



## **CITY OF RANCHO PALOS VERDES HOUSING AND LOCAL LAND USE LEGISLATIVE PLATFORM**

**DATE ADOPTED: Resolution No. 2021-31 on July 6, 2021.**

### **EXECUTIVE SUMMARY**

In response to the housing crisis and recent legislation proposed by the California Legislature:

- The City of Rancho Palos Verdes opposes proposed planning and zoning legislation that usurps local control and imposes unfunded mandates.
- The City supports actions to further strengthen local democracy, authority, and control.
- The City would support housing policies which include funded mandates or create funded programs such as Local Early Action Planning (LEAP) and Regional Early Action Planning (REAP) to assist local planning efforts.
- The City would support policies that provide incentives to cities such as additional tax revenue or tax breaks and policies which grant concessions to existing policies for adoption of pro-housing policies.
- The City would support policies or grants directed toward developers to incentivize the creation of affordable housing.
- The City would support policies which expand programs such as Project Homekey, which repurpose existing buildings into an affordable housing option.
- The City would support policies and programs which provide social services and mental health services to help unhoused persons be eligible for, acquire, and maintain affordable housing.
- The City would support policies or programs that allow city and state collaboration on housing production, alongside sustainable transportation, broadband deployment, and other key infrastructure areas to support our communities.

### **BACKGROUND**

The City of Rancho Palos Verdes is located on the Palos Verdes Peninsula in Los Angeles County, California, and incorporated in 1973. The City is primarily comprised of

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residential zones and open space, is nearly entirely located within a Cal Fire-designated Very High Fire Hazard Severity Zone (VHFHSZ), and is partially located in the state-designated coastal zone. Moreover, approximately 1,200 acres of the City is within the Portuguese Bend Landslide complex, the largest and fastest moving landslide in North America.

The City of Rancho Palos Verdes recognizes that California is in the middle of a housing crisis. Housing stock cannot meet present demand and lack of affordable housing makes existing stock cost prohibitive. The Legislature has an apparent focus on passing laws which aim to mitigate the housing crisis through rescission of local land use authority and oversight to streamline the process of constructing additional units. These laws create a one-size-fits-all approach that fail to consider local authority and essential local oversight, including constraints faced by local agencies such as infrastructure limitations.

The City is committed to maintaining and enhancing a high quality of life and safety for all residents as reflected in its General Plan, updated as of 2018. Local land use authority is essential to ensuring that all new developments are suitable and safe for our community, and to allow the City and developers to work together to find the most mutually beneficial arrangement for all residents in the City.

Development within the City faces a number of unique challenges. Despite this, the City has a vibrant and well-planned mix of residential, commercial, and industrial uses.

There are 8,274 acres of land within the City of Rancho Palos Verdes. The City has determined that 1,710 acres (or 20%) of land are not suitable for development. These include Natural Environment/Hazard Areas which are lands designated as “Hazard,” “Open Space Hillside” and “Open Space Preserve” by the Land Use Element.

The areas designated “Hazard” possess extreme physical constraints, such as active landslide<sup>1</sup>, sea cliff erosion hazard, and extreme slopes of 35 percent and greater.

The areas designated “Open Space Hillside” are subject to extreme physical constraints and are maintained as open space, with very light-intensity uses permitted, such as landscaping, agriculture, passive recreational activities, and very minor structures, for the protection of the public health, safety, and welfare.

The areas designated “Open Space Preserve” encompass the City’s Palos Verdes Nature Preserve, which is approximately 1,400 acres of permanent open space. The City’s Preserve is enrolled in the State’s Natural Communities Conservation Plan and the

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<sup>1</sup> The Portuguese Bend Landslide is one of the largest and most active landslides in the country and encompasses over two of the City’s roughly 14 square miles, moves at a rate between hundredths of an inch per year and tens of feet per year. This movement is especially noticed by motorists, cyclists and pedestrians who travel along Palos Verdes Drive South. The City continuously maintains a safe roadway through the area at a cost of about a half million dollars per year. An above-ground sewer trunk line is in jeopardy of failing with land movement that has the potential to cause a significant environmental catastrophe due to its close proximity to the Pacific Ocean.

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Federal Habitat Conservation Plan (NCCP/HCP) and is encumbered with restrictions, held in perpetuity, for the preservation and protection of natural resources and habitat.

Residential activities are the major land use in the City, with existing and proposed residential uses encompassing approximately 5,500 acres (66.5% of the total land area). The predominance of residential use and related density ranges is based on several factors: the ability of residential activity to produce low environmental stress, the geographic location of the community with no major transportation facilities, the geology of the site, lack of market potential for any major commercial development, and need for support facilities to meet the community's demand.

As such, it is vital that local control be maintained to ensure public health and safety. One-size-fits-all legislation with ministerial review requirements cannot take into account the unique geographic, geologic, and infrastructure constraints required for a project to be successful and to maintain or enhance public safety.

### **RECENT LEGISLATIVE POSITIONS**

On August 4, 2020, the City Council adopted Resolution No. 2020-46 expressing opposition to proposed planning and zoning legislation that usurps local control and imposes unfunded mandates and expressing support for actions to further strengthen local democracy, authority, and control. It furthermore declares that, should the state continue to pass legislation that attacks local municipal authority, control and revenue, the City of Rancho Palos Verdes will support actions such as a ballot measure that would limit the state's ability to control local activities and strengthen local democracy and authority.

The City has registered its strong opposition to the current practice of the Legislature of proposing and passing multitudes of bills that directly impact and interfere with the ability of cities to control their own destiny through use of zoning authority that has been granted to them.

While the City appreciates the work of the Legislature to propose policies intended to mitigate the housing crisis, sweeping and ministerial measures cannot properly assess their impact on individual communities and their general plans. Streamlined ministerial approval may be a preferred housing solution for the Legislature, but such development may have significantly detrimental effects on public health and safety. The City is concerned that increasing density by-right will not allow sufficient oversight of infrastructure to ensure that capacities can meet increased residential populations.

In local land use planning and zoning, many factors must be considered. The City must maintain its local land use authority to ensure that all developments meet all safety standards and that related traffic changes do not have undue influence on egress paths in the event of an evacuation, particularly within the VHFHSZ and the Portuguese Bend Landslide complex, and with considerations for limitations on existing infrastructure.

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During the 2020-2021 legislative session, as of June 15, 2021, the City has taken positions on nine bills relating to housing and land use (see Attachment A).

In general, the City has supported housing legislation which seeks to increase local oversight and flexibility, such as Assemblymember Muratsuchi's Assembly Constitutional Amendment No. 7 which would amend the State Constitution to require certain local land use controls and zoning regulations remain within incorporated communities when in conflict with general laws. The City also supported Senator Allen's Senate Bill No. 809, which would allow cities and counties to exchange land for regional housing need allocation (RHNA) shares for compensation of the development of that land.

The City has opposed legislation that erodes local land use authority, such as Senator Atkins' SB 9, which would require ministerial approval of lot splits and duplexes in single-family residential zoned areas. The City is deeply concerned that bills such as SB 9, which would potentially quadruple density in single-family zoning by-right would have detrimental effects on the City's infrastructure capacity, particularly in the event of an emergency. Increasing density without the ability for the City to properly plan for it will negatively impact public safety in a community like Rancho Palos Verdes, and its residents' quality of life.

One-size-fits all laws inherently fail to consider the needs of individual communities and their general plans. Furthermore, the current practice of mandating streamlined local processes does nothing to address encouraging actual affordable development of those properties. The Legislature should consider bills that incentivize affordable developments and provide local agencies the ability to zone for such developments. The tone of recent bills, such as making it easier to build an accessory dwelling unit (ADU) on a property, does not guarantee that it will be sold below market rate, thereby affordable. In fact, it appears ADU's are being rented above market rates throughout Los Angeles or being used for other uses than housing (i.e. gyms, studios, pool cabanas, etc. because of State-mandated relaxed zoning laws). Upzoning parcels is likely to increase the value of the underlying land, which then makes new construction unnecessarily more expensive and over time, raises the values and rents throughout the neighborhoods, making affordable housing even less likely to be built.

The current legislative preference for by-right approvals in favor of increasing density, fails to consider the nuances in individual communities, potentially risking public safety, and does nothing to inherently promote affordable housing, which is vital to recover from the housing crisis and is the purported aim of this approach.

### **POTENTIAL LEGISLATIVE SOLUTIONS**

The City is supportive of legislation which seeks to preserve local land use authority and flexibility, giving choices and incentives to cities. Ultimately, the City would support legislation which would allow local governments to adopt proposed legislation if the requirements are suitable in their individual jurisdictions. Local planning departments have the knowledge and skills to prepare creative solutions to the housing crisis that best

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serve their communities. By-right zoning legislation undermines their ability to exercise the city's local land use authority and problem-solve based on their city's unique geographic, geologic, and infrastructure constraints, but with state support, they have the capacity to help alleviate the housing crisis.

The City would additionally continue to support legislation that provides financial assistance to implement new directives, or programs similar to Local Early Action Planning (LEAP) and Regional Early Action Planning (REAP) that provide funding to help cities accelerate housing production. The City would also support legislation that provides incentives to cities, such as additional tax revenue or tax breaks. Unfunded mandates are a financial burden to cities which make them difficult to implement successfully.

The Legislature may also consider adopting policies which grant concessions to cities based on adoption of pro-housing policies. For example, if a city were to utilize their local land use authority to upzone a certain amount of land in a commercial corridor, they could be exempt from policies such as requiring ministerial approval of ADUs. This will further local land use flexibility and grants additional incentives to local governments to adopt pro-housing policies. The City is supportive of legislation that increases land use flexibility such as regional trust and/or trade policies, similar to Senator Allen's SB 809.

The City would also support legislation aimed at developers to encourage sustainable, cost-effective development of affordable housing in safe locations across the state. Legislation which seeks to expand existing programs such as Project Homekey, or similar programs that repurpose existing buildings or underutilized commercial property (i.e. surface parking lots or single-story shopping centers) into affordable housing are also viable solutions. Additionally, the Legislature should consider policies and programs which provide social services and mental health resources to help unhoused persons be eligible for, acquire, and maintain affordable housing.

Cities have the tools, knowledge, and policies in place to continue to plan and develop innovative solutions to mitigate the housing crisis: solutions that best serve the city and the residents. If, for example, a city observes that there seems to be a surplus of parking spaces in shopping centers, they could re-zone the land to be mixed-use residential. The city may also determine that they could lower their parking requirements in certain areas due to traffic patterns and/or location of transit. When cities are allowed to keep their local land use authority, they will continue to plan and develop new solutions that address their specific constraints, and the state could reward cities for taking such actions with additional tax revenue or tax breaks or policy concessions.

Regional housing needs and legislation increasing density must be balanced by local capacity assessments including traffic conditions, sewer conditions, school district capacity, ingress/egress capacity, and water supply, among others. Legislation should re-focus efforts toward developing programs for cities and state collaboration on housing production, alongside sustainable transportation, broadband deployment, and other key infrastructure areas that can support our communities.

**CONCLUSION**

During recent legislative sessions, the City has opposed planning and zoning legislation that usurps local control and imposes unfunded mandates. The City was founded to protect local authority and to preserve the character of Rancho Palos Verdes. Local oversight of planning and zoning is essential to ensure that every development is suitable and safe for the community, to protect the health and safety of all residents.

The City is supportive of policies which strengthen local democracy, authority, and control. The City would additionally consider supporting policies which include funded mandates, legislation aimed at developers to encourage creation of affordable housing, the expansion of programs such as Project Homekey, and the creation of programs to improve social and mental health services for unhoused persons.

The City of Rancho Palos Verdes looks forward to working with the Legislature to have an open dialogue about viable solutions to the state's housing crisis, while maintaining all residents' high quality of life.

**ATTACHMENT A: CITY POSITIONS ON HOUSING BILLS**  
**As of July 6, 2021, for 2021 Legislative Session**

**AB 215 (Chiu)** would require a jurisdiction with low regional housing needs progress to have a mid-cycle consultation with the California Department of Housing and Community Development (HCD). The City **opposed** this bill because it is an intrusion into local control and self-determination, most specifically with the usage of the pro-housing designation as a mandatory requirement for low RHNA compliance, and by unnecessarily adding assessments of jurisdictions' compliance with RHNA.

**AB 989 (Gabriel)** would create a state appeals board that could overturn local government's denial of certain housing projects. The City **opposed** this bill because it would establish a new procedural enforcement mechanism that is exempt from public oversight and review. The state appeals board would allow one hearing officer to substitute their judgement about the public health or safety of a community and overturn the City's denial following procedures that are not subject to public review and comment.

**AB 1258 (Nguyen)** would subject final RHNA plans to judicial review. The City **supported** this bill, given the significant impact a housing element has on local governments' planning and development, it is reasonable to have an opportunity for judicial review of RHNA decisions.

**AB 1295 (Muratsuchi)** would prohibit cities or counties from entering into residential development agreements in VHFHSZs. The City **commented** on this bill, as the City supported the goal of the bill to enhance safety standards in VHFHSZs, though more information is needed about the definition of "development" pertaining to reconstruction of existing structures, and for clarification of the effect of the bill on RHNA.

**ACA 7 (Muratsuchi)** would amend the State Constitution to allow certain land use controls and zoning regulations to supersede general law, preserving local land use authority. The City **supported** this bill for the recognition of local and use authority and flexibility for municipalities, as ACA 7 would allow cities' local ordinances to prevail over general law if they are in conflict.

**SB 9 (Atkins)** would require ministerial approval of lot splits and duplexes in single-family residential zoning. The City **opposed** this bill on the grounds that it overrides local control of zoning codes and circumvents the California Environmental Quality Act (CEQA) to allow such subdivision ministerially without public input or consideration. Such development may have severe consequences for public safety, especially in a VHFHSZ.

**SB 10 (Wiener)** would allow cities to upzone by ordinance in transit-rich areas or urban infill sites. The City **opposed** this bill because it waives CEQA requirements and may allow cities to supersede voter approved initiatives.

**SB 12 (McGuire)** would impose significant fire hazard planning responsibilities on local governments. The City **opposed** this bill because of its effect on local land use authority.

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**SB 55 (Stern)** would prohibit the creation or approval of a new commercial or residential development in a VHFHSZ. The City **opposed** this bill because while the City supports fire safety measures, such a prohibition infringes on local land use authority.

**SB 556 (Dodd)** would require cities to make streetlight poles, traffic signal poles, utility poles, and support structures available to telecommunications providers. The City **opposed** this bill because it would circumvent City oversight, and to protect the public's investment through City infrastructure, oversight and control of the public rights-of-way must remain local. Additionally, the bill does not encourage or incentivize telecommunications companies to service unserved and underserved communities and inherently conflicts with federally-mandated local authority to manage the right-of-way and to comply with existing Federal Communications Commission (FCC) decisions.

**SB 809 (Allen)** would allow cities and counties to enter into multijurisdictional agreements to assist with meeting RHNA shares whereby one jurisdiction exchanges land in return for financial compensation to develop that land. The City **supported** this bill because it grants cities flexibility in meeting RHNA shares.