



CITY OF SIERRA MADRE 2014-2021 HOUSING ELEMENT

Final

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DEVELOPMENT SERVICES DEPARTMENT
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I. INTRODUCTION

A. ROLE AND ORGANIZATION OF THE HOUSING ELEMENT

State law recognizes the vital role local governments play in the availability, adequacy and affordability of housing. Every jurisdiction in California is required to adopt a long-range General Plan to guide its physical development; the Housing Element is one of the seven mandated elements of the General Plan. Housing Element law mandates that local governments adequately plan to meet the existing and projected housing needs of all economic segments of the community. The law recognizes that in order for the private market to adequately address housing needs and demand, local governments must adopt land use plans and regulatory systems that provide opportunities for, and do not unduly constrain housing production. Housing element statutes also require the State Department of Housing and Community Development (HCD) to review local housing elements for compliance with State law and to report their findings to the local government.

California's Housing Element law requires that each city and county develop local housing programs to meet its "fair share" of existing and future housing needs for all income groups. The Southern California Association of Governments (SCAG) is responsible for developing and assigning these regional needs, or "RHNA", to southern California jurisdictions. Pursuant to the RHNA planning period, the Sierra Madre Housing Element is an eight-year plan extending from 2014-2021.

Sierra Madre's Housing Element identifies strategies and programs that focus on:

- 1) Preserving housing and neighborhood assets
- 2) Ensuring housing diversity
- 3) Removing governmental constraints to housing
- 4) Promoting equal housing opportunities
- 5) Promoting environmental sustainability

The City's Housing Element is divided into the following major sections:

- An analysis of the City's demographic, household and housing characteristics and related housing needs (Section II);
- A review of potential market, governmental, and infrastructure constraints to meeting Sierra Madre's identified housing needs (Section III);
- An evaluation of residential sites and financial resources for housing, and opportunities for energy conservation (Section IV); and
- The Housing Plan for addressing the City's identified housing needs, constraints and resources; including housing goals, policies and programs (Section V).

B. SOURCES OF INFORMATION

In preparing the Housing Element, and Housing Needs Assessment in particular, data is compiled from a variety of sources. The following identifies the primary sources of information utilized, with the specific source referenced beneath each data table in the Element.

- Demographic and housing data is derived from the 2010 Census, American community Survey, and the Southern California Association of Governments' (SCAG) Existing Housing Needs Statement;
- SCAG's 2008-2035 Regional Integrated Forecast provides population, housing and employment projections;
- Household income data by type of household (e.g. seniors, large families, etc) is derived from the Comprehensive Housing Affordability Strategy (CHAS) prepared by HUD;
- Occupational wage data is obtained from the State Employment Development Department;
- Information on the local senior population is obtained from the Senior Madre Senior Master Plan;
- Information on homeless is obtained from the San Gabriel Valley Council of Governments Homeless Services Strategy;
- Housing market information is obtained through internet rent surveys and DataQuick sales transactions;
- SCAG's 2008-2014 Regional Housing Needs Assessment (RHNA) provides information on existing and projected housing needs;
- Lending patterns for home purchase and home improvement loans are provided through the Home Mortgage Disclosure Act (HMDA) database; and
- Information on Sierra Madre's development standards is derived from the City's Zoning Ordinance.

C. PUBLIC PARTICIPATION

Opportunities for community stakeholders to provide input on housing issues and recommend strategies are critical to the development of appropriate and effective programs to address the Sierra Madre's housing needs. The City solicits input from the public throughout the housing element process: during development of the draft element; during public review of the draft element; and during the adoption process. All public meetings are noticed through the local newspaper and posted at City Hall and on the website at least 10 days in advance of the meeting. In addition, direct notification is provided to individuals and organizations on the City's list of parties that have standing requests for notification of public hearings. The City also provides direct notification to local stakeholders including: non-profit developers; advocacy groups representing lower income populations; local real estate and business organizations; and property owners potentially impacted by the Housing Element. Meetings before the Planning Commission and City Council are broadcast on the local public access cable channel. Appendix A provides copies of the public outreach materials for the Housing Element update, and public notification list.

Preparation of Sierra Madre's 2014-2021 Housing Element began less than six months after the City adopted its Element for the 2008-2014 planning period, and builds upon the extensive public outreach conducted for this multi-year effort. The Housing Element update maintains the policy and program direction from the prior Element, with fine tuning to reflect progress in implementation and a longer 8 year planning period. A public study session was conducted before the Planning Commission on November 7, 2013 to confirm the Element's policy direction, as well as to share the City's progress in implementing the adopted Element. In addition to the City's standard public noticing, direct notification of the workshop was provided to housing stakeholders (refer to Appendix A). The following summarizes the key input and questions received at the study session:

- Where will the special needs zoning be located for transitional and supportive housing and emergency shelters? *(Staff clarified the distinction between these different uses, and that transitional and supportive housing will be permitted in all zones permitting residential uses, and emergency shelters will be permitted in the M zone on Montecito Avenue)*
- Sierra Madre's population is aging and the City has a large senior citizen population. How does the City's median age of 46.6 years compare with the County? *(The Countywide median age in 2010 was much lower at 34.8 years).*
- How do CLIMB's two residential facilities for developmentally disabled adults fit into Sierra Madre's numbers for special needs housing? *(Staff responded that these facilities help to address a critical need for supportive housing for persons with developmental disabilities, but clarified that they do not contribute towards the City's RHNA as they are existing, rather than new units).*

- The City's efforts to legalize existing second units and facilitate new units is a viable strategy to address the community's affordable housing needs while maintaining Sierra Madre's small town character. *(The City's second unit strategy is continued under Housing Element Program #6, including initiation of another amnesty program).*
- One of the key qualities that defines Sierra Madre's unique character is the diversity of the housing stock, ranging from studio apartments to mansions. This housing diversity should continue to be fostered. *(The Housing Element continues to promote a range of housing types to meet the community's diverse housing needs, as indicated in Goal 2 of the Element).*
- When additional areas are evaluated for multi-family zoning in the future to address Sierra Madre's long term housing needs, the City should take a more comprehensive approach to identify cohesive areas, rather than individual parcels, suitable for intensification. *(Housing Element Program #15 indicates that as part of the General Plan update, the City is evaluating additional areas for designation as High Density Residential).*

Upon completion of the draft Housing Element, the City circulates a Notice of Availability to a variety of interested organizations. The Notice defines a 60 day review and comment period, and identifies locations for review of the draft document, including the local public library, the Community Center, and City Hall, and on the City's website at www.ci.sierra-madre.ca.us. The draft is also sent to the State Department of Housing and Community Development (HCD) for review and comment.

Public hearings are held on the Housing Element before both the Planning Commission and City Council. Notification is published in the local newspaper in advance of each hearing, and direct notices are mailed to interested groups and individuals. Video broadcasts of City Council meetings are available on the City's website, allowing greater access to individuals unable to attend in person.

D. RELATIONSHIP TO OTHER GENERAL PLAN ELEMENTS

The Sierra Madre General Plan addresses each of the seven State-mandated General Plan elements within four overall chapters:

- Land Use
- Resource Management
- Hazard Prevention
- Community Services

Each of these General Plan chapters were reviewed as part of the update of the Housing Element to ensure consistency with the policies set forth in those elements.

The City will ensure consistency between the Housing Element and the other General Plan elements so that policies introduced in one element are consistent with other elements. The City has begun a comprehensive update of its General Plan, and will review the Housing Element as part of the update process to ensure continued consistency between elements.

II. HOUSING NEEDS ASSESSMENT

The Needs Assessment evaluates the characteristics of Sierra Madre's population and housing stock, and encompasses the following: A) Demographic Profile; B) Household Profile; C) Housing Stock Characteristics; and D) Regional Housing Needs. Figure 1 depicts Sierra Madre's 2010 census block group boundaries.

A. DEMOGRAPHIC PROFILE

Demographic changes, such as population growth or changes in age, can affect the type and amount of housing that is needed in a community. This section addresses the population, age, race/ ethnicity, and employment characteristics of Sierra Madre.

1. Population Growth and Trends

Table II-1 presents population growth trends in Sierra Madre and the region from 1990 through 2013. Sierra Madre has not experienced substantial population growth for several decades as it is a largely "built-out" community. The City's population peaked about 1970 when the Census recorded 12,140 residents, after which time limited housing development, combined with an aging population and smaller household sizes, caused the population to gradually decline. Sierra Madre's 2013 population is estimated at 11,023, representing a modest four percent increase since 2000 and reflecting the introduction of a 46 unit affordable senior housing project as well as several small infill developments. The rate of population growth evidenced in Sierra Madre over the past 13 years is similar to that of the growth rate observed Countywide.

Table II-1: Regional Population Growth Trends 1990 - 2013

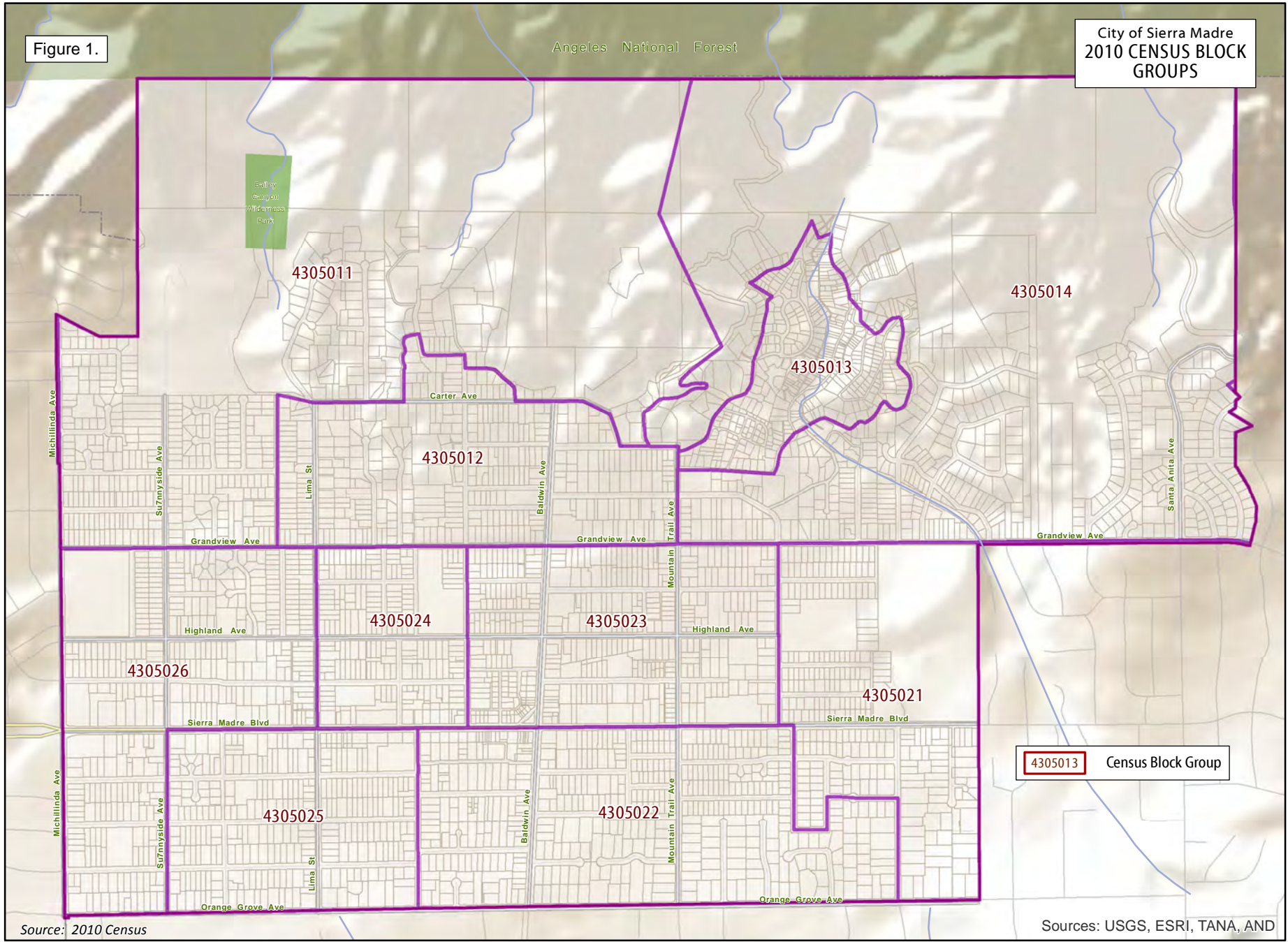
Jurisdiction	1990	2000	2010	2013	Percent Change		
					1990-2000	2000-2010	2010-2013
Arcadia	48,290	53,054	56,364	56,866	10%	6%	1%
La Canada Flintridge	19,378	20,318	20,246	20,441	5%	<1%	1%
Monrovia	35,761	36,929	36,590	36,943	2%	-1%	1%
Sierra Madre	10,762	10,578	10,917	11,023	-2%	3%	1%
Los Angeles County	8,863,164	9,519,338	9,818,605	9,958,091	7%	3%	1%

Source: U.S. Census 1990, 2000 and 2010; Dept of Finance 2013 Population and Housing Estimates.

In terms of future growth trends, the Southern California Association of Governments' (SCAG) Regional Transportation Plan/Sustainable Communities Strategy projects Sierra Madre's population will remain relatively unchanged, with less than a one percent increase projected during the 2008-2035 period.

City of Sierra Madre
2010 CENSUS BLOCK
GROUPS

Figure 1.



Source: 2010 Census

Sources: USGS, ESRI, TANA, AND

2. Age Characteristics

Housing need is often affected by the age characteristics of residents in the community. Different age groups have different lifestyles, income levels, and family types that influence housing needs.

Table II-2 shows the age distribution of Sierra Madre in 1990 and 2010, and compares this to the age distribution of Los Angeles County as a whole. The 2010 Census puts the median age of Sierra Madre at 46.6 years, over ten years above the median age for the County (34.8 years). As shown in the table below, 19 percent of Sierra Madre's population is comprised of children under the age of 18, well below the 24 percent Countywide. Both the number of preschool age children (< 5 years), and the college age population (18-24 years) showed modest declines over the past two decades.

The biggest changes to Sierra Madre's age profile occurred in the young adult (25-44 years) and middle age (45-64 years) groups. The proportion of young adults declined significantly, decreasing from 37 to 23 percent of the population. This trend is a reflection of the aging in place of young adults into middle age, and the limited number of new young adults moving into the community. Conversely, the middle age population grew by almost 1,500 residents, increasing from 22 to 35 percent of City residents. In comparison, middle-age residents comprise just 24 percent of the population Countywide.

Finally, the number of seniors (65 years and above) in Sierra Madre continued to grow, with an increase of almost 300 residents. At 17 percent, the proportion of seniors in Sierra Madre is well above the 11 percent Countywide.

Table II-2: Age Distribution 1990 - 2010

Age Group	1990		2010		
	Persons	Percent	Persons	Percent	L.A. Co. %
Preschool (<5 yrs)	649	6%	513	5%	7%
School Age (5-17 yrs)	1,407	13%	1,476	14%	17%
College Age (18-24 yrs)	733	7%	645	6%	11%
Young Adults (25-44 yrs)	3,963	37%	2,524	23%	30%
Middle Age (45-64 yrs)	2,383	22%	3,864	35%	24%
Seniors (65+ years)	1,627	15%	1,895	17%	11%
TOTAL	10,762	100%	10,917	100%	100%
MEDIAN AGE	n/a		46.6 years		34.8 years

Source: U.S. Census 1990 and 2010.

3. Race and Ethnicity

Table II-3 displays the racial/ethnic distribution of Sierra Madre's population in 1990 and 2010, and compares this with the County as a whole in 2010. The City is not as ethnically diverse as most communities in Los Angeles County. While persons of Hispanic origin comprise almost half of the Countywide population, such individuals comprise just 15 percent of Sierra Madre's population. The City did experience some change in ethnic composition over the decade, with the most significant increase in Hispanics (600 person increase), persons in the "Other" race group (350 person increase), and Asian/Pacific Islanders (300 person increase). Overall, the racial and ethnic mix of Sierra Madre's population remains relatively homogeneous in comparison to Los Angeles County as a whole.

Table II-3: Racial and Ethnic Composition 1990 - 2010

Racial/Ethnic Group	1990		2010		
	Persons	Percent	Persons	Percent	L.A. Co. %
White	9,059	84%	7,891	72%	28%
Hispanic	1,050	10%	1,628	15%	48%
Asian/Pacific Islander	527	5%	823	8%	14%
African American	90	<1%	191	2%	8%
American Indian	31	<1%	30	0%	2%
Other Race	5	<1%	354	3%	28%
TOTAL	10,762	100%	10,917	100%	100%

Source: U.S. Census 1990 and 2010.

4. Employment

Employment characteristics affect housing needs by impacting one's ability to afford and acquire housing. A majority of Sierra Madre residents work in other parts of metropolitan Los Angeles as there are few opportunities outside of service and retail employment within the City itself. The City does lend itself as an ideal location for restaurants and dinner houses as well as community specialty shops and local grocery/drug stores. The Southern California Association of Governments (SCAG) estimates there were a total of 3,400 jobs in Sierra Madre in 2008, and projects no increase in jobs by the year 2035.

Many of the occupations that make up Sierra Madre's workforce earn limited incomes, making it challenging to afford to live within the community. Occupations earning low and moderate incomes include key members of the Sierra Madre community, such as health care aides, preschool teachers, and retail workers. Based on 2012 Occupational Wage data for Los Angeles County, Table II-4 presents examples of occupations that fall within each income category. As presented later in the section on housing affordability, market rents in Sierra Madre are above the level of affordability to very low and low income households and

homeownership costs are beyond the reach of all but upper income households, pricing much of the local workforce out of the community.

Table II-4: Los Angeles County Wages for Select Occupations 2012

Very Low Income (< \$33,750 - 2 person household)	Hourly Wage	Annual Income	Max. Monthly Affordable Housing Cost
Waiters/Waitresses	\$10.41	\$21,645	\$541
Child Care Workers	\$12.11	\$25,187	\$630
Retail Salespersons	\$12.66	\$26,335	\$658
Nursing Aides, Orderlies, and Attendants	\$12.88	\$26,808	\$670
Security Guards	\$13.24	\$27,541	\$689
Hairdressers and Cosmetologists	\$13.39	\$27,849	\$696
Teacher Assistants	--	\$30,229	\$756
Emergency Medical Technicians and Paramedics	\$14.77	\$30,732	\$768
Preschool Teachers	\$15.26	31,736	\$793
Low Income (\$33,750 - \$54,000 - 2 person household)	Hourly Wage	Annual Income	Max. Monthly Affordable Housing Cost
Transit Bus Drivers	\$18.66	\$38,811	\$970
Bookkeeping, Accounting and Auditing Clerks	\$19.42	\$40,378	\$1,009
Tax Preparers	\$20.53	\$42,704	\$1,067
Retail Sales Manager	\$21.98	\$45,714	\$1,142
Real Estate Sales Agent	\$22.32	\$46,422	\$1,161
Licensed Practical and Vocational Nurses	\$24.22	\$50,390	\$1,260
Executive Secretaries and Administrative Assistants	\$25.38	\$52,798	\$1,320
Child, Family, and School Social Workers	\$25.80	\$53,677	\$1,342
Carpenters	\$25.97	\$54,021	\$1,350
Moderate Income (\$54,000 - \$62,200 - 2 person household)	Hourly Wage	Annual Income	Max. Monthly Affordable Housing Cost
Food Service Managers	\$24.59	\$51,148	\$1,279
Architectural and Civil Drafters	\$26.32	\$54,733	\$1,368
Computer Support Specialists	\$26.38	\$54,859	\$1,371
Postal Mail Carriers	\$26.51	\$55,156	\$1,379
Insurance Appraisers	\$26.62	\$55,377	\$1,384
Paralegals and Legal Assistants	\$28.99	\$60,312	\$1,508
Graphic Designers	\$29.04	\$60,404	\$1,510

Source: 2012 California Occupational Employment Statistics – L A County; 2012 State HCD Income Limits.

Income categories based on two-person household with single wage earner.

Max affordable housing cost based on 30% of income.

B. HOUSEHOLD PROFILE

Household type and size, income levels, and the presence of special needs populations are all factors that affect the type of housing needed by residents. This section discusses the various household characteristics that affect housing needs in Sierra Madre.

1. Household Type

A household is defined as all persons living in a housing unit. Families are a subset of households. They include persons living together who are related by blood, marriage, or adoption. A single person living alone is also a household. "Other" households are unrelated people residing in the same dwelling unit. Group quarters, such as dormitories or convalescent homes are not considered households.

As illustrated in Table II-5, the 2010 Census documents 4,837 households in Sierra Madre, an increase of approximately 200 households since 1990. The City's 2010 average household size of 2.26 reflects a slight decrease from 1990 levels, and is well below the Countywide average of 2.98.

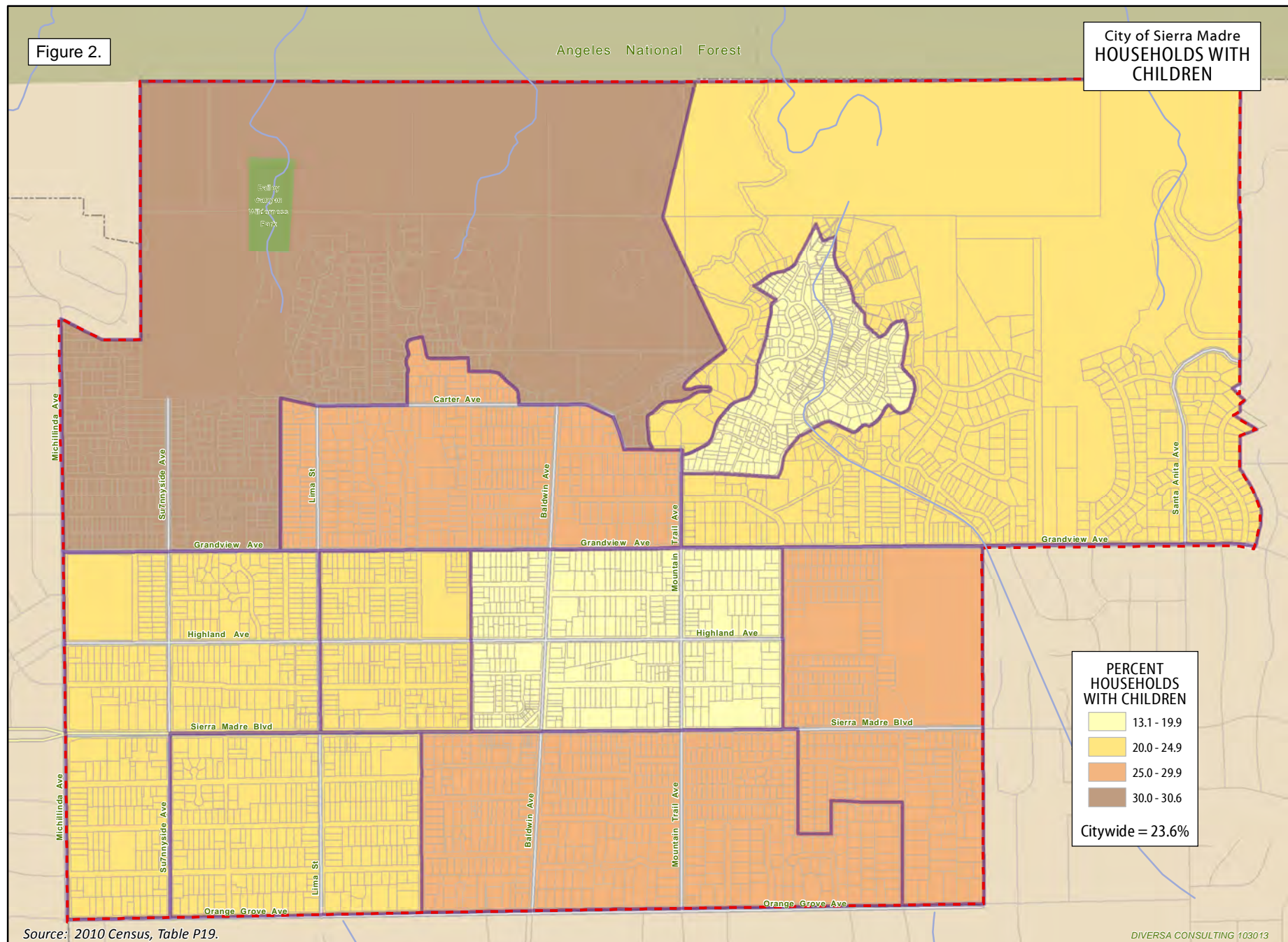
At 59 percent, families continue to comprise the majority of Sierra Madre's households. Figure 2 depicts the locations of family households with children, and illustrates the highest concentrations are located outside the downtown, and in northwest Sierra Madre in particular. Between 1990-2021, families with children evidenced a slight decrease, whereas families without children increased slightly. This decline in families with children, combined with the decline in young adults and increasing middle age and senior populations, suggests that Sierra Madre's households are aging in place. Single person households increased to 33 percent during the past two decades, representing the only household type to experience an increase. Growth in Sierra Madre's frail elderly population (age 75+) certainly contributed to this increase in single-person households.

Table II-5: Household Characteristics 1990 - 2010

Household Type	1990		2010		
	Households	Percent	Households	Percent	LA County %
Families	2,821	61%	2,872	59%	68%
With children	1,175	(25%)	1,141	(24%)	(33%)
With no children	1,646	(36%)	1,731	(36%)	(35%)
Singles	1,420	31%	1,596	33%	24%
Other non-families	388	8%	369	8%	8%
TOTAL Households	4,629	100%	4,837	100%	100%
Average Household Size	2.30		2.26		2.98
Average Family Size	2.90		2.89		3.58

Source: U.S. Census 1990 and 2010

Figure 2.



2. Household Income

Household income is one of the most important factors affecting housing opportunity. It is also crucial in determining a household's ability to balance housing costs with the other basic necessities of life.

Income Definitions

The State and Federal government classify household income into several groupings based upon the relationship to the County "Area Median Income" (AMI), adjusted for household size. The State of California uses the income groups presented in Table II-6, and are used throughout the Housing Element.

Table II-6: State Income Categories

Income Category	% County Area Median Income (AMI)	2013 L.A. County Income Limits		
		1 person household	2 person household	3 person household
Extremely Low	0-30% AMI	\$17,950	\$20,500	\$23,050
Very Low	0-50% AMI	\$29,900	\$34,200	\$38,450
Low	51-80% AMI	\$47,850	\$54,650	\$61,500
Moderate	81-120% AMI	\$54,450	\$62,200	\$70,000
Above Moderate	120%+ AMI	>\$54,450	>\$62,200	>\$70,000

Source: California Dept of Housing and Community Development, 2013 Income Limits.

Table II-7 presents the distribution of household income in Sierra Madre by income category. At 63 percent, above-moderate income households (>120% AMI) comprise the majority of households in Sierra Madre. In contrast, almost 1,700 Sierra Madre households earn lower incomes (<80% AMI). Extremely low-income (ELI) households (<30% AMI) comprise of seven percent of all households, and have significant housing needs. According to the CHAS Data compiled by HUD, one-third of the City's ELI households are homeowners (112 households), with one-quarter of these ELI homeowners spending more than half their income towards housing, placing them at risk of being unable to maintain, or potentially losing their homes. Among the City's estimated 230 ELI renter households, one-third spend more than half their incomes on rent.

Table II-7: Household Income Distribution 2010

Income Level	Households	%
Extremely Low Income	342	7%
Very Low Income	337	7%
Low Income	399	9%
Moderate Income	620	14%
Above Moderate Income	2,868	63%
TOTAL	4,566	100%

Source: SCAG Existing Housing Needs Statement, July 2011.

3. Special Needs Populations

Certain households have more difficulty in finding decent and affordable housing due to special circumstances. These “special needs” populations include the elderly, large households, persons with disabilities, female-headed households and the homeless, as summarized in Table II-8 and evaluated in the following section.

Table II-8: Special Needs Populations 2010

Special Needs Groups	Persons	Households	Percent
Seniors (65+)	1,895		17%
With a Disability*	720		(38%)
Living Alone	588		31%
Senior Households		1,311	27%
Renter		289	(22%)
Owner		1,022	(78%)
Persons with Disability*	1,430		13%
Large Households		296	6%
Renter		66	(22%)
Owner		230	(78%)
Female-Headed Family Households		442	9%
With Related Children		195	(44%)
Farmworkers**	0		0%
TOTAL Persons/Households	10,917	4,837	

Source: U.S. Census 2010, American Community Survey 2009-2011, SCAG Existing Needs Statement.

Note: Numbers in () reflect % of the special needs group, and not the % of total population or households in the City. For example, of the City’s senior households, 22% are renters and 78% are owners.

Senior Households

Seniors (age 65+) comprise 17 percent of Sierra Madre's residents, and represent a growing segment of the population. Senior citizens are considered to have special housing needs because their fixed incomes, higher health care costs and physical disabilities make it more difficult to find suitable and affordable housing. Consistent with trends throughout the nation, this population is expected to continue increasing as the baby boom generation approaches retirement.

Among the City's approximately 1,300 senior households, 78 percent own a home and 22 percent rent housing. Approximately half of Sierra Madre's seniors are 75 years of age and above, a population which may require more supportive housing options as they age and become more frail.

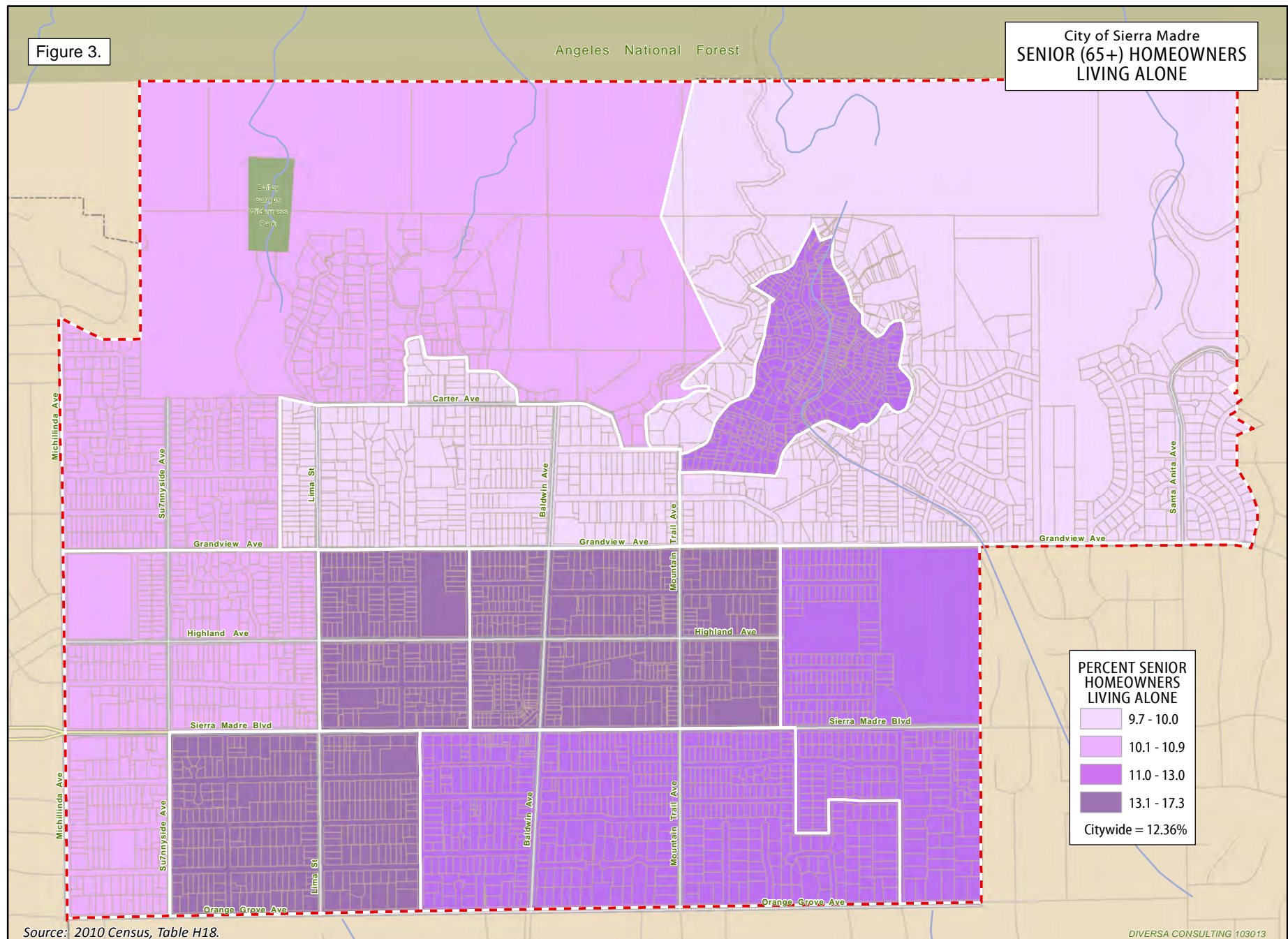
Some of the more pressing housing needs of Sierra Madre's seniors include:

- **Rental affordability.** Rising rents are a particular concern due to the fact that most seniors are on fixed incomes. Of Sierra Madre's approximately 300 senior renter households, 20 percent are very low income (<50% AMI). Market rents in Sierra Madre are beyond the level affordable to very low-income households, resulting in the majority of the City's very low-income senior renters spending more than 30 percent of their incomes on rent.
- **Disabilities.** The Census identifies 38 percent of Sierra Madre's seniors as having one or more disabilities, encompassing physical, sensory and mental disabilities, as well as conditions that limit the senior's ability to leave their home. Combined with the significant number of older seniors (age 75+), this indicates a large segment of the senior population, which may require various levels of housing support.
- **Housing maintenance.** Of Sierra Madre's approximately senior 1,000 homeowners, 36 percent live alone. As these homeowners age, many may be unable to maintain their homes and may benefit from the installation of assistance devices to enhance accessibility. Figure 3 depicts the incidence of senior homeowners residing alone in Sierra Madre by census block group, with the greatest concentrations generally in central Sierra Madre.

Sierra Madre developed a Senior Master Plan in 2000, which it updated in 2007. The Master Plan examines the needs of Sierra Madre seniors and the best ways to meet those needs. The 2007 Plan looks at the overall senior demographics, the successes from the 2000 Master Plan and a new Action Plan with goals, short-term and long-term strategies, challenges and indicators of success.

Figure 3.

City of Sierra Madre
SENIOR (65+) HOMEOWNERS
LIVING ALONE



Source: 2010 Census, Table H18.

DIVERSA CONSULTING 103013

One of the Master Plan goals is for desirable, affordable housing for seniors (goal 3b). Needed housing alternatives include the following facilities: independent living, monitored living, assisted living, skilled nursing and shared housing. Facilities that currently serve the City's seniors are the British Home (provides independent, monitored and assisted living for 37 residents), Carter Place (assisted living), and the Sierra Madre Senior Apartments (46-unit low-income senior apartment complex). In addition, the new Kensington Assisted Living Facility will provide 75 one- and two-bedroom residential suites for seniors and persons with Alzheimer's disease or other memory impairments.

The Master Plan also lists possible sites for future senior housing projects. The continuing need for senior housing facilities is reflected in the fact that approximately 450 applications were submitted for the 46 units at the Sierra Madre complex, with over 100 seniors currently on the waiting list. The Master Plan also calls for the re-implementation of the Home Improvement/ Handyman Program to assist with home repairs for low/moderate income homeowners to improve health and safety, roofing, plumbing, electrical or water damage. As the community's senior-age population expands, there will be an increased need for the rehabilitation of existing housing.

The Sierra Madre Senior Center, located in the Hart Memorial Park House, offers a variety of services to senior residents. These include daily lunches, recreational activities, day trips, health screenings and educational opportunities. A "Lunch & Learn" program is offered twice monthly and includes guest speakers who talk about everything from City services to senior health issues presented by local doctors. Volunteers provide free income tax assistance each year, as well as a volunteer attorney who comes once a month to provide free legal advice. The Senior Desk at the Center provides referrals & information, and a monthly newsletter is available to all interested senior residents.

The YWCA of San Gabriel Valley offers a home-delivered Meals-on-Wheels program to homebound seniors in the community. The Sierra Madre Dial-A-Ride program is a curb-to-curb transportation service for elderly and disabled residents. The Postal Alert Program allows seniors to register with the police department, who follow-up with a check when notified by postal workers regarding a pile-up of mail or newspapers at a residence. The Ear-to-Ear program has volunteers calling homebound seniors (who have asked to be called) at least once a week to check on them.

Persons with Disabilities

A disability is defined as a long lasting condition that impairs an individual's mobility, ability to work, or ability to care for themselves. Persons with disabilities include those with physical, mental, or emotional disabilities. Disabled persons have special housing needs because of their fixed income, shortage of affordable and accessible housing, and higher health costs associated with their disability.

An estimated 1,430 Sierra Madre residents, or 13 percent of the City's population, suffer from one or more disabilities. Approximately 35 percent of these disabled residents have an employment disability, while 45 percent have a physical disability and 13 percent have self-care limitations that require assistance with daily living. Of the City's senior population, almost 40 percent have one or more disability.

The living arrangements for persons with disabilities depend on the severity of the disability. Many disabled persons live at home in an independent environment with the help of other family members. To maintain independent living, disabled persons may require assistance. This can include special housing design features for the physically disabled, income support for those who are unable to work, and in-home supportive services for persons with medical conditions.

Sierra Madre has two licensed adult residential facilities providing housing for up to 46 adults with developmental disabilities, the majority of whom are also visually impaired or legally blind. Both of these facilities are run by the CLIMB organization. CLIMB's Level 3 facility serves 40 individuals with moderate disabilities. Facility programming emphasizes resident participation in activities of daily living and self help skills training. CLIMB's Level 2 facility serves six residents and is considered a "halfway house" for residents entering independent living.

Efforts to support the disabled in Sierra Madre include a Dial-A-Ride program, which is subsidized by the partial return of gas tax revenue from the County of Los Angeles. The CLIMB Work Activity Center is located next to one of CLIMB's licensed residential facilities on Sierra Madre Boulevard. This center provides day programs for the CLIMB residents, as well as outside participants.

The City enforces several regulations, which serve to enhance accessibility to disabled residents. For example, any new apartment development is subject to requirements under the Americans with Disabilities Act (ADA) for unit "adaptability" on ground floor units. Adaptable units are built for easy conversion to disabled access, such as doorway and hallway widths, and added structural support in the bathroom to allow the addition of handrails. In addition, the 46-unit Sierra Madre Senior Housing project, meets stringent accessibility requirements due to the project's partial funding through the State California Fair Employment and Housing Act (CFHA). Pursuant to CHFA, 5% of the units are fully built handicapped units, and 95% of the units are fully accessible and meet all state and federal requirements.

Developmental Disabilities

Due to the dramatic rise in autism spectrum disorders (ASD), in 2010 the California legislature passed SB 812, which requires the Housing Element to specifically analyze the housing needs of persons with developmental disabilities, and to identify resources available to serve this population. The State Department of Developmental Services (DDS) currently provides community-based services to 6,000 adults diagnosed with ASD; over 4,000 California teenagers diagnosed with ASD will reach adulthood over the next five years, many of whom will want to live independently and need appropriate housing.

The San Gabriel Valley Regional Center (SGPRC) is among 21 regional centers operated by the State DDS to serve the developmentally disabled population. The goal of these centers is to: 1) prevent/minimize institutionalization of developmentally disabled persons and their dislocation from family and community; and 2) enable this population to lead more independent and productive lives. Within the City of Sierra Madre zip code 91024, the San Gabriel/Pomona Regional Center currently provides services to 116 residents with developmental disabilities, generating an estimated need for 36 housing units:

**Table II-9: Developmentally Disabled Residents
Served By San Gabriel/Pomona Regional Center**

City of Sierra Madre	0 - 14 years	15 - 22 years	23 - 54 years	55 - 65 years	65+ years	Total
Persons served	30	14	30	36	6	116
Est. Housing Need*	8	7	11	9	1	36

Source: San Gabriel/Pomona Regional Center, September 2013

* The following need factors have been developed by the Golden Gate Regional Center and can be used to generally estimate housing needs for the developmentally disabled population by age group: age 0-14 25% need hsg; age 15-22 50% need hsg; age 23-54 35% need hsg; age 55-65 25% need hsg; age 65+ 20% need hsg.

The regional centers have identified a number of community-based housing types appropriate for persons living with a developmental disability: licensed community care facilities and group homes; supervised apartment settings with support services; SB 962 homes (for persons with special health care and intensive support needs); and for persons able to live more independently, rent subsidized homes, affordable inclusionary units, and Section 8 rental vouchers.

Sierra Madre supports the provision of housing for persons with disabilities, as evidenced by the presence of two CLIMB residential facilities for developmentally disabled to adults, and the adoption of reasonable accommodation procedures. Housing Element programs to facilitate affordable housing can also assist residents with developmental disabilities.

Large Households

Large households consist of five or more persons and are considered a special needs population due to the limited availability of affordable and adequately sized housing. The lack of large units is especially evident among rental units. Large renter households are vulnerable to overcrowding due to the shortage of adequately sized rentals, and insufficient income to afford 3+ bedroom rentals, which typically consist of single-family homes.

In Sierra Madre, large households comprise six percent of total households. Of the City's approximately 300 large households, just 22 percent are renters. The 2010 Census documents 376 rental units (including apartments, townhomes and single-family rentals) in Sierra Madre with 3 or more bedrooms, in general, the appropriate size for households with 5 or more members. In contrast, the City has only 66 large renter households, indicating that Sierra Madre has an adequate supply of rental units to house its large families. However, the majority of Sierra Madre's large rental units are within single-family homes, and with 3-bedroom homes commanding median rents in excess of \$3,000, the affordability of these units could be an issue.

Female-Headed Households

Female-headed households typically have a special need for such services as health care and childcare, among others. Single person female households are frequently elderly widows, whereas female-headed households with two or more members are frequently single mothers. Female-headed households, especially those with children, tend to have lower incomes, which limits their housing options and access to supportive services. The 2010 Census reports 442 female-headed households in Sierra Madre, 44 percent of which have children under 18 years of age. Approximately 51 percent of Sierra Madre's female-headed households with children are lower-income (<80% AMI). These households often need assistance with housing subsidies, as well as accessible and affordable day care.

The City of Sierra Madre offers a variety of youth programs that can help supplement day care. The Youth Activity Center (YAC) provides counseling services, homework assistance, and social activities for youth age 11 to 17. Some of the activities include music, basketball, arts & crafts, volunteer opportunities, movie nights and field trips.

Homeless

In May 2008, the San Gabriel Valley Council of Governments established development of a regional homeless services strategy as one of its strategic plan objectives. The Los Angeles County Board of Supervisors funded the strategy, which was organized into two phases:

Phase I: Survey of existing homeless population in the San Gabriel Valley region, existing programs serving the homeless, and unmet service and housing needs.

Phase II: Consensus-building process focused on development of an implementation plan to address unmet needs, with particular emphasis on participation of community and faith-based organizations

The Homeless Services Strategy Phase I Report was completed in November 2008, and identified approximately 5,000 persons without permanent homes in the San Gabriel Valley, with Pomona and Pasadena each having nearly 1,000 homeless. Based on statistics gathered from service providers in the Valley, characteristics of the homeless population include:

- Families with children comprise 36% of homeless
- Over one-third of adult homeless suffer from physical and/or mental disabilities
- One-third of single adults are chronically homeless
- Nearly 8% of homeless adults are veterans

Within the City of Sierra Madre, the Phase I Report estimated there were five homeless persons. This local estimate was derived by the report's study team working with the City's Police and Development Services Departments. In addition, the report concluded that 22 persons in Sierra Madre received assistance from the California Work Opportunity and Responsibility to Kids (CalWORKs) welfare program and that 75 persons received food stamps (as of May 2008).

Sierra Madre representatives participated in Phase II of the Homeless Services Strategy to establish the implementation plan. A total of 124 individuals representing 29 San Gabriel Valley cities, three supervisorial districts, and 22 community or faith-based organizations participated in three rounds of stakeholder meetings to discuss strategies to address gaps in the homeless service delivery system. One of the primary recommendations of the strategy is the establishment of a Valley-wide Housing and Homeless Services Coordinating Council to link, enhance and expand homeless services; formation of the Coordinating Council is already underway. The Homeless Services Strategy sets forth specific intervention strategies to be implemented over a one to five year period, and will be overseen by the Coordinating Council.

Homeless in Sierra Madre are served by numerous facilities and programs, primarily located in the adjacent city of Pasadena. These programs include a rotating winter shelter program (provided by the Ecumenical Council Pasadena Area Churches), several emergency and transitional shelters, and permanent supportive housing. The San Gabriel Valley Consortium on Homelessness has developed an on-line database of services available to the homeless in the San Gabriel Valley (www.sgvc.org).

Farmworkers

Farmworkers are traditionally defined as persons whose primary incomes are earned through seasonal agricultural work. Farmworkers have special housing needs because they earn lower incomes than many other workers and move throughout the season from one harvest to the next. In many parts of southern California, agriculture production is an important contribution to local economies. However, no agricultural land remains in Sierra Madre, and no land is designated for agricultural use. Furthermore, the Southern California Association of Governments (SCAG) identifies no Sierra Madre residents in farmworker occupations (SCAG Existing Needs Statement, 2013). Therefore, given the lack of farmworkers in Sierra Madre, the City has no specialized housing programs targeted to this group beyond overall programs for housing affordability.

C. HOUSING STOCK CHARACTERISTICS

A city's existing housing stock is important in identifying the community's needs. Housing tenure, cost, condition of structures and vacancy are important to understand. This section identifies the characteristics of Sierra Madre's physical housing stock. This includes an analysis of housing growth trends, housing conditions, housing prices and rents, and housing affordability.

1. Housing Growth

Table II-10 displays housing production in Sierra Madre compared to neighboring cities and the County of Los Angeles. During the 1990's, Sierra Madre's housing stock increased by just one percent, which was below the three percent housing growth experienced Countywide, though fairly comparable to neighboring San Gabriel Valley cities. Over the most recent decade, nearly 200 new units were added to Sierra Madre's housing stock, a four percent increase, and comparable to housing growth levels in Arcadia, Monrovia and the County as a whole.

The State Department of Finance documents the 2013 Sierra Madre housing stock at 5,118 units, reflecting a net increase in just five units since 2010. In total, Sierra Madre has experienced a net increase of 250 housing units since 1990.

Table II-10: Regional Housing Growth Trends 1990 - 2013

Jurisdiction	1990	2000	2010	2013	Percent Change		
					1990 - 2000	2000 - 2010	2010 - 2013
Arcadia	19,483	19,970	20,686	20,692	2%	4%	<1%
La Canada Flintridge	6,918	6,989	7,089	7,095	1%	1%	<1%
Monrovia	13,944	13,957	14,473	14,467	<1%	4%	<1%
Sierra Madre	4,868	4,923	5,113	5,118	1%	4%	<1%
L.A. County	3,163,343	3,270,909	3,443,087	3,463,382	3%	5%	<1%

Source: U.S. Census 1990, 2000 and 2010; 2013 Dept of Finance E5 Population and Housing Estimates.

2. Housing Type and Tenure

Table II-11 depicts the mix of housing types in Sierra Madre. Single-family homes remain the dominant housing type, comprising 76 percent of the City's 2010 housing stock, compared to multi-family units, which comprise 24 percent. From 1990 to 2010, the number of single-family detached housing units decreased by 187 units, while multi-family units within complexes of 5+ units increased by 70 units. The Sierra Madre Senior Housing project, completed in 2007, accounts for 46 of these multi-family units.

Table II-11: Housing Unit Type

Unit Type	1990		2010	
	Units	Percent	Units	Percent
Single-Family (SF) Detached	3,366	69%	3,553	69%
SF Attached	290	6%	324	6%
Total Single-Family	3,656	75%	3,877	76%
2 to 4 Units	373	8%	337	7%
5 or more units	834	17%	904	18%
Total Multi-Family	1,207	25%	1,241	24%
Mobile Homes & Other	5	<1%	0	0%
Total Housing Units	4,868	100%	5,118	100%
Vacancy Rate		4.9%		5.4%

Source: 1990 U.S. Census, 2010 Dept of Finance Population and Housing Estimates.

Housing tenure refers to whether a housing unit is owned or rented. Tenure also influences residential mobility, with owner units generally seeing lower turnover rates than rental units. The 2010 Census documents 62 percent of Sierra Madre households were homeowners, fairly comparable to the City's 1990 home ownership levels (61%), and substantially higher than the Countywide average of 48 percent (Table II-12). As illustrated in Figure 4, rental housing is interspersed throughout the central neighborhoods in Sierra Madre, with no census block group containing more than 55 percent renter households.

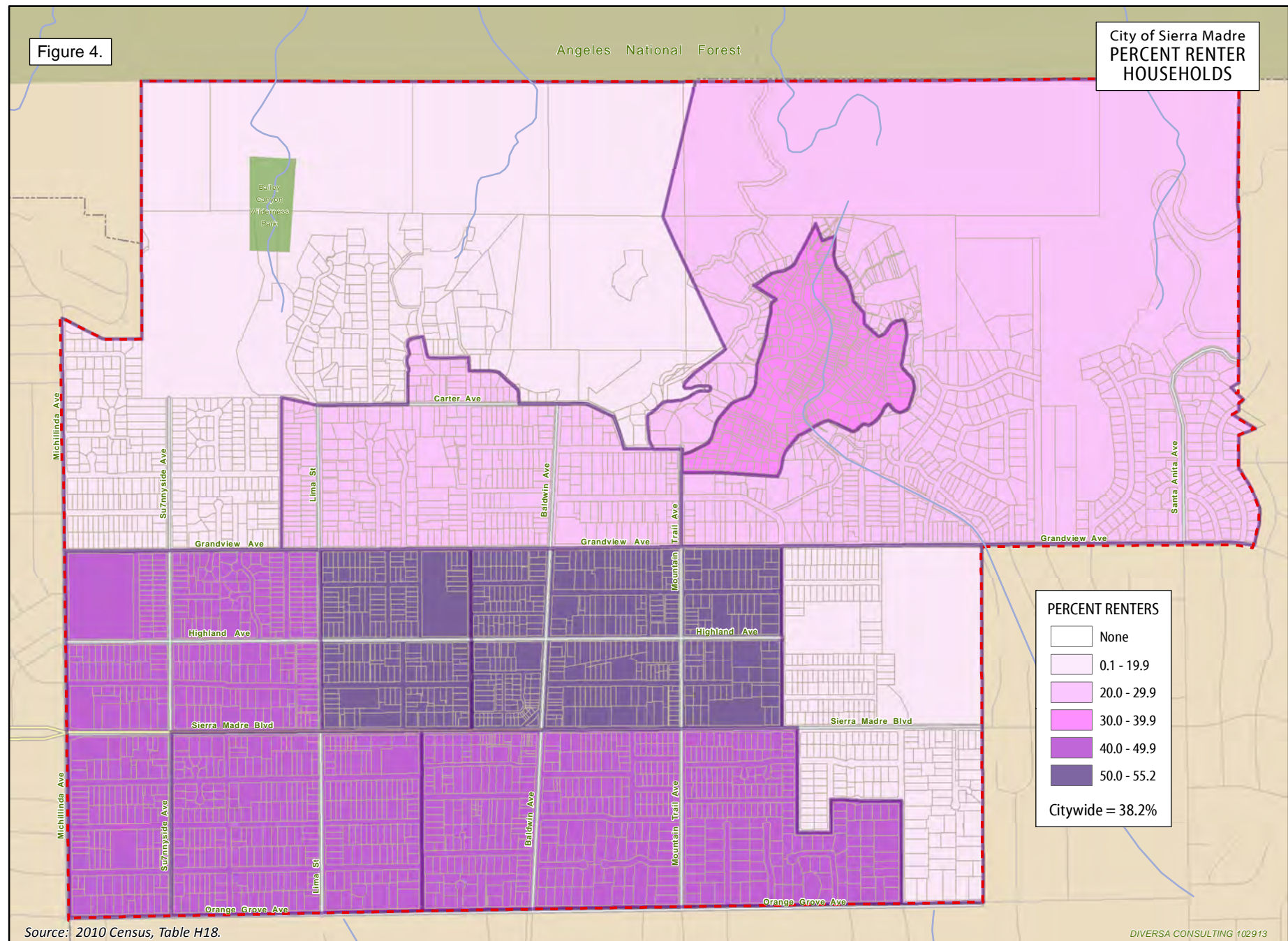
Table II-12: Housing Tenure 1990 - 2010

Occupied Housing Units	1990		2010		
	Units	Percent	Units	Percent	LA Co %
Renter	1,810	39%	1,849	38%	52%
Owner	2,819	61%	2,988	62%	48%
TOTAL	4,629	100%	4,837	100%	100%

Source: U.S. Census, 1990 and 2010.

City of Sierra Madre
PERCENT RENTER
HOUSEHOLDS

Figure 4.



Source: 2010 Census, Table H18.

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Vacancy Rate

The vacancy rate measures the overall housing availability in a community and is often a good indicator of how efficiently for-sale and rental housing units are meeting the current demand for housing. A low vacancy rate may indicate that households are having difficulty finding affordable housing, which can lead to overcrowding and/or overpayment. A particularly tight housing market with insufficient vacant units for normal mobility may also lead to high competition for units, placing upward pressure on rents and for-sale housing prices.

A vacancy rate of five percent for rental housing and two percent for ownership housing is generally considered healthy and suggests that there is a balance between the supply and demand of housing. A vacancy rate of five percent for rental housing and two percent for ownership housing is generally considered healthy and suggests that there is a balance between the supply and demand of housing.

According to the Department of Finance Population and Housing Estimates for 2010, the citywide residential vacancy rate in Sierra Madre is estimated at 5.4 percent, which was slightly higher than the vacancy rate of 4.9 percent in 2000. The 2010 Census documents rental vacancies at 5.0 percent in Sierra Madre, indicating ideal vacancy levels for sufficient mobility. Ownership vacancies were documented at just 1.0 percent, reflective of the high desirability of ownership housing in Sierra Madre, combined with a relatively limited supply of units.



3. Housing Age and Condition

The age of a community's housing stock can provide an indicator of overall housing conditions. Typically, housing over 30 years in age is likely to have rehabilitation needs that may include new plumbing, roof repairs, foundation work, and other repairs. Table II-13 displays the age of Sierra Madre's occupied housing stock by tenure as of 2010. With 86 percent of the City's housing stock built prior to 1979, almost 4,000 units have reached the 30-year benchmark. The aging of such a large portion of Sierra Madre's housing stock indicates a continued need for code enforcement and home improvement programs to stem potential deterioration.

Table II-13: Age of Housing Stock By Tenure

Year Structure Built	Renter Housing	Percent Renter	Owner Housing	Percent Owner	Total Percent
2005 or later	31	2%	5	0%	1%
2000-2004	0	0%	26	1%	1%
1990-1999	0	0%	130	4%	3%
1980-1989	42	3%	377	13%	9%
1970-1979	162	10%	242	8%	9%
1960-1969	403	25%	350	12%	16%
1950-1959	373	23%	602	20%	21%
1940-1949	254	16%	288	10%	12%
1939 or earlier	359	22%	922	31%	28%
Total	1,624	100%	2,942	100%	100%

Source: U.S. Census 2005-09 American Community Survey.

Problems with property maintenance and housing deterioration have not been a significant issue thus far in Sierra Madre. High property values and a strong sense of neighborhood pride have contributed to well maintained neighborhoods. Nonetheless, given the community's aging housing stock, combined with a growing senior population who may face difficulties maintaining their homes, ongoing maintenance will be key. A need does exist to examine potential code enforcement, property maintenance and housing rehabilitation programs to stem potential housing deterioration. This includes marketing the Housing Rehabilitation Assistance Program available through the County to lower income Sierra Madre homeowners, such as senior citizens.

In terms of developing a general estimate of the number of units in need of rehabilitation in Sierra Madre, the City used the following approach. Using 30 years as the benchmark when residential structures begin requiring major systems replacement or repair, units built prior to 1980 can be considered as potential candidates for rehabilitation needs. Of Sierra Madre's approximately 1,500 pre-1980 rental units, an estimated 20 percent, or 300 units, may require some degree of rehabilitation. Among the City's 2,400 pre-1980 owner units, an estimated five percent, or 120 units, may be in need of rehabilitation. No units have been identified as needing replacement.

The City has a Designated Historic Landmarks list, which includes approximately 40 residential properties. Many additional homes may be eligible for the list given the age of the housing stock. According to the City's Municipal Code, properties included on this Landmarks list that need to undergo repair (not applicable for ordinary repair and maintenance) may be able to waive the need for a city building permit and plan check fees. In addition, the City participates in the Mills Act Program and currently has 18 contracts with property owners. This program provides property tax relief to those property owners who restore and maintain their historic properties.

4. Housing Costs and Affordability

The cost of housing is directly related to the extent of housing problems in a community. If housing costs are relatively high in comparison to household income, there will be a higher prevalence of overpayment and overcrowding. This section summarizes the cost and affordability of the housing stock to Sierra Madre residents.

Homeownership Market

Table II-14 compares single-family and condominium sales prices in Sierra Madre and nearby communities by zip code during calendar year 2012. A total of 112 single-family homes were sold within the 91024 Sierra Madre zip code, commanding a median sales price of \$662,000, and reflecting a price decrease of 4.1 percent from the prior year. In comparison, single-family sales prices in nearby San Gabriel Valley communities, and the County as a whole, evidenced positive price appreciation between 2011 and 2012.

23 condominiums were sold in Sierra Madre in 2012 for median price of \$475,000, a 2.1 percent drop in price from the prior year. For the most part, condominium prices in other nearby communities were lower in price and had depreciated in value more significantly than in Sierra Madre. In contrast, condominium prices Countywide showed a 3.6 percent increase in price to \$285,000, still a much lower in price than Sierra Madre.

Table II-14: Regional Single-Family Homes and Condominium Sales 2012

Community	Zip Code	# Homes Sold	Median Home Price	% Change from 2011	# Condos Sold	Median Condo Price	% Change from 2011
Arcadia	91006	321	\$826,000	4.6%	72	\$588,000	4.0%
	91007	250	\$985,000	7.5%	122	\$419,000	-7.7%
La Canada	91011	275	\$1,092,000	3.0%	7	\$641,000	-14.5%
Monrovia	91016	264	\$438,000	-0.5%	111	\$310,000	-3.9%
Sierra Madre	91024	112	\$662,000	-4.1%	23	\$475,000	-2.1%
LA County	All	59,561	\$340,000	4.6%	19,617	\$285,000	3.6%

Source: DQNews - 2012 Los Angeles Times Zip Code Chart, <http://www.dqnews.com>

While the prior Table II-14 provides an overview of the subregional housing sales market during the calendar year 2012, Table II-15 which follows provides detailed information on all sales of existing and new single-family homes and condominiums within the Sierra Madre during the most recent 12 month period (November 1, 2012 through October 31, 2013). A total of 130 single-family home sales were recorded during this period, commanding a median sales price of \$690,000 (and an upward trend from the \$662,000 median in 2012). Most homes were well over 50 years in age, 1949 being the average year built. Many of the two-bedroom homes that sold were under 1,000 square feet in size, yet still commanded prices in the upper \$300,000 to upper \$400,000 range. Average lot sizes for the three and four bedroom homes were 11,900 and 15,800 square feet respectively, and with average home sizes of 1,950 and 2,900 square feet, indicate potential space for the addition of second units.

Approximately 18 percent of all units sold in Sierra Madre during this period were condominiums, totaling 28 units and selling for a median of \$517,000. The two bedroom condominium units were of older vintage and sold for a much lower price, whereas the majority of the three bedroom units were built within the last two decades and commanded much higher sales prices.

Table II-15
Sierra Madre Home and Condominium Sales Prices Nov 2012-Oct 2013

# Bdrms	Units Sold	Price Range	Median Price	Avg. Unit Size	Avg. Lot Size	Avg. Year Built
Single-Family Homes						
1	11	\$175,000-\$880,000	\$439,000	880 sq. ft.	6,900 sq. ft.	1926
2	32	\$250,000-\$1,300,000	\$555,000	1,250 sq. ft.	8,000 sq. ft.	1943
3	53	\$350,000-\$3,775,000	\$816,000	1,950 sq. ft.	11,900 sq. ft.	1952
4+	34	\$499,000-\$2,200,000	\$985,000	2,900 sq. ft.	15,800 sq. ft.	1958
Total	130	\$175,000-\$3,775,000	\$775,000	1,900 sq. ft.	11,500 sq. ft.	1949
Condominiums						
2	17	\$235,000-\$605,000	\$489,000	1,300 sq. ft.	--	1980
3+	11	\$499,000-\$830,000	\$622,000	2,000 sq. ft.	--	1992
Total	28	\$235,000-\$830,000	\$517,000	1,600 sq. ft.	--	1983

Source: Dataquick On-Line Real Estate Database: 11/1/12 -10/31/13.

Rental Housing Market

Current rental information (October 2013) for Sierra Madre was obtained from internet rental listings on Craig's List, and Westside Rentals websites. Table II-16 presents the results of the rent survey by unit type, including apartments/condominiums/townhomes, single-family homes, and individual rooms for rent.

A total of 20 non-duplicative apartment units were advertised for rent in Sierra Madre. The median monthly rent for a one-bedroom was \$1,250, for a two-bedroom unit was \$1,640 and for a unit of three- or more bedrooms was \$3,025. Just three single-family homes were listed as available for rent, and two rooms for rent within single-family homes.

Table II-16
Sierra Madre Survey of Vacant Rental Units October 2013

Unit Type and Bedrooms	# Units Advertised	Rental Range	Median Rent
<i>Apartments</i>			
1	5	\$800 - \$1,580	\$1,250
2	11	\$1,300 - \$2,395	\$1,640
3+	4	1,795 - \$3,450	\$3,025
<i>Single-Family Homes</i>			
3	1	\$2,300	\$2,300
4	2	\$3,895 - \$3,995	\$3,945
<i>Rooms for Rent</i>			
1	2	\$1,450 - \$1,600	\$1,525

Source: www.craigslist.org, westsiderentals.com

Housing Affordability

The affordability of housing in Sierra Madre can be assessed by comparing market rents and sales prices with the amount that households of different income levels can afford to pay for housing.

For purposes of evaluating home purchase affordability, Table II-17 presents the maximum affordable purchase price for moderate income households (110% AMI), and compares this with market sales prices for single-family homes and condominiums in Sierra Madre as previously documented in Table II-15. As illustrated below, the maximum affordable purchase price ranges from \$267,000 for a three person household to \$300,900 for a four person household. Median single-family and condominium sales prices in Sierra Madre for two and three bedroom units fall within these moderate income affordability thresholds, rendering both single-family homes and condominiums in Sierra Madre well beyond the reach of moderate income households.

Table II-17

2013 Los Angeles County Maximum Affordable Housing Cost (Moderate Income)

Moderate Income (110% AMI) Affordable Housing Cost	2 Bedroom (3 persons)	3 Bedroom (4 persons)
Household Income @ 110% Median ¹	\$64,130	\$71,280
Income Towards Housing @ 35% Income ¹	\$22,446	\$24,948
Maximum Monthly Housing Cost	\$1,870	\$2,079
HOA Fees	\$270	\$270
Utilities ²	\$91	\$112
Property Taxes (1.1% affordable hsg price)	\$245	\$276
Insurance (Property and Mortgage)	\$115	\$130
Monthly Income Available for Mortgage	\$1,149	\$1,291
Supportable 30 yr Mortgage @ 4.0% interest	\$241,000	\$270,800
Homebuyer Downpayment (10%)	\$26,700	\$30,100
Maximum Affordable Purchase Price	\$267,000	\$300,900
Sierra Madre Median Single-Family Sales Price	\$555,000	\$816,000
Sierra Madre Median Condo Sales Price	\$489,000	\$622,000

Source: Karen Warner Associates, 2013.

¹ 110% moderate-income standard based on H&S Code Section 50093. 35% affordability standard based on H&S Code Section 50052.5² Utility costs based on 2012/13 HACoLA schedule and assumes gas appliances.

Table II-18 presents the maximum affordable rents for very low, low and moderate-income households by household size, and compares with median rents on vacant units in Sierra Madre, as documented previously in Table II-16. As this Table indicates, median rents are well above the level of affordability for very low income households, regardless of household size. For low income households, median rents for one bedroom units fall just within the maximum affordable rent level. Households earning moderate incomes can afford one and two bedroom median rents, but the significant jump in three bedroom rents even exceeds the level of affordability to moderate income households.

Table II-18: 2013 Los Angeles County Maximum Affordable Rents*

Income Level**	1 Bedroom (2 person)	2 Bedroom (3 person)	3 Bedroom (4 person)
Very Low Income	\$753	\$847	\$935
Low Income	\$1,264	\$1,423	\$1,574
Moderate Income	\$1,453	\$1,636	\$1,810
Sierra Madre Median Rents	\$1,250	\$1,640	\$3,025

*Maximum rent reflects deduction of utility allowance per LACDC utility schedule: \$89 for studios, \$102 for 1 bedrooms, \$114 for 2 bedrooms, and \$133 for 3 bedrooms.

**Income levels reflect the 2013 Official State Income Limits published by State HCD.

5. Assisted Housing At-Risk of Conversion

State law requires the City to identify, analyze, and propose programs to preserve housing units that are currently restricted to low income housing use and that will become unrestricted and possibly be lost as low income housing. Assisted rental developments include multi-family rental housing assisted or regulated under several federal, state, County and local programs, including local inclusionary housing and density bonus programs. Review of Federal and State subsidized housing inventories confirms that there is just one “Assisted Housing Project” in Sierra Madre, as defined by Government Code Section 65583(A)(8).

The 46 unit Sierra Madre Senior Apartments completed in August 2007 and provides affordable rental housing to very low and low-income seniors age 55 years and older. Redevelopment Agency assistance to the project mandates a minimum 55 year affordability term. Given the affordability controls, these units are not at risk of conversion during the Housing Element planning period.

D. REGIONAL HOUSING NEEDS

State law requires all regional councils of governments, including the Southern California Association of Governments (SCAG) to determine the existing and projected housing need for its region and determine the portion allocated to each jurisdiction within the SCAG region. This is known as the “Regional Housing Needs Assessment” (RHNA) process.

1. Existing Housing Needs

Household Overcrowding

The Census defines an overcrowded housing unit as one occupied by more than 1.01 persons per room (excluding kitchens, porches, and hallways). A unit with more than 1.51 occupants per room is considered severely overcrowded. The incidence of overcrowded housing is a general measure of whether there is an available supply of adequately sized housing units. Table II-19 shows the incidence of overcrowding in Sierra Madre and Los Angeles County by tenure, as measured by the 2005-2009 American Community Survey.

Table II-19: Overcrowded Households 2010

Overcrowding	Households	Percent	L.A. Co. %
Owners			
Overcrowding	29	1%	6%
Severe Overcrowding	0	0%	1%
Renters			
Overcrowding	24	1%	18%
Severe Overcrowding	12	1%	7%
Total Overcrowding	53	1%	12%

Source: SCAG Existing Needs Statement, as derived from the American Community Survey (ACS) 2005-2009.

Note: Severe overcrowding is a subset of overcrowding.

As indicated, just one percent of all households in Sierra Madre were living in overcrowded conditions, well below the incidence of overcrowding Countywide where overcrowding impacts 12 percent of households. Severe overcrowding (greater than 1.5 persons per room) was experienced by only one percent of renter households in the City, whereas none of the owner households experienced severe overcrowded living conditions. Overall, household overcrowding remains a relatively minor issue in Sierra Madre.

Household Overpayment

Overpayment remains a critical issue for low and moderate-income households, who are disproportionately affected by this burden compared to other households. Affordability problems occur when housing costs become so high in relation to income that households have to pay an excessive proportion of their income for housing. Housing overpayment, as defined by the State and Federal government, occurs when a household spends more than 30 percent of its income on housing; severe overpayment is spending greater than 50 percent. Table II-20 shows the incidence of overpayment in Sierra Madre.

Table II-20: Housing Overpayment 2010

Overpayment	Households	Percent	L.A. Co. %
Owners			
Overpayment (<i>>30% income on housing</i>)	1,043	35%	45%
Severe Overpayment (<i>>50% income on housing</i>)	470	16%	22%
Lower Income Households Overpaying	130	45%	65%
Renters			
Overpayment (<i>>30% income on housing</i>)	778	48%	56%
Severe Overpayment (<i>>50% income on housing</i>)	363	22%	29%
Lower Income Households Overpaying	345	73%	67%
Total Overpayment	1,821	40%	

Source: SCAG Existing Needs Statement, as derived from the American Community Survey (ACS) 2005-2009. Lower income overpayment derived from HUD CHAS.

Note: Severe overpayment is a subset of overpayment.

According to the 2005-2007 American Community Survey, 48 percent of renters in Sierra Madre were spending more than 30 percent of their income on housing, with 22 percent spending more than half their income. This level of renter overpayment represents a significant increase from 2000 when 27 percent of Sierra Madre renters experienced overpayment, and 10 percent experienced severe overpayment. Similarly, the level of renter overpayment increased significantly in Los Angeles County over the past decade, and at 56 percent exceeds that in Sierra Madre. In terms of overpayment among lower income households (<80% AMI), 345 lower income renter households and 130 lower income owners were faced with overpayment in Sierra Madre. The impact of housing overpayment on Sierra Madre's lower income households is significant, with the community's special needs populations – seniors, persons with disabilities, and female-headed households with children - most vulnerable to losing their housing due to an inability to pay.

2. Five-Year Projected Housing Growth Needs

The Regional Housing Allocation (RHNA) is a state-mandated process, which determines the amount of future housing growth each city and county must plan for in their housing elements. This “fair share” allocation concept seeks to ensure that each jurisdiction accepts responsibility for the housing needs of not only its resident population, but also for the jurisdiction’s projected share of regional housing growth across all income categories. Regional growth needs are defined as the number of units that would have to be added in each jurisdiction to accommodate the forecasted number of households, as well as the number of units that need to be added to compensate for anticipated demolitions and changes to achieve an “ideal” vacancy rate.

The RHNA process begins with the California Department of Housing and Community Development’s (HCD) projection of future statewide housing growth need, and the apportionment of this need to regional councils of government throughout the state. As southern California’s designated Council of Government, the Southern California Association of Governments (SCAG) is the agency responsible for developing an allocation methodology to allocate the region’s assigned share of statewide need to cities and counties by income level. In allocating the region’s future housing needs to jurisdictions, SCAG is required to take the following factors into consideration:

- ✓ Market demand for housing
- ✓ Employment opportunities
- ✓ Availability of suitable sites and public facilities
- ✓ Commuting patterns
- ✓ Type and tenure of housing
- ✓ Loss of units in assisted housing developments
- ✓ Over-concentration of lower income households
- ✓ Geological and topographical constraints

SCAG has adopted the RHNA for the 2014-2021 Housing Element cycle, and has allocated Sierra Madre the following share of the region’s housing needs:

Table II-21: Regional Housing Needs Assessment 2014-2021

Income Level	Percent of AMI*	Units	Percent
Extremely Low**	0-30%	7	13%
Very Low	31-50%	7	13%
Low	51-80%	9	16%
Moderate	81-120%	9	16%
Above Moderate	120%+	23	42%
Total		55	100%

Source: <http://SCAG.ca.gov/Housing/rhna.htm>

* AMI – Area Median Income.

** An estimated half of the City's very low income housing needs (7 units) are for extremely low income households.

The RHNA represents the minimum number of housing units each community is required to provide “adequate sites” for through zoning and is one of the primary threshold criteria necessary to achieve State approval of the Housing Element. As the RHNA represents a planning target for new residential growth and not a building quota, so long as a jurisdiction provides sufficient sites and does not impose constraints to development, it is not penalized for falling short of its RHNA target. Sierra Madre will continue to provide sites for a mix of single-family, multi-family and mixed use housing, supported by a variety of programs to enhance affordability, to accommodate its RHNA and contribute towards addressing the growing demand for housing in the southern California region.

III. HOUSING CONSTRAINTS

The provision of adequate and affordable housing can be constrained by a number of factors. This section assesses the various governmental, market, infrastructure and environmental factors that may serve as a potential constraint to housing development and improvement in Sierra Madre.

A. GOVERNMENTAL CONSTRAINTS

1. Land Use Controls

Sierra Madre has approximately 1,764 acres of residentially designated land, less than five percent of which are underdeveloped and feasible redevelopment options. The Sierra Madre General Plan and Zoning Ordinance provide for the following residential land use designations/zones, as summarized in the Development Standards Table III-1 which follows:

Residential Low Density (R-1 – One Family Residential) – Over 90 percent of the City's residentially designated properties are zoned R-1, permitting one unit per lot. Minimum lot sizes range from 7,500 square feet to 15,000 square feet, depending on topography and location. The zoning ordinance provides incentives to keep dwellings smaller to avoid "mansionization," but requires a minimum unit size of 1,250 square feet in the R-1 zone. Maximum density is 5.8 dwelling units per acre.

Residential Low Density - Hillside (R-H – Hillside Management Zone) – Like other hillside communities, Sierra Madre has specific guidelines and standards for hillside development to preserve the character of the hillside and protect residents and the environment. The Hillside Ordinance limits development according to four slope categories, ranging from category one (0 -14.9% slope, up to 2.9 units/acre) to category four (>25% slope, up to 0.01 units per acre). In addition, the Hillside Ordinance limits grading and excavation to no more than 2,000 cubic yards per site and units must keep a distance of 100 feet from ridge lines and riparian sites to maintain the natural topography and safety of the development. Before development may occur, drainage, landscaping, and site-specific biological assessments must be completed and approved.

Residential Canyon Area - The RC designation refers to the Sierra Madre Canyon area that was originally developed for vacation homes in the 1920s and 30s. Since they were developed as vacation homes, the lots and structures are smaller than average, resulting in a higher density than average in a low-density zone. These homes are now permanent residences and require a separate land use designation to lessen the constraints on housing development in the canyon

while maintaining the quaint and unique character of the area. The City has recently adopted a Residential Canyon zone district with the intention of allowing suitable development on smaller lots, while preventing overbuilding and mansionization.

Residential Medium Density (R-2 – Two Family Residential) – Intended for development of two units per lot. The units may be attached or detached and up to two-stories in height. This designation is primarily found along Mountain Trail Avenue and Baldwin Avenue north of Highland Avenue. Maximum density is 11 dwelling units per acre.

Residential Medium/High Density and Residential High Density Entrepreneur (R-3 – Multiple Family Residential and R-P – Residential Professional) – High density residential land use designations are found within R-3 and R-P zones. These areas are primarily located in the central portion of the City, immediately surrounding the Downtown. Densities are up to 13 units per acre with a “good design density bonus.” Minimum unit sizes range from 450 square feet for a studio, up to 1,300 square feet for a four bedroom unit. In addition to residential units, the R-P zone provides for professional office uses.

To encourage quality multi-family housing design, the City’s zoning ordinance provides a density incentive for “good design” in the R-3 and R-P zones. Projects which fulfill these criteria are permitted a density of two units per 7,500 square feet, with an additional unit for every 2,500 square feet, equating to 13 units per acre. Projects receiving this good design density increase are also eligible for affordable housing density bonuses as prescribed under State density bonus law. (For example, the six unit multi-family project developed as part of the Sierra Madre Senior Housing Specific Plan received both a 25% density increase for providing one low income unit, as well as an additional density increase related to good design.

Residential High Density RH1 (R-3H zone) – City Council adopted this new General Plan land use designation and zoning category in conjunction with the 2008-2014 Housing Element to accommodate densities of 20 units/acre.

The City requires two parking spaces per unit in a garage or carport, although for multi-family projects, only one space is required to be covered. The City’s Zoning Ordinance does make several provisions for parking reductions, including up to a 50% reduction for a second use within a single building (i.e. commercial and residential), and for affordable housing, such as the Sierra Vista Senior Housing which was granted a 50% parking reduction.

Table III-1: Residential Development Standards

	R-1	R-H	R-2	R-3	R-3H	R-P
Minimum Parcel Size (sq.ft.)	7,500	2 acres	7,500	12,600		The regulations of the R-3 Zone serve as the development standards for the R-P Zone.
Minimum Lot Area Per Unit (sq.ft.)	Same as above	Same as above	3,750	9,000 for two units; 3,000 for each add'l unit. Design Bonus: 7,500 for two units; 2,500 for each add'l unit		
Setbacks (ft)				Public Right-of-Way- 25; Interior Property Line - 10 (single story structure), 15 (two-story structure)*		
Front	25	25	25			
Side	5	5	Interior and corner lots - Each side shall be 10% of the width of the lot (min. of 5'); Reverse corner lot - 25			
Street Side	25 (reverse corner lots)	25				
Rear	15	15				
Maximum Height (ft.)	25	25 (may not obstruct hillside view line)	30 ft or 2 stories	30 ft or 2 stories		
Minimum Unit Size (sq. ft.)	1,250	600	N/A	Single 450 1 Bdrm 650 2 Bdrm 900	3 Bdrm 1,100 4 Bdrm 1,300	
Max. % Lot Coverage	40%	Not to exceed > 110% permissible floor area	45%	55%		
Private Open Space (sq. ft.)	--	--	--	Single 100 1 Bdrm 100 2 Bdrm 150	3 Bdrm 150 4 Bdrm 200	
Parking Standards	Two spaces per unit in a garage or carport	Two spaces per unit in garage or carport + one space for ev. 1,000 sq.ft. of floor area > 4,000 sq.ft	Two spaces per unit in a garage or carport	Two spaces per unit/one covered. For projects with 9+ units - 1 guest parking space per 3 units.		
Maximum Density (units/acre)	5.8	One unit per 100 acres to 2.9 units per acre	11	13	20	

Sierra Madre's multi-family development standards do not preclude achievement of maximum zoned densities, as evidenced by the City's two most recently approved multi-family projects, as well as two projects dating back to 2007 and 2008, all of which were built at the maximum permitted densities. The project at 407-413 Mariposa will replace five existing units with construction of a seven-unit, two story condominium and 17 at-grade parking spaces on a consolidated 24,000 square foot two-lot site, translating to the maximum 13 unit/acre density. The R-3 property at Sierra Madre Boulevard and Sierra Place was a vacant 18,000 square foot parcel, and has recently been developed with a five-unit, two-story condominium at the maximum 13 unit/acre density, inclusive of 12 at-grade, on-site parking spaces. Both of these multi-family projects are well-planned and designed, meet the City's design standards, and are harmonious with the scale and massing of neighboring properties.

Affordable Housing Density Bonus

Sierra Madre's development standards have been established to ensure the continued quality of development in the community. However, some of these standards may add costs to development and serve as a constraint to lower priced units. The City provides various incentives through its Affordable Housing Ordinance for projects containing five or more units that contain at least:

- Twenty percent (20%) of the total units for lower income households;
- Ten percent (10%) of the total units for very low income households;
- Fifty percent (50%) of the total units for senior citizens; or
- Twenty percent (20%) of the total units in a condominium project designated for moderate income households.

Development incentives for affordable housing include a density bonus of up to 25 percent of the project site's existing maximum density, as well as at least one additional incentive, unless the City makes a written finding that the additional incentive is not necessary to make the project economically feasible. Sierra Madre's Affordable Housing Ordinance identifies the following permissible incentives:

Modified Development Standards

- Reduction of setback requirements
- Reduced minimum lot and unit sizes
- Increased building height and/or stories
- Reduction of parking requirements
- Reduction of open space requirements
- Increase in density beyond the 25% density bonus
- Allowance for housing to include non-residential uses and/or allowance for inclusion of housing within a non-residential zone

Regulatory Incentives and Concessions

- Deferred planning, plan check, construction permit, and/or impact fees

- Fast track processing of development plans
- Direct financial aid for on- or off-site improvements, land or construction costs

The City may also offer other incentives, or an equivalent financial incentive in lieu of granting a density bonus and an additional incentive(s). Sierra Madre utilized State statutes to provide an affordable housing density bonus in conjunction with the Sierra Madre Senior Housing Specific Plan.

Sierra Madre last updated its density bonus provisions in 2004. However, when the State legislature passed SB 1818 (effective 2005), major changes were made to State density bonus requirements, including significantly reducing the number of affordable units that a developer must provide to receive a density bonus. The City is in the process of updating its 2004 density bonus ordinance consistent with SB 1818, with adoption scheduled for 2014.

Measure V (Sierra Madre Voters' Empowerment Ordinance)

In the April 17, 2007 election, the residents of Sierra Madre approved the Sierra Madre Voters' Empowerment Ordinance 2-30-13, referred to as "Measure V." This measure was, in part, a reaction to the potential development contemplated in a draft Specific Plan for downtown Sierra Madre. The findings of this initiative included the following:

- A. Preserving the small town character of downtown Sierra Madre is a matter of utmost importance, and residents of our city must not be excluded from major decisions affecting our downtown.
- B. No City Council or City staff can possess the necessary community-wide sensitivity to make decisions to ensure that the small town character of downtown Sierra Madre will be preserved.
- C. Only by carefully considering long-standing land use goals as to height and density will the small town character of downtown Sierra Madre be maintained for all members of our community.
- D. Downtown development decisions that could deviate from our long-standing goals should be made by the entire city after a public debate and an election, and not by a few City Hall insiders.

The initiative ordinance applies to the "Central Core Area" of the City, which is located in downtown and includes 205 parcels, as well as public right-of-way, streets, alleys and easements. The ordinance establishes the following development standards in the Central Core Area:

- A maximum of two stories in any new construction;
- A maximum of thirty feet height in any new construction; and
- A maximum of thirteen net dwelling units per acre. A density bonus, to the extent required by state law to provide additional units for affordable housing, may be allowed in addition to this density limit.

- Any proposal in the Central Core Area that exceeds the specified height and density limitations requires approval by a vote of the people.

In February 2007, an analysis report on the Voter Empowerment Initiative was prepared for the City. In this document, several potential impacts from this initiative were analyzed. The analysis concluded that Measure V was consistent with all relevant Housing Element programs in the 2003 Housing Element, including density bonuses consistent with State law and second unit provisions.

Related to density in the Central Core Area the report concluded the following:

- *RHNA Compliance* - Related to the future 2008-2014 Housing Element cycle, properties in the Central Core Area would not be possible candidate sites for supporting very low and low-income development at or above the State's 20 unit per acre density requirement. This density requirement applies to any rezoning that the City must undergo to meet the RHNA;
- *Density Bonus* – Measure V limits possible “other incentives” that the City may offer in the Central Core Area related to height and density;
- *Design Density Bonus* – Measure V eliminates the City's ability to offer density bonuses to qualifying projects in the Central Core Area R-3 zone that meet the City's design criteria. This is due to the fact that the maximum density in the R-3 zone is 13 units per acre, which is the maximum allowed under Measure V. This design density bonus provision is separate from the State's affordable housing density bonus law.
- *Residential Development Potential* - While the ordinance limits the overall density to 13 units per acre, it results in an additional 96 potential units in the project area when compared to development allowed by right in previous zoning standards. This is largely due to the method of calculating density under Measure V, which reduces the minimum lot size required for each dwelling unit.

A key focus of Sierra Madre's 2008-2014 Housing Element was to identify suitable sites to accommodate the City's regional housing needs (RHNA) for all income levels. Default densities of 20 units per acre are typically needed to accommodate affordability for lower income households, well above Sierra Madre's R-3 density of 13 units per acre. Based on input from the community and the City's decision-makers, the direction was to identify future affordable housing sites which fall outside the downtown Measure V boundary. Through the public process, an appropriate site was identified for upzoning to R-3H (20 units/acre), which, combined with a program to facilitate second units, was sufficient to address Sierra Madre's lower income RHNA needs. Thus, while Measure V limits development within the downtown core, it does not impact the City's ability to address its regional housing needs or Housing Element requirements. And as illustrated on the Residential Sites Map (Figure 5) in the following chapter, virtually all of Sierra Madre's R-3 and R-P multi-family zoned properties fall outside the Measure V boundary.

With the recent approval of the 75 unit Kensington Assisted Living Facility¹ within the Downtown Central Core, the community has demonstrated its willingness to amend Measure V to accommodate higher density residential uses in select locations. In November 2012, over three-quarters of Sierra Madre voters approved Measure ALF, confirming the City Council's conditional approval of the Kensington Assisted Living Facility, and granting a density exception to Measure V. The project is located on a 1.84 acre former skilled nursing facility site on Sierra Madre Boulevard in the downtown, and will consist of 75 residential suites (suites will include one or two bedrooms, a sitting area, a private bathroom and kitchenette), translating to a project density of 40 units per acre.

General Plan Update

Sierra Madre is undertaking a comprehensive update to its General Plan, and in compliance with SB 375, is addressing sustainability on a broader land use and transportation basis. The General Plan Steering Committee has reviewed additional sites for increased multi-family residential density based on site proximity to downtown, location along a major street, and distance from single-family residential uses, and identified several sites along North Baldwin Avenue. Providing expanded locations for higher density housing will help to mitigate the limitations Measure V places on development within the downtown core.

¹ The assisted living facility meets the Census definition of dwelling units, in contrast to a nursing home or convalescent facility, which is classified as group housing. Accordingly, the city will report the Kensington Assisted Living Facility as 75 units to the State Department of Finance.

2. Provision for a Variety of Housing Types

Housing Element law specifies that jurisdictions must identify adequate sites to be made available through appropriate zoning and development standards to encourage the development of various types of housing for all economic segments of the population. Table III-2 summarizes the housing types permitted in each of the Sierra Madre zoning districts.

Table III-2: Housing Types by Residential Zone Category

Housing Types Permitted	Zoning District							
	R-1	R-H	R-2	R-3	R-3H	R-P	C	M
Single-Family	P	HDP	P	P	P			
Multiple-Family								
2 units			PC	PC	P	PC	PC	
3+ units				PC	P	PC	PC	
Second Units	P	P						
Single Room Occupancy (SRO)							PC*	
Modular Housing	P		P*					
Community Care Facilities (6 or fewer)	P*		P*					
Community Care Facilities (7 or more)	PC*		PC*	PC*	PC*	PC*		
Transitional and Supportive Housing	P*		P/PC*	P/PC*	P	PC*	PC*	
Emergency Shelters								P*
Farmworker Housing	N/A							

P = Permitted PC = CUP by Planning Commission HDP = Hillside Development Permit

* Pursuant to SB 2, the City has drafted Zoning Code provisions to explicitly accommodate emergency shelters, transitional and supportive housing, scheduled for adoption by City Council in January 2014. The City will undertake additional Code revisions in 2014 to explicitly permit manufactured housing, community care facilities and SROs, as described in the narrative which follows.

Multi-Family Housing

Multifamily developments in R-3 and RP zones may only be approved by conditional use permit (CUP) to ensure compliance with zoning standards². As the City does not have a design review process, the main purpose of the CUP is to allow for architectural/site plan review and consideration of impacts of the project on the adjacent uses. Historically, the conditional permit process has not been an impediment to the approval of multifamily development, nor has it been used to require extensive and costly design changes or significant reductions in density below the level allowed by the Zoning Code. As a means of reducing the time and associated costs with developing affordable housing, the City adopted Ordinance 1214 in 2004 (Chapter 17.34), specifying that housing developments containing all or a portion of deed-restricted affordable units for very low, low or moderate income households are exempt from City zoning requirements for a conditional use permit (CUP) within the R-3 and R-P zone districts.

The Sierra Madre Zoning Code also includes provisions for encouraging mixed-use development in the City's Commercial Zone (Section 17.37). Residential uses at the rear and above first floor commercial properties are allowed with a conditional use permit. This development is subject to the standards of the R-3 zone, which allows densities up to 13 units per acre. In addition, the City's Affordable Housing Ordinance identifies the integration of housing within non-residential zones as a permissible incentive for the provision of affordable units.

Second Units

The passage of AB 1866 (effective July 2003) requires local governments to use a ministerial process for second unit applications for the purpose of facilitating production of affordable housing. AB 1866 does allow cities to impose development standards on second units addressing issues such as building size, parking, height, setbacks, and lot coverage. In order to comply with the new law, in 2004 the Sierra Madre City Council adopted Chapter 17.22 of the Zoning Code to permit second units in the R-1 and R-H residential districts. The second unit may be attached to, or detached from the primary dwelling unit, and provides complete, independent living facilities for up to two persons. The unit must fulfill the following conditions:

- The subject property shall not have any non-conformities as of the date of application for the ministerial permit for the second unit.
- No second unit shall be permitted on a lot having an existing guest house; no lot with a second unit shall be permitted to have a guest house; no existing guest house may be converted to a second unit except with full compliance with Chapter 17.22; and neither the primary residential dwelling unit nor the second unit shall be a mobile home, trailer, or vehicle.

² Consistent with Housing Element statutes pertaining to rezone programs to make up a shortfall in housing sites for lower income RHNA needs, multi-family development is permitted by right (no CUP) within the City's new R-3H zone.

- All second units, whether attached or detached, shall have a maximum floor area of 600 square feet. An attached second unit shall not exceed 30 percent of the floor area of the principal single family dwelling to which the second unit is attached.
- The maximum height of a second unit shall be 15 feet.
- One on-site parking space shall be designated for the second unit.
- The owner of the lot on which the second unit is located shall maintain either the primary single-family unit or the second unit as his/her/their principal domicile.
- If the second unit is rented or leased, the rent charged for the second unit shall not exceed the “affordable rent” for lower income households as set forth in California Health and Safety Code Section 50053(b)(2), and occupancy shall be limited to lower income households.

Since adopting the revised second unit ordinance in 2004, the City had until recently received just one application for a second unit under the ordinance (since distributing the Citywide second unit survey in Fall 2012, the City has received two additional applications for new second units). In evaluating its current ordinance in comparison to other successful ordinances statewide, the City recognizes that the following ordinance provisions may be serving as a disincentive to property owners to add second units:

- Requirement to deed restrict rental units for lower income occupancy
- Limitations on unit size to one-bedroom and 600 square feet
- Requirement for adherence to R-1 development standards, including 7,500 square foot minimum lot size, 15 foot rear yard and 5 foot sideyard setbacks

Second units can offer an important opportunity to help Sierra Madre address its regional housing needs, while maintaining the community’s small town character. In recognition of this potential, the 2008-2014 Housing Element included a proactive program both to promote the development of new second units and to legalize existing second units which meet certain criteria.

Encouraging New Second Units: In order to better encourage and facilitate the provision of second units, the City is moving forward with certain refinements to its second unit standards. More specifically, the City's Planning Commission has approved the following revisions to the Code (Section 17.22 - Second Units), adopted by City Council in December 2013:

- Expansion of permitted locations from R-1 to all residential zone districts
- Increase in the permitted unit size from 600 square feet and one bedroom, to 800 square feet
- Allowance for second units above a garage and attached second units to be on the second floor
- Allowance for reduced setbacks where privacy and environmental considerations are not compromised, through a minor conditional use permit process
- Elimination of the prior affordable rent and income restrictions

Second Unit Amnesty Program: The City acknowledges the existence of numerous second units in the community built illegally which may or may not meet basic health and safety guidelines. The City's goal is to legalize these units, bring them into the City's official housing stock to contribute towards meeting regional housing needs (RHNA), and make them safe and sanitary for current and future tenants. To achieve this goal, in October 2012, the City initiated a second unit amnesty program to allow property owners with second units not currently recognized as "units" in the 2000 Census the opportunity to register these units with the City without facing fines for non-permitted construction. As an incentive to property owners to apply for a second unit amnesty permit, the City offered certain modified standards to accommodate existing buildings, including:

- Elimination of the minimum parcel size established by the underlying zone
- Allowance for five foot side and rear yard setbacks, with provisions for reductions to zero foot setbacks subject to a minor conditional use permit process
- Exemption for up to 500 square feet of an amnesty second unit from the maximum permissible floor area limits
- Allowance for an increase in height from 15 to 25 feet for second units built above a garage
- Eliminate the second unit application fee. Other fees for planning-related services, minor conditional use permit applications, plan checks and building permits are assessed at 50% of the applicable fee

To receive a second unit amnesty permit, property owners were required to demonstrate the second unit did not have an individual address as of the 2000 census, did not have a building permit of record, and was constructed prior to January 1, 2006. All Health and Safety code violations were required to be corrected based on City building inspections of the second unit. Once these units were met, existing second unit were issued a City permit, reported to the County assessor, and brought into the City's official housing stock.

Sierra Madre experienced significant interest in its second unit amnesty program, with 16 applications for amnesty received between October 2012 and July 2013. The City recognizes that additional unpermitted second units remain, and may initiate another amnesty program in the future.

Single Room Occupancy (SRO)

Single Room Occupancy (SRO) residences are small, one room units occupied by a single individual, and may either have shared or private kitchen and bathroom facilities. SROs are rented on a monthly basis typically without rental deposit, and can provide an entry point into the housing market for extremely low-income individuals, formerly homeless and disabled persons.

Sierra Madre's Zoning Code does not currently define single room occupancy uses. The City has reviewed the Zoning Code, and as the Commercial zone currently

allows for multi-family uses, has determined that it would also be the most appropriate for SRO residences. The Housing Element includes a program to define and establish parameters in the Commercial zone for the development of SRO residences; these zoning code revisions are scheduled for adoption in second quarter 2014.

Manufactured Housing and Mobile Home Parks

The Sierra Madre Zoning Code permits modular/manufactured housing in the R-1 residential zone. The Zoning Code (Section 17.08.020) defines modular housing as factory constructed, single-family one-story detached dwellings, certified under the National Mobilehome Construction and Safety Standards Act of 1974, and permanently attached to full, approved foundation systems.

According to State law, jurisdictions must allow modular/manufactured housing that meets the National Manufactured Home Construction and Safety Standards Act in any residential zoning district where single-family detached units are permitted. As Sierra Madre permits single-family housing in the R-2 zone, it must also permit modular housing within this zone district. A program has been included in the Housing Element to amend the Zoning Code to address this inconsistency.

Community Care Facilities

The Lanterman Developmental Disabilities Services Act (Lanterman Act) is that part of California law that sets out the rights and responsibilities of persons with developmental disabilities. The Lanterman Act impacts local zoning ordinances by requiring the use of property for the care of six or fewer disabled persons to be classified as a residential use under zoning. More specifically, a State-authorized, certified or licensed family care home, foster home, or a group home serving six or fewer disabled persons or dependent and neglected children on a 24-hour-a-day basis is considered a residential use that is to be permitted in all residential zones. No local agency can impose stricter zoning or building and safety standards on these homes. Due to the unique characteristics of larger (more than six persons) community care facilities, most jurisdictions require a Use Permit to ensure neighborhood compatibility in the siting of these facilities.

The Sierra Madre Zoning Code identifies several types of care facilities, including:

- Home for the aged
- Family home (mentally ill)
- Family home (mentally retarded)
- Resident facility (mentally retarded)
- Resident facility (former drug abusers)
- Resident facility limited (former drug abusers)

No overall definition for community care facilities, either small or large, is included in the Zoning Code. In addition, the facilities listed above are all required to obtain a Conditional Use Permit, although as a matter of practice, the City permits facilities with six or fewer persons by right. In order to better facilitate community care facilities for special needs populations and provide greater certainty to project applicants, a program has been included in the Housing Element to: 1) clearly define community care facility; 2) for facilities with 6 or fewer occupants, list as a permitted use in all residential zone districts; and 3) for facilities with 7 or more occupants, list as a conditionally permitted use in multi-family zone districts..

Review of the California Community Care Licensing Division inventory of community care facilities identifies two licensed adult residential facilities in Sierra Madre providing 24-hour non-medical care for up to 46 disabled adults. Both of these facilities are run by the CLIMB organization. In addition, facilities that serve the City's seniors are the British Home (provides independent, monitored and assisted living for 41 residents) and Carter Place (assisted living for 6 residents).

Definition of Family: The California courts have invalidated the following definition of "family" within jurisdictions Zoning Ordinances: (a) an individual, (b) two or more persons related by blood, marriage or adoption, or (c) a group of not more than a certain number of unrelated persons as a single housekeeping unit. Court rulings state that defining a family does not serve any legitimate or useful objective or purpose recognized under the zoning and land planning powers of the City, and therefore violates rights of privacy under the California Constitution. A zoning ordinance also cannot regulate residency by discrimination between biologically related and unrelated persons.

While Sierra Madre's Zoning Code does not currently contain a definition of "family," this has not functioned to preclude community care facilities from single or multi-family residential zones, as evidenced by the State Community Care Licensing Division website which identifies two Adult Residential Facilities and two Residential Care Facilities for the Elderly the Sierra Madre City limits. As discussed above, the Housing Element includes a program to revisit the definitions and permissibility of various types of special needs housing including community care facilities, SROs, transitional housing and emergency shelters. As part of this process, the City will develop a definition of family which is inclusive and non-discriminatory and will incorporate this definition within the Zoning Code.

Transitional and Supportive Housing

SB 2, effective January 2008, amended Housing Element law regarding planning and approval for transitional and supportive housing. Specifically, SB 2 requires transitional and supportive housing to be treated as a residential use and only subject to those restrictions that apply to other residential uses of the same type in the same zone. For example, if the transitional housing is a multi-family use

proposed in a multi-family zone, then zoning should treat the transitional housing the same as other multifamily uses in the proposed zone.

Sierra Madre's Zoning Code defines transitional housing as "shelter provided to the homeless for an extended period (often as long as 18 months) that provides a residential environment with supportive services for individuals and families making the transition from homelessness to conventional housing." This housing can take several forms, including group housing or multi-family units, and often includes a supportive services component to allow individuals to gain necessary life skills in support of independent living. While the City includes a definition in its Code for transitional housing, the use has not been identified in any of the City's zoning districts.

Supportive housing is generally defined as permanent, affordable housing linked to onsite or offsite services and occupied by a target population (i.e. persons with disabilities, AIDS, substance abuse or chronic health conditions). Services typically include assistance designed to meet the needs of the target population in retaining the housing, living and working in the community, and/or improving health and may include case management, mental health treatment, and life skills. Sierra Madre's Zoning Code does not currently include explicit provisions for supportive housing.

In order to comply with the provisions of SB 2 and to clarify the City's intent with regard to treating transitional and supportive housing as a residential use, a program is included in the Housing Element to: 1) include supportive housing within the definition section of the Code; and 2) list transitional and supportive housing as permitted or conditionally permitted uses within all zoning districts where residential is permitted subject to the same standards and permitting procedures as other similar residential uses. (If transitional or supportive housing is configured as a multi-family structure, it would be regulated as such, whereas if it is configured as a single-family structure, it would be subject to single-family regulations). These SB 2 related Code revisions are scheduled for adoption in January 2014.

Emergency Shelters

SB 2 also requires the Housing Element to address new planning and approval requirements for emergency shelters. Jurisdictions with an unmet need for emergency shelters for the homeless are required to identify a zone(s) where emergency shelters will be allowed as a permitted use without a conditional use or other discretionary permit. The identified zone must have sufficient capacity to accommodate the shelter need, and at a minimum provide capacity for at least one year-round shelter. Permit processing, development and management standards for emergency shelters must be objective and facilitate the development of, or conversion to, emergency shelters.

The Sierra Madre Zoning Code defines an emergency shelter as "a facility that provides immediate short-term housing and supplemental services for the homeless."

Supplemental services may include food, counseling and access to other social programs”. In addition, the Code defines hospitality houses as “any building used by a nonprofit organization to provide emergency housing and meals on a temporary basis to stranded, evicted, transient, or otherwise dislocated and homeless persons until a satisfactory solution to their immediate problem is found”. The Sierra Madre Zoning Code allows hospitality houses in any zone with a Conditional Use Permit.

As discussed earlier in the Needs Assessment chapter of the Element, the 2008 San Gabriel Valley Homeless Services Strategy Phase I Report estimated there were five homeless persons in Sierra Madre. This local estimate was derived by the report’s study team working with the City’s Police and Development Services Departments. In addition, the report concluded that 22 persons in Sierra Madre received assistance from the California Work Opportunity and Responsibility to Kids (CalWORKs) welfare program and that 75 persons received food stamps. Given that Sierra Madre has no emergency shelters within its City limits, and that nearby shelters in Pasadena are over-capacity, Sierra Madre can be considered to have an unmet need for an emergency shelter.

Pursuant to SB 2, Sierra Madre has conducted a staff level review of its zoning districts and has determined that the Manufacturing (M) Zone along East Montecito Avenue is the most conducive to provision of an emergency homeless shelter by right. This approximate eight acre area between Baldwin and Mountain Trail, adjacent to downtown and accessible to transit, is characterized by a mix of underutilized commercial and light industrial buildings, RV storage, single-family homes and vacant lots. The M zone permits light industrial, general commercial, and residential uses. The General Plan land use designation is Artisan Mixed-Use (AMU), which encourages artists and creative arts and office spaces, retail, service, light manufacturing, as well residential uses located on the second floor. There are a total of 39 parcels, ranging in size from 2,460 square feet to 42,000 square feet, with an average parcel size of approximately 8,000 square feet. There are sufficient properties within the City’s M zone to provide opportunities for an emergency shelter, either through conversion of an existing building or new construction on a vacant or underutilized parcel.

The City has included a program within the Housing Element to modify the Zoning Code (by January 2014) to permit shelters in the M Zone subject to the same development and management standards as other permitted uses in the zone. Development standards within the M district are appropriate to facilitate emergency shelters, and can be summarized as follows:

- Height: two stories or 30 feet
- Front Yard Setback: none; same as R-3 if remainder of frontage on block classified for R purposes
- Rear Yard Setback: none; 10 feet if abuts Residential zone without an intervening alley

Pursuant to SB 2, the City can specify written, objective standards to regulate the following aspects of emergency shelters to enhance compatibility:

- The maximum number of beds/persons permitted to be served nightly by the facility;
- Off-street parking based on demonstrated need, but not to exceed parking requirements for other residential or commercial uses in the same zone;
- The size and location of exterior and interior onsite waiting and client intake areas;
- The provision of onsite management;
- The proximity of other emergency shelters, provided that emergency shelters are not required to be more than 300 feet apart;
- The length of stay;
- Lighting; and
- Security during hours that the emergency shelter is in operation.

Farm Employee Housing

No agricultural land remains in Sierra Madre, and no land is designated for agricultural use. In addition, the Southern California Association of Governments (SCAG) identifies no Sierra Madre residents in farmworker occupations (SCAG Existing Needs Statement, 2013). Therefore, given the extremely limited presence of farmworkers in the community, the City has not identified a need for specialized farmworker housing beyond overall programs for housing affordability.

Accessibility Accommodations

Both the federal Fair Housing Act and the California Fair Employment and Housing Act impose an affirmative duty on local governments to make reasonable accommodations (i.e. modifications or exceptions) in their zoning and other land use regulations when such accommodations may be necessary to afford disabled persons an equal opportunity to use and enjoy a dwelling. For example, it may be a reasonable accommodation to allow covered ramps in the setbacks of properties that have already been developed to accommodate residents with mobility impairments.

The City enforces several regulations that serve to enhance accessibility to disabled residents. For example, any new apartment development is subject to requirements under the Americans with Disabilities Act (ADA) for unit “adaptability” on ground floor units. Adaptable units are built for easy conversion to disabled access, such as doorway and hallway widths, and added structural support in the bathroom to allow the addition of handrails. In addition, the 46-unit Sierra Madre Senior Housing project meets stringent accessibility requirements due to the project’s partial funding through the State California Fair Employment and Housing Act (CFHA). Pursuant to CHFA, 5% of the units are fully built handicapped units, and 95% of the units are fully accessible and meet all state and federal requirements. The City’s Zoning Code allows property owners to build handicapped ramps into residential structures which encroach into the front or side yard setback to allow first floor access for physically disabled residents; the majority of grants provided under the City’s Handyworker Program were for installation of handicapped ramps. The Development Services Director and Building Official both have the authority to grant

administrative exceptions to the Zoning and Building Code to accommodate modifications handicapped accessibility.

The City has conducted a review of zoning and building code requirements, and has not identified any barriers to the provision of accessible housing. Though Sierra Madre has not identified any constraints on the development, maintenance, and improvement of housing for persons with disabilities, the City did not previously have in place specific procedures for requesting a reasonable accommodation. Therefore, as a means of facilitating such requests, in October 2011, the City adopted Zoning Code chapter 17.61 to provide a clear and defined process for persons with a disability to make reasonable accommodation requests from existing standards in the City's Development Code.

3. Site Improvements

Developers of single-family residential tracts in the City are required to install streets; sewer; water lines; storm drainage; curbs, gutters, sidewalks; street lighting; underground utilities; and landscaping in the public right-of-way within and adjacent to a tract. These facilities are in most cases dedicated to the City or other agencies that are responsible for maintenance. The City may require dedication of improvements, or supplemental-sized improvements, such as rights-of-way, easements, and construction of reasonable off-site improvements for the parcels being created pursuant to the Subdivision Map Act. Without the site improvement requirement there are no other means of providing necessary infrastructure to the City's land parcels. Requirements for site improvements are at a level necessary to meet the City's costs and are necessary to protect health, safety, and welfare.

The cost of these required off-site improvements vary with the sales price of each dwelling unit depending on the nature of development (i.e., hillside or flatland development). The City may also impose development fees on future housing developments in order to recover some of the cost of installing off-site improvements including upgrading the circulation system and other urban service systems to serve increased density. The developed portions of Sierra Madre have the majority of necessary infrastructure, such as streets, electrical and water facilities already in place, however; much of it is quickly aging and in need of repair.

The Land Use Chapter of the Sierra Madre General Plan, along with the Subdivision Ordinance, establishes the City's street width standards. The four Local Collector streets in Sierra Madre - Lima Street, Mountain Trail Avenue, Grandview Avenue and Orange Grove Avenue – serve as feeder streets and generally have single- and multi-family residences fronting the streets. Grandview and Orange Grove Avenues have 60 feet of right-of-way and 40-foot curb-to-curb widths. Local streets, which are designed to serve residential land uses, make up the majority of public streets in the City. As defined in Chapter 16.32 of the Zoning Code, the City's public street standards shall require at least thirty feet of road easement to accommodate two travel lanes, one parking lane, and a pedestrian walkway.

4. Development Fees

The City collects various fees from development to cover the costs of processing permits, including fees for planning approvals, subdivision map act approvals, environmental review, plan check services, and building permits, among others. Table III-3 provides a listing of residential development permit fees in Sierra Madre.

Table III-3: Residential Development Permit Fees

Development Type	Fee	Notes
Conditional Use Permit – Residential and Commercial	\$798 – Minor \$3,600 – Major	Application Filing Fee
Conditional Use Permit – Hillside Management Zone	\$10,000 Deposit against actual costs	Application Filing Fee
Hillside Development Permit – extension/modification	75% of Original	Application Filing Fee
Variance	\$798 – Minor \$3,600 Major	Application Filing Fee
Lot Line Adjustment	\$4,042	Application Filing Fee
Lot Merger	\$4,042	Application Filing Fee
Parcel Map	\$6,556	Application Filing Fee
Tract Map	\$10,007	Application Filing Fee
Second Unit Permit	\$1,795	Application Filing Fee
Zone Change Application	\$5,979	All Zones
General Plan Amendment (for public hearing)	\$5,979 min. fee -- plus \$500 deposit w/\$45/hr processing charge applied against deposit	Application Filing Fee
Municipal Code Text Amendment	\$5,979	Per Amendment
Fish & Game Fee (State)- EIR	\$2,995.25	Filing Fee
Fish & Game Fee Exception	\$75	Each
Environmental Review	\$150 (Categorical Exemption) \$2,242.00 (Neg. Declaration) \$5,979.00 (Mitigated. Neg. Dec.)	Filing Fee
EIR Preparation	Actual cost of EIR + 15% (for City Staff costs)	Deposit
Appeals (Director or Planning Commission decisions)	75% of Original Filing Fee	Filing Fee

Source: Development Services Department, September 2013.

In July 2006, the City contracted with Muni Financial for preparation of a Public Facilities Fee Study. The purpose of the Study was to evaluate the need for public facilities and capital improvements to support projected future development through 2025; to assess the associated cost of these facilities; and to determine public facilities fee levels for new development to maintain the City's current facilities standards consistent with the Mitigation Fee Act. The Study used the City's "existing facilities standards" to determine the costs to accommodate growth. Under this approach, new development funds the expansion of facilities at the same standard currently serving existing development, so that fees are not utilized to correct existing deficiencies. The one exception is park fees which fall under the Quimby Act and use "planned facilities standards" of three acres of land per 1,000 residents.

The Study distinguishes between the share of planned facilities needed to accommodate growth and the share that serves existing residents and businesses. New development can only fund its share of facilities. To ensure compliance with the law, the Study ensures there is a relationship between new development, the amount of the fee, and facilities funded by the fee. The City's ordinance provides a process by which a development applicant can request reduced development impact fees based on the nexus between new development and the associated demand for public facilities.

The Public Facilities Fee Study provided the documentation and findings required under the Mitigation Fee Act for Sierra Madre to adopt development impact fees. Table III-4 outlines the most recent public facility (impact) fees, which were adopted by the City Council in October 2013. These fees are adjusted annually, based on a formula using the most recent rate established by City Council resolution/ordinance and the most recent Construction Cost Index.

Table III-4: Public Facilities (Impact) Fees 2013

Impact Fee	Single-Family Development (Per Unit)	Multi-Family Development (Per Unit)
General Government	\$2,265.00	\$1,411.25
Library	\$1,311.25	\$817.50
Public Safety	\$1,771.25	\$1,103.75
Parks (Quimby)	\$11,846.25	\$7,385.00
Traffic	\$4,640.00	\$3,711.25
Water	\$10,846.25	\$4,505.00
Sewer	\$12,453.75	\$3,101.25
TOTAL	\$45,133.75	\$22,035.00

Source: Sierra Madre City Clerk's Office.

As a means of assessing the cost that fees contribute to development in Sierra Madre, the City has calculated the total Planning, Building and Public Works fees (including development impact fees) associated with development of two different

residential prototypes: a single-family residence and a condominium unit. (refer to Table III-5). Total development fees for the single-family unit are approximately \$56,000, and \$29,000 for the condominium unit. In comparison to Sierra Madre's \$775,000 median single-family sales price and \$517,000 median condominium sales price (refer to Table II-18), the City's development fees constitute approximately six to seven percent of the unit sales price. Apartments are not subject to the Parks Fee or the Tract Map Fee, and therefore fees would be less than the condominium fees. In summary, Sierra Madre's development fees do not constitute a constraint to housing production.

Table III-5: Residential Development Fees for Prototypical Projects

Type of Fee	Single-Family Project (One 1,600 sq.ft.)	Multi-Family Project (10 condo units)
Planning Fees		
Tentative Tract/Parcel Map	\$0	\$10,008
Conditional Use Permit	---	\$3,600
Public Notification	---	\$749
Categorical Exemption (infill)	---	\$150
Sub Total	\$0	\$14,507
Building Fees		
Building Permit	\$2,107	\$19,338
Demolition Permit	\$105	\$105
Grading Permit & Inspection	\$187	\$187
Building Plan Check	\$1,310	\$18,393
School Fees (\$2.24 per sq. ft.)	\$3,607	\$21,703
Development Impact Fees	\$37,854	\$203,227
Sub Total	\$45,170	\$262,953
Public Works Fees		
Grading Plan check	\$1,040	\$1,654
Sewer Connection Fees	\$293	\$2,930
Water Service Installation	\$2,883	\$6,460
Fire Hydrant	\$7,000	\$7,000
Dumpster	\$70	\$70
Sub Total	\$11,286	\$18,114
Total Project Fees	\$56,456	\$295,574
Fees Per Unit	\$56,456	\$29,557

Source: City of Sierra Madre Development Services Department, September 2013.

Under the City's Affordable Housing Ordinance (Section 17.34 of the Zoning Code), development incentives for affordable housing may include deferred impact fees or direct financial aid in the form of a loan or a grant to subsidize or provide low interest financing for on- or off-site improvements, land or construction costs. The City may also offer an equivalent financial incentive in lieu of granting a density bonus. In addition, the California legislature passed AB 641 in 2007, which helps to address the cash flow problems inherent in many affordable housing projects during the

construction phase. For affordable housing developments in which at least 49 percent of the units are affordable to low or very low-income households, AB 641 prohibits local governments from requiring the payment of local developer fees prior to receiving a certificate of occupancy.

5. Local Processing and Permit Procedures

Sierra Madre is an established, built-out community with just a handful of vacant parcels remaining. The City is predominantly residential, with the majority of parcels zoned for single- and multi-family uses. As such, the majority of new development is comprised of 1) additions to existing homes, 2) replacement of existing homes, and 3) new single-family homes. The downtown small-scale commercial zone includes uses that are subject to approval of a Conditional Use Permit, including residential uses above first floor retail. Adjacent to the commercial zone is the Artisan Mixed-Use area which provides opportunities for a mix of light-manufacturing, commercial, retail and residential uses.

The City's development process and permitting procedures are not a constraint to housing development. As a small, full-service city, its staff has the advantage of working closely with applicants through the approval process thereby helping to expedite the issuance of building and zoning permits. Typically, requests for construction of new single-family homes are processed and approved by the Development Services Department within approximately three months from plan submittal. The procedure for multi-family projects is slightly longer as they require approval of a Conditional Use Permit (CUP) prior to submittal of construction plans for plan check, described in greater detail later in this section.

Overview of the development review process:

- ✓ The plan check process is handled by the Development Services Department and includes review by Planning, Public Works, Building & Safety and Fire departments.
- ✓ A Preliminary Planning review process is available upon request from applicants to determine Zoning Code compliance prior to submittal of construction plans for 1st Plan Check.
- ✓ The City does not have a formal design review procedure. However, if a discretionary permit is required, the Planning Commission may address design issues at the public hearing.
- ✓ The City does not have an established development review committee. However, applicants may request a pre-development meeting with staff from Development Services, Public Works, Building and Fire departments to review projects on an as-needed basis prior to plan check and entitlement application submittal. This pre-application and plan check meeting is an opportunity to discuss relevant Development Code requirements, the review process, environmental review requirements and any technical reports that may be needed for approval so that important information is conveyed early on in the review process.
- ✓ City's Historic Preservation Ordinance requires that owners of historic properties listed on the City's Register obtain approval from the Planning Commission prior to making exterior modifications to their property which are visible to the public.

- ✓ The City's Protected Tree Ordinance is enforced by the Public Works Department during their review of construction plans. If it is determined that a proposed development will affect a protected tree, the applicant may be required to obtain approval from the Tree Advisory Committee before a permit can be issued.
- ✓ The City's Municipal Code confers authority to the Director of Development Services to approve minor development permits, zoning clearances, lot line adjustments and certificates of compliance. Minor development permits include Minor Variances and Minor Conditional Use Permits that allow encroachment into side- and rear-yard setbacks of a property.
- ✓ The Planning Commission is the decision-making body over applications for conditional use permits and variances, which require public notification and hearing. The Commission's decision on these types of cases may be appealed to Council.
- ✓ The Building Official, working under the authority of the Director of Development Services, enforces building code compliance, reviews construction plans and inspects buildings for issuance of Certificates of Occupancy.

Multi-family residential approval process for Condominiums and Apartments

Development processing for multi-family projects, whether for condominiums or apartments, tends to be a lengthier process since they require approval of a Conditional Use Permit³. As the City does not have a design review process, the main purpose of the CUP is twofold in that it allows for architectural/site plan review and consideration of impacts of the project on the adjacent uses. Because the City of Sierra Madre is a low-density community, CUPs allow the City to impose conditions of approval to mitigate impacts and ensure that these projects are harmonious with the adjacent single-family residential uses.

As an average, multi-family projects are brought to the Planning Commission for consideration within two months of submittal of a complete CUP application. Decisions regarding CUP applications typically require two Planning Commission hearings, however, if the Commission is satisfied with the information provided by the applicant and depending on the level of complexity on the project, it may render its decision at the first hearing. Once a CUP is approved, plan checks are typically completed within an additional 3 months.

Historically, the CUP process has not been an impediment to multi-family development, nor has it been used to require extensive and costly design changes or significant reductions in density below the level allowed under the Zoning Code. Between 2000 and 2008, approximately 85 percent of all dwelling units approved in Sierra Madre were condominium or apartment units (net increase in 67 apartments/condos compared to a net increase in 12 single-family detached homes). Nonetheless, as a means of reducing the time and associated costs with developing affordable housing, the City has eliminated the CUP requirement for affordable projects.

³ Multi-family development within the R-3H zone is permitted by right, and does not require a CUP.

Condominium projects also require approval of a tentative map, which adds an extra layer to the process, although it is processed concurrently with the CUP. It is important to note that the tentative map is a requirement of the State Subdivision Map Act, so it is not exclusive to the City of Sierra Madre. The following outlines the steps in the approval process for condominium applications:

- 1) Tentative Parcel Map (TPM) and Conditional Use Permit (CUP) applications submitted to Development Services Department.
- 2) Development Services, Public Works review/recommend approval to Planning Comm.
- 3) Planning Commission approves CUP and recommends approval of TPM to City Council. CUP approval is final unless appealed to Council within 10 days.
- 4) TPM forwarded to City Council for review and approval at public hearing.
- 5) City Council approves TPM. Approval is final if no appeal filed within 10 days.
- 6) Construction plans submitted to Development Services Dept for plan check.
- 7) Final Parcel Map submitted to Public Works Dept for check by City Engineer.
- 8) Construction plans approved by Development Services Department.
- 9) Final parcel map approved by City Engineer and City Council.
- 10) Final parcel map recorded at Los Angeles County Recorder's Office.
- 11) Building permits issued.

As apartment projects do not require a tentative parcel map, the plan check process for the construction plans can begin as soon as a CUP is approved by the Planning Commission, thereby reducing the length of time required for approval.

6. Building Code

As required of all jurisdictions in California, Sierra Madre has adopted the latest California Code of Regulations, Title 24, along with all required updates. The City has also incorporated the 2010 California Energy Code and California Green Building Code Standards (CALGREEN) into the Municipal Code.

Code enforcement in Sierra Madre is concerned with safety, public welfare, the aesthetics, and other quality of life issues in the community. The City of Sierra Madre employs a part-time (20 hours/week) Code Enforcement Officer. Code enforcement involves inspecting properties, identifying and investigating public nuisances, and seeking or causing the abatement of a public nuisance or any other violation of any provision of the municipal code. Sierra Madre has a small-town feel and character, with a relaxed, friendly atmosphere, and as such, the code enforcement approach in Sierra Madre is mainly reactive by responding to complaints or upon site inspection from the building inspector of building code violations. The approach begins with education and meeting with folks to seek voluntary compliance of reported code violations. If voluntary compliance is not achieved, the process involves stricter measures, which include a series of warning notices followed by fees for non-compliance.

The City adopted a local amendment to the Building Code requiring fire-sprinkler systems in all new residential construction. This is due to the hot, dry and strong Santa Ana winds, particularly in the fall and spring seasons and the potential of fires

due to the City's location adjacent to the San Gabriel Mountains. In addition, wood shingles are prohibited unless they are treated for fire resistance. On July 1, 2008, the City adopted the Very High Fire Hazard Severity Zone (VHFHZ) Building Code standards, which apply to all properties north of Grandview. These standards outline fire-resistive requirements for roofing, exterior wall materials, ventilation openings and attached and detached accessory structures.

Sierra Madre has established a Historic Preservation Ordinance to help maintain historically significant structures. Owners are offered a number of benefits to encourage rehabilitation and maintenance, including use of the State Historical Building Code, which is less stringent than the California Building Code. The City also waives building permit and plan check fees for historic properties. Finally, the City participates in the Mills Act program, providing a 60 percent property tax reduction implemented through the County Assessor's Office.

B. MARKET CONSTRAINTS

1. Availability of Financing

The availability of financing in a community depends on a number of factors, including the type of lending institutions active in the community, lending practices, rates and fees charged, laws and regulations governing financial institutions, and equal access to those institutions. Through analysis of Home Mortgage Disclosure Act (HMDA) data on the disposition of residential loan applications, an assessment can be made of the availability of residential financing within a community.

Table III-6 summarizes HMDA data for both Sierra Madre and Los Angeles County as a whole, providing information on the approval status of all home purchase loan applications during 2012. Residential lending activity in Sierra Madre was relatively modest, with just 135 applications for conventional and FHA home purchase loans, representing approximately five percent of the City's ownership housing stock. At 81 percent, the mortgage loan approval rate in Sierra Madre was significantly higher than the County's approval rate of 72 percent. Review of loan denials by census tract in Sierra Madre indicates no tracts with loan denial rates significantly above the twelve percent citywide average.

Table III-6: Status of Home Purchase Loans - 2012

	Loans Approved		Loans Denied		Loans Withdrawn/Incomplete	
	Sierra Madre	L.A. County	Sierra Madre	L.A. County	Sierra Madre	L.A. County
# Loan Applications	110	65,573	16	13,286	9	11,961
% of Total	81%	72%	12%	15%	7%	13%

Source: Home Mortgage Disclosure Act Data, 2012. Compiled by Karen Warner Associates.

Note: Approved loans include: loans originated and applications approved but not accepted.

2. Price of Land

The availability and price of land represents a significant market constraint to housing production throughout most of Southern California. An appraisal for sale of City property several years back documents residential land costs ranging from \$55 up to \$170 per square foot. Sierra Madre's former Redevelopment Agency has played an important role in both land assembly and land write-down in support of affordable housing. The former Agency facilitated development of the Sierra Vista Senior Housing Project through transfer of Agency-owned land to a non-profit, and is following a similar approach to realize development of the Successor Agency-owned Highland Avenue site with affordable housing.

3. Cost of Construction

A major cost associated with the development of housing is the cost of building materials, which have foot between 2006-2012, reflecting a 15 percent increase in materials costs. The increase in construction costs is slowing, but were up 2-2.5% in the first half of 2012, with labor cost increases above that of materials (2.5% labor compared to 1.5% material cost increases).⁴

A reduction in amenities and the quality of building materials (above a minimum acceptability for health, safety, and adequate performance) can result in lower development costs. As part of the City's density bonus program, the City allows for affordable units to be smaller in size (maintaining the same number risen dramatically in recent years. According to the U.S. Department of Labor Construction Cost Trends for 2013, the overall cost of construction materials rose from approximately \$178 to \$205 per square of bedrooms) and have different features and interior finishes than market rate units, provided all project units were comparable in construction quality and exterior design. Another factor related to construction costs is the number of units built at one time. As that number increases, overall costs generally decrease as builders are able to take advantage of the benefits of economies of scale.

A reduction in amenities and the quality of building materials (above a minimum acceptability for health, safety, and adequate performance) can result in lower development costs. Allowance for modified building materials and interior finishes on affordable units could become part of the update to Sierra Madre's density bonus provisions.

⁴ www.dcd.com/pdf_files/1301trends.pdf

C. ENVIRONMENTAL AND INFRASTRUCTURE CONSTRAINTS

A wide range of environmental factors may constrain the development of new housing in Sierra Madre. The largest concentrations of undeveloped lands for new residential development are in the northern portion of the City, located in the hillsides of the San Gabriel Mountains. These areas contain environmental constraints on development, such as steep slopes, wild/brush fire potential and flooding/landslides. Due to these constraints, development in the hillsides has historically been limited to low-density single-family homes. In addition, approximately one-half of the undeveloped hillside area is public land.

Areas of special environmental significance, potential safety hazards, and development constraints will influence land use policy. The City of Sierra Madre's General Plan identifies a number of environmental constraints for the City, including wildfires, flood/landslides and seismic hazards. The General Plan recognizes these hazards, identifies programs to minimize them, and directs development away from environmentally sensitive areas. The availability of public infrastructure and services for residential development is another potential constraint, though as indicated in the Housing Resources Chapter (page IV-9), the City has determined there are no public facilities or services constraints that would impede the development of housing units to meet Sierra Madre's RHNA allocation. The following are more detailed discussions of environmental constraints and hazards that affect, in varying degrees, existing and future residential development, but do not, however, prevent the City from meeting its regional housing needs for 55 units.

1. Wildfire

Sierra Madre is subject to wildfires due to the steep terrain in the northern portion of the City. The City is adjacent to the Angeles National Forest, located in the San Gabriel Mountains. In addition, like most of Southern California, high winds (Santa Ana winds) that correspond with seasonal dry periods intensify the potential of fires in the wildland/urban interface. The City has many policies to help minimize impacts from these potential fires, including brush removal and weed abatement.

2. Floods/Landslides

The specific areas of the City at risk of flooding are against the foothills. These include the canyon areas; which can be particularly dangerous in the years immediately following a brush fire. Special flood hazard areas located in the residential portion of the City are subject to minor flooding.

Two dams and seven debris basins are located in Sierra Madre. The major dam that could have a significant impact on the City in the event of a dam failure is the Little Santa Anita/Sierra Madre Dam. However, due to the construction method of

this dam, it has performed well during earthquakes and failure is not expected to occur.

The landslide areas in the City occur at elevations between 1,400 and 2,000 feet, above the areas of urban development. Mudflows are a type of landslide that has historically occurred within the northern portion of the City. Mudflows involve very rapid downslope movement of saturated soil, sub-soil and weathered bedrock.

3. Seismic Hazards

Like most other areas of Southern California, Sierra Madre is located on a number of active fault lines. Most notably, the San Andreas fault is located a mere 40 kilometers from the City. Other faults include the Sierra Madre fault, Raymond fault, and the Clamshell-Sawpit fault. Therefore, development of the hillside areas, which are most susceptible to ground failure and landslide during earthquake activity, should be limited to low occupancy to avoid potential disasters.

Liquefaction typically occurs in areas where the groundwater is less than 30 feet from the surface and where the soils are composed predominately of poorly consolidated fine sand. While there are no liquefaction zones in the City, liquefaction could occur should a moderate to severe earthquake take place.

4. Public Services and Facilities

Since the City and most of its developments are quite old, infrastructure, including streets, sewers, storm drains, and water lines, are quickly aging and in need of repair. The City cannot presently serve hillside sites above the current limits of development without extending roads, water, and sewer lines.

The City of Sierra Madre is the licensee and operator of its own water distribution system under the Sierra Madre Department of Public Works – Water Division. According to the General Plan, the City uses only local sources of water, which are derived from wells and tunnel sources. In addition, the City receives surface water from the Big Santa Anita Canyon Dam, where water is transported to the spreading basins at the City Yard that replenishes the East Raymond Groundwater Basin. Water is stored in reservoirs located within the City. Due to the topography and various elevations in Sierra Madre, the City is divided into three water pressure zones.

In 2007, the City embarked on the Mira Monte Reservoir Project, involving the replacement of the two existing reservoirs and the existing pumping station located adjacent to Mt. Wilson Trail Park on East Mira Monte Avenue. The goal of the project is to greatly increase the seismic reliability of this critical segment of the City's water infrastructure.

Historically, the City has relied on all of its sources to keep up with demand. An Urban Water Management Plan (UWMP) has been prepared for the City. This document utilized the City's 1996 General Plan to determine future water demand; and therefore, assumed that demand within the City would increase at a minimal rate through the year 2030. The UWMP goes on to state that, in normal water years, the City will be able to meet the demand utilizing its groundwater supplies. In single dry years or multiple dry years, the City may not be able to meet demand without purchasing outside sources of water.

SB 1087, effective January 2006, requires water and sewer providers to grant priority for service allocations to proposed developments that include units affordable to lower income households. Pursuant to these statutes, upon adoption of its Housing Element, Sierra Madre will immediately deliver the Element to the City's Public Works Department, along with a summary of its regional housing needs allocation.

IV. HOUSING RESOURCES

The following Housing Resources section describes and analyzes resources available for the development, rehabilitation, and preservation of housing in Sierra Madre, including sites for new housing; financial resources available to facilitate housing production and programs; and opportunities for energy conservation in existing and new housing and reducing greenhouse gas emissions.

A. AVAILABILITY OF SITES FOR HOUSING

SCAG has determined the projected housing need for its region for the 2014-2021 Housing Element cycle, and has allocated this housing need to each jurisdiction by income category. This Regional Housing Needs Assessment (RHNA) represents the minimum number of housing units each community is required to plan for by providing “adequate sites” through the general plan and zoning. Sierra Madre has a RHNA allocation of 55 units distributed among the following income groups: 14 very low income (of which 7 are estimated as extremely low income); 9 low income; 9 moderate income; and 23 above moderate income units.

The following methods will be used to address the City's regional housing needs:

- Approved and pending residential projects;
- Vacant and underutilized residentially zoned sites; and
- Provision of second units through new construction and legalization of existing units.

1. Approved/Pending Residential Projects

Sierra Madre has three residential projects in various stages of development entitlement that will contribute towards addressing its future RHNA needs, as summarized in Table IV-1 below and described in the narrative which follows.

Table IV-1: Residential Projects with Entitlements (occupancy post 2013)

Project Name	Total Units	Market Rate	Restricted Affordable
Kensington Assisted Living	75	75	--
Highland Ave Church Adaptive Reuse - Workforce Housing	3	--	3
Duty Man House	1	--	1
Totals	79	75	4

Source: Sierra Madre Development Services Department, October 2013.

- The **Kensington Assisted Living Facility**¹ is located at 235 W. Sierra Madre Boulevard on the former site of the Sierra Madre Skilled Nursing facility, which had sat vacant for more than five years. The project will provide 75 one- and two-bedroom residential suites for senior citizens on 1.8 acres, equating to a density of 40 units/acre. In November 2012, Sierra Madre voters approved Measure ALF, granting a density exception to Measure V (Sierra Madre Voters' Empowerment Ordinance) and confirming the City Council's conditional approval of the Kensington Facility. The project was approved with a Specific Plan, allowing parking at a ratio less than required by Code.



- The City has entered into an Exclusive Negotiating Agreement with Heritage Housing Partners for **adaptive reuse of the vacant 1921 church located at 186 W. Highland Avenue** to three units of moderate income, workforce housing. Sierra Madre's former Redevelopment Agency originally purchased the property using Low and Moderate Income Housing funds, and the property is now an asset of the City's Housing Successor Agency. Heritage Housing Partners is currently pursuing \$500,000 in gap financing on the project, after which they will enter into a Disposition and Development Agreement with the City.
- The **"Duty-Man House"** is a small, 960 square foot City-owned house located at the rear of Sierra Vista Park previously rented to Sierra Madre staff members. The house has not been used as a living unit since 2004, and is currently used to store City documents. The City Council has appropriated funds to rehabilitate and convert the house back to residential use for use as an affordable rental. Upon completion of the necessary unit upgrades, the City will contract with a property manager to find a low income-eligible tenant and to oversee management of the property.

¹ The assisted living facility meets the Census definition of dwelling units, in contrast to a nursing home or convalescent facility which is classified as group housing. Accordingly, the City will report the Kensington Assisted Living Facility as 75 units to the State Department of Finance.

2. Vacant and Underutilized Land

Sierra Madre is a predominately urbanized community characterized by low density residential and commercial uses. Little land in this 3.03 square mile City remains for new development outside of the more geologically hazardous terrain of the foothill areas. Of the remaining 610 acres of vacant land in the City, all but one acre is located within the Hillside Management Zone at the base of the of San Gabriel mountains.

Table IV-2 presents a comprehensive inventory of residential development opportunities in the City, graphically illustrated in the Sites Inventory Map which follows. As illustrated by this Table, sites 7 and 8 are the only vacant, developable residential sites remaining in Sierra Madre. Site 7 (Stonehouse) and Site 8 (One Carter) reflect two large-scale hillside projects to be developed within the Hillside Management Zone, and will provide a combined total of 48 single-family units.

Table IV-2: Residential Sites Inventory

Site #	Site Address	General Plan	Zoning	Lot Size ¹	Existing Use	Year Built	Density	Net Unit Potential
Underutilized Sites								
1	261 Mariposa	RH	R3	11,450 sf	1 single-family unit	1921	13 du/ac	3 units
2	109 Auburn	RH	R3	8,250 sf	1 single-family unit	1921	13 du/ac	7 units
	91 Auburn	RH	R3	4,810 sf	1 single-family unit	1905		
	99 Auburn	RH	R3	3,440 sf	2 units	1905		
	87 Auburn	RH	R3	8,250 sf	1 single-family unit	1931		
3	318 Montecito	RH	R3	7,482 sf	1 single-family unit	1914	13 du/ac	4 units
	46 N Lima	RH	R3	7,500 sf	1 single-family unit	1922		
4	198 W Montecito	RH	R3	3,000 sf	1 single-family unit	1908	13 du/ac	5 units
	196 W Montecito	RH	R3	3,000 sf	1 single-family unit	1927		
	40 N Hermosa	RH	R3	12,300 sf	Vacant	1926		
5	170 W Montecito	RH	R3	7,767 sf	1 single-family unit	1949	13 du/ac	4 units
	168 W Montecito	RH	R3	7,767 sf	1 single-family unit	1942		
6	293 Mariposa	RH-1	R3-H	22,988 sf	2 single-family units	1901	20 du/ac	16 units
	271 Mariposa	RH-1	R3-H	11,494 sf	2 single-family units	1942		
Vacant Sites								
7	Stonehouse	RL	H	24.7 acre	Vacant	--	.5 du/ac	20 units
8	One Carter	H	H	32 acres	2 single-family units; barn	--	.5 du/ac	28 units

Source: Sierra Madre Development Services Department, October 2013.

¹ Existing subdivided parcels are not required to meet the minimum parcel size under zoning.

Based on recent development trends in Sierra Madre, combined with the high cost of land, the residential capacity analysis assumes multi-family zoned sites will develop at the top end of the density range. Details on recent multi-family projects developed in the City at the maximum permitted density are presented under the discussion of land use controls in Chapter III (refer to page III-2).

Due to limitations on vacant land, the majority of residential development in Sierra Madre occurs through the intensification of underutilized sites within the R-3 zone. For purposes of identifying potential multi-family infill opportunities to address the City's regional housing needs, as part of the 2008-2014 Housing Element, City staff prepared an inventory of all underutilized R-3 parcels currently developed with only a single-family unit. Adjacent underutilized R-3 parcels were grouped together to identify larger sites with development potential. Staff visited each of these sites to assess the viability for development with additional units as permitted under zoning. A total of six underutilized R-3 parcels were identified as suitable for intensification, each containing an older, single-family structure (refer to Table IV-1, sites 1-6).

The City's R-3 zoning regulations facilitate lot consolidation by allowing for a great number of units on larger parcels. Developers who wish to maximize the number of units are encouraged to consolidate lots because it generates a greater number of units, and it also helps to incorporate a unified development plan which balances building lot coverage with sufficient outdoor living space, and comfortable access to off-street parking for the units and guests. The City has a tentative map ordinance which provides the requirements to facilitate the processing of tentative maps, which includes consolidating lots into a single parcel. A good example is the recently approved 7-unit condominium development at 407-413 Mariposa, which maximizes the number of units, and consists of two lots combined into a single 24,000 square-foot parcel.

Housing Element statutes provide for the use of "default densities" to assess affordability when evaluating the adequacy of sites to address the affordability targets established by the RHNA. Based on its population and location within Los Angeles County, Sierra Madre falls within the default density of 20 units per acre for providing sites affordable to very low and low income households; sites suitable for moderate income households can be provided at 10 units per acre. Thus, while Sierra Madre's 13 unit/acre R-3 density meets the threshold for moderate income, it falls below the 20 unit/acre density threshold necessary to address the lower income sites requirement.

In response to this shortfall in suitable sites for low income households, in conjunction with adoption of the 2008-2014 Housing Element (May 2013), the Sierra Madre City Council undertook the following actions:

- Establishment of new RH1 General Plan land use category and R-3H Zoning Category to accommodate 20 unit/acre residential densities
- Re-designation of the properties at 271 and 293 Mariposa Ave from RH to RH1 on the General Plan land use map
- Rezoning of the properties at 271 and 293 Mariposa Ave from R-3 to R-3H on the Zoning map

Re-designation of the Mariposa site at 20 units per acre, combined with the program to facilitate new and legalize existing second units, provided Sierra Madre with adequate sites to address its lower and moderate income RHNA needs for the 2008-

2014 period. These sites will carry over into the 2014-2021 Housing Element, and contribute towards addressing Sierra Madre's future housing needs.

3. Second Units

Second units are an integral segment of Sierra Madre's housing stock, and contribute towards addressing regional housing needs while maintaining the community's small town character. The City recognizes that attached and detached second units can provide affordable rental options for smaller households, such as caregivers or the elderly parents of the primary homeowner, and can provide rental income for the homeowner.

Second Unit Survey

In order to collect information on existing second units in Sierra Madre, in September 2012 the City mailed a second unit survey to every household in the City. In addition to gathering information on the extent and affordability of second units in the community, the dual purpose of the survey was to announce that the City would be offering an amnesty program to legalize those second units that were constructed without building permits. A total of 62 surveys were completed by households with an existing second unit on their property, with the following summarizes the results of the survey:

Physical Characteristics

- Over half of respondents indicated their second unit was detached from the main house, with 32% of second units attached, and 15% located above a garage.
- The majority of second units were small studio or one bedroom units, with 60% less than 600 square feet in size, and 85% less than 800 square feet.
- Over half of second units are greater than 50 years old, with an additional 30% constructed between 20 to 50 years ago.
- Despite their age, the vast majority (87%) of second units were identified as being in good condition. Respondents identified just five units in need of repairs, and three units in need of major renovation.

Occupancy Characteristics

- Nearly two-thirds of respondents indicated their second unit was currently occupied, with 85% of units occupied by a single individual.
- By occupation, most occupants were identified as professionals (52%), followed by retirees (28%), students (9%), caretakers (4%), and adult children of the householder (4%).
- Nearly half of occupants were over the age of 55 (44%), and combined with the high incidence of retired occupants, is indicative of the role second units play in providing housing for aging parents and senior citizens in general.

Affordability

- Survey respondents were asked the monthly rent charged, and if the unit wasn't currently occupied, what the estimated rent would be if/when the unit was rented.

32% of rents were affordable to very low income, 49% were affordable to low income, and 19% were affordable to moderate income households.

Table IV-3: Second Unit Rents and Affordability

Bedrooms	<i>Very Low Income</i>		<i>Low Income</i>		<i>Moderate Income</i>	
	<i>Affordable Rent</i>	<i># Second Units</i>	<i>Affordable Rent</i>	<i># Second Units</i>	<i>Affordable Rent</i>	<i># Second Units</i>
Studio	\$739	10	\$1,181	6	\$1,361	0
One	\$844	4	\$1,350	16	\$1,555	7
Two	\$949	4	\$1,519	6	\$1,750	4
Total		18		28		11
Rent Distribution		32%		49%		19%

New Construction of Second Units

While Sierra Madre has adopted a ministerial approval process for second units, until recently the City had received just one application for a second unit under its current ordinance (since distributing the Citywide second unit survey in Fall of 2012, the City has received two additional applications for new second units). In order to better encourage and facilitate the provision of second units, the 2008-2014 Housing Element included a program for the City to amend its second unit ordinance. The City's Planning Commission has approved the following revisions to the Code (Section 17.22 - Second Units), adopted by City Council in December 2013:

- Expansion of permitted locations from R-1 to all residential zone districts
- Increase in the permitted unit size from 600 square feet and one bedroom, to 800 square feet
- Allowance for second units above a garage and attached second units to be on the second floor
- Allowance for reduced setbacks where privacy and environmental considerations are not compromised, through a minor conditional use permit process
- Elimination of the prior affordable rent and income restrictions

The City will develop a brochure to provide information on the City's new second unit standards, and promote their development. The City estimates that over the 2014-2021 eight year planning period, a minimum of ten new second units will be created.

Amnesty for Existing Second Units

There are numerous existing second units in Sierra Madre built illegally which may or may not meet basic health and safety guidelines, as confirmed by the City's second unit survey which identifies over 60 second units built without recorded building permits. The City's goal is to legalize these units, bring them into the City's official housing stock to contribute towards meeting regional housing needs (RHNA), and make them safe and sanitary for current and future tenants. To achieve this goal, the City initiated a second unit amnesty program to allow property owners with

second units not currently recognized as “units” in the 2000 Census the opportunity to register these units with the City without facing fines for non-permitted construction. On October 9, 2012, the City Council adopted Resolution 12-83, approving the amnesty program permit requirements and announcing the initial six month amnesty period, extending from October 15, 2012 – April 15, 2013; based on the level of program interest, the amnesty program was extended an additional three months to July 15, 2013.

As an incentive to property owners to apply for a second unit amnesty permit, the City adopted certain modified standards to accommodate existing buildings; property owners are not to be penalized for second units which do not meet the amnesty requirements. In addition to revisions in the standards for new second units, the City provided the following additional incentives to legalize existing non-permitted second units during the amnesty period:

- Elimination of the minimum parcel size requirement established by the underlying residential zone
- Allowance for five foot side and rear yard setbacks, with provisions for reductions to zero foot setbacks subject to a minor conditional use permit process.
- Exemption of up to 500 square feet of an amnesty second unit from the maximum permissible floor area limits
- Elimination of the second unit application fee. Other fees for planning-related services, minor conditional use permit applications, plan checks and building permits are assessed at 50% of the applicable fee.

To receive a second unit amnesty permit, the owner must first demonstrate the second unit did not have an individual address as of the 2000 census, does not have a permit of record, and was constructed prior to January 1, 2006. All health and safety code violations must also be corrected based on a City building inspection of the second unit. Once these units are permitted, they can be credited towards Sierra Madre’s RHNA requirements.

The City experienced significant interest during the nine month amnesty program, receiving a total of 17 applications, 13 of which were eligible to move forward towards amnesty. As of November 2013, five of these second unit amnesty applicants (that were not previously counted in the 2000 census) have made the necessary Health and Safety Code improvements and been issued a second unit permit; these units have been credited towards the City's 2008-2014 RHNA. The remaining eight amnesty applications are in process and will be permitted in 2014, and are thus credited towards the 2014-2021 RHNA cycle. As described in the Housing Programs section of the Element (Program #6), the City intends to initiate another amnesty program within the next five years to bring remaining unpermitted second units up to code. In combination with the eight units currently going through the amnesty application process, the City estimates a minimum of ten existing second units will be permitted and brought into the City's official housing stock.

4. Development Potential Compared with Regional Housing Needs

Table IV-4 provides a summary of Sierra Madre's residential sites capacity compared to the City's RHNA for 55 new units, distributed among very low, low, moderate and above moderate income levels. As indicated, the City's Housing Element has identified adequate sites to be designated at appropriate densities to fulfill its regional housing need for all income levels.

Table IV-4: Summary of Sierra Madre Development Potential Compared to RHNA

Income Category	Approved/ Pending Projects	Vacant/ Underutilized Sites Inventory	Second Units (New & Amnesty)	Total Unit Capacity	2014-2021 RHNA
Very Low (0-50% AMI)	--	16	6	33	14
Low (51-80%)	1		10		9
Moderate (81-120%)	3	27	4	34	9
Above Mod (>120% AMI)	75	44		119	23
Total	79	87	20	186	55

In terms of evaluating the adequacy of sites to address the affordability targets established by the RHNA, Housing Element statutes provide for use of "default densities" to assess affordability. Based on its population, Sierra Madre falls within the default density of 20 units per acre for providing sites affordable to very low and low income households; sites suitable for moderate income households can be provided at 10 units per acre. Allocating Sierra Madre's residential sites inventory based on these density thresholds, combined with the four low and moderate income units known in approved/pending projects, and second unit affordability documented in Table IV-3, results in the provision of sites suitable for development of 33 units affordable to lower income households, 34 units affordable to moderate income households, and 119 units for above moderate income households. A comparison of this income distribution with the City's RHNA identifies sufficient sites at appropriate densities to accommodate Sierra Madre's regional housing needs.

5. Availability of Infrastructure and Public Services

The availability of adequate public facilities and services in relation to the sites identified in Table IV-2 has been evaluated, and the City has determined there are no public facilities or service constraints that would impede development of housing units to meet the City's RHNA allocation. SB 1087 requires water and sewer providers to grant priority for service allocations to proposed developments that include units affordable to lower income households. Pursuant to these statutes, upon adoption of its Housing Element, Sierra Madre will immediately deliver the Element to local water and sewer providers, along with a summary of its regional housing needs allocation.

B. FINANCIAL RESOURCES

The primary source of funds for affordable housing activities in Sierra Madre has traditionally been the Redevelopment Agency housing set-aside fund. However, due to passage of Assembly Bill (AB) 1X 26, redevelopment agencies across California have been eliminated as of February 1, 2012, removing the primary tool for creating affordable housing. However, the Successor Agency to the Sierra Madre Redevelopment Agency maintains ownership of the .34 acre property at 186 W. Highland, originally purchased with Redevelopment Housing Funds. In the current post-Redevelopment setting, the City and its Successor Agency have entered into an Exclusive Negotiating Agreement with a local non-profit housing developer, Heritage Housing Partners, for development of the site with three units of workforce housing affordable to moderate income households.

There are other potential funding sources available for housing activities in Sierra Madre. Examples of potential new funding opportunities include:

- The \$93 million Golden State Acquisition Fund (GSAF) was launched in early 2013 by State HCD in partnership with seven Community Development Financial Institutions (CDFIs), providing developers and public agencies with access to favorably priced funds for developing and preserving affordable rental and ownership housing.
- Passage of SB 391, the California Home and Jobs Act of 2013, would generate approximately \$525 million annually for affordable housing by imposing a \$75 recording fee on real estate documents. The bill has secured a super majority in the Senate and two Assembly policy committees, and will remain on the Assembly Appropriations Committee's calendar entering into the 2014 legislative session.
- SCAG Sustainability Program 2013-2014 Call for Proposals. This new local assistance planning program combines Compass Blueprint assistance for integrated land use and transportation planning with new Green Region initiative assistance for bicycle and pedestrian planning efforts.

Table IV-5 on the following pages identifies a variety of Federal, state, local and private resources that may be available to carry out housing activities in Sierra Madre.

Table IV-5: Financial Resources Available for Housing Activities

Program Name	Description	Eligible Activities
1. Federal Programs		
Community Development Block Grant (CDBG)	The City participates in the Los Angeles County program and receives approximately \$50,000 in CDBG funds on an annual basis for programs benefitting lower income households.	<ul style="list-style-type: none"> ▪ Acquisition ▪ Rehabilitation ▪ Homebuyer Assistance ▪ Economic Development ▪ Homeless Assistance ▪ Public Services
HOME	Funding used to support a variety of County housing programs that the City can access for specific projects. Funds are used to assist low income (80% MFI) households.	<ul style="list-style-type: none"> ▪ New Construction ▪ Acquisition ▪ Rehabilitation ▪ Homebuyer Assistance ▪ Rental Assistance
Section 8 Rental Assistance	Rental assistance payments to owners of private market rate units on behalf of low-income (50% MFI) tenants. Administered by the Los Angeles County Housing Authority.	<ul style="list-style-type: none"> ▪ Rental Assistance
Section 202	Grants to non-profit developers of supportive housing for the elderly.	<ul style="list-style-type: none"> ▪ Acquisition ▪ Rehabilitation ▪ New Construction
Section 811	Grants to non-profit developers of supportive housing for persons with disabilities, including group homes, independent living facilities and intermediate care facilities.	<ul style="list-style-type: none"> ▪ Acquisition ▪ Rehabilitation ▪ New Construction ▪ Rental Assistance
2. State Programs		
Low Income Housing Tax Credit (LIHTC)	State and Federal tax credits to enable sponsors/ developers of low income rental housing to raise project equity through the sale of tax benefits to investors. 4% and 9% credits available, with 4% credits often coupled with tax-exempt bonds.	<ul style="list-style-type: none"> ▪ New Construction ▪ Acquisition/Rehabilitation
Multi-Family Housing Program (MHP)	Deferred payment loans to local governments, non-profit and for-profit developers for new construction, rehabilitation and preservation of permanent and transitional rental housing for lower income households. Usually coupled with bonds.	<ul style="list-style-type: none"> ▪ New Construction ▪ Rehabilitation ▪ Preservation ▪ Conversion of nonresidential to rental ▪ Social services within project

Table IV-5: Financial Resources Available for Housing Activities

Program Name	Description	Eligible Activities
Multi-family Housing Program - Supportive Housing	Deferred payment loans for rental housing with supportive services for the disabled who are homeless or at risk of homelessness. Can be coupled with either low income housing tax credits or bonds.	<ul style="list-style-type: none"> ▪ New Construction ▪ Rehabilitation ▪ Preservation ▪ Conversion of nonresidential to rental ▪ Social services within project
Building Equity and Growth in Neighborhoods (BEGIN)	Grants to cities to provide downpayment assistance (up to \$30,000) to low and moderate income first-time homebuyers of new homes in projects with affordability enhanced by local regulatory incentives or barrier reductions.	<ul style="list-style-type: none"> ▪ Homebuyer Assistance
CalHome	Grants to cities and non-profit developers to offer homebuyer assistance, including downpayment assistance, rehabilitation, acquisition/rehabilitation, and homebuyer counseling. Loans to developers for property acquisition, site development, predevelopment and construction period expenses for homeownership projects.	<ul style="list-style-type: none"> ▪ Predevelopment, site acquisition & development ▪ Rehabilitation ▪ Acquisition/rehab ▪ Downpayment assistance ▪ Mortgage financing ▪ Homebuyer counseling
Affordable Housing Innovation Fund	Funding for pilot programs to demonstrate innovative, cost-saving ways to create or preserve affordable housing. Under AB 1951 (2012), funding has been appropriated to the following activities: <ul style="list-style-type: none"> ✓ Local Housing Trust Fund Grant ✓ Golden State Acquisition Fund ✓ Innovative Homeownership Program 	<ul style="list-style-type: none"> ▪ Varies depending on activity
Infill Infrastructure Grant Program	Funding of public infrastructure (water, sewer, traffic, parks, site clean-up, etc) to facilitate infill housing development. One funding round annually.	<ul style="list-style-type: none"> ▪ Development of parks and open space ▪ Water, sewer, or other utility service improvements ▪ Streets, roads, parking structures, transit linkages, transit shelters ▪ Traffic mitigation features ▪ Sidewalks and streetscape improvements
Housing Related Parks Program	Financial incentives to jurisdictions who construct new units affordable to very low and low income households.	<ul style="list-style-type: none"> ▪ Grants for creation of new parks, or rehabilitation or improvements to existing parks.

Table IV-5: Financial Resources Available for Housing Activities

Program Name	Description	Eligible Activities
CalHFA Residential Development Loan Program	Low interest, short term loans to local governments for affordable infill, owner-occupied housing developments. Links with CalHFA's Downpayment Assistance Program to provide subordinate loans to first-time buyers. Two funding rounds per year.	<ul style="list-style-type: none"> ▪ Site acquisition ▪ Pre-development costs
3. County Programs		
Homeownership Assistance Program (HOP) and Downpayment Assistance Loan (DPA)	The Los Angeles County Community Development Commission offers mortgage loans to low income first time homebuyers. Loans of \$60,000 are available under HOP and \$10,000 under DPA.	<ul style="list-style-type: none"> ▪ Homebuyer Assistance
Southern California Home Financing Authority (SCHFA) Mortgage Revenue Bond Program	SCHFA provides below-market interest loans to households earning up to approx. \$99,000. Applicants work directly with approved lenders.	<ul style="list-style-type: none"> ▪ Homebuyer Assistance
4. Private Resources/Financing Programs		
Federal National Mortgage Association (Fannie Mae)	Fixed rate mortgages issued by private mortgage insurers; mortgages which fund the purchase and rehabilitation of a home; and Low Down-Payment Mortgages for homes in underserved areas.	<ul style="list-style-type: none"> ▪ Homebuyer Assistance
Federal Home Loan Bank Affordable Housing Program	Direct Subsidies to non-profit and for profit developers and public agencies for affordable low-income ownership and rental projects.	<ul style="list-style-type: none"> ▪ New Construction
Savings Association Mortgage Company Inc.	Pooling process to fund loans for affordable ownership and rental housing projects. Non-profit and for profit developers contact member institutions.	<ul style="list-style-type: none"> ▪ New construction of rentals, cooperatives, self help housing, homeless shelters, and group homes
Freddie Mac	HomeWorks-1 st and 2nd mortgages that include rehabilitation loan; City provides gap financing for rehabilitation component. Households earning up to 80% MFI qualify.	<ul style="list-style-type: none"> ▪ Home Buyer Assistance combined with Rehabilitation

Source: Karen Warner Associates, 2013.

C. OPPORTUNITIES FOR ENERGY CONSERVATION

Conventional building construction, use and demolition along with the manufacturing of building materials have multiple impacts on our environment. In the United States, the building industry accounts for:

- ✓ 65% of electricity consumption
- ✓ 30% of greenhouse gas emissions
- ✓ 30% of raw materials use
- ✓ 30% of landfill waste
- ✓ 12% of potable water consumption

Interest in addressing these impacts at all levels of government has been growing. In 2004, the State of California adopted legislation requiring LEED (Leadership in Energy and Environmental Design) certification for new and renovated public buildings. Some local jurisdictions have not only adopted similar standards for their public buildings, but have also required LEED certification for larger commercial and residential developments.

LEED certification building standards are one piece of a coordinated green building program. Why would a city adopt a green building program? Most local building standards already consider energy and storm water issues. In addition, many jurisdictions have programs related to energy, recycling, water conservation, storm water management, land use, and public health. However, these programs are often overlapping and uncoordinated. One of the primary goals behind establishing a green building program is to create a holistic, integrated design approach to green building.

A green building program considers a broad range of issues including community and site design, energy efficiency, water conservation, resource-efficient material selection, indoor environmental quality, construction management, and building maintenance. The end result will be buildings that minimize the use of resources, are healthier for people, and reduce harm to the environment.

Both the public and private sectors currently offer grants, refunds, and other funding for green building. In addition, developments built to green standards assist both the owners and tenants with energy and maintenance costs over time.

1. Greening of Sierra Madre

The following highlights some of the City's efforts to help with the "greening" of Sierra Madre:

Energy, Environment and Natural Resource Commission

- Sierra Madre's Green Advisory Committee has been combined with its Tree Advisory Commission and renamed the Energy, Environment, and Natural Resources Commission (EENRC). The role, purview and oversight of this Commission has been expanded to promote sustainability in areas including urban forest and trees, water, to continue to monitor State mandates, and to expand public outreach and participation. A work plan was already established by the former Green Advisory Committee, and the EENRC now has the purview over the work plan. One objective of the work plan includes establishing a local green building program, expanding upon the California Green Building Code adopted by the City.

Recycling

- Solid Waste:
 - The City has met the state-mandated goal of diverting 50% of its waste stream from landfills. Efforts may have to be re-doubled in the near future, as the State is studying an increase of the 50% goal to 60% and ultimately 75%.
 - The City's Construction and Demolition Recycling Ordinance was passed in 2004. Staff is consistently monitoring the program and has found that many diversion rates from project sites in the City reach 70% or more diversion goals.

Water Conservation

- Rainfall Runoff:
 - The City is able to capture rainfall runoff from three locations, East Grandview, Little Santa Anita Canyon and Big Santa Anita Canyon and direct it to the spreading basins for groundwater recharge.

Urban Forestry

- Tree Advisory Commission (TAC):
 - The TAC is charged with assisting and advising the City Council, Planning Commission and staff in the maintenance of trees in the City. The Commission reviews development plans for impacts on existing protected tree species, with the goal of no net loss of trees within the City.

- One of the tools used by the TAC is the “Tree Bank.” When property owners request the removal of parkway trees, or remove protected trees in association with development, they are generally required to either replace the trees immediately, or contribute to the Tree Bank.

Clean Air

- **Cleaner Vehicles and Fuel:**
- The City currently operates to CNG fueled transit buses in its transportation programs, and has purchased clean-fueled CNG Public Works utility vehicles.
- The City’s state and federally-funded CNG-fueling station project is under way. Also, beginning in March 2008, staff began purchasing biodiesel for use in the City’s diesel-fueled vehicles.

Educational Activities

- The City conducts many educational activities, including staffing educational booths at community events and distributing a variety of informational materials.

Open Space

- **Goldberg Park:**
- The City has recently purchased a parcel of land at the intersection of Ramona Avenue and Sunnyside Avenue. The site, known as the Milton and Harriet Goldberg Recreation Area, will be a passive-use open space area open to the public.

Energy Efficiency

- **Water System:**
- The Sierra Madre Water Department is the single largest electricity consumer in Sierra Madre. Wells 3 and 5 were recently reconstructed and high-efficiency electric motors installed. The Mira Monte site will be replaced with 5 new high efficiency booster pumps. The City is seeking federal funds for the construction of a new high efficiency well to replace one of the four existing wells.
- **City Buildings:**
- The City has recently had an Energy Audit completed and has budgeted for energy-saving facility improvements totaling approximately \$100,000. Improvements will include replacement of outdated air conditioning and lighting equipment.

2. Los Angeles County Energy Program

The County's LACEP is a direct result of AB 811 which authorizes local governments to provide financing to qualified property owners for the installation of energy and water efficiency improvements, and renewable energy sources fixed to the property. Under this new program, the County will provide loans to residential property owners (of up to four units) to be repaid through an assessment levied against the property payable in semi-annual installments on the property tax bill. Benefits to the property owner include:

- Up-front funding for improvements
- Savings in energy or water bills that make a typical improvement pay for itself within five years
- Loan stays with the property and is not required to be paid in full at sale of home
- Application process simpler and easier to qualify over private lending alternatives

Sierra Madre staff have participated with the San Gabriel Valley Council of Governments (SGVCOG) to develop an effective approach to link the LACEP program to Valley jurisdictions. Cities will bear no direct costs in qualifying their residents for the program, and will assist with publicity and serve as an initial point of contact for residents.

3. Energy Conservation Programs through Local Utilities

Sierra Madre can also promote energy conservation by advertising utility rebate programs and energy audits available through Edison and Southern California Gas. Lower-income households are also eligible for State sponsored energy and weatherization programs.

Southern California Edison Energy Efficiency Programs (www.sce.com)

Southern California Edison (SCE) has a refrigerator and freezer recycling program to encourage residents to replace old appliances with new energy-efficient ones. Edison also offers a Multi-Family Energy Efficiency Rebate Program that provides property owners and managers incentives on a broad list of energy efficiency improvements in lighting, HVAC, insulation and window categories.

The following three programs are offered by Edison to help low income customers reduce energy costs and control their energy use:

- **Energy Management Assistance Program** – Pays for the cost of purchasing and installing energy efficient appliances and equipment

- **California Alternate Rates for Energy (CARE)** - Offers very low income customers a discount of 20% or more off their monthly electric bill. The Family Electric Rate Assistance (FERA) program also offers reduced rates for lower income families.
- **Energy Assistance Fund** - Assists income qualified customers with their electric bill once in a 12 month period

Southern California Gas Company Energy Efficiency Programs

(www.socalgas.com)

The Southern California Gas Company offers several energy efficiency programs, including home energy rebates for energy efficient appliances; multi-family rebates for energy saving improvements; and home energy and water efficiency kits. Similar to Edison, several programs are available to assist lower income customers with energy bills:

- **California Alternate Rates for Energy (CARE)** - Offers very low income customers a discount of 20% or more off their monthly gas bill.
- **No-Cost Energy Saving Home Improvements** - Service provides free weatherization for the homes or apartments of lower income families.
- **One-Time Bill Assistance** - Up to \$100 in one-time assistance on the gas bill.
- **Medical Baseline Allowance** - Households with a seriously disabled member, or person with life-threatening illness, may qualify for additional gas at a reduced rate schedule.

V. HOUSING PLAN

Sierra Madre's Housing Plan has been developed in response to community and decision-maker input; identified housing needs, resources and constraints; and experience gained from implementation of the existing Housing Element. The Housing Plan sets forth goals, policies and programs to address the following themes:

- **Preserving housing and neighborhood assets.**
Maintaining the condition and affordability of existing housing and ensuring development is consistent with Sierra Madre's town and neighborhood context.
- **Ensuring diversity in housing.**
Providing a variety of housing types affordable to all income levels to address the community's regional housing growth needs.
- **Reducing governmental constraints.**
Facilitating the provision of housing, and encouraging innovation in design, ownership and living arrangements.
- **Promoting equal housing opportunities.**
Ensuring residents can reside in the housing of their choice, including Sierra Madre's special needs populations.
- **Environmental sustainability.**
Ensuring Sierra Madre grows in a responsible manner, in line with resource limitations such as water availability.

This final Housing Plan section begins by evaluating accomplishments under the City's adopted 2008-2014 Housing Element and then presents Sierra Madre's goals, policies and programs for the 2014-2021 period.

A. EVALUATION OF ACCOMPLISHMENTS UNDER ADOPTED HOUSING ELEMENT

Under State Housing Element law, communities are required to assess the achievements under their adopted housing programs as part of the five-year update to their housing elements. These results should be quantified where possible (e.g. the number of units rehabilitated), but may be qualitative where necessary (e.g. mitigation of governmental constraints). The results should then be compared with what was projected or planned in the earlier element. Where significant shortfalls exist between what was planned and what was achieved, the reasons for such differences must be discussed.

The City of Sierra Madre 2008-2014 Housing Element sets forth a series of 25 housing programs with related objectives to address the community's identified housing needs. The following section reviews the City's progress in implementing these housing programs and their continued appropriateness for the 2014-2021 Housing Element. Table V-1 summarizes the City's housing program accomplishments, followed by a review of its quantified objectives. The results of this analysis will provide the basis for developing the comprehensive housing program strategy presented in Part C of this section.



Table V-1
Review of Accomplishments under 2008-2014 Sierra Madre Housing Element

Housing Program and 2008 - 2014 Objective	Accomplishment
1. Preservation of Historic Structures <i>Advertise preservation incentives. Seek to enter into 6 new Mills Act contracts.</i>	<p><u>Progress:</u> Chapter 17.82 of the Municipal Code sets forth Sierra Madre's Historic Preservation ordinance, specifying benefits available to structures listed on the City's list of historic landmarks, including: a 50% reduction in building permit and plan check fees; use of State Historic Building Code; and allowances for adaptive reuse. The City now also participates in the Mills Act Program, providing property tax relief to property owners who restore and maintain their historic properties; 18 properties currently participate in the program. The City has conducted several public meetings on the Mills Act to inform and educate the Planning Commission, City Council, and the community on the program's incentives and benefits, and the City Council established program guidelines to improve the processing of Mills Act applications, such as establishing an application and processing time schedule within the calendar year.</p> <p><u>Effectiveness:</u> The City's historic preservation incentives have been effective in encouraging property owners to list eligible properties as local historic landmarks. Mills Act contracts are being proposed as a tool in the preservation of the historic Highland Avenue church and adaptive reuse as affordable homeownership housing.</p> <p><u>Appropriateness:</u> Historic preservation incentives remains an appropriate program for the updated Housing Element.</p>
2. Adaptive Reuse <i>Restore the economic usefulness of historic buildings.</i>	<p><u>Progress:</u> The City is currently working with Heritage Housing Partners on the adaptive reuse of the vacant 1921 church located at 186 W. Highland Avenue, previously utilized as a Youth Activity Center. The City originally purchased the property using Low and Moderate Income Housing funds, and plans on transferring ownership to Heritage Housing Partners for conversion to three moderate income first-time homebuyer units.</p> <p><u>Effectiveness:</u> Sierra Madre is effective in its use of adaptive reuse to both preserve a historic resource, and provide affordable housing.</p> <p><u>Appropriateness:</u> Adaptive reuse remains an appropriate program to the Housing Element.</p>
3. Housing Rehabilitation Loan Program <i>Advertise the availability of the County's program on the City's website, and disseminate flyers in public locations.</i>	<p><u>Progress:</u> While income-qualified Sierra Madre residents are eligible to participate in the County Housing Rehabilitation program, the City has not yet proactively advertised the program.</p> <p><u>Effectiveness:</u> Program outreach was not conducted.</p> <p><u>Appropriateness:</u> Given Sierra Madre's older housing stock, providing information on available rehabilitation assistance through the County remains appropriate.</p>
4. Handyworker Program <i>Develop new program guidelines and reinstate program using CDBG funds. Seek to assist 3 households in the first year of operation.</i>	<p><u>Progress:</u> While the City remains committed to re-initiating the Handyworker Program, due to limited staffing and other pressing issues (primarily related to water availability), the program has not yet been re-started.</p> <p><u>Effectiveness:</u> The program was not implemented.</p> <p><u>Appropriateness:</u> Based on the city's aging housing stock and growing senior population, the Handyworker Program remains appropriate to Sierra Madre and will be included in the updated Housing Element.</p>

Housing Program and 2008 - 2014 Objective	Accomplishment
5. Condominium Conversion Ordinance <i>Implement condominium conversion regulations.</i>	<p><u>Progress:</u> Chapter 16.36 of the Municipal Code regulates the conversion of apartments to condominium ownership, with a focus on preserving existing rental housing and providing tenant protections. The City has not had any applications for condo conversions during the 2008-2013 period</p> <p><u>Effectiveness:</u> This program has been effective.</p> <p><u>Appropriateness:</u> Condominium conversion regulations remain appropriate to the updated Housing Element.</p>
6. Second Dwelling Units <i>Amend City's ordinance, and conduct educational campaign. Seek to achieve 5 new units.</i>	<p><u>Progress:</u> City staff have developed draft revisions to its second unit standards, which were recommended for adoption by the Planning Commission in September 2013 and are scheduled to be heard by City Council in November 2013. The primary changes to the ordinance include: 1) elimination of rent restrictions, 2) establishing a minimum and maximum allowable floor area, allowing second units to be located on the second floor above a garage, and 4) establishing parking requirements.</p> <p><u>Effectiveness:</u> The extensive education and outreach on second units undertaken by the City in has resulted in the City receiving applications for new second units, with additional applications anticipated upon adoption of the new, more flexible ordinance standards.</p> <p><u>Appropriateness:</u> Second units provide an important source of affordable housing in Sierra Madre, and thus a second unit program remains appropriate for the updated Element.</p>
6a. Second Dwelling Unit Registration and Amnesty Program <i>Conduct second unit survey, and initiate amnesty program. Seek to legalize at least 8 units. Monitor progress and report to HCD.</i>	<p><u>Progress:</u> The initiated an amnesty program in October 2012, and prepared educational handouts on the application process and pre-application checklist. A Citywide survey of residential property owners was completed to obtain information on existing second units, and to further raise awareness of the amnesty program. There has been significant interest in the amnesty program, and between October 2012 – July 2013, the City received a total of 16 applications for amnesty. As of 11/2013, five existing second units (that were not previously counted in the 2000 census) have made the necessary Health and Safety Code improvements and been issued a second unit permit, and thus will be counted towards the City's 2008-2014 RHNA.</p> <p><u>Effectiveness:</u> The amnesty program was highly effective in legalizing "bootleg" second units, and bringing them into compliance with Health and Safety Codes.</p> <p><u>Appropriateness:</u> The City recognizes that additional unpermitted second units remain in the community. The City may therefore initiate another amnesty program in the future.</p>
7. Affordable Housing Development Assistance <i>Enter agreement for development of the city-owned Highland Avenue site with 3-4 units of moderate income workforce housing.</i>	<p><u>Progress:</u> The City has entered into an Exclusive Negotiating Agreement with Heritage Housing Partners for conversion of the existing church on the City-owned Highland Avenue site to 3 units of moderate income, workforce housing. The developer is currently pursuing \$500,000 in gap financing on the project, after which they will enter into a Disposition and Development Agreement with the City. In addition to this project, the City has appropriated funds to rehabilitate the City-owned "Duty-Man House" located in Sierra Vista Park and provide as an affordable rental unit.</p> <p><u>Effectiveness:</u> The city has been effective in utilizing its somewhat limited resources in the provision of affordable infill housing.</p> <p><u>Appropriateness:</u> City support of a variety of affordable housing types remains appropriate to the Housing Element update.</p>

Housing Program and 2008 - 2014 Objective	Accomplishment
8. Rezoning to Accommodate Higher Densities <i>1) Prepare R-3-H zoning and GP designations and development standards; 2) Conduct environmental review on rezoning; 3) Conduct public hearings, rezone Mariposa Ave. site accordingly.</i>	<p><u>Progress:</u> The City Council adopted a new Residential High Density (RH1) General Plan land use category, and Multiple Family Residential High Density (R-3H) zoning designation, permitting up to 20 units per acre. In May 2013, in conjunction with adoption of the Housing Element, City Council rezoned properties located at 271 and 293 from R-3 to R-3H.</p> <p><u>Effectiveness:</u> This program was effective in augmenting the City's residential sites inventory to provide adequate sites zoned at appropriate densities to address the city's regional housing needs (RHNA) for lower income households.</p> <p><u>Appropriateness:</u> This program has been completed and is thus no longer appropriate to the update Housing Element.</p>
9. Partnerships with Affordable Housing Developers <i>Provide incentives to affordable housing providers through land write-downs, regulatory incentives and/or direct assistance.</i>	<p><u>Progress:</u> The City has entered into an Exclusive Negotiating Agreement with Heritage Housing Partners for conversion of the existing church on the City-owned Highland Avenue site to 3 units of moderate income, workforce housing. In addition to a land write-down, the City will provide flexible development standards, such as reduction in the guest parking requirement and modified setbacks, to enhance project feasibility.</p> <p><u>Effectiveness:</u> The City has a track record in successful partnership with an affordable housing developer on the Sierra Vista Senior Housing Project, and continues to be effective in working with Heritage Housing Partners.</p> <p><u>Appropriateness:</u> This program remains appropriate to the updated Element.</p>
10. Affordable Housing Funding Sources <i>Actively pursue a variety of funding sources for affordable housing. Support developers in securing outside funding.</i>	<p><u>Progress:</u> The City is currently supporting Heritage Housing Partners in securing gap financing through the LACDC for its project, and will pursue first-time homebuyer assistance through the State BEGIN program as appropriate.</p> <p><u>Effectiveness:</u> While no affordable projects were completed during the prior planning period, the City is currently working to secure outside funds.</p> <p><u>Appropriateness:</u> This program remains appropriate for the updated Housing Element.</p>
11. Section 8 Rental Assistance <i>Continue current levels of Section 8; assist in advertising program through placement of brochures in public locations.</i>	<p><u>Progress:</u> Given the relatively high rents in Sierra Madre, combined with limited rental vacancies, the Section 8 program has only limited applicability. Nonetheless, the County reports that several property owners participate in the program.</p> <p><u>Effectiveness:</u> The program is an effective means of allowing extremely low and very low income renters to remain in the community.</p> <p><u>Appropriateness:</u> The Section 8 program remains appropriate to the updated Element.</p>
12. Homeowner Assistance <i>Develop brochure of available homebuyer programs. Apply to State in conjunction with any future City assisted workforce housing.</i>	<p><u>Progress:</u> Upon entering into a DDA with Heritage Housing Partners, the City will pursue first-time homebuyer assistance through the State BEGIN program as appropriate.</p> <p><u>Effectiveness:</u> This program has not yet been implemented.</p> <p><u>Appropriateness:</u> With its first affordable homeownership project on the horizon, this program remains appropriate to the updated Housing Element.</p>

Housing Program and 2008 - 2014 Objective	Accomplishment
13. Reduced Development Fees for Affordable Housing <i>Provide planning fee reductions, deferrals or waivers, and expedited review for affordable housing projects.</i>	<p><u>Progress:</u> As part of the City's Affordable Housing Ordinance adopted in 2004, the following fee reductions are identified as an eligible incentive for affordable housing: deferred planning, plan check, construction permit and/or development impact fees.</p> <p><u>Effectiveness:</u> The program was effective in providing reduced development fees for the 10 very low income and 37 low income units in the Sierra Vista Senior Housing project, occupied in 2007.</p> <p><u>Appropriateness:</u> This program remains appropriate to the updated Housing Element.</p>
14. Multi-family Processing Procedures <i>Establish development standards for new R-3-H zone, and provide a non-discretionary review process.</i>	<p><u>Progress:</u> Ordinance 1337 added Chapter 17.29 entitled "R-3 H Multiple Family Residential High Density" to the Municipal Code. The new R-3 H zone accommodates 20 unit/acre densities by right, eliminating the requirement for a Conditional Use Permit.</p> <p><u>Effectiveness:</u> This program was effective in providing higher density zoning which can more effectively facilitate the provision of affordable units.</p> <p><u>Appropriateness:</u> This program has been completed and is thus no longer appropriate to the update Housing Element.</p>
15. Affordable Housing Density Bonus <i>Update the City's density bonus ordinance to reflect current State requirements.</i>	<p><u>Progress:</u> The City is in the process of updating its 2004 density bonus ordinance consistent with SB 1818, and anticipates adoption by mid-year 2014.</p> <p><u>Effectiveness:</u> While the City has not completed the update to its density bonus ordinance, the City utilized State statutes to provide an affordable housing density bonus in conjunction with the Sierra Madre Senior Housing Specific Plan.</p> <p><u>Appropriateness:</u> Density bonuses remain an appropriate tool to facilitate affordable housing on key sites.</p>
16. Zoning Text Amendments <i>Amend the Zoning Code to make explicit provisions for a variety of special needs housing.</i>	<p><u>Progress:</u> The City is in the process of amending the Zoning Code in compliance with SB 2, as well as to address additional provisions to eliminate potential constraints to the provision of special needs housing.</p> <p><u>Effectiveness:</u> The City is in the process of developing the specified Zoning Text amendments and anticipates adoption by January 2014.</p> <p><u>Appropriateness:</u> This program remains appropriate to the updated Element.</p>
17. General Plan Update <i>Establish new Residential High Density (20 du/acre) land use category. Evaluate and redesignate additional areas for High Density as part of the General Plan update.</i>	<p><u>Progress:</u> In conjunction with adoption of the Housing Element in May 2013, the City Council adopted a new 20 unit/acre RH1 General Plan land use category, and redesignated properties located at 271 and 293 Mariposa Avenue from RH to RH1. As part of the General Plan update, the Steering Committee has been reviewing additional sites for potential RH designation, and has identified several sites along North Baldwin Avenue based on their proximity to downtown, location along a major street, and distance from single-family residential uses.</p> <p><u>Effectiveness:</u> This program was effective in augmenting the City's residential sites inventory to provide adequate sites designated at appropriate densities to address the city's regional housing needs (RHNA) for lower income households.</p> <p><u>Appropriateness:</u> The General Plan update and expansion of sites for multi-family housing remains appropriate to the updated Element.</p>

Housing Program and 2008 - 2014 Objective	Accomplishment
18. Alternative Housing Models <i>Offer flexible zoning and other incentives to foster alternative housing types</i>	<p><u>Progress:</u> In November 2012, Sierra Madre voters approved Measure ALF, granting a density exception to Measure V and confirming the City Council's conditional approval of the 75 unit Kensington Assisted Living Facility. The project was approved with a Specific Plan, which allowed parking at a ratio less than required by Code. The applicant demonstrated with examples of other facilities in nearby cities that the actual parking demand for assisted living facilities is less than the City's Code-required on-site parking.</p> <p><u>Effectiveness:</u> The City was effective in facilitating non-traditional housing through flexible zoning to address the significant need for senior housing in the community.</p> <p><u>Appropriateness:</u> This program remains appropriate to the updated Housing Element.</p>
19. Fair Housing Program <i>Refer fair housing complaints to the Housing Rights Center.</i> <i>Disseminate fair housing information.</i>	<p><u>Progress:</u> Sierra Madre continues to participate with the Housing Rights Center in the provision of fair housing services, provides brochures at the public counter, and refers tenant/landlord complaints to the Housing Rights Center.</p> <p><u>Effectiveness:</u> While the fair housing program is effective for those who utilize its services, there has traditionally been limited participation in Sierra Madre.</p> <p><u>Appropriateness:</u> The Fair Housing Program remains appropriate to the updated Housing Element.</p>
20. Universal Design <i>Develop a Universal Design Principles brochure, and inform residential development applicants.</i>	<p><u>Progress:</u> The City has not completed this task in the six months since adoption of its Housing Element, but intends to include in its Work Program for 2014.</p> <p><u>Effectiveness:</u> Not yet implemented.</p> <p><u>Appropriateness:</u> Universal Design remains appropriate to the updated Housing Element.</p>
21. Reasonable Accommodation Procedures <i>Implement adopted reasonable accommodation procedures and inform the public about the new process.</i>	<p><u>Progress:</u> Chapter 17.61 – Reasonable Accommodation - has been incorporated into the City's Zoning Code.</p> <p><u>Effectiveness:</u> The City now provides a clear and defined process for persons with a disability to make reasonable accommodation requests from existing standards in the Development Code.</p> <p><u>Appropriateness:</u> Reasonable accommodation remains appropriate to the Housing Element.</p>
22. Homeless Services Strategy <i>Support implementation of SGVCOG regional Homeless Services Strategy, including establishment of Housing and Homeless Services Coordinating Council.</i>	<p><u>Progress:</u> Sierra Madre participates with SGVCOG to address regional homeless needs. One of the key recommendations of the Homeless Services Strategy has been realized – establishment of a Valley-wide Housing and Homelessness Coordinating Council.</p> <p><u>Effectiveness:</u> The City has been effective in coordinating with regional agencies and promoting services available to the homeless.</p> <p><u>Appropriateness:</u> The regional Homeless Services Strategy remains appropriate to the updated Housing Element.</p>

Housing Program and 2008 - 2014 Objective	Accomplishment
23. Green Advisory Committee and Green Building Ordinance <i>Establish a work plan to implement the Environmental Commitments and Goals established by the Green Advisory Committee.</i>	<p><u>Progress:</u> The Green Advisory Committee has been combined with the existing Tree Advisory Commission and renamed the Energy, Environment, and Natural Resources Commission (EENRC). The role, purview and oversight of this Commission was expanded to promote sustainability in areas including urban forest and trees, water, to continue to monitor State mandates, and to expand public outreach and participation. A work plan was already established by the former Green Advisory Committee, and the EENRC now has the purview over the work plan. An objective of the work plan includes establishing a green building ordinance, however, the City's adoption of the California Green Building Code has been found to be satisfactory at this time.</p> <p><u>Effectiveness:</u> This program has been effective in establishing a sustainability work plan for Sierra Madre, with establishment of a local green building ordinance to be undertaken in the future.</p> <p><u>Appropriateness:</u> This program remains appropriate to the updated Housing Element.</p>
24. Los Angeles County Energy Program (LACEP) <i>Provide loans for energy improvements through the LACEP and assist in publicizing the program to residents.</i>	<p><u>Progress:</u> The City assists in publicizing this new program offered through Los Angeles County, and answer basic questions to the public.</p> <p><u>Effectiveness:</u> This program has been effective in promoting home energy improvements.</p> <p><u>Appropriateness:</u> The City will continue to assist in publicizing this program, which remains appropriate to the updated Housing Element.</p>
25. Water and Sewer Priority for Affordable Housing <i>Distribute adopted Housing Element to water and sewer providers, emphasizing requirements to prioritize allocations to affordable housing.</i>	<p><u>Progress:</u> The City's water and sewer services are managed and owned by the City, and the Housing Element is distributed to the Public Works management staff. The City's Water and Sewer Master Plans, adopted 2010 and 2012, respectively, were completed in accordance with State requirements, and the Plans address water and sewer policies for all housing.</p> <p><u>Effectiveness:</u> This program was implemented.</p> <p><u>Appropriateness:</u> The City will continue to comply with this administrative requirement under State Housing Element law; a specific program is not necessary in the updated Housing Element.</p>

Summary of Housing Element Accomplishments

While the City's Housing Element was just adopted in May 2013, it has nonetheless made progress in achieving many of its key housing goals, as detailed in Table V-1. Highlights of the City's major accomplishments include the following:

Housing Improvement and Conservation

- ✓ Implementation of second unit amnesty program, with 12 applications complete or in process
- ✓ Exclusive Negotiating Agreement with Heritage Housing Partners for adaptive reuse of historic Highland Avenue church to provide 3 moderate income first-time homebuyer units
- ✓ Commitment of funds for rehabilitation of City-owned "Duty Man House" and provision as affordable rental unit

Housing Production

- ✓ Redevelopment assistance in the development of Sierra Vista Senior Housing, providing 10 very low and 36 low income units
- ✓ Development of two new second units
- ✓ Issuance of 5 second unit amnesty permits for existing units, with 7 additional permits in process

Special Needs Households

- ✓ Adoption of written procedures for granting reasonable accommodations for persons with disabilities
- ✓ Approval of 75 unit Kensington Assisted Living facility
- ✓ Establishment of special needs zoning for transitional and supportive housing and, and emergency shelters (adoption by Jan 2014)

The following Table V-2 summarizes Sierra Madre's quantified objectives for the 2008-2014 Housing Element planning period, and the city's progress in addressing these objectives. The City's new construction objectives reflect its regional housing needs (RHNA); its rehabilitation objectives reflect re-initiation of the Handyworker Program; and its conservation objectives reflect conserving affordable units within the Sierra Vista senior housing project and adjacent townhome project.

Table V-2
Summary of Quantified Objectives: 2008-2014

Income Level	New Construction			Rehabilitation		Conservation	
	Goal (RHNA)	Progress		Goal	Progress	Goal	Progress
		New Units	Amnesty 2 nd Units				
Extremely Low	14			1	0	--	
Very Low	22	10	2	2	0	10	10
Low	22	38	2	--	--	36	36
Moderate	24	--	1	--	--	1	1
Above Moderate	56	23		--	--	--	
Totals	138	71	5	3	0	47	47

New Construction: Goal reflects RHNA. Progress reflects net building permits issued between 1/2006-10/2013. Affordable units produced include the 46 unit Sierra Vista senior housing project (10 very low and 36 low income units); 2 new second units deed restricted to low income; and 5 existing second units legalized and issued a second unit permit. Affordability on the amnesty units is based on the income distribution from the City's second unit survey which showed 32% affordable to very low income, 49% affordable to low income, and 19% affordable to moderate income households.

Rehabilitation: Reflects re-initiation of the Handyworker Program, which was not implemented during the planning period.

Conservation: Reflects conserving affordable units within the Sierra Vista senior housing project and adjacent townhome project.

B. GOALS AND POLICIES

The following presents Sierra Madre's Housing Element goals and policies which will guide the City's actions pertaining to housing during the planning period.

HOUSING AND NEIGHBORHOOD ASSETS

GOAL 1.0: Maintain and enhance the quality of existing housing and ensure that new residential development is consistent with Sierra Madre's small town character.

Policy 1.1: Maintain sustainable neighborhoods with quality housing, infrastructure and open space that fosters neighborhood character and the health of residents.

Policy 1.2: Encourage property owners to maintain rental and ownership units in sound condition through code enforcement and housing rehabilitation programs.

Policy 1.3: Support efforts to identify and preserve important examples of historic or architecturally significant residences.

Policy 1.4: Support strategies for the adaptive reuse of residential, commercial, industrial and institutional structures to provide for a range of housing types.

Policy 1.5: Conserve existing rental housing by continuing to regulate the conversion of apartments to condominium ownership.



H HOUSING DIVERSITY

GOAL 2.0: Facilitate the provision of a range of housing types to meet community needs.

Policy 2.1: Encourage diversity in the type, size, price and tenure of residential development in Sierra Madre, while maintaining quality of life goals.

Policy 2.2: Provide adequate housing sites through appropriate zoning and land use designations, consistent with Sierra Madre's regional housing growth needs.

Policy 2.3: Support development of affordable housing by providing financial and/or regulatory incentives for projects which include low and moderate income units.

Policy 2.4: Provide opportunities for the integration of housing in commercial districts, while maintaining the downtown's low scale character and ground level retail spaces.

Policy 2.5: Encourage the construction of new, well designed second units in residential zones as a means of addressing a portion of Sierra Madre's regional housing needs.

Policy 2.6: Support collaborative partnerships with non-profit organizations and affordable housing builders to provide greater access to affordable housing funds.

Policy 2.7: Support and publicize rental assistance provided through the L.A. County Housing Authority for extremely low and very low income households.

Policy 2.8: Encourage the provision of financial assistance to low and moderate income first-time homebuyers through County and State programs.



REMOVE GOVERNMENTAL CONSTRAINTS

GOAL 3.0: Reduce governmental constraints on the maintenance, improvement and development of housing while maintaining community character.

Policy 3.1: Provide regulatory incentives and concessions to offset the costs of affordable housing development while protecting quality of life goals.

Policy 3.2: Provide flexibility in development standards to accommodate new models and approaches to providing housing, such as co-housing, shared housing, and live/work housing.

Policy 3.3: Provide fee waivers to facilitate production of affordable housing.

Policy 3.4: Provide reduced parking standards for affordable and special needs housing.

Policy 3.5: Provide zoning to accommodate transitional housing, supportive housing, emergency shelters, and community care facilities to help address the housing needs of Sierra Madre's special needs populations.



EQUAL HOUSING OPPORTUNITIES

GOAL 4.0: Promote equal housing opportunities for all residents, including Sierra Madre's special needs populations, so that residents can reside in the housing of their choice.

Policy 4.1: Support the provision of fair housing services and tenant/landlord mediation to Sierra Madre residents.

Policy 4.2: Support development and maintenance of affordable senior rental and ownership housing and supportive services to facilitate maximum independence and the ability of seniors to remain in their homes or within the greater Sierra Madre community.

Policy 4.3: Continue to address the special needs of persons with disabilities through provision of supportive housing, zoning for group housing, and procedures for reasonable accommodation.

Policy 4.4: Work cooperatively with the San Gabriel Valley Council of Governments and other applicable agencies to provide a continuum of care for the homeless, including emergency shelter, transitional housing, supportive housing and permanent affordable housing.



ENVIRONMENTAL SUSTAINABILITY

GOAL 5.0: Promote environmental sustainability through support of existing and new development which minimizes reliance on natural resources.

Policy 5.1: Develop a local Green Building Program to implement practices focused on reducing Sierra Madre's greenhouse gas emissions and consumption of natural resources, including water resources.

Policy 5.2: Promote the use of sustainable construction techniques and environmentally sensitive design for housing.

Policy 5.3: Promote the use of alternative energy sources such as solar energy, cogeneration, and non-fossil fuels.

Policy 5.4: Incorporate transit and other transportation alternatives such as walking and bicycling into the design of new development.



C. HOUSING PROGRAMS

The goals and policies contained in Sierra Madre's Housing Element are implemented through a series of housing programs. Sierra Madre's overall program strategy for addressing its housing needs has been defined according to the following themes previously described in the introduction to the Housing Plan:

- Preserving housing assets
- Ensuring diversity
- Reducing governmental constraints
- Promoting equal housing opportunities
- Environmental sustainability

The Housing Program Summary Table V-3 located at the end of this section specifies the following for each program: 2014-2021 program objective; funding source(s); agency responsible for implementation; and implementation time frame.

PRESERVING HOUSING ASSETS

1. Preservation of Historic Structures

The Sierra Madre community places a strong emphasis on preserving its historical resources and maintaining the community's small town character. Preservation of historic structures contributes to revitalization of the community's housing stock and neighborhoods. The Sierra Madre Historical Society and the Planning Commission both work with property owners to preserve historic structures. The City's Historic Preservation Ordinance offers the following incentives for preservation:



- 50% reduction in City building permit and plan check fees for renovation of historic properties.
- No application fees for nomination of properties to be locally designated as historic, or for Certificate of Appropriateness reviews.
- Use of the State Historical Building Code (SHBC) as the governing building code. The SHBC provides alternative building regulations to facilitate rehabilitation, preservation, restoration and relocation.
- Change of use, subject to a conditional use permit, to facilitate adaptive reuse of historic landmarks.

Sierra Madre has also adopted a local Mills Act program, allowing owners of designated historic properties to enter into a contract with the City to reduce their property taxes in exchange for agreeing to maintain the property's historic character. Eighteen properties currently participate in the Mills Act program, receiving an annual tax reduction ranging from \$20,000 - \$30,000.

2014-2021 Objective: *Advertise available incentives for historic preservation and assist property owners in determining which incentives apply to their properties. Process Mills Act applications in a timely and efficient manner.*

2. Adaptive Reuse

The conversion and reuse of outdated buildings can provide the opportunity for new residential uses within a community. As a housing strategy, adaptive reuse can introduce housing into non-residential areas, restore buildings to a useful purpose, and provide live/work space at a reasonable cost. Sierra Madre encourages the adaptive reuse of historic structures, allowing uses not otherwise allowed through the base zone as well as allowing for increased residential densities. Examples of conversion of historic structures include the Pinney House and the Alverno Villa, with reuse of the 1921 Highland Avenue church as workforce housing currently in the planning stages.



2014-2021 Objective: *Continue to utilize adaptive reuse as a tool to expand housing opportunities and enhance the economic usefulness of outmoded buildings.*

3. County Single-Family Housing Rehabilitation Loan Program

As a participating city in Los Angeles County's Community Development Block Grant (CDBG) program, Sierra Madre residents are eligible to participate in the County Community Development Commission's Housing Rehabilitation Loan Program. This program offers low interest loans to low income (80% AMI) single-family property owners. Deferred or amortized loans of up to \$25,000 are available for single-family homes and \$50,000 for two-unit properties. Applicants apply directly through Los Angeles Community Development Commission.

2014-2021 Objective: *Advertise the availability of the Housing Rehabilitation Program on the City's website, and through flyers available at City Hall.*

4. Handyworker Program

In the past, Sierra Madre has utilized Community Development Block Grant (CDBG) funds to support a Handyworker Program. Through this program, funding was provided for needed improvements to housing occupied by lower income households, the majority of which were senior citizens. Most recently, the City has been utilizing its approximately \$50,000 in annual CDBG funds to make needed accessibility improvements in public buildings, including City Hall, the Senior Center, and Recreation Center. With Sierra Madre's a sizable and growing senior citizen population – one-quarter of whom are lower income – a program to assist seniors with minor home improvements could assist in allowing them to remain in their homes. To address this need, the City is re-initiating its Handyworker Program.

***2014-2021 Objective:** Develop new program guidelines and reinitiate the Handyworker Program utilizing CDBG funds. Establish a program brochure and conduct outreach through the Sierra Madre Senior Center, the City newsletter and City Hall website. Seek to assist 3 extremely low, very low and low income households in the program's first year of operation in 2015.*

5. Condominium Conversion Ordinance

Apartment projects proposed for conversion to condominium ownership are subject to Sierra Madre's Condominium Conversion regulations (Chapter 16.36 of the Zoning Code). These regulations set forth a series of tenant protections including tenant noticing, relocation compensation, and right of first purchase. Applicants seeking approval for conversion are required to obtain a conditional use permit from the Planning Commission.

***2014-2021 Objective:** Continue to provide tenant protections through implementation of the City's condominium conversion regulations.*

HOUSING DIVERSITY

6. Second Dwelling Units

Second dwelling units are self-contained living units with cooking, eating, sleeping, and full sanitation facilities, either attached to or detached from the primary residential unit on a single lot. Second units offer several benefits. First, they typically rent for less than apartments of comparable size, and can offer affordable rental options for seniors and single persons. Second, the primary homeowner receives supplementary income by renting out their second unit, which can help many modest income and elderly homeowners afford to remain in their homes.

Second units are an integral segment of Sierra Madre's housing stock, and contribute towards addressing regional housing needs while maintaining the community's small town character. The City has supported the legalization of existing second units

developed without proper permits, with a dozen previously unpermitted units being brought up to code as a result of the October 2012-July 2013 amnesty program.

Sierra Madre has continued to review and make appropriate refinements to its Zoning Code for new second units. The City's Planning Commission has approved the following revisions to the Code (Section 17.22 - Second Units), adopted by City Council in December 2013:

- Expansion of permitted locations from R-1 to all residential zone districts
- Increase in the permitted unit size from 600 square feet and one bedroom, to 800 square feet
- Allowance for second units above a garage and attached second units to be on the second floor
- Allowance for reduced setbacks where privacy and environmental considerations are not compromised, through a minor conditional use permit process
- Elimination of the prior affordable rent and income restrictions

2014-2021 Objective: Upon adoption of the updated Second Unit ordinance, develop a brochure and make information available to the public on the City's website, at the City Hall public counter, and at the Sierra Madre Senior Center. Issue permits for the eight amnesty units currently being processed, and initiate another amnesty program within the next five years¹, to achieve a minimum of 20 second units (inclusive of the eight in process) during the planning period, including new and amnesty units.

7. Affordable Housing Development Assistance

The City and its Housing Successor Agency can play an important role in facilitating the provision of quality, affordable and mixed income housing through provision of regulatory incentives, land write-downs, and direct financial assistance. The following are among the types of incentives the City can offer:

- Reduction or deferral of development fees;
- Flexible development standards and parking reductions;
- Density bonuses;
- City support in affordable housing funding applications; and
- Financial and land write-down assistance, as available.

The Successor Agency maintains ownership of the .34 acre property at 186 W. Highland, originally purchased with Redevelopment Housing Funds, and occupied by a vacant, historic church. The City has entered into an Exclusive Negotiating

¹ To receive RHNA credit, second units under the future amnesty program would be subject to the same provisions as the initial program, as applied to the 2014-2021 planning period: documentation the unit did not have an individual address as of the 2010 census, does not have a permit of record, and was constructed prior to January 1, 2014.

Agreement with Heritage Housing Partners (HHP), a local non-profit housing developer, for adaptive reuse of the church as three moderate income, workforce housing units. HHP is pursuing gap financing on the project, after which they will enter into a Disposition and Development Agreement with the City.

The City-owned "Duty-Man House" is a small, two-bedroom house located at the rear of Sierra Vista Park previously rented to Sierra Madre City staff members.. The City Council has appropriated funds to rehabilitate and convert the house back to residential use for use as an affordable rental. Upon completion of the necessary unit upgrades, the City will contract with a property manager to find a low income-eligible tenant and to oversee management of the property.

2014-2021 Objective: *Provide regulatory and available financial assistance for the development of affordable and mixed-income housing. Support HHP in obtaining necessary gap financing to convert the Highland Avenue church to three moderate income workforce housing units. Complete rehabilitation improvements on the Duty Man house and provide as a long term affordable rental unit.*

8. Partnerships with Affordable Housing Developers

In today's housing market, creative approaches are required to finance and build affordable and special needs housing. Sierra Madre successfully partnered with the non-profit developer Accessible Housing Corporation to achieve development of Sierra Vista Senior Housing, allowing the project to gain access to Low Income Housing Tax Credits and City of Industry funds. Several local nonprofits specialize in small scale infill projects – such as Habitat for Humanity and Heritage Housing Partners of Pasadena - providing resources for the City to draw from in selecting developers to design projects compatible with Sierra Madre's small town character.

2014-2021 Objective: *Continue to partner with affordable housing providers through provision of land write-downs, regulatory incentives and/or direct assistance.*

9. Affordable Housing Funding Sources

Successful implementation of Sierra Madre's programs for development of affordable and special needs housing will depend on the leverage of local funds with a variety of federal, State, County, and private sources. The Financial Resources section of the Housing Element identifies the primary affordable housing funding programs available to Sierra Madre. In addition to applying for those funds directly available to municipalities, the City plays an important role in supporting developers to secure outside funds. City involvement may involve review of financial pro-forma analyses; provision of demographic, market and land use information; review and comment on funding applications; and City Council actions in support of the project and application. Many "third-party" grants may also require some form of local financial commitment.

2014-2021 Objective: *Actively pursue public and private funding sources for affordable housing as a means of leveraging local funds and maximizing assistance. Support developers in securing outside funding sources.*

10. Section 8 Rental Assistance

The Section 8 Rental Assistance Program extends rental subsidies to very low-income households, including families, seniors, and the disabled. The Section 8 Program offers a voucher that pays the difference between the current fair market rent (FMR) and what a tenant can afford to pay (i.e. 30% of household income). The voucher allows a tenant to choose housing that cost above the payment standard, provided the tenant pays the extra cost. Given the significant gap between market rents and what very low income households can afford to pay for housing, Section 8 plays a critical role in allowing such households to remain in the community, and is a key program to address the needs of extremely low and very low income households.

2014-2021 Objective: *Through the Los Angeles County Housing Authority, the City will continue to provide Section 8 rental assistance to extremely low to very low-income residents. The City will assist in advertising the program through placement of brochures at the public counter and at the Senior Center, and providing information on the City of Sierra Madre website.*

11. Homeownership Assistance

As a participating city in Los Angeles County's CDBG Urban County program, first-time homebuyers in Sierra Madre have access to several homebuyer assistance programs offered through the Los Angeles County Community Development Commission (CDC). These include:

- **Homeownership Assistance Program (HOP) and Down Payment Assistance (DPA) Loan programs.** These programs offer deferred payment, 0% interest loans (up to \$60,000 under HOP and \$10,000 under DPA) for downpayment and/or closing cost assistance for low income (80% AMI) first-time homebuyers. Borrowers must complete an 8-hour homebuyer education seminar from an approved HUD counseling agency.
- **Southern California Home Financing Authority (SCHFA) Mortgage Revenue Bond Program.** SCHFA is a joint powers authority between Los Angeles and Orange Counties formed in 1988 to issue tax-exempt mortgage revenue bonds for low- and moderate-income first-time homebuyers. This program provides below-market interest 30 year fixed rate loans and downpayment assistance grants. Eligibility includes maximum household incomes of approximately \$100,000, and sales price limits of approximately \$670,000. While the LA CDC administers the program, applicants work directly with participating lenders.

In addition to these programs offered directly to qualifying first-time homebuyers, the City has access to several competitive grant programs offered through the State Department of Housing and Community Development (HCD) it can use for homebuyer assistance, including the BEGIN (Building Equity and Growth in Neighborhoods) and CalHome programs.

2014-2021 Objective: *Develop a first-time homebuyer brochure identifying programs available through the County and State, and contact information for participating lenders. Apply to the State for homebuyer assistance in conjunction with any future City assisted workforce housing development.*

REMOVING GOVERNMENTAL CONSTRAINTS

12. Reduced Development Fees for Affordable Housing

Sierra Madre collects various fees from development to cover the costs of processing permits and providing services and facilities. While these fees are assessed on a pro rata share system, they do contribute to the cost of housing and could potentially constrain the provision of lower priced units. The reduction, deferral or waiver of City fees can lower residential construction costs.

Under the City's Affordable Housing Ordinance (Section 17.34 of the Zoning Code), the City's Development Services Department may provide planning fee reductions, deferrals or waivers for affordable housing developments. For example, the City provided the Sierra Vista Senior Housing Project with reduced development fees. As a means of specifically encouraging the provision of housing affordable to extremely low income (ELI - <30% AMI) households, the City will waive 50% of Planning Department entitlement application processing fees for projects with a minimum ten percent ELI units, or not less than one unit.

In addition, the California legislature passed AB 641 in 2007, which helps to address the cash flow problems inherent in many affordable housing projects during the construction phase. For affordable housing developments in which at least 49 percent of the units are affordable to low or very low-income households, AB 641 prohibits local governments from requiring the payment of local developer fees prior to receiving a certificate of occupancy.

2014-2021 Objective: *Continue provision of planning fee reductions, deferrals or waivers, and expedited review for affordable housing projects. In 2014, update the Code to specify the waiver of 50% of application processing fees for projects with a minimum 10% ELI units.*

13. Affordable Housing Density Bonus

Pursuant to current state density bonus law (*Govt Code section 65915*), applicants of residential projects of five or more units may apply for a density bonus and additional incentive(s) if the project provides for one of the following:

- ✓ 10 percent of the total units for lower income households; or
- ✓ 5 percent of the total units for very low income households; or
- ✓ A senior citizen housing development or mobilehome park that limits residency based on age requirements for housing for older persons; or
- ✓ 10 percent of the total dwelling units in a condominium for moderate income households.

The amount of density bonus varies according to the amount by which the percentage of affordable housing units exceeds the established minimum percentage, but generally ranges from 20-35 percent above the specified General Plan density. In addition to the density bonus, eligible projects may receive 1-3 additional development incentives, depending on the proportion of affordable units and level of income targeting. The following development incentives may be requested:

- ✓ Reduced site development standards or design requirements.
- ✓ Approval of mixed-use zoning in conjunction with the housing project.
- ✓ Other regulatory incentives or concessions proposed by the applicant or the City that would result in identifiable cost reductions.

Applicants are also eligible to utilize the State's alternative parking ratio (inclusive of handicapped and guest spaces) of 1 space for 0-1 bedroom units, 2 spaces for 2-3 bedroom units, and 2.5 spaces for 4+ bedrooms.

Sierra Madre utilized density bonus incentives in association with the Sierra Madre Senior Housing Specific Plan. Subsequent to adoption of Sierra Madre's density bonus ordinance, SB 1818 made significant changes to State density bonus law which now need to be incorporated into the Code.

2014-2021 Objective: *Update Chapter 17.34 of the Zoning Code in 2014 to reflect current State density bonus provisions as a means of enhancing the economic feasibility of affordable housing developments. Advertise on Sierra Madre's website, and promote in conjunction with discussions with development applicants.*

14. Zoning Text Amendments for Special Needs Housing

As part of the Governmental Constraints analysis for the Housing Element update and pursuant to requirements under SB 2, several revisions to the Sierra Madre Zoning Code have been identified as appropriate to better facilitate the provision of a variety of housing types. These Code revisions include:

- ✓ Create a supportive housing use category and definition; regulate supportive housing and transitional as permitted/conditionally permitted uses within residential and commercial zoning districts subject to the same standards and permitting procedures as other similar residential uses.² (SB 2)
- ✓ Identify emergency shelters as a by-right, permitted use in the M-1 zone district subject to the same development and management standards as other uses permitted in the M-1 zone. (SB 2)
- ✓ Develop a definition of “family” which is inclusive and non-discriminatory.
- ✓ Create a “community care facility” use category and definition; list community care facilities with 6 or fewer occupants as permitted in all residential zone districts and care facilities with 7 or more occupants as conditionally permitted in multi-family zone districts.
- ✓ Identify modular housing as a permitted use in the R-2 zone district.
- ✓ Create a single room occupancy (SRO) use category and definition, and identify as a conditionally permitted use in the commercial zone district.

2014-2021 Objective: *Amend the Zoning Ordinance by January 2014 consistent with SB 2 to make provisions for transitional/supportive housing and emergency shelters. By the end of 2014, amend the Code to adopt an inclusive definition of “family”, and to make explicit provisions for community care facilities, modular housing and SROs.*

15. General Plan Update

Sierra Madre is undertaking a comprehensive update to its General Plan, and in compliance with SB 375, is addressing sustainability on a broader land use and transportation basis. The General Plan Steering Committee has reviewed additional sites for increased multi-family residential density based on site proximity to downtown, location along a major street, and distance from single-family residential uses, and identified several sites along North Baldwin Avenue. Providing expanded locations for higher density housing will help to mitigate the limitations Measure V³ places on development within the downtown core.

2014-2021 Objective: *Mitigate the impacts of Measure V by examining opportunities for a Residential High Density overlay zone for affordable housing in existing R-3 zones which have the contextual land characteristics (i.e., consistent with the character of surrounding properties) to support higher density. Evaluate and re-designate additional areas as Residential High Density as part of a comprehensive approach under the General Plan update.*

² Transitional and supportive housing may take the form of a multi-family structure, or single-family home. Thus, if transitional or supportive housing is configured as multi-family, it would be regulated as such, whereas if it is configured as a single-family structure, it would be subject to single-family regulations.

³ Measure V refers to the Sierra Madre Voters’ Empowerment Ordinance, adopted by residents in April 2007. The initiative ordinance applies to the commercial core of the City which encompasses approximately 200 parcels, and limits residential development to 13 units/acre and two stories in height.

16. Alternative Housing Models

Sierra Madre recognizes the changing housing needs of its population, including a growing number of non-family households, aging seniors in need of supportive services, and single-parent families in need of childcare and other services. To address such needs, the City can support the provision of non-traditional and innovative housing types to meet the unique needs of residents, including co-housing, shared housing, and assisted living for seniors, among others.

Co-housing is an innovative type of collaborative housing originated in Denmark in the 1960s. Co-housing communities consist of individually owned, private homes clustered around common facilities and amenities in a walkable environment. Common features may include a community garden, recreational areas, and a common house where day care and meals can be shared. The communities are managed by the residents who have chosen to live in a close-knit neighborhood. There are no zoning constraints to provision of co-housing in Sierra Madre.

Given the economic downturn, shared housing living situations are becoming more common. Homeowners are taking in renters, and renters are advertising for roommates to share in housing costs. Bringing in a tenant can be particularly helpful to Sierra Madre's elderly homeowners to provide the necessary support to allow them to remain in their homes. The City supports these types of shared living situations.

Assisted living facilities are designed for elderly individuals needing assistance with certain activities of daily living - such as eating, bathing, and transportation - but desiring to live as independently as possible. Such facilities bridge the gap between independent living and nursing homes. With over eight percent of Sierra Madre's population over the age of 75, assisted living can help meet the housing and supportive service needs of Sierra Madre's more frail senior residents. Sierra Madre's Development Code provides reduced parking standards for senior residential care facilities.

2014-2021 Objective: Facilitate the development of alternative housing models suited to the community's housing needs through the provision of flexible zoning regulations, financial assistance, and/or other incentives.

EQUAL HOUSING OPPORTUNITIES AND SPECIAL NEEDS

17. Fair Housing Program

The Housing Rights Center (HRC) is the designated provider of fair housing and tenant-landlord information for Sierra Madre. HRC provides fair housing investigation and coordinates referral services to assist individuals who may have been the victims of discrimination. Many of the people who contact HRC have basic questions about landlord and tenant rights and responsibilities; HRC's housing counselors provide

clients with comprehensive information to help resolve tenant/landlord issues. HRC conducts fair housing education and outreach throughout the San Gabriel Valley.

2014-2021 Objective: *Continue to promote fair housing practices, and refer fair housing complaints to Housing Rights Center. As a means of furthering fair housing education and outreach, the City will advertise the fair housing program through placement of fair housing services brochures at the public counter, the Sierra Madre Community Center and on the City's website.*

18. Universal Design

As Sierra Madre's population continues to age, providing housing that is accessible to people of all abilities becomes increasingly important. The majority Sierra Madre's housing stock was built prior to the advent of modern accessibility standards, thus it is important for the City to facilitate the retrofit of existing housing to provide greater accessibility, as well as to promote accessibility in new construction. The goal of universal design is to accommodate a wide range of abilities including children, aging populations, and persons with disabilities by providing features in residential construction that enhance accessibility. Examples of universal design features include:

- ✓ Entrances without steps that make it easier for persons to enter the home
- ✓ Wider doorways that enhance interior circulation and accommodate strollers and wheelchairs
- ✓ Lever door handles that are easier to use, especially by parents with an infant or persons with arthritis
- ✓ Light switches and electrical outlets that are located at a height more convenient and accessible to the elderly

2014-2021 Objective: *Develop a Universal Design Principals brochure in 2014, and provide to residential development applicants.*

19. Reasonable Accommodation Procedures

It is the policy of the City of Sierra Madre to provide reasonable accommodation for persons with disabilities seeking fair access to housing in the application of its zoning and building laws. Depending on the nature and extent of a requested accessibility modification, the City would accommodate such requests either through a building permit, an administrative adjustment, or a zoning exception. While Sierra Madre has not identified any constraints on the development, maintenance or improvement of housing for persons with disabilities, the City did not previously have in place specific procedures for requesting a reasonable accommodation. As a means of facilitating such requests and removing constraints for persons with disabilities, in October 2011, the City adopted Zoning Code chapter 17.61 to provide a clear and defined process for persons with a disability to make reasonable accommodation requests from existing standards in the City's Development Code.

2014-2021 Objective: *Implement the City's reasonable accommodation procedures. Where a project requesting a reasonable accommodation request requires another discretionary review, provide for concurrent processing.*

20. Housing Opportunities for Persons Living with Disabilities

The San Gabriel Valley/Pomona Regional Center (SGPRC) is among 21 regional centers operated by the State Department of Developmental Services to provide services and support for adults and children with developmental disabilities. The SGPRC currently provides services to 116 developmentally disabled residents within the Sierra Madre zip code.

The Regional Center reports that 60 percent of their adult clients with developmental disabilities live with their parents, and as these parents age and become more frail, their adult disabled children will require alternative housing options. The Regional Center has identified several community-based housing types appropriate for persons living with a developmental disability, including: licensed community care facilities and group homes; supervised apartment settings with support services; and for persons able to live more independently, rent subsidized, affordable housing. The City will coordinate with the SGPRC to implement an outreach program informing Sierra Madre families of housing and services available for persons with developmental disabilities, including making information available on the City's website.

Sierra Madre supports the provision of housing for its disabled population, including persons with developmental disabilities, through several means, including:

- By-right zoning for licensed residential care facilities (6 or fewer residents) in residential zones, and provisions for larger care facilities (7 or more residents) in residential zones, subject to a conditional use permit.
- Treatment of supportive and transitional housing as a residential use of property, subject only to those restrictions and processing requirements that apply to other residential dwellings of the same type in the same zone.
- Procedures for an individual with a disability to request a reasonable accommodation from zoning and building standards.
- Programs to facilitate affordable housing, including Density Bonuses and Affordable Housing Development Assistance.

2014-2021 Objective: *Continue to support a variety of housing types to help address the diverse needs of persons living with disabilities, and work with the SGPRC to publicize information on available resources for housing and services. Evaluate the use of State and Federal funds available for supportive housing and services in future affordable housing developments.*

21. Homeless Services Strategy

The San Gabriel Valley Council of Governments (SGVCOG) has undertaken a consensus building process involving the 19 valley cities, the County, and community and faith-based organizations to develop a regional Homeless Services Strategy. The Strategy, adopted by the SGVCOG Board in 2009, provides an intervention plan to address unmet housing and service needs to be implemented over a one to five year period. San Gabriel Valley communities were divided into four cluster groups, each developing its own subregional priorities, programs and production targets. Sierra Madre participated in the Strategy development, and as part of Cluster Group One, has defined the following five-year priorities:

- **First Priority - Permanent Supportive Housing.** Focus on creating mixed population affordable housing developments with set-asides of supportive housing for formerly homeless tenants, with a goal of developing 47 units. Also utilize scattered site rent-subsidized units leased in the private rental market, with a goal of 100 units.
- **Second Priority – Transitional Housing.** Increase the number of transitional housing beds for single individuals by 40 to 60. Provide scattered site, master leased short term housing for 125 families.
- **Third Priority – Emergency Shelter.** Increase the number of emergency shelter beds for single individuals by 60 to 90.

One of the Strategy's primary recommendations is establishment of a Valley-wide Housing and Homeless Services coordinating Council to link and expand services; formation of the Council is underway.

***2014-2021 Objective:** Support implementation of the SGVCOG regional Homeless Services Strategy, including the priorities established by Cluster Group One.*

ENVIRONMENTAL SUSTAINABILITY

22. Energy, Environment and Natural Resources Commission (EENRC)

Sierra Madre established a Green Advisory Committee (GAC) to review green practices, policies and programs relating to the reduction of Sierra Madre's greenhouse gas emissions. The Committee completed an *Environmental Commitments and Goals* document which is used as the Committee's work plan. The Green Advisory Committee has recently been combined with the City's Tree Advisory Commission and renamed the Energy, Environment, and Natural Resources Commission (EENRC), adopting the work plan of GAC. The role, purview and oversight of this Commission has been expanded to promote sustainability in areas including urban forest and trees, water, to continue to monitor State mandates, and to expand public outreach and participation. One of the objectives of the Commission's work plan includes establishing a local green building program, expanding upon the California Green Building Code adopted by the City.

2014-2021 Objective: *Continue to monitor the EENRC's work plan, including exploring a local green building program that is suitable for Sierra Madre's development characteristics. Provide outreach and education to developers, architects and residents to provide information on how to incorporate sustainability in project design, as well as in existing structures.*

23. Los Angeles County Energy Program (LACEP)

The County's LACEP is a direct result of AB 811 which authorizes local governments to provide financing to qualified property owners for the installation of energy and water efficiency improvements, and renewable energy sources fixed to the property. Under this new program, the County will provide loans to residential property owners (of up to four units) to be repaid through an assessment levied against the property payable in semi-annual installments on the property tax bill. Benefits to the property owner include:

- Up-front funding for improvements
- Savings in energy or water bills that make a typical improvement pay for itself within five years
- Loan stays with the property and is not required to be paid in full at sale of home
- Application process simpler and easier to qualify over private lending alternatives

Sierra Madre staff have participated with the San Gabriel Valley Council of Governments (SGVCOG) over the past year to develop an effective approach to link the LACEP program to Valley jurisdictions. Cities will bear no direct costs in qualifying their residents for the program, but are expected to assist with publicity and serve as an initial point of contact for residents.

2014-2021 Objective: *Coordinate with the County and SGVCOG in publicizing and marketing the LACEP program to residents. Utilize the Green Advisory Committee as a tool to help increase program awareness.*

Table V-3: Housing Programs Summary 2014-2021

Housing Program	Program Goal	2014-2021 Objective	Funding Source	Responsible Agency	Time Frame
PRESERVING HOUSING ASSETS					
1. Preservation of Historic Structures	Preserve and maintain historic structures, and revitalize older housing and neighborhoods.	Advertise preservation incentives and process applications in a timely manner.	General; Federal Tax Credits	Development Services Department	2014-2021
2. Adaptive Reuse	Restore the economic usefulness of historic buildings.	Provide expanded opportunities for housing.	General	Development Services Department	2014-2021
3. Housing Rehabilitation Loan Program	Provide financial assistance for home repairs to lower income households.	Advertise the availability of the County's program on the City's website, and disseminate flyers in public locations.	County funds	Development Services Department; Los Angeles County CDC	Begin advertising in 2014.
4. Handyworker Program	Assist lower income homeowners in making needed repairs.	Develop new program guidelines and reinstate program. Seek to assist 3 households in the first year of operation.	CDBG	Public Works Department	Reinstate program by 2015.
5. Condominium Conversion Ordinance	Provide protections for tenants in apartments proposed for conversion.	Implement condominium conversion regulations.	General	Development Services Department	2014-2021
HOUSING DIVERSITY					
6. Second Dwelling Units	Provide additional sites for rental housing within existing neighborhoods. Legalize existing, non-permitted second units, making them safe and sanitary.	Update existing second unit ordinance to provide greater flexibility, and conduct educational campaign. Issue permits for 8 amnesty units currently being processed. Seek to achieve a minimum of 20 new and amnesty units.	General	Development Services Department	Amend ordinance in 2013, prepare educational materials and advertise in 2014. Initiate another amnesty program within five years (2019).

Housing Programs Summary (cont'd)

Housing Program	Program Goal	2014-2021 Objective	Funding Source	Responsible Agency	Time Frame
7. Affordable Housing Development Assistance	Facilitate development of affordable housing consistent with the community's needs.	Enter into DDA for conversion of Highland Ave church to 3 mod income units. Provide Duty Man House as affordable rental unit.	City/Housing Successor Agency-owned land	Development Services Department; Administrative Services Department	Enter into DDA for Highland Ave site in 2014. Complete improvements to Duty Man House in 2014.
8. Partnerships with Affordable Housing Developers	Partner with affordable housing developers to leverage their expertise and access to funds.	Provide incentives to affordable housing providers through land write-downs, regulatory incentives and/or direct assistance.	General	Development Services Department; City Manager's Office	Enter into DDA for Highland Ave site in 2014.
9. Affordable Housing Funding Sources	Leverage local funds to maximize assistance.	Actively pursue a variety of funding sources for affordable housing. Support developers in securing outside funding.	Federal, State, county and private	Development Services Department; City Manager's Office	As projects are proposed.
10. Section 8 Rental Assistance	Assistance extremely low and very low income households with rental payments.	Continue current levels of Section 8; assist in advertising program through placement of brochures in public locations.	HUD Section 8	Development Services Department; LA County Housing Authority	Disseminate brochures by 2014.
11. Homeowner Assistance	Expand homeownership opportunities to low and moderate income households.	Develop brochure of available homebuyer programs. Apply to State in conjunction with future projects.	General; State and County funds	Development Services Department; LA County CDC; State HCD	Develop and disseminate brochures by 2014.
REMOVAL OF GOVERNMENTAL CONSTRAINTS					
12. Reduced Development Fees for Affordable Housing	Reduce the costs of developing affordable housing.	Provide planning fee reductions, deferrals or waivers for affordable housing projects. Update the Code to specify the waiver of application fees for projects with a minimum 10% ELI units.	General	Development Services Department	Amend the City's Fee Schedule for ELI in 2014.

Housing Programs Summary (cont'd)

Housing Program	Program Goal	2014-2021 Objective	Funding Source	Responsible Agency	Time Frame
13. Affordable Housing Density Bonus	Provide density and other incentives to facilitate affordable housing.	Update the City's density bonus ordinance to reflect current State requirements.	General	Development Services Department	Amend the Zoning Ordinance in 2014.
14. Zoning Text Amendments for Special Needs Housing	Provide appropriate zoning to facilitate housing for special needs populations.	Amend the Zoning Code to make explicit provisions for transitional & supportive housing, emergency shelters, manufactured housing, SROs, and community care facilities.	General	Development Services Department	Adopt SB 2 related amendments by Jan 2014, with the balance of Code amendments by the end of 2014.
15. General Plan Update	Mitigate impacts of Measure V by providing expanded sites for higher density housing.	Establish new Residential High Density (20 du/acre) land use category. Evaluate and redesignate additional areas for High Density.	General	Development Services Department	General Plan adoption in 2014 and corresponding zoning implementation in 2015-16.
16. Alternative Housing Models	Support the provision of non-traditional, innovative housing types to meet unique needs.	Offer flexible zoning and other incentives to foster alternative housing types.	General	Development Services Department	2014-2021
EQUAL HOUSING OPPORTUNITIES AND SPECIAL NEEDS					
17. Fair Housing Program	Promote fair housing practices and prevent housing discrimination.	Refer fair housing complaints to the Housing Rights Center. Disseminate fair housing information.	General; CDBG	Los Angeles County CDC; Housing Rights Center; City Manager's Office	2014-2021
18. Universal Design	Increase accessibility in housing through Universal Design.	Develop a Universal Design Principles brochure, and inform residential development applicants.	General	Development Services Department; City Manager's Office	Develop brochure by 2014.
19. Reasonable Accommodation Procedures	Provide accessible housing to persons with disabilities.	Implement adopted reasonable accommodation procedures and inform the public about the new process.	Department Budget	Development Services Department	2014-2021

Housing Programs Summary (cont'd)

Housing Program	Program Goal	2014-2021 Objective	Funding Source	Responsible Agency	Time Frame
20. Housing Opportunities for Persons Living with Disabilities	Support a range of housing options for persons with physical, developmental and mental disabilities.	Coordinate with SGPRC to publicize info on resources for housing and services. Pursue State and Federal funds available for supportive housing and services in future affordable housing projects.	Low Income Housing Tax Credits; other State and Federal funds.	Development Services Department	Publicize resources in 2014. Pursue funding in conjunction with affordable projects.
21. Homeless Services Strategy	Assist the homeless and persons at-risk of homelessness in obtaining shelter and services.	Support implementation of SGVCOG regional Homeless Services Strategy, including establishment of Housing and Homeless Services Coordinating Council.	General	City Manager's Office; Police Department	2014-2021
ENVIRONMENTAL SUSTAINABILITY					
22. Energy, Environment and Natural Resources Commission	Achieve higher levels of energy efficiency and reduce greenhouse gas emissions.	Continue to monitor the EENRC's work plan, including exploring a local green building program. Provide outreach and education to provide information on how to incorporate sustainability in project design.	General	Development Services Department	2014-2021
23. Los Angeles County Energy Program (LACEP)	Encourage property owners to install energy and water efficiency improvements.	Provide loans for energy improvements through the LACEP and assist in publicizing the program to residents.	General; County funds	Public Works Department	2014-2021

The following Table V-4 summarizes Sierra Madre's quantified objectives for the 2014-2021 Housing Element planning period. The City's new construction objectives reflect its regional housing needs (RHNA); its rehabilitation objectives reflect re-initiation of the Handyworker Program; and its conservation objectives reflect conserving affordable units within the Sierra Vista senior housing project and adjacent townhome project.

Table V-4
Summary of Quantified Objectives: 2014-2021

Income Level	New Construction	Rehabilitation	Conservation
	Goal	Goal	Goal
Extremely Low	7	6	--
Very Low	7	6	10
Low	9	6	36
Moderate	9	--	1
Above Moderate	23	--	--
Totals	55	18	47

APPENDIX A

PUBLIC OUTREACH MATERIALS

PUBLIC WORKSHOP FLYER

STAKEHOLDER NOTIFICATION LIST

WORKSHOP STAFF REPORT AND PRESENTATION MATERIALS



City of Sierra Madre

Development Services Department

232 W. Sierra Madre Boulevard, Sierra Madre, CA 91024

phone 626.355.7138 fax 626.355.2251

PUBLIC WORKSHOP HOUSING ELEMENT UPDATE

Notice of a Public Workshop Hosted by the Sierra Madre Planning Commission to discuss the 2014-2021 Housing Element Update

The City of Sierra Madre has initiated the process to update the Housing Element of the General Plan for the 2014-2021 period as required by State law. The Housing Element establishes policies and programs to address existing and projected housing needs, including the City's fair share of the regional housing needs (RHNA).

The workshop will be held on **Thursday, November 7, 2013 at 7:00 pm in the City Council Chambers, 232 W. Sierra Madre Blvd.** At the meeting, an informational presentation will include an overview of the Housing Element process, accomplishments of the most recent housing element cycle, proposed programs and the City's RHNA requirements.

We encourage you to attend the meeting if you are interested in contributing to Sierra Madre's 8-year Housing Element.

If you have any questions concerning the workshop, or if you cannot attend but wish to submit comments, please contact Danny Castro, Development Services Director at 626.355.7135 or by e-mail at dcastro@cityofsierramadre.com.

Sierra Madre 2014-2021 Housing Element - Stakeholder Notification List

CLIMB Work Activity Center
171 W. Sierra Madre Blvd.
Sierra Madre, CA 91024

San Gabriel Valley Habitat for Humanity
400 S. Irwindale Ave.
Azusa, CA 91702

National CORE
9065 Haven Ave., Suite 1000
Rancho Cucamonga, CA 91730

Heritage Housing Partners
608 N. Fair Oaks Ave, #126
Pasadena, CA 91103

Podley Realtors
30 N. Baldwin Ave.
Sierra Madre, CA 91024

Mercy Housing
1500 South Grand Ave., Suite 100
Los Angeles, CA 90015

Ability First
1300 E. Green Street
Pasadena, CA 91106

Southern California Presbyterian
Homes
516 Burchett Street
Glendale, CA 91203

San Gabriel/Pomona Regional Center
761 Corporate Center Dr.
Pomona, CA 91768

Abode Communities
701 E. Third St., Ste. 400
Los Angeles, CA 90015

Jamboree Housing Corporation
17701 Cowan Ave., Suite 100
Irvine, CA 92614



Planning Commission **STAFF REPORT**

Thomas Pendlebury, Chair
Matthew Buckles, Commissioner
Manish Desai, Vice-Chair
Ken Goldstein, Commissioner
Gina Frierman-Hunt, Commissioner
Kevin Paschall, Commissioner
William Pevsner, Commissioner

*Danny Castro, Development
Services Director*

DATE: November 7, 2013
TO: Planning Commission
FROM: Danny Castro, Development Services Director
SUBJECT: **2014-2021 Housing Element Update – Presentation and Public Input**

ISSUE

Staff has initiated the process to update the Housing Element of the General Plan for the 2014-2021 period as required by State law. The Housing Element establishes policies and programs to address existing and projected housing needs, including the City's fair share of the regional housing needs (RHNA). Director Castro and Karen Warner, the City's housing element consultant, will provide an informational presentation which will include an overview of the Housing Element process, accomplishments of the most recent housing element cycle, proposed programs and the City's RHNA requirements.

Attached for background is an Overview of Housing Element Law. Also attached is a copy of the Powerpoint presentation that will be conducted at the meeting.

BACKGROUND

Sierra Madre completed its 4th cycle (2008-2014) Housing Element earlier this year, which was adopted by the City Council in May 2013, and certified by the State HCD in August 2013. The current 5th update cycle is for the period of 2014-2021.

In order to meet the State HCD deadline for this next cycle, Sierra Madre must adopt its housing element update by February 12, 2014. The housing element update is required to be reviewed and recommended for approval by the Planning Commission, and then adopted by the City Council, prior to submitting the housing element to the State HCD for its review. The draft Housing Element Update will be presented to the

Planning Commission at the January 16, 2014 meeting for its review and recommendation.

For additional background, the 2008-2014 Housing Element is available for review online on the City's website, www.cityofsierramadre.com. Click on "Departments", scroll down and click on "Development Services", and click on "HCD approved Draft Housing Element".

RECOMMENDATION

There is no Planning Commission action necessary for this item. Staff recommends that the Planning Commission hear the presentation and allow for public comments. Director Castro and Karen Warner will be available to respond to comments and questions from the Commission and the public.

Attachment:

Overview of Housing Element Law
Housing Element Update – Powerpoint Presentation

OVERVIEW OF HOUSING ELEMENT LAW

State law requires each city and county to adopt a general plan containing at least seven elements including housing. Unlike the other mandatory general plan elements, the housing element, required to be updated approximately every five years, is subject to detailed statutory requirements and mandatory review by a State agency (Department of Housing and Community Development, or HCD). Sierra Madre completed its 4th cycle Housing Element earlier this year, which was adopted by the City Council in May 2013, and certified by the State HCD in August 2013. The current 5th update cycle is for the period of 2014-2021.

In order to meet the State HCD deadline for this current cycle, Sierra Madre must adopt its housing element update by February 12, 2014. The Housing Element is required to be reviewed and recommended for approval by the Planning Commission, and then adopted by the City Council, prior to submitting the housing element to the State HCD for its review.

Housing elements have been mandatory portions of general plans since 1969. This reflects the statutory recognition that the availability of housing is a matter of statewide importance and that cooperation between government and the private sector is critical to attainment of the State's housing goals. The regulation of the housing supply through planning and zoning powers affects the State's ability to achieve its housing goal of "decent housing and a suitable living environment for every California family" and is critical to the State's long-term economic competitiveness.

Housing element law requires local governments to adequately plan to meet their existing and projected housing needs, including their share of the regional housing need. Housing element law is the State's primary market-based strategy to increase housing supply, choice, and affordability. The law recognizes that in order for the private sector to adequately address housing needs and demand, local governments must adopt land-use plans and regulatory schemes that provide opportunities for, and do not unduly constrain, housing development.

The housing element process begins with the Department allocating a region's share of the statewide housing need to Councils of Governments (COG) based on Department of Finance population projections and regional population forecasts used in preparing regional transportation plans. The COG develops a Regional Housing Need Plan (RHNP) allocating the region's share of the statewide need to the cities and counties within the region. The RHNP is required to promote the following objectives to:

1. Increase the housing supply and the mix of housing types, tenure, and affordability in all cities and counties within the region in an equitable manner;
2. Promote infill development and socioeconomic equity, the protection of environmental and agricultural resources, and the encouragement of efficient development patterns; and
3. Promote an improved intraregional relationship between jobs and housing.

Housing element law recognizes the most critical decisions regarding housing development occur at the local level within the context of the periodically updated general plan. The RHNP component of the general plan requires local governments to balance the need for growth, including the need for additional housing, against other competing local interests. The RHNP process of housing element law promotes the State's interest in encouraging open markets and providing opportunities for the private sector to address the State's housing demand, while leaving the ultimate decision about how and where to plan for growth at the regional and local levels. While land-use planning is fundamentally a local issue, the availability of housing is a matter of statewide importance.

Housing element law requires local governments to be accountable for ensuring projected housing needs can be accommodated. The process maintains local control over where and what type of development should occur in local communities while providing the opportunity for the private sector to meet market demand.

In general, a housing element must at least include the following components:

A Housing Needs Assessment:

- Existing Needs - The number of households overpaying for housing, living in overcrowded conditions, or with special housing needs (e.g., the elderly, large families, homeless) the number of housing units that need rehabilitation, and assisted affordable units at-risk of converting to market-rate.
- Projected Needs - The city or county's share of the regional housing need as established in the RHNP prepared by the COG. The allocation establishes the number of new units needed, by income category, to accommodate expected population growth over the planning period of the housing element. The RHNP provides a benchmark for evaluating the adequacy of local zoning and regulatory actions to ensure each local government is providing sufficient appropriately designated land and opportunities for housing development to address population growth and job generation.

A Sites Inventory and Analysis

The element must include a detailed land inventory and analysis including a sites specific inventory listing properties, zoning and general plan designation, size and existing uses; a general analysis of environmental constraints and the availability of infrastructure, and evaluation of the suitability, availability and realistic development capacity of sites to accommodate the jurisdiction's share of the regional housing need by income level. If the analysis does not demonstrate adequate sites, appropriately zoned to meet the jurisdiction's share of the regional housing need, by income level, the element must include a program to provide the needed sites including providing zoning that allows owner-occupied and rental multifamily uses "by-right" with minimum densities and development standards that allow at least 16 units per sites.

An Analysis of Constraints on Housing

Governmental and Non-Governmental - Includes land-use controls, fees and exactions, on- and off-site improvement requirements, building codes and their enforcement, permit and processing procedures, and potential constraints on the development or improvement of housing for persons with disabilities.

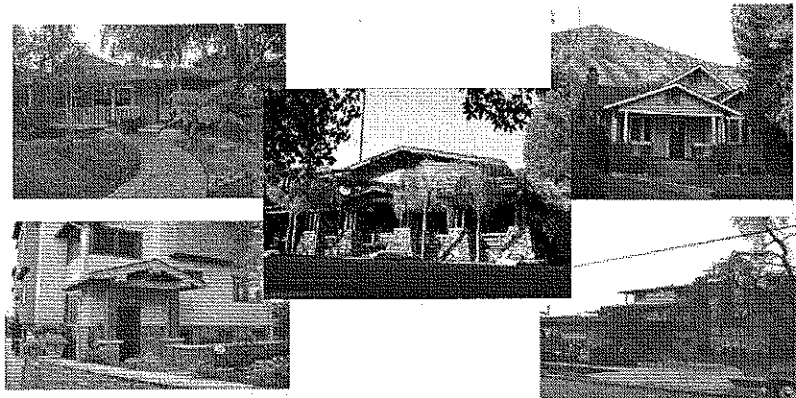
Housing Programs

Programs are required to identify adequate sites to accommodate the locality's share of the regional housing need; assist in the development of housing for low- and moderate-income households; remove or mitigate governmental constraints; conserve and improve the existing affordable housing stock; promote equal housing opportunity; and preserve the at-risk units identified.

Quantified Objectives

Estimates the number of units, by income level, to be constructed, rehabilitated, and conserved over the planning period of the element.

Sierra Madre 2014-2021 Housing Element Update

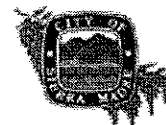


**Planning Commission Workshop
November 7, 2013**

Presentation Overview








- **Why a Housing Element?**
- **Sierra Madre's Housing Needs**
- **RHNA and Residential Sites**
- **Housing Element Accomplishments**
- **Community Input**



Housing Element 101

- Part of City's General Plan - statutes mandate that local governments *"adequately plan to meet existing and projected housing needs of all economic segments of the community"*
- Unlike other General Plan Elements, Housing Element required to undergo State HCD review for compliance with State law.
- Unlike other General Plan Elements, Housing Element required to be updated according to a defined statutory schedule.

What is in a Housing Element?

	Review of accomplishments under current Housing Element
	Assessment of population and housing needs
	Analysis of sites and other resources available to provide housing
	Analysis of potential constraints to providing housing
	Housing Plan Goals, Policies and Programs

5th Cycle Housing Element Timing

SCAG jurisdictions – *Oct 15, 2013 adoption due date +
120 day grace period - Feb 12, 2014*

NEW - SB 375 Impact on Timing

- ❖ **Penalty for being late.** *If Element not adopted within 120 days of due date, jurisdiction subject to update every 4 years instead of 8*

*“If you want eight,
Don’t be late”*



1990-2010 Demographic Trends

- **Limited population growth**

- ✓ 1990-2010: ↑ 150 residents to 10,900

- **Population aging**

- ✓ ↑ Median Age to 46.6 years
- ✓ Aging in place of Young Adults to Middle Age



- **Changing Household Composition**

- ✓ Modest ↓ in families with children
- ✓ ↑ in single person households



Special Needs Households

Continued growth in senior population

17% Sierra Madre households age 65+

- ❖ ½ of seniors age 75+
- ❖ >1/3 seniors have one or more disabilities
- ❖ 1,000 homeowners, 300 renters
- ❖ 36% senior homeowners live alone



HOUSING NEEDS OF SIERRA MADRE SENIORS:

- ✓ Home accessibility/housing maintenance assistance
- ✓ Second units, shared housing to prolong independent living
- ✓ Multi-generational housing development
- ✓ Supportive living environments

Special Needs Households

13% of Sierra Madre population living with disabilities

Of these 1,430 disabled persons:

- 650 have a physical disability
- 200 have self-care limitations
- 45% are seniors



San Gabriel Valley Regional Center serves 116 Sierra Madre residents with developmental disabilities

HOUSING NEEDS OF CITY'S DISABLED POPULATION

- ✓ Home Accessibility Improvements
- ✓ Supportive Housing
- ✓ Community Care Facilities

2013 Los Angeles County Income Thresholds

Household Size	Extremely Low Income ($\leq 30\%$ AMI)	Very Low Income (31–50% AMI)	Low Income (51–80% AMI)	Moderate Income (81–120% AMI)	Above Moderate Income ($> 120\%$ AMI)
3-person Area Median Income: \$58,300	Less than \$23,050	Up to \$38,450	Up to \$61,500	Up to \$70,000	Over \$70,000

Married preschool teacher and nurses aide with one child.
\$58,500 annual income.



Married bookkeeper and retail salesperson with one child.
\$67,000 annual income.

In Summary, Who in Sierra Madre Needs Affordable Housing?

- People who work in town and cannot afford to live here
Teachers, nurses, retail and hospitality workers, childcare providers
- Special needs households
Senior citizens, disabled persons, single-parent households
- Children of long-time Sierra Madre residents



Regional Housing Needs (RHNA)

- RHNA = Regional Housing Needs Assessment
- Requires cities to zone for “fair share” of region’s housing needs
 - ✓ Based on State population growth
 - ✓ Mix of housing for economic segments
 - ✓ Affordability linked to zoning & density
- RHNA is a planning target, not a building quota
- Sierra Madre filed request with SCAG for ↓ RHNA

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Sierra Madre’s 2014-2021 RHNA

Income Level	2013 Income (3 ppl hh)	2014-2021 RHNA	“Default Density”
Very Low	\$38,450	14 units	Min. 20 du/acre
Low	\$61,500	9 units	Min. 20 du/acre
Moderate	\$70,000	9 units	Min. 12 du/acre
Above Mod	> \$70,000	23 units	
Total		55 units	

No rezoning required to address City’s RHNA

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Elimination of Redevelopment

- Loss of Redevelopment elimination of Low-Moderate Income Housing Funds
- Effect on City's existing housing programs
- Future funding options:
 - New City Housing Asset Fund, proceeds from certain RDA Low/Mod assets (land, etc.)
 - State legislation pending for permanent funding source (*SB 391 – California Home and Jobs Act*)
 - HCD approved Element provides access to State funds



Provide Us Your Input

What are Sierra Madre's Most Important Housing Needs?

What programs should the City Pursue to Address Its Housing Needs?

