

RESOLUTION R08-34

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
PALOS VERDES ESTATES APPROVING A NEGATIVE DECLARATION AND
ADOPTING A REVISED HOUSING ELEMENT OF THE GENERAL PLAN**

WHEREAS, by Resolution No. 08-34 adopted on November 11, 2008, the City Council of the City of Palos Verdes Estates adopted a General Plan for the City of Palos Verdes Estates as required by state law consisting of various elements, including, but not limited to, a Housing Element;

WHEREAS, state law requires that the various elements of the General Plan be periodically reviewed and updated;

WHEREAS, the City's Planning Department staff, with the assistance of a consultant, has prepared an updated Housing Element for the City's General Plan, a copy of which is attached hereto as Exhibit A;

WHEREAS, the City's Planning Commission, at its regular meeting held on October 21, 2008, held a duly noticed public hearing and approved a draft Negative Declaration regarding the updated Housing Element, a copy of which is attached hereto as Exhibit B, and considered and recommended adoption of the updated Housing Element;

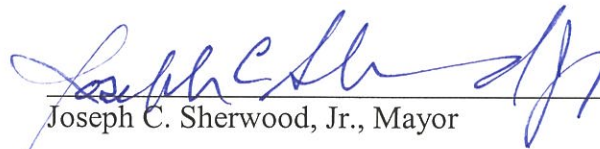
WHEREAS, the City Council has conducted a duly noticed public hearing regarding the Negative Declaration and the updated Housing Element on November 11, 2008;

NOW THEREFORE, the City Council of the City of Palos Verdes Estates hereby resolves as follows:

SECTION 1. The City Council hereby adopts the Negative Declaration prepared in connection with the Housing Element attached hereto as Exhibit B and directs that a Notice of Determination be posted in the Office of the County Clerk of the County of Los Angeles.

SECTION 2. The City Council hereby adopts the Housing Element attached hereto as Exhibit A as the Housing Element of the City of Palos Verdes Estates General Plan.

PASSED, APPROVED AND ADOPTED on this 11th day of November, 2008.



Joseph C. Sherwood, Jr., Mayor

ATTEST:



Judy Smith, City Clerk

APPROVED AS TO FORM:

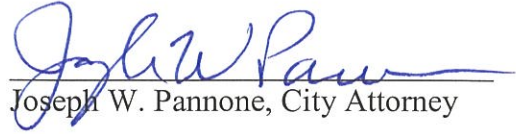

Joseph W. Pannone, City Attorney

EXHIBIT A

Administrative Draft

HOUSING ELEMENT

FOR THE

CITY OF PALOS VERDES ESTATES

JUNE 2008

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CITY PROFILE

BACKGROUND

The City of Palos Verdes Estates is located in the southwest portion of Los Angeles County on the Palos Verdes Peninsula. The peninsula is characterized by rugged terrain comprised of steep hillsides and canyons. Elevations within the City range from sea level to 1,134 feet above mean sea level. The topography of the area offers unique opportunities for scenic views of the ocean and coastal areas to the north and south. Shoreline bluff areas of the City are maintained in open space for public use.

In 1913, plans were made to develop 16,000 acres of the Palos Verdes Peninsula as a planned community known as the Palos Verdes Project. Development of the area in strict conformance with the project master plan was ensured through imposition of strict restrictions for each parcel of land. The first homes in the Palos Verdes Estates project were completed in 1924 in the area that was to become Palos Verdes Estates. The Palos Verdes Homes Association was established for the purpose of maintaining common areas and administering the master plan and protective restrictions. The City of Palos Verdes Estates was incorporated on December 20, 1939, and encompasses only a portion of the area subject to the authority of the Palos Verdes Homes Association..

The City grew slowly in the early years, but experienced rapid growth in the 1950's and 1960's. Growth slowed in the 1970's and population actually declined in the 1980's and 1990's as shown in Table 1. However, the California Department of finance estimates that population increased to 14,046 between 2000 and 2008, largely due to an increase in household size. This is still less than the City's population in 1980.

**TABLE 1
POPULATION GROWTH**

	Population	Change	Percent Change
1940	987	---	---
1950	1963	976	98.89%
1960	9564	7,601	387.21%
1970	13641	4,077	42.63%
1980	14376	735	5.39%
1990	13512	-864	-6.01%
2000	13340	-172	-1.27%

Source: Federal Census

The City is now nearly built out, with fewer than seventy vacant residential lots existing in the City. As described in Section 4, topography and other factors constrain development of many of these lots.

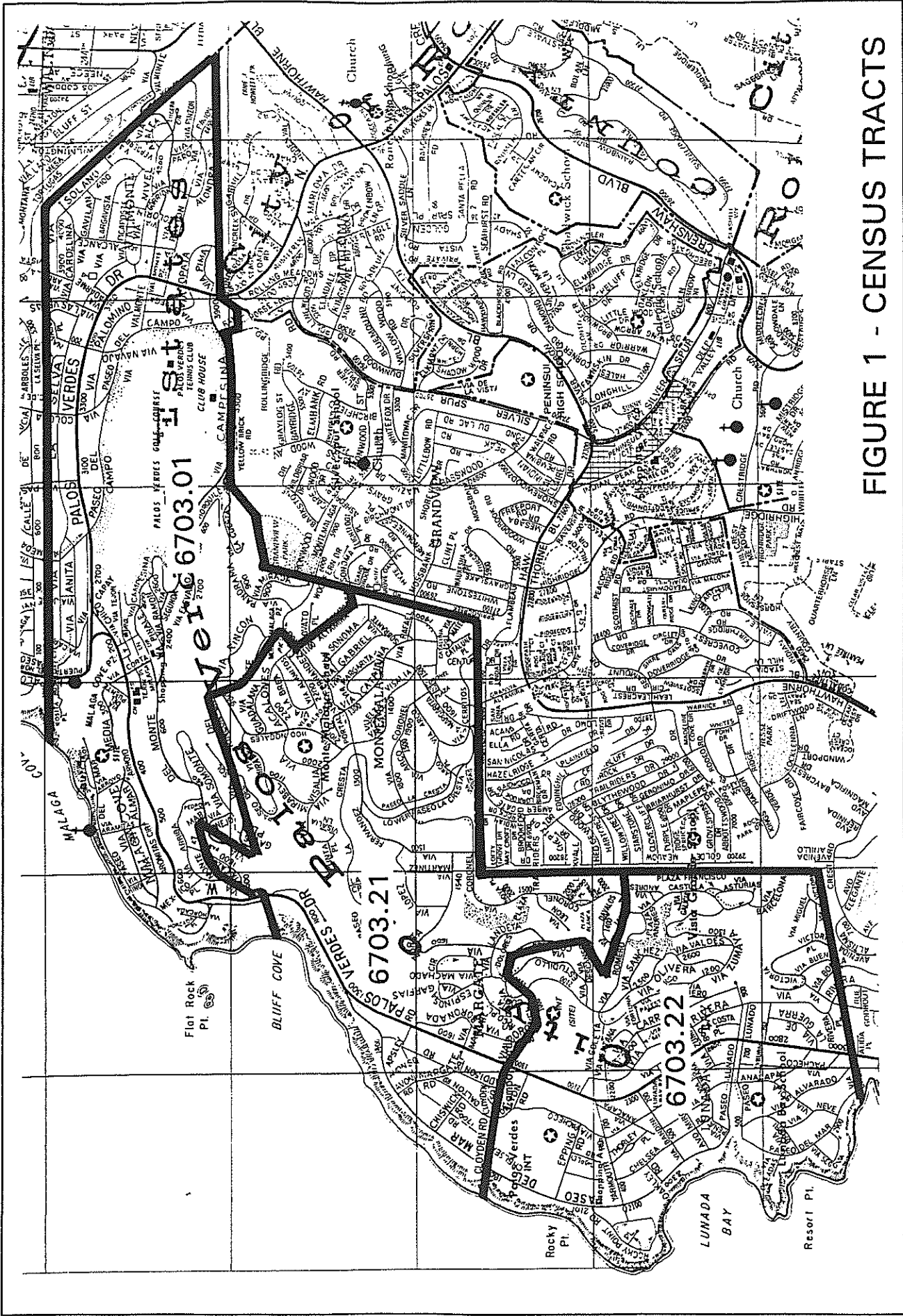


FIGURE 1 - CENSUS TRACTS

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**TABLE 4
RACE BY CITY-2000**

Race/Ethnicity		Palos Verdes Estates	Rancho Palos Verdes	Rolling Hills	Rolling Hills Estates	Torrance	Palos Verdes Subdivision	Los Angeles County
White alone	#	10357	27702	1480	5660	80997	62451	4622759
	%	77.64%	67.07%	79.10%	73.80%	58.72%	69.56%	48.56%
Black/African American	#	155	878	36	98	2710	2084	916907
	%	1.16%	2.13%	1.92%	1.28%	1.96%	2.32%	9.63%
American Indian & Alaska Native	#	34	66	0	33	504	249	68471
	%	0.25%	0.16%	0.00%	0.43%	0.37%	0.28%	0.72%
Asian	#	2317	10372	268	1556	39445	17072	1134263
	%	17.37%	25.11%	14.32%	20.29%	28.60%	19.01%	11.92%
Native Hawaiian & Other Pacific Islander	#	0	38	14	0	269	197	27221
	%	0.00%	0.09%	0.75%	0.00%	0.20%	0.22%	0.29%
Other race	#	111	426	45	47	6545	3734	2262925
	%	0.83%	1.03%	2.41%	0.61%	4.75%	4.16%	23.77%
Two or more races	#	366	1819	28	275	7463	3999	486792
	%	2.74%	4.40%	1.50%	3.59%	5.41%	4.45%	5.11%
Hispanic/Latino all races	#	385	2314	84	432	17761	10170	4243487
	%	2.89%	5.60%	4.49%	5.63%	12.88%	11.33%	44.58%
Total population: Total		13340	41301	1871	7669	137933	89786	9519338

Note: Persons of Hispanic origin are counted by both race and Hispanic origin inasmuch as ethnic Hispanics may be of various races. Therefore, adding Hispanics to the total of the various races would result in totals greater than 100 % due to double counting.

Source: 2000 Federal Census

HOUSEHOLD CHARACTERISTICS

A household consists of the full-time occupants of a housing unit. A household may consist of one individual, a family or a number of unrelated individuals. Family households consist of two or more individuals related by blood, marriage, or adoption, and do not include one person households or households comprised of unrelated individuals.

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Households comprised of families, i.e. two or more individuals related by blood, marriage, or adoption predominate citywide, although the proportion of family households is somewhat higher in the southerly area of the City. The proportion of family households changed only slightly in the 1990s, experiencing a 3.4 percent drop. However, the percentage of households comprised of families with children dropped significantly in the 1980s, from nearly half of all households to less than one third. This is consistent with an aging population of "empty nesters".

**TABLE 8
HOUSEHOLD TYPE**

Census Tract	Percent Family	Percent with children <18	Percent non-family
6703.01	76.63%	29.00%	23.37%
6703.21	85.47%	34.17%	14.53%
6703.22	87.02%	35.21%	12.98%
City Total, 2000	82.42%	32.43%	17.58%
City Total 1990	84.80%	30.32%	15.12%
City Total, 1980	88.21%	45.56%	11.79%

Source: Federal Census

Housing Tenancy

In 2000, only 9.53 percent of all households were renter households. This is similar to other cities established as part of the master planned Palos Verdes Project, but is significantly lower than other nearby areas and Los Angeles County as a whole.

**TABLE 9
TENANCY BY CITY**

	Owner occupied		Renter occupied		Total Occupied Units
	Units	Percent	Units	Percent	
Palos Verdes Estates	4517	90.47%	476	9.53%	4993
Rancho Palos Verdes	12469	81.86%	2764	18.14%	15233
Rolling Hills	607	94.11%	38	5.89%	645
Rolling Hills Estates	2548	91.42%	239	8.58%	2787
Torrance	30528	55.98%	24006	44.02%	54534
Palos Verdes Division	24885	73.47%	8984	26.53%	33869
L.A. County	1499694	47.86%	1634080	52.14%	3133774

Source: 2000 Federal Census

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The U.S. Bureau of the Census has established poverty thresholds as follows.

**TABLE 11
POVERTY LEVEL-1999**

Household Size	Weighted Average Threshold	Number of Children under 18 years of age								
		None	One	Two	Three	Four	Five	Six	Seven	Eight or more
1 person	\$8,501									
Under 65	\$8,667									
65 and over	\$7,990									
2 people	\$10,869									
Under 65	\$11,214	\$11,156	\$11,483							
65 and over	\$10,075	\$10,070	\$11,440							
3 people	\$13,290	\$13,032	\$13,410	\$13,423						
4 people	\$17,029	\$17,184	\$17,465	\$16,895	\$16,954					
5 people	\$20,127	\$20,723	\$21,024	\$20,380	\$19,882	\$19,578				
6 people	\$22,727	\$23,835	\$23,930	\$23,436	\$22,964	\$22,261	\$21,845			
7 people	\$25,912	\$27,425	\$27,596	\$27,006	\$26,595	\$25,828	\$24,934	\$23,953		
8 people	\$28,967	\$30,673	\$30,944	\$30,387	\$29,899	\$29,206	\$28,327	\$27,412	\$27,180	
9+ people	\$34,417	\$36,897	\$37,076	\$36,583	\$36,169	\$35,489	\$34,554	\$33,708	\$33,499	\$32,208

The State of California has defined various income groups, based on the percent of median income earned per household. Extremely low income households make less than thirty percent of the median income. Very low income households make less than fifty percent of the median income. Low income households make fifty to eighty percent of the median income. Low, very low, and extremely low income groups are known as lower income groups. Moderate income households make up to 120 percent of the median income.

The United States Department of Housing and Urban Development has developed income ceilings for low and very low income household based on household size.

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With the exception of two areas adjacent to the Malaga Cove and Lunada Bay commercial areas, single family homes prevail over most of the City. Although some multiple family housing is provided in two to four-plexes, most multi-family housing is in complexes of five or more units.

HOUSING SIZE

Homes range from fairly small to quite large, with the majority of homes having three to four bedrooms.

TABLE 14
HOUSING SIZE

	Census Tract 6703.01	Census Tract 6703.21	Census Tract 6703.22	City Total
No bedroom	0	0	0	0
1 bedroom	77	0	24	101
2 bedrooms	442	80	186	708
3 bedrooms	814	435	579	1828
4 bedrooms	614	526	663	1803
5 or more bedrooms	152	370	240	762

SOURCE: 2000 FEDERAL CENSUS

HOUSING CONDITION

Housing in the City of Palos Verdes Estates is generally in quite good condition. A windshield survey revealed few units in obvious need of repair. One measure of substandard housing is lack of complete plumbing or kitchen facilities. The 2000 census indicated that 14 units in the city lacked complete plumbing facilities, while eight units lacked kitchen facilities. Nine homes did not have any source of heat and twenty two homes were heated only by wood fuel.

Over the years a number of guest cottages have been constructed in the City. Some of these may have been constructed without benefit of permit. When such occurs, conformance to accepted building standards cannot be guaranteed.

HOUSING VACANCY

At the time of the 2000 Federal Census, the City of Palos Verdes Estates had 209 vacant dwelling units, comprising 4.02 percent of the total dwelling units within the city. This is very close to the estimate of 3.99 percent vacancy rate utilized by the California Department of Finance in its population estimate for 2008.

A vacancy rate of two percent is considered adequate to accommodate normal turnover for ownership housing, while a vacancy rate of five percent is considered necessary to accommodate rental turnover. The ownership and rental vacancy rates in the City are 1.02 and 6.1 percent, respectively. Thus, while ownership vacancy is extremely low, rental vacancies are more than adequate to accommodate demand for turnover.

Vacant units include those available for sale or rent, units held for weekend and seasonal use, and units which have been built but not yet occupied.

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TABLE 17

VALUE OF OWNER OCCUPIED HOUSING BY CENSUS TRACT

	Lower value quartile	Median value	Upper value quartile
Census Tract 6703.01	\$563,700	\$744,100	\$990,100
Census Tract 6703.21	\$652,200	\$896,600	>\$1,000,001
Census Tract 6703.22	\$612,000	\$762,600	>\$1,000,001
Palos Verdes Estates	\$600,600	\$795,600	>\$1,000,001

Source: 2000 Federal Census

Housing values in Zip Code Area 90274, which contains the City of Palos Verdes Estates as well as Rolling Hills and Rolling Hills Estates, are reflective of home values in the city of Palos Verdes Estates, recording a median of \$800,000 for all homes sold in the 90274 area in 2000 as compared to a median of \$795,600 recorded by the Census. Selling prices rose significantly in the years between 2002 to 2005, but have since dropped slightly. This is reflective of regional trends. Even as home sales prices began to stabilize or drop, price per square foot continued to increase, reflecting sales of slightly smaller homes locally, though price per square foot remained well above the countywide rate.

TABLE 18

HOUSING SALES PRICE 2000-2007

Year	Palos Verdes Peninsula			Los Angeles County		
	Median Home Price	Median Condo Price	Price/ Sq.ft.	Median Home Price	Median Condo Price	Price/ Sq.ft.
2000	\$800,000	\$235,000	\$323	\$205,000	\$154,000	\$153
2001	\$796,000	\$212,000	\$345	\$232,000	\$169,000	\$169
2002	\$865,000	\$262,000	\$360	\$274,000	\$203,000	\$196
2003	\$1,050,000	\$237,000	\$433	\$330,000	\$251,000	\$234
2004	\$1,210,000	\$375,000	\$488	\$412,000	\$325,000	\$297
2005	\$1,495,000	\$443,000	\$590	\$495,000	\$385,000	\$358
2006	\$1,480,000	\$422,000	\$611	\$541,000	\$412,000	\$397
2007	\$1,450,000	\$455,000	\$623	\$560,000	\$430,000	\$385

Source: Dataquik Information Systems

Currently advertised asking prices for home in Palos Verdes Estates range from \$599,000 for a two bedroom attached unit to \$12,990,000 for a seven bedroom 18,000 square foot home on a 1.45 acre lot.

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TABLE 20
LOCAL RENTAL RATES- 2000 CENSUS

	Lower quartile	Median	Upper quartile
Palos Verdes Estates	\$1,069	\$1,229	\$1,963
Rancho Palos Verdes	\$1,079	\$1,367	\$1,944
Rolling Hills	>\$2001	>\$2001	>\$2001
Rolling Hills Estates	\$1,759	>\$2001	>\$2001
Torrance	\$673	\$846	\$1,060
Palos Verdes Division	\$671	\$889	\$1,249
L.A. County	\$507	\$643	\$838

Source: 2000 Federal Census

Rents were highest in Census Tract 6703.21 in the mid portion of the city. This would reflect the presence of higher density housing, multi-family housing in the Malaga Cove area (Census Tract 6703.01) to the north and the Lunada Bay area (Census Tract 6703.22) to the south, whereas Census Tract 6703.21 consists almost completely of single family dwellings.

TABLE 21
RENT BY CENSUS TRACT

	Lower quartile	Median	Upper quartile
Census Tract 6703.01	1,054	1,175	1,669
Census Tract 6703.21	1,146	>\$2001	>\$2001
Census Tract 6703.22	1,097	1,335	>\$2001
Palos Verdes Estates	1,069	1,229	1,963

Source: 2000 Federal Census

Although housing sales prices dropped somewhat in recent years, rents continue to rise. Rents in larger complexes in Los Angeles County have risen from \$1,003 at the time of the census to \$1,683, a sixty eight percent increase. Very few rentals are advertised in the City of Palos Verdes Estates. Available rentals include a two bedroom unit in Lunada Bay, renting for \$1,750 and another Lunada Bay two bedroom renting for \$1,950.

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TABLE 23

HOUSING EXPENDITURES AS PERCENTAGE OF INCOME — 2000

Households by Income, & Affordability	Renters		Owners		Total Households
	Elderly 1&2 member households	Total Renters	Elderly 1&2 member households	Total Owners	
Household Income <=30% MFI	20	38	20	70	108
% Cost Burden >30%	100	63.2	100	60	61.1
% Cost Burden >50%	100	63.2	100	60	61.1
Household Income >30% to <=50% MFI	4	29	19	34	63
% Cost Burden >30%	100	100	100	100	100
% Cost Burden >50%	100	100	100	100	100
Household Income >50 to <=80% MFI	10	45	109	183	228
% Cost Burden >30%	100	77.8	72.5	83.6	82.5
% Cost Burden >50%	100	77.8	45	59.6	63.2
Household Income >80% MFI	40	363	1,524	4,228	4,591
% Cost Burden >30%	25	24.2	19	28.9	28.6
% Cost Burden >50%	0	2.2	8.5	10.4	9.7
Total Households	74	475	1,672	4,515	4,990
% Cost Burden >30	59.5	37.1	24.4	32.2	32.6
% Cost Burden >50	45.9	20.2	13	13.8	14.4

Source: HUD CHAS data tables

Based on 2000 census data, 32.6 percent of households for which data is available were paying 30 percent or more for housing in 2000, of which over forty percent (14.4 percent of total households) were paying more than fifty percent of income for housing. Low income and elderly households had the greatest problem with overpaying for housing, with all elderly very low and extremely low income elderly paying at least half of their income for housing. Overpayment was less of a problem for lower income owners

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lower quartile citywide, indicating that at about a quarter of all rental housing in the City would be affordable to a County median household.

An ownership unit would generally be considered affordable if the purchase price were three to four times annual household income. Actual affordability would depend on prevailing mortgage rates, the size of the down payment, and other expenses to be met by the household. Optimistically assuming a four to one ratio, a County median household could afford to pay \$169,000 to purchase a home at the time of the Census, which is well below both the County and City median housing value reported at the time of the Census. A City median household would have been able to afford a home priced at \$494,000, less than even the lowest quartile value in the City. Thus fewer than 25 percent of all owner occupied homes, would have been considered affordable to a household making the City median income at the time of the Census.

This disparity between numbers of affordable units and local household income can be attributed to a number of factors. Many owners bought their homes many years ago for much lower prices. In fact, the 2000 Census reported that 1,134 homeowners in the City had no mortgage remaining at all, equating to just under one quarter of single family homes in the City.

Home purchasers may be willing to pay higher prices because the home is viewed as an investment and tax advantages may balance a portion of the costs. A buyer may have considerable equity from a previous home to apply toward the price of the new home. In addition, as noted above, homeowners may have an optimistic view of the value of their property.

Finally, ownership units have a differing market response than rental units. Rental units are more often on the market and constantly competing with other units for available tenants and tend to reflect current market conditions. By contrast, the typical owner has not paid the prevailing housing price due to long term ownership of the unit. Thus, while housing value may increase, actual costs are relatively fixed. At any given time, only a small portion of ownership units will be on the market. Thus, ownership units are not as immediately subject to housing affordability.

Foreclosures

Another measure of housing affordability would be housing foreclosures. If homeowners cannot afford mortgage payments, they go into default. As of May 2008, twenty two homes in Palos Verdes Estates were at some point in the foreclosure process. Notices of default had been issued for eighteen homes, which is the beginning of the foreclosure process, and foreclosure sales had been scheduled by financial institutions for four homes, signifying completion of the foreclosure process. This represents less than a tenth of one percent of city housing stock.

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**TABLE 26
GROWTH FORECAST**

Year	Population	Households	Employment
2000	13,398	4,996	1,275
2005	13,955	5,038	1,276
2010	13,997	5,060	1,282
2015	14,029	5,087	1,286
2020	14,058	5,115	1,290
2025	14,088	5,145	1,294
2030	14,116	5,177	1,298

Source: SCAG Regional Growth Forecast

The above employment figures include individuals with home businesses or telecommuting. The 2000 Federal Census reported that 973 residents of Palos Verdes Estates worked in their place of residence. These individuals include the self-employed as well as live-in domestic staff and would not contribute to employment-driven housing demand. Due to the small amount of commercial land in Palos Verdes Estates, the small increase in forecast employment would likely be an increase in individuals working from home.

The RHNA also addresses overpayment for housing. As discussed in the previous section, a household is considered to be overpaying for shelter if it expends over 30 percent of its income for housing. SCAG utilized tables prepared by the United States Department of Housing and Urban Development for use in preparation of Consolidated Plans required in connection with Community Development Block Grant. SCAG indicates that 170 renters and 1,429 homeowners in the City are overpaying for housing. Of these 135 were very low and extremely low income and 175 were low income (Table 27).

**TABLE 27
EXISTING OVERPAYMENT**

	Number of Households		
	Renter	Owner	Total
Extremely Low Income	25	45	70
Very Low Income	30	35	65
Low Income	25	150	175
Moderate and Upper Income	90	1199	1289
TOTAL	170	1429	1599

Source: SCAG based on HUD data

In addition to low income households, a number of groups with special housing needs have been identified under Section 65583 of the Government Code. These include the handicapped, elderly, large families,

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**TABLE 29
DISABILITY BY TYPE**

	Census Tract 6703.01	Census Tract 6703.21	Census Tract 6703.22	City Total
People 5 to 15				
Sensory disability	7	0	5	12
Physical disability	7	0	5	12
Mental disability	39	12	20	71
Self-care disability	7	0	5	12
Total disabilities	60	12	35	107
People 16 to 64				
Sensory disability	20	5	53	78
Physical disability	45	11	55	111
Mental disability	51	8	21	80
Self-care disability	14	0	16	30
Homebound disability	45	26	47	118
Employment disability	327	77	248	652
Total disabilities	502	127	440	1069
People 65 years and over				
Sensory disability	61	46	63	170
Physical disability	119	117	90	326
Mental disability	65	48	22	135
Self-care disability	38	39	16	93
Homebound disability	98	66	49	213
Total disabilities	381	316	240	937
Total disabilities	943	455	715	2113

Source: 2000 Federal Census

HUD's CHAS Data Book reports that 10 households with individuals experiencing mobility of self-care limitations were extremely low income households, i.e. <30 percent of median income, 4 were low income households, i.e. 30 to <50 percent of median income, and 14 were low income households, i.e. 50 to <80 percent of median income. All of these reported having housing problems.

Elderly

In 2000, 2,681 people or 20.10 percent of the City of Palos Verdes Estates's population was over 65 years old. As shown previously, the City's elderly population has increased steadily over the last 30 years both in raw numbers and as a percent of the population.

Elderly residents may share many of the special housing needs of disabled persons.

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**TABLE 31
HOUSEHOLD TYPE AND SIZE**

	Census Tract 6703.01		Census Tract 6703.21		Census Tract 6703.22		City Total
	Family	Other	Family	Other	Family	Other	
1-4 person household	1,411	469	1,008	30	1,270	16	3,689
5-person household	88	0	114	3	104	8	306
6-person household	39	0	31	0	43	0	113
7+ person household	0	0	0	0	4	0	4

Source: 2000 Census

At the time of the 2000 Census, there were 43 dwelling units that were over-crowded (1+ persons per room). These 43 units represent 0.9 percent of the City's occupied housing units. Eight units were extremely overcrowded (over 1.5 persons per room).

**TABLE 32
OVERCROWDING**

	Census Tract 6703.01		Census Tract 6703.21		Census Tract 6703.22		Citywide		
	Owner	Renter	Owner	Renter	Owner	Renter	Owner	Renter	TOTAL
0.50 or less occupants per room	1476	198	1175	48	1174	50	3825	296	4121
0.51 to 1.00 occupants per room	287	33	106	20	291	96	684	149	833
1.01 to 1.50 occupants per room	0	17	0	0	8	6	8	23	31
1.51 to 2.00 occupants per room	0	0	0	0	0	8	0	8	8
2.01 or more occupants per room	0	0	0	0	0	0	0	0	0

Source: 2000 Census

This special housing need is not necessarily tied to lack of large housing units. As shown in the previous section, at the time of the census, 762 dwellings in the City had five or more bedrooms. Thus, there were

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category.

g. Persons displaced as a result of disaster with no short term means of providing shelter.

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standards for such use, although development in commercial areas is limited to thirty five feet and two stories, excluding parking garages, and is limited to eighty percent lot coverage.

The City of Palos Verdes Estates currently provides for the establishment second dwelling units on lots occupied by a single family dwelling. 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. 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.

The City of Palos Verdes Estates owns six single family homes in the City. These homes are provided to City employees, making them available to households that would likely not be able to otherwise afford to live in those homes.

CONSTRAINTS

Section 65583 of the Government Code requires that Housing Elements address constraints to the production of housing. Section 65584 also provides that housing need shall be allocated in consideration of housing demand as well as the availability of suitable sites with adequate infrastructure. Thus, an examination of constraints is warranted not only as a means of identifying removable hindrances to the provision of housing, but identifying actual unalterable constraints to be considered in the assignment of performance goals.

NONGOVERNMENTAL CONSTRAINTS

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 private restrictions also apply to additional areas in adjacent communities which were part of the original planned community. These restrictions apply to everything from land use to architectural style. Thus, the potential for resubdivision or intensification of use in most areas is quite low. These 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 restrictions were established prior to City incorporation, and governed development in the area in the years prior to incorporation as well as at present. 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 have been permitted. In addition, the deed restrictions address issues related primarily to aesthetics such as exterior building

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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 could act 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 sewerred and have no problems in that regard, and no problems currently exist due to inadequate water and sewer capacity. However, all infrastructure was master planned to serve only the levels of development contemplated under the existing deed restrictions, and intensification of development beyond that provided under current planning and zoning policies in this area could be a problem.

Land Cost

As 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. By contrast, acreage in more remote locations such as the Antelope Valley area, is advertised for as low as \$1 a square foot. Thus, land cost would be a major factor for housing.

Construction Costs

Construction costs vary according to the type of material used, and the amenities provided. The cost for very basic no frills construction is about \$150 per square foot. However, construction prices can easily exceed \$400 or \$600 per square foot for construction providing greater amenities. Factory-built housing is more economical and can be fully installed for under \$100 per square foot.

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 land costs can be defrayed by providing less land per dwelling unit, i.e. increasing density, that is only effective up to a point. Once densities approach about forty units per acre or fewer, depending on project and site specifics, costs increase greatly due to the need to provide parking structures, instead of surface parking and other items such as elevators. Basic stick-built construction is not adequate for housing at higher densities which requires the use of steel re-enforcement.

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.

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Coastal Act

A portion of the city, containing a handful of vacant sites, 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 stringlines 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. However, because the City has an adopted Local Coastal Program (LCP) implementation program, development is facilitated by the reduced need to process projects through another agency, i.e. the Coastal Commission. However, City decisions may still be appealed to the Coastal Commission.

General Plan and Zoning

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. With the provision of a density bonus for affordable housing, as provided under California Government Code Section 65915, this would allow 30 to 33.6 units per acre, depending on the proportion of affordable housing provided.

Construction of market rate units at 24.9 units per acre would allow approximately 200 units on the 8.2 acres of existing multi-family property in the city, if all multi-family development were demolished and redeveloped at the maximum density permitted. This is over forty percent less than the number of multi-family residential units which existed at the time of the 2000 census.

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

**TABLE 33
MINIMUM UNIT SIZE**

Unit Type	Minimum Size
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. 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 which would accommodate three stories, at most, could constrain high rise growth. This would also be constrained by State coastal policy regarding preservation of coastal views.

The city's zoning regulations specify a maximum lot coverage of thirty percent for single family lots, sixty percent for interior multi-family lots, and seventy 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

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**Table 34
Fee Schedule**

Planning

Neighborhood Compatibility	\$1,320.00
Grading Application	\$825.00
Additional NC Review	\$660.00
Radius Map	\$300.00
Miscellaneous Application	\$250.00
Coastal Development	\$1,235.00
Coastal Development in conjunction w/ NC/GA etc.	\$618.00
Coastal Waiver	\$85.00
Sports Court	\$825.00
Conditional Use Permit	\$1,235.00
Variance	\$1,235.00
Environmental Initial Study	\$1,244.00
Lighting Permit	\$825.00
Landscape Plan Review	\$576.00
Conceptual Project	\$213.00
Minor Lot Line Adjustment	\$825.00
Minor Mod./Site plan or revisions	\$98.00

Public Works

Residential Driveway	\$ 1 70.00
New Curb & Gutter	\$ 2 55.00
Repair/Replace Curb & Gutter	\$ 1 48.75
Curb Core	\$ 8 5.00
Non-Standard Encroachments	\$ 2 33.75

Building

Building Permit/plan check	(based on standard valuation and Uniform Building Code formulas)
Residential Inspection	\$497.00 to 825.00, depending on size of structure
Re-Inspection	\$33.00

A comparison of several fees between the City of Palos Verdes Estates and neighboring jurisdictions is given in Table 35. For the fees examined, the City of Palos Verdes Estates charges relatively low amounts. This would indicate that the City's planning and zoning fees are not a significant constraint to the construction of housing.

GOALS, POLICIES AND PROGRAMS

GOAL I. Preserve the quality of existing neighborhoods.

Policy 1. Preserve the scale of development in existing residential neighborhoods.

Program 1. Continue to enforce provisions of the Zoning Code, Neighborhood Compatibility and Specific Development Plan requirements which specify regulations for height, lot coverage, set backs and open space.

Implementation responsibility: Planning Department

Funding: General fund.

Schedule: Continuing.

Quantified Objective: One hundred percent Code compliance

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, set backs and open space.

Implementation responsibility: Planning Department, Building and Safety

Funding: General fund.

Schedule: Continuing.

Quantified Objective: Eliminate one hundred percent of substandard conditions

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 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

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

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

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.

Implementation responsibility: Planning Department, Building and Safety

Funding: General fund/application fees.

Schedule: Continuing.

Quantified Objective: Efficient development processing

Program 5b. 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, 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 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 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

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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 2009

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, national origin, or color.

Program 7a. Provide a means of addressing housing discrimination.

Post State regulations regarding housing discrimination together with the appropriate phone numbers to contact regarding housing discrimination problems.

Implementation responsibility: Planning Department, Building and Safety

Funding: General fund

Schedule: Ongoing

Quantified Objective: Address any instances of housing discrimination.

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

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

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

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

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.

Implementation responsibility: Planning Department, Building and Safety

Funding: Minimal, general fund

Schedule: Ongoing

Quantified Objective: Not applicable

Program 10a. 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 Home Association, newer solar devices are less unattractive. Some systems closely resemble convention 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.

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.

Section 65583(a)(8) of the California Government Code requires an analysis of previously assisted housing projects which may change to non-low-income housing during the next 10 years as well as strategies to preserve or replace the units. There are currently no such projects in the City of Palos Verdes Estates and, therefore, no preservation program for such units is necessary.

IMPLEMENTATION OF PREVIOUSLY EXISTING ELEMENT

The previously adopted Palos Verdes Estates Housing Element included the following programs which continue to be implemented:

- Housing infill
- Code enforcement
- Regulate condominium conversion/preserve rental housing
- Streamline development process
- Permit manufactured housing
- Regulate grading
- Promote fair housing
- Enforce Title 24
- Promote energy conservation

In 2003, as recommended in the adopted Element, the City amended the Zoning Code to reduce restrictions on second family dwelling units and facilitate development of such units.

The City did not adopt a mixed use ordinance as suggested in the previous element. This has been offered as a program for this housing element cycle.

The adopted element also included programs to publicize reverse mortgages as a means of allowing low income seniors to remain in their homes and conduct necessary maintenance. This program is no longer necessary, as information regarding such programs is now widespread and readily available.

The adopted element also suggested pursuing participation in Los Angeles Community Development Commission first time homebuyer programs. However, the maximum housing sales price permitted for such programs renders these programs unlikely to be utilized for purchase of units in Palos Verdes Estates.

EXHIBIT B

CITY OF PALOS VERDES ESTATES
NEGATIVE DECLARATION

Pursuant to the California Environmental Quality Act and State Guidelines, the City of Palos Verdes has completed the attached Initial Study for the following project:

Project Name Palos Verdes Estates Housing Element

Proponent City of Palos Verdes Estates

Address of proponent 340 Palos Verdes Drive West

Palos Verdes Estates, California 90274-1299

Attention: Stacey Kinsella

Phone number of proponent (310) 378-0383

Project Location Citywide

Project Description Revisions to the City Housing Element

and does hereby find that:

- The proposed project could not have a significant effect on the environment. A Negative Declaration is therefore issued for this project.
- Although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because the mitigation measures described in the attached Initial Study are incorporated into the project. A Negative Declaration is therefore issued for this project.

Date

Signature

For: _____

This determination is not final until adopted by the decision-making body.

TERMINATION: (To be completed by the Lead Agency)
on the basis of this initial evaluation:

] I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.

] I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.

] I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.

] I find that the proposed project MAY have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.

] I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

Signature _____ Date _____

Printed Name _____ For _____

- | | | | | | |
|----|---|-----|-----|----------|----------|
| | 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)? | ___ | ___ | ___ | <u>X</u> |
| d. | Expose sensitive receptors to substantial pollutant concentrations? | ___ | ___ | <u>X</u> | ___ |
| e. | Create objectionable odors affecting a substantial number of people? | ___ | ___ | ___ | <u>X</u> |

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? | ___ | ___ | ___ | <u>X</u> |
| 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? | ___ | ___ | ___ | <u>X</u> |
| 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? | ___ | ___ | ___ | <u>X</u> |
| 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? | ___ | ___ | ___ | <u>X</u> |
| e. | Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance? | ___ | ___ | ___ | <u>X</u> |
| 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? | ___ | ___ | ___ | <u>X</u> |

V. CULTURAL RESOURCES -- Would the project:

- | | | | | | |
|----|--|--|--|--|--|
| a. | Cause a substantial adverse change in the significance of a historical resource as defined | | | | |
|----|--|--|--|--|--|

- | | | | | | |
|----|---|-----|-----|----------|----------|
| a. | Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials? | ___ | ___ | ___ | <u>X</u> |
| 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? | ___ | ___ | ___ | <u>X</u> |
| c. | Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school? | ___ | ___ | ___ | <u>X</u> |
| 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? | ___ | ___ | ___ | <u>X</u> |
| 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? | ___ | ___ | ___ | <u>X</u> |
| 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? | ___ | ___ | ___ | <u>X</u> |
| g. | Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan? | ___ | ___ | ___ | <u>X</u> |
| 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? | ___ | ___ | <u>X</u> | ___ |

VIII. HYDROLOGY AND WATER QUALITY -- Would the project:

- | | | | | | |
|----|---|-----|-----|-----|----------|
| a. | Violate any water quality standards or waste discharge requirements? | ___ | ___ | ___ | <u>X</u> |
| 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 | | | | |

- 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?

XI. NOISE -- Would 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?
- 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?

XII. 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?

XIII. PUBLIC SERVICES

- a. Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the

- g. Conflict with adopted policies, plans, or programs supporting alternative transportation (e.g., bus turnouts, bicycle racks)?

XVI. UTILITIES AND SERVICE SYSTEMS -- Would the project:

- a. Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?
- 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 insufficient 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 inadequate 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. Fail to comply with federal, state, and local statutes and regulations related to solid waste?

XVII. 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?
- b. Does the project have impacts that are individually

by implementing an aggressive brush abatement program in and adjacent to residential areas. These measures reduce this potential impact to an insignificant level.

VIIIc. Minor erosion of soils could occur as sites are cleared and soils exposed in the construction process for additional homes consistent with the proposed element, resulting in a small, temporary increase in sedimentation in area drainages; however, this would be anticipated to occur whether or not the element is adopted, and potential adverse impacts would be reduced to a level of insignificance through the application of standard City grading requirements.

VIIIId Development of existing vacant lots with homes, driveways, and other impervious surfaces would result in a minor reduction in absorption and associated increase in surface runoff; however, this would be anticipated to occur whether or not the element is adopted, and potential adverse impacts are not considered significant.

XId. Construction of new housing will result in a temporary increase in noise from construction equipment; however, this would be anticipated to occur whether or not the element is adopted, and potential adverse impacts are not considered significant.

XIIa. As residential development is facilitated and utilization of existing housing is enhanced through such programs as shared housing, population would be expected to increase somewhat. However, the proposed programs are designed to respond to the local and regional housing need generated by increasing population, and population growth anticipated is thus consistent with projections utilized in regional planning efforts by the designated metropolitan planning organization.

XIIIa-e. Development of additional residential units will result in a minor increase in demand for public services; however, such would be anticipated to occur whether or not the element is adopted, and the level of potential impact is not considered significant.

XIVa. Development of additional residential units will result in a minor increase in use of and demand for recreation facilities; however, such would be anticipated to occur whether or not the element is adopted, and the level of potential impact is not considered significant.

XV. Development of additional residential units will result in a minor increase traffic generation; however, any increase would be anticipated to occur whether or not the element is adopted and would be within levels that can be accommodated by local streets. Thus, the level of potential impact is not considered significant.

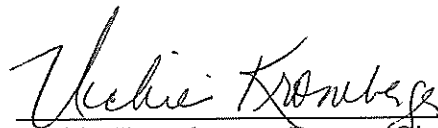
STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF PALOS VERDES ESTATES)

I, Vickie Kroneberger, Deputy City Clerk for the City of Palos Verdes Estates, California, do hereby certify that the foregoing Resolution **R08-34** was duly and regularly approved and adopted by the City Council of the City of Palos Verdes Estates at its regular meeting of the City Council on the 11th day of November, 2008, by the following vote:

AYES: COUNCILMEMBERS: Sherwood, Perkins, Humphrey, Rea
and Goodhart

NOES: COUNCILMEMBERS: None

ABSENT: COUNCILMEMBERS: None



Vickie Kroneberger, Deputy City Clerk