

CITY OF HERMOSA BEACH

HOUSING ELEMENT TECHNICAL REPORT 2021-2029

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Draft

Contents

I.	Housing Needs Assessment.....	I-1
A.	Population Characteristics.....	I-1
1.	Population Growth Trends	I-1
2.	Age Characteristics	I-2
B.	Household Characteristics	I-2
1.	Household Tenure and Size.....	I-2
2.	Overcrowding	I-4
3.	Income and Overpayment	I-5
C.	Employment.....	I-8
D.	Housing Stock Characteristics	I-9
1.	Housing Type and Growth Trends	I-9
2.	Housing Age and Conditions	I-10
3.	Vacancy	I-12
4.	Housing Cost.....	I-13
E.	Special Needs	I-14
1.	Persons with Disabilities.....	I-15
2.	Elderly	I-20
3.	Large Households	I-21
4.	Female-Headed Households.....	I-22
5.	Farm Workers	I-24
6.	Homeless Persons	I-24
F.	Assisted Housing at Risk of Conversion	I-28
G.	Low- and Moderate-Income Housing in the Coastal Zone	I-28
H.	Future Housing Needs.....	I-28
1.	Overview of the Regional Housing Needs Assessment	I-28
2.	Hermosa Beach 2021-2029 Housing Needs	I-29
II.	Resources and Opportunities	II-1
A.	Land Resources	II-1
B.	Financial and Administrative Resources	II-1
1.	State and Federal Resources	II-1
2.	Local Resources	II-2
C.	Sustainable Housing Development.....	II-2
1.	AB 32 and SB 375	II-2
2.	Energy Conservation Opportunities.....	II-3
III.	Constraints	III-1
A.	Governmental Constraints.....	III-1
1.	Transparency with Development Regulations	III-1
2.	Land Use Plans and Regulations	III-1
3.	Development Processing Procedures	III-14
4.	Development Fees and Improvement Requirements	III-16
B.	Non-Governmental Constraints	III-18
1.	Environmental Constraints	III-18
2.	Infrastructure Constraints	III-18
3.	Land Costs	III-19
4.	Construction Costs.....	III-19
5.	Cost and Availability of Financing	III-20
6.	Timing and Density.....	III-20
Appendix A –	Evaluation of the 2014-2021 Housing Element	
Appendix B –	Residential Land Inventory	
Appendix C –	Public Participation Summary	
Appendix D –	Affirmatively Furthering Fair Housing	

List of Tables

Table I-1	Extremely-Low-Income Households by Race and Tenure Hermosa Beach.....	I-5
Table I-2	Cost Burden by Income Category and Tenure Hermosa Beach	I-6
Table I-3	Income Categories and Affordable Housing Costs – Los Angeles County.....	I-13
Table I-4	Disability by Employment Status – Hermosa Beach	I-17
Table I-5	Developmental Disabilities – Hermosa Beach	I-19
Table I-6	Agricultural Employment – Hermosa Beach	I-24
Table I-7	Regional Housing Needs 2021-2029 – Hermosa Beach	I-29
Table II-1	Land Inventory Summary	II-1
Table III-1	Residential Land Use Categories – Hermosa Beach General Plan	III-2
Table III-2	Residential Development Standards by Zone	III-2
Table III-3	Permitted Residential Development by Zone	III-4
Table III-4	Residential Parking Requirements	III-9
Table III-5	City of Hermosa Beach Planning & Building Fees	III-17

List of Figures

Figure I-1	Population Growth 2000-2020 – Hermosa Beach vs. SCAG Region.....	I-1
Figure I-2	Population by Age and Gender – Hermosa Beach.....	I-2
Figure I-3	Housing Tenure – Hermosa Beach vs. SCAG Region	I-3
Figure I-4	Housing Tenure by Age – Hermosa Beach.....	I-3
Figure I-5	Household Size by Tenure – Hermosa Beach	I-4
Figure I-6	Overcrowding by Tenure – Hermosa Beach vs. SCAG Region.....	I-4
Figure I-7	Rent as Percentage of Income – Hermosa Beach	I-6
Figure I-8	Rent as Percentage of Income by Income Category – Hermosa Beach.....	I-7
Figure I-9	Mortgage Cost as Percentage of Income by Income Category – Hermosa Beach.....	I-7
Figure I-10	Employment by Industry – Hermosa Beach	I-8
Figure I-11	Employment by Occupation – Hermosa Beach	I-9
Figure I-12	Housing by Type – Hermosa Beach vs. SCAG Region	I-10
Figure I-13	Housing Growth Trends by Type – Hermosa Beach.....	I-10
Figure I-14	Housing Units by Year Built – Hermosa Beach vs. SCAG Region	I-11
Figure I-15	Substandard Housing Units – Hermosa Beach vs. SCAG Region	I-12
Figure I-16	Vacant Units by Type – Hermosa Beach vs. SCAG Region	I-12
Figure I-17	Median Existing Home Prices – Hermosa Beach vs. SCAG Region	I-14
Figure I-18	Disabilities by Type – Hermosa Beach	I-16
Figure I-19	Disabilities by Type for Seniors (65+) – Hermosa Beach	I-17
Figure I-20	Elderly Households by Income and Tenure – Hermosa Beach	I-21
Figure I-21	Household Size by Tenure – Hermosa Beach	I-22
Figure I-22	Female Headed Households – Hermosa Beach.....	I-23
Figure I-23	Female Headed Households by Poverty Status – Hermosa Beach.....	I-23
Figure I-24	Los Angeles County Homeless Service Planning Areas	I-27
Figure III-1	Racial Characteristics – Hermosa Beach	III-20
Figure III-2	Racially/Ethnically Concentrated Areas of Poverty – Hermosa Beach.....	III-20
Figure III-3	Poverty Status – Hermosa Beach.....	III-20
Figure III-4	Population with a Disability – Hermosa Beach.....	III-20
Figure III-5	TCAC/HCD Opportunity Map	III-20

I. 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 2021-2029 Regional Housing Needs Assessment (RHNA) are examined.

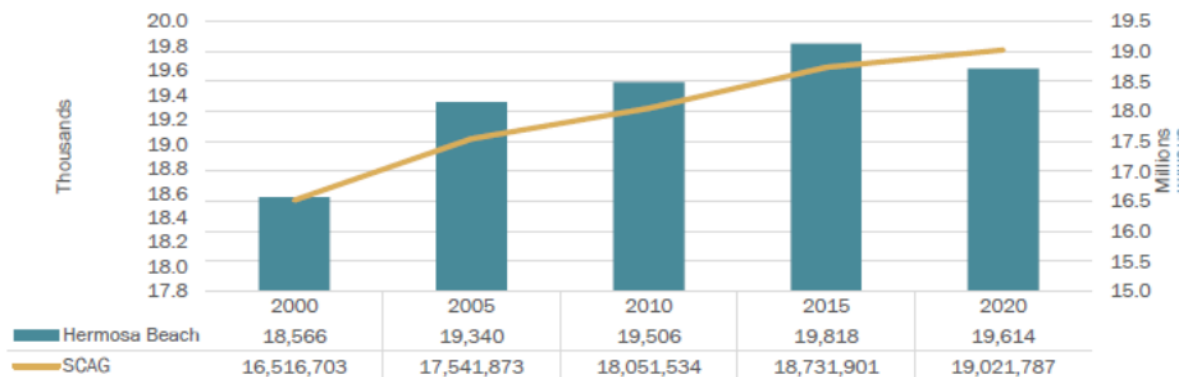
The Housing Needs Assessment utilizes the most recent available data from the U.S. Census, the California Department of Finance (DOF), the California Employment Development Department (EDD), the Southern California Association of Governments (SCAG) and other relevant sources. Supplemental data were obtained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

A. Population Characteristics

1. Population Growth Trends

Located 17 miles southwest of Los Angeles at the southern end of Santa Monica Bay, the 1.3-square-mile City of Hermosa Beach was incorporated in 1907. The city grew very slowly during the 1990s, having grown less than 2% from 1990 to 2000. Most of the growth that has recently occurred has consisted of density increases on existing parcels, through demolition and replacement of existing homes. Hermosa Beach had a 2020 population of 19,614 according to the California Department of Finance. From 2000 to 2020 Hermosa Beach had an annual growth rate of 0.3% compared to 0.7% for the SCAG region. (see Figure I-1). As an essentially built-out city, there continue to be few opportunities for growth, except through redevelopment/infill on existing parcels.

Figure I-1
Population Growth 2000-2020 – Hermosa Beach vs. SCAG Region

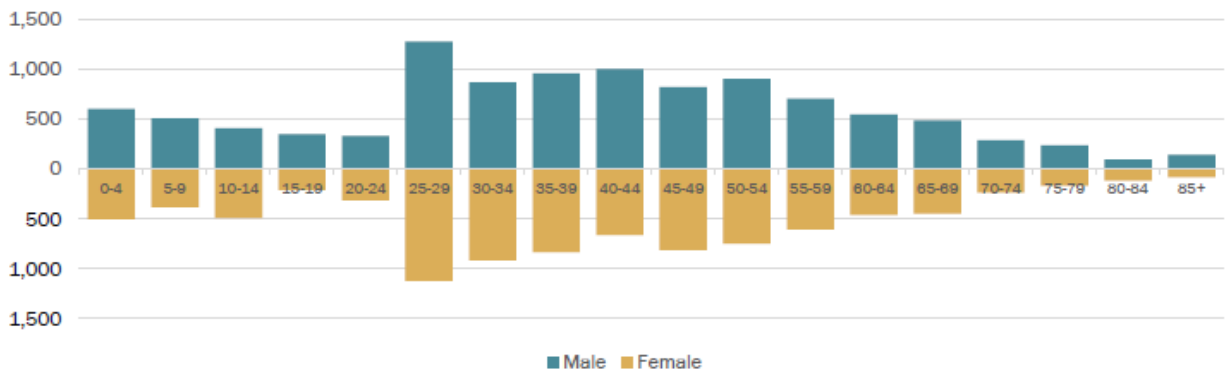


CA DOF E-5 Population and Housing Unit Estimates

2. Age Characteristics

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. Figure I-2 shows the age distribution of Hermosa Beach residents by gender. The population of Hermosa Beach is 53.7% male and 46.3% female. The share of the population of Hermosa Beach which is under 18 years of age is 17.2%, which is lower than the regional share of 23.4%. Hermosa Beach's seniors (65 and above) make up 11.7% of the population, which is lower than the regional share of 13%.

Figure I-2
Population by Age and Gender – Hermosa Beach



American Community Survey 2014-2018 5-year estimates

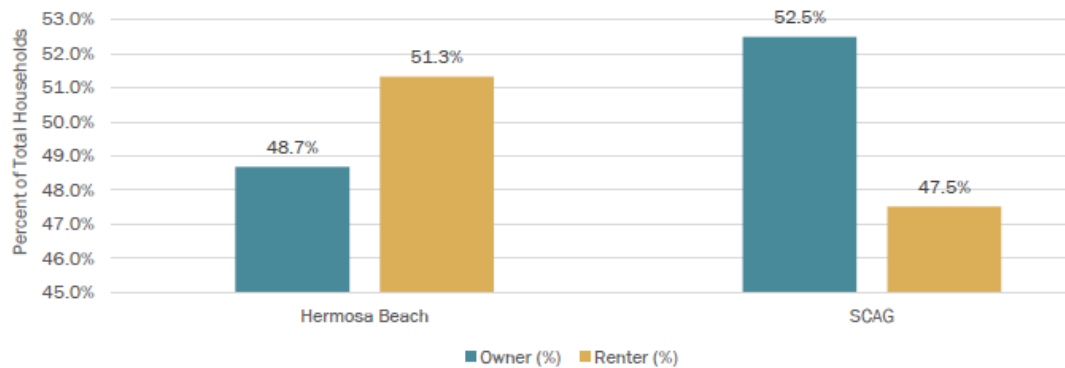
B. Household Characteristics

1. Household Tenure 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.

Housing tenure (owner vs. renter) is an important indicator of the housing market. An adequate supply of housing units available both for rent and for sale is desirable in order to accommodate a range of households with varying incomes, family sizes and composition, and lifestyles. Figure I-3 provides recent Census estimates of the number of owner-occupied and renter-occupied units in the city as compared to the SCAG region as a whole. This table reveals a higher proportion of renters in the city, which is not unusual for beach communities.

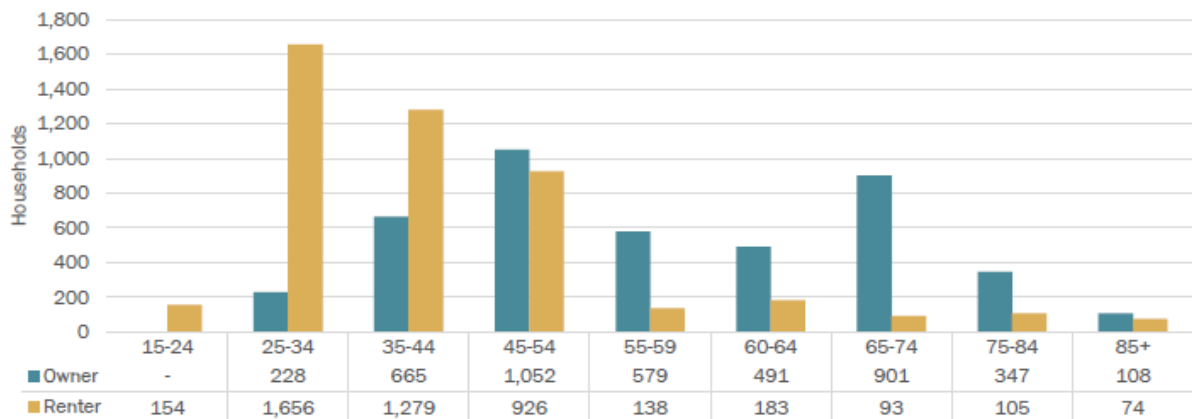
Figure I-3
Housing Tenure – Hermosa Beach vs. SCAG Region



American Community Survey 2014-2018 5-year estimates.

Figure I-4 shows that tenure varies by age group, with younger residents more likely to rent as compared to those in the 45+ age groups who are more often homeowners.

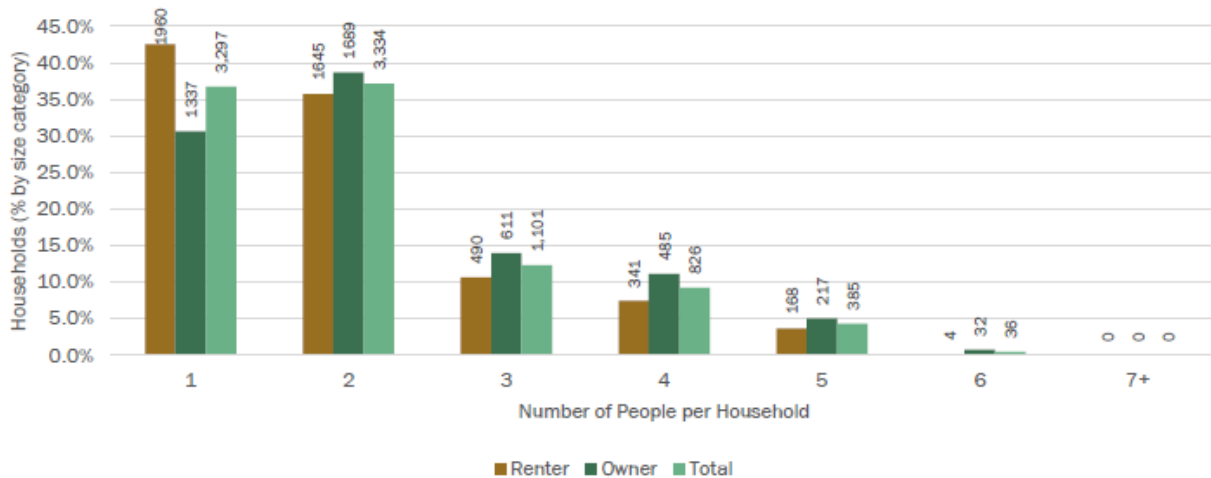
Figure I-4
Housing Tenure by Age – Hermosa Beach



American Community Survey 2014-2018 5-year estimates.

Figure I-5 illustrates the range of household sizes in Hermosa Beach for owners, renters, and overall. The most commonly occurring household size is of two people (37.1%) and the second-most commonly occurring household is of one person (36.7%). Hermosa Beach has a higher share of single-person households than the SCAG region overall (36.7% vs. 23.4%) and very few large households with more than 5 persons.

Figure I-5
Household Size by Tenure – Hermosa Beach

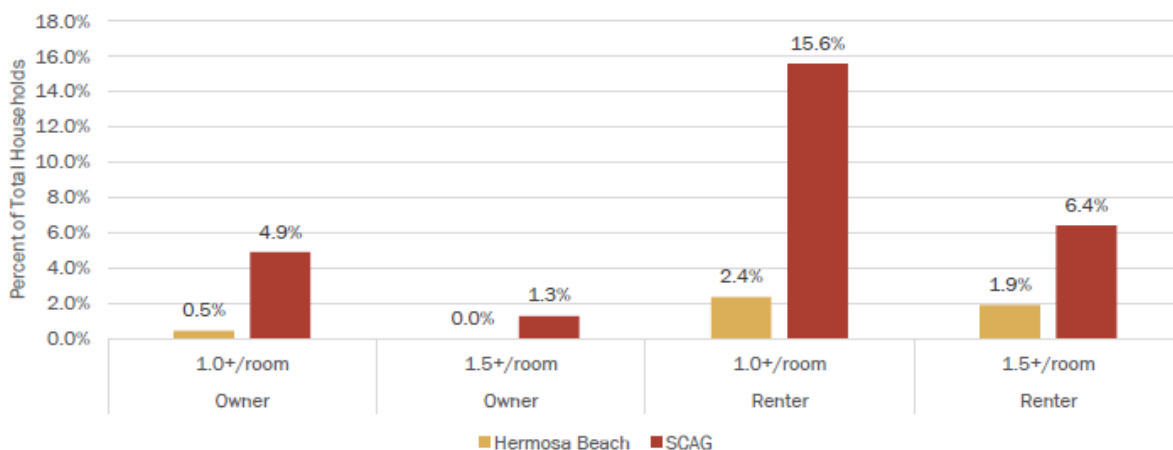


American Community Survey 2014-2018 5-year estimates.

2. 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 (see Section D.4 starting on page I-13 below for a detailed definition of “affordable” housing). Figure I-6 summarizes recent overcrowding data for Hermosa Beach and the SCAG region as a whole.

Figure I-6
Overcrowding by Tenure – Hermosa Beach vs. SCAG Region



American Community Survey 2014-2018 5-year estimates.

Based on U.S. Census standards, Hermosa Beach residents live in less crowded housing conditions than the region as a whole. In Hermosa Beach, 20 owner-occupied and 109 renter-occupied households had more than 1.0 occupants per room, which meets the ACS definition for overcrowding. No owner-occupied households and 88 renter-occupied households had more than 1.5 occupants per room, which meets the ACS definition for severe overcrowding.

3. Income and Overpayment

Extremely-low-income households are defined as those with incomes of 30% or less of areawide median income (AMI). Table I-1 shows the number of extremely-low-income households in Hermosa Beach by race and tenure.

Table I-1
Extremely-Low-Income Households by Race and Tenure
Hermosa Beach

	Total Households	Households below 30% HAMFI	Share below 30% HAMFI
White, non-Hispanic	7,844	509	6.5%
Black, non-Hispanic	110	0	0.0%
Asian and other, non-Hispanic	679	30	4.4%
Hispanic	569	24	4.2%
TOTAL	9,202	563	6.1%
Renter-occupied	4,850	385	7.9%
Owner-occupied	4,350	174	4.0%
TOTAL	9,200	559	6.1%

HUD CHAS, 2012-2016. HAMFI refers to Housing Urban Development Area Median Family Income.

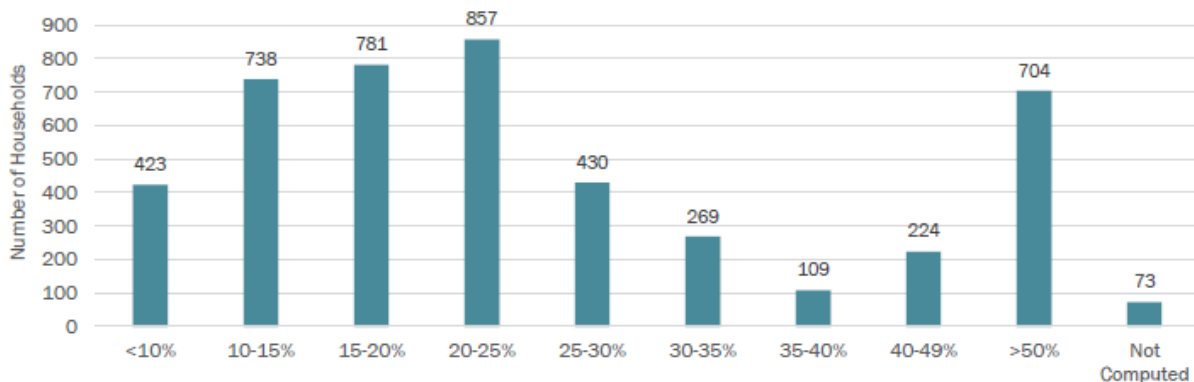
According to State housing policy, overpaying (or “cost burden”) occurs when housing costs exceed 30% of gross household income. Table I-2 displays recent HUD estimates for overpayment by income category and tenure for Hermosa Beach residents. As shown in this table, extremely-low-income and very-low-income households experienced the highest rates of overpayment.

Table I-2
Cost Burden by Income Category and Tenure
Hermosa Beach

Income by Cost Burden (Renters only)	Cost burden > 30%	Cost burden > 50%	Total
Household Income less-than or= 30% HAMFI	265	265	310
Household Income >30% to less-than or= 50% HAMFI	140	140	140
Household Income >50% to less-than or= 80% HAMFI	375	235	430
Household Income >80% to less-than or= 100% HAMFI	190	65	280
Household Income >100% HAMFI	335		3,445
Total	1,305	705	4,610
Income by Cost Burden (Owners only)	Cost burden > 30%	Cost burden > 50%	Total
Household Income less-than or= 30% HAMFI	165	140	225
Household Income >30% to less-than or= 50% HAMFI	124	120	235
Household Income >50% to less-than or= 80% HAMFI	135	70	230
Household Income >80% to less-than or= 100% HAMFI	175	100	370
Household Income >100% HAMFI	580	125	3,310
Total	1,179	555	4,370

Across Hermosa Beach's 4,608 renter households, 1,306 (28.3%) spend 30% or more of gross income on housing compared to 55.3% in the SCAG region. Additionally, 704 renter households in Hermosa Beach (15.3%) spend 50% or more of gross income on housing cost, compared to 28.9% in the SCAG region (Figure I-7).

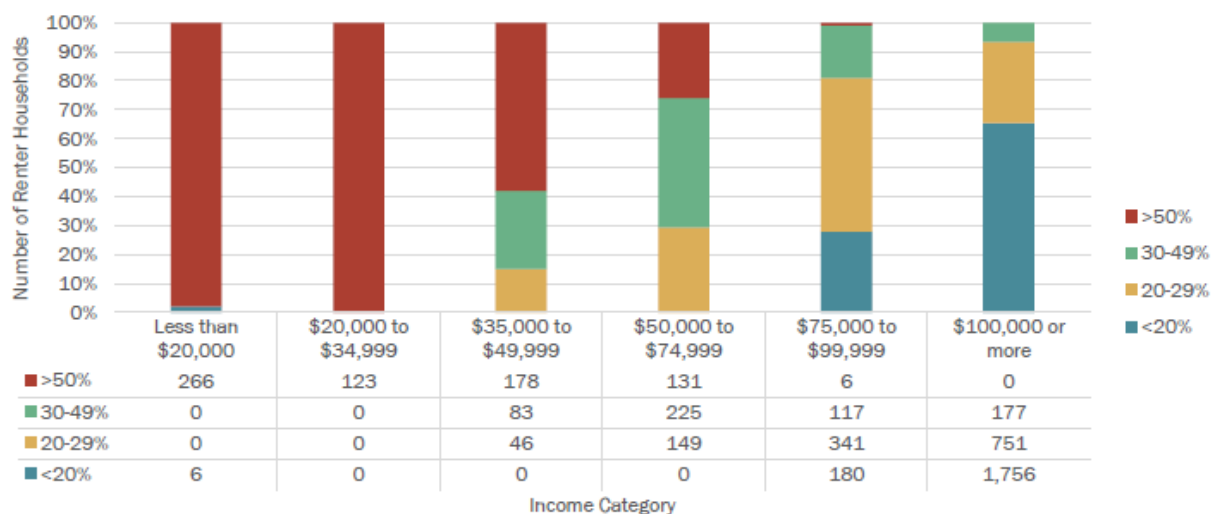
Figure I-7
Rent as Percentage of Income – Hermosa Beach



While the previous table breaks down cost burden by area-relative income, Figure I-8 shows percentage of income spent on rent by income category. As one might expect,

the general trend is that lower-income households spend a higher share of income on housing (often more than 50%) while high-income households are more likely to spend under 20% of income on housing.

Figure I-8
Rent as Percentage of Income by Income Category – Hermosa Beach



American Community Survey 2014-2018 5-year estimates.

Figure I-9 shows the percentage of income spent on mortgage costs for Hermosa Beach homeowners by income category. As one might expect, the general trend is that lower-income households spend a higher share of income on housing costs, while high-income households may spend a lower share of income on housing.

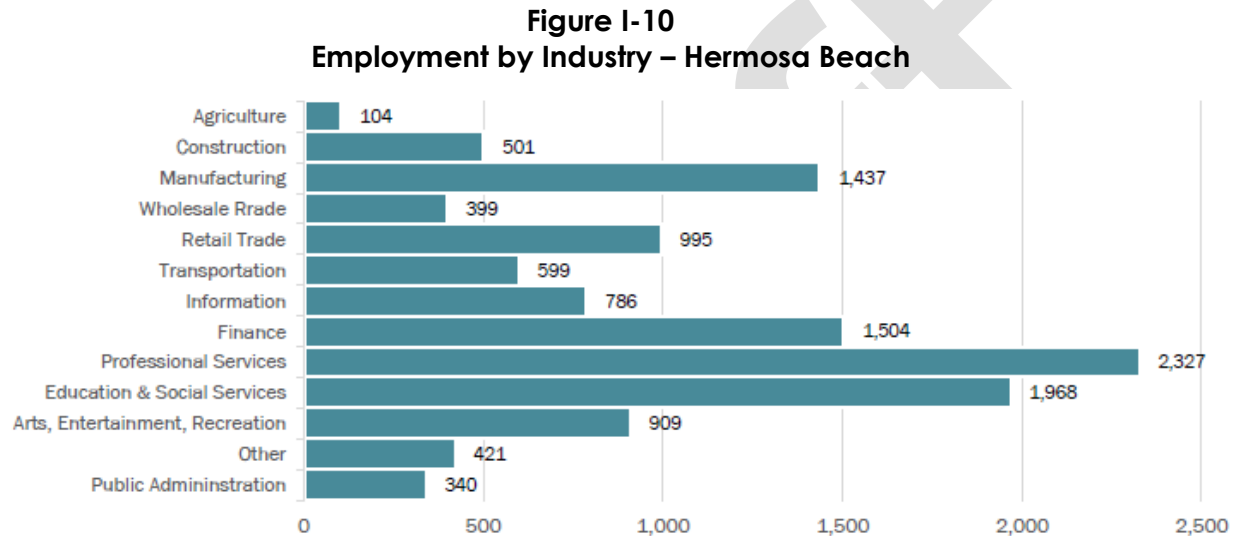
Figure I-9
Mortgage Cost as Percentage of Income by Income Category – Hermosa Beach



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.

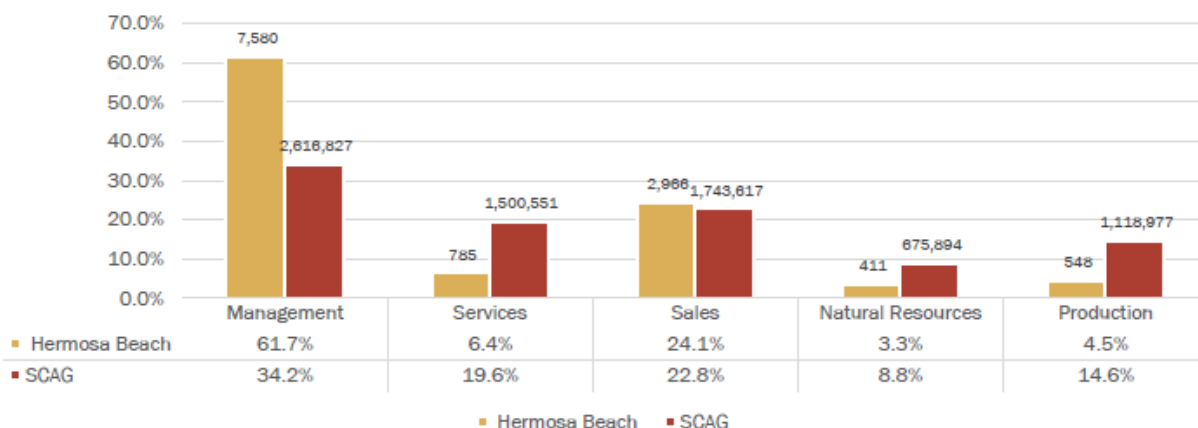
Hermosa Beach has 12,290 workers living within its borders who work across 13 major industrial sectors. Figure I-10 shows that the most prevalent industry is Professional Services with 2,327 employees (18.9% of total) and the second most prevalent industry is Education & Social Services with 1,968 employees (16% of total).



American Community Survey 2014-2018 5-year estimates using groupings of 2-digit NAICS codes.

In addition to understanding the industries in which the residents of Hermosa Beach work, Figure I-11 shows the types of jobs they hold. The most prevalent occupational category in Hermosa Beach is Management, in which 7,580 (61.7% of total) employees work. The second-most prevalent type of work is in Sales, which employs 2,966 (24.1% of total) in Hermosa Beach.

Figure I-11
Employment by Occupation – Hermosa Beach



American Community Survey 2014-2018 5-year estimates using groupings of SOC codes.

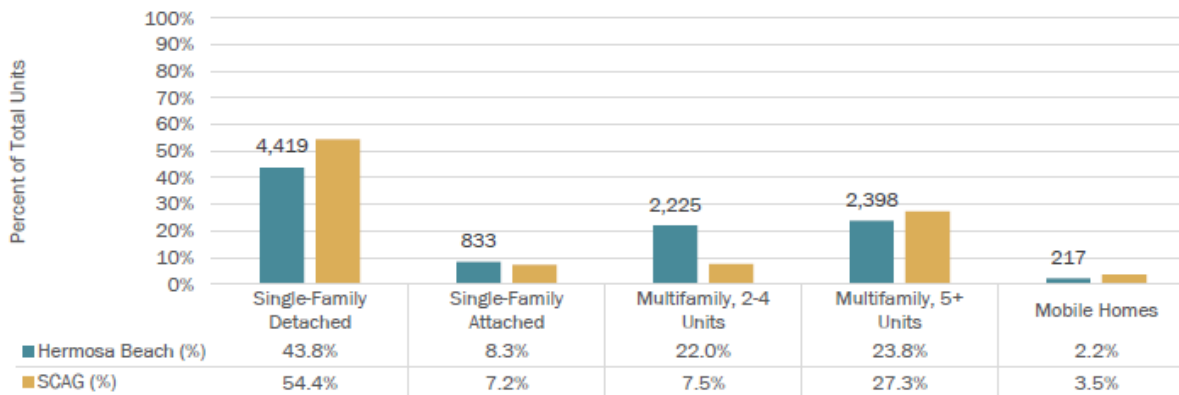
D. Housing Stock Characteristics

This section presents an evaluation of the characteristics of the community's housing stock and helps in identifying and prioritizing needs. A housing unit is defined by the Census Bureau 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

Figure I-12 shows detailed information on the housing stock in Hermosa Beach. The most prevalent housing type in Hermosa Beach is single-family detached with 43.8% of all units in the city. The share of all single-family units in Hermosa Beach is 52%, which is lower than the 61.7% share in the SCAG region. Out of the total housing units in Hermosa Beach, there are 9,565 occupied-units, which equates to a 5.2% total vacancy rate. The average household size (as expressed by the population to housing unit ratio) is 2.049.

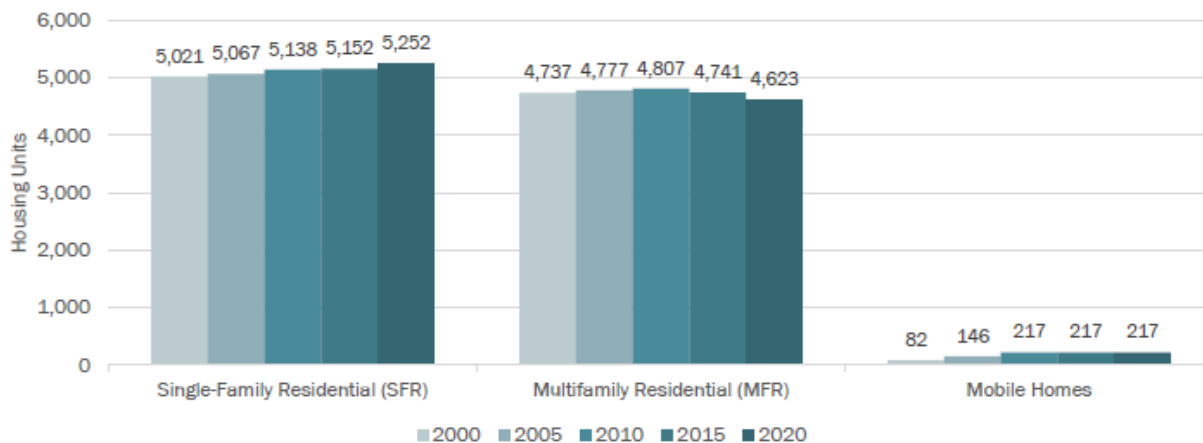
Figure I-12
Housing by Type – Hermosa Beach vs. SCAG Region



CA DOF E-5 Population and Housing Unit Estimates

Over the past two decades there has been more construction of single-family residential units than multi-family residential units in Hermosa Beach. During the period 2000 to 2020, single-family units increased by 231 while the number of multi-family units decreased by 114. Mobile and manufactured homes increased by 135 during this period.

Figure I-13
Housing Growth Trends by Type – Hermosa Beach

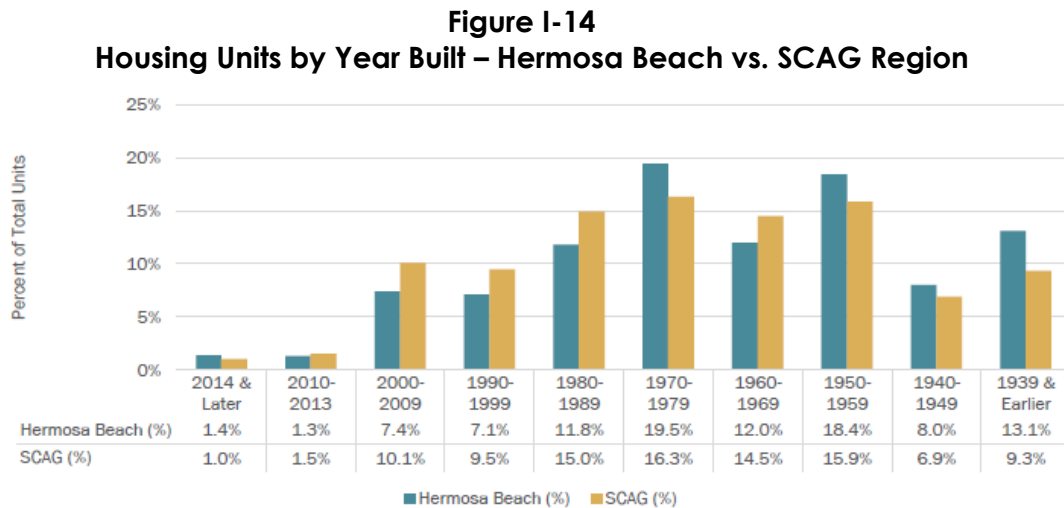


CA DOF E-5 Population and Housing Unit Estimates

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.

Figure I-14 shows the age distribution of the housing stock in Hermosa Beach compared to the SCAG region as a whole as reported in recent Census data.

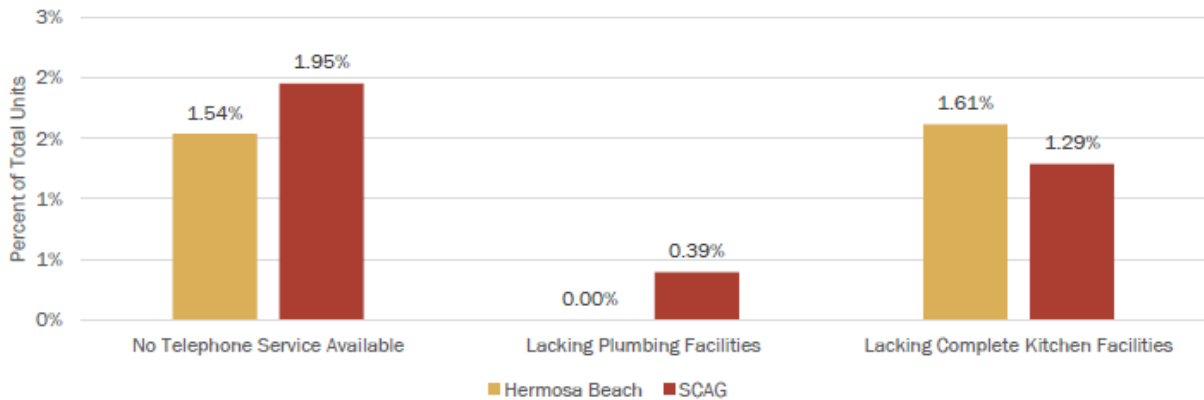


American Community Survey 2014-2018 5-year estimates.

This chart shows that more than half of the housing units in Hermosa Beach were constructed prior to 1970. These findings suggest that there may be a need for maintenance and rehabilitation, including remediation of lead-based paint, for a large percentage of the city's housing stock. However, due to the city's relatively high household incomes, market forces would be expected to encourage more private maintenance, rehabilitation, and lead paint remediation, as compared to lower-income communities.

Figure I-15 shows recent Census data regarding conditions that may indicate substandard housing conditions. In Hermosa Beach and the region as a whole, the lack of telephone service, plumbing facilities and complete kitchen facilities are rare, and could be indicative of surveys being conducted while remodeling is being done rather than permanent conditions. With regard to telephone service, the availability of cell phones has made landline telephones unnecessary; therefore, this may not be a reliable indicator of substandard housing conditions. Based upon a windshield survey by Building Inspectors and Code Enforcement Officers, it is estimated that approximately 10 properties in the city are in need of rehabilitation or replacement.

Figure I-15
Substandard Housing Units – Hermosa Beach vs. SCAG Region

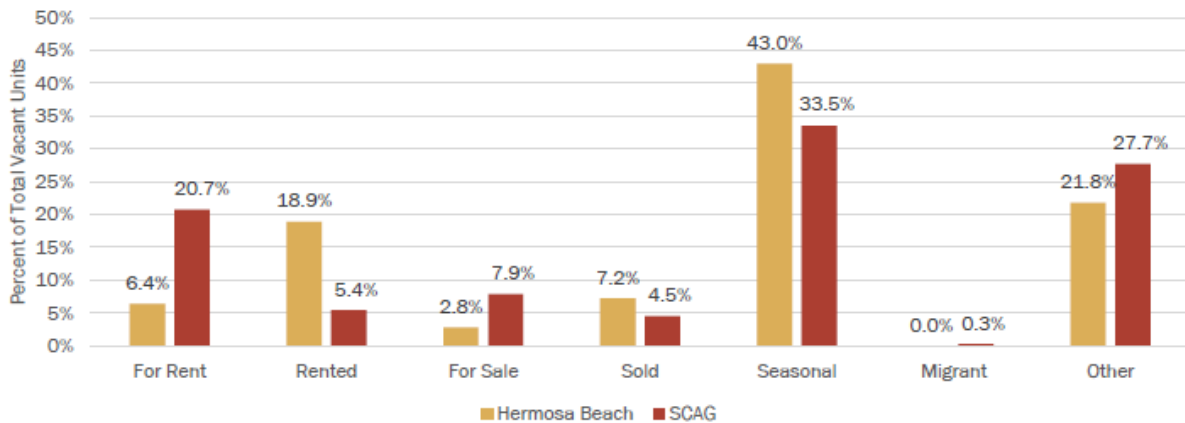


American Community Survey 2014-2018 5-year estimates.

3. Vacancy

Housing vacancy characteristics for Hermosa Beach and the SCAG region as reported by recent Census data are shown in Figure I-16. The largest category of vacant units in both the city and the region as a whole was those held for seasonal use.

Figure I-16
Vacant Units by Type – Hermosa Beach vs. SCAG Region



American Community Survey 2014-2018 5-year estimates.

4. 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 I-3 shows 2020 affordable rent levels and estimated affordable purchase prices for housing in Los Angeles County by income category. Based on State-adopted standards for 4-person households, the maximum affordable monthly rent for extremely-low-income households is \$845, while the maximum affordable rent for very-low-income households is \$1,407. The maximum affordable rent for low-income households is \$2,252, while the maximum for moderate-income households is \$2,319.

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 I-3 have been estimated based on typical conditions.

Table I-3
Income Categories and Affordable Housing Costs –
Los Angeles County

	Income Limits	Affordable Rent	Affordable Price (est.)
Extremely Low (<30%)	\$33,800	\$845	*
Very Low (31-50%)	\$56,300	\$1,407	*
Low (51-80%)	\$90,100	\$2,252	*
Moderate (81-120%)	\$92,750	\$2,319	\$375,000
Above moderate (120%+)	Over \$92,750	Over \$2,319	Over \$375,000

Assumptions:

-Based on a family of 4 and 2020 income limits

-30% of gross income for rent or principal, interest, taxes and insurance plus utility allowance

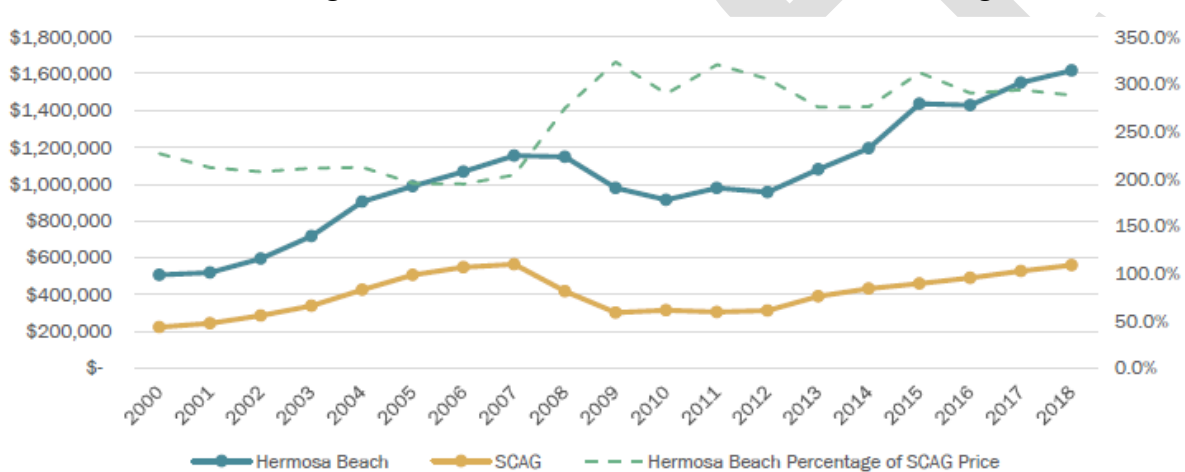
-10% down payment, 3.75% interest, 1.25% taxes & insurance, \$300 HOA dues

Source: Cal. HCD; JHD Planning LLC

b. For-Sale Housing

Housing sales price statistics reported by Core Logic/DataQuick (Figure I-17) show that between 2000 and 2018, median home sales prices in Hermosa Beach increased 219% while prices in the SCAG region increased 151%. As of 2018, the median home sales price in Hermosa Beach was \$1,617,500 compared to about \$600,000 for the SCAG region as a whole. Based on the estimated affordable purchase prices shown in Table I-3, it is unlikely that any market rate homes would be affordable to lower- or moderate-income residents. These data illustrate the fact that in beach communities, very large public subsidies are generally required to reduce sales prices to a level that is affordable to low- and moderate-income buyers.

Figure I-17
Median Existing Home Prices – Hermosa Beach vs. SCAG Region



SCAG Local Profiles, Core Logic/Data Quick. SCAG median home sales price calculated as household-weighted average of county medians.

c. Rental Housing

Based on a recent rental survey, typical rents for 2-bedroom units are more than \$2,300 per month. As would be expected in a desirable beach community in Southern California, when market rents are compared to the amounts households can afford to pay (Table I-3, page I-13), it is clear that very-low- and extremely-low-income households have a very difficult time finding housing without overpaying. At a rent of \$2,300 per month, the gap between market rent and affordable rent at the very-low-income level is at least \$900 per month, while the gap at the extremely-low-income level is approximately \$1,500 per month.

E. Special Needs

Certain groups have greater difficulty in finding decent, affordable housing due to special circumstances that may be related to one's employment and income, family characteristics, disability, or other conditions. As a result, some Hermosa Beach 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 characteristics and housing needs facing each of these groups.

1. Persons with Disabilities

Federal laws define a person with a disability as “any person who has a physical or mental impairment that substantially limits one or more major life activities; has a record of such impairment; or is regarded as having such an impairment.” In general, a physical or mental impairment includes hearing, mobility and visual impairments, chronic alcoholism, chronic mental illness, AIDS, AIDS Related Complex, and intellectual disability that substantially limits one or more major life activities. Major life activities include walking, talking, hearing, seeing, breathing, learning, performing manual tasks, and caring for oneself.

The U.S. Census Bureau classifies disabilities into the following categories:

- Hearing difficulty: Deaf or having serious difficulty hearing
- Vision difficulty: Blind or having serious difficulty seeing, even when wearing glasses
- Cognitive difficulty: Because of a physical, mental, or emotional problem, having difficulty remembering, concentrating, or making decisions
- Ambulatory difficulty: Having serious difficulty walking or climbing stairs
- Self-care difficulty: Having difficulty bathing or dressing
- Independent living difficulty: Because of a physical, mental, or emotional problem, having difficulty doing errands alone such as visiting a doctor's office or shopping

The Housing Element must analyze potential and actual constraints upon the development, maintenance, and improvement of housing for persons of disabilities and include programs for the removal of such constraints or provide reasonable accommodation for housing designed for persons with disabilities.

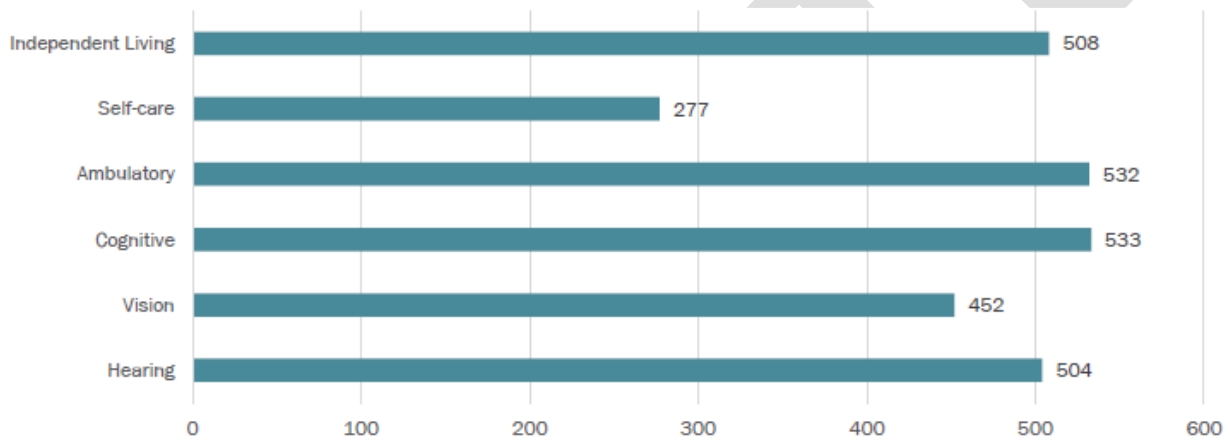
Disability status does not necessarily indicate a need for special need/supportive housing, and data on the total number of disabled persons needing supportive housing in the City is not available. Using the national standard of one to three percent of the disabled population needing supportive housing, it can be estimated that the City has approximately 196 to 588 disabled individuals in need of supportive housing.

Individuals with disabilities can often have difficulties participating in the labor force or finding employment, whether because of an inability to leave one's home, an inability to meet the physical requirements of the job, discrimination on the part of prospective employers, or other factors.

Figure I-18 shows recent Census data regarding the types of disabilities experienced by Hermosa Beach residents while disability data for seniors in Hermosa Beach compared to

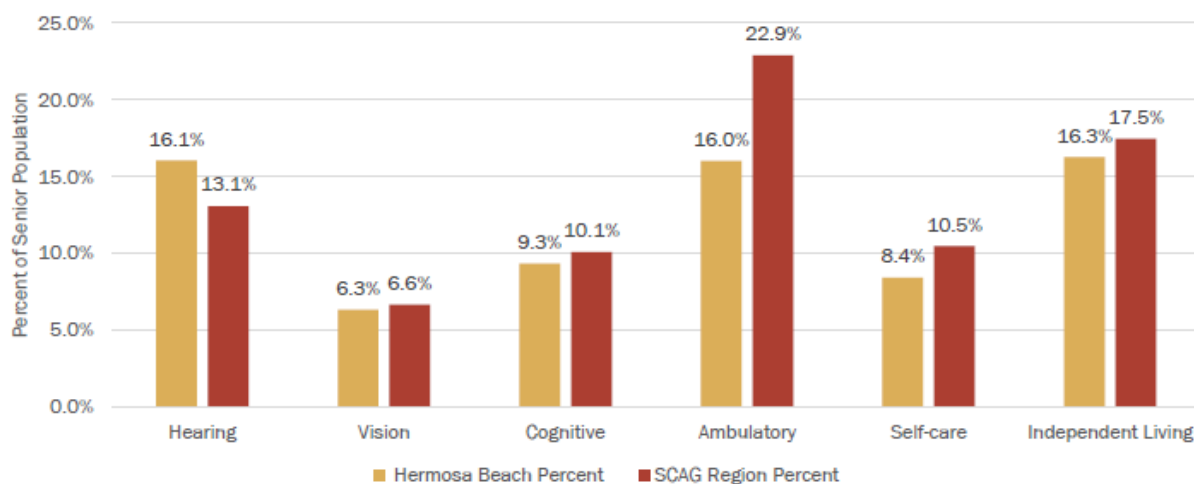
the SCAG region are shown in Figure I-19. The most common types of disabilities for those in Hermosa Beach were cognitive and ambulatory. Compared to the entire SCAG region, Hermosa Beach seniors were less likely to have a disability in all categories except for hearing impairment. Housing opportunities for those with disabilities can be maximized through housing assistance programs and providing universal design features such as widened doorways, ramps, lowered countertops, single-level units and ground floor units. The Housing Plan includes several programs to directly address the housing needs of persons with disabilities including Program 2. Conservation of Existing Affordable Housing, 3. Density Bonus and Other Incentives, 4. Affordable Housing Development Outreach and Assistance, 6. Accessory Dwelling Units, 9. Adequate Sites to Accommodate Housing Needs, 10. Housing for Persons with Special Needs and 12. Affirmatively Furthering Fair Housing.

Figure I-18
Disabilities by Type – Hermosa Beach



American Community Survey 2014-2018 5-year estimates.

Figure I-19
Disabilities by Type for Seniors (65+) – Hermosa Beach



American Community Survey 2014-2018 5-year estimates.

Understanding the employment status of people with disabilities may also be an important component in evaluating specialized housing needs. In Hermosa Beach, 68.2% of the population with a disability is employed, compared to 84.9% of the non-disabled population (Table I-4).

Table I-4
Disability by Employment Status –
Hermosa Beach

	With a Disability	Percent of Total	No Disability	Percent of Total
Employed	374	68%	11,331	85%
Unemployed	25	5%	371	3%
Not in Labor Force	149	27%	1,637	12%
TOTAL	548		13,339	

American Community Survey 2014-2018 5-year estimates.

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 self-sufficiency; and
- 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.

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) currently provides community-based services to persons with developmental disabilities and their families through a statewide system of 21 regional centers, four developmental centers, and two community-based facilities. The Westside Regional Center (WRC) located in Culver City (<http://www.westsiderc.org/>) provides services for people with developmental disabilities in Hermosa Beach. The WRC 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. Recent DDS data (Table I-5) reported 206 persons in Hermosa Beach with developmental disabilities.

**Table I-5
Developmental Disabilities –
Hermosa Beach**

Hermosa Beach	
By Residence: Home of Parent/Family/Guardian	72
Independent/Supported Living	0
Community Care Facility	0
Intermediate Care Facility	0
Foster/Family Home	5
Other	0
By Age: 0 - 17 Years	77
18+ Years	52
TOTAL	206

CA DDS consumer count by CA ZIP, age group and residence type for the end of June 2019. Data available in 161/197 SCAG jurisdictions.

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 selected 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. This is help that disabled persons may get from family, friends or others at little or no cost.

Special housing needs for persons with disabilities fall into two general categories: physical design to address mobility impairments and in-home social, educational, and medical support to address developmental and mental impairments. According to California Department of Social Services records, 2 State-licensed community care facilities operate in Hermosa Beach. These facilities have a total capacity of 194 persons. There are four types of facilities within Hermosa Beach:

- **Adult Day Care:** Serves seniors and developmentally disabled adults who are able to live at home but require a certain level of care during the day. Some adult day care facilities provide health care services, while others provide non-medical care in the form of personal hygiene and meals (one in Hermosa Beach with capacity to serve 52 persons).

Residential Care Facilities for the Elderly: Provide care and supervision for persons aged 60 and above and assistance with activities of daily living, such as bathing and grooming. They may also provide incidental medical services under special care plans (one in Hermosa Beach with capacity to serve (142 persons)). The Housing Plan includes several programs to directly address the housing needs of persons with disabilities, including developmental disabilities, including Program 2. Conservation of Existing Affordable Housing, 3. Density Bonus and Other Incentives, 4. Affordable Housing Development Outreach and Assistance, 6. Accessory Dwelling Units, 9. Adequate Sites to Accommodate Housing Needs, 10. Housing for Persons with Special Needs and 12. Affirmatively Furthering Fair Housing.

2. Elderly

Seniors or the elderly (persons aged 65 and older) are persons with special needs. Special needs for the elderly stem from three different sources: (1) relatively low fixed incomes; (2) high health care costs; and (3) physical disabilities. A low fixed income makes it difficult for many of the elderly to obtain adequate housing. This is further compounded by rising health care costs, which are a product of health problems associated with aging. If an elderly person is disabled, health care costs may be even higher, and housing may be more difficult to find due to accessibility issues. Other special needs relevant to this demographic group include transportation and home modification such as wheelchair ramps, enlarged doorways, modified bathrooms and kitchens.

Federal housing data define a household type as 'elderly family' if it consists of two persons with either or both age 62 or over. Figure I-20 shows recent HUD income estimates for elderly Hermosa Beach owners and renters. Of Hermosa Beach's 1,759 senior households, 10.5% earn less than 30% of the surrounding area income, (compared to 24.2% in the SCAG region), 19.8% earn less than 50% of the surrounding area income (compared to 30.9% in the SCAG region). The housing needs of this group can be addressed through smaller units, accessory dwelling units on lots with existing homes, shared living arrangements, congregate or assisted living and housing assistance programs. The Housing Plan includes several programs to directly address the housing needs of the elderly including Program 2. Conservation of Existing Affordable Housing, 3. Density Bonus and Other Incentives, 4. Affordable Housing Development Outreach and Assistance, 6. Accessory Dwelling Units, 9. Adequate Sites to Accommodate Housing Needs, 10. Housing for Persons with Special Needs and 12. Affirmatively Furthering Fair Housing.

Figure I-20
Elderly Households by Income and Tenure – Hermosa Beach

		Owner	Renter	Total	Percent of Total Elderly Households:
Income category, relative to surrounding area:	< 30% HAMFI	99	85	184	10.5%
	30-50% HAMFI	110	55	165	9.4%
	50-80% HAMFI	260	100	360	20.5%
	80-100% HAMFI	80	0	80	4.5%
	> 100% HAMFI	830	140	970	55.1%
TOTAL		1,379	380	1,759	

HUD CHAS, 2012-2016. HAMFI refers to Housing Urban Development Area Median Family Income.

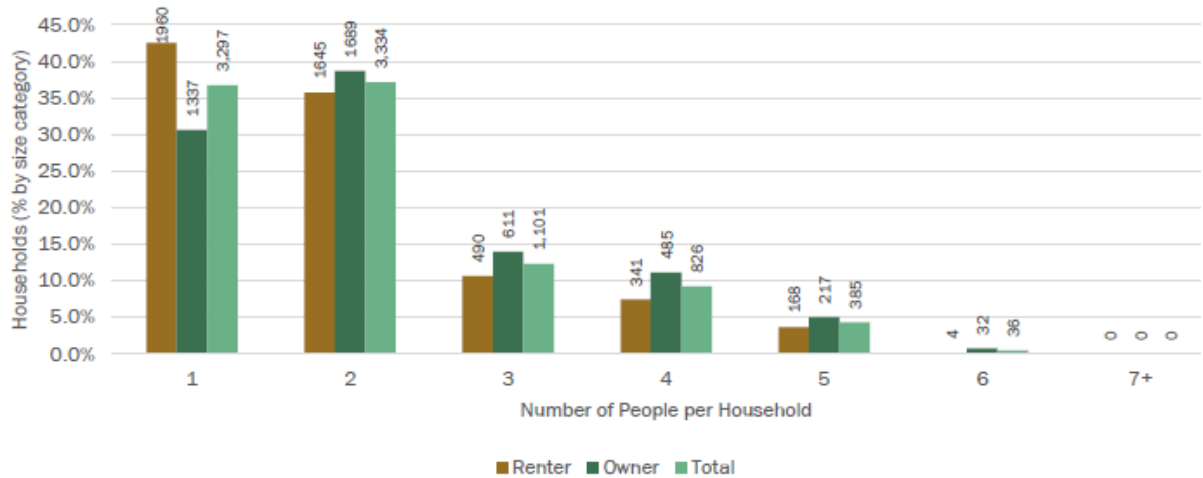
According to the California Department of Social Services, as of May 2023 there is one residential elderly care facility with a capacity to serve 142 residents within the City. In addition, the Hermosa Five-O Senior Activity Center located at 710 Pier Avenue provides services to the elderly population. The Center is open to all South Bay Residents who are over the age of 50. The Center programs a variety of activities to help residents live a balanced life; physically, emotionally and mentally. The City also operates the bus passes and dial-a-taxi program, Access, and the WAVE, providing transportation and discounts for seniors.

3. Large Households

Large households are defined as those with five or more members. These households are usually families with two or more children or multi-generational families. It can also include multiple families living in one housing unit. Large households are a special needs group because the availability of adequately sized, affordable housing units is limited. To save for necessities such as food, clothing, and medical care, lower- and moderate-income large households may reside in smaller units, resulting in overcrowding.

Household size is an indicator of need for large units. Large households are defined as those with five or more members. Figure I-21 illustrates the range of household sizes in Hermosa Beach for owners, renters, and overall. The most commonly occurring household size is of two people (37.1%) while the second-most commonly occurring household is of one person (36.7%). Hermosa Beach has a higher share of single-person households than the SCAG region overall (36.7% vs. 23.4%) and a lower share of 7+ person households than the SCAG region overall (0% vs. 3.1%). This chart suggests that the need for large units with four or more bedrooms is expected to be much less than for smaller units. The Housing Plan includes several programs to directly address the housing needs of large families including Program 2. Conservation of Existing Affordable Housing, 3. Density Bonus and Other Incentives, 4. Affordable Housing Development Outreach and Assistance, 9. Adequate Sites to Accommodate Housing Needs, 10. Housing for Persons with Special Needs and 12. Affirmatively Furthering Fair Housing.

Figure I-21
Household Size by Tenure – Hermosa Beach



American Community Survey 2014-2018 5-year estimates.

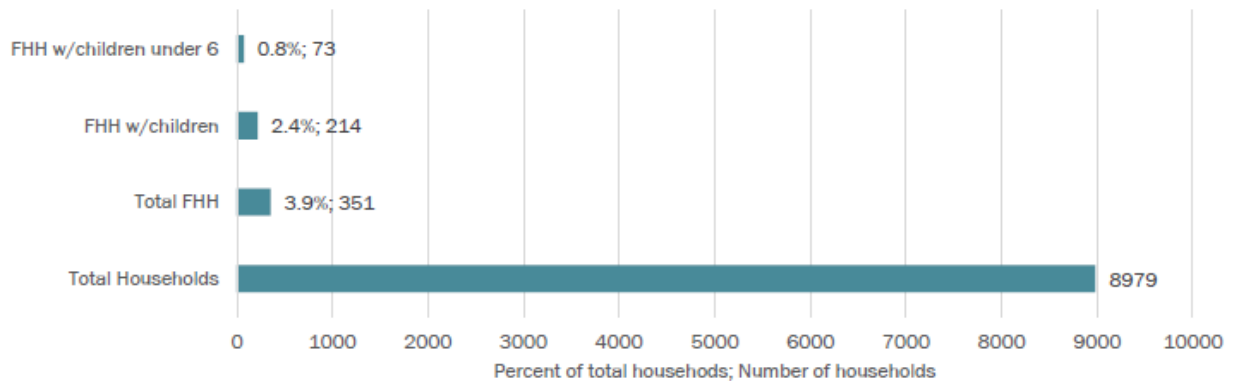
According to 2016-2020 ACS estimates, of the 8,596 occupied housing units in Hermosa Beach, only 210 have five or more bedrooms (2.4%). All of these housing units are owner-occupied units. There are no renter-occupied units with five or more bedrooms in the City. Large households in Hermosa Beach can also benefit from general programs and services for lower-and moderate-income persons, including Housing Choice Vouchers, and various community and social services provided by non-profit organizations in the region.

4. Female-Headed Households

Female-headed households, especially single parent households, typically have lower incomes and a greater need for affordable housing. In addition, these households can have needs for items such as accessible day care and health care, as well as other supportive services. The relatively low incomes earned by female-headed households, combined with the increased need for supportive services, severely limit the housing options available to them.

Of Hermosa Beach's 8,979 total households, 3.9% are female-headed (compared to 14.3% in the SCAG region), 2.4% are female-headed and with children (compared to 6.6% in the SCAG region), and 0.8% are female-headed and with children under 6 (compared to 1.0% in the SCAG region).

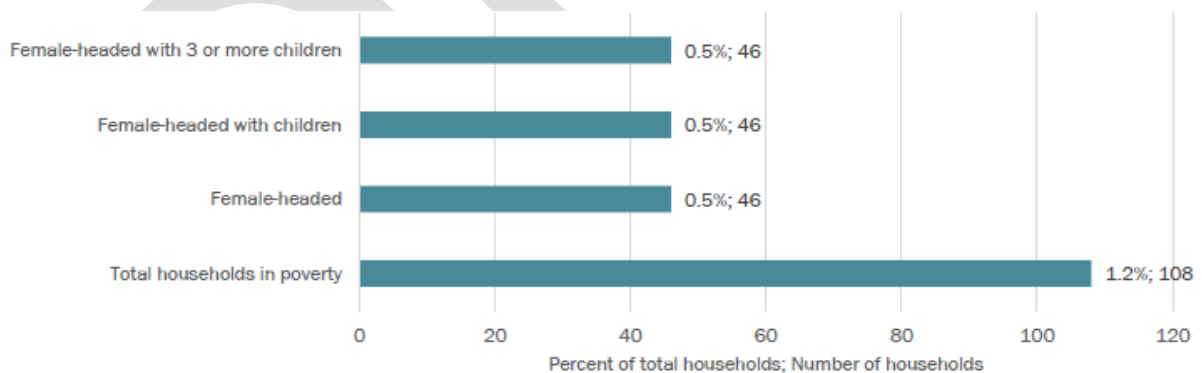
Figure I-22
Female Headed Households – Hermosa Beach



American Community Survey 2014-2018 5-year estimates.

As shown in Figure I-23, recent Census data estimated that 108 households in Hermosa Beach were at poverty level (1.2 percent of all Hermosa Beach households) compared to 7.9 percent of households in the SCAG region. Of those, nearly half were female-headed households. The Housing Plan includes several programs to directly address the housing needs of female headed households including Program 2. Conservation of Existing Affordable Housing, 3. Density Bonus and Other Incentives, 4. Affordable Housing Development Outreach and Assistance, 6. Accessory Dwelling Units, 9. Adequate Sites to Accommodate Housing Needs, 10. Housing for Persons with Special Needs and 12. Affirmatively Furthering Fair Housing.

Figure I-23
Female Headed Households by Poverty Status – Hermosa Beach



American Community Survey 2014-2018 5-year estimates.

Assistance for female-headed households includes childcare services are also provided in licensed private Family Child Care Homes within the City. There are two school age day care centers in Hermosa Beach with a capacity to serve 280 children and three licensed day care centers with a capacity to serve 108 children. There is also one family day care home in the City(capacity to serve 14).

Female heads of households in Hermosa Beach can also benefit from general programs and services for lower-and moderate-income households, including the Housing Choice Voucher program, and various community and social services provided by non-profit organizations in the region.

5. Farm Workers

Farm worker households are considered as 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. Although agriculture is a large industry in Los Angeles County, no major agricultural activities are located in Hermosa Beach. As shown in Table I-6, recent Census estimates reported 88 Hermosa Beach residents working in farming, fishing and forestry occupations but none of those were full-time jobs. The Housing Plan includes several programs to directly address the housing needs of lower income persons that may include farmworkers including Program 2. Conservation of Existing Affordable Housing, 3. Density Bonus and Other Incentives, 4. Affordable Housing Development Outreach and Assistance, 6. Accessory Dwelling Units, 9. Adequate Sites to Accommodate Housing Needs, 10. Housing for Persons with Special Needs and 12. Affirmatively Furthering Fair Housing.

**Table I-6
Agricultural Employment –
Hermosa Beach**

Hermosa Beach	Percent of total Hermosa Beach workers:	SCAG Total	
88	0.72%	57,741	Total jobs: Farming, fishing, and forestry occupations
0	0.00%	31,521	Full-time, year-round jobs: Farming, fishing, and forestry occupations

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.¹

¹ 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

Homeless individuals and families have differing housing needs. Both groups are in crisis and need food, clothing and shelter. Long-term transitional shelters, however, have different emphases for individuals and families. An individual would do well in transitional housing such as cooperative or single-room occupancy facilities. Families require more housing amenities to accommodate their size and diverse age-related needs; thus, lower income reentry housing such as single or multi-family units are more appropriate. Both groups require supportive housing and social services. The needs of homeless families are more complicated than those of homeless individuals. Childcare, pediatric care, and education are additional to basic health, mental health, employment, and other supportive social and housing needs.

Hermosa Beach is located within the Los Angeles Homeless Services Authority's (LAHSA) Service Planning Area (SPA) 8 – South Bay (see Figure I-24). The 2020 homeless count found 28 unsheltered homeless persons in Hermosa Beach² and 4,560 homeless persons within SPA 8 as a whole. The 2020 homeless count was slightly higher than prior years, which reported between 17 and 23 homeless persons in Hermosa Beach during 2015 to 2019. Of the unsheltered homeless enumerated in 2020, more than two-thirds were reported as living in cars, vans, or other vehicles.

Shelter and service needs of the homeless population are significantly different depending on the population subgroup. Los Angeles County's Continuum of Care approach to homelessness is a coordinated and systematic local approach to meet the needs of homeless individuals and families within these subgroups, including:

- Chronic Homeless Persons;
- Episodic Homeless Persons; and
- Persons at Risk of Becoming Homeless

For many years Hermosa Beach has been actively engaged in efforts to address the problems of homelessness. In 2015, the City Council adopted an initial Homeless Strategy and Action Plan, establishing and committing to a list of preliminary steps toward addressing homeless issues locally and as part of a broader effort to meet growing demands at the regional level. Since that time, Hermosa Beach has taken significant steps to implement the Action Plan, including:

- Leadership in hosting a beach cities deployment site and organizing local volunteers for the annual Greater Los Angeles Homeless Count, conducted each January in partnership with the Los Angeles Homeless Services Authority (LAHSA);

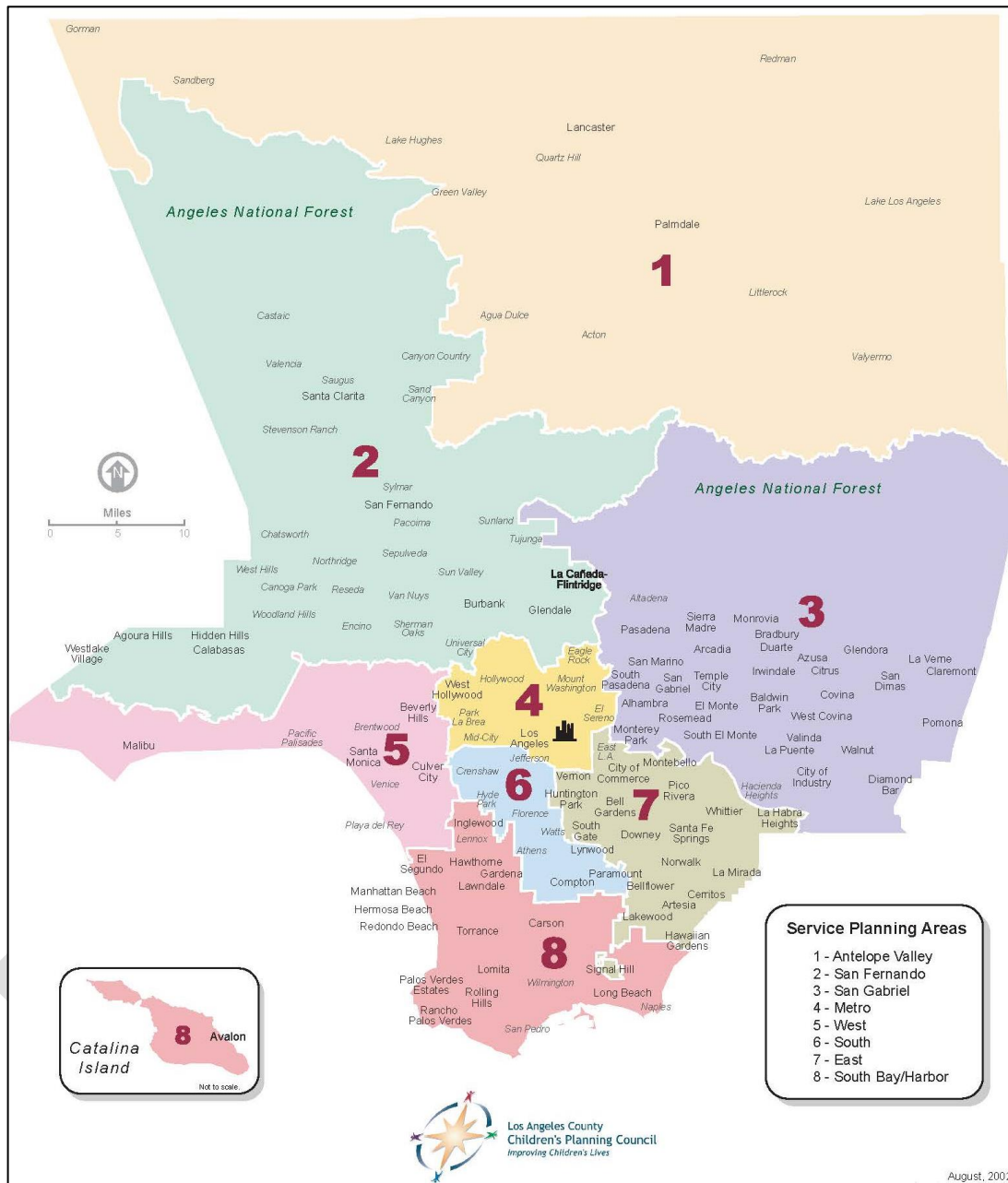
² <https://www.lahsa.org/data?id=45-2020-homeless-count-by-community-city>

- Participation of the Hermosa Beach Police Department in collaborative outreach and response with Manhattan Beach PD, Redondo Beach PD, and a mental health clinician assigned by the Los Angeles County Department of Mental Health (DMH);
- Collaboration with other South Bay cities in deployment of dedicated outreach teams from PATH (People Assisting The Homeless) under the leadership of the South Bay Cities Council of Governments (SBCCOG);
- Participation in Los Angeles County's efforts to develop a set of regional strategies for combating homelessness, which were ultimately adopted by the Los Angeles County Board of Supervisors;
- Collaboration with the South Bay Cities Council of Governments (SBCCOG) and South Bay Coalition to End Homelessness (SBCEH) on policy initiatives to identify additional resources for our region;
- Participation in South Bay Cities Council of Governments (SBCCOG) bi-monthly Homeless Services Task Force meetings to learn about County and regional homelessness programs, services, policy updates, and opportunities; and
- Building a relationship with Harbor Interfaith Services, the lead agency for the Service Planning Area 8 Coordinated Entry System (CES), to access services and support for people who are homeless or are at risk of homelessness in Hermosa Beach.

In 2018 the City Council adopted a Five-Year Homelessness Plan³ incorporating these and other actions designed to address the problems of homelessness in Hermosa Beach. Additional information regarding the City's efforts to address the problems of homelessness is provided in Chapter II, and Program 10 in the Housing Policy Plan describes actions the City intends to take during the 2021-2029 planning period related to homelessness.

³ <https://www.hermosabeach.gov/home/showdocument?id=11049>

Figure I-24
Los Angeles County Homeless Service Planning Areas



F. Assisted Housing at Risk of Conversion

As part of the Housing Element update, State law requires jurisdictions to identify assisted units that are at risk of conversion to market rate housing during the 10-year period 2021-2031. According to the Southern California Association of Governments and the California Housing Partnership Corporation, there are no units at risk in Hermosa Beach.

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

The majority of Hermosa Beach west of Valley Drive is within the Coastal Zone. *California Government Code* §65590 et seq. prohibits conversion or demolition of existing residential dwelling units occupied by low- or moderate-income persons or families unless provision has been made for the replacement in the same city or county of those dwelling units with units for persons and families of low- or moderate-income (excludes structures with less than 3 units, or less than 10 units for projects with more than one structure, among other exclusions).

Section 65590(d) further requires new housing development in the coastal zone to provide housing units for persons and families of low or moderate income, or if not feasible, to provide such units at another location within the same city or county, within the coastal zone or within three miles thereof. Due to the exemptions noted above, no documented affordable units have been constructed in the Coastal Zone.

No deed-restricted affordable units have been demolished or converted within the Coastal Zone since 1982. The Coastal Land Use Plan (LUP) addresses three primary issue areas: access, planning for new development, and the preservation of marine-related resources. The LUP contains policies that may impede the construction of new housing development within the designated coastal zone of the City. These include policies related to the preservation of beach access, adequate parking and controlling the types and densities of residential development within the coastal zone. Coastal policies and standards controlling mass, height and bulk discourage “mansionization.” Policies do not prevent residential units above ground floor commercial as allowed in the C-1 zoning district.

H. Future Housing 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 2021 to 2029 period, also referred to as the “6th cycle” in reference to the six RHNA cycles that have occurred since the comprehensive revision of State Housing Element law in 1980. 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 March 2021. The need for housing is determined by the forecasted growth in households in a community as well as existing needs such as overpayment and

overcrowding. The housing need for new households is 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. 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. Additional detail regarding SCAG's methodology used to prepare the RHNA can be reviewed on SCAG's website at <https://scag.ca.gov/rhna>.

2. Hermosa Beach 2021-2029 Housing Needs

The share of regional housing need for the City of Hermosa Beach as determined by SCAG for the 2021-2029 planning period is 558 units, distributed by income category as shown in Table I-7. Pursuant to *Government Code* §65583(a)(1) it is assumed that the need for extremely-low-income households is half of the very-low-income need. A discussion of how the City will accommodate this housing need is provided in the Land Resources section of Chapter II.

**Table I-7
Regional Housing Needs 2021-2029 –
Hermosa Beach**

Very Low	Low	Moderate	Above Moderate	Total
232*	127	106	93	558
41.6%	22.8%	19.0%	16.7%	100%

Source: SCAG 2021

*116 of these are allocated to the extremely-low-income category

II. RESOURCES AND OPPORTUNITIES

A. Land Resources

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.” A detailed analysis of vacant land and potential redevelopment opportunities has been prepared and is described in Appendix B. The results of this analysis are summarized in the table below. The City’s land inventory based on current zoning is insufficient to accommodate the RHNA allocation for this planning period; therefore, amendments to General Plan and zoning designations are necessary pursuant to State requirements (see Program 9 in the Housing Policy Plan).

**Table II-1
Land Inventory Summary vs. RHNA**

	Income Category				Total
	VL	Low	Mod	Above	
RHNA (2021-2029)	232	127	106	93	558
Accessory dwelling units	11	28	4	21	64
Remaining RHNA	221	99	102	72	494
Sites Inventory (Table B-4)	355		168	80	603
% Buffer Above Remaining RHNA	11%		65%	11%	22%

Source: Hermosa Beach Community Development Dept., 2023

A discussion of public facilities and infrastructure needed to serve future development is contained in Section III.B, Non-Governmental Constraints. There are currently no known service limitations that would preclude the level of development allocated in the RHNA, although developers will be required to pay fees or construct public improvements prior to or concurrent with development.

B. Financial and Administrative Resources

1. State and Federal Resources

Community Development Block Grant Program (CDBG) - Federal funding for housing programs is available from the Department of Housing and Urban Development (HUD). During the previous planning period the City received approximately \$68,000 per year, however the latest grant for FY20-21 was about \$63,000 and future years are unknown. In recent years, the City has used CDBG funds for ADA compliance retrofits for sidewalk handicap ramps, which is expected to continue during the planning period. In FY 20-21 a one-time grant program for eligible businesses with low- and moderate-income employees to assist with recovery from pandemic used \$37,479 CDBG CARES ACT funds and \$72,571 unspent funds from prior years' allocations.

The City does not currently participate in other HUD programs such as HOME, Emergency Shelter Grant (ESG) or Housing Opportunities for Persons with AIDS (HOPWA).

Section 8 Rental Assistance – The Section 8 Housing Choice Voucher Program (HCVP) assists very-low-income senior citizens, families and the disabled with the cost of rental housing. Generally, a tenant pays 30% of his or her adjusted income towards the rent and the Section 8 program pays the balance directly to the landlord. Unfortunately, the need for rental assistance is greater than available resources.

2. Local Resources

As a very small jurisdiction, Hermosa Beach has extremely limited resources for housing assistance. The only locally-generated source of housing revenue is the Condominium Conversion fund, which is an "infrastructure fee toward the physical and service structure of the community from which the development benefits" (Municipal Code Section 17.22.270).

C. Sustainable Housing Development

The City of Hermosa Beach is working to be a leader in sustainability. The three elements of sustainability, environment, and economy are related to the objectives of this housing element in several ways. Strong, sustainable communities connect housing, transportation, jobs and equity. They reduce transportation costs for families, maximize resource efficiency, improve housing affordability, save energy, and increase access to housing and employment opportunities. This nurtures healthier, more inclusive communities and housing opportunities. Hermosa Beach can use sustainable communities strategies and techniques to invest in healthy, safe and inclusive neighborhoods.

Strategies to increase sustainability are multidisciplinary and are integrated throughout all elements of the City's new General Plan, which was adopted in 2017. The General Plan focuses on sustainability and a low-carbon future.

1. AB 32 and SB 375

In 2006, the Legislature passed AB 32—The Global Warming Solutions Act of 2006,—which requires the State of California to reduce "greenhouse gas" (GHG) emissions to 1990 levels no later than 2020. Passenger vehicles account for 31 percent of the state's total emissions. In 1990 greenhouse gas emissions from automobiles and light trucks were 108 million metric tons, but by 2004 these emissions had increased to 135 million metric tons. SB 375 asserts that "Without improved land use and transportation policy, California will not be able to achieve the goals of AB 32."

SB 375, passed in 2008, builds on the existing regional transportation planning process (which is overseen by local officials with land use responsibilities) to connect the reduction of GHG emissions from cars and light trucks to land use and transportation policy.

SB 375 has three goals: (1) to use the regional transportation planning process to help achieve AB 32 goals; (2) to use the California Environmental Quality Act (CEQA) streamlining as an incentive to encourage residential projects that help achieve AB 32 goals to reduce GHG emissions; and (3) to coordinate the regional housing needs

allocation process with the regional transportation planning process. SB 375 requires consistency between the Regional Transportation Plan (RTP) and the Regional Housing Needs Assessment (RHNA), which is accomplished through using an “integrated” growth forecast for use in both of these policy documents.

2. Energy Conservation Opportunities

Given the built-out nature of Hermosa Beach, attention should be focused on redevelopment, rehabilitation and retrofits. As residential energy costs rise, the subsequent increasing utility costs also reduce housing affordability. Although the City is fully developed, new infill development, rehabilitation and retrofits provide opportunities to enhance community sustainability and directly affect energy use within its jurisdiction.

State of California Energy Efficiency Standards for Residential and Nonresidential Buildings were established in 1978 in response to a legislative mandate to reduce California's energy consumption. The standards are codified in Title 24 of the California Code of Regulations and are updated periodically to allow consideration and possible incorporation of new energy efficiency technologies and methods. The most recent update to State Building Energy Efficiency Standards were adopted in 2019. Building Energy Efficiency Standards have saved Californians billions of dollars in reduced electricity bills. They conserve nonrenewable resources, such as natural gas, and ensure renewable resources are extended as far as possible so power plants do not need to be built.⁴

Title 24 sets forth mandatory energy standards and requires the adoption of an “energy budget” for all new residential buildings and additions to residential buildings. Separate requirements are adopted for “low-rise” residential construction (i.e., no more than 3 stories) and non-residential buildings, which includes hotels, motels, and multi-family residential buildings with four or more habitable stories. The standards specify energy saving design for lighting, walls, ceilings and floor installations, as well as heating and cooling equipment and systems, gas cooling devices, conservation standards and the use of non-depleting energy sources, such as solar energy or wind power. The home building industry must comply with these standards while localities are responsible for enforcing the energy conservation regulations through the plan check and building inspection processes.

In addition to state-mandated Title 24 requirements, Hermosa Beach is participating in a coalition to collaboratively tackle the issue of energy conservation.⁵ The South Bay Environmental Services Center (SBESC⁶) is educating residents, business owners and public agencies and hosting or making available information about the energy conservation programs, retrofits 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.

⁴ California Energy Commission (<https://www.energy.ca.gov/programs-and-topics/programs/building-energy-efficiency-standards>)

⁵ http://www.imakenews.com/priorityfocus/e_article001104271.cfm?x=bCHNgMg,b7M8B89t

⁶ www.sbesc.com

The City of Hermosa Beach has adopted solar energy and wind energy ordinances to facilitate their use, and has reduced building permit fees for solar energy systems and waived the planning fee for wind energy systems.

The City has adopted a water conservation ordinance and a water efficient landscape ordinance that is significantly more restrictive than required by state law in that demonstration of drought-tolerant landscaping is required for all new landscaping in connection with all projects regardless of size or tenancy.

Issue Area No. 6 and Program 9 in the Housing Plan describe the City's policies and objectives for identifying these and other opportunities for more sustainable development as part of the General Plan update.

Draft

III. CONSTRAINTS

A. Governmental Constraints

1. Transparency with Development Regulations

To increase transparency and certainty in the development application process as required by law, the City provides a range of information online for ease of access, some of which is as follows:

General Plan, Zoning, and Local Coastal Plan:

<https://www.hermosabeach.gov/our-government/community-development/programs-projects-plans>

Applications, Forms, Handouts, and Fee Schedule:

<https://www.hermosabeach.gov/our-government/community-development/applications-forms-handouts>

Current Development Projects:

<https://www.hermosabeach.gov/our-community/quick-links/city-projects/development-projects>

2. Land Use Plans and Regulations

a. 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 development regulations 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 Hermosa Beach General Plan – or *PLAN Hermosa* - was comprehensively updated in 2017. Land Use + Design Element of the General Plan includes four residential land use designations with allowable densities ranging from 2 to 33 units per acre, as shown in Table III-1.

**Table III-1
Residential Land Use Categories –
Hermosa Beach General Plan**

Designation	Definition	Allowable Density (du/acre)
Low Density	Single-family residential (attached or detached)	2.0 – 13.0
Medium Density	Single-family residential and small-scale multi-family residential (duplex, triplex, condominium)	13.1 – 25.0
High Density	Medium (8-20 unit buildings) and large-scale (20+ unit buildings) multi-family residential	25.1 – 33.0
Mobile Home	Mobile home parks, where lots are owned, rented or leased to accommodate mobile homes for human habitation	2.0 – 13.0

As noted previously in Section II.A, amendments to General Plan and zoning designations are necessary to ensure adequate sites to accommodate the RHNA pursuant to State law (see Program 9 in the Housing Policy Plan). With those amendments, the General Plan will not pose a constraint to implementation of Housing Element policies and objectives.

b. Zoning Regulations

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.

In 2017 the City adopted a new General Plan and is currently in the process of updating zoning regulations to ensure consistency with the General Plan. The Zoning Ordinance update is expected to be completed in 2023. The following discussion describes current regulations, some of which will be revised as part of the new Zoning Ordinance.

There are currently five residential zones in Hermosa Beach:

- R-1 Single Family Residential (R-1A: Two Dwelling Units per Lot)
- R-2 Two-Family Residential (R-2B: Limited Multiple Family Residential)
- R-3 Multiple-Family Residential
- R-P Residential Professional
- MHP Mobile Home Park

In addition to these zones, residential uses are also permitted above ground floor commercial within the C-1 "Limited Business and Residential Zone" (see Table III-2). A summary of the development standards for these zones is provided in the table below.

Residential Development Standards by Zone

Development Standard	R-P	R-1	R-1A	R-2	R-2B	R-3	C-1
Minimum Lot Area (sq.ft.) per DU	1,320	4,000	3,350	1,750	1,750	1,320	1,320
Equivalent Density	33	10.9	13	24.9	24.9	33	33
Minimum Front Yard (ft.)	n/a	10% of lot depth	10% of lot depth	10% of lot depth	10% of lot depth	Per zoning map	0
Minimum Side Yard (ft.)	10% of lot width	10% of lot width	10% of lot width	10% of lot width	10% of lot width	10% of lot width	5'
Minimum Rear Yard (ft.)	5	5 (3 if alley)	5 (3 if alley)	5 (3 if alley)	5 (3 if alley)	5 if alley	5'
Maximum Building Height (ft.)	30	25	25	30	30	30	30

Source: Hermosa Beach Zoning Ordinance, <http://www.hermosabch.org/departments/cityclerk/code/zoning.html>

Minimum lot area per unit ranges from 1,320 square feet in the R-P, R-3 and C-1 zones to 4,000 square feet in the R-1 zone. The R-P zone provides for mixed-use commercial/residential development with varying densities depending on lot area and dimensions. Density bonuses would permit more units than allowed by the underlying zone pursuant to State law and the implementing ordinance adopted by the City in 2004. The densities within mobile home parks are regulated by Title 25 of the California Administrative Code, subject to a use permit.

A summary of the uses permitted in the City's residential zoning districts is provided in Table III-2. Although a range of residential densities are allowed by-right in residential zones, a discretionary precise development plan (PDP) is required when more than one unit is developed per lot to ensure site design is compatible with the Code and adjacent development. In 2013 the Zoning Code was amended to clarify that the PDP is a site design tool, rather than providing a means of evaluating whether the *type of use* should be allowed on a particular site.

The City also has adopted nine specific plan areas (SPAs), in many cases to accommodate specific commercial or residential development projects. Residential use is either not allowed in these specific plan areas or the specific plan area was adopted to specifically accommodate a development project which has been constructed. SPA-7 and SPA-8 provide a significant number of parcels for commercial development fronting



Pacific Coast Highway. As part of this Housing Element update, the City proposes to add residential and mixed use as permitted uses in the C-2, C-3, SPA-7, SPA-8, SPA-11, and M-1 zones for RHNA sites. A residential density of 25.1-33.0 units per acre, consistent with the R-3 zone's allowable density, will be available to RHNA sites in C-2, C-3 SPA-7, SPA-8, and SPA-11 zones. A density of 34-50 units per acre will be available to RHNA sites in the M-1 zone.

**Table III-2
Permitted Residential Development by Zone**

Housing Type Permitted	R-1	R-1A	R-2	R-2B	R-3	MHP	R-P	C-1	C-3
SF Detached	P	P	P	P	P		P	⁴	
Single-Family Attached		P*	P*	P*	P*		P*	⁴	
Multi-Family			P*		P*		P*	C	
Mobile Home	P	P	P	P	P	P	P		
Second Units	P ³	C ¹	C ¹	C ¹	C ¹		C ¹		
Emergency Shelters									P
Transitional, Supportive, Group Housing	⁶	⁶	⁶	⁶	⁶	⁶	⁶	⁶	
Single-Room Occupancy					P				
Care Facility (6 or fewer)	P	P	P	P	P		P		
Care Facility (7+)	C ²	C ²	C ²	C ²			C ²		
Assisted Living ⁵									

Source: Hermosa Beach Zoning Ordinance

P = Permitted

P* = Permitted subject to approval of a precise development plan to evaluate site design (excluding development of small second unit in R-1 zone)

C = Conditional Use Permit

1 Senior units only

2 Accessory to a single-family detached dwelling; for child care purpose

3 Administrative Permit subject to limitation on size

4 Residential uses are allowed above ground floor commercial uses

5 A specific plan area was created to accommodate a senior assisted living center.

6. Permitted as a residential use subject to the same standards as other residential uses of the same type in the same zone.

Zoning for Lower-Income Housing

Lower-income housing can be accommodated in all zones permitting residential use in Hermosa Beach. These may include accessory dwelling units in all residential zones, multi-family apartments in the R-3 zone, and residential or commercial/residential mixed-use developments within the C-1 and R-P Zones. Under State law, the “default density” presumed to be adequate to facilitate lower-income housing is 20 units/acre in Hermosa Beach. As noted in before, the R-2, R-2B, R-3, R-P and C-1 zones all permit development at greater than 20 units/acre and therefore are considered suitable for lower-income housing under state law.⁷ Review of development trends confirms that actual densities in these zones are typically greater than 20 units per acre.

⁷ Assembly Bill 2348 of 2004



Hermosa Beach is one of the most densely developed and populated cities in Los Angeles County and is essentially built-out. About 75% of the city is residentially zoned, with about 35% of this area zoned for high-density R-2 and R-3 development. Approximately 11% of the city has commercial zoning, and just 1% is industrially zoned. The balance of the city is zoned for open space, most of which is the beach area. As part of this Housing Element update, the City proposes to add residential and mixed use as permitted uses to RHNA sites in the C-2, C-3, SPA-7, SPA-8, and SPA-11,

with a residential density of 25.1-33.0 units per acre, consistent with the R-3 zone's allowable density. Residential and mixed use will also be added as permitted uses to RHNA sites in the M-1 zone with a residential density of 34-50 units per acre.

Special Needs Housing

Under State law, persons with special needs include those in residential care facilities, persons with disabilities, farm workers, persons needing emergency shelter, transitional or supportive housing, and low-cost single-room-occupancy units. The City's regulations regarding these housing types are discussed below.

- #### Housing for Persons with Disabilities

State requirements. *Health and Safety Code* §§1267.8, 1566.3, and 1568.08 require local governments to treat licensed group homes and residential care facilities with six or fewer residents no differently than other single-family residential uses. "Six or fewer persons" does not include the operator, the operator's family, or persons employed as staff. Local agencies must allow these licensed care facilities in any area zoned for residential use, and may not require licensed residential care facilities for six or fewer persons to obtain conditional use permits or variances that are not required of other family dwellings. The Zoning Ordinance includes definitions and standards in conformance with State law. Group homes and residential care facilities for up to six persons are a permitted use in any residential zone.

Large residential care facilities are conditionally permitted in most residential zones (Table III-2). In consideration of the City's small lots and densely-populated residential neighborhoods, the conditional use permit requirement is reasonable to ensure that the operational characteristics of such facilities do not generate conflicts with surrounding residential uses. As part of the comprehensive Zoning Ordinance update, the City will revise the CUP review process for large care facilities to an Administrative Permit in all residential zones, with a lower fee, and

establish findings for approval that are objective and provide certainty in outcomes (Housing Program 10).

Reasonable Accommodation. The City's Building Code requires that new residential construction comply with Title 24 accessibility standards. These standards include requirements for a minimum percentage of fully accessible units in new multi-family developments. In addition, Section 17.42.120 of the Zoning Ordinance establishes procedures for the review of requests for reasonable accommodation pursuant to State law.

The reviewing authority shall approve the request for a reasonable accommodation if, based upon all of the evidence presented, the following findings can be made:

1. The housing, which is the subject of the request for reasonable accommodation, will be occupied by an individual with disabilities protected under Fair Housing Laws;
2. The requested accommodation is reasonable and necessary to make housing available to an individual with disabilities protected under the Fair Housing Laws;
3. The requested accommodation will not impose an undue financial or administrative burden on the city, as defined in the Fair Housing Laws and interpretive case law; and
4. The requested accommodation will not require a fundamental alteration in the nature of the city's zoning or building laws, policies and/or procedures, as defined in the Fair Housing Laws and interpretive case law. The city may consider, but is not limited to, the following factors in determining whether the requested accommodation would require a fundamental alteration in the nature of the city's zoning or building program:
 - a. Whether the requested accommodation would fundamentally alter the character of the neighborhood;
 - b. Whether the accommodation would result in a substantial increase in traffic or insufficient parking; and
 - c. Whether granting the requested accommodation would substantially undermine any express purpose of either the city's general plan or an applicable specific plan.

These regulations are consistent with fair housing law and do not pose a constraint on persons with disabilities. The City approved two Reasonable Accommodation applications in recent years. However, approval of a reasonable accommodation request currently requires a public hearing before the approval body. As part of the update to the Zoning Ordinance, the City will remove the public hearing requirement.

Definition of "Family". The Zoning Ordinance defines "Family" as "two or more persons living together in a dwelling unit, sharing common cooking facilities,

and possessing the character of a relatively permanent single bona fide housekeeping unit in a domestic bond of social, economic and psychological commitment to each other, as distinguished from a group occupying a boarding house, club, dormitory, fraternity, hotel, lodging house, motel, rehabilitation center, rest home or sorority." This definition is consistent with State law.

Maximum concentration requirements. There are no concentration or separation requirements for residential care facilities or group homes in the Zoning Ordinance.

Site planning requirements. There are no special site planning requirements (other than parking, height, and setbacks) for residential care facilities or group homes in the Zoning Ordinance.

Parking requirements. Off-street parking requirements for residential care facilities and group homes are the same as for single-family dwellings, which is two spaces plus one guest space. This requirement does not pose an unreasonable constraint to such facilities.

- **Farm Worker Housing**

The City's Zoning Ordinance does not identify farm worker housing separately as a permitted use. However, as discussed in Chapter II, no agricultural activities are found within Hermosa Beach or in the surrounding communities. Therefore there is no demand for farm worker housing in Hermosa Beach.

- **Emergency Shelters, Transitional/Supportive Housing and Low Barrier Navigation Centers**

Emergency shelters are facilities that provide a safe alternative to acute homelessness either in a shelter facility, or through the use of motel vouchers. Emergency shelter is short-term, usually for 30 days or less. Senate Bill 2 of 2007 requires that unless adequate shelter facilities are available to meet a jurisdiction's needs, emergency shelters must be allowed by-right (i.e., without discretionary review such as a conditional use permit) in at least one zoning district, but may include specific development standards.

AB 2339 (2022) requires that the zone(s) designated for by-right shelters to be zones that also permit residential uses. The Hermosa Beach Municipal Code allows emergency shelters by-right in the C-3, SPA-7 and SPA-8 zones, with a ten-bed limit per shelter and a 300-foot separation from another shelter. The City will redesignate the R-3 zone (Multi-Family Residential) for emergency shelters by right. The R-3 zone contains 1,034 parcels totaling 88 acres.

The City has an unsheltered homeless of 28 persons according to the 2020 Point-in-Time Count. At appropriately 200 square feet per person (AB 2339 guidance), a building space of 5,600 square feet would be needed. Given the costs of new construction and the small size of the City's unsheltered homeless population, adaptive reuse of existing buildings may be a more feasible option than new

construction. AB 139 also requires that the City establishes parking standard for emergency shelters based on staffing level only.

Transitional housing is longer-term housing, typically up to two years. Transitional housing generally requires that residents participate in a structured program to work toward established goals so that they can move on to permanent housing. Residents are often provided with an array of supportive services to assist them in meeting goals. Under SB 2 transitional and supportive housing is deemed to be a residential use subject only to the same requirements and standards that apply to other residential uses of the same type in the same zone. Current City definitions for transitional and supportive housing are in compliance with this requirement. In 2018 AB 2162 amended State law to require that supportive housing be a use by-right in zones where multi-family and mixed uses are permitted, including non-residential zones permitting multi-family uses, if the proposed housing development meets specified criteria. Program 10 in the Housing Policy Plan includes a commitment to process an amendment to the Municipal Code in compliance with this requirement.

In 2019 the State Legislature adopted AB 101 establishing requirements related to local regulation of *low barrier navigation centers*, which are defined as "Housing first, low-barrier, service-enriched shelters focused on moving people into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing." *Low barrier* means best practices to reduce barriers to entry, and may include, but is not limited to:

- (1) The presence of partners if it is not a population-specific site, such as for survivors of domestic violence or sexual assault, women, or youth
- (2) Accommodation of residents' pets
- (3) The storage of possessions
- (4) Privacy, such as partitions around beds in a dormitory setting or in larger rooms containing more than two beds, or private rooms

Low barrier navigation centers meeting specified standards must be allowed by-right in areas zoned for mixed use and in nonresidential zones permitting multi-family uses. Program 7 in the Housing Policy Plan includes a commitment to process an amendment to the Zoning Code in compliance with this requirement.

- **Single Room Occupancy**

Single-room-occupancy (SRO) facilities are small studio-type units that rent in the low-, very-low- or extremely-low-income category. SROs with up to six units are permitted administratively within the R-3 district while SROs with seven or more units are conditionally permitted in the R-3, C-3, SPA-7 and SPA-8 districts. There is no density limit for SRO developments and the allowable unit size is 150 to 400 square feet. An affordability covenant is required for all SRO units except the manager's unit.

c. Off-Street Parking Requirements

The City's parking requirements for residential zones vary by residential type and housing product (Table III-3). Two off-street parking spaces plus one guest space are required for single-family, duplex or two-family dwellings. Multiple dwellings (three or more units) are also required to have two off-street spaces, plus one guest space for each two dwelling units. Mobile homes are required to have two spaces per unit. The City adopted a reduced parking standard for Specific Plan Area No. 6 in conjunction with approval of a senior assisted living facility, and shared and reduced parking may be approved by the Planning Commission on a case-by-case basis. Pursuant to State Density Bonus Law reduced parking standards apply to affordable housing developments.

Under the current parking requirements, two off-street parking spaces plus one guest space are required for single-family, duplex or two-family dwellings. Multiple dwellings (three or more units) are also required to have two off-street spaces, plus one guest space for each two dwelling units. These parking requirements do not support a variety of housing types, limit design options, result in residential street frontages dominated by parking and garages, and can preclude achievement of maximum allowed density, especially on the City's smaller residential lots. As part of the comprehensive Zoning Ordinance update currently underway the City will revise the parking requirements to facilitate a variety of housing types, such as smaller units, and mixed use development that can take advantage of shared parking.

**Table III-3
Residential Parking Requirements**

Type of Unit	Minimum Parking Space Required
Single family residence	2 spaces plus 1 guest space
Mobile home park	2 spaces
Duplex or two-family dwelling	2 spaces plus 1 guest space
Multiple dwellings (3+ units)	2 spaces plus 1 guest space for each 2 dwelling units
Detached servant's quarters or guest houses	1 space
Multi-family lower-income and senior restricted housing, multi-family housing restricted to disabled persons, and single-room-occupancy facilities	Reduced standards, refer to Hermosa Beach Zoning Ordinance, Chapter 17.44
Accessory dwelling units	Per State law (see Sec. 17.21.040)

Source: Hermosa Beach Zoning Ordinance, Chapter 17.44

d. Cumulative Impacts of Development Standards

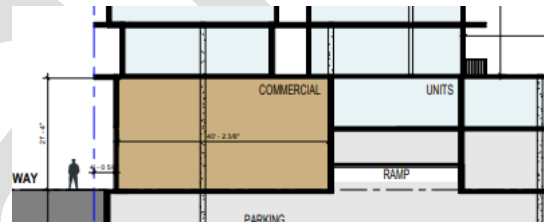
Future multi-family residential development is likely to take place as mixed use developments along the City's commercial corridors. The City's existing mixed use standards available to the C-1 zone only requires a minimum of 30-foot average depth of space. There is no requirement for a full-ground floor commercial space. In many cases, the ground floor will also be utilized for parking entry, circulation, common areas, lobbies, etc. Residential units can also be located on the ground floor.

Therefore, mixed use development can accommodate two floors above ground floor while maintaining the height limit. Multi-floors of residential then exist behind or even above that height. The snippet from a mixed-use building that had a very tall commercial space (>21 feet tall) that has units behind and beyond, as well as above. Because the commercial spaces are most effective at the corner, the corner ends up being double height while the other frontages of the building can be two-level uses.

Overall, the City's flexibility with commercial component in a mixed use building, proposed revisions to the parking standards, will allow developments to achieve the maximum allowable density.

e. Accessory Dwelling Units

Accessory dwelling units (ADUs) provide an important source of affordable housing for seniors, young adults, care-givers and other low- and moderate-income segments of the population. In recent years, the State Legislature has adopted extensive changes to ADU law in order to encourage housing production. Among the most significant changes is the requirement for cities to allow one ADU plus one "junior ADU" on single-family residential lots by-right subject to limited development standards. Program 6 in the Housing Policy Plan includes a commitment to monitor legislation annually and update City ADU regulations as necessary to maintain consistency with State law.



f. Density Bonus

Under State law cities and counties must provide a density increase above the otherwise maximum allowable residential density under the Municipal Code and the Land Use Element of the General Plan and other incentives when builders agree to construct housing developments with units affordable to low- or moderate-income households or housing developments restricted to seniors. Section 17.42.100 of the Zoning Ordinance establishes standards and procedures for implementing State Density Bonus Law.

In order to further encourage affordable housing development, in 2013 the City adopted enhanced density bonus standards (Sec. 17.42.170) to incentivize consolidation of small lots into larger building sites according to the following formula.

Combined Parcel Size	Allowable Base Density*
Less than 0.50 acre	33 units/acre
0.50 acre to 0.99 acre	34.7 units/acre (5% increase)
1.00 acre or more	36.3 units/acre (10% increase)

*Excluding density bonus

AB 2345 of 2019 amended State law to revise density bonus incentives that are available for affordable housing developments. Program 3 in the Housing Policy Plan includes a commitment to update City density bonus regulations to reflect these changes to State law.

g. Mobile Homes/Manufactured Housing

There is often an economy of scale in manufacturing homes in a factory rather than on site, thereby reducing cost. State law precludes local governments from prohibiting the installation of mobile or manufactured homes on permanent foundations on single-family lots. It also declares a mobile home park to be a permitted land use on any land planned and zoned for residential use, and prohibits requiring the average density in a new mobile home park to be less than that permitted by the Municipal Code.

Mobile and manufactured homes are permitted in each of the residential zones, thereby facilitating the construction of this type of housing.

One mobile home park is located in Hermosa Beach (Marine Land Mobile Home Park), which is owned by a private, non-profit corporation. In addition, the adjacent "State RV Park" is occupied by very-low-income households and persons in transition to permanent residency.



The City committed to retaining the Marine Land Mobile Home Park by designating it within the General Plan and Zoning Code as a Mobile Home Park (MHP) Zone and in 2008 the City Council allocated over \$111,000 from the Condominium Conversion Fund to assist residents with their acquisition of the Marine Land Mobile Home Park. In 2008 the project was awarded \$1,200,000 subject to conditions under the State's Mobilehome Park Resident Owner Program (see Program 2 in the Housing Policy Plan).

h. Condominium Conversions

In order to reduce the impacts of condominium conversions on residents of rental housing and to maintain a supply of rental housing for low- and moderate-income persons, the City's Municipal Code provides for a tenant assistance plan that includes the following:

- a. An option to first purchase units, including tenant purchase discounts. For those who choose not to purchase a unit, the subdivider must provide a method by

which tenants will be assisted in finding comparable replacement rental housing within the area of the conversion, including professional relocation assistance.

- b. A statement of the method by which the subdivider will comply with the requirements of Section 66427.1 of the State Subdivision Map Act. Such method must provide that no tenant shall be required to move from his or her apartment due to the proposed conversion until the expiration of the two-month period for exercise of his or her right of first refusal.
- c. Reimbursement for moving costs incurred, not to exceed \$500.
- d. Extension of tenancy to complete a school term, if necessary.

Because of these requirements, the potential impact of condominium conversions is not a significant constraint on the preservation of affordable rental housing. However, the reimbursement amounts for moving and for rent differentials should be reviewed to ensure costs have not outpaced reimbursements. This review is incorporated into Program 2 in the Housing Policy Plan. More importantly, condominium conversion has not been a trend in California for more than a decade and is not likely to become a significant trend again due to the viability of the rental housing market and the costs of conversion.

i. Short-Term Rentals

Short-term rentals of less than 30 days are prohibited in all residential zones citywide.

j. Nonconforming Uses and Buildings

The Zoning Code allows residential uses to be rebuilt in the case of destruction or damage beyond the owner's control provided the nonconformity is not increased. Nonconforming buildings may expand 100 percent in floor area (existing prior to October 26, 1989, up to 3,000 square feet per unit or 5,000 square feet of total floor area for the building site). Nonconforming portions of a building with a nonconforming residential use may be partially modified or altered to the extent necessary to comply with the Uniform Building Code. Specific rules pertaining to nonconforming parking apply. Building sites with three or more dwelling units cannot be expanded in floor area unless two parking spaces per unit plus one guest space for every two units are provided.



The Zoning Code also allows the Planning Commission to validate as legal nonconforming residential units that can be shown to have been used for residential occupancy more or less continuously since January 1, 1959 when City records and actual property use conflict. In 2013 the City evaluated whether to relax provisions governing validation of residential units that contribute to the supply of affordable rental housing when the use is demonstrated to have existed for a

shorter period of time (to be determined as part of the city's consideration) than is currently required under the code, provided the units are improved so as to not be substandard and parking adequate for the occupancy can be provided and determined to maintain the existing regulations due to density, parking and issues that would be associated with administration of such a program.

k. Building Codes

State law establishes building standards and prohibits the imposition of standards that are not necessitated by local geographic, climatic or topographic conditions and requires that local governments making changes or modifications in building standards must report such changes to the Department of Housing and Community Development and file an expressed finding that the change is needed. The City's Building Codes incorporate State Codes. These are necessary to protect the public's health, safety and welfare.

The City's building standards include some amendments to the State Building Code that exceed state standards; however, these amendments are all relatively inexpensive, and most of the revisions are related to fire alarms, smoke detectors, sprinkler systems, drainage, increased demolition diversion, and increased energy efficiency. These modifications were determined to not substantially increase project costs.

I. Coastal Zone

The City of Hermosa Beach includes nearly two miles of shoreline and varies in width between one-half mile and approximately one mile inland. Approximately 43% of the total land area in Hermosa Beach is located within the Coastal Zone, as defined by the Coastal Act. The Coastal Zone in Hermosa Beach spans the entire length of the City from north to south, and extends from the mean high tide line inland to Ardmore Avenue with two exclusions: The area from Hermosa Avenue to Valley Drive between Longfellow Avenue and 31st Place; and the area east of Park Avenue or Loma Drive between 25th Street and 16th Street.

While a substantial portion of the City is in the Coastal zone, the character of land uses within the Coastal zone areas of the City is widely varied. The commercial area concentrated around the pier and shoreline includes lodging, restaurants (early morning and late night), snack shops, retail, recreation, and services that serve visitors and residents alike. As distance increases from this concentrated area, development begins to include mixed use and small-scale residential. Many areas of the Coastal zone in the City are primarily residential (single- and multi- family) but interspersed with local commercial uses.

The City's General Plan, PLANHermosa, adopted in 2017, recognizes this and assigns different land use designations within the Coastal zone that reflect the purpose of these areas. Recreational Commercial (RC) is designated for the primarily visitor-serving area near the Pier; Downtown (DT) is designated the retail and service core that includes mixed use and residential uses. The City proposes sites within the DT area on the Sites Inventory to further the development of housing in the coastal zone in a manner that is consistent with existing development patterns. This is similar to the manner in which the City already allows mixed-use development in the C1 zones. Meanwhile, the City is not proposing sites in the

Recreational Commercial, as the City's Coastal Land Use Plan recognizes this as a primarily visitor serving area.

The City of Hermosa Beach is currently working with the California Coastal Commission (CCC) to obtain approval of the City's Local Coastal Program (LCP) and Land Use Plan (LUP). On October 25, 2021, the City submitted the Mobility Element amendment for review and approval to the CCC, which is the City's first step for an updated LCP. The City implements State laws such as SB 330 and SB 9 to ensure housing development opportunities are available within the Coastal Zone. The City received comments from the CCC in 2022 and will be addressing their comments along with any subsequent need to update the Coastal Land Use Plan to accommodate the RHNA.

Affordable housing projects in the Coastal Zone are processed pursuant to State Law. The City is also in the process of updating the comprehensive Zoning Ordinance, which will address permitting requirements for multifamily developments.

Subsequent to the adoption of the Housing Element, the City will review any Coastal Land Use Plan policies that must be updated and submit to the California Coastal Commission for certification. The timeline will be more apparent once the amendments have been submitted.

3. Development Processing Procedures

a. Residential Permit Processing

State Requirements. State Planning and Zoning Law establishes 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 comply with applicable regulations.

Developer Assistance. Hermosa Beach has prepared permit processing guidelines to assist builders in applying for development permits for residential developments and subdivisions. The guides are comprehensive in nature, and address the steps to be followed. Early consultation with City staff is encouraged to identify issues as soon as possible and reduce processing time. This consultation (at no cost to applicants) allows applicants to become acquainted with the application materials and fees required by each department and agency. Preliminary site and architectural plans are also reviewed for consistency with City standards. This conference allows the applicant to assess the feasibility of the project and make adjustments during the preliminary planning stages to minimize costs and permit processing time.

Permit Approval Procedures and Timing. Simultaneous processing of required entitlements (e.g., subdivisions and planned development permits) is also provided as a means of expediting the review process. Most projects under the purview of the Planning Commission are acted upon within six weeks of filing; a subsequent process requiring Planning Commission actions to be reported to the City Council and the appeal period typically requires about 30 days. Therefore, the process is typically completed within three months from application filing.

- Single-Family Detached Units – Applications are reviewed by the Planning Division for zoning clearance, and subsequently by the Building Division. Processing time is typically three to four weeks.
- Condominiums – A conditional use permit, precise development permit (PDP) design review, and tentative subdivision map must be approved by the Planning Commission; this process is usually completed within three months from the date a complete application is received. Once Planning Commission approval is obtained, the building permit application can be simultaneously reviewed by the planning and building divisions.
- Multi-Family Projects – A precise development plan (PDP) design review is conducted by the Planning Commission. If a conditional use permit is also required, it is reviewed by the Planning Commission concurrently. Such review is usually completed within three months from the date a complete application is received. Once Planning Commission approval is obtained, the building permit application can be simultaneously reviewed by the planning and building divisions. A structural plan check is performed by an outside contractor.
- Mixed-Use Projects – A precise development plan (PDP) design review is conducted by the Planning Commission. If a conditional use permit is required by the Zoning Code, concurrent Planning Commission review is usually completed within three months from the date a complete application is received.
- Building Plan Check - Plan check for the processing of residential building permits is generally four to six weeks, depending on the City's workload. Building codes are applied to new construction, and projects are monitored and inspected under the building permit process.

In 2021 the City initiated a comprehensive Zoning Ordinance update. One of the major objectives of the update is to simplify the development review process. Specifically, the City is proposing to revamp the PDP requirements. Program 11 in the Housing Policy Plan includes a commitment to this revision. Also, in the pending Subdivision Ordinance update, the City will be addressing the CUP requirement for condominium projects.

The City proposes to revise the PDP process by project size. The scope of PDP review will be limited on physical characteristics as they apply to the design of the sites plan, structures, landscaping, and other physical features of the proposed project, including:

1. Building proportions, massing, and architectural details.
2. Site design, orientation, location, and architectural design of buildings relative to existing structures on or adjacent to the property, topography, and other physical features of the natural and built environment;
3. Size, location, design, development, and arrangement of on-site parking and other paved areas;
4. Height, materials, and design of fences, walls, and screen plantings;
5. Location and type of landscaping including selection and size of plant materials, and design of hardscape; and

6. Size, location, design, color, lighting, and materials of all signs.

Applicability and Review Authority

	Single-family Residential	Projects with 2-4 dwelling units;	Projects with 5 or more dwelling units	Exceptions
Application Type	Ministerial	PDP	PDP	Housing projects with affordable units, senior units, or density bonus units will be processed with a staff level PDP
Reviewing Body	Staff	Staff/Director Determination	Planning Commission	

The review authority must make all of the following findings to approve or conditionally approve a Precise Development Plan application:

- A. The design, layout, and other physical features of the project complies with all other applicable provisions of this Title and all other titles of the Hermosa Beach Municipal Code;
- B. The design, layout, and other physical features of the project is consistent with the General Plan, and any applicable specific plan or design guidelines; and
- C. The design, layout, and other physical features of the project complies with any design or development standards applicable to the zone, unless waived or modified pursuant to the provisions of this Title.

The City will be developing objective standards for the PDP review as part of the comprehensive Zoning Ordinance update.

b. Environmental Review

Environmental review is required for all discretionary development projects under the California Environmental Quality Act (CEQA). Most projects in Hermosa Beach are either Categorically Exempt or require only an Initial Study and Negative Declaration. Developments that have the potential of creating significant impacts that cannot be mitigated require the preparation of an Environmental Impact Report. The Negative Declaration process typically requires about three to four weeks. Categorically Exempt developments such as ADUs require a minimal amount of time. Although environmental review adds to the time and cost of development, it is mandated by State law.

4. 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. Most 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 III-4 shows fees associated with new development within Hermosa Beach. As can be seen from the table, Park and Recreation and Building Permit fees represent the largest development fees, although since many projects replace units, credits can be obtained. For a typical 2,000-square-foot single-family dwelling (excluding any demolition or entitlement cost), current (2021) permit fees are estimated at approximately \$30,000 per unit or \$15,000 if the new unit replaced a 1,500-square-foot house. Fees for a 2,000-square-foot condominium unit (part of a typical two-unit project) that replaced a 1,500-square-foot dwelling would be about \$30,000, or \$45,000 if no replacement is involved. Nearly all multi-family projects are small condominium projects, which allow owners to maximize investment on small lots.

The City periodically evaluates the actual cost of processing the development permits when revising its fee schedule. The last review was 2020.

In addition to City fees, development fees levied by the school districts and special districts include the following as of 2021:

- School Fees: \$4.79 per square foot
- L.A. County Sewer Connection Fee: \$4,610 (single-family home)

Aside from parkland fees, no other impact fees have been adopted.

Table III-4
City of Hermosa Beach Planning & Building Fees

Planning Fees/Building Fees	Fee Amount
Conditional Use Permit (CUP)	\$5,070
CUP for Condominium (cost/2 units)	\$5,265
CUP for Condominium (per unit over 2 units)	\$195
CUP/Parking Plan/PDP (amendment)	\$4,467
Negative Declaration/Initial Study	\$3,545
Extension (tentative map, final map, CUP)	\$1,028
Final Map	\$731
General Plan Amendment Map/Text	\$4,015 / \$5,405
Zone Change	\$4,226
Parking Plan	\$4,678
Precise Development Plan	\$5,538 / \$5,265
Subdivision – Tentative Map	\$4,879
Variance	\$3,907
Parks and Recreation Fees (condos excluded)**	\$7,902/unit
Parks and Recreation Fees, in lieu (condos only)**	\$14,096/unit
Building Permit	\$1,621.44 for first \$100,000 plus \$9.28 for each additional \$1,000
Sewer Use Fee**	Same as County Sewer Fee

Source: City Of Hermosa Beach. 2021

*Averages for 3-bedroom, 2 bath single-family home.

**Credits available if existing square footage is demolished or dwelling units are replaced.

Does not include possible cost for an environmental impact report or related consultant fees.

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 improvements and traffic control devices 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 street improvements and other public works projects, to facilitate continued development according to 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.

B. Non-Governmental Constraints

1. Environmental Constraints

Environmental constraints include physical features such as steep slopes, geological hazards, floodplains, or sensitive biological habitat. In many cases, development in these areas is constrained by State and Federal laws (e.g., FEMA floodplain regulations, the Clean Water Act, Endangered Species Act, Coastal Act, State Fish and Game Code and the Alquist-Priolo Act). The City's Coastal Land Use Plan and General Plan have been designed to protect sensitive areas from development and to protect public safety, as required by State and Federal law. Environmentally sensitive areas are generally zoned and protected as parklands. However, a significant portion of the city is within the Coastal Zone wherein impacts to coastal resources are always of concern. In addition, portions of the city are located on moderately steep hillsides and some areas are subject to liquefaction. While policies constrain residential development to some extent, they are necessary to support other public policies.

2. Infrastructure Constraints

With about 20,000 people living within its 1.3 square miles and virtually no vacant land, the City's growth is limited to redevelopment and replacement of existing structures. This section discusses potential infrastructure constraints on such development.

Water and Wastewater. Water and wastewater systems are generally able to serve existing demands. Most new development will continue to be replacement of existing structures, and water and sewer capacities are projected to be sufficient to accommodate this replacement during the planning period. However, significant deficiencies in the sewer system exist and rehabilitation is necessary, and new development may require offsite improvements. The City Council approved Sewer System Master and Management Plans identifying the cost to repair the 80-year-old system at \$9 million over 10 years, which is incorporated in the annual City budget.

The City also has adopted a Storm Drain Master Plan, with annual storm drain improvements included in the annual City budget. Water infrastructure is replaced and

developer improvements are in accordance with the schedules and requirements of the service providers.

Streets and Parking. One of the primary infrastructure issues associated with the current level of development is the limited capacity of on-street parking. As a dense beach city inundated by tourists throughout the summer months, there can sometimes be a shortage of adequate parking in many areas. The City addresses this constraint incrementally by ensuring that all new developments, both residential and commercial, provide adequate off-street parking so they do not need to rely on on-street parking.

Streets in Hermosa Beach are subject to high levels of traffic, which are further impacted by new development. The great majority of the traffic, especially during the summer months, consists of through-traffic over which the City has no control. Because of the city's location in relation to the regional freeway system, access to the surrounding region is limited to the arterial roadways. The many thousands of visitors to the local beaches also affect parking and other services.

Drainage. Urban storm water run-off is a challenging issue because Hermosa Beach is an oceanfront community with over 90% impermeable ground surface. In addition to best management practices (BMPs) implemented through its regional storm water discharge permit, the City also requires infiltration basins, when appropriate, with new developments. The City has adopted rules to allow and encourage pervious surfaces and also adopted Cal-Green building standards in 2019 exceeding State requirements by requiring increased permeability or infiltration in connection with new development. The City has installed an award-winning infiltration project in the downtown area, which should serve as a model for other areas. Additionally, the City adopted Low Impact Development Requirements for New Development and Redevelopment Projects (Municipal Code Sec. 8.44.095).

Dry utilities. Dry utilities such as electricity, telephone and cable are provided by private companies and are currently available in the areas where future residential development is planned. When new development is proposed the applicant coordinates with utility companies to arrange for the extension of service. There are no known service limitations that would restrict planned development during the planning period.

3. Land Costs

Land represents one of the most significant components of the cost of new housing. Land values fluctuate with market conditions, and the downturn in the housing market following the 2008 mortgage crisis had a negative effect on property values. In recent years real estate values have increased significantly.

Per-unit land cost is directly affected by density – higher density allows the land cost to be spread across more units, reducing the total price. Most new residential development in the city consists of one to two units per lot, and recent trends indicate redevelopment projects have been maximizing density. However, no land was available for sale during the writing of this Housing Element.

4. Construction Costs

Residential construction costs are estimated by the Community Development Department at \$500 per square foot and higher, usually due to the type of construction and amenities

desired by developers. Construction cost is affected by the price of materials, labor, development standards, and general market conditions. The City has no influence over materials and labor costs, and the building codes and development standards in Hermosa Beach are not substantially different from other cities in the South Bay area. Since most development consists of private redevelopment where impact fees and major infrastructure or offsite improvements are typically not required, it is likely that costs are lower than in many cities. The City's building code amendments do not add substantial cost.

5. Cost and Availability of Financing

Hermosa Beach is similar to most other California communities with regard to private sector home financing programs. Although the mortgage crisis that began in 2008 affected the availability of real estate loans, interest rates are at historic low levels. For buyers with good credit, the current low interest rates significantly reduce the cost of housing.

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, resales of existing homes, and permits for remodeling, it does not appear that redlining is practiced in any area of the city.

6. Timing and Density

Due to very high land cost and limited available sites, development projects typically maximize the allowable density. Furthermore, to accommodate the City's 6th cycle RHNA, much of the new housing is anticipated in the high density residential and commercial districts where mixed use and residential uses are permitted at a density range of 25.1 to 33.0 units per acre.

The timeline of development projects from project approval to building permit application can vary from project to project depending on multiple factors unrelated to City requirements, and may be impacted by the availability of financing, contractors, labor, and materials. In reviewing the most recent residential development projects during the last four years, the average time between project approval and building permit application is about 118 days, with a median of 93 days.

Appendix A

Evaluation of the 2014-2021 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. The Housing Element update included a review the housing goals, policies, and programs of the prior Housing Element, and evaluated the degree to which those programs have been implemented during the previous planning period. The Housing Element update also included an assessment of the appropriateness of goals, objectives and policies. The findings from this evaluation have been instrumental in determining the City's Housing Implementation Program for the 2021-2029 planning period.

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 presents the City's progress in meeting the quantified objectives from the previous Housing Element.

The City has limited funding to address housing needs. However over the past cycle, the City accomplished the following for special needs populations:

- Approved two reasonable accommodation requests to address the housing needs of persons with disabilities.
- Promoted the ADU development in the community, which benefits elderly and lower income households. ADU activities increased significantly in 2021 and 2022.
- Preserved the affordability of Marine Land Mobile Home Park by facilitating the conversion of the park into resident ownership.
- Provided rental assistance to at-risk homeless through the PLHA funds administered by LACDA.

Table A-1
Housing Element Program Effectiveness Evaluation
City of Hermosa Beach
2014-2021

Name of Program	Objective	Status of Program Implementation	Continued Appropriateness
Program 1 Density Bonus.	Continue to make information available on the density bonus program through brochures and the City website throughout the planning period.	<p>The City continued to implement this program. No requests for density bonus were submitted. Most new units in Hermosa Beach are typically small 1-4 replacement units.</p> <p>For the 6th cycle 2021-2029, larger sites identified for housing are along the City's commercial corridors, including small parcels under the same ownership that could be consolidated. The City has a lot consolidation program that provides increased density for consolidated lots.</p>	Ongoing and included in the Housing Element.
Program 2 Housing Sites Database.	The City will ensure that adequate sites are available to accommodate its new housing need for the 2014-2021 planning period, and continue to maintain its comprehensive land use database as means to identify suitable sites for new residential development. This database provides zoning and other information for every parcel in the City, and includes information regarding underdeveloped and undeveloped parcels.	<p>The City continued to maintain a database of adequate sites to accommodate housing needs. This program should be revised to reflect the 6th cycle sites inventory.</p> <p>The City receives occasional inquiries from developers for some older, underutilized commercial sites. To be more proactive and encourage new residential development along the corridors, the program should provide a dedicated webpage with opportunity sites information and contacts to make the information more accessible to interested developers for 2021-2029 6th Cycle.</p>	Ongoing and revised to add dedicated webpage with opportunity sites information and contacts in July 2023.

Name of Program	Objective	Status of Program Implementation	Continued Appropriateness
Program 3 Mobile Home Conservation.	Provide for the ongoing maintenance and conservation of the Marine Land Mobile Home Park located at 531 Pier Avenue. The 60-space park provides housing for extremely-low-, very-low- and low-income households. The Hermosa Court Recreational Vehicle Park with 19 pads at 725 10th Street also provides transitional housing space for those persons or households in transition from an RV to apartment or home. The Mobile Home Park has obtained state funding to convert to a resident owned park.	<p>Conversion of the Marine Land Mobile Home Park to resident ownership was completed in 2013. This program should be continued.</p> <p>Income limits are verified for new buyers according to extremely-low, very-low and low-income restrictions and reviewed and approved for conformance by the Homeowners Board prior to purchase to maintain these affordable for-sale units.</p>	Completed. Review of this program indicates affordable housing is preserved through covenants and Homeowner board review.
Program 4 Code Enforcement.	The Code Enforcement Program is responsible for enforcing those sections of the Municipal Code related to property maintenance, including zoning, property maintenance, illegal units, trash container regulations, construction without permits, and sign regulations. The Code Enforcement Officer assists and makes recommendations to other City departments, such as conducting inspections of business licenses, home occupation offenses, and obstructions in public right-of-way	<p>The Code Enforcement program was implemented. This program is effective and should be continued with a change in description. This description was provided before the program was implemented.</p> <p>The Program description should be revised to reflect actual activities and should specifically include housing stock preservation through nuisance maintenance cases and neighborhood preservation through response to neighbor complaints, in addition to response to residents asking about Fair Housing.</p>	Ongoing and revised to include Code Enforcement housing preservation and neighborhood preservation activities.

Name of Program	Objective	Status of Program Implementation	Continued Appropriateness
Program 5 Affordable Housing Development Outreach and Assistance.	Investigate the feasibility of expanding CDBG funding and Section 8 rental vouchers to qualifying households. If the City is successful in obtaining increased CDBG funding and/or expanding Section 8 rental vouchers for residents, this information will be posted in the Community Center, on the City's website, in handouts provided in the information kiosk in the City Hall lobby, and in the local library. Brochures will also be provided to local service clubs including the local "Meals on Wheels" program, local dial-a-ride service, the local recreation center, and emergency shelters in the area.	<p>The City continued to provide information in support of CDBG and Section 8 programs. No developers have expressed interest in pursuing affordable housing development.</p> <p>Hermosa Beach receives CDBG fund distribution through Los Angeles County Community Development Authority (LACDA) since it is a small city with a population of 19,614. During the 2013-2021 5th Cycle period the City has designated its \$60,000-\$63,000 annual funding for residential neighborhood sidewalks replacement. The City intends to continue use of CDBG funds for this neighborhood preservation purpose.</p> <p>This program should be continued and expanded to add Section 8 information to the City's website with information for property owners to encourage participation and information for residents seeking properties available through Section 8 housing vouchers.</p> <p>It should be noted that new Permanent Local Housing Allocation (PLHA) funds, also distributed through LACDA, have been designated for Rental Assistance programs to help LA County residents, including Hermosa Beach residents, stay in their homes and avoid becoming at-risk of homelessness.</p>	Ongoing, revised and expanded information on City's website by July 2023.
Program 6 Fair Housing.	Provide assistance to local fair housing organizations to address complaints regarding housing discrimination within the City and provide counseling in landlord/tenant disputes.	<p>The City continued to promote fair housing. This program should be continued, revised and expanded to address Affirmatively Furthering Fair Housing (AFFH) policies and the City's AFFH analysis.</p> <p>The City should include Fair Housing information on its website, including the LA County LACDA and non-profit Housing Rights Center.</p> <p>Easy Fair Housing information and access will assist residents and allow City Staff, not just Code Enforcement, to answer these inquiries.</p>	Ongoing, revised and expanded information on City's website by July 2023.

Name of Program	Objective	Status of Program Implementation	Continued Appropriateness
Program 7 Zoning for Special Needs and Affordable Housing.	Continue to monitor changes in state law regarding regulations related to persons with special needs and affordable housing.	The City continued to monitor state law regarding special needs and affordable housing. New state laws will be addressed for special needs and affordable housing as part of the Comprehensive Zoning Code update underway, expected to be considered for approval in July 2023.	Ongoing and revised. State laws incorporated for Special Needs and Affordable Housing included with Housing Element rezoning and Comprehensive Zoning Code update expected to be approved by City Council in July 2023.
Program 8 Facilitate Efficient Use of Sites that Allow High-Density Residential Development.	Facilitate affordable housing development on sites that allow high-density residential development including reducing constraints posed by small lot sizes.	<p>The City continued to encourage affordable housing development; however, no applications have been submitted.</p> <p>This program is expanded through allowance of residential in commercial zones for mixed-use and 100% residential with affordable housing as part of the 6th cycle rezoning program and Comprehensive Zoning Code update underway and expected to be considered for approval in July 2023.</p>	Ongoing, revised and expanded with introduction of mixed-use and 100% residential with affordable housing through Housing Element rezoning and Comprehensive Zoning Code update expected to be approved by City Council in July 2023.
Program 9 Sustainable Housing Development	In 2013 the City embarked on a comprehensive update to the General Plan. One of the primary themes of the new General Plan will be community sustainability. As part of the General Plan update, state-of-the-art options to improve sustainability and energy conservation will be reviewed, and those that are appropriate for Hermosa Beach will be pursued. New initiatives related to residential development will be incorporated into the Housing Element, as appropriate.	<p>In 2017 the General Plan update was adopted. This program should be continued.</p> <p>This program description should be revised to include the General Plan Amendments underway, including the Housing Element, Safety Element, and Comprehensive Zoning Code update underway including necessary rezonings to meet the City's RHNA allocation and expected to be considered in July 2023. Sustainability is prioritized throughout the 2017 General Plan and will be continued in the General Plan Amendments.</p> <p>The City also implements the State's Green Building Code. EV charger and solar panel permits also are expedited for processing.</p>	<p>General Plan adoption in 2017.</p> <p>General Plan Amendments underway with prioritized sustainability throughout, including the Housing Element, Safety Element, and Comprehensive Zoning Code update underway including necessary rezonings to meet the City's RHNA allocation and expected to be considered for approval in July 2023.</p>

Table A-2
Progress in Achieving Quantified Objectives
City of Hermosa Beach
2014-2021

Program Category	Quantified Objective	Progress
New Construction¹		
Extremely Low	1	-
Very Low	-	-
Low	1	-
Moderate	-	15
Above Moderate	-	10
Total	2	25
Rehabilitation²		
Extremely Low	10	10
Very Low		
Low		
Moderate		
Above Moderate	-	-
Total	10	-
Conservation³		
Extremely Low	60	60
Very Low		
Low		
Moderate		
Above Moderate	-	-
Total	60	60

1 Quantified objective and progress for new construction reflect units built 2014-2021

2 Private repairs

3 Mobile Home Park and RV Park units

Appendix B Residential Land Inventory

1. Regional Housing Need Allocation (RHNA)

State law requires each city to include in its Housing Element an inventory of vacant parcels having the potential for residential development, or “underutilized” parcels with potential for additional development or redevelopment. The purpose of this inventory is to evaluate whether there is sufficient capacity, based on the General Plan, zoning and development standards to accommodate the City’s assigned share of regional growth needs as identified in the 2021-2029 Regional Housing Needs Assessment (RHNA). This analysis represents an assessment of the City’s realistic development potential. Actual development will depend on the intentions of each property owner, market conditions and other factors. The methodology and assumptions for the residential land inventory are provided below.

The City has been allocated a need of 558 units during the 2021-2029 projection period, which are distributed among the following income categories:

Very-low income	232 units
Low income	127 units
Moderate income	106 units
Above-moderate income	93 units

Projected ADUs

Pursuant to State law, the City may credit potential ADUs to the RHNA requirements by using the trends in ADU construction to estimate new production. Hermosa Beach had a slow start with ADU construction with the changes in State law. However construction of ADUs significantly increased over the last two years. The City’s five-year ADU records are:

2018 – 1 unit
2019 – 1 unit
2020 - 1 unit
2021 – 16 units
2022 – 14 units

Based on this data, the City has an average of 6.6 ADUs annually over the past five years. However, given the sharp rise in ADU activities in the last two years at the beginning of this RHNA cycle, the City anticipates an average of eight ADUs annually for 64 units over eight years. This projection assumes some tapering off of interest in later years.

SCAG conducted a regional analysis of existing ADU rents in April and June 2020. The analysis broke down Los Angeles County into two survey areas. The City of Hermosa Beach is located within in the LA County I study area. The analysis resulted in affordability

assumptions for jurisdictions in this study area, that allocated 15 percent to extremely low income, 2 percent to very low income, 43 percent to low income households, 6 percent to moderate income, and 34 percent to above moderate income households.

Based on the ADU rent survey conducted by SCAG, of the 64 ADUs projected to be built, 10 units will be for extremely low income households, one unit for very low income households, 28 for low income households, four for moderate income households and 21 units for above moderate income households.

Remaining RHNA

Accounting for the projected ADUs, the City has a remaining RHNA of 494 units. The City must identify adequate sites with appropriate density and development standards to accommodate this remaining RHNA.

**Table B-1
RHNA Status**

	RHNA	ADU Projection	Remaining RHNA
Extremely Low (<30%)	116	10	106
Very Low (31-50%)	116	1	115
Low (51-80%)	127	28	99
Moderate (81-120%)	106	4	102
Above moderate (120%+)	93	21	72
Total	558	64	494

Note: While RHNA does not separately identify an allocation for extremely low income households, State law required jurisdictions to estimate the projected housing needs of this income group. The acceptable methodology is to assume 50% of the very low income RHNA as extremely low income.

2. Availability of Sites

For potential new units in a city's land inventory, State law establishes affordability assumptions based on density. The "default" density for small metropolitan jurisdictions, including Hermosa Beach, is 20 units per acre⁸. This means that if the General Plan and zoning allow development at 20 units per acre or greater, these sites are deemed appropriate to accommodate housing for lower-income households.

In Hermosa Beach, the following residential zoning districts allow multi-family development at densities greater than 20 units/acre:

<u>District</u>	<u>Allowable Density</u>
R-2	24.9 units/acre
R-2B	24.9 units/acre
R-3	33 units/acre
R-P	33 units/acre

Also the C-1 commercial district allows mixed-use development at a density of 33 units/acre. The allowable densities in all of these districts are significantly greater than the

⁸ Government Code §65583.2(c)(3)(B)

state default density of 20 units/acre; therefore, they are considered suitable for accommodating the City's lower-income housing need.

However, the City has few vacant or underutilized sites in these districts to accommodate new housing. As a strategy to meeting the City's RHNA obligations, the City proposes to allow residential and mixed use development in the C-2, C-3, SPA-7, SPA-8, SPA-11, and M-1 zones. A residential density of 25.1-33.0 units per acre will be permitted.

3. Redevelopment Trends in South Bay

Throughout the South Bay region, redevelopment of existing underutilized commercial properties into residential and mixed use projects has become a significant trend. The impacts of COVID (such as accelerated trends of online shopping and remote working) have resulted in increased redevelopment of commercial properties into residential/mixed use projects. Table B-2 below provides a sample of recycling underutilized commercial properties in the South Bay region.

**Table B-2
Redevelopment Trends in South Bay**

Community	Location/Project	Prior Uses	Redevelopment
Redondo Beach	South Bay Galleria	Shopping mall	Infilling existing parking areas with 650 residential units
Redondo Beach	Alcast Foundry	RV parking and truck storage	Consolidation of six parcels for development of 36 townhomes
Rolling Hills Estates	927 Deep Valley Drive	Medical office	Demolition of existing office building to construct 75 units
Rolling Hills Estates	Peninsula Pointe	Office	Conversion of an office building into an 80-unit residential care facility
El Segundo	Pacific Coast Commons	Excess parking for Fairfield Inn and Suites and Aloft Hotel	263 units and 11252 square feet of retail
Hermosa Beach	2700 Manhattan Ave	Restaurant and two units	Commercial space and three residential units
Manhattan Beach	Verandas	Verandas Beach House – an event venue	79 housing units
Manhattan Beach	1701-1707 Artesia	Closed antique shop and single-family home	14 housing units
Torrance	18045 Western Avenue	Truck storage and auto-related uses	Mixed use project with 32 housing units
Torrance	18080-18090 Prairie Ave	Single-family home, store, and church	24 townhomes
Lomita	2457 Lomita Blvd.	Equipment rental yard	220 studio, one-bedroom, and two-bedroom apartments

4. Identification of Parcels

The City has been in discussions with several property owners who have expressed interest in redeveloping their properties for residential or mixed use development. In addition, the City has identified sites that are underutilized and possess characteristics that are consistent with sites where owners have expressed interest in redevelopment or with sites that have been redeveloped or proposed for redevelopment in the South Bay region. These properties are described in detail in Table B-4 (Sites Identified for Rezoning).

Sites are included in the inventory if they meet a, b, OR c:

- a. Owner or developer interest
- b. Vacant land
- c. Vacated building or high vacancy

For sites not meeting any of the factors above, they are included in the inventory if they meet at least two of the following four factors:

- d. Uses are consistent with uses that are being redeveloped in the region, as shown in Table B-2.
- e. Existing FAR: Minimal structures or improvements on site, such as parking lots – a low floor area ratio. A FAR of 1.0 is used as threshold, based on Hermosa Beach sites inventory parcels with owner and developer interest.
- f. Low improvement to land ratio (ILR): Threshold used is 0.60, based on Hermosa Beach sites inventory parcels with owner and developer interest.
- g. Age of structures: Threshold used is year built prior to 1990. Hermosa Beach sites inventory parcels with property owner and developer interests show a wide range of age, including buildings constructed in 1968. However, buildings constructed prior to 1990 are typically not compliant with ADA requirements. Any major renovation would require the buildings be brought up to code, which may be cost prohibitive and physically not feasible.

Table B-4 provides values for existing FAR, improvement to land value ratio (ILR), and age of structure. For parcels that belong to the same grouping, these values are averaged for the group.

2. Sites Inventory

Table B-3 summarizes the City's inventory of sites compared to the RHNA, while potential vacant and underutilized sites for residential development are listed in Tables B-2 and B-3, respectively. The City's current inventory of sites does not have adequate capacity to fully accommodate the RHNA allocation for the planning period. Therefore, as required by

State law⁹ Program 9 in the Housing Policy Plan includes a commitment to process zoning amendments for sufficient sites to accommodate the shortfall. Sites to be rezoned are identified in Table B-4.

Table B-3
Land Inventory Summary vs. RHNA

	Income Category				Total
	VL	Low	Mod	Above	
RHNA (2021-2029)	232	127	106	93	558
Accessory dwelling units	11	28	4	21	64
Remaining RHNA	221	99	102	72	494
Sites Inventory (Table B-4)	355		168	80	603
% Buffer Above Remaining RHNA	11%		65%	11%	22%

Source: Hermosa Beach Community Development Dept., 2023

Figure B-1 illustrates the location of these parcels identified for rezoning. Many parcels are contiguous and owned by the same owners. They are grouped by the site/area number. Only contiguous parcels that are owned by no more than two property owners and can consolidate into a site larger than 0.5 acre (and more than 16 units based on minimum density) are used to fulfill lower income RHNA obligations. Contiguous parcels with multiple owners are grouped but not used for lower income RHNA.

Realistic Capacity

Because Hermosa Beach is completely developed, there are no recent examples of large-scale housing or mixed-use development in the city. However, the densities that would be allowed on rezoned sites (maximum density at 33 and 50 units/acre) would create a substantial financial incentive for redevelopment. Due to extremely high land values, developers are likely to maximize yields on these properties. Also, the trend of redevelopment in the South Bay area is robust, introducing residential uses into existing commercial corridors. However, as a conservative strategy, other than the City-owned properties, capacity at all identified parcels are estimated based on minimum density of 25.1 units per acre.

Infrastructure (including sufficient water, sewer, and dry utilities) for affordable housing development is not a constraint.

City-owned Sites

City-owned sites are expected to be long-term leases for housing rental properties. If any City-owned site is sold, it will be in compliance of the Surplus Lands Act. The City is in an early stage of analyzing of the City-owned property for potential redevelopment. Upon City Council approval, a Request For Proposals (RFP) would be issued for a development partner for a public-private partnership to creatively redevelop city-owned properties to better meet the City's needs and achieve affordable multi-family and senior housing. It is anticipated that the City would develop the public-private partnership RFP in 2024,

⁹ Government Code Sec. 65583.2(h)

complete design work, environmental review, and associated approvals in 2024/2025, with construction to begin in the 2026/2027 period.

Draft

Table B-4
Sites Inventory

Site/ Area No.	Address	APN	Existing/ Proposed GP	Existing Zoning	Proposed Zoning	Min. Den.	Max. Den.	Parcel Size (acres)	Existing Use	Capacity Based on Minimum Density					Factors for Selection	Owner/ Developer Interest	Owners
										Very Low	Low	Mod	Above Mod	Total			
10	552 11th Place	4187-020-907	PF Public Facilities	M-1 Light Manufacturing	PF Public Facility	34	50	1.00	Self-Storage	-	25	25	-	50	FAR: 0.0 ILR: 0 Year Built: NA This city-owned property currently has a month-to-month lease for a public storage facility. It is surrounded on two sides by medium density housing. City is currently working with a real estate development analysis firm to determine potential public-private-partnership for housing development, including affordable housing. Proposed General Plan and Public Facility zoning is 34-50 units per acre, for a total yield of 50 units. Potential RFP in 2025 and construction in 2026. Factors for Selection: a, d, e, f, g	Y	City of HB
11	710 Pier Avenue	4187-024-902	PF Public Facilities	O-S Open Space	PF Public Facility	34	50	1.00	Community Center	30	20	-	-	50	FAR: 0.0 ILR: 0 Year Built: NA This city-owned community center property is currently under study by a real estate development analysis firm to determine potential public-private-partnership for senior affordable housing development of up to 50 units. This site is ideal for senior housing due to smaller units, reduced parking needs, services offered at community center, available onsite parking and proximity to PCH bus transportation and grocery/drug stores directly across Pier Avenue. Proposed General Plan and Public Facility zoning will be changed to 34-50 units per acre, for a total yield of 50 units. Potential	Y	City of HB

Site/ Area No.	Address	APN	Existing/ Proposed GP	Existing Zoning	Proposed Zoning	Min. Den.	Max. Den.	Parcel Size (acres)	Existing Use	Capacity Based on Minimum Density					Factors for Selection	Owner/ Developer Interest	Owners
										Very Low	Low	Mod	Above Mod	Total			
															RFP in 2024 and construction in 2026 or 2027. Factors for Selection: a, d, e, f, g		
28	911 1 st Street	4186-026-047	CC Community	SPA-7 Specific Plan		25.1	33	0.46	Commercial Parking	-	-	-	12	12	FAR: 0.0 ILR: 0 Year Built: NA Currently zoned commercial, this vacant former parking lot site is surrounded on three sides by low-to-medium density residential. The owner is interested in developing 12 for-sale units, likely at the moderate and above-moderate income levels. Factors for Selection: a, d, e, f, g	Y	1ST STREET PARTNERS LLC C/O LUIGI SCHIAPPA DEVELOPMENT
28	102 PCH	4186-026-804	CC Community	SPA-7 Specific Plan		25.1	33	0.4	Utility Switching Station	-	-	5	5	10	FAR: 1.0 ILR: NA Year Built: NA Built in 1975, this telephone/ internet utility structure and supporting parking lots once served hundreds of employees and included a credit union, cafeteria, executive offices, technician desks and large number of phone operator desks. The building currently houses telephone/internet equipment in approximately 20% of the building with only a handful of employees. The owner has recently approached the City to discuss adaptive reuse of this Art Deco building, with equipment consolidation and introduction of housing uses. At least two affordable housing developers have expressed interest in working with the property owner to convert a portion of the building into residential units. Factors for Selection: a, d, e, f, g	Y	GTE CALIF INC SBE 201-19- 874B PAR 5 6PTS
28	102 PCH	4186-026-806	CC Community	SPA-7 Specific Plan		25.1	33	0.2	Utility Switching Station	-	-	5	-	5			
28	102 PCH	4186-026-801	CC Community	SPA-7 Specific Plan		25.1	33	0.1	Utility Switching Station	-	-	3	-	3			
28	102 PCH	4186-026-805	CC Community	SPA-7 Specific Plan		25.1	33	0.09	Utility Switching Station	-	-	3	-	3			
28	1st Street and PCH	4186-026-800	CC Community	SPA-7 Specific Plan		25.1	33	0.5	Commercial Parking	-	-	6	7	13			

Site/ Area No.	Address	APN	Existing/ Proposed GP	Existing Zoning	Proposed Zoning	Min. Den.	Max. Den.	Parcel Size (acres)	Existing Use	Capacity Based on Minimum Density					Factors for Selection	Owner/ Developer Interest	Owners
										Very Low	Low	Mod	Above Mod	Total			
19	1103 Aviation Boulevard	4185-017-015	GC Gateway	C-3 General and Highway Commercial		25.1	33	1.3	Multi-tenant Commercial	24	8	-	-	32	FAR: 1.0 ILR: 0.34 Year Built: 1964 Older 1975 commercial site with multiple tenant retail. Developer inquired about adding residential uses to commercial property. Low density residential is adjacent to the rear of the property.	Y	KENNARD,BAR BARA S TR BARBARA S KENNARD TRUST AND HOROWITZ,RAL PH TR HOROWITZ TRUST
19	1209 Aviation Boulevard	4185-017-014	GC Gateway	C-3 General and Highway Commercial		25.1	33	0.5	Commercial Parking	6	5	-	-	11	Factors for Selection: a, d, e, f, g	Y	SELECTIVE API ONE LLC
19	1062 AVIATION	4186-001-008	CC Community	C-3 General and Highway Commercial		25.1	33	0.12	Retail - Nursery	-	-	3	-	3	FAR: 0.7 ILR: 0.11 Year Built: 1964	-	MARIE SOLYMOSI
19	1062 AVIATION	4186-001-007	CC Community	C-3 General and Highway Commercial		25.1	33	0.11	Retail - Nursery	-	-	2	-	2	Factors for Selection: d, e, f, g		
2	1732 Monterey Boulevard	4183-016-028	MD Medium Density/ HD High Density	R-2 Two Family Residential	R-3 Multiple Family Residential	25.1	33	0.07	1 Unit	-	2	-	-	2	FAR: 0.5 ILR: 0.56 Year Built: 1923-1968	Y	RECTOR, WARDENS AND VESTRYMEMBE RS ST CROSS PARISH HERMOSA BEACH
2	1736 Monterey Boulevard	4183-016-029	MD Medium Density/ HD High Density	R-2 Two Family Residential	R-3 Multiple Family Residential	25.1	33	0.07	1 Unit	-	2	-	-	2	Leaders at St. Cross Church reached out the City to explore ways to add additional units to their property portfolio, which includes 15 lots with historic church, 18 existing units and parking lots. The church seeks to add housing units for the dual purpose of providing affordable housing to the community and market rate units to help offset costs for affordable units. The church has rented units to homeless veterans, refugees, and formerly to a women's shelter. It is recommended to explore options to help add affordable units, including consideration of SROs or a Planned Unit Development (PUD). St. Cross Church wrote a letter of		
2	1818 Monterey Boulevard	4183-016-040	MD Medium Density/ HD High Density	R-2 Two Family Residential	R-3 Multiple Family Residential	25.1	33	1.2	Religious Institution	30	-	-	-	30			
2	302 19th Street	4183-016-033	MD Medium Density/ HD High Density	R-2 Two Family Residential	R-3 Multiple Family Residential	25.1	33	0.07	5 Units and Wireless Comm. Site	-	2	-	-	2			
1	1900 Monterey Boulevard	4182-019-001	LD Low Density/ HD High Density	R-1 Single- Family Residential	R-3 Multiple Family Residential	25.1	33	0.08	3 Units	1	2	-	-	3			

Site/ Area No.	Address	APN	Existing/ Proposed GP	Existing Zoning	Proposed Zoning	Min. Den.	Max. Den.	Parcel Size (acres)	Existing Use	Capacity Based on Minimum Density					Factors for Selection	Owner/ Developer Interest	Owners
										Very Low	Low	Mod	Above Mod	Total			
1	1908 Monterey Boulevard	4182-019-002	LD Low Density/ HD High Density	R-1 Single-Family Residential	R-3 Multiple Family Residential	25.1	33	0.06	Private Parking Lot	-	2	-	-	2	support for Housing Element recommending RHD zoning. Factors for Selection: a, d, e, f, g		
1	1914 Monterey Boulevard	4182-019-003	LD Low Density/ HD High Density	R-1 Single-Family Residential	R-3 Multiple Family Residential	25.1	33	0.06	2 units	0	2	-	-	2			
2	1718 Loma Drive	4183-016-011	MD Medium Density/ HD High Density	R-2 Two Family Residential	R-3 Multiple Family Residential	25.1	33	0.06	2 Units	0	2	-	-	2			
2	1722 Loma Drive	4183-016-012	MD Medium Density/ HD High Density	R-2 Two Family Residential	R-3 Multiple Family Residential	25.1	33	0.06	1 Unit	1	2	-	-	3			
2	1730 Loma Drive	4183-016-035	LD Low Density/ HD High Density	R-1 Single-Family Residential	R-3 Multiple Family Residential	25.1	33	0.1	1 Unit	1	2	-	-	3			
2	1734 Loma Drive	4183-016-036	LD Low Density/ HD High Density	R-1 Single-Family Residential	R-3 Multiple Family Residential	25.1	33	0.1	2 Units	1	2	-	-	3			
2	Loma Drive and 19th Street	4183-016-037	LD Low Density/ HD High Density	R-1 Single-Family Residential	R-3 Multiple Family Residential	25.1	33	0.09	Private Parking Lot	1	2	-	-	3			
2	Loma Drive and 19th Street	4183-016-038	LD Low Density/ HD High Density	R-1 Single-Family Residential	R-3 Multiple Family Residential	25.1	33	0.1	Private Parking Lot	1	2	-	-	3			
2	1854 Loma Drive	4183-016-039	LD Low Density/ HD High Density	R-1 Single-Family Residential	R-3 Multiple Family Residential	25.1	33	0.1	Private Parking Lot	1	2	-	-	3			
2	1902 Loma Drive	4183-023-022	LD Low Density/ HD High Density	R-1 Single-Family Residential	R-3 Multiple Family Residential	25.1	33	0.1	Private Parking Lot	1	2	-	-	3			

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										Very Low	Low	Mod	Above Mod	Total			
5	565 Pier Avenue	4183-018-013	CC Community	SPA-11 Specific Plan		25.1	33	0.24	Multi-tenant Commercial	-	-	3	3	6	FAR: 0.6 ILR: 0.57 Year Built: 1957-1963	Y	555 PIER AVENUE LLC C/O RIVIERA CENTER MGMT CO
5	555 Pier Avenue	4183-018-015	CC Community	SPA-11 Specific Plan		25.1	33	0.49	Multi-tenant Commercial	-	-	6	6	12	Property owner communicated to staff regarding interest in redevelopment. Factors for Selection: a, d, e, f, g		
4	517 Pier Avenue	4183-018-018	CC Community	SPA-11 Specific Plan		25.1	33	0.07	Offices	-	-	-	1	1	FAR: 0.6 ILR: 0.57 Year Built: 1957-1963 Factors for Selection: d, e, f, g	-	WRAY, RICHARD AND DOLORES TRS WRAY FAMILY TRUST
4	513 Pier Avenue	4183-018-017	CC Community	SPA-11 Specific Plan		25.1	33	0.07	Offices	-	-	-	1	1	FAR: 0.7 ILR: 0.37 Year Built: 1939-1957 Factors for Selection: d, e, f, g	-	BAKER AND BURTON
4	509 Pier Avenue	4183-018-016	CC Community	SPA-11 Specific Plan		25.1	33	0.07	Multi-tenant Commercial	-	-	-	1	1		-	WWS PIER LLC
4	507 Pier Avenue	4183-018-007	CC Community	SPA-11 Specific Plan		25.1	33	0.07	Multi-tenant Commercial	-	-	-	1	1		-	REFOUA LLC
4	445 Pier Avenue	4183-018-006	CC Community	SPA-11 Specific Plan		25.1	33	0.07	Multi-tenant Commercial	-	-	-	1	1			
4	433 Pier Avenue	4183-018-005	CC Community	SPA-11 Specific Plan		25.1	33	0.07	Restaurant	-	-	-	1	1			
4	425 Pier Avenue	4183-018-004	CC Community	SPA-11 Specific Plan		25.1	33	0.07	Multi-tenant Commercial	-	-	-	1	1		-	CAPALDI, DINO AND LEA TRS D AND L CAPALDI TRUST
4	405 Pier Avenue	4183-018-001	CC Community	SPA-11 Specific Plan		25.1	33	0.07	Personal Services	-	-	-	1	1		-	DANESHMAND, MEHDI K AND ROSA TRS DANESHMAND FAMILY TRUST
4	337 Pier Avenue	4183-018-026	CC Community	SPA-11 Specific Plan		25.1	33	0.08	Restaurant	-	-	2	-	2		-	SACKLEY, STUART H TR SACKLEY FAMILY TRUST
4	321 Pier Avenue	4183-017-025	CC Community	SPA-11 Specific Plan		25.1	33	0.17	Personal Service ground floor and residential on second floor	-	-	4	-	4		-	HB 321 PIER AVE LLC

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										Very Low	Low	Mod	Above Mod	Total			
4	419 Pier Avenue	4183-018-003	CC Community	SPA-11 Specific Plan		25.1	33	0.05	Multi-tenant Commercial	-	-	-	1	1	FAR: 0.6 ILR: 0.38 Year Built: 1955 Owner provided preliminary plans for 4 residential units on 2nd and 3rd floor. Currently zoned commercial only. Zoning development standards to be determined with residential standards. Factors for Selection: a, d, e, f, g	Y	419 PIER AVENUE LLC
4	411 Pier Avenue	4183-018-002	CC Community	SPA-11 Specific Plan		25.1	33	0.07	Personal Services	-	-	-	1	1	FAR: 0.5 ILR: 0.42 Year Built: 1945 Owner interested in adding small residential units on 2nd and 3rd floors. Factors for Selection: a, d, e, f, g	Y	AESTHETIC HORIZONS INC C/O JONATHAN DAVID
7	338 Pier Avenue	4187-011-054	CC Community	SPA-11 Specific Plan		25.1	33	0.17	Office	-	-	4	-	4	FAR: 3.84 ILR: 1.65 Year Built: 2010 While this parcel appears newer, it is located between blocks of parcels that exhibit potential for conversion into mixed use development. Office buildings also often have higher FAR and ILR. However, with increased remoting working, this site can present opportunity for redevelopment. Factors for Selection: b, d	-	BLAKE HOLDINGS LLC C/O DAVID MCGOVERN
8	400 Pier Avenue	4187-019-037	CC Community	SPA-11 Specific Plan		25.1	33	0.21	Offices	-	-	5	-	5	FAR: 1.0 ILR: 0.60 Year Built: 1915-2010 Factors for Selection: d, e, f, g	-	BLAKE HOLDINGS LLC C/O DAVID MCGOVERN
8	420 Pier Avenue	4187-019-003	CC Community	SPA-11 Specific Plan		25.1	33	0.11	Restaurant	-	-	2	-	2		-	PIER PROPERTIES LLC
8	422 Pier Avenue	4187-019-022	CC Community	SPA-11 Specific Plan		25.1	33	0.23	Multi-tenant Commercial	-	-	5	-	5		-	

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										Very Low	Low	Mod	Above Mod	Total			
9	506 Pier Avenue	4187-020-020	CC Community	SPA-11 Specific Plan		25.1	33	0.1	Offices	-	-	1	-	1	FAR: 1.0 ILR: 0.27 Age of Structure: 1925-1966 Factors for Selection: d, e, f, g	-	SAILFISH HOLDINGS LLC
9	514 Pier Avenue	4187-020-032	CC Community	SPA-11 Specific Plan		25.1	33	0.1	Private Parking Lot	-	-	1	-	1		-	REDDY, DAMODER P AND SOUMITRI TRS PATI FAMILY TRUST
9	526 Pier Avenue	4187-020-017	CC Community	SPA-11 Specific Plan		25.1	33	0.08	Retail Business	-	-	2	-	2			
3	301 Pier Avenue	4183-017-001	CC Community	SPA-11 Specific Plan		25.1	33	0.19	Retail Business	-	-	5	-	5	FAR: 0.6 ILR: 0.87 Year Built: 1959 Factors for Selection: d, e, g	-	SANDY FEET LLC C/O DONALD ENGLISH
6	308 Pier Avenue	4187-011-012	CC Community	SPA-11 Specific Plan		25.1	33	0.09	Retail Business	-	-	2	-	2	FAR: 0.7 ILR: 1.0 Age of Structure: 1923-1944 Factors for Selection: d, e, g	-	VISION HERMOSA 1 0 LLC
6	318 Pier Avenue	4187-011-013	CC Community	SPA-11 Specific Plan		25.1	33	0.11	Retail Business and Residential	-	-	2	-	2			
18	1214 Owosso Avenue	4185-015-021	CC Community	C-3 General and Highway Commercial		25.1	33	0.1	1 Unit	-	-	3	-	3	FAR: 0.1 ILR: 0.16 Year Built: 1923 Factors for Selection: d, e, f, g	-	CASNER,CRAIG
18	1055 Aviation Boulevard	4185-015-024	CC Community	C-3 General and Highway Commercial		25.1	33	0.05	Vacant Land	-	-	1	-	1			
26	530 6th Street	4188-018-028	CI Light Industrial	M-1 Light Manufacturing		25.1	33	0.33	Self-Storage	-	4	4	-	8	FAR: 1.4 ILR: 0.97 Year Built: 1946 Factors for Selection: d, f, g	-	HUNT, PRISCILLA TR PRISCILLA HUNT TRUST C/O HUNT ENTERPRISES INC
26	6th and Cypress (530 6th St.)	4188-018-027	CI Light Industrial	M-1 Light Manufacturing		25.1	33	0.12	Self-Storage	-	1	2	-	3			
26	Valley Drive (530 6th St.)	4188-018-031	CI Light Industrial	M-1 Light Manufacturing		25.1	33	0.17	Self-Storage	-	2	2	-	4			
26	Valley Drive (530 6th St.)	4188-018-008	CI Light Industrial	M-1 Light Manufacturing		25.1	33	0.05	Self-Storage	-	-	1	-	1			
27	2nd Street and Pacific Coast Hwy	4186-025-029	CC Community	SPA-7 Specific Plan		25.1	33	0.08	Auto Repair	-	-	2	-	2	FAR: 0.4 ILR: 0.16 Year Built: 1905-1925 Factors for Selection: d, e, f, g	-	GRAND PROPERTY GROUP LLC
27	204 Pacific Coast Hwy	4186-025-028	CC Community	SPA-7 Specific Plan		25.1	33	0.15	Auto Repair	-	-	4	-	4			
27	210 Pacific Coast Hwy	4186-025-027	CC Community	SPA-7 Specific Plan		25.1	33	0.08	Auto Repair	-	-	2		2			

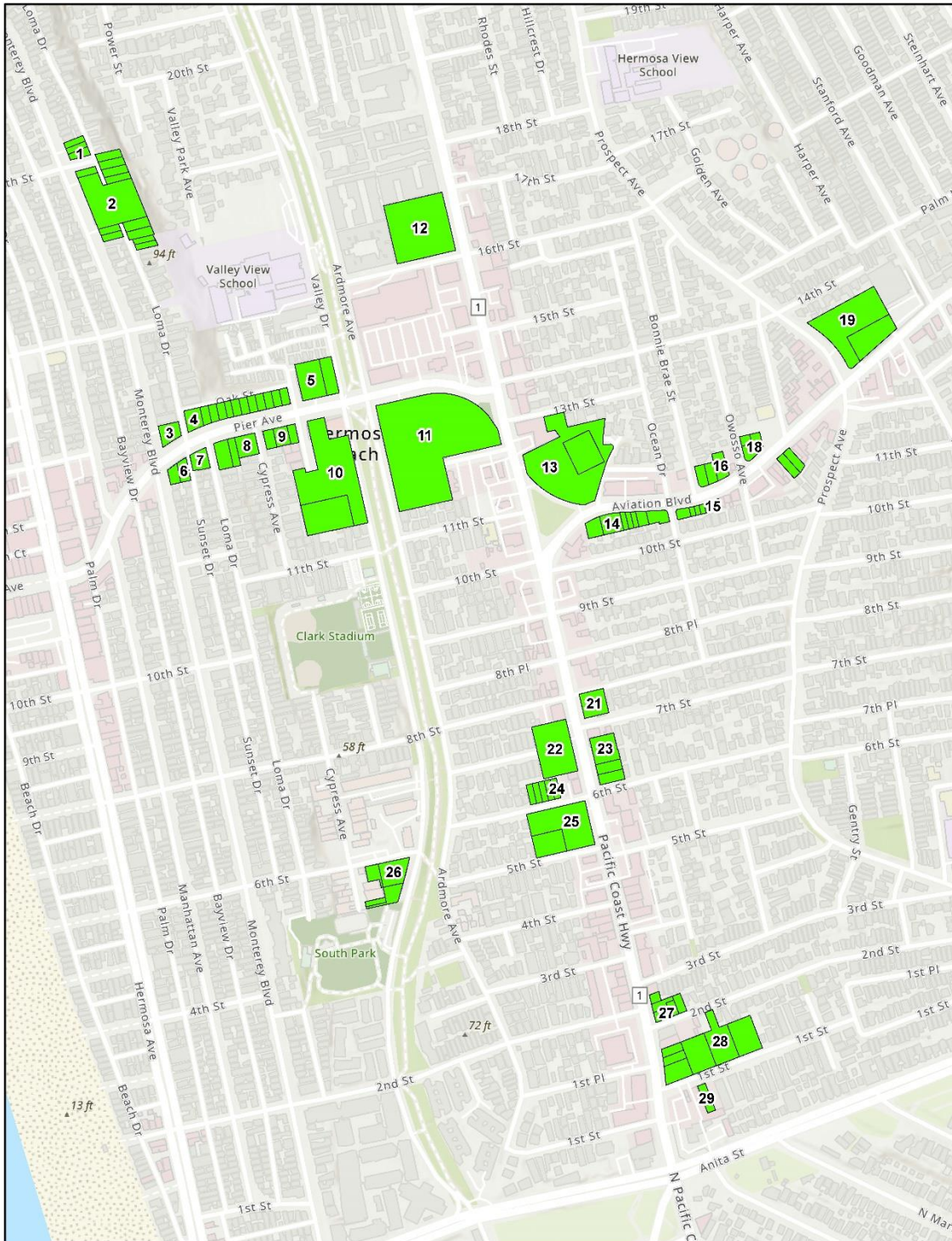
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										Very Low	Low	Mod	Above Mod	Total			
27	2nd Street and Pacific Coast Hwy	4186-025-002	CC Community	SPA-7 Specific Plan		25.1	33	0.05	Auto Repair	-	-	1	-	1			
25	747 5th Street	4188-030-002	SC Service	SPA-7 Specific Plan		25.1	33	1	Auto Repair	20	5	-	-	25	FAR: 0.4 ILR: 0.29 Year Built: 1923-1978 Factors for Selection: d, e, f, g	-	SMILE LLC AND MARDIKIAN, GEORGE
25	715 5th Street	4188-030-001	SC Service	SPA-7 Specific Plan		25.1	33	0.37	Auto Repair/Fitness Center	-	-	-	9	9		-	FISHER, ANDREW AND ELIZABETH AND FISHER, ANDREW W
22	635 Pacific Coast Hwy	4187-032-027	SC Service	SPA-7 Specific Plan		25.1	33	1	Lumber Yard	20	5	-	-	25	FAR: 0.2 ILR: 0.04 Year Built: 1988 Factors for Selection: d, e, f, g	-	LEARNED, MICHAEL CO TR LEARNED TRUST
24	709 6th Street	4187-033-022	SC Service	SPA-7 Specific Plan		25.1	33	0.06	Parking Lot/Lumber Yard	1	1	-	-	2			
24	721 6th Street	4187-033-021	SC Service	SPA-7 Specific Plan		25.1	33	0.06	Parking Lot/Lumber Yard	1	1	-	-	2			
24	723 6th Street	4187-033-020	SC Service	SPA-7 Specific Plan		25.1	33	0.06	Parking Lot/Lumber Yard	1	1	-	-	2			
24	Pacific Coast Hwy and 6th Street	4187-033-019	SC Service	SPA-7 Specific Plan		25.1	33	0.06	Parking Lot/Lumber Yard	1	1	-	-	2			
24	725 6th Street	4187-033-018	SC Service	SPA-7 Specific Plan		25.1	33	0.06	Parking Lot/Lumber Yard	1	1	-	-	2			
23	600 Pacific Coast Highway	4186-013-019	SC Service	SPA-7 Specific Plan		25.1	33	0.36	Auto Repair	5	4	-	-	9	FAR: 0.5 ILR: 0.32 Year Built: 1923-1978 Factors for Selection: d, e, f, g	-	SMILE LLC
23	612 Pacific Coast Highway	4186-013-018	SC Service	SPA-7 Specific Plan		25.1	33	0.14	Fitness Studio	2	2	-	-	4		-	NOOR ESTATE LLC
23	620 Pacific Coast Highway	4186-013-064	SC Service	SPA-7 Specific Plan		25.1	33	0.36	Car Rental Agency	5	4	-	-	9			
13	1100 Pacific Coast Highway	4185-011-039	GC Gateway	C-3 General and Highway Commercial		25.1	33	0.55	Retail Market	7	7		-	14	FAR: 0.7 ILR: 0.65 Year Built: 1977 Factors for Selection: d, e, g	-	BACON, STEPHEN F CO TR ROGER E BACON DECD TRUST
13	1100 Pacific Coast Highway	4185-011-061	GC Gateway	C-3 General and Highway Commercial		25.1	33	2.27	Parking Lot/Pad Shops	18	18	21	-	57			
12	1601 Pacific Coast Highway	4185-011-061	GC Gateway	C-2 Commercial SPA-8		25.1	33	1.92	Personal Services with office space	16	16	16	-	48	FAR: 3.7 ILR: 1.80 Year Built: 1988	-	1601 PCH LP C/O SHAOUL LEVY

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										Very Low	Low	Mod	Above Mod	Total			
															Given the vacancy rates for office and the reliance on one anchor (gym), there is a likelihood that residential may be a viable conversion. The building also has similar massing as other nearby multi-family residential buildings (like the adjacent one). This property has the potential to redevelop through use of internal conversion into residential. Factors for Selection: b, d, g		
14	900 AVIATION	4186-003-024	CC Community	C-3 General and Highway Commercial		25.1	33	0.15	Retail	-	-	3	-	3	FAR: 0.8 ILR: 0.39 Year Built: 1940-1981 Factors for Selection: d, e, f, g	-	EDDIE TALBOT TRUST
14	916 AVIATION	4186-003-030	CC Community	C-3 General and Highway Commercial		25.1	33	0.21	Retail	-	-	5	-	5			
14	950 AVIATION	4186-003-019	CC Community	C-3 General and Highway Commercial		25.1	33	0.05	Parking Lot	-	-	1	-	1			
14	950 AVIATION	4186-003-018	CC Community	C-3 General and Highway Commercial		25.1	33	0.05	Parking Lot	-	-	1	-	1			
14	950 AVIATION	4186-003-017	CC Community	C-3 General and Highway Commercial		25.1	33	0.05	Parking Lot	-	-	1	-	1			
14	950 AVIATION	4186-003-027	CC Community	C-3 General and Highway Commercial		25.1	33	0.08	Parking Lot	-	-	2	-	2			
14	950 AVIATION	4186-003-028	CC Community	C-3 General and Highway Commercial		25.1	33	0.14	Multi-tenant Commercial	-	-	3	-	3			
15	1000 AVIATION	4186-002-020	CC Community	C-3 General and Highway Commercial		25.1	33	0.07	Multi-tenant Commercial	-	-	1	-	1			
15	1014/1016 AVIATION	4186-002-013	CC Community	C-3 General and Highway Commercial		25.1	33	0.03	Multi-tenant Commercial	-	-	1	-	1			

Site/ Area No.	Address	APN	Existing/ Proposed GP	Existing Zoning	Proposed Zoning	Min. Den.	Max. Den.	Parcel Size (acres)	Existing Use	Capacity Based on Minimum Density					Factors for Selection	Owner/ Developer Interest	Owners
										Very Low	Low	Mod	Above Mod	Total			
15	1016 AVIAION	4186-002-012	CC Community	C-3 General and Highway Commercial		25.1	33	0.03	Parking Lot	-	-	1	-	1			
15	1036 AVIAION	4186-002-011	CC Community	C-3 General and Highway Commercial		25.1	33	0.03	Parking Lot	-	-	1	-	1			
15	1036 AVIAION	4186-002-021	CC Community	C-3 General and Highway Commercial		25.1	33	0.09	Multi-tenant Commercial	-	-	2	-	2			
16	1021 AVIAION	4185-014-015	CC Community	C-3 General and Highway Commercial		25.1	33	0.11	Multi-family	-	-	2	-	2	FAR: 0.4 ILR: 0.57 Year Built: 1947-1962 Factors for Selection: d, e, f, g	-	HBAVIATION LLC
16	1029 AVAITION	4185-014-015	CC Community	C-3 General and Highway Commercial		25.1	33	0.11	Multi-family	-	-	2	-	2			
16	1035 AVAIAION	4185-014-001	CC Community	C-3 General and Highway Commercial		25.1	33	0.17	Multi-tenant Commercial	-	-	4	-	4			
29	824 1ST STREET	4186-031-102	CC Community	SPA-7 Specific Plan		25.1	33	0.13	Abandoned Office Condos	-	-	3	-	3	FAR: 0.9 ILR: 0.18 Year Built: 1979 Factors for Selection: c, d, e, f, g	-	KOCHDVPMT LLC
21	700 Pacific Coast Highway	4186-012-014	SC Service	C-3 General and Highway Commercial		25.1	33	0.33	Abandoned Auto Repair	-	-	4	4	8	FAR: 0.4 ILR: 0.28 Year Built: 1945 Owner communicated to staff regarding interest in redevelopment. Factors for Selection: a, c, d, e, f, g	Y	LOWENSTEIN,JOSEPH R AND GAIL TRS LOWENSTEIN TRUST
Total										221	134	168	80	603			

Notes:
*Income level assigned to lower for parcels at least 0.5 ac. and smaller parcels that can be consolidated, or moderate for other small parcels less than 0.5 ac.

Figure B-1
Sites to be Considered for Rezoning



Appendix C

Public Participation Summary

This Appendix describes opportunities for public involvement along with an explanation of how public comments were incorporated into the Housing Element. In addition, prior to the adoption hearings all interested parties were given the opportunity to review the recommended revisions.

Public participation is an important component of the planning process, and this update to the Housing Element has provided residents and other interested stakeholders, particularly lower-income households and persons with special needs, numerous opportunities for review and comment.

Early in the process a dedicated Housing Element update website¹¹ was created and an online survey was posted to solicit comments about housing needs in the city.

Public notices of all Housing Element meetings and public hearings were published in advance of each meeting, as well as posting on the City's website and direct mail to the Housing Element interest list (Table C-1). The draft Housing Element was made available for review at City Hall, posted on the City's website, as well as at the Public Library. Notice of availability of the draft Housing Element was also provided to housing advocates, mobile home residents, and non-profit organizations representing the interests of lower-income persons and special needs groups. Table C-1 on the following page lists persons and organizations that were notified of public meetings for this Housing Element update. In addition, public hearings are televised on the local cable channel.

During the Housing Element update process City Staff conducted interviews with key members of the community listed below to help determine community priorities, housing needs, and goals for housing in Hermosa Beach.

- Hermosa Beach City School District
- Manhattan Beach Unified School District
- Employers (Vons, Lazy Acres Grocery, Beach House Hotel)
- Commercial property owners (Aviation Blvd. 8/3/21)
- Churches (Our Lady of Guadalupe Catholic Church, St. Cross Episcopal Church, Hope Chapel)
- Affordable Housing Developers (City Ventures, Lance Libriano)

¹¹ <https://www.hermosabeach.gov/our-government/city-departments/community-development/plans-programs/housing-element-update>

- St. Cross Episcopal Church indicated interest in building additional affordable and market-rate units at their properties, and wrote a letter of support for the Housing Element.

After receiving comments on the draft Housing Element from the State Housing and Community Development Department, a proposed final Housing Element was prepared and made available for public review prior to adoption by the City Council.

The following is a list of opportunities for public involvement in the preparation of this Housing Element update.

Planning Commission meeting	December 15, 2020
Housing Needs Workshop and Study Session	February 3, 2021
Planning Commission Meeting	June 30, 2021
City Council Meeting	July 27, 2021
Planning Commission Public Hearing	November 16, 2021
City Council Public Hearing	December 21, 2021
Planning Commission Meeting	December 5, 2022
Planning Commission Study Session	March 9, 2023
Planning Commission Study Session	March 23, 2023
Presentation at Mayor's cleanup event	April 10, 2023
Planning Commission Public Hearing	June 20, 2023
City Council Study Session	July 11, 2023
City Council Public Hearing	July 25, 2023

**Table C-1
Housing Element Notification List**

Hermosa Beach Historical Society	South Bay Center for Counseling
Hermosa Beach Education Foundation	Salvation Army Stillman Sawyer Family Services
Beach Cities Health District	The Arc of South Bay
Hermosa Beach Chamber of Commerce	Disability Community Resource Center
Senior Center	Harbor Regional Center
Hermosa Beach City School District	Wellness Community South Bay Cities
Legal Aid Foundation of Los Angeles	LA county Department of Children & Family Services
Marineland Mobilehome Park	Social Vocational Services, Inc.
PATH People Assisting the Homeless	1736 Family Crisis Center
Hermosa Beach Church of Christ	Shelter Partnership
First Church of Christ, Scientist	Abundant Housing
Hope Chapel	City Ventures Residences
St. Cross Episcopal Church	South Bay Cities Council of Governments
Our Lady of Guadalupe Catholic Church	Manhattan Beach Unified School District
Temple Shalom of the South Bay	Redondo Beach Unified School District
Hermosa Friends Foundation	City of Redondo Beach Community Development
Sandpipers	City of Torrance Community Development
Hermosa Beach Kiwanis Club	City of Manhattan Beach Community Development
Hermosa Beach Rotary Club	Wishtoyo Chumash Foundation
South Bay Association of Realtors	Gabrielino/Tongva Indians of CA
South Bay Workforce Investment Board	Native American Heritage Commission
Jewish Community Center	Beach Cities Transit
Catholic Charities of Los Angeles	LA Metropolitan Transit Authority
Los Angeles Homeless Services Authority	
LA County Department of Military and Veterans	

Housing Element Survey

25 responses

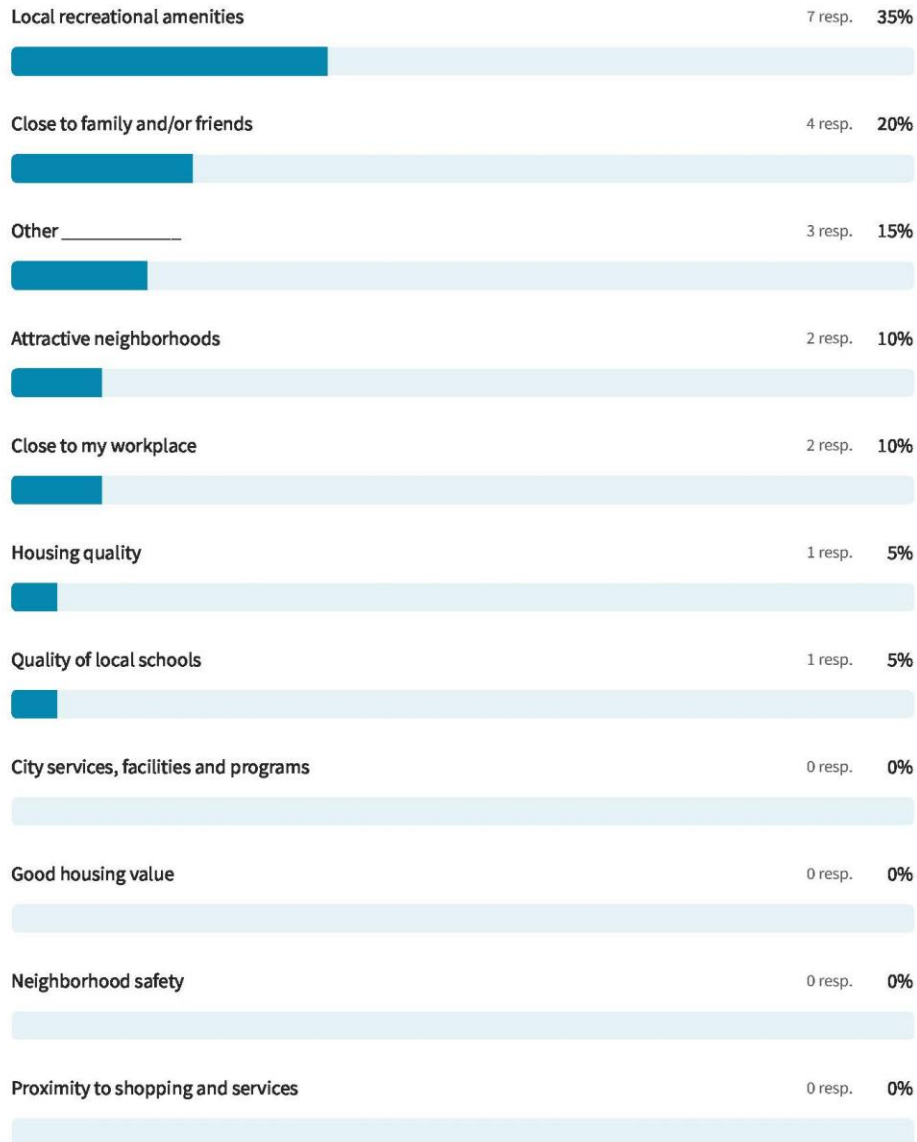
Do you currently live and/or work in Hermosa Beach?

24 out of 25 answered



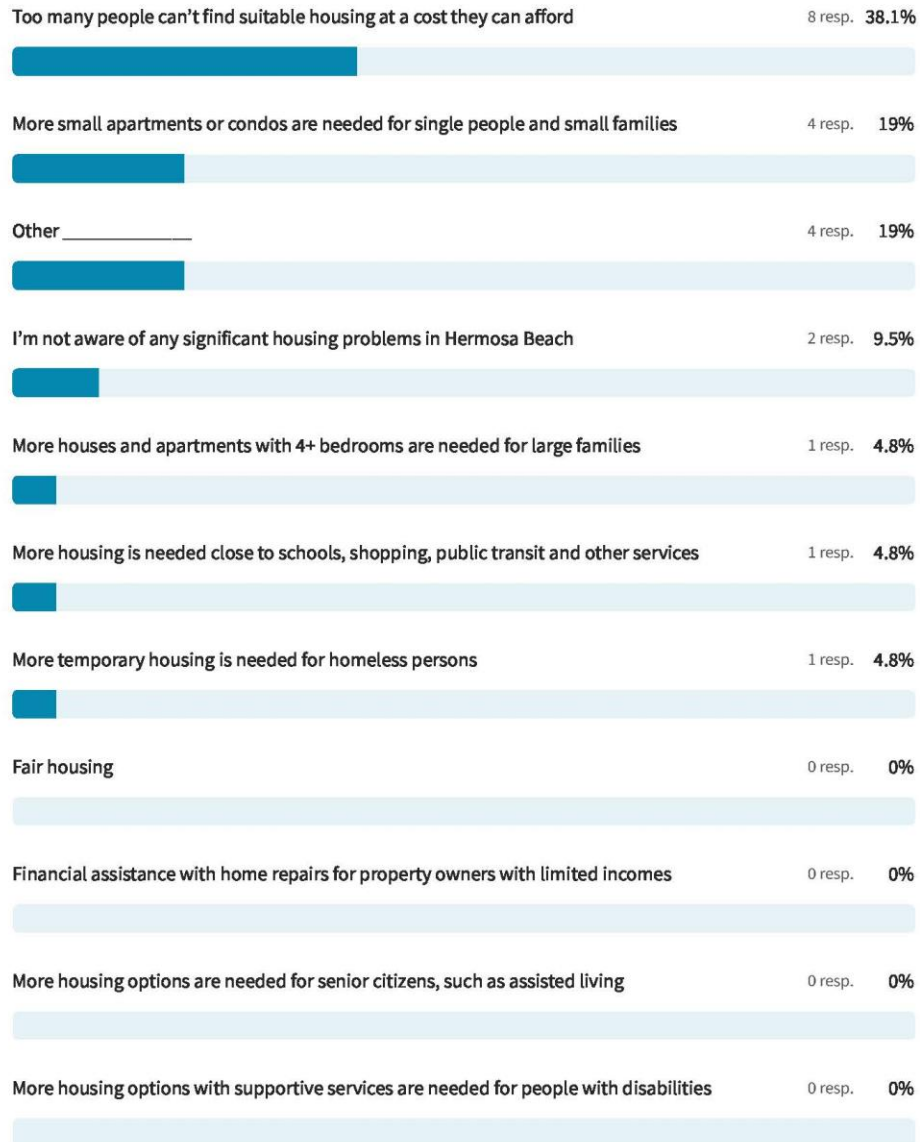
If you live in Hermosa Beach, what were the main reasons you chose to live here?

20 out of 25 answered



What do you consider to be the most pressing housing problems in Hermosa Beach?

21 out of 25 answered





Frequently Asked Questions

Hermosa Beach 2021-2029 Housing Element Update

1. What is a Housing Element?

State law¹ requires each city to adopt a comprehensive, long-term General Plan for its physical development. General Plans include several “elements” that address various topics. The Hermosa Beach General Plan² or *PLAN Hermosa* – is organized into the following 8 elements:

- **Community Governance**
The Community Governance Element sets forth the City’s legal authority to adopt and implement the goals, policies, and actions of PLAN Hermosa. Additionally, this element describes the associated leadership, decision-making process, development requirements, and regional coordination necessary to achieve the goals, policies, and actions.
- **Land Use + Design**
Land Use and Design are the cornerstone of PLAN Hermosa and the City’s fundamental guide to the evolution of the urban form and land use patterns in Hermosa Beach. The Land Use and Design Element goals, policies, and actions provide a blueprint for the physical development of the community by identifying the general location, distribution, and intensity of various residential, commercial, industrial and institutional uses in Hermosa Beach.
- **Mobility**
The Mobility Element is intended to facilitate mobility of people and goods throughout Hermosa Beach by a variety of modes, with balanced emphasis on automobiles, bicycles, pedestrians, and alternative fuel vehicles.
- **Sustainability + Conservation**
The Sustainability and Conservation Element addresses the use and preservation of natural resources to improve the environmental quality of Hermosa Beach.
- **Parks + Open Space**
The Parks and Open Space Element includes goals, policies, and actions that provide for coastal access and the provision of community facilities, parks, and recreation opportunities.
- **Public Safety**
The Public Safety Element establishes goals, policies, and actions that protect the community from risk associated with natural hazards. The element places specific focus on hazards that could be made more severe with anticipated impacts of climate change.

¹ California Government Code Sec. 65300 *et seq.*

² <https://www.hermosabeach.gov/our-government/community-development/plan-hermosa>



Hermosa Beach 2021 Housing Element FAQ

- **Infrastructure**

The Infrastructure Element provides goals, policies, and actions to maintain and improve infrastructure systems, including the water supply system, sewer system, storm drain system, roads, and telecommunications and utilities.

- **Housing**

The Housing Element establishes goals, policies, and actions to maintain and improve the existing housing stock and expand housing opportunities for families of all economic levels and persons with special needs such as disabilities.

PLAN Hermosa was adopted in 2017 and has a “time horizon” of 25 years. However, State law requires that the Housing Element be updated every 8 years. Housing Element planning periods are sometimes referred to as “cycles”. The City’s current Housing Element covers the planning period extending from 2013 to 2021, which is referred to as the “5th Housing Element cycle” in reference to the five required updates that have occurred since the comprehensive revision to State Housing Element law in 1980. Every city in the Southern California Association of Governments (“SCAG”) region³ is required to prepare a Housing Element update for the 6th planning cycle, which spans the 2021-2029 period, regardless of when the other elements of the General Plan were adopted.

State law⁴ establishes detailed requirements for Housing Elements, which are summarized in California Government Code Section 65583:

The housing element shall consist of an identification and analysis of existing and projected housing needs and a statement of goals, policies, quantified objectives, financial resources, and scheduled programs for the preservation, improvement, and development of housing. The housing element shall identify adequate sites for housing, including rental housing, factory-built housing, mobile homes, and emergency shelters, and shall make adequate provision for the existing and projected needs of all economic segments of the community.

2. What are the most important issues that must be addressed in the Housing Element?

The major issues that must be addressed in the Housing Element are: 1) how City policies, plans and regulations help to meet the region’s housing needs for people at all income levels; and 2) how City land use regulations accommodate the special housing needs of persons with disabilities or other difficulties.

- **Accommodating Regional Housing Needs.** Every community is dependent on a variety of low- and moderate-income workers in jobs such as child and elder care, medical support, business and personal services, retail trade, construction and maintenance. While Federal and State programs provide funding assistance for affordable housing, city plans and regulations determine the type and location of new housing that can be built. Therefore, a sufficient supply of affordable housing is dependent on both housing subsidies and city development regulations.

³ The SCAG region includes Los Angeles, Orange, Riverside, San Bernardino, Ventura and Imperial counties.

⁴ California Government Code Sec. 65580 *et seq.*



Hermosa Beach 2021 Housing Element FAQ

Under State law⁵ all cities are required to plan for additional housing to accommodate population growth and existing housing problems such as overcrowding and high housing cost. State law recognizes that most housing is built by private developers, not cities. However, cities are required to adopt policies, plans, and development regulations to encourage a variety of housing types that are affordable for persons at all income levels, including multi-family rental housing and accessory dwelling units ("ADUs"). The Regional Housing Needs Assessment ("RHNA") is the method by which each jurisdiction's share of new housing needs is determined (see #4 below).

- **Housing for Persons with Special Needs.** Under State law⁶ cities must also ensure that their plans and regulations encourage the provision of housing for persons with special needs including:
 - ✓ Reasonable accommodation for persons with disabilities
 - ✓ Transitional housing
 - ✓ Supportive housing
 - ✓ Residential care facilities
 - ✓ Emergency shelters and "navigation centers"
 - ✓ Large (5+) families

3. What is "affordable" housing?

By definition, housing is usually considered "affordable" when total housing cost, including utilities, is no more than 30% of a household's gross income. State law describes five income categories, which are based on county median income as shown in Table 1.

Table 1. Household Income Categories

Income Category	% of county median income
Extremely low	Up to 30%
Very low	31-50%
Low	51-80%
Moderate	81-120%
Above moderate	Over 120%

Source: California Government Code Sec. 65584(f)

Affordable housing costs for all jurisdictions in Los Angeles County that correspond to these income categories are shown in the following table. Affordability figures are adjusted each year and are based on family size. Table 2 provides figures for a 4-person family in 2021.

⁵ California Government Code Sec. 65583

⁶ California Government Code Sec. 65583(a)(5)



Hermosa Beach 2021 Housing Element FAQ

Table 2. Income Categories and Affordable Housing Costs – Los Angeles County

Income Category	Maximum Income	Affordable Rent	Affordable Price (est.)
Extremely low	\$35,450	\$886	*
Very low	\$59,100	\$1,478	*
Low	\$94,600	\$2,365	*
Moderate	\$96,000	\$2,400	\$375,000
Above moderate	>\$96,000	>\$2,400	>\$375,000

Assumptions:

- Based on a family of 4 and 2021 State income limits
 - 30% of gross income for rent or principal, interest, taxes & insurance plus utility allowance
 - 10% down payment, 3.75% interest, 1.25% taxes & insurance, \$350 HOA dues
 - * For-sale affordable housing is typically at the moderate-income level
- Source: Cal. HCD; JHD Planning LLC

4. What is the RHNA why is it important?

Each California city is required to plan for new housing to accommodate a share of regional needs. The Regional Housing Needs Assessment ("RHNA") is the process established in State law⁷ by which each city's housing needs are assigned.

Prior to each Housing Element planning cycle the region's total housing need is determined by the California Department of Housing and Community Development ("HCD") based upon economic and demographic trends, existing housing problems such as overcrowding and overpayment, and additional housing needed to ensure reasonable vacancy rates and replace units lost due to demolition or natural disasters. The total housing need for the region is then distributed to cities and counties by SCAG based upon criteria established in State law.⁸

In 2019 HCD determined that the total new housing need for the entire SCAG region in the 6th Housing Element cycle is 1,341,834 units. SCAG then prepared a RHNA plan that fully allocates the total RHNA to jurisdictions in the SCAG region.⁹ Table 3 shows the RHNA allocations for Hermosa Beach, Los Angeles County, and the entire SCAG region. SCAG adopted the final RHNA plan in March 2021.

Table 3. 6th Cycle RHNA – Hermosa Beach, Los Angeles County and SCAG Region

	Hermosa Beach	Los Angeles County	SCAG Region
RHNA allocation 2021-2029 (housing units)	558	812,060	1,341,827

Source: SCAG, 3/4/2021

The RHNA distributes each jurisdiction's total housing need by the income categories shown in Tables 1 and 2 above (the extremely-low and very-low categories are combined for RHNA purposes). The 6th cycle RHNA allocation for Hermosa Beach by income category is shown in Table 4.

⁷ California Government Code Sec. 65584 et seq.

⁸ California Government Code Sec. 65584(d)

⁹ <https://scag.ca.gov/housing>



Hermosa Beach 2021 Housing Element FAQ

Table 4. 6th RHNA by Income Category – Hermosa Beach

Very Low	Low	Moderate	Above Moderate	Total
232	127	106	93	558

Source: SCAG, 3/4/2021

5. Is the RHNA a construction quota or mandate?

The RHNA allocation identifies the amount of additional housing a jurisdiction would require in order to have enough housing at all price levels to fully meet the needs of its existing population plus its assigned share of projected growth over the next 8 years while avoiding problems like overcrowding and overpayment. The RHNA is a planning requirement that determines housing need, *not a construction quota or mandate*. Jurisdictions are not required to build housing or issue permits to achieve their RHNA allocations, but some provisions of State law establish specific requirements when housing production falls short of RHNA allocations. One such requirement is streamlined review and approval of housing development applications that meet specific standards.¹⁰ Other than requirements for streamlined permit processing, there are currently no legal or financial penalties imposed on cities that do not achieve their RHNA allocations.

6. What must cities do to comply with the RHNA?

Each Housing Element update must analyze the city's capacity for additional housing based on an evaluation of land use patterns, development regulations, development constraints (such as infrastructure availability and environmental conditions) and real estate market factors. The analysis must be prepared at a parcel-specific level of detail and identify properties (or "sites") where additional housing could be built consistent with current regulations. This evaluation is referred to as the "sites analysis" and State law requires the analysis to demonstrate that the city has adequate capacity to fully accommodate its RHNA allocation in each income category. If the sites analysis does not demonstrate that adequate capacity exists to fully accommodate the RHNA, the Housing Element must describe what steps will be taken to increase capacity commensurate with the RHNA – typically through amendments to land use and zoning regulations that could facilitate additional housing development. Such amendments typically include increasing the allowable density in residential zones or allowing housing to be built in other areas where residential uses are not currently allowed.

7. Hermosa Beach is fully developed. Why is the RHNA allocation so high?

SCAG's total RHNA allocation for the 6th cycle is 1,341,827 units compared to 412,137 units in the 5th cycle. There are two main reasons why the region-wide 6th RHNA allocation is so much higher than the 5th cycle.

First, the 5th RHNA allocation was established in 2012 while the severe economic effects of the "Great Recession" were still adversely affecting growth and the foreclosure crisis led to high vacancy rates. As a result, the 5th RHNA was uncharacteristically low. For

¹⁰ California Government Code Sec. 65913.4 (SB 35 of 2017)



Hermosa Beach 2021 Housing Element FAQ

comparison, SCAG's 4th cycle (2006-2013) RHNA allocation was approximately 700,000 units.

Second, for the 6th cycle the State made a major modification to the process for determining RHNA allocations due to the "housing crisis." In prior RHNA cycles, total housing need was based mainly on projected population growth. However, for the 6th RHNA cycle the State added *existing need* to the total RHNA calculation. Existing need includes households that are currently overcrowded (defined as more than one person per room) or are overpaying for housing (defined as more than 30% of gross income). The total 6th cycle RHNA allocation for the SCAG region is comprised of the sum of existing need and projected need, as follows:

Existing need:	577,422 units
<u>Projected need:</u>	<u>764,405 units</u>
Total need:	1,341,827 units

As seen from this breakdown, if existing need were not included (as in prior RHNA cycles) the total housing need for the SCAG region would be similar to the 4th cycle.

With regard to jurisdictional RHNA allocations, the methodology adopted by SCAG for the 6th cycle places greater emphasis on the proximity of jobs and transportation rather than vacant developable land. As a result, the urbanized areas of Los Angeles and Orange counties are assigned a higher proportion of the region's housing need as compared to prior cycles even though they generally have much less vacant land than inland areas.

8. How can Hermosa Beach accommodate its RHNA allocation and remain in compliance with State housing law?

The RHNA is a planning target and cities are not required to achieve their RHNA allocations but must demonstrate that their land use plans and regulations allow housing development commensurate with the RHNA. Capacity for additional housing can be provided either through new housing or mixed-use development or through accessory dwelling units ("ADUs"), also referred to as second units or granny flats.

The City's current capacity for additional housing based on existing land use plans and regulations is not sufficient to fully accommodate the RHNA allocation. Because there is very little vacant land in Hermosa Beach that is suitable for housing development, the most significant opportunities for new housing are in areas currently zoned for commercial uses. Under State law, areas that are zoned to allow residential or mixed-use development at a density of at least 20 units/acre in small cities are considered appropriate to facilitate production of affordable housing. ADUs will also provide a portion of future housing need, particularly in the low- and moderate-income categories.

As part of the Housing Element update, the City will evaluate potential areas where additional housing development may be appropriate and identify changes to land use plans and zoning that could accommodate the amount of new housing assigned to Hermosa Beach in the RHNA.



Hermosa Beach 2021 Housing Element FAQ

9. Housing development is very expensive in the urban areas of Southern California. What happens if cities don't achieve their assigned affordable housing needs?

Housing development is very expensive, particularly in coastal areas, and housing that is affordable to low- and moderate-income families typically requires large subsidies. While State housing law is based on the premise that every city has an obligation to use its governmental powers to encourage housing development at all income levels, it is recognized that available financial resources are not sufficient to produce all of the affordable housing needed. Therefore, if a city has adopted appropriate plans and regulations to encourage housing development commensurate with its RHNA allocation, it will not be penalized if actual production does not achieve assigned needs.

10. What is “certification” of the Housing Element and why is it important?

The State Legislature has delegated authority to the California Department of Housing and Community Development (“HCD”) to review Housing Elements and issue findings regarding the elements’ compliance with the law.¹¹ When HCD issues a finding that the Housing Element is in substantial compliance with State law it is referred to as “certification” of the Housing Element. In 2013 HCD determined that the current Hermosa Beach Housing Element was in full compliance with State law. The City is now preparing a Housing Element update for the 2021-2029 period.

Housing Element certification is important for two main reasons:

- **Local control.** The General Plan provides the foundation for the City’s land use plans and zoning regulations, and the Housing Element is part of the General Plan. If the City were challenged in court on a planning or zoning matter and the Housing Element were found by the court to be out of compliance, the court could order changes to City land use plans or regulations and assume control over some City land use decisions. HCD certification establishes a “rebuttable presumption of validity”¹² that the Housing Element is in compliance with State law, which would support the City’s legal defense. Recent laws also allow for courts to impose fines if a jurisdiction fails to adopt a compliant Housing Element.¹³
- **Eligibility for grant funds.** Some State grant funds are contingent upon Housing Element certification.

...

¹¹ California Government Code Sec. 65585
¹² California Government Code Sec. 65589.3.
¹³ AB 101 of 2019

Appendix D

Affirmatively Furthering Fair Housing

(Please note this Appendix is an entirely new analysis)

Draft

APPENDIX D: AFFIRMATIVELY FURTHERING FAIR HOUSING (AFFH)

A. Introduction and Overview

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 Hermosa Beach through coordination with fair housing organizations to process complaints regarding housing discrimination and to provide counseling in landlord/tenant disputes. Anti-discrimination resource materials (e.g., handouts, booklets, and pamphlets) are made available to the public at City Hall, the library, and on the City's website through links to the Housing Rights Center.

Assembly Bill (AB) 686 requires that all housing elements due on or after January 1, 2021 must contain an Assessment of Fair Housing (AFH) consistent with the core elements of the analysis required by the federal Affirmatively Furthering Fair Housing (AFFH) Final Rule of July 16, 2015.

Under State law, affirmatively further fair housing means "taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics."

There are three parts to this requirement:

1. Include a Program that Affirmatively Furthers Fair Housing and Promotes Housing Opportunities throughout the Community for Protected Classes (applies to housing elements beginning January 1, 2019).
2. Conduct an Assessment of Fair Housing that includes summary of fair housing issues, an analysis of available federal, state, and local data and local knowledge to identify, and an assessment of the contributing factors for the fair housing issues.
3. Prepare the Housing Element Land Inventory and Identification of Sites through the Lens of Affirmatively Furthering Fair Housing.

1. Analysis Requirements

An assessment of fair housing must consider the elements and factors that cause, increase, contribute to, maintain, or perpetuate segregation, racially or ethnically concentrated areas of poverty, significant disparities in access to opportunity, and disproportionate housing needs. The analysis must address patterns at a regional and local level and trends in patterns over time. This analysis should compare the locality at a county level or even broader regional level such as a Council of Government, where appropriate, for the purposes of promoting more inclusive communities.

For the purposes of this AFFH, "Regional Trends" describe trends throughout Los Angeles County. "Local Trends" describe trends specific to the City of Hermosa Beach.

2. Sources of Information

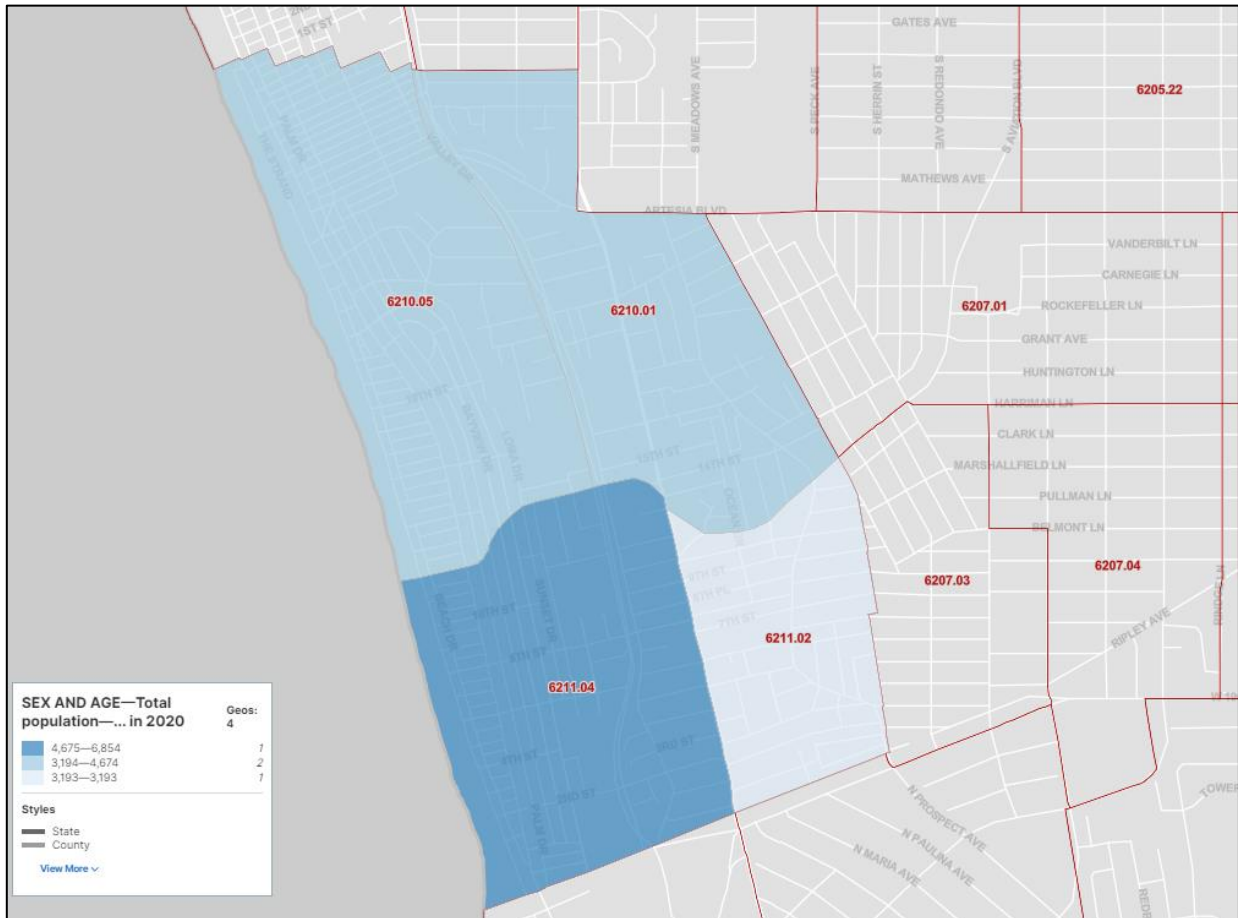
The City used a variety of data sources for the assessment of fair housing at the regional and local level. These include:

- U.S. Census Bureau's Decennial Census (referred to as "Census") and American Community Survey (ACS)
- U.S. Department of Housing and Urban Development (HUD) Comprehensive Housing Affordability Strategy (CHAS) data
- Los Angeles County Analysis of Impediments to Fair Housing Choice in March 2018 (2018 AI)
- California Department of Housing and Community Development (HCD) Affirmatively Furthering Fair Housing (AFFH) Data Viewer
- Local Knowledge

It is important to note that HCD released the HCD Data Viewer 2.0 during the drafting of this Assessment of Fair Housing Issues. The 2.0 version of the Data Viewer includes updated data such as the 2017-2021 ACS, 2023 Opportunity Map, and 2020 Census. Much of the regional mapping relies on the original HCD Data Viewer and may not match exactly the 2.0 Data Viewer used for some of the local narrative. However, several components of this Assessment of Fair Housing utilize datasets from various, but similar, time periods based on availability of the data (i.e., 2022 HUD CHAS data based on the 2015-2019 ACS vs. demographics data using the 2016-2020 ACS). The difference between datasets used in this analysis is negligible and does not obstruct the identification of demographic patterns and trends in the City.

The tracts shown in Figure D-1 will be referred to throughout this Assessment of Fair Housing Issues.

Figure D-1: Hermosa Beach Tracts and Populations (2020)



Source: 2016-2020 ACS (5-Year Estimates).

B. Assessment of Fair Housing Issues

1. Fair Housing Enforcement and Outreach

Federal fair housing laws prohibit discrimination based on: race, color, religion, national origin, sex/gender, handicap/disability, and familial status. Specific federal legislation and court rulings include:

- **The Civil Rights Act of 1866-** covers only race and was the first legislation of its kind
- **The Federal Fair Housing Act 1968-** covers refusal to rent, sell, or finance
- **The Fair Housing Amendment Act of 1988-** added the protected classes of handicap and familial status
- **The Americans with Disabilities Act (ADA)-** covers public accommodations in both businesses and in multi-family housing developments

- **Shelly v. Kramer 1948**- made it unconstitutional to use deed restrictions to exclude individuals from housing
- **Jones v. Mayer 1968**- made restrictive covenants illegal and unenforceable

California state fair housing laws protect the same classes as the federal laws with the addition of marital status, ancestry, source of income, sexual orientation, and arbitrary discrimination. Specific State legislation and regulations include:

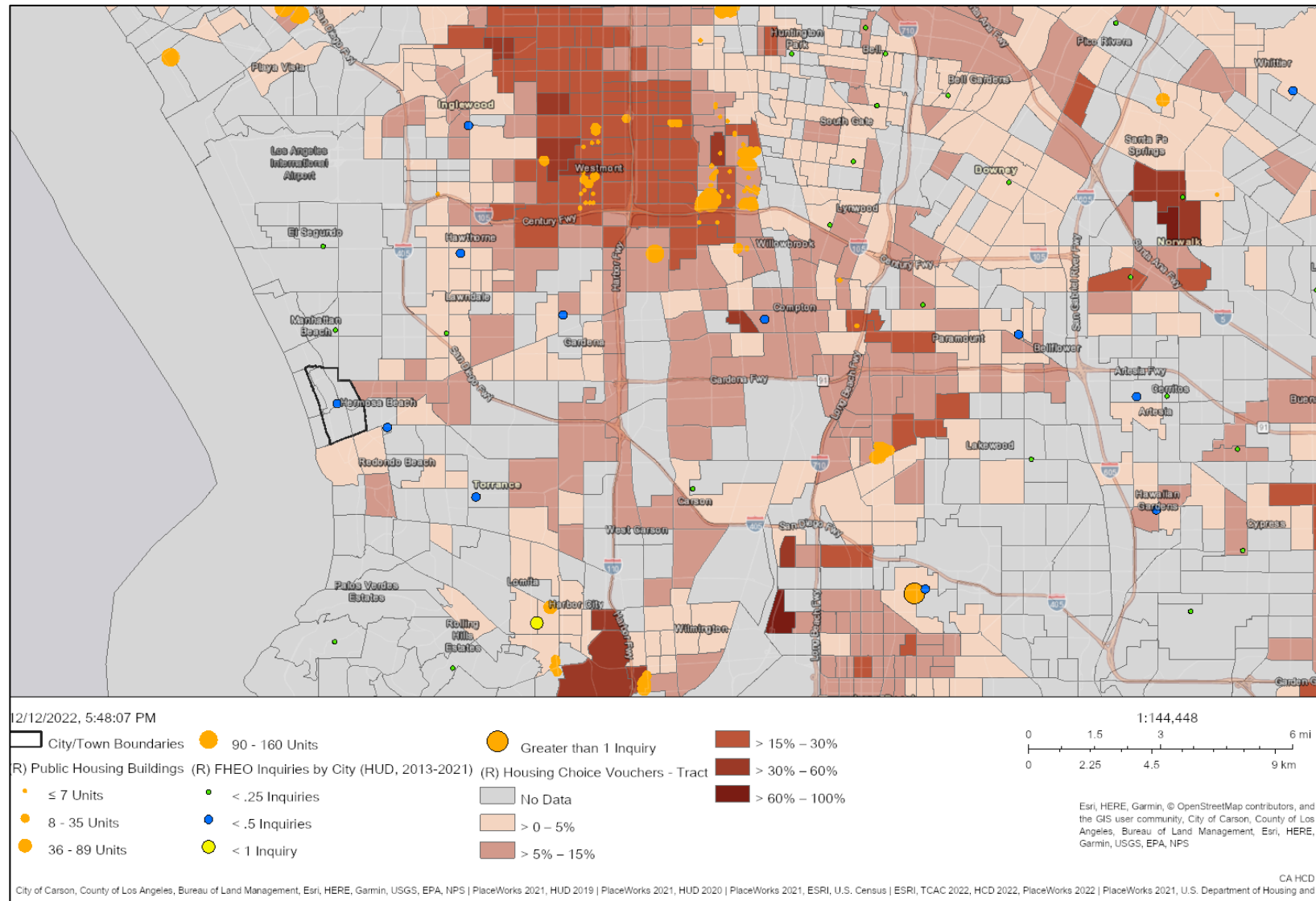
- **Unruh Civil Rights Act**- extends to businesses and covers age and arbitrary discrimination
- **California Fair Employment and Housing Act (Rumford Act)**- covers the area of employment and housing, with the exception of single-family houses with no more than one roomer/boarder
- **California Civil Code Section 53**- takes measures against restrictive covenants
- **Department of Real Estate Commissioner's Regulations 2780-2782**- defines disciplinary actions for discrimination, prohibits panic selling and affirms the broker's duty to supervise
- **Business and Professions Code**- covers people who hold licenses, including real estate agents, brokers, and loan officers.

The City has committed to complying with applicable federal and State fair housing laws to ensure that housing is available to all persons without regard to race, color, religion, national origin, disability, familial status, or sex as outlined in the 2018 AI. Further, the Los Angeles County Development Authority (LACDA) prohibits discrimination in any aspect of housing on the basis of race, color, religion, national origin, disability, familial status, or sex.

Regional Trend

According to HUD's Office of Fair Housing and Equal Opportunity (FHEO) records, 130 housing discrimination cases were filed in Los Angeles County in 2020, compared to 291 in 2010. In 2020, a majority of cases were related to disability (66%). Another 21% of cases were related to racial bias. The percent of cases related to disability has increased significantly since 2010, when only 36% of cases reported a disability bias. Public housing buildings, FHEO inquires by City and housing choice voucher (HCV) recipients by tract are shown in Figure D-2. HCVs are most concentrated in the area northeast of Hermosa Beach, near Inglewood, the City of Los Angeles, and in the adjacent unincorporated County areas. Public housing buildings are concentrated in the same area. However, there are many public housing buildings scattered throughout the County.

Figure D-2: Regional Public Housing Buildings, FHEO Inquiries, and HCVs by Tract



Source: HCD AFFH Data Viewer (HUD, 2013-2021), 2022.

During the 2018 AI development process, LACDA implemented a series of outreach efforts including regional discussion groups, three sets of four focus groups each, aimed to address disability and access, education, employment and transportation, and healthy neighborhoods, and a Resident Advisory Board Meetings; community input meetings; and the 2017 Resident Fair Housing Survey. Regional discussions included developer groups, companies, organizations, and agencies, and government groups, including the City of Hermosa Beach. The following topics were covered in the Government Discussion Group meeting:

- Lack of jurisdictions that have R/ECAP areas
- Discussion on community meetings
- Discussion of surveys
- City of Los Angeles R/ECAP areas
- Social engineering in the past due to highway, designing of public housing in poor areas by private, federal, and local governments
- Setting realistic goals and outcomes
- HRC- protect class different in state verses federal law
- Mortgages based on disparate impact-census areas
- Disparate impacts on women

R/ECAPs are discussed in Chapter 3, *Racially or Ethnically Concentrated Areas of Poverty*, of this Assessment of Fair Housing. Historical trends, zoning, and home loan trends are also discussed in Chapter 5, *Disproportionate Housing Needs*, of this Assessment of Fair Housing.

Focus group meetings for preparation of the 2018 AI focused on the following contributing factors:

- **Education** – Attendees discussed the location of proficient schools, inadequate funding for schools both public and charter, lack of information on the transfer process for parents, and child safety when walking to school. Attendees expressed concern about school of choice and funding for under-performing schools, promotion of educational opportunities to parents, and safety.
- **Transportation and Jobs** – Attendees discussed lack of available clothing for employment, lack of resources and services for working families, stigma of transgender employees, and the prevalence of low skill workers. They expressed concern about the lack reliable transportation, jobs located far from workers, and childcare expenses.
- **Healthy Neighborhoods** – This focus group discussed location and access to grocery stores, illegal dumping, poor access to quality healthcare, and general public safety concerns such as safe streets and homeless encampments. There were concerns related to industrial facilities in communities highly burdened by air pollution, proximity to air pollution, bike and pedestrian improvements, and greenhouse gas emission reduction strategies.

- **Disability and Access** – The disability and access focus group discussed availability of accessible housing options, lack of knowledge of the ADA's Right to Reasonable Accommodation, overlapping needs of people with multiple disabilities, and a long waitlist for accessible and affordable housing.

A total of 6,290 responses were recorded from the 2017 Resident Fair Housing Survey. The survey found that most residents thought their neighborhood had adequate access to public transportation, cleanliness, and schools, and that the condition of public spaces and buildings were good, very good, or excellent. More residents reported availability of quality public housing and job opportunities were only fair or poor. The survey also found that households with a person with a disability found it more difficult to get around their neighborhood or apartment complex. Access to opportunities, housing conditions, and populations of persons with disabilities in Hermosa Beach are further discussed below in this Assessment of Fair Housing Issues.

Local Trend

The City of Hermosa Beach is a participating jurisdiction in the Los Angeles County CDBG Urban County program. Fair housing services for the City are provided through the Los Angeles County Development Authority's master agreement with the Housing Rights Center (HRC). HRC investigates and resolves discrimination complaints, conduct, discrimination auditing and testing, and education and outreach, including the dissemination of fair housing information such as written material, workshops, and seminars. They also provide landlord/tenant counseling, which is another fair housing service that involves informing landlords and tenants of their rights and responsibilities under fair housing law and other consumer protection regulations, as well as mediating disputes between tenants and landlords. The Housing Rights Center has a main office location in downtown Los Angeles. As a participating jurisdiction in the Urban County program, Hermosa Beach does not have direct access to HRC staff or service records. HRC's contract with the Los Angeles County Development Authority (LACDA) also does not include reporting fair housing records by participating jurisdiction.

According to the HCD AFFH Data Viewer, based on 2013-2021 HUD records, the Office of Fair Housing and Equal Opportunity (FHEO) received six inquiries from Hermosa Beach residents during this period. Of the six inquiries, one was related to disability, one to race, one to familial status, one to sex, and two were not related to a specific protected class. Total FHEO inquiries in Hermosa Beach represent 0.3 inquiries per 1,000 people. The rate of inquiries per 1,000 persons in the City is comparable to the adjacent jurisdictions of Redondo Beach, Torrance, and Gardena, but higher than Lawndale, Manhattan Beach, and El Segundo. In 2023, HCD released the AFFH Data Viewer 2.0 which includes fair housing cases submitted to FHEO from January 2013 to November 2022 by City. During this period, four cases were submitted by Hermosa Beach residents. Of the four cases, one was filed on the basis of race, one on the basis of retaliation, and one on the basis of sex.

There are no tracts in Hermosa Beach with a substantial population of renters receiving housing choice vouchers (HCVs). To protect the confidentiality of renters receiving HCVs, tracts containing 10 or fewer voucher holders have been omitted from this dataset. Redondo Beach, Torrance, and Lawndale, south and east of the City, contain tracts with larger populations of HCV recipients. There are no public housing buildings or subsidized

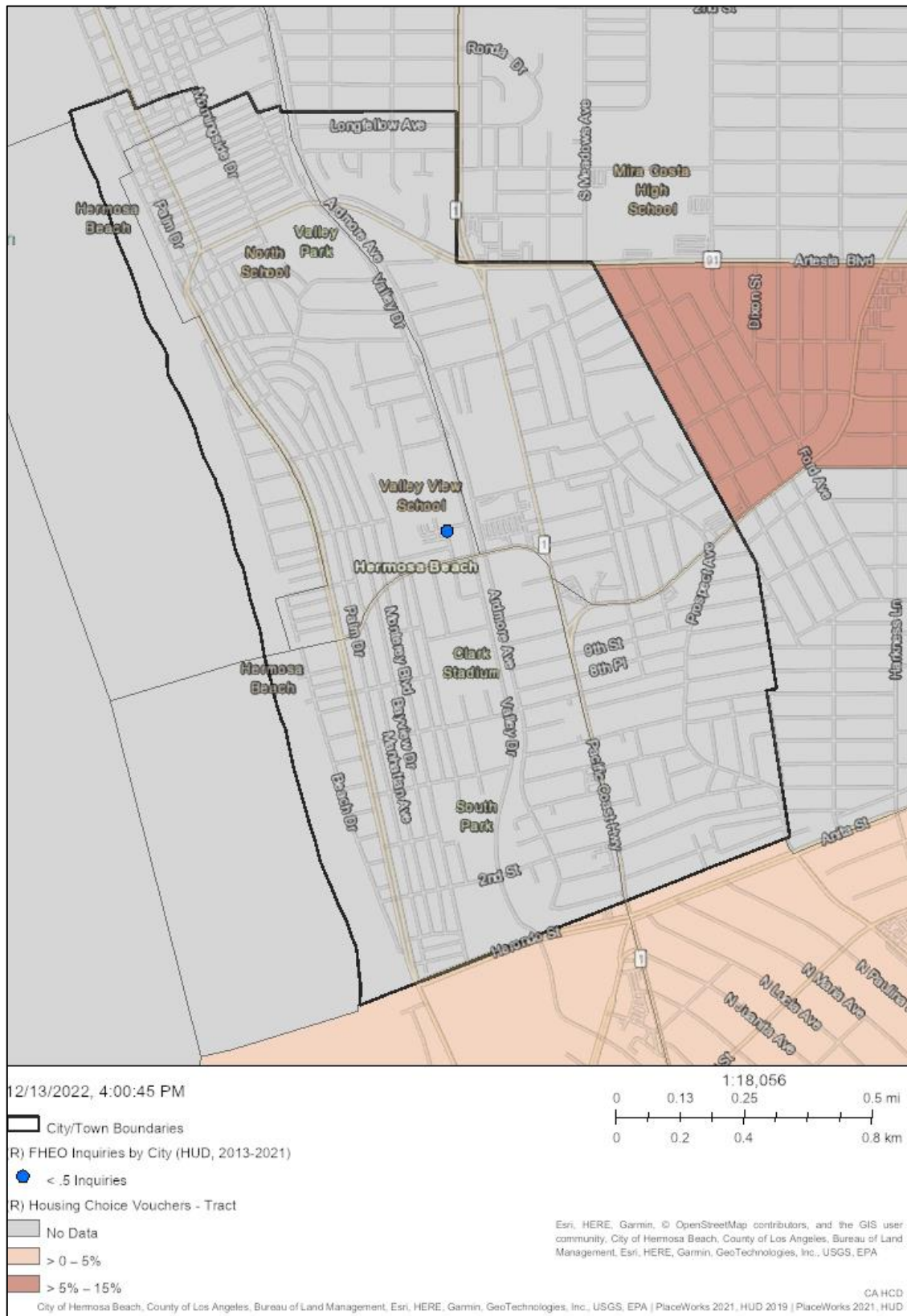
housing units in Hermosa Beach. FEHO Inquiries and the concentration of HCV recipients by tract are shown in Figure D-3.

As discussed in Appendix C, the City held a series of public meetings during the Housing Element update in an effort to include all segments of the community. Each meeting was publicized on the City's website and meeting notices were also sent to persons and organizations with expertise in affordable housing and supportive services. Interested parties had the opportunity to interact with City staff throughout the Housing Element update process and provide direct feedback regarding fair housing issues.

The City also created a dedicated web page for the Housing Element update (<https://www.hermosabeach.gov/our-government/city-departments/community-development/plans-programs/housing-element-update>) and provided opportunities for interested persons to participate in public meetings remotely, which made it possible for those with disabilities limiting their travel to participate and comment on the Housing Element regardless of their ability to attend the meetings.

Public comments related to fair housing focused on the high cost of housing in coastal communities. In the City's online housing survey (see Appendix C) none of the 25 respondents stated fair housing was an issue in Hermosa Beach.

Figure D-3: FHEO Inquiries and HCVs by Tract



Source: HCD AFFH Data Viewer (HUD, 2013-2021), 2022.

2. Integration and Segregation

a. Race and Ethnicity

Ethnic and racial composition of a region is useful in analyzing housing demand and any related fair housing concerns, as it tends to demonstrate a relationship with other characteristics such as household size, locational preferences and mobility. For example, prior studies have identified socioeconomic status, generational care needs, and cultural preferences as factors associated with “doubling up”- households with extended family members and non-kin.¹ These factors have also been associated with ethnicity and race. Other studies have also found minorities tend to congregate in metropolitan areas though their mobility trend predictions are complicated by economic status (minorities moving to the suburbs when they achieve middle class) or immigration status (recent immigrants tends to stay in metro areas/ports of entry).²

To measure segregation in a given jurisdiction, the US Department of Housing and Urban Development (HUD) provides racial or ethnic dissimilarity trends. Dissimilarity indices are used to measure the evenness with which two groups (frequently defined on racial or ethnic characteristics) are distributed across the geographic units, such as block groups within a community. The index ranges from 0 to 100, with 0 denoting no segregation and 100 indicating complete segregation between the two groups. The index score can be understood as the percentage of one of the two groups that would need to move to produce an even distribution of racial/ethnic groups within the specified area. For example, if an index score above 60, 60% of people in the specified area would need to move to eliminate segregation. The following shows how HUD views various levels of the index:

- <40: Low Segregation
- 40-54: Moderate Segregation
- >55: High Segregation

Regional Trend

As presented in Table D-1, Los Angeles County is characterized by a large Hispanic/Latino population, representing 48.3% of the total population. The White population is the second largest population countywide (25.9%), followed by the Asian population (14.6%), and Black/African American population (7.8%). Of the selected jurisdictions in the proximity of Hermosa Beach, Hermosa Beach has the largest White population of 75%. In general, the coastal cities, Hermosa Beach, El Segundo, Manhattan Beach, and Redondo Beach, have larger White populations compared to inland neighboring cities. The Hispanic/Latino population represents the largest proportion of the population in Gardena and Lawndale. Comparatively, only 11.2% of the population in Hermosa Beach is Hispanic or Latino.

¹ Harvey, H., Dunifon, R., & Pilkauskas, N. (2021). Under Whose Roof? Understanding the living arrangements of children in doubled-up households. Duke University Press, 58 (3): 821–846. <https://doi.org/10.1215/00703370-9101102>

² Sandefur, G.D., Martin, M., Eggerling-Boeck, J., Mannon, S.E., & Meier, A.M. (2001). An overview of racial and ethnic demographic trends. In N. J. Smelser, W.J. Wilson, & F. Mitchell (Eds.) America becoming: Racial trends and their consequences. (Vol I, pp. 40-102). National Academy Press Washington, D.C.

Table D-1: Racial/Ethnic Composition of Neighboring Cities and County (2020)

Race/Ethnicity	Los Angeles County	Hermosa Beach	El Segundo	Gardena	Lawndale	Manhattan Beach	Redondo Beach	Torrance
White	25.9%	75.0%	61.3%	9.0%	14.3%	71.3%	59.2%	34.7%
Black/African American	7.8%	0.7%	4.8%	20.8%	8.1%	0.4%	3.6%	2.7%
American Indian/ Alaska Native	0.2%	0.5%	0.0%	0.1%	0.2%	0.2%	0.2%	0.3%
Asian	14.6%	6.1%	9.9%	25.7%	11.7%	14.6%	14.4%	37.4%
Native Hawaiian/ Pacific Islander	0.2%	0.0%	0.0%	0.5%	0.9%	0.1%	0.1%	0.3%
Some other race	0.4%	0.3%	0.4%	1.0%	0.5%	0.2%	0.5%	0.3%
Two or more races	2.6%	6.2%	7.7%	2.7%	1.8%	5.1%	6.6%	5.1%
Hispanic/Latino	48.3%	11.2%	15.9%	40.3%	62.5%	8.1%	15.4%	19.1%
Total Population	10,040,682	19,147	16,575	59,401	32,533	35,064	66,663	144,430

Source: 2016-2020 ACS (5-Year Estimates).

As explained above, dissimilarity indices measure segregation, with higher indices signifying higher segregation. In Los Angeles County, all minority (non-White) residents combined are considered highly segregated from White residents, with an index score of 58.53 in 2020 (Table D-2). Since 1990, segregation between non-White (all non-white residents combined) and White residents has increased slightly, indicating Los Angeles County has become increasingly segregated. Dissimilarity indices between Black and White residents has decreased, while indices increased between Hispanic, Asian/Pacific Islander, and White residents during the same period. Based on HUD's definition of the index, Black and White residents are highly segregated, Hispanic and White residents are highly segregated, and Asian/Pacific Islander and White residents are moderately segregated.

Table D-2: Racial/Ethnic Dissimilarity Trends – Los Angeles County (1990-2020)

	1990 Trend	2000 Trend	2010 Trend	Current
Non-White/White	56.66	56.72	56.55	58.53
Black/White	73.04	67.40	64.99	68.24
Hispanic/White	60.88	63.03	63.35	64.33
Asian or Pacific Islander/White	46.13	48.19	47.62	51.59

Source: U.S. Department of Housing and Urban Development (HUD) Affirmatively Furthering Fair Housing (AFFH) Database, 2020.

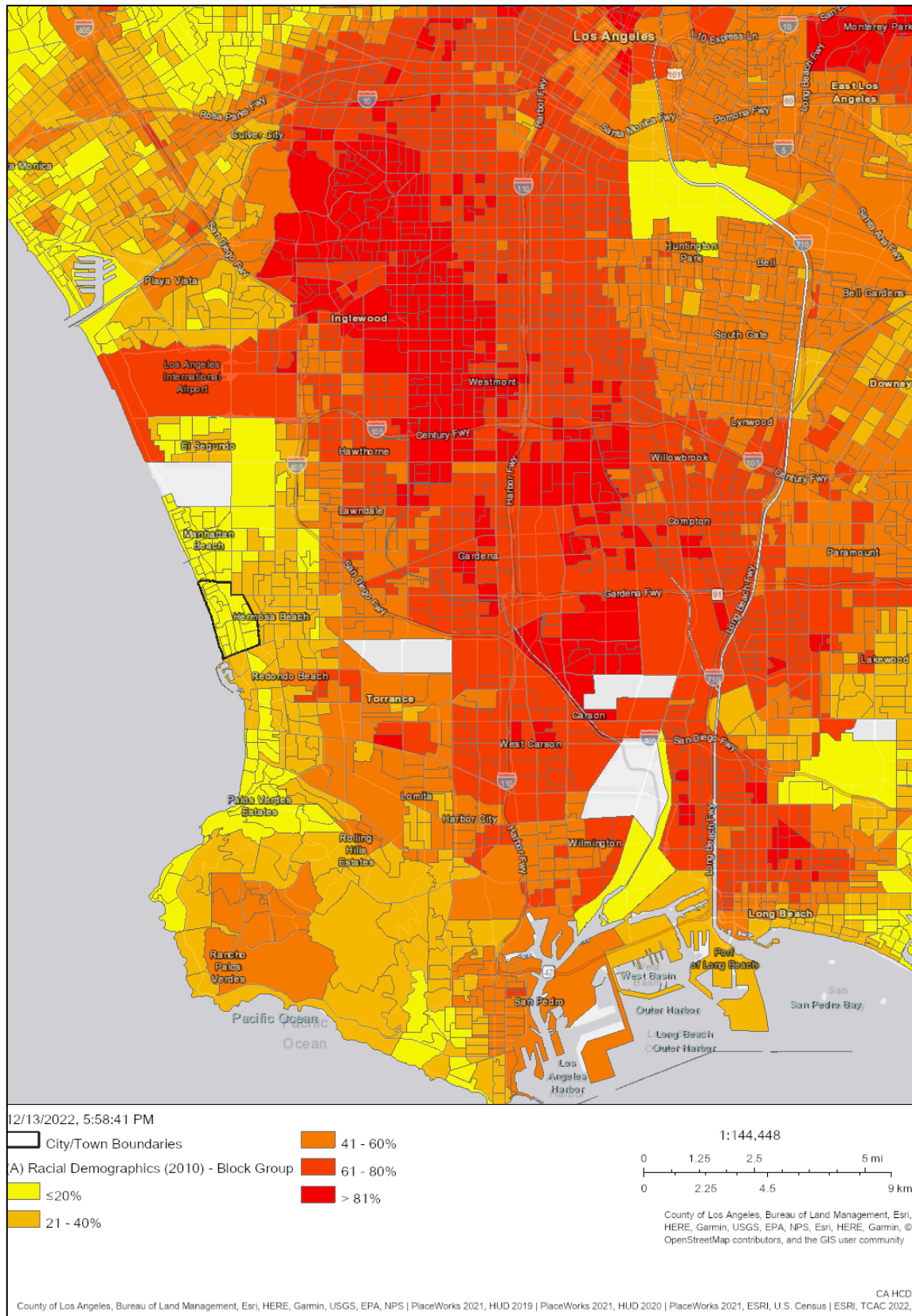
Figure D-4 and Figure D-5 compare racial/ethnic minority populations by block group in the region in 2010 and 2018. Non-White populations in nearly all areas of this section of Los Angeles County have increased since 2010. Racial/ethnic minority populations throughout the central areas of the County have intensified, while block groups in the coastal areas also saw an increase in non-White populations.

Figure D-5 shows that most areas in Los Angeles County have high concentrations of racial/ethnic minorities. Coastal cities, including Santa Monica, Manhattan Beach, Hermosa Beach, Redondo Beach, and Palos Verdes Estates generally have smaller non-White populations. Most block groups in the South Bay, San Gabriel Valley, San Fernando Valley and central Los Angeles areas have majority racial/ethnic minority populations.

Block groups in Hermosa Beach have racial/ethnic minority populations comparable to coastal areas to the north and south, but significantly smaller populations than block groups in jurisdictions to the east.

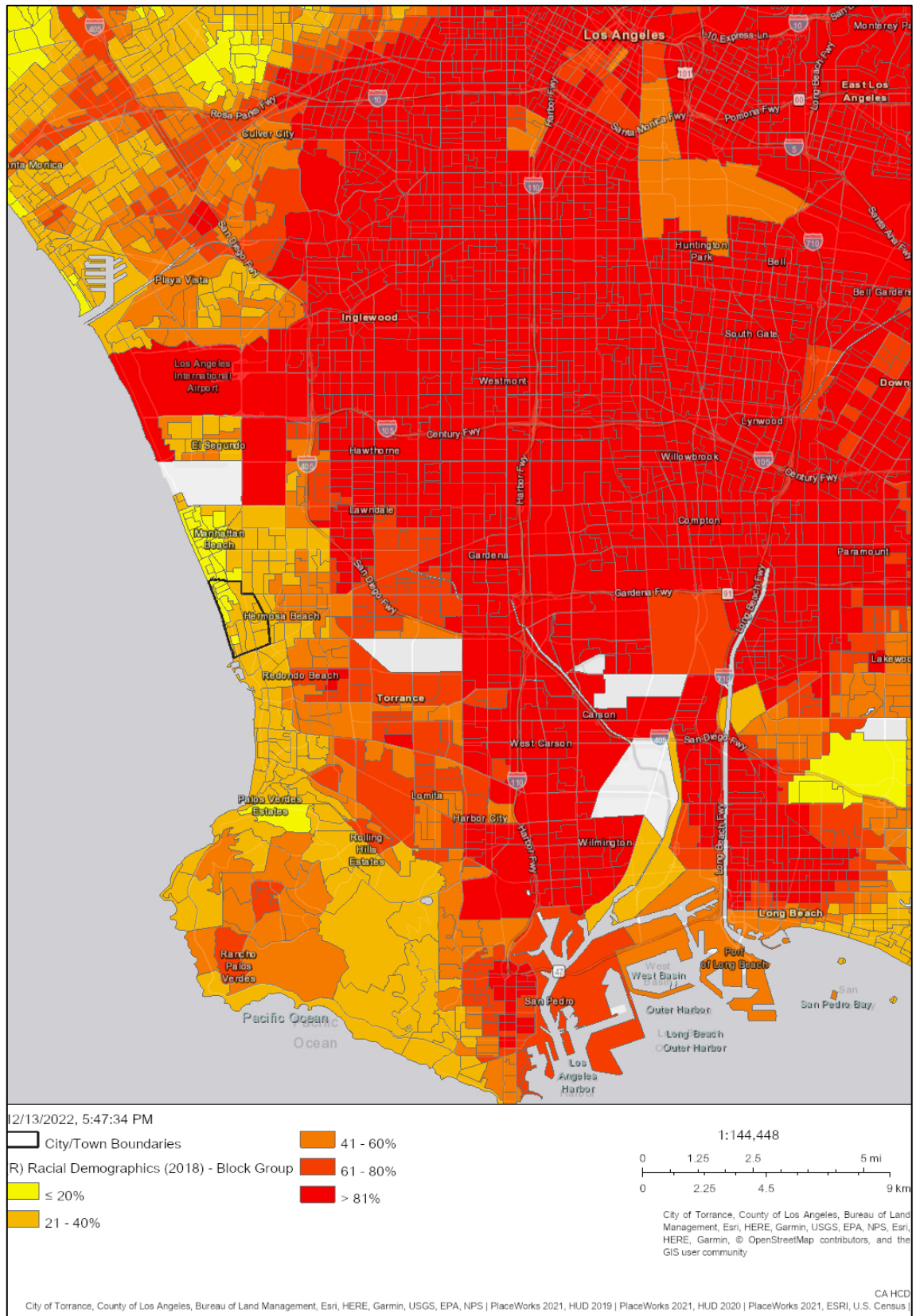
Figure D-6 shows the racial/ethnic majority population by tract in the region surrounding Hermosa Beach. In general, the coastal areas, from Santa Monica to Long Beach, contain tracts that have White majority populations. Tracts to the east, in and around the cities of South Gate, Downey, and parts of Los Angeles have Hispanic majority populations. There are smaller pockets of Black majority populations in and surrounding Inglewood, Carson, and the City of Los Angeles. Asian majority populations occur in a few tracts in jurisdictions east of Hermosa Beach, such as Torrance, Gardena, and West Carson.

Figure D-4: Regional Racial/Ethnic Minority Populations by Block Group (2010)



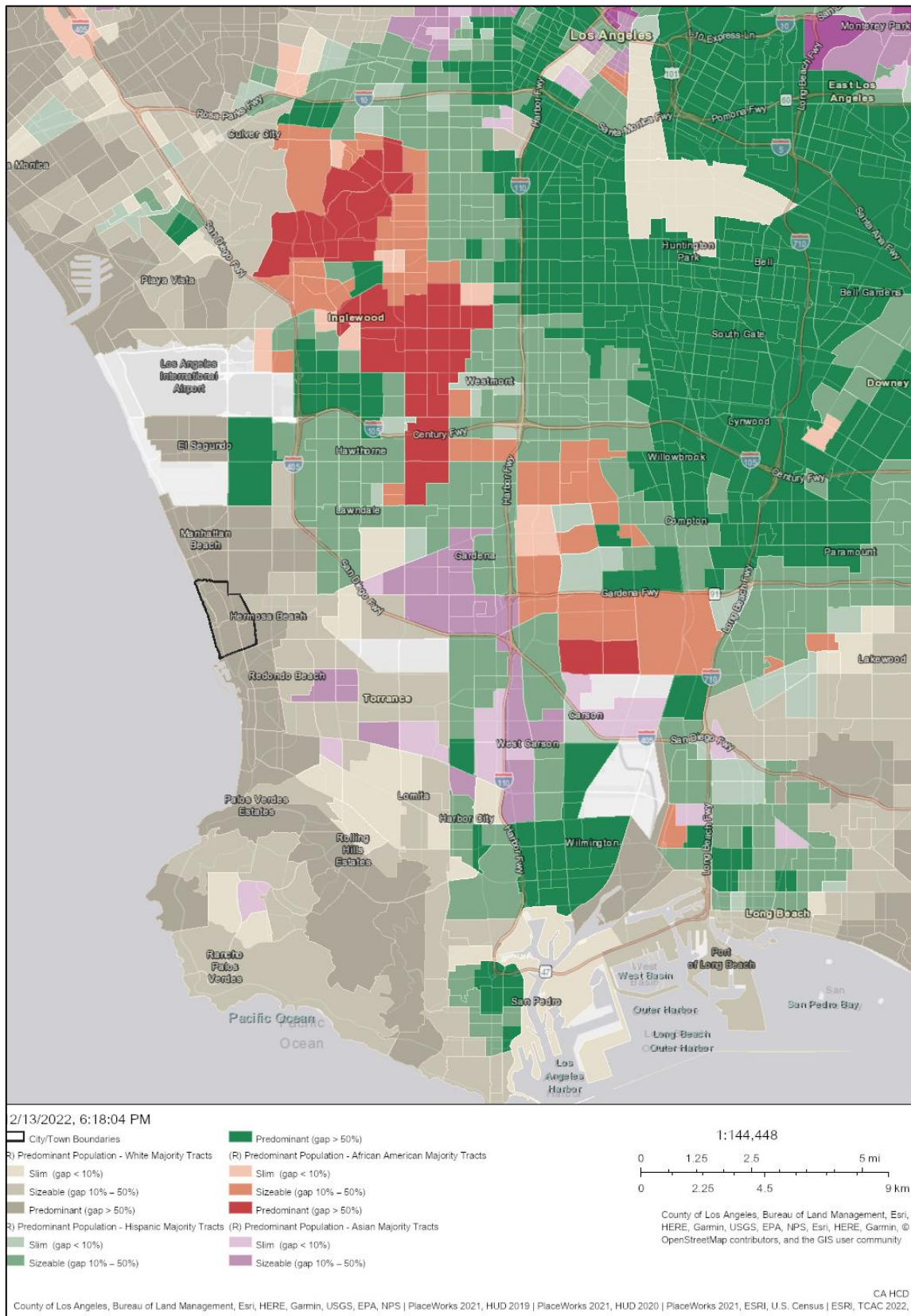
Source: HCD AFFH Data Viewer (ESRI 2010), 2022.

Figure D-5: Regional Racial/Ethnic Minority Populations by Block Group (2018)



Source: HCD AFFH Data Viewer (ESRI 2018), 2022.

Figure D-6: Regional Racial/Ethnic Majority Populations by Tract (2018)



Source: HCD AFFH Data Viewer (ESRI 2018), 2022.

Local Trend

As mentioned above, Hermosa Beach is characterized by a White majority population. As presented in Table D-3, 75% of the Hermosa Beach population is White. The Hispanic/Latino population is the second largest population in the City, representing 11.2% of the population. Another 6.2% is two or more races and 6.1% is Asian. Since the 2006-2010 ACS, the White population has decreased citywide. During this period, the American Indian/Alaska Native population, population of some other race, population of two or more races, and Hispanic/Latino population increased.

Table D-3: Racial/Ethnic Composition (2010-2020)

Race/Ethnicity	2010		2020	
	Persons	Percent	Persons	Percent
White	15,556	80.4%	14,358	75.0%
Black/African American	131	0.7%	137	0.7%
American Indian/Alaska Native	36	0.2%	89	0.5%
Asian	1,274	6.6%	1,167	6.1%
Native Hawaiian/Pacific Islander	19	0.1%	0	0.0%
Some other race	5	0.0%	65	0.3%
Two or more races	672	3.5%	1,179	6.2%
Hispanic/Latino	1,662	8.6%	2,152	11.2%
Total	19,355	100.0%	19,147	100.0%

Source: 2006-2010 and 2016-2020 ACS (5-Year Estimates).

Because Hermosa Beach is part of the Urban County program, dissimilarity HUD dissimilarity indices are not available for the City alone. HUD provides dissimilarity data for recipients of CDBG funds. The City of Hermosa Beach, as part of the Urban County program, may receive CDBG funds indirectly from LACDA.

As shown in Figure D-6 above, all tracts in Hermosa Beach have White majority populations. Figure D-7 and Figure D-8 compare racial/ethnic minority populations in the City between 2010 and 2019. In 2010, all block groups in the City had non-White populations of 20% or smaller. As of 2019, most tracts in Hermosa Beach had non-White populations ranging from 21% to 40%. This is consistent with the citywide trend, where 80.4% of the population was White in 2010 compared to only 75% in 2020. Tract 6210.05 in the northwestern section of the City has a smaller non-White population of 18% compared to all other tracts in Hermosa Beach. However, the other tracts, tracts 6210.01, 6211.02, and 6211.04, also have small non-White populations ranging from 20% to 28%. Racial/ethnic minority populations are comparable citywide.

Sites Inventory

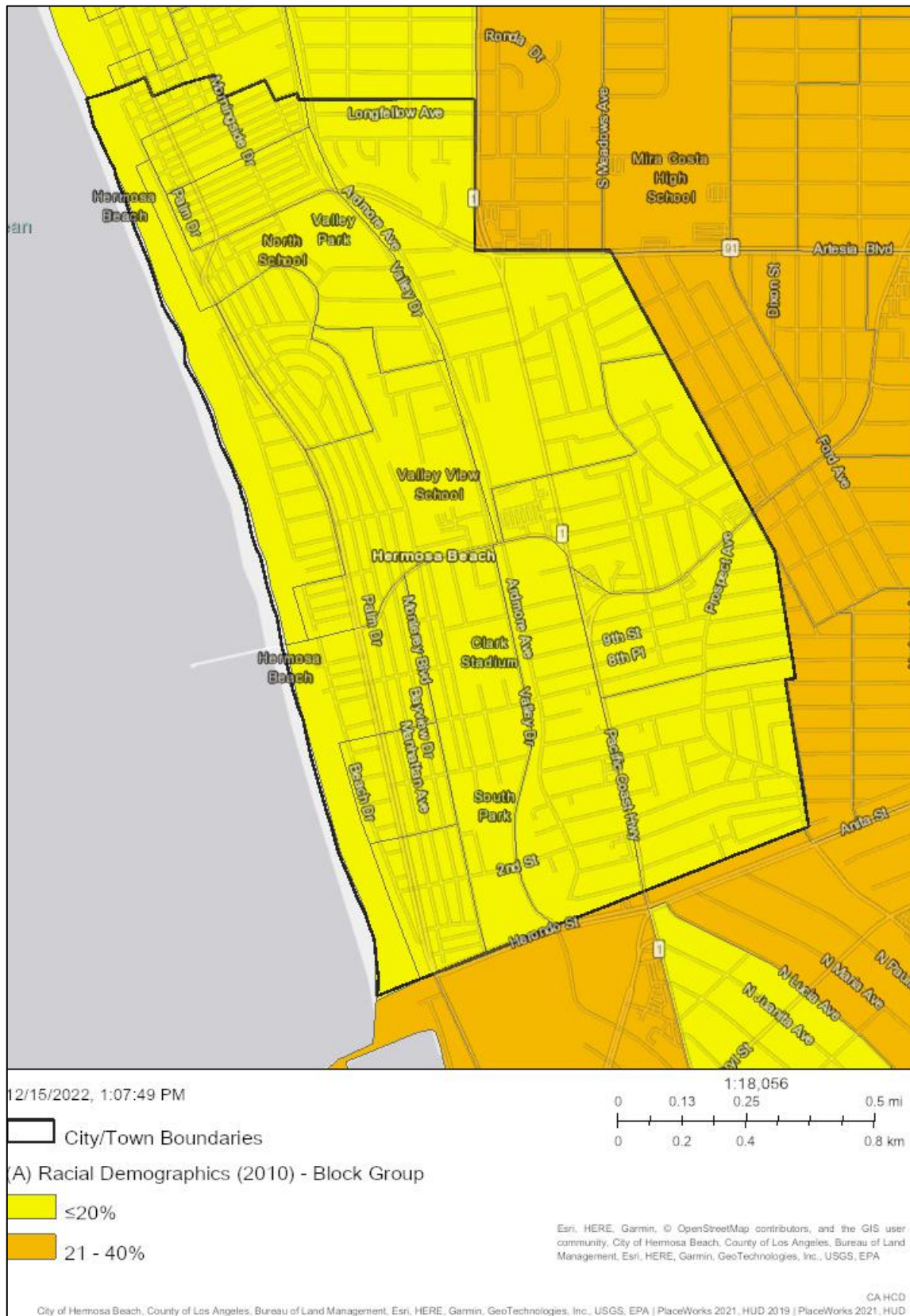
Sites selected to meet the RHNA are also included in Figure D-8. The distribution of RHNA units by tract-level racial/ethnic minority population is presented in Table D-4. Consistent with the citywide trend, 82% of RHNA units are in tracts where 20% to 40% of the population belongs to a racial or ethnic minority group. As discussed above, three of the four tracts comprising Hermosa Beach have non-White populations in this range. The remaining 17.7% of RHNA units, including 68 lower income units, 20 moderate income units, and 61 above moderate income units are in the northwestern tract where less than 20% of the population

is non-White. The City's RHNA strategy does not concentrate units of any income level in a single area of Hermosa Beach. It is also relevant to note that tract-level racial/ethnic minority populations are generally comparable citywide, ranging from 18% to 28%.

Table D-4: Distribution of RHNA Units by Racial/Ethnic Minority Population (2019)

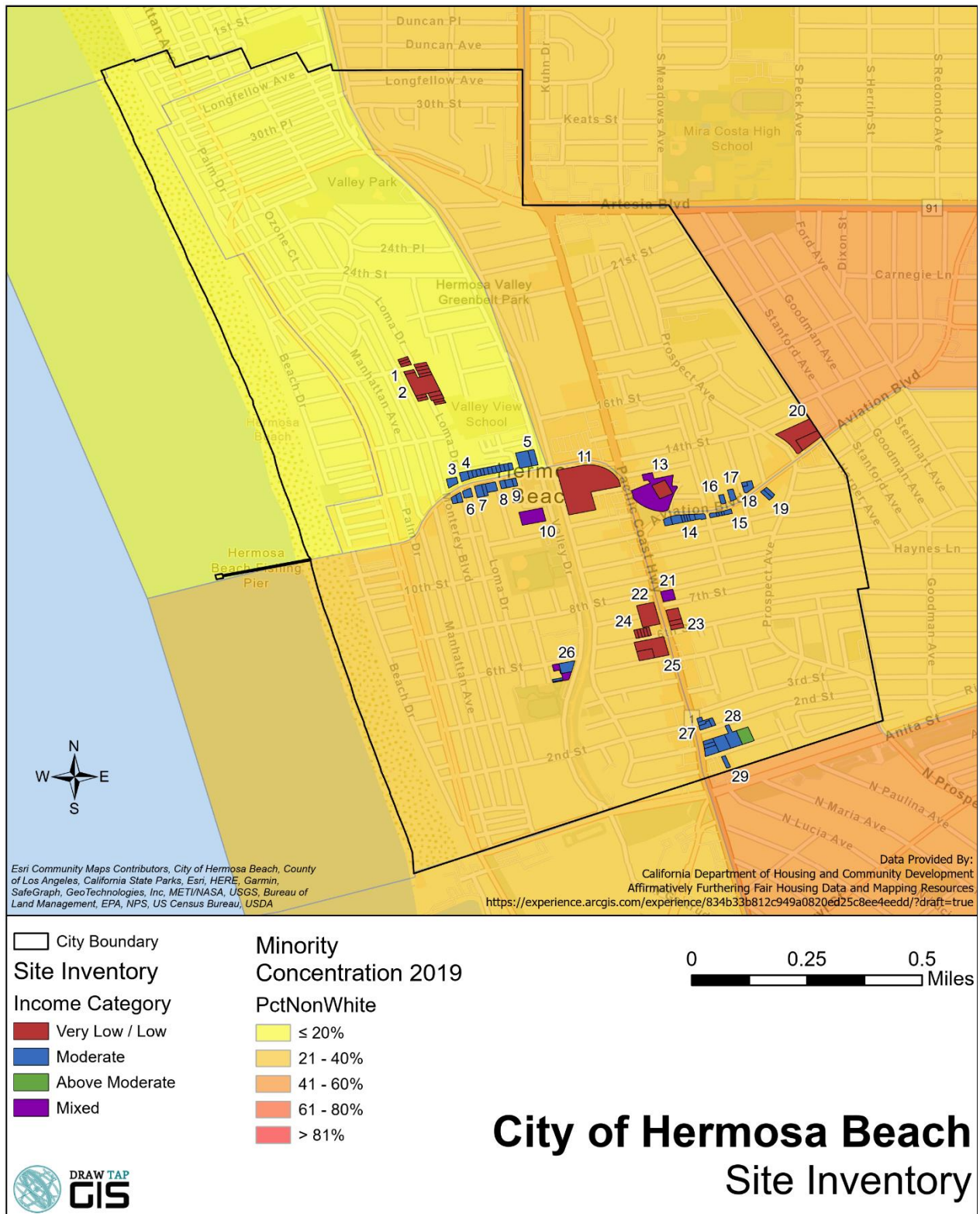
Racial/Ethnic Minority Population (Tract)	Lower Income Units		Moderate Income Units		Above Moderate Income Units		Total Units	
	Units	Percent	Units	Percent	Units	Percent	Units	Percent
<20%	68	19%	20	11.9%	19	23.7%	107	17.7%
20-40%	289	81.0%	148	88.1%	61	76.3%	498	82.3%
40-60%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
60-80%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
>80%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	357	100.0%	168	100.0%	80	100.0%	605	100.0%

Figure D-7: Racial/Ethnic Minority Populations by Block Group (2010)



Source: HCD AFFH Data Viewer (ESRI 2010), 2022.

Figure D-8: Racial/Ethnic Minority Populations by Tract and Sites Inventory (2019)



b. Persons with Disabilities

Persons with disabilities have special housing needs because of the lack of accessible and affordable housing, and the higher health costs associated with their disability. In addition, many may be on fixed incomes that further limits their housing options. Persons with disabilities also tend to be more susceptible to housing discrimination due to their disability status and required accommodations associated with their disability.

Regional Trend

Nearly 11% of the Los Angeles County population experiences one or more disability. As presented in Table D-5, the Black/African American population has the highest disability rate countywide (14.9%), followed by the American Indian/Alaska Native population (13.4%), the non-Hispanic White population (12.7%), and the Native Hawaiian/Pacific Islander population (12.6%). All other racial/ethnic groups have disability rates equal to or less than the countywide average of 10.9%. Aging populations tend to have higher rates of disabilities. Over 50% of the population 75 years and older experiences a disability, compared to 23.3% of the population aged 65 to 74, and 9% of the population aged 35 to 64. Ambulatory difficulties and independent living difficulties are the most common disability types in the County. Approximately 5.8% and 5.6% of the population, respectively, experiences these disabilities.

The population of persons experiencing disabilities at the tract-level is shown in Figure D-9 for the region. Less than 20% of the population in most tracts in Los Angeles County are persons with disabilities. Tracts with disabled populations exceeding 20 percent are not concentrated in one area of the County. Tracts with larger shares of persons with disabilities closest to Hermosa Beach are in Inglewood, Long Beach, and the City of Los Angeles. The concentration of persons with disabilities in Hermosa Beach is generally comparable to neighboring jurisdictions. The coastal cities of Manhattan Beach, Hermosa Beach, and Redondo Beach tend to have smaller disabled populations compared to Gardena, Compton, and Inglewood.

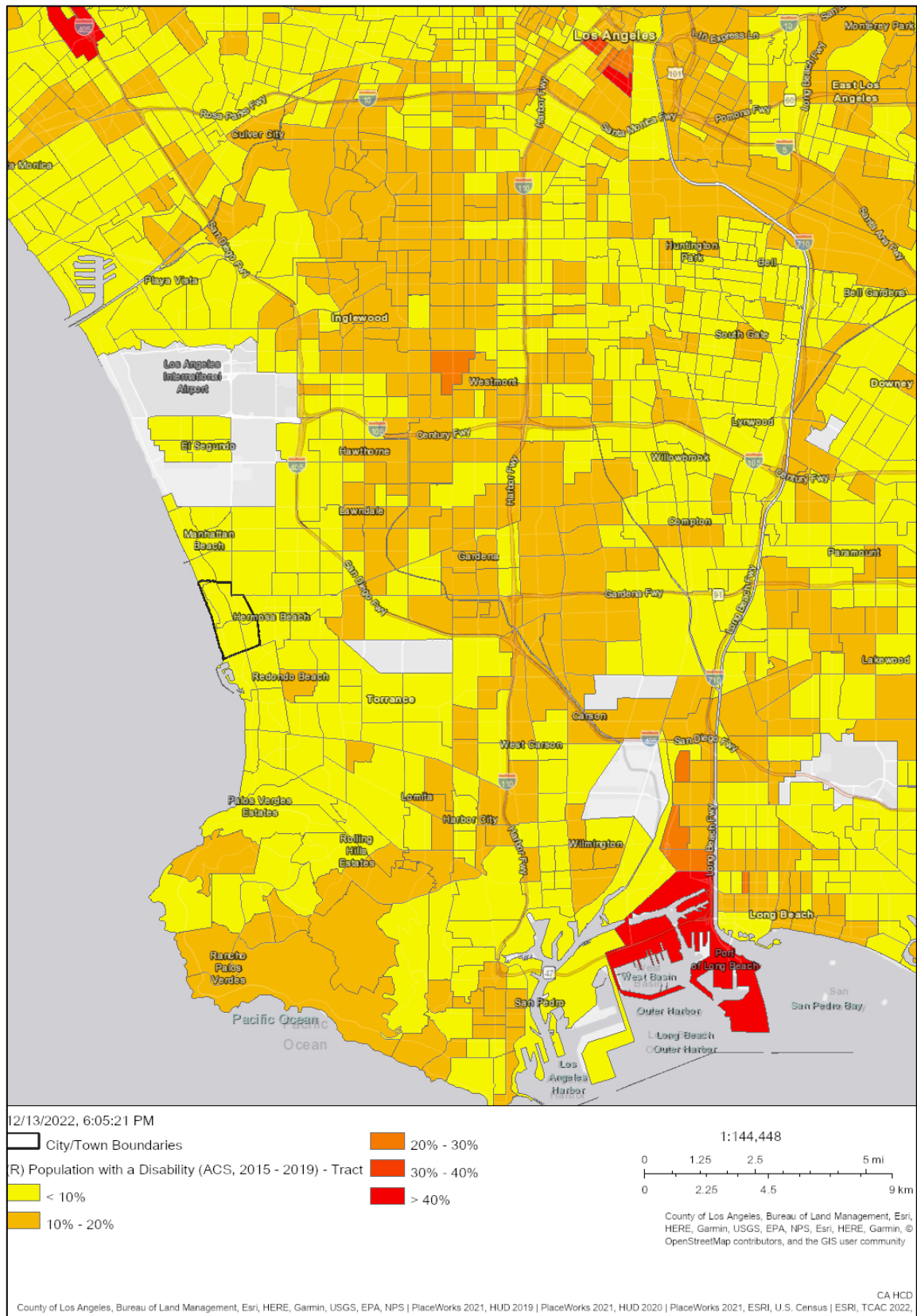
Table D-5: Disability Status by Race, Age, and Type – Los Angeles County (2020)

	Total Population	Percent with Disability
Total civilian noninstitutionalized population	9,970,085	10.9%
Race/Ethnicity		
White alone	4,760,801	10.9%
Black or African American alone	795,512	14.9%
American Indian and Alaska Native alone	77,046	13.4%
Asian alone	1,482,690	8.7%
Native Hawaiian and Other Pacific Islander alone	24,777	12.6%
Some other race alone	2,103,933	7.7%
Two or more races	725,326	8.7%
White alone, not Hispanic or Latino	2,580,560	12.7%
Hispanic or Latino (of any race)	4,826,633	8.3%
Age		
Under 5 years	593,017	0.6%
5 to 17 years	1,581,972	4.0%

	Total Population	Percent with Disability
18 to 34 years	2,563,958	4.6%
35 to 64 years	3,888,561	9.0%
65 to 74 years	772,731	23.3%
75 years and over	569,846	51.1%
Type		
With a hearing difficulty	N/A	2.5%
With a vision difficulty	N/A	2.0%
With a cognitive difficulty	N/A	4.2%
With an ambulatory difficulty	N/A	5.8%
With a self-care difficulty	N/A	3.0%
With an independent living difficulty	N/A	5.6%

Source: 2016-202 ACS (5-Year Estimates).

Figure D-9: Regional Population of Persons with Disabilities by Tract (2019)



Source: HCD AFFH Data Viewer (2015-2019 ACS), 2022.

Local Trend

Hermosa Beach has a significantly smaller population of persons with disabilities compared to the County. Only 5.5% of the City population experience one or more disability compared to 10.9% countywide. This may be in part, due to the population of persons aged 75 and older. According to the 2016-2020 ACS, 5.9% of the population countywide is 75 or older compared to only 4.5% of the population in Hermosa Beach. Since the 2008-2012 ACS, the population of persons with disabilities in Hermosa Beach has increased slightly from 5%. While there is only a small population of American/Indian Alaska Native residents in the City (90 persons), a large proportion (41.1%) experience a disability. The Black/African American (6.8%), Hispanic/Latino (5.8%), and non-Hispanic White (5.8%) populations also have disabilities rates exceeding the citywide average. Approximately 40% of persons aged 75 and older and 13.1% of persons aged 65 to 74 experience a disability, both smaller proportions compared to the respective populations countywide. Hearing difficulties, ambulatory difficulties, and independent living difficulties are all equally common in Hermosa Beach, where 2.1% of the population experiences each, respectively.

As shown in Sites Inventory

There are no tracts in the City where more than 10% of the population experiences a disability. There are no RHNA sites in areas where populations of persons with disabilities are heightened.

Figure D-10, all tracts in Hermosa Beach have populations of persons with disabilities under 10%.

Table D-6: Disability Status by Race, Age, and Type – Hermosa Beach (2020)

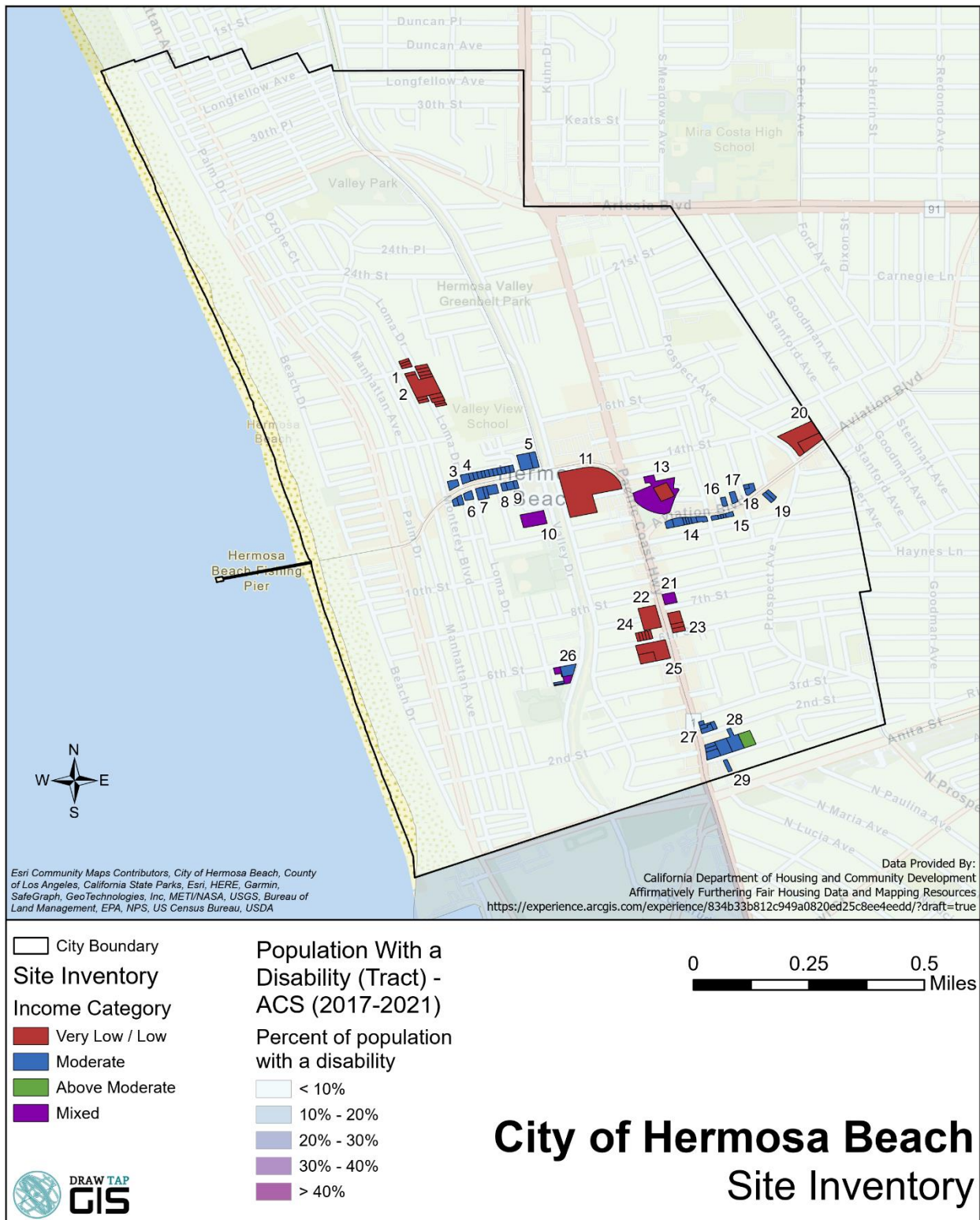
	Total Population	Percent with Disability
Total civilian noninstitutionalized population	18,974	5.5%
Race/Ethnicity		
White alone	15,431	6.2%
Black or African American alone	118	6.8%
American Indian and Alaska Native alone	90	41.1%
Asian alone	1,144	0.0%
Native Hawaiian and Other Pacific Islander alone	0	-
Some other race alone	402	2.5%
Two or more races	1,789	1.6%
White alone, not Hispanic or Latino	14,248	5.8%
Hispanic or Latino (of any race)	2,131	6.6%
Age		
Under 5 years	995	6.2%
5 to 17 years	2,421	1.2%
18 to 34 years	4,676	2.7%
35 to 64 years	8,284	3.1%
65 to 74 years	1,745	13.1%
75 years and over	853	40.1%
Type		
With a hearing difficulty	N/A	2.1%
With a vision difficulty	N/A	1.5%
With a cognitive difficulty	N/A	1.8%
With an ambulatory difficulty	N/A	2.1%
With a self-care difficulty	N/A	0.9%
With an independent living difficulty	N/A	2.1%

Source: 2016-202 ACS (5-Year Estimates).

Sites Inventory

There are no tracts in the City where more than 10% of the population experiences a disability. There are no RHNA sites in areas where populations of persons with disabilities are heightened.

Figure D-10: Population of Persons with Disabilities by Tract and Sites Inventory (2021)



c. Familial Status

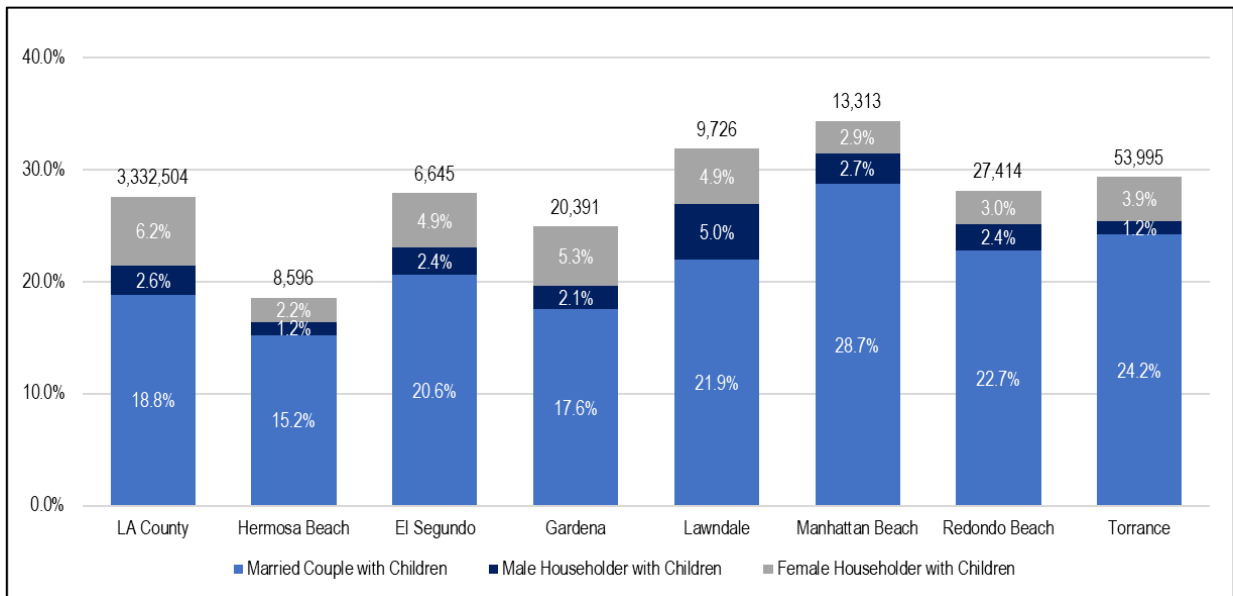
Under the Fair Housing Act, housing providers may not discriminate because of familial status. Familial status covers: the presence of children under the age of 18, pregnant persons, any person in the process of securing legal custody of a minor child (including adoptive or foster parents). Examples of familial status discrimination include refusing to rent to families with children, evicting families once a child joins the family through, e.g., birth, adoption, custody, or requiring families with children to live on specific floors or in specific buildings or areas. Single parent households are also protected by fair housing law.

Regional Trend

According to the 2016-2020 ACS, 27.6% of households have children of the householder under age 18. Of the 27.6% of households with children, 18.8% are married couple households, 2.6% are male-headed households, and 6.2% are female-headed households. Figure D-11 shows households with children in Los Angeles County, Hermosa Beach, and jurisdictions adjacent to Hermosa Beach. Of the selected jurisdictions, Manhattan Beach has the largest proportion of households with children (34.3%), followed by Lawndale (31.9%), and Torrance (29.3%). Hermosa Beach has the smallest proportion of households with children compared to the County and neighboring cities. Lawndale has the largest proportion of single-parent male-headed households. All the selected cities have proportions of single-parent female-headed households below the countywide average of 6.2%.

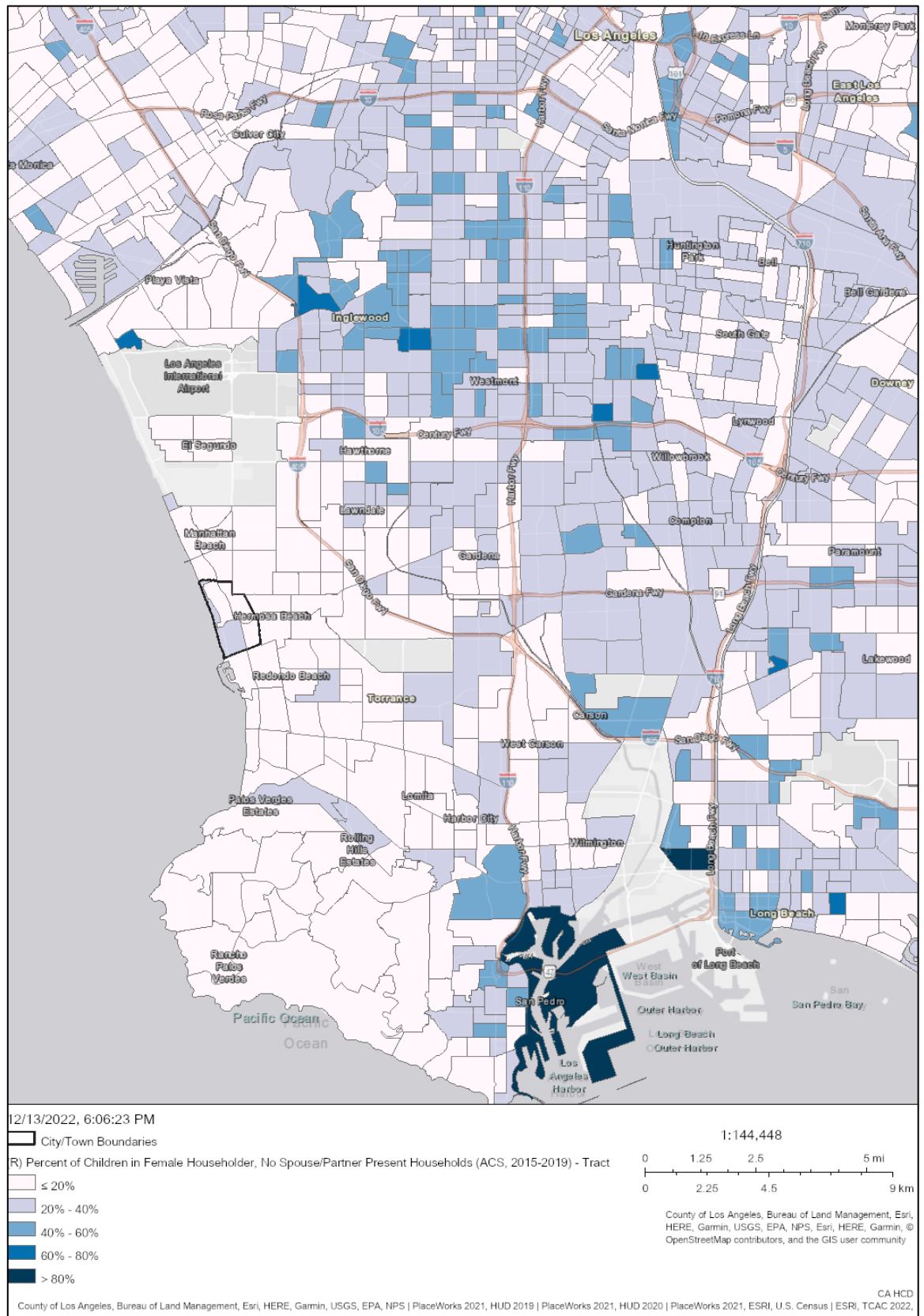
Figure D-12 shows the population of children living in single-parent female-headed households by tract in the region. Children in female-headed households are most concentrated in the area northeast of Hermosa Beach, including Inglewood, the City of Los Angeles, and unincorporated Los Angeles County communities, and the areas around Long Beach and Lakewood. In general, there are more children living in female-headed households in the central Los Angeles County areas compared to the South Bay, Westside, Gateway, San Fernando Valley, and San Gabriel Valley cities.

Figure D-11: Households with Children in Neighboring Cities and County (2020)



Source: 2016-2020 ACS (5-Year Estimates).

Figure D-12: Regional Children in Female-Headed Households by Tract (2019)



Source: HCD AFFH Data Viewer (2015-2019 ACS), 2022.

Local Trend

According to the 2006-2010 and 2016-2020 ACS, the proportion of households with children has increased (Table D-7). Households with children represent 16.4% of households citywide in 2010, but 18.6% in 2020. The proportion of married couples with children and single-parent female-headed households also increased during this period. Female-headed households with children require special consideration and assistance because of their greater need for affordable housing and accessible day care, health care, and other supportive services. However, only 2.2% of households in Hermosa Beach are single-parent female-headed households compared to 6.2% countywide. There are no tracts in Hermosa Beach where more than 20% of children reside in female-headed households (Figure D-13). Tract 6211.02 in the southeast section of the City has a smaller population of children in married couple households compared to other tracts. According to the HCD Data Viewer 2.0, based on the 2017-2021 ACS, 64.7% of children reside in married couple households in tract 6211.02 compared to 80.4% to 94.6% of children in the remaining tracts.

Hermosa Beach is characterized by a large population of persons living alone. Approximately 35% of households are persons living alone in the City compared to only 25.8% countywide. However, 8.9% of households in both the County and City are elderly persons aged 65 and older living alone. Figure D-15 shows that the northern tracts, tracts 6210.01 and 6210.05, have larger populations of adults living alone compared to the southern tracts. According to 2017-2021 ACS estimates, tracts 6210.01 and 6210.05 also have larger populations of elderly adults, 15% and 21.2%, respectively, compared to tracts 6211.02 and 6211.04 in southern Hermosa Beach (14.1% and 8.5%, respectively) (Figure D-16).

Table D-7: Households with Children (2010-2020)

Household Type	2010		2020	
	Households	Percent	Households	Percent
Households with Children	1,542	16.4%	1,595	18.6%
Married Couple with Children	1,314	14.0%	1,310	15.2%
Male Householder with Children	113	1.2%	99	1.2%
Female Householder with Children	115	1.2%	186	2.2%
Total Households	9,389	100.0%	8,596	100.0%

Source: 2006-2010 and 2016-2020 ACS (5-Year Estimates).

Sites Inventory

There are no tracts with populations of children residing in single-parent female-headed households exceeding 20%. The distribution of RHNA units by population of children in married couple households is shown in Figure D-13 and Table D-8. Most RHNA units (81%) are in tracts where more than 80% of children live in married couple households, including 95.8% of lower income units. The City's RHNA strategy does not concentrate lower or moderate income units in areas where fewer children reside in married couple households. RHNA sites are distributed throughout tracts with variable populations of children in married couple households to the greatest extent possible given the overall character of Hermosa Beach.

Table D-8: Distribution of RHNA Units by Children in Married Couple Households (2021)

Children in Married Couple HHs (Tract)	Lower Income Units		Moderate Income Units		Above Moderate Income Units		Total Units	
	Units	Percent	Units	Percent	Units	Percent	Units	Percent
<20%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
20-40%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
40-60%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
60-80%	22	6.2%	65	38.7%	28	35.0%	115	19.0%
>80%	335	93.8%	103	61.3%	52	65.0%	490	81.0%
Total	357	100.0%	168	100.0%	80	100.0%	605	100.0%

Figure D-13: Children in Female-Headed Households by Tract and Sites Inventory (2021)

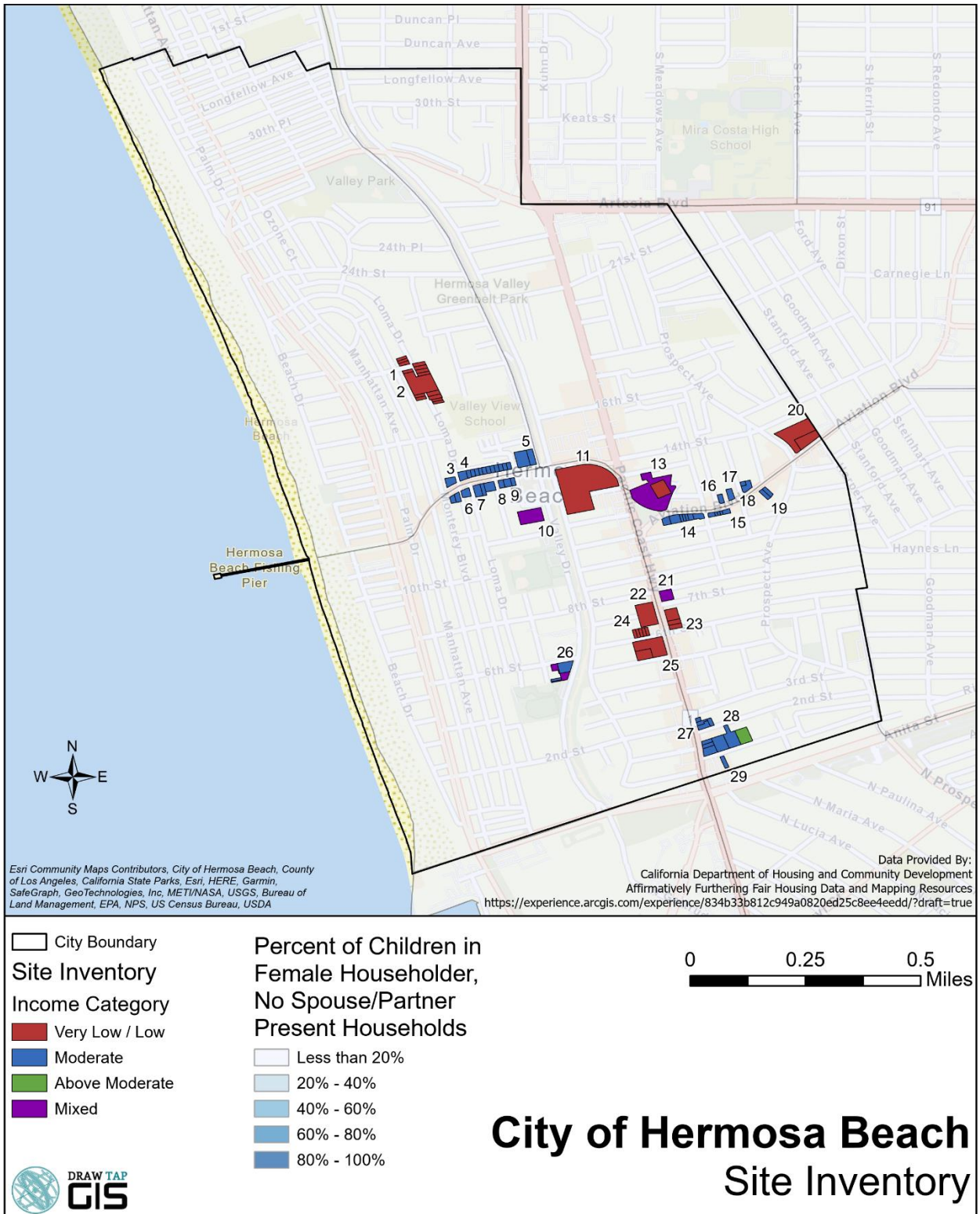
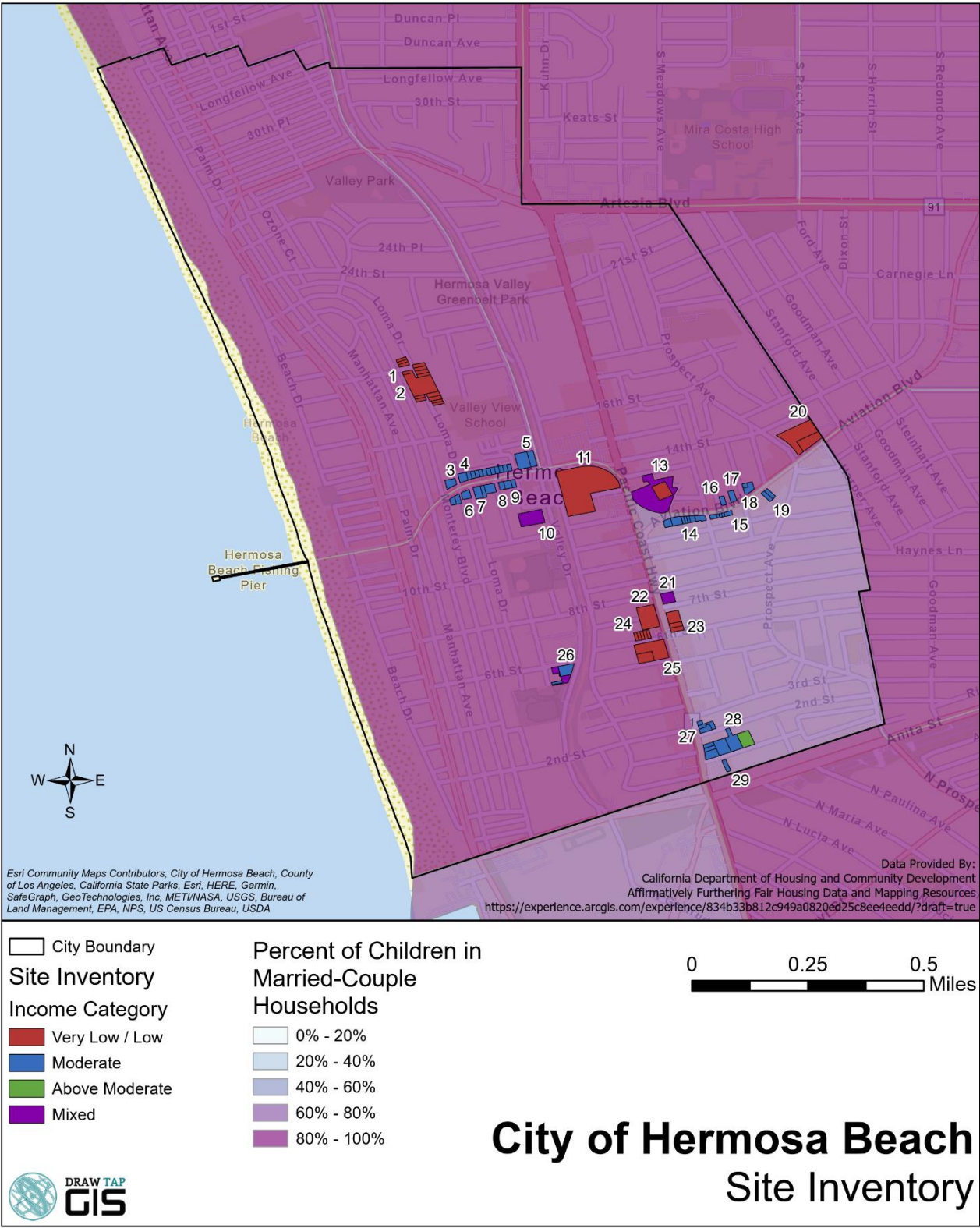


Figure D-14: Children in Married Couple Households by Tract and Sites Inventory (2021)



Source: HCD AFFH Data Viewer 2.0 (2017-2021 ACS), 2023.

Figure D-15: Population Living Alone by Tract (2021)



Source: HCD AFFH Data Viewer 2.0 (2017-2021 ACS), 2023.

Figure D-16: Population Aged 65 and Older by Tract (2021)



Source: 2017-2021 ACs (5-Year Estimates).

d. Income

Identifying low or moderate income (LMI) geographies and individuals is important to overcome patterns of segregation. HUD defines a LMI area as a Census tract or block group where over 51% of the population is LMI (based on HUD income definition of up to 80% of the Area Median Income).

Regional Trend

According to Comprehensive Housing Affordability Strategy (CHAS)³ data based on the 2015-2019 ACS, 55.6% of Los Angeles County households are low income, earning 80% or less than the area median income (AMI) (Table D-9). A significantly larger proportion of renter households in Los Angeles County are considered lower income. Over 69% of renter households are lower income compared to only 39.3% of owner households.

Figure D-17 shows populations of low or moderate income (LMI) households in the region by block group. The central and south Los Angeles County areas tend to have larger LMI household populations. Coastal areas, including Hermosa Beach, tend to have smaller populations of low or moderate income households.

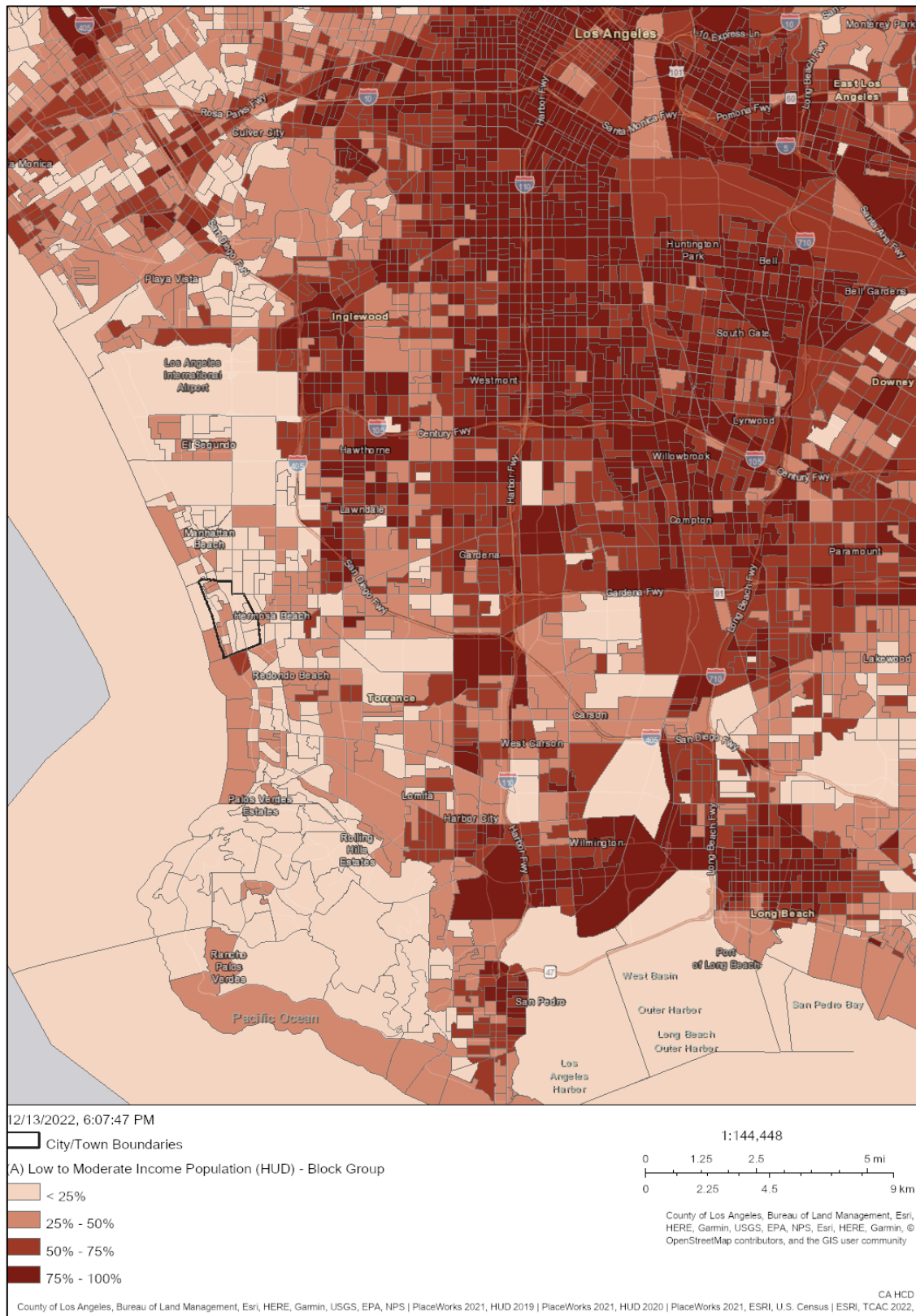
Table D-9: Households by Income and Tenure – Los Angeles County (2022)

Income Category	Owner-Occupied	Renter-Occupied	Total
0%-30% of AMI	10.8%	30.6%	21.5%
31%-50% of AMI	11.1%	18.9%	15.3%
51%-80% of AMI	17.4%	19.9%	18.7%
81%-100% of AMI	11.0%	8.9%	9.9%
Greater than 100% of AMI	49.7%	21.7%	34.5%
Total	1,519,515	1,797,280	3,316,795

Source: HUD CHAS data (based on 2015-2019 ACS), 2022.

³ Each year, the U.S. Department of Housing and Urban Development (HUD) receives custom tabulations of American Community Survey (ACS) data from the U.S. Census Bureau. These data, known as the "CHAS" data (Comprehensive Housing Affordability Strategy), demonstrate the extent of housing problems and housing needs, particularly for low income households.

Figure D-17: Regional LMI Household Population by Block Group (2020)



Source: HCD AFFH Data Viewer (HUD 2020), 2022.

Local Trend

A significantly larger proportion of Hermosa Beach households earn 100% or more of the AMI compared to the County as a whole. According to 2022 HUD CHAS data, 71.9% of Hermosa Beach households earn 100% or more of the AMI compared to only 34.5% countywide. The income disparity between owners and renters is also less prominent in Hermosa Beach than the County. Only 22.7% of owners and 21.9% of renters earn less than 80% of the AMI.

According to 2016-2020 ACS estimates, the median household income in Hermosa Beach is \$142,500. Coastal cities like Hermosa Beach tend to have significantly higher median household incomes compared to adjacent cities to the east. The median household income in Hermosa Beach is higher than the median in Los Angeles County (\$71,358), El Segundo (\$115,846), Gardena (\$64,015), Lawndale (\$65,923), Redondo Beach (\$116,832), and Torrance (\$94,781), and only slightly lower than the median in Manhattan Beach (\$153,926).

Table D-10: Households by Income and Tenure – Hermosa Beach (2022)

Income Category	Owner-Occupied	Renter-Occupied	Total
0%-30% of AMI	6.2%	6.7%	6.5%
31%-50% of AMI	7.4%	4.0%	5.6%
51%-80% of AMI	9.1%	11.1%	10.2%
81%-100% of AMI	4.2%	7.4%	5.9%
Greater than 100% of AMI	73.0%	70.8%	71.9%
Total	4,245	4,710	8,955

Source: HUD CHAS data (based on 2015-2019 ACS), 2022.

LMI household populations at the block group-level are shown for Hermosa Beach in Figure D-18. There are no block groups in the City that are considered LMI areas where more than 50% of households are low or moderate income. Most block groups have very small LMI household populations representing less than 25% of the block group population. There are five block groups located along Hermosa Avenue with LMI household populations ranging from 26% to 37%. Populations of LMI households in Hermosa Beach tracts are generally consistent with adjacent coastal cities such as Manhattan Beach and Redondo Beach. As mentioned above, jurisdictions east of the City, including Lawndale, Gardena, and Torrance, have more LMI households.

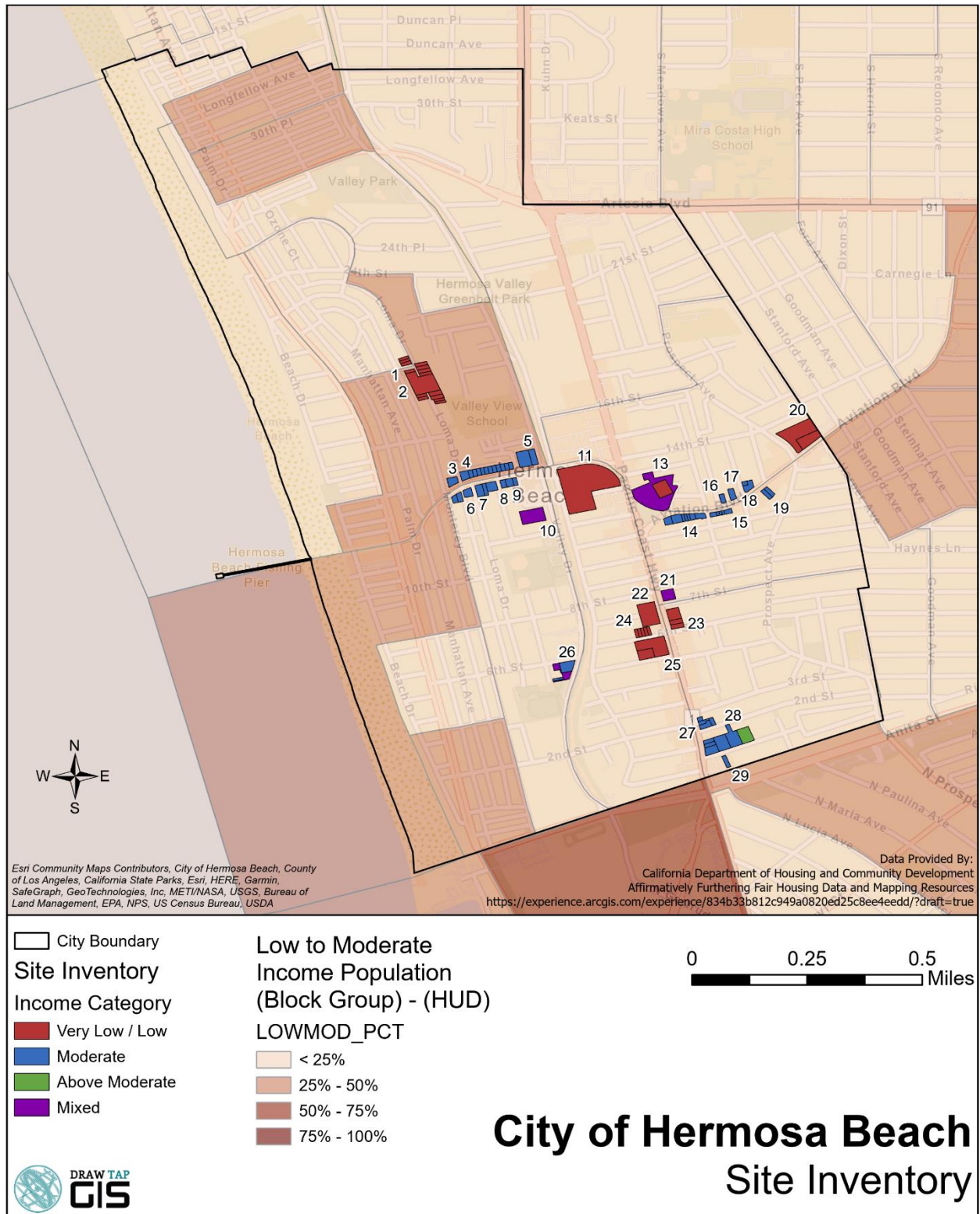
Sites Inventory

There are no LMI areas where more than 50% of households earn low or moderate incomes in Hermosa Beach. As shown in Table D-11 and Figure D-18. Consistent with the citywide trend, most RHNA units are in block groups where less than 25% of households are low or moderate income. There are 60 lower income units, 20 moderate income units, and 19 above moderate income units in a block group where 35% of households are LMI. The City's RHNA strategy distributes sites throughout block groups with variable LMI household populations to the extent possible given the composition of Hermosa Beach.

Table D-11: Distribution of RHNA Units by LMI Household Population

LMI Households (Block Group)	Lower Income Units		Moderate Income Units		Above Moderate Income Units		Total Units	
	Units	Percent	Units	Percent	Units	Percent	Units	Percent
<25%	297	83.2%	148	88.1%	61	76.3%	506	83.6%
25-50%	60	16.8%	20	11.9%	19	23.8%	99	16.4%
50-75%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
75-100%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	357	100.0%	168	100.0%	80	100.0%	605	100.0%

Figure D-18: LMI Household Population by Block Group and Sites Inventory (2020)



3. Racially/Ethnically Concentrated Areas

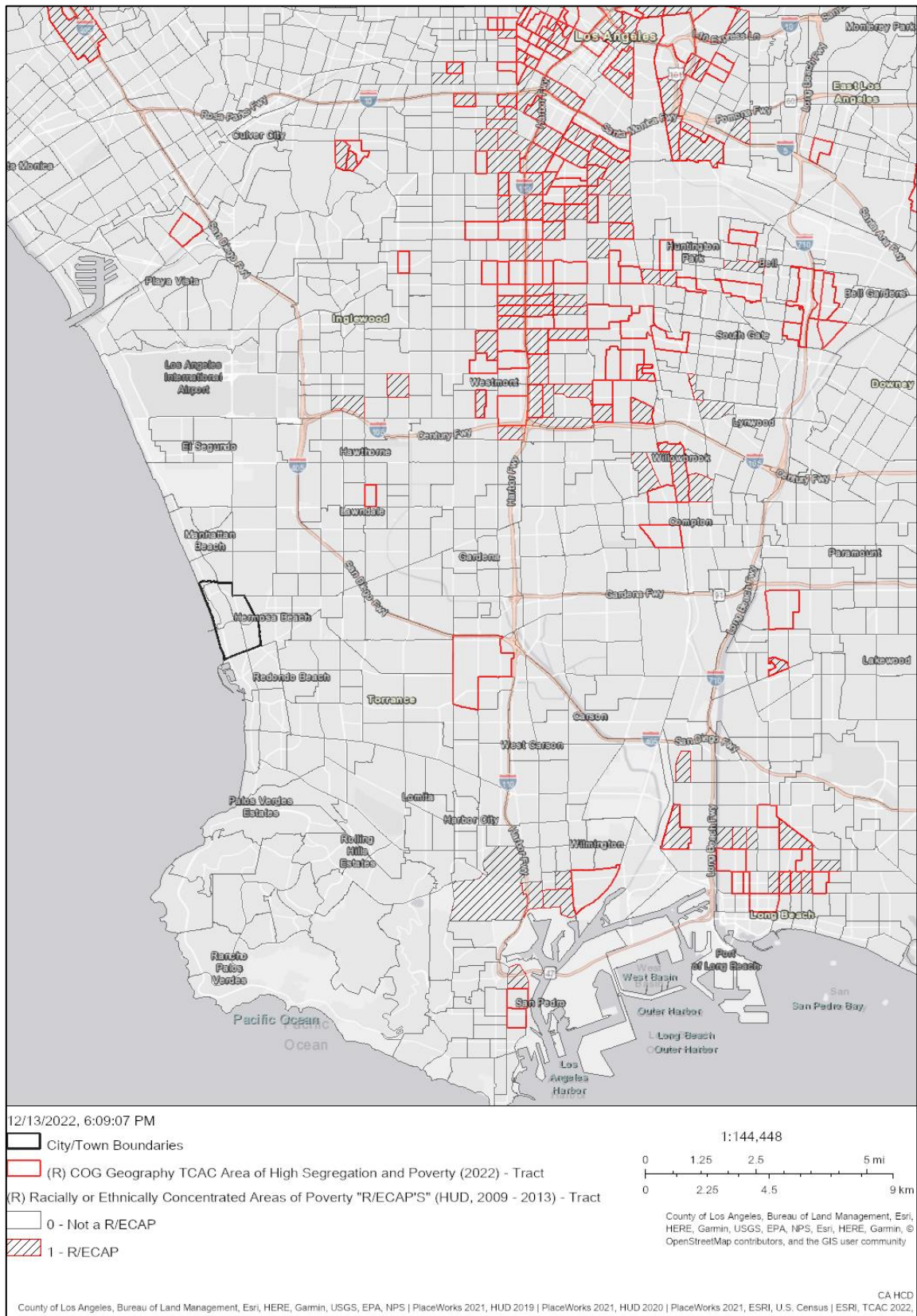
a. Racially/Ethnically Concentrated Areas of Poverty (R/ECAPs)

In an effort to identify racially/ethnically concentrated areas of poverty (R/ECAPs), HUD has identified census tracts with a majority non-White population (greater than 50%) and a poverty rate that exceeds 40% or is three times the average tract poverty rate for the metro/micro area, whichever threshold is lower.

Regional Trend

Figure D-19 shows tracts that have been identified as R/ECAPs or TCAC areas of high segregation and poverty. TCAC opportunity areas and scores are expanded upon in Section 4, *Access to Opportunities*. In the region, R/ECAPs and areas of high segregation and poverty are most prevalent in the City of Los Angeles, south Los Angeles, and in and around Long Beach. There are no R/ECAPs or areas of high segregation and poverty in the coastal areas stretching from Malibu to Rancho Palos Verdes. As mentioned previously, jurisdictions along the coast tend to have smaller populations of racial/ethnic minorities and LMI households compared to the inland County areas.

Figure D-19: Regional R/ECAPs and TCAC Areas of High Segregation and Poverty



Source: HCD AFFH Data Viewer (HUD 2009-2013; TCAC 2022), 2022.

Local Trend

There are no R/ECAPs or TCAC-designated areas of high segregation and poverty in Hermosa Beach. The closest R/ECAPs are in the City of Los Angeles and Hawthorne east of the City, and the closest TCAC areas of high segregation and poverty are in the unincorporated County and Inglewood northeast of the City.

As presented in Table D-12, Hermosa Beach has a significantly smaller population below the poverty level compared to the County (4.2% vs. 14.2%, respectively). In Hermosa Beach, the American Indian/Alaska Native population (12.2%) and Asian population (10%) have the highest poverty rates. All other racial/ethnic groups in the City have poverty rates below the citywide average of 4.3%. In Los Angeles County, poverty rates are the highest in the Black/African American population (20.2%), population of some other race (17.8%), Hispanic/Latino population (16.9%), and American Indian/Alaska Native population (16.3%).

Sites Inventory

There are no RHNA sites in R/ECAPs or areas of high segregation and poverty.

Figure D-20 shows poverty status by tract in Hermosa Beach the surrounding area. Manhattan Beach, Hermosa Beach, and Redondo Beach all contain tracts with small populations of persons below the poverty level. Less than 10% of the population in all Hermosa Beach tracts are below the poverty level. Jurisdictions east of the City, such as Lawndale, Torrance, and Hawthorne, contain tracts with larger populations below the poverty level ranging from 10% to 40%.

Table D-12: Population Below Poverty Level by Race/Ethnicity (2020)

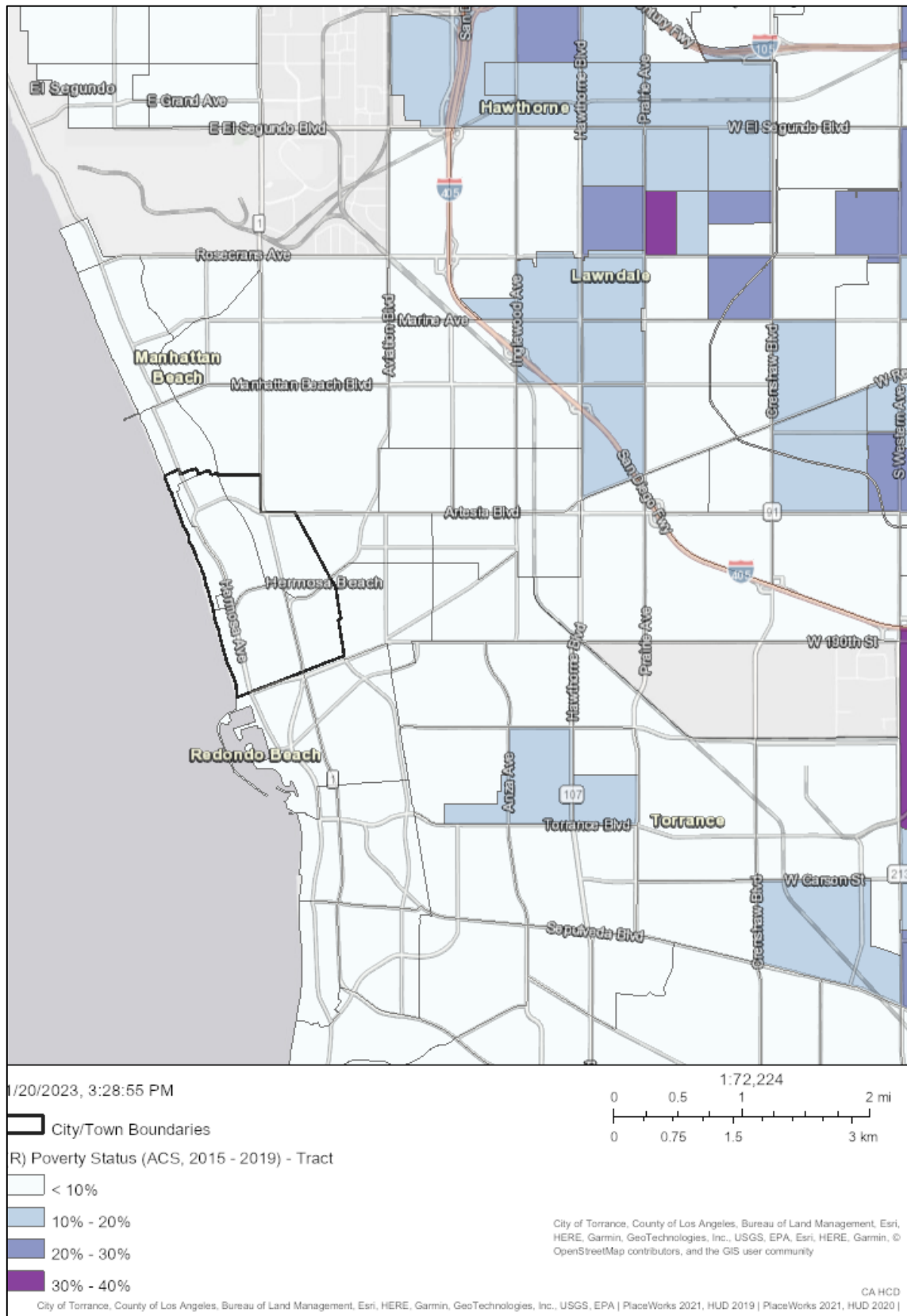
Race/Ethnicity	Hermosa Beach		Los Angeles County	
	Total Population	% Below Poverty Level	Total Population	% Below Poverty Level
Black or African American alone	135	0.0%	787,711	20.2%
American Indian and Alaska Native alone	90	12.2%	76,403	16.3%
Asian alone	1,160	10.0%	1,464,802	11.0%
Native Hawaiian and Other Pacific Islander alone	0	--	24,520	--
Some other race alone	402	2.7%	2,093,575	17.8%
Two or more races	1,789	2.1%	717,876	12.1%
Hispanic or Latino origin (of any race)	2,149	2.7%	4,797,018	16.9%
White alone, not Hispanic or Latino	14,358	4.3%	2,554,426	9.4%
Total	19,135	4.2%	9,884,138	14.2%

Source: 2016-2020 ACS (5-Year Estimates).

Sites Inventory

There are no RHNA sites in R/ECAPs or areas of high segregation and poverty.

Figure D-20: Poverty Status by Tract (2019)



Source: HCD AFFH Data Viewer (2015-2019 ACS), 2023.

b. Racially/Ethnically Concentrated Areas of Affluence (RCAAs)

While racially concentrated areas of poverty and segregation (R/ECAPs) have long been the focus of fair housing policies, racially concentrated areas of affluence (RCAAs) must also be analyzed to ensure housing is integrated, a key to fair housing choice. According to a policy paper published by HUD, RCAAs are defined as communities with a large proportion of affluent and non-Hispanic White residents. According to HUD's policy paper, non-Hispanic Whites are the most racially segregated group in the United States. In the same way neighborhood disadvantage is associated with concentrated poverty and high concentrations of people of color, conversely, distinct advantages are associated with residence in affluent, White communities.

HCD has created a new version of the RCAA metric to better reflect California's relative diversity and regional conditions, and to aid local jurisdictions in their analysis of racially concentrated areas of poverty and affluence pursuant to AB 686 and AB 1304. This section describes RCAAs using HCD's updated methodology.⁴

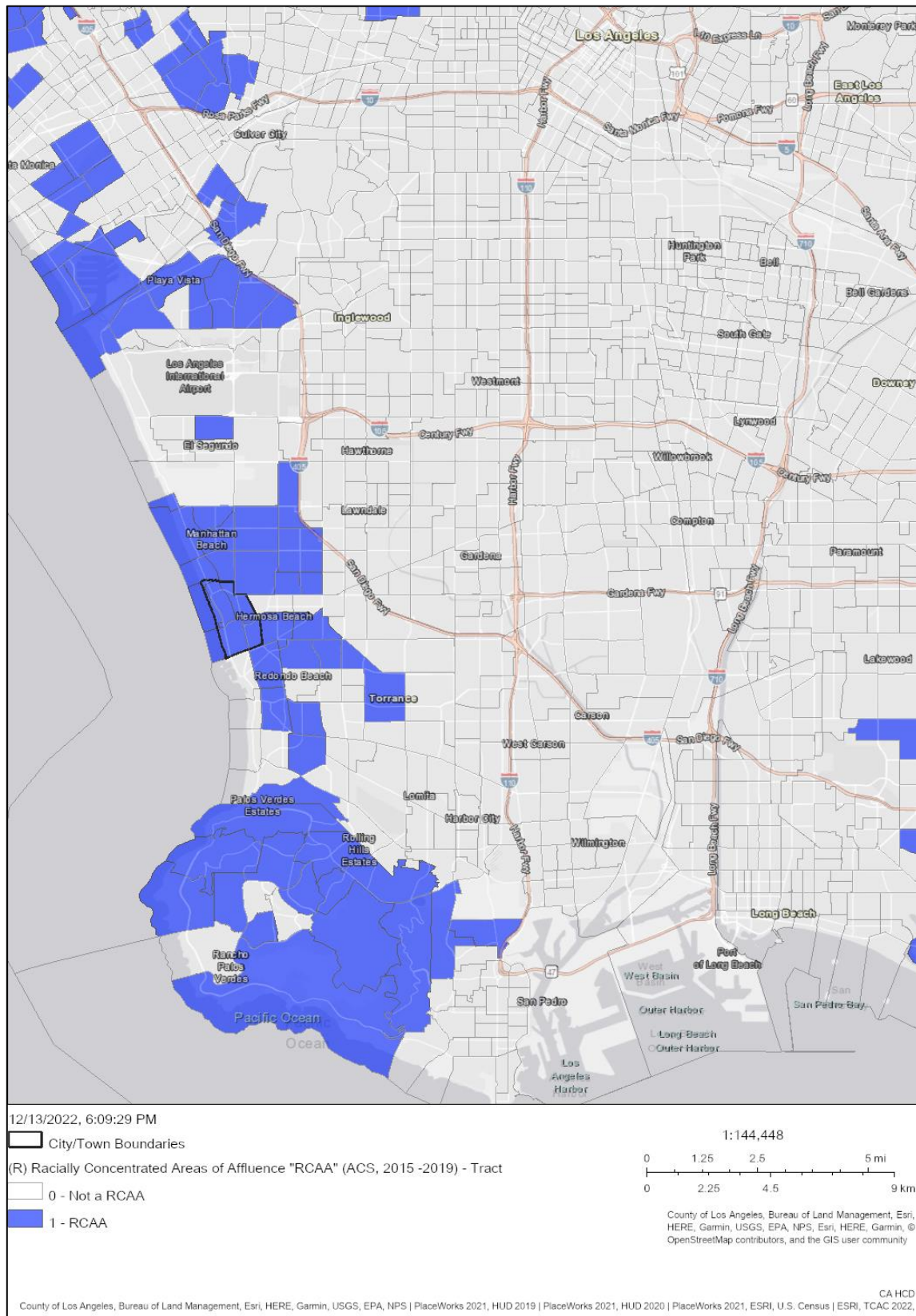
Regional Trend

As presented in Figure D-21, RCAAs are more prevalent in Los Angeles County coastal communities. In the region surrounding Hermosa Beach, RCAAs have been identified along the coast from Malibu to Ranchos Palos Verdes. There are no RCAAs in the central, south, and east Los Angeles area. As shown in Figure D-5 and Figure D-17 previously, coastal areas tend to have smaller non-White and LMI household populations compared to inland jurisdictions.

Figure D-22 shows median income by block group in the region. Consistent with the RCAA trend, block groups with higher median incomes exceeding the Statewide median of \$87,100 are most prevalent along the coast from Santa Monica to Ranchos Palos Verdes. In general, median incomes are lower the more inland a jurisdiction is. Most block groups in central and east Los Angeles surrounding the City of Los Angeles have median incomes below the State median.

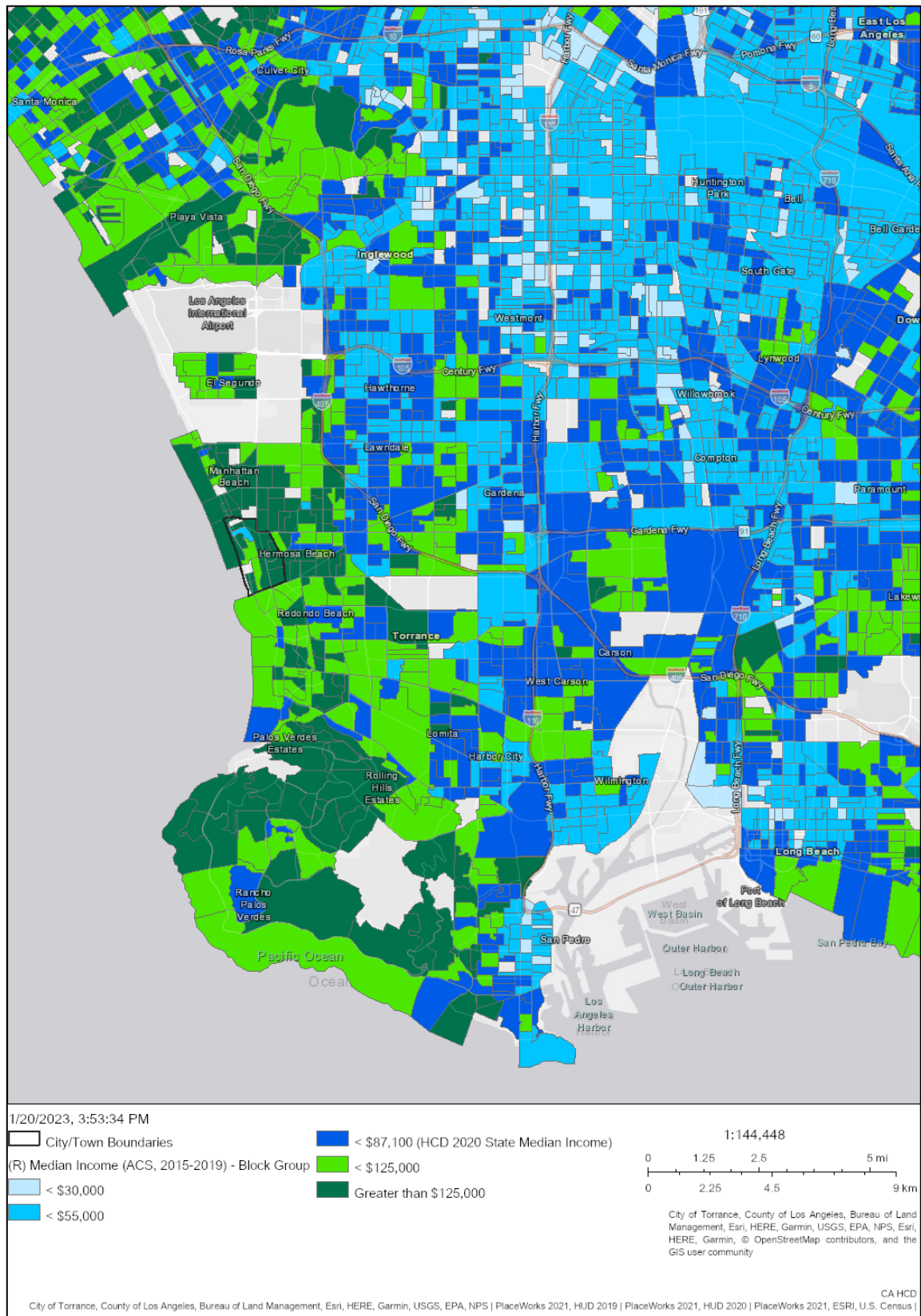
⁴ HCD, Racially Concentrated Areas of Affluence. Summary and Description. Accessed January 20, 2023. <https://www.arcgis.com/home/item.html?id=4100330678564ad699d139b1c193ef14&sublayer=4>.

Figure D-21: Regional RCAA Tracts (2019)



Source: HCD AFFH Data Viewer (2015-2019 ACS), 2022.

Figure D-22: Regional Median Income by Block Group (2019)



Source: HCD AFFH Data Viewer (2015-2019 ACS), 2022.

Local Trend

Median household income by race/ethnicity in Hermosa Beach and Los Angeles County is shown in Table D-13. In the County, White, non-Hispanic households have the highest median income of \$91,323. Black/African American households (\$51,256), households of some other race (\$56,747), and Hispanic/Latino households (\$59,837) have the lowest median incomes in the County. American Indian/Alaska Native households also have a median income below the countywide median of \$71,358.

The median household income in Hermosa Beach is \$142,500, significantly higher than the median countywide. The median income amongst Black/African American households in Hermosa Beach is well below other racial/ethnic groups but is higher than the median for Black/African American households countywide. The median household income for the Black/African American population is only \$86,056. The median household income in the Hispanic Latino population, \$139,034, is also lower than the citywide median of \$142,083. All other racial/ethnic groups in the City have median household incomes exceeding the median citywide.

Table D-13: Median Household Income by Race/Ethnicity (2020)

Race/Ethnicity	Hermosa Beach		Los Angeles County	
	% Distribution	Median HH Income	% Distribution	Median HH Income
Black or African American	1.0%	\$86,056	9.4%	\$51,259
American Indian and Alaska Native	0.7%	-	0.7%	\$62,427
Asian	4.7%	\$212,847	15.1%	\$83,252
Native Hawaiian and Other Pacific Islander	0.0%	-	0.2%	\$78,831
Some other race	1.2%	\$152,656	16.1%	\$56,747
Two or more races	4.5%	\$206,875	5.8%	\$71,943
Hispanic or Latino origin (of any race)	7.3%	\$139,034	37.7%	\$59,837
White alone, not Hispanic or Latino	82.6%	\$143,083	35.1%	\$91,323
Total	8,596	\$142,500	3,332,504	\$71,358

Source: 2016-2020 ACS (5-Year Estimates).

All tracts in Hermosa Beach are considered RCAAs (Figure D-24). As presented in Figure D-24, most block groups in the City have median incomes exceeding the State median of \$87,100. There is one block group with a median income of only \$54,150 located in the northwestern section of the City. This block group encompasses North School and Valley Park and is located along Valley Drive, Gould Avenue, 27th Street, and Hermosa Avenue. The tract encompassing this block group has a larger proportion of renter-occupied households compared to all other City tracts. Approximately 61% of households in this tract are renters. In general, renters are more likely to have lower incomes compared to owners. Tenure is further discussed in Section 5, *Disproportionate Housing Needs*, of this Assessment of Fair Housing Issues.

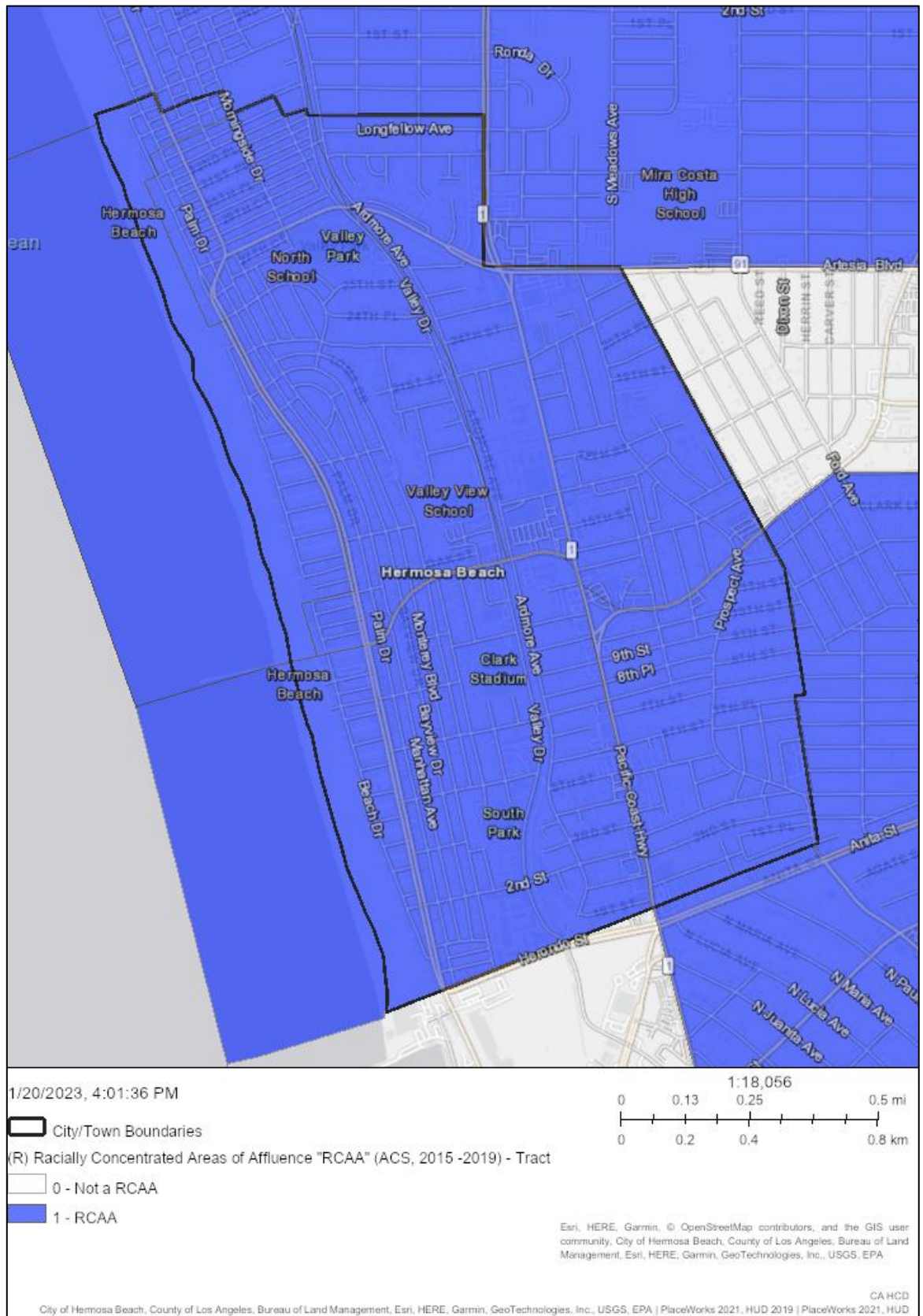
Block groups between Hermosa Avenue and Ardmere Avenue, including the block group discussed above, tend to have lower median incomes than the remainder of the City. There is one mobile home park in Hermosa Beach on Pier Avenue in this section of the City (Marineland MHP, 60 units). Mobile homes tend to be more affordable than other housing options; therefore, households residing in mobile homes generally have lower incomes.

Sites Inventory

All sites identified to meet the RHNA are in RCAAs.

DRAFT

Figure D-23: RCAA Tracts (2019)



Source: HCD AFFH Data Viewer (2015-2019 ACS), 2022.

Figure D-24: Median Income by Block Group (2019)



Source: HCD AFFH Data Viewer (2015-2019 ACS), 2022.

4. Access to Opportunities

Significant disparities in access to opportunity are defined by the AFFH Final Rule as “substantial and measurable differences in access to educational, transportation, economic, and other opportunities in a community based on protected class related to housing.”

The Department of Housing and Community Development (HCD) and California Tax Credit Allocation Committee (TCAC) convened the California Fair Housing Task force to “provide research, evidence-based policy recommendations, and other strategic recommendations to HCD and other related state agencies/ departments to further the fair housing goals (as defined by HCD).” The Task Force has created Opportunity Maps to identify resources levels across the state “to accompany new policies aimed at increasing access to high opportunity areas for families with children in housing financed with nine percent Low Income Housing Tax Credits (LIHTCs)”. These opportunity maps are made from composite scores of three different domains made up of a set of indicators. Table D-14 shows the full list of indicators. The opportunity maps include a measure or “filter” to identify areas with poverty and racial segregation. To identify these areas, census tracts were first filtered by poverty and then by a measure of racial segregation. The criteria for these filters were:

- **Poverty:** Tracts with at least 30 percent of population under federal poverty line;
- **Racial Segregation:** Tracts with location quotient higher than 1.25 for Blacks, Hispanics, Asians, or all people of color in comparison to the County

Table D-14: Domains and List of Indicators for Opportunity Maps

Domain	Indicator
Economic	Poverty Adult education Employment Job proximity Median home value
Education	Math proficiency Reading proficiency High School graduation rates Student poverty rates
Environmental	CalEnviroScreen 3.0 pollution Indicators and values

Source: California Fair Housing Task Force, Methodology for the 2021 TCAC/HCD Opportunity Maps, December 2020.

TCAC/HCD assigns “scores” for each of the domain (see Table D-14) by census tracts as well as computing “composite” scores that are a combination of the three domains. Scores from each individual domain range from 0-1, where higher scores indicate higher “access” to the domain or higher “outcomes.” Composite scores do not have a numerical value but rather rank census tracts by the level of resources (low, moderate, high, highest, and high poverty and segregation).

The TCAC/HCD Opportunity Maps offer a tool to visualize show areas of highest resource, high resource, moderate resource, moderate resource (rapidly changing), low resource, and high segregation and poverty and can help to identify areas within the community

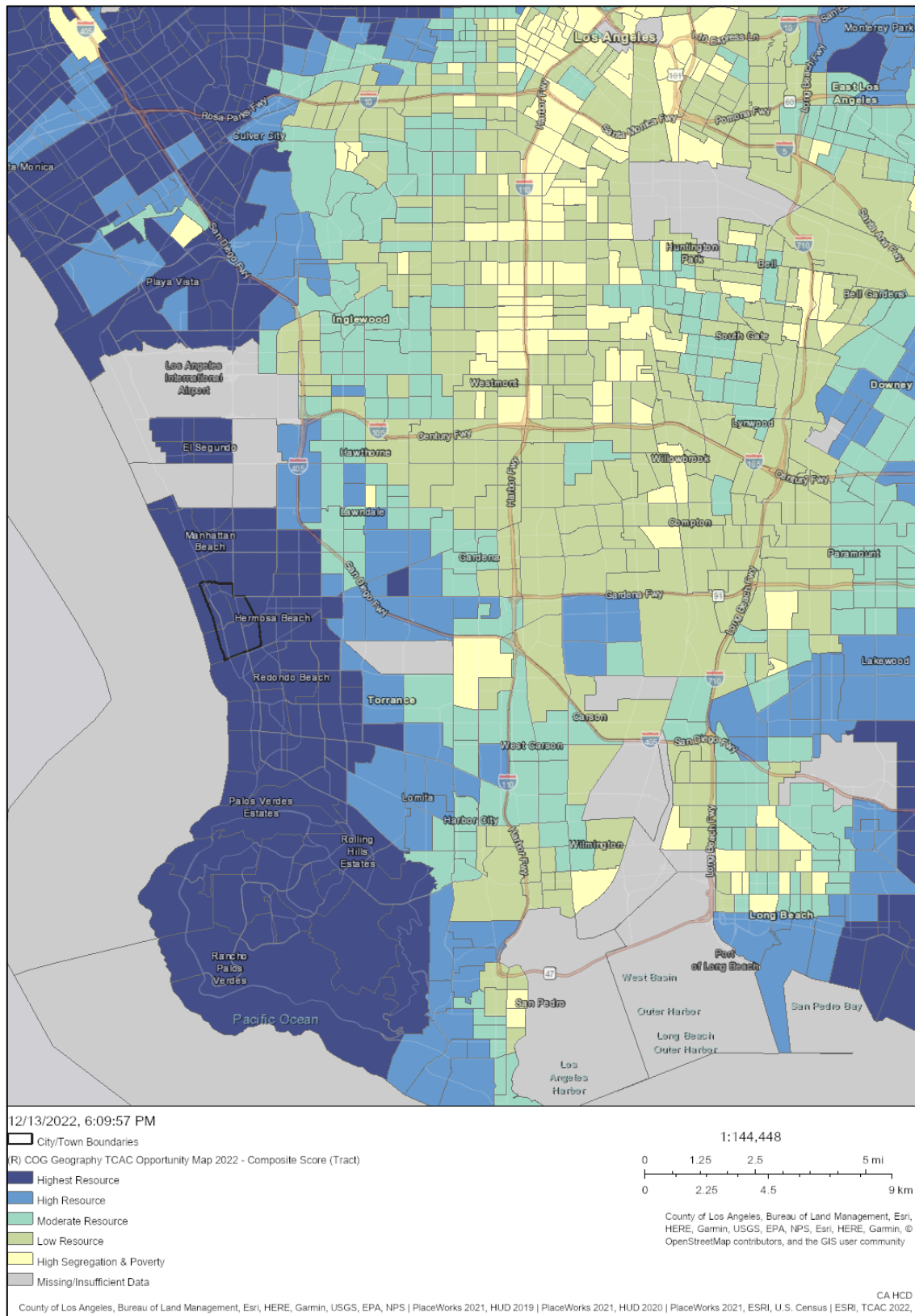
that provide good access to opportunity for residents or, conversely, provide low access to opportunity. They can also help to highlight areas where there are high levels of segregation and poverty.

The information from the opportunity mapping can help to highlight the need for housing element policies and programs that would help to remediate conditions in low resource areas and areas of high segregation and poverty and to encourage better access for low and moderate income and black, indigenous, and people of color (BIPOC) households to housing in high resource areas.

Regional Trend

As explained previously, TCAC composite scores categorize the level of resources in each census tract. Categorization is based on percentile rankings for census tracts within the region. In the Los Angeles County region surrounding Hermosa Beach, coastal areas are predominantly highest resource areas (Figure D-25). As tracts go further inland, the lower composite TCAC scores are. The central and south Los Angeles areas are predominantly low resource areas and areas of high segregation and poverty. Jurisdictions adjacent to Hermosa Beach to the east, including Lawndale and Gardena, are comprised of high, moderate, and low resource areas, whereas cities even further east of Hermosa Beach, such as the City of Los Angeles, Willowbrook and Westmont communities, and Compton, have primarily low resource areas and areas of high segregation and poverty.

Figure D-25: Regional TCAC Opportunity Area Scores by Tract (2022)



Source: HCD AFFH Data Viewer (TCAC 2022), 2022.

While the Federal Affirmatively Furthering Fair Housing (AFFH) Rule has been repealed, the data and mapping developed by HUD for the purpose of preparing the Assessment of Fair Housing (AFH) can still be useful in informing communities about segregation in their jurisdiction and region, as well as disparities in access to opportunity. This section presents the HUD-developed index scores based on nationally available data sources to assess County residents' access to key opportunity assets. HUD opportunity indices are provided for entitlement jurisdictions only. Opportunity indicators are not available for the City of Corte Madera. Table D-20 provides index scores or values (the values range from 0 to 100) for the following opportunity indicator indices:

- **School Proficiency Index:** The school proficiency index uses school-level data on the performance of 4th grade students on state exams to describe which neighborhoods have high-performing elementary schools nearby and which are near lower performing elementary schools. *The higher the index value, the higher the school system quality is in a neighborhood.*
- **Labor Market Engagement Index:** The labor market engagement index provides a summary description of the relative intensity of labor market engagement and human capital in a neighborhood. This is based upon the level of employment, labor force participation, and educational attainment in a census tract. *The higher the index value, the higher the labor force participation and human capital in a neighborhood.*
- **Transit Trips Index:** This index is based on estimates of transit trips taken by a family that meets the following description: a 3-person single-parent family with income at 50 percent of the median income for renters for the region (i.e., the Core-Based Statistical Area (CBSA)). *The higher the transit trips index value, the more likely residents in that neighborhood utilize public transit.*
- **Low Transportation Cost Index:** This index is based on estimates of transportation costs for a family that meets the following description: a 3-person single-parent family with income at 50 percent of the median income for renters for the region/CBSA. *The higher the index value, the lower the cost of transportation in that neighborhood.*
- **Jobs Proximity Index:** The jobs proximity index quantifies the accessibility of a given residential neighborhood as a function of its distance to all job locations within a region/CBSA, with larger employment centers weighted more heavily. *The higher the index value, the better the access to employment opportunities for residents in a neighborhood.*
- **Environmental Health Index:** The environmental health index summarizes potential exposure to harmful toxins at a neighborhood level. The higher the index value, the less exposure to toxins harmful to human health. *Therefore, the higher the index value, the better the environmental quality of a neighborhood, where a neighborhood is a census block-group.*

Table D-15: Opportunity Indices by Race/Ethnicity – Los Angeles County (2020)

	School Proficiency Index	Labor Market Index	Transit Trip Index	Low Transportation Cost Index	Jobs Proximity Index	Environmental Health Index
Total Population						
White, non-Hispanic	65.09	65.41	82.63	74.09	55.80	18.99
Black, non-Hispanic	32.37	34.00	87.70	79.18	40.13	11.66
Hispanic	38.38	33.18	87.19	77.74	41.53	11.91
Asian/Pacific Islander, non-Hispanic	59.34	55.94	86.52	76.45	51.82	12.16
Native American, non-Hispanic	46.90	44.50	83.17	75.65	44.24	16.74
Population below federal poverty line						
White, non-Hispanic	58.06	57.49	86.42	79.48	57.52	16.66
Black, non-Hispanic	27.16	25.52	88.65	81.18	36.59	11.62
Hispanic	32.87	27.66	89.45	81.02	42.84	10.30
Asian/Pacific Islander, non-Hispanic	54.52	50.06	89.62	81.49	54.19	9.84
Native American, non-Hispanic	35.12	32.02	85.23	78.70	46.35	16.01

Source: AFFHT Data Table 12; Data Sources: Decennial Census; ACS; Great Schools; Common Core of Data; SABINS; LAI; LEHD; NATA.

Local Trend

Table D-16 and Sites Inventory

All RHNA sites are in HCD/TCAC highest resource areas.

Figure D-26 show TCAC opportunity map scores by tract in Hermosa Beach. All tracts in the City are considered highest resource areas. As mentioned above, jurisdictions adjacent to Hermosa Beach, such as Manhattan Beach, Redondo Beach, are also comprised of mostly highest resource tracts. Tract 6211.02 in the southeast corner of the City has the lowest economic, environmental, and composite scores compared to other tracts in Hermosa Beach. However, all scores in all Hermosa Beach tracts are high, revealing economic, environmental, and educational opportunities are highly accessible in the City.

Table D-16: TCAC Opportunity Map Scores by Tract (2021)

Tract	Economic Score	Environmental Score	Education Score	Composite Score	Final Category
6210.01	0.96	0.95	1.00	1.29	Highest Resource
6210.02	1.00	0.97	1.00	1.54	Highest Resource
6210.04	0.98	0.96	1.00	1.38	Highest Resource
6211.02	0.93	0.90	0.98	1.09	Highest Resource
6211.04	0.99	0.94	0.98	1.30	Highest Resource

Source: TCAC/HCD Opportunity Map Scores by Tract, 2021.

Sites Inventory

All RHNA sites are in HCD/TCAC highest resource areas.

Figure D-26: TCAC Opportunity Area Scores by Tract (2022)



Source: HCD AFFH Data Viewer (TCAC 2022), 2023.

a. Economic

Regional Trend

As of December 2022, Los Angeles County has a labor force of 4,927,700 with an unemployment rate of 4.4%.⁵ According to the 2016-2020 ACS, the following industries employ the largest proportions of Los Angeles County residents: educational services, and health care and social assistance (19.5%), professional, scientific, and management, and administrative and waste management services (14%), and manufacturing (10.9%). The California Employment Development Department (EDD) cited the following companies and organizations as major employers in Los Angeles County:

- AHMC Healthcare Inc (Alhambra) – 5,000 to 9,999 employees
- All Nations Church (Sylmar) – 1,000 to 4,999 employees
- California State Univ NTRHDG (Northridge) – 1,000 to 4,999 employees
- Cedars-Sinai Health System (West Hollywood) – 10,000+ employees
- Infineon Technologies Americas (El Segundo) – 1,000 to 4,999 employees
- Kaiser Permanente Los Angeles (Los Angeles) – 5,000 to 9,999 employees
- Lac & USC Medical Ctr (Los Angeles) – 5,000 to 9,999 employees
- Long Beach City Hall (Long Beach) – 5,000 to 9,999 employees
- Longshore Dispatch (Wilmington) – 5,000 to 9,999 employees
- Los Angeles County Sheriff (Monterey Park) – 10,000+ employees
- Los Angeles Intl Airport-Lax (Los Angeles) – 10,000+ employees
- Los Angeles Medical Ctr (Los Angeles) – 5,000 to 9,999 employees
- Los Angeles Police Dept (Los Angeles) – 5,000 to 9,999 employees
- National Institutes of Health (Pasadena) – 10,000+ employees
- Security Industry Specialist (Culver City) – 1,000 to 4,999 employees
- Six Flags (Valencia) – 5,000 to 9,999 employees
- Sony Pictures Entrtn Inc (Culver City) – 5,000 to 9,999 employees
- Space Exploration Tech Corp (Hawthorne) – 5,000 to 9,999 employees
- Twentieth Century Fox (Los Angeles) – 5,000 to 9,999 employees
- UCLA Community Based Learning (Los Angeles) – 10,000+ employees
- University of Ca Los Angeles (Los Angeles) – 10,000+ employees
- Vision X (Los Angeles) – 10,000+ employees
- Walt Disney Co (Burbank) – 5,000 to 9,999 employees
- Water Garden Management (Santa Monica) – 1,000 to 4,999 employees

⁵ California Employment Development Department (EDD). 2023. Los Angeles County Profile.

HUD's opportunity indicators provide values for labor market index⁶ and jobs proximity index⁷ that can be measures for economic development in Los Angeles County. Like the other HUD opportunity indicators, scores range from 0 to 100 and are published by race and poverty level to identify differences in the relevant "opportunity" (in this case economic opportunity). The labor market index value is based on the level of employment, labor force participation, and educational attainment in a census tract- a higher score means higher labor force participation and human capital in a neighborhood. Los Angeles County's labor market index values have range significantly from 33 to 65, with Hispanic residents scoring lowest and White residents scoring highest. Scores for Los Angeles County residents living below the poverty line drop for all racial/ethnic groups, most notably for Native American residents (from 45 to 32). Index values indicate that Black and Hispanic residents living in poverty have the lowest labor force participation and human capital in the County.

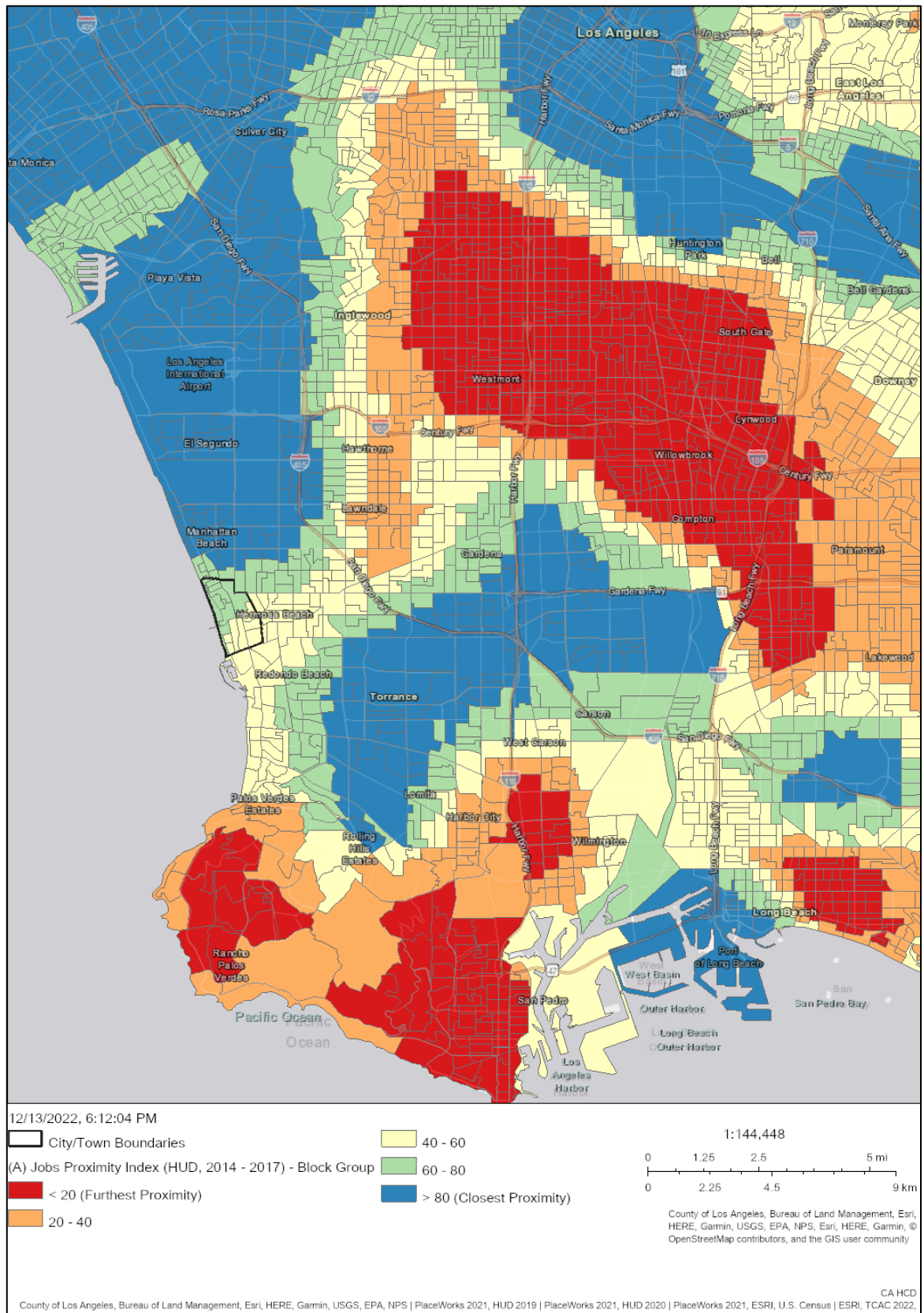
HUD's jobs proximity index quantifies the accessibility of a neighborhood to jobs in the region. Index values can range from 0 to 100 and a higher index value indicate better the access to employment opportunities for residents in a neighborhood. County jobs proximity index values range from 40 to 56 for the total population, where the White population scores the highest and the Black population scores the lowest. The jobs proximity value map in Figure D-27 shows the distribution of scores by block group in the region surrounding Hermosa Beach. Jobs proximity scores are highest in block groups in the Westside area, El Segundo, Manhattan Beach, Downtown Los Angeles, and Torrance. Block groups with low scores below 20 are most concentrated in the south Los Angeles area (i.e., Inglewood, South Gate, Compton), the Palos Verdes Peninsula, and Long Beach.

The TCAC Economic Scores are a composite of jobs proximity index values as well as poverty, adult education, employment, and median home value characteristics. TCAC economic scores range from 0 to 1, where higher values indicate more positive economic outcomes. The map in Figure D-28 shows that tracts with the lowest economic scores are located east of Hermosa Beach and other coastal cities, including tracts in and around the cities of Compton, Huntington Park, the City of Los Angeles, Wilmington, and Long Beach. Nearly all tracts in jurisdictions in the coastal areas (i.e., Santa Monica, Hermosa Beach, Redondo Beach, Rancho Palos Verdes) scored in the highest quartile for economic opportunities.

⁶ Labor Market Engagement Index: The labor market engagement index provides a summary description of the relative intensity of labor market engagement and human capital in a neighborhood. This is based upon the level of employment, labor force participation, and educational attainment in a census tract. The higher the score, the higher the labor force participation and human capital in a neighborhood.

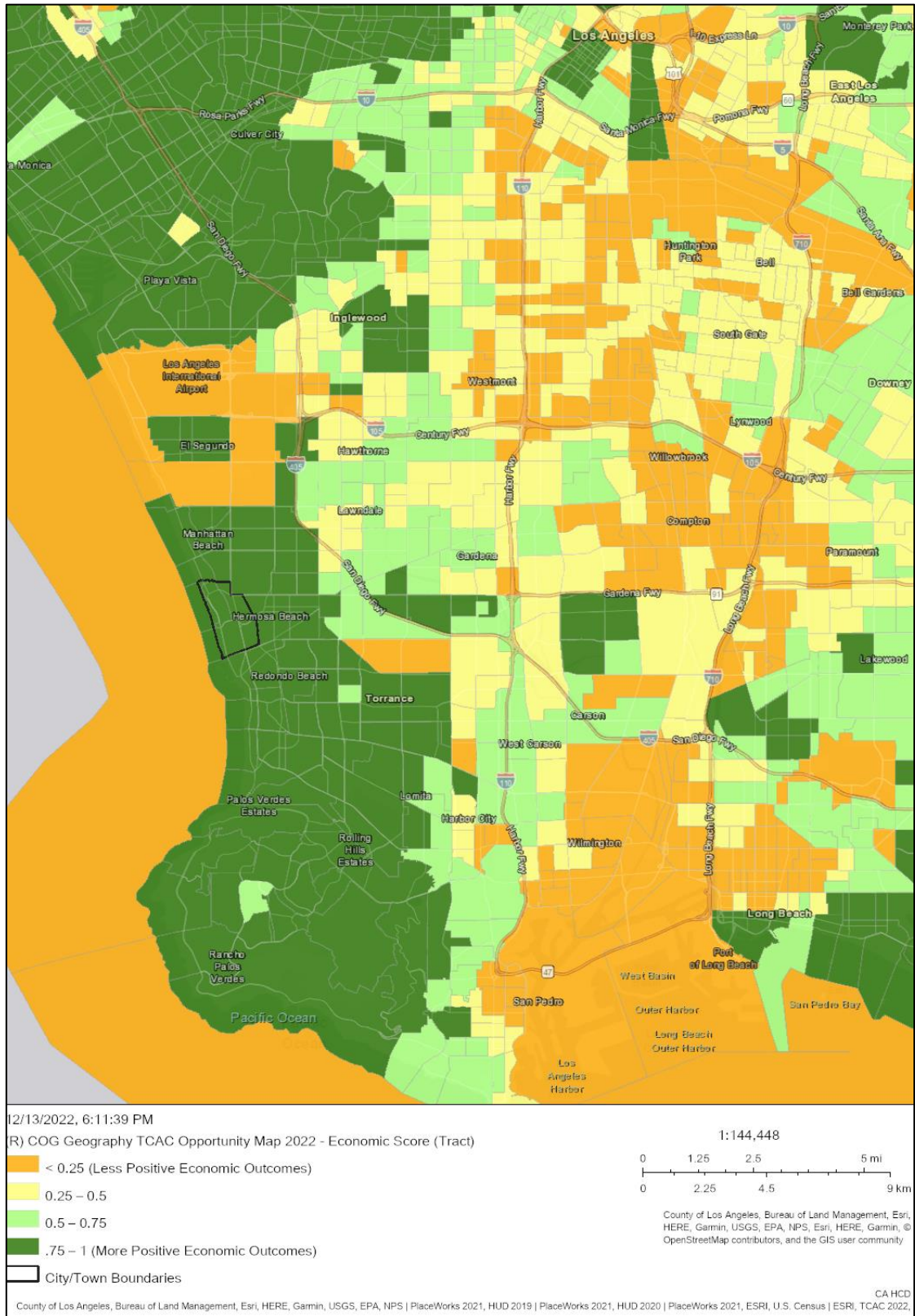
⁷ Jobs Proximity Index: The jobs proximity index quantifies the accessibility of a given residential neighborhood as a function of its distance to all job locations within a region/CBSA, with larger employment centers weighted more heavily. The higher the index value, the better the access to employment opportunities for residents in a neighborhood.

Figure D-27: Regional Jobs Proximity Index Scores by Block Group (2017)



Source: HCD AFFH Data Viewer (HUD, 2014-2017), 2022.

Figure D-28: Regional TCAC Economic Scores by Tract (2022)



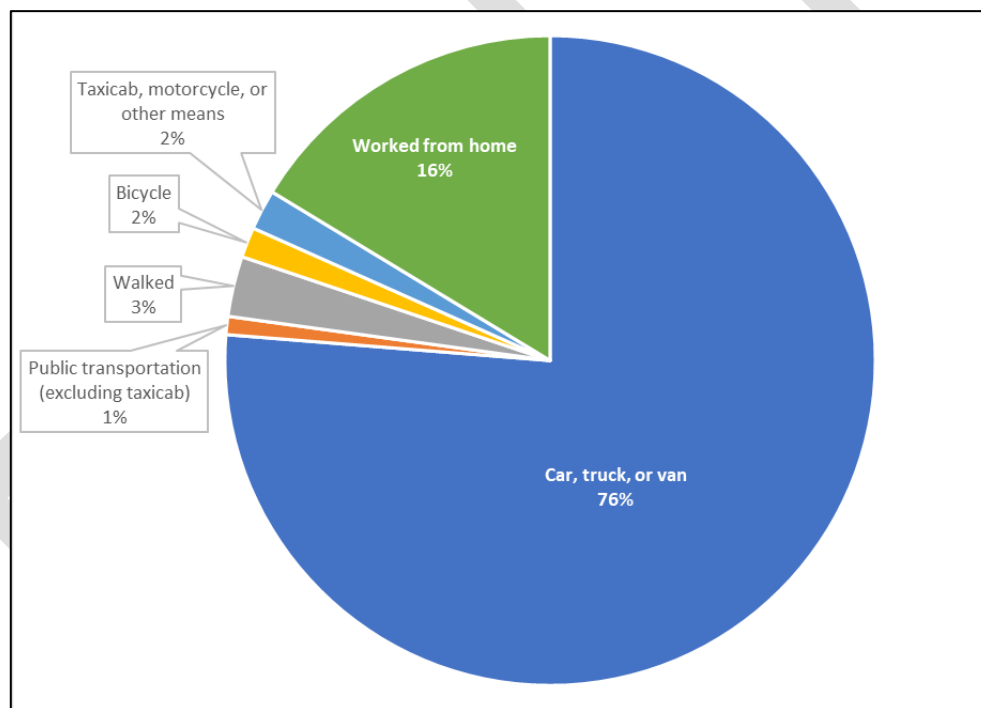
Source: HCD AFFH Data Viewer (TCAC 2022), 2022.

Local Trend

According to the 2016-2020 ACS, Hermosa Beach has a labor force of 11,935 persons with an unemployment rate of 3.9%. The ACS estimates Los Angeles County had an unemployment rate of 6.5% during the same period. The following industries employ the largest proportions of Hermosa Beach residents: professional, scientific, and management, and administrative and waste management services (24.2%), educational services, and health care and social assistance (14.6%), finance and insurance, and real estate and rental and leasing (13.5%), and manufacturing (12.4%).

As shown in Figure D-29, approximately 76% of employees in Hermosa Beach commute to work in a car, truck, or van compared to 81.6% countywide. A significantly larger proportion of employees work from home in Hermosa Beach (16.3%) compared to the County (8%). Overall, Hermosa Beach residents tend to have slightly longer commutes compared to residents countywide. Over 34% of workers in Hermosa Beach commute 45 minutes or longer to work compared to only 25% of workers in Los Angeles County.

Figure D-29: Means of Transportation to Work (2020)



Source: 2016-2020 ACS (5-Year Estimate).

Jobs proximity scores by block group are shown for Hermosa Beach in Figure D-30. In general, block groups on the northern side of the City have higher jobs proximity scores compared to the southern side. Block groups on the northern side and along the western border received scores ranging from 61 to 75, while block groups on the southern side received scores ranging from 49 to 58. While the northern section of the City has slightly better access to employment opportunities, jobs proximity scores citywide are generally comparable.

All tracts in the City scored in the highest quartile for TCAC economic opportunities (Figure D-31).

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City/Town Boundaries

(A) Jobs Proximity Index (HUD, 2014 - 2017) - Block Group

- 40 - 60
- 60 - 80
- > 80 (Closest Proximity)

Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community, City of Hermosa Beach, County of Los Angeles, Bureau of Land Management, Esri, HERE, Garmin, GeoTechnologies, Inc., USGS, EPA

CA HCD
City of Hermosa Beach, County of Los Angeles, Bureau of Land Management, Esri, HERE, Garmin, GeoTechnologies, Inc., USGS, EPA | PlaceWorks 2021, HUD 2019 | PlaceWorks 2021, HUD

Adopted December 21, 2021

Figure D-31: TCAC Economic Scores by Tract (2022)



Source: HCD AFFH Data Viewer (TCAC 2022), 2023.

b. Education

Regional Trend

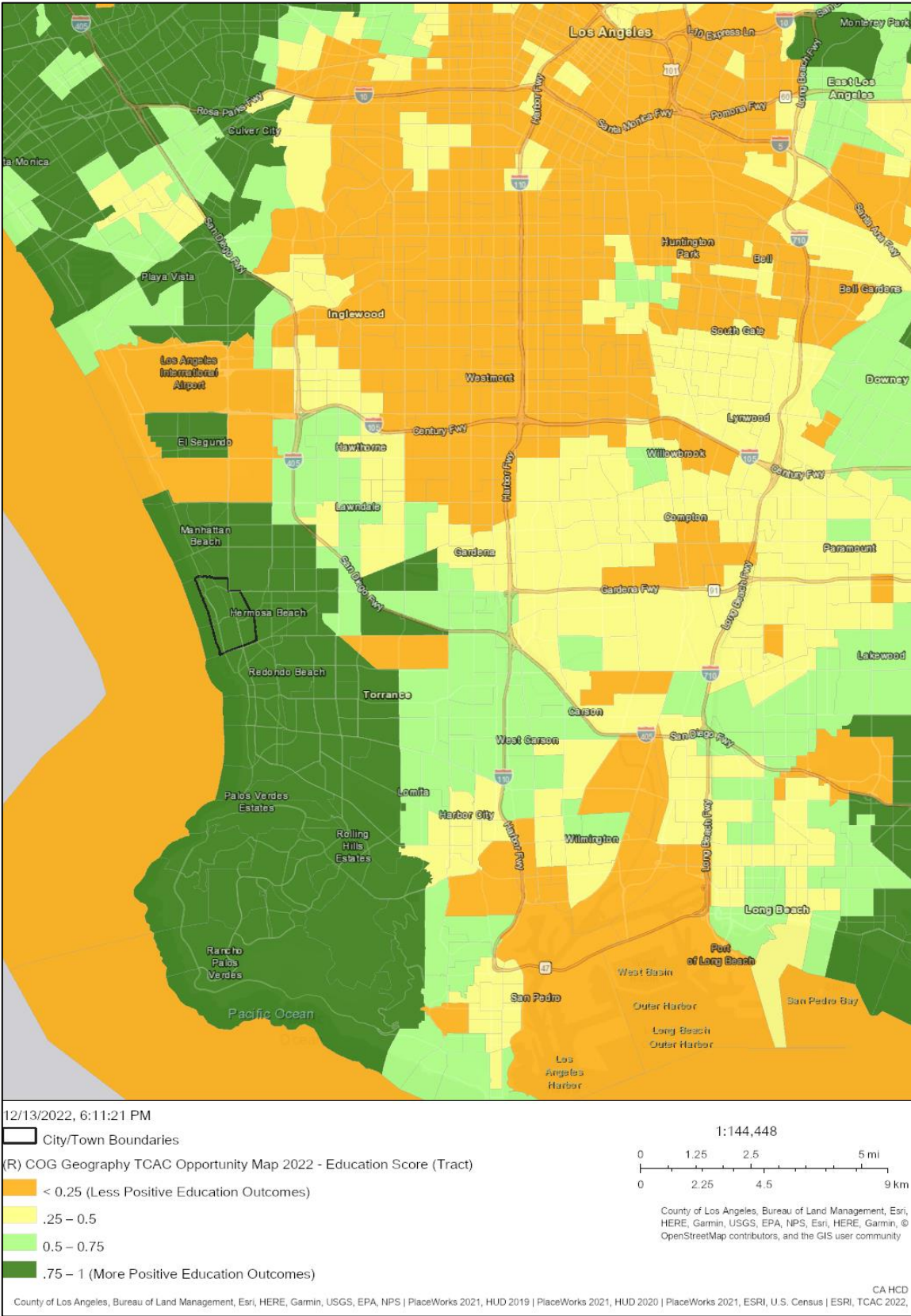
The school proficiency index is an indicator of school system quality, with higher index scores indicating access to higher school quality. In Los Angeles County, Black residents have access to lower quality schools (lowest index value of 32), followed by Hispanic residents (38), and Native American residents (47). The White and Asian/Pacific Islander populations received higher index scores of 59 and 65, respectively (Table D-15). For residents living below the federal poverty line, index values are lower for all races and are still lowest for Black and Hispanic residents. White residents have the highest index values, indicating a greater access to high quality schools, regardless of poverty status.

The HCD/TCAC education scores for the region show the distribution of education quality based on education outcomes (Figure D-32). As explained in Table D-14, the Education domain score is based on a variety of indicators including math proficiency, reading proficiency, high school graduation rates, and student poverty rates. The education scores range from 0 to 1, with higher scores indicating more positive education outcomes. In the region, lower education scores are found in census tracts in the Downtown Los Angeles and south Los Angeles areas, such as the City of Los Angeles, Inglewood, Westmont, and Huntington Park, and Long Beach area. Consistent with TCAC composite scores, tracts in coastal areas, from Santa Monica to Rancho Palos Verdes, have higher education scores, most scoring in the highest quartile.

As of 2022, Los Angeles County had a five-year cohort graduation rate of 86.1%, slightly lower than 86.1% statewide.⁸ The Asian and Filipino populations have the highest graduation rates (both 95.8%), followed by the White population (89.3%), and population of two or more races (86.9%). The American Indian and African American populations have the lowest graduation rates (67.2% and 78.5%, respectively). In the 2019-2020 school year, 61.5% of high school completers were enrolled in college in Los Angeles County compared to 62.7% in the State.

⁸ California Department of Education (CDE), Data Quest. 2021-2022 Five-Year Cohort Graduation Rate, Los Angeles County Report. Accessed January 2023.

Figure D-32: Regional TCAC Education Scores by Tract (2022)



Source: HCD AFFH Data Viewer (TCAC 2022), 2022.

Local Trend

The Hermosa Beach City School District operates in the City and includes Hermosa View School (TK-2), Hermosa Vista School (3-4), and Hermosa Valley School (5-8). There is no public high school in Hermosa Beach. The closest public high schools are located in Manhattan Beach and Redondo Beach.

Greatschools.org is a non-profit organization that rates schools across the States. The Great Schools Summary Rating calculation is based on four ratings: the Student Progress Rating or Academic Progress Rating, College Readiness Rating, Equity Rating, and Test Score Rating. Ratings at the lower end of the scale (1-4) signal that the school is "below average", 5-6 indicate "average", and 7-10 are "above average." Hermosa View School and Hermosa Valley School received high scores of 10 and 9, respectively.

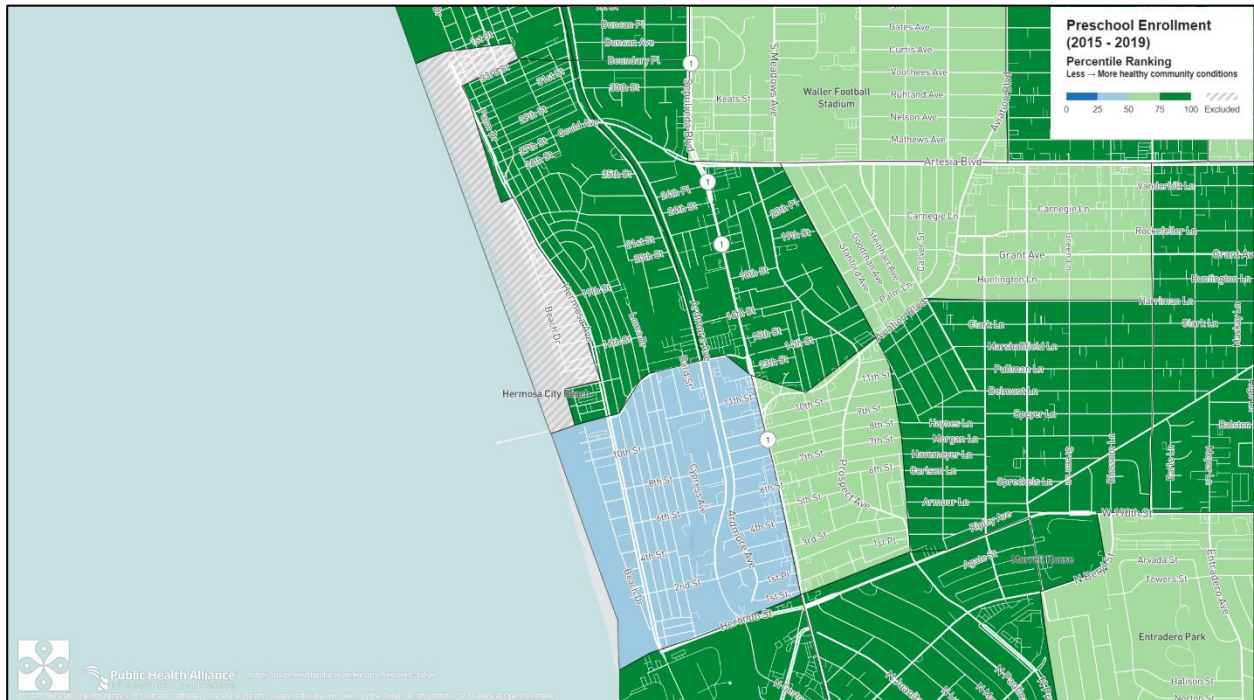
The Healthy Places Index (HPI) is a new tool that allows local officials to diagnose and change community conditions that affect health outcomes and the wellbeing of residents.⁹ The HPI tool was developed by the Public Health Alliance of Southern California to assist in comparing community conditions across the state and combined 25 community characteristics such as housing, education, economic, and social factors into a single indexed HPI Percentile Score. Hermosa Beach has an HPI index score in 96th percentile, indicating the City has healthier community conditions than 96% of other California cities and towns. The HPI also includes individual indicators related to variables including, but not limited to, economic, educational, social, environmental, and housing factors. Educational variables include population with a bachelor's education or higher, high school enrollment, and preschool enrollment at the tract level. All Hermosa Beach tracts scored in the highest quartile for population with a bachelor's education or higher. More than 71% of the population over the age of 25 in all tracts have a bachelor's degree or higher. In all Hermosa Beach tracts, 100% of 15 to 17 year olds are also enrolled in high school. Preschool enrollment is also included as a variable for the HPI as "early childhood is a crucial period for brain development, shaping nearly every aspect of one's future health and wellbeing. Quality preschool is important for healthy development, and has been associated with lifelong educational, economic and health benefits."¹⁰ Figure D-33 shows percentile rankings by tract for preschool enrollment in Hermosa Beach. The northern Hermosa Beach tracts scored in the highest quartile for preschool enrollment, where 75% to 100% of 3 and 4 year olds are enrolled in preschool. Only 53.8% of preschool-aged children in the southeastern tract (tract 6211.02) and 50.9% in the southwestern tract (tract 6211.04) are enrolled in preschool.

TCAC education scores for Hermosa Beach tracts are presented in Figure D-34. As stated in Table D-14 above, TCAC education scores are formulated based on math proficiency, reading proficiency, high school graduation rates, and student poverty rates. All tracts in the City scored in the highest quartile for educational opportunities.

⁹ California Healthy Places Index (HPI) (based on ACS 2015-2019 (5-Year Estimates)), 2022. Accessed January 2023. <https://www.healthyplacesindex.org/>.

¹⁰ California Healthy Places Index (HPI), 2022. Preschool Enrollment. Accessed January 2023. <https://policies.healthyplacesindex.org/education/preschool-enrollment/about>.

Figure D-33: Healthy Places Index – Preschool Enrollment by Tract (2019)



Source: California Healthy Places Index (HPI) (based on 2015-2019 ACS), 2023.

Figure D-34: TCAC Education Scores by Tract (2022)



Source: HCD AFFH Data Viewer (TCAC 2022), 2023.

c. Environmental

Regional Trend

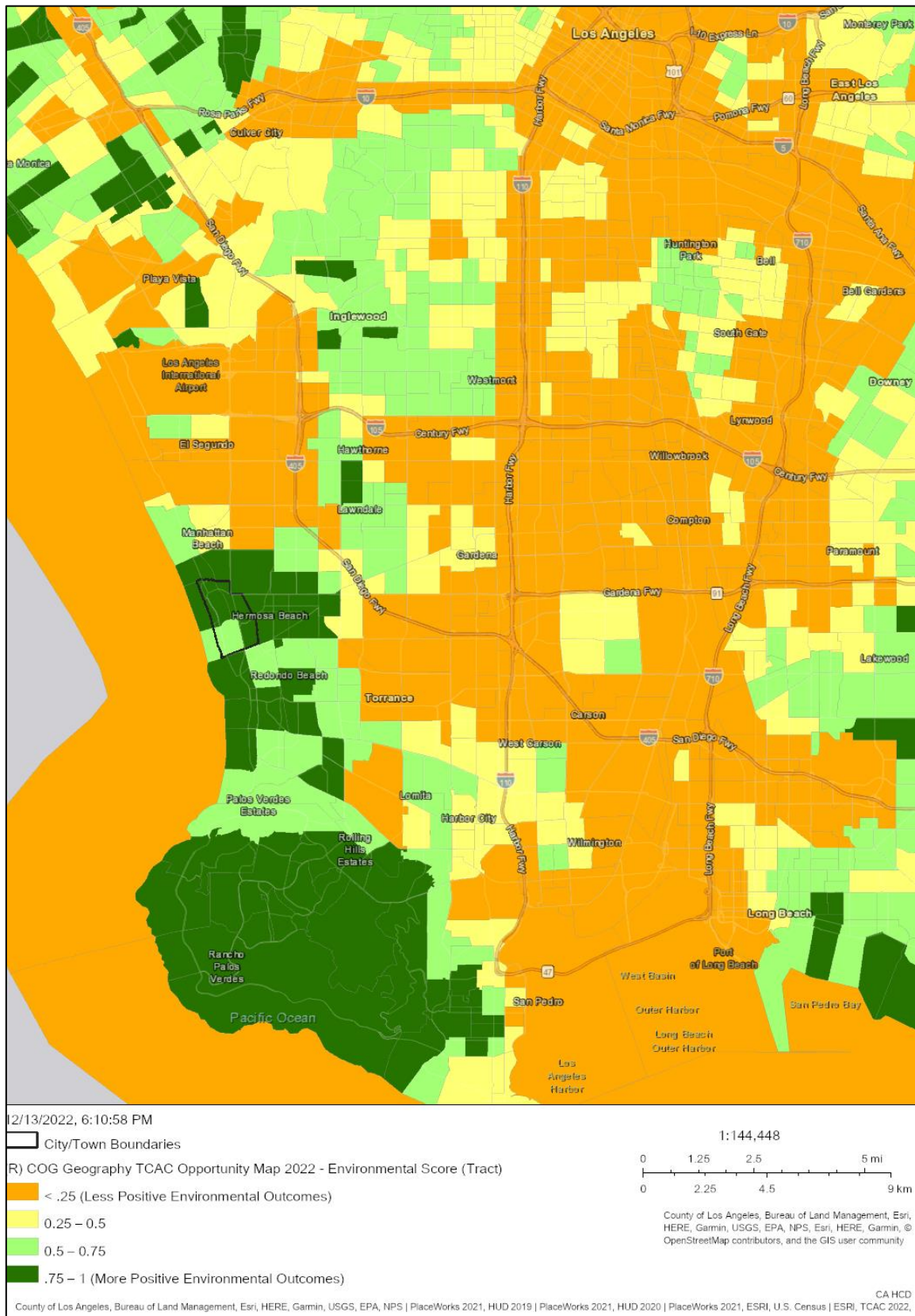
Historical and current land uses, such as landfills and proximity to freeways, may expose residents to variable environmental conditions. The TCAC Environmental Score shown in Figure D-35 is based on CalEnviroScreen 3.0 scores. The California Office of Environmental Health Hazard Assessment (OEHHA) compiles these scores to help identify California communities disproportionately burdened by multiple sources of pollution. In addition to environmental factors (pollutant exposure, groundwater threats, toxic sites, and hazardous materials exposure) and sensitive receptors (seniors, children, persons with asthma, and low birth weight infants), CalEnviroScreen also takes into consideration socioeconomic factors. These factors include educational attainment, linguistic isolation, poverty, and unemployment. TCAC Environmental Scores range from 0 to 1, where higher scores indicate a more positive environmental outcome (better environmental quality)

A large proportion of the region surrounding Hermosa Beach is comprised of tracts scoring in the lowest quartile for environmental opportunities (Figure D-35). Most tracts in and around the cities of Los Angeles, El Segundo, Gardena, Carson, Long Beach, Compton, and South Gate received environmental scores in the lowest quartile. Hermosa Beach, Redondo Beach, and the Palos Verdes peninsula (Rolling Hills Estates, Rancho Palos Verdes, Palos Verdes Estates) have the highest concentration of tracts scoring in the highest quartile in the region. Most of Los Angeles County as a whole received environmental scores of 0.5 or lower.

Figure D-35 shows the TCAC Environmental Score based on CalEnviroScreen 3.0. However, the Office of Environmental Health Hazard Assessment has released updated scores in February 2020 (CalEnviroScreen 4.0). The CalEnviroScreen 4.0 scores in Figure D-36 are based on percentiles and show that coastal areas, from Santa Monica to Rancho Palos Verdes, generally have better environmental conditions compared to south, central, and east Los Angeles. Tracts scoring in the 91st percentile or higher (worst scores) are prevalent in the section of the County stretching from Glendale to Carson (north and south) and Inglewood to El Monte (west and east).

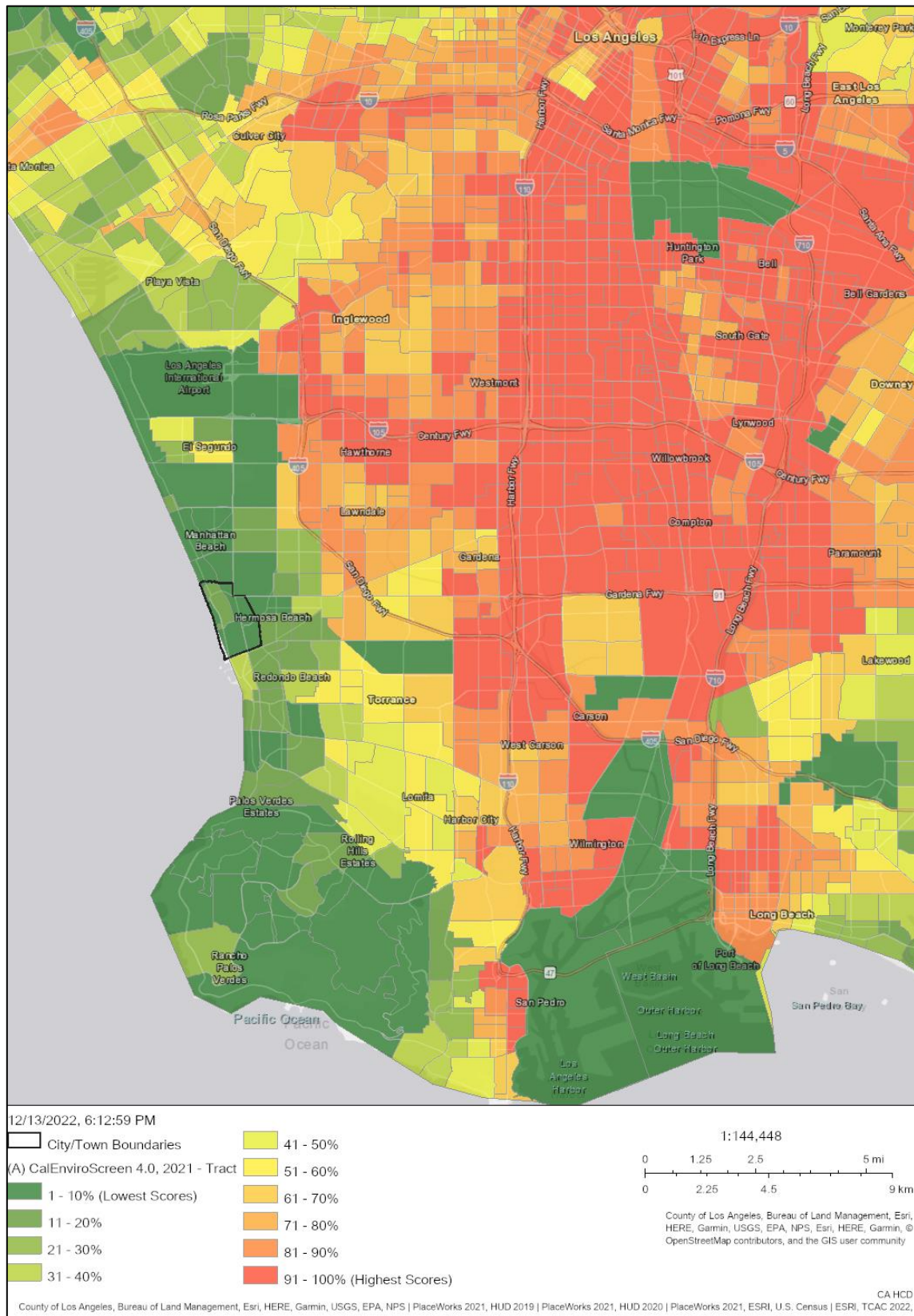
HUD's opportunity index for "environmental health" summarizes potential exposure to harmful toxins at a neighborhood level. Index values range from 0 to 100 and the higher the index value, the less exposure to toxins harmful to human health. Therefore, the higher the value, the better the environmental quality of a neighborhood, where a neighborhood is a census block-group. In Los Angeles County, environmental health index values range from 11.7 for Black residents to 19 for White residents for the total population (Table D-15). The index decreases for all racial/ethnic groups below the poverty line, most drastically for the Asian/Pacific Islander population. Of the populations below the poverty line, Asian/Pacific Islander residents have the lowest environmental health index score of 9.8. The White population, including the population below the poverty line, has the highest environmental health index score compared to other racial/ethnic groups.

Figure D-35: Regional TCAC Environmental Scores by Tract (2022)



Source: HCD AFFH Data Viewer (TCAC 2022), 2022.

Figure D-36: Regional CalEnviroScreen 4.0 Percentile Scores by Tract (2021)



Source: HCD AFFH Data Viewer (OEHHA 2021), 2022.

Local Trend

TCAC environmental scores by tract are shown in Figure D-38 for Hermosa Beach. Of the five tracts in the City, four scored in the highest quartile and one, in the southwestern corner of the City, received a score of 0.74. While this tract did receive a slightly lower environmental score compared to the remainder of Hermosa Beach, it is relevant to note that the other four tracts received scores ranging from 0.75 to 0.83. Based on these scores, environmental opportunities, based on TCAC/HCD's definition, are generally consistent citywide.

CalEnviroScreen 4.0 scores for Hermosa Beach are presented in Figure D-39. Consistent with TCAC environmental scores, all tracts in the City received low CalEnviroScreen 4.0 percentile scores (best scores) indicating healthy environmental conditions.

As mentioned above, based on the overall HPI score, Hermosa Beach has healthier community conditions than 96% of other California cities and towns. The HPI includes individual indicators used to determine a City or neighborhoods overall score. The HPI uses the following variables to analyze clean environment: Diesel PM (average daily amount of particulate pollution (very small particles) from diesel sources, measured in kilograms/day), drinking water contaminants (combines information about 13 contaminants and 2 types of water quality violations that are sometimes found when drinking water samples are tested), ozone (average amount of ozone in the air during the most polluted 8 hours of summer days, measured in parts per million), and PM 2.5 (yearly average of fine particulate matter concentration (very small particles from vehicle tailpipes, tires and brakes, powerplants, factories, burning wood, construction dust, and many other sources), measured in micrograms/meter³). All Hermosa Beach tracts scored in the highest quartile (best scores) for drinking water contaminants and in the 72nd percentile for ozone. All tracts also scored in the lowest quartile for PM 2.5 Diesel PM percentile rankings by tract are shown in Figure D-37. Most tracts received percentile scores for Diesel PM ranging from 32 to 50, while the northeastern tract scored in the 18th percentile. While the City does have low scores for Diesel PM and PM 2.5, these scores are generally consistent with the County as a whole. Coastal cities, such as Hermosa Beach, generally have slightly better Diesel PM and PM 2.5 percentile scores compared to inland County jurisdictions. High levels of Diesel PM are typically recorded adjacent to ports, rail yards, and freeways.¹¹ PM 2.5 emissions are typically emitted from power plants, industries, and automobiles, but can also be emitted by construction sites, unpaved roads, fields, smokestacks, for fires.¹² Highly urbanized areas such as Los Angeles County, including Hermosa Beach, are generally more exposed to high Diesel PM and PM 2.5 pollutants.

The HPI also includes data for park access. Parks and open space are an important part of environmental health as "parks can encourage physical activity, reduce chronic diseases, improve mental health, foster community connections, and support community resilience to climate change and pollution."¹³ According to the HPI based on 2017

¹¹ California Office of Environmental Health Hazard Assessment (OEHHA), Diesel Particulate Matter. Accessed January 2023. <https://oehha.ca.gov/calenviroscreen/indicator/diesel-particulate-matter#:~:text=What%20is%20diesel%20particulate%20matter,contains%20hundreds%20of%20different%20chemical S..>

¹² United States Environmental Protection Agency (EPA), Particulate Matter (PM) Basics. Accessed January 2023. <https://www.epa.gov/pm-pollution/particulate-matter-pm-basics>.

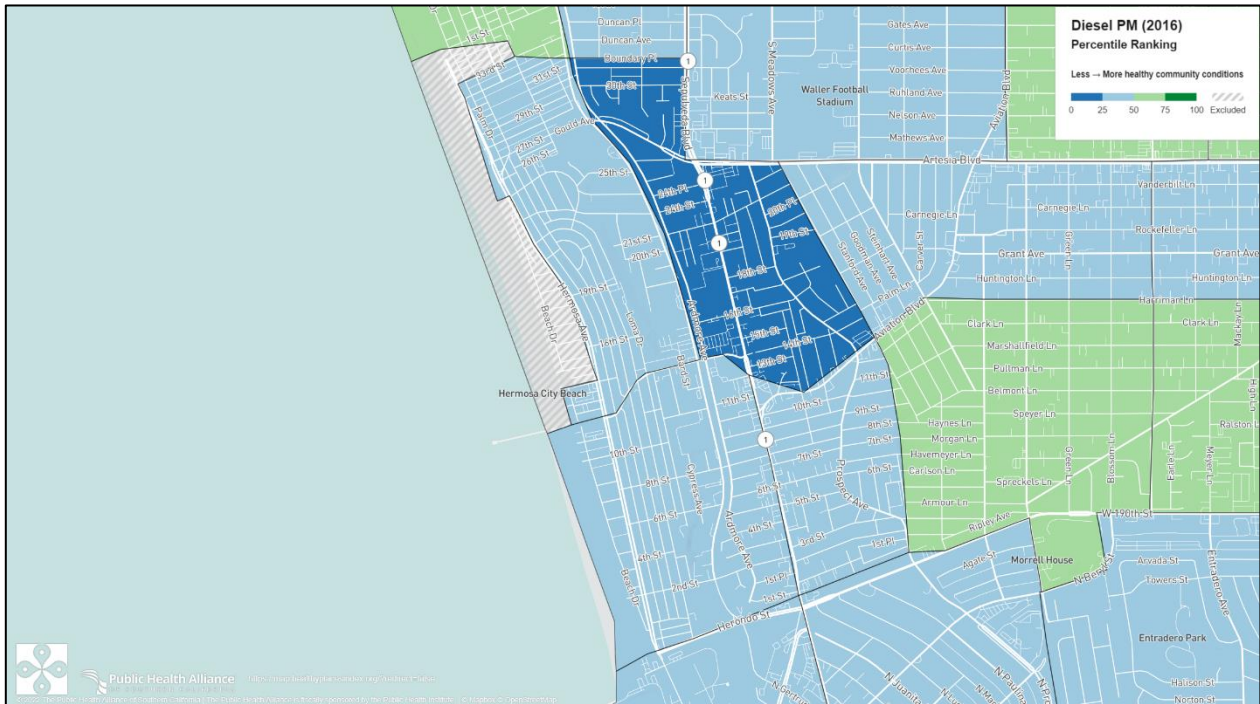
¹³ California Healthy Places Index (HPI). Policy Guide, Park Access. Accessed January 2023. <https://policies.healthyplacesindex.org/neighborhood/park-access/about>.

California Department of Public Health data, 100% of residents in all Hermosa Beach tracts live within a half-mile of a park, beach, or open space.

Sites Inventory

All RHNA units are located in tracts scoring within the 20th percentile (best scores) of CalEnviroScreen 4.0 scores.

Figure D-37: Healthy Places Index – Diesel PM by Tract (2016)



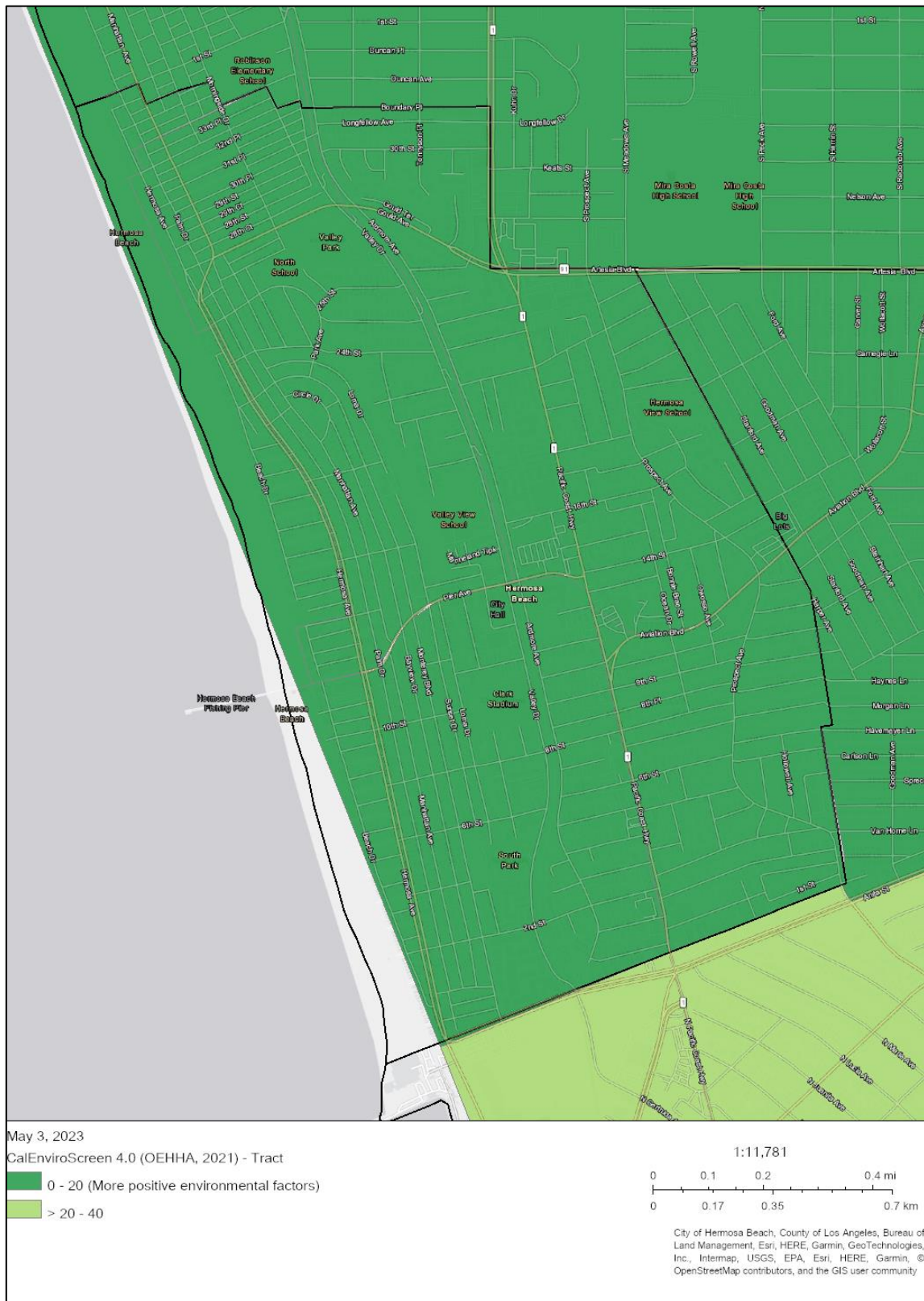
Source: California Healthy Places Index (HPI) (based on CalEnviroScreen 4.0, 2016), 2023.

Figure D-38: TCAC Environmental Scores by Tract (2022)



Source: HCD AFFH Data Viewer (TCAC 2022), 2023.

Figure D-39: CalEnviroScreen 4.0 Percentile Scores by Tract (2021)



Source: HCD AFFH Data Viewer 2.0 (OEHA 2021), 2023.

d. Transportation

Regional Trend

HUD's opportunity indicators can provide a picture of transit use and access in Marin County through the transit index ¹⁴ and low transportation cost.¹⁵ Index values can range from zero to 100 and are reported per race so that differences in access to transportation can be evaluated based on race. In the County, transit index values range from 82.6 to 87.7, where White residents scored the lowest and Black residents scored the highest. Hispanic (87.2) and Asian/Pacific Islander (86.5) populations also scored higher than White and Native American (83.2) populations. Given that higher the transit trips index, the more likely residents utilize public transit, Black, Hispanic, and Asian/Pacific Islander residents are more likely to use public transit. For residents living below the poverty line, index values increase for all racial/ethnic groups, most notably for the White and Asian/Pacific Islander populations. Transit scores for the population below the poverty line range from 85.2 for the Native American population to 89.6 for the Asian/Pacific Islander population.

Low transportation cost index values range from 74.1 for the White population to 79.2 for the Black population. The Black population has the highest low transportation cost index score followed by the Hispanic population (77.7), Asian/Pacific Islander population (76.5), and the Native American population (75.7). Low transportation cost scores are higher for the population below the poverty line regardless of race. Black, Hispanic, and Asian/Pacific Islander residents have the highest low transportation cost index values, regardless of poverty status. A higher "low transportation cost" index value indicates a lower cost of transportation. Therefore, transit is less costly for these racial/ethnic groups compared the White and Native American populations.

Los Angeles County is served by a large public transit system including rail systems, bus operations, and transitways. The Metro rail system operates throughout the County and includes a hub in downtown Los Angeles. Additional rail service operators in the County include Metrolink and Amtrak. The Southern California Regional Rail Authority (SCRRA) operates the 416-mile Metrolink commuter rail system, which has its hub in Downtown Los Angeles at Union Station and extends to Ventura, San Bernardino, Riverside, Orange, and San Diego counties. Amtrak provides interstate service from points around the country to Union Station, as well as regional service between major cities throughout California. There are several regional and municipal bus operators in the County; however, the largest is the Metro bus system. Metro operates the Metro Rapid Bus service and the Metro Express Bus service. The Metro rail and bus map is included as Figure D-40.

¹⁴ Transit Trips Index: This index is based on estimates of transit trips taken by a family that meets the following description: a 3-person single-parent family with income at 50% of the median income for renters for the region (i.e., the Core-Based Statistical Area (CBSA)). The higher the transit trips index, the more likely residents in that neighborhood utilize public transit.

¹⁵ Low Transportation Cost Index: This index is based on estimates of transportation costs for a family that meets the following description: a 3-person single-parent family with income at 50% of the median income for renters for the region/CBSA. The higher the index, the lower the cost of transportation in that neighborhood.

Figure D-40: Metro Rail and Busway Map (2022)



Source: Metro – Metro System Maps, October 2022. Accessed January 2023.

<https://www.metro.net/riding/guide/system-maps/>.

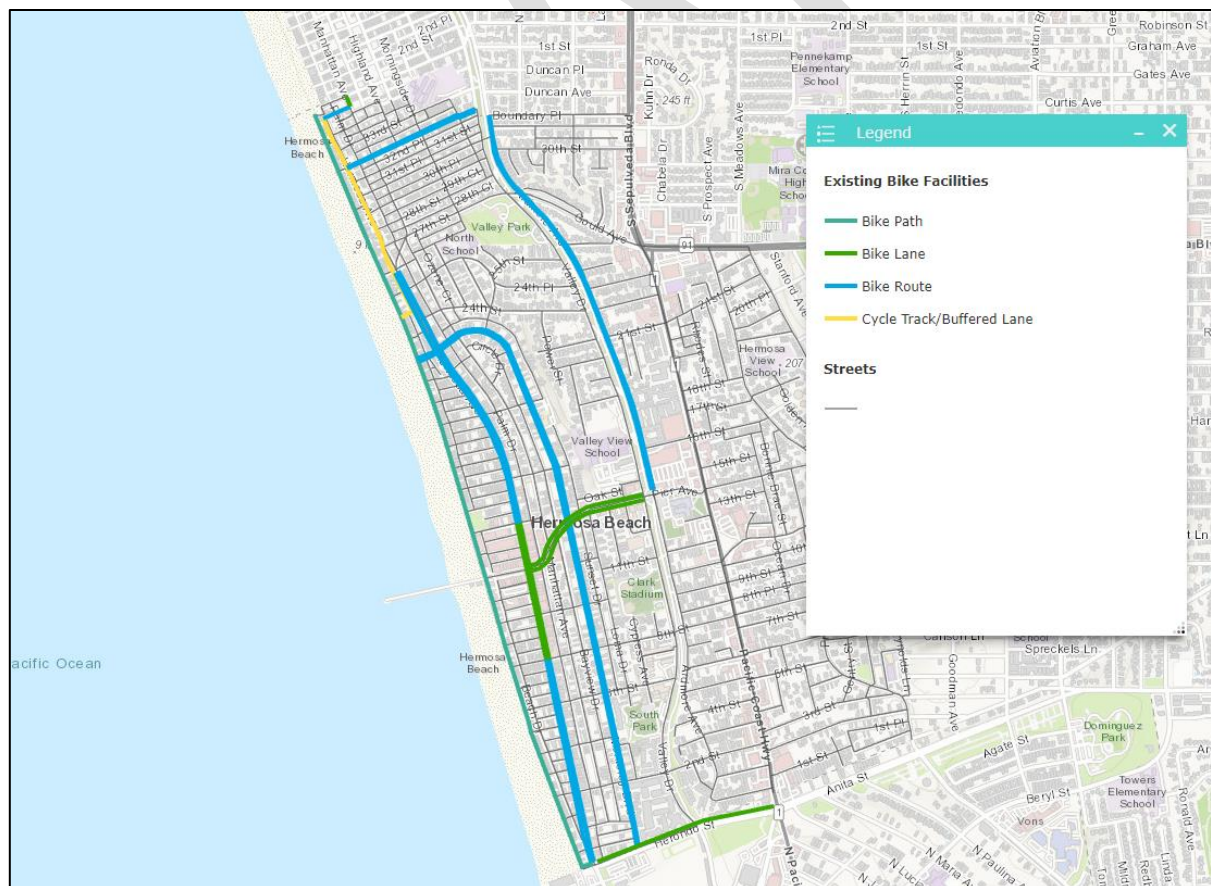
Local Trends

HUD opportunity indices are not available for Hermosa Beach. Public transit systems operating in the City include Beach Cities Transit, Torrance Transit, and the Los Angeles Department of Transportation (LADOT) Commuter Express.

- **Beach Cities Transit** provides fixed route and dial-a-ride transit service in the South Bay. BCT Line 109 connects Riviera Village, Hermosa, Manhattan, El Segundo, Green Line Stations, and the LAX Bus Center. Torrance Transit operates one bus route through Hermosa Beach.
- **Torrance Transit** Line 13 operates between Redondo Beach Pier and Artesia A (Blue) Line Station, serving major destinations that include Hermosa Beach Pier, South Bay Galleria, Harbor Gateway Transit Center, Dignity Health Sports Park, and California State University, Dominguez Hills.
- **LADOT Commuter Express** shuttles provide one-way limited stop transit service to job centers during commute hours through Commuter Express Line 438.

Hermosa Beach also has a system of bicycle paths, lanes, and routes throughout the City. Bike facilities generally run along the western side of the City, mainly along Hermosa Avenue, Monterey Boulevard, and Ardmore Avenue. Bike facilities are shown in Figure D-41.

Figure D-41: Bicycle Facilities (2023)

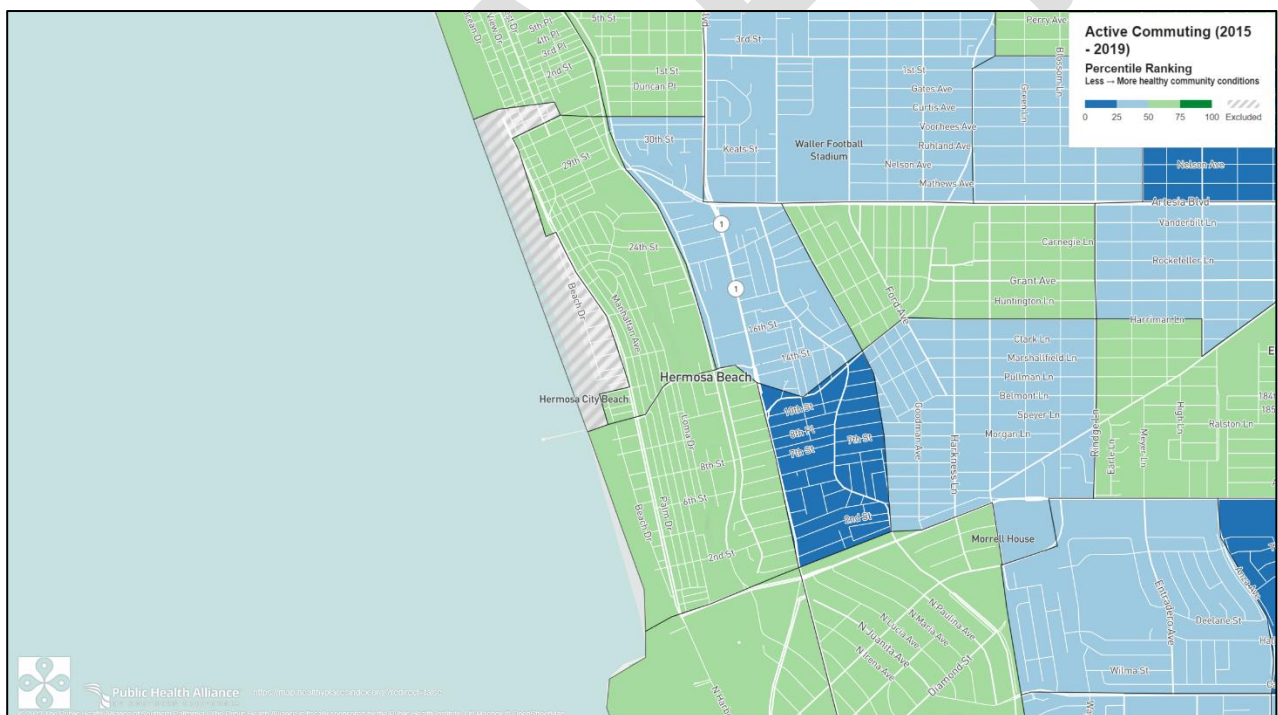


Source: City of Hermosa Beach Bike Facilities Map. Accessed January 2023.

The City also operates a Safe Routes to School Program, partnering with the Hermosa Beach City School District and the Hermosa Beach Police Department. The City and School District have administered surveys of parents to understand walking and biking to school preferences and activities to inform safe routes to school programming and practices.

The HPI includes automobile access and active commuting data as transportation indicators. According to HPI data based on the 2015-2019 ACS, more than 92% of households in all Hermosa Beach tracts have access to an automobile. While this is a large proportion of the population, these tracts received percentile scores ranging from only 32 to 62. Populations of households with access to vehicles in Hermosa Beach tracts are consistent with adjacent areas and larger than other areas of the County such as central and east Los Angeles. Only 1.6% to 9.7% of workers aged 16 or older commute to work by transit, walking, or cycling in Hermosa Beach tracts. The tract in the southeast corner of the City has the smallest population of transit, walking, or cycling commuters. As discussed previously, 76.2% of workers in Hermosa Beach get to work via car, truck, or van (Figure D-29). The southern side of the City also has lower jobs proximity index scores compared to the northern and western sides (Figure D-30). Bike facilities (paths, lanes, and routes) are also less accessible to persons residing in the southeastern tract (Figure D-41).

Figure D-42: Healthy Places Index – Active Commuting by Tract (2019)



Source: California Healthy Places Index (HPI) (based on 2015-2019 ACS), 2023.

5. Disproportionate Housing Needs

The AFFH Rule Guidebook defines disproportionate housing needs as a condition in which there are significant disparities in the proportion of members of a protected class experiencing a category of housing needs when compared to the proportion of a member of any other relevant groups or the total population experiencing the category

of housing need in the applicable geographic area (24 C.F.R. § 5.152). The analysis is completed by assessing cost burden, overcrowding, and substandard housing.

The Comprehensive Housing Affordability Strategy (CHAS) developed by the Census for HUD provides detailed information on housing needs by income level for different types of households in Los Angeles County. Housing problems considered by CHAS include:

- Housing cost burden, including utilities, exceeding 30% of gross income;
- Severe housing cost burden, including utilities, exceeding 50% of gross income;
- Overcrowded conditions (housing units with more than one person per room); and
- Units with physical defects (lacking complete kitchen or bathroom)

According to 2022 HUD CHAS data based on the 2015-2019 ACS, approximately 51% of Los Angeles County households experience housing problems, compared to 29% of households in Hermosa Beach. In both the County and Hermosa Beach, renters are more likely to be affected by housing problems than owners.

a. Cost Burden

Regional Trend

As presented in Table D-17, in Los Angeles County, approximately 44% of households are cost burdened. Renters experience cost burden at higher rates than owners (52.8% vs. 33.7%), regardless of race. Among renters, Black and Hispanic households are cost burdened at the highest rate (58.8% and 56.1%, respectively). All other racial/ethnic renter groups are cost burdened at a rate below the citywide average of 52.8% for renter-occupied households. Geographically, tracts with larger populations of cost burdened owners are more concentrated in the central and south Los Angeles areas (Figure D-43). However, tracts with populations of owners exceeding 60% are dispersed throughout the region, including in coastal areas such as Santa Monica and Long Beach. Tracts with larger populations of overpaying renters are also more prevalent in the central and south Los Angeles areas in and around the cities of Los Angeles, Compton, and Westmont, and in the area surrounding Long Beach (Figure D-44). The coastal area from Manhattan Beach to Palos Verdes Estates, including Hermosa Beach, tends to have fewer cost burdened renters.

Table D-17: Housing Problems and Cost Burden by Race/Ethnicity – L.A. County (2019)

	White	Black	Asian	Amer. Ind	Pac. Isl.	Hispanic	All
With Housing Problem							
Owner-Occupied	31.7%	41.3%	36.7%	34.7%	41.6%	45.8%	37.8%
Renter-Occupied	51.9%	92.7%	56.1%	56.1%	54.0%	69.4%	61.2%
All Households	41.0%	55.5%	45.7%	47.0%	49.5%	60.3%	50.5%
With Cost Burden							
Owner-Occupied	30.7%	39.8%	33.0%	33.1%	31.0%	36.7%	33.7%
Renter-Occupied	48.6%	58.8%	47.3%	51.3%	45.3%	56.1%	52.8%
All Households	38.9%	52.4%	39.7%	43.6%	40.1%	48.6%	44.1%

	White	Black	Asian	Amer. Ind	Pac. Isl.	Hispanic	All
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Source: HUD CHAS data (based on 2015-2019 ACS), 2022.

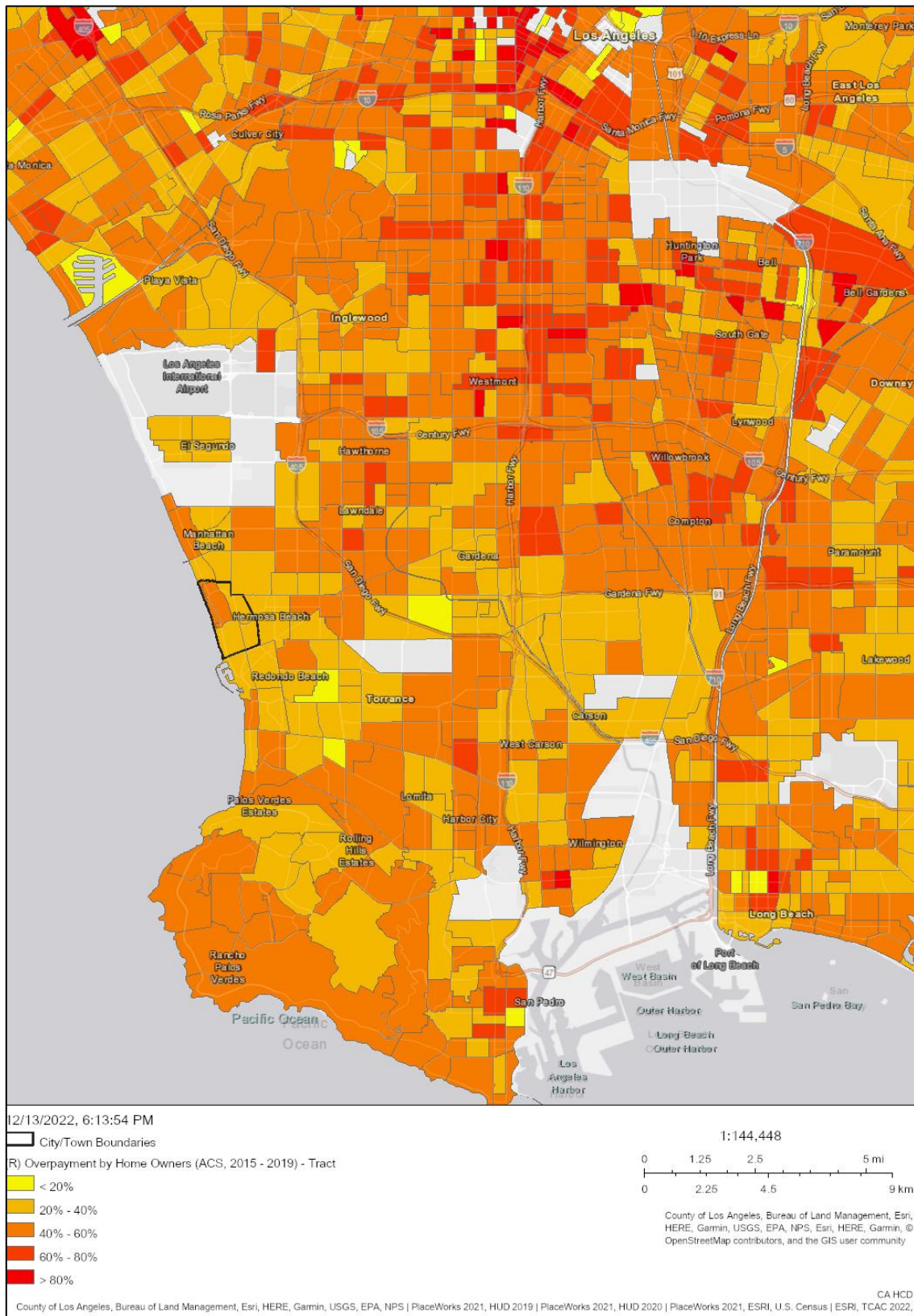
Housing problems and cost burdens can also affect special needs populations disproportionately. Table D-18 shows that elderly renters and large renter households experience housing problems at rates exceeding the countywide average for renter-occupied households. Over 83% of large renter households have one or more housing problem but only 52.5% are cost burdened. This is likely due to the population of large households that are overcrowded. Large owner households also experience housing problems at a rate exceeding the countywide average for owner-occupied households. Approximately 56% of elderly renters are cost burdened compared to only 52.8% countywide. Elderly households are more likely to have fixed incomes and overpay for housing.

Table D-18: Housing Problems and Cost Burden by Household Type – L.A. County (2019)

	Owner-Occupied			Renter-Occupied			All HH
	Elderly	Large HH	All Owner	Elderly	Large HH	All Renter	
Any housing problem	37.0%	52.1%	37.8%	65.7%	83.3%	61.2%	50.5%
Cost burden >30%	37.8%	30.0%	33.7%	56.3%	52.5%	52.8%	44.1%

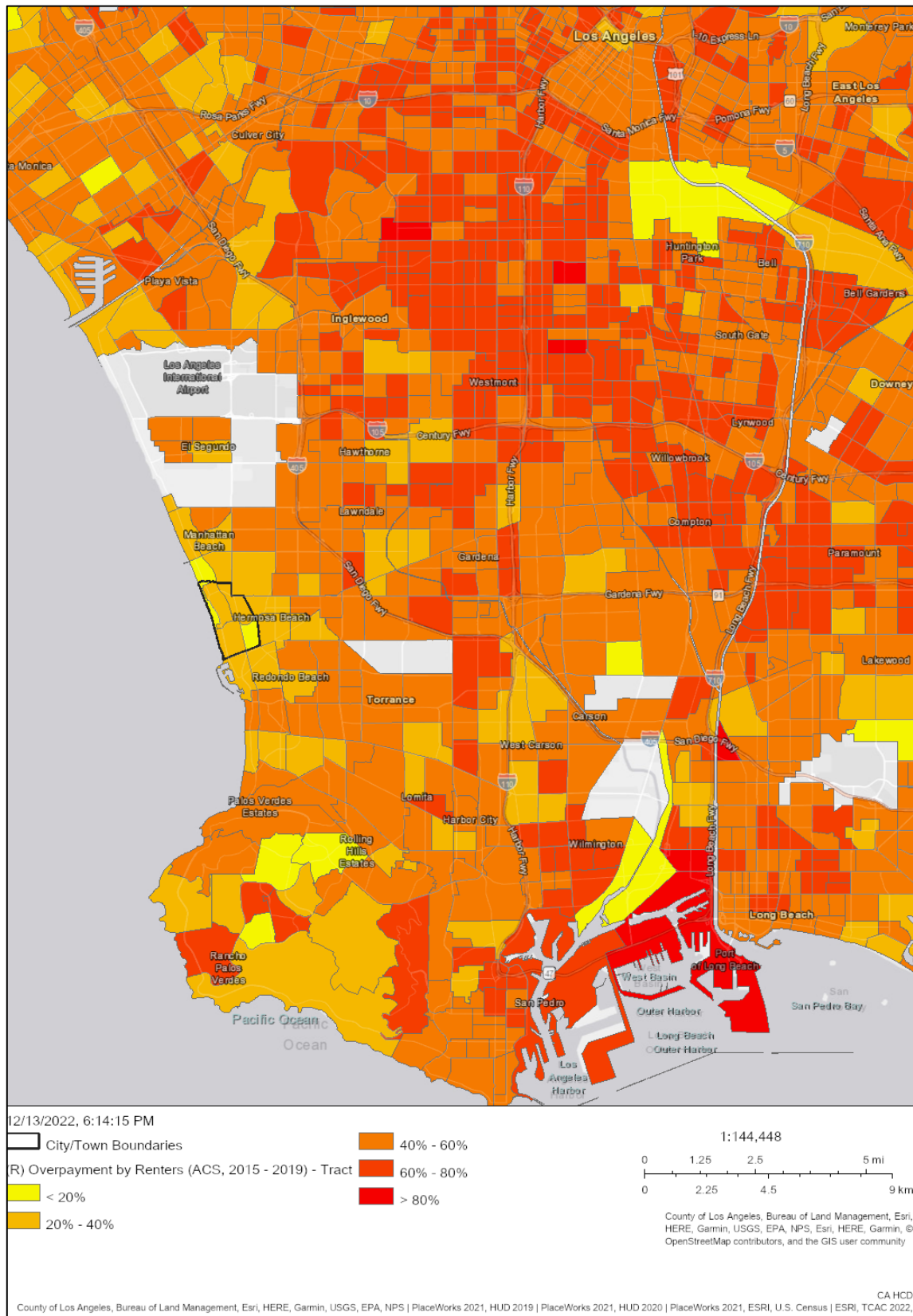
Source: HUD CHAS data (based on 2015-2019 ACS), 2022.

Figure D-43: Regional Population of Cost Burdened Owners by Tract (2019)



Source: HUD AFFH Data Viewer (2015-2019 ACS), 2022.

Figure D-44: Regional Population of Cost Burdened Renters by Tract (2019)



Source: HUD AFFH Data Viewer (2015-2019 ACS), 2022.

Local Trend

Housing problem and cost burden rates are lower in Hermosa Beach (28.8% and 26.6%, respectively, Table D-19) than in the County overall (50.5% and 44.1%, respectively, Table D-17). Since the 2006-2010 HUD CHAS data, cost burden has decreased in Hermosa Beach. In 2010, 38% of households were cost burdened, including 36.4% of owner households and 39.2% of renter households. Unlike the countywide trend, Asian (50%) and American Indian (46.2%) renter households are cost burdened at the highest rates. As presented in Table D-12 previously, the Asian and American Indian populations in Hermosa Beach also have the highest poverty rates compared to other racial/ethnic groups. Hispanic renter households are also cost burdened at a rate exceeding the citywide average for renter-occupied households (41%). White and Black renters are cost burdened at rates below the citywide average. Asian and Hispanic owners are also cost burdened at rates exceeding 25.2%, the citywide average for owner-occupied households. There are no cost burdened Black or American Indian owners in the City.

As shown in Figure D-45, between 20% and 40% of owners are cost burdened in most Hermosa Beach tracts. Tract 6210.05 in the northwestern section of the City has a slightly larger population of overpaying owners with mortgages of 56.5%. Less than 38% of owners are cost burdened in the remaining Hermosa Beach tracts. Tract 6210.05 also contains block groups with LMI household populations exceeding 25% and lower median income compared to other areas of the City (see Figure D-18 and Figure D-24).

Between 20% and 40% of renters are also cost burdened in tracts on the western side of the City (tracts 6210.05 and 6211.04) (Figure D-46). Only 19.8% of renters are cost burdened in tract 6211.02 in the southeast corner of the City while 45.6% are cost burdened in tract 6210.01 in the northeast section of the City.

As discussed previously, tract 6210.01 has a population of elderly adults aged 65 and older of 15% compared to only 13.9% citywide. Elderly adults are more likely to be retired and have fixed or limited incomes. However, cost burden in Figure D-46 is based on earnings over the past 12 months from when the survey was taken. According to the ACS methodology, earnings are just one kind of income and are primarily wages and salary from a job. Other sources of income that are not considered "earnings" include Social Security payments, pensions, child support, public assistance, annuities, money derived from rental properties, interest and dividends. According to the 2017-2021 ACS, of the 454 households in tract 6210.01 with a householder aged 65 or older, 56.8% have household incomes, including annual earnings and other sources of income, of over \$100,000. Because cost burden is estimated based on earnings alone, the population of households overpaying for housing may be exaggerated, especially in tract 6210.01.

Table D-19: Housing Problems & Cost Burden by Race/Ethnicity – Hermosa Beach (2019)

	White	Black	Asian	Amer. Ind	Pac. Isl.	Hispanic	All
With Housing Problem							
Owner-Occupied	24.1%	0.0%	41.2%	0.0%	--	31.3%	26.5%
Renter-Occupied	29.1%	21.1%	50.0%	76.9%	--	54.1%	30.9%
All Households	26.8%	17.4%	42.7%	62.5%	--	42.2%	28.8%
With Cost Burden							
Owner-Occupied	23.3%	0.0%	41.2%	0.0%	--	31.3%	25.2%

	White	Black	Asian	Amer. Ind	Pac. Isl.	Hispanic	All
Renter-Occupied	26.7%	21.1%	50.0%	46.2%	--	41.0%	27.8%
All Households	25.2%	17.4%	42.7%	37.5%	--	35.9%	26.6%

Source: HUD CHAS data (based on 2015-2019 ACS), 2022.

Like the trend countywide, larger owner- and renter-occupied households are more likely to experience housing problems in the City (Table D-20). Large renter households are also more likely to be cost burdened. Approximately 55% of large renter households are cost burdened compared to only 28% of renters citywide. Elderly households also overpay for housing at rates exceeding the citywide average.

Table D-20: Housing Problems & Cost Burden by Household Type – Hermosa Beach (2019)

	Owner-Occupied			Renter-Occupied			All HH
	Elderly	Large HH	All Owner	Elderly	Large HH	All Renter	
Any housing problem	30.2%	33.3%	26.5%	61.8%	58.0%	30.9%	28.8%
Cost burden >30%	29.7%	14.0%	25.2%	45.5%	54.6%	27.8%	26.6%

Source: HUD CHAS data (based on 2015-2019 ACS), 2022.

Sites Inventory

As described above, three of the four tracts that make up Hermosa Beach have populations of cost burdened owners ranging from 20% to 40%. Consistent with this trend, 82% of RHNA units are in tracts with populations of cost burdened owners in this range (Table D-21). There are 68 lower income units, 20 moderate income units, and 19 above moderate income units in the tract where 56.5% of owner-occupied households are cost burdened. No above moderate income units are located in this tract.

As shown in Table D-22, more than half of RHNA units are in tracts where 20% to 40% of renters overpay for housing. As presented in Figure D-46, half of Hermosa Beach tracts on the western side of the City have cost burdened renter populations in this range. A larger proportion of units allocated to the lower income RHNA, 35%, are in the tract where 45.6% of renters experience cost burden compared to moderate (14.9%) and above moderate (30%) income units.

While there are more lower income units in tracts with higher rates of cost burden, lower income units are not concentrated in these areas alone, nor are they exclusively placed in these tracts. Both tract 6210.01 and 6210.04 contain sites identified to accommodate moderate and mixed income units.

Table D-21: Distribution of RHNA Units by Cost Burdened Owners (2021)

Cost Burdened Owners (Tract)	Lower Income Units		Moderate Income Units		Above Moderate Income Units		Total Units	
	Units	Percent	Units	Percent	Units	Percent	Units	Percent
<20%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
20-40%	289	81.0%	148	88.1%	61	76.3%	493	81.5%
40-60%	68	19.0%	20	11.9%	19	23.8%	107	17.7%
60-80%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
>80%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	357	100.0%	168	100.0%	80	100.0%	605	100.0%

Table D-22: Distribution of RHNA Units by Cost Burdened Renters (2021)

Cost Burdened Renters (Tract)	Lower Income Units		Moderate Income Units		Above Moderate Income Units		Total Units	
	Units	Percent	Units	Percent	Units	Percent	Units	Percent
<20%	17	4.8%	65	38.7%	38	35%	115	19.0%
20-40%	210	58.8%	78	46.4%	28	35.0%	316	52.2%
40-60%	125	35.0%	25	14.9%	24	30.0%	174	28.8%
60-80%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
>80%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	357	100.0%	168	100.0%	80	100.0%	605	100.0%

Figure D-45: Population of Cost Burdened Owners by Tract and Sites Inventory (2021)

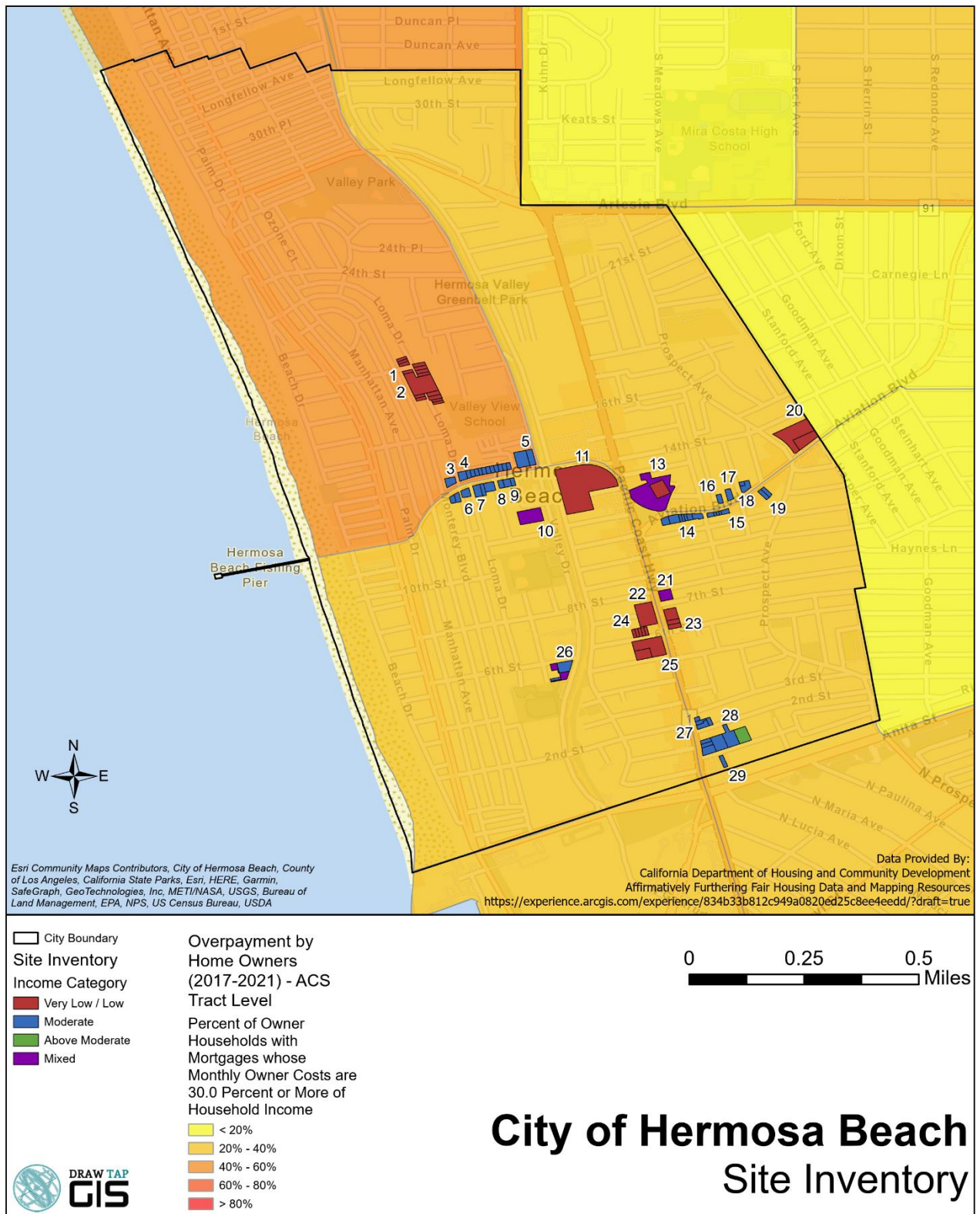
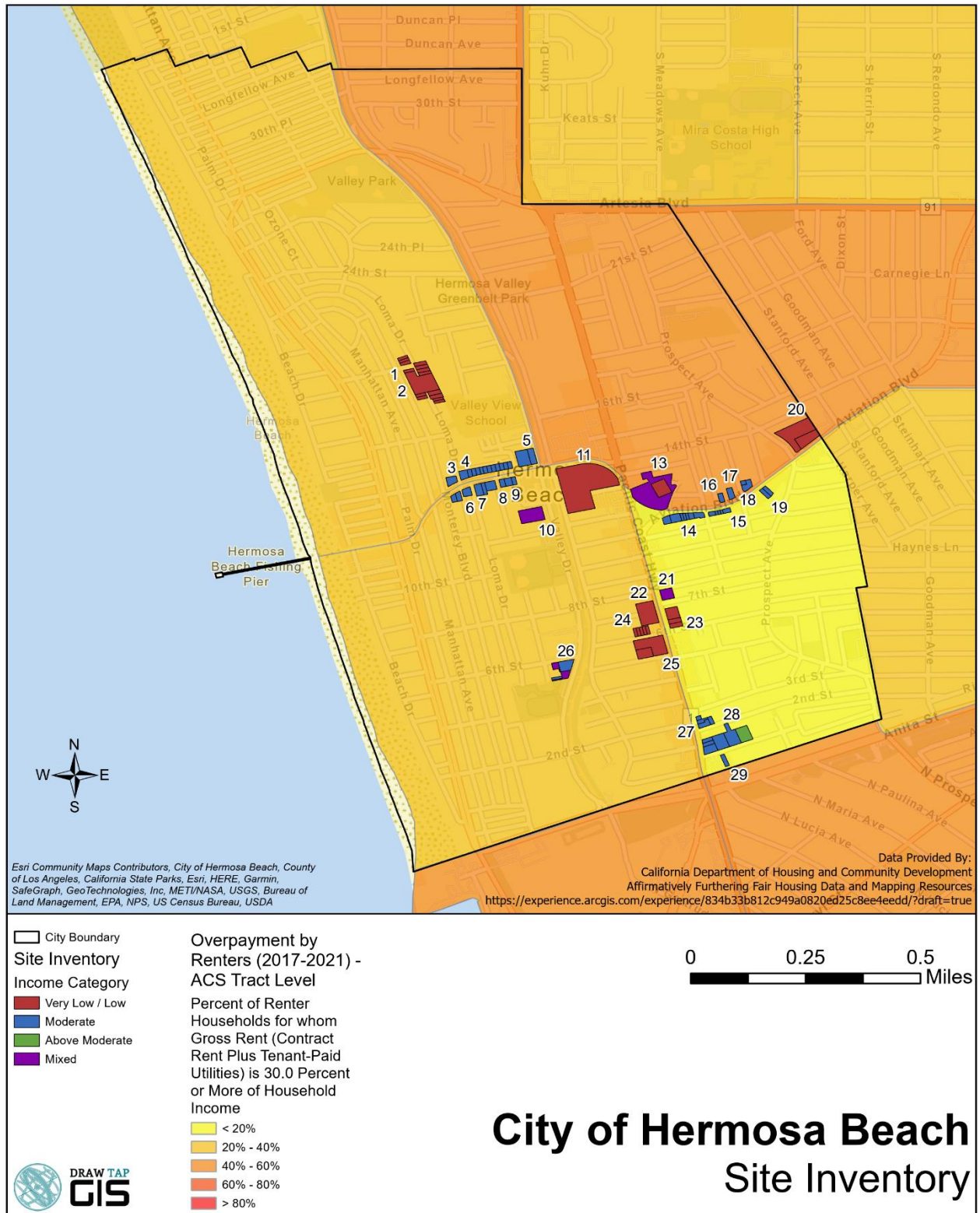


Figure D-46: Population of Cost Burdened Renters by Tract and Sites Inventory (2021)



b. Overcrowding

Regional Trend

Overcrowding is defined as housing units with more than one person per room (including dining and living rooms but excluding bathrooms and kitchen). According to 2016-2020 ACS estimates, 11.2% of households in Los Angeles County are living in overcrowded conditions (Table D-23). About 16% of renter households are living in overcrowded conditions in the County, compared to only 5.7% of owner households. Similarly, 7.4% of renter households are severely overcrowded, with more than 1.5 persons per room, compared to only 1.6% of owners. According to 2015-2019 HUD CHAS data, there 203,320 large renter-occupied households with five or more persons, representing 11.3% of renters countywide. There are slightly more large owner households, 214,590, representing 14.1% of owners countywide.

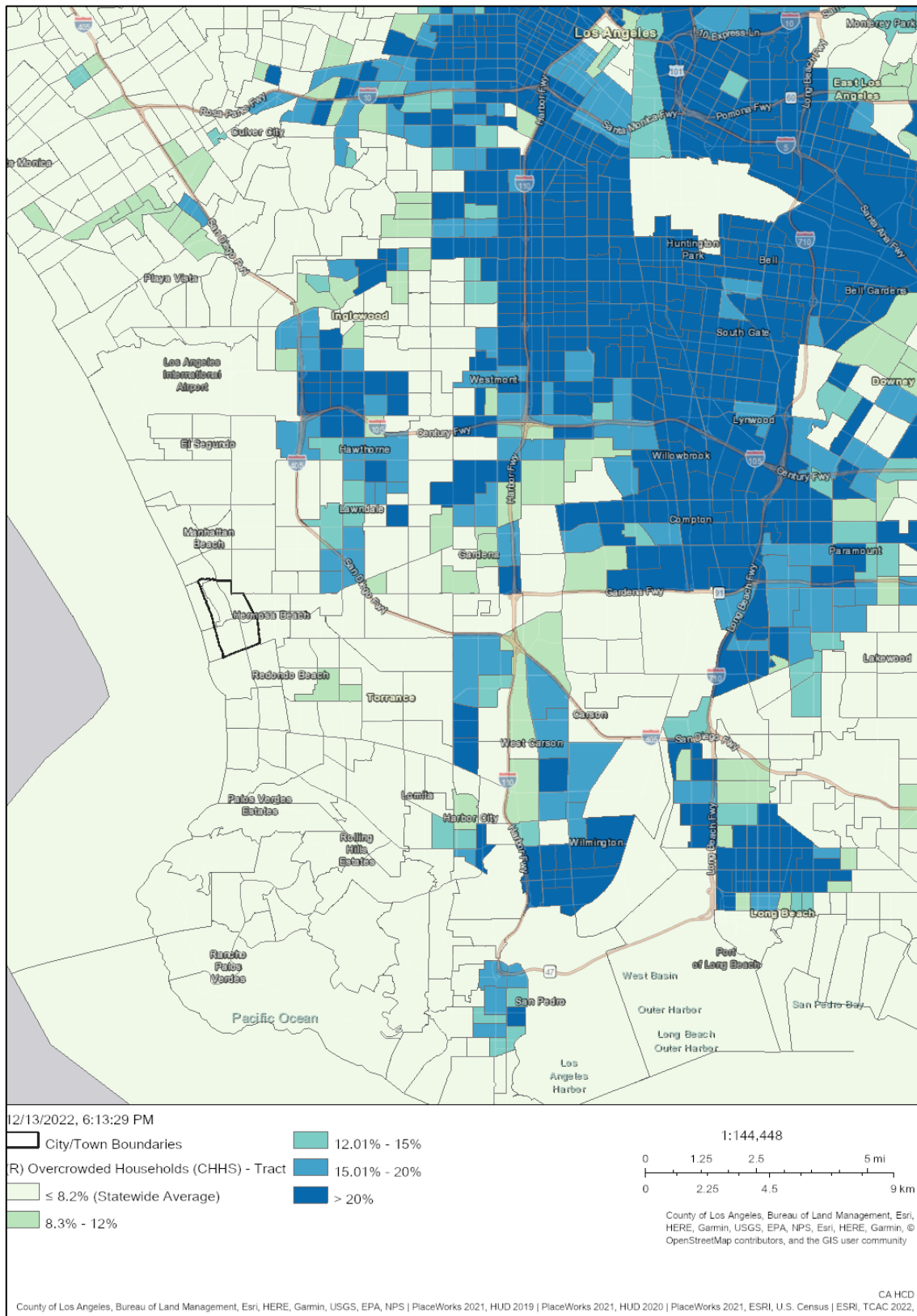
Table D-23: Overcrowded Households by Tenure – Los Angeles County (2020)

	Owner-Occupied		Renter-Occupied		Total	
	Households	Percent	Households	Percent	Households	Percent
Overcrowded (>1.0 persons per room)	87,325	5.7%	286,881	16.0%	374,206	11.2%
Severely Overcrowded (>1.5 persons per room)	23,819	1.6%	133,699	7.4%	157,518	4.7%
Total	1,534,472	100.0%	1,798,032	100.0%	3,332,504	100.0%

Source: 2016-2020 ACS (5-Year Estimates).

As presented in Figure D-47 below, tracts with larger populations of overcrowded households in the region surrounding Hermosa Beach are most prevalent in the central and south County areas in and around the cities of Los Angeles, Compton, Hawthorne, South Gate, and parts of Long Beach. Coastal County areas, from Malibu to Rancho Palos Verdes, are nearly all comprised of tracts with populations of overcrowded households below the statewide average of 8.2%. As discussed throughout this Assessment of Fair Housing Issues, coastal Los Angeles County areas also have smaller racial/ethnic minority populations, fewer LMI households, and higher median incomes compared to inland County areas (see Figure D-5, Figure D-17, and Figure D-22).

Figure D-47: Regional Overcrowded Households by Tract (2020)



Source: HUD AFFH Data Viewer (2020 HUD CHAS data), 2023.

Local Trend

Overcrowding is generally not an issue in the City. As shown in Table D-24, there are no severely overcrowded owner-occupied households in Hermosa Beach. Only 1.8% of renter-occupied households are severely overcrowded. Only 1.1% of owner households and 3.4% of renter households are overcrowded. While overcrowding is more prevalent amongst Hermosa Beach renters, a significantly smaller proportion are overcrowded compared the County (16%). The rate of overcrowding in all areas of the City is below the statewide average of 8.2%. According to the HCD Data Viewer 2.0, there are no tracts in Hermosa Beach where more than 5% of households are overcrowded.

Table D-24: Overcrowded Households by Tenure (2020)

	Owner-Occupied		Renter-Occupied		Total	
	Households	Percent	Households	Percent	Households	Percent
Overcrowded (>1.0 persons per room)	48	1.1%	147	3.4%	195	2.3%
Severely Overcrowded (>1.5 persons per room)	0	0.0%	76	1.8%	76	0.9%
Total	4,309	100.0%	4,287	100.0%	8,596	100.0%

Source: 2016-2020 ACS (5-Year Estimates).

Sites Inventory

There are no RHNA sites in tracts where overcrowding is a prominent fair housing issue.

c. Substandard Housing

Regional Trend

Incomplete plumbing or kitchen facilities can be used to measure substandard housing conditions. Incomplete facilities and housing age are estimated using the 2016-2020 ACS. In general, residential structures over 30 years of age require minor repairs and modernization improvements, while units over 50 years of age are likely to require major rehabilitation such as roofing, plumbing, and electrical system repairs.

According 2016-2020 ACS estimates, shown in Table D-25, 1.6% of households in Los Angeles County lack complete kitchen facilities and 0.5% lack complete plumbing facilities. Incomplete facilities affect renter households more than owner households. Approximately 0.4% of owner households lack complete kitchen facilities and 0.3% lack complete plumbing facilities compared to 2.6% and 0.6%, respectively, amongst renter households countywide.

Table D-25: Substandard Housing Conditions by Tenure – Los Angeles County (2020)

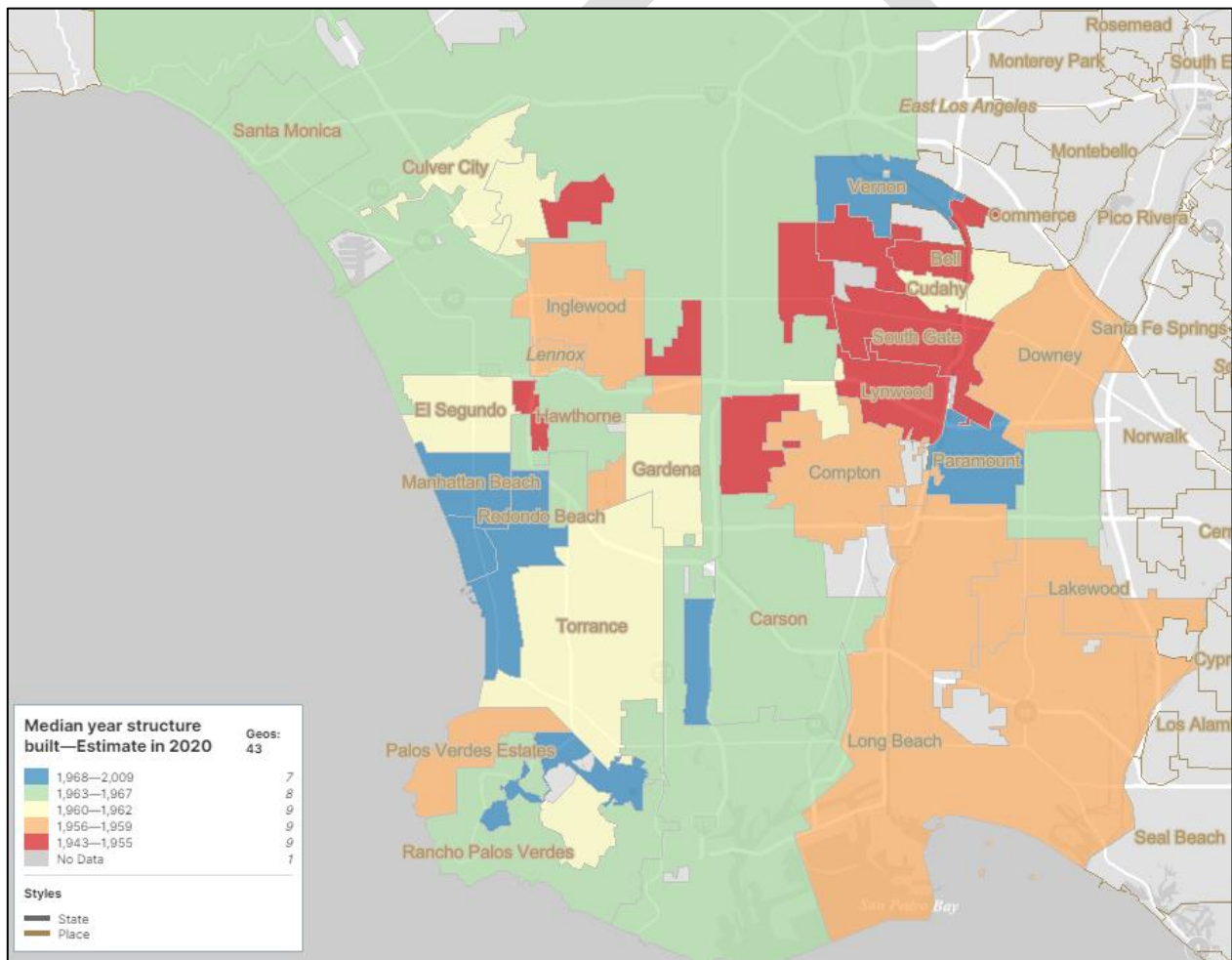
	Owner-Occupied		Renter-Occupied		Total	
	Households	Percent	Households	Percent	Households	Percent
Lacking complete kitchen facilities	6,186	0.4%	46,465	2.6%	52,651	1.6%
Lacking complete plumbing facilities	3,884	0.3%	11,381	0.6%	15,265	0.5%
Total	1,534,472	100.0%	1,798,032	100.0%	3,332,504	100.0%

	Owner-Occupied		Renter-Occupied		Total	
	Households	Percent	Households	Percent	Households	Percent

Source: 2016-2020 ACS (5-Year Estimates).

Housing age can also be used as an indicator for substandard housing and rehabilitation needs. As stated above, structures over 30 years of age require minor repairs and modernization improvements, while units over 50 years of age are likely to require major rehabilitation. In the County, 85.3% of the housing stock was built prior to 1990, including 59.7% built prior to 1970 (Table D-27). Figure D-48 shows median housing age for cities and Census-designated places (CDPs) in the region surrounding Hermosa Beach. Manhattan Beach, Redondo Beach, and Hermosa Beach tend to have younger housing stocks compared to adjacent jurisdictions to the north, south, and east. The south County areas, including Long Beach, Compton, Lakewood, Lynwood, and South Gate, tend to have older housing stocks.

Figure D-48: Regional Median Housing Age – Cities and CDPs (2020)



Source: 2016-2020 ACS (5-Year Estimates).

Local Trend

There are no owner-occupied households in Hermosa Beach lacking complete kitchen or plumbing facilities (Table D-26). There are also no renter-occupied households in the City lacking complete plumbing facilities. There are 59 renter households, representing 1.4% of renters citywide, lacking complete kitchen facilities. Households lacking complete facilities are much less prominent in Hermosa Beach compared to the County, where 2.6% of renters lack complete kitchen facilities and 0.6% lack complete plumbing facilities.

Table D-26: Substandard Housing Conditions by Tenure (2020)

	Owner-Occupied		Renter-Occupied		Total	
	Households	Percent	Households	Percent	Households	Percent
Lacking complete kitchen facilities	0	0.0%	59	1.4%	59	0.7%
Lacking complete plumbing facilities	0	0.0%	0	0.0%	0	0.0%
Total	4,309	100.0%	4,287	100.0%	8,596	100.0%

Source: 2016-2020 ACS (5-Year Estimates).

Table D-27 shows housing stock age in the County, City, and Hermosa Beach tracts. Only 52% percent of housing units in the City were built in 1969 or earlier compared to 60% countywide. As discussed previously, units aged 50 and older are likely to require major rehabilitation. Another 29.7% of units in the City were built between 1970 and 1989. The remaining 18.6% of housing units in Hermosa Beach were constructed in 1990 or later, a larger proportion than in the County (14.7%).

As shown in Figure D-49, tracts 6210.05, northwestern quarter, and 6211.02, southeastern quarter, have older median housing ages compared to tracts 6210.01 and 6211.04. Nearly 66% of housing units in tract 6210.05 and 60% in tract 6211.02 were built prior to 1970 compared to 50% in tract 6210.01 and 39% in tract 6211.04 (Table D-27). Tract 6211.04 has the largest proportion of new housing units built in 1990 or later (24.9%).

According to the HCD AFFH Data Viewer 2.0, the southwest section of the City, tract 6211.04, has a larger proportion of renter-occupied households compared to other tracts. As mentioned above, this tract has the largest proportion of new housing units built in 1990 or later.

There are no tracts in Hermosa Beach where more than 2% of households lack complete plumbing facilities. Tract 6210.05 in the northwestern corner of Hermosa Beach is the only tract in the City where more than 2% of households lack complete kitchen facilities. This section of the City also has a higher rate of cost burdened owners, but a population of cost burdened renters consistent with the citywide trend (see Figure D-45 and Figure D-46).

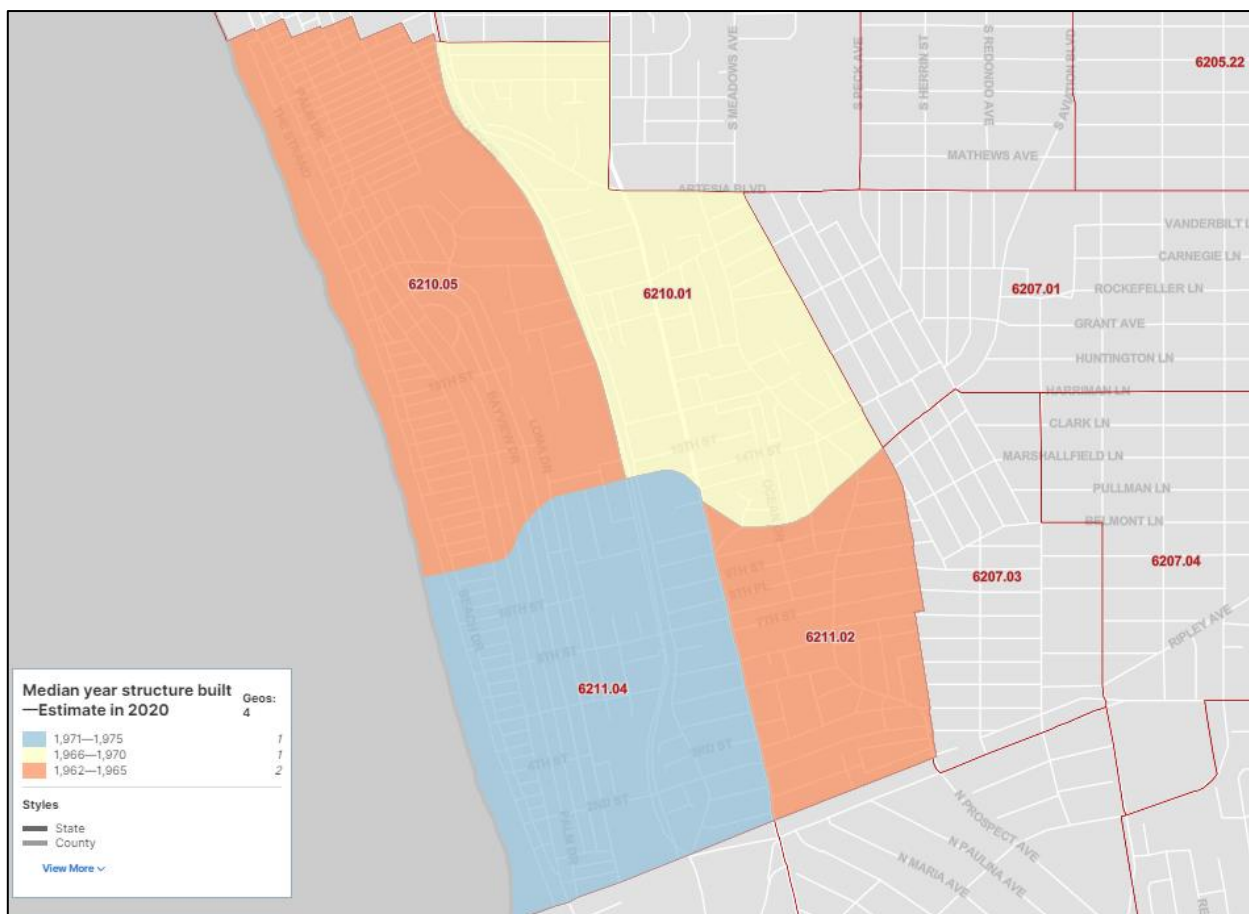
Table D-27: Housing Stock Age (2020)

Tract/Jurisdiction	1969 or Earlier (50+ Years)	1970-1989 (30-50 Years)	1990 or Later (<30 Years)	Total Housing Units
6210.01	50.0%	37.5%	12.5%	2,071
6210.05	65.7%	18.4%	16.0%	2,955
6211.02	59.5%	23.9%	16.5%	1,216
6211.04	38.6%	36.5%	24.9%	3,577
Hermosa Beach	51.7%	29.7%	18.6%	9,819

Tract/Jurisdiction	1969 or Earlier (50+ Years)	1970-1989 (30-50 Years)	1990 or Later (<30 Years)	Total Housing Units
Los Angeles County	59.7%	25.5%	14.7%	3,559,790

Source: 2016-2020 ACS (5-Year Estimates).

Figure D-49: Median Housing Age by Tract (2020)



Source: 2016-2020 ACS (5-Year Estimates).

Figure D-50: Renter-Occupied Household Populations by Tract (2021)



Source: HCD AFFH Data Viewer 2.0 (2017-2021 ACS), 2023.

Figure D-51: Units Lacking Complete Kitchen Facilities by Tract (2021)



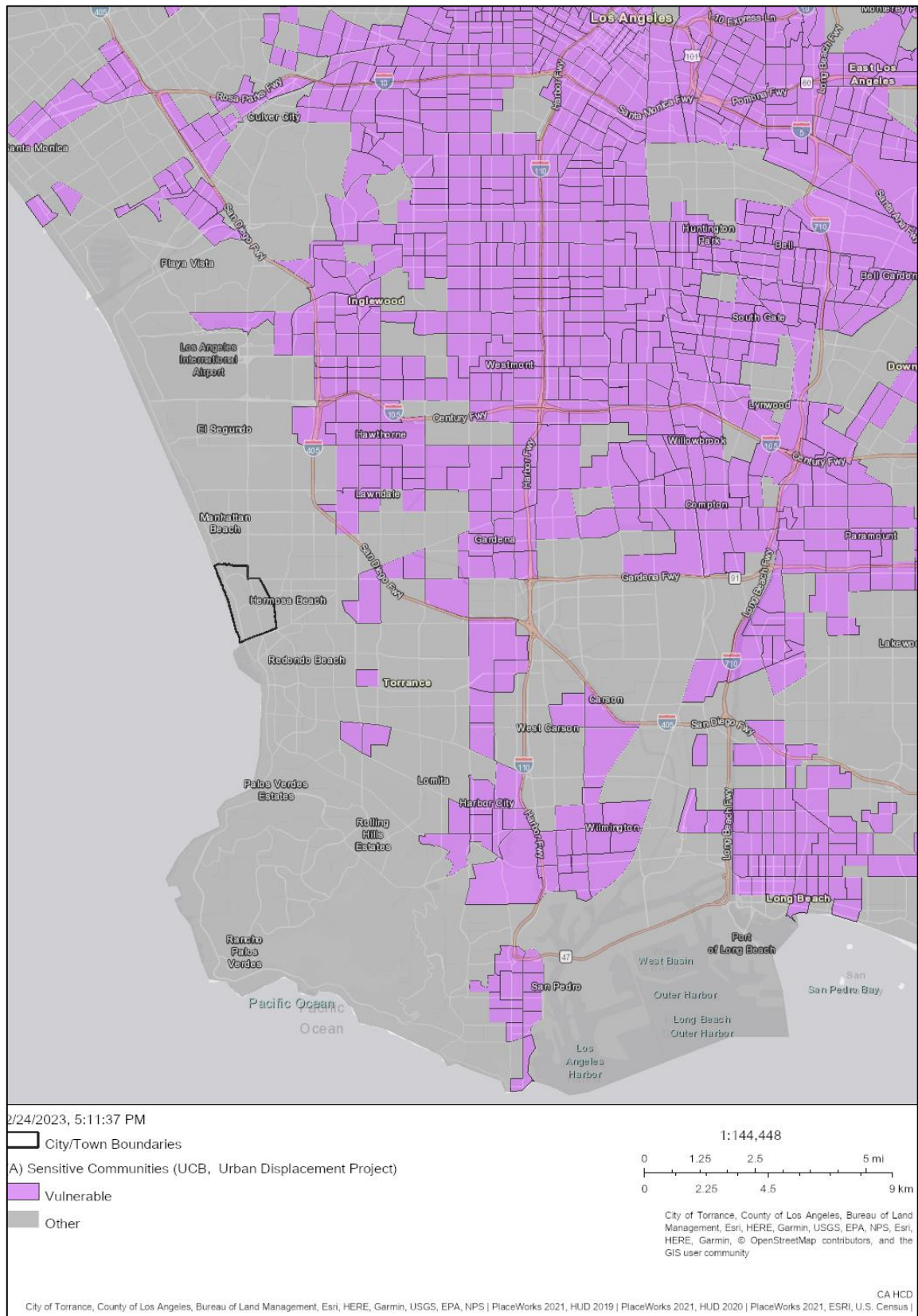
Source: HCD AFFH Data Viewer 2.0 (2017-2021 ACS), 2023.

d. Displacement Risk

Regional Trends

UC Berkley's Urban Displacement project defines residential displacement as "the process by which a household is forced to move from its residence - or is prevented from moving into a neighborhood that was previously accessible to them because of conditions beyond their control." As part of this project, the research has identified populations vulnerable to displacement (named "sensitive communities") in the event of increased redevelopment and drastic shifts in housing cost. Vulnerability is defined based on the share of low income residents per tract and other criteria including: share of renters above 40%, share of people of color more than 50%, share of low income households severely rent burdened, and proximity to displacement pressures. Displacement pressures were defined based on median rent increases and rent gaps. Using this methodology, sensitive communities in the Los Angeles County region surrounding Hermosa Beach were identified throughout the central and south County areas. Sensitive communities are the most concentrated in the area spanning from Glendale to the north, throughout the City of Los Angeles, Inglewood to the west, Compton to the south, and El Monte to the east. There are significantly fewer sensitive communities in the coastal County cities from Malibu to Rancho Palos Verdes. As mentioned previously, this area, which includes Hermosa Beach, also has smaller non-White and LMI household populations and higher median incomes compared to inland County areas (see Figure D-5, Figure D-17, and Figure D-22). TCAC areas of high segregation and poverty and R/ECAPs are also more prevalent in the central and south County areas where sensitive communities are concentrated (see Figure D-19).

Figure D-52: Regional Sensitive Communities at Risk of Displacement by Tract (2020)



Source: HCD AFFH Data Viewer (UC Berkeley Urban Displacement Project, 2020), 2023.

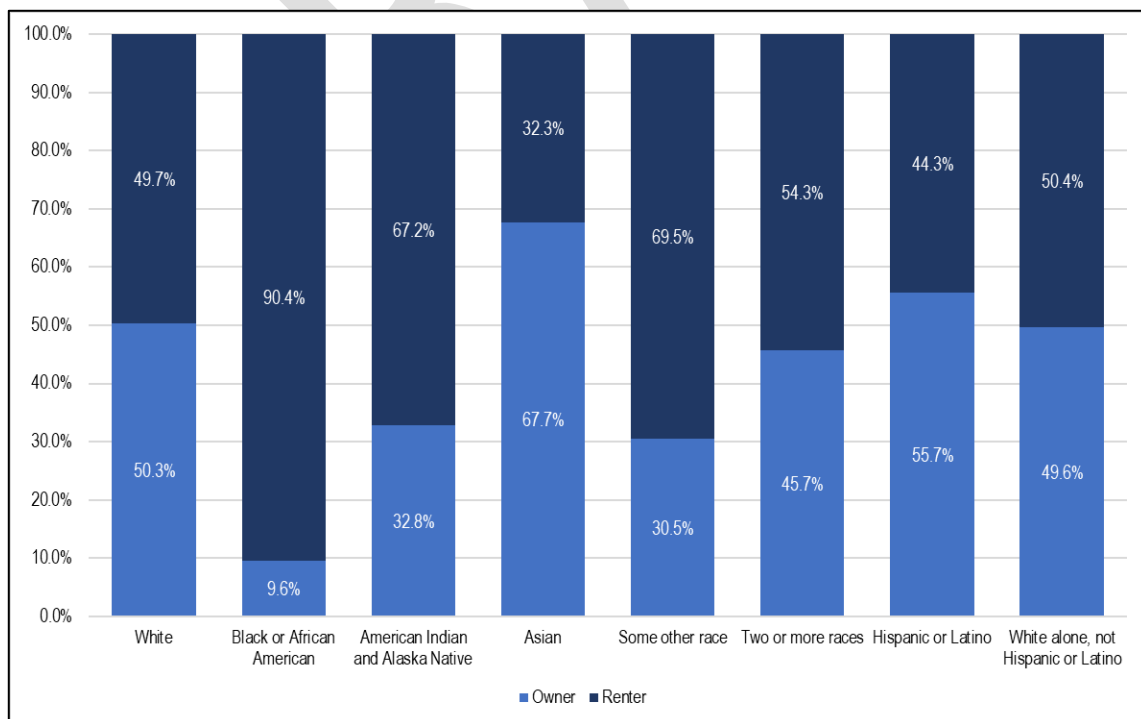
Local Trends

As shown in Figure D-52 above, there are no tracts that have been identified as sensitive communities in Hermosa Beach. The closest sensitive communities are located in Torrance and Lawndale east of the City. There are also no sensitive communities in the adjacent jurisdictions of El Segundo, Manhattan Beach, and Redondo Beach.

Displacement of low-income households can occur through the expiration of affordability restrictions on assisted low-income housing, escalation of market rents, or demolition of existing rental units. As noted in the Needs Assessment of this Housing Element, there are no low-income rental projects at risk of conversion to market rate during the 2021-2031 period.

As discussed previously, vulnerability is measured based on several variables including: share of renters exceeding 40%, share of people of color exceeding 50%, share of low income households severely rent burdened, and proximity to displacement pressures. Displacement pressures were defined based on median rent increases and rent gaps. Hermosa Beach has an owner population of 50.1% with a non-White population of only 25%. In comparison, only 46% of households are owners and 74.1% of the population belongs to a racial/ethnic minority group countywide. Over the past decade, both the owner population and non-White population have increased (from 45.6% and 19.6%, respectively, during the 2006-2010 ACS). As presented in Figure D-53, Asian householders are the most likely to own their home (67.7%), followed by Hispanic/Latino householders (55.7%), and White householders (50.3%). Black/African American householders in the City are significantly less likely to own their home. Only 9.6% of Black/African American householders are owners. Fewer householders of some other race (30.5%) and American Indian/Alaska Native householders (32.8%) are homeowners.

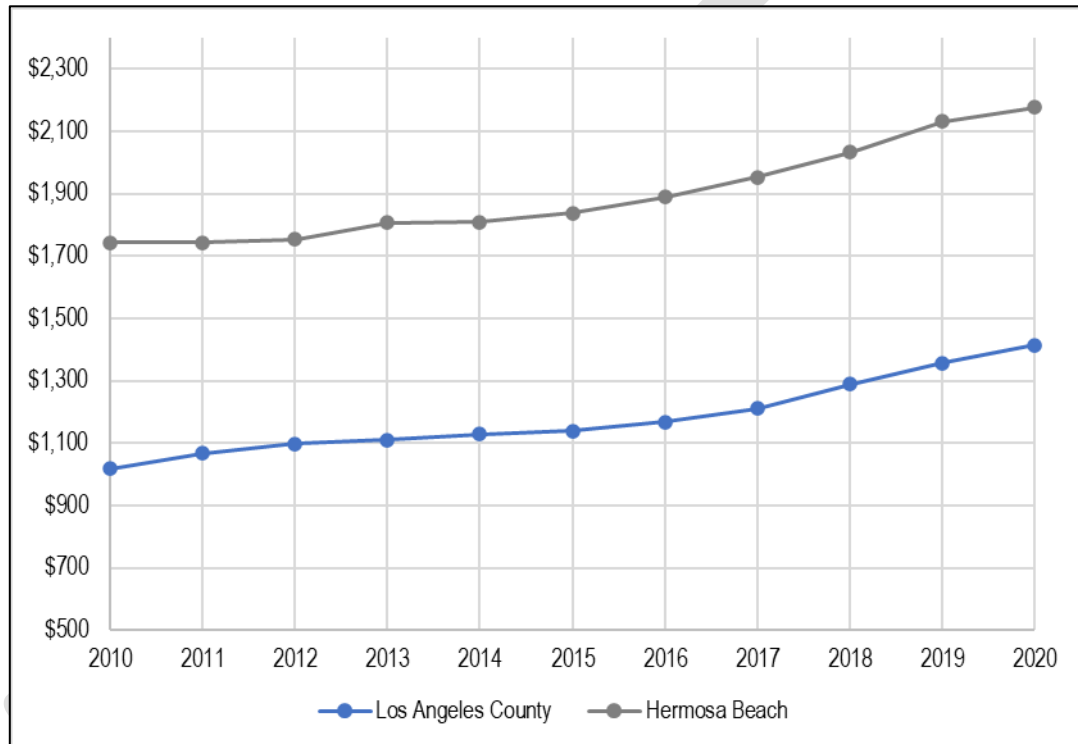
Figure D-53: Housing Tenure by Race of Householder (2020)



Source: 2016-2020 ACS (5-Year Estimates).

Figure D-54 shows the median contract rent in Hermosa Beach and Los Angeles County from 2009 to 2020. During this period, the median contract rent in Hermosa Beach increased 24.8% (from \$1,743 in 2010 to \$2,176 in 2020), a smaller increase than 39.1% countywide (from \$1,017 to \$1,415). While rental prices have increased more countywide, median contract rent prices in Hermosa Beach remain higher than rental prices throughout the County. As presented above, increasing rental prices in the City are more likely to disproportionately affect people of color, specifically Black/African American households, households of some other race, and American Indian/Alaska Native households.

Figure D-54: Median Contract Rent (2009-2020)



Source: 2006-2010 through 2016-2020 ACS (5-Year Estimates).

e. Homelessness

Regional Trend

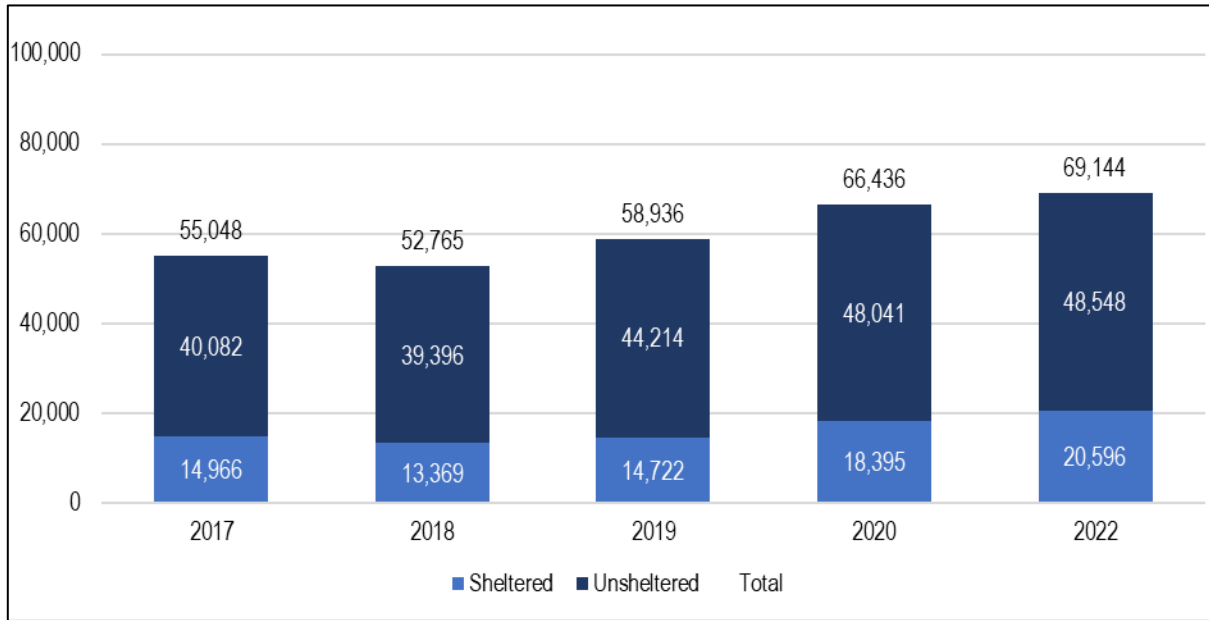
The Los Angeles Homeless Services Authority (LAHSA) estimates there were 69,144 persons experiencing homelessness in the Los Angeles County, based on the 2022 Greater Los Angeles Homeless Point-in-Time (PIT) Count. Figure D-55 shows the Los Angeles County homeless populations from 2017 to 2022. As of 2022, 70% of the homeless population is unsheltered and 30% is sheltered. The proportion of sheltered individuals has increased slightly since 2017, when 27.2% of the population experiencing homelessness was sheltered. The homeless population has increased over 25% since 2017, and 4.1% since 2020.

As shown in Table D-28, of the individuals experiencing homelessness, 3.5% were transitional age youths aged 18 to 24 and 0.2% were unaccompanied minors under the age of 18.

Another 5.7% of the homeless population were veterans and 41.3% were experiencing chronic homelessness. A household is considered chronically homeless if any of its members have (1) a long-term disabling condition; and (2) been homeless for 12 months or more within the last 3 years as specified by HUD.

There are many emergency shelters in Los Angeles County. Emergency shelters are most prevalent in the central County areas such as the City of Los Angeles.

Figure D-55: L.A. County Population of Persons Experiencing Homelessness (2017-2022)



Note: LA County data includes the Los Angeles Continuum of Care, and the cities of Pasadena, Glendale, and Long Beach.

Source: Los Angeles County Homeless Services Authority (LAHSA) Greater Los Angeles Homeless Count – Los Angeles County, 2017-2022.

Table D-28: Characteristics of Persons Experiencing Homelessness – LA County (2022)

	Sheltered	Unsheltered	Total	
			Persons	Percent
Total Persons	20,596	48,548	69,144	--
Total Households	14,248	47,586	61,834	--
Individuals (those not in family units)	11,153	47,098	58,251	--
Transitional Age Youth (18-24) ¹	994	1,073	2,067	3.5%
Unaccompanied Minors (under 18) ¹	116	5	121	0.2%
Family Households (at least 1 child under 18)	3,095	488	3,583	--
All Family Members	9,443	1,450	10,893	--
Veterans ²	929	3,013	3,942	5.7%
People Experiencing Chronic Homelessness (all) ²	4,992	23,584	28,576	41.3%

Notes:

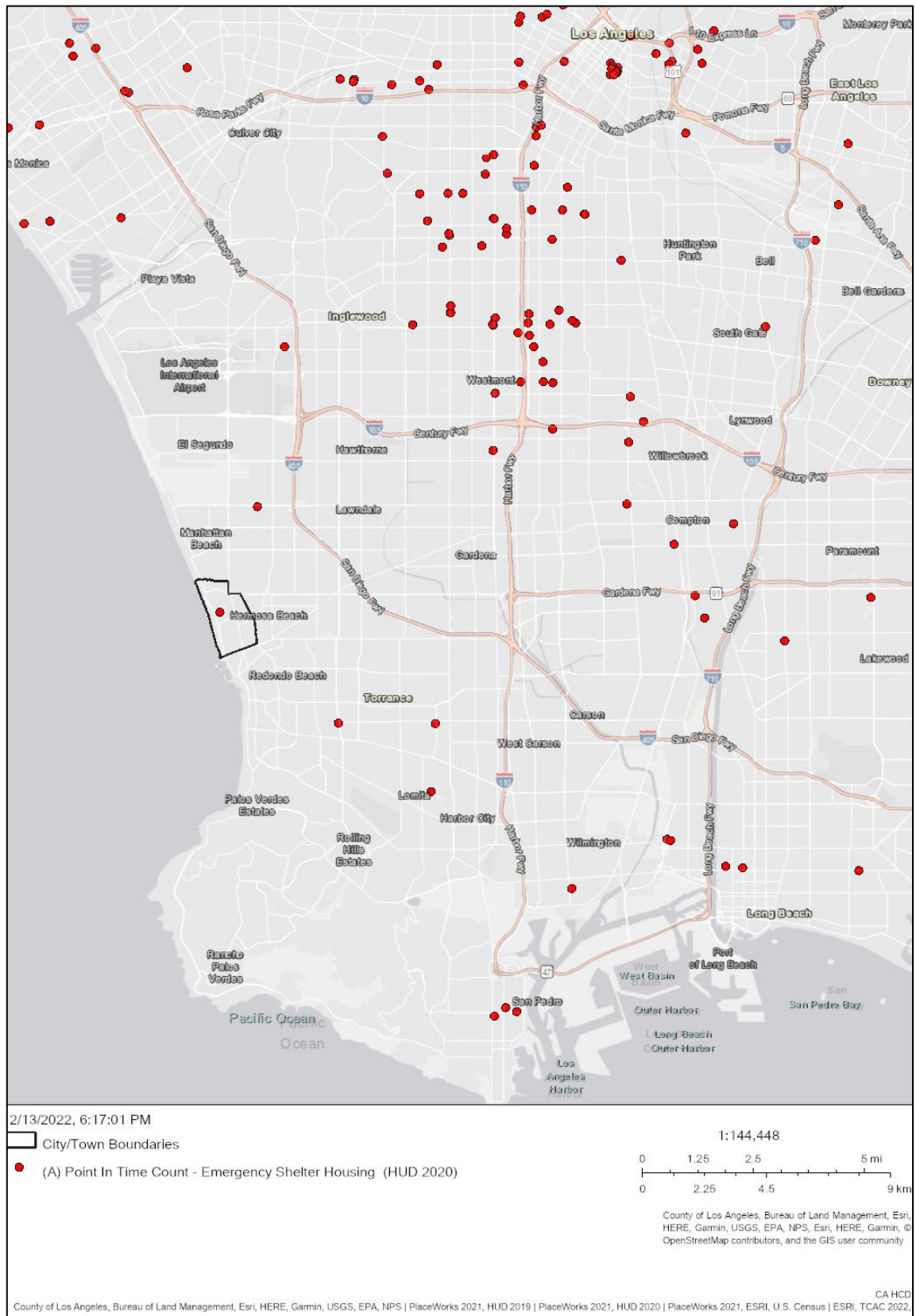
1. Percent of individuals

2. Percent of total persons

Source: LAHSA 2022 Greater Los Angeles Homeless Count – Los Angeles County.

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Figure D-56: Regional Emergency Shelter Locations (2020)



Source: HCD AFFH Data Viewer (HUD 2020), 2022.

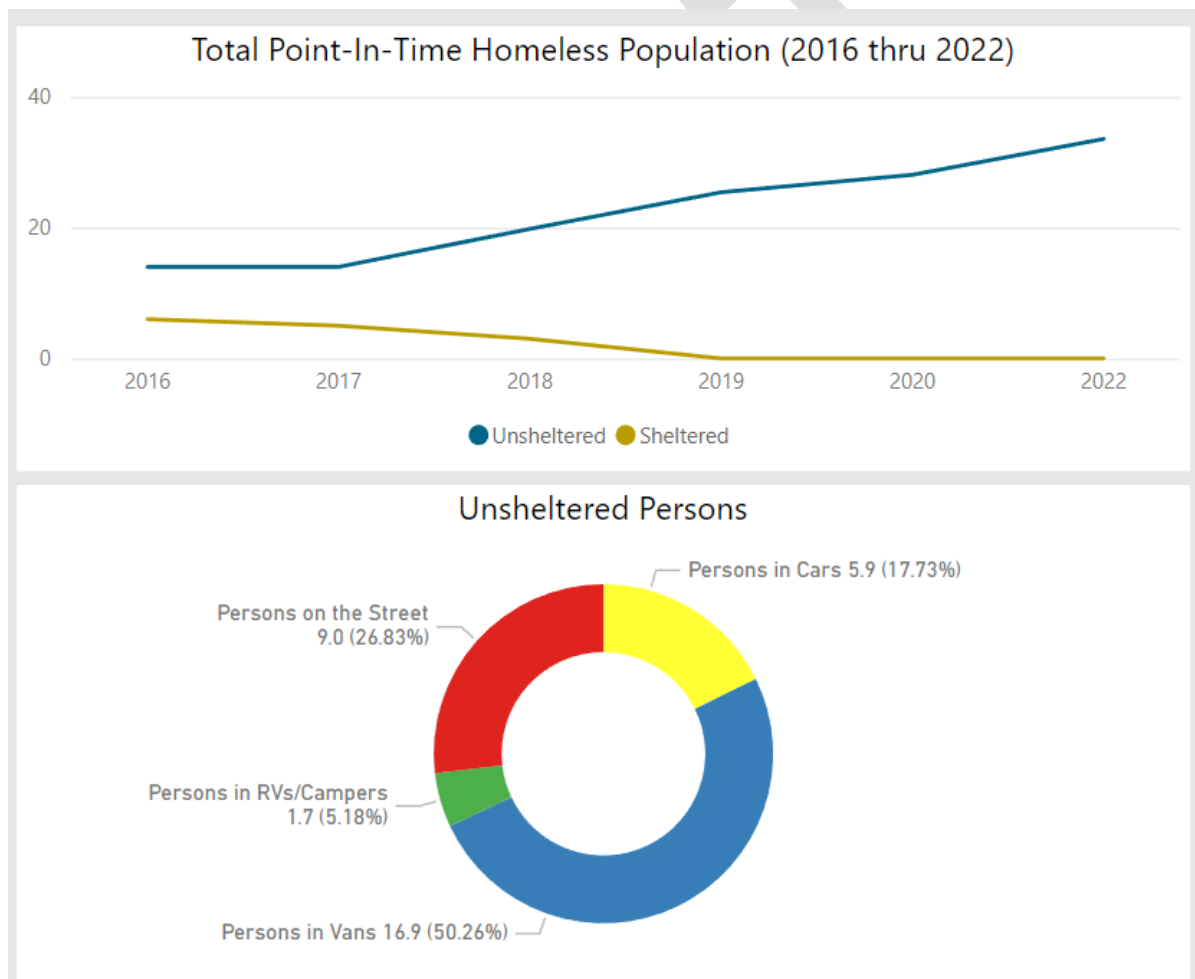
Local Trends

According to the LAHSA Point-In-Time (PIT) count for Hermosa Beach, in 2022 there were 34 persons experiencing homelessness in the City in 2022, all of whom were unsheltered. Since 2016, the population of persons experiencing homelessness in the City has increased. In 2016, there were only 20 people counted experiencing homelessness in Hermosa Beach, including six who were sheltered.

In 2022, most persons experiencing homelessness in Hermosa Beach were living in vans (50%). Another 27% were on the street, 18% were in cars, and 5% were in RVs or campers.

As shown above, there is one emergency shelter in Hermosa Beach. This shelter has a total of 20 beds.

Figure D-57: Hermosa Beach PIT Homeless Population (2022)



Source: LAHSA Homeless Count by Community/City – Hermosa Beach, 2022.

6. Local Knowledge and Other Relevant Factors

a. Zoning and Housing Type

The City's Zoning Map is presented in Figure D-58. The northern and eastern areas are predominantly zoned for single-family residential uses (R-1). The northernmost section of the City, north of 27th Street, the area along Hermosa Avenue north of 16th Street, and the area south of Pier Avenue between Valley Drive and the PCH have larger pockets zoned for two-family residential uses (R-2). The southwest section of the City has the largest areas zoned for multiple family residential uses (R-3). As discussed above, the southwest corner of the City also has the largest proportion of renter-occupied households (see Figure D-50). The southeastern corner of the City is comprised of nearly all R-1 zoning designations and has the smallest proportion of renters compared to other Hermosa Beach tracts. Consistent with zoning designations, the western side of the City has larger shares of housing structures with two or more units compared to the eastern side (Figure D-59). The western side of the City also contains block groups where more than 25% of households are LMI. All block groups on the eastern side of the City have LMI household populations below 25% (see Figure D-18).

As discussed previously, the areas north of Pier Avenue and Aviation Boulevard have larger populations of persons living alone and elderly adults (see Figure D-15 and Figure D-16). There are two mobile home parks in the City, one in tract 6210.05 (Marineland MHP) and one in tract 6211.04 (Hermosa Beach RV Court). According to the California Housing Partnership Affordable Housing Map and Benefits Calculator, there are no state- or federally-subsidized affordable homes in Hermosa Beach.¹⁶

¹⁶ California Housing Partnership – Affordable Housing Map and Benefits Calculator. Accessed May 2023. <https://chpc.net/datatools/affordablehomes/>.

Figure D-58: Hermosa Beach Zoning Map (2021)

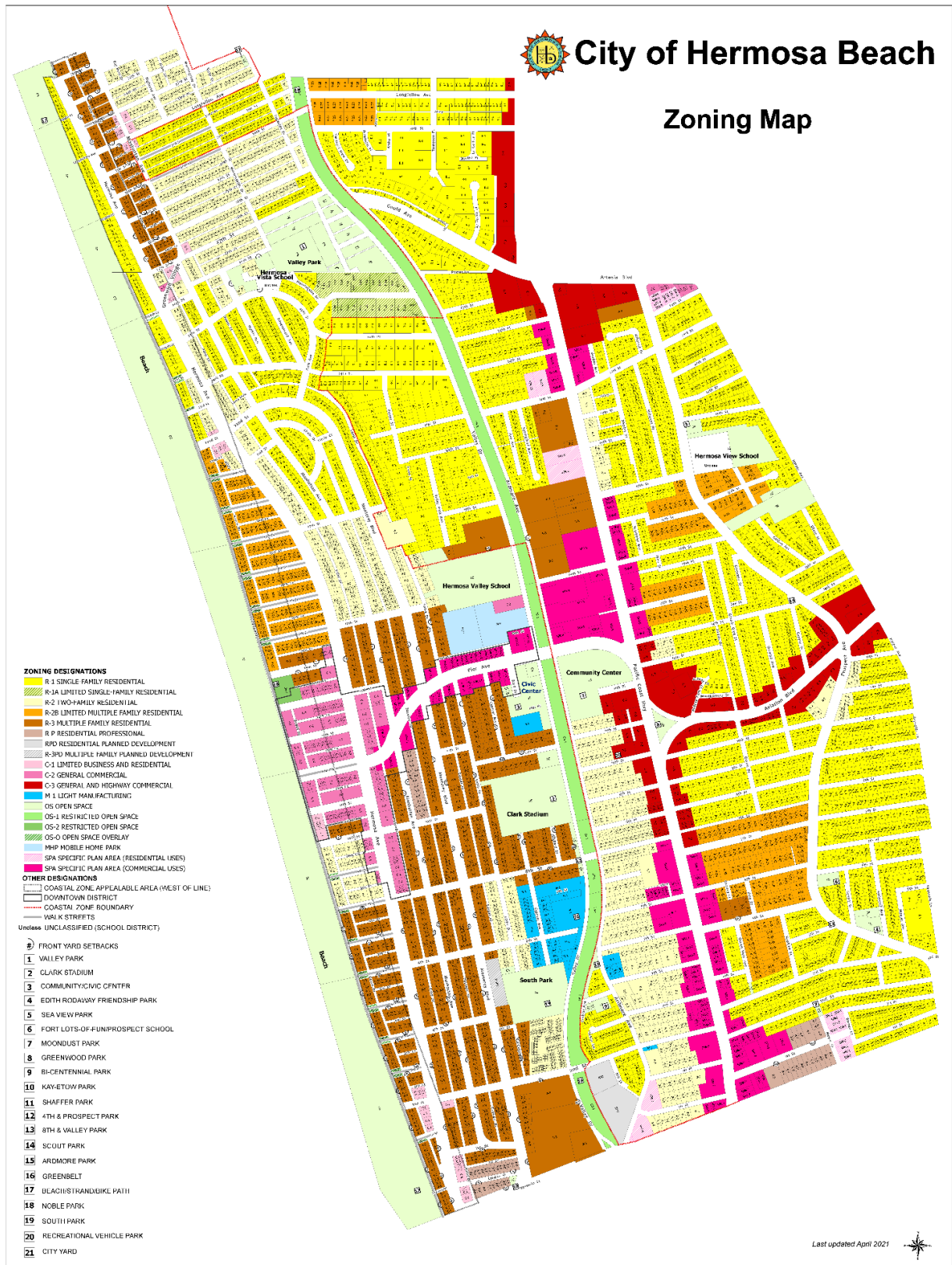
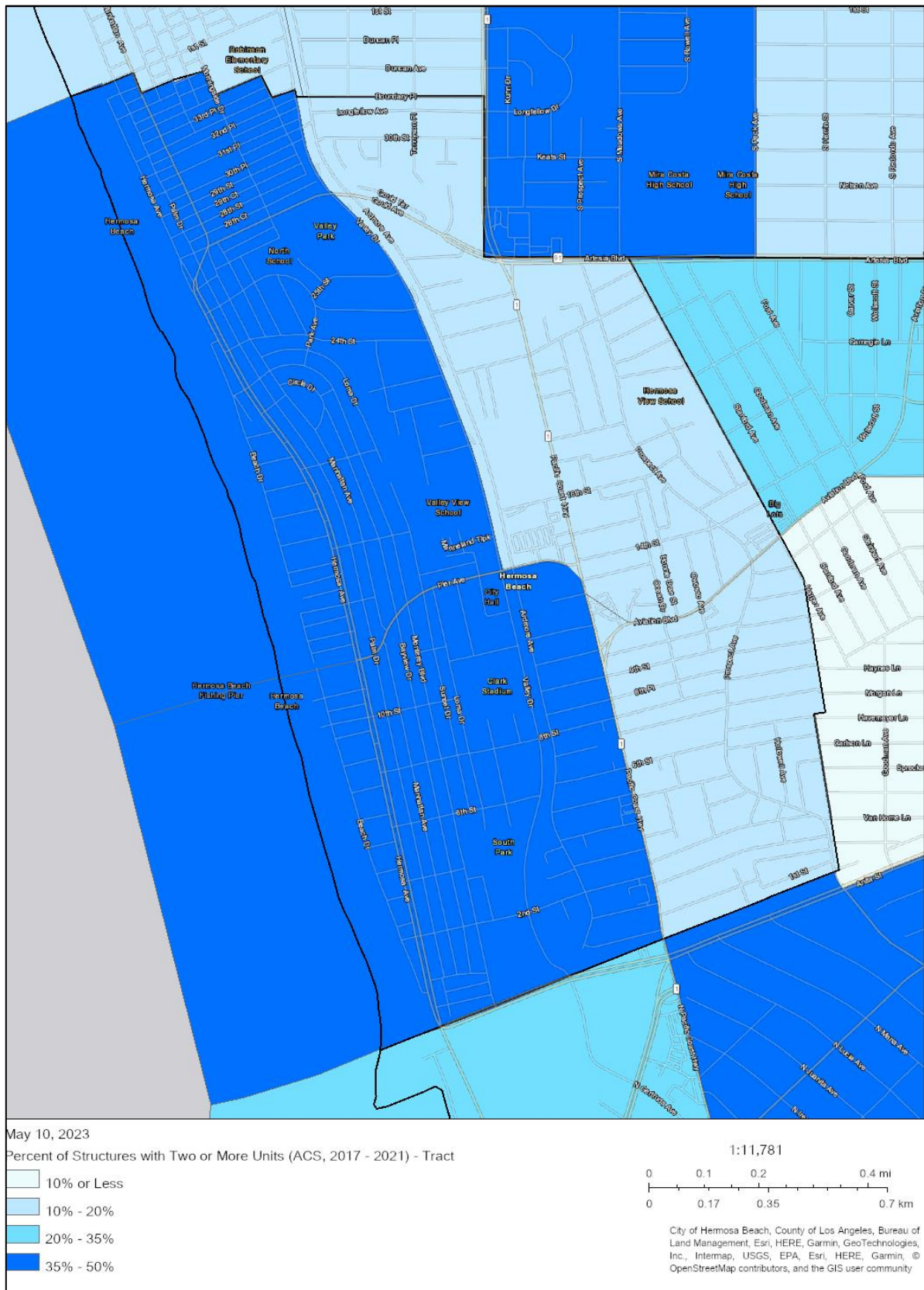


Figure D-59: Structures with Two or More Units by Tract (2021)



Source: HCD AFFH Data Viewer 2.0 (2017-2021 ACS), 2023.

b. Lending Practices and Home Loan Trends

A key aspect of fair housing choice is equal access to credit for the purchase or improvement of a home, particularly in light of the recent lending/credit crisis. In the past, credit market distortions and other activities such as “redlining” were prevalent and prevented some groups from having equal access to credit. The Community Reinvestment Act (CRA) in 1977 and the subsequent Home Mortgage Disclosure Act (HMDA) were designed to improve access to credit for all members of the community and hold the lender industry responsible for community lending. Under HMDA, lenders are required to disclose information on the disposition of home loan applications and on the race or national origin, gender, and annual income of loan applicants.

Table D-29 summarizes home purchase and improvement loan applications in Los Angeles County for 2021. Under the Home Mortgage Disclosure Act (HMDA), lending institutions are required to disclose information on the disposition of loan applications along with the income, gender, and race of loan applicants. Overall, 671,854 households applied for loans for homes in Los Angeles County in 2021. Of the applications for home purchase loans, 63% were approved and 7.2% were denied. An additional 29.4% were withdrawn by the applicant, closed for incompleteness, or purchased. Home improvement loans were denied at the highest rate of 33%.

Table D-29: Home Purchase and Improvement Loan Applications – LA County (2021)

Loan Type	Originated or Approved	Denied	Other	Total
Home purchase	63.4%	7.2%	29.4%	132,322
Home improvement	47.6%	33.2%	19.2%	22,150
Refinancing	59.0%	9.6%	31.4%	310,635
Cash-out refinancing	60.1%	10.3%	29.6%	187,576
Other purpose	50.6%	30.5%	18.9%	17,361
Not applicable	9.4%	0.7%	89.8%	1,810
Total	59.4%	10.6%	30.0%	671,854

Note: Other = Withdrawn by applicant, closed for incompleteness, purchased loan.

Source: FFIEC Home Mortgage Disclosure Act Data (HMDA) – Los Angeles County, 2021.

Table D-30 shows home loan applications in Los Angeles County in 2021 by race and ethnicity of applicants. Countywide, applicants of two or more minority races (19%), American Indian/Alaska Native applicants (18.2%), Native Hawaiian or other Pacific Islander applicants (15.9%), and Black or African American applicants (15.7%) were denied at the highest rates. Hispanic/Latino applicants were denied at a higher rate (13.6%) compared to non-Hispanic applicants (10.8%). Asian applicants, joint race applicants, joint ethnicity applicants, and applicants of an unknown race were the only racial/ethnic groups with denial rates below 10.6%, the average for all loan applications. White applicants also had a lower denial rate of 11% compared to most racial/ethnic minority groups.

Table D-30: Home Loan Applications by Race/Ethnicity – LA County (2021)

	Originated or Approved	Denied	Other	Total
2 or more minority races	54.7%	19.0%	26.3%	1,092
American Indian or Alaska Native	52.1%	18.2%	29.7%	3,078
Asian	67.5%	10.4%	22.1%	88,115
Black or African American	59.8%	15.7%	24.5%	32,425
Joint	70.6%	8.5%	21.0%	15,329
Native Hawaiian or Other Pacific Islander	59.0%	15.9%	25.1%	1,796
Race Not Available	45.2%	9.5%	45.3%	226,397
White	67.2%	11.0%	21.8%	303,463
Hispanic or Latino	62.8%	13.6%	23.7%	130,061
Not Hispanic or Latino	66.8%	10.8%	22.4%	323,672
Joint	69.2%	9.9%	20.8%	17,198
Grand Total	59.4%	10.6%	30.0%	671,854

Note: Other = Withdrawn by applicant, closed for incompleteness, purchased loan.

Source: FFIEC Home Mortgage Disclosure Act Data (HMDA) – Los Angeles County, 2021.

C. Sites Inventory

AB 686 requires a jurisdiction's site inventory "...be used to identify sites throughout the community, consistent with..." its duty to affirmatively further fair housing. The number of units, location and assumed affordability of identified sites throughout the community (i.e., lower, moderate, and above moderate income RHNA) relative to all components of the assessment of fair housing was integrated throughout the discussion in the fair housing assessment section. The City's sites inventory is presented in Figure D-60 and shown by site, tract, and AFFH variable in Table D-31. For the purposes of this Assessment of Fair Housing, the sites analysis is further discussed with respect to the four Hermosa Beach tracts: 6210.01 (northeast), 6210.05 (northwest), 6211.02 (southeast), 6211.04 (southwest).

Hermosa Beach is an affluent area with high access to opportunities and resources. All areas of the City generally have low levels of disproportionate housing needs such as cost burden, overcrowding, and substandard housing conditions. Further, the City's RHNA strategy is distributed throughout Hermosa Beach and is not concentrated in a single tract or block group alone. Sites identified to meet the RHNA promote mixed income communities and new housing opportunities for lower income households in highest resource areas. In addition, the Housing Sites Inventory consists primarily of underutilized sites occupied by non-residential uses; therefore, there is not a substantial displacement risk of in these areas. However, if redevelopment is proposed on properties with existing housing units, displacement mitigation strategies will be required consistent with State law. The RHNA strategy does not exacerbate conditions related to fair housing in Hermosa Beach.

1. Northeast Hermosa Beach (Tract 6210.01)

Tract 6210.01 is bound by the north and east City boundaries, Valley Drive to the west, and Pier Avenue/Aviation Boulevard to the south. This area is zoned primarily for single-family

residential uses (R-1), with smaller pockets zoned for limited multiple family residential (R-2B), multiple family residential (R-3), and two-family residential (R-2) uses. Non-residential zones in this section of the City include general and highway commercial (C-3), specific plan areas for both residential and commercial uses (SPA), and open space (OS). A total of 174 RHNA units over six sites are located in tract 6210.01, including 125 lower income units, 25 moderate income units, and 24 above moderate income units.

Like all Hermosa Beach tracts, tract 6210.01 is a highest resource area and an RCAA. RHNA sites in this section of the City are in a block group with a non-White population of 26.5%, compared to 25% citywide, and an LMI household population of 14%, compared to 22.3% citywide. While this area has a smaller LMI household population compared to Hermosa Beach as a whole, a larger proportion of renters are cost burdened in this tract (45.6%) compared to households citywide (27.8%) and other Hermosa Beach tracts. As discussed in this Assessment of Fair Housing, this tract has a larger population of single-person households (householder living alone) and elderly adults compared to the southern tracts. Elderly populations are more likely to earn fixed or limited incomes and experience cost burden. Further, cost burden is based on annual earnings alone, which does not include Social Security payments, pensions, child support, public assistance, annuities, money derived from rental properties, interest, and dividends. As discussed previously, nearly 57% of households with a householder aged 65 or older in tract 6210.01 have household incomes, including annual earnings and other sources of income, of over \$100,000. Cost burden is likely exaggerated in this tract due to the population of elderly adults residing in this tract. Tract 6210.01 also has a smaller proportion of cost burdened owners (23.8%) compared to the City (25.2%).

The City's RHNA strategy identifies sites that can accommodate both lower and moderate income units in tract 6210.01, promoting new housing opportunities for households of various income levels. The sites selected to meet the RHNA do not exacerbate conditions related to fair housing in northeast Hermosa Beach.

2. Northwest Hermosa Beach (Tract 6210.05)

Tract 6210.05 is bound by the coast to the west, the northern City boundary, Valley Drive to the east, and Pier Avenue to the south. Tract 6210.05 is characterized by a mix of R-1 and R-2 zoning designations with smaller areas zoned for R-2B, R-3, and limited single-family residential (R-1A) uses. Non-residential zoning designations in tract 6210.05 include OS, SPA, limited business and residential (C-1), general commercial (C-2), and mobile home park (MHP). There are five RHNA sites in this tract with a capacity for 107 units (68 lower income, 20 moderate income, and 19 above moderate income).

Tract 6210.05 is a highest resource area and has been identified as an RCAA. Only 18.5% of the population in this area belongs to a racial or ethnic minority population. Comparatively, 25% of the population citywide is non-White. This tract does contain block groups with larger LMI household populations compared to the citywide average. Sites 2, 3, 4, and 5 are in a block group with an LMI household population of 35%, while site 1 is in a block group with an LMI household population of 22%. Site 1 has a capacity of 8 units, all of which are allocated towards the lower income RHNA. Tract 6210.05 has a larger proportion of cost burdened renters compared to the southern tracts and a larger proportion of cost burdened owners compared to all City tracts. As discussed above, this tract has the largest population of persons living alone (28.2%) and persons aged 65 and

older (21.2%) compared to other Hermosa Beach tracts. This area also contains block groups with lower median incomes. According to the HCD Data Viewer 2.0 based on the 2017-2021 ACS, tract 6210.05 has a median income of \$134,032 compared to \$150,417 in tract 6210.01, \$168,977 in tract 6211.02, and \$143,469 in tract 6211.04. One of the two mobile home parks in the City, Marineland MHP (60 units) is located in this tract.

While the median household income in this tract is lower compared to other Hermosa Beach tracts, it is significantly higher than the countywide median of \$76,367. While cost burden is heightened in this tract, this is likely due to the elderly population with fixed or limited incomes. As discussed above, cost burden is based on annual earnings alone, and does not include Social Security payments, pensions, child support, public assistance, annuities, money derived from rental properties, interest, and dividends. Nearly 45% of households with a householder aged 65 or older earn more than \$100,000 and only 9% earn less than \$25,000. Overall, like Hermosa Beach as a whole, tract 6210.05 is an affluent area with highly accessible opportunities and resources. Further, the RHNA strategy allocates both lower and moderate income units in this tract, ensuring units of a single income level are not concentrated in this area alone. The City's RHNA strategy in northwest Hermosa Beach does not exacerbate existing fair housing issues.

3. Southeast Hermosa Beach (Tract 6211.02)

Tract 6211.02 is bound by the south and east City boundaries, Aviation Boulevard to the north, and the PCH to the west. Tract 6211.02 is primarily zoned for R-1 uses with smaller pockets zoned for R-2, R-2B, R-3, SPA, OS, C-3, and residential-professional (R-P). The City has identified eight RHNA sites with a capacity of 115 units, including 22 lower income units, 65 moderate income units, and 28 above moderate income units.

Tract 6211.02 has been identified as a highest resource area and RCAA. In the area where RHNA sites are located, 28% of the population belongs to a racial or ethnic minority group 19.8% of renters are cost burdened, and 34.2% of owners are cost burdened. This area has a slightly larger non-White population and population of cost burdened owners compared to the City (25% and 25.2%, respectively). According to 2022 HUD CHAS data based on the 2015-2019 ACS, 27.8% of renters citywide are cost burdened. Sites 14, 15, 19, and 21 are in block groups where 16% of households are LMI and sites 23, 27, 28, and 29 are in block groups where 15% of households are LMI. Tract 6211.02 has the smallest renter (32.9%) and cost burdened renter (19.8%) populations compared to other Hermosa Beach block groups.

Despite tract 6211.02 being zoned primarily for single-family residential uses that are typically more suitable for above moderate income units, the City's RHNA strategy includes sites that can accommodate 17 lower income and 77 moderate income units. The City identifies a mix of sites suitable for households of variable income levels in this section of the City. RHNA sites in tract 6211.02 would not exacerbate conditions related to fair housing.

4. Southwest Hermosa Beach (Tract 6211.04)

Tract 6211.04 is in the southwest corner of Hermosa Beach and is bound by the coast to the west, the southern City boundary, the PCH to the east, and Pier Avenue to the north. Unlike other areas in Hermosa Beach, there is only one small section of tract 6211.04 along

Ardmore Avenue that is zoned R-1. Most of the area west of Valley Drive is zoned R-3 and most of the area between Valley Drive and the PCH is zoned R-2. Other zoning designations in tract 6211.04 include C-1, C-2, SPA, OS, R-P, C-3, residential planned development (RPD), and light manufacturing (M-1). There are 10 RHNA sites in tract 6211.04 with a capacity of 209 units (142 lower income, 58 moderate income, and 9 above moderate).

Like all tracts in the City, tract 6211.04 is a highest resource area and RCAA. Only 20.2% of the population where RHNA units are located belongs to a racial/ethnic minority group and only 10% of households are LMI. Comparatively, 25% of the population citywide is non-White and 22.3% are LMI households. Tract 6211.04 has larger populations of cost burdened renters and owners (33.9% and 37.7%) compared to the City as a whole (27.8% and 25.2%). Consistent with zoning designations, this tract has the largest renter population of 60.2% compared to other tracts in the City. This tract generally has small populations of interest (racial/ethnic minority populations, persons with disabilities, LMI households, etc.) and low rates of disproportionate housing needs (cost burden, overcrowding, etc.). This tract also has the highest proportion of new housing units built in 1990 or later. Only 38.6% of housing units in this tract were built prior to 1970 compared to 52% citywide.

Like the entirety of Hermosa Beach, tract 6211.04 is an affluent area with few fair housing issues and high access to opportunities. The RHNA strategy distributes both lower and moderate income units throughout the City including in tract 6211.04, ensuring sites that can accommodate affordable housing are not concentrated in a single area of the City. RHNA sites in tract 6211.04 promote mixed income communities, 151 lower income units and 58 moderate income units, and provide new housing opportunities for lower income households in high resource areas. The City's RHNA strategy in tract 6211.04 does not exacerbate existing fair housing issues.

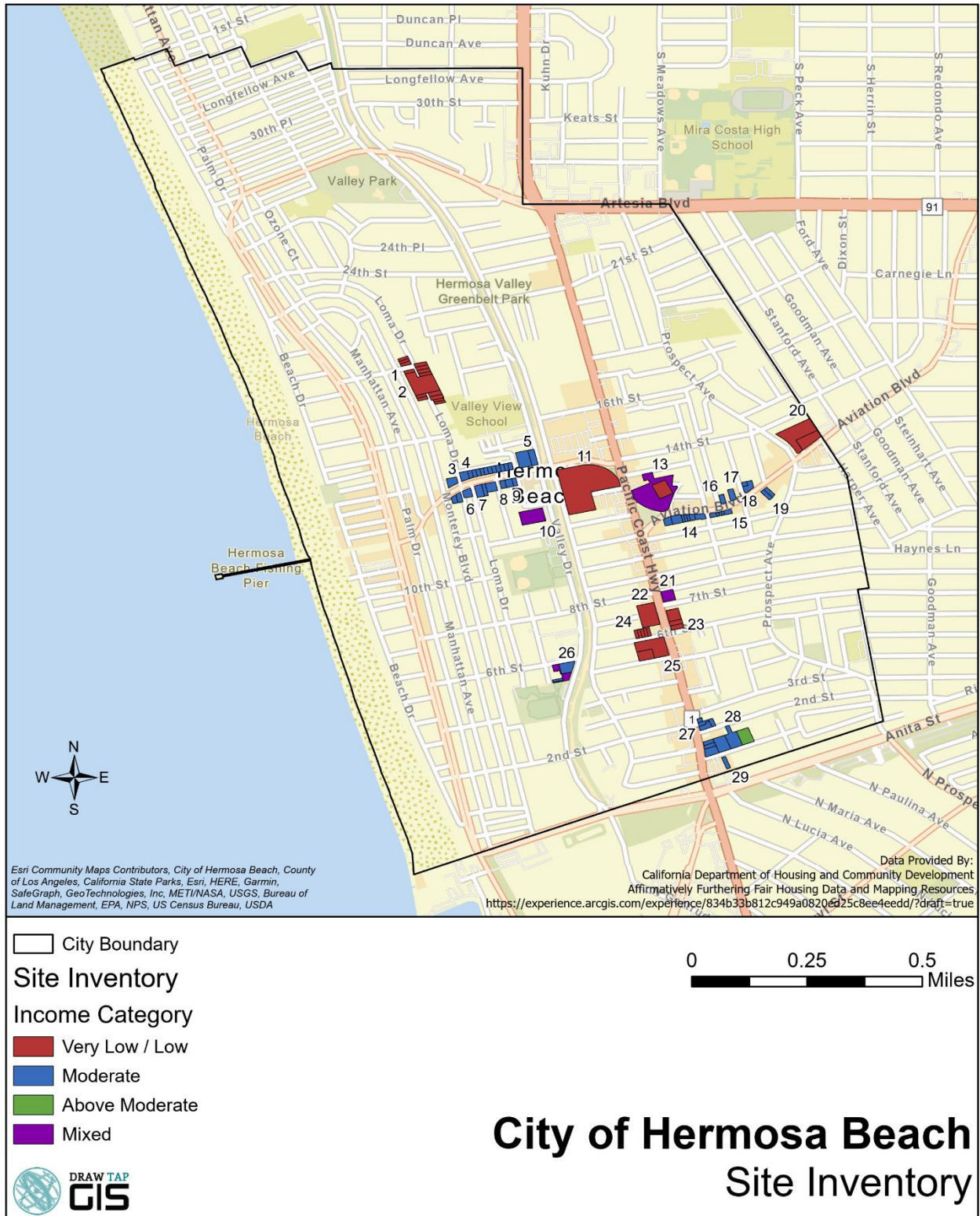
Table D-31: Distribution of RHNA Sites and Units by Tract and AFFH Variable

Tract/Site	# of HHs in Tract	Total Capacity (Units)	Income Distribution			% Non-White	% LMI HHs*	TCAC Opp. Cat.	% Overpay Renter HH	% Overpay Owner HH	RCAA?
			Lower	Moderate	Above Moderate						
6210.01	2,018	174	125	25	24	26.5%	14%	Highest	45.6%	23.8%	Yes
0) 1029 AVIATION (4185-014-015)		2	0	2	0	26.5%	14%	Highest	45.6%	23.8%	Yes
13) 1100/1601 PCH (4185-011-039, -061)		119	82	37	0	26.5%	14%	Highest	45.6%	23.8%	Yes
16) 1021 AVIATION (4185-014-015)		2	0	2	0	26.5%	14%	Highest	45.6%	23.8%	Yes
17) 1035 AVIATION (4185-014-001)		4	0	4	0	26.5%	14%	Highest	45.6%	23.8%	Yes
18) 1055 Aviation Blvd & 1214 Owosso Ave (4185-015-024, -021)		4	0	4	0	26.5%	14%	Highest	45.6%	23.8%	Yes
20) 1103, 1209 AVIATION (4185-017-015, -014)		43	43	0	0	26.5%	14%	Highest	45.6%	23.8%	Yes
6210.05	2,460	107	68	20	19	18.3%	22% - 35%	Highest	34.0%	56.5%	Yes
1) 1900, -08, -14 Monterey Blvd (4182-019-001, -002, -003)		8	8	0	0	18.3%	22.0%	Highest	34.0%	56.5%	Yes
2) Monterey Blvd, Loma Dr, 19th St (4183-016-011, -012, -028, -029, -033, -035 to -040, 4183-023-022)		60	60	0	0	18.3%	35.0%	Highest	34.0%	56.5%	Yes
3) 301 Pier Ave (4183-017-001)		5	0	5	0	18.3%	35.0%	Highest	34.0%	56.5%	Yes
4) 321-517 Pier Ave (4183-017-025, -026, 4183-018-001 to -007, -016 to -018)		16	0	16	0	18.3%	35.0%	Highest	34.0%	56.5%	Yes
5) 555/565 Pier Ave (4183-018-013, -015)		18	0	18	0	18.3%	35.0%	Highest	34.0%	56.5%	Yes
6211.02	1,231	115	22	65	28	28.0%	15% - 16%	Highest	19.8%	34.2%	Yes
14) 900, 916, 950 AVIATION (4186-003-017 to -019, -024, -027, -028, -030)		16	0	16	0	28.0%	16.0%	Highest	19.8%	34.2%	Yes
15) 1000, 1014, 1016, 1036 AVIATION (4186-002-011 to -013, -020, -021)		6	0	6	0	28.0%	16.0%	Highest	19.8%	34.2%	Yes
19) 1062 AVIATION (4186-001-007, -008)		5	0	5	0	28.0%	16.0%	Highest	19.8%	34.2%	Yes
21) 700 PCH (4186-012-014)		8	0	4	4	28.0%	16.0%	Highest	19.8%	34.2%	Yes
23) 600, 612, 620 PCH (4186-013-019, -018, -064)		17	17	0	0	28.0%	15.0%	Highest	19.8%	34.2%	Yes
27) 204/210 PCH & 2nd St (4186-025-002, -027 to -029)		9	0	9	0	28.0%	15.0%	Highest	19.8%	34.2%	Yes
28) 1st St & PCH (4186-026-800, -801, -804 to -806, -047)		46	0	34	12	28.0%	15.0%	Highest	19.8%	34.2%	Yes
29) 824 1st St (4186-031-102)		3	0	3	0	28.0%	15.0%	Highest	19.8%	34.2%	Yes
6211.04	3,217	209	142	58	9	20.2%	10%	Highest	33.9%	37.7%	Yes
6) 308 and 318 Pier Ave (4187-011-012, -013)		4	0	4	0	20.2%	10%	Highest	33.9%	37.7%	Yes
7) 338 Pier Ave (4187-011-054)		4	0	4	0	20.2%	10%	Highest	33.9%	37.7%	Yes

Tract/Site	# of HHs in Tract	Total Capacity (Units)	Income Distribution			% Non-White	% LMI HHs*	TCAC Opp. Cat.	% Overpay Renter HH	% Overpay Owner HH	RCAA?
			Lower	Moderate	Above Moderate						
8) 400, 420, 422 Pier Ave (4187-019-003, -022, -037)		12	0	12	0	20.2%	10%	Highest	33.9%	37.7%	Yes
9) 506, 514, 526 Pier Ave (4187-020-017, -020, -032)		4	0	4	0	20.2%	10%	Highest	33.9%	37.7%	Yes
10) 552 11th Pl (4187-020-907)		50	25	25	0	20.2%	10%	Highest	33.9%	37.7%	Yes
11) 710 Pier Ave (4187-024-902)		50	50	0	0	20.2%	10%	Highest	33.9%	37.7%	Yes
22) 635 PCH (4187-032-027)		25	25	0	0	20.2%	10%	Highest	33.9%	37.7%	Yes
24) 709, 721, 723, 725 6th St (4187-033-018 to -022)		10	10	0	0	20.2%	10%	Highest	33.9%	37.7%	Yes
25) 715/747 5th St (4188-030-001, -002)		34	34	0	0	20.2%	10%	Highest	33.9%	37.7%	Yes
26) 530 6th St (4188-018-008, -027, -028, -031)		16	7	9	0	20.2%	10%	Highest	33.9%	37.7%	Yes

* Sites within the same tract may be located in different block groups. LMI household populations are estimated at the block group level and may vary between block groups.

Figure D-60: Sites Inventory



D. Identification and Prioritization of Contributing Factors

Contributing factors to fair housing issues. Under the Federal consolidated planning process, the Analysis of Impediments (AI) to Fair Housing Choice is the primary tool for addressing fair housing issues. The City of Hermosa Beach was a participating city with the County of Los Angeles in the preparation of the 2018 AI. Based on extensive analysis of housing and community indicators, and the input of residents, a list of impediments to fair housing choice was developed.

1. Los Angeles County Analysis of Impediments

Appendix D includes a summary of the contributing factors to fair housing issues pertaining specifically to the Urban County and the Housing Authority of Los Angeles County (HACoLA) service areas, which includes Hermosa Beach. These items are prioritized according to the following criteria:

1. High: Impediments/Contributing factors that have a direct and substantial impact on fair housing choice, especially in R/ECAP areas, affecting housing, those impacting persons with disabilities, and are core functions of HACoLA or the Community Development Commission (CDC).
2. Moderate: Impediments/ Contributing factors that have a direct and substantial impact on fair housing choice, especially in R/ECAP areas, affecting housing, those impacting persons with disabilities, and are core functions of HACoLA or the CDC, but the CDC or HACoLA may only have limited capacity to make a significant impact; or may not be within the core functions of HACoLA or the CDC.
3. Low: Impediments/Contributing factors that may have a direct and substantial impact on fair housing choice but are not within the core functions of HACoLA or the CDC or not within the capacity of these organizations to make significant impact, or not specific to R/ECAP neighborhoods, or have a slight or largely indirect impact on fair housing choice.

The impediments/contributing factors identified and included in Appendix D are in relation to the fair housing issues listed below. The prioritization of these contributing factors relates to the ability of the CDC and HACoLA to address the fair housing issues. A low priority does not diminish the importance of the factor in the Urban County or HACoLA service areas but reflects the priority in addressing issues of fair housing.

- Segregation
- Racially or ethnically concentrated areas of poverty (R/ECAPs)
- Disparities in Access to Opportunity
- Disproportionate Housing Needs
- Discrimination or violations of civil rights laws or regulations related to housing

As a participating city in the Los Angeles County CDBG program, Hermosa Beach has access to fair housing outreach, education, and counseling on housing discrimination complaints. The City will continue to advertise the fair housing program through placement

of fair housing service brochures at the public counter, at the Senior Center and on the City website. Apartment owners and managers are provided with current information about fair housing issues, rights and responsibilities. The Apartment Association of Greater Los Angeles conducts seminars on State, Federal and local Fair Housing laws and compliance issues. In addition, the City will:

- Ensure that all development applications are considered, reviewed, and approved without prejudice to the proposed residents, contingent on the development application's compliance with all entitlement requirements.
- Accommodate persons with disabilities who seek reasonable waiver or modification of land use controls and/or development standards pursuant to procedures and criteria set forth in the applicable development regulations.
- Work with the County to implement the regional Analysis of Impediments to Fair Housing Choice and HUD Consolidated Plan.
- Facilitate public education and outreach by posting informational flyers on fair housing at public counters, libraries, and on the City's website.
- Conduct public meetings at suitable times, accessible to persons with disabilities, and near public transit. Resources will be invested to provide interpretation and translation services when requested at public meetings when feasible.
- Encourage community and stakeholder engagement during development decisions.

2. Contributing Factors

a. Lack of Fair Housing Testing, Education, and Outreach

The City lacks information on fair housing law and discrimination complaint filing procedures on the City website. Current outreach practices may not provide sufficient information related to fair housing, including federal and state fair housing law, and affordable housing opportunities. Cost burdened households throughout the City may be unaware of affordable housing opportunities. As part of the Urban County program, HRC serves Hermosa Beach under contract with LACDA. HRC's contract with LACDA does not include reporting fair housing records by participating jurisdiction. Service records may reveal gaps in fair housing testing, education, and outreach. A majority of fair housing discrimination cases in Los Angeles County were filed on the basis of disability. While HRC records are not available for Hermosa Beach, the City may lack sufficient education and outreach related to reasonable accommodations and ADA laws based on the proportion of complaints related to disability status countywide.

Contributing Factors

- Lack of fair housing service records
- Lack of fair housing testing
- Lack of monitoring

- Lack of targeted outreach

Priority Level

High

b. Substandard Housing Conditions

While the City does not have a large proportion of households lacking complete kitchen or plumbing facilities, approximately 81% of housing units are aged 30 years or older, including 52% aged 50 years or older, and may require minor or major rehabilitation. Tracts 6210.05 and 6211.02 have the highest concentration of older housing units, but aging housing units are prevalent citywide.

Contributing Factors

- Age of housing stock
- Cost of repairs or rehabilitation

Priority Level

Low

c. Disparities in Disproportionate Housing Needs

Racial/ethnic minority populations represent only 25% of the population according to the 2016-2020 ACS. However, Asian, American Indian, and Hispanic households are significantly more likely to experience housing problems including cost burden. The American Indian/Alaska Native and Asian populations also have poverty rates of 12.2% and 10%, respectively, compared to only 4.2% citywide. The Black/African American population in the City has a median household income of \$86,056, while all other racial/ethnic groups have median household incomes exceeding \$139,000. In the City, Black/African American householders, American Indian/Alaska Native householders, and householders of some other race (race other than those included in the ACS) are significantly less likely to own their homes compared to White, Asian, and Hispanic/Latino householders.

Contributing Factors

- Unaffordable rental prices
- Availability of affordable housing
- Private discrimination

Priority

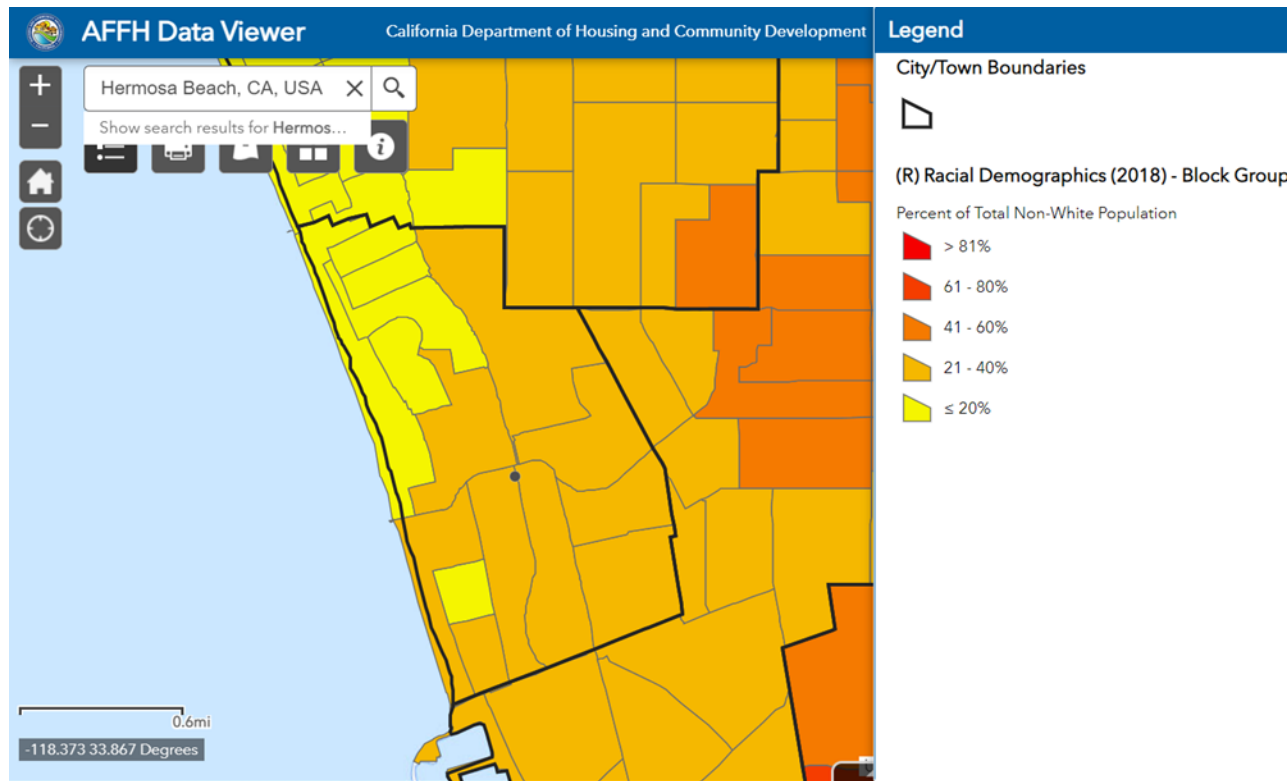
Medium

3. Conclusion

This analysis indicates that the primary barrier to fair housing in the city is high housing cost, which has the effect of limiting access by lower-income households to the high opportunities and resources available in Hermosa Beach. There is no evidence to suggest that discrimination against racial groups or persons with disabilities is a major issue.

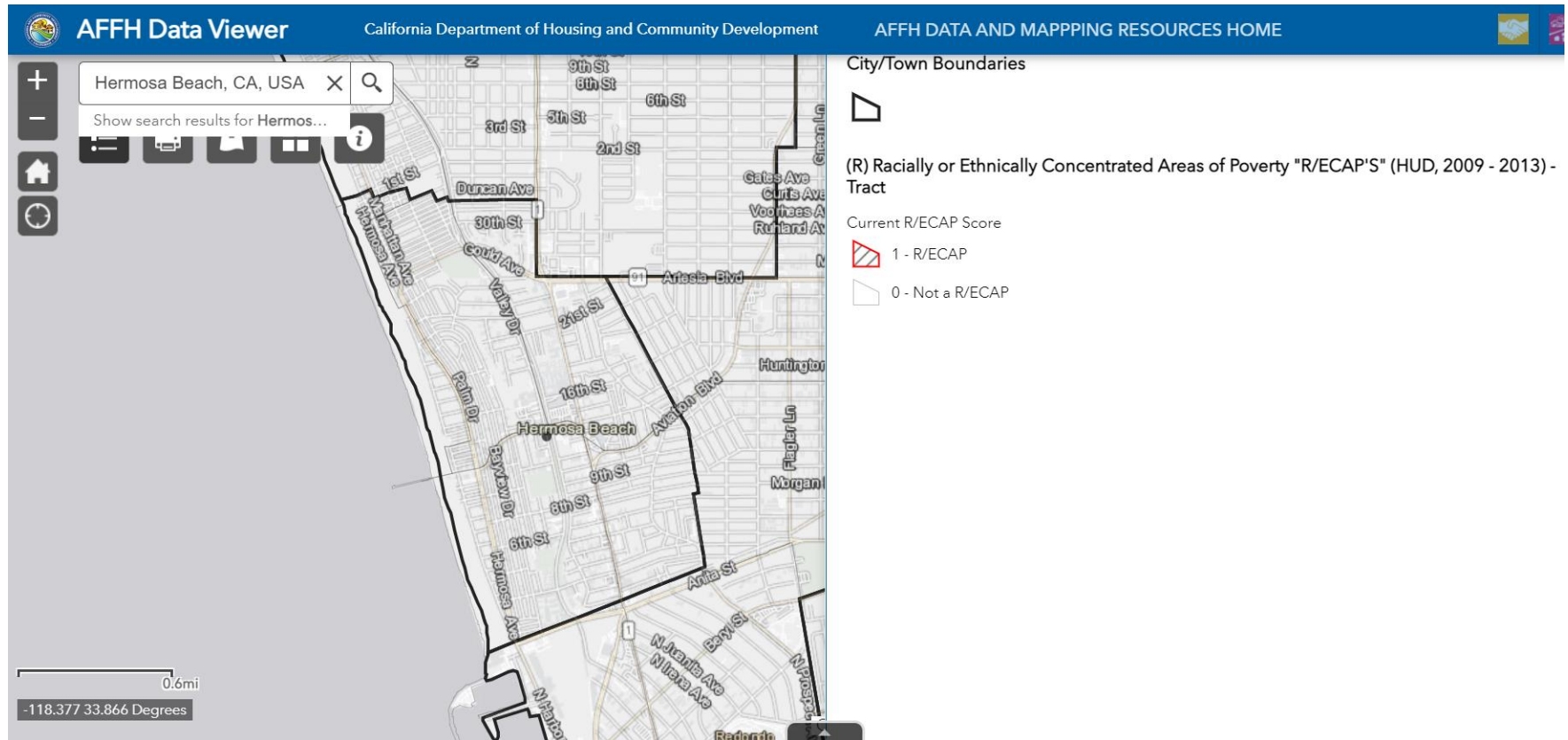
The Housing Policy Plan includes several programs intended to encourage and facilitate multi-family and mixed-use development to accommodate low- and moderate-income housing, and also encourage the provision of accessory dwelling units, which can expand affordable housing opportunities for lower-income persons such as care-givers, household employees and others working in service occupations. Program 12 describes actions the City will take to affirmatively further fair housing and address any issues of housing discrimination that may arise.

Racial Characteristics – Hermosa Beach

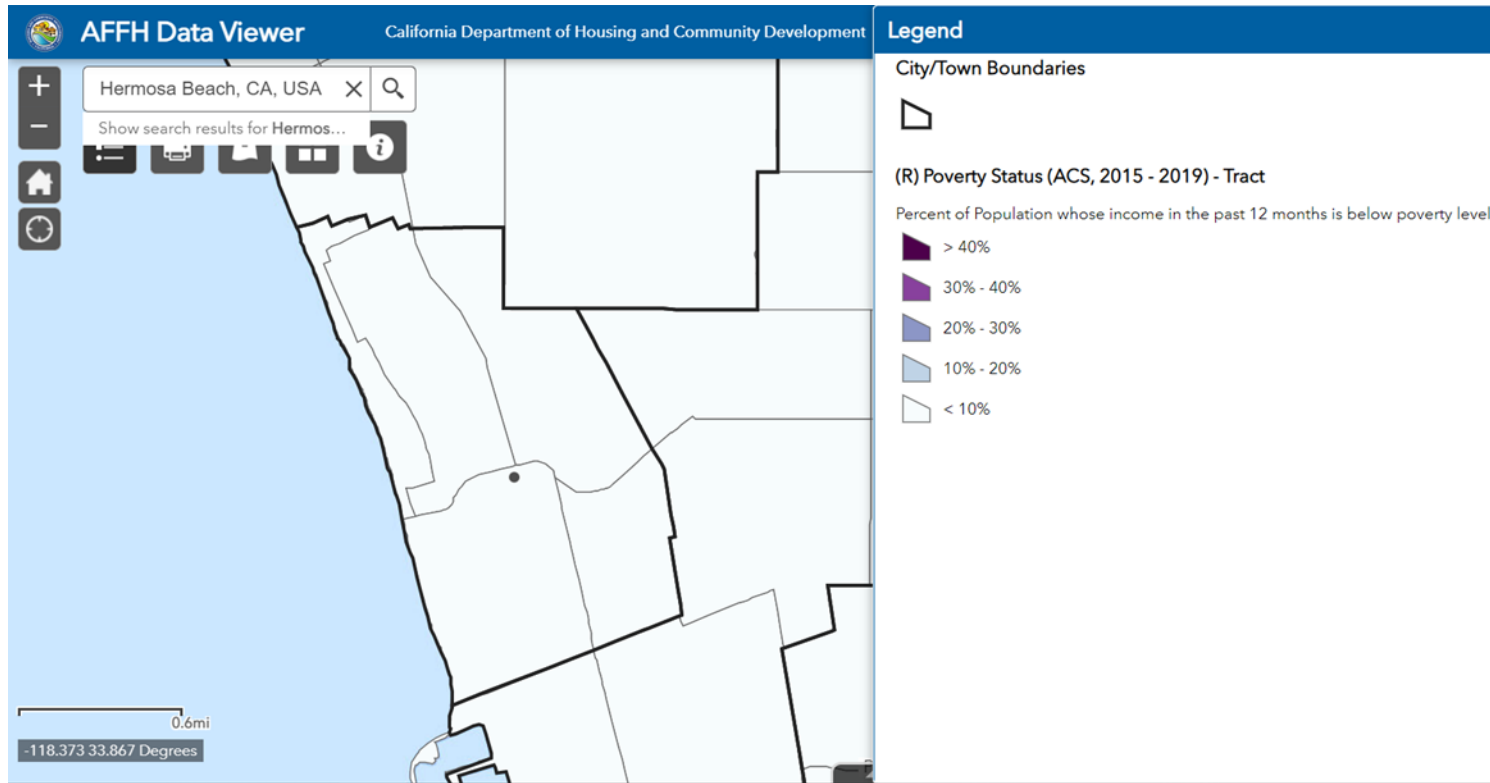


Source: California Department of Housing and Community Development, AFFH Data Viewer, 2021

Racially/Ethnically Concentrated Areas of Poverty – Hermosa Beach

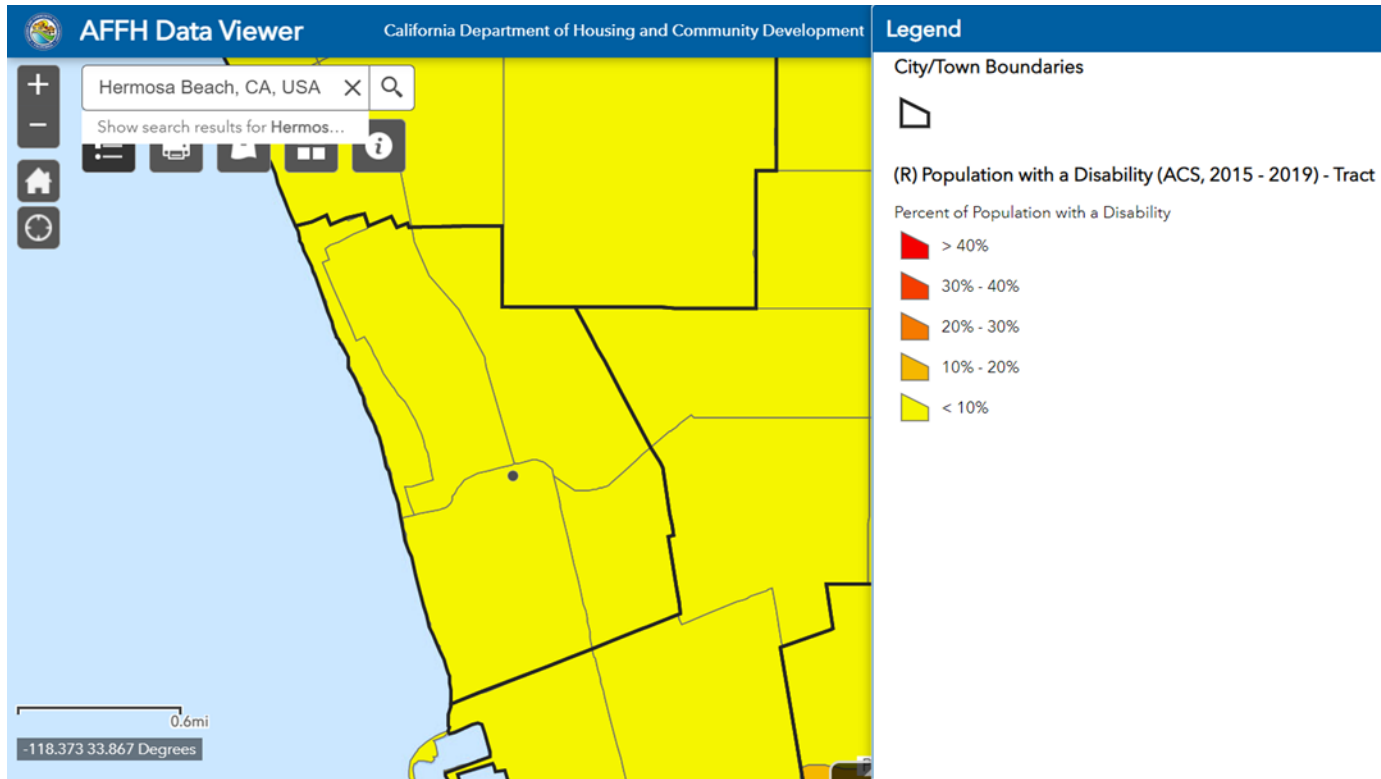


Poverty Status – Hermosa Beach



Source: California Department of Housing and Community Development, AFFH Data Viewer, 2021

Population with a Disability – Hermosa Beach



Source: California Department of Housing and Community Development, AFFH Data Viewer, 2021

TCAC/HCD Opportunity Map

