipated growth. The RHNA quantifies the anticipated need for housing within each jurisdiction for the "5<sup>th</sup> cycle" planning period from January 2014 to October 2021. Communities then determine how they will address this need through the process of updating the Housing Elements of their General Plans.

The current RHNA was adopted by the Southern California Association of Governments (SCAG) in October 2012. The future need for housing is determined primarily by the forecasted growth in households in a community. Each new household, created by a child moving out of a parent's home, by a family moving to a community for employment, and so forth, creates the need for a housing unit. The housing need for new households is then adjusted to maintain a desirable level of vacancy to promote housing choice and mobility. An adjustment is also made to account for units expected to be lost due to demolition, natural disaster, or conversion to non-housing uses. The sum of these factors – household growth, vacancy need, and replacement need – determines the construction need for a community. Total housing need is then distributed among four income categories on the basis of the county's income distribution, with adjustments to avoid an over-concentration of lower-income households in any community.

# 2. 2014-2021 Palos Verdes Estates New Housing Needs

The Southern California Association of Governments (SCAG) determined the RHNA growth needs for each city within the SCAG region, plus the unincorporated areas. The total housing growth need for the City of Palos Verdes Estates during the 2006-2014 planning period is 16 units. This total is distributed by income category as shown in Table II-20.

Table II-20 Regional Housing Growth Needs 2014-2021

Very Low*	* Low Moderate		Above Moderate	Total	
4	3	3	6	16	

Source: SCAG 2012

\*50% of the very-low need is assigned to the extremely-low-income category pursuant to Government Code §65583(a)(1) Note: The RHNA projection period is 1/1/2014 – 10/31/2021

It should be noted that SCAG did not identify growth needs for the extremely-low-income category in the adopted RHNA. As provided in Assembly Bill (AB) 2634 of 2006, jurisdictions may determine their extremely-low-income need as one-half the need in the very-low category.

A discussion of the City's land resources to accommodate this growth need is provided in Chapter III.

# III. RESOURCES AND OPPORTUNITIES

# A. Sites for Residential Development

Section 65583(a)(3) of the *Government Code* requires Housing Elements to contain an "inventory of land suitable for residential development, including vacant sites and sites having potential for redevelopment, and an analysis of the relationship of zoning and public facilities and services to these sites." The City's inventory of sites with potential for residential development is provided in Appendix B and summarized in Table III-1.

### Affordability Assumptions

In 2004 state Housing Element law was amended<sup>12</sup> to clarify the requirements for the land inventory analysis, and established a "default density" for each jurisdiction. The default density is the density that is assumed to be sufficient to facilitate the production of lower-income housing. The default density for Palos Verdes Estates is 20 units/acre. Since the City allows multi-family residential development at 24.9 units/acre and mixed-use development in the Commercial zone with no density limit, those sites are considered to be suitable for lower-income housing. However, it must be recognized that affordable housing requires two things: 1) a suitable site with appropriate land use regulations, and 2) a willing developer with access to public subsidies to make the project financially feasible. The small number of vacant sites, very high land costs, and limited public subsidies makes affordable housing development in areas like Palos Verdes Estates extremely challenging.

### **Single-Family Sites**

Only about 42 vacant residential lots currently exist in the city. This vacant land typically consists of individual single-family (R-1) lots in developed neighborhoods, and there are few locations where even two vacant sites are contiguous. Vacant sites are generally difficult to develop due to topography. The few lots that are large enough to present an opportunity for further subdivision are very steeply sloped, rendering it impractical to construct additional units. At the same time, some of the lots presenting the greatest development challenge also provide spectacular views, inducing potential residents to make the investment needed for massive grading or other modifications of the lot. Thus, they are only suitable for single-family housing. Infrastructure exists to serve these lots, though three of the lots lack direct street access and would require an easement across adjacent lots. Due to terrain and isolated location, none of the vacant lots is suitable for multi-family development.

### **Multi-Family Sites**

Two areas in Palos Verdes Estates allow multi-family development – Lunada Bay and Malaga Cove (see Figures III-1, III-2 and III-3). The R-M zoning for these areas is consistent with the private deed restrictions enforced by the Homes Association, and no additional land can be redesignated for multi-family use without approval of the Association. Within these two areas, all sites are developed at or above the maximum allowable number of units except for five lots which are located on Via Campesina, Via Pinale, and Palos Verdes Drive West. These lots could accommodate 22 dwelling units if existing development were demolished and replaced at the maximum permitted density of 24.9 units/acre (Table III-2). Three of these five underutilized lots (representing 13 of the 22 total units) are

<sup>&</sup>lt;sup>12</sup> HCD memo of June 9, 2005 on AB 2348

rental apartments while two are condo projects. Apartments are considered to have a greater likelihood of redevelopment because they are investment properties with profit-motivated owners. These three properties currently contain 8 units, therefore the potential replacement with 13 units represents an increase of 63%, a substantial incentive for redevelopment. Multi-family development is permitted byright in the R-M district, and adequate streets, sewer, and water infrastructure exist to serve these properties.

### Commercial and Mixed-Use Sites

A total of approximately 8.5 acres of land is zoned for commercial use at Lunada Bay and Malaga Cove. Mixed-use development is permitted in these areas, and could accommodate affordable housing. The Zoning Code allows mixed commercial/residential use by use permit. There is no minimum commercial portion or density limit on the residential component of a mixed-use development other than conformance with the applicable standards such as the height limit of 35 feet and two stories (which does not include parking garages), lot coverage, setbacks, parking, landscaping, etc. Development at the "default density" of 20 units/acre is feasible under these regulations. Table III-3 contains an inventory of commercial sites that allow mixed-use development. This table shows that the three sites at Lunada Bay could accommodate 50 multi-family units, while the five sites at Malaga Cove could accommodate 117 units, assuming a density of 20 units/acre. Several of the parcels are developed with single-story buildings, and therefore are significantly underutilized.

# Other Undeveloped Areas

The only other significant undeveloped areas that are buildable or have potential for redevelopment are in public or quasi-public use. This includes public open space, schools, and churches. Should such uses be abandoned, residential use of the sites could be considered, to the extent this can be accomplished within existing deed restrictions.

The City contains approximately 849 acres of open space, including the 130-acre shoreline preserve, park sites and greenbelt pathways, the golf course, and play areas. These areas are deed restricted and, for areas in the Coastal Zone, designed to enhance preservation and/or access to coastal resources, consistent with the California Coastal Act.

As shown in Table III-1 below, the City's inventory of vacant and underutilized sites can accommodate the RHNA allocation in all income categories.

Table III-1 Land Inventory Summary

	Income Category		
	VL/L	Mod	Above
Vacant Single-Family lots			42
Underutilized Multi-Family sites	13		
Underutilized Commercial/Mixed-Use sites	167		
Subtotal	180		42
RHNA (2014-2021)	7	3	6
Adequate Sites?	Yes	Yes*	Yes

Source: City of Palos Verdes Estates Planning Department, 2013

\*Reflects a surplus of VL/L sites

# B. Unaccommodated Need from the Prior Planning Period

Under Section 65584.09 of the *Government Code*, if a city failed to identify or make available adequate sites to accommodate its RHNA allocation during the prior planning period, then during the first year of the new planning period the city must zone or rezone adequate sites to accommodate the unaccommodated portion of the prior regional housing need allocation. The unaccommodated allocation shall be in addition to the City's RHNA allocation for the new planning period.

The 4<sup>th</sup> cycle RHNA allocation for Palos Verdes Estates was 72 units, distributed among income categories as follows:

Very low income 19 units

Low income 12 units

Moderate income 13 units

Above moderate income 28 units

The City's inventory of potential sites for residential development has not substantially changed since the 4<sup>th</sup> planning period, and the inventory exceeded the prior RHNA allocation for all income levels. Therefore, no unaccommodated need exists from the prior period.

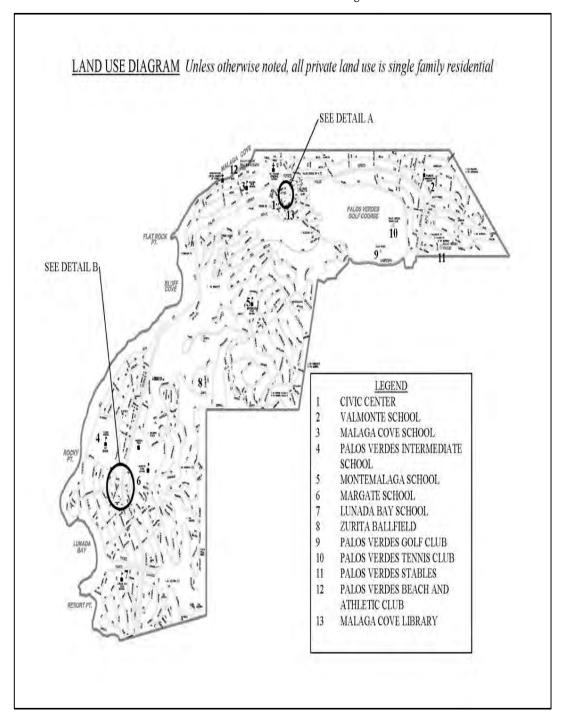


Figure III-1 Palos Verdes Estates Land Use Diagram

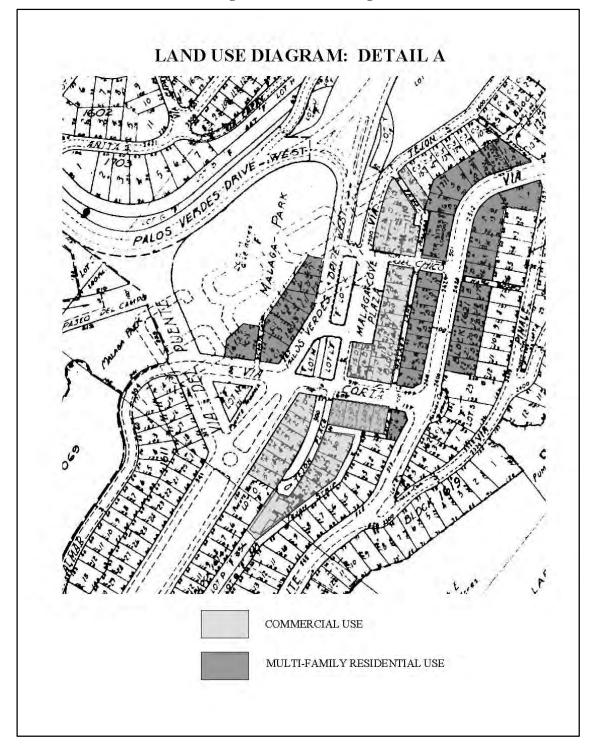


Figure III-2 Malaga Cove Land Use Diagram

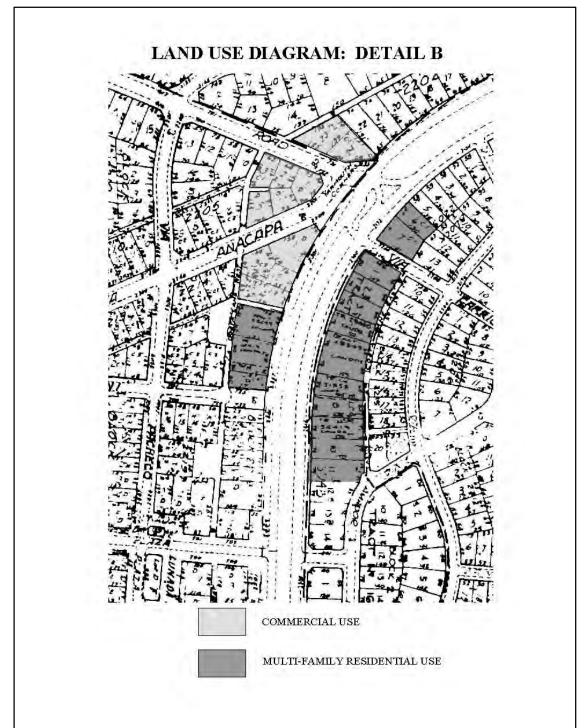


Figure III-3 Lunada Bay Land Use Diagram

Table III-2 Multi-Family Sites Inventory

		Tuiti Tuiliij	Sites inventor	<i>y</i>	
Site APN	GP/Zoning	Parcel Size	Existing Use	Max. Units	Potential New Units
Lunada Bay					
7542-015-036	R-M	15912.0 S.F.	12 Condos	9	0
7542-015-022	R-M	11108.0 S.F.	8 Apartments	6	0
7542-015-049	R-M	10668.0 S.F.	9 Condos	6	0
7543-021-016	R-M	8364.0 S.F.	2 Condos	4	4
7543-021-007	R-M	13247.0 S.F.	12 Apartments	7	0
7543-023-055	R-M	11452.0 S.F.	9 Condos	6	0
7543-023-064	R-M	20652.0 S.F.	18 Condos	11	0
7543-023-018	R-M	10711.0 S.F.	8 Condos	6	0
7543-023-027	R-M	21240.0 S.F.	18 Condos	12	0
7543-023-045	R-M	11247.0 S.F.	8 Condos	6	0
7543-023-015	R-M	24468.0 S.F.	24 Apartments	13	0
7543-023-010	R-M	13316.0 S.F.	11 Apartments	7	0
7543-023-011	R-M	13177.0 S.F.	8 Apartments	7	0
Subtotal – Luna	da Bay	<u>-</u>		<u> </u>	4
Malaga Cove					
7539-016-015	R-M	6778.0 S.F.	5 Apartments	3	0
7539-017-007	R-M	6582.0 S.F.	3 Apartments	3	0
7539-017-006	R-M	6177.0 S.F.	8 Apartments	3	0
7539-017-019	R-M	6159.0 S.F.	3 Condos	3	0
7539-017-004	R-M	6172.0 S.F.	7 Apartments	3	0
7539-017-017	R-M	12336.0 S.F.	13 Apartments	7	0
7539-017-001	R-M	6935.0 S.F.	6 Apartments	3	0
7539-018-033	R-M	16723.0 S.F.	21 Condos	9	0
7539-018-068	R-M	21379.0 S.F.	18 Condos	12	0
7539-018-055	R-M	11670.0 S.F.	12 Condos	6	0
7539-018-027	R-M	6765.0 S.F.	5 Condos	3	0
7539-018-006	R-M	9113.0 S.F.	8 Apartments	5	0
7539-021-010	R-M	9209.0 S.F.	3 Apartments	5	5
7539-021-012	R-M	9605.0 S.F.	3 Condos	5	5
7539-021-007	R-M	14397.0 S.F.	11 Apartments	8	0
7539-022-019	R-M	7192.0 S.F.	2 Apartments	4	4
7539-022-013	R-M	7192.0 S.F.	4 Apartments	4	0
7539-022-014	R-M	7192.0 S.F.	5 Apartments	4	0
7539-022-015	R-M	7192.0 S.F.	3 Apartments	4	4
7539-022-016	R-M	7192.0 S.F.	4 Apartments	4	0
7539-022-017	R-M	7192.0 S.F.	4 Apartments	4	0
7539-008-001	R-M	14710.0 S.F.	18 Apartments	8	0

Site APN	GP/Zoning	Parcel Size	Existing Use	Max. Units	Potential New Units
7539-008-008	R-M	19476.0 S.F.	12 Apartments	11	0
7539-008-009	R-M	10803.0 S.F.	6 Apartments	6	0
7539-008-004	R-M	8006.0 S.F.	9 Apartments	4	0
7539-008-003	R-M	8490.0 S.F.	6 Apartments	4	0
7539-008-002	R-M	6046.0 S.F.	6 Apartments	3	0
Subtotal – Malaga Cove					18
Total Units	22				

Table III-3 Commercial/Mixed-Use Sites Inventory

Site #	Site (APN)	General Plan/ Zoning	Parcel Size	Existing Use	Existing Floor Area	Existing FAR	Units by Income Category		
							VL/L	Mod	Upper
Lunada Bay	1								
	7542-003-023	С	12,027	Gas Station	1,050				
Site 1	7542-003-026	С	14,340	Office/Retail	11,290				
	Subtotal		26,367		12,340	0.47	12		
	7542-013-018	С	9,148	Market/Cafe	7,434				
	7542-013-019	С	6,386	Retail/Cafe	2,604				
011 0	7542-013-020	С	8,011	Office/Retail	11,150				
Site 2	7542-013-022	С	9,187	Office/Retail	4,377				
	7542-013-021	С	6,717	Office/Retail	4,026				
	Subtotal		39,449		29,591	0.75	18		
	7542-015-900	С	14,183	Public Park	0				
Site 3	7542-015-025	С	29,555	Office/Retail/Restaurant	36,478				
	Subtotal		43,738		36,478	0.83	20		
TOTALS-LU	JNADA BAY	<u>.</u>	2.52 acres				50	•	<u>!</u>
Malaga Cov	/e								
	7539-015-900	С	76,230	City Hall/Parking	16,293				
Site 1	7539-015-901	С	16,122	Public Park	0				
	Subtotal		92,352		16,293	0.18	42		
	7539-016-904	С	12,197	Parking	0				
Site 2	7539-016-018	С	18,300	Office/Restaurant	7,936				
	7539-016-019	С	11,330	Office	7,514				
	Subtotal		41,827		15,450	0.37	19		
	7539-016-011	С	5,763	Office	5,445				
Site 3	7539-016-012	С	5,772	Office	2,934				
	7539-016-013	С	5,763	Office	8,560				

Site #	Site (APN)	General Plan/ Zoning	Parcel Size	Existing Use	Existing	Existing FAR	Units by Income		Category
					Floor Area		VL/L	Mod	Upper
	7539-016-014	С	5,580	Office	4,387				
	Subtotal		22,878		21,326	0.93	10		
	7539-017-016	С	6,983	Office/Retail	12,114				
	7539-017-015	С	5,672	Office	12,573				
	7539-017-014	С	9,017	Office/Cafe	3,301				
	7539-017-013	С	5,820	Outdoor Patio	0				
Site 4	7539-017-012	С	5,776	Market/Office	8,444				
	7539-017-011	С	5,772	Office	12,072				
	7539-017-010	С	5,746	Office	7,080				
	7539-017-009	С	5,872	Office	4,800				
	7539-017-008	C	7,653	Office	9,828				
	Subtotal		58,311		70,212	1.20	26		
Site 5	7539-018-023	С	20,469	Office/Retail	15,435				
	7539-018-002	С	8,320	Office	13,863				
	7539-018-001	С	7,780	Office/Retail	15,639				
	7539-018-021	С	4,783	Office	4,746				
	7539-018-022	C	2,692	Office	2,705				
	Subtotal		44,044		52,388	1.19	20		
TALS - N	MALAGA COVE		5.96	acres			117		



Figure III-4
Malaga Cove Commercial / Multi-Family District

Source: Google Maps, 2013

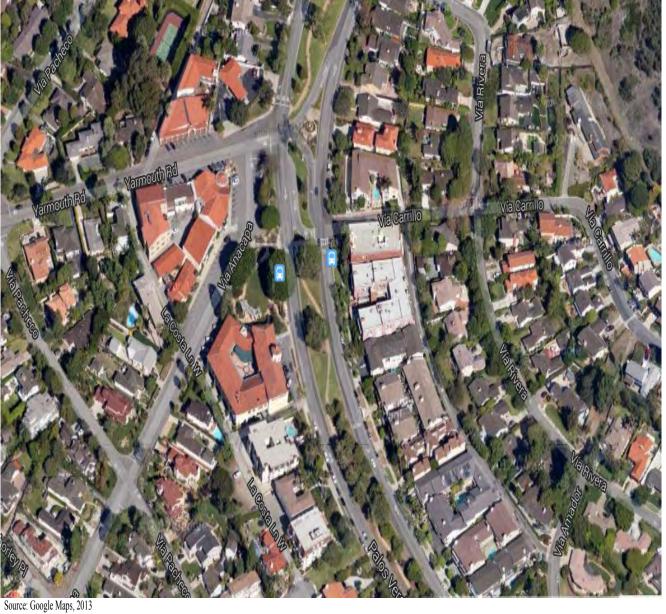


Figure III-5 Lunada Bay Commercial / Multi-Family District

# C. Energy Conservation Opportunities

State law (*Government Code* §65583(a)(7)) requires all new construction to comply with "energy budget" standards that establish maximum allowable energy use from depletable sources (Title 24 of the California *Administrative Code*). These requirements apply to such design components as structural insulation, air infiltration and leakage control, setback features on thermostats, water heating system insulation (tanks and pipes) and swimming pool covers if a pool is equipped with a fossil fuel or electric heater. State law also requires that a tentative tract map provide for future passive or natural heating or cooling opportunities in the subdivision, including designing the lot sizes and configurations to permit orienting structures to take advantage of a southern exposure, shade or prevailing breezes.

Southern California Edison (SCE) and the Southern California Gas Company offer energy conservation programs including audits of home energy use to reduce electricity consumption, refrigerator rebates, appliance repair and weatherization assistance to qualified low income households, buyer's guides for appliances and incentives, by the Gas Company, to switch from electric to gas appliances. Direct assistance to low-income households is provided by the Gas Company through the California Alternate Rates for Energy (CARE) Program and by SCE through its Energy Management Assistance Program.

Both companies have programs to encourage energy conservation in new construction. SCE's energy rebate program applies to residential developers as well as individual customers. SCE also offers an Energy STAR new home program, and Sustainable Communities Program offering design assistance and financial incentives for sustainable housing development projects. The Gas Company's Energy Advanced Home Program is offered to residential developers who install energy-efficient gas appliances that exceed California energy standards by at least 15%.

Some of the most readily available measures for conserving energy in new residential development, as well as in other homes, are described below.

### **Insulation and Weatherproofing**

A significant portion of the homes in Palos Verdes Estates were built prior to 1970, when there was little concern for the use of electricity, oil and natural gas for heating purposes. To conserve the heat generated by older heating units and minimize the heat loss ratio, these homes can be insulated in the attic space and exterior walls. Windows and exterior doors can be fitted with airtight devices, caulking or other means to maximize heating and cooling efforts.

# **Solar Energy and Natural Lighting**

Daytime interior lighting costs can be significantly reduced or eliminated with the use of properly designed and located skylights. Skylights can be easily installed at reasonable expense in existing houses, thereby substantially reducing electricity costs and energy consumption.

Solar energy is a practical, cost effective, and environmentally sound way to heat and cool a home. In California, with its plentiful year-round sunshine, the potential uses of solar energy are numerous. With proper building designs, this resource provides for cooling in the summer and heating in the winter; it can also heat water for domestic use and swimming pools and can generate electricity.

Unlike oil or natural gas, solar energy is an unlimited resource. Once a solar energy system is installed, the only additional costs are for the maintenance or replacement of the system itself. The user is not subject to unpredictable fuel price increases. Moreover, solar energy can be utilized without any serious safety or environmental concerns.

Solar heating and cooling systems are of three general types: passive, active, or a combination of both. In passive solar systems, the building structure itself is designed to collect the sun's energy, then store and circulate the resulting heat, similar to a green house. Passive buildings are typically designed with a southerly orientation to maximize solar exposure, and constructed with dense materials such as concrete or adobe to better absorb the heat. Properly placed windows and overhanging eaves also contribute to keeping a house cool.

Active systems collect and store solar energy in panels attached to the exterior of a house. This type of system utilizes mechanical fans or pumps to circulate the warm/cool air, while heated water can flow directly into a home's hot water system.

Although passive systems maximize use of the sun's energy and are less costly to install, active systems have greater potential for both cooling and heating a home and providing hot water. This may mean lower energy costs for residents presently dependent on conventional fuels. The City encourages the use of passive solar systems in new residential construction to improve the energy efficiency of housing units.

## **South Bay Energy Saving Center**

In addition to state-mandated Title 24 requirements, Palos Verdes Estates is participating in a coalition to collaboratively tackle the issue of energy conservation. The South Bay Energy Saving Center (SBESC<sup>14</sup>) is educating residents, business owners, and public agencies about the energy conservation programs and incentives available in the community and how to incorporate more energy-saving practices into everyday life. Established through funding from the California Public Utilities Commission, the SBESC includes the 15 cities that comprise the South Bay Cities Council of Governments (SBCCOG), and is associated with Southern California Edison and Southern California Gas Company. Member cities include Carson, El Segundo, Gardena, Hawthorne, Hermosa Beach, Inglewood, Lawndale, Lomita, Manhattan Beach, Palos Verdes Estates, Rancho Palos Verdes, Redondo Beach, Rolling Hills, Rolling Hills Estates, Torrance, and the Harbor City and San Pedro communities of Los Angeles.

The distribution of water brooms to business owners is one of the Center's most successful projects to date. Targeted mainly to restaurant owners, the water brooms can be used instead of a hose and nozzle or a power washer. Using a combination of air and water pressure, the brooms are water efficient and clean dust, dirt, food spills, leaves, litter, sawdust, and bird droppings from concrete, asphalt, or any other hard surface. So far, the Center has distributed over 400 water brooms. SBESC estimates that each broom can save 50,000 gallons of water annually.

The Center also hosted a community lamp exchange in which about 2,000 residents exchanged their traditional lamps for compact fluorescent light bulbs, free of charge. Edison donated the fluorescent lamps and residents were invited to exchange up to 10 household lamps apiece.

<sup>13</sup> http://www.imakenews.com/priorityfocus/e\_article001104271.cfm?x=bcHNgMg,b7M8B89t

<sup>14</sup> www.sbesc.com

### **Water Conservation**

Simple water conservation techniques can save a family thousands of gallons of water per year, plus many dollars in water and associated energy consumption costs. It is now possible to obtain plumbing products that reduce water waste by restricting the volume of water flow from faucets, showerheads, and toilets. The use of plant materials, in residential landscaping, that are well adapted to the climate in the Palos Verdes Peninsula can also measurably contribute to water conservation by reducing the need for irrigation.

A household can save water by fixing dripping faucets and using water more conservatively. In addition, such conservation practices save on gas and electricity needed to heat water and the sewage system facilities needed to treat it. By encouraging residents to conserve water and install water saving devices, the City can greatly reduce its water consumption needs and expenses.

The City Council also passed a water efficient landscape ordinance (Municipal Code Chapter 18.50) in 2010. This ordinance requires stringent water efficiency standards for landscaping installations of over 2,500 square feet for non-residential projects and over 5,000 square feet for residential installations.

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# IV. CONSTRAINTS

### A. Governmental Constraints

# 1. Land Use Plans and Regulations

### a. California Coastal Act

A portion of the city is located in the Coastal Zone. The California Coastal Act mandates preservation of coastal bluffs, public access to the shoreline, coastal views, and ecologically sensitive areas. In addition to broad policy, the Coastal Commission has also established "stringline" development standards in many areas in order to preserve views. This can act as a constraint upon development. In addition, Coastal Commission permit procedures are time-consuming and complex. Because the City has an adopted Local Coastal Program (LCP) implementation program, development is facilitated by the reduced need to process projects through the Coastal Commission. City decisions may still be appealed to the Coastal Commission, however.

### b. General Plan

Each city and county in California must prepare a comprehensive, long-term General Plan to guide its future. The land use element of the General Plan establishes the basic land uses and density of development within the various areas of the city. Under state law, the General Plan elements must be internally consistent and the city's zoning must be consistent with the General Plan. Thus, the land use plan must provide suitable locations and densities to implement the policies of the Housing Element.

The General Plan provides for two categories of residential density, Single-Family Residential and Multiple-Family Residential. Multiple-Family Residential areas are also governed by the Palos Verdes Estates Specific Development Plan, which establishes a maximum density of one dwelling unit for each 1,750 square feet of lot area, equating to 24.9 units per acre, the same density as specified under the Zoning Code. Multi-family dwellings are permitted by-right in the R-M Zoning District.

### c. Zoning Designations and Development Standards

The City regulates the type, location, density, and scale of residential development through the Municipal Code. Zoning regulations serve to implement the General Plan and are designed to protect and promote the health, safety, and general welfare of residents. The Municipal Code also helps to preserve the character and integrity of existing neighborhoods. The Municipal Code sets forth residential development standards for each zone district.

The Plan also regulates minimum dwelling unit size. Minimum ground floor area for dwellings in the R-1 District is 1,200 square feet and minimum unit size in the R-M District is as follows:

1 bedroom	750 sq.ft.
2 bedrooms	950 sq.ft.
3 bedrooms	1050 sq.ft.
Additional Bedrooms	+100 sq.ft.

These minimum sizes are not inordinately large, and are smaller than typical dwellings constructed elsewhere in the region in recent years. However, to the extent that demand existed for very high density, small residential units these limits could act as a constraint on the delivery of housing.

The City height limit accommodates three stories, which can accommodate multi-family development at allowable densities.

The City's zoning regulations specify a maximum lot coverage of 30 percent for single-family lots, 60 percent for interior multi-family lots, and 70 percent for multi-family lots located on a corner. This is consistent with existing deed restrictions. The Code also stipulates that setbacks shall be consistent with covenants of record. These generally provide for minimum side yards of five to ten feet, and minimum rear yards of 12 to 20 feet, depending on the height of the building. These requirements are not unusually restrictive, reflective of typical setbacks required in many suburban communities, and do not pose a constraint on development.

The Zoning Code also restricts maximum floor area of a single-family residence to the lesser of 30 percent of lot area plus 1,750 square feet or 50 percent of lot area. This serves to maintain the character of existing neighborhoods and prevent extremely costly, overly large homes, or "mansionization".

**Zoning for Multi-Family Housing** – The allowable density within the Multi-Family (R-M) zoning district is 24.9 dwelling units per acre. With the provision of a density bonus for affordable housing, as provided under *Government Code* Section 65915, this would allow densities up to 33 units per acre depending on the proportion of affordable housing provided. State law establishes a "default density" of 20 units per acre for small cities in the Los Angeles metropolitan area. This refers to the density that is deemed suitable to facilitate development of lower-income housing. Since the City's allowable multi-family density is greater than the default density, it is not considered a constraint to affordable housing development.

Two areas in the City allow commercial development – Lunada Bay and Malaga Cove. Commercial/residential mixed-use development is permitted in these areas, and could accommodate development of affordable housing. The City's Zoning Code allows mixed commercial/residential use upon the approval of a use permit. The Code does not limit the maximum density for mixed use, although development in commercial areas is limited to 35 feet and two stories, excluding parking garages, and is limited to 80 percent lot coverage. These standards can accommodate development at the default density of 20 units/acre.

Allowable residential uses under the Zoning Code are summarized in Table IV-1.

Table IV-1
Permitted Residential Development by Zone

Housing Type	R-1	R-M	С
Single-Family Detached	P	P	$C^1$
Single-Family Attached	X	P	$C^1$
Multi-Family	X	P	$C^1$
Mixed Use	X	X	$C^1$
Manufactured Housing	X	С	X
Mobilehome Park	X	С	X
Second Units	P	X	
Communal Housing <sup>2</sup>	С	С	С

P = permitted C = conditionally permitted X = not permitted

### d. Special Needs Housing

Persons with special needs include those in residential care facilities, persons with disabilities, persons needing emergency shelter or transitional living arrangements. Many of these groups also fall under the category of extremely-low-income households. The City's provisions for these housing types are discussed below.

# **Community Care Facilities**

Community care facilities refer to any family home, group home, or rehabilitation facility that provide non-medical care to persons in need of personal services, protection, supervision, assistance, guidance, or training essential for daily living. Under state law, state-licensed community care facilities that serve six or fewer persons must be treated as a single-family residential use. The Municipal Code allows "communal housing" with no limit on the number of occupants in all residential zones subject to a conditional use permit. The Code does not define or regulate "community care facility" or "residential care facility." Program 11 includes a commitment to initiate an amendment to the Code to provide definitions and regulations for community care facilities and residential care facilities consistent with state law.

### **Housing for Persons with Disabilities**

Both the federal Fair Housing Act and the California Fair Employment and Housing Act require local governments to allow reasonable accommodation (i.e. modifications or exceptions) in their zoning laws and other land use regulations when necessary to afford disabled persons an equal opportunity to use and enjoy a dwelling. The Building Codes adopted by the City of Palos Verdes Estates incorporate accessibility standards contained in Title 24 of the California Administrative Code. For example, apartment complexes of three or more units and condominium complexes of four or more units must be designed to accessibility standards.

<sup>1.</sup> In combination with commercial use

<sup>2.</sup> The Municipal Code defines *communal housing* as "housing for nonfamily groups with common kitchen and dining facilities but without medical, psychiatric, or other care. Communal housing includes boarding houses, lodging houses, dormitories, communes, and religious homes."

- <u>Definition of "family</u>". According to Municipal Code Section 17.08.190 "Family" is defined as an individual or two or more persons living together as a single household in a dwelling unit. This definition is consistent with state law and does not pose a constraint to housing for persons with special needs.
- <u>Separation requirements</u>. No separation requirements are established in the Municipal Code for group homes or care facilities.
- <u>Site planning requirements</u>. The site planning requirements for communal housing are no different than for other residential uses in the same zone.
- <u>Parking standards</u>. Parking requirements for communal housing are calculated in the same manner as for other residential uses in the same zone.

### **Emergency Shelters**

Senate Bill 2 of 2007 strengthened the planning requirements for emergency shelters<sup>15</sup>. Each local government is required to identify a zone or zones to accommodate at least one year-round emergency shelter. When a city does not have sufficient emergency shelter capacity to accommodate its shelter need, zoning regulations must allow emergency shelter facilities by-right. Additional zones may be established where emergency shelters are permitted subject to a conditional use permit.

As discussed in Chapter II, the latest Census data reported no homeless persons in Palos Verdes Estates, and there is no demand for emergency shelters in the city. The Municipal Code does not provide a definition for emergency shelters, however such facilities may be permitted under the regulations for *communal housing* subject to a conditional use permit. In conformance with state law, Housing Action Plan (Chapter V) includes Program 11 to initiate an amendment to the Code to establish a definition and regulations for emergency shelters and allow emergency shelters by-right in the commercial (C) zone subject to appropriate development standards consistent with state law. The C zone encompasses approximately 8.5 acres with approximately 32 parcels ranging in size from 2,700 square feet to approximately 1.5 acre, and has vacant or underutilized buildings that could accommodate an emergency shelter.

### **Transitional and Supportive Housing**

"Transitional housing" means buildings configured as rental housing developments, but operated under program requirements that require the termination of assistance and recirculating of the assisted unit to another eligible program recipient at a predetermined future point in time that shall be no less than six months from the beginning of the assistance. [Government Code Sec. 65582(h)]

"Supportive housing" means housing with no limit on length of stay, that is occupied by the target population, and that is linked to an onsite or offsite service that assists the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community. [Government Code Sec. 65582(f)]

"Target population" means persons with low incomes who have one or more disabilities, including mental illness, HIV or AIDS, substance abuse, or other chronic health condition, or individuals eligible for services provided pursuant to the Lanterman Developmental Disabilities Services Act (Division 4.5

15

<sup>&</sup>lt;sup>15</sup> Government Code Sec. 65583(a)(4)

(commencing with Section 4500) of the Welfare and Institutions Code) and may include, among other populations, adults, emancipated minors, families with children, elderly persons, young adults aging out of the foster care system, individuals exiting from institutional settings, veterans, and homeless people. [Government Code Sec. 65582(g)]

Under state law, transitional and supportive housing must be permitted as residential uses subject only to the same standards and procedures as apply to other residential uses of the same type in the same zone. The Municipal Code does not contain definitions or regulations for these uses, therefore the Housing Action Plan (Chapter V) includes Program 11 to initiate an amendment to the Code to establish regulations for these uses consistent with state law.

### **Single Room Occupancy**

Single room occupancy (SRO) facilities are small studio-type units, typically reserved for lowerincome residents or senior citizens. The Municipal Code does not currently provide a definition or regulations for SROs, therefore Program 11 in the Housing Plan includes a commitment to establish standards and procedures to facilitate the production of SROs.

## **Agricultural Employee Housing**

Pursuant to the state Employee Housing Act<sup>16</sup>, Program 11 proposes an amendment to the Municipal Code to allow farmworker housing with up to 12 units or 36 beds as a permitted use in any zone where agriculture is a permitted use, and housing providing accommodations for up to six employees as a single-family residential use.

#### e. **Off-Street Parking Requirements**

The City's parking requirements for residential uses summarized in Table IV-2. Within the Overlay District, senior housing is required to provide only one space per unit and three parking spaces for every four units for guest and employee parking. Senior housing parking requirements may be adjusted for individual projects based on an approved parking study. In order to minimize potential constraints on small affordable housing units, Program 8 includes a commitment to process a Code amendment to allow reduced parking when affordable units are provided.

Table IV-2 **Residential Parking Requirements** 

	5 1
Type of Unit	Minimum Parking Space Required
Single-Family	2 spaces in a garage
Multiple-Family	2 covered spaces per 1-bedroom unit plus ½ covered space per additional bedroom, not to exceed 3 spaces per unit ¼ guest space per unit

Source: Palos Verdes Estates Zoning Ordinance, 2013

<sup>&</sup>lt;sup>16</sup> Health and Safety Code Section 17021.5 and 17021.6

### f. Second Units

The City of Palos Verdes Estates currently provides for the establishment second dwelling units on lots occupied by a single-family dwelling. Second units are permitted by-right unless some aspect of the project requires discretionary review (such as an over-height wall) and may not exceed 30 percent of the floor area of the existing dwelling if attached, or 700 square feet if detached, and must be located on a lot at least 15,000 square feet in area. The second dwelling unit may not be sold separately from the primary dwelling. While the size limit precludes second units for large families, the size restriction would also act to ensure that the second unit remained modest and affordable and would be well suited to seniors.

## g. Density Bonus

Under State law (SB 1818 of 2004), local jurisdictions must provide a density increase up to 35% over the otherwise maximum allowable residential density under the Municipal Code and the Land Use Element of the General Plan (or bonuses of equivalent financial value) when builders agree to construct housing developments with units affordable to low- or moderate-income households, or senior housing. Chapter 18.68 of the Municipal Code establishes regulations and procedures consistent with state law.

### h. Building Codes

State law prohibits the imposition of building standards that are not necessitated by local geographic, climatic or topographic conditions. Further, state law requires that local governments making changes or modifications in building standards must report such charges to the Department of Housing and Community Development and file an expressed finding that the change is needed.

The City's building codes are based upon the 2010 California Building, Plumbing, Mechanical, Fire and Electrical Codes. These are considered to be the minimum necessary to protect the public's health, safety and welfare. No additional regulations have been imposed by the City that would unnecessarily add to housing costs.

# 2. Development Processing Procedures

### a. Residential Permit Processing

State Planning and Zoning Law provides permit processing requirements for residential development. Within the framework of state requirements, the City has structured its development review process in order to minimize the time required to obtain permits while ensuring that projects receive careful review.

Where no discretionary review is required, plan check for processing of building permits is generally four to six weeks, depending on work load. For discretionary permits such as conditional use permits or variances for projects not meeting basic standards, there is an initial internal review period of 30 days. If all application materials are in order, the application is then forwarded for a 21-day public review and noticing period. These time frames are typical of those for cities in the region.

One aspect of the approval process that can add additional time to project development is the requirement for neighborhood compatibility findings. A finding of neighborhood compatibility must

be obtained from the Planning Commission or City Council for the following developments on single-family residential property:

- 1. Any new structure of 1,000 square feet or more of gross floor area;
- 2. Addition of 1,000 square feet or more of gross floor area to any existing structure;
- 3. Additions of gross floor area in the form of a second story whether in whole or in part to any existing structure;
- 4. Addition to an existing building of a second story deck or balcony 80 or more square feet in area and/or projecting more than six feet from the existing building;
- 5. Addition to an existing building of a second story deck or balcony which is located in a required side yard;
- 6. Addition of a mezzanine, whether in whole or in part, to any existing building or structure, that changes the exterior of the building or structure; or
- 7. Any increase in the roof ridge elevation of any portion of an existing building, unless the increase is only a result of utilizing an alternate roofing material.

Applicants for multi-family development fitting the same criteria must obtain a Site Plan Permit, subject to the following findings:

- 1. The use or project proposed is consistent with the General Plan;
- 2 The use or project is consistent with any specific plan;
- 3. The use, activity, or improvements proposed by the application is consistent with the provisions of this title and Title 18 of the Code;
- 4. The approval of the permit application is in compliance with the requirements of the California Environmental Quality Act and Chapter 17.10 of the Code;
- 5. The neighborhood compatibility requirements of Chapter 18.36 have been satisfied;
- 6. The art jury of the Palos Verdes Home Association has completed its architectural review and has approved the project; and
- 7. The application will not result in conditions or circumstances contrary to the public health and safety and the general welfare.

Applicants for a finding of neighborhood compatibility are required to confer with staff to review the process and likelihood of success. Applicants are provided with a packet detailing typical conditions of approval and relevant policy, such as the Silhouette Policy.

The additional time required for the neighborhood compatibility process, including the three week public review process, could act as a constraint to large scale development. In the case of single-family development, the properties most likely to be affected would be those on which large homes are proposed.

### b. Environmental Review

Environmental review is required for all development projects under the California Environmental Quality Act (CEQA). Most residential projects in Palos Verdes Estates are either Categorically Exempt or require an Initial Study and a Mitigated Negative Declaration. Developments that have the potential of creating significant impacts that cannot be mitigated require the preparation of an Environmental Impact Report. Once deemed complete, most residential projects that require a Mitigated Negative Declaration take two to three months to complete, inclusive of mandatory public review periods. Categorically Exempt developments such as second residential units require a minimal amount of time. As a result, state-mandated environmental review does not pose a significant constraint to housing development.

# 3. Development Fees and Improvement Requirements

State law limits fees charged for development permit processing to the reasonable cost of providing the service for which the fee is charged. Various fees and assessments are charged by the City and other public agencies to cover the costs of processing permit applications and providing services and facilities such as schools, parks and infrastructure. Almost all of these fees are assessed through a pro rata share system, based on the magnitude of the project's impact or on the extent of the benefit that will be derived.

Table IV-3 shows the estimated development fees associated with a single-family house and a 4-unit multi-family project.

Table IV-3
Residential Development Fee Summary

	Single-Family <sup>1</sup>	Multi-Family <sup>2</sup>
School Fees (Palos Verdes Peninsula Unified School District)	\$8,910	\$4,800
County sewer connection fee	\$2,580	\$645
Neighborhood Compatibility review fee	\$1,585	\$396
Art Jury fee	\$2,900	\$1,500
Grading application & permit	\$1,340	\$424
Building plan check	\$4,256	\$2,129
Soil/geology review	\$2,042	\$510
Building permit	\$5,674	\$2,799
Plumbing/electrical/mechanical permits	\$1,750	\$875
Total Fees per Unit	\$31,037	\$14,079
Est. Development Cost Per Unit	\$1,000,000	\$400,000
Est. Fees as % of Total Cost	3%	3.5%

<sup>1.</sup> Based on one 3,000-square-foot house on a legal lot

City road standards vary by roadway designation as provided in Table IV-4. The City's road standards are typical for cities in Los Angeles County and do not act as an unreasonable constraint to housing development.

<sup>2.</sup> Based on a 4-unit multi-family project of 1,200 square feet each on a legal lot

Table IV-4
Road Improvement Standards

Roadway Designation	Standards
Arterial (Major and Secondary)	2 – 4 travel lanes
	Divided roadway
	Left-turn lands/pockets
	60 – 80 ft road width
	80 – 100 ft ROW
Collector Street	2 – 4 travel lanes
	Undivided roadway
	32 – 52 ft road width
	60 ft ROW
Local Street	2 travel lanes
	36 – 40 ft road width
	50 – 60 ft ROW
G G: GD I II I F	

Source: City of Palos Verdes Estates, 2013

After the passage of Proposition 13 and its limitation on local governments' property tax revenues, cities and counties have faced increasing difficulty in providing public services and facilities to serve their residents. One of the main consequences of Proposition 13 has been the shift in funding of new infrastructure from general tax revenues to development impact fees and improvement requirements on land developers. The City requires developers to provide on-site and off-site improvements necessary to serve their projects. Such improvements may include water, sewer and other utility extensions, street construction and traffic control device installation that are reasonably related to the project. Dedication of land or in-lieu fees may also be required of a project for rights-of-way, transit facilities, recreational facilities and school sites, consistent with the Subdivision Map Act.

The City's Capital Improvement Program (CIP) contains a schedule of public improvements including streets, bridges, overpasses and other public works projects to facilitate the continued build-out of the City's General Plan. The CIP helps to ensure that construction of public improvements is coordinated with private development.

Although development fees and improvement requirements increase the cost of housing, cities have little choice in establishing such requirements due to the limitations on property taxes and other revenue sources needed to fund public improvements and maintain community standards.

#### **B.** Non-Governmental Constraints

#### 1. Private Deed Restrictions

All land in the City of Palos Verdes Estates is subject to private deed restrictions developed at the time the master planned Palos Verdes project was established. These restrictions include allowable land uses and architectural style. Thus, the potential for subdivision or intensification of use in most areas is quite low. Only those areas currently zoned R-M may be developed with multi-family units under the deed restrictions. The restrictions do allow for the establishment of dormitories or boarding houses in

areas designated for commercial use and in a strip of residential lots adjacent to Palos Verdes Drive North in Tract No. 6887 in the northeasterly portion of the City.

Deed restrictions also apply to dedicated City open space. Thus, such areas would not be available for other uses, even if constraints posed by topography, infrastructure and other factors discussed below did not exist.

These legally binding private restrictions were established prior to City incorporation. The Palos Verdes Homes Association currently oversees compliance with the deed restrictions. The Homes Association operates independently from the City and consists of owners of property within the planned community subdivision, both inside and outside the boundaries of the City of Palos Verdes Estates. The City has no authority to alter or override the deed restrictions or the decisions of the Homes Association.

The deed restrictions establish standards for density, building height and lot coverage, which are similar to City standards. The restrictions permit mixed residential/commercial use in commercial areas and are silent regarding second family units, although maids' quarters and guest quarters are permitted. In addition, the deed restrictions address issues related primarily to aesthetics such as exterior building materials, colors, and roof pitch. The restrictions do not dictate architectural style but specify that all buildings must have "good design".

The deed restrictions operate as a constraint to additional development due to the specific development standards, the need to include Association Art Jury review in project design time frames, and the need to satisfy the standards of those individuals that may be serving on the Art Jury at a given time.

Any changes to a site that do not specifically conform to the restrictions must gain not only the approval of the Association, but must be approved in writing by two-thirds of the owners of property within three hundred feet of the site in question. The City has no authority to modify or remove these restrictions.

If a property owner proceeds with any construction or improvements that have not been approved by the Homes Association, the Association has the right to remove such construction or improvements, and place a lien on the property. Under terms of the adopted protective restrictions, failure to conform to the restrictions could actually lead to loss of title.

#### 2. Environmental Constraints

#### **Topography**

The City of Palos Verdes Estates is characterized by rugged terrain, with elevation changes of over 1,134 feet over the 3,038-acre city. Most remaining vacant land is steeply sloped. Construction in these areas would likely require extensive grading, sinking of caissons or pilings, or elaborate engineering solutions. Costs would vary according to site topography, site stability, the complexity of necessary engineering studies and surveys, and the physical improvements involved. City topography also renders emergency access difficult and constrains the ability to widen the city's narrow residential streets, thereby inhibiting intensification of use.

#### Natural Resources and Hazards

The Coastal Sage Scrub vegetative community exists on many of the open slopes in Palos Verdes Estates. This vegetation is recognized as habitat for the California gnatcatcher, a sensitive species for

which preservation efforts are underway. Thus, development entailing habitat removal would be constrained.

Significant environmental constraints are also imposed by active earthquake fault zones within the City, including the Palos Verdes Fault, Cabrillo Fault and the Newport-Inglewood Fault. Seismic risks are addressed by Public Safety Element policies.

#### 3. Infrastructure Constraints

Roadways in Palos Verdes Estates are typically steep and winding, and unsuitable for high traffic levels. The City does not contain any major arterials, nor are there any traffic signals. Thus, significant intensification of use in most areas could not be supported by the road network, particularly in consideration of emergency access and evacuation. In a few cases, such as Palos Verdes Drive North, roadway right of way is available for extra capacity. However, in some areas right of way is as narrow as 35 feet, and in others roads abut steep banks which preclude widening. Further, little in the way of state funds is available to local governments for roadway improvement and other infrastructure. Thus, widening of narrow residential streets to handle additional traffic is neither physically nor financially feasible.

Due to access consideration, terrain, vegetation, and limited emergency access fire hazards acts as a constraint on additional development. The City has acted to reduce this threat through a ban on all shake roofs, unless they are Class A fire-rated, and by implementing an aggressive brush abatement program in and adjacent to residential areas.

Most areas of the City are served by a sanitary sewer system, and no problems currently exist due to inadequate water and sewer capacity. However, water and sewer mains were master planned to serve only the levels of development contemplated under the existing deed restrictions, which consists of single-family development on existing lots in all locations except in and adjacent to the Malaga Cove and Lunada Bay commercial districts. Thus, intensification of development beyond that provided under current planning and zoning policies in this area could require infrastructure improvements. Existing water and wastewater treatment capacity is adequate to serve the level of development identified in the Regional Housing Needs Assessment.

#### 4. Land Costs

<u>As</u> a result of the limited supply of land, coupled with a strong demand for coastal property and view property, the cost of land in the City is quite high. Land prices in the Palos Verdes Estates area vary according to views obtained from the property and proximity to the shoreline. In comparison, lots in the City of Rolling Hills offering no views are advertised at \$25 to \$30 dollars a square foot. View lots in the City of Palos Verdes Estates are currently advertised at about \$80 per square foot, or \$3.5 million per acre. Thus, land cost is a major obstacle for affordable housing.

#### 5. Construction Costs

Construction costs vary according to the type of material used, and the amenities provided. The cost for basic construction is about \$150 per square foot. However, construction prices can easily exceed \$400 to \$600 per square foot for construction providing greater amenities.

Developers may use luxury construction and build larger units to balance high land costs. This is because the land price alone will cause a dwelling to have a fairly high price. Buyers paying higher prices have expectations for greater amenities, which in turn leads to a greater increase in per unit cost.

While per-unit land cost can be reduced through higher density, other constraints such as private deed restrictions and environmental can limit potential densities.

City infrastructure costs do not normally add to construction costs. Because vacant land consists of individual vacant lots in developed areas, infrastructure is already installed. Many residential streets do not have curbs, gutters, and sidewalks, so frontage improvements are not typically an issue. However, many lots do not have large flat pads for home construction and extensive grading may be required to provide a building, thus adding significantly to the cost of development. Grading and engineering for a single lot may easily cost tens of thousands of dollars or more.

#### 6. Cost and Availability of Financing

Palos Verdes Estates is similar to most other suburban communities in southern California with regard to private sector home financing programs. The recent crisis in the mortgage industry has affected the availability of real estate loans, although the long-term effects are unpredictable. For buyers with good credit histories, mortgages can be obtained at very favorable interest rates.

Under state law, it is illegal for real estate lending institutions to discriminate against entire neighborhoods in lending practices because of the physical or economic conditions in the area ("redlining"). In monitoring new construction sales, re-sales of existing homes, and permits for remodeling, it would not appear that redlining is practiced in any area of the city.

#### C. Fair Housing

State law prohibits discrimination in the development process or in real property transactions, and it is the City's policy to uphold the law in this regard. Fair housing issues are addressed in Palos Verdes Estates through the Fair Housing Foundation, a nonprofit corporation formed to promote the enforcement of fair housing laws and to encourage an atmosphere of open housing. The Planning Department distributes information at City Hall and makes referrals to the Fair Housing Foundation as needed.

#### V. HOUSING PLAN

The primary focus of the Housing Element is to meet existing and anticipated housing needs and to protect existing residential neighborhoods in Palos Verdes Estates. The policies and implementation measures of the Housing Element are aimed at preserving the quality of the living environment, protecting the lower density character of the area, conserving the existing housing stock, addressing local and regional housing needs, providing for the City's share of housing for all economic groups, providing housing assistance to residents, and ensuring fair housing practices. The City's quantified objectives for the planning period are summarized in Table V-1 at the end of this chapter.

#### A. Goals, Policies and Programs

- **GOAL I.** Preserve the quality of existing neighborhoods.
  - Policy 1. Preserve the scale of development in existing residential neighborhoods.
  - Policy 2. Encourage the maintenance of existing dwellings.
    - Program 1. Continue to enforce provisions of the Zoning Code, Neighborhood Compatibility and Specific Development Plan requirements which specify regulations for height, lot coverage, setbacks and open space.

Implementation responsibility: Planning Department

Funding: General fund. Schedule: Continuing.

Quantified Objective: One hundred percent Code compliance

- GOAL II. Provide a variety of housing opportunities for all segments of the community, including various economic segments and special needs groups.
  - Policy 3. Provide adequate sites for new housing consistent with the capacity of roadways, sewer lines, and other infrastructure to handle increased growth.

#### Program 2. Continue to allow infill in residential areas.

Development of existing vacant residential infill sites would result in the production of approximately 42 additional single family dwelling units, assuming that all sites are buildable. It is expected that detached homes would generally be affordable only by upper-income households.

Implementation responsibility: Planning Department, Building and Safety

Funding: No funding needed.

Schedule: Continuing.

Quantified Objective: 16 new housing units during the planning period.

### Program 3. Encourage and facilitate mixed commercial and residential use in commercial areas.

In recent years, mixed-use housing has become increasingly attractive to consumers. Where demand exists for residential uses, this can facilitate the delivery of housing. In a mixed-use project, the provision of an accompanying commercial use can help absorb some of the fixed costs of development, thereby facilitating the production of lower-cost units. Further, existing structures can be adapted to residential use, reducing costs associated with new construction. Existing space at Malaga Cove and Lunada Bay could potentially undergo conversion. Such use is permitted under the City's Zoning Code and under the Palos Verdes Estates Protective Restrictions administered by the Homes Association. The City will facilitate mixed-use development through expedited processing, waiver of fees, or other incentives where affordable housing is provided, consistent with the minimum affordability standards provided under Government Code Section 65915. To the extent feasible, the City will encourage and facilitate the production of housing for extremely-low-income persons and persons with disabilities, including developmental disabilities.

In order to encourage the consolidation of small lots to enhance the feasibility of affordable housing development, an amendment to the Code will be initiated to provide a lot consolidation incentive that allows an additional density increase of 5% for mixed-use projects that consolidate two or more small lots less than one acre in size into a single building site of at least 1.0 acre and the minimum affordability requirements of state density bonus law are achieved.

Implementation responsibility: Planning Department, Building and Safety

Funding: General fund

Schedule: Code amendment in 2014.

Quantified Objective: 10 new units in mixed use areas.

#### Policy 4. Preserve existing affordable housing stock.

#### Program 4. Regulate the conversion or demolition of rental housing stock.

City parking requirements currently limit condominium conversion of some older units, thus acting as a deterrent to those seeking to convert this rental housing to more expensive condominium use. Condominium conversion ordinances typically relate to local rental vacancy, typically prohibiting conversions when rental vacancy rates are below 4 or 5 percent. The City rental vacancy rate is well above this level, so loss of rental housing stock to condominium conversion does not appear to be a problem at this time.

Implementation responsibility: Planning Department

Funding: None needed Schedule: Continuing.

Quantified Objective: Preserve rental housing opportunities in 382 units.

#### Policy 5. Encourage the development of additional low- and moderate-income housing.

### Program 5. Continue efforts to streamline the development process to the extent feasible.

City processing and fees have not been found to create a significant impediment to the development of additional housing. The City will continue to provide concurrent processing of all discretionary applications for a project, thereby streamlining the development process. Continue to process Coastal Development Permits at the local level, thereby reducing the stress of the permit process. These measures can reduce development time frames thereby reducing costs due to interest on project financing and builders' staff time. To the extent feasible, the City will encourage and facilitate the production of housing affordable to extremely-low-income persons and persons with disabilities, including developmental disabilities through the provision of incentives such as expedited processing, waiver of fees, or other incentives where affordable housing is provided, consistent with the minimum affordability standards provided under Government Code Section 65915.

Implementation responsibility: Planning Department, Building and Safety

Funding: General fund/application fees.

Schedule: Continuing.

Quantified Objective: Efficient development processing

### Program 6. Continue to allow the establishment of manufactured housing on single-family residential lots not occupied by another dwelling.

Consistent with State law, manufactured housing is permitted on single-family lots not occupied by another dwelling. Manufactured housing may result in substantial savings per square foot over conventional construction. Many of the newer pre-manufactured homes or modules are similar in appearance to site-built homes. The City may, by State law, establish appropriate guidelines regarding such factors as securing of the housing and setbacks.

All such development would be subject to architectural review and compliance with deed restrictions under existing regulations. Private deed restrictions regulating development in the Palos Verdes Planned Community do not specifically address manufactured housing. On the face of it, there is no reason manufactured housing could not meet such guidelines, assuming appropriate colors and exterior materials such as wood siding or stucco were utilized. However, all development is subject to Association review.

Implementation responsibility: Planning Department, Building and Safety

Funding: General fund/application fees.

Schedule: Continuing.

Quantified Objective: This would result in no change in total dwelling unit count.

#### Program 7. Continue to allow second family units

Section 65852.2 of the Government Code provides for the provision of second family units in single-family areas. The City of Palos Verdes Estates currently provides for the establishment of second dwelling units on lots occupied by a single-family dwelling. Under the Palos Verdes Estates Municipal Code as revised in 2003, the units may not exceed 30% of the floor area of the existing single-family dwelling if attached or 700 square feet if detached and must be located on a lot at least 15,000 square feet in area. The second dwelling unit may not be sold separately from the primary dwelling.

To further facilitate development of second units the City will provide an informational flyer regarding second units with other literature at the public counter.

Implementation responsibility: Planning Department, Building and Safety

Funding: General fund/building permit fees

Schedule: Ongoing

Quantified Objective: 5 second family units

### Program 8. Continue to implement density bonus incentives consistent with State law.

In accordance with Government Code Section 65915, a city must provide a density bonus or other incentive when an applicant agrees to provide at least ten percent of the total units of a housing development for lower-income households; five percent of the total units of a housing development for very-low-income households; a senior citizen housing development; or ten percent of the total dwelling units in a common interest development for moderate-income households, provided that all units in the development are offered to the public for purchase. State law specifies the amount of the density bonus or incentive on a sliding scale from 20 to 35 percent depending on the proportion of units that are affordable and the affordability levels of the units provided.

The City will continue to implement the Density Bonus ordinance (Municipal Code Chapter 18.68) consistent with State law.

To minimize potential constraints on the development of affordable housing, an amendment to the Zoning Code will be processed to reduce required off-street parking for small units (studio and one-bedroom) when affordable housing is provided consistent with state density bonus law.

Implementation responsibility: Planning Department, Building and Safety

Funding: General fund

Schedule: Ongoing.

Quantified Objective: Three density bonus units.

#### Policy 6. Encourage means of increasing ability to afford existing housing stock.

### Program 9. Encourage shared housing programs for seniors and existing one-person households.

Sharing of one housing unit by two or more roommates can render housing affordable to persons who could not otherwise afford housing individually due to the ability to share housing costs among roommates. This could be of particular benefit to disabled individuals needing occasional assistance or female headed households seeking additional security. As noted in the previous discussion of housing needs, housing affordability is a problem for very-low-income seniors residing in the city. Shared housing could be facilitated by provision of space for flyers on a bulletin board or table at City Hall or public library.

Implementation responsibility: Library/city manager's office.

Funding: General fund

Schedule: Implement in 2014

Quantified Objective: Designated space on one public bulletin board.

## Policy 7. Continue to promote housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, disability, national origin, or color.

#### Program 10. Provide a means of addressing housing discrimination.

The City will post State regulations at City Hall and at the library regarding housing discrimination together with the appropriate phone numbers to contact regarding housing discrimination problems. Provide copies of California Department of Fair Employment and Housing publications No. DFEH-157H, DFEH-159, DFEH-700-01, and DFEH-FS06-2003, which provide fact sheets and information to assist in filing housing complaints, along with contact information for DFEH.

Implementation responsibility: Planning Department, Building and Safety

Funding: General fund

Schedule: Ongoing

Quantified Objective: Address any instances of housing discrimination.

# Program 11. Emergency shelters, transitional/supportive housing, community care facilities, SROs, agricultural employee housing, and reasonable accommodation for persons with disabilities.

State law requires all cities to adopt regulations for emergency shelters, transitional and supportive housing. The City will initiate an amendment to the Municipal Code to establish definitions and allow these uses consistent with Government Code Sec. 65583(a). Emergency shelters will be permitted by-right in the Commercial zone, and transitional/supportive housing will be permitted as a residential use subject only to the

same standards and procedures as apply to other residential uses of the same type in the same zone.

State law also requires cities to allow reasonable accommodation for persons with disabilities in the administration of planning and building regulations. The City will establish written procedures for the review and approval of requests for reasonable accommodation consistent with state law.

An amendment to the Municipal Code will also be initiated to establish regulations for community care facilities, residential care facilities, single-room-occupancy facilities and agricultural employee housing consistent with state law.

Implementation responsibility: Planning Department, Building and Safety

Funding: General fund

Schedule: Code amendments in 2014

Quantified Objective: Establish regulations and procedures for emergency shelters, transitional and supportive housing, community care facilities, residential care facilities, SROs, agricultural employee housing and reasonable accommodation for persons with disabilities consistent with state law.

#### GOAL III. Provide a safe and healthful living environment for City residents.

#### Policy 8. Eliminate potentially unsafe or unhealthful conditions in existing development.

## Program 12. Pursue a pro-active code enforcement program for substandard dwelling units.

Title 8 of the Municipal Code constitutes the City of Palos Verdes Estates Health Code. Chapter 8 provides for abatement of substandard conditions. The City addresses substandard buildings under Municipal Code Chapter 8.36, Substandard Premises, and nuisances in general under Chapter 8.48. Chapter 8.36 addresses the following:

- Substantially deteriorated structures
- Broken windows
- Unstable landforms
- Storing inoperable vehicles
- Graffiti
- Overgrown or dead vegetation
- Partially completed building where work has ceased and permits have expired.

Chapter 8.48 addresses the following:

- Unstable landforms, improper drainage
- Partially destroyed, partially constructed or abandoned buildings
- Broken windows.

- Overgrown, dead, decayed or hazardous vegetation which may harbor vermin or obstructs vehicular sight lines
- Danger or attractive nuisance to the public;
- Accumulation of trash, debris, and other refuse
- Deteriorated parking lots or driveways
- Abandoned pools, ponds, excavations, and other holes
- Construction debris storage bins
- Livestock and other animals
- Overcrowded housing, as defined by the Uniform Housing Code
- Housing which lacks adequate ventilation, sanitation or plumbing facilities, or which constitutes a fire hazard.

Implementation responsibility: Planning Department, Building and Safety

Funding: General fund

Schedule: Ongoing

Quantified Objective: Eliminate all substandard conditions

### Program 13. Continue to strictly monitor and regulate landform modifications in the City.

Landform modification is addressed through the City's grading permit process, which requires approval of a grading plan and grading permit for landform modification.

Implementation responsibility: Planning Department, Building and Safety

Funding: General fund/permit fees

Schedule: Ongoing

Quantified Objective: Permit no unsafe landform modification.

#### **GOAL IV.** Encourage the conservation of energy in new housing.

#### Policy 9. Reduce energy loss due to inferior construction techniques.

### Program 14. Continue to require all new projects to conform to the requirements of Title 24 of the California Administrative Code.

The City has adopted the most current editions of all California Codes. Title 24 contains specific requirements for construction techniques which result in energy savings of approximately 50 percent when compared to standard techniques utilized prior to enactment of current standards. Under State law, individual jurisdictions may develop local standards which exceed the requirements of Title 24.

Implementation responsibility: Planning Department, Building and Safety

Funding: General fund/permit fees

Schedule: Ongoing

Quantified Objective: All new structures to conform to current energy conservation

standards.

#### Policy 10. Encourage residents to conserve energy.

## Program 15. Support public utility companies in their efforts to educate the public in means of energy conservation.

Local utility companies regularly circulate information regarding energy conservation to their residential customers. To support such programs, the City will allow posting of energy conservation materials on publicly owned bulletin boards, and adopt proclamations of support in order to publicize conservation efforts.

Implementation responsibility: Planning Department, Building and Safety

Funding: Minimal, general fund

Schedule: Ongoing

Quantified Objective: Not applicable

### Program 16. Consider waiver of permit fees for installation of alternate energy facilities for residential use.

Solar panels may be utilized for heating homes of domestic water or may be utilized to generate electricity. While the earliest solar panels would not likely meet the architectural standards of the Homes Association, newer solar devices are less unattractive. Some systems closely resemble conventional roof shingles. These are usually most practical to install at the time a new roof is installed.

Many communities have developed sustainable building programs under which building permit and inspection fees for energy and water saving devices are waived. In order to encourage alternate energy use, the City will consider a similar fee waiver.

Implementation responsibility: Planning Department, Building and Safety

Funding: General fund

Schedule: Institute trial program in the fiscal year following adoption of this element.

Quantified Objective: Ten solar systems per year.

#### **B.** Quantified Objectives

The City's quantified objectives for new construction, rehabilitation and conservation are presented in Table V-1. The City does not have a substantial number of homes in need of rehabilitation and no significant source of housing funds, and no assisted affordable housing units. Therefore, no objectives for rehabilitation or conservation are established.

Table V-1 Quantified Objectives (2013-2021)

		Income Category					
	V. Low	Low	Mod	Upper	Totals		
New construction*	4*	3	3	6	16		
Rehabilitation							
Conservation							

<sup>\*2</sup> of these are extremely-low category pursuant to AB 2634

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# **Appendix A Evaluation of the Prior Housing Element**

Section 65588(a) of the *Government Code* requires that jurisdictions evaluate the effectiveness of the existing Housing Element, the appropriateness of goals, objectives and policies, and the progress in implementing programs for the previous planning period. This appendix contains a review of the housing goals, policies, and programs of the previous Housing Element, and evaluates the degree to which these programs have been implemented during the previous planning period, 2008 through 2013. This analysis also includes an assessment of the appropriateness of goals, objectives and policies. The findings from this evaluation have been instrumental in determining the City's 2013-2021 Housing Implementation Program.

Table A-1 summarizes the programs contained in the previous Housing Element along with the source of funding, program objectives, accomplishments, and implications for future policies and actions.

Table A-2 summarizes residential development in the city during the previous RHNA period 2006-2013.

Table A-3 presents the City's progress in meeting the quantified objectives from the previous Housing Element.

Table A-1 Housing Element Program Evaluation (2008-2013)

Program	Responsible Agency	Funding Source	Program Objectives	Accomplishments & Future Actions
Goal I: Preserve the Quality of Existing Neighborhoods				
Policy 1 Preserve the scale of development in existing residential neighb	orhoods.			
Policy 2 Encourage the maintenance of existing dwellings.				
Program 1. Continue to enforce provisions of the Zoning Code, Neighborhood Compatibility and Specific Development Plan requirements which specify regulations for height, lot coverage, setbacks and open space.	Planning Department; Building & Safety	General Fund	Eliminate 100% of substandard conditions.	The City continued to enforce the Zoning Code throughout the planning period. This program will be continued.
Goal II: Provide a variety of housing opportunities for all segments needs groups.	ents of the com	nunity, inclu	ding various econo	omic segments and special
Policy 3 Provide adequate sites for new housing consistent with the capa	acity of roadways,	sewer lines, and	l other infrastructure	to handle increased growth.
Program 3a. Continue to allow infill in residential areas.  Development of existing vacant residential infill sites would result in the production of approximately 61 additional single family dwelling units, assuming that all sites are buildable, and 13 additional dwellings on sites designated for multi-family use, for a total of 74 dwelling units. It is expected that detached homes would generally be affordable only by upper income households, while multi-family units would be more broadly affordable, at least at the moderate income level. Department of Finance data indicate that between 2000 and 2008 an average of ten new homes per year were added in the City of Palos Verdes Estates. However, only six new homes were added for each of the past two years as the economy has slowed.	Planning Department; Building & Safety	No funding needed	48 units	The City continued to allow infill development throughout the planning period. This program will be continued and updated to reflect current conditions.

Program	Responsible Agency	Funding Source	Program Objectives	Accomplishments & Future Actions
Program 3b. Provide for mixed commercial and residential use in commercial areas.  In recent years, mixed use housing has become increasingly attractive to consumers. Where demand exists for residential uses, this can facilitate the delivery of housing. In a mixed use project, the provision of an accompanying commercial use can help absorb some of the fixed costs of development, thereby facilitating the production of lower cost units. Further, existing structures can be adapted to residential use, reducing costs associated with new construction. Existing space at Lunada Bay could potentially undergo conversion. While such use is permitted under the City's Zoning Code and under the Palos Verdes Estates Protective Restrictions administered by the Homes Association, the lack of zoning code standards or guidelines for development of the use could delay such development when a proposal is considered. Adoption of standards could provide certainty for developers proposing such development as well as highlight the potential for such use. These could include waiver of fees or other incentives where affordable housing is provided, consistent with standards provided under Government Code Section 65915.	Planning Department; Building & Safety	General Fund	Develop ordinance by 2009.  14 new units in mixed-use areas.	No mixed-use projects were proposed during the prior planning period. This program will be continued in the new planning period.
Policy 4 Preserve existing affordable housing stock.				
Program 4a. Regulate the conversion or demolition of rental housing stock.  City parking requirements currently limit condominium conversion of some older units, thus acting as a deterrent to those seeking to convert this rental housing to more expensive condominium use. Condominium conversion ordinances typically relate to local rental vacancy, typically prohibiting conversions when rental vacancy rates are below 4 or 5 percent. The City rental vacancy rate is well above this level, so loss of rental housing stock to condominium conversion does not appear to be a problem at this time.	Planning Department	No funding needed	Preserve rental housing opportunities in 382 units.	No rental units were converted to condos. This program will be continued in the new planning period.
Policy 5 Encourage the development of additional low and moderate-in	come housing.			
Program 5a. Continue efforts to streamline the development process to the extent feasible.  City processing and fees have not been found to create a significant impediment to the development of additional housing. The City will continue to provide concurrent processing of all discretionary applications for a project, thereby streamlining the development process. Continue to process Coastal Development permits at the local level, thereby reducing the stress of the permit process. These measures can reduce development time frames thereby reducing costs due to interest on project financing and builders' staff time.	Planning Department; Building & Safety	General Fund / application fees	Efficient development processing.	The City continued to process development applications in an efficient manner. This program will be continued in the new planning period.
Program 5b. Continue to allow the establishment of manufactured housing on single family residential lots not occupied by another dwelling.	Planning Department;	General Fund / application		This program is standard practice and will be continued.

Program	Responsible Agency	Funding Source	Program Objectives	Accomplishments & Future Actions
Consistent with State law, manufactured housing is permitted on single family lots not occupied by another dwelling. Manufactured housing may result in substantial savings per square foot over conventional construction, as discussed above. Many of the newer pre-manufactured homes or modules are similar in appearance to site-built homes. The City may, by State law, establish appropriate guidelines regarding such factors as securing of the housing and setbacks.  All such development would be subject to architectural review and compliance with deed restrictions under existing regulations. Private deed restrictions regulating development in the Palos Verdes Planned Community do not specifically address manufactured housing. On the face of it, there is no reason manufactured housing could not meet such guidelines, assuming appropriate colors and exterior materials such as wood siding or stucco were utilized. However, all development is subject to	Building & Safety	fees		
Association review.  Program 5c.Continue to allow second family units  Section 65852.2 of the Government Code provides for the provision of second family units in single family areas. The City of Palos Verdes Estates currently provides for the establishment of second dwelling units on lots occupied by a single family dwelling. Under the Palos Verdes Estates Municipal Code as revised in 2003, the units may not exceed thirty percent of the floor area of the existing single family dwelling if attached or 700 square feet if detached and must be located on a lot at least 15,000 square feet in area. The second dwelling unit may not be sold separately from the primary dwelling  Until 2003, the City permitted second family units only on lots having a minimum area of 20,000 square feet and limited the units to no more than 350 square feet of floor area. The City also reduced required parking for a second unit and eliminated the requirement for a use permit. These measures were intended to facilitate the development of second units in the city. To further facilitate development of second units the City could provide an informational flyer regarding second units to be provided with other literature at the public counter.	Planning Department; Building & Safety	General Fund / building permit fees	16 second units	No second units were approved in the previous planning period. This program will be continued.

Program	Responsible Agency	Funding Source	Program Objectives	Accomplishments & Future Actions
Program 5d. Develop ordinance implementing density bonus provisions of State law.  In accordance with Government Code Section 65915, a city must provide a density bonus or other incentive when an applicant agrees to provide at least ten percent of the total units of a housing development for lower income households; five percent of the total units of a housing development for very low income households; a senior citizen housing development; or ten percent of the total dwelling units in a common interest development for moderate income households, provided that all units in the development are offered to the public for purchase. The Code specifies the amount of the density bonus or incentive on a sliding scale from twenty to thirty five percent depending on the proportion of units that are affordable and the affordability levels of the units provided.  Currently, the City of Palos Verdes Estates has no specific ordinance implementing this provision of State law. In order to facilitate future projects, it is suggested that the City develop a density bonus ordinance, including a prescribed process for implementation and develop a leaflet describing the requirements and opportunities provided under density bonus law.  Policy 6.Encourage means of increasing ability to afford existing housing stoal.	Planning Department; Building & Safety	General Fund	Develop ordinance in 2010	The Density Bonus ordinance was adopted consistent with state law and its implementation will continue in the new planning period.
Program 6.Encourage shared housing programs for seniors and existing one person households.  Sharing of one housing unit by two or more roommates can render housing affordable to persons who could not otherwise afford housing individually due to the ability to share housing costs among roommates. This could be of particular benefit to disabled individuals needing occasional assistance or female headed households seeking additional security. As noted in the previous discussion of housing needs, housing affordability is a problem for very low income seniors residing in the city. Shared housing could be facilitated by provision of space for flyers on a bulletin board or table at City Hall or public library.	Library; City Manager's office	General Fund	Implement in 2009; provide designated space on one public bulletin board.	This program was not implemented due to staffing limitations and will be initiated in 2014.
Policy 7. Continue to promote housing opportunities for all persons regardles	ss of race, religion,	sex, marital sta	tus, ancestry, national	l origin, or color.
Program 7a. Provide a means of addressing housing discrimination.  Post State regulations at City Hall and at the library regarding housing discrimination together with the appropriate phone numbers to contact regarding housing discrimination problems. Maintain copies of California Department of Fair Employment and Housing publications No. DFEH-157H, DFEH-159, DFEH-700-01, and DFEH-FS06-2003, which provide fact sheets and information to assist in filing housing complaints. Provide contact information for DFEH.	Planning Department; Building & Safety	General Fund	Address any instances of housing discrimination.	Flyers were posted at City Hall and the library.

Program	Responsible Agency	Funding Source	Program Objectives	Accomplishments & Future Actions		
Goal III: Provide a safe and healthful living environment for City residents.						
Policy 8. Eliminate potentially unsafe or unhealthful conditions in existing de	evelopment.					
Program 8a. Pursue a pro-active code enforcement program for substandard dwelling units.  Title 8 of the Municipal Code constitutes the City of Palos Verdes Estates Health Code. Chapter 8 provides for abatement of substandard conditions. The City addresses substandard buildings under Municipal Code Chapter 8.36, Substandard Premises, and nuisances in general under Chapter 8.48. Chapter 8.36 addresses the following:  Substantially deteriorated structures  Broken windows  Unstable landforms  Storing inoperable vehicles  Graffiti  Overgrown or dead vegetation  Partially completed building where work has ceased and permits have expired.  Chapter 8.48 addresses the following:  Unstable landforms, improper drainage  Partially destroyed, partially constructed or abandoned buildings  Broken windows.  Overgrown, dead, decayed or hazardous vegetation which may harbor vermin or obstructs vehicular sight lines  Danger or attractive nuisance to the public;  Accumulation of trash, debris, and other refuse  Deteriorated parking lots or driveways  Abandoned pools, ponds, excavations, and other holes  Construction debris storage bins  Livestock and other animals  Overcrowded housing, as defined by the Uniform Housing Code	Planning Department; Building & Safety	General Fund; permit fees	Eliminate all substandard conditions.	This program was implemented and will be continued.		
Housing which lacks adequate ventilation, sanitation or plumbing facilities, or which constitutes a fire hazard.  Program the Continue to strictly manifest and regulate landform modifications in the	Dlanning	Conoral Eur 1.	Dormit no successor	This was grown was involved to		
Program 8b. Continue to strictly monitor and regulate landform modifications in the City.	Planning Department; Building & Safety	General Fund; permit fees	Permit no unsafe landform modification.	This program was implemented and will be continued.		

Program	Responsible Agency	Funding Source	Program Objectives	Accomplishments & Future Actions
Landform modification is addressed through the City's grading permit process which requires approval of a grading plan and grading permit for landform modification.				
Goal IV: Encourage the Conservation of Energy in New Housing	g			
Policy 9. Reduce energy loss due to inferior construction techniques.				
Program 9. Continue to require all new projects to conform to the requirements of Title 24 of the California Administrative Code.  The City has adopted the most current editions of all California Codes. Title 24 contains specific requirements for construction techniques which result in energy savings of approximately 50 percent when compared to standard techniques utilized prior to enactment of current standards. Under State law, individual jurisdictions may develop local standards which exceed the requirements of Title 24.	Planning Department; Building & Safety	General Fund; permit fees	All new structures to conform to current energy conservation standards.	The City has enforced Title 24 requirements throughout the planning period. This program will be continued.
Policy 10. Encourage residents to conserve energy.				
Program 10a. Support public utility companies in their efforts to educate the public in means of energy conservation.  Local utility companies regularly circulate information regarding energy conservation to their residential customers. To support such programs, the City could allow posting of energy conservation materials on publicly owned bulletin boards, and adopt proclamations of support in order to publicize conservation efforts.	Planning Department; Building & Safety	General Fund		The City posted energy conservation flyers on City bulletin boards. This program will be continued.
Program 10b. Consider waiver of permit fees for installation of alternate energy facilities for residential use.  Solar panels may be utilized for heating homes of domestic water or may be utilized to generate electricity. While the earliest solar panels would not likely meet the architectural standards of the Homes Association, newer solar devices are less unattractive. Some systems closely resemble conventional roof shingles. These are usually most practical to install at the time a new roof is installed.  The 2000 Census showed that less than ten homes utilized solar systems for home heating, though other uses of solar may have been utilized, such as electricity generation or heating swimming pools. Many communities have developed sustainable building programs under which building permit and inspection fees for energy and water saving devices are waived. In order to encourage alternate energy use, it is suggested that the City institute a similar fee waiver.	Planning Department; Building & Safety	General Fund	Institute trial program in the fiscal year following adoption of this element.  10 solar systems per year.	This program was not implemented but will be considered in 2014.

Table A-2 Progress in Achieving Quantified Objectives (2008-2013)

Program Category	Quantified Objectives	Progress
New Construction*		
Extremely Low	9	-
Very Low	10	-
Low	12	-
Moderate	13	-
Above Moderate	40	107
Total	84	107
Rehabilitation		
Very Low	-	-
Low	-	-
Moderate	-	-
Above Moderate	-	-
Total	-	-
Conservation		
Very Low	-	-
Low	-	-
Moderate	-	-
Above Moderate	-	
Total	-	-

<sup>\*</sup>Quantified objective and progress for new construction covers the period 2006-2013 consistent with the RHNA.

Appendix B Vacant Residential Land Inventory

Site (Address/APN)	GP/Zoning	Acreage
7539-007-020 / Via Capay	SF/R-1	0.17
7539-020-001 / Via Tejon	SF/R-1	0.23
7539-020-002 / Via Tejon	SF/R-1	0.2
7539-023-019 / 2520 VIA PINALE	SF/R-1	0.13
7540-012-011 / Via Almar	SF/R-1	0.19
7540-016-008 / Mexico Place	SF/R-1	0.45
7540-022-001 / Via Del Monte	SF/R-1	0.28
7541-005-025 / Chelsea Road	SF/R-1	0.21
7541-013-022 / Margate Square	SF/R-1	0.12
7541-017-015 / 1004 PVDW	SF/R-1	0.28
7541-017-016 / PVDW	SF/R-1	0.4
7541-024-007 / Via Lopez	SF/R-1	0.65
7541-028-006 / 1700 Via Boronada	SF/R-1	0.28
7542-007-024 / Paseo Del Mar	SF/R-1	0.52
7542-019-001 / 608 Avenida Mirola	SF/R-1	0.16
7542-028-010 / 2940 Via Alvarado	SF/R-1	0.17
7543-004-004 / 1320 Via Romero	SF/R-1	0.17
7543-004-015 / Via Sanchez	SF/R-1	0.17
7543-005-033 / Via Barcelona	SF/R-1	0.42
7543-006-007 / 1252 Via Landeta	SF/R-1	0.2
7543-013-005 / Via Valdez	SF/R-1	0.21
7543-016-020 / 2545 Via Olivera	SF/R-1	0.2
7543-016-028 / Via Olivera	SF/R-1	0.15
7543-035-003 / 3008 Via Victoria	SF/R-1	0.23
7543-036-032 / Victoria Place	SF/R-1	0.41
7543-042-003 / Noya Place	SF/R-1	0.35
7543-043-006 / 2004 Muros Place	SF/R-1	0.39
7543-043-024 / Via Leon	SF/R-1	0.36
7543-044-003 / Via Coronel	SF/R-1	0.36
7543-045-024 / Via Romero	SF/R-1	0.35
7543-047-013 / Via Leon	SF/R-1	0.39
7544-015-009 / 1805 Via Coronel	SF/R-1	0.72
7544-015-011 / 1815 Via Coronel	SF/R-1	0.77
7544-016-006 / 1412 Via Fernandez	SF/R-1	1.09
7544-017-006 / Via Fernandez	SF/R-1	0.63
7544-019-009 / 1515 Lower Paseo La Cresta	SF/R-1	1.16
7544-021-003 / Paseo La Cresta and Via Cerritos	SF/R-1	1.03
7544-022-012 / Paseo La Cresta	SF/R-1	0.77
7544-022-014 / Paseo La Cresta	SF/R-1	0.81
7544-022-015 / Paseo La Cresta	SF/R-1	0.78
7545-006-013 / 860 Rincon Lane	SF/R-1	0.34
7545-010-018 / Via Acalones	SF/R-1	0.38
TOTALS	42 lots	

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# **Appendix C Public Participation Summary**

Section 65583(c)(5) of the *Government Code* states that "The local government shall make diligent effort to achieve public participation of all the economic segments of the community in the development of the housing element, and the program shall describe this effort." Public participation played an important role in the formulation and refinement of the City's housing goals and policies and in the development of a Land Use Plan which determines the extent and density of future residential development in the community.

City residents had several opportunities to recommend strategies, review, and comment on the draft Housing Element during its preparation and adoption. An initial public study session was held jointly by the Planning Commission and City Council on November 19, 2013. After receiving comments from HCD, a revised draft element was prepared and made available for public review. A direct mail notice of availability of the revised draft was sent to all of the organizations list in Table C-1. Prior to adoption, additional public hearings were held by the Planning Commission on January 21, 2014 and City Council on January 28, 2014.

All meeting notices were posted on the City's website, and notification was published in the local newspaper in advance of the meetings. Copies of the draft Element were made available for review at City Hall and were posted on the City website.

# Table C-1 Public Notice Distribution List City of Palos Verdes Estates 2013-2021 Housing Element Update

Shelter Partnership 523 W. 6<sup>th</sup> Street, Suite 616 Los Angeles CA 90014 Westside Center for Independent Living 12901 Venice Boulevard

Los Angeles CA 90066

Harbor Regional Center 21231 Hawthorne Boulevard Torrance CA 90503

The Arc-South Bay 1735 Rosecrans Avenue Gardena CA 90249 Emma Hoff-Regional Community Service Coordinator Catholic Charities 123 E. 14<sup>th</sup> Street Long Beach, CA 90813 Social Vocational Services (SVS) South Bay Independent Visions 2461 W. 208<sup>th</sup> Street, Suite 102 Torrance CA 90501

L.A. County Department of Children and Family Services 2325 Crenshaw Boulevard Torrance CA 90501 Kenny Nickelson Memorial Foundation for Homeless Veterans and Children, Inc. P.O. Box 3098 Manhattan Beach CA 90266

Rebuilding Together South Bay Los Angeles P.O. Box 6367 Torrance CA 90504

Tom Baumann

Salvation Army "His House Family Services" 20830 S. Vermont Avenue Torrance CA 90502

Salvation Army 30840 Hawthorne Blvd Rancho Palos Verdes, CA 90275 Jamboree Housing Corporation 17701 Cowan Avenue, Suite 200 Irvine, CA 92614

Peninsula Seniors 30928 Hawthorne Boulevard Rancho Palos Verdes, CA 90275

### DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT DIVISION OF HOUSING POLICY DEVELOPMENT

2020 W. El Camino Avenue, Suite 500 Sacramento, CA 95833 (916) 263-2911 / FAX (916) 263-7453 www.hcd.ca.gov

January 17, 2014

Mr. Allan Rigg, Planning Director City of Palos Verdes Estates 340 Palos Verdes Drive West Palos Verdes Estates, CA 90274

Dear Mr. Rigg:

#### RE: Review of Palos Verdes Estates' 5<sup>th</sup> Cycle (2013-2021) Draft Housing Element

Thank you for submitting Palos Verdes Estates' draft housing element update received for review on November 21, 2013, along with revisions received on January 10, 2014. Pursuant to Government Code Section 65585(b), the Department is reporting the results of its review. A telephone conversation with you and Mr. John Douglas, the City's consultant, facilitated the review.

The draft housing element meets the statutory requirements of State housing element law (Article 10.6 of the Government Code). However, the housing element cannot be found in full compliance until the City amends its zoning ordinance to permit year-round emergency shelters without discretionary action pursuant to GC Section 65583(a)(4)(A). The element will comply with housing element law once the City completes the zoning amendment and submits the adopted element to the Department in accordance with GC Section 65585(g).

To remain on an eight year planning cycle, pursuant to Senate Bill 375 (Chapter 728, Statutes of 2008) the City must adopt its housing element within 120 calendar days from the statutory due date of October 15, 2013 for SCAG localities. If adopted after this date, the City will be required to revise the housing element every four years until adopting at least two consecutive revisions by the statutory deadline (Government Code Section 65588(e)(4)).

Public participation in the development, adoption and implementation of the housing element is essential to effective housing planning. Throughout the housing element process, the City must continue to engage the community, including organizations that represent lower-income and special needs households, by making information regularly available and considering and incorporating comments where appropriate.

HCD Review of Palos Verdes Estates' Draft Housing Element January 17, 2014 Page 2 of 2

The Department appreciates your effort in preparation of the housing element and looks forward to receiving Palos Verdes Estates' adopted housing element. If you have any questions or need additional technical assistance, please contact Jess Negrete, of our staff, at (916) 263-7437.

Sincerely,

Glen A. Campora

**Assistant Deputy Director** 



### MEMORANDUM

Agenda Item #: 2
Meeting Date: 1/21/14

TO:

PLANNING COMMISSION

FROM:

ALLAN RIGG, PLANNING AND PUBLIC WORKS DIRECTOR

**SUBJECT:** 

RESOLUTION R14-02 RECOMMENDING CITY COUNCIL APPROVAL

OF THE 2013-2021 HOUSING ELEMENT

DATE:

**JANUARY 21, 2014** 

#### **Background**

State law requires every city in California to update its Housing Element for the "5<sup>th</sup> Cycle" planning period. For jurisdictions within the Southern California Association of Governments (SCAG) region, the 5<sup>th</sup> planning period runs from October 2013 through October 2021.

The Housing Element is a mandated component of each city's General Plan. The law governing Housing Elements is far more detailed than for other elements of the General Plan, and is also unusual in that cities are required to submit Housing Elements to the California Department of Housing and Community Development (HCD) for review in draft form prior to adoption as well as after adoption. The legislature has granted HCD the authority to promulgate detailed guidelines for the preparation of Housing Elements, and also to issue opinions regarding whether local Housing Elements substantially comply with the requirements of state law. A finding of substantial compliance is often referred to as "certification" of the Housing Element.

Housing Element certification is desirable for several reasons. The General Plan provides the underpinning for a city's exercise of local zoning and land use regulatory powers. State law provides a presumption of validity for a Housing Element that has been found in substantial compliance by HCD. As a result, a certified Housing Element can help to support a city's local land use authority in the event of a legal challenge. In addition, some grant funding programs require a certified Housing Element as a prerequisite for eligibility. Over the years, proposals have been introduced in the state legislature to impose penalties on cities and counties that do not to obtain certification (such as withholding gas tax revenues) but no such penalties are presently in effect.

<sup>&</sup>lt;sup>1</sup> The 5<sup>th</sup> cycle refers to the five state-mandated updates that have been required since the legislature adopted the comprehensive overhaul of state housing element law (Article 10.6 of the Government Code) in 1980.

#### **Key Components of the Housing Element**

The Housing Element must include an analysis of housing needs, available resources, governmental and non-governmental constraints, and City policies and programs related to the maintenance, improvement and development of housing for all segments of the community. Two components of the Housing Element normally receive the most attention: 1) the Regional Housing Needs Assessment (RHNA); and 2) City zoning regulations regarding housing for persons with special needs.

#### Regional Housing Needs Assessment (RHNA)

Overview. The Housing Element is required to describe how the City will facilitate the development of new housing for all income groups, with a particular emphasis on housing that is affordable to persons in the lower income categories. The following table illustrates the income levels prescribed in state law along with and corresponding affordable housing costs.

#### Affordable Housing Costs Los Angeles County

2013 County Median Income =			Affordable Price
\$64,800	Income Limits	Affordable Rent	(est.)
Extremely Low (<30%)	\$25,600	\$640	
Very Low (31-50%)	\$42,700	\$1,068	\$140,000
Low (51-80%)	\$68,300	\$1,708	\$235,000
Moderate (81-120%)	\$77,750	\$1,944	\$280,000
Above moderate (120%+)	\$77,750+	\$1,944+	\$280,000+

Assumptions:

-Based on a family of 4

-30% of gross income for rent or PITI

-10% down payment, 4.5% interest, 1.25% taxes & insurance, \$200 HOA dues

Source: Cal. HCD; J.H. Douglas & Associates

RHNA process. The RHNA is determined through a state-mandated process by which each jurisdiction is allocated a share of statewide housing need. For jurisdictions in Los Angeles County, SCAG is responsible for preparing the RHNA allocations. The RHNA process begins with the state's allocation of a share of statewide housing need to the SCAG region. SCAG is responsible for developing a methodology for allocating the total regional need to individual jurisdictions based on the same regional growth assumptions that are used for the Regional Transportation Plan.<sup>2</sup> For the 5<sup>th</sup> planning cycle (2013-2021), the total RHNA allocation for the 6-county SCAG region<sup>3</sup> is approximately 412,000 new housing units. Palos Verdes Estates has been assigned a RHNA allocation of 16 new housing units, as shown in the following table:

<sup>&</sup>lt;sup>2</sup> For more information regarding the RHNA process please refer to SCAG's website at: <a href="http://rtpscs.scag.ca.gov/Pages/Regional-Housing-Needs-Assessment.aspx">http://rtpscs.scag.ca.gov/Pages/Regional-Housing-Needs-Assessment.aspx</a>

The SCAG region includes Imperial, Los Angeles, Orange, Riverside, San Bernardino and Ventura counties.

#### Regional Housing Growth Needs Palos Verdes Estates

			Above	
Very Low*	Low	Moderate	Moderate	Total
4	3	3	6	16

Source: SCAG 2012

\*50% of the very-low need is assigned to the extremely-low-income category pursuant to Government Code

§65583(a)(1)

Note: The RHNA projection period is 1/1/2014 - 10/31/2021

Importance of the RHNA. State law requires cities to identify adequate sites with appropriate zoning that could accommodate the level of development assigned in the RHNA, and also to adopt policies and programs to facilitate the development of housing for lower-income households. It is important to note that cities are not required to build or provide funding assistance for the number of housing units reflected in the RHNA. However, if adequate sites with appropriate zoning are not demonstrated in the Housing Element, cities are required to rezone land to provide adequate sites. In coastal areas, affordable housing requires significant financial subsidies. State law requires cities to provide a regulatory setting where affordable housing could be built, if developers are able obtain sufficient financial subsidies to make a project "pencil out."

What are "adequate sites"? State law establishes criteria for determining the adequacy of potential sites for affordable housing development. The legislature has specified "default densities" that are considered suitable for lower-income housing in different areas of the state. For small cities in Los Angeles County (i.e., under 25,000 population) a density of 20 units/acre is considered to be the minimum needed to facilitate development of lower-income housing. Cities may meet their RHNA obligation by identifying either vacant sites or "underutilized" sites with potential for additional housing development or redevelopment.

Cities with difficult environmental constraints and few vacant developable parcels have limited options for accommodating new affordable housing development. In Palos Verdes Estates, all of the sites zoned for multi-family housing have already been developed, and there are no vacant sites that would be suitable for rezoning to allow additional multi-family development. A few multi-family properties are developed at lower than the maximum allowable density of 24.9 units/acre, and therefore may be considered underutilized as that term is used in state housing law.

Another option for satisfying the adequate sites requirement is through zoning regulations that permit multi-family residential or mixed-use development in commercial areas. The City's zoning regulations currently allow mixed commercial and residential development in the Moraga Cove and Lunada Bay commercial districts. Private deed restrictions also allow mixed use in these areas. The zoning ordinance does not specify a density limit for mixed-use development and therefore the actual density for any project would be determined through development standards such as height limit, lot coverage, setbacks and off-street parking. Staff believes that the 35-foot/2-story height limit and other applicable standards can accommodate mixed-use developments at the state standard of 20 units/acre.

Other cities with similar circumstances have satisfied their RHNA obligation by identifying developed commercial properties where mixed-use is allowed at the default density and the development standards (e.g., height limits) do not pose unreasonable constraints on development. In reviewing Housing Elements, HCD examines development regulations, existing site conditions and market trends in order to assess the realistic capacity for housing development.

Conclusion. Chapter III of the Draft Housing Element includes a summary of potential sites for residential development and demonstrates that there are adequate sites with appropriate zoning that could accommodate the level of development identified in the RHNA. However, HCD has indicated that small parcel sizes can pose a constraint to redevelopment of these properties. In order to address this concern and encourage redevelopment of smaller parcels, Chapter V of the Draft Housing Element includes Program 3 (p. V-2) to create an incentive for consolidation of small lots by allowing a 5% density increase for projects that combine smaller parcels into a building site of at least one acre.

#### Zoning Regulations for Persons with Special Needs

Overview. An important component of the Housing Element is demonstrating that the City's zoning regulations do not pose unreasonable constraints on housing for persons with disabilities or other special needs. These types of housing include group homes, community care facilities, emergency shelters, transitional housing and supportive housing. State law also requires cities to establish procedures to allow "reasonable accommodation" for persons with disabilities in the administration of planning and building regulations. State and federal statutes and case law regarding these types of housing are very complex and continue to evolve, therefore the following discussion is only intended to provide an overview of how HCD reviews this issue in the context of Housing Elements.

State-Licensed Group Homes for 6 or Fewer Residents. State law generally requires cities to treat state-licensed group homes and care facilities for up to 6 persons (excluding the operator and staff) as a single-family use. There are many types of licensed group homes, including community care facilities, residential care facilities for the elderly, residential care facilities for the chronically ill, drug and alcohol detoxification facilities, congregate living health facilities, intermediate care facilities, and foster homes. For these types of small facilities, cities may not impose development standards (e.g., parking, setbacks, density), permit processing requirements or fees that are any different than those applied to conventional housing. Homeowners associations also cannot enforce restrictive covenants to exclude group homes for 6 or fewer disabled persons.

Some types of licensed group homes are subject to separation requirements in order to avoid "over-concentration." For example, for community care facilities, a separation of 300 feet (measured from outside walls, not property lines) is required unless the host city consents to a reduced separation. Congregate living health facilities are subject to a 1,000-foot separation requirement. No separation requirements apply to other some types of licensed group homes such as residential care facilities for the elderly, drug and alcohol treatment facilities, or foster family homes. For facilities subject to a separation requirement, the California Department of

Social Services (CDSS) must submit the license application to the city for review, and the city may request that the license be denied based on over-concentration criteria.

<u>Group Homes for More than 6 Residents</u>. Group living facilities for more than 6 persons may be regulated differently than ordinary residential uses. For example, cities may require conditional use permits, impose different development standards, or exclude-such facilities from some zones. With regard to Housing Elements, HCD generally requires cities to designate at least one zone where large group homes may locate, although that may be a non-residential zone.

<u>Unlicensed Group Homes</u>. Housing in which some services are provided to persons with disabilities may not require licensing. For example "sober living" facilities providing group living arrangements for people who have graduated from a drug and alcohol rehabilitation program, but which do not provide care, do not require a license. At this time, the law is unclear regarding the extent to which cities can regulate small unlicensed group homes differently than small licensed group homes. Because disabled persons are a protected class, regulations that discriminate against such residents may be subject to legal challenge.

Boardinghouses, Right to Privacy, and the Definition of Family. State law allows cities to regulate boardinghouses differently than family housing. However, ordinances that arbitrarily limit the number of unrelated persons who may live together in a residence have been overturned by the courts. In order to withstand judicial scrutiny, a zoning ordinance must consider groups of unrelated persons living together as a single housekeeping unit to be equivalent to a family. Examples of appropriate criteria that cities may use in their definition of "family" include shared use of common areas, shared emotional bonds, shared household chores and expenses, shared meals, a single lease agreement, new residents selected by existing residents rather than a landlord, and no arbitrary length of stay limits. Housing that does not meet the "single housekeeping unit" test may be regulated as a boardinghouse with different standards and may be restricted to multi-family or commercial zoning districts.

Emergency Shelters. Effective January 1, 2008 state law was amended (SB 2) to require all cities to allow permanent emergency shelters by-right in at least one zone, subject to a limited range of objective standards. In the context of SB 2, emergency shelter refers to a permanent facility that provides temporary shelter to homeless persons, as opposed to a temporary facility established after a natural disaster. "By-right" means the approval process must not be discretionary, such as a conditional use permit. As is often the case with new laws, there is some ambiguity as to the limits of city regulation of emergency shelters. A lawsuit was recently filed against the City of Fullerton challenging the city's authority to require a management plan subject to review and approval by city staff, under the claim that such a requirement amounts to an impermissible discretionary review process.

<u>Transitional and Supportive Housing</u>. SB 2 also requires that cities allow transitional and supportive housing as residential uses subject only to the same standards and procedures as apply to other residential uses of the same type in the same zone. [Government Code Sec. 65583(a)(5)]

Transitional housing means buildings configured as rental housing developments, but operated under program requirements that require the termination of assistance and recirculating of the

assisted unit to another eligible program recipient at a predetermined future point in time that shall be no less than six months from the beginning of the assistance. [Government Code Sec. 65582(h)]

Supportive housing means housing with no limit on length of stay, that is occupied by the target population, and that is linked to an onsite or offsite service that assists the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community. [Government Code Sec. 65582(f)]

Target population means persons with low incomes who have one or more disabilities, including mental illness, HIV or AIDS, substance abuse, or other chronic health condition, or individuals eligible for services provided pursuant to the Lanterman Developmental Disabilities Services Act (Division 4.5 (commencing with Section 4500) of the Welfare and Institutions Code) and may include, among other populations, adults, emancipated minors, families with children, elderly persons, young adults aging out of the foster care system, individuals exiting from institutional settings, veterans, and homeless people. [Government Code Sec. 65582(g)]

There is as yet no judicial opinion clarifying the regulatory framework for transitional and supportive housing, and these facilities can take different forms. One approach is to use similar standards as apply to group homes and care facilities; i.e., if a transitional or supportive facility is occupied by one family (or housekeeping unit), it must be permitted under exactly the same standards and procedures as a conventional residence. If the facility operates like a group home, then the applicable group home standards apply.

SB 2 requires cities to update their zoning regulations to reflect these new requirements within one year after adoption of the next Housing Element after January 1, 2008.

Reasonable Accommodation for Persons with Disabilities. State and federal fair housing law requires cities to make reasonable accommodations (i.e., modifications and exceptions) in their zoning laws and other land use practices when they may be necessary to afford disabled persons an equal opportunity to use and enjoy a dwelling. In reviewing Housing Elements, HCD confirms whether cities have adopted written procedures describing how requests for reasonable accommodation will be reviewed and approved. Such procedures are often codified in the Municipal Code, but may be established through administrative procedures.

<u>Conclusion</u>. Chapter IV of the Draft Housing Element (beginning on p. IV-3) includes a discussion of these state requirements regarding special needs, and Chapter V includes Program 11 (p. V-5) to revise the Municipal Code in conformance with these requirements. Code amendments will require subsequent public notice and review at public hearings of the Planning Commission and City Council.

#### **HCD Review**

State law requires that draft Housing Element amendments be submitted to the California Department of Housing and Community Development (HCD) for review at least 60 days prior to adoption. The proposed Housing Element amendment was submitted to HCD on November 21,

2013. In December City staff had informal discussions with HCD staff regarding the Housing Element and in response to HCD's questions several revisions were made to the element, as summarized in Attachment B. HCD's formal review letter was received on January 17, 2014 and indicates that the Housing Element meets the statutory requirements of law, meaning it is approved pending some elements identified in the Housing Element.

#### **Next Steps**

Cities within the SCAG region are required to adopt a Housing Element update for the 2013-2021 planning period no later than February 12, 2014 in order to avoid being required to prepare subsequent Housing Elements on a 4-year cycle rather than the standard 8-year cycle. A public hearing of the City Council is tentatively scheduled for January 28 to consider the Planning Commission's recommendation. If adopted by the City Council, the Housing Element will be transmitted to HCD for review.

#### **CEQA Review**

An Initial Study/Negative Declaration ("IS/ND") was posted on December 26, 2013 for the Housing Element update (Attachment D). The IS/ND concludes that adoption of the Housing Element would not have a significant effect on the environment. The 30-day public review period for the IS/ND will close on January 27<sup>th</sup>. At the time this report was prepared no comments had been received.

#### Notification

Public notice for this public hearing was provided by publishing a notice in the Daily Breeze on January 9<sup>th</sup> and by posting the agenda in the typical locations per City policy.

#### **Fiscal Analysis**

Each update of the City's Housing Element costs at least \$30,000 for an outside consultant plus approximately \$10,000 in staff time. If the Housing Element is certified by the City Council prior to February 12, 2014, the next update will be in eight years instead of four years.

#### Alternatives Available to the Planning Commission

1. Receive the staff presentation, conduct the public hearing, receive public input, and adopt Resolution R14-02 recommending City Council approval of the 2013-2021 Housing Element.

- 2. Receive the staff presentation, conduct the public hearing, receive public input, and adopt Resolution R14-02 recommending City Council approval of the 2013-2021 Housing Element, with modifications.
- 3. Receive the staff presentation, conduct the public hearing, receive public input, and direct staff to return with modifications to the 2013-2021 Housing Element.

#### **Staff Recommendation**

Staff recommends the Planning Commission receive the staff presentation, conduct the public hearing, receive public input, and adopt Resolution R14-02 recommending City Council approval of the 2013-2021 Housing Element.

#### **Attachments**

- A. Draft Planning Commission Resolution R14-02
- B. Summary of proposed Housing Element revisions in response to HCD questions
- C. Initial Study/Negative Declaration
- D. Status of Housing Element Compliance for Cities in Los Angeles County
- E. Draft 2013-2021 Housing Element
- F. Letter dated January 17, 2014 from HCD

### ATTACHMENT B

## SUMMARY OF PROPOSED REVISIONS TO THE 2013-2021 HOUSING ELEMENT CITY OF PALOS VERDES ESTATES December 24, 2013

- <u>Potential for Multi-Family Development</u>. Chapter III has been expanded to include a list of multi-family parcels along with analysis of potential for redevelopment of those parcels. The analysis shows that five parcels are developed with fewer units than allowed by the zoning standards. Those parcels could accommodate 22 units if they were redeveloped at the maximum allowable density of 24.9 units per acre. (Pages III-1 through III-8)
- <u>Potential for Mixed-Use Development</u>. The discussion of potential mixed-use development on commercial properties has been clarified to note that several existing commercial buildings are single-story, and therefore are considered to be "underutilized" under state housing law. (Pages III-1 and III-2)
- <u>Community Care Facilities</u>. Program 11 in Chapter V has been revised to include a commitment to add regulations for community care facilities to the Municipal Code, and Chapter IV has been revised to include a reference to this program. (Pages IV-3 and V-5)
- <u>Emergency Shelters</u>. Chapter IV has been revised to clarify that emergency shelters will be allowed in the Commercial zone, and provide data regarding the number and size of parcels in that zone. (Page IV-4)
- <u>Single Room Occupancy</u>. Program 11 in Chapter V has been revised to include a commitment to add regulations for SRO facilities to the Municipal Code, and Chapter IV has been revised to include a reference to this program. (Pages IV-5 and V-5)
- Agricultural Employee Housing. Program 11 in Chapter V has been revised to include a commitment to add regulations for agricultural employee housing to the Municipal Code, and Chapter IV has been revised to include a reference to this program. (Pages IV-5 and V-5)
- Off-Street Parking. Program 8 in Chapter V has been revised to include a commitment to revise parking regulations for studio and one-bedroom units when affordable housing is provided consistent with state density bonus law, and Chapter IV has been revised to include a reference to this program. (Pages IV-5 and V-5)
- <u>Infrastructure Capacity</u>. Chapter IV has been revised to clarify that existing water and wastewater capacity is adequate to accommodate projected new housing needs. (Page IV-11)
- Programs to Facilitate Development of Housing for Extremely Low Income (ELI) Households and Persons with Disabilities. Programs 3 and 5 in Chapter V have been revised to include a commitment to provide incentives for new affordable housing projects that include ELI units and housing for persons with disabilities, and allow a 5% density increase when small lots are consolidated into a single building site of at least one acre. (Pages V-2 and V-3)
- <u>Development Fees</u>. A summary of development fees has been provided in Chapter IV. (Page IV-8)



# NOTICE OF INTENT TO ADOPT / NOTICE OF AVAILABILITY NEGATIVE DECLARATION

This serves as the City of Palos Verdes Estates Notice of Intention to adopt a Negative Declaration for the 2013-2021 Housing Element, prepared in accordance with the California Environmental Quality Act (CEQA), State CEQA Guidelines and local implementation procedures.

PROJECT: 2013-2021 Palos Verdes Estates Housing Element update

PROJECT LOCATION: Citywide

**LEAD AGENCY:** City of Palos Verdes Estates, 340 Palos Verdes Drive West, Palos Verdes Estates, CA 90274

**PROJECT APPLICANT**: Same as Lead Agency

<u>DESCRIPTION:</u> State law mandates that each city shall include a Housing Element in its General Plan, and that the Housing Element be updated periodically. The Housing Element is required to analyze existing and projected housing needs, and include goals, policies, quantified objectives, and scheduled programs for the preservation, improvement, and development of housing. The proposed Housing Element covers the 2013-2021 planning period. (Please see Initial Study for additional information)

**NOTICE IS HEREBY GIVEN THAT** the City of Palos Verdes Estates proposes to adopt a Negative Declaration for the above-cited project. The Negative Declaration is based on the finding that adoption of the Housing Element will not have a significant adverse effect on the environment. Copies of the Negative Declaration (ND) and supporting materials are available for review during the Public Comment Period (December 26, 2013 through January 27, 2014) at the following additional locations:

- City of Palos Verdes Estates City Hall, 340 Palos Verdes Drive West, Palos Verdes Estates, CA 90274
- 2. Malaga Cove Library, 2400 Via Campesina Palos Verdes Estates, CA 90274

Written comments on the ND must be submitted by 5:00 p.m. on Monday, January 27, 2014 to the attention of:

Allan Rigg, City Engineer/Planning Director City of Palos Verdes Estates 340 Palos Verdes Drive West, Palos Verdes Estates, CA 90274.

Comments may also be sent by e-mail to: allanrigg@caaprofessionals.com.

This item will be considered at the following public meetings:

Palos Verdes Estates Planning Commission Tuesday, January 21, 2014 at 6:30 PM Palos Verdes Estates City Council Tuesday, January 28, 2014 at 7:30 PM

These meetings will be held in the City Council chambers located at: 340 Palos Verdes Drive West, Palos Verdes Estates, CA 90274

## City of Falos Verdes Estates

Planning Department

340 Palos Verdes Drive West, Palos Verdes Estates, CA 90274

### **ENVIRONMENTAL CHECKLIST FORM AND ENVIRONMENTAL DETERMINATION**

Project Title:	2013-2021 Palos Ve	erdes Estates Housing Ele	des Estates Housing Element Update					
Lead Agency I	Name &	City of Palos Verdes Est	ates	•				
Address:		340 Palos Verdes Drive	West					
		Palos Verdes Estates, C	A 90274					
Contact Perso	n & Phone No.:	Allan Rigg, P.E., AICP, 0	City Engineer	/Planning [	Director			
		310-378-0383						
Project Locati	on/Address:	City of Palos Verdes Estates (Citywide)						
Nearest Cross	Street:	NA (Citywide)		APN:	NA (Citywide)			
Project Spon Address:	sor's Name &	Same as Lead Agency						
General Plan I	Designation:	NA (Citywide)	Zoning: NA (Citywide)					
Overlay Zone/	Special District:	NA (Citywide)						

**Project Description and Requested Action:** (Describe the whole action involved, including but not limited to later phases of the project, and any secondary, support, or off-site features necessary for its implementation. Attach additional sheets if necessary)

California Government Code Section 65302(c) mandates that each city shall include a Housing Element in its General Plan. The Housing Element is required to identify and analyze existing and projected housing needs, and include statements of the City's goals, policies, quantified objectives, and scheduled programs for the preservation, improvement, and development of housing. The City, in adopting its Housing Element, must consider economic, environmental, and fiscal factors, as well as community goals as set forth in the General Plan, in compliance with California Government Code Section 65580 et seq. This Initial Study evaluates the potential environmental impacts that would be expected to result from adoption of the Housing Element and, to the extent they can be foreseen at this time, any related amendments to other City plans and regulations such as the General Plan, Local Coastal Program and Municipal Code.

The Regional Housing Needs Assessment (RHNA), presented in Table II-20 of the draft Housing Element, identifies Palos Verdes Estates' assigned share of the regional housing need for the 2014 to 2021 period as 16 units. This total includes 4 very-low income units, 3 low-income units, 3 moderate-income units, and 6 above-moderate units. State law requires the City to demonstrate that it has adequate sites that are appropriately zoned to accommodate the need for the various types of housing units identified in the RHNA.

The Housing Element identifies appropriately zoned sites that could accommodate the housing need identified in the RHNA, therefore no changes to land use plans or regulations are needed to provide additional capacity for housing development. However, the following amendments are proposed to conform City plans and regulations to state housing law:

Program 3. Mixed Commercial and Residential Use. This program proposes to allow a density increase of 5% when two or more small parcels are consolidated into a single building site of at least one acre and the minimum affordability requirements of state density bonus law are met (i.e., at least 5% of rental units affordable to very-low-income households, at least 10% of rental units affordable to low-income households, or an owner-occupied development where at least 10% of units are affordable to moderate-income households).

Revisions to City regulations proposed under this program could potentially result in a 5% increase in the number of units in projects where small lots are consolidated. With regard to parcels zoned for multi-family development, there are no vacant parcels and only 5 parcels are developed at a lower density than allowed under zoning regulations. If all of these parcels were redeveloped at maximum density, a net increase of 9 units could occur under existing regulations (Housing Element Table III-2). However, since adjacent parcels are already developed at or above the allowable density, the proposed 5% lot consolidation incentive is not likely to result in a potential increase in total units of more than 5%. Therefore the effect of this program is estimated to result in development of no more than one additional unit compared to the current potential in the multi-family zone.

With regard to parcels zoned for commercial development, Table III-3 of the Housing Element shows that there is a total potential of 117 additional units if every commercial parcel in the city were redeveloped with new mixed-use projects. A 5% density increase would allow an additional 6 units compared to existing regulations if every commercial property were redeveloped.

Program 8.

<u>Incentives for Affordable Housing</u>. This program proposes to reduce the required offstreet parking for studio and 1-bedroom units when affordable housing is provided consistent with state density bonus law.

State density bonus law mandates that a reduction in required off-street parking must be granted when affordable housing is provided. Therefore, this program only reflects existing requirements and would result in no physical changes to the environment compared to what is allowable under current law. Therefore, this program is not evaluated further in this Initial Study.

Program 11.

Emergency Shelters, Transitional/Supportive Housing, Community Care Facilities, SROs, Agricultural Employee Housing, and Reasonable Accommodation for Persons with Disabilities. This program proposes amendments to City regulations in conformance with state laws related to housing for persons with special needs.

Emergency Shelters. State law requires all cities to adopt zoning regulations allowing emergency shelters by-right in at least one district. This program proposes amendments that would add emergency shelters to the list of permitted uses in the Commercial district. Under state law, shelters would be required to conform to the physical development standards of other uses in this zone such as building height and setbacks. The implementing ordinance would also specify standards regarding the maximum number of beds, off-street parking, size and location of waiting and intake areas, onsite management, proximity to other shelters, length of stay, lighting and security. This Initial Study evaluates the potential environmental impacts of this program and subsequent implementation actions.

<u>Transitional and Supportive Housing.</u> State law requires cities to regulate transitional and supportive housing as residential uses subject to the same standards as apply to other residential uses of the same type in the same zone. Therefore, this program only reflects existing requirements and would result in no physical changes to the environment compared to what is allowable under current law. Therefore, this program would not result in significant impacts and is not evaluated further in this Initial Study.

<u>Community Care Facilities</u>. State law establishes requirements governing local regulation of community care facilities. This program would conform City regulations to state law and would result in no physical changes to the environment compared to what is allowable under current law. Therefore, this program would not result in significant impacts and is not evaluated further in this Initial Study.

SROs. Single room occupancy (SRO) facilities are small studio-type units, typically reserved for lower-income residents or senior citizens. The Municipal Code does not currently provide a definition or regulations for SROs, therefore Program 11 in the Housing Plan includes a commitment to establish standards and procedures to facilitate the production of SROs. Since specific standards and locations for SROs are not identified in the Housing Element, it would be speculative to evaluate potential environmental impacts associated with this program. At the time such regulations are

proposed, appropriate CEQA review will be conducted. This program is not considered further in this Initial Study.

Agricultural Employee Housing. State law requires cities to allow small employee housing facilities with up to 12 units or 36 beds as an agricultural use in any zone where agriculture is a permitted use, and allows employee housing with up to 6 persons as a single-family use. This program would conform City regulations to state law and would result in no physical changes to the environment compared to what is allowable under current law. Therefore, this program would not result in significant impacts and is not evaluated further in this Initial Study.

Reasonable Accommodation. State law requires cities to establish procedures for reviewing and approving requests for modifications to zoning and building standards in order to provide reasonable accommodation for persons with disabilities. This program would only result in the adoption of administrative procedures, and would not change physical development patterns compared to what is allowable under current law. Therefore, this program would not result in significant impacts and is not evaluated further in this Initial Study.

All other programs contained in the Housing Element represent a continuation of existing programs that are intended to improve the quality of the City's housing stock, conserve existing neighborhoods, increase housing affordability, and remove potential constraints to housing for persons with special needs. None of these programs would change physical development patterns compared to what is allowable under current law. Therefore, these program would not result in significant impacts and are not evaluated further in this Initial Study.

### **Existing Conditions of the Project Site:**

The Housing Element amendment would apply citywide and no site-specific development is proposed.

Surrounding Land Uses and Setting: (Briefly describe the project's surrounding)

NA (Citywide)

Other public agencies whose approval is required: (e.g., permits, financing approval, or participation agreement)

No other agency is required to approve the Housing Element update, but it will be reviewed by the California Department of Housing and Community Development for the purpose of determining whether it complies with the requirements of the Housing Element Law. Subsequent implementation actions may require review and approval by the California Coastal Commission.

<b>ENVIRONMENTAL FACTORS POTENTIALLY AFF</b>	ECTED:				
The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a 'Potentially Significant Impact' as indicated by the checklist on the following pages:					
Aesthetics Agriculture and Forestry Resources Air Quality Biological Resources Cultural Resources Geology /Soils Greenhouse Gas Emissions Hazards & Hazardous Materials Hydrology / Water Quality	Land Use / Planning Mineral Resources Noise Population / Housing Public Services Recreation Transportation/Traffic Utilities / Service Systems Mandatory Findings of Significance				
ENVIRONMENTAL DETERMINATION: On the basis of this initial evaluation:					
I find that the proposed project COULD NOT have a s NEGATIVE DECLARATION will be prepared.	ignificant effect on the environment, and a				
I find that although the proposed project could have a signot be a significant effect in this case because revisions to by the project proponent. A MITIGATED NEGATIVE D	in the project have been made by or agreed				
I find that the proposed project MAY have a signif ENVIRONMENTAL IMPACT REPORT is required.	ficant effect on the environment, and an				
I find that the proposed project MAY have a 'potentially unless mitigated' impact on the environment, but at analyzed in an earlier document pursuant to applicable I by mitigation measures based on the earlier analysi ENVIRONMENTAL IMPACT REPORT is required, but to be addressed.	least one effect 1) has been adequately egal standards, and 2) has been addressed is as described on attached sheets. An				
I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.					
Allan Rigg, P.E., AICP	City Engineer/Planning Director				
Name	Title				
	December 24, 2013				
Signature	Date				

	ALUATION OF ENVIRONMENTAL IMPACTS:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigation Incorporated	Less Than Significant Impact	No Impact		
I. A	ESTHETICS Would the project:			·			
a)	Have a substantial adverse effect on a scenic vista?		<u>_</u> ,		$\boxtimes$		
b)	Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?						
c)	Substantially degrade the existing visual character or quality of the site and its surroundings?				$\boxtimes$		
d)	Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?				$\boxtimes$		
	Responses:						
	The Housing Element is a policy document that would not change land use designations or authorize any specific development. However, Program 3 proposes an amendment to development regulations that would allow a 5% density increase for projects that consolidate small parcels into a single building site of at least one acre. However, as noted in the Project Description, this amendment is estimated to result in not more than 7 more units that would be allowed under existing regulations if every site were to be redeveloped. This change would not result in a significant impact on scenic resources, visual character or light and glare.						
	Program 11 would add emergency shelters to the allowable substantial change to the exterior size or form of buildings. I impact on scenic resources, visual character or light and glar Mitigation Measure(s): None necessary at this time.	Therefore the					
11. /	AGRICULTURE RESOURCES AND FOREST RESOURCES:	:	<del>,</del>				
a)	Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?						
b)	Conflict with existing zoning for agricultural use, or a Williamson Act contract?						
c)	Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?						
d)	Result in the loss of forest land or conversion of forest land to non-forest use?						
e)	Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?						

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City of Palos Verdes Estates Housing Element Initial Study

EV	EVALUATION OF ENVIRONMENTAL IMPACTS:  Potentially Significant Impact Unless Mitigation Incorporated Impact  Potentially Significant Impact Unless Mitigation Incorporated Impact  No Impact Imp							
	Responses:	·						
	There are no farmland or forest resources in the city and no	impacts would	d occur.					
	Mitigation Measure(s): None required.							
	AIR QUALITY Where available, the significance nagement or air pollution control district may be relied up ject:							
a)	Conflict with or obstruct implementation of the applicable air quality plan?			$\boxtimes$				
b)	Violate any air quality standard or contribute substantially to an existing or projected air quality violation?			$\boxtimes$				
c)	Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)?							
d)	Expose sensitive receptors to substantial pollutant concentrations?			$\boxtimes$				
e)	Create objectionable odors affecting a substantial number of people?							
	Responses:							
	The Housing Element is a policy document that would not change land use designations or authorize any specific development. However, Program 3 proposes an amendment to development regulations that would allow a 5% density increase for projects that consolidate small parcels into a single building site of at least one acre. However, as noted in the Project Description, this amendment is estimated to result in not more than 7 more units that would be allowed under existing regulations if every site were to be redeveloped. This change would not result in a significant impact on air quality.							
	Program 11 would add emergency shelters to the allowable allowable amount of development or introduce uses that wo not result in a significant impact on air quality.							
	Mitigation Measure(s): None required at this time.							
IV.	BIOLOGICAL RESOURCES Would the project:							
a)	Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?							

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EV	ALUATION OF ENVIRONMENTAL IMPACTS:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
b)	Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or US Fish and Wildlife Service?				
c)	Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?				
d)	Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?				
e)	Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?				
f)	Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?				
	Responses:				
	The Housing Element is a policy document that would development. The proposed changes to land use regulatio areas therefore no significant impacts would occur.	not change ns would not	land use desi allow developm	gnations or a ent in biologio	authorize any cally sensitive
	Mitigation Measure(s): None required at this time.				
V.	CULTURAL RESOURCES Would the project:				
a)	Cause a substantial adverse change in the significance of a historical resource as defined in 15064.5?				
b)	Cause a substantial adverse change in the significance of an archaeological resource pursuant to 15064.5?				
c)	Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?				
d)	Disturb any human remains, including those interred outside of formal cemeteries?				
	Responses: The Housing Element is a policy document that would development. The proposed changes to land use regulation changes would not allow development in areas that are regarding the protection of cultural resources.	s would have	no effect on cult	tural resources	s because the
	Mitigation Measure(s): None required at this time.				

EV	ALUATION OF ENVIRONMENTAL IMPACTS:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
VI.	GEOLOGY AND SOILS Would the project:		1		
a)	Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:				
i)	Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.				
ii)	Strong seismic ground shaking?				$\boxtimes$
iii)	Seismic-related ground failure, including liquefaction?				$\boxtimes$
iv)	Landslides?				
b)	Result in substantial soil erosion or the loss of topsoil?				$\boxtimes$
c)	Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?				
d)	Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?				$\boxtimes$
e)	Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?				
	Responses:				
	The Housing Element is a policy document that would development. The proposed changes to land use regulation and soils because the changes would not allow developmen requirements providing safeguards to mitigate geological haz	s would result in areas tha	lt in no significar	nt effects regar	rding geology
_	Mitigation Measure(s): None required at this time.				
VII.	GREENHOUSE GAS EMISSIONSWould the project:				
a)	Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?				
b)	Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?				
	Responses:				
	The Housing Element is a policy document that would not development. However, Program 3 proposes an amendm density increase for projects that consolidate small parcels	ent to develo	opment regulation	ons that would	d allow a 5%

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EV	ALUATION OF ENVIRONMENTAL IMPACTS:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigation Incorporated	Less Than Significant Impact	No Impact	
	as noted in the Project Description, this amendment is estin be allowed under existing regulations if every site were t significant increase in greenhouse gas emissions.	nated to result o be redeve	t in not more th loped. This cha	an 7 more uni nge would no	ts that would ot result in a	
	Program 11 would add emergency shelters to the allowable allowable amount of development or introduce uses that wou be generated by other types of uses in commercial built significant impact on greenhouse gas emissions.	ild generate n	nore greenhouse	e gas emissior	s than would	
	<u>Mitigation Measure(s):</u> None required at this time.					
VIII.	HAZARDS AND HAZARDOUS MATERIALSWould the p	roject:				
a)	Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?					
b)	Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?					
c)	Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school??					
d)	Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?					
e)	For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?					
f)	For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?					
g)	Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?					
h)	Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?					
	Responses:					
	(a-c) Neither adoption of the Housing Element nor subsequent residential developments would affect transport of hazardous materials. However, hazardous materials are routinely used and transported on major highways traversing the city. Therefore, future residents, workers, and visitors of this area could be exposed to hazards from spills associated with transport of hazardous materials, although to no greater degree than that associated with housing projects in many urban areas; a hazardous waste incident is a rare event and cannot be predicted, and is therefore not significant. Households may use and dispose of small quantities of hazardous wastes typical of					

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EV	ALUATION OF ENVIRONMENTAL IMPACTS:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigation Incorporated	Less Than Significant Impact	No Impact			
	household use in small multi-family housing developments throughout the state; this is not deemed to be a significant public health hazard at the scale of potential development associated with the project. No significant impacts would occur and no mitigation measures are necessary at this time.							
	<u>Mitigation Measure(s)</u> : None are required at this time.							
IX.	X. HYDROLOGY AND WATER QUALITY Would the project:							
a)	Violate any water quality standards or waste discharge requirements?							
b)	Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?				:			
c)	Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?							
d)	Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?							
e)	Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?							
f)	Otherwise substantially degrade water quality?			$\boxtimes$				
g)	Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?							
h)	Place within a 100-year flood hazard area structures which would impede or redirect flood flows?			$\boxtimes$				
i)	Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?							
j)	Inundation by seiche, tsunami, or mudflow?			$\boxtimes$				
	Responses:							
	(a) New development could impact water quality through runoff and wastewater discharge. However, all future developments will be required to comply with federal, state and local water quality requirements such as the Clean Water Act and the National Pollutant Discharge Elimination System (NPDES) program. As part of the City's development review process, future development projects will be required to prepare water quality plans and/or incorporate "Best Management Practices" (BMPs) into their construction operations to reduce erosion, siltation and water pollution both during and after construction. Compliance with these regulations would be expected to reduce							

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EV	ALUATION OF ENVIRONMENTAL IMPACTS:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigation Incorporated	Less Than Significant Impact	No Impact		
	water quality impacts to a level that is less than significant. No mitigation measures are necessary at this time.						
	(b-f) If new residential development were to occur on vacant land, an increase in the amount of impervious surfaces could affect the rate of groundwater recharge. However, due to the limited amount of land affected, future development would not substantially reduce groundwater recharge or deplete groundwater supplies. Residential development could result in modification of existing drainage patterns through grading and construction of homes. However, prior to development, applicants will be required to demonstrate adequate storm water drainage facilities in compliance with the City's Grading and Building Codes. Compliance with existing regulations would reduce potential impacts to a level that is less than significant and no mitigation measures are necessary at this time.						
	(g-i) Existing regulations preclude residential development residential projects would be required to avoid such areas. T						
	(j) The proposed changes to development regulations a development in a way that could result in significant impacts				r location of		
	Mitigation Measure(s): None required at this time.						
Χ.	LAND USE AND PLANNING - Would the project:						
a)	Physically divide an established community?				$\boxtimes$		
b)	Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?						
c)	Conflict with any applicable habitat conservation plan or natural community conservation plan?						
	Responses:						
	The Housing Element is a policy document that would development. The proposed changes to land use regulations and planning because the changes would not allow develop fundamental nature of development.	s would result	in no significant	t effects regard	ding land use		
	Mitigation Measure(s): None required at this time.						
XI.	MINERAL RESOURCES Would the project:		***				
a)	Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?						
b)	Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?						
	Responses:						
	There are no mineral resources or recovery areas design mitigation measures are necessary.	nated within	the city. No imp	oacts would o	ccur and no		
	Mitigation Measure(s): None required.						

EVALUATION OF ENVIRONMENTAL IMPACTS:  Potentially Significant Impact Unless Significant Impact Unless Impact Impac								
		Impact	Mitigation Incorporated	Impact				
XII.	NOISEWould the project result in:							
a)	Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?				$\boxtimes$			
b)	Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?							
c)	A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?							
d)	A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?							
e)	For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?							
f)	For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?							
	Responses:							
	The Housing Element is a policy document that would not development. However, Program 3 proposes an amendment density increase for projects that consolidate small parcels as noted in the Project Description, this amendment is esting be allowed under existing regulations if every site were significant increase in noise generation or exposure of personal part of the significant increase in the significant in the signific	ent to develo into a single l nated to resul to be redeve	pment regulatio ouilding site of a It in not more th	ns that would t least one ac an 7 more uni	allow a 5% re. However, ts that would			
	Program 11 would add emergency shelters to the allowable allowable amount of development or introduce uses that we other types of uses in commercial buildings. Therefore the noise.	ould generate	e more noise th	an would be g	generated by			
	<u>Mitigation Measure(s):</u> None required at this time.							
XIII.	POPULATION AND HOUSING Would the project:							
a)	Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?							
b)	Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?							
c)	Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?							

EV	ALUATION OF ENVIRONMENTAL IMPACTS:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigation Incorporated	Less Than Significant Impact	No Impact		
	Responses:						
	The Housing Element would not induce substantial population growth. The proposed amendments to land use regulations are intended to facilitate affordable housing development commensurate with the City's assigned share of regional housing need. No displacement of people or housing would occur because no conversion of residential land to non-residential uses is proposed.						
	<u>Mitigation Measure(s):</u> None required at this time.						
201	DUDI IO OFFICIOSO						
XIV.	PUBLIC SERVICES						
a)	Would the project result in substantial adverse physical impaltered governmental facilities, need for new or physically a could cause significant environmental impacts, in order to maperformance objectives for any of the public services:  Fire protection?  Police protection?  Schools?  Parks?  Other public facilities?  Responses:  The Housing Element is a policy document that would not development. However, Program 3 proposes an amendment density increase for projects that consolidate small parcels as noted in the Project Description, this amendment is estimate allowed under existing regulations if every site were significant increase in demand on public services.  Program 11 would add emergency shelters to the allowable allowable amount of development or introduce uses that wo than would be generated by other types of uses in commercial significant impact.	change land ent to develor into a single mated to resurto be redeveruses in commuld generate	use designation buildings a higher level of	is, the constructions, response for authorized in series on authorized in series that would at least one actions that would not but would not demand on p	e any specific d allow a 5% cre. However, its that would ot result in a t increase the ublic services		
	Mitigation Measure(s): None required at this time.				,		
XV.	RECREATION						
а)	Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?						
b)	Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?						
	Response:						
	The Housing Element is a policy document that would not change land use designations or authorize any specific development. However, Program 3 proposes an amendment to development regulations that would allow a 5% density increase for projects that consolidate small parcels into a single building site of at least one acre. However, as noted in the Project Description, this amendment is estimated to result in not more than 7 more units that would be allowed under existing regulations if every site were to be redeveloped. This change would not result in a						

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EV	ALUATION OF ENVIRONMENTAL IMPACTS:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigation Incorporated	Less Than Significant Impact	No Impact	
	significant increase in demand on recreational facilities.  Program 11 would add emergency shelters to the allowable allowable amount of development or introduce uses that w					
	facilities than would be generated by other types of uses in cresult in a significant impact.					
	Mitigation Measure(s): None required.				:	
XVI.	TRANSPORTATION/TRAFFIC Would the project:					
a)	Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulating system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit?				,	
b)	Conflict with an applicable congestion management program, including but not limited to level of service standards and travel demand measures, or other standards established by the county congestion management agency for designated roads or highways?					
c)	Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?					
d)	Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?					
e)	Result in inadequate emergency access?			$\boxtimes$		
f)	Conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities?					
	Responses:					
	The Housing Element is a policy document that would not change land use designations or authorize any specific development. However, Program 3 proposes an amendment to development regulations that would allow a 5% density increase for projects that consolidate small parcels into a single building site of at least one acre. However, as noted in the Project Description, this amendment is estimated to result in not more than 7 more units that would be allowed under existing regulations if every site were to be redeveloped. This change would not result in a significant increase in demand on transportation facilities.					
	Program 11 would add emergency shelters to the allowable allowable amount of development or introduce uses that we facilities than would be generated by other types of uses in cresult in a significant impact.	uld generate	a higher level o	f demand on t	ransportation	
	<u>Mitigation Measure(s):</u> None required at this time.					

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EVALUATION OF ENVIRONMENTAL IMPACTS:		Potentially Significant Impact	Potentially Significant Impact Unless Mitigation Incorporated	Less Than Significant Impact	No Impact			
XVII	. UTILITIES AND SERVICE SYSTEMSWould the project							
a)	Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?			$\boxtimes$				
b)	Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?							
c)	Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?							
d)	Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?							
e)	Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?							
f)	Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?							
g)	Comply with federal, state, and local statutes and regulations related to solid waste?							
	Responses:  The Housing Element is a policy document that would not change land use designations or authorize any specific development. However, Program 3 proposes an amendment to development regulations that would allow a 5% density increase for projects that consolidate small parcels into a single building site of at least one acre. However, as noted in the Project Description, this amendment is estimated to result in not more than 7 more units that would be allowed under existing regulations if every site were to be redeveloped. This change would not result in a significant increase in demand on utilities and service systems.  Program 11 would add emergency shelters to the allowable uses in commercial buildings but would not increase the allowable amount of development or introduce uses that would generate a higher level of demand on utilities and service systems than would be generated by other types of uses in commercial buildings. Therefore these changes would not result in a significant impact.  Mitigation Measure(s): None required at this time.							
XVIII. MANDATORY FINDINGS OF SIGNIFICANCE –								
a)	Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?							

EVALUATION OF ENVIRONMENTAL IMPACTS:		Potentially Significant Impact	Potentially Significant Impact Unless Mitigation Incorporated	Less Than Significant Impact	No Impact	
b)	Does the project have impacts that are individually limited, but cumulatively considerable? ('Cumulatively considerable' means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?					
c)	Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?					
	Responses:					
	Under state law, each jurisdiction is required to adopt a Housing Element that, among other things, identifies how the jurisdiction's fair share of regional housing growth needs will be accommodated. The share of new housing need assigned to Palos Verdes Estates through the Regional Housing Needs Assessment requires the City to facilitate development of 16 housing units during the 2013-2021 planning period. The Housing Element demonstrates that adequate capacity exists to accommodate this level of need.					
	Program 3 proposes an amendment to development regulations that would allow a 5% density increase for projects that consolidate small parcels into a single building site of at least one acre. However, as noted in the Project Description, this amendment is estimated to result in not more than 7 more units that would be allowed under existing regulations if every site were to be redeveloped. This change would not result in a significant increase in development compared to the level allowed under current regulations.					
	Program 11 would add emergency shelters to the allowable uses in commercial buildings but would not increase the allowable amount of development or introduce uses that would generate new or greater impacts than other types of uses in commercial buildings. Therefore these changes would not result in a significant impact.					

### **REFERENCES:**

City of Palos Verdes Estates, <u>Draft 2013-2021 Housing Element</u>, December 2013

City of Palos Verdes Estates, General Plan.

City Palos Verdes Estates, Municipal Code.

## **LIST OF PREPARERS:**

## **Environmental Consultant:**

J.H. Douglas & Associates

John Douglas, AICP

Principal

City of Palos Verdes Estates Housing Element Initial Study

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# HOUSING ELEMENT COMPLIANCE REPORT 1/15/2014 8:40 a.m.

County	<u>Jurisdiction</u>	Record Type	Date Received	<u>Date</u> Reviewed	Compliance Status	Plan Period
KERN	MARICOPA	ADOPTED	6/12/2009	9/9/2009	OUT	4C
	MCFARLAND	ADOPTED	8/2/2010	10/29/2010	IN	4C
	RIDGECREST	DRAFT			OVER DUE	4C
	SHAFTER	ADOPTED	4/15/2010	7/14/2010	iN	4C
	TAFT	ADOPTED	7/27/2009	8/13/2009	IN	4C
	TEHACHAPI	DRAFT	7/12/2013	9/4/2013	OUT	4C
	WASCO	ADOPTED	7/28/2009	8/4/2009	IN	4C
KINGS	AVENAL.	ADOPTED	6/9/2010	7/16/2010	IN	4F
	CORCORAN	ADOPTED	6/9/2010	7/16/2010	IN	4F
	HANFORD	ADOPTED	6/9/2010	7/16/2010	IN	4F
	KINGS COUNTY	ADOPTED	6/9/2010	7/16/2010	IN	4F
	LEMOORE	ADOPTED	6/9/2010	7/16/2010	IN	4F
LAKE	CLEARLAKE	ADOPTED	6/8/2010	6/28/2010	IN	4F
	LAKE COUNTY	ADOPTED	4/4/2012	4/5/2012	IN	4F
	LAKEPORT	ADOPTED	11/16/2009	1/25/2010		4F
LASSEN	LASSEN COUNTY	ADOPTED	4/29/2010	6/24/2010		4F
	SUSANVILLE	ADOPTED	6/13/2013	6/14/2013		4F
LOS ANGELES	AGOURA HILLS	ADOPTED	9/3/2013	9/19/2013	Status   OUT	5A
	ALHAMBRA	DRAFT	8/8/2013	9/16/2013		5A
	ARCADIA	ADOPTED	12/5/2013	12/20/2013		5A
	ARTESIA	DRAFT	11/18/2013 -	1220/2013		5A
	AVALON	ADOPTED	11/14/2013	1/3/2014		5A
	AZUSA	ADOPTED	10/25/2013	11/4/2013		5A
·	BALDWIN PARK	ADOPTED	10/11/2013	11/26/2013		5A
	BELL	DRAFT	10/11/2013	11/20/2013		5A
	BELL GARDENS		- 0,00,0040	11/10/00/10		
	BELLFLOWER	DRAFT	9/30/2013	11/19/2013		5A
	BEVERLY HILLS	ADOPTED	10/7/2013	11/26/2013		5A
	BRADBURY	ADOPTED	1/9/2014 -	-		5A
		DRAFT	14/0/00/0	4444040040		5A
	BURBANK	DRAFT	11/8/2013	11/19/2013		5A
	CALABASAS	ADOPTED	9/26/2013	10/15/2013		5A
	CARSON	ADOPTED	10/30/2013	12/10/2013		5A
	CERRITOS	DRAFT	10/2/2013	11/27/2013		5A
	CLAREMONT	DRAFT	8/16/2013	10/14/2013		5A
	COMMERCE	ADOPTED	11/13/2013	11/27/2013		5A
	COMPTON	DRAFT	-  -			5A
	COVINA	DRAFT				5A
	CUDAHY	DRAFT	10/8/2013	12/6/2013		5A
	CULVER CITY	DRAFT	9/27/2013	11/25/2013		5A
	DIAMOND BAR	DRAFT	11/15/2013	1/9/2014	· · · · · · · · · · · · · · · · · · ·	5A
	DOWNEY	ADOPTED	6/28/2013	8/22/2013	IN	5A
	DUARTE	DRAFT	11/14/2013	1/13/2014	IN	5A
	EL MONTE	ADOPTED	1/2/2014 -		IN REVIEW	5A
	EL SEGUNDO	DRAFT	11/25/2013	1/9/2014	OUT	5A
	GARDENA	ADOPTED	12/2/2013	12/10/2013	IN	5A
	GLENDALE	DRAFT	1/13/2014 -		IN REVIEW	5A
	GLENDORA	ADOPTED	11/20/2013	11/26/2013	IN	5A
	HAWAIIAN GARDENS	ADOPTED	9/30/2013	10/21/2013	IN	5A
	HAWTHORNE	DRAFT	11/8/2013	1/6/2014	OUT	5A
	HERMOSA BEACH	ADOPTED	9/27/2013	10/18/2013	IN	5A
	HIDDEN HILLS	DRAFT	11/7/2013	1/6/2014	IN	5A
	HUNTINGTON PARK	ADOPTED	2/26/2009	4/7/2009	DUE	5A
	INDUSTRY	DRAFT	11/19/2013	1/3/2014		5A
	INGLEWOOD	DRAFT	8/26/2013	10/24/2013		5A
	IRWINDALE	ADOPTED	9/18/2013	9/26/2013		5A
	LA CANADA FLINTRIDGE	DRAFT	11/15/2013	1/13/2014	OUT	5A

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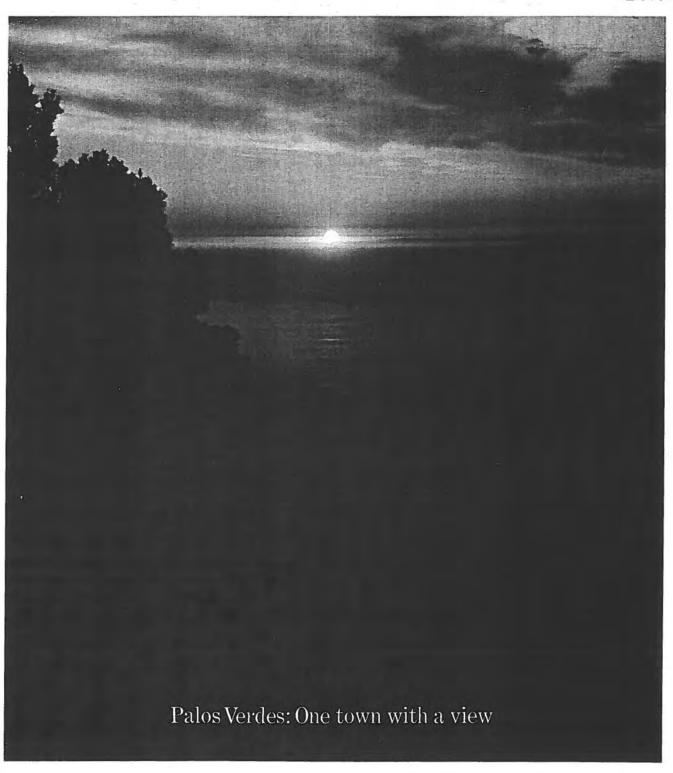
# HOUSING ELEMENT COMPLIANCE REPORT 1/15/2014 8:40 a.m.

County	<u>Jurisdiction</u>	Record Type	Date Received	Date Reviewed	Compliance Status	<u>Plan</u> Period
LOS ANGELES	LA MIRADA	DRAFT	12/13/2013 -		IN REVIEW	5A
	LA PUENTE	DRAFT	10/15/2013 -		DUE	5A
	LA VERNE	ADOPTED	12/9/2013	1/3/2014	IN	5A
	LAKEWOOD	ADOPTED	8/16/2013	10/9/2013	IN	5A
	LANCASTER	ADOPTED	10/28/2013	12/31/2013	IN	5A
	LAWNDALE	DRAFT	9/20/2013	11/8/2013	IN	5A
	LOMITA	DRAFT	10/10/2013	11/18/2013	IN	5A
	LONG BEACH	DRAFT	10/30/2013	12/27/2013	OUT	5A
	LOS ANGELES	ADOPTED	1/10/2014 -		IN REVIEW	5A
	LOS ANGELES COUNTY	DRAFT	6/11/2013	8/9/2013	IN	5A
	LYNWOOD	ADOPTED	9/13/2013	10/11/2013	IN	5A
	MALIBU	DRAFT	10/28/2013	11/12/2013	OUT	5A
	MANHATTAN BEACH	DRAFT	10/11/2013	12/10/2013	OUT	5A
	MAYWOOD	DRAFT			DUE	5A
	MONROVIA	DRAFT	11/25/2013 -		IN REVIEW	5A
	MONTEBELLO	DRAFT			DUE	5A
	MONTEREY PARK	ADOPTED	12/23/2013 -		IN REVIEW	5A
	NORWALK	DRAFT	10/3/2013	12/2/2013	OUT	5A
	PALMDALE	ADOPTED	1/3/2014 -		IN REVIEW	5A
	PALOS VERDES ESTATES	DRAFT	11/21/2013 -		IN REVIEW	5A
	PARAMOUNT	DRAFT	12/30/2013 -		IN REVIEW	5A
	PASADENA	DRAFT	11/7/2013	12/20/2013	OUT	5A
	PICO RIVERA	ADOPTED	10/23/2013	11/12/2013	IN	5A
	POMONA	DRAFT	-		DUE	5A
	RANCHO PALOS VERDES	DRAFT	10/11/2013	12/5/2013	IN	5A
	REDONDO BEACH	DRAFT	10/22/2013	12/19/2013	OUT	5A
	ROLLING HILLS	DRAFT	10/16/2013	12/11/2013	OUT	5A
	ROLLING HILLS ESTATES	DRAFT	10/14/2013	12/12/2013	OUT	5A
	ROSEMEAD	ADOPTED	12/2/2013	12/16/2013	IN	5A
	SAN DIMAS	ADOPTED	12/16/2013	12/20/2013	IN	5A
	SAN FERNANDO	DRAFT	10/18/2013	12/17/2013	OUT	5A
	SAN GABRIEL	ADOPTED	9/23/2013	10/16/2013	IN	5A
	SAN MARINO	DRAFT	11/1/2013	11/6/2013	OUT	5A
	SANTA CLARITA	ADOPTED	10/25/2013	11/5/2013	IN	5A
	SANTA FE SPRINGS	DRAFT	11/18/2013	12/23/2013	OUT	5A
	SANTA MONICA	ADOPTED	1/6/2014 -	-	IN REVIEW	5A
	SIERRA MADRE	DRAFT	11/27/2013 -	•	IN REVIEW	5A
	SIGNAL HILL	DRAFT	9/20/2013	11/18/2013	IN	5A
	SOUTH EL MONTE	DRAFT			DUE	5A
	SOUTH GATE	DRAFT	11/1/2013	12/24/2013	OUT	5A
	SOUTH PASADENA	DRAFT	9/13/2013	11/12/2013	OUT	5A
	TEMPLE CITY	DRAFT	9/30/2013	11/20/2013	IN	5A
	TORRANCE	ADOPTED	10/15/2013	11/21/2013	OUT	5A
	VERNON	ADOPTED	2/28/2013	4/10/2013	IN	5A
	WALNUT	DRAFT	10/28/2013	12/18/2013	OUT	5A
	WEST COVINA	ADOPTED	10/23/2013	11/5/2013	IN	5A
	WEST HOLLYWOOD	ADOPTED	12/13/2013 -	-	IN REVIEW	5A
	WESTLAKE VILLAGE	DRAFT	10/21/2013	12/10/2013	OUT	5A
	WHITTIER	ADOPTED	12/20/2013	-	IN REVIEW	5A
MADERA	CHOWCHILLA	DRAFT	8/6/2013	9/18/2013	IN	4F
	MADERA	ADOPTED	8/24/2010	8/26/2010	IN	4F
	MADERA COUNTY	ADOPTED	6/20/2011	8/5/2011	IN	4F

# OPEN SPACE ACTION

May-June 1969

PALOS VERDES LIBRARY DISTRICT
MALAGA COVE LOCAL HISTORY
ROOM



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The Open Space Institute (formerly Open Space Action Committee) was founded in 1963. It is a non-profit, tax-exempt corporation supported by foundation grants and individual contributions. Its publications and field programs are undertaken by a professional staff.



On the cover:
On a clear day in Palos
Verdes Estates you can
almost see forever, especially
from the terrace of Gaybert
Little's hillside home when
the sun is plunging toward
the Pacific. Art director
Charles Curtis was there on
such an afternoon to take the
photograph. The Palos Verdes
story begins on page six.
(The back cover: surfing off
Central California, also by
Curtis.)

On pages 14 through 21:
Whose reservoir of childhood
memories doesn't include a
recollection or two of
tramping the rails, and of the
rails stretching down the
right-of-way into the hot,
dancing distance? Artist
Joseph A. Smith recaptures
such memories in a series of
illustrations that also show
how old rights-of-way can
now become pathways to the
out-of-doors.

On pages 29 through 33:
Hans Spiegel is chairman of
the urban planning division
of the Columbia University
School of Architecture. He—
and four colleagues—have
some fairly definitive ideas
about the uses of vacant lots.
The photos of Spiegel and his
friends are by Heka Davis
(absent, but on assignment,
when our distaff contributors
posed for the picture on the
preceding page).

# OPEN SPACE ACTION

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Publisher:
Charles E. Little

Editor: John G. Mitchell

Associate Editor: Nancy Montgomery

Art Director: Charles Curtis

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# Hands off our parklands

he Palos Verdes hills come out of the sea in a series of benches, one above the other up to 1,400 feet, as if time and the primordial tides had fashioned here an amphitheater where men could sit and watch the sun go down into the Pacific. When the hills grow dark, pine and eucalyptus thrust their darker silhouettes against the flood-lit cities of Redondo Beach and Torrance and Los Angeles itself, all there below, lumped as one in one great mega-watt bowl.

Nature alone did not set these hills apart, so different from the land below. Men did, giving some permanence to Nature through gestalt planning and protective restrictions on the uses of open space. "Ever since people began to congregate in cities," a Palos Verdian noted in 1923, "the problem of touching elbows has been with us." And on that note, a new city was built in the hills, a parkland community where 13,000 residents enjoy the view without touching elbows. Palos Verdes. Even today, the name works. Palos Verdes. Green trees.

Most U.S. cities these days search desperately for "urban amenities." The City of Palos Verdes Estates is an amenity—an unique one. There are, for example, except in the older sections, no overhead utility lines; in fact, without the aid of signs, one can tell exactly where the city ends and surrounding communities begin: the trees of Palos Verdes give way to telephone poles. The streets are well paved, yet there are few sidewalks. "Who needs 'em?" says an old-timer. "There's concrete enough in the streets." Still, people do walk—on trails.

But, more than anything else, Palos Verdes Estates is unique because of its open spaces. A full quarter of the city's 3,015 acres is permanently protected as parkland—and has been, ever since deed restrictions were imposed on the land in 1923. Much of it runs along the unbuildable slopes of the

benches and from the edge of the seaside bluffs down to mean high tide. Narrow greenways intertwine the city's neighborhoods. "The people of this city," says Planning Commissioner Paul Peppard, "want the parkland left the way it is. They don't want it formal or manicured—or built on."

As in other communities, however, what the people want does not necessarily reflect the desires of special interests. Indeed, the parkland of Palos Verdes Estates has been threatened with encroachments repeatedly over the years, even by the City itself. "We have all this free, open land," says Dr. Peppard. "From time to time, someone comes along and tries to grab on to a piece of it." So far, no one has succeeded, and in that story is the story of the hills themselves.

Shopping for shade

By right of a Spanish land grant, the Sepulvedas came first to the Palos Verdes peninsula and ranged their herds across the grassy slopes. The Anglos followed, but the time for cattle was running out. Down in the bowl, Los Angeles was growing boisterous, and in 1913 the bankers moved in.

They called it the "Palos Verdes Project." Garden suburbs were to cover some 16,000 acres, almost the entire peninsula. The financing was big, too: the Bank of America. And to insure the best design available, the bankers retained city planning consultant Charles H. Cheney and the world-famous landscape architecture firm of Frederick Law Olmsted, Jr., son of the greatest park designer of all time.

Cheney, Olmsted and the developers laid out their first subdivisions in irregular lots behind the high bluffs at the western end of the peninsula, overlooking Los Angeles and Santa Monica Bay. This—and the smaller, inland community of Miraleste—would be known as Palos Verdes Estates.

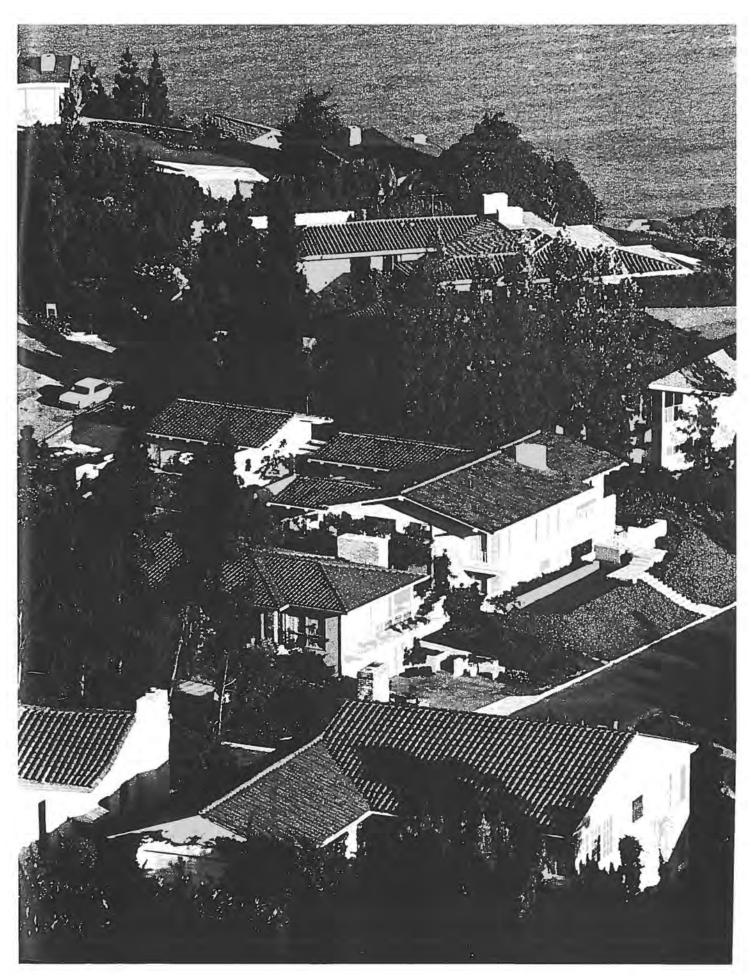


EXHIBIT 33 - Page 5 of 9

To enhance the greenery, Olmsted established a nursery at Lunada Bay and freely dispensed his expert advice to developers shopping for shade trees and ornamentals. And he studied and re-studied the slopes, making sure, before the builders moved in, that each homesite was right for the contours beneath it. (Cutting and filling of slopes to make building pads is now—and always has been—prohibited in Palos Verdes. As a result, says one builder, "We've yet to lose a house in a mudslide.")

Great caution was meanwhile exercised on paper, in the offices of the Bank of America. As trustee of the property, the bank drafted a Trust Indenture, a sort of constitution under which the new community of Palos Verdes Estates would be developed. The indenture spelled out protective restrictions to "preserve the fine views of ocean, mountains, and park" and to "increase with the years the wonderful natural beauty of the property." Though some restrictions were-and are-tailored to specific lots because of their size or location, most apply throughout the community, establishing setback requirements, prohibiting billboards and imposing on builders a system of architectural review. Such reviews are administered by the Palos Verdes Estates Homes Association and Art Jury. What's more, the indenture deeded to the care of the Homes Association 800 acres of parkland, on the condition that it be devoted to public use in perpetuity.

For Palos Verdes, perpetuity almost ended in the market disaster of 1929. The trouble, as it so often is, was taxes.

### Deficit operations

As an unincorporated community, Palos Verdes at the time fell within the jurisdiction of Los Angeles County. The Homes Association, though chartered as a non-profit corporation, was liable therefore under California law to pay full taxes on its parkland. Before the Crash, this presented no great problem. The Association was empowered to levy an annual assessment on all privately-owned lots in The Estates. With these funds, it managed for a while to cover the cost of maintain-

ing 800 acres, including operation of a golf course and swimming club. If there wasn't enough left over to pay the realty taxes, the Bank of America and its sales agents were willing to make up the deficit. Then came the Crash. Property sales slumped. Soon, even the Bank of America was unable to subsidize the association. And in one year alone, more than 300 owners of building sites defaulted on their assessments. "By 1938," retired Judge Donald Armstrong writes in his History of Palos Verdes Estates, "the Homes Association owed the State of California for taxes on the parklands. shore line, Golf Club and Swimming Club approximately \$50,000. Needless to say, the Board of Directors of the Homes Association and the residents became exercised for fear the State might sell these properties at tax sale, and the community would lose its most valuable asset." According to another local historian. the Los Angeles County auditor at one point demanded that the parklands be surrendered forthwith.

The people of Palos Verdes Estates were not about to surrender their



Little: The trick is to 'keep everlastingly at it.'

parkland. In December, 1939, in a special election, they voted overwhelmingly to incorporate the Estates as a city of the sixth class. Six months later, incorporation was official, the State agreed to forgive the back taxes, and the association formally transferred to the new city its 800 acres of parkland—now taxexempt. The grant deed stipulated:

That said realty (the parkland) is to be used and administered forever for park and/or recreation purposes only.

And the deed went on to state unequivocally that a breach of that provision would automatically cause the parkland to revert to the Homes Association. Few Palos Verdians at the time could even begin to guess how important these restrictions might turn out to be—or how soon they would be tested.

They were tested soon enough.

#### 'Give it a whirl'

In 1948, the Palos Verdes Street Department, annoyed by the inconvenience of having to park its maintenance equipment in an alley behind city hall, cavalierly announced plans to construct a maintenance yard consisting of two 1,600-square-foot sheds. The site selected: a nice secluded corner of parkland near the city golf course. Curiously, dissent by the City Council was almost inaudible.

But one voice came through loud and clear. It was the voice of Ray C. Roberts, a resident and member of the Homes Association. Roberts promptly filed an action against the City in Superior Court, and his attorney, in a letter to the municipality's law office, argued: "Use for erection of buildings violates the purposes for which this property was deeded to the city." The recipient of that letter was none other than Donald Armstrong, then the city attorney of Palos Verdes Estates and later its historian. "The city fathers were determined," Judge Armstrong recalls. "They insisted the yard would be 'incidental' to the maintenance of the parkland. I said, 'Look, you guys, you're all wrong. But if you want it, give it a whirl.' And they did."

The first whirl ended in a split decision. In effect, Superior Court Judge Caryl M. Sheldon ruled that the city did have a right to construct a maintenance yard on parkland for vehicles and equipment "used exclusively in connection with the care, maintenance and upkeep of the defendant city's parks and park property." But the judge also found that the city had no right whatsoever to store or maintain in such a yard vehicles and equipment used for other purposes, even incidentally.

Roberts and the City both appealed. The Roberts appeal sought to strike down Judge Sheldon's first ruling that a yard for park maintenance was a proper use of parkland. The appeal by Palos Verdes sought to overturn the Judge's corollary: that storage of equipment used incidentally in the maintenance of property other than parkland would not be proper.

### Kelly's caper

In weighing the Roberts' argument, the District Court of Appeal found: "It is well settled that where a grant deed is for a specified, limited and definite purpose, the subject of the grant cannot be used for another



Peppard: Far from the maddening mega-watt bowl.



Brandel and Leeper: Upholding the PV constitution.

and different purpose." And the court then went on to cite a number of precedents, including the case of T. L. Kelly vs. The Town of Hayward (Calif.), argued, ironically enough, the very same year that protective restrictions were imposed on the future uses of Palos Verdes parkland (see story, page 11).

The earlier Hayward decision and its legal citations came to weigh heavily in the deliberations of the appellate justices assigned to the case of Roberts vs. Palos Verdes. They were not, for example, particularly impressed by the City's attempt to add the word "incidental" to the restrictive provisions governing the use of parkland. "What a city council or board of trustees would like to do under whatever guise may be proposed," the court observed, "is not the test as to the validity of the proposal. The terms of the deed alone are controlling." And in an opinion that reversed the lower court altogether, and restricted the City of Palos Verdes even more tightly, the appellate court ruled: "There is nothing in the deed (from the Bank of America to the Homes Association to the City) which suggests that the property in question may be used 'for park purposes' except for the particular park dedicated and described in the deed." In practical terms, therefore, a yard located where the Street Department wanted to put one could be used only for the maintenance of the city golf course. For a while, that ended the yard episode.

But it didn't end other potential encroachments. In 1950, a resident of The Estates petitioned the City Council for permission to erect a building on dedicated parkland. Apparently, there was a temporary lapse of memories, for City Attorney Armstrong, who had warned council once before, now had to do it again. "We have gone through this in the Roberts case," advised Armstrong, "and I am convinced that if the request were granted we would be violating the conditions of the deed by which the Homes Association originally acquired the property. I think the council would be making a serious mistake." Council concurred.

#### A sacred trust

Yes, Palos Verdes had indeed been through the Roberts case (and the Hayward case, too, for that matter), but it hadn't solved the problem of where to put the city yard. In 1960, Public Works Director Fred Erwin submitted a proposal to the mayor and council. "A city yard for this community," he wrote, "must be located somewhere in this park system." The Planning Commission disagreed. It was "opposed to the diversion of parkland for other than traditional public use," the commission said of Erwin's proposal. "It considers the preservation of parkland a sacred trust that must not be broken in the name of expediency, urging of special interest, or a showing of need." If the deed restrictions were amended in this case, the commission added, "such action would establish a dangerous precedent that would open the door to a multitude of unjustifiable, troublesome demands."

The latest demand upon Palos Verdes' parkland has proved particularly troublesome. Not far from the site of the disputed, and presumably now defunct, yard, the Community Arts Association of Palos Verdes this Spring sought permission to establish a cultural center, preempting some four acres of parkland with 15 classrooms, two art galleries, an auditorium and Greek theater. "Their tack," says Planning Commissioner Peppard, "was that the land was going to waste. Some of the arts people feel open space isn't a good enough use." Still, the question was a difficult one. "Is art recreation?" Commission Chairman Ann Leeper asked herself repeatedly. "I'm not sure. Children need art. But they also need places where nothing's been improved."

Culture coming up against conservation was especially painful for some decision-makers at City Hall. "They're a good bunch," said one commissioner after an extended encounter with Arts Association leaders. "I wish they were nasty so we could simply say 'no'." As it turned out, the commission did say 'no'—politely but firmly, and with a pledge to assist the Arts Association find an alternate non-park site.

### Start from scratch

The Palos Verdes experience is an instructive one. Its principal lesson, of course, is that open spaces can be only as permanent and unassailable as the legal restrictions placed on their use. It also demonstrates the importance of a homes association as the enforcing agency for such restrictions, particularly in the time gap between the beginning of a new community and its incorporation. "When you start from scratch as we

did," says Mrs. Patricia H. Gribben, manager of the Palos Verdes Homes Association, "you can accomplish wonders. You just keep enforcing the restrictions on the land. They run with the land and, before long, they become the law of the land." And Association President Harry Brandel adds: "These restrictions are stronger than the U.S. Constitution. The way they're set up, they can hardly be amended." Amendments require approval of two-thirds of the property-owners in Palos Verdes—or 2,563 votes by the latest count.

Brandel's predecessor at the helm of the homes association was Gaybert Little, a retired advertising executive and dedicated champion of the city's parklands. This Spring, on one of those clear days you can see to Catalina Island and beyond, Little walked along the edge of the Pacific escarpment near Bluff Cove, explaining the secrets of his community's success. "In all these

Gribben: When the law runs with the land, you accomplish wonders.



years," he said, "we haven't lost a single foot of the parkland we started with. Not many other communities can say the same." He turned, then, and waved his arm toward the steep, green slopes inland. "Other places," he said, "they'd have houses top to bottom and side to side. They'd just turn the bulldozers loose. But not here. Here, they started with a dream and it was beautiful."

What Little didn't say-but could have-might well be summed up in an old advertising aphorism: "Keep everlastingly at it." The success of Palos Verdes lies not only in its law and in its land but in the perseverance of its residents. So far, their devotion to untrammeled parklands has spanned two generations through depression and through a population inundation that hit the Los Angeles basin like no other metropolitan area in the world. If Palos Verdes and its people can survive that kind of test, it is a good bet that the good green dream, like the seaward view, can go on forever.

# Wayward Hayward

The case of T. L. Kelly vs. The Town of Hayward bears a striking resemblance to Roberts vs. Palos Verdes. It originated in plaintiff Kelly's attempt to enjoin the Town of Hayward from erecting a new town hall and jail on a 2.75-acre plaza, dedicated to the town as public open space in the late 1800s and thereafter planted with trees.

Kelly argued that preempting 22,500 square feet of the plaza, as the town intended to use it, would be contrary to the public use stipulated in the original grant deed. Hayward attorneys countered that plaza per se implies a public square, not a park, and that a town hall is a proper use of a public square. In the lower court, the judge found for the defendant. Hayward.

The appellate court found otherwise. "Leaving this land unoccupied by any edifice for 45 years would be an almost conclusive argument upon the question," the court noted. "If the present board (Hayward officials) has discretion to utilize a portion of this block for town buildings,

some future board might claim that under their jurisdiction a corporation yard or rock pile for the employment of prisoners, and other very useful adjuncts to the administration of the economic affairs of the town, might be located thereupon, until the entire space was fully so occupied."

The court ruling on the Hayward appeal then went on to quote one Chief Justice Thayer of the Oregon Supreme Court: "Open plazas... especially in large cities, are highly important. They afford healthful and pleasant resorts... and are in fact the only places where a large class of the community are able to go and enjoy the blessings and comforts of shade and pure air; and any attempt on the part of public officials to appropriate them as a site for public buildings...would be a cruel effort to subvert a humane scheme..."

With that stinging critique on record, the appellate court reversed the earlier judgment against Mr. T. L. Kelly of Hayward and neatly summed up with a well-turned lecture on the economics of open space preservation. "Respondents," said the court, "state that if this plaza may not be utilized for the town hall, the taxpayers will be burdened with the expense of acquiring other

land as a site for the hall; but should the Town of Hayward become a city, as it no doubt will, its need of parks and open spaces will become more and more apparent with increasing population, and the expense of then acquiring the same from private owners will be very much greater than the amount today involved in the purchase of a site for a town hall..."

Postscript: Hayward soon enough did become a city – and also soon forgot the lessons it had learned reluctantly in the appellate court. Today, the Hayward Central Library occupies a half-acre of the disputed plaza. The building was erected without opposition or complaint. No T. L. Kellys emerged to defend the land from encroachment.

But, then, Hayward isn't Palos Verdes. In fact, Hayward isn't much like any other city in America. For a population of 91,000, the City maintains only 170 acres of parkland. Even if one were to throw in some 800 acres of school recreation space, this still leaves Hayward with less than five acres of public open space per thousand of population.