

CITY OF SANTA MONICA 2013-2021 HOUSING ELEMENT



DRAFT FINAL AUGUST 2013

Acknowledgements

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David Martin, Director
Ellen Gelbard, Assistant Director
Strategic and Transportation Planning Division
Francie Stefan, Manager
Elizabeth Bar-El, AICP, Senior Planner,
Housing Element Project Manager
Linda Huynh, Housing Element
Project Assistant
Sarah Lejeune, AICP, Principal Planner
Rachel Kwok, Environmental Planner

Karen Warner, AICP, Karen Warner Associates,
Project Consultant

INTERDEPARTMENTAL HOUSING ELEMENT STEERING COMMITTEE

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James Kemper, Housing Administrator
City Planning Division
Paul Foley, Principal Planner
Rent Control
Rebecca Thornton,
Senior Litigation Attorney
City Attorney
Barry Rosenbaum,
Senior Land Use Attorney
Human Services
Setareh Yavari, Manager
Margaret Willis, Administrator

SANTA MONICA COMMUNITY

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Executive Summary

A. A HOUSING PLAN FOR A DIVERSE AND SUSTAINABLE FUTURE

Housing and its production are critical to the economic and social well-being and vitality of the community and its residents. In recent policy documents and programs, the U.S. Department of Housing and Urban Development (HUD), the State of California and the Southern California Association of Governments (SCAG) have all recognized that planning for housing should be done in conjunction with sustainably-directed regional transportation planning in order to link jobs, housing and other activities through regional transportation networks. This integrated approach to address environmental issues and the social impacts of traffic congestion mirrors the City of Santa Monica's approach, set forth in the 2010 General Plan Land Use and Circulation Element (LUCE), as it anticipates the arrival of the Exposition Light Rail Line, scheduled to become operational during this Housing Element planning period. New housing is envisioned to be located near transit opportunities and amenities within walking distance, with particular priority given to providing housing that is affordable to a wide spectrum of households to promote economic, social and cultural diversity.



Santa Monica's 2013-2021 Housing Element builds upon the achievements of its previous Housing Element, certified in 2008, to continue to serve as a tool for the community to plan for broad-based, long-range housing needs. The City of Santa Monica's 2008-2014 Housing Element was honored to receive SCAG's 2009 Compass Blueprint Excellence Award for Visionary Planning for Sustainability. This Housing Element maintains the focus on sustainability, complying with all State mandates and maintaining consistency with the rest of the City's General Plan.

This Housing Element is being written at a time of uncertainty in regard to creating and retaining affordable housing. This uncertainty challenges the implementation of longstanding programs and objectives. During the economic boom at the turn of this century, market forces and rental vacancy decontrol substantially eroded affordability for many lower and middle income households in Santa Monica, reducing opportunities for those employed in the City to find local housing. While this trend was slightly reversed by the recession in 2010/2011, the City's Rent Control Board has documented a rebound and steady upward climb in 2012 in market-rate rents, again decreasing affordability for lower and middle-income households. The housing market in Santa Monica has proven to be fairly resilient and home ownership (both condominium and single-family homes) is still elusive for many in the middle and lower income levels of the workforce.

Santa Monica's challenge to provide housing assistance to its neediest households and lower-income members of the workforce is compounded

by the State's elimination of redevelopment agencies in 2011. Santa Monica's Redevelopment Agency (RDA) had provided a significant income stream that funded thousands of deed-restricted affordable housing units throughout the city. As this Housing Element is developed, new sources to meet the housing challenges of the planning period have yet to be identified, but are absolutely necessary to enable the City to reach its goals to deepen diversity in the community and reduce peak hour traffic congestion and GHG emissions through providing opportunities to live and work in the city.

Providing a range of housing opportunities at all affordability levels has been and continues to be a core value and priority goal for the City of Santa Monica, as reflected in the programs of this Housing Element.

B. THE LAND USE AND CIRCULATION ELEMENT (LUCE): BLENDING CONSERVATION AND COMPACT IN-FILL NEAR TRANSIT

The LUCE set forth a 20-year vision to preserve the character and quality of existing neighborhoods and encourage new housing in mixed-use areas close to transit, services and conveniences. The LUCE creates a context of livability and urban design compatible with the community's desire for a more sustainable and diverse community. The integrated land use and transportation policies in the LUCE address climate change on a comprehensive and integrated policy level, as called for by the State Legislature in its adoption of AB 32.

Based on vigorous community participation and input, the LUCE embraced policies that encourage new housing to be provided in mixed-use environments near high quality transit such as light rail or express bus lines, shifting development pressure away from existing residential districts. LUCE policies that relate to housing have been consolidated into a comprehensive list in Appendix C of this document, but as a whole, these policies express the following community values:

1. Maintaining and conserving the City's existing residential neighborhoods, including single-family and multi-family areas. There is strong community desire to preserve and enhance the character and scale that currently exists in these areas.
2. Continued commitment to developing affordable housing, services, and programs that support seniors, persons with disabilities, the homeless and other special needs populations.
3. Promoting sustainable land use and design concepts, such as "complete neighborhoods" and green building and landscaping practices.
4. Exploring a range of housing options downtown and at targeted locations along the City's major transit corridors.
5. Exploring ways to address housing affordability for those that work in the City to allow opportunities for reduced commuting that is not dependent on the automobile.

C. CHAPTER SUMMARY: KEY POINTS

This Housing Element contains six chapters. **Chapter 1 (Introduction)** contains an overview of the document and discussion of community participation in its preparation. A summary of the specific areas of concern expressed by community participants references the relevant Housing Plan objectives and identifies locations in the Housing Element in which they were addressed.

Chapter 2 (The Housing Plan) presents the Housing Element’s quantified objectives for new construction (1,383 units), rehabilitation (rehabilitation/minor repair assistance for 100 units) and conservation (maintaining affordability of 1,014 “at-risk” units), and explains how these objectives were established through analysis of Santa Monica’s goals, housing needs and realistic expectations for outcomes given the current environment of uncertainty. The recent statewide elimination of redevelopment funding eliminated a source that had been the City’s primary revenue source to fund affordable housing production and rehabilitation. The funds were also used to leverage additional funds from other sources.

The Housing Plan is based on seven goals, each with its policies, objectives and programs as well as specified timeframes and responsible agencies. The Housing Plan is consistent with the goals of the LUCE that pertain to housing. In general, these programs strive to continue to provide opportunities to develop

affordable and market-rate housing, provide housing-related services, ensure tenant protection, provide for special needs housing and encourage community participation in City processes.

Through presentation of data related to the City’s population and housing stock, **Chapter 3 (Housing Needs)** examines the changes and trends over the last decade. The data confirm continuing population trends toward a higher median age in the city, a much higher than average number of single-person households and a correspondingly lower average household size. The data also describe major challenges to creating diversity and opportunities for lower and middle income households to live in Santa Monica. This is because housing rental and purchase prices continue to rise and more rent-controlled units are leased based on the terms of vacancy decontrol, resulting in higher maximum allowable rents (MAR) when tenants leave. The chapter includes a number of maps that demonstrate the geographical distribution of the city’s population based on economic, ethnic and housing tenure characteristics. For this Housing Element, data was primarily taken from the 2010 Census and most recent American Community Surveys (ACS), the State of California Employment Development Department (EDD), the Westside Regional Center, and many recent City sources, including but not limited to the 2013 Homeless Count, the 2013 Consolidated Rent Control Board Annual Report, the 2010-2015 Consolidated Plan, annual Proposition R reports, and the draft Bergamot Area Plan.

Table ES-1 Housing Element Quantified Objectives

Income Category	RHNA	Quantified Objective
Extremely Low (0-30% AMI)	214	83
Very Low (31-50% AMI)	214	214
Low (51-80% AMI)	263	263
Moderate (81-120% AMI)	283	111
Above Moderate (>120% AMI)	700	700
<i>Total</i>	<i>1,674</i>	<i>1,371</i>

The Regional Housing Needs Assessment (RHNA), adopted by SCAG in October 2012, is also presented in Chapter 3. In this RHNA cycle, the City of Santa Monica has been allocated 86% of the Westside Cities Sub-region’s total allocation: 1,674 of 1,939 units for the four Westside cities. Of these, 974 are to be provided as affordable housing (extremely low, very low, low or moderate). Despite the disproportionate nature of the allocation, for which an adjustment request was denied, the City of Santa Monica’s high quantitative objective is based on analysis of regional need, City housing goals and policies, and current and anticipated resources for funding and constructing housing over the next eight years.

Chapter 4 (Potential Constraints on Housing Production and Conservation) considers potential factors that might impede housing development in compliance with the RHNA. The City's efforts to eliminate constraints where necessary or required, Santa Monica's history of working with non-profits to provide affordable housing, and the current efforts to plan for transit-oriented development that includes residential uses are strong indications that the City's programs, policies and regulations do not constitute governmental constraints on housing. As the City is in the process of a Zoning Code update, the constraints analysis is based on the current Code and on the direction of the proposed Code, which will maintain the residential district requirements largely unchanged, consistent with the LUCE, and will facilitate mixed-use, mixed-income housing in most non-residential districts. Non-governmental constraints such as land and construction costs are identified, and do challenge housing affordability.

In **Chapter 5 (Housing Resources)**, the suitable sites inventory is discussed in detail to demonstrate that the City's land reserves/infill opportunities in mixed-use zoning districts can accommodate its Regional Housing Needs Assessment (RHNA) of 1,674 units. The suitable sites inventory lists specific properties that realistically may be developed over the next eight years, and identifies site capacity for 3,702 housing units. The properties, located in transit-oriented activity centers and along select commercial corridors, meet stated criteria in regard to the age and type of existing buildings on the property and the site's potential for additional development (the full inventory is included as Appendix A). 1,239 housing units with planning approvals or already under construction, scheduled to be occupied after January 1, 2014, are taken into consideration in demonstrating sufficient opportunities to develop units as allocated in the RHNA (see Appendix B).

A complete analysis of the City's success in implementing the 2008-2014 Housing Element's programs is contained in **Chapter 6 (Review of Housing Element Past Performance)**. To summarize, the City has substantially implemented its Housing Element programs and met objectives within stated timelines. As development of this 5th cycle Housing Element update overlaps with the previous period, it is also noted that some objectives and programs are still in progress, but have moved forward, as planned, toward implementation.

D. SUMMARY OF HOUSING PROGRAMS

The following table presents at a glance the 2013-2021 Housing Plan goals, objectives and programs that are more fully explained in Chapter 2.

Table ES-2 Summary of Housing Programs for the 2013-2021 Housing Element

Objective	Program	Timeframe	Agency
Goal 1.0: Construction of new housing that is high quality, sustainable, compatible with the surrounding neighborhood and offers opportunities for active living.			
1.a: Complete the Revised Zoning Ordinance based on the 2010 General Plan LUCE and Thereafter Assess and Revise City Regulatory Requirements, as Appropriate	Adopt the new Zoning Ordinance. Periodically review and, where necessary, revise planning, zoning and development regulations, assessments, and fees to support the development of a variety of housing types and prices including workforce housing and live/work spaces. Facilitate residential uses in mixed-use zoning district through appropriate regulations.	By 2014: Adopt the new Zoning Ordinance. Further revisions: as appropriate	Planning & Community Development Department; City Attorney's Office
1.b: Continue to Evaluate Efficiency and Streamline the Permit Approval Processes	After the Zoning Ordinance is adopted, prepare new informational materials about residential development within 3-6 months. Continue to monitor permit processing procedures and regularly update materials that provide interdepartmental regulations, processes and services to guide applicants through the development approval process. Provide more information on the "Permits" tracking system and improve reporting procedures to facilitate project tracking and provide up-to-date information.	PCD website upgrade by end of 2013; New materials complete in 2014; monitoring and data tracking are ongoing	City Planning Division; Building and Safety Division; Information Systems Department
1.c: Maintain Architectural Review Process to Regulate Development Compatibility	Adopt residential design guidelines together with the new Zoning Ordinance. Incorporate the guidelines and continue to implement the architectural review process per the City ordinance.	By 2014: Adopt Design Guidelines with the Zoning Ordinance; Project review is ongoing	City Planning Division
1.d: Maintain Energy and Water Conservation/Production Programs	Continue to monitor energy and water usage citywide and investigate other appropriate programs to conserve these scarce natural resources. Strive to reduce city-wide water and energy use in accordance with the goals and targets set out in the Sustainable City Plan, Climate Action Plan and the Sustainable Water Master Plan.	Net zero new construction: 2020 (residential) and 2030 (commercial)	Office of Sustainability and the Environment
1.e: Facilitate Sustainable Housing Development	Continue to offer incentives to encourage green building and investigate new ways that green building might be incentivized. Continue to amend the Municipal Code as appropriate to support improved environmental performance of newly constructed buildings.	Ongoing; review effectiveness annually	Office of Sustainability and the Environment; Building and Safety Division; City Planning Division

Table ES-2 Summary of Housing Programs for the 2013-2021 Housing Element (continued)

Objective	Program	Timeframe	Agency
1.f: Facilitate the Development of Housing within Targeted Locations in Mixed-Use, Transit-Oriented Complete Neighborhoods	Based on the LUCE land use strategy identifying areas of future residential development near existing and proposed transit connections, adopt the Downtown Specific Plan, the Bergamot Area Plan and the Memorial Park Area Plan. Within each implementation plan, develop strategies to successfully build both market rate and affordable housing with a diversity of unit sizes and types that is served by nearby retail uses and services.	2013: Adopt the Bergamot Area Plan; 2014: Adopt the Downtown Specific Plan; 2015: Adopt the Memorial Park plan	Strategic & Transportation Planning Division (lead); City Planning Division
1.g: Monitor Rate of Development Activity in Multi-family Residential Districts with the goal of residential neighborhood conservation consistent with the LUCE	Continue to monitor the rate of development activity in multi-family residential districts. Report on an annual basis the number of planning applications granted for new housing construction.	City Planning Division; Building & Safety; Housing Division	Ongoing; report annually the number of planning applications granted for new housing construction
1.h: Encourage Designing for Visitability and Allowing Reasonable Accommodation	Adopt a reasonable accommodation procedure as part of a comprehensive revision of the City's Zoning Ordinance. Consider issues of access and design to accommodate persons with disabilities and seniors who seek to "age in place." Incorporate universal design principles as appropriate into the Municipal Code and/or design guidelines that are developed.	Reasonable Accommodation Procedure: By June 2014; Ongoing; Consideration of visitability design issues	Strategic & Transportation Planning Division
Goal 2.0: Housing production for all income categories including housing for the community's workforce.			
2.a: Maintain an Affordable Housing Production Program	Continue to monitor, evaluate, and revise the Affordable Housing Production Program as appropriate to address the housing needs of the community and achieve the quantified objective. Prepare an annual report concerning compliance with Proposition R. Update fees and housing cost requirements annually. Update the AHPP administrative guidelines, consider revisions as appropriate to encourage continued affordability and tenant protection and meet the AHPP objectives, and to improve the process of monitoring eligibility of residents in existing units.	Ongoing	Housing Division; Housing & Economic Development Department; City Attorney's Office
2.b: Maintain a Density Bonus Program	Maintain the City's density bonus program and revise as necessary to remain consistent with State Law and the City's affordable housing needs.	Ongoing	Strategic and Transportation Planning Division

Table ES-2 Summary of Housing Programs for the 2013-2021 Housing Element (continued)

Objective	Program	Timeframe	Agency
2.c: Develop New Affordable Housing Finance Programs to Enable Continued Provision of Technical and Financial Assistance for Housing Production	Explore new sources of state and federal funding that may be used for housing. Seek to develop new strategies to provide financial and technical assistance to the greatest extent possible to nonprofit housing providers to support the development of affordable housing, including special needs housing. Consider adopting new local impact fees based on the recommendations of appropriate nexus studies. Continue to seek out local, state, and federal funds to support the construction of affordable housing.	2013: Consideration of Impact Fees; strategy development is ongoing	Housing Division (lead); Strategic and Transportation Planning Division
2.d: Assess Use of City-Owned/ Publicly-Owned Land for Affordable Housing	Continue to assess the use of City-owned properties to facilitate affordable housing through creative development partnerships and financing strategies.	Ongoing	Housing & Economic Development
2.e: Foster Housing Development and Compatible Amenities as Community Benefits through Development Agreements	Negotiate Development Agreements that provide on-site affordable housing or payment of affordable housing fees beyond AHPP requirements to the extent appropriate and feasible. Continue to monitor compliance with existing Development Agreements.	Ongoing	City Planning Division; City Attorney's Office; Housing Division
2.f: Facilitate the Development and Maintenance of Special Needs Housing	<p>Continue to utilize available financial resources and partnerships with service providers to create and retrofit existing housing for special needs households.</p> <p>Encourage and support development of senior housing and facilities to meet the needs of this growing population segment, particularly for the oldest senior cohort. Consider the Baby Boomer generation's preference for "aging in place" along with the need for more congregate housing and residential care facilities. Explore new programs, services, infrastructure and amenities that can help seniors who choose to live independently remain in their homes as long as possible.</p> <p>Within legal constraints, encourage or require housing providers to assign affordable housing units designed for persons with disabilities, including physical or developmental disabilities, for use by those who require those features. Encourage barrier-free construction and adaptation.</p> <p>Study data to identify housing and supportive service gaps for various special needs groups and propose policy and priorities based on the analysis.</p> <p>Assess initiatives and consider support for State legislation that would offer incentives to build special needs housing, such as defining housing for persons with physical disabilities as eligible for tax credits.</p> <p>Consider incentives and requirements to ensure that new residential development accommodates a mix of household types and sizes that include a person(s) with special needs.</p> <p>Encourage proposals for new housing types, such as co-housing, and assess their feasibility and benefits on a case-by-case basis.</p>	Ongoing; Assess annually	Housing Division; Human Services Division; Building & Safety Division

Table ES-2 Summary of Housing Programs for the 2013-2021 Housing Element (continued)

Objective	Program	Timeframe	Agency
2.g: Facilitate the Development of Housing that is Affordable for Santa Monica's Diverse Workforce	<p>Explore the development of housing that is affordable to the City's workforce, including rental, ownership, and forms of employer-provided transitional housing, with "Workforce Housing" defined as between 120% and 180% of the County Average Median Income (AMI). In addition to the Affordable Housing Production Program, prioritize incentives to develop workforce housing units, with particular emphasis on housing for larger households in need of units with two or more bedrooms.</p> <p>Possible parameters of the program are as follows:</p> <ul style="list-style-type: none"> • Provide regulatory development incentives, particularly in locations with proximity to transit, in the Zoning Ordinance or in specific and area plans to encourage inclusion of units affordable to households defined as moderate income or "workforce." Incorporate incentives such as: <ul style="list-style-type: none"> – Floor-area-ratio (FAR) calculation based on reduced floor area for square footage in moderate or moderate and workforce units in projects that also provide on-site affordable housing in compliance with the AHPP. – Expedited processing of projects that provide housing units guaranteed through deed restrictions or other means to be maintained at rent levels affordable to moderate or workforce households as defined above. – Flexibility with open space requirements, such as substituting or partially substituting common for private open space. • Encourage workforce housing as a community benefit that supplements but does not replace the provision of deed-restricted affordable housing. 	Develop workforce housing strategies within area and specific plan processes and/or the Zoning Ordinance update.	Strategic & Transportation Planning Division; Housing Division
2.h: Maintain Proposition I Monitoring	Monitor utilization of Proposition I authority through annual reporting of new "low rent-housing projects."	Annually	Housing Division

Table ES-2 Summary of Housing Programs for the 2013-2021 Housing Element (continued)

Objective	Program	Timeframe	Agency
Goal 3.0: Protect the existing supply of affordable housing.			
3.a: Develop Programs to Address State and Federal Legislative Mandates	<p>Continue to implement programs that strive to protect tenants against landlord discrimination and cancellation of existing Section 8 contracts (including City and/or private foundation-funded subsidy) to enable tenants to remain and pay the maximum allowable rent (MAR) such as the TARP program.</p> <p>Continue efforts to increase HUD's Fair Market Rent (FMR) for Santa Monica so that Section 8 can offer competitive market rate rent; continue to fund the acquisition and rehabilitation of existing rental units.</p> <p>Investigate new, innovative ways to increase the affordability of housing in light of the loss of formerly affordable units due to vacancy de-control and Ellis withdrawals.</p>	Ongoing	Housing Division (lead); Rent Control Board
3.b: Protect Mountain View Mobile Home Park Residents	Continue to assist residents at the Mountain View Mobile Home Park and assist in the implementation of relocation options for Village Trailer Park residents.	Ongoing	Housing Division; City Planning Division; Rent Control Board
3.c: Maintain a Tenant Eviction Protection Program	<p>Continue to prevent unlawful evictions through monitoring and enforcing of "just cause" eviction protections, and continue to provide fair housing services through the Consumer Protection Unit of the Santa Monica City Attorney's Office.</p> <p>Continue to review current laws and recommend any needed modifications to ensure protection of tenants to the maximum extent possible.</p>	Ongoing	City Attorney's Office; Rent Control Board; Housing Division
3.d: Facilitate the Conservation of At-Risk Housing	<p>Conserve 1,014 at-risk units as affordable, deed-restricted units.</p> <p>The City will continue to monitor the status of at-risk projects within the City, advise tenants in advance of potential conversion dates, and assist in answering questions from residents of at-risk housing. The City will consider exercising its right of first refusal to purchase properties if necessary and financially feasible to ensure the continued availability of affordable housing units.</p>	<p>Annually: staff will identify funds to secure at-risk units, where appropriate and feasible;</p> <p>Ongoing: monitoring</p>	Housing Division

Table ES-2 Summary of Housing Programs for the 2013-2021 Housing Element (continued)

Objective	Program	Timeframe	Agency
Goal 4.0: Rehabilitation and continued maintenance of the existing housing stock.			
4.a: Maintain a Low Income Residential Repair Program	Support and fund the rehabilitation of 80 multi-family units and provide 20 minor home repairs.	By 2021	Housing Division; Santa Monica Housing Authority
4.b: Maintain a Housing Code Enforcement Program	Continue to implement the City's housing code enforcement program. The Building and Safety Division will coordinate with the Housing Division to provide information on available rehabilitation assistance to correct code deficiencies.	Ongoing	Building and Safety Division; Housing Division
4.c: Maintain an Earthquake Retrofitting Program	Continue to require earthquake retrofitting in compliance with seismic upgrade regulations.	Ongoing	Building and Safety Division
4.d: Maintain a Lead-Based Paint and Asbestos Hazards Reduction Program	Work with affordable housing providers to address the abatement and removal of lead-based paint in affordable housing units; Continue to enforce compliance with State Law to ensure safety at construction sites through proper handling and removal of lead-based paints.	Ongoing	Housing Division (lead); Building and Safety Division
Goal 5.0: Provision of housing assistance and supportive services to very low-, low-, and moderate-income households and households with special needs.			
5.a: Maintain Rental Housing Voucher Programs and Expand to Assist All Persons with Disabilities	Continue to operate strong rental housing voucher programs and advocate for funding guidelines for Section 8 that are competitive for Santa Monica; pursue additional funding to maintain and expand voucher programs, if possible. Review and update the Housing Authority Administrative Plan annually to ensure compliance with the latest HUD regulations and to provide flexibility to respond to tenants' needs consistent with legal requirements. Utilize vouchers as a tool to prevent senior homelessness where eligible. Explore available funding opportunities to expand the rental housing voucher programs to fill the gap between income levels and the cost of housing for persons with permanent disabilities, including persons with Developmental Disabilities.	Ongoing; Annually update the Housing Authority Administrative Plan	Santa Monica Housing Authority; Housing and Economic Development
5.b: Maintain a Community Development Grant Program	Continue to fund supportive services that serve the priority homeless populations, striking a balance between existing programs that have demonstrated effectiveness and national best practices that are consistent with the City's adopted Action Plan to Address Homelessness in Santa Monica.	Ongoing	Human Services Division
5.c: Provide Tenant Relocation Assistance	Continue to implement the Tenant Relocation Assistance program; periodically review existing City policies and ordinances and recommend modifications if deemed necessary.	Ongoing	City Attorney's Office; Housing Division; Rent Control Board

Table ES-2 Summary of Housing Programs for the 2013-2021 Housing Element (continued)

Objective	Program	Timeframe	Agency
5.d: Maintain a Temporary Relocation Program	Continue the Temporary Relocation Program, including providing emergency hotel vouchers for tenants who have been ordered to vacate their units by the City for code violations or safety reasons.	Ongoing	Housing Division
5.e: Address Threats to the HUD Section 8 Rental Subsidy Program	Continue the Tenants Assistance Rental Program to pay for a percentage of the MAR for Section 8 tenants whose HUD contracts were cancelled and apply to HUD as needed for Santa Monica renters to receive enhanced rental vouchers.	Ongoing	Housing Division
5.f: Facilitate the reduction of the number of homeless individuals living on the streets of Santa Monica through the provision of a range of housing options, with an emphasis on affordable, permanent, supportive housing	<p>Continue to seek and leverage funds that contribute to the development of a range of permanent, supportive housing options, within and outside of Santa Monica.</p> <p>Focus case management and housing resources on the most chronic and vulnerable homeless individuals that have been on the City’s Homeless Service Registry.</p> <p>Continue to serve other priority homeless populations through City-funded programs.</p> <p>Continue strategies to reunite those not first-homeless in Santa Monica with family and friends in their home communities.</p> <p>Review City policies and practices that may contribute to homelessness.</p>	Ongoing; review and reevaluate City policies and practices annually	Human Services Division; Housing Division
Goal 6.0: Elimination of discrimination in the rental or sale of housing on the basis of race, religion, national origin, sex, sexual preference, age, disability, family status, aids, or other such characteristics.			
6.a: Maintain Fair Housing Programs	Continue to implement fair housing programs. Educate landlords about discrimination and educate the real estate community on the necessity of ensuring that their practices meet the objectives of the fair housing laws.	Ongoing; annually provide outreach to landlords and the real estate community.	City Attorney’s Office
6.b: Provide Tenant/Landlord Mediation and Legal Services	Continue to support tenant/landlord mediation and legal services assistance.	Ongoing	City Attorney; Rent Control Board; Human Services Division

Table ES-2 Summary of Housing Programs for the 2013-2021 Housing Element (continued)

Objective	Program	Timeframe	Agency
Goal 7.0: Active participation of citizens, community groups, and governmental agencies in housing, community development and neighborhood safety activities.			
7.a: Maintain a Community Notification Program	Continue to publicize development and policy proposals to all interested parties through the use of noticing, the radio, cable TV, and the City's webpage. Continue to conduct neighborhood meetings on proposed development projects.	Ongoing	City Planning Division; Strategic and Transportation Planning Division
7.b: Provide a Residential Neighborhood Safety Program	Continue to offer neighborhood safety programs in cooperation with the Police Department.	Ongoing	Police Department (lead); Housing Division
7.c: Conduct Housing Element Review	Implement Housing Element programs within adopted time frames. Submit annual reports, as necessary, to comply with application requirements for State grant funding.	Ongoing; Annually	Strategic & Transportation Planning Division (lead, housing element); Housing Division (lead, annual review)
<i>Background information for all programs is provided in Chapter 2.</i>			

1. Introduction

The City of Santa Monica's 2013-2021 Housing Element reinforces the City's commitment to affordable housing and provides policies and programs that:

- Reinforce Land Use and Circulation Element (LUCE) policies to develop complete neighborhoods in mixed-use areas adjacent to transit opportunities and services,
- Complement LUCE policies for enhancing and preserving the community's character,
- Identify strategies for expanding housing opportunities and services for all household types and income groups,
- Protect housing affordability and the rights of current tenants under state and local laws, and
- Provide the primary policy guidance for local decision-making related to housing.

Housing Element analysis is based on updated 2010 Census and American Community Survey data on the City's population, economic, and housing stock characteristics as well as a comprehensive evaluation of programs and regulations related to housing. Through this evaluation and analysis, this document



addresses the housing needs of the Santa Monica community by reaffirming many continuing goals, policies and programs and identifying new ones.

The 2013-2021 Housing Element updates Santa Monica's 2008–2014 Element, adopted by the City Council on November 11, 2008 and certified by the State Department of Housing and Community Development (HCD) in February 2009.

A. PURPOSE AND STATUTORY AUTHORITY

The Housing Element is mandated by Section 65580 to 65589 of the Government Code. State Housing Element law requires that each City and County identify and analyze existing and projected housing needs within its jurisdiction and prepare goals, policies, programs and quantified objectives to further the development, improvement, and preservation of housing. To that end, State law requires that the Housing Element strive to:

- Identify adequate sites to facilitate and encourage the development, maintenance and improvement of housing for households of all economic levels, including persons with disabilities;
- Remove, as legally feasible and appropriate, governmental constraints to the production, maintenance, and improvement of housing for persons of all income levels including persons with disabilities;
- Assist in the development of adequate housing to meet the needs of low and moderate income households;
- Conserve and improve the condition of housing and neighborhoods, including existing affordable housing;
- Promote housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability; and
- Preserve for lower income households the publicly assisted multi-family housing developments within each community.



SB375 revised California state law to provide that Housing Elements being prepared for the current cycle before the statutory deadline will be valid for an eight year time period. The City of Santa Monica has prepared this Housing Element in compliance with State law to be adopted prior to the State's deadline established for jurisdictions within the Southern California Association of Governments (SCAG) region.

B. CITY OF SANTA MONICA GENERAL PLAN POLICIES

The City of Santa Monica adopted its Land Use and Circulation Element (LUCE) in July 2010 and this Housing Element is consistent with and builds upon the LUCE policies that guide residential development. Appendix C includes a comprehensive list of LUCE housing-related policies. In general, these policies support the following principles:

1. A commitment to maintain and conserve the city's existing residential neighborhoods, including single-family and multi-family areas. There is strong community desire to preserve and enhance the character and scale that currently exists in these areas.
2. Planning for future housing as a component of transit-oriented development, with particular emphasis on proximity to Santa Monica's three Expo light rail line stations, currently under construction and scheduled for operation in early 2016.
3. Continued commitment to developing affordable housing.
4. Continued commitment to services and programs that support Santa Monica's homeless and other underserved populations.
5. Promoting sustainable land use and design concepts and green building and landscaping practices.
6. Exploring ways to address housing affordability for the city's workforce.
7. Promoting community involvement in all aspects of planning and development.



santa monica land use & circulation element

Maintaining the character of Santa Monica while enhancing the lifestyle of all who live here.

PLANNING & COMMUNITY DEVELOPMENT DEPARTMENT
ADOPTED JULY 6, 2010



C. HOUSING ELEMENT ORGANIZATION

Santa Monica’s Housing Element is organized into the following six chapters:

1. Introduction: Discusses the purposes of the Housing Element including statutory requirements and a description of data sources and the community outreach process
2. Housing Plan: Housing strategy to address Santa Monica’s identified housing needs, including housing goals, policies, objectives and programs
3. Housing Needs Assessment: Analysis of the demographic, housing, and special needs characteristics and trends within the community
4. Potential Constraints on Housing Production and Conservation: Review of potential market, governmental, infrastructure and environmental constraints which may impact the community’s ability to address its housing needs
5. Housing Resources: Analysis of land, financial, and organizational resources available to address the housing goals in Santa Monica
6. Review of Housing Element Past Performance: Evaluation of City accomplishments toward meeting the goals and objectives of the prior 2008-2014 Housing Element

D. COMMUNITY CONTEXT

Santa Monica is one of the most densely populated urban areas in California. The 2010 Census documented a population of 89,736 within its 8.3 square miles, or nearly 10,812 persons per square mile (17 persons per acre).

Most land in Santa Monica was developed by the mid-1960s. Since that time, growth has resulted principally from recycling lower-intensity land uses to higher-density uses. In recent years, the city has experienced its most significant residential development in its commercial, mixed-use zones. This trend has been reinforced by the transit-oriented LUCE policies that plan for the arrival of the first light rail line through the Westside to Santa Monica – the Exposition LRT.

Santa Monica has one of the highest proportions of rental households in Los Angeles County, and the vast majority of residential buildings in the city are multi-family. The 2010 Census data shows a slight increase in rental households over the last decade, with 72% of all households renting their homes compared to 70% in 2000. The highest concentration of renter-occupied housing is located downtown and east of Lincoln Boulevard along the Pico Boulevard Corridor and the highest concentration of owner-occupied housing is located north of Montana Avenue and the eastern portion of the city north of Wilshire Boulevard, as well as certain census tracts in Sunset Park¹.

1 2010 US Census data.

The Census depicts Santa Monica as racially more homogeneous, wealthier, and better educated than Los Angeles County as a whole. Nevertheless, in 2009, about 24% of households in Santa Monica were classified as extremely or very low income (earning <50% area median income “AMI”), with another 12% considered low income (51-80% of AMI)².

In terms of architecture, Santa Monica’s neighborhoods are largely marked by their variety of designs, rather than by any dominant style, although the dominant styles of different eras play a part in defining the overall characteristics of certain neighborhoods. In 2000, slightly under half of the city’s residential buildings had been constructed prior to 1960. By the time of the 2010 Census, that number had decreased to 38%, with 6% of the city’s housing stock built in the current century. The new data show multi-family developments of five or more units increasing in dominance, growing from 65% to 67%. This contrasts with single-family attached and detached homes, now down slightly to 23%, and smaller two to four unit multi-family complexes, which make up 10% of the housing stock. Mobile homes continue to comprise less than 1% of all Santa Monica residences.

Home sale and rental prices throughout Los Angeles County escalated dramatically prior to the development of the City’s previous 2008 Housing Element. During the recessionary years that followed, there was some decrease in housing sales and prices, but as the economy recovers, prices have bounced

2 2009 HUD CHAS Data Book

back and over the long term, concerns remain that Santa Monica is becoming an exclusive community that is unaffordable for many newcomers as well as for those that work in the community. New units are anticipated to be primarily multi-family, however high land and other costs challenge efforts to produce housing affordable to middle income households.

1. Changes Ahead

The City is focused on taking advantage of housing and placemaking opportunities anticipated with the opening of the Exposition Light Rail line, currently under construction and scheduled for completion by 2016. The City of Santa Monica will have three stations including the western terminus on this line,

which connects to Culver City, USC and downtown Los Angeles, as well as with a growing regional rail system and bus transportation network. The Expo Line will change the dynamics of the central east-west corridors of the city within the planning period, at the same time that most Santa Monica neighborhoods will remain largely unchanged.

City policies emphasize new residential development in the downtown area and in new mixed-use neighborhoods near transit. Over time, these neighborhoods will develop with new housing, local retail, services, and supporting pedestrian and bicycle amenities, and will become desirable places to live and work. It is important that new housing in these

neighborhoods include affordable options. Also important are units designed with floor plans and amenities to meet the needs of the growing senior population and persons with disabilities to facilitate living independently for as many years as possible.

The City must meet these needs with new strategies. Since redevelopment agencies were dissolved by the State of California, eliminating the City's best source of funding, there are new funding challenges to providing affordable housing for families, seniors, homeless and special needs households, and for providing assistance for owner and renter low-income households. However, the City's commitment to these efforts is unchanged.



E. PUBLIC PARTICIPATION

The City encourages and solicits the participation of the community and other local agencies in the process of identifying housing and community needs, and prioritizing expenditure of funds.

1. Community Input

Table 1-1 lists the meetings at which opportunities for public and agency input on the Housing Element were provided. The first public draft was released in July 2013. The Planning Commission held a public hearing on August 7, 2013, followed by the City Council on August 27, 2013. Comments and direction provided

Table 1-1 City Board and Commission Meetings

Meeting	Date
Commission for the Senior Community	7/10/12
Planning Commission	7/25/12
Disabilities Commission	8/6/12
Commission on the Status of Women	8/8/12
Rent Control	8/15/12
Social Services Commission	8/27/12
Housing Commission	9/20/12
Stakeholders Roundtable	9/19/12
Chamber and Land Use Committee	10/25/12
Neighborhood Councils - Monthly Meeting	11/17/12
Note: The Final Housing Element will update Table 1-1 with additional outreach prior to adoption.	

at these meetings have been incorporated into this draft.

The first phase of outreach included:

- A project website documenting project progress in regard to public outreach, draft documents, the Regional Housing Needs Assessment (RHNA), and relevant links. (<http://www.smgov.net/housingelement>)
- “Gathering Input for the Plan” presentations to City boards and commissions in July and August 2012. Three additional meetings targeted toward a variety of stakeholders were held in the fall. The meetings are listed in Table 1-1.

- The stakeholders’ roundtable meeting brought together 23 affordable housing producers and advocates with particular knowledge and experience in housing issues. Participants included:
 - Legal Aid Foundation of Los Angeles
 - Community Corporation of Santa Monica (CCSM)
 - Ocean Park Community Center (OPCC)
 - California Housing Partnership Corporation
 - Santa Monica Renters Rights
 - Westside Regional Center
 - Santa Monica Commissioners: Housing, Planning, Rent Control
 - Private architects, for-profit and non-profit housing developers



All City meetings are open to the public. The City provides the public with advance notice of the public hearing and makes copies of all related materials available for public review as soon as the notice is published. Notice of public hearings is published in the Santa Monica Daily Press at least 10 days prior to the hearing date.

Following each meeting held during the initial phase of the community outreach effort, comments were summarized and posted on the project webpage: www.smgov.net/housingelement. Table 1-2 summarizes these comments by topics and indicates where issues have been addressed in this document. Individual meeting summaries can be found in Appendix D.

2. Inter-Agency Review

City Departments: An Interdepartmental Taskforce representing all City departments related to housing including the Planning and Community Development Department, Housing and Economic Development Department, Community and Cultural Services Department, City Attorney’s office and Rent Control Board met regularly over the past year to contribute to the development of the Housing Element, review draft documents, and keep the City’s relevant Boards and Commissions informed about the planning process and key policy issues.

Water and Sewer Priority (Section 65589.7): As required by State Law, the previous Housing Element was shared with the City’s Water Resources Division (WRD), which has responsibility for water and sewer maintenance and development. To date, there have

Table 1-2 Comments Received During Phase I Community Outreach, by Topic

General Comment	Where Addressed
<p>Unit Size and Variety: There were many discussions that concurred that the community’s vision for the future and planning efforts should inform projects and not the other way around; the size and type of units being proposed, including many so-called “micro-units” target a young, single population and the community should determine how many of these types of units are desirable in the City’s developing TOD districts. This included many discussions about balancing the population through new housing stock that would meet the needs of families, seniors, young adults and older singles, and the particular needs of women and female-headed households.</p>	<p>Objectives 1a, 1f</p>
<p>Senior Needs: Concern was expressed that housing being proposed does not cater to seniors; it is important to understand the senior community in terms of multiple cohorts - those over 60, over 70 and over 80 – so that proposed housing is appropriately planned. Community members advocated that senior housing must be given some priority, particularly in light of 2010 Census data that confirms a steady increase in the senior population. Senior issues include:</p> <ul style="list-style-type: none"> • Facilitating “aging in place” with amenities and transportation. • The need for both deed-restricted affordable housing and suitable market rate units that most seniors could afford. • Developing better alternatives for getting around and taking care of daily needs and errands • Design for adjustment to changing level of ability or disability and for accessibility so neighbors can visit each other • Defining “walking distance” for seniors differently (shorter distances), when planning amenities near housing 	<p>Objectives 1h, 2f, 3d, 5a, 5e, 6a, 6b</p>
<p>Persons with Disabilities: Concern was expressed that the housing needs of persons with physical and developmental disabilities should be considered and incorporated into projects that construct or rehabilitate affordable units; there is a need to ensure that suitable units are occupied by those that need their special features. There was discussion about finding ways to ensure that new structures have general accessibility to promote opportunities for all persons to visit units and common areas. It was noted that State tax credits are not available to support housing for persons with physical disabilities and legislation is needed to change that.</p>	<p>Objectives 1h, 2f, 6a, 6b</p>
<p>Women’s Issues: Issues specific to women should not be overlooked, including those that affect security, such as lighting and nearby parking; unit size; services and amenities provided; and unit affordability for single-parent families and the oldest cohorts of the senior population, in which there is a much higher proportion of women.</p>	<p>Objectives 2f, 6a, 6b, 7b</p>

been no concerns or issues concerning sewer and water service capacity for recent and current housing developments. Updated information provided in this Housing Element was supplied by WRD, and a copy of this Housing Element will be provided to them immediately upon adoption.

3. Next Steps

The Planning Commission and City Council will review this Draft Housing Element in July/August prior to initial submittal to the State Department of Housing and Community Development and CEQA review.

This document will be available for public review for a period of two months to provide ample time for public comments and Planning Commission and Council direction. A revised draft element incorporating revisions directed by the Council will be submitted to the State Department of Housing and Community Development for review and comment prior to the final round of public hearings and adoption. Environmental review will be conducted during this time.

Table 1-2 Comments Received During Phase I Community Outreach, by Topic (continued)

General Comment	Where Addressed
<p>Homelessness: Questions were raised about what more can be done to help homeless veterans and to ensure that vulnerable families and seniors do not become homeless, requiring different strategies than those to address the needs of homeless persons with mental illness; concern that there is a lack of funding sources for the high level of subsidy needed to develop extremely low income housing needed to house the homeless.</p>	<p>Objectives 5b, 5d, 5f</p>
<p>Housing Subsidy Vouchers: It is unclear what the future may hold in respect to funding of Section 8 and other housing vouchers; concern was expressed about whether the City would be successful in its efforts to increase the number of vouchers it administers and about landlord acceptance of vouchers.</p>	<p>Objectives 3a, 5e</p>
<p>Future of Affordable Housing Production: Many expressed concerns about the ability to continue building affordable housing following the loss of RDA funds although there is still huge need in the community for affordable housing. There is concern about what gets cut with severely limited resources, the smaller amount of tax funding allocated back from the State, and how much the City will use for housing; desire to get the most affordable housing benefits possible for the community through development agreements, impact fees and other requirements.</p>	<p>Objectives 1f, 2a, 2b, 2c, 2d, 2e</p>
<p>Preserving and Monitoring Existing Affordable Housing: Concern was raised about the continuity of affordable units when their covenants expire or the subsidies needed to maintain their affordability are uncertain; concern about maintaining a monitoring process to ensure that people occupying deed-restricted units are truly eligible and units are properly utilized; concern about loss of mobile home units.</p>	<p>Objectives 3a, 3b, 3d</p>
<p>Housing Affordable to the Workforce: There was discussion about strategies to promote housing diversity, which promotes community diversity and reduces vehicle miles traveled (VMT) by supporting shorter commutes. Develop the data to better understand the income range of households that can afford housing in Santa Monica and to develop policies with the right incentives to broaden the range.</p>	<p>Objectives 1a, 1f, 2g</p>
<p>Rent Control Issues: The City is experiencing reduced rental affordability as a growing number of rent-controlled units are reset at market rate due to vacancy decontrol. There is a concern about new units that are not subject to rent control and the long-term implications of a growing number of units with no guarantee of rent stability.</p>	<p>Objectives 3a, 3c, 6a, 6b</p>

Table 1-2 Comments Received During Phase I Community Outreach, by Topic (continued)

General Comment	Where Addressed
<p>Neighborhood Quality of Life: There were concerns expressed about the need to bring relief to neighborhoods impacted by cut-through traffic. There is support for conserving existing neighborhoods; City policies and economic shifts have successfully slowed down the demolition/replacement of housing stock in residential districts.</p>	Objectives 1a, 1g
<p>Parking: There is mixed response to the concept of unbundling parking, which is being proposed in the Bergamot Plan area. Residents would need to benefit from the system in the form of reduced rent or purchase price. However, there was concern that tenants would choose to opt-out of paying for a parking space and rely on street parking.</p>	Objective 1f (mostly being addressed in other planning processes)
<p>Amenities to Support Housing: Support was expressed for developing requirements and/or incentives to provide features such as usable, human-scaled open space of varying sizes, good lighting, pedestrian amenities and adequate parking.</p>	Objectives 1f, 2e
<p>Environmental Features: There is general support for housing features that support a more sustainable lifestyle, such as solar panels, natural sunlight, energy-saving appliances, capability to support electric vehicle recharging and more efficient building materials and systems.</p>	Objectives 1d, 1e
<p>RHNA: There were questions about SCAG's RHNA process, and whether Santa Monica's allocation is consistent with City policy and planning efforts.</p>	Chapters 2.B (Quantified Objective), 5.A. (RHNA)
<p>Data: Requests were made for data to be presented that highlights housing needs for specific groups such as seniors, single-parent families and Santa Monica employees. There were requests to have data shown by gender if such data is available.</p>	Chapter 3 (Tables and Figures)

F. DATA SOURCES AND METHODS

In preparation of this Housing Element, information was gathered from a variety of sources. Local building and permit data came from the City's database, and the 2010 Census and American Community Survey provided the majority of information used for population, household, and housing characteristics. Several other sources were used to provide information including:

- Data from the State Department of Finance, the State Employment Development Department, and the U.S. Department of Housing and Urban Development (HUD).
- City of Santa Monica publications and databases including: Building Permit data, *Rent Control Board Annual Report* (2012), *Housing Division Analysis of Impediments to Fair Housing* (2012), *2010–2015 Consolidated Plan* (2010), and *General Plan Land Use & Circulation Element and EIR* (2010).
- Housing Market information, such as home sales, rents, vacancies, land costs and lending patterns were updated by property tax assessors' files, internet sources listing sales and rent data, and through rental and building permit data collected by the City.
- Information on the City's population with developmental disabilities was received from the Westside Regional Center.

G. RELATIONSHIP TO OTHER GENERAL PLAN ELEMENTS

The City of Santa Monica General Plan provides long-term guidance and policies for maintaining and improving the quality of life. The General Plan provides direction for the city's growth and development. As a policy document, the General Plan serves as a guide to the adoption of laws necessary to execute its intent. Santa Monica's General Plan consists of 7 elements: (1) Land Use and Circulation, (2) Conservation, (3) Housing, (4) Open Space, (5) Noise, (6) Safety, and (7) Historic Preservation.

The programs herein promoting transit-oriented housing in a mixed-use setting, quality affordable and market rate housing, strong neighborhoods, supportive services for people with special needs, and tenant protection are consistent with and build upon the 2010 Land Use and Circulation Element.

The Housing Element is also consistent with the 2002 Historic Preservation Element (HPE) in its support for maintaining historic neighborhood character, which the HPE addresses in more depth, including preservation of both historic districts and individual residential structures with particular historic significance.

The City's 2003 Open Space Element includes goals to develop more active open space, both in parks and in areas of the public right-of-way that can be made more green and comfortable for recreational opportunities. This Housing Element's objectives for linking new housing with supportive amenities, such as parks and opportunities for exercise within walking distance, are consistent with the direction advocated by the Open Space Element.

The 1995 Safety Element strengthened City policy to protect the community following the 1994 earthquake. This Housing Element is consistent with the Safety Element; including considerations of flood hazard mitigations, as required by AB 162.

In summary, the Housing Element is consistent with the policies and programs set forth in the General Plan. The City will ensure that future updates of other General Plan elements will include review and, if necessary, modification of the Housing Element in order to maintain consistency within the General Plan.

2. Housing Plan

A. INTRODUCTION

The Housing Plan provides a statement of the community's goals, quantified objectives, and policies relative to the maintenance, preservation, improvement, and development of housing in Santa Monica. It takes a comprehensive approach to planning for future housing and related services in the community. It reflects longstanding values and principles expressed by the community in past Housing Elements, the General Plan Land Use and Circulation Element (LUCE), ballot measures requiring affordable housing production and other community efforts and activity.

Much of the Housing Plan in this update remains unchanged from the 2008-2014 Housing Element. The consistency reflects the City's continuing commitment to affordable housing, tenant protection, high quality neighborhoods, housing and services for special needs groups, homeless services, sustainable development, and fair housing. The adoption of the LUCE since the last Housing Element has solidified the City's approach to neighborhood conservation and provision of new housing in mixed-use neighborhoods near transit with pedestrian and bicycle connectivity and nearby services.



While continuing to support this largely unchanged set of goals and objectives, the programmatic approaches in this housing plan reflect two major changes in circumstances including:

- The statewide elimination of redevelopment agencies, causing the City to lose its single largest funding source for affordable housing. The RDA had fueled a surge in affordable housing production during the last Housing Element cycle.
- The initiation of construction of the Exposition Light Rail Phase II, with three Santa Monica stations connecting the city by 2016 to the regional transit system. Concurrent with the development of this Housing Element are planning efforts at

two of the three stations to comprehensively address the opportunities presented by this major regional infrastructure investment, including new residential uses in mixed-use settings.

LUCE Goals for Housing

The 2010 LUCE set forth numerous goals and policies in support of conserving and developing appropriate housing in the city and providing services and amenities to support a walkable, accessible community for residents. For convenient reference, these goals have been gathered in Appendix C of this Housing Element. The Housing Plan presented in this chapter is consistent with these goals, providing additional specificity to implement and achieve them.

B. QUANTITATIVE OBJECTIVES

The City has developed objectives for housing production, housing rehabilitation, and housing assistance as required by State law. The following sets forth these objectives for the 2013–2021 planning period.

1. New Construction Objectives

As discussed in detail in Chapter 3, the City of Santa Monica was allocated 1,674 units in the 2014-2021 Regional Housing Needs Assessment (RHNA) adopted by the Southern California Association of Governments (SCAG) and certified by the State Department of Housing & Community Development in December 2012.



As one of the required components of a Housing Element, State law [Government Code Section 65583(b)] requires the following:

(1) A statement of the community's goals, quantified objectives, and policies relative to the maintenance, preservation, improvement, and development of housing.

(2) It is recognized that the total housing needs identified pursuant to subdivision (a) [i.e., the RHNA] may exceed available resources and the community's ability to satisfy this need within the content of the general plan requirements... The quantified objectives need not be identical to the total housing needs. The quantified objectives shall establish the maximum number of housing units by income category, including extremely low income, that can be constructed, rehabilitated, and conserved over a five-year time period.

The City's previous success in producing housing units that are deed-restricted to be affordable for low, very low and extremely low income households was dependent on Redevelopment funds. These funds facilitated production in excess of the State's minimum requirement. Now that this funding source has been eliminated, the new quantified objective is based on an evaluation of available resources with consideration to the RHNA allocation and the City's strong General Plan policies that encourage and promote affordable housing. The City will strive to produce low and very low-income units to the greatest

Table 2-1 Quantified Objective: Units in Construction and Units Remaining through 2021

Household Income Category	RHNA	Quantified Objective	Units with Planning Permits or in Construction Occupancy After Jan. 1, 2014	Units Remaining to Achieve Quantified Objective
Extremely Low	214	83	36	47
Very Low	214	214	204	10
Low	263	263	205	58
Moderate	283	111	11	100
Above Moderate	700	700	783	0
<i>Total</i>	<i>1,674</i>	<i>1,371</i>	<i>1,239*</i>	<i>215</i>
Source: City of Santa Monica Strategic & Transportation Planning Division * See Appendix B for listing of projects.				

extent possible through available Affordable Housing Production Program (AHPP) funding, development agreements, and pursuit of new resources to replace lost redevelopment housing funds. The quantified objective represents a level that the City believes is reasonable given the uncertainty of available resources from the State and other sources. The City's mixed-use high-density districts provide opportunities and current pipeline projects indicate that the City will continue to attract new market-rate housing development.

Table 2-1 presents Santa Monica's RHNA along with the City's new construction objectives by income level. Also identified are the number of approved housing units anticipated to receive final occupancy permits after January 1, 2014, illustrating the City's significant progress in producing housing for all income levels.

Council policy direction has prioritized funding and land use policies to develop units affordable to the lower end of the spectrum. Although less emphasis has been placed on moderate income units, moderate income units for families are also needed, particularly in new transit-oriented neighborhoods. The goal of 100 additional units can be achieved based on zoning incentives and development agreements.

The quantified objective for above-moderate income rate units matches the RHNA number. However, current development agreement applications indicate that there could be up to 1,000 units constructed in the upcoming eight years. If units in this range are approved, these projects would potentially yield approximately 100 (10%) very low income units. It is also possible that more affordable housing beyond the AHPP minimum could be negotiated as a community benefit.

Table 2-2 2013–2021 Housing Rehabilitation Quantified Objectives

Income Category	Rehabilitated Units		Minor Repairs
	Definition	Multi-Family Rehabilitation	
Very Low	0-50% of County MFI	40	10
Low	51 to 80% of County MFI	40	10
Moderate	81 to 120% of County MFI	0	0
Upper	Over 120% of County MFI	0	0
<i>Total</i>		<i>80</i>	<i>20</i>
Source: City of Santa Monica Housing & Economic Development Department			

The quantified objective aims for almost 50% of units produced to be affordable to lower and moderate income households. This is in excess of the minimum standard of the City’s Proposition R (passed in November 1990), which specifies that at least 30% of new construction be deed-restricted as affordable housing (from very low to moderate). Of the units currently approved or in construction for occupancy during the new Housing Element cycle, 46% are deed-restricted affordable units.

A detailed discussion of available sites is provided in Chapter 5, with site information in Appendix A.

2. Housing Rehabilitation and Conservation Objectives

Housing Rehabilitation programs are important for maintaining the integrity of existing housing stock, preserving the overall quality of neighborhoods, and contributing to a higher quality of life.

With respect to housing conservation, the City provides rehabilitation assistance through two main programs:

1. The Multi-Family Rehabilitation Program for owners of multifamily rental properties occupied by low- and moderate-income tenants
2. The Owner-Occupied Rehabilitation Program for low- and moderate-income owners

The City of Santa Monica’s goal for the Housing Element planning period is to support and fund the rehabilitation of 80 units of multi-family and provide 10 minor home repairs, as shown in Table 2-2. A new program has been added for this Housing Element based on the analysis of affordable housing units with covenants that expire, putting them potentially at risk of losing their affordability. The City has set

a quantitative goal to conserve the affordability of all 1,014 units that have been defined as “at-risk” by the California Housing Partnership Corporation (CHPC).

In recent years, a significant feature of the City’s affordable housing effort has been the acquisition and rehabilitation of existing rental housing. The housing is restricted as affordable housing for a period ranging from 55-80 years. This program was funded by the Redevelopment Agency-based Housing Trust Fund. Such units were not ‘counted’ toward fair share housing production, but are consistent with the City’s policies for preserving affordable housing units. During the last Housing Element period (2008-2014), the City invested more than \$39 million in the acquisition and rehabilitation of existing rental housing, creating 11 projects with 119 units for very low and low income households.

The elimination of redevelopment funds as a revenue source for this effort has severely diminished this program’s capacity at the present time. The Housing Plan therefore reflects a reduced quantitative objective for the acquisition and rehabilitation of housing units over the next eight years. The City will need to pursue and develop new funding sources to rebuild this important program in order to meet even this reduced objective or, potentially, exceed it if those efforts succeed.

3. Housing and Supportive Services

The City of Santa Monica has an aggressive program for funding housing and supportive services to special needs populations. These include households with very low or extremely low incomes, persons with disabilities, large families, seniors, the homeless, and other persons in need of assistance. The City's goals for housing assistance and supportive services during the 2013-2021 Housing Element period, contingent upon the availability of adequate funds and annual City Council approval, are:

- Rental Assistance Vouchers: Continue to provide about 1,400 vouchers, including Section 8, Shelter Plus Care, HOME Tenant-Based Rental Assistance (TBRA) vouchers, and Serial Inebriate Program vouchers.
- Homeless Services: Focus efforts on the priority populations defined in the Action Plan for Addressing Homelessness in Santa Monica:
 - The long-term chronic and vulnerable of the homeless population living on the streets of Santa Monica, including homeless veterans
 - Persons whose last permanent address is in Santa Monica
 - Vulnerable members of Santa Monica's workforce
- Continue to be an active partner in finding regional solutions to the problem of homelessness.
- Health Care: Provide primary health care for over 2,700 low-income Santa Monica residents annually.
- Legal Assistance: Provide legal advice and referrals to over 700 low-income Santa Monica residents in the areas of housing, government benefits, and family-law issues annually.
- Senior and Disabled Services: Support and fund a variety of services for senior and disabled individuals, including:
 - Provide paratransit services for approximately 4,900 seniors and persons with disabilities annually. This includes providing approximately 1,500 one-way, escorted trips for people who need extra assistance, as well as limited after-hours taxi service.
 - Provide a range of health and mental health services, including health screenings, primary medical care, health education, peer counseling (individual, group and family), and caregiver services.
 - Provide intensive care management services primarily to low-income Santa Monica seniors that include in-home assessments, purchase of services necessary to maintain the client in his/her home, benefits assistance, referrals to other agencies and close monitoring of clients.
 - Provide care management and other support services in conjunction with the Santa Monica Police Department's efforts to address elder abuse.
 - Through the Congregate Meal Program, provide a well-rounded lunch to older adults at three City sites.
 - Provide home-delivered meals to approximately 300 home-bound seniors and persons with disabilities annually.
 - Provide ongoing operating support for WISE's Adult Day Care Center serving frail seniors, including seniors with Parkinson's and Alzheimer's Disease.
 - Provide expanded healthy living and arts programming, and opportunities for socialization for older adults with linkages to

supportive services, through the consolidation of services in a one-stop facility.

- Housing Modifications for Individuals with a disability: Continue to provide funding to the Westside Center for Independent Living (WCIL), which provides home modifications to low-income renter households that include a person with a disability. Modifications include the installation of grab bars, nonslip bath mats, ramps, shower benches, and toilet seat hand rails. Provide assistance to approximately 40 individuals annually.



C. GOALS, POLICIES, AND PROGRAMS

Building on the policy direction of the previous Housing Element and the LUCE vision and planning principles as listed above, the policy goals of this Housing Element focus on:

- *Housing Conservation and Improvement:* Maintain and enhance existing residential areas, including single-family and multi-family areas. Policies and programs focus on rehabilitation assistance and the preservation of the character, scale, and design in these areas.
- *Housing Production:* Provide new market-rate and affordable housing in transit-rich LUCE activity centers and at focal points designated along major corridors.
- *Housing Assistance:* Continue to provide financial and technical assistance for the provision of housing for all income groups and household types including families with children, seniors, persons with disabilities, and others with special needs. Continue to address the special need to provide shelter, transitional housing, permanent supportive housing, and services for the homeless in the community with an emphasis on the most chronic and vulnerable individuals.
- *Balancing Housing with Other City Goals:* Incorporate other community goals with the production, conservation, and protection of

housing. These include encouraging sustainable development, providing supportive services, increasing walkability and non-motorized forms of transportation, improving and maintaining public safety, and ensuring ongoing public participation efforts.

- *Assuring Equal Housing Opportunities:* Continue to assure equal access to housing for all.

Changes from the previous Housing Element include:

- Goals #1 and #7, which overlapped, have been combined and objectives have been appropriately relocated.
- Several programs that have lost their funding have been removed as separate objectives, but in most cases, the programs' purposes are incorporated into another goal in order to continue to serve the population in need of services. These include the Home Buyers Assistance Program, the Senior Homeless Prevention Program, the Land Acquisition Program.
- A Quantified Objective for conservation has been added under Goal #3.
- Additional programs have been added to address the housing needs of people with disabilities.

A brief background on each program is provided and the Plan identifies the timeframe and appropriate City department(s) and divisions with responsibility for implementing each program and monitoring results.

GOAL 1.0 Construction of new housing that is high quality, sustainable, compatible with the surrounding neighborhood and offers opportunities for active living.

Policy 1.1 Provide adequate sites for all types of housing, particularly multi-family housing in locations near transit and services that promote walkability.

Policy 1.2 Encourage and provide incentives for the development of housing in mixed-use zoning districts near transit opportunities.

Policy 1.3 Ensure that architectural design of new housing development is compatible with the surrounding neighborhood.

Policy 1.4 Promote use of sustainable construction techniques and environmentally sensitive design for all housing.

Policy 1.5 Establish and maintain development standards that support housing development while protecting quality of life in the neighborhood.

Policy 1.6 Maintain development standards that promote the development of special needs housing, such as affordable senior, accessible, and family housing.

Policy 1.7 Periodically review City taxes, fees, and regulations to assess whether they constrain housing development.

Policy 1.8 Continue to provide an expedited and coordinated permit processing system.

Policy 1.9 Focus housing development in the city's major activity centers near transit stations, in particular Downtown, the Bergamot Plan area and the Memorial Park Plan area, and along corridors, consistent with the goals of the 2010 Land Use and Circulation Element.

Objective 1.a: Complete the Revised Zoning Ordinance based on the 2010 General Plan LUCE and Thereafter Assess and Revise City Regulatory Requirements, as Appropriate.

Program Background: The Zoning Ordinance update was initiated after the 2010 adoption of the LUCE, and is scheduled to be completed close to the effective date of this Housing Element. This major work effort to redefine the City's development standards and procedures is being guided by policy objectives to promote housing affordability through updated requirements and processes.

Program: *Adopt the new Zoning Ordinance. Periodically review and, where necessary, revise planning, zoning and development regulations, assessments, and fees to support the development of a variety of housing types and prices including workforce housing and live/work spaces. Facilitate residential uses in mixed-use zoning district through appropriate regulations.*

Timeframe: By 2014: Adopt the new Zoning Ordinance. Further revisions: as appropriate.

Responsible Division: Planning & Community Development Department; City Attorney's Office

Objective 1.b: Continue to Evaluate Efficiency and Streamline Permit Approval Processes.

Program Background: Residential development in Santa Monica may require permits from a variety of departments, including the Rent Control Board, Planning & Community Development, Public Works, and Community & Cultural Services. To facilitate the permit approval process, the City uses the "Permits" data base to track the status and progress of applications and GIS for long-range planning projects. Building permit applications are submitted on-line and distributed to all departments to reduce paper, increase efficiency and coordinate responses. New permit processes are being developed to streamline some of the more common application processes in the new Zoning Ordinance. New materials on permit processing procedures, regulations, and services will need to be developed after the ordinance is adopted. These should be made available on the Planning and Community Development Department's website, also scheduled for a 2013 update, and at the City's public counters.

Program: *After the Zoning Ordinance is adopted, prepare new informational materials about residential development within 3-6 months. Continue to monitor permit processing procedures and regularly update materials that provide interdepartmental regulations, processes and services to guide applicants through the development approval process. Provide more information on the "Permits" tracking system and improve reporting procedures to facilitate project tracking and provide up-to-date information.*

Timeframe: PCD website upgrade by end of 2013; New materials complete in 2014; monitoring and data tracking are ongoing

Responsible Division: City Planning Division; Building and Safety Division; Information Systems Department

Objective 1.c: Maintain Architectural Review Process to Regulate Development Compatibility.

Program Background: The Planning & Community Development Department includes an Urban Designer who supervises a team that includes staff for both the Architectural Review Board and the Landmarks Commission. The ARB/Landmarks team provides direction to assist applicants on projects of all sizes to achieve higher quality design and project approval. The Zoning Ordinance update, and area and specific plans for focal development areas, will provide updated and comprehensive design guidelines to help applicants understand what is expected of projects in Santa Monica, which will further help the development review process.

Program: *Adopt residential design guidelines together with the new Zoning Ordinance. Incorporate the guidelines and continue to implement the architectural review process per the City ordinance.*

Timeframe: By 2014: Adopt Design Guidelines with the Zoning Ordinance; Project review is ongoing.

Responsible Division: City Planning Division

Objective 1.d: Maintain Energy and Water Conservation/Production Programs.

Program Background: The City offers numerous programs to help businesses and residents reduce their water and energy consumption, using both regulations and incentives. Examples include programs that focus on landscaping, energy and water-efficient appliances, and solar panel installation. In 2006, the City adopted the Community Energy Independence Initiative pilot program, which proposes to more reliably reduce the community's dependence on fossil fuels by facilitating installation of energy efficiency measures including 500kW annually of on-site solar systems on residential and commercial buildings.

Program: Continue to monitor energy and water usage citywide and investigate other appropriate programs to conserve these scarce natural resources. Strive to reduce citywide water and energy use in accordance with the goals and targets set out in the Sustainable City Plan, Climate Action Plan, and the Sustainable Water Master Plan.

Timeframe: Net zero new construction: 2020 (residential) and 2030 (commercial)

Responsible Division: Office of Sustainability and the Environment

Objective 1.e: Facilitate Sustainable Housing Development.

Program Background: In 1994, the City Council first adopted its Santa Monica Sustainable City Program. This was followed up by the Sustainable City Plan (SCP) in February 2003, which was subsequently updated in 2006. The Plan has specific principles,

goals, and targets for measuring communitywide progress in achieving sustainability. The City's Office of Sustainability and the Environment includes a Green Building Program Advisor position that coordinates development and implementation of Green Building standards and guidelines. In 2010, the City adopted the Green Building Code (SMMC Chapter 8.106) incorporating the California Green Building Standards and the City's own requirements. Projects pursuing certification under the LEED green building rating system receive expedited processing through City departments including building permits.

Program: Continue to offer incentives to encourage green building and investigate new ways that green building might be incentivized. Continue to amend the Municipal Code as appropriate to support improved environmental performance of newly constructed buildings.

Timeframe: Ongoing; review effectiveness annually

Responsible Division: Office of Sustainability and the Environment, Building and Safety, City Planning Division

Objective 1.f: Facilitate the Development of Housing within Targeted Locations in Mixed-Use, Transit-Oriented Complete Neighborhoods.

Program Background: The 2010 LUCE designated activity centers on major boulevards and new transit-oriented districts near future light rail stations, where the potential for additional housing is the greatest. In order to conserve the character of existing neighborhoods and reduce development pressures in areas with the City's older supply of more affordable

housing stock, incentives are provided in these mixed-use districts to provide a diverse range of housing sizes and types to meet the community's needs.

Program: Based on the LUCE land use strategy identifying areas of future residential development near existing and proposed transit connections, adopt the Downtown Specific Plan, the Bergamot Area Plan and the Memorial Park Area Plan. Within each implementation plan, develop strategies to successfully build both market rate and affordable housing with a diversity of unit sizes and types that is served by nearby retail uses and services.

Timeframe: 2013: Adopt the Bergamot Area Plan; 2014: Adopt the Downtown Specific Plan; 2015: Adopt the Memorial Park plan

Responsible Division: Strategic & Transportation Planning Division (lead); City Planning Division

Objective 1.g: Monitor Rate of Development Activity in Multi-family Residential Districts with the goal of residential neighborhood conservation consistent with the LUCE.

Program Background: Although a reasonable rate of development provides needed reinvestment, rapid piecemeal redevelopment could jeopardize the character and quality of life in neighborhoods. Santa Monica's zoning ordinance has been amended several times in order to ensure that new projects are compatible with existing neighborhood character. Additionally, a Construction Rate program was implemented in March 2000 pursuant to Ordinance No. 1984 (CCS). The program limits simultaneous construction of new residential projects in some zones to no more than one within 500 feet for a period of 15

months. However, exemptions from this requirement are provided for projects in which 100% of the units are deed restricted for either lower- or moderate-income households and for structures subject to City-mandated seismic retrofitting. The City generates Development Activity Reports on a regular basis and information is posted on the department website.

Program: Continue to monitor the rate of development activity in multi-family residential districts. Report on an annual basis the number of planning applications granted for new housing construction.

Timeframe: Ongoing; report annually the number of planning applications granted for new housing construction

Responsible Division: City Planning Division; Building and Safety Division; Housing Division

Objective 1.h: Encourage Designing for Visitability and Allowing Reasonable Accommodation.

Program Background: With the anticipated demographic changes resulting in an aging population and increased interest in enhancing opportunities to age in place and live independently, new housing in transit areas can serve seniors and persons with disabilities well if designed with these needs in mind. The draft Zoning Ordinance revision will include a reasonable accommodation procedure to enable persons with a disability to request an accommodation from land use and zoning regulations, policies and practices as needed to provide those individuals with an equal opportunity to use and enjoy a dwelling, consistent with fair housing law.

Program: Adopt a reasonable accommodation procedure as part of a comprehensive revision of the City's Zoning Ordinance.

Consider issues of access and design to accommodate persons with disabilities and seniors who seek to "age in place." Incorporate universal design principles as appropriate into the Municipal Code and/or design guidelines that are developed.

Timeframe: Reasonable Accommodation Procedure: By June 2014; Ongoing: Consideration of visitability design issues

Responsible Division: Strategic & Transportation Planning Division

GOAL 2.0 Housing production for all income categories including housing for the community's workforce.

Policy 2.1 Encourage innovative private sector and governmental programs to promote the financing and development of housing for extremely low-, very low-, and low-income persons and for moderate income families.

Policy 2.2 Focus available resources to assist for-profit and nonprofit housing providers to develop housing for extremely low-, very low-, and low-income households.

Policy 2.3 Support the enactment of federal, state, and local legislation to provide funding and incentives for the preservation and development of housing affordable to very low-, low-, and moderate-income households, and to accommodate special needs.

Policy 2.4 Encourage the distribution throughout the City of housing for extremely low-, very low-, low-, and moderate-income families and for the City's workforce that earn just above-moderate income.

Policy 2.5 Continue to provide development incentives and reduced planning fees for development of affordable housing, with priority to extremely low-, low- and very-low income households.

Policy 2.6 Explore ways to encourage the development of ownership housing affordable to moderate-income households and the City's workforce, including possibilities for employer-provided housing.

Policy 2.7 Work with local nonprofit community organizations to tap into new funding sources and restore local capacity to develop affordable housing on an ongoing basis.

Policy 2.8 Explore means to help people with disabilities to access housing units that have been designed to be accessible or adaptable to meet their needs.

Objective 2.a: Maintain an Affordable Housing Production Program.

Program Background: In 1990, Santa Monica voters adopted Proposition R, which requires 30% of all multi-family residential housing that is newly constructed in the city to be affordable for at least 55 years to and occupied by low- and moderate-income households. In July 1998, the City Council enacted an Affordable Housing Production Program (AHPP), requiring developers of market-rate apartment and condominium projects to contribute to affordable housing production and thereby help the City meet its affordable housing need. Developers could do so by (1) including units affordable to low- and moderate-income households in the market-rate project; (2) developing units affordable to low- and moderate-income households at another location in the city; (3) paying an Affordable Housing Fee so that the City can produce the affordable units; or (4) assisting the production of affordable housing in one of several other ways, such as buying and dedicating land to the City or a nonprofit housing development entity.

The City has enacted several changes to this program as needed through the years. In response to annual reports required by the program that demonstrated that the City was not meeting the provisions of Proposition R, and indicated that it would not do so in the future, the Council amended the AHPP to require market-rate common ownership projects to include construction of on or off-site affordable housing. In June 2013, the Council amended the AHPP to include an extremely low income category and to adjust the City's formula for determining income and rent levels to be consistent with State and Federal guidelines.

Program: *Continue to monitor, evaluate, and revise the Affordable Housing Production Program as appropriate to address the housing needs of the community and achieve the quantified objective. Prepare an annual report concerning compliance with Proposition R. Update fees and housing cost requirements annually. Update the AHPP administrative guidelines, consider revisions as appropriate to encourage continued affordability and tenant protection and meet the AHPP objectives, and to improve the process of monitoring eligibility of residents in existing units.*

Timeframe: Ongoing

Responsible Division: Housing Division; Housing and Economic Development Department; City Attorney's Office

Objective 2.b: Maintain a Density Bonus Program.

Program Background: On February 22, 2011, the City Council adopted an ordinance implementing State density bonus law (SB 1818, and SB 435) by incorporating all State-required provisions into the City's zoning code, including the option of choosing up to three development incentives/concessions to facilitate the production of a minimal amount of affordable housing units.

Santa Monica's Density Bonus ordinance codifies the required sliding scale density bonus up to the 35% maximum. Incentives in residential districts are outlined in SMMC 9.04.10.14 (Housing Development Incentives) and comply with State law.

Program: *Maintain the City's density bonus program and revise as necessary to remain consistent with State Law and the City's affordable housing needs.*

Timeframe: Ongoing

Responsible Division: Strategic and Transportation Planning Division

Objective 2.c: Develop New Affordable Housing Finance Programs to Enable Continued Provision of Technical and Financial Assistance for Housing Production.

Program Background: The City has been providing technical and financial support to a variety of nonprofit housing providers to support affordable housing development. However, the City lost its most significant funding source, redevelopment tax increment funds, in 2011. Remaining funding sources, such as office and market rate housing mitigation and in-lieu fees, and other possible exactions, are being reevaluated, but cannot on their own fill the gap left by the loss of RDA funds. The City continues to work with non-profit partners to seek out and apply for federal and state funding, as it has done in the past, which resulted in numerous successful funding efforts by nonprofit affordable housing providers. The City will also investigate other potential funding sources such as tax exempt bonds, low-income housing tax credits, HUD Section 108 funds, and other creative mechanisms. Once appropriate sources are identified, the City will take the necessary steps to move forward.

With the LUCE policy shift to focus new housing in mixed-used centers and corridors, the vast majority of new units in the pipeline are in mixed-use areas. The City is exploring revised fees and policies including a commercial development impact fee to ensure that developer impact fees properly support affordable housing development.

In the current environment, the City will need to think creatively and support efforts at the state and

federal level to create new funding opportunities for affordable housing in order to return to the productivity levels reached during the last five years.

Program: Explore new sources of state and federal funding that may be used for housing. Seek to develop new strategies to provide financial and technical assistance to the greatest extent possible to nonprofit housing providers to support the development of affordable housing, including special needs housing. Consider adopting new local impact fees based on the recommendations of appropriate nexus studies. Continue to seek out local, state, and federal funds to support the construction of affordable housing.

Timeframe: 2013: Consideration of New Impact Fees; strategy development is ongoing

Responsible Division: Housing Division (lead); Strategic and Transportation Planning Division

Objective 2.d: Assess Use of City-Owned/Publicly-Owned Land for Affordable Housing.

Program Background: As a highly developed community, the City of Santa Monica has few remaining vacant sites for residential development. This shortage of vacant land necessitates the use of alternative mechanisms for providing sites for housing. In the past the City has used such mechanisms as long-term leases of City-owned or publicly-owned land, and the sale of air rights above publicly-owned facilities such as parking lots. To facilitate affordable housing development, the City will continue to assess utilization of appropriate City-owned properties for the development of affordable housing, or in some cases may consider selling City properties to non-profit developers for the development of affordable housing.

Program: Continue to assess the use of City-owned properties to facilitate affordable housing through creative development partnerships and financing strategies.

Timeframe: Ongoing

Responsible Division: Housing and Economic Development

Objective 2.e: Foster Housing Development and Compatible Amenities as Community Benefits through Development Agreements.

Program Background: A Development Agreement (DA) may be negotiated between a developer and a local government to establish the regulations and policies governing the development of a specific piece of property. In Santa Monica, development agreements have been prepared for a number of discretionary, and in some cases multi-phase projects. Within these development agreements, special affordable housing obligations have often been required.

The LUCE calls for development agreements for Tier 3 projects, with additional height and FAR beyond the base “by-right” level. With more than 35 DAs in the pipeline as this Housing Element is prepared, the City will prioritize provision of affordable housing as a community benefit in residential or mixed-use projects.

Program: Negotiate Development Agreements that provide on-site affordable housing or payment of affordable housing fees beyond AHPP requirements to the extent appropriate and feasible. Continue to monitor compliance with existing Development Agreements.

Timeframe: Ongoing

Responsible Division: City Planning Division; City Attorney’s Office; Housing Division

Objective 2.f: Facilitate the Development and Maintenance of Special Needs Housing.

Program Background: Santa Monica has a significant residential population in classes protected by California State housing law, which include the elderly, Individuals with mental, physical, and developmental disabilities, large families, female-headed households, and homeless individuals and families without permanent housing. Finding access to resources and adequate, affordable housing is often challenging for individuals and families under such circumstances. Housing for seniors and those with disabilities should incorporate features that contribute to a barrier-free environment, building visitability, and accessibility to transit and services. Current planning efforts, such as the area and specific plans implementing the LUCE, which are defining new neighborhoods and redefining downtown circulation, can include measures that address the long-term housing and service needs of Santa Monica’s special needs populations. The City will consider policies regarding allocating housing and service resources in a manner that reflects the needs and priorities faced by each special needs group. In this way, the City will expand its strategy to support the maintenance, improvement, and development of housing for households with special needs.

Program: Continue to utilize available financial resources and partnerships with service providers to create and retrofit existing housing for special needs households.

Encourage and support development of senior housing and facilities to meet the needs of this growing population segment, particularly for the oldest senior cohort. Consider the Baby Boomer generation's preference for "aging in place" along with the need for more congregate housing and residential care facilities. Explore new programs, services, infrastructure and amenities that can help seniors who choose to live independently remain in their homes as long as possible.

Within legal constraints, encourage or require housing providers to assign affordable housing units designed for persons with disabilities, including physical or developmental disabilities, for use by those who require those features. Encourage barrier-free construction and adaptation.

Study data to identify housing and supportive service gaps for various special needs groups and propose policy and priorities based on the analysis.

Assess initiatives and consider support for State legislation that would offer incentives to build special needs housing, such as defining housing for persons with physical disabilities as eligible for tax credits.

Consider incentives and requirements to ensure that new residential development accommodates a mix of household types and sizes that include a person(s) with special needs.

Encourage proposals for new housing types, such as co-housing, and assess their feasibility and benefits on a case-by-case basis.

Timeframe: Ongoing; assess annually

Responsible Division: Housing Division; Human Services Division; Building and Safety

Objective 2.g: Facilitate the Development of Housing that is Affordable for Santa Monica's Diverse Workforce .

Program Background: Housing for the local workforce contributes toward meeting the City's sustainability goals. Developing workforce housing offers many potential benefits, including an improved ability to attract and retain quality workers, enhanced employee interaction with the community, reduced traffic congestion both on local streets and in the regional transportation network, and improved employee accessibility in the event of an emergency.

Program: *Explore the development of housing that is affordable to the City's workforce, including rental, ownership, and forms of employer-provided transitional housing, with "Workforce Housing" defined as between 120% and 180% of the County Average Median Income (AMI). In addition to the Affordable Housing Production Program, prioritize incentives to develop workforce housing units, with particular emphasis on housing for larger households in need of units with two or more bedrooms.*

Possible parameters of the program are as follows:

- *Provide regulatory development incentives, particularly in locations with proximity to transit, in the Zoning Ordinance or in specific and area plans to encourage inclusion of units affordable to households defined as moderate income or "workforce." Incorporate incentives such as:*
 - *Floor-area-ratio (FAR) calculation based on reduced floor area for square footage in moderate or moderate and workforce units in projects that also provide on-site affordable housing in compliance with the AHPP.*

- *Expedited processing of projects that provide housing units guaranteed through deed restrictions or other means to be maintained at rent levels affordable to moderate or workforce households as defined above.*
- *Flexibility with open space requirements, such as substituting or partially substituting common for private open space.*
- *Encourage workforce housing as a community benefit that supplements but does not replace the provision of deed-restricted affordable housing.*

Timeframe: Develop workforce housing strategies within area and specific plan processes and/or the Zoning Ordinance update.

Responsible Division: Strategic & Transportation Planning Division; Housing Division

Objective 2.h: Maintain Proposition I Monitoring.

Program Background: Article 34 of the State Constitution requires that any low rent housing project developed, constructed, or acquired by a public agency must first be approved by a majority of the voters living in that jurisdiction. In compliance with this article, the City of Santa Monica put a referendum (Proposition N) before the voters in 1978 in order to win approval to "develop, finance, or rehabilitate, but not own or operate within the city, housing for rental to low- and moderate-income persons, no less than 50% of which shall be reserved for persons age 60 or older, not to exceed in total throughout the city, 1% of the dwelling units in the city." On November 3, 1998, Santa Monica's voters approved Proposition I, which provides the City with an annual authorization

to develop, construct, acquire, and finance low-income housing units, including senior housing. The City's annual authorization is equal to 1/2 of 1% of the total dwelling units existing in the city at the end of the prior fiscal year. This annual authorization may be carried over the three years.

Program: Monitor utilization of Proposition I authority through annual reporting of new "low rent-housing projects."

Timeframe: Annually

Responsible Division: Housing Division

GOAL 3.0 Protection of the existing supply of affordable housing.

Policy 3.1 Ameliorate the effects of the Costa-Hawkins vacancy de-control regulation on the affordable housing stock.

Policy 3.2 Encourage the preservation of affordable rental housing.

Policy 3.3 Continue to protect rental housing by limiting the conversion of rental units to ownership units.

Policy 3.4 Encourage the replacement of multi-family housing that is demolished.

Policy 3.5 Strive to ensure the continued availability and affordability of housing for very low-, low-, and moderate-income households.

Objective 3.a: Develop Programs to Address State and Federal Legislative Mandates.

Program Background: Citizens of Santa Monica adopted the City's rent control law in 1979. Passage of the Costa-Hawkins Rental Housing Act in 1995 by the State Legislature gradually required vacancy de-control/re-control in apartments, and de-control of houses and most condominiums by January 1999. This has reduced the affordable housing supply in Santa Monica and also made it more difficult for the Housing Authority to find and keep landlords willing to participate in the Section 8 program because HUD's fair market rent has not kept up with market rents to attract landlord participation.

The City's progressive legal protections, such as the just-cause eviction protections in rent controlled units, have contributed to keeping rent controlled units affordable to current low- and very low-income tenants. In addition, to help reduce the impact of Costa-Hawkins, the City has developed the Tenant Assistance Rental Program (TARP) program that provides up to two years of City-funded rental assistance to Section 8 and Shelter Plus Care tenants whose landlords terminate their Section 8 rental contracts. The Council also provides rental assistance to extremely low income homeless applicants and one-time homeless prevention grants to seniors in danger of losing their housing.

Program: Continue to implement programs that strive to protect tenants against landlord discrimination and cancellation of existing Section 8 contracts (including City and/or private foundation-funded subsidy) to enable tenants to remain and pay the maximum allowable rent (MAR) such as the TARP program.

Continue efforts to increase HUD's Fair Market Rent (FMR) for Santa Monica so that Section 8 can offer competitive market rate rent; continue to fund the acquisition and rehabilitation of existing rental units.

Investigate new, innovative ways to increase the affordability of housing in light of the loss of formerly affordable units due to vacancy de-control and Ellis withdrawals.

Timeframe: Ongoing

Responsible Division: Housing Division (lead); Rent Control Board

Objective 3.b: Protect Mountain View Mobile Home Park Residents.

Program Background: Mobile home parks in Santa Monica (Village Trailer Park and Mountain View Mobile Home Park) were originally established as an interim use requiring a conditional use permit. In order to protect these two parks, the City later created a mobile home park zoning district (RMH). The City upgraded the infrastructure at the City-owned Mountain View Mobile Home Park in 2008, including utilities, streets, and has purchased landscaping, and purchased new energy-efficient units to replace many older units. The City also recently assisted low income owners of units at Mountain View to replace their units with new models that meet current standards. As of the end of 2012, 75 units were occupied out of the total of 105 available pads. Since the State legislature's elimination of redevelopment agencies in 2011, the City has had to end this program. In March 2013, a development agreement was approved for the private property on which the Village Trailer Park is located, which allows site redevelopment, with retention of 10 of the mobile

homes on-site for at least 10-15 years. The approved plan includes 99 rent-controlled apartments of which 38 will be affordable units (35 very low, 3 extremely low) among the 377 approved units. The development agreement requires relocation benefits for mobile home tenants, some of whom have already relocated to the Mountain View Park.

Program: *Continue to assist residents at the Mountain View Mobile Home Park and assist in the implementation of relocation options for Village Trailer Park residents.*

Timeframe: Ongoing

Responsible Division: Housing Division; City Planning Division; Rent Control Board

Objective 3.c: Maintain a Tenant Eviction Protection Program.

Program Background: Santa Monica has long maintained anti-discrimination protections, which among other prohibitions, prevents a tenant from being evicted if the tenant has married or had children. The Consumer Protection Unit of the Santa Monica City Attorney's Office handles complaints, answers questions about possible violations of the Fair Housing laws in Santa Monica, and investigates possible fair housing violations.

The City's Rent Control Board also monitors evictions and advises Santa Monica tenants of their rights. Santa Monica's Just Cause Eviction and Tenant Harassment laws, among others, help to assure that tenants are not discriminated against by building owners. To assist in monitoring efforts, a Council-sponsored amendment to the Rent Control charter was approved

by the voters in 2002 that requires landlords to provide copies to the Rent Control Board of written notices of tenancy termination.

In 2010, the Just Cause Eviction protections were extended to all tenants when voters approved Measure RR.

On December 13, 2011, the City Council adopted an ordinance which extended the protections of the Tenant Harassment Ordinance to all tenants with just cause eviction protections.

Program: *Continue to prevent unlawful evictions through monitoring and enforcing of "just cause" eviction protections, and continue to provide fair housing services through the Consumer Protection Unit of the Santa Monica City Attorney's Office.*

Continue to review current laws and recommend any needed modifications to ensure protection of tenants to the maximum extent possible.

Timeframe: Ongoing

Responsible Division: City Attorney's Office; Rent Control Board; Housing Division

Objective 3.d: Facilitate the Conservation of At-Risk Housing.

Program Background: The City has assisted in the development of a variety of affordable housing projects, producing 3,466 deed-restricted units that are currently serving the community. According to CHPC's list of at-risk projects and HUD's at-risk database, a total of 1,014 publicly-assisted housing units located in twelve projects with federal rental assistance subsidies in Santa Monica are protected by covenants that

are due to expire before October 2023, within this Housing Element's ten-year analysis period. They are, therefore, at risk of potential conversion to market-rate. These units serve seniors or persons with special needs.

In addition to the federal covenants, the affordability of the units in these projects is further protected through additional requirements or incentives that the City placed on their loans when they were constructed. Some units are considered to have a lowered risk of conversion to market rate because they are owned and operated by non-profits whose mission is to create and maintain affordable housing. As the cost of conserving existing deed-restricted affordable units is far less than the cost of producing new ones, and the need for affordable units remains strong, efforts should be directed at ensuring the long-term affordability of these units for low-income households.

Program: *Conserve 1,014 at-risk units as affordable, deed-restricted units.*

The City will continue to monitor the status of at-risk projects within the City, advise tenants in advance of potential conversion dates, and assist in answering questions from residents of at-risk housing. The City will consider exercising its right of first refusal to purchase properties if necessary and financially feasible to ensure the continued availability of affordable housing units.

Timeframe: Annually: staff will identify funds to secure at-risk units, where appropriate and feasible; Ongoing: Monitoring

Responsible Division: Housing Division

GOAL 4.0 Rehabilitation and continued maintenance of the existing housing stock.

Policy 4.1 Encourage and promote the use of private and public funding to provide rehabilitation, home improvement, and maintenance loans and grants with particular attention to multi-family rental housing.

Policy 4.2 Ensure that rehabilitation of existing units does not result in permanent displacement of existing residents.

Policy 4.3 Ensure that rehabilitation of existing housing addresses the health and safety needs of the residents while respecting the character of the structure.

Policy 4.4 Ensure that property owners are made aware of City programs to promote capital improvements to rental housing.

Objective 4.a: Maintain a Low Income Residential Repair Program.

Program Background: The City implements the Residential Rehabilitation Program for owners of multifamily rental properties occupied by low- and moderate-income tenants; and the Owner-Occupied Rehabilitation Program for low- and moderate-income owners.

Program: Support and fund the rehabilitation of 80 multi-family units and provide 20 minor home repairs.

Timeframe: By 2021

Responsible Division: Housing Division; Santa Monica Housing Authority

Objective 4.b: Maintain a Housing Code Enforcement Program.

Program Background: The Building and Safety Division responds to complaints of violations of City building codes and provides inspections and notices to property owners to bring their units into compliance.

Program: Continue to implement the City's housing code enforcement program. The Building and Safety Division will coordinate with the Housing Division to provide information on available rehabilitation assistance to correct code deficiencies.

Timeframe: Ongoing

Responsible Division: Building and Safety Division; Housing Division

Objective 4.c: Maintain an Earthquake Retrofitting Program.

Program Background: In response to the extensive building damage incurred from the 1994 Northridge earthquake, the City adopted a comprehensive set of seismic upgrade regulations. Ordinance No. 1748 (CCS), which was adopted in 1994, requires the retrofitting of potentially hazardous structures within one to four years, depending on the building's occupant load.

Program: Continue to require earthquake retrofitting in compliance with seismic upgrade regulations.

Timeframe: Ongoing

Responsible Division: Building and Safety Division

Objective 4d: Maintain a Lead-Based Paint and Asbestos Hazards Reduction Program.

Program Background: About 82% of the housing units in Santa Monica were built before 1978, when the use of lead-based paint was still permitted. Effective October 28, 1995, all residential buildings constructed before 1978 became subject to new disclosure and record-keeping rules under the Federal Residential Lead-Based Paint Hazard Reduction Act. The 1995 federal regulations presume that all residential buildings built before 1981 contain asbestos until proven otherwise. Building owners or managers must now notify all occupants of the presence or presumed presence of asbestos.

Since FY1997 as part of the Low Income Residential Repair Program, the City has provided lead-based paint testing, education, and remediation to existing single- and multi-family units, targeting low and moderate-income households. The City now works only with affordable housing rehabilitation projects to abate lead-based paint.

Program: Work with affordable housing providers to address the abatement and removal of lead-based paint in affordable housing units; Continue to enforce compliance with State Law to ensure safety at construction sites through proper handling and removal of lead-based paints.

Timeframe: Ongoing

Responsible Division: Housing Division (lead); Building and Safety Division

GOAL 5.0 Provision of housing assistance and supportive services to extremely low-, very low-, low-, and moderate-income households and households with special needs.

- Policy 5.1** Support rental assistance programs for extremely low-, very low-, and low-income households; support mortgage assistance programs for low- and moderate-income households, including households that have a person with disabilities.
- Policy 5.2** Provide information and assistance to extremely low-, very low-, and low-income households and households with special needs to help them locate appropriate housing.
- Policy 5.3** Encourage a regional fair share approach to providing housing opportunities and assistance to homeless, extremely low-, very low-, and low-income households, and households with special needs.
- Policy 5.4** Match housing and supportive service resources to the needs of priority homeless populations: Santa Monica’s chronically homeless; those whose last permanent address was in Santa Monica; and vulnerable members of Santa Monica’s workforce.
- Policy 5.5** Target funds to ensure a broad array of supportive services to extremely low-, very low-, and low-income persons to ensure their continued maintenance of housing once obtained.

Objective 5.a: Maintain Rental Housing Voucher Programs and Expand to Assist All Persons with Disabilities.

Program Background: In FY2011-12, the Santa Monica Housing Authority (SMHA) administered approximately 1,400 rental housing vouchers, including Shelter Plus Care vouchers, HOME vouchers, and Serial Inebriate Program vouchers. The HOME program targets the chronically homeless who are heavy users of City emergency services and emergency room medical care. The participants are receiving intensive case management services from community-based agencies both prior to receiving a HOME voucher and after they lease an apartment.

Program: *Continue to operate strong rental housing voucher programs and advocate for funding guidelines for Section 8 that are competitive for Santa Monica; pursue additional funding to maintain and expand voucher programs, if possible. Review and update the Housing Authority Administrative Plan annually to ensure compliance with the latest HUD regulations and to provide flexibility to respond to tenants’ needs consistent with legal requirements. Utilize vouchers as a tool to prevent senior homelessness where eligible. Explore available funding opportunities to expand the rental housing voucher programs to fill the gap between income levels and the cost of housing for persons with permanent disabilities, including persons with Developmental Disabilities.*

Timeframe: Ongoing; annually update the Housing Authority Administrative Plan

Responsible Division: Santa Monica Housing Authority; Housing and Economic Development

Objective 5.b: Maintain a Community Development Grant Program.

Program Background: Santa Monica provides funding annually to 27 nonprofit human service and housing development organizations supporting different programs through the Community Development Grant Program. These programs serve, in part, to assist homeless persons, very low-, and low-income households, and special need populations. Funds are provided through a broad array of funding sources including but not limited to the City’s General Fund, HOME, and Community Development Block Grant Fund.

Program: *Continue to fund supportive services that serve the priority homeless populations, striking a balance between existing programs that have demonstrated effectiveness and national best practices that are consistent with the City’s adopted Action Plan to Address Homelessness in Santa Monica.*

Timeframe: Ongoing

Responsible Division: Human Services Division

Objective 5.c: Provide Tenant Relocation Assistance.

Program Background: The City’s Municipal Code provides several tenant relocation programs to protect tenants living in rent-controlled units, with certain exceptions. When a unit is withdrawn from the housing stock, or the landlord recovers possession of a unit, landlords are required to pay a relocation fee for each unit based upon the size of the unit. An additional fee is required if one or more of the tenants is a senior, disabled, or a minor. In lieu of providing

financial relocation assistance, the landlord may provide actual physical relocation if the new unit is comparable to the original unit.

Program: Continue to implement the Tenant Relocation Assistance program; periodically review existing City policies and ordinances and recommend modifications if deemed necessary.

Timeframe: Ongoing

Responsible Division: City Attorney's Office; Housing Division; Rent Control Board

Objective 5.d: Maintain a Temporary Relocation Program.

Program Background: This program is designed to provide housing for persons temporarily displaced as a result of health and safety violations or to comply with programs such as the Earthquake Retrofitting Ordinance (Program 4.c).

Program: Continue the Temporary Relocation Program, including providing emergency hotel vouchers for tenants who have been ordered to vacate their units by the City for code violations or safety reasons.

Timeframe: Ongoing

Responsible Division: Housing Division

Objective 5.e: Address Threats to the HUD Section 8 Rental Subsidy Program.

Program Background: Changing circumstances due to the Costa-Hawkins vacancy decontrol legislation and potential changes to HUD regulations and funding

may affect both program funding and incentives for landlords to participate in the program.

Program: Continue the Tenants Assistance Rental Program to pay for a percentage of the MAR for Section 8 tenants whose HUD contracts were cancelled and apply to HUD as needed for Santa Monica renters to receive enhanced rental vouchers.

Timeframe: Ongoing

Responsible Division: Housing Division

Objective 5.f: Facilitate the reduction of the number of homeless individuals living on the streets of Santa Monica through the provision of a range of housing options, with an emphasis on affordable, permanent, supportive housing.

Program Background: The February 2008 "Action Plan for Addressing Homelessness in Santa Monica" made the reduction of street homelessness a high priority. The City continues to focus its efforts on the priority populations defined in the Plan: the most chronic and vulnerable of the homeless population living on the streets of Santa Monica; persons whose last permanent address is in Santa Monica; and vulnerable members of Santa Monica's workforce. On an annual basis, the City supports agencies that provide supportive services, emergency shelter, and transitional and permanent supportive housing beds to Santa Monica's priority homeless populations.

Program: Continue to seek and leverage funds that contribute to the development of a range of permanent, supportive housing options, within and outside of Santa Monica. Focus case management and

housing resources on the most chronic and vulnerable homeless individuals that have been identified on the City's Homeless Service Registry. Continue to serve other priority homeless populations through City-funded programs. Continue strategies to reunite those not first-homeless in Santa Monica with family and friends in their home communities. Review City policies and practices that may contribute to homelessness.

Timeframe: Ongoing, review and reevaluate City policies and practices annually

Responsible Division: Human Services Division, Housing Division

GOAL 6.0 Elimination of discrimination in the rental or sale of housing on the basis of race, religion, national origin, sex, sexual preference, age, disability, family status, aids, or other such characteristics.

Policy 6.1 Continue to enforce fair housing laws prohibiting arbitrary discrimination in the building, financing, selling, or renting of housing, on the basis of race, religion, national origin, sex, sexual preference, age, disability, family status, AIDS, or other such characteristics.

Objective 6.a: Maintain Fair Housing Programs.

Program Background: The City Attorney's Office through its Division of Consumer Affairs, along with other government agencies, enforces federal and state fair housing laws. The City has an in-house Fair Housing Unit with a fair housing specialist and a Spanish-speaking community liaison who work

with the attorney. The Fair Housing Unit investigates discrimination complaints and offers education and programs to residents on their rights and responsibilities under the fair housing laws. The Fair Housing Unit takes complaints involving lockouts, utility shut-offs, and tenant harassment. Ordinance No. 1812 (CCS), which provided added eviction protection to tenants with domestic partners, is scheduled to be updated in 2013 based on the Rent Control Board's recommendation to remove obsolete language. The Fair Housing for Children ordinance also prohibits discrimination against families with children in the sale or rental of housing.

Program: *Continue to implement fair housing programs. Educate landlords about discrimination and educate the real estate community on the necessity of ensuring that their practices meet the objectives of the fair housing laws.*

Timeframe: Ongoing; annually provide outreach to landlords and the real estate community

Responsible Division: City Attorney's Office

Objective 6.b: Provide Tenant/Landlord Mediation and Legal Services.

Program Background: The Fair Housing Office of the Santa Monica City Attorney provides dispute resolution services, and legal advice and representation on tenant/landlord matters, as well as other civil and consumer issues. The Santa Monica Rent Control Board also mediates disputes between tenants and property owners that arise from rent control law. The Human Services Division funds the Los Angeles Legal Aid Foundation to provide legal services related to housing to low-income Santa Monica residents.

Program: *Continue to support tenant/landlord mediation and legal services assistance.*

Timeframe: Ongoing

Responsible Division: City Attorney; Rent Control Board; Human Services Division

GOAL 7.0 Active participation of citizens, community groups, and governmental agencies in housing, community development and neighborhood safety activities.

Policy 7.1 Ensure maximum citizen involvement in the City's housing and community development activities.

Policy 7.2 Encourage citizen involvement in promoting safe and secure housing and neighborhoods.

Policy 7.3 Provide information and assistance in the language of the person or group needing housing assistance, to the greatest extent possible.

Policy 7.4 Ensure communication and coordination between City departments and agencies on issues related to housing, community development and neighborhood needs.

Policy 7.5 Encourage involvement of all interested parties in the review and formulation of City housing policies, including property owners, the building industry, affordable housing advocates, lending institutions, and other interested parties.

Objective 7.a: Maintain a Community Notification Program.

Program Background: The Zoning Ordinance requires that notice of a public hearing be given to property owners and tenants within 500 feet of the subject property for certain site-specific land developments. In addition to direct mail notices, public hearings are advertised in the local newspaper, and community meetings are regularly held for development projects prior to their review by the Planning Commission. The availability of further information in Spanish is regularly indicated in all mailed notices and newspaper ads. City Council meetings are broadcast to the public by radio, on the City's local cable station and streaming online through the City's website. Planning Commission meetings are also aired on the local cable station and through the website Live Meetings function. Meetings are archived for viewing on the City Council website page, which also makes information available to the public about development proposals, upcoming hearings, and City regulations.

City staff holds numerous workshops and public meetings and provides other opportunities for community input into policy development and long-range planning efforts. These opportunities are particularly important to inform the City's plans for development of new residential uses in mixed-use neighborhoods near transit.

Program: *Continue to publicize development and policy proposals to all interested parties through the use of noticing, the radio, cable TV, and the City's webpage. Continue to conduct neighborhood meetings on proposed development projects.*

Timeframe: Ongoing

Responsible Division: City Planning Division;
Strategic and Transportation Planning Division

**Objective 7.b: Provide a Residential
Neighborhood Safety Program.**

Program Background: The City offers a range of residential safety programs, including the following: Residential Security Survey Program, Operation Identification, Neighborhood Watch Groups, community forums, and crime prevention and community relations programs as well as educational materials for residents.

Program: *Continue to offer neighborhood safety programs in cooperation with the Police Department.*

Timeframe: Ongoing

Responsible Division: Police Department (lead);
Housing Division

Objective 7.c: Conduct Housing Element Review.

Program Background: Chapter Six of this Housing Element update includes a comprehensive review and analysis of the City's past housing strategies and policies, resulting in the updated programs in the chapter. The City also undergoes annual review of its General Fund, CDBG, and HOME housing and community development programs.

Although as a charter city, Santa Monica is exempt from the requirement to submit annual Housing Element Reports, such reports are now required in order to apply for funding under certain programs. For this purpose, the City will submit annual reports when required by programs for which the City seeks to apply.

Program: *Implement Housing Element programs within adopted time frames. Submit annual reports, as necessary, to comply with application requirements for State grant funding.*

Timeframe: Ongoing; annually

Responsible Division: Strategic & Transportation
Planning Division (lead, Housing Element);
Housing Division (lead, annual review)

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3. Housing Needs Assessment

This chapter reviews and assesses the community's demographic and housing characteristics in order to evaluate the housing needs of present and future Santa Monica residents to help inform the policy discussion and frame objectives and recommendations. The chapter compares data from past years with data from the 2010 census and most recent American Communities Surveys (ACS), which the U.S. Census now utilizes to gather much of the more specific data on population, households, employment and housing characteristics at the local jurisdiction level. Other sources, including the City's own building permit and project data, and additional government sources are used to complete the picture and describe the current housing situation in Santa Monica.



Table 3-1 Historical Population Growth 1890-2010

Year	Total Population	Population Increase	% Change
1890	1,580	—	—
1900	3,057	1,477	93%
1910	7,847	4,790	157%
1920	15,252	7,405	94%
1930	37,146	21,894	143%
1940	53,500	16,354	44%
1950	71,595	18,095	34%
1960	83,249	11,654	14%
1970	88,289	5,040	6%
1980	88,314	25	0%
1990	86,905	(1,409)	-2%
2000	84,084	(2,821)	-3%
2010	89,736	5,652	7%

Source: U.S. Census

A. POPULATION CHARACTERISTICS

1. Population Growth Trends

Beginning with the first official census after its incorporation in 1886, Santa Monica's population more than doubled every 10 years until the depression era of the 1930s, when the city's annual rate of population growth began to slow as shown in Table 3-1. Santa Monica experienced its highest level of growth during the national immigration wave of

Table 3-2 Population Growth 1980-2010, Neighboring Communities and Los Angeles County

Jurisdiction	1980	1990	2000	2010	% Change 1980-2010	% Change 2000-2010*
Beverly Hills	32,367	31,971	33,784	34,109	5.4%	1.0%
Santa Monica	88,314	86,905	84,084	89,736	1.6%	6.7%
Culver City	38,139	38,793	38,816	38,883	1.9%	0.2%
West Hollywood	—	36,118	35,716	34,399	-4.8%	-3.7%
LA City	2,966,850	3,485,398	3,694,820	3,792,621	27.8%	2.6%
LA County	7,477,503	8,863,164	9,519,338	9,818,605	31.3%	3.1%

Source: U.S. Census of Population and Housing 1980, 1990, 2000, and 2010
* For West Hollywood, which was incorporated in 1984, the increase is from 1990-2010

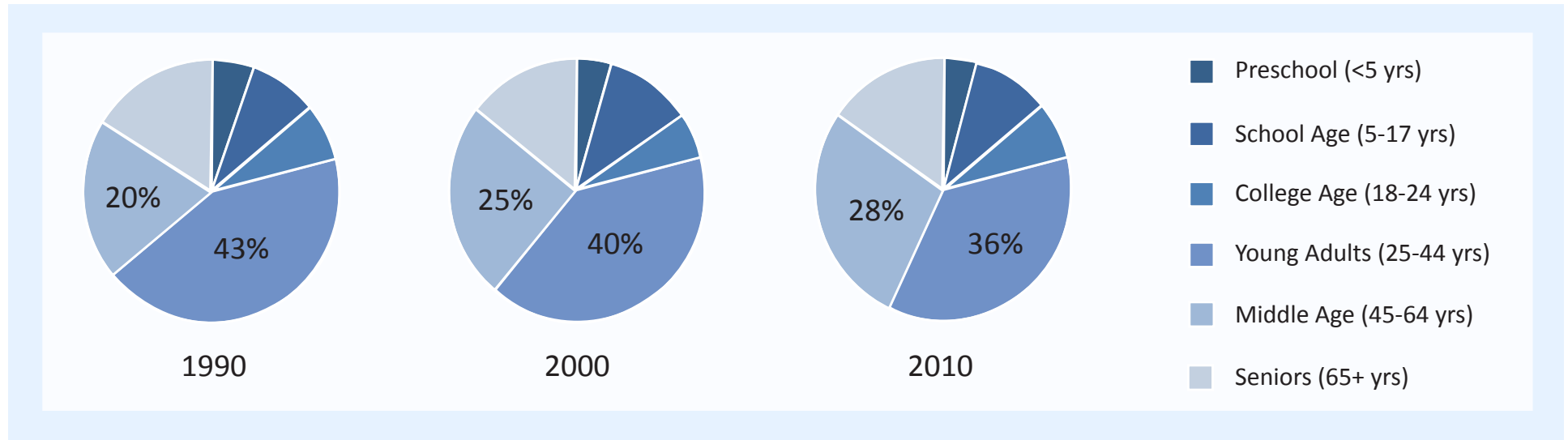
the 1920s, followed by the period between 1930 and 1950, when nearly 34,500 people were added. Growth in this latter period was fueled in part by World War II-related manufacturing jobs at the former Douglas Aircraft plant at the Santa Monica Airport, and post-War growth that occurred throughout Southern California.

The city's total population count has remained relatively stable since the 1970s, following the end of an apartment construction boom that left the city's residential areas essentially built out. By 1980, the city's population stopped growing, and actually declined slightly to 84,084 residents by 2000. This population decline was due to a gradual change in household composition, and the regional economic recession that occurred during the early 1990s. The 2010 Census showed the city's first growth over a decade, with a 6.7% increase. However, in comparison

to the highest previously recorded population in 1980, Santa Monica's net growth over a 30 year period was only 1.6%.

Comparing Santa Monica with its Westside Cities sub-region, the city's growth over the last decade was significantly higher than the other jurisdictions. However, over the 30 year period, the largest percentage of growth occurred in Beverly Hills at 5.4% (Table 3-2). These growth rates are extremely low, reflecting the built-out status of the subregion. In contrast, the city of Los Angeles grew by 27.8%, and the County by 31.3% over the same 30 year period, largely due to the continued development of vacant land in outlying areas such as the Santa Clarita and Antelope Valley.

Figure 3-1 Age Distribution, 1990-2010



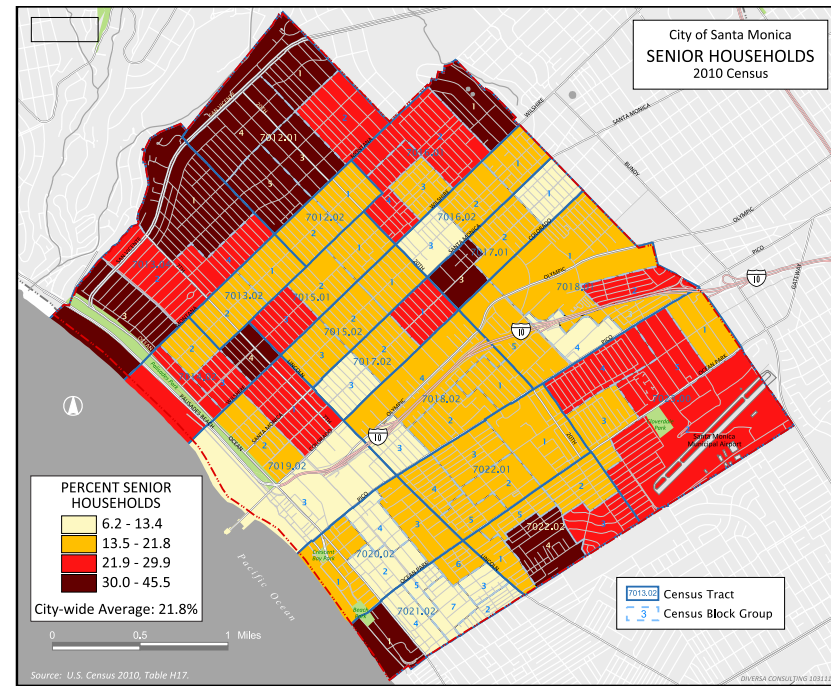
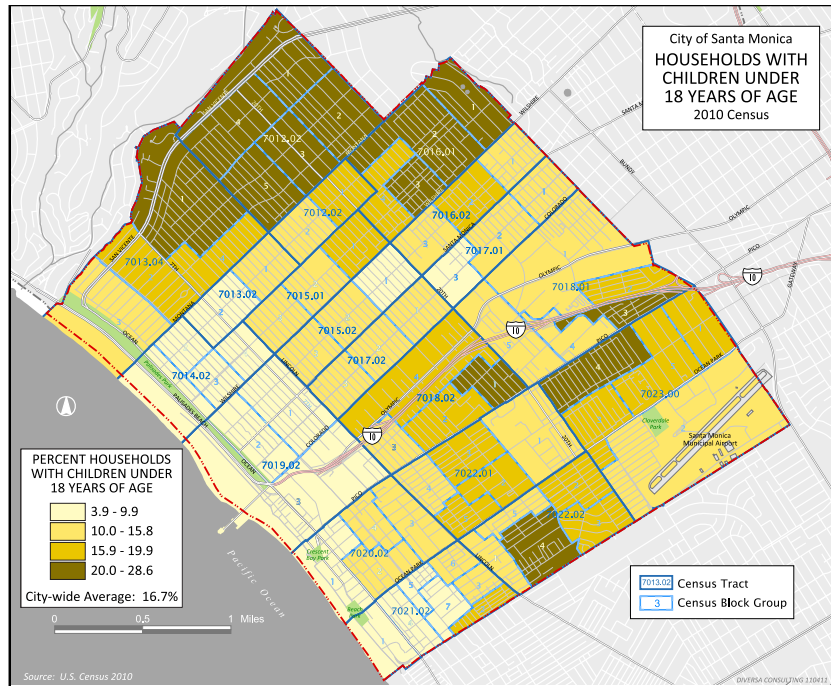
2. Age Characteristics

The changing age distribution of a population is an important factor driving current and future housing needs. For example, if a community has an aging population, it may become important to provide more senior housing and supportive services for seniors. Similarly, if a community has an increasingly younger population of persons below age 18, it may signal the demand for more or larger single-family housing.

a. Age Characteristics 1990-2010

The city’s age distribution between 1990 and 2010 demonstrates an overall stability in the youngest and oldest populations, with plus or minus 1% difference. The most significant shift, as seen in Figure 3-1, has been a decrease in the young adult component and an increase in the older adult population (45-64) during the same time period. This is not surprising, as it essentially tracks the baby boomer population





LEFT:
Figure 3-2
Households with
Children under
18 Years

RIGHT:
Figure 3-3
Senior
Households

as it cycles toward retirement years. What it does indicate is that in the next decade, it is likely that the senior (65+) population will see a significant increase. In 1990, the median age in Santa Monica was 37.9, significantly higher than the County median age of 30.7. Based on 2010 Census data, the county median has increased to 34.8, while median age in Santa Monica has passed 40, somewhat narrowing the gap, but showing that Santa Monica still has a significantly older population (Figure 3-1 and Table 3-3).

Figures 3-2 and 3-3 depict concentrations of households with children and senior households. Census block groups north of Montana Avenue and on the Venice border, both primarily single-family districts, stand out as having both higher than average households with children and seniors.

3. Race and Ethnicity

The greater Los Angeles metropolitan area is known for its diverse and changing ethnic population. Ethnic diversity in a community can affect housing needs and preferences. Different cultures may have different preferences for family size or structure that affect the type of housing needed. Therefore, understanding the ethnic makeup of a community can lead to a better understanding of housing needs.

Although Santa Monica’s racial and ethnic profile is much more homogeneous than the County as a whole, the overall trend in the last twenty years has been toward more diversity with a shrinking share of the population identified as white. As displayed in Table 3-4, non-Hispanic White residents, the proportion of

non-Hispanic White residents in Santa Monica has declined slowly but consistently by about 5% over the last two census counts (70% in 2010 compared to 75% in 1990). During the same period, the proportion of non-Hispanic White residents in the County declined by about 13% (28% in 2010 compared to 41% in 1990). In contrast, the city’s share of Asian residents increased by 1.8% since 2000, and by 2.8% over the last 20 years. The African-American population has remained fairly stable over the last two decades. The data for the last twenty years shows a significant growth in the share of the Asian population and a steady presence of Hispanic residents, still the second largest ethnic group in the city.

Table 3-3 Population and Percent Change by Age Group, 1990 - 2010

Age	1990		2000		2010		% Change 1990-2000	% Change 2000-2010
	Number	%	Number	%	Number	%		
Preschool (<5 yrs)	4,048	5%	3,448	4%	3,696	4%	-1%	0%
School Age (5-17 yrs)	7,929	9%	8,866	11%	8,884	10%	+2%	-1%
College Age (18-24 yrs)	6,238	7%	5,114	6%	6,442	7%	-1%	+1%
Young Adults (25-44 yrs)	37,175	43%	33,704	40%	35,552	36%	-3%	-4%
Middle Age (45-64 yrs)	17,164	20%	20,874	25%	24,746	28%	+5%	+3%
Seniors (65+ yrs)	14,351	16%	12,078	14%	13,416	15%	-2%	+1%
<i>Total</i>	86,905	100%	84,084	100%	89,736	100%		
<i>Median Age</i>	37.9		39.3		40.4			

Source: U.S.Census 1990, 2000, and 2010

Table 3-4 Population Ethnicity, 1990-2010

Race	1990		2000		2010		% Change 1990-2010	% Change 2000-2010
	Number	%	Number	%	Number	%		
White	65,337	75.2%	60,482	71.9%	62,917	70.1%	-5.1%	-1.8%
African American	3,830	4.4%	3,081	3.7%	3,364	3.7%	-0.7%	0.0%
Hispanic	11,842	13.6%	11,304	13.4%	11,716	13.1%	-0.5%	-0.3%
Asian/Pacific Islander	5,364	6.2%	6,043	7.2%	8,076	9.0%	+2.8%	+1.8%
Two or more races	n.a.	n.a.	2,584	3.0%	3,174	3.5%	+3.5%	+5%
All Others*	532	0.6%	590	0.7%	489	0.5%	-0.1%	-0.2%
<i>Total</i>	86,905	100%	84,084	100%	89,736	100%		

Source: U.S.Census 1990, 2000, and 2010

*Other includes American Indian, Alaskan Native, and individuals indicating an 'other' race.



Because of increasing marriage among members of different racial/ethnic groups, resulting in the growing number of multi-race children, the 2000 Census introduced a new category—“two or more races.” This marked the first time that respondents were allowed to select more than one race in the Census. This recent Census category has become more important, particularly in ethnically and racially diverse areas such as Southern California. According to the 2010 Census, approximately 3.5% of Santa Monica residents identified themselves as being of mixed racial/ethnic heritage, a slight increase over the last decade.

Figure 3-4 through Figure 3-7 show the locations within the City of Santa Monica where minority concentrations are higher than the County average. Figure 3-4 shows that the overall minority concentration is located in

the central portion of the city bounded by Colorado Avenue to the north, 14th Street to the west, Pico Boulevard to the south, and 28th Street to the east. Additionally, a higher proportion reside in the small single-family neighborhood bounded by Exposition Boulevard to the north, Stewart Street in the west, I-10 to the south, and the city’s eastern border.

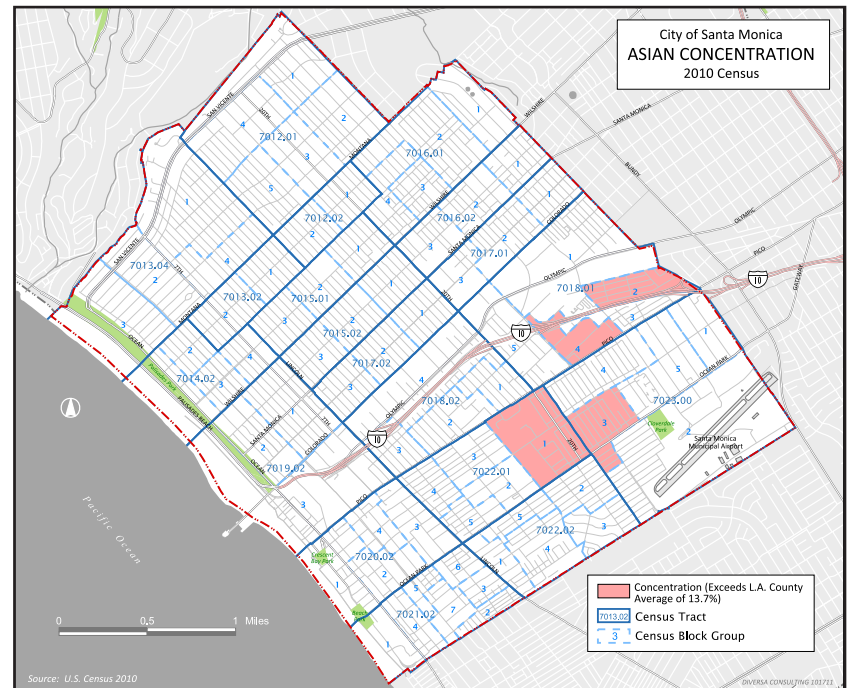
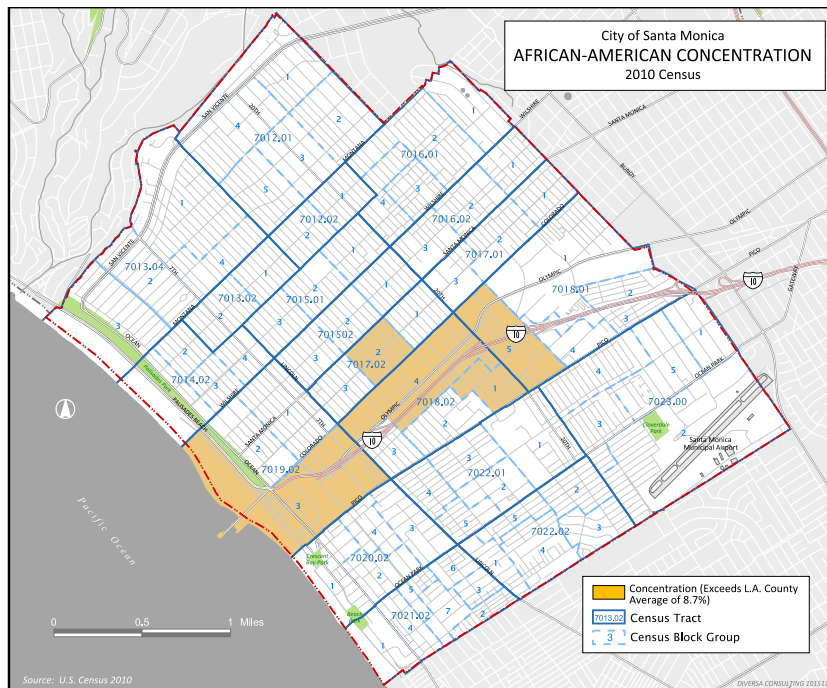
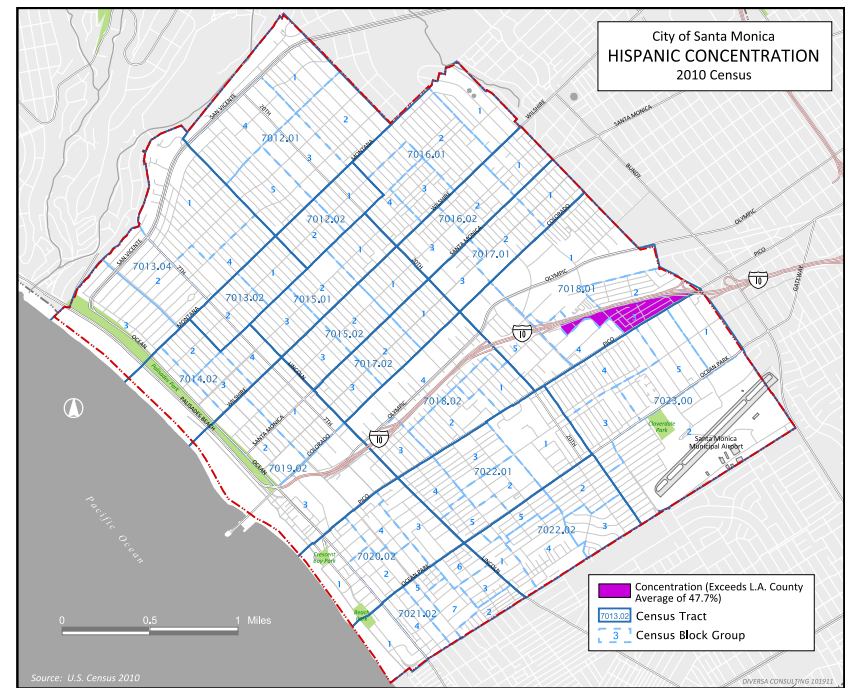
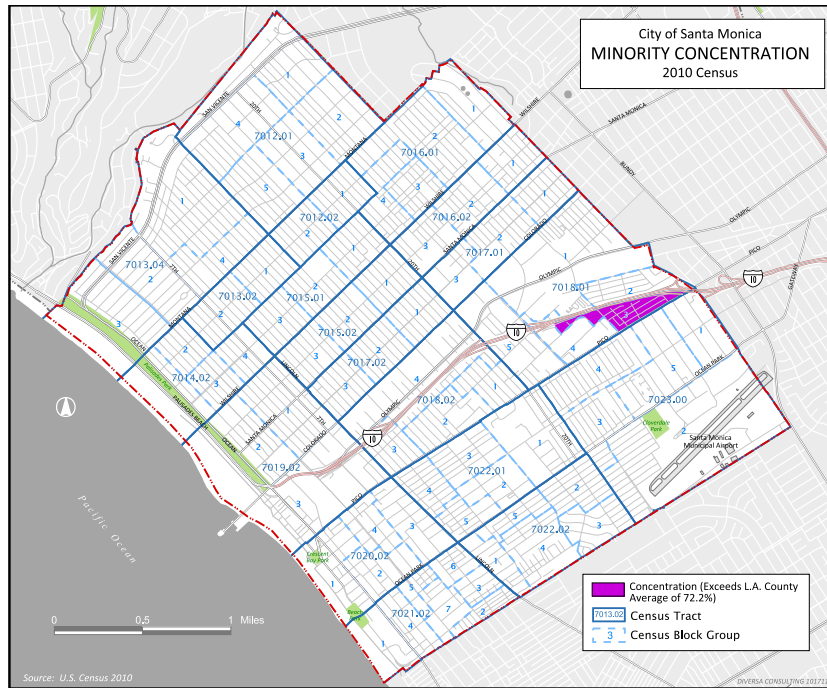
Given that Hispanics are the largest minority group in the city, the Hispanic concentration coincides largely with the overall minority concentration (Figure 3-5). Concentration of the African American population is located in the central portion of the city (Figure 3-6). Figure 3-7 shows that concentrations of Asians can be found in three locations in the city; a small single-family area in north Santa Monica bounded by 14th Street and Alta Avenue, and two areas bounded by Pico Boulevard and Cloverfield south of the I-10 Freeway, and the single-family area north of the freeway.

Table 3-5 Ethnicity of Student School Enrollment: Santa Monica-Malibu Unified School District, 2001-2002 and 2011-2012

Ethnicity	2001-2002		2011-2012		% Change Over 10 Years
	Number	%	Number	%	
Non-Hispanic White	7,379	58.1%	5,803	50.6%	-7.5%
Hispanic or Latino	3,467	27.3%	3,435	30.0%	+2.7%
African American	1,041	8.2%	745	6.5%	-1.7%
Asian	720	5.7%	680	5.9%	+0.2%
Multiple or No Response	n/a	n/a	674	5.9%	+5.9%
Other	101	0.8%	131	1.1%	+0.3%
<i>Total</i>	<i>12,708</i>	<i>100%</i>	<i>11,468</i>	<i>100%</i>	

Source: California Department of Education, 2012, for the Santa Monica-Malibu Unified School District 2001-2012

Table 3-5 provides student enrollment information obtained from the Santa Monica-Malibu Unified School District showing a decade in which Santa Monica schools have moved toward increased ethnic diversity, even as the overall number of students has decreased (it should be noted that these figures include both Santa Monica and Malibu students). Minority enrollment in public schools continues to be greater than these groups’ representation in the city’s general population. The two most likely explanations for this are the enrollment of Santa Monica children in private schools and the inter-district transfers that SMMUSD permits, which draw in children of Santa Monica employees and nearby Los Angeles residents.



TOP:
Figure 3-4
Minority
Concentration

Figure 3-5
Hispanic
Concentration

BOTTOM:
Figure 3-6
African-American
Concentration

Figure 3-7
Asian
Concentration

4. Employment

Highly correlated to household income, employment has an important impact on housing needs. Higher-paying jobs provide broader housing opportunities

for residents, while lower-paying jobs limit housing options. In addition, employment growth is a major factor affecting the demand for housing in a community. According to the California Employment Development Department (EDD), Santa Monica's 2011

unemployment rate was 10.2%, down from a high of 10.4% in 2010 but up from the 4.4% level of the 2000 Census. Nevertheless, Santa Monica's unemployment rate has remained generally lower than the County (12.3%) and the State (11.7%) rates.

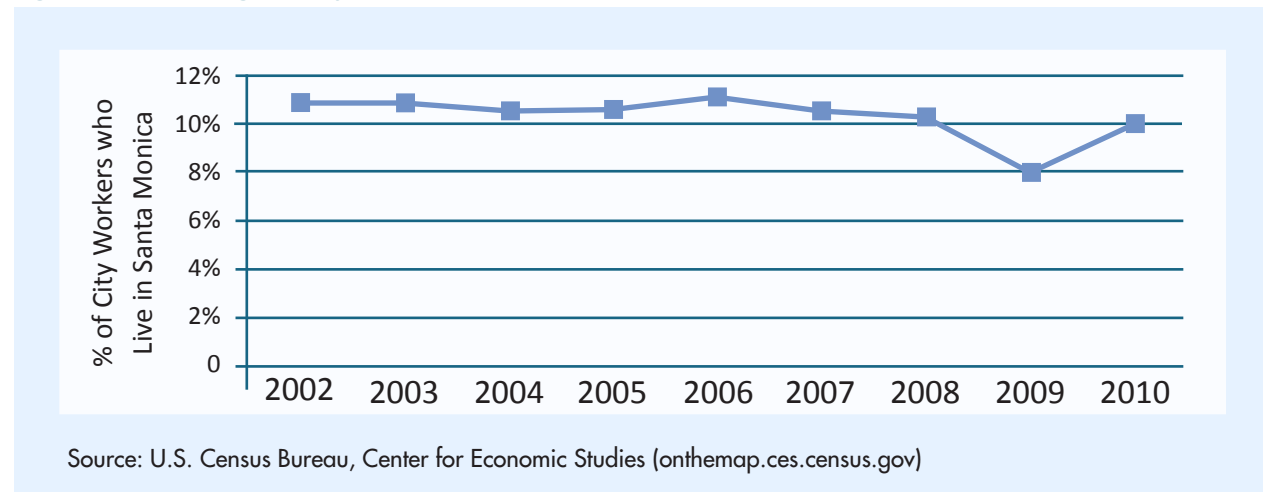
Table 3-6 Jobs Held by Santa Monica Residents, 2000 and 2010

Job Category	2000		2010		% Change 2000-2010
	Number	%	Number	%	
Managerial/Professional	28,378	60.3%	32,507	66.0%	+5.7%
Sales, Technical, & Admin (Support)	10,955	23.3%	10,089	20.5%	-2.8%
Service Occupations	4,430	9.4%	4,458	9.1%	-0.3%
Construction, Extraction, & Maintenance	1,575	3.3%	1,034	2.1%	-1.2%
Production, Transportation, & Material Moving	1,721	3.7%	1,149	2.3%	-1.4%
Farming, Forestry, & Fishing	0	0.0%	0	0	0.0%
<i>Total Employed Persons (16 Years & Over)</i>	<i>47,059</i>	<i>100%</i>	<i>49,237</i>	<i>100%</i>	

Source: 2000 Census and 2006-2010 American Community Survey 5-Year Estimates

According to the 2010 American Community Survey, 49,237 Santa Monica residents aged 16 and over were in the labor force (54.9% of the total population). Table 3-6 shows that Santa Monica residents are highly skewed toward managerial/professional positions, and that this gap has increased over the last 10 years. This group is distantly followed by 20.5% in sales, technical and administrative occupations, and together these two categories account for 86.5% of Santa Monica residents' jobs. Lack of affordable housing may play a significant role in this disproportionate spread toward higher income jobs, as it has become increasingly difficult to afford the high cost of renting or purchasing a home in the city.

Figure 3-8 Percentage of City Workers who Live in Santa Monica



Lack of housing affordability is also indicated by the percentage of employees who work in the city who also live in Santa Monica. According to nine years of US Census data, Santa Monica employees in all jobs who also live in the city has hovered between 10% and 11%, with an anomaly in 2009, during which it dipped to 8% (Figure 3-8). In 2010, the most recent year for which data was available, the number was just below 10%. In 2010, Santa Monica workers residing in the city of Los Angeles dipped to a low of 45.5%, although in past years, typically closer to half commute from L.A. About 3.5% reside in either Culver City or Inglewood.

Table 3-7 lists the number of business establishments by industry type, along with the average employment per industry in 2008 and 2011. Santa Monica has weathered the recent recession relatively well due to its diverse array of industry types that provide jobs throughout the city. The largest number of jobs were: Accommodation and Food Services, Professional, Scientific and Technical Services, Health Care and Social Assistance, Information, and Retail Trade.

In addition, Table 3-8 lists the top fifteen principal employers in Santa Monica and the total number of jobs that they provide. The 18,123 jobs generated by these employers accounted for approximately 23% of the city’s total estimated jobs in 2011. Table 3-9 provides information on the average salary levels for professional occupations for four of the large employers in the community including the City of Santa Monica, Santa Monica College, the School District, and the Santa Monica/UCLA Medical Center.



Table 3-7 Establishments per Industry Type and Average Employment, 2008 and 2011

Establishment	2008		2011	
	#	Average Employment	#*	Average Employment**
Agriculture, Forestry, Fishing & Hunting	6	11	2	3
Mining	1	***	1	1
Utilities	6	281	3	244
Construction	227	2,607	196	1,452
Manufacturing	105	1,056	94	935
Wholesale Trade	230	2,355	202	2,613
Retail Trade	648	9,781	599	8,422
Transportation & Warehousing	29	359	35	321
Information	619	7,754	589	8,290
Finance & Insurance	258	3,155	242	2,778
Real Estate & Rental & Leasing	392	3,268	365	3,096
Professional, Scientific, & Technical Services	1,217	11,659	1,232	10,133
Management Of Companies And Enterprises	22	604	25	346
Admin & Support & Waste Mgmt & Remediation	230	2,636	195	2,435
Educational Services	85	2,359	84	2,712
Health Care & Social Assistance	843	8,368	836	8,074
Arts, Entertainment, & Recreation	600	2,128	566	2,059
Accommodation & Food Services	377	11,183	416	12,844
Other Services	362	3,382	2,845	5,839
Non-Classified	2	***	612	396
Federal Government	6	283	5	233
State Government	1	15	1	14
Local Government	49	6,279	48	5,437
<i>Total</i>	<i>6,315</i>	<i>79,525</i>	<i>9,193</i>	<i>78,677</i>

Source: State of California EDD Labor Market Information, 2008 and 2011, Based on reported data only
 * Quarter 3, 2011
 ** Average of three months in Quarter 3, 2011
 *** Data suppressed by EDD for confidentiality

Table 3-8 Principal Employers, 2011

Employer	Industry	Number of Jobs Provided
City of Santa Monica	Government	2,528
Santa Monica College	Education	2,086
St. John's Hospital Medical Center	Health Services	1,796
Santa Monica-UCLA Hospital	Health Services	1,780
Santa Monica-Malibu Unified School District	Education	1,500
RAND Corporation	Research	894
Universal Music Group	Media + Entertainment	850
Activision Blizzard Inc.	Media + Entertainment	692
ET Whitehall Santa Monica Partners LP	Hospitality	534
MTV Networks	Media + Entertainment	506
Loews Hotels	Hospitality	434
Lion's Gate Entertainment Corp	Media + Entertainment	425
Yahoo! Media & Music	Media + Entertainment	390
Edmunds.com	Internet Service	361
Rubin Postaer and Associates	Advertising	350
Goldline International Inc.	Financial Services	337
KOR Hotel Group	Hospitality	323
Whole Foods Market	Retail	307
Fairmont Miramar Hotel	Hospitality	303
Crossroads School for Arts & Sciences	Education	295
Wells Fargo Capital Finance	Financial Services	295
Sony Computer Entertainment America	Media + Entertainment	292
The Macerich Company	Real Estate	284
Google	Internet Service	281
Sony Automotive	Auto Dealer	280
<i>Total</i>		<i>18,123</i>
Source: City of Santa Monica Housing and Economic Development Department, Employer reported employment levels, July 31, 2011		

Table 3-9 Average Salary Levels for Professional Occupations, 2012

Employer	Average Salary
Santa Monica College	
Professor-Entry	\$53,551
Professor-Experienced	\$78,590
Santa Monica-Malibu Unified School District	
Teacher-Entry	\$44,341
Teacher-Experienced	\$74,475
Principal	\$107,564
City of Santa Monica	
Firefighter	\$82,566
Police Officer	\$83,610
Deputy Fire Chief	\$160,674
Civil Engineering Associate	\$98,027
Assistant Planner	\$82,752
Associate Planner	\$91,008
Senior Planner	\$104,658
Department Head	\$177,959
Santa Monica/UCLA Medical Center	
Nurse	\$95,341
Physical Therapist	\$88,596
Social Worker	\$75,906
Source: City of Santa Monica, October 2012	

Table 3-10a Household Size and Type, 1990–2010

Type of Household	1990		2000		2010	
	Number	%	Number	%	Number	%
1 Person	22,247	49.6	22,786	51.2	22,716	48.4
Male	9,640	21.5	10,475	23.5	10,284	21.9
Female	12,607	28.1	12,311	27.7	12,432	26.5
2+ Persons						
Family Households:	18,124	40.4	16,783	37.7	17,929	38.2
<i>Married Couple Family</i>	<i>13,246</i>	<i>29.5</i>	<i>12,216</i>	<i>27.5</i>	<i>13,092</i>	<i>27.9</i>
-with children <18 yrs	4,883	10.9	4,842	10.9	5,184	11.0
-with no children <18 yrs	8,363	18.6	7,374	16.6	7,908	16.9
<i>Other Families</i>	<i>4,878</i>	<i>10.9</i>	<i>4,567</i>	<i>10.3</i>	<i>4,837</i>	<i>10.3</i>
<i>Male householder (no wife)</i>	<i>1,336</i>	<i>3.0</i>	<i>1,249</i>	<i>2.8</i>	<i>1,327</i>	<i>2.8</i>
-with children <18 yrs	483	1.1	480	1.1	526	1.1
-with no children <18 yrs	853	1.9	769	1.7	801	1.7
<i>Female householder (no husband)</i>	<i>3,542</i>	<i>7.9</i>	<i>3,318</i>	<i>7.5</i>	<i>3,510</i>	<i>7.5</i>
-with children <18 yrs	1,718	3.8	1,723	3.6	1,700	3.6
-with no children <18 yrs	1,824	4.1	1,595	3.6	1,810	3.9
Nonfamily Households:	4,519	10.0	4,928	11.1	6,272	13.4
<i>Male Householder</i>	<i>2,383</i>	<i>5.3</i>	<i>2,674</i>	<i>6.0</i>	<i>3,357</i>	<i>7.2</i>
<i>Female Householder</i>	<i>2,136</i>	<i>4.8</i>	<i>2,254</i>	<i>5.1</i>	<i>2,915</i>	<i>6.2</i>
<i>Total Households</i>	<i>44,860</i>	<i>100.0</i>	<i>44,497</i>	<i>100.0</i>	<i>46,917</i>	<i>100.0</i>
<i>Total Household Population</i>	<i>86,905</i>	<i>n/a</i>	<i>84,084</i>	<i>n/a</i>	<i>89,736</i>	<i>n/a</i>
<i>Average Household Size</i>	<i>1.88</i>	<i>n/a</i>	<i>1.83</i>	<i>n/a</i>	<i>1.87</i>	<i>n/a</i>
Source: 1990, 2000, and 2010 U. S. Census.						

B. HOUSEHOLD CHARACTERISTICS

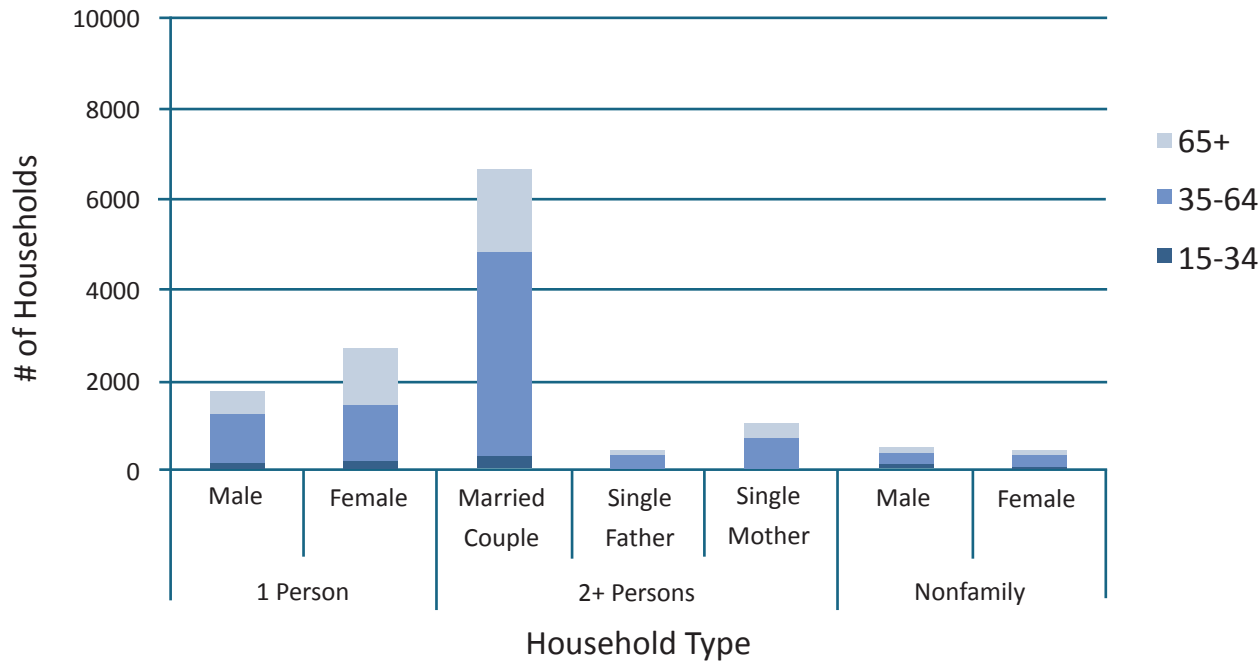
Household type, income level, and the presence of special needs populations are all factors that affect a community's housing needs. Overall, the data presented in the following sections shows that in comparison to Los Angeles County as a whole, Santa Monica has a smaller-than-average household size, significantly less overcrowding, and higher income levels. However, there are certain census tracts, located in the city's central area, that are disproportionate in all of these categories, and where issues of adequate housing and economic challenges are most pronounced.

1. Household Composition and Size

The Census defines household as all persons who share one housing unit. Families are a subset of households and include persons living together who are related through blood, marriage, or adoption. One-person households include persons living alone, except for individuals living in retirement or convalescent homes, dormitories, prisons, or other group homes. Non-family households are unrelated individuals living together, such as roommates.

Table 3-10a indicates that the city's average household size (1.87) has increased slightly since 2000 (1.83), and is slightly below the 1990 level (1.88). This compares with a County average household size of 2.98. Thus it is fairly stable over time. For the first time in twenty years, family households are making a comeback and have increased both numerically and percentage-wise since 2000. The most significant change, however, is in regard to those households defined as

Figure 3-9 Household Type by Age, Owner Occupied



“Nonfamily” households, which have increased over time and now constitute 13.4% of the community. A nonfamily household may contain only one person -- the householder -- or additional persons who are not relatives of the householder. Nonfamily households may be classified as either female nonfamily or male nonfamily households. Households with children have remained relatively stable.

Additional details about housing in the community are provided in the Table 3-10b and Figures 3-9 and 3-10, which illustrate the age range and tenure (owner/renter) for both men and women. Particularly striking is how the number of one person females over 65 outnumbers men in that age group and category by more than 2:1 in both owner-occupied and rental housing.

Table 3-10b Household Type by Tenure and Age, 2010

Type of Household	2010	Owner Occupied			Renter Occupied		
	Number of Households	15-34	35-64	65+	15-34	35-64	65+
1 Person	22,716						
Male	10,284	159	1,086	476	2,259	5,062	1,242
Female	12,432	198	1,284	1,168	2,484	4,633	2,665
2+ Persons	24,201						
Family Households:							
<i>Married Couple Family</i>	13,902	342	4,510	1,756	1,555	4,039	890
<i>Male householder (no wife)</i>	1,327	38	281	107	234	590	77
<i>Female householder (no husband)</i>	3,510	40	666	300	404	1,767	333
Nonfamily Households:							
<i>Male Householder</i>	3,357	115	268	80	1,820	956	118
<i>Female Householder</i>	2,915	77	250	114	1,705	661	108
<i>Total Households</i>	46,917	969	8,345	4,001	10,461	17,708	5,433

Source: 2010 U. S. Census.

a. Overcrowding

A housing unit that is occupied by more than one person per room (excluding kitchens, bathrooms, hallways and porches) is defined by U.S. Department of Housing and Urban Development (HUD) as being overcrowded. A housing unit with more than 1.5 persons per room is defined as severely overcrowded. Although a 2007 HUD Study (US HUD, Measuring Overcrowding in Housing, 2007) concluded that these standards often over-estimate overcrowding when not considered together with other factors such as square feet/dwelling, this is still the standard that is reported by the Census and ACS.

The relatively high cost of housing likely leads to more overcrowding, if the cost either forces a household to double up with another household or live in a smaller housing unit to be able to afford food and other basic needs. Overcrowding can also occur if a community lacks housing units of adequate size to meet the need of large households. In either case, overcrowding can lead to more rapid deterioration of homes, greater impacts on city infrastructure and service levels including more traffic and a shortage of on-site parking.

In 2010, 941 households were determined to be overcrowded (2.1%), of which 542 were classified as severely overcrowded. This represents a significant reduction from 2000, when 2,361 households, or 5.3% of all households in Santa Monica were considered overcrowded, (1,405 or 3% severely overcrowded). In comparison to the rest of Los Angeles County, where 12% of all households were overcrowded in 2010, household overcrowding is relatively low in Santa Monica (Table 3-11).

Overcrowding rates in Santa Monica vary considerably by tenure. Approximately 2.6% of renter households within Santa Monica were overcrowded in 2010, compared to 0.6% of owner households.

Figure 3-10 Household Type by Age, Renter Occupied

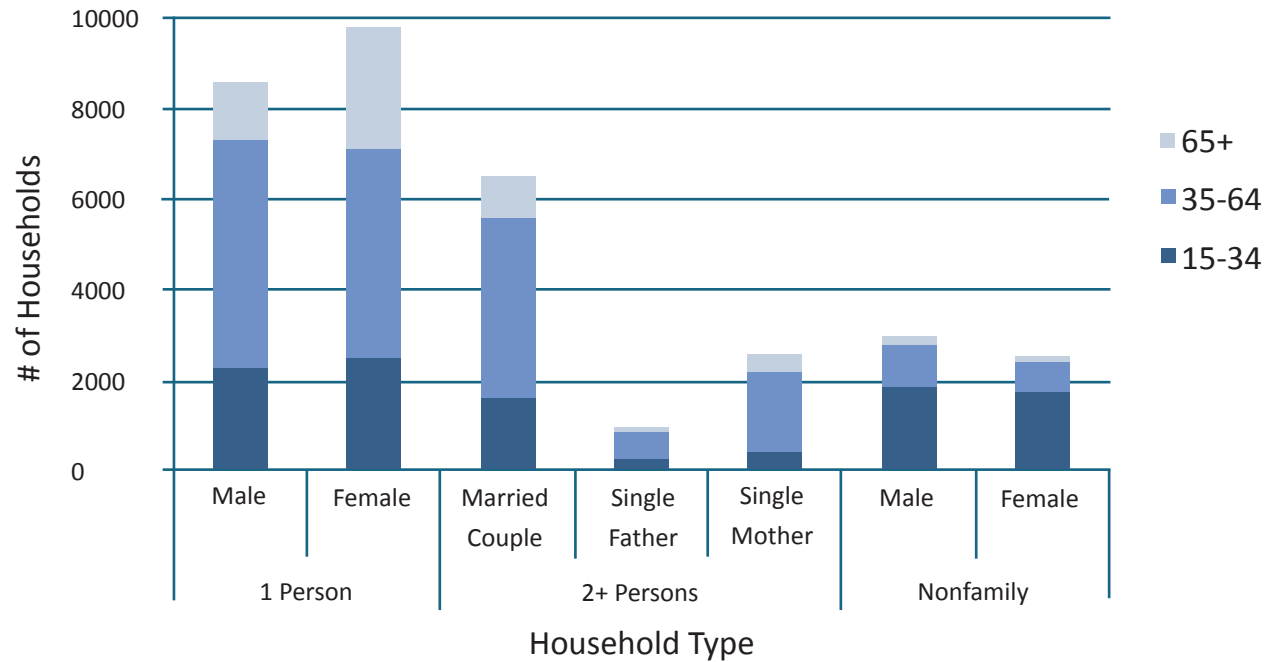


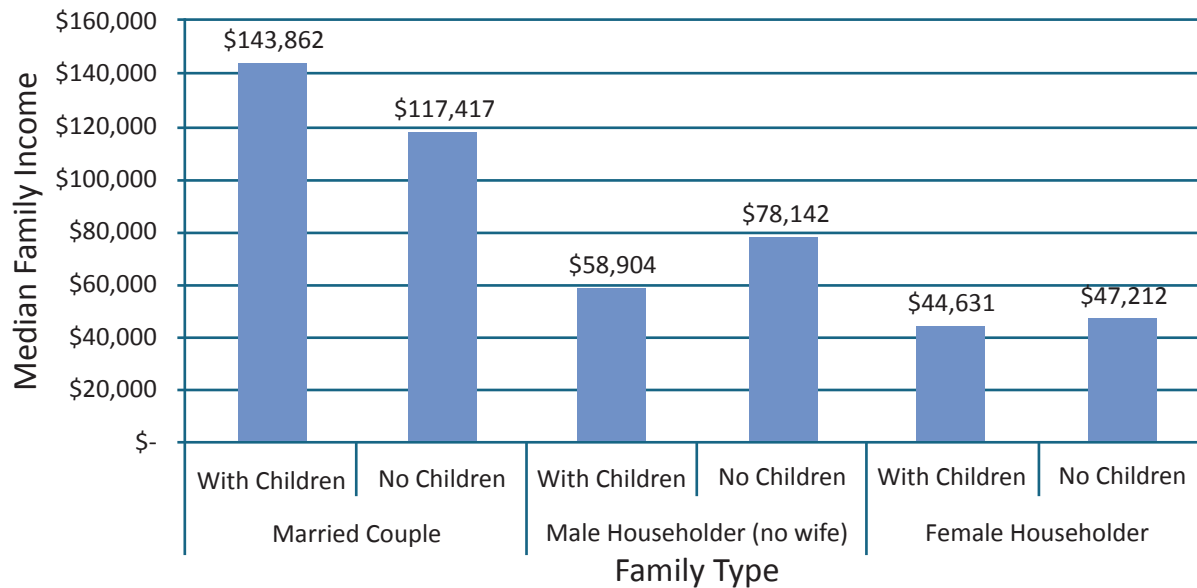
Table 3-11 Overcrowded Households, 2010

	Households	%	LA County %
Owners			
Overcrowding	81	0.6%	6.0%
Severe Overcrowding	13	0.1%	1.4%
Renters			
Overcrowding	860	2.6%	17.6%
Severe Overcrowding	529	1.6%	7.8%
<i>Total Overcrowding</i>	<i>941</i>	<i>2.1%</i>	<i>12.0%</i>

Source: 2006-2010 American Community Survey 5-Year Estimates

Note: Severe overcrowding is a subset of overcrowding

Figure 3-11 Median Family Income by Family Type, 2010



2. Household Income

Household income is the strongest determinant for the size and type of housing available for any given household. Household income levels are often correlated with certain demographic factors, including race, gender, and household type.

According to the Census and ACS, Santa Monica’s median household income in 2005 was \$55,274, rising to \$68,842 in 2010 (Table 3-12). Median family incomes in Santa Monica exceeded nonfamily households, but both were higher in both 2005 and 2010 than the medians in Los Angeles County and the state. Within the “family” category, income levels in 2010 varied considerably, the lowest median income being earned by female headed households with children (\$44,631) and the highest earned by married-couple families with children (\$143,862) (Figure 3-11).

Table 3-12 2000, 2005, and 2010 Income Data, Santa Monica, Los Angeles County, and California

Area	Median Household Income			Median Family Income			Median Nonfamily Household Income		
	2000	2005	2010	2000	2005	2010	2000	2005	2010
Santa Monica	\$50,714	\$55,274	\$68,842	\$75,989	\$87,748	\$103,601	\$40,820	\$42,022	\$54,612
LA County	\$42,189	\$48,248	\$55,476	\$46,452	\$53,431	\$61,622	\$30,917	\$34,131	\$40,208
California	\$47,493	\$53,629	\$60,883	\$53,025	\$61,476	\$69,322	\$32,024	\$32,024	\$40,588

Source: 2000 U.S. Census, 2005 American Community Survey, and 2006-2010 American Community Survey 5-Year Estimates

Due to the high cost of housing, many Santa Monica employees cannot afford to live in the City. The City's current planning efforts to develop transit-oriented neighborhoods near the Expo Light Rail stations aim to include housing options that expand the choices for lower and moderate income households, who tend to utilize transit for most journeys in addition to the work trip. Achieving a diverse urban housing stock is expected to enhance the city's ability to attract and retain quality workers, enhance employee interaction with the community, reduce traffic congestion on local streets and in the regional transportation network, and may improve employee accessibility in the event of an emergency.

a. Income Status

For planning and funding purposes, the State Department of Housing and Community Development (HCD) categorizes households into income groups based on the County area median income (AMI), which was \$64,800 in 2012 (State of California, HCD memorandum: Official State Income limits for 2013, February 25, 2013). Accordingly, for a four-person household, these categories and their 2013 income thresholds are shown in Table 3-13.

Previously, the City of Santa Monica used different income categories pursuant to its inclusionary housing program than those established by State law governing the regional housing needs assessment. In June 2013, the Council amended the AHPP and from this point forward, the City will be consistent with the state and federal income limits and rents in its program administration.



Table 3-13 Income Categories and Thresholds, 2013

Income Category	2013 Income Threshold
Extremely Low – Up to 30% of County Area median income limit (below)	\$25,600
Very Low Income – 31% - 50% of County area median income	\$42,700
Low Income—51% - 80% of County area median income	\$68,300
Moderate Income—81% - 120% of County area median income	\$77,750
Above Moderate—above 120% of the County area median income	>\$77,750
Source: State of California, HCD 2013	

b. Income by Household Type and Tenure

The US Census now collects a variety of data through the American Communities Survey (ACS), and the table below uses data through 2009 to provide an overview of income distribution by household type and tenure in Santa Monica. Based on this data, in 2009, 11%

of the city's total households were Extremely Low Income (0% to 30% AMI), 8% were Very Low Income (31% to 50% AMI), and 11% were Low Income (51% to 80%AMI). Approximately 70% of the households had incomes above 80% of the median (Table 3-14).

Certain groups had higher proportions of lower income households. As shown in Table 3-14, elderly and large family renter households had higher proportions of lower-income households than any other household type. Approximately 64% of all elderly renter households and 36% of elderly owner households earned lower income levels (earned less than 80% of AMI). Among large family renter households, 49% of renters earned less than 80% of the AMI. However, only 6% of large family owner households earned very low- and low-income levels.



Figure 3-12 shows the areas of concentrated low- and moderate-income households in Santa Monica. Typically, an area of low to moderate income concentration is defined as a census tract or block group where 51% or more of the residents earn 80% or less of the Metropolitan Statistical Area (MSA) area median income (AMI). However, because Santa Monica is generally a more affluent city, HUD has established an “exception threshold” that defines census block groups with 38.5% low and moderate income residents as low and moderate income areas that qualify for certain federal programs. Figure 3-12 depicts the 20 census block groups which meet this definition and are thus considered low and moderate income areas. A majority of these areas geographically follow Interstate 10 (Santa Monica Freeway) from the east to west borders of the city. These Interstate 10 corridor areas are bordered on the south by Pico Boulevard across the entire city and extend as far north as Washington Avenue. Four of the areas fall farther south, near the Santa Monica Airport and in Ocean Park.

Table 3-14 Household Income Profile by Household Type, 2009

Households	Renters				Owners				Total Households
	Elderly	Small Families	Large Families	Total Renters	Elderly	Small Families	Large Families	Total Owners	
Extremely Low Income (0-30% AMI)	2,405	735	50	5,610	390	80	125	790	6,400
% with any housing problems*	77.3	95.2	100.0	82.9	79.5	43.8	25.8	67.1	80.9
% cost burden 30-50%	19.5	11.6	0	11.4	5.1	0	0	5.1	10.6
% cost burden >50%	57.2	83.7	100.0	70.0	74.4	43.8	20.0	60.8	68.8
Very Low Income (31-50% AMI)*	1,255	475	55	3,485	430	120	20	775	4,260
% with any housing problems*	78.9	87.4	81.8	85.8	68.6	87.5	100.0	76.3	84.1
% cost burden 30-50%	37.1	28.4	27.3	34.0	26.7	0	75.0	16.7	30.8
% cost burden >50%	40.6	58.9	0	50.5	41.9	87.5	20.0	59.4	52.1
Low Income (51-80% AMI)	760	975	65	4,295	475	180	35	1,110	5,405
% with any housing problems*	63.8	61.0	100.0	74.4	42.1	58.3	100.0	54.1	70.2
% cost burden 30-50%	37.5	27.2	30.8	38.3	20.0	0	28.6	11.3	32.7
% cost burden >50%	20.4	30.3	0	30.7	22.1	52.8	71.4	41.9	33.0
Moderate and Upper Income (81%+ AMI)	1,690	4,545	190	18,940	2,650	4,785	420	10,435	29,375
% with any housing problems*	26.3	20.1	76.3	22.5	25.1	28.0	39.3	30.8	16.2
% cost burden 30-50%	18.3	13.8	0	17.2	16.8	15.2	29.8	19.4	18.0
% cost burden >50%	6.2	3.1	0	2.3	7.9	12.9	6.0	10.8	5.4
Total Households									
% with any housing problems*	61.9	39.0	84.7	46.7	37.3	30.7	42.5	37.6	38.1
% cost burden 30-50%	25.0	16.5	9.7	20.8	17.1	14.0	25.0	17.7	19.9
% cost burden >50%	35.1	19.8	13.9	23.0	19.9	16.5	13.2	19.4	22.0
<i>Total Households</i>	<i>6,110</i>	<i>6,730</i>	<i>360</i>	<i>32,330</i>	<i>3,945</i>	<i>5,165</i>	<i>600</i>	<i>13,110</i>	<i>45,440</i>

Source: HUD CHAS Data Book, based on 2005-2009 American Community Survey 5-Year Estimates

For planning purposes, the U.S. Department of Housing and Urban Development (HUD) uses ACS data to develop special tabulations by HUD income group and special needs category. This data set is collectively known as the Comprehensive Housing Affordability Strategy (CHAS).

* There are four housing problems in the CHAS data: 1) housing unit lacks complete kitchen facilities; 2) housing unit lacks complete plumbing facilities; 3) household is overcrowded; and 4) household is cost burdened. A household is said to have a housing problem if they have any 1 or more of these 4 problems.

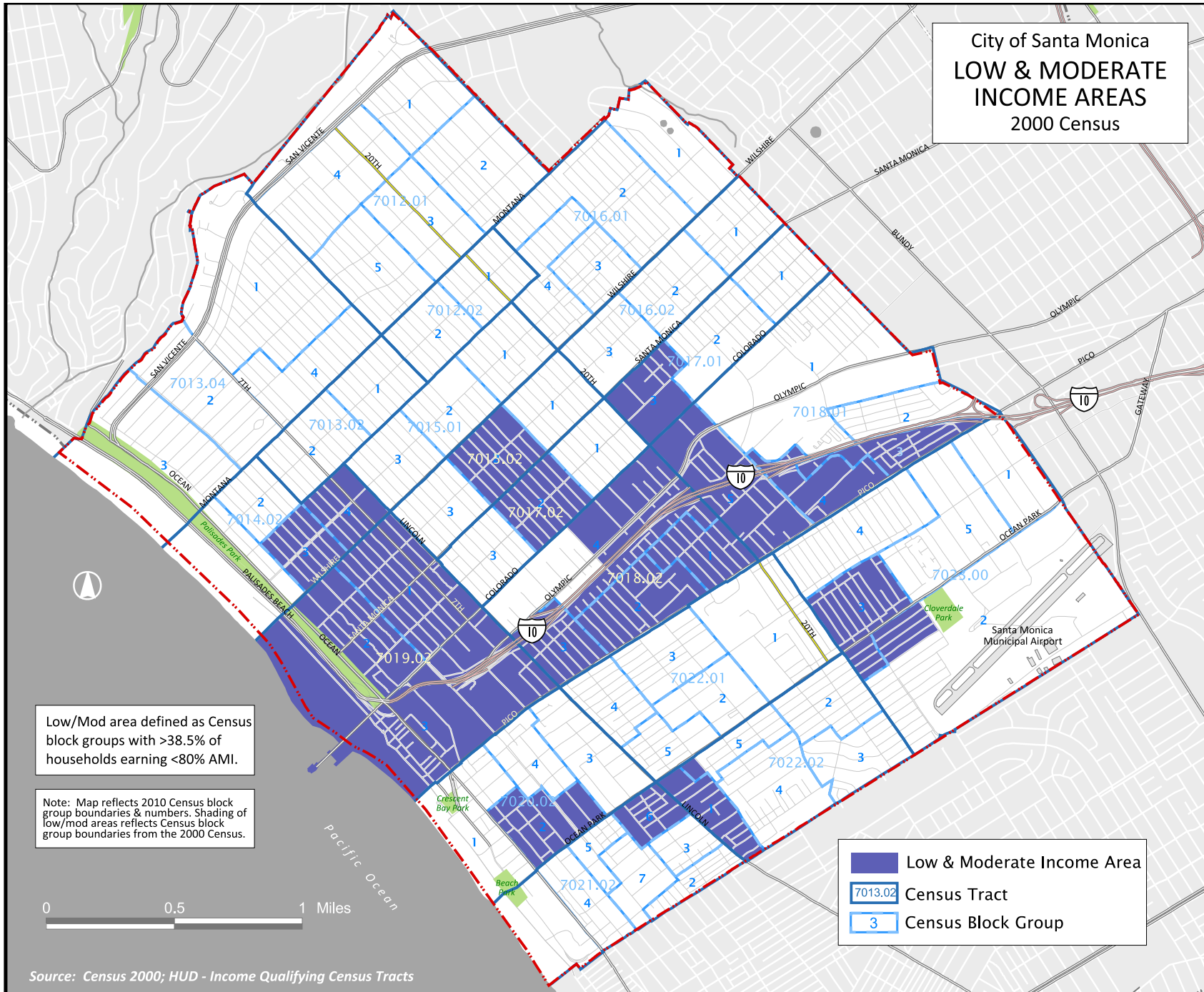


Figure 3-12
Low/Moderate-
Income Areas

The last two data maps presented in this chapter, Figures 3-13 and 3-14, respectively show Santa Monica's geographic distribution of renter households, which comprise about 71% of all households, and the locations where lower income households are assisted by approximately 1400 rental vouchers citywide.

Not surprisingly, there are only a few census tracts in which less than 15% of households rent. Furthermore, only 19 out of 72 census block groups (26%) are dominated by ownership households, while the remaining 53 census block groups contain a majority of renter households.

The distribution of rental vouchers is most heavily concentrated in the middle section of the City on both sides of the I-10 corridor and within the downtown area. Next in order of voucher utilization is the Sunset Park census tract located east of 20th Street between Pico Boulevard and the Santa Monica Airport.

Table 3-15 provides Comprehensive Housing Affordability Strategy (CHAS) data on household income by race and ethnicity. Based on the 2005-2009 American Community Survey 5-Year Estimates, the proportion of households with lower income levels was higher among African-American and Hispanic households than for non-Hispanic White and Asian households. Approximately 57% of Hispanic households and 64% of African American households earned less than 80% of the area median income. In comparison, 32% of White households and 30% of Asian households were extremely low, very low, and low income.

Table 3-15 Households by Race/Ethnicity and Income, 2009

Households	Total Households	% of Total Households	% Extremely Low and Very Low Incomes (0-50% MFI)	% Low Income (51-80% MFI)	% Moderate and Upper Income (>80% MFI)
White	36,035	79.3%	20.8%	11.6%	67.6%
Hispanic	3,874	8.5%	41.9%	15.4%	42.7%
Asian	3,670	8.1%	20.3%	9.8%	69.9%
African American	1,070	2.4%	50.0%	13.6%	36.4%
Other	85	0.2%	35.3%	52.9%	11.8%
Multiple	706	1.6%	36.1%	10.5%	53.4%
<i>All Households</i>	<i>45,440</i>	<i>100%</i>	<i>23.5%</i>	<i>11.9%</i>	<i>64.6%</i>
Source: HUD CHAS Data Book, based on 2005-2009 American Community Survey 5-Year Estimates					

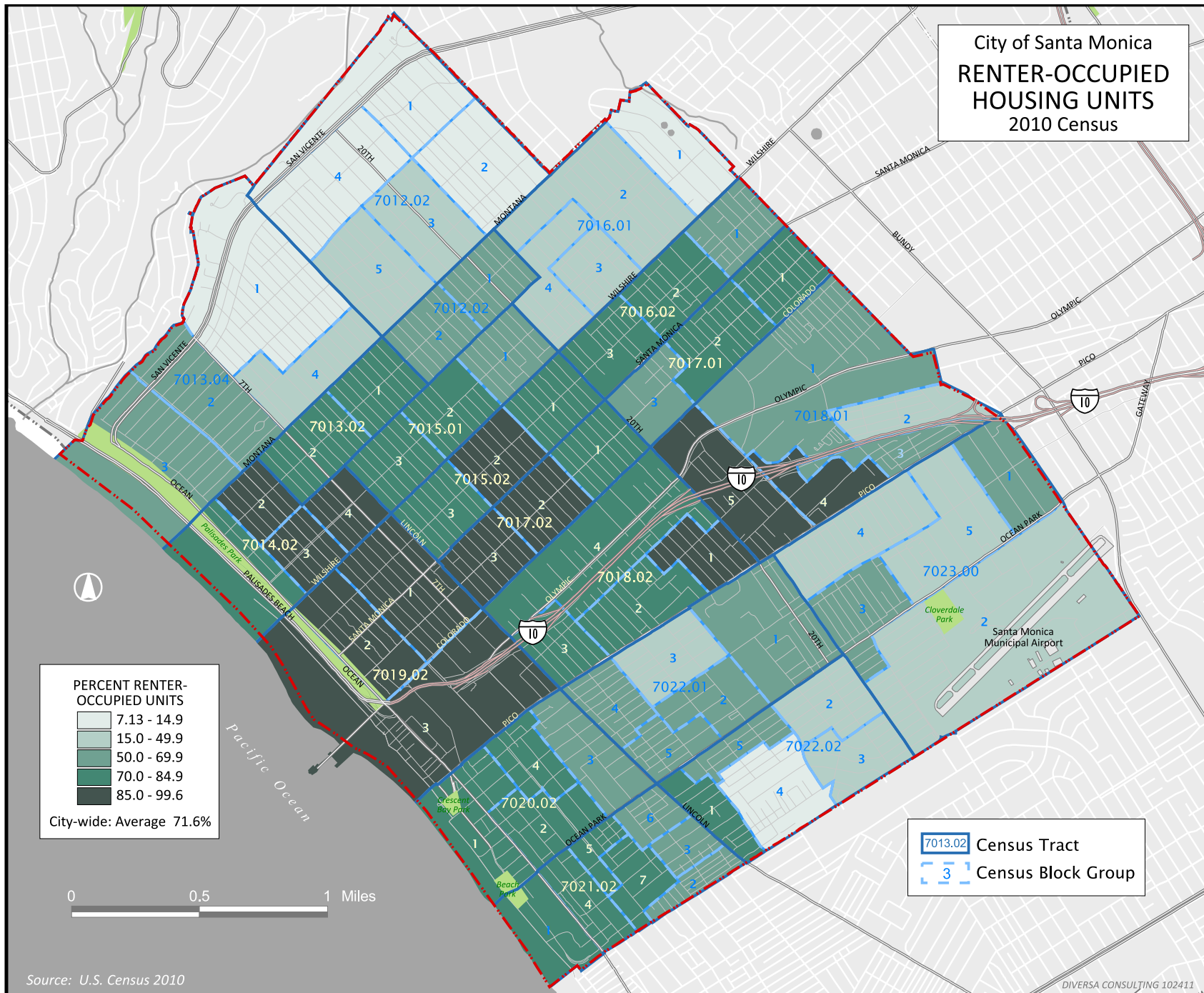


Figure 3-13
Renter-Occupied
Housing Units

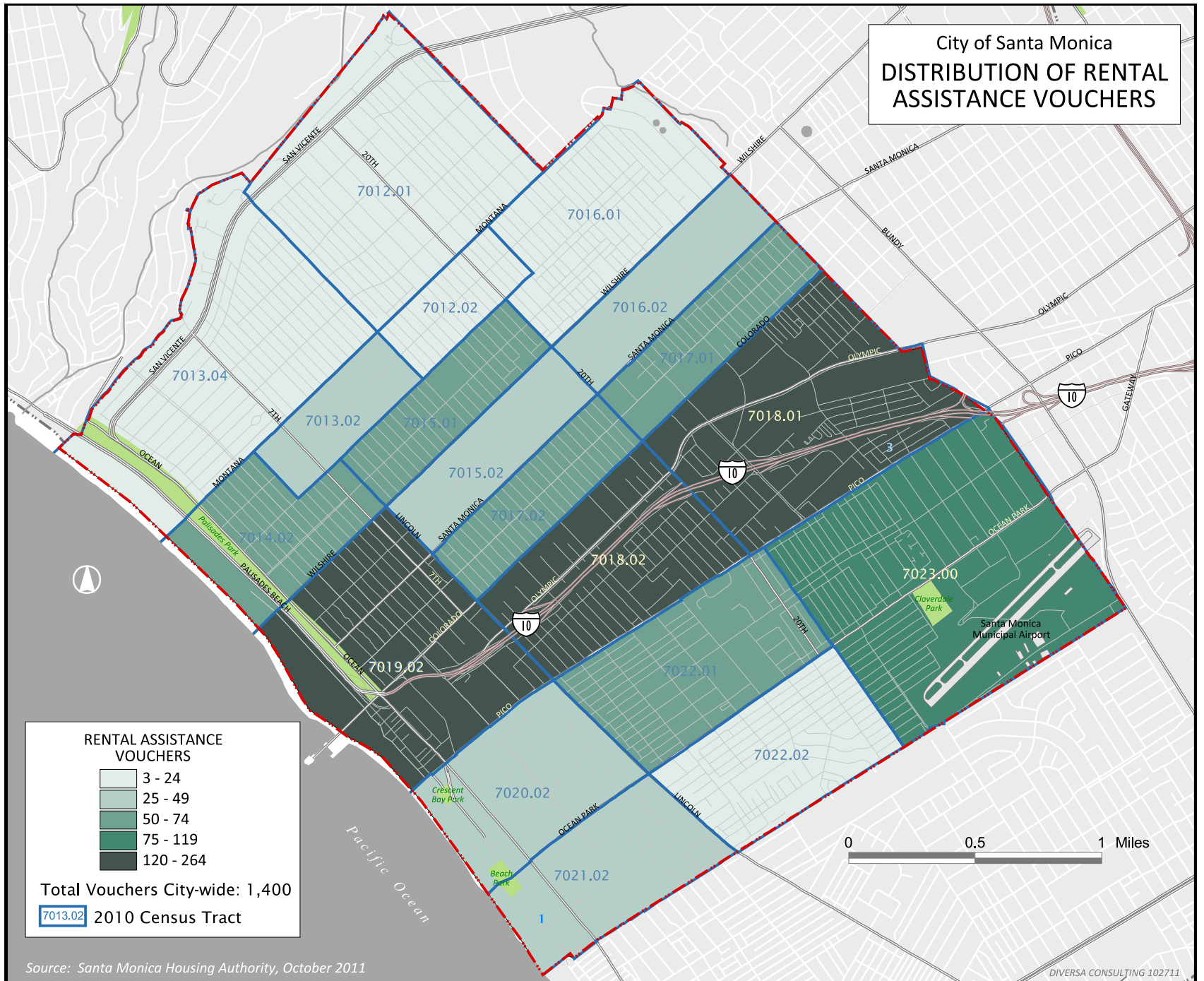


Figure 3-14
Distribution of
Rental Assistance
Vouchers

C. SPECIAL NEEDS GROUPS

There are certain segments of the population that may have greater difficulty in finding decent, affordable housing due to special circumstances. State Housing Element law (Government Code Section 65583(a)(7)) requires “An analysis of any special housing needs, such as those of the elderly, persons with disabilities, large families, farmworkers, families with female heads of households, and families and persons in need of emergency shelter...” Recent passage of SB 812 has added to this law a requirement to consider the needs of persons with developmental disabilities in the special needs analysis. Santa Monica includes in its population individuals from each of these “special needs” groups with the exception of farm workers. A discussion of each group is provided below.

1. Homeless Persons

As a relatively small city within the County of Los Angeles—a County with 9.9 million people and 88 municipalities—Santa Monica does not control either the movement of homeless people across its boundaries or the county-level resources that are needed to help people leave homelessness.

Despite the challenge of how to accurately define and serve its fair share of the homeless population, Santa Monica has developed an integrated approach to serve its community known as the “Action Plan to Address Homelessness in Santa Monica” which was adopted by the Santa Monica City Council in February 2008 and updated in 2009 and 2010. The explicit goal of the plan is a reduction of street homelessness

through focusing resources on priority populations: Santa Monica’s chronically homeless; those whose last permanent address was in Santa Monica; and vulnerable members of Santa Monica’s workforce.

One of the plan’s “best practice” approaches was the creation of a Service Registry of the most long-term and vulnerable homeless individuals living on Santa Monica’s streets to enumerate and gather quality data to shape service delivery to this priority population. Since 2008, the Homeless Service Registry has developed and grown through intense efforts to identify these individuals. As of October 2012, 213 individuals (62%) of the 346 homeless persons on the Service Registry were in permanent housing – a 20% increase over the previous year. Of these, 164 were ranked as vulnerable.

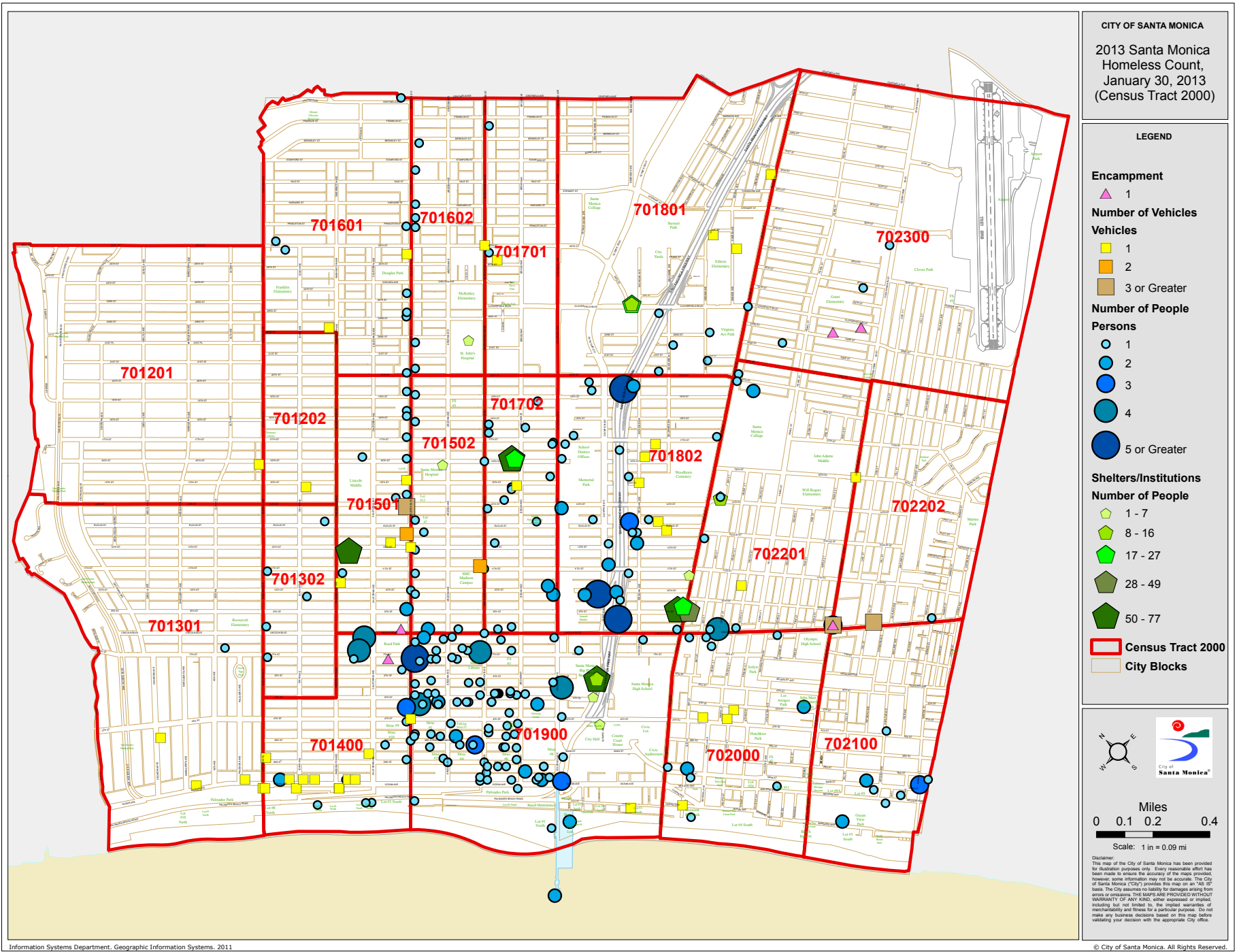
Data collection to find those in need and track progress has become an annual event, with volunteers and City staff annually conducting an early morning count of individuals sleeping outside, along with a count of shelter use that same night. The most recent count took place on the night of January 30, 2013 with more than 250 volunteers covering 19 census tracts and 226 linear miles (Figure 3-15). A total of 780 individuals were counted on the streets, in cars and encampments, and in shelters and institutions within the city. This represents a 1% increase over 2012. While the total homeless count has remained stable, there have been significant increases in unsheltered individuals and people in vehicles that increased the street count by 20%. At the same time, the number of people in shelters decreased by 12% largely due

to the reduced reliance on Santa Monica motels as emergency housing. Families using motel vouchers were housed outside of Santa Monica and were included in the Los Angeles County point-in-time count. This programmatic change has no correlation to the change in street population, as no families were found during the street count. Of particular note in 2013 was the 27% increase in the number of people sleeping in their cars as compared to 2012, as well as a 76% reduction in individuals found sleeping on the beach.

In FY2011-12, the City also helped 272 previously homeless people to reunite with their families and friends who offered them permanent housing and ongoing support in their home communities.

One particular concern for the City is the number of homeless individuals who are veterans of the United States military. Homeless veterans are served through all the City of Santa Monica-funded homeless programs, which are funded by City General Funds and state and federal sources. The City of Santa Monica has been an active partner in regional efforts to secure additional housing resources for homeless veterans. Additionally, federal Housing and Urban Development Supportive Housing Program funding is passed through the City of Santa Monica to New Directions, a West LA social service agency which provides recovery services and housing specifically to homeless veterans. Of the 213 Homeless Service Registry individuals who have found permanent housing, 30 were vulnerable veterans, including 16 that were housed in FY2011-12.

Figure 3-15
Santa
Monica
Homeless
Count,
2013



Information Systems Department, Geographic Information Systems, 2011

On an annual basis, the City supports agencies that provide supportive services, emergency shelter, and transitional and permanent supportive housing beds to Santa Monica’s priority homeless populations.

Inventory of Facilities and Services for Homeless Persons in Santa Monica

Facilities in the city currently include 100 beds for homeless persons in emergency shelters, 380 beds in transitional housing, and 478 permanent supportive units. This represents a decrease in emergency beds and an increase in transitional beds since the previous Housing Element mostly due to reorganization of detox beds as transitional beds. There are 46 permanent beds currently in development.

Table 3-16 lists the City’s homeless shelters offered. Homeless service programs offered in Santa Monica are described in Chapter 5.



Table 3-16 Short-Term and Permanent Housing Capacity for Homeless Persons in Santa Monica

Shelter, Rehabilitation, and Transitional Housing Programs	Emergency Beds	Transitional Beds	Permanent Housing Units
Clare Foundation	—	158	—
OPCC (SAMOSHEL, Sojourn Crisis Shelter, Daybreak Turning Point, and Safe Haven)	95	97	25
Salvation Army Adult Recovery Center	—	60	—
Upward Bound	—	54	—
Step Up on 2nd (Step Up on 2nd, Step Up on 5th, and Daniel’s Village)	—	3	85
YWCA	—	8	—
Motel Vouchers (various sources)	5	—	—
Santa Monica Housing Authority (shelter + care vouchers, HOME, Serial Inebriate Program, RDA)	—	—	368
<i>Total</i>	<i>100</i>	<i>380</i>	<i>478</i>
In Development			
1616 Ocean	—	—	14
Step Up on Colorado	—	—	32
<i>Total</i>	<i>—</i>	<i>—</i>	<i>46</i>
Source: City of Santa Monica 2010-2015 Consolidated Plan and Human Services Division Memo: Revised Homeless Bed Inventory. December 2012.			

2. Senior Citizens

The special housing needs of the older segment of the population (age 65 and older) are an important concern for the City of Santa Monica, due to the significant proportion of senior households in the community and since many retired persons are likely to be on fixed incomes. The needs of seniors can best be understood by breaking households into further categories, with those over 80 likely to have more special needs and requirements than those who are closer to 65. Those on the older end of the spectrum often require ramps, handrails, lower cupboards, and counters designed to allow greater access and mobility. Those with limited mobility typically need access to services (e.g., medical and shopping) and public transit, and new home construction in mixed-use areas can serve seniors well if properly designed. The city's population has shifted upward in age as the Baby Boomers cycle through, and it is anticipated that the next census will likely show an increase in the percentage of seniors in the city.

The trend among Baby Boomers who are approaching their senior years is a desire to remain in their homes for as long as possible ("age in place"), so planning for facilities must consider not only senior homes but also how to adapt the homes in which seniors already live. To assist seniors as they age in place, the Westside Center for Independent Living Home Access Program provides home modifications and furnishes adaptive and safety equipment to low-income residents of Santa Monica with disabilities.

In 2010, there were 13,416 residents over the age of 65 in Santa Monica, representing 15% of the total population, 1% higher than the previous census. This compares with 10.9% of the population that is over 65 in Los Angeles County. Approximately 56% of Santa Monica residents reporting a disability were over the age of 65. Figure 3-3 displays the areas of the community with a concentration of senior-headed households.

Beginning in January 2007, the City implemented a Senior Homeless Prevention and Rental Assistance Program, funded entirely by Santa Monica Redevelopment Agency 20% housing set-aside funds. The program has provided rental assistance vouchers and homeless prevention grants to low-income residents 55 years old and older who are actively being assisted by case management services provided by community-based nonprofit service providers, including St. Joseph Center, OPCC, and WISE Senior Services. Until recently, seniors behind on their rent were eligible for a one-time eviction prevention grant of up to \$2,000. A number of seniors received both prevention grants and rental assistance vouchers. The loss of Redevelopment funding has made the long term sustainability of this program uncertain. The City has identified other funds to support the existing housing subsidies in the near term, while working to shift households to permanent Housing Choice Vouchers (Section 8). The eviction prevention component is no longer available; however, seniors at risk of eviction are referred to local City-funded agencies for assistance.

According to the 2010 Census, 9,434 households in Santa Monica were headed by persons over age 65, up from 8,099 households (18% of total households) in 2000. However, 10,244 households included an individual over 65 (21.8%). Approximately 58% of these senior households were renters and the remaining 42% owned their own homes. While many today continue to work beyond age 65, the growing retired segment of the population generally have fixed incomes (social security, pension, etc.), making it difficult to afford increases in rent or major home repairs.

A 2006 Santa Monica Tenant Survey conducted for the Santa Monica Rent Control Board documented the income and household characteristics of the rent controlled tenants, and found that 15% of tenants were seniors. The percentage of seniors has not changed much overall since that survey, but similar surveys were not conducted in subsequent years.



3. Large Households

Large households, defined as households with five or more members, require larger units that are generally more expensive. This often results in large households residing in smaller, less expensive units or doubling up with another family or other persons to save on housing costs, both of which result in unit overcrowding. Lower income large households are limited by lack of availability of adequately sized affordable housing units.

The 2010 Census counted 1,420 large households (3%) residing in Santa Monica, roughly the same as the 2000 Census total of 1,466 large households (3%). Among these households, 52.8% (750) were owner-households and 47.2% (670) were renter-households. A higher proportion of large family renter households earned lower income levels than other household types. According to the HUD CHAS Data Book, based on 2005-2009 American Community Survey 5-Year Estimates, 89% of Santa Monica’s large family renter households were extremely low, very low, or low income.

In comparison to Los Angeles County as a whole, the proportion of large households in Santa Monica remains small. Countywide in 2010, 18.2% of households had five or more members.

4. Single Parent Households

Single-parent households, especially female-headed households, are statistically characterized by lower incomes and a greater need for affordable housing.

Single-parent households are particularly in need of support through services such as accessible childcare, proximity to transit, and health care. The relatively low incomes earned by single-parent households, combined with the need for supportive services, can severely limit the housing options available to them.

The 2010 Census reported 2,226 single-parent households with children under the age of 18 years, comprising 4.7% of households in the city, compared with 15.1% Countywide (see Table 3 10a). Of these 526 were headed by men and 1700 by women.

The 2010 ACS estimated that approximately 10.8% of the city’s female-headed, single-parent households were living below the poverty level, compared to 4.5% of families citywide.

5. Persons with Disabilities

Persons with a disability often have special housing requirements due to the need for accessibility, typically fixed and lower incomes and higher health care costs associated with their disabilities.

A “disability” is defined as a long-lasting physical, mental, or emotional condition. This can include those with vision, hearing, ambulatory, cognitive, self-care, and independent living disabilities. Approximately 10% of the population in Santa Monica was estimated to have a disability in 2010 (Table 3-17), of which more than half were aged 65 and older. Santa Monica’s population with disabilities slightly exceeded the Los Angeles County level (9.4%).

Table 3-17 2010 Disabilities by Age, 2010

Age	Persons with a Disability	% of Total Population
15-17 yrs	245	0.3%
18-64 yrs	3,684	4.2%
65+ yrs	5,067	5.8%
<i>Total</i>	<i>8,996</i>	<i>10.3%</i>

Source: 2008-2010 American Community Survey 3-Year Estimates

a. Developmentally Disabled

According to Section 4512 of the Welfare and Institutions Code a “Developmental disability” means a disability that originates before an individual attains age 18 years, continues, or can be expected to continue, indefinitely, and constitutes a substantial disability for that individual, which includes mental retardation, cerebral palsy, epilepsy, and autism. This term shall also include disabling conditions found to be closely related to mental retardation or to require treatment similar to that required for individuals with mental retardation, but shall not include other handicapping conditions that are solely physical in nature.

Many developmentally disabled persons can live and work independently within a conventional housing environment. More severely disabled individuals require a group living environment where supervision is provided. The most severely affected individuals may require an institutional environment where medical attention and physical therapy are provided.

Table 3-18 Developmentally Disabled Residents by Age, 2012

Zip Code	0-14 yrs	15-22 yrs	23-54 yrs	55-65 yrs	65+ yrs	Total
90401	8	4	11	5	1	29
90402	36	5	12	1	0	54
90403	51	18	15	3	0	87
90404	54	21	47	3	0	125
90405	49	25	22	10	5	111
<i>Total</i>	<i>198</i>	<i>73</i>	<i>107</i>	<i>22</i>	<i>6</i>	<i>406</i>

Source: Westside Regional Center, November 2012

Because developmental disabilities exist before adulthood, the first issue in supportive housing for the developmentally disabled is the transition from the person's living situation as a child to an appropriate level of independence as an adult. The State Department of Developmental Services (DDS) currently provides community based services to approximately 243,000 persons with developmental disabilities and their families through a statewide system of 21 regional centers, four developmental centers, and two community-based facilities. The Westside Regional Center is one of 21 regional centers in the State of California that provides point of entry to services for people with developmental disabilities. The center is a private, non-profit community agency that contracts with local businesses to offer a wide range of services to individuals with developmental disabilities and their families.

The Westside Regional Center is charged by the State of California with the care of people with developmental disabilities, defined as those with severe, life-long disabilities attributable to mental and/or physical impairments, including Santa Monica's disabled population. As presented in Table 3-18, the Westside Regional Center reports serving 406 persons with developmental disabilities within Santa Monica's five zip codes.

There are a number of housing types and programs appropriate for people living with a developmental disability: rent-subsidized homes, licensed and unlicensed group or family homes, inclusionary housing, Section 8 vouchers, special programs for home purchase, and HUD housing. The design of housing accessibility modifications, the proximity to services and transit, and the availability of group living opportunities represent some of the types of considerations that are important in serving this need group.

b. Housing for Persons with a Disability

Incorporating 'barrier-free' design in all new, multifamily housing (as required by California and Federal Fair Housing laws) is especially important to provide the widest range of choices for residents living with a disability. Special consideration should also be given to the affordability of housing, as people with disabilities may be living on a fixed income. In order to assist in meeting the housing needs for persons with disabilities, the City will continue to fund programs through its community partners, coordinate housing activities and outreach with the Regional Center, and comply with state and federal fair housing requirements in its programs and housing construction activities. As permitted by law, the City will encourage housing providers to designate a portion of new affordable housing developments for persons with disabilities, especially persons with developmental disabilities. Additionally, as opportunities arise, the City will pursue funding sources designated for persons with special needs and disabilities.

As tenants with disabilities and advocates have made clear, there is a need for persons with disabilities who are renting in Santa Monica to have access to online information about what kinds of reasonable accommodations might be made for them by a landlord. The City is preparing an on-line tool that will provide a user-friendly list of actual accommodations already approved by courts or housing providers in California.

D. HOUSING STOCK CHARACTERISTICS

1. Housing Unit Type

The Census defines a housing unit as a house, an apartment, a mobile home or trailer, a group of rooms, or a single room occupied as separate living quarters. Separate living quarters are those in which the occupants live separately from any other individuals in the building and which have direct access from outside the building or through a common hall.

Data from the State Department of Finance and 2010 US Census show that Santa Monica had 50,912 housing units in 2010 (Table 3-19), an increase of 3,049 units over the year 2000. This increase has resulted from larger, higher density infill projects replacing lower-intensity land uses. Some of this new development has been in residential neighborhoods, particularly in the first half of the decade. However, the most significant residential development has been in commercial zones, with strong growth in the downtown area and to a lesser extent along the boulevards. The new housing includes many affordable housing projects funded with help from the City’s former Redevelopment Agency.

However, at the same time that new housing units have become available, it is noted that there has been a loss in 2-4 unit buildings (down 2.1% in the last twenty years), which were generally older, rent-controlled units. Although the pace of this activity has slowed in recent years, these losses can erode the housing stock that is affordable to lower and middle income households. While the last five years have witnessed a marked reduction in removal of units,

Table 3-19 Santa Monica Housing Stock Mix

Housing Type	1990		2000		2010		# Change 2000-2010
	#	%	#	%	#	%	
Single-Family Detached	9,159	19.2%	9,265	19.4%	9,755	19.2%	+490
Single Family Attached	1,802	3.8%	1,928	4.0%	1,825	3.6%	-103
<i>Subtotal Attached and Detached</i>	<i>10,961</i>	<i>23.0%</i>	<i>11,193</i>	<i>23.4%</i>	<i>11,580</i>	<i>22.7%</i>	<i>+387</i>
Multi-Family 2-4 Units	6,005	12.5%	5,559	11.6%	5,280	10.4%	-279
Multi-Family 5+ Units	29,979	62.8%	30,822	64.4%	33,847	66.5%	+3025
<i>Subtotal Multi-Family</i>	<i>35,984</i>	<i>75.3%</i>	<i>36,381</i>	<i>76.0%</i>	<i>39,127</i>	<i>76.9%</i>	<i>+2746</i>
Mobile Home, Trailer & Other	808	1.6%	289	0.6%	205	0.4%	-84
<i>Total</i>	<i>47,753</i>	<i>100%</i>	<i>47,863</i>	<i>100%</i>	<i>50,912</i>	<i>100%</i>	<i>+3049</i>

Source: 1990, 2000 Census and State Department of Finance Table E5 Population and Housing Estimates with 2010 Census benchmark

the Ellis Act, State legislation that allows removal of a property from the rental housing market by meeting certain conditions, is still available to property owners. Since inception of the Ellis Act in 1986, a total of 2,684 rent-controlled housing units have been withdrawn from Santa Monica’s rental market. Of these units, 706 have been returned to residential rental use, resulting in a net loss of 1,964 units¹. Since 1986, the removed properties have been reused in a number of ways, with the four highest categories being:

1. Condominium development (119 withdrawn properties, 30%)
2. Single-family dwellings (74 withdrawn properties, 18%)
3. Commercial uses (56 withdrawn properties, 14%), and
4. Apartments (38 properties, 9%).

Table 3-19 provides further detail on the changes in the housing stock over the last twenty years.

¹ Santa Monica Rent Control Board, 2012 Annual Report, April 2013

As shown in Table 3-20, Santa Monica's pattern of growth more closely mirrored the other Westside Cities in the last decade of the twentieth century. However, since 2000, Santa Monica's housing development has been significantly more robust, with a 6.4% increase, followed distantly by the City of Beverly Hills (3.4%). The pace of housing construction outpaced the County and City of Los Angeles.

2. Occupancy Characteristics

The tenure distribution (owner-occupied versus renter-occupied) of a community's housing stock influences several aspects of the local housing market. Residential mobility is influenced by tenure, with ownership housing evidencing a much lower turnover rate than rental housing. Tenure is primarily related to household income, composition, and age of the householder.

As indicated in Table 3-21, the majority of housing in Santa Monica is occupied by renter households. Renter households may occupy any type of housing, including apartments, condominiums, and single family houses. The ratio of rental/owner-occupied housing was exactly the same in 2010 as it was in 1990 – 28% of the city households owned their own home and the remaining 72% rented. This is a much higher proportion of renters than in most cities in Los Angeles County, where it is more typical that at least one-third of households own their homes, and the countywide rate of ownership was 48%. The highest concentrations of owner-occupied housing in Santa Monica are located north of Montana Avenue, north of Wilshire Boulevard and east of 21st Street, and

Table 3-20 Housing Stock Growth for Santa Monica and Selected Jurisdictions, 1990-2010

Jurisdiction	1990	2000	2010	% Change 1990-2000	% Change 2000-2010
Beverly Hills	15,723	15,855	16,394	0.8%	3.4%
Santa Monica	47,753	47,863	50,912	0.2%	6.4%
Culver City	16,943	17,130	17,135	1.1%	0.03%
West Hollywood	23,821	24,110	24,588	1.2%	2.0%
LA City	1,299,963	1,337,668	1,413,995	2.9%	5.7%
Los Angeles County	3,163,343	3,270,909	3,445,076	3.4%	5.3%
Source: 1990, 2000, and 2010 Census					

Table 3-21 Housing Tenure, 1990-2010

Tenure	1990		2000		2010		LA County (%)
	#	% of Total	#	% of Total	#	% of Total	
Total Occupied	44,860	100%	44,497	100%	46,917	100%	
Owner Occupied	12,340	28%	13,277	30%	13,315	28%	48%
Renter Occupied	32,520	72%	31,220	70%	33,602	72%	52%
Rental Vacancy Rate	2.4%		4.3%		5.1%		5.8%
Owner Vacancy Rate	2.8%		1.4%		1.1%		1.7%
Overall Vacancy Rate	6.1%		7.0%		4.0%*		3.9%*
Source: 1990, 2000, and 2010 Census							
*Effective vacancy rate: Excludes vacant units rented or sold but not yet occupied, units vacant for seasonal use, and other unoccupied units not available in the housing market.							

in the southern portion of Sunset Park. The highest concentration of renter-occupied housing is located in the downtown area and in several census tracts to the north and east of downtown as well as in some portions of the neighborhood between Pico Boulevard and Colorado Avenue.

The vacancy rate is often a good indicator of how effectively for-sale and rental units are meeting the current demand for housing in a community. Vacancy rates of 5% to 6% for rental housing and 1% to 2% for ownership housing are generally considered optimum, where there is balance between the demand and supply for housing. A higher vacancy rate may indicate an excess supply of units and therefore price depreciation, while a low vacancy rate may indicate a shortage of units and resulting escalation of housing prices. The housing market in the City of Santa Monica was within the optimum zone in 2010 for both rental and ownership housing (Table 3-21), although the rates were only just within those zones. As discussed elsewhere in this document, Santa Monica’s housing market has gained strength, and even the slightest reduction from the 2010 vacancy rates would indicate an imbalance and likely increases in housing costs.

3. Age and Condition

The age and condition of the housing stock in a community is an important indicator of need. Housing units deteriorate over time if they are not maintained, discouraging reinvestment, depressing neighborhood property values, and eventually impacting the quality of life in the community. Maintenance of existing housing units is especially important in Santa Monica, given the older age of the community’s housing stock. Accurate assessment of housing conditions can provide the basis for developing appropriate policies and programs to maintain the quality of life within the city.

Most residential structures begin to show signs of deterioration as they approach 30 years, and often begin to require rehabilitation work to their major components, such as roofing, siding, plumbing, and electrical systems. 2010 ACS data show that 82.8% of housing in Santa Monica is more than 30 years old. This is much higher than the 68% measured in 2000, because Santa Monica experienced a major multi-family construction boom in the 1970s.

In 2012, the year for which the Building and Safety Division has the most recent data, there were 258 substandard housing complaints investigated². Most of these complaints are related to the City’s rental housing stock. The Building and Safety Division works with the property owner with the aim of correcting any violations, and provides referrals to the City’s rental rehabilitation programs.

² Santa Monica Building and Safety Division, Code Compliance Unit. February 2013.

Table 3-22 Age of Housing, 2010

Year Built	# Units	% Share
1939 or Earlier	7,279	14.6%
1940-1949	5,782	11.6%
1950-1959	8,549	17.1%
1960-1969	10,465	20.9%
1970-1979	9,294	18.6%
1980-1989	3,865	7.7%
1990-1999	2,572	5.1%
2000-2009	2,209	4.4%
<i>Total</i>	<i>50,015</i>	<i>100.0%</i>

Source: 2006-2010 American Community Survey 5-Year Estimates

The 2006 Santa Monica Tenant Survey asked 750 respondents about any physical problems in their rent controlled units. The most frequently mentioned problems were defects in the plumbing system, mentioned by 25% of respondents, followed by leaks in walls or ceilings (18%). Approximately 7% of the respondents indicated that there were large holes in walls or floors.

Table 3-23 Single-Family and Condominium Home Sales, 2011-2012

Zip Code	2011			2012		
	# Sales	Median Price	% Change from 2010	# Sales	Median Price	% Change from 2011
Homes						
90401	1	\$600,000	N/A	2	\$3,498,000	483.0%
90402	110	\$2,141,000	-8.5%	147	\$2,764,000	29.1%
90403	36	\$1,423,000	-9.0%	40	\$1,600,000	12.4%
90404	10	\$548,000	-25.5%	23	\$630,000	15.0%
90405	106	\$983,000	5.2%	116	\$1,020,000	3.8%
<i>Countywide</i>	<i>53,437</i>	<i>\$325,000</i>	<i>-4.4%</i>	<i>59,561</i>	<i>\$340,000</i>	<i>4.6%</i>
Condos						
90401	10	\$533,000	0.6%	22	\$705,000	32.3%
90402	30	\$1,015,000	42.0%	40	\$1,275,000	25.6%
90403	147	\$710,000	-7.8%	190	\$720,000	1.4%
90404	80	\$515,000	-7.2%	101	\$482,000	-6.4%
90405	103	\$620,000	-5.9%	115	\$628,000	1.3%
<i>Countywide</i>	<i>16,941</i>	<i>\$275,000</i>	<i>-8.3%</i>	<i>19,617</i>	<i>\$285,000</i>	<i>3.6%</i>

Source: Home Sales: L.A. Times Sunday Edition Charts - Data for the Years 2011 and 2012 (DQNews.com)

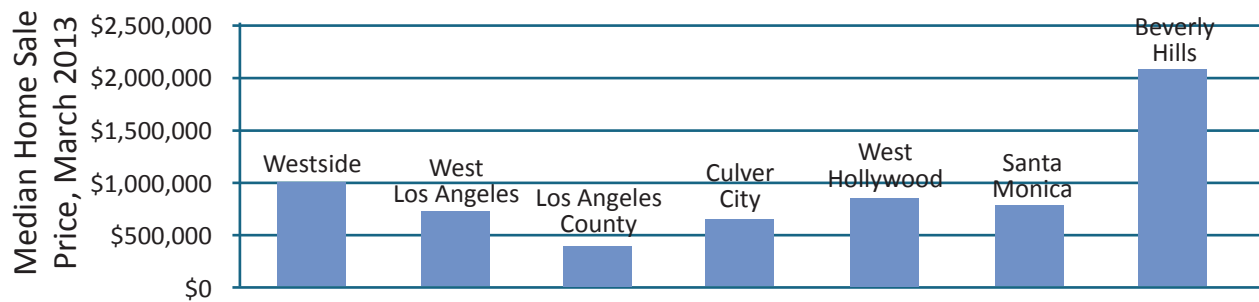
4. Housing Costs

a. Housing Sales Prices

Home sales prices throughout Los Angeles County escalated dramatically in the first years of this century, but came down somewhat in 2010-11. According to DataQuick Information Systems, the median sales price of all homes and condominiums sold in Santa Monica in 2011 was \$849,000, about \$60,000 lower than a few years earlier, but still out of reach of a large part of the community. Table 3-23 provides sales data for both 2011 and 2012, demonstrating that the dip in prices was short-lived and that the housing market in Santa Monica has recovered strongly. While the 90401 (downtown) zip code has too few single-family home sales to be statistically significant, in other zip codes, the reverse has been sharp. Only one zip code (90404) offers a median-priced single-family home for less than \$1 million. While homes in the 90405 zip code increased at a slower rate than the county overall in 2012, it should be noted that this is the only zip code that did not lose value in 2011, so the climb has been steady in this neighborhood, too. Although condominiums offer buyers a slightly lower-priced alternative, condo prices have also gone up overall, although the median price dropped in the 90404 zip code. The 90402 zip code showed a strong increase in both of the last two years, and condominium prices in the downtown area increased sharply in 2012.

A snapshot comparison of Westside cities in March 2013 demonstrates the sensitivity and fluctuation in the housing market (Figure 3-16). In that particular month, the median home price in Santa Monica, which likely included many more condominiums than single-

Figure 3-16 Westside Cities, March 2013 Median Sales Prices (Single family and Condominiums)



Source: DQNews - California Home Sale Price Medians, March 2013 (www.dataquick.com)

family homes, was \$770,000, much lower than the previous summer, compared to the highest median price in Beverly Hills (\$2,100,000). Interestingly, the median in West Hollywood (\$845,000) surpassed Santa Monica for that month, and the Culver City (\$642,500) and West LA (\$700,000) medians were also trending much higher than in the past. The Westside composite median of \$995,000 contrasted sharply with the County median of \$385,000.

b. Rent Control

The Rent Control Law was adopted by Santa Monica voters on April 10, 1979. The law covered all rental units in existence at that time (including mobile homes and mobile home spaces) and required owners to roll back rents to April 10, 1978, levels and register the rents and amenities in effect on that date. The law also included provisions regarding just cause evictions, removal of controlled units and ensuring that landlords would receive a fair return.

Under Santa Monica's Rent Control Law, each year the Rent Control Board adjusts rents under a formula or general application taking into consideration, among other things, utility and tax increases in Santa Monica and increased maintenance expenses. Since 1979, general adjustments have ranged from 1% to 7%. In November 2012, the voters passed Measure GA simplifying the Board's method for determining the annual adjustment. The new formula is a simple calculation: 75% of the annual change in the regional inflation rate, as measured by the federal government.

The Rent Control Law requires registration of all controlled units. In 2012, there were 28,180 registered rent-controlled units, of which 1,423 were owner-occupied (temporarily exempt from Rent Control)³. The Law provides an exemption for new construction, with very limited exceptions.

c. Rental Costs

The 1995 Costa-Hawkins Act mandated changes to local rent control laws across the state. Between October 1, 1995, and December 31, 1998, rent increases of up to 15% were permitted twice per unit for qualifying new tenants following a voluntary vacancy or eviction of a tenant for failure to pay rent. As of January 1, 1999, landlords have been able to increase the rent to market rate following a vacancy. As a result of these provisions, between January 1999 and December 2012, 17,850 units had been rented at market rates. This represents 63.3% of the controlled rental units for which the Santa Monica Rent Control Board has registered rents. At the current rate of approximately 2% annual conversion to market rate following vacancy, the remaining rent-controlled units are expected to be adjusted to market rate rents by 2031.

In 1999, the median Maximum Allowable Rent (MAR) for these units was affordable to a household whose income was 80% of the adjusted County Median Family Income. Affordability of rental units to lower and some moderate income renters is generally lost with the first market rate increase. Upon re-rental, 2012 data show

³ Santa Monica Rent Control Board, 2012 Annual Report, April 2013

that since 1999, median monthly rents have increased from \$800 to \$1,250 for studio/efficiency units, from \$1,000 to \$1,900 for one-bedroom units, from \$1,400 to \$2,525 for two-bedroom units, and from \$1,800 to \$3,201 for three or more bedroom units⁴. Market rate vacancies are not concentrated in any portion of the city, and seem to be impacting rental units of all sizes in rough proportionality.

Table 3-24 presents a comparison of the household income needed in 2012 to afford the median rents of units had they not been rented at market-rate versus the income needed to afford the market-rate rents. For example, as of December 2012, studio units not rented at market-rate would have a median MAR of \$745 versus the vacancy decontrolled median market rate of \$1,200. The affordability loss is particularly pronounced for 3+ bedroom units.

5. Housing Affordability

Affordability is determined by comparing the cost of housing to the income of local households. If the costs are high relative to the incomes, housing problems such as overcrowding and cost burden are more likely to occur. In general, a unit is considered to be affordable if rent costs are not more than 30% of the household's income. In 2010, the median household income in the Los Angeles metropolitan region was \$55,476, while Santa Monica's median income was \$68,842 (Table 3-12; US Census Bureau, 2010 American Community Survey). As seen in Figure 3-17, the median varied widely by age groups.

⁴ Ibid.

Comparing to Table 3-23, it is clear that at least half the households in Santa Monica could not afford the rent levels in market rate vacancy decontrolled units, or the median cost to purchase a Santa Monica home (Table 3-24).

Moderate Income Households: Moderate-income households earn 81% to 120% of the County’s median family income. Moderate-income households are unable to afford any of the condominiums or single-family homes sold in the city at current prices, and the situation with rental affordability has fluctuated. In recent years, a single or two person moderate-income household has had some access to rental units in Santa Monica, but with rents escalating in 2011/2012, most moderate-income households cannot afford the price of most rental units in the city, with a particular difficulty for larger families that need units with three or more bedrooms.

Low Income Households: Low-income households earn between 51% to 80% of the County’s median family income. Similar to moderate-income households, low-income households are limited to the rental market in Santa Monica. These households are unable to afford any of the condominium or single-family homes sold within the city. Low-income households can afford most of the studio and one-bedroom units for rent; however they may have difficulty obtaining affordable larger rental units.

Very Low Income Households: Very low-income households earn 50% or less of the County median family income and are also unable to purchase homes in Santa Monica. Although some studio apartments

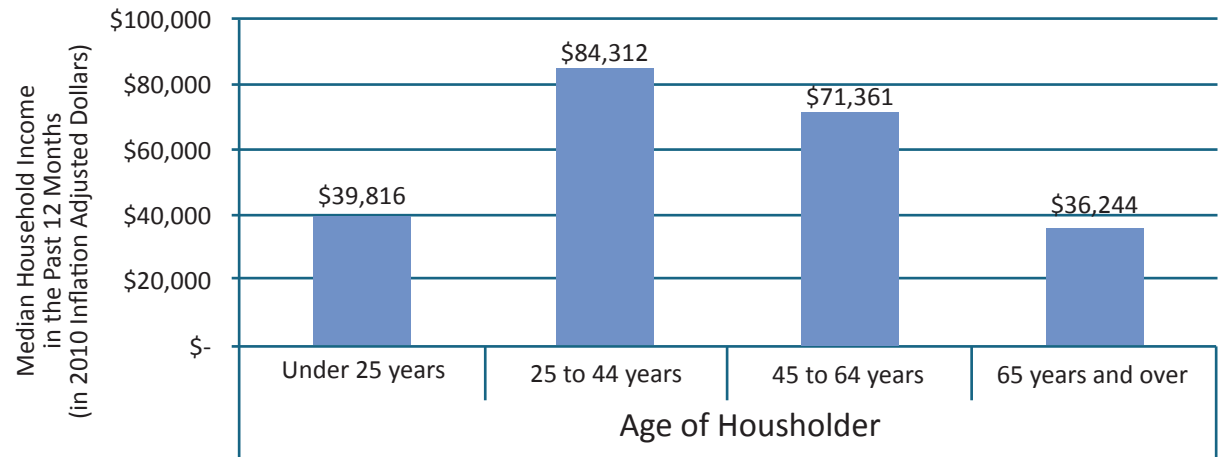
Table 3-24 Income Needed to Afford Maximum Allowable Rent (MAR) Units with Vacancy Increases, 2012

Unit Size	Before Vacancy Decontrol		After Vacancy Decontrol		Difference in Income Needed to Afford Unit
	Median MAR without Vacancy Increase	Income Needed to Afford MAR	Median MAR with Vacancy Increase	Income Needed to Afford MAR	
0 Bedrooms	\$745	\$42,571	\$1,200	\$68,571	\$26,000
1 Bedroom	\$867	\$43,350	\$1,597	\$79,850	\$36,500
2 Bedrooms	\$1,089	\$45,853	\$2,105	\$88,632	\$42,779
3+ Bedrooms	\$1,388	\$51,171	\$2,766	\$101,972	\$50,802

Source: City of Santa Monica Rent Control Board, Annual Report, 2012

Affordability or annual income required to support apartment rent is calculated in the following manner: Median Monthly Average Rent (MAR) annualized (multiplied by 12) is divided by the product of the Unit Factor and the Income Factor

Figure 3-17 Median Household Income by Age Groups



Source: 2006-2010 American Community Survey 5-Year Estimates

are affordable to these households, in general very low-income households cannot afford the price of apartment or home rentals in the community without experiencing cost burden or overcrowded living conditions unless subsidized.

Extremely Low-Income Households: Extremely low-income households earn 30% or less of the County median family income and are unable to afford either purchase or rental units at market rate within Santa Monica.

Table 3-25 Housing Affordability in Los Angeles County, 2012

Income Group	Annual Income	Maximum Affordable Rental Payment	Estimated Maximum Affordable Purchase Price
Extremely Low			
1-person household	\$17,550	\$444	\$98,000
3-person household	\$22,800	\$570	\$126,000
5-person household	\$27,350	\$684	\$151,000
Very Low			
1-person household	\$29,550	\$739	\$163,000
3-person household	\$37,950	\$949	\$210,000
5-person household	\$45,550	\$1,139	\$253,000
Moderate			
1-person household	\$54,450	\$1,361	\$302,000
3-person household	\$70,000	\$1,750	\$388,000
5-person household	\$83,950	\$2,099	\$465,000
Source: Karen Warner Associates, 2012			
a. Based on HUD/HCD 2012 Income Limits			
b. Calculated as 30% of income, divided by 12 months. Utility costs not factored in.			
c. Assumes 10% down payment, 4% interest rate, 1.1% property tax, and 30-year mortgage.			

a. Workforce Housing

City commuting patterns demonstrate that many middle-income employees, including many professionals that work in the community, choose not to live in Santa Monica. Housing cost can be a major contributor to that decision, particularly for those seeking to purchase a home. Many younger professionals rent in Santa Monica but eventually move outside the city when they decide to buy.

The 2008-2014 Housing Element discussed the work of a 2007 City Task Force on the need for workforce housing and SCAG study that same year of workforce housing in the Westside Cities. Gap analysis in the Task Force report showed that even a household with earnings close to \$200,000 could not afford to purchase a home in Santa Monica in 2007.

The economic recession that followed had a downward influence on housing prices. As seen in Table 3-23, the median condominium prices in 2011 had dropped in several zip code areas and some single family homes in the 90404 zip code may have been affordable for a short period to more of the workforce. However, indications are that housing costs are on the rise, and the increased affordability for middle-income families may have been short-lived. The prospect of home ownership is still too much of a stretch for many Santa Monica rental households. In many cases, the market can provide a rental housing option for households at above-moderate income levels. The City has recognized the need for new tools, through standards and incentives, to encourage and facilitate development of rental housing within the price range for those working in the city's employment centers.

New ideas are being explored in the area of the Bergamot Area Plan, and will continue through future planning efforts in transit-rich districts.

b. Housing Overpayment

Housing overpayment, as defined by the State and Federal government, refers to spending more than 30% of income on housing; severe overpayment is spending greater than 50% of income. Table 3-26 summarizes the incidence of overpayment in Santa Monica (refer to earlier Table 3-14 for detail on overpayment by household type).

According to the 2005-2009 American Community Survey, the most recent available data, 37% of owners and 44% of renters in Santa Monica were spending more than 30% of their total income on housing. Nearly one-quarter of the city's renter households experienced severe overpayment, spending more than half their income on rent. While

Table 3-26 Santa Monica Households Overpaying on Housing Compared to County Average, 2009

Overpayment	City of Santa Monica		LA County
	Households	%	%
Owners			
Overpayment (>30% income on housing)	4,864	37%	45%
Severe Overpayment (>50% income on housing)	2,543	19%	22%
Lower Income Owners Overpaying	1,632	61%	—
Renters			
Overpayment (>30% income on housing)	14,160	44%	56%
Severe Overpayment (>50% income on housing)	7,436	23%	29%
Lower Income Owners Overpaying	10,475	78%	—
Source: HUD CHAS Data Book, based on 2005-2009 American Community Survey 5 year estimates. Note: Severe overpayment is a subset of overpayment.			

Table 3-27 Expenses per Month and a Percentage of Income Los Angeles County (Excluding Housing Costs)

Household Type	Basic Family Wage*	Child Care	Transportation	Food	Health Care	Misc and Taxes	Annual Total
Single Adult	\$14.17	\$0	\$344	\$274	\$283	\$651	\$18,624
Single-Parent Family	\$31.02	\$1,110	\$344	\$589	\$758	\$1,215	\$48,192
Two-Parent Family (one working)	\$25.97	\$0	\$344	\$814	\$1,007	\$975	\$37,680
Two-Working-Parent Family	\$18.06	\$1,110	\$599	\$814	\$1,007	\$1,369	\$58,776

Source: California Budget Project: Making Ends Meet: How Much Does It Cost to Raise a Family in California? June 2010

*Hourly: Assumes 40 hrs/week, 52 weeks/year of work. Two working parent wage is the hourly wage for each individual parent working full-time.

overpayment levels in Santa Monica remain lower than the Countywide average, renter overpayment has increased significantly in the city over the last decade, rising from 35% to 44% of households and reflecting the impact of vacancy decontrol on renter affordability. In terms of overpayment among lower income households (<80% AMI), 10,475 lower income renter households and 1,632 lower income owners were faced with overpayment in Santa Monica. The impact of housing overpayment on Santa Monica'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.

The latest update of Making Ends Meet: How Much Does It Cost to Raise a Family in California? (The California Budget Project, 2010) provides information on the amount families and single adults need to achieve a modest standard of living in California without assistance from public programs. The report provided estimates for 10 regions in California, including Los Angeles County. As identified in Table 3-27, excluding housing costs, a single adult needs \$18,624 per year and a family with two working parents needs \$58,776 per year in order to afford childcare, health care, food, and other basic living expenses. This information combined with the housing affordability data provided in Table 3-25, illustrates the difficulties that many families face in meeting basic housing and living expenses.



6. Coastal Zone Housing

The California Government Code (Section 65588) requires that the Housing Element take into account any low- or moderate-income housing provided or required in the coastal zone pursuant to Section 65590 (the Mello Act)⁵. State law requires that jurisdictions monitor the following:

1. Number of new housing units approved for construction in the coastal zone
2. Number of housing units for low- or moderate-income housing required to be provided in new

⁵ The Mello Act in part requires replacement of affordable units demolished or converted within the Coastal Zone. However, the Mello Act includes two exceptions to this replacement relevant to Santa Monica. First, the requirement is not applicable to Santa Monica because the City has less than 50 acres, in aggregate of land which is vacant, privately owned, and available for residential development. Second, the requirement does not apply to the demolition of any residential structure which has been declared to be a public nuisance under the provisions to the Health and Safety Code or any local ordinance, including buildings removed following the 1994 Northridge Earthquake.

housing within the coastal zone or within 3 miles

3. Number of existing housing units occupied by low- or moderate-income households that have been authorized for demolition or conversion since January 1, 1982
4. Number of residential units for low- and moderate-income households required for replacement or authorized to be converted or demolished and their location

State law exempts the City of Santa Monica from replacing units that were demolished or converted in the Coastal Zone. Nevertheless, Table 3-28 documents development activity in the Coastal Zone since 1982 and the number of affordable units constructed in the city within 3 miles of the coastal zone. As illustrated, the City has provided for the development of over 1,800 affordable units within a three mile radius of the coastal zone, well exceeding the approximately 400 affordable units lost within the coastal zone.

Table 3-28 Coastal Zone Development, 1982-2012

Year	Unit Count				Affordable Units		
	Units Built in Coastal Zone	Units Demolished	Units Converted	Net Gain	Units Demolished or Converted	Units Built in Coastal Zone	Built Elsewhere (within 3 miles of Coastal Zone)
1982	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
1983	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
1984	42	0	0	42	0	N.A.	1
1985	2	2	0	0	2	N.A.	1
1986	1	8	0	-7	8	N.A.	6
1987	157	31	0	126	31	4	13
1988	128	22	0	106	22	N.A.	11
1989	114	61	0	53	61	4	22
1990	207	91	0	116	91	16	0
1991	108	22	0	86	22	33	0
1992	165	5	0	160	5	72	0
1993	0	31	0	-31	31	0	42
1994	125	23	0	102	23	80	0
1995	0	0	0	0	0	0	45
1996	12	1	0	11	1	0	5
1997	5	40	0	-35	36	0	113
1998	21	4	0	17	0	0	80
1999	25	4	0	21	4	25	70
2000	39	2	0	37	0	21	153
2001	182	3	0	179	0	45	124
2002	80	21	0	59	17	66	48
2003	14	8	0	6	1	0	40
2004	2	31	0	-29	22	0	26
2005	11	18	0	-7	15	0	0
2006	29	9	0	20	6	2	0
2007	202	7	0	195	0	46	85
2008	19	4	0	15	0	0	189
2009	13	10	0	3	1	0	154
2010	4	30	0	-26	0	0	18
2011	20	17	0	3	15	3	0
2012	15	5	0	10	0	0	181
<i>Total</i>	<i>1,742</i>	<i>510</i>	<i>0</i>	<i>1,232</i>	<i>414</i>	<i>415</i>	<i>1,427</i>

Source: City of Santa Monica Planning Division, Proposition R Annual Reports

*Information not available on conversions

E. ASSISTED HOUSING AT RISK OF CONVERSION

State law requires an analysis of existing publicly-assisted rental housing units that are at risk of conversion to market rate during the next ten years. This includes conversion through termination of a subsidy contract, mortgage prepayment, or expiring use restrictions. The following at-risk analysis covers the period of October 15, 2013, through October 15, 2023, the 10-year period required to be analyzed by State law.

1. Inventory of Assisted Housing Units

Santa Monica has facilitated affordable housing development using a variety of public financing mechanisms from federal, state and local sources. Additionally, Santa Monica has created affordable housing through implementation of density bonuses.

Table 3-30 summarizes the total number of completed affordable units receiving public assistance. There are currently 3,465 publicly-assisted affordable units located within the City of Santa Monica. These include units produced with federal funding assistance, federal/state tax credits, redevelopment tax increment, City housing trust funds, City Multi-family Earthquake Repair Loan (MERL) Program Assistance and Los Angeles County Housing Authority owned units. Specific project information is provided in Table 3-30. The location of the City's publicly-assisted housing is displayed in Figure 3-18.

2. Assisted Housing Units at Risk

This section analyzes the conversion potential of assisted housing units whose affordability controls could expire by October 2023.

Assisted housing developments include multi-family rental housing that receives government assistance under certain federal, state and local programs, or multi-family rental units developed pursuant to a density bonus program.

a. Projects with Expiring Rental Subsidies During the Planning Period

According to the California Housing Partnership Corporation's (CHPC) list of at-risk projects and HUD's at-risk database, a total of 1,014 publicly-assisted housing units with federal rental assistance subsidies in Santa Monica have the potential to expire before the end of the ten year analysis period (i.e., October 2023). These comprise the twelve projects listed in the first part of Table 3-30 in the "HUD Programs" category, which serve seniors or persons with special needs. CHPC has identified a risk level associated with conversion to each of these twelve housing projects, with six properties identified as low risk, five as high risk, and one as very high risk. However, six of the twelve projects units have affordability covenants associated with City Housing Trust Fund loans (separate and apart from the federal rental subsidy and capital funding covenants) that remain in place beyond 2023, including two projects CHPC identifies as high risk (Neilson Villas and Wilshire House). In addition, nine of the twelve at-risk projects are owned by non-profit entities, rendering their conversion to

market rate unlikely. Nonetheless, as the Section 8 Housing Assistance Payment (HAP) contracts and/or HUD capital subsidies have the potential to expire within the next ten years, for purposes of the Housing Element analysis, all twelve projects are technically considered at potential risk of conversion.

b. Projects with Affordability Covenants Expiring During the Planning Period

The "City Assistance" section of Table 3-30 indicates that a total of 107 housing units have expiring affordability covenants during 2018 through 2023. However, this housing is owned by Community Corporation of Santa Monica (CCSM), a local nonprofit housing provider whose mission is to provide affordable housing, so the risk of conversion to market rate housing is significantly mitigated and highly unlikely. Another 175 City Assisted housing units also owned by CCSM have deferred loans which come due in 2020 through 2023 but the terms of those loans allow the nonprofit borrower to continue the affordability restrictions on this housing for 15 additional years in exchange for loan forgiveness. Given the mission of CCSM and the decades of accumulated compound interest on the original loans, the risk of conversion to market rate during this Housing Element period is significantly mitigated and highly unlikely.

Currently, the availability of funding for Section 8 contract renewal is uncertain. Under the Section 8 program, HUD pays owners the difference between what tenants can pay (defined as 30% of their household income) and the maximum allowable rent per HUD standards. Rent subsidies using state, local, or other funding sources can be used to maintain the

affordability of the at-risk projects and structured to mirror the Section 8 program.

As ten of the twelve at-risk projects (976 units) are targeted for seniors, for purposes of the at-risk analysis all 976 senior units are assumed to be occupied by a one-person household, with half studio and half one bedroom units. The two at-risk projects targeted to special needs households contain a mix of 24 one-bedroom and 14 two-bedroom units.

The feasibility of the Section 8 alternative, in the case of the property owners, depends on their willingness to accept rental vouchers and limit rents to fair market levels. As Table 3-29 shows, given the 1,014 units contained in these twelve federally subsidized projects, the total cost of subsidizing rents in these projects is estimated at approximately \$4.7 million annually, translating to \$94 million in subsidies over a 20-year period.

c. Construction or Purchase of Replacement Units

The construction or purchase of a replacement building is another option to replace at-risk units should they convert to market rates. The cost of developing housing depends on a variety of factors, including density, size of the units, location, land costs, and type of construction. Based on recent affordable housing projects built in Santa Monica, the Housing and Economic Development Department's data indicate that total development costs average \$475,000 per unit. Therefore, the cost to replace the 1,014 at-risk units in Santa Monica can generally be estimated at \$480 million.

Table 3-29 Annual Rent Subsidies Required to Preserve At-Risk Units, 2007

Unit Size	Monthly Rent			No. of Units at Risk	Annual Subsidies
	Affordable	Fair Market	Subsidy Required		
Studio	\$747	\$1,009	\$262	317	\$996,648
One Bedroom	\$854	\$1,352	\$498	367	\$2,193,192
Two Bedrooms	\$1,014	\$1,843	\$829	11	\$109,428
Three Bedrooms	\$1,158	\$2,411	\$1,283	0	0
<i>Total</i>				695	\$3,299,268

- a. When only a portion of a project's units are covered by the Section 8 contract, the mix of these at-risk units is estimated based on the entire project's unit mix.
- b. Affordable rent for a studio and one-bedroom units are based affordability level for 1 very low income person. Affordable rent for 2-3 bedroom units based on 4 person very low income family.
- c. Fair Market rents based on the June 2012 maximum rents (payment standard) set by HUD for different unit sizes in Santa Monica. This payment standard is determined by the Santa Monica Housing Authority.

d. Cost Comparisons

In terms of cost effectiveness for preservation of the 1,014 at-risk units, 20 years' worth of rent subsidies (\$94 million) are less expensive than purchase of replacement units (\$480 million). However, as described in the beginning of this section, while technically at-risk, nine of the twelve projects are owned by non-profits, and six projects have

affordability covenants associated with Housing Trust Fund loans, thus rendering their conversion unlikely. For the three projects under for-profit ownership, transfer of ownership to a non-profit may still be a preferred alternative as affordability controls could be secured indefinitely, and projects would become eligible for a greater range of outside funding.

Table 3-30 Inventory of Publicly Assisted Affordable Rental Housing in Santa Monica

Project/Location	Total Units	Funding Program/Source	Year Built/Rehabilitated	Type of Housing	Sponsor/Owner	Earliest Conversion Date(s)
HUD						
Santa Monica Towers 1233 Sixth Street	161	Section 202	1964	Senior	Santa Monica Christian Towers, Inc.	5/31/2015
Westminster Towers 1112 Seventh Street	283	Section 202	1969	Senior	Westminster Towers; First Presbyterian Church of S.M.	5/31/2014
Neilson Villas 3100 Neilson Way	100	Section 236(j)(1)	1977	Senior	Neilson Villas Limited Partnership	10/1/2017
		Section 8				12/31/2014
Geneva Plaza 1441 21st Street	100	Section 202	1979	Senior	Westminster Towers Inc.	10/1/2019
		Section 8				
Barnard Park Villas 3356 Barnard Way	60	HUD Insured	1981	Senior	Bernard Villas Ltd.	6/14/2015
		Section 8				2/15/2023
Ocean Park Villas 2019 & 2219 5th Street	24	Section 221(d)(4)	1982	Senior	Ocean Park Villas Limited Partnership	11/1/2023
		Section 8				8/31/2013
Wilshire House 1125 3rd Street	72	Section 202/RHF CHTF	1992	Senior	Retirement Housing Foundation	9/21/2017
Lincoln Court 2807 Lincoln Boulevard	40	Section 202 CHARP	1999	Senior	Volunteers of America Elderly Housing, Inc.	1/13/2019
Project New Hope 1637 Appian Way	25	Section 811 CHTF	1999	Special Needs	S.M. New Hope	7/31/2019
Upward Bound Senior Villa 1011 11th Street	70	Section 202 RHTF/CHTF	2000	Senior	Upward Bound Senior	4/30/2020
Fourth Street Senior Housing 1116-1146 4th Street	66	Section 202/CHARP/CHTF	2002	Senior	Fourth Street Senior Housing Corporation	11/30/2021
Santa Monica Accessible Apartments 1525 Euclid Street	13	Section 811/CDBG	2003	Special Needs	Ocean Housing Foundation	9/30/2013

Table 3-30 Inventory of Publicly Assisted Affordable Rental Housing in Santa Monica (cotinued)

Project/Location	Total Units	Funding Program/Source	Year Built/Rehabilitated	Type of Housing	Sponsor/Owner	Earliest Conversion Date(s)
Los Angeles County Affordable Housing						
Colorado Place 1444 14th Street	18	Housing mitigation for construction of One Colorado Place office project.	1982	Family	Privately owned, 99-year lease to LA Co. Housing Authority which manages the facility; nominal lease rate of \$1/year. RJG/LP Corp. owns the land and improvements which were purchased as part of housing mitigation agreement.	2081
Colorado Place 1855 9th Street	11		1982	Family		2081
Colorado Place 2006 20th Street	11		1982	Family		2081
Los Angeles County Public Housing						
175 Ocean Park Blvd.	22	Public Hsg./LA Co.	1985	Senior	Public Housing/LA Co.	Indefinite
Monica Manor 1901-07 11th Street	19	Public Hsg./LA Co.	1988	Family	Public Housing/LA Co.	Indefinite
City Assistance						
2017-23 20th Street	12	PNHTF	1983	Family/Senior	CCSM*	12/13/2008 +10 yrs*
2625 Kansas Avenue	16	PNHTF	1984	Family	CCSM	7/5/2009 + 10 yrs*
724 Pacific Avenue	8	Rental Rehab/CHARP	1984	Family	CCSM	3/21/2009 + 10 yrs*
2525 Kansas Avenue	20	PNHTF	1984	Family	CCSM	6/14/2009 +10 yrs*
1959 Cloverfield	62	CHARP	1985	Family	CCSM	11/30/2021 +15 yrs
1843 17th Street	8	PNHTF	1985	Family	CCSM	12/20/2009 +10 yrs*
2302 5th Street	6	CHARP/Rental Rehab	1986	Family/Senior	CCSM	12/30/2020*
1629 Michigan	4	PNHTF	1986	Family	CCSM	2/28/2021 + 15 yrs
1937 18th Street	6	PNHTF	1986	Family	CCSM	12/6/2020 + 15 yrs
1827 19th Street	6	PNHTF	1986	Family	CCSM	8/13/2021 + 15 yrs

Table 3-30 Inventory of Publicly Assisted Affordable Rental Housing in Santa Monica (continued)

Project/Location	Total Units	Funding Program/Source	Year Built/Rehabilitated	Type of Housing	Sponsor/Owner	Earliest Conversion Date(s)
1808 17th Street	6	PNHTF	1986	Family	CCSM	12/13/2021 +15 yrs
1943 17th Street	7	PNHTF	1987	Other	CCSM	3/31/2022 + 15 yrs
2402 5th Street (OP 12)	6	LIHF	1987	Family/Senior	CCSM	12/30/2020 +15 yrs
2207 6th Street (OP 12)	6	LIHF	1987	Family/Senior	CCSM	12/30/2020 +15 yrs
2405-2407 4th Street	10	Colorado Place Housing Mitigation	1982	Family	Owned by PJG/LP Corp., Leased to CCSM	2081
1917 17th Street	7	PNHTF	1987	Family	CCSM	12/18/2021 + 15 yrs
1314 18th Street	6	CHARP	1988	Family	CCSM	8/6/2022 + 15 yrs
1427 Berkeley	7	CHARP	1988	Family	CCSM	1/15/2021 +15 yrs
2009-15 Cloverfield	10	PNHTF/CHARP	1988	Family	CCSM	5/25/2023 + 15 yrs
2323 4th Street	6	CHARP	1988	Senior	Alternative Living for Aging	3/18/2032 + 10 yrs
2121 Arizona	11	CHARP	1988	Family	CCSM	6/3/2023 + 15 yrs
Ocean Park 43 Coop: 504 Ashland Ave. 536 Ashland Ave. 3005 Highland Ave. 642 Marine Street 518 Pier Avenue	43	HODAG/Redev	1989	Family	CCSM	10/21/2021*
3 Vicente Terrace	25	CHARP/Rental Rehab	1989	SRO	CCSM	4/4/2023 + 15 yrs
2020-30 Cloverfield	32	Rental Rehab/LIHTC	1989	Family/Senior	CCSM	4/25/2025
1038 2nd Street	15	CHTF	1991	Family	CCSM	5/15/2066
1952-56 Frank Street	5	PNHTF/CHARP	1992	Family	CCSM	7/16/2030 + 10 yrs
1434 Santa Monica	24	Rental Rehab	1992	Family		
1968 19th Street (Garcia)	7	LIHTC/RHCP/CHTF	1993	Family	CCSM	10/2031 + 10 yrs
1747 15th Street (Garcia)	7	LIHTC/RHCP/CHTF	1993	Family	CCSM	10/2031 + 10 yrs

Table 3-30 Inventory of Publicly Assisted Affordable Rental Housing in Santa Monica (continued)

Project/Location	Total Units	Funding Program/Source	Year Built/Rehabilitated	Type of Housing	Sponsor/Owner	Earliest Conversion Date(s)
1544 Berkeley Street (Garcia)	9	LIHTC/RHCP/CHTF	1993	Family	CCSM	10/2031 + 10 yrs
1828 17th Street (Garcia)	7	LIHTC/RHCP/CHTF	1993	Family	CCSM	10/2031 + 10 yrs
2423 Virginia Avenue	12	PNHTF	1993	Family	CCSM	6/2032 + 10 yrs
1423 2nd Street	44	CHTF	1994	SRO	CCSM	6/2043
1328 2nd Street	36	CHTF	1994	SRO	Step Up On Second	9/2043 + 25 yrs
1206 Pico Boulevard	26	HOME	1995	SRO	CCSM	11/2044 + 25 yrs
815 Ashland Avenue	45	CHTF/RHCP/LIHTC	1995	Family	CCSM	8/2049 + 25 yrs
1343 11th Street	8	CDBG (Rehab)	1996	Family	CCSM	2050
807 4th Street	17	CDBG (Rehab)	1996	Family	CCSM	2051
1144 12th Street	5	CDBG	1996	Family	1144 12th St. LLC	2028
931 Euclid Street	3	CDBG (Rehab)	1996	Family	Euclid LLC	2025
1422 7th Street	28	CDBG	1997	Family	JSM Ravenna	2026
1430 7th Street	28	CDBG	1997	Family	JSM Siena	2026
1422 6th Street	28	CDBG	1997	Family	JSM Firenze	2026
908 14th Street	3	CDBG	1997	Family	908 14th St. LLC	2026
937 11th Street	11	CDBG (Rehab)	1997	Family	CCSM	2051
205 Washington Avenue	22	CDBG (Rehab)	1997	Family	The Sovereign	2026
1117 3rd Street	4	CDBG	1997	Family	Edward James York	2026
1020 12th Street	22	HOME	1997	Special Needs	Upward Bound House	2046
11301 Wilshire Boulevard	12	HOME (Rehab)	1997	Disabled	New Directions Inc.	2046
1002 Marine Street	30	CDBG (Rehab)	1998	Family	CCSM	2050
1128-1144 5th Street	32	CDBG/CHTF	1998	Family	CCSM	2051
1118 5th Street	10	CDBG (Rehab)	1998	Family	CCSM	2052
1423 6th Street	24	CDBG	1998	Family	JSM Napoli	2027

Table 3-30 Inventory of Publicly Assisted Affordable Rental Housing in Santa Monica (cotinued)

Project/Location	Total Units	Funding Program/Source	Year Built/Rehabilitated	Type of Housing	Sponsor/Owner	Earliest Conversion Date(s)
1425 6th Street	24	CDBG	1998	Family	JSM Cielo	2027
1143 12th Street	11	CDBG (Rehab)	1998	Family	CCSM	2052
1149 12th Street	14	CDBG (Rehab)	1998	Family	CCSM	2052
1438 16th Street	17	CDBG	1999	Family	CCSM	2053
1544 9th Street	3	CDBG	1999	Family	Pines LLC	2028
855 Bay Street	15	HOME/CHARP (Rehab)	1999	Family	CCSM	2048
1227 9th Street	10	HOME/RHTF (rehab)	1999	Family	CCSM	2048
1017 4th Street	16	CDBG (Rehab)	1999	Family	CCSM	2054
911 2nd Street	16	CHTF/HOME (Rehab)	1999	Family	CCSM	2055
1925 20th Street	34	CHTF/TORCA (Rehab)	1999	Family	CCSM	2054
1514 14th Street	36	CHTF (Rehab)	2000	Family	CCSM	2055
821 11th Street	10	RHTF (Rehab)	2000	Family	CCSM	2055
1344 14th Street	11	RHTF/HOME (rehab)	2000	Family	CCSM	2054
225 San Vicente Blvd	36	RHTF (Rehab)	2000	Family	CCSM	2055
2112 Delaware Ave	38	RHTF/THTF/CDBG (Rehab)	2000	Family	CCSM	2055
2120 4th Street	27	RHTF (Rehab)	2000	Family	CCSM	2055
2260 28th Street	12	RHTF (Rehab)	2001	Family	CCSM	2056
2608 28th Street	12	RHTF (Rehab)	2001	Family	CCSM	2056
1005 Pico Boulevard	7	CDBG	2000	Family	Art Colony LLC	2028
708 Pico Boulevard	20	CDBG/PNHTF/LIHTC	2000	Family	CCSM	2051
2428 34th Street	12	HOME/RHTF (Rehab)	2001	Family	CCSM	2056
813 9th Street	10	HOME/RHTF (Rehab)	2001	Family	CCSM	2056
1052 18th Street	15	RHTF (Rehab)	2001	Family	CCSM	2056
2243 28th Street	12	RHTF (Rehab)	2001	Family	CCSM	2056

Table 3-30 Inventory of Publicly Assisted Affordable Rental Housing in Santa Monica (continued)

Project/Location	Total Units	Funding Program/Source	Year Built/Rehabilitated	Type of Housing	Sponsor/Owner	Earliest Conversion Date(s)
2404 Kansas Ave	10	CDBG (Rehab)	2002	Family	CCSM	2057
420 Pico Blvd	25	HOME/RHTF (Rehab)	2002	Family	CCSM	2056
2449 Centinela Ave.	20	-RHTF (Rehab)	2002	Family	CCSM	2056
502 Colorado Ave	44	CHTF	2002	SRO	CCSM	2057
2028 14th Street	22	RHTF/THTF (Rehab)	2002	Family	CCSM	2055
1942 High Place	13	CDBG/THTF (Rehab)	2002	Family	CCSM	2057
1943 High Place	14	RHTF (Rehab)	2002	Family	CCSM	2057
2122 Pico Blvd	8	RHTF (Rehab)	2003	Family	CCSM	2058
2907 3rd Street	11	RHTF (Rehab)	2003	Family	CCSM	2056
1944 20th Street	8	RHTF	2006	Family	CCSM	2061
2211 4th Street	22	RHTF	2006	Family	CCSM	2061
2900 4th Street	19	RHTF	2006	Family	CCSM	2061
2209 Main Street	44	CHTF/LIHTC/MHP	2007	Family	CCSM	2062
1424 Broadway	44	CHTF/RHTF/LIHTC	2007	Family	CCSM	2062
1329 26th St	44	CDBG/RHTF/LIHTC	2007	Family	CCSM	2062
1751 Cloverfield Blvd.	51	HOME/RHTF/THTF	2007	Homeless	OPCC	2062
3031 Santa Monica Blvd.	47	RHTF	2007	Family	CCSM	2061
2411 Centinela	36	RHTF/LIHTC	2008	Family	CCSM	2063
1438 25th Street	12	RHTF (Rehab)	2008	Family	CCSM	2063
2320 34th Street	6	RHTF/HOME (Rehab)	2009	Family	CCSM	2063
1458 14th St.	20	RHTF/LIHTC	2010	Senior	Simpson Housing	2063
1548 5th St	46	HOME/RHTF/LIHTC	2009	Special Needs	Step Up on Fifth	2063
750 Marine Street	8	RHTF (Rehab)	2009	Family	CCSM	2063
2624 Santa Monica Blvd.	8	RHTF	2009	Special Needs	Step Up	2062

Table 3-30 Inventory of Publicly Assisted Affordable Rental Housing in Santa Monica (continued)

Project/Location	Total Units	Funding Program/Source	Year Built/Rehabilitated	Type of Housing	Sponsor/Owner	Earliest Conversion Date(s)
2029 20th Street	12	RHTF (Rehab)	2010	Family	CCSM	2063
2418 5th Street	6	RHTF/HOME (Rehab)	2010	Family	CCSM	2063
1513 Centinela	8	RHTF	2010	Family	CCSM	2063
844 Lincoln Blvd.	10	RHTF (Rehab)	2010	Family	CCSM	2063
217-223 Bicknell Ave.	13	RHTF (Rehab)	2011	Family	CCSM	2064
914 4th Street	16	RHTF (Rehab)	2011	Family	CCSM	2063
2602 Broadway	33	RHTF	Est. 2012	Family	CCSM	2063
1930 Stewart Street	105	THTF/RHTF/HOME/CDBG/CHTF (Rehab)	Est. 2012	Family	City of Santa Monica	2055
2802 Pico Blvd.	33	RHTF	Est. 2013	Family	CCSM	2064
1754 19th Street	49	RHTF	Est. 2013	Senior	FAME	2064
1959 High Place	45	RHTF	Est. 2013	Family	CCSM	2064
1701 Ocean Ave.	160	RHTF	Est. 2014	Family	Related/S.M. Village LLC	2063
520 Colorado Ave.	26	RHTF	Est. 2014	SRO	Step Up	2065
<i>Total</i>	<i>3,465</i>					

Source: City of Santa Monica and HUD Multifamily Assistance and Section 8 Contracts Database

*Potential affordability controls expire during 10-year analysis period. Based on discussions with non-profit owner, affordable rents will be maintained.

CCSM = Community Corporation of Santa Monica

RHTF = Redevelopment Housing Trust Fund

CDBG = Federal Community Development Block Grant

THTF = TORCA Housing Trust Fund

LHFC = Federal Low Income Housing Tax Credits

MHP = State of California Multifamily Housing Program

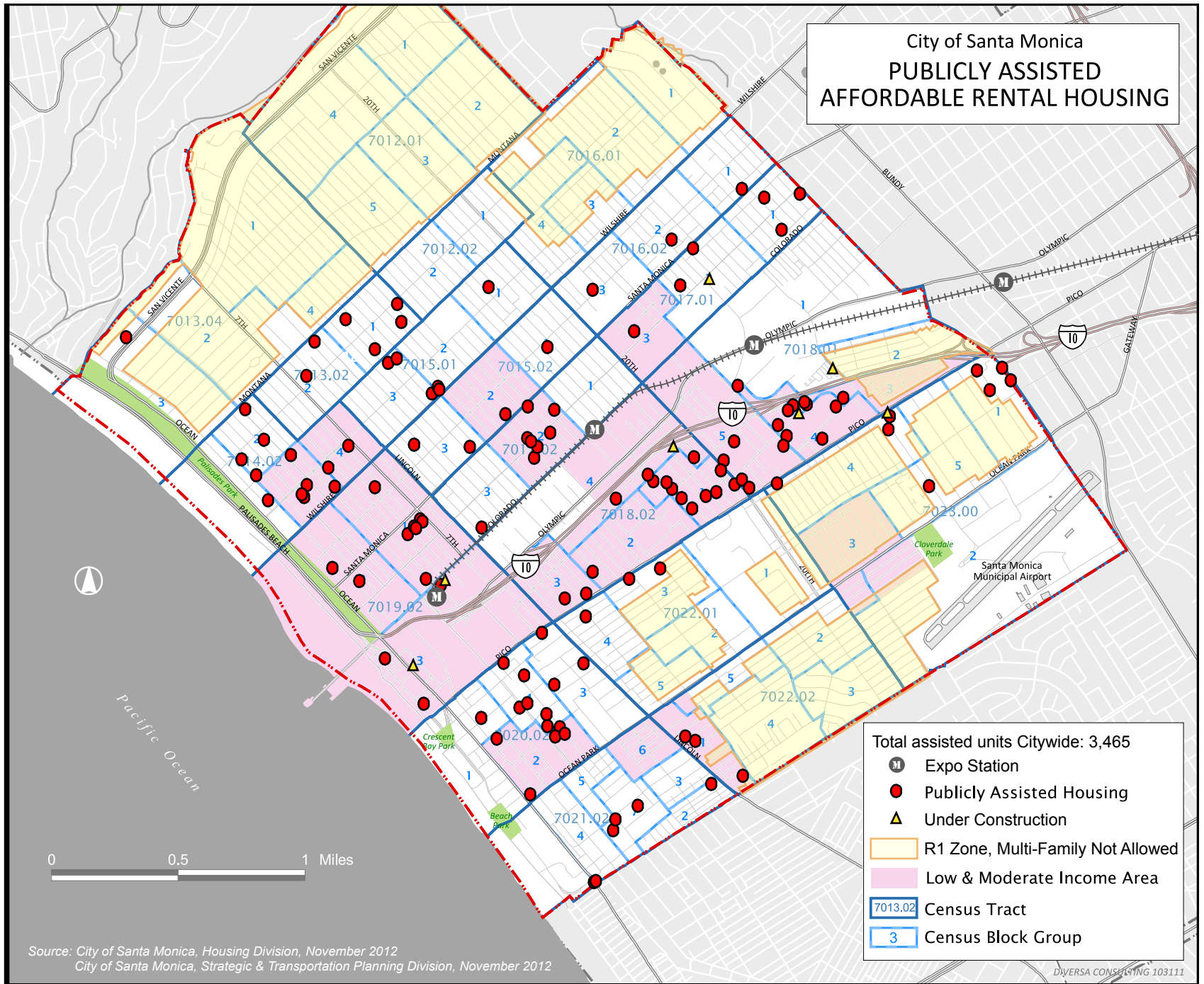
CHTF = Citywide Housing Trust Fund

CHARP = City Housing Acquisition and Rehabilitation Program

HODAG = Housing Development Action Grant

MERL = Multifamily Earthquake Repair Loan Program

PNHTF = Pico Neighborhood Housing Trust Fund



**Figure 3-18
Publicly Assisted
Affordable
Rental Housing**

3. Resources for Preservation/Replacement of Assisted Units

The types of resources needed for preserving units at-risk fall into three categories: (1) financial resources available to purchase existing units or develop replacement units; (2) entities with the interest and ability to purchase and/or manage units at risk; and (3) management programs to provide replacement funding for potentially lost Section 8 rent subsidies.

Public Financing/Subsidies: Various federal, State, and local programs are potentially available for mitigating loss of affordability in the at-risk developments. However, the greatest challenge to preserving affordability of these at-risk senior developments is maintaining the ongoing annual rent subsidies, currently provided by the federal government, which are necessary to maintain existing affordability levels by allowing households to pay no more than 30% of their income towards rent. Although acquiring these developments as a strategy to maintain affordability would certainly present a significant burden for affordable housing financing resources, the one-time nature of such costs are a secondary challenge compared to finding a solution to the annual rent subsidy funding issue. Additionally, federal grant funding to the City of Santa Monica has been significantly reduced in recent years and the statewide elimination of redevelopment agencies has removed a crucial source of affordable housing financing.

- Federal HUD Programs
 - HOME Investment Partnership Program
 - Community Development Block Grant

- Housing Opportunities Extension Act
- State and Local
 - Low Income Housing Tax Credits
 - Housing Trust Funds

4. Non-Profit Affordable Housing Providers

An alternative to providing subsidies to private for-profit owners to maintain units as low-income housing is for public or nonprofit agencies to acquire or construct housing units to replace “at risk” units lost to conversion. The City can explore prioritizing tenants that have lost their unit or rent subsidy in these at-risk buildings for inclusion in new projects funded by the City. A list of non-profit organizations providing housing resources in Santa Monica is included in Chapter 5, Section D.

5. Impact of Costa-Hawkins on the Section 8 Program

Santa Monica’s commitment to providing affordable housing as its primary strategy to encourage diversity was severely tested when the State Legislature passed the Costa Hawkins Rental Housing Act of 1995. Over a three-year period, the Act gradually eliminated any limits on rent increases charged when a tenant either voluntarily vacated an apartment or was evicted for cause.

Following the Costa-Hawkins Act, the Department of Housing and Urban Development (HUD) reduced the Fair Market Rent (FMR) by 14%. This occurred at the same time that Congress allowed landlords who rented to Section 8 and Shelter Plus Care tenants to

cancel their Section 8 contracts after one year with only a 30-day notice. By June 1998, landlords housing 10% of the City’s Section 8 and Shelter Plus Care households cancelled their Section 8 contracts. Due to rapidly rising rents coupled with a reduced FMR, there was not enough of a financial incentive for property owners to remain in the program.

Without the historical advantages of strict rent control, the Section 8 and Shelter Plus Care programs could not compete with FMRs that were 50% to 70% below prevailing market rents in Santa Monica. As a result, a growing number of very low-income households were being forced from their homes.

To help alleviate this issue, the City created the Tenant Assistance Rental Program (TARP) in June 1998 to assist Section 8 “opted-out” tenants. The TARP program provides up to two years of City-funded rental assistance to Section 8 and Shelter Plus Care to tenants whose landlords terminate their Section 8 rental contracts. Since tenants can remain in their homes after the owner cancels the Section 8 contract and continue to pay the MAR with City funds, the TARP program has reduced the incentive to cancel Section 8 contracts. This is because the owner no longer had an immediate financial gain to opt out of Section 8. The Santa Monica Housing Authority continues to operate the program today. The City received approval from HUD for a third increased voucher payment standard ranging from 163% to 203% of the Los Angeles FMR⁶.

6 Santa Monica Housing Authority. PHA Plans 5 Year Plan for Fiscal Years 2007-2013.

F. SHARE OF REGION'S HOUSING NEEDS

The Regional Housing Needs Allocation (RHNA) is a state-mandated process that determines the amount of future housing growth for which each city and county must plan in its Housing Element. 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. The Southern California Association of Governments (SCAG) then determines the share to be allocated to each city and county within its region.

Table 3-30 shows Santa Monica’s allocation in the Final Regional Housing Needs Allocation Plan—Planning Period January 1, 2014–June 30, 2021, adopted by SCAG in October 2012 and approved by HCD on November 26, 2012. Approximately 58% of the units are allocated for households earning less than 120% of the Area Median Income (AMI). Santa Monica’s RHNA represents 86% of the 1,939 units allocated in this cycle to the four Westside Cities (Beverly Hills, Culver City, Santa Monica and West Hollywood). SCAG denied the City’s request to consider a revision during the public review process.

The RHNA represents the minimum number of housing units for which each community is required to provide “adequate sites” 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 inappropriate constraints to development, it is not penalized for falling short of its RHNA target. Santa Monica will continue to provide sites for a mix of housing types, 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 (See Chapter 5).

Table 3-31 Santa Monica’s 2014-2021 Regional Housing Needs Assessment

Income Level	% of AMI*	Units	%
Extremely Low**	0-30%	214	12.8%
Very Low	31-50%	214	12.8%
Low	51-80%	263	15.7%
Moderate	81-120%	283	16.9%
Above Moderate	120%+	700	41.8%
<i>Total</i>		<i>1,674</i>	<i>100%</i>

Source: <http://SCAG.ca.gov/Housing/rhna.htm>
 * AMI – Area Median Income.
 ** Per AB2634, calculated at 50% of the City’s very low income housing needs (428 units) are for extremely low income households.

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4. Potential Constraints on Housing Production and Conservation

The City Council has consistently placed provision of adequate and affordable housing for all residents as one of its primary goals. However, many factors can encourage or constrain the development, maintenance, and improvement of housing including governmental, market, environmental and infrastructure constraints. This Chapter discusses potential constraints and analyzes the extent to which the City can mitigate the negative impacts of these constraints where possible.

In preparing Housing Elements, state law requires local jurisdictions to assess, among a number of factors, any constraints imposed by local government on the maintenance, improvement, or development of housing of all kinds, and to consider removing any such constraints that impede a jurisdiction from achieving its fair share of regional housing need.



A. POTENTIAL GOVERNMENTAL CONSTRAINTS

Local government can affect the production of housing in a variety of ways through its police powers as generally expressed in its land use and development regulations. Some commonly used practices include limiting the land designated for residential development and/or the densities at which that development can occur, imposing fees or exactions, and requiring review periods prior to approval of a project. Local land use regulations can also help to define residential character and facilitate housing production.

It is important to recognize that the goal of producing housing may at times conflict with other City goals, such as the desire to provide open space and recreation facilities, the desire to protect environmental features and historic resources, and the desire to ensure the health and safety of residents by maintaining the current level of community services and infrastructure. This section evaluates the extent to which government regulation in Santa Monica acts as a constraint to the production, maintenance, or improvement of housing for all income groups, and whether such constraints would prevent the City from achieving its assigned share of the regional housing need.

1. Land Use Controls

a. Santa Monica Land Use and Circulation Element (LUCE)

Santa Monica adopted a new General Plan Land Use and Circulation Element (LUCE) in 2010 which

substantially revised the City's land use policies, goals and standards in non-residential zones, although generally maintained the status quo in the city's traditional residential neighborhoods. The overarching goal of the LUCE housing policy is to create significant new additional housing opportunities associated with transit in a manner that provides more affordable options, enhances sustainability, creates complete neighborhoods and provides easy access to local services. The LUCE accomplishes this goal in a variety of ways, including, but not limited to, the following strategies:

- Encouraging the creation of new housing in selected transit-accessible areas such as Downtown, Bergamot Transit Village, and along the city's boulevards.
- Establishing a Neighborhood Conservation Strategy to promote the protection of housing in existing neighborhoods, much of which is under rent control, strengthening standards for demolition and redirecting growth to appropriate locations along transit corridors and in the vicinity of the future Expo Light Rail stations.
- Establishing a maximum base height of 32 feet for ministerial project review, and requiring projects over the base to incorporate community benefits, with affordable housing identified as a primary community benefit.
- Encouraging collaboration with the college and school districts, hospitals and utilities to make creative use of underutilized institutional land for workforce housing.

For approximately 96% of the city, the LUCE preserves the existing pattern of uses and establishes policies for protection and long-term conservation of established neighborhoods. For the full LUCE list of housing-related policies, see Chapter 2 (Housing Plan).

The LUCE establishes 17 land use designations grouped into the following five categories:

- Neighborhoods
- Boulevards
- Mixed Use Centers
- Employment and Commerce
- Community and Public Uses

The LUCE expands housing opportunities into new areas of the city, with residential uses permitted in all but two of the 17 land use categories. While the implementing Zoning Code will establish specific development standards, the LUCE sets forth standards for building height, densities and intensities that establish the outside parameters for zoning. A base height is established for each district, with projects eligible for additional height (and in most districts, increased density or intensity of floor-area-ratio) in exchange for the provision of "community benefits." Affordable and workforce housing is identified within the five priority categories of community benefits. Table 4-1 presents the LUCE land use designations where housing is permitted, and summarizes the base (Tier 1) height and density/intensity standards, and Tier 2 and 3 standards for projects which provide identified community benefits.

Table 4-1 LUCE Land Use Designations – Height and Density/Intensity Standards

LUCE Land Use Designation	Max. Building Height and Density/Intensity		
	Tier 1	Tier 2	Tier 3
Neighborhoods			
Single Family Housing	No tiers. Same as existing R1 height (28') and density (8.7 du/acre)		
Low Density Housing	No tiers. Same as existing R2 height (30') and density (29 du/acre)		
Medium Density Housing	30' / 29 du/acre	40' / 35 du/acre	None
High Density Housing	30' / 35 du/acre	45' / 48 du/acre	None
Boulevards			
Mixed Use Boulevard Low	32' / 1.5 FAR 36' / 1.5 FAR*	36' / 1.75 FAR	47' / 2.0 FAR
Mixed Use Boulevard (100% residential above 1st floor)	32' / 1.5 FAR 39' / 1.5 FAR*	50' / 2.25 FAR	55' / 2.75 FAR
General Commercial (Lincoln & Pico)	32' / 1.5 FAR 36' / 1.5 FAR*	36' / 1.75 FAR 2.0 FAR***	None
Mixed Use Centers			
Neighborhood Commercial	32' / 1.5 FAR 1.75 FAR**	None	None
Bergamot Transit Village	32' / 1.75 FAR 39' / 1.75 FAR*	60' / 3.0 FAR	75' / 3.5 FAR
Mixed Use Creative	32' / 1.5 FAR 36' / 1.5 FAR*	47' / 2.0 FAR	57' / 2.5 FAR
Beach and Oceanfront	32' / 1.5 FAR 36' / 1.5 FAR*	47' / 2.0 FAR 2.25 FAR***	None
Healthcare Mixed Use	No tiers. Existing <i>Hospital Area Specific Plan</i> establishes development standards		
Institutional/Public Lands/ Civic Center	No tiers. Existing <i>Civic Center Specific Plan</i> establishes development standards		
Downtown Core	<i>The 1984 Land Use Element and Bayside District Specific Plan</i> apply until new <i>Downtown Specific Plan</i> establishes new development standards and tier thresholds		
*Height bonus for provision of on-site affordable housing. **FAR bonus for provision of on-site affordable housing. ***FAR bonus for provision of additional affordable housing.			

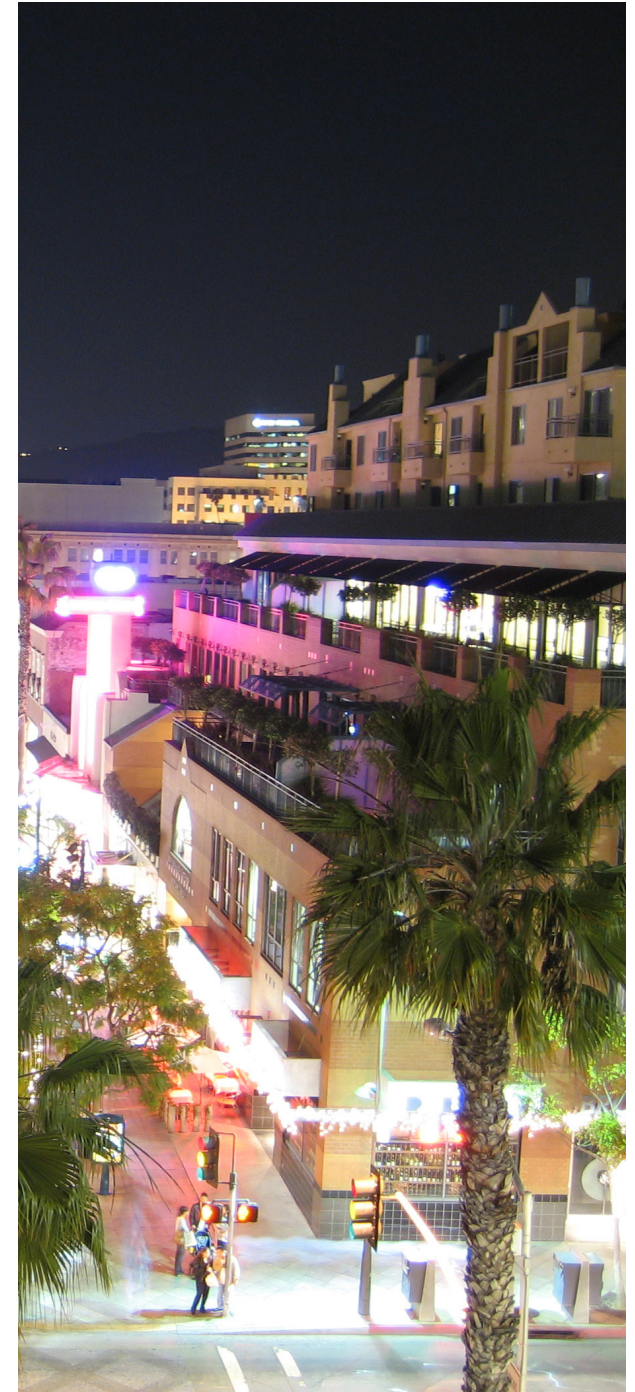


Table 4-2 Residential Development Standards

Development Standard	Residential Zone District			
	R1	R2	R3	R4
Min. Lot Size	5,000 sq. ft.	5,000 sq. ft.	5,000 sq. ft.	5,000 sq. ft.
Max. Density	8.7 du/acre	29 du/acre	35 du/acre	48 du/acre
Max. Height	2 stories/28 ft (35' for certain large parcels)	2 stories/30 ft Flat roof: 23 ft	3 stories/35ft* (Others: 2 stories/23 ft)	4 stories/45 ft Flat roof: 40 ft
Max. Parcel Coverage				
First Story	35-60%	45-50%	50%	50%
Second Story	N/A; except in some specific areas	90% of 1st story	85-90% of 1st story	80% of 1st story
Third Story	N/A	N/A	60% of 1st story	60% of 1st story
Fourth Story	N/A	N/A	N/A	50% of 1st story
Front Yard (ft.)	Varies by street	20 ft	20 ft	20 ft
Side Yard (ft.)	10% parcel width or min 3.5 ft	8 ft	8 ft	8 ft
Rear Yard (ft.)	25 ft	15 ft	15 ft	15 ft
Open Space				
4-5 units	N/A	100 sq. ft. per unit		
6+ units	N/A	50 sq. ft. per unit		
Source: Santa Monica Municipal Code, 2012 * Preferred projects: congregate housing, homeless shelters, hospice facilities, large family day care, residential care facilities, senior group home housing, senior housing, single-family dwellings, transitional housing, multi-family housing where 25% of units are 3 bdrms or larger, projects registered to receive a LEED rating of silver or higher.				

b. Residential Development Standards

The City's zoning regulations are presently under comprehensive review and revision to provide consistency with the LUCE, with a complete updated zoning ordinance targeted for late 2013. Due to areas of conflict between the City's existing zoning ordinance and the LUCE, in January 2011 the City Council adopted Ordinance No. 2345, establishing interim development procedures to implement the LUCE pending adoption of the comprehensive zoning ordinance update. This has been extended to apply until the adoption of the revised Code. The Zoning Code revision is anticipated to essentially maintain the same standards in the residentially-zoned districts presented in Table 4-2. In the commercial districts, the Zoning Code will continue to incentivize the integration of housing in complete neighborhoods and provision of affordable units.

Actual housing construction serves as a measure to evaluate whether the Zoning Code acts as a potential constraint on housing. 1,360 multi-family units have been completed during the first 6½ years of the current planning period (January 2006 – June 2012), as documented in Chapter 6 (Table 6-1). Over half of these multi-family units (744 units) are deed restricted as affordable to very low, low and moderate income households, attesting to the success of the City's affordable housing policies. This level of affordable production is twice Santa Monica's regional housing needs allocation (RHNA) for these income groups, supporting the conclusion that the City's Zoning Code does not constrain housing production.

Parking Requirements: Table 4-3 summarizes Santa Monica’s current parking requirements for residential uses. Single-family residences are required to provide two parking spaces in a garage, whereas parking is calculated on a per bedroom basis for multi-family residences. The parking requirement for condominiums is slightly higher than for rental units. The City provides reduced parking standards for deed-restricted affordable housing and for group housing. Parking standards are being revisited through the Zoning Ordinance revision process, the Downtown Specific Plan and the Bergamot Area Plan, and potentially will be reduced in transit-oriented districts based on trip reduction measures. (Note: To be updated prior to release of Final Draft).

Housing Development in Commercial Zones: For more than a decade, Santa Monica has encouraged housing production in commercial zones through its Zoning Code and various incentives, including ministerial review. While the Downtown has historically been the focus for new housing growth, the LUCE expands housing opportunities along the boulevards and in newly transit-accessible areas near the Bergamot and Memorial Park Expo stations.

The current Zoning Code does not prescribe residential densities within the commercial districts, and instead regulates building intensities through floor area and height. The maximum building height varies from 30 feet in the C2 zone to 45 feet in the C3, C5, and C6 districts. There are no minimum rear and side yard setback requirements, except where the rear parcel line or interior side parcel line abuts a residential district. (Note: To be updated prior to release of Final Draft).

Table 4-3 Parking Requirements for Residential Uses

Residential Use	Off-Street Parking Requirement	Max % Compact Spaces
Artist Studio	1 space/750 sf residential, min. 1 space	None
Boarding homes	0.5 space/unit + 1 guest space/5 units	40
Boarding homes – low/mod restricted	0.25 space/unit + 1 guest space/5 units	40
Congregate housing	1 space/5 beds	40
Detached single-family	2 spaces in garage/unit	None
Detached single-family – lots < 30’ wide	2 spaces in garage/unit, tandem permitted	None
Domestic violence shelters	0.5 spaces/bedroom	40
Fraternity-type housing	1 space/bed	40
Homeless shelters	1 space/10 beds	40
Senior group housing & senior housing	0.5 space/unit + 1 guest space/5 units	40
Senior group housing & senior housing - low/mod restricted	0.25 space/unit + 1 guest space/5 units	40
Single-room occupancy	0.5 space/unit + 1 guest space/5 units	40
Single-room occupancy- low/mod restricted	0.25 space/unit + 1 guest space/5 units	40
Transitional housing	0.5 space/unit + 1 guest space/5 units	40
Condominium		
Studio, no bedrooms	1 covered space/unit	None
1 or more bedrooms	2 covered spaces/unit	None
Visitor spaces (5 or more units)	1 space/5 units	40
Multi-Family		
Studio, no bedrooms	1 space/unit	None
1 bedroom	1.5 spaces/unit	None
2 or more bedrooms	2 spaces/unit	None
Visitor spaces (5 or more units)	1 space/5 units	40
Multi-Family: Deed-Restricted for low occupancy by low and moderate income households		
Studio, no bedrooms	1 space/unit	40
1 bedroom	1 space/unit	40
2 or more bedrooms	1.5 spaces/unit	40
Visitor spaces (5 or more units)	1 space/5 units	40
Source: Santa Monica Municipal Code, 2012.		

Moreover, in several commercial districts, the City offers special incentives for housing:

- In the BSC, C3, C3C, and CM districts, any floor area devoted to residential use is counted at 50% for purposes of calculating FAR. In BCD, C2, C4, and C6 districts, the City offers increased FAR if at least 30% of the project is residential.
- In the BCD, C3, C3-C, and C6 districts, the City eliminates the restriction on the number of stories that can be built if the structure contains at least one floor of residential uses. The City also offers increased maximum height to projects with a designated number of floors of residential use.
- The City offers bonuses for building heights, number of stories and FAR for Code-defined “preferred projects” within many residential and commercial districts.

The City has been highly successful in achieving the integration of residential uses in its commercial districts, both as free-standing residential projects as well as residential/commercial mixed use projects. For example, of the 1,360 units completed during the January 2006 – June 2012 period, over 70% (972 units) were developed within commercial zones. In addition, City records identify over 2,000 proposed units in pending projects located in commercial districts, including in the Bergamot Transit Village/ Mixed Use Creative Districts, the Downtown and along commercial boulevards.



2. Provision for a Variety of Housing Types

Through its zoning powers, Santa Monica offers a range of options for siting residential uses including housing for special needs groups (refer to Table 4-4). The City facilitates the provision of affordable housing by allowing projects with fewer than 50 units by right in almost all residential and commercial zone districts. Transitional housing is treated as a residential use, and is permitted in the same zones as multi-family residential. Homeless shelters are permitted by right in almost all nonresidential zones, and conditionally permitted in six residential districts. The City also provides for domestic violence shelters in all residential districts and most commercial districts. Manufactured housing on a permanent foundation is permitted in all residential zones subject to the same development standards and design criteria as wood-framed housing.

The Zoning Code, which is being revised, formerly included a R-MH: Residential Mobile Home Park District for two Santa Monica two mobile home parks. A Development Agreement transforming one of these parks, the Village Trailer Park, was approved on April 19, 2013. The project approval includes maintaining ten of the existing mobile homes in the eastern portion of the property. The Mountain View Mobile home is included in the LUCE's low density multi-family housing district.

Second units are attached or detached dwelling units in single-family zones that provide permanent provisions for living, sleeping, cooking and sanitation. Pursuant to State statutes, jurisdictions are required

to use a ministerial, non-discretionary process for second unit applications. The City permits second units by-right in the OP and R1 zones, as required under State law. The revised Zoning ordinance will reflect these State-required provisions.

In summary, Santa Monica's Zoning Ordinance contains numerous incentives specifically designed to facilitate the development of affordable and special needs housing, including the following:

- **Planning Fee Waiver:** Planning and Zoning review fees are waived for projects that are 100% deed restricted for affordable housing.
- **Special Needs Housing by Right in Residential Zones:** Senior and senior group housing, transitional housing, congregate housing, and domestic violence shelters are permitted by right in all multi-family residential districts.
- **Special Needs Housing by Right in Commercial Zones:** Shelters of 55 beds or less, domestic violence shelters, congregate housing, transitional housing, single room occupancy housing, and senior housing are permitted by right in the BCD, BSC, C2, C3, C3C, C4, C6, CM, and CP zones.
- **Exemption from Story Limit:** 100% affordable housing projects are exempt from the applicable limits on the number of stories. However, such projects are still subject to applicable height limits in each zone.
- **Height Bonus:** 100% affordable housing projects in nonresidential zones are eligible for a height bonus of ten feet if consistent with the LUCE.

- **State Density Bonus:** Projects may be eligible for increases in density (up to 35%, or in some instances 50%), along with 1-3 development incentives/concessions based upon the amount of affordable housing provided.
- **Reduced Parking Requirements:** Parking reductions are provided for affordable housing, senior housing, shelters, congregate care housing, and transitional housing. Typically, the reduction allowed is 0.5 spaces per unit.

3. Building Codes and Enforcement

Santa Monica has adopted the 2010 California Building Standards Code (based on the 2009 International Building Code), the 2010 California Green Building Standards Code, and 2010 California Residential Code. For historic resources, the City allows determinations to be made based on the State Historical Building Code. The State Building Standards Code establishes accessibility requirements in Chapters 11A (Housing Accessibility) and 11B (Accessibility to Public Buildings, Public Accommodations, Commercial Buildings and Publicly Funded Housing). Consistent with the federal Fair Housing Act, the Code requires all multi-family structures with four or more units built after March 13, 1991 to provide accessible routes throughout the property, and "adaptable" dwelling units to allow conversion to a fully accessible unit without significant costs and the need to do significant structural modifications. In multi-family structures with an elevator, 100% of the units must meet the accessibility requirements, whereas in buildings without an elevator, all of the ground floor units must be accessible. The Code requires

Table 4-4 Permitted Housing Types by Zoning Category

Housing Type	OP	OP-1	OP-2	OP-3	OP-4	R1	R2	R3/ R4	BCD	RVC	CP	CM	CC	C2	C3	C4/ C6	BSCD
Single-Family	P	P	P	P	P	P	P	P	P	P	P	P		P	P	P	
Duplex						UP											
Multi-Family*	P		P	P	P		P	P	P	P	P	P		P	P	P	P
Second Units**		UP				UP											
Transitional Housing			P	P	P		P	P	P	P	P	P	P	P	P	P	P
SRO (up to 49 units)			P	P	P		P	P	P	P	P	P		P	P	P	P
SRO (50+ units)			DR	DR	DR		DR	DR	DR	DR	DR	DR		DR	DR	DR	DR
Domestic Violence Shelters	P	P	P	P	P	P	P	P	P	P	P	P		P	P	P	P
Hospice Facilities						P	P	P									
Large Group Homes	PSP	PSP	PSP	PSP	PSP				PSP							PSP	
Community Care Facilities			C	C	C		C	C									
Residential Care Facilities*** (7+ppl)	C		C	P	C		C	C									
Congregate Housing			P	P	P		P	P	P	P	P	P		P	P	P	P
Senior Housing			P	P	P		P	P	P	P	P	P		P	P	P	P
Senior Group Housing	PSP			P	P		P	P	P	P	P	P		P	P	P	P
Homeless Shelters <= 55 beds			C	C	C			C	P	C	P	P	P	P	P	P	P
Homeless Shelters > 55 beds			C	C	C			C	C	C	C	C	P	C	C	C	C
Artist Studios										P		P	P		P	P	P

Source: Santa Monica Municipal Code, 2012

P = Permitted by right. DR = Development Review. UP = Use Permit. C = Conditional Use Permit. PSP = Performance Standards Permit.

* Multi-family apts with 25% 3+ bedroom units, 60% 2+ bedrooms, and project registered with USGBC to receive LEED rating of silver or higher.

** Second units are permitted by-right in the OP-1 and R1 zones, as required under State law. The Zoning Code update will reflect these by-right provisions for second units.

*** Residential care facilities with 6 or fewer persons are considered a family dwelling and permitted in all zones where single-family units are permitted.

Supportive housing is permitted and considered a residential use by right under the definitions of Transitional Housing, Domestic Violence Shelters, Congregate Housing, Residential Care Facilities and Homeless Shelters.

compliance with the following seven basic design and construction requirements for accessible routes and unit adaptability:

1. Accessible building entrance on an accessible route
2. Accessible and usable public and common-use areas
3. Usable doors by a person in a wheelchair
4. Accessible route into and through the dwelling unit
5. Light switches, electrical outlets, thermostats, etc in accessible locations
6. Reinforced bathroom walls for later installation of grab bars
7. Usable kitchens and bathrooms for persons in a wheelchair

These accessibility requirements pertain to new construction only, and not renovations or remodels. However, the Building Code applies a more stringent standard for publicly-funded housing, requiring 20% of public funds utilized on renovation, structural repair, alterations or additions to existing multi-family buildings be allocated towards removal of architectural barriers.

Section 504 of the Rehabilitation Act of 1973 adds an additional accessibility requirements for projects receiving federal funds, such as HOME or CDBG. In federally assisted new construction or substantially rehabilitated housing with five or more units, 5% of the units, or at least one unit, must be accessible for persons with mobility disabilities. An additional 2% of the dwelling units, or at least one unit, must



be accessible for persons with hearing or visual disabilities. These units must be constructed in accordance with the Uniform Federal Accessibility Standards (UFAS), or a standard that is equivalent or stricter. UFAS generally defines an accessible housing unit as a unit located on an accessible route that can be approached, entered and used by individuals with disabilities.

Santa Monica's Building and Safety Division ensures compliance with all State and Federal accessibility requirements as part of the Plan Check process. During the construction phase, building inspectors conduct site visits to ensure the project adheres to the required accessibility specifications prior to signing off on the final certificate of occupancy.

Code enforcement can be a potential fair housing concern because code compliance actions may create disproportionate impacts on protected groups such

as minority populations. In Santa Monica, however, code enforcement is triggered by complaints and the City seeks voluntary code compliance through administrative processes. In some cases, proactive campaigns are also undertaken when a widespread problem is identified. In conjunction with inspecting and noticing property owners regarding a violation, code enforcement personnel inform property owners of assistance provided through the City's various housing rehabilitation programs.

In the past, City regulations regarding the status of certain units that had been illegally created in multi-family properties and then registered with Rent Control caused conflict. To address this, the Council passed an ordinance in 2008 that set forth terms for ensuring habitability and allowed such units to become legal, non-conforming. During the term of the current Housing Element, permit data identified a net of 43 such units that were upgraded and legalized.

4. Zoning Regulations and Practices for Persons with Disabilities

The City of Santa Monica recognizes the importance of addressing the housing needs of persons with disabilities. This section reviews potential governmental constraints to the development and improvement of housing for persons with disabilities.

a. Definition of a Family

Local governments may unintentionally restrict access to housing for households failing to qualify as a “family” by the definition specified in a zoning code. Specifically, a restrictive definition of “family” that limits the number of and differentiates between related and unrelated individuals living together may illegally limit the development and siting of group homes for persons with disabilities, but not housing for families that are similarly sized or situated.

Santa Monica’s Zoning Ordinances does not include a definition of “family”. Instead, it defines the persons who occupy a housing unit as a “household”. A household is defined as follows:

9.04.02.030.415 Household

Persons living together in a single dwelling unit, with common access to, and common use of all living and eating areas and all areas and facilities for the preparation and storage of food within the dwelling unit.

This definition of household does not refer to related or unrelated persons who may occupy a housing unit.

Therefore, the zoning regulations do not discriminate against unrelated individuals with disabilities who reside together in a congregate or group living arrangement.

b. Zoning and Land Use

Pursuant to the Lanterman Act, licensed residential care facilities for six or fewer persons must be treated as a regular residential use and permitted where residential uses are permitted. Santa Monica zoning regulations specify that residential care facilities with 6 or fewer persons are considered a family dwelling and thus permitted in all zones where single-family units are permitted:

9.04.02.030.715 Residential Facility

A community care facility which consists of any family home, group care facility, or similar facility as determined by the Director of the State Department of Social Services, for twenty-four-hour non-medical care of persons in need of personal services, supervision or assistance essential for sustaining the activities of daily living or for the protection of the individual, as defined in Article 1 of Chapter 3 of the California Health and Safety Code, Section 1500 et seq. A residential facility serving six or fewer persons shall be considered a family dwelling for all zoning purposes.

In terms of large residential care facilities with more than six residents, Santa Monica’s Zoning Code conditionally permits these uses in the R2, R3, R4, OP,

OP-2, and OP-4 zones, whereas the OP-3 zone permits them by right (see Table 4-4).

Development standards for housing that serves persons with disabilities are the same as those for other residential developments. The Zoning Code does not specify a unique set of performance standards for group care facilities and other types of housing facilities for persons with a disability. The standard development requirements are not overly burdensome and do not represent a constraint to the provision of such housing.

Santa Monica’s Zoning Code does not contain a definition of disability. However, specific disabilities are included as part of a use definition, such as “terminally ill (hospice definition) and chronic illness/ infirmity (nursing home definition). Under the Fair Housing Act, persons with disabilities (or handicaps) are defined as “individuals with physical or mental impairments that substantially limit one or more major life activities; has a record of such impairment; or is regarded as having such impairment.” The current Code, by having no definition, is silent and does not conflict with the State definition. However, in order to clarify and affirmatively further fair housing, the City will incorporate a disability definition within the updated Zoning Code.

c. Reasonable Accommodation

Both the Federal Fair Housing Act and the California Fair Employment and Housing Act direct local governments to make reasonable accommodations (i.e. modifications or exceptions) in their zoning

laws and other land use regulations when such accommodations may be necessary to afford disabled persons an equal opportunity to use and enjoy a dwelling. One of the primary reasons for a reasonable accommodation procedure is to provide a way – other than through a variance – for disabled applicants to request a modification from zoning, building and land use rules, standards, and policies. For example, it may be reasonable to accommodate requests from persons with disabilities to waive a setback requirement or other standard of the Zoning Code to ensure that homes are accessible for the mobility impaired. Whether a particular modification is reasonable depends on the circumstances.

The City’s reasonable accommodation procedures currently under development will make explicit that facilities housing seven or more disabled persons may seek an exception or waiver from the Zoning Code standards and requirement for a Conditional Use Permit, in compliance with state law. (Note: To be updated prior to release of Final Draft).

Community Corporation of Santa Monica (CCSM), which receives funding through the City’s Affordable Housing Program to construct deed-restricted affordable housing in the city, maintains written procedures for granting a reasonable accommodation on its nearly 1,500 affordable rental units. Many of its recently built units include affordability-adaptable features, as required by the building code. CCSM reports receiving an average of 3 to 5 requests for reasonable accommodations per month, and provides accommodation through various means,

Table 4-5 Fee Schedule for Residential Development, 2013

Application Type	2013 Fee
Architectural Review	\$1,644.14
Conditional Use Permit (CUP)	\$14,002.46
Deed Restriction	\$402.49
Design Compatibility Permit	\$12,945.51
Development Agreement	Hourly Cost (\$266.58/hr) with initial deposit of \$5,000
Development Review	\$16,351.22
Tentative Map	\$4,186.91
Final Map	\$1,586.88
Reduced Parking Permit	\$3,829.24
Pre-Submittal Review	\$2,105.72
Variance	\$3,656.98
Yard Modification	\$3,523.15
Affordable Housing Unit Base Fee	\$27.57/sf - market rate apts \$32.30/sf - market rate condos
Source: City of Santa Monica, City Planning Application Fees, effective January, 1, 2013	

including transfer of units and assistance from the Westside Center for Independent Living (WCIL). The Santa Monica Housing Authority (SMHA) also maintains written policies and procedures for granting a reasonable accommodation as part of its Administrative Plan.

5. Development Fees/Assessments

Like cities throughout California, Santa Monica collects various fees, charges, and taxes on new residential development. These charges are set at rates designed to recover the cost of permit processing and the costs

of providing public services to the residents, and to mitigate certain development impacts (e.g., parks and open space and affordable housing). The City conducts a periodic assessment of its fees to ensure they reflect the actual cost of providing services, with most user fees adjusted annually based on the change in the Consumer Price Index (CPI). Table 4-5 summarizes the City’s adopted planning application fees for residential development and includes the affordable housing fee.

Most planning and construction fees and taxes are due at building permit issuance, but some fees and charges (e.g., affordable housing fees, when applicable;



infrastructure improvements for which security instruments may be posted) may be paid at a later point in the construction process (e.g., Certificate of Occupancy). In limited cases, off-site improvements may be required to mitigate project impacts (e.g., street, utility or sewer capacity improvements), or to repair public facilities damaged during project construction (e.g., sidewalk and curb reconstruction or alley repaving), and in order to protect the public health, safety and general welfare of city residents, businesses and visitors.

When a residential development project requires multiple planning permit applications, the City places a cap on the combined fees. Planning and zoning application fees are waived for affordable housing projects.

Santa Monica’s Affordable Housing Production Program (the “AHPP”), allows eligible residential projects¹ to pay an affordable housing fee as one of the alternatives for meeting the program’s requirement; fractional unit requirements of less than 0.75 can also be met through payment of a fee. The “Affordable Housing Base Fee” reflects the average cost to the City to develop a unit of housing affordable to low and moderate income households,

¹ Multi-family ownership projects of 4+ units within multi-family residential districts are required to provide the affordable unit(s), either on or off-site, and are not offered the affordable housing fee option.

and is adjusted annually based on changes in land and construction costs. Until recently, the AHPP provided a discount to the Affordable Housing Unit Base Fee for new development that did not displace existing multi-family housing – a 50% discount in commercial zones and 25% discount in residential zones. However, review of development data over the past several years indicated that the majority of developments have occurred on parcels with existing multi-family units, and that the AHPP fee discount was thus not achieving its intended purpose to minimize tenant displacement. In September 2012, the City Council amended Section 9.56.070 of the Municipal Code to eliminate the previous fee discount, generating an estimated additional \$50,000 to \$100,000 in annual fee revenues in support of affordable housing.

As a means of assessing the total cost that fees contribute to development in Santa Monica, the City has calculated the individual and cumulative costs of City permit fees, charges, and taxes applicable to three recent multi-family and mixed use development projects (Table 4-6). The first project is a 50 unit, 100% affordable apartment project with 8,700 square feet of ground floor commercial located in the C4 zone. The second project is a 90 unit, mixed income apartment project with ground floor retail, also located in the C4 zone. The third project is a five-unit market rate townhome project, with one on-site affordable unit, located in the R-3 zone. Consistent

with the vast majority of recent projects in Santa Monica, all three projects are fulfilling their affordable housing requirements under the AHPP on-site rather than paying the in-lieu fee.

As indicated in Table 4-6, total development fees are approximately \$6,400 per unit for the 100% affordable project, and \$8,700 per unit for the mixed income apartment project². Based on the City's adopted Affordable Housing Unit Development Cost estimate of \$289,299 for FY2012-13, these cumulative development fees represent a nominal 2.2% to 3.0% of the total cost of development. And while development fees for the five unit townhome project were significantly higher at \$24,000 per unit, this fee amount still represents just 3.7% of the \$645,000 median condominium sales price in Santa Monica³. Given the modest percentage that fees represent of total development costs and sales prices, combined with the fact that the volume of new multi-family construction exceeds the City's fair share of regional housing need, it can reasonably be concluded that the City's permit fees and other development charges and taxes do not impose an undue constraint on the production of new housing.

² The City is considering proposed development fees for housing and open space that, if adopted, would increase total fees. Economic analysis of these proposed fees is being undertaken.

³ Source: DataQuick condominium sales within Santa Monica zip codes, Jan-Sept 2012.

Table 4-6 Development Fees Applicable to Prototypical Residential Development Projects

Project Characteristics	1430 Lincoln	1650 Lincoln	1533 11th St.
Zone	C4	C4	R3
Project Density	145 du/acre	244 du/acre	29 du/acre
Market Rate	--	56*	4
Affordable	50	34	1
Total Units	50	90	5
Residential Floor Area	20,580 sq. ft.	41,389 sq. ft.	7,527 sq. ft.
Avg. Unit Size	390 sq. ft.	460 sq. ft.	1,500 sq.ft.
# Parking Spaces	101	84	12
Tenure Type	Rental	Rental	Ownership
Ground Floor Commercial	8,780 sq. ft.	1,500 sq. ft.	None
Development/Planning Fees			
Administrative Approval fee	Waived	NA	NA
Dev. Agreement fee**	NA	\$17,000	NA
Tentative Map application fee	NA	NA	\$3,583.61
CEQA analysis	Exempt	Exempt	Exempt
ARB fee	Waived	\$1,543.79	\$1,543.79
Design Compatibility Permit	NA	NA	NA
Affordable Housing In-Lieu fee	NA (on-site)	NA (on-site)	NA (on-site)
Affordable Housing Deed fee	Waived***	Waived***	Waived***
Residential Use Deed fee	Waived***	NA	NA
Cultural Arts fee	\$17,569 (comm. sf only)****	\$47,800	\$13,184
Child Care Linkage fee	\$54,436 (comm. sf only)****	\$14,270	\$533.92
Transportation Impact Fee	\$94,824 (comm. sf only)****	\$229,950	\$13,200
Construction Fees			
Plan check	\$63,193.58	\$63,741.26	\$11,858.68
Building Permit	\$78,984.99	\$79,673.25	\$14,493.51
School District fee	\$57,813.00	\$109,483.00	\$19,796
Wastewater	\$95,250	\$171,450	\$12,885
Water Demand	\$18,750	\$33,750	\$2,850
Water Meters	\$8,281	\$8,281	\$21,676
Taxes			
Recreational Unit tax	0	\$11,200	\$800
Condo Tax	NA	NA	\$4,000
Total Fees and Taxes	\$322,272.57	\$788,142.30	\$120,404.51
Total Fees/Unit	\$6,445.45	\$8,757.14	\$24,080.90
* Includes workforce housing at 130% ** Estimate ***Fee waived - affordable housing deed restriction **** Mixed use project with 100% affordable units - impact fees applicable to commercial square footage only Source: KWA, 2012			

6. Permit Processing Procedures

Since 2000, the City has modified several procedures for processing and permitting development projects that require City review in order to address neighborhood concerns regarding the level of development activity occurring in the city. The following summarizes three of the City's discretionary review procedures, and the conclusions from the City's 2008-2014 Housing Element, which found that none of these procedures operates as a constraint to development⁴.

a. Design Compatibility Permit

In March 2000, the City replaced the previously required Conditional Use Permit (CUP) with a Design Compatibility Permit for condominiums and cooperative apartments. The permit focuses attention on the degree to which a proposed project's siting and design is compatible with and relates harmoniously to the surrounding sites and neighborhood, rather than whether the use itself is appropriate for the site, the prior focus under the CUP. In addition, a subsequent ordinance establishing design standards and review procedures eliminates the requirement for a Design Compatibility Permit in the R2, R3 and R4 zone districts.

⁴ In support of the 2008-2014 Housing Element, the City conducted a detailed economic analysis of 12 City policies, programs and regulations to assess whether they operated, either individually or cumulatively, as a constraint to the production of housing. The analysis concluded that none of the City initiatives served as an actual constraint to development, as confirmed by the State Department of Community Development (HCD) approval letter on the City's adopted Housing Element.

The 2008-2014 Housing Element analysis concluded that the Design Compatibility Permit does not operate as a constraint for the following reasons: 1) its scope is limited to condominiums and thus does not affect apartment projects; 2) it does not add to processing times as the permit is processed simultaneously with subdivision map approvals; and 3) application costs and out-of-pocket costs are similar to the prior CUP requirement, which were previously found not to be significant in terms of their impact on housing production.

b. Development Review Thresholds – 7,500 sq. ft.

In November 2000, the City Council adopted an ordinance to lower the project size threshold triggering Development Review to 7,500 square feet in two mixed-use and several non-residential districts. Affordable housing developments and mixed-use projects that include specified percentages of residential floor area and affordable housing are exempt.

The 2008-2014 Housing Element analysis concluded that the lower Development Review thresholds do not operate as a constraint because: 1) affordable projects are exempt (including 100% low/mod projects and mixed use projects with at least 80% residential with 15% low income or 10% very low income units); 2) projects in the C2 and CM zone that meet requirements for ground floor pedestrian-oriented uses and include the maximum percentage of residential use permitted under zoning are exempt; 3) the ordinance doesn't change the 50% discount for the residential floor area provided in a residential or mixed use project; and 4) review of actual Development Review permit

applications show that nearly all were approved by City decision makers.

c. Development Review Thresholds – 50+ units

In April 2007, the City Council adopted an ordinance requiring a Development Review Permit for any development that exceeds 50 units, with certain exceptions. This ordinance was based on experience which demonstrated that the decision made in 2000 to exempt all affordable housing from any Development Review threshold needed to be revisited in order to protect neighborhoods and the quality of life, particularly while the LUCE process was ongoing.

The 2008-2014 Housing Element analysis concluded that the Development Review requirement for projects with 50+ does not operate as a constraint because: 1) it has been established that the Development Review process per se is not a constraint; 2) it only applies to large projects; and 3) it is an interim measure until the final implementing regulations are adopted for the LUCE.

d. Development Review Process

Santa Monica's development review process can be summarized in the following steps. All of these steps may not be necessary depending on the size, type and location of the project. The City continues to focus on process improvements through its pre-submittal review, appointment system for submittal of planning permit and ARB applications, and assignment of a staff project manager for single point of contact.

Pre-Submittal Review: The City encourages applicants to schedule a pre-submittal meeting where projects

are reviewed and comments offered by the Urban Designer and six City divisions responsible for reviewing development applications and plan checks. This process allow applicants to get potentially critical information up-front, and can potentially save developers time and money by addressing concerns at an early stage, thereby avoiding delays later in the process.

Application Submittal: Once the project application is ready for submittal to the City, the applicant calls to schedule an appointment with a City planner; appointments are generally scheduled within one week. During the appointment, the City planner will review the application and either deem it as complete, or identify additional material or information required for processing; follow up appointments are scheduled with the same planner to ensure consistency.

Plan Review: The Plan Review process begins after the application plans and required fees have been submitted. A project manager is assigned who will remain the applicant's point of contact throughout the entire project development process. The project manager will also evaluate the project for compliance with the California Environmental Quality Act (CEQA). The application is distributed to the appropriate City divisions for review and comment.

Architectural Review Board (ARB): The ARB reviews new construction, additions and remodels in all zones except R-1 for design quality and compatibility with the surrounding environment, and has discretion over site planning, building design, landscaping, walls/fences, mechanical equipment screening and

features for runoff reduction. ARB review occurs after any necessary project approvals from Planning Commission or City Council, with typical projects requiring only a single ARB hearing. Projects may return to ARB for review of landscape plans, but building permits may be issued prior to landscape review.

The following documents are available at the City Planning Counter and on-line to provide clear guidance to applicants on the City's design requirements:

- Architectural Review Guidelines
- Sign Handbook and Sign Code
- Water Conservation Landscape Guide
- Ocean Park Design Guidelines (for projects within an OP zone)
- Zoning Ordinance

Pursuant to SMMC Section 9.32.140, the ARB may approve, approve with conditions, or disapprove a project subject to the following criteria:

- a. The plan for the proposed building or structure is expressive of good taste, good design, and in general contributes to the image of Santa Monica as a place of beauty, creativity and individuality.
- b. The proposed building or structure is not of inferior quality such as to cause the nature of the local neighborhood or environment to materially depreciate in appearance and value.
- c. The proposed design of the building or structure is compatible with developments on land in the general area.

- d. The proposed development is in conformity with the effective guidelines and standards adopted pursuant to Chapter 9.32 of the Municipal Code and all other applicable ordinances insofar as the location and appearance of the buildings and structures are involved.

Development Review Permit: As discussed earlier in this section, residential projects with 50 or more units require Development Review Permit approval by the Planning Commission. The Commission shall approve or conditionally approve a Development Review Permit application based on the following findings:

- The physical location, size, massing and placement of proposed structures on the site and the location of proposed uses in the project are compatible with the surrounding sites and neighborhood.
- The rights-of-way can accommodate autos and pedestrians, including adequate parking and access.
- The health and safety services (police, fire, etc.) and public infrastructure (e.g. utilities) are sufficient to accommodate the new development.
- Any on-site provision of housing or parks and public open space which are part of the required project mitigation measures satisfactorily meet the goals of the mitigation program.
- The project is generally consistent with the Municipal Code and General Plan.
- Reasonable mitigation measures have been included for all adverse impacts identified in an Initial Study or Environmental Impact Report.

In general, most housing project applications are approved by the City following varying amounts of revision that shapes the project to meet City requirements and goals.

Condominium Project Review: Condominium development in Santa Monica generally consists of the following five stages:

1. Demolition application process (as applicable);
2. Planning Commission review of the Tentative Map;
3. Architectural Review Board review of the building design and landscaping;
4. City Council approval of the Final Map; and
5. Plan Check to obtain building permits.

Generally, the length of time to obtain all City permits ranges from nine months to one year for

condominium projects consisting of six or fewer units. Projects involving more than 6 units or projects which exceed development review thresholds involve environmental analysis pursuant to the California Environmental Quality Act (CEQA), adding time to the entitlement process.

The City offers several services to help applicants understand these processes, and has developed materials including a flow chart illustrating each step in the condominium application and approval process. The Planning & Community Development Department encourages prospective developers to contact City staff, and offers consultation services by phone, at the City’s public counter for walk-in customers, and in pre-submittal application meetings.

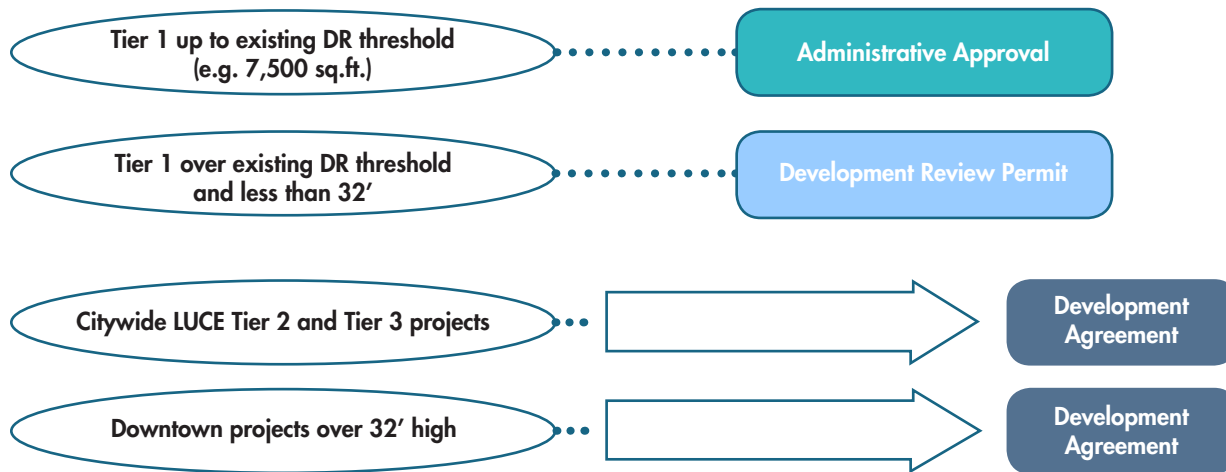
Interim Development Review Procedures under the LUCE: As discussed earlier in the section, the

City has adopted interim development procedures to implement the LUCE pending completion and adoption of the Zoning Code update. Figure 4-1 explains the LUCE interim development review thresholds currently in place.

The LUCE identifies a lower by-right height and floor area for each land use as a base, with projects above the base subject to discretionary review and additional requirements that provide community benefits to the neighborhood. The following projects are exempt from the LUCE interim development procedures:

- 100% Affordable Housing with 50 units or less (deed restricted for up to 80% AMI) continue to be subject to Administrative review. Non-residential uses are permitted, provided they are less than 33% of total project floor area.
- BSC1 Zone (3rd Street Promenade) if development project is less than height and floor area of existing – existing Zoning Ordinance development procedures apply

Figure 4-1 Interim Development Procedures*



*Pipeline projects are currently processed as Development Agreement applications.

7. On and Off-site Improvements

While Santa Monica is fully developed with its primary infrastructure systems in place, upgrading these systems is sometimes necessary to accommodate new development. As part of the building permit process, the City can require the provision of on-site and off-site improvements necessitated by the development, such as improvements to alleys, curbs and gutters, streets, sidewalks and street lights, and utility undergrounding. These on and off-site improvements are undertaken regularly by developers and are not considered a constraint to development.

8. Analysis of City Ordinances and Rent Control Law

For each of Santa Monica’s last three Housing Elements (1998-2003, 2000-2005 and 2008-2014), a comprehensive economic analysis was conducted to assess the degree to which certain City ordinances and initiatives might operate as governmental constraints on the production of new housing. The analyses for the two most recent Housing Elements concluded that the City’s initiatives do not introduce procedural or substantive costs that serve as an actual constraint to housing production, as confirmed by the State Department of Housing and Community Development (HCD) approval of the City’s Housing Elements.

Objective 1.a of the 2008-2014 Housing Element required staff to evaluate by 2011 whether the City was on track to meet its RHNA and quantified objective, and to consider whether there was a need to propose revising City regulatory requirements based on that evaluation. In November 2011, an internal memo prepared by Strategic & Transportation Planning staff analyzed permits issued for construction, which at that point in time totaled 1,217 units since the planning period began (January 1, 2006), of which 51.6% were deed restricted affordable units. The memo concluded that governmental regulations and fees were not acting as a constraint on housing and consideration of revisions was not necessary. New data and program review conducted for this Housing Element have led to the conclusion that there is no reason to anticipate that the previous economic analysis would be any different today.

Table 4-7 Affordable Housing Production Program Options

	2-3 Ownership Units in Multi-family Zones; 2+ Rental Units in Multi-Family Zones	4+ Ownership Units in Multi-Family Zones
On-site Option	<ul style="list-style-type: none"> • 10% very low income units, or • 20% low income units, or • 100% moderate income units (for non-residential zones) 	<ul style="list-style-type: none"> • 4-15 units: 20% very low, low or moderate income units • 16+ units: 25% very low, low or moderate income units
Off-site Option	Same as on-site option	25% more than required number of on-site units
Affordable Housing Fee (2012)	\$25.57/sf for apartments \$32.30/sf for condominiums	Not Applicable
Land Donation Option	SMMC 9.58.080	Not Applicable
Source: City of Santa Monica, 2012		

The following section focuses on three key policies in Santa Monica which serve to promote the production and preservation of affordable housing for all individuals without discrimination: the Affordable Housing Production Program and Density Bonus provisions; Anti-Discrimination ordinances; and Santa Monica’s Rent Control Law. As evidenced by the robust housing development, these policies do not impede housing production or prevent the City from reaching its quantitative housing goals.

a. AHPP and Density/Development Bonus Provisions

The City’s Affordable Housing Production Program (AHPP) requires that residential and mixed-use projects of two or more units contribute to affordable housing production to assist the City in addressing its affordable housing needs. Table 4-7 summarizes the four options for fulfilling the City’s AHPP requirements.

A Planning and Community Development Department handout that summarizes the interaction of the City’s AHPP requirements with density/development bonus provisions states the following:

- A multi-family project in a residential district that provides on-site affordable units in accordance with the AHPP shall be entitled to the density bonuses and incentives provided by Sections 9.04.10.14.050 and 0.04.10.14.060 (of the Municipal Code) and the waiver/modification of development standards provided by Section 9.04.10.14.070.
- Affordable housing incentives such as reduction in setbacks or parcel coverage are contingent upon providing a minimum percentage of affordable housing and seeking a density bonus.
- A multifamily project applicant in a commercial or industrial district shall be entitled to the development bonus and incentives provided in the LUCE and implementing ordinances.

b. City Anti-Discrimination Ordinances

Santa Monica maintains the following anti-discrimination protections within its Code:

Sexual Orientation or Domestic Partnership: Chapter 4.40 of the Municipal Code prohibits housing discrimination against persons based upon sexual orientation or domestic partnership. Specifically, the Code prohibits unlawful real estate practices, generally defined as the refusal to treat persons fairly in the sale, lease or rental of housing; the provision of credit or insurance; the advertisement of housing; and the provision of tenant services. In addition, the Code prohibits evictions against any tenant on the grounds that he or she has breached a rental agreement if the alleged breach arises from an increase in the number of occupants due to the domestic partnership of the tenant, provided that the occupancy by the tenant's domestic partner and children of the domestic partner is otherwise lawful.

Persons Living with AIDS: Chapter 4.52 of the Municipal Code prohibits housing discrimination against a person with AIDS, a history of AIDS, or those regarded as having or transmitting AIDS. Specifically, the Code prohibits unlawful real estate practices, which are generally defined as the refusal to treat persons fairly in the sale, lease or rental of housing; the provision of credit or insurance; the advertisement of housing; and the provision of tenant services. The only exception applies to the rental or leasing of any housing unit in which the owner or lessor or any member of his or her family occupies one of the living units and it is necessary for the owner or lessor to use a bathroom or kitchen facility in common with the prospective tenants.

Families with Children: Chapter 4.28 of the Santa Monica Municipal Code establishes the following actions as unlawful for any person offering for rent, leasing, or listing any housing accommodation, or any authorized agent or employee of such person:

- Refuse to rent or lease a housing accommodation, allow access to or use of the common areas and facilities, serve a notice of termination of tenancy, commence an unlawful detainer action or otherwise deny or withhold a housing accommodation on the basis of age, parenthood, pregnancy, or the actual or potential occupancy of a minor or child.
- Advertise, represent, or include in any contract with regard to a housing accommodation offered by that person a statement that indicates any preference, limitation, or discrimination with respect to age, parenthood, pregnancy, or the potential actual occupancy of a minor child.
- Include in any rental agreement or lease for a housing accommodation a clause providing that as a condition of continued occupancy, the tenants shall remain childless or shall not bear children or otherwise not maintain a household with a person or persons of a certain age.
- Threaten to commence or commence eviction proceedings against any tenant head of household on the grounds of breach of a rental agreement due to an increase in the number of occupants arising out of the marriage of the tenant, or the birth, adoption, or change of legal custody of a minor child of whom the tenant head of household or his or her spouse is the parent or legal guardian.

Exceptions to this chapter include housing designed and operated exclusively for senior adults and their spouses, or any nursing, convalescent, or retirement home.

c. Rent Control

Santa Monica Rent Control was adopted by the voters in April 1979 in response to a shortage of housing units, low vacancy rates and rapidly rising rents. The law was intended to alleviate the hardship of the housing shortage and to ensure that owners received no more than a fair return. Regulations were adopted by the Rent Control Board to implement and enforce the Rent Control Law. Changes to the Charter can only be made by the voters, whereas changes to the implementing Regulations are made by the Board.

The City's Rent Control Law:

- Controls the amount that may be charged for a rental unit and provides remedies for the collection of excess rent.
- Determines the amenities and services that are included as part of the rent and provides remedies for removal or reduction of those amenities.
- Limits the reasons why tenants may be evicted.
- Limits removal of controlled units from rental market.

The following units are covered under the Law:

- Most residential rental buildings in the city constructed prior to April 10, 1979 and certain units constructed after that date (e.g., those on properties on which a rent-controlled building

stood within the last five years) are covered by Rent Control.

- In addition to apartment buildings, Rent Control also applies to some single-family homes and condominiums used as rentals.
- Duplexes and triplexes where one of the units is occupied by the owner are eligible for an exemption from rent control.

The Rent Control Board provides waivers of Rent Control registration fees to units occupied by their owners, subsidized by HUD (Section 8 or HOME program), or occupied by low-income tenants who are over 62 or disabled. There are also fee waivers for condominiums and single-family-dwellings on which rent restrictions have been lifted pursuant to the Costa-Hawkins' Act and in mobile home parks for units where tenants have signed long-term leases.

Vacancy Decontrol: The Costa-Hawkins Rental Housing Act, passed by the State Legislature in 1995, has had a significant impact on local rent affordability. Under this state law, a unit's rent is decontrolled at the end of a tenancy. The owner can set a new rent for the next tenancy which is then controlled using the new rent as the base, leading some to characterize Costa-Hawkins as a system of "vacancy decontrol-recontrol." The following highlights some of the major effects Costa Hawkins's has had on the Santa Monica rental market during its 13 years of implementation (1999-2012)⁵:

⁵ Santa Monica Rent Control Board, 2012 Annual Report, April 2013

- Since the decontrol-recontrol system began, nearly 17,850 controlled units have received vacancy increases, representing 63% of the City's total rent controlled housing stock. Market rate rents are on average roughly double that of long-term controlled rents.
- Median rents for decontrolled-recontrolled apartments have gone up by well over 150% between 1999-2012, compared to a cumulative rate of inflation in southern California of 50% over the same period.
- Prior to Costa Hawkins, 82% of Santa Monica's rental units were affordable to low income households (<80% AMI); with 63% of the rental stock decontrolled-recontrolled as of 2012 due to tenant turnover, even moderate income households (<120% AMI) are challenged to afford the majority of rental housing in the community.

The impact of this dramatic increase in rents on lower income households is significant. For example, many young people earning entry-level pay will be unable to afford to live in Santa Monica and those living on fixed incomes—principally seniors and the disabled—will likely be unable to continue to live here if they lose their long-term rent-controlled housing.

The City has enacted Just Cause Eviction and Tenant Harassment Laws to help protect existing tenants in rent controlled housing from unfair evictions, and the voters expanded these protections in 2010 through Measure RR to most residential tenants regardless of rent control status.



Just Cause Eviction: Santa Monica’s Rent Control Ordinance establishes “Just Cause Eviction” provisions, and defines procedures which a property owner must follow to lawfully evict a tenant. These local provisions are in addition to State regulations on landlord and tenant rights and responsibilities. The City’s Ordinance identifies the following permissible grounds for eviction:

- Fault-Based Evictions
 - Nonpayment of rent
 - Materially and substantially breaching the lease
 - Causing or permitting a substantial nuisance or damage to the unit
 - Being convicted of using the unit for an illegal purpose
 - Refusing to renew or extend the lease on the same terms as the original lease when lawfully asked to do so by the landlord
 - Refusing to grant the landlord reasonable access to the unit to make repairs or improvements, or show the property for sale
 - Subletting in violation of the lease
- No Fault Evictions
 - The landlord seeks possession of a unit in good faith for use and occupancy by herself or himself, or her or his children, parents, grandparents, brother, sister, father-in-law, mother-in-law, son-in-law, or daughter-in-law
 - The landlord seeks to recover possession to demolish or otherwise remove the controlled

rental unit from rental residential housing use after having obtained all proper permits from the City of Santa Monica.

- The landlord seeks to recover possession of the unit to remove the rental unit permanently from rental housing use pursuant to the Ellis Act

In November 2010, Santa Monica voters passed Measure RR, amending the City Charter to further strengthen tenant protections against eviction in the following three ways:

- Extending “just cause” eviction protections to all tenants in multi-unit apartment buildings that are permanently exempt from rent control, as well as 2 and 3 unit owner-occupied properties, and newly constructed rental units.
- Requiring owners to give tenants a reasonable opportunity to correct an alleged lease violation, nuisance activity, or failure to provide lawful access before serving a three-day notice to perform or quit.
- Forbidding owners to evict for owner occupancy any tenant who has occupied a rental unit for at least five years and is 62 or older, disabled, or terminally ill, unless the owner (or qualified relative intending to occupy the unit) meets at least one of these same criteria.

The strengthened eviction protections under Measure RR have had a noticeable impact. From 2005 to 2010, the Rent Control Board received on average copies of 105 eviction notices per year for reasons other

than non-payment of rent. By comparison, the Board received just 54 such notices in 2011 and 74 notices in 2012 after Measure RR took effect.

Tenant Harassment Protections: In 2002, the City Council adopted a Tenant Harassment Ordinance to protect tenants in rent-controlled units from landlords’ conduct in derogation of tenants’ rights. The ordinance prohibits the following acts by landlords if they are done with the intent to harass:

- Taking away services provided for in the lease (such as parking or laundry)
- Failure to perform repairs and maintenance required by law
- Entering the apartment without proper notice
- Using lies or intimidation intended to make a tenant move out
- Giving a “3 day notice” or other eviction notice that is based on false charges where the landlord does not intend to take the case to court
- Threatening the tenant, by word or gesture, with physical harm
- Intentionally disturbing a tenant’s peace and quiet
- Interfering with a tenant’s right to privacy
- Refusing to acknowledge receipt of a tenant’s rent payment without justification
- Violating any law which prohibits discrimination based on race, gender, sexual preference, sexual orientation, ethnic background, nationality, religion, age, parenthood, marriage, pregnancy, disability, AIDS or occupancy by a minor child

In December 2011, the City Council extended these tenant harassment protections to all tenants covered by just cause eviction rules. Tenant harassment complaints are referred to the City Attorney’s Office for investigation and enforcement of the law. As a neutral enforcer of the law, the City can not represent tenants directly, and refers tenants requiring representation to Legal Aid (located near City Hall) and the Santa Monica Bar Association.

Relocation Assistance: Under the City’s Municipal Code, a property owner is required to pay relocation assistance to a tenant when terminating tenancy for any of the following reasons:

- The owner seeks to withdraw all rental units from the rental market as provided for under the Ellis Act
- The owner seeks to recover possession of a rental housing unit for use by the owner or family member
- The landlord seeks to recover possession to demolish or otherwise withdraw a rental housing unit from residential rental housing use, including units that were illegally converted to residential use, after having obtained the proper permits from the City

Santa Monica had not increased its permanent relocation benefit amounts (other than cost of living increases) since 2007, during which time rent levels in the city had increased and vacancies had decreased, so in December 2011, City Council adopted increased

Table 4-8 Residential Relocation Fee Amounts FY2012/13

Unit Size	Fee Amount	Augmented Fee Amount*
Single or Studio	\$7,900	\$9,050
One bedroom	\$12,200	\$14,050
Two or more bedrooms	\$16,550	\$19,000

Source: City of Santa Monica, Ordinance #2383
 *Eligible households include those with a senior citizen, occupant with a disability, or an occupant with whom a minor child resides.

relocation fees. In addition, the City established augmented relocation amounts to households with seniors, disabled and children because these households are particularly vulnerable. Table 4-8 presents the City’s adopted relocation amounts, effective July 1, 2012.

Rent Control Dispute Resolution: The Rent Control Ordinance provides processes for filing of petitions, complaints and applications to resolve disputes between landlords and tenants.

- Excess rent complaints are reviewed by staff and the owner is given a chance to resolve the complaint. Complaints which are unable to be resolved administratively are referred to the Hearings Division for mediation and/or hearing.
- Owner-occupied exemption applications that are not resolved administratively are referred to the Hearings Division.

- The Hearings Division provides mediation services as part of the decrease and excess rent processes, as well as for issues involving lack of maintenance, loss of housing services, and unreasonable construction impacts. Mediators have been very successful in settling a large percentage of these cases.

The City has found that mediation may be particularly useful when a building is purchased. For example, new owners may want to fix up the building and make improvements in the common areas, yet may be unaware of how the Rent Control law affects those changes, such as proper notice being required before entering the tenants’ units or that the tenants are entitled to certain amenities. The tenants may be concerned about changes to their home and disruptions to the longstanding practices or “culture” of a building and may not know how to communicate their concerns effectively. Mediation is often appropriate and helpful in this type of situation.

B. POTENTIAL NON-GOVERNMENTAL CONSTRAINTS

State law defines nongovernmental constraints as “market factors which may hinder the development, improvement, and maintenance, of housing.” Typical potential constraints include economic factors, construction costs, land acquisition, and the availability and cost of market financing. However, as these factors are determined by market conditions, local jurisdictions have little control over them. Direct public subsidies that lower the cost of housing development, such as land write-downs and interest subsidies, are probably the only way for local governments to lessen the impacts of market conditions.

1. Construction Costs

Construction factors, such as the type of construction, site conditions, parking location, unit size and amenities all impact the cost of housing. In general, multi-family housing units are less expensive to construct than single-family housing. However, construction costs vary significantly, depending on the size of the unit and the number and quality of amenities offered. These include features such as swimming pools, rooftop gardens, gyms, and other less obvious decisions based on the type of flooring, types of appliances, light fixtures, and quality of cabinetry and woodwork.

Based on recent affordable housing projects built in the city, the Housing and Economic Development Department’s data indicate that total development

costs average \$475,000 per unit⁶. Of these total costs, it is estimated that \$325,000, or 69%, are “hard costs” related to construction. Though construction costs comprise a large portion of the total development cost of a project, the costs in Santa Monica are not atypical compared to the County and therefore would not constitute an actual constraint on housing production.

2. Land Costs and Availability

Land costs include the cost of raw land, site improvements, and all costs associated with obtaining government approvals. Land costs typically account for a large share of the total housing production costs. In Santa Monica, one of the primary market constraints to producing affordable housing is land cost. This is directly attributable to the city’s desirable location and limited availability of vacant and developable land for residential development. Land costs on recent affordable apartment projects in the city averaged \$150,000 per unit, comprising 39% of the total unit development cost⁷.

The persistent demand for housing and competition for limited available land has kept Santa Monica residential land values high for many years. With new development opportunities under the LUCE, land near the light rail stations has also already seen an increase in value. The largest share of recent development activities and current pipeline projects in the city are now in commercial and nontraditional areas, where higher densities are permitted and the per-unit housing cost of land can be reduced.

⁶ HR&A FY2012-13 Annual Adjustment for the Affordable Housing Unit Development Cost, 6/6/12.

⁷ Ibid.

3. Availability of Mortgage and Home Improvement Financing

Historically, communities have experienced a pattern where households seeking to finance the purchase of a home have had more difficulty in lower-income neighborhoods. The Community Reinvestment Act was passed in 1977 in an effort to address this issue. In tandem with the Home Mortgage Disclosure Act (HMDA), lending institutions are required to make annual public disclosures of their home mortgage lending activity. Through analysis of HMDA data on the disposition of residential loan applications, an assessment can be made of the availability of residential financing within a community.

Table 4-9 summarizes Home Mortgage Disclosure Act (HMDA) data for both Santa Monica and Los Angeles County, providing information on the approval status of all conventional home purchase, refinance and home improvement loan applications during 2010. From the data, it can be seen that:

- Of the total 560 completed applications for home purchase loans in Santa Monica, 83% were approved and 17% were denied, consistent with County-wide averages.
- The volume of applications for refinance loans in Santa Monica was over four times that of home purchase loans, with 75% of the total 2,517 applications receiving approval and 25% denied, again similar to the regional average.
- There were only 61 applications for home improvement loans in Santa Monica, with 67% of applications receiving approval and 33% being denied, slightly better than the 36% denial rate

County-wide. Home improvement loans typically have higher denial rates because homeowners may already have high debt-to-income ratios on their home mortgage or refinance loans.

The economic recession, combined with stagnant home prices and tighter lending standards, has resulted in a significant slowdown in mortgage lending activity over the past five years. In Los Angeles County, the volume of completed home mortgage loan applications declined 67% between 2006 and 2010; Santa Monica evidenced a 59% decrease during this same period.

In conjunction with the decline in mortgage lending, there has been an increase in the number of lower cost, government-backed loans made available through FHA, VA, and FSA/RHS (Farm Service Agency/ Rural Housing Service) as stimulated by the 2008 federal Housing and Economic Recovery Act (HERA). Such loans comprised 40% of all home purchase loan applications in Los Angeles County in 2010, up from 18% in 2008, and less than 1% in 2007 and 2006.

In contrast to the County, government-backed loans comprise a very small proportion of mortgage loan applications in Santa Monica (just 6% in 2009 and 5% in 2010). In 2010, the maximum conforming loan limit under the FHA program was \$729,750, whereas HMDA documents an average home purchase loan size in Santa Monica of \$709,000 (refer to Table IV-9 later in this section). FHA loans are often preferable to consumers as they offer low down-payment options (currently 3.5%); provide more flexible income, debt and credit requirements; and allow co-applicants to

Table 4-9 Status of Home Purchase, Refinance and Home Improvement Loans, 2010

Loan Type	Completed Loan Applications	Loans Approved		Loans Denied	
		Santa Monica	LA County	Santa Monica	LA County
Conventional Home Purchase Loans					
# Applications	560	465	-	95	-
% Approval/Denial		83%	83%	17%	17%
Refinancings					
# Applications	2,517	1,884	-	633	-
% Approval/Denial		75%	76%	25%	24%
Home Improvement Loans					
# Applications	61	41	-	20	-
% Approval/Denial		67%	64%	33%	36%
Source: Home Mortgage Disclosure Act Data, 2010. Compiled by Karen Warner Associates, Inc.					

help with loan qualification. However, FHA loans do typically require an up-front as well as a monthly FHA mortgage insurance premium.

Table 4-10 on the next page compares loan applications and denials over time for home purchase, refinance and home improvement loans in Santa Monica between 2006 and 2010. The following conclusions can be drawn:

- For conventional home purchase loans, while the volume of applications declined from approximately 1,400 in 2006 to 550 in 2010, the percent of loan denials also decreased slightly from 18% to 17%.
- For refinance loans, historic low interest rates

have spawned a flurry of activity, with the number of applications increasing from approximately 1,700 in 2006 to 2,500 in 2010. The denial rate on refinance applications, however, is noticeably higher than that of home purchase loans, and has increased from 23% to 25% during this period. Many homeowners are unable to take advantage of low refinance rates due to a lack of equity in their properties.

- Applications for home improvement loans have declined from 230 in 2006 to just 61 in 2010, a drop of over 70%. The sluggish economy and soft housing market have served to dampen home improvement activity. Loan denial rates increased from 26% to 33% during this time.

Table 4-10 Home Purchase, Refinance and Home Improvement Loans, 2006-2010

Housing Type	Completed Loan Applications					% Loans Denied				
	2006	2007	2008	2009	2010	2006	2007	2008	2009	2010
Home Purchase	1,436	1,104	660	559	560	18%	15%	22%	17%	17%
Refinancing	1,736	1,624	1,244	2,616	2,517	23%	24%	25%	23%	25%
Home Improvement	230	166	92	88	61	26%	22%	31%	18%	33%

Source: Home Mortgage Disclosure Act Data, 2006-2010. Compiled by Karen Warner Associates, Inc.

Table 4-11 Status of Home Purchase and Refinance Loans by Applicant Characteristics, 2010

Applicant Characteristics	# Completed Loan Applications (Santa Monica)	Loans Denied	
		Santa Monica	LA County
Applicant Race/Ethnicity			
White (non-Hispanic)	1,791	21%	21%
Asian	215	21%	18%
Hispanic	70	31%	25%
African American	15	20%	29%
Applicant Income			
Low (<50% AMI)	34	68%	40%
Moderate (50–79% AMI)	66	45%	28%
Middle (80–119% AMI)	223	28%	23%
Upper (>120% AMI)	2,390	21%	19%

Source: Home Mortgage Disclosure Act Data, 2010.
Compiled by California Reinvestment Coalition and Karen Warner Associates, Inc.
Notes: Includes conventional & gov'n-assisted (FHA, FSA/RHS and VA) home purchase applications.
Denial rate based on applications that went through complete underwriting process, and excludes applications withdrawn or files closed for incompleteness.

To mitigate potential financing constraints and expand home improvement opportunities, the City of Santa Monica offers an Owner-Occupied Rehabilitation Grant Program for low and moderate income seniors, persons with disabilities, and mobile home owner occupants. The City also offers a Multi-Family Rental Rehabilitation Program, which provides matching rehabilitation grants for property owners with a majority of low and moderate income tenants. The Mobile Home Improvement Program provides financial assistance to low and moderate income owners who wish to substantially repair or replace their mobile home with new models that meet current standards.

The City of Santa Monica has helped to extend home ownership opportunities to low and moderate income tenants in buildings being converted to condominium ownership through its TORCA Shared Appreciation Loan Program. Revenues from the TORCA Trust Fund have also been used to support the new construction of affordable homeownership units in the community. The TORCA program has expired, however, and new TORCA applications are no longer accepted.

Table 4-11 compares 2010 home purchase and refinance loan applications and denial rates in Santa Monica based on applicant race/ethnicity and income, also comparing the city with the data for Los Angeles County as a whole.

- Loan denial rates were fairly consistent among applicants of different race and ethnic groups, with the exception of Hispanic applicants who were denied at a higher rate than other racial

groups in Santa Monica. This data does not, however, control for applicant income, and given the limited number of loan applications completed by Hispanics in Santa Monica, may not be statistically significant.

- As sufficient debt-to-income ratio is one of the primary mortgage lending criteria, not surprisingly loan denial rates increase significantly as applicant income decreases. Among low, moderate and middle income applicants, loan denial rates in Santa Monica are well above County averages, indicative of the city’s high housing costs which preclude most of these households from market rate homeownership.

The City’s 2012 Analysis of Impediments to Fair Housing Choice⁸ includes further detailed analysis of loan application and denial rates based on race, census tract and zip codes. Overall, the data do not indicate patterns of loan discrimination in Santa Monica.

4. Foreclosures and Loan Modifications

Approximately 1.2 million Californians lost their homes to foreclosure between 2008 and mid-2011, with the number expected to increase to over 2 million by the end of 2012. While the number of mortgage default notices in the State has been consistently declining since its peak in 2010, the level of foreclosure activity remains significant. According to RealtyTrac, the

Table 4-12 The Cost of Foreclosures

Zip Code	# Foreclosures 2008-2012	Foreclosed Home Value Loss	Impacted Homes Value Lost	Local Government Cost
90402	171	\$22,000,000	\$45,000,000	\$980,000
Source: www.calreinvest.org/publications/crc-reports, The Wall Street Wrecking Ball: What Foreclosures are Costing Los Angeles Neighborhoods, Sept 15, 2011.				

slowdown in foreclosure activity during 2011 was in large part due to lenders re-evaluating foreclosure processes in light of ongoing legal issues stemming from the “robo-signing” controversy and mortgage servicing abuses⁹. By the latter half of 2011, however, RealtyTrac reported that lenders were beginning to push through delayed foreclosures, with foreclosure activity projected to increase again in 2012.

Within Santa Monica, www.Realtytrac.com identifies 206 residential properties in various states of foreclosure (January 2012): 22% in “pre-foreclosure” having received a notice of mortgage default; 37% undergoing foreclosure with notice of a trustee sale; and 41% with ownership taken over by the bank. This represents a foreclosure rate of 0.41, higher than the 0.34 rate countywide and just below the Statewide rate of 0.43.

The California Reinvestment Coalition (CRC) has tracked the cost impacts of foreclosures in select

zip codes throughout the State. By way of example, information for zip code 90402 in Santa Monica (generally located west of 26th St. and north of Montana Ave. and extending west to Chautauqua Blvd. into Pacific Palisades) is presented in Table 4-12. A total of 171 ownership units are projected to be foreclosed upon in this zip code during the 2008-2012 period. CRC estimates that homes in foreclosure experience an average 22% decline in property value, translating to a total loss in home value of \$22 million on the 171 foreclosed units. In addition, each foreclosed property is estimated to cause the value of neighboring homes within an eighth of a mile to drop 0.9%, triggering an additional loss of \$45 million in home value and further eroding the local property tax base. Local governments have to spend money and staff time on blighted foreclosed properties, providing maintenance, inspections, trash removal and other code enforcement services, estimated at \$19,229 per foreclosure and totaling \$980,000 for the 171 foreclosed units.

8 Analysis of Impediments

9 www.realtytrac.com, 2011 Year End Foreclosure Report:Foreclosures on the Retreat, Jan 2012.

C. POTENTIAL ENVIRONMENTAL AND INFRASTRUCTURE CONSTRAINTS

Environmental and infrastructure constraints can limit or affect the type and density of housing development in a community. These constraints can include natural resources, hazards/safety concerns, or lack of sufficient infrastructure capacity. However, as discussed in greater detail below, Santa Monica is a dense, urban community with little remaining vacant land and with the majority of the city's infrastructure systems already in place. Environmental and infrastructure concerns do not pose a significant constraint to housing production.

1. Environmental Constraints

The following sections discuss geologic conditions and infrastructure systems in the city to determine whether any of these conditions act as a constraint on housing development.

a. Seismic Hazards

The City of Santa Monica is located in a seismically active area. Major northwest trending and east/west-trending faults proximate to Santa Monica include the Newport-Inglewood Fault Zone, the Santa Monica–Hollywood–Malibu Coast Fault Zone, and the Palos Verdes Hills fault. However, in addition to these known faults, movement along buried blind thrust faults that have no obvious surface features can also occur due to the continued north-south compression across the greater Los Angeles area. These faults, as well as numerous other regional faults (e.g., San Andreas, San Fernando, and Whittier), are capable of producing moderate to large earthquakes that could

significantly affect the city. The Safety Element of the Santa Monica General Plan adopted in January 1995 after the Northridge earthquake, establishes policies to increase mitigation measures and further study potential earthquake related hazards.

b. Liquefaction

The City of Santa Monica can be divided into four zones of liquefaction susceptibility based upon high groundwater levels (less than 50 feet below the ground surface):

- Along the beach
- From the beach, inland to the southwest corner of the city to Marine Park
- Following the lowlands along Lincoln Boulevard
- In the northern industrial corridor

Areas underlain by beach sand or alluvium, and with groundwater within 30 feet of the surface, are considered to have a high susceptibility to liquefaction. This condition exists along the beach where artesian conditions (water under pressure) with ground water depth as shallow as 8 feet below the ground surface create a high liquefaction potential. In addition, the areas generally bounded by 4th Street on the west, 18th Street on the east, and Ashland Avenue south to the city's boundary and areas bounded by Santa Monica Boulevard on the north, Nebraska on the south, and from 26th Street east to the city boundary possess the risk for liquefaction. Areas underlain by Holocene sediments, with water levels within 50 feet of the surface, have been considered to have a low susceptibility to liquefaction. The remaining areas of the city have low to no liquefaction susceptibility.

Detailed soils engineering investigations would be necessary in those areas where future development is proposed within liquefaction areas in order to further evaluate the liquefaction potential, and to further define the potentially affected areas of the city.

However, because of the site-specific nature of geologic hazards, existing geologic conditions are not expected to adversely impact development within Santa Monica. In addition to existing building codes and regulations, site specific geologic reports would recommend any necessary mitigation measures, if required, to reduce potential hazards associated with liquefaction.

c. Fire Hazards

As a built out community, the primary fire hazard risks are man-made and are most likely to occur in commercial and industrial areas where industrial chemicals are used, stored, or transported. This danger, however, is mitigated by stringent enforcement of State storage and transportation standards.

d. Biological Resources

As part of development of the Land Use and Circulation Update, a review of GIS databases and aerial photographs was conducted in 2005 to ascertain the level of biological and environmentally sensitive resources within the community. This survey indicated that there is little native terrestrial vegetation within the City of Santa Monica. Because there is little undisturbed native vegetation located in the city, the diversity of terrestrial animal species is very low. The only relatively undisturbed area within the city is a narrow strip of coastal bluff vegetation

between Pacific Coast Highway and Palisades Park. The remaining open space within the city is located in public parks including the beach, which typically do not contain natural vegetation. The principal terrestrial vegetation in the highly urbanized community of Santa Monica consists of landscape vegetation and other cultivated species with some invasive, weedy, nonnative plants in areas that are not maintained.

e. Flood Hazards

The entire City of Santa Monica is in Flood Zone X (no identified flood hazards), with the exception of the coastline which is identified on the most updated FEMA maps as a tsunami hazard zone. Although most of the city is at higher elevation above bluffs, there are existing uses, including single-family and multi-family homes, on Pacific Coast Highway and in Ocean Park within the area described as potentially affected by a tsunami. In 2009, the City adopted a Floodplain Management Ordinance, and the Building and Safety Division reviews all applications for compliance with the Code based on official State and FEMA maps.

AB 162 amended Government Code Section 65302 in 2007 to require jurisdictions to review the Safety and Conservation Elements of the General Plan, update with policies and information relating to flood hazards as necessary, and reflect the analysis in the Housing Element in the first cycle after January 1, 2009, and every five years thereafter. The law requires the jurisdiction to:

- Identify information regarding flood hazards, including flood hazard zones, maps, historical data, land uses, and flood protection agencies.

- Establish comprehensive goals, policies and objectives to protect against unreasonable flooding risks, based on the above information.
- Establish a set of feasible implementation measures to carry out those goals, policies and objectives.

The City's current Safety Element was updated following the Northridge Earthquake and adopted in February 1995. At that time, the same Flood Zone X was defined for the City. The Technical Background Report included analysis of the tsunami risk. Based on historic records and events, it was concluded that the potential was within a 500-year interval, with wave potential at two to 16 feet. Since the element's adoption, there has not been an event in Santa Monica in which a tsunami resulted in measurable damage.

This Housing Element does not contain any proposed programs in Santa Monica's coastal areas. None of the proposed suitable sites are located within the tsunami hazard zone. The Housing Element is consistent with the Safety Element and no further analysis or update is required at this time.

2. Infrastructure Constraints

As an urbanized community with well established residential neighborhoods and commercial districts, Santa Monica's backbone infrastructure is already in place. Future housing growth is focused in commercial areas and future transit station areas that are served by existing sewer and water lines, storm drains and streets.

The LUCE establishes a new neighborhood, the

Bergamot Transit Village, around the proposed Expo Light Rail Station that provides for high density housing and a variety of other commercial, entertainment and public serving uses that can maximize transit ridership. The Area Plan for this previously industrial area has identified that most utilities are sufficient for Plan implementation, including new housing opportunities, with the exception of portions of the sewage conveyance infrastructure related to future projects, for which some specific segments will need to be expanded to support transit-oriented development. The Plan includes strategies for private development and a potential assessment district to finance the needed upgrades.

a. Sewer System

The City of Santa Monica has a well-maintained sewer system. The local sewer collection system is owned by the City and is managed, operated, and maintained by the Water Resources Division of the Public Works Department. Sewer flow is treated at the City of Los Angeles' Hyperion Treatment Plant which has a treatment capacity of 450 million gallons per day (mgd), with current flows averaging 340 mgd. Current average monthly flow from the City of Santa Monica to the City of Los Angeles is 13.2 mgd.

In 2002, the City of Santa Monica completed a multi-year upgrade of the entire sewer system, increasing the capacity of the sewer system to the maximum demand of the sunset year of 2090 to 51.7 mgd. After completing the city-wide improvement, the City of Los Angeles decided to drain runoff to Santa Monica's Coastal Interceptor Sewer (CIS) system, using up the full 26 mgd of the Moss Avenue Pumping Station.

b. Water System

The Water Resources Division of the Department of Public Works manages the city's water supply. Water for the Santa Monica service area is supplied from both groundwater and imported sources. The city has ten groundwater wells, which historically produced 70% of the community's water supply. For several years starting in 1996, much of the groundwater was unavailable to the city due to contamination by infiltration of the fuel additive Methyl tert-butyl ether (MTBE). In December 2010, the City commissioned new treatment facilities that restored the use of the contaminated water wells. Production from groundwater increased to 52% of the water supply in 2011 and is estimated to increase to 70% in 2013, with the balance supplied by imported water purchased from the Metropolitan Water District (MWD). The City has set a goal in its Sustainable City Plan to be completely water independent by the year 2020 and is actively developing both supply and demand side initiatives, including conservation measures and "purple pipe" recycled water for irrigation, toward attaining that goal. There are no emergency water conservation regulations currently in effect.

Water system storage is provided by the city's four reservoirs: Arcadia, Riviera, San Vicente, and Mount Olivette, with a total capacity of 40.1 million gallons. The largest storage facility in the City's system is the Riviera Reservoir with a capacity of 25 million gallons of water. Santa Monica's water system operates adequately to meet the domestic needs of the city, and provides sufficient fire suppression pressure for the needed range of fire flows.

The City prepared a Water Supply Assessment (WSA) for the LUCE in January 2010. The WSA projected that new land uses under the LUCE would create a net increase in water demand for approximately 1.26 million gallons per day (mgd) or 1,415.4 acre-feet per year (afy) by 2030. The reliable water supply from the groundwater system and/or with imported water was expected to exceed total demand by 456 afy in 2010, by 554 afy in 2015, by 483 afy in 2020, by 311 afy in 2025, and by 340 afy in 2030. The City is planning to be self-sufficient and stop importing water by 2020 and is preparing a Sustainable Water Master Plan to guide the process, with a usage goal of 123 gallons per capita day.

Approximately 60% of the city's water supply mains are made of cast iron and are over 50 years old. The average life of cast iron is 50 years; however, it can vary considerably depending on the depth of burial, whether the pipeline has been cement-lined, bedding conditions, soil conditions, traffic loading, and water quality. The City maintains an active asset-managed Capital Improvement Program for water main replacement, which together with the main replacement in recent years, may result in the entire distribution system being replaced approximately every 50 years.

c. Flood Prevention/Drainage

The overall drainage pattern of the City of Santa Monica is to the southwest. An underground storm drain system intercepts surface runoff through a series of catch basins, connector pipes and mainlines and carries the majority of the storm water to the Santa Monica Bay portion of the Pacific Ocean. The

storm drain system is comprised principally of pipes and channels owned by two separate entities: the City of Santa Monica and the County of Los Angeles. Additionally, a few drainage facilities within the right-of-way of Interstate 10 are under CALTRANS jurisdiction.

The storm drain pipes/channels in the city range from 16 inches to 11 feet in diameter. The conduits are mainly constructed of reinforced concrete pipe (RCP) or reinforced concrete (RC). A few of the structures are brick arch drains, or corrugated metal pipes (CMP). Approximately 20 miles of storm drain pipes are within the city. Of the 2,308 catch basins collecting runoff into the storm drain system, 1,484 are owned and maintained by the County; the remaining 824 catch basins are owned and maintained by the City of Santa Monica.

The Kenter Canyon drain is presently undersized and incapable of accommodating the runoff from a 50-year storm. In the past, the City has requested that LA County consider funding a parallel drain. Because of this important deficiency, the City of Santa Monica Department of Public Works has in some cases required large developments to install detention facilities onsite to reduce runoff during peak flow periods. Additionally, the City requires all new development to reduce runoff quantities by ¾-inch of the first 1-inch of a storm over 24 hours.

One known physical deficiency in the city's storm drain system, as identified by City staff, is the existing 48-inch drain in 26th Street, from Colorado Avenue to Wilshire Boulevard. This line appears to be undersized

for heavy rains. There are no capital improvement funds currently budgeted for this system. Additional deficiencies were identified by a hydraulic analysis performed by City consultants in 2004 during the development of the City's Watershed Management Plan.

The City has constructed an Urban Runoff Recycling Facility (SMURRF) to treat the dry weather storm drain discharges from excess irrigation, spills, construction sites, pool draining, car washing and other activities that would otherwise drain in to the Santa Monica Bay and recycle it for irrigation and dual plumbed building purposes.

d. Street System

The vehicular circulation system in the City of Santa Monica includes the Santa Monica Freeway (Interstate 10) and a network of surface streets. Most opportunities for residential development occur where there is excellent pedestrian access to amenities, services, and transit. In the past, the adequacy of the circulation system for automobiles has typically been measured by the "levels of service" (LOS) operating at intersections, with levels ranging from A to F with A representing excellent free flow conditions and F representing extreme congestion.

The LUCE transportation policy has made significant changes in the way the City addresses transportation issues and priorities. The City has been moving toward multi-modal indicators that consider the level of service for all system users, including pedestrians, bicyclists and transit riders in order to encourage people to choose non-automotive means for as

many trips as possible. By integrating land use with transportation and locating new development along existing and proposed transit corridors, the LUCE targets sources of congestion and sets the goal of No Net New Evening Peak Period Vehicle Trips.

The arrival of the Expo Light Rail line by 2016 provides an opportunity for Santa Monica to reshape the way it will accommodate most future development, concentrating it around rail stations and putting daily services within walking distance of residences and transportation. The LUCE transportation policy maximizes the benefits of this resource by locating affordable and workforce housing, jobs and local-serving retail along the Expo Line corridor.

The Public Works Department repairs damaged streets, curbs, gutters and sidewalks, and repairs

and replaces streetlights. The City generally requires developers to repair any part of the right-of-way damaged by their projects or to make upgrades where appropriate. To improve the City's capability of repairing and maintaining its infrastructure, a Pavement Management System outlining the conditions of all streets in Santa Monica has been adopted and is currently being implemented through a Capital Improvements Program. The Department also coordinates with the Planning and Community Development Department to ensure any redesign or modifications meet the multi-modal and sustainability goals of the City as expressed in the LUCE, such as restriping with bike lanes and sharrows.

In summary, the capacity of Santa Monica's street and transit systems do not pose a significant constraint to new housing development.



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5. Housing Resources

This chapter describes the resources available for development, rehabilitation, and preservation of housing in Santa Monica including land available for new housing construction, financial and other resources that the City uses to participate in providing housing and housing-related services, and opportunities for energy conservation in residential development. This section also includes a discussion of the City's compliance with new State legislation that is effective in this Housing Element cycle.



A. COMPLIANCE WITH REGIONAL HOUSING NEEDS ALLOCATION (RHNA): LAND AVAILABLE FOR POTENTIAL NEW RESIDENTIAL DEVELOPMENT AND PIPELINE PROJECTS

The Housing Element is required to identify a sufficient number of sites with appropriate development standards, infrastructure, and public services that will be available for the development of housing for all economic segments of the community.

Since the 1960s, when Santa Monica became substantially built-out, the City has had limited vacant land zoned for residential use and over the past decades, based on the desirability of the city's location and zoning opportunities, many of the developed residential properties have redeveloped with higher density structures. This has resulted in new housing but has also in some cases affected the traditional character of the city's neighborhoods. The community's sentiment on these processes was reflected in the City's General Plan Land Use and Circulation Element (LUCE) objectives, adopted by the City Council in 2010.

While there are still some opportunities for new residential development on underutilized residential properties, the LUCE encourages conservation of the character of existing neighborhoods by reducing development pressures in built-out neighborhoods and identifying opportunities for new housing in mixed-use areas of the city near transit options and

supportive services. In recent years, Santa Monica has experienced its most significant housing production in these mixed-use areas, and based on the City's General Plan objectives, new development opportunities will increasingly be found in such areas. The City is already experiencing a much greater level of permit requests in non-residential zones.

1. Residential Sites Inventory

The residential sites inventory used in prior Housing Elements considered both residential and commercial districts as potential locations for new housing development. The inventory of suitable sites in residentially-zoned districts, developed for the 2000 Housing Element Update, was based on properties developed prior to 1942, which were determined to have capacity under current zoning and to be the most likely to be redeveloped. This inventory was updated for the 2008-2014 Housing Element. In addition, suitable residential sites were found in commercial areas, and particularly in the downtown area, with the number of potential units calculated using a "realistic residential" formula based on typical projects that had been built in the city's commercial zones in the late 1990s through 2001.

Based on the LUCE, a different approach is being taken for this Housing Element cycle, demonstrating suitable sites through availability of underutilized land in districts zoned for mixed-use neighborhoods, such as designated transit-oriented activity centers near the new Expo Line stations (operational in 2015/16) or near Rapid Bus stops on commercial

corridors, and in the Downtown district, which is also proximate to the Expo Line. Developer interest is strong in these areas, with more than 25 development agreement (DA) applications currently in review proposing new housing units. Although it is likely that some residentially zoned properties may also be redeveloped, City policies will not encourage this, as it results in loss of existing rental units, which are more likely to be affordable and subject to rent control.

In the mixed-use commercial districts that were analyzed for suitable sites, the LUCE includes provisions for maximum height and FAR. Further development standards are under consideration to be included in the Zoning Ordinance revision. Although there are no adopted standards for unit size and/or type, for purposes of the sites inventory analysis, an average unit size of 1,000 square feet (gross) was used.

The adjusted approach used for this Housing Element cycle's suitable sites inventory (Appendix A, summarized in Table 5-1, below) focuses on four transit-oriented areas in which strong interest to develop housing has already been demonstrated. Selected properties generally have existing structures of at least 40 years old; however, properties with pending project applications included in the sites inventory or small structures in areas shifting from industrial to mixed-use may have newer existing buildings. Additional criteria for inclusion as a suitable site include existing development at significantly lower intensity than now permitted (less than 50%) and location within walking distance of one of the new Expo Line stations and/

or a stop along a rapid bus corridor. The following development assumptions regarding floor area ratio (FAR) and residential/commercial mix were made for each district and are either less than or equal to the LUCE maximums, reflecting the character of recently developed and proposed projects and draft specific/area plan recommendations:

- Downtown: FAR of 2.5; residential/commercial mix of projects:80%/20%
- Bergamot Plan Area: FAR of 2.5 for Transit Village and 2.2 for Mixed Use Creative (below LUCE; based on area plan direction); residential component: 40%-50%
- Memorial Park Plan Area: FAR of 2.0; residential/commercial mix of projects: 60%/40%
- Mixed-Use Boulevards: FAR of 2.0; residential/commercial mix of projects: 60%/40%

It is likely that the project scopes of current DA applications will be modified through the negotiation process, and this may result in fewer units than initially proposed. Therefore, the suitable sites inventory estimated their potentials conservatively at two-thirds of the proposed number of units. Even with this reduced density assumption, all sites meet the “default + density” of 30 units/acre, deemed appropriate under state statutes as providing suitable sites for very low and low income housing.

Table 5-1 demonstrates suitable sites in the City of Santa Monica to construct 3,702 housing units.

Table 5-1 Suitable Sites Analysis Update, Based on LUCE Policies

General Plan Designation/ Proposed Zoning District	No. of Parcels	Acreage	Estimated Unit Potential
Downtown	55	17.9	1,583
Bergamot Plan Area (Bergamot Transit Village/ Mixed-Use Creative (TV, MUC/CCS/CAC)	6	19.2	1,174
Memorial Park Plan Area	6	2.2	116
Mixed-Use Boulevards (MUB)	13	15.6	829
<i>Mixed-Use Districts Total</i>	<i>81</i>	<i>55.2</i>	<i>3,702</i>

Source: City of Santa Monica Strategic & Transportation Planning Division, 2013 (Appendix A)





2. Projects with Entitlements

In addition to the residential sites inventory summarized in Table 5-1, Table 5-2 below shows the number of units at various affordability levels that are already in construction or have received Planning approval and are pending building permits. A total of 1,239 units have entitlements, including some that have already started construction. Of these, 456 are required to be deed restricted as affordable to extremely low, very low, low and moderate income households. These units are projected for the 2013-2021 Housing Element because they are anticipated to receive certificates of occupancy after January 1, 2014. Appendix B includes a listing of approved projects by address, unit count, and restricted affordable units.

Figure 5-1 shows the transit-oriented districts that comprise the suitable sites inventory and demonstrates the geographical distribution of both approved and proposed projects.

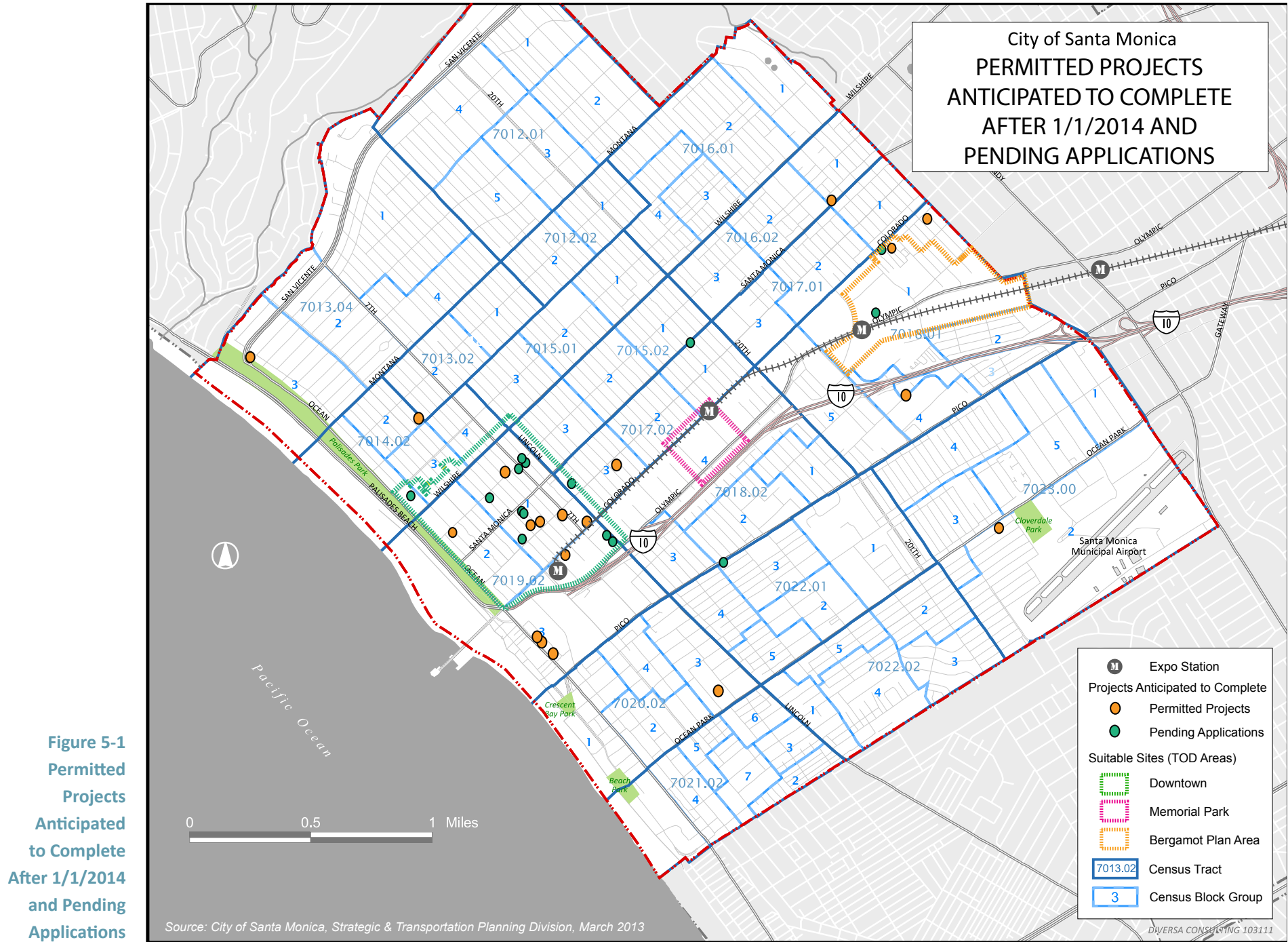
3. Summary of RHNA Compliance

As shown in Table 5-2, with the completion of entitled units over the next year or two, to address the City’s RHNA, the suitable sites inventory needs to demonstrate capacity for 518 additional units, in districts with sufficient density to feasibly develop deed-restricted housing for lower income households. The inventory’s capacity for 3,702 units demonstrates that the mixed-use districts located near rich transit opportunities, as established in the LUCE and further developed in the Bergamot Plan, the Downtown Specific Plan and the draft Zoning Ordinance (and within the next two years, the Memorial Park Area Plan), provide sufficient opportunity for development consistent with the City’s RHNA allocation.

Table 5-2 Comparison of RHNA and Units in Approved Projects at the Start of the RHNA Cycle, by Affordability Levels

Household Income Category	RHNA	Units with Planning Permits or in Construction	Units Remaining in RHNA
Extremely Low	214	36	178
Very Low	214	204	10
Low	263	205	58
Moderate	283	11	272
Above Moderate	700	783	0
<i>Total</i>	<i>1,674</i>	<i>1,239</i>	<i>518</i>

Source: City of Santa Monica Strategic & Transportation Planning Division, June 2013 (Appendix B)



B. AVAILABILITY OF PUBLIC SERVICES AND FACILITIES

Santa Monica is an urbanized community with a comprehensive system of public facilities that serve housing units in all city neighborhoods. Sites designated for future residential development are already served by streets, sewer and water, storm drains, and gas and electrical infrastructure, with maintenance and periodic upgrades provided as needed. The existing infrastructure and service systems are generally

sufficient to accommodate additional housing units. The transitioning industrial areas may require certain upgrades and improvements to accommodate the new housing and neighborhood amenities. The Bergamot Area Plan includes analysis of potential infrastructure needs and implementation funding strategies that include contributions as appropriate by project applicants, property owners, the City and other sources. A similar analysis will be conducted as necessary when an area plan is prepared for the Memorial Park/17th Street Station area.



C. FINANCIAL RESOURCE PROGRAMS

In 2012, the City's redevelopment agency was eliminated by State legislation, and the disposition of the projects and programs that it funded was being decided by the State Department of Finance. RDA funds have been the primary source for affordable housing development, but the City also receives funding from a variety of sources to assist in providing support for low income households.

The following financial resources available to property owners, homeowners, developers, social service agencies, landlords or tenants have been discussed in previous chapters but are listed here as a summary:

1. Federal Programs and Funding Sources

- HOME Investment Partnership (Home)
- Community Development Block Grant
- Section 202/Section 822 Housing for Seniors and Disabled Persons
- Housing Opportunities for Persons with AIDS
- Supportive Housing Program
- Federal Emergency Solutions Grants
- Shelter Plus Care
- Section 8 Housing Choice Vouchers
- Home Ownership for People Everywhere (HOPE I, HOPE II, and HOPE III)
- Section 108 Program

2. State Programs and Funding Sources

- Low-Income Housing Tax Credits
- California Housing Finance Agency
- Multi-Family Rental Housing Mortgage Program
- Building Equity and Growth in Neighborhoods (BEGIN)
- Workforce Housing Reward Program (WFH)
- Infill Incentive Grant Program
- Transit-Oriented Development Program
- Multi-Family Housing Program
- Mental Health Services Act (Prop 63)

3. Local Programs and Funding Sources

- Los Angeles County Mortgage Certificate Program
- Affordable Housing Program Fees
- Office Development Mitigation Program¹
- Affordable Housing Fee

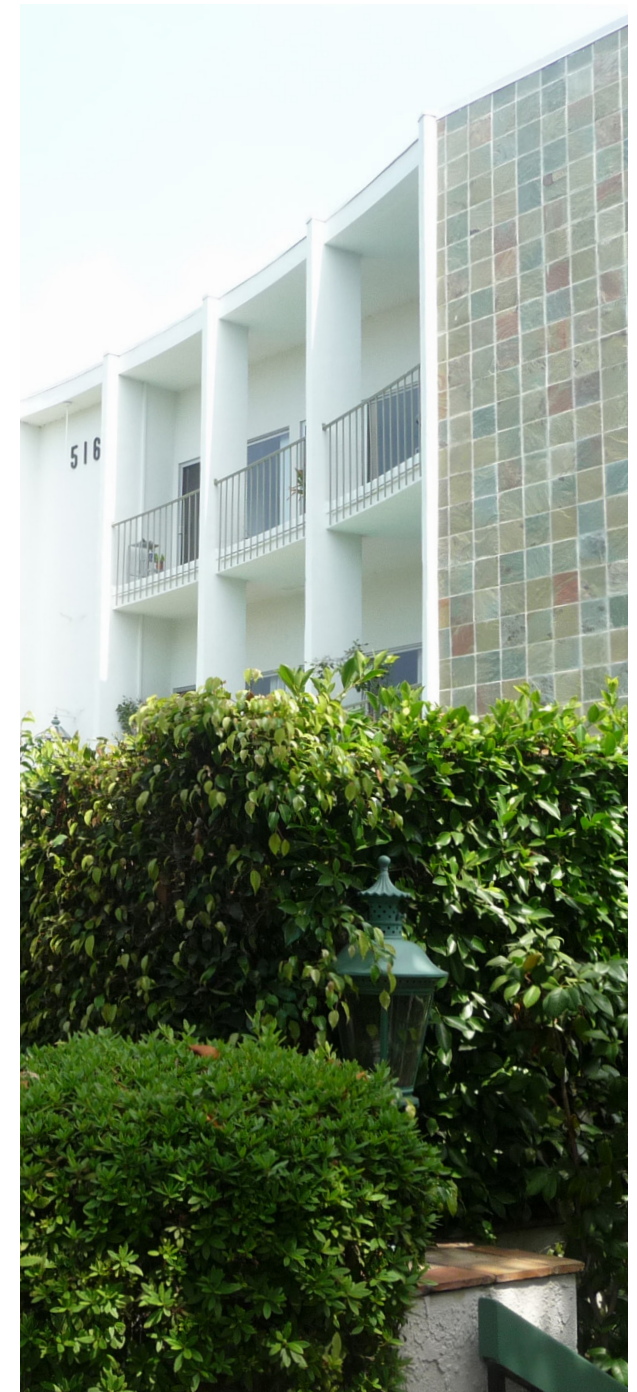
D. HOUSING AND SUPPORTIVE SERVICE PROGRAMS

The City of Santa Monica provides support for numerous housing and social service programs that serve the economically disadvantaged and special needs group. The following summarizes the affordable housing resources provided by non-profit organizations in the city and the supportive resources available for homeless and near homeless persons, seniors, and persons with

¹ The City is considering a proposed housing fee for commercial projects which, if adopted, would provide an additional local funding source.

disabilities, alcohol/drug abuse dependencies or HIV/AIDS. The following nonprofit housing development corporations are active in developing and operating affordable housing in Santa Monica:

- OPCC (formerly Ocean Park Community Center) is the largest and most comprehensive provider of services on the Westside of Los Angeles to low income and homeless youth, adults and families, battered women and their children, and people living with mental illness. It is a nonprofit organization that provides comprehensive support services including, but not limited to, outreach, case management, transitional housing, and crisis intervention to low income and homeless persons. OPCC with City financial assistance is operating a 70-bed emergency shelter for homeless individuals, a 37-bed crisis shelter for battered women and their children, a 10-bed emergency shelter for mentally ill homeless women and two transitional housing programs, one with 20 beds for mentally ill homeless women and the other with 55 beds for homeless individuals. Additionally, OPCC is operating a 25-bed permanent supportive housing site for mentally ill homeless individuals.
- Community Corporation of Santa Monica (CCSM)—CCSM was established in 1982 to develop, purchase and renovate, or facilitate the construction of housing affordable to households of low and moderate income. Currently, CCSM is operating over 1,200 new and rehabilitated rental units in Santa Monica for low and moderate income persons.



- Retirement Housing Foundation (RHF)—Founded in 1961, RHF is recognized as one of the foremost nonprofit sponsors of retirement and senior housing in the nation. Nationwide, RHF owns and operates nearly 12,000 housing units for the elderly. The City assisted RHF in the development of a 72-unit, HUD Section 202 senior housing project located at 1121-1135 Third Street, which was completed in 1992.
- Menorah Housing Foundation of the Jewish Federation Council of Greater Los Angeles—The Menorah Housing Foundation was formed in 1969 to promote and build affordable senior housing. The Foundation currently owns and/or manages 897 dwelling units in the Los Angeles area and sponsors a 66-unit HUD Section 202 senior housing project at 1116-1146 Fourth Street in Santa Monica which was completed in 2002.
- Volunteers of America (VOA), Inc.—VOA is a national, private nonprofit organization incorporated in 1896 for the purpose of providing local community services. During the last decade, VOA has completed three senior HUD Section 202 projects in the Los Angeles area totaling 230 units. VOA is the sponsor of the 40-unit, HUD Section 202 senior housing project located at 2807 Lincoln Boulevard in Santa Monica.
- Project New Hope—Project New Hope, Inc. is a Los Angeles-based nonprofit organization incorporated in 1990 for the purpose of building affordable housing for persons disabled due to AIDS/HIV. Project New Hope has a 25-unit supportive housing project at 1637 Appian Way.
- Upward Bound—Upward bound House (UBH) was incorporated in 1990 as a nondenominational 501C(3) for the purpose of developing affordable housing. This Santa Monica-based nonprofit has completed a 70-unit affordable senior project on 11th Street and a 22-unit transitional home for homeless families on 12th Street.
- Step Up—Step Up is a Santa Monica-based 501C(3) nonprofit organization established in 1986 to provide basic and supportive services to mentally ill homeless persons. Step Up on Second is located at 1328 Second Street and provides 36 permanent SRO units for mentally disabled persons as well as housing Step Up’s administrative offices. Step Up’s second facility located at 1548 5th Street in downtown Santa Monica opened in 2009 and provides 46 SRO units of permanent supportive housing for formerly homeless persons. Step Up has also acquired property at 520 Colorado Avenue for the planned “Step Up on Colorado,” which will provide 34 supportive housing units and two manager units. It is scheduled to open in 2014.
- Alternative Living for the Aging—This nonprofit organization owns apartments in Santa Monica and the Fairfax areas. Its Santa Monica complex at 2323 4th Street is a congregate housing facility.

1. Social Service Programs for the Homeless and Near-Homeless

The City’s continuum of care provides a comprehensive set of services to help people experiencing homelessness move off of the streets and into appropriate housing and treatment options.

Social service and support programs for the priority homeless populations in Santa Monica include the following:

- CLARE Foundation—A substance abuse treatment agency serving homeless and non-homeless people through detoxification and treatment programs, sober living transitional housing, and an assessment and referral program.
- New Directions—Provides homeless men and women who are veterans with residential drug and alcohol rehabilitation services, job training, family reunification, counseling, housing placement assistance, and employment assistance.
- OPCC—Operates a broad range of programs serving all segments of the homeless population from outreach to supportive housing with special focus on mentally ill homeless women, domestic violence victims, and chronically homeless individuals and youth.
- St. Joseph Center—Provides a variety of support and skills training to the general homeless population as well as the working poor, homeless and at-risk seniors, and people with serious mental illness.
- Step Up on Second—A county designated mental health agency serving homeless and non-homeless adults with serious mental illness.
- Upward Bound House—Residential program focusing on homeless families.

The services provided by these organizations are summarized in Table 5-3.

2. Seniors

The City recognizes that senior needs vary and are subject to change as individuals age and experience new health issues and disabilities. The City offers a variety of community development programs operated by City-funded agencies, providing housing and services for senior residents. These include Adult Day Care; Care Management; Daily Money Management; Home Access; Independent Living Services; Affordable Housing; Home Delivered meals/ Telephone Reassurance; Health Care for Seniors; Low Vision Services; Paratransit Services; and Congregate Meals/Senior Lunch Program. In FY2013, Paratransit “door-through-door” escorted services will be expanded by a grant from the Federal Transit Administration. The City also has over 1,000 units of dedicated affordable housing for seniors with very low and low incomes.

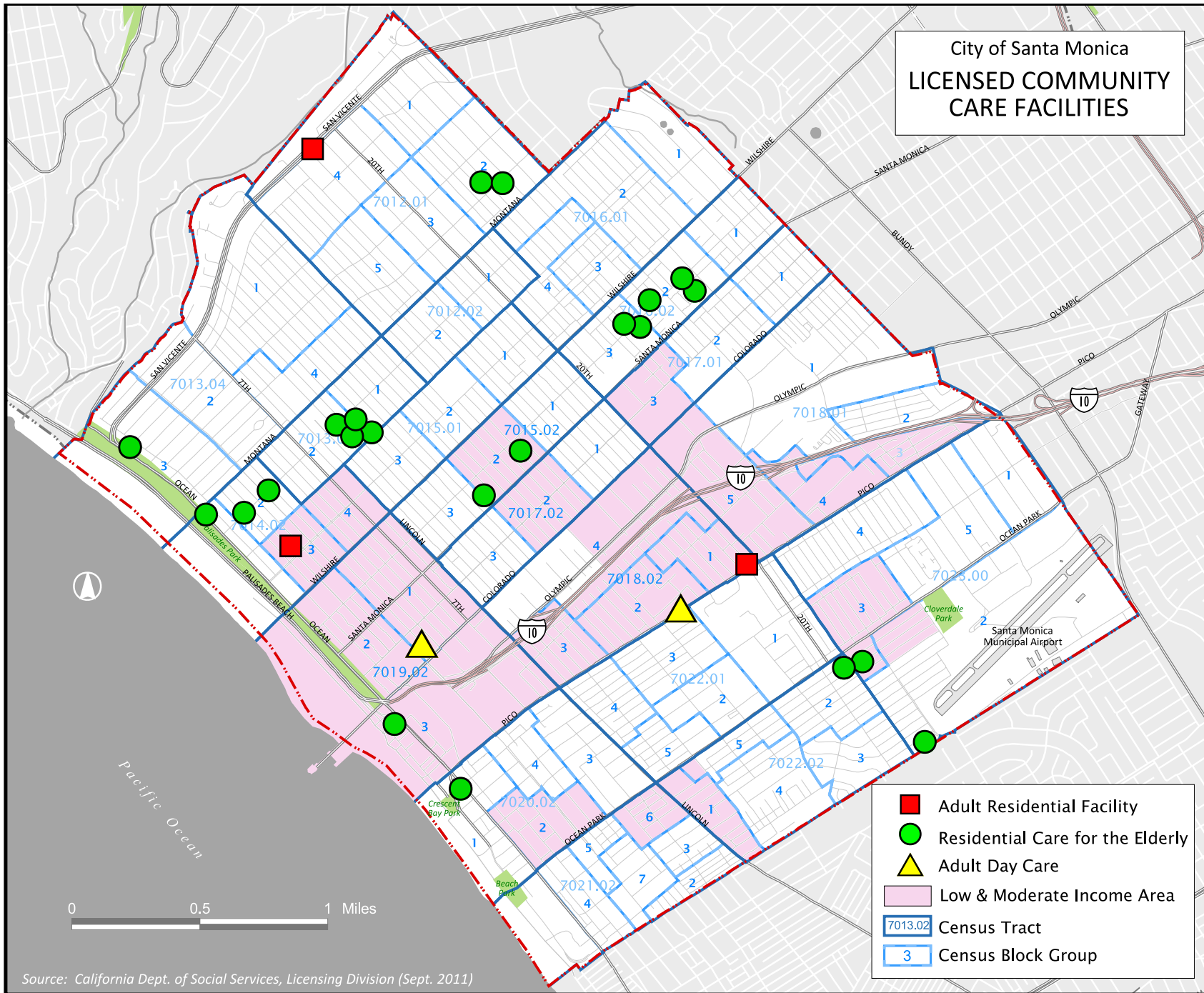
Congregate Housing (residential care facilities for adults or elderly) is another important option for seniors or persons with a disability who cannot live without assistance. It is permitted in numerous residential and commercial zones within the community. As of 2013, 196 adult and 592 elderly congregate care beds are located within the community².

Figure 5-2 shows the location of Santa Monica’s 27 licensed community care facilities in relationship to the City’s low and moderate income areas. Overall, there is not a concern about over-concentration since facilities are distributed in various areas of the city. Two of the adult residential facilities are located

² State of California, Community Care Licensing Division, July 2013

Table 5-3 Homeless Service Providers and Programs

Provider	Programs and Services
CLARE Foundation	Detoxification programs, sober living, and assessment and referral
New Directions	Men’s and Women’s transitional housing programs for homeless veterans
OPCC	Day services, and housing with supportive services (emergency, transitional, and permanent), including mental health: Access Center Daybreak SAMOSHEL Safe Haven Night Light Turning Point Maryland Apartments Sojourn Campion—Mental Health
St Joseph Center	Supportive services for low-income and homeless households, including families, seniors and special needs households. Homeless Services Center Chronic Homeless Program Bread and Roses Café Affordable Housing Program Senior Services Family Self-Sufficiency
Upward Bound House	Transitional Housing Program for Families
Step Up on 2nd	Case Management and Day Services at Step-Up on 2nd Street and Step Up on 5th St.
Other Service Provides (including some located outside of City limits)	Common Ground, Venice Family Clinic, Legal Aid Foundation of Los Angeles, Chrysalis, Westside Center for Independent Living, Westside Food Bank, Westside Regional Center, Independent Food Providers, Community Corp. of Santa Monica
Source: City of Santa Monica, Human Services Division, 2013	



**Figure 5-2
Licensed
Community Care
Facilities**

near the northern and southern edges of the low and moderate income areas and the third is located near the northern boundary of the city in a lower density residential area. The 22 residential care facilities for the elderly are widely dispersed, with just three located within low and moderate areas. One adult day care facility is located on 4th Street and the other on Pico Boulevard, providing good access along significant transit corridors.

3. Persons with Disabilities

Some housing for persons with disabilities who are unable to live independently is provided in congregate care settings as discussed above.

In addition, the City funds the Westside Center for Independent Living (WCIL) program to provide home accessibility modifications (i.e., grab bars, ramps, accessibility hardware, etc.) to low-income Santa Monica residents with disabilities. The City also provides a number of services for disabled residents, including EmpowerTech, which provides assistive technology and training.

The City's rehabilitation assistance program provides grants that can be used to make accessibility improvements to units occupied by low-income residents with a disability. Also several community care facilities in Santa Monica serve persons with disabilities and the City provides funds to support independent living skills for residents with disabilities, including vision evaluations, mobility training, and assistive technology training³.

4. Alcohol/Other Drug Abuse (AODA)

The principal providers of alcohol and drug treatment programs in the Santa Monica area are the CLARE Foundation and the Salvation Army whose facilities are summarized below.

- CLARE Foundation /Men's Recovery is an 84-bed recovery home for men and women, providing Social Model 12-Step facilitation, AOD education and discussion groups, Self-Help (AA, NA, CA) recovery meetings, as well as assistance with job preparedness training and employment placement. Stay is 3 to 6 months.
- CLARE Foundation/Women's Recovery is a 40-bed recovery home for women, providing Social Model 12-Step facilitation, AOD education and discussion groups, Self-Help (AA, NA, CA) recovery meetings, as well as assistance with job preparedness training and employment placement. Stay is 3 to 6 months.
- CLARE Foundation/Santa Monica Service Center is a 28-bed detoxification and 30-day recovery program which offers recovery planning, introduction to 12-Step Meetings and referral into longer term programs. The Center provides beds, food, clothing, and counseling.
- OPCC– Provides support services and interim housing for single men and women who are homeless, many of whom have active addictions. Substance abuse counseling is provided through the Access Center, Daybreak Day Center, Daybreak Transitional Housing, Safe Haven, SAMOSHEL Emergency Shelter and Turning Point Transitional Housing.

- New Directions – Provides homeless men and women veterans who have substance abuse problems with up to two years of residential drug and alcohol rehabilitation services, among other support services.
- The Salvation Army's Adult Rehabilitation Center is a 60 bed transitional facility that offers a six-month residential work therapy program for recovering male substance abusers. In addition to food, clothing and shelter, ARC residents receive counseling, spiritual guidance and necessary employment skills.

5. Persons with HIV/AIDS

HIV/AIDS services are funded by the County of Los Angeles Department of Health Services through Title I of the Comprehensive AIDS Resources Emergency (CARE) Act of 1990, and include primary health care, mental health counseling, in-home care and treatment services, dental, case management, recreation/social, outreach and education, and transportation services. The following organizations provide services for Santa Monica residents infected with HIV and AIDS:

- Office of AIDS Coordination, Los Angeles County Department of Health Services
- Common Ground—the Westside HIV Community Center
- Project New Hope
- Westside Women's Health Center, Santa Monica
- The Women's AIDS Project, West Hollywood
- V.A. Medical Center/West Los Angeles
- U.C.L.A. Care Center/AIDS Research

³ City of Santa Monica Consolidated Plan 2010-2015

E. ADMINISTRATIVE RESOURCES

In addition to funding programs that provide direct financial assistance for the production, maintenance, preservation, and rehabilitation of affordable housing, the City provides a range of other incentives to promote affordable housing conservation and production. These programs and ordinance incentives are described in Chapter 3 (Housing Needs Assessment), which also contains a discussion of the City's Rent Control Program, and Section A.1 (Land Use Controls) of Chapter 4 (Potential Constraints on Housing Production and Conservation), which discusses Zoning Ordinance and interim provisions and processes.

F. OPPORTUNITIES FOR ENERGY CONSERVATION

The City of Santa Monica has set very high goals for itself in relation to resource conservation and has been measuring its progress since 2005 through a series of Sustainable City Report Cards. The approach to sustainability is comprehensive, requiring the City to take steps to reduce its carbon footprint, integrate transportation with land uses such as housing and open space, maintain a strong economy, provide opportunities for community education, civic participation, and arts and cultural experiences, and support human dignity through providing community care. The following summarizes the City's policies that support energy conservation in residential development.

1. Planning and Land Use

As discussed in Chapter 6, amongst the City's accomplishments during the last Housing Element cycle was adoption of comprehensive transit-oriented General Plan policies that promote resource conservation through well-planned efficiencies achieved through co-location and good design. Planning for a sufficient housing supply in the right locations - close to jobs, services, and amenities - reduces vehicle miles traveled and congestion.

The General Plan Land Use and Circulation Element (LUCE) strengthens longstanding City policies that promote infill and compact development patterns in mixed-used areas to promote housing affordability, maximize existing land resources, and reduce pressure to develop in other environmentally sensitive areas. According to the Urban Land Institute publication *Growing Cooler*, "conserving or developing infill housing within a more urban core has been shown to reduce primary energy consumption an average of 20% per household over newer sprawl developments."

Good urban design contributes toward lifestyle changes that reduce carbon emissions. The LUCE strategy promotes walkable development with housing near services and transportation alternatives. These "complete neighborhoods" are intended to reduce discretionary trips of existing residents by placing more activities within walking distance.



Santa Monica also takes a programmatic approach to reducing automobile use and congestion. The City operates extensive rideshare and alternative transportation programs with medium and large-size employers, and as of 2012, these efforts have resulted in an increased Average Vehicle Ridership (AVR) of 1.67, exceeding the SCP target of 1.5.

The State recommends a number of programs and policies to promote best practices that may be incorporated into the Housing Element. Santa Monica has already incorporated most of them into policy through the Sustainable City Plan, LUCE and Housing Element, and into Municipal Code regulations in the Zoning Code, Building Code, and Green Building Standards, including:

- Zone for and promote infill and transit-oriented development
- Adopt higher densities near transit stations and corridors
- Require new buildings to be solar ready
- Require water-efficient landscaping and energy efficient irrigation systems
- Require new buildings to be 15% more efficient than state building code requirements
- Requiring additional construction and demolition waste recycling for new buildings
- Orient housing developments, where possible, to take advantage of natural day light
- Limit impermeable paving materials in residential yards for cooling and water penetration.

In the post-redevelopment era, Santa Monica, like many California cities, must pursue new affordable housing resources and find ways to reduce the cost of housing development. City staff will look for opportunities to submit and support applications for affordable housing funds from agencies that reward and incentivize good planning for sustainability, such as HCD's Multifamily Housing Program (MHP) and California Tax Credit Allocation Committee resources, which provide competitive advantage for affordable infill housing and affordable housing built close to jobs, transportation, and amenities.

2. Conservation Incentives for the Building Industry and Residents

The State encourages cities to adopt policies for equipment installations that achieve more energy-efficient utilization and are based on use of cleaner energy sources. The potential environmental, economic, and public health benefits of energy conservation are significant and reduce user energy costs while contributing toward the City's achievement of its sustainability goals. A February 1999 community assessment of 400 Santa Monica residents and 300 Santa Monica businesses was conducted to assess their awareness of electricity deregulation and interest in switching to a renewable energy provider. A high level of residents (76%) and businesses (70%) expressed interest in switching to a renewable energy provider if the price were within 5% of their current utility bills. The issues of concern to all were cost and the reliability of electricity service from an unknown provider. Nearly all the residents

(93%) and businesses (90%) said that preserving the environment for future generations was an important consideration in deciding whether to switch⁴.

According to The Gas Company, Santa Monica consumes less natural gas than neighboring communities because of its smaller industrial base. As with electrical consumption, natural gas consumption in new buildings is regulated by State Building Energy Standards (Title 24). Overall energy use within the city decreased between 1990 and 1994, but has increased steadily since that time. This is due primarily to increased consumption resulting from the strong local economy. The increased consumption can be attributed to new office construction and larger daytime populations resulting from higher occupancy rates in hotels and office buildings⁵.

In 1999, Santa Monica became the first city in the country to use 100% renewable electricity for all City facilities. In addition, City facilities are being retrofitted to improve energy efficiency and reduce costs. The City has also constructed several solar photovoltaic installations⁶.

4 City of Santa Monica, Council Meeting: October 12, 1999. Memo to Mayor and City Council, Subject: Recommendation to Review and Adopt a Santa Monica Strategic Energy Plan.

5 City of Santa Monica, Sustainable City Program 2002 Status Report, p. 5.

6 City of Santa Monica, Sustainable City Program 2002 Status Report, p. 4.

As an indicator to monitor implementation of the Sustainable City Plan, (SCP), the City currently measures the percent of citywide energy use from renewable sources. The City set a target to have 25% of all electricity use in Santa Monica come from renewable sources by the year 2010, and as of 2012, this target was reached, with 4% (3.1 megawatt output) coming from the City's 377 grid-connected solar projects and 21% coming from the utility's renewable portfolio.

In March 2006, the Community Energy Independence Initiative was approved by Council. The program, now known as Solar Santa Monica (www.solarsantamonica.com), aims to provide solar energy on every feasible rooftop in the city by 2020, while also reducing total energy use by combining energy efficiency measures with the solar power. While the California Energy Commission has set forth a goal of having all newly constructed residential buildings be net zero grid energy users by 2020, the Solar Santa Monica program addresses the much larger universe of existing buildings in the city. Financing is the primary challenge for property owners and the City, through Solar Santa Monica, is participating in State and regional financing programs to provide solar financing options to Santa Monica property owners.

a. Promoting Green Building and Energy Efficient Building Standards and Practices

Transportation and buildings are the two highest contributors to the global increase in emission of greenhouse gases. Examples of greenhouse gases include carbon dioxide, methane, nitrous oxide, and

fluorinated gasses. The increased consumption of fossil fuels (coal, gasoline, etc.) has substantially increased atmospheric levels of greenhouse gases. New housing development will contribute to greenhouse gas emissions, but careful site planning and design, and the selection of environmentally friendly building materials and equipment can significantly reduce these emission levels.

The State recommends a number of programs and policies to promote energy efficiency in housing construction. Santa Monica has already incorporated many of them into policy through the SCP, LUCE and Housing Element, and into Municipal Code regulations in the Zoning Code, Building Code, and Green Building Standards. In some cases, if these measures are not required, they are encouraged through City programs and advisory resources. These green building measures include:

- Require that new housing is designed to be “solar-ready” for future photovoltaic installation.
- Require new construction to exceed minimum state energy standards by at least 15%. This is a performance-driven policy that includes encouraging a variety of strategies including:
 - Encourage installation of photovoltaic and “cool” roofs, solar water heating, and where appropriate wind turbines.
 - Incentivize use of recycled and rapidly renewable building materials and require additional construction and demolition waste recycling for new construction projects beyond minimum state requirements.

- Promote standards that promote passive solar heating, overhangs on south facing windows, planting of deciduous trees on the west and south.
- Include use of Energy Star appliances and materials.
- Promote installation of efficient air conditioning and use of whole house fans and solar attic fans.
- Encourage use of upgraded insulation, advanced air infiltration reduction practices (air sealing), Low-E double-pane windows.
- Promote use of energy efficient lighting
- Promote use of heat recovery ventilation units, sealed-combustion furnace and water heater.
- Require range hood and bath fans to vent to outside and bath fans to be automatically controlled with a timer or humidistat.
- Require water efficient landscaping and irrigation systems.
- Provide incentives for rainwater and graywater capture and reuse.

The City's extensive network of resources to encourage and assist residents and businesses to adopt energy-saving practices and install energy-saving devices is provided at its website, www.sustainablesm.org.

b. Greenhouse Gas Emissions Reduction

Statewide planning to reduce greenhouse gas emissions is guided by AB 32, adopted in 2006, which is being implemented through a number of local, regional and state planning efforts.

The City of Santa Monica's indicator for greenhouse gas emissions was established through its 1994 SCP, and The City has calculated its municipal and community-wide greenhouse gas emissions for 1990, 1995, 2000, and 2007. This is to be reported per capita, by source, and by sector. In 2013, the Santa Monica City Council approved a Climate Action Plan, which incorporates updated, measurable goals for energy reduction. One of these goals is to decrease the total amount of electricity consumed in existing buildings by 1 million kilowatt hours each year for the next 3 years until the City has seen an overall reduction of 3 million annual kilowatt hours. All new buildings are subject to the Green Building Ordinance that requires them to be 15% more efficient than the Title 24 standard.

The Climate Action Plan contains standards for measuring and reporting progress on GHG emission reduction from the baseline in order to evaluate the effectiveness of policies and programs so the City can adjust as needed to achieve its targets.

The City of Santa Monica is a founding member of the California Climate Action Registry and beginning in June 2008 has started measuring, verifying, and publicly reporting GHG emissions annually. The City's greenhouse gas emissions reduction targets include a 30% reduction in greenhouse gas emissions below 1990 levels by 2015 for municipal operations and a 15% reduction in greenhouse gas emissions below 1990 levels by 2015 city-wide.

G. COMPLIANCE WITH SPECIFIC REQUIREMENTS FOR HOUSING ELEMENTS

1. Extremely low income households – AB2634

AB 2634 requires quantification and analysis of existing and projected housing needs for extremely low-income households that are below 50% of the County median family income. These households are discussed in Chapter 3 (Housing Needs), Section 5 (Household Characteristics).

In June 2013, the City Council amended the Affordable Housing Production Program to include an extremely low income category and policies of this Housing Element have been adjusted accordingly.

In addition, the City's efforts to address homelessness are part of its strategy to address the needs of extremely low income households. This includes programs with housing and on-site services that have received funding through the City's programs, such as Step up on Second, OPCC and others. The very low income units built through the affordable housing trust fund are in part occupied by extremely low income families. In June 2013, the Council amended the Affordable Housing Production Program to include extremely low income households.

The RHNA allocation for extremely low income housing (see Chapter 3, Table 3-31) is 50% of the Very Low Income component of the RHNA, or 214 units.

2. Alternatives to New Construction—Adequate Sites Alternative

Government Code Section 65583.1 (a) and (c) allows second units and, under prescribed conditions, units that are substantially rehabilitated, converted from market rate to affordable, or where unit affordability is preserved to be counted towards the adequate sites requirement.

These alternatives do not result in eligible RHNA credits for the City of Santa Monica, but are nonetheless described briefly below because the City provides resources for these programs that result in maintenance and conservation of affordable units.

Three amendments to the Government Code in 2009 (AB720), 2010 (AB1867) and 2011 (AB1103) provide additional opportunities for alternative sites analysis but are not applicable at this time to the City of Santa Monica.

a. Substantial Rehabilitation

The City has a history of dedicating revenues to support the rehabilitation of substandard housing units. From 2005 onward, the City provided loan subsidies to nonprofit developers for acquisition, rehabilitation, and deed restriction. Since 2006, the City has rehabilitated 188 low-income units.

The City's program does not necessarily target units that are at imminent risk of loss to the housing stock, one of the prescribed conditions included in Government Code Section 65583.1. Therefore, even

as amended, the City believes that none of the units that have been or will be rehabilitated will count towards the adequate sites analysis.

b. Purchase of Affordability Covenants

State Housing law allows credit for multi-family units in a rental complex of 16 or more units that are converted from non affordable to affordable rents with committed assistance by acquisition of the units or the purchase of affordability covenants and restrictions. The City currently does not have a program that meets all of these conditions.

c. Preservation of Affordable Units

HCD allows credit for preserving housing that is publicly subsidized, but whose affordability controls will expire during the Housing Element period due to termination of subsidy contracts, mortgage prepayment, or the expiration of restrictions on low-income use. Table 3-29 lists publicly assisted rental developments considered at-risk of conversion due to potential expiration of their affordability covenants.

Units may be preserved at affordable housing costs to lower-income households by acquisition of the unit or the purchase of affordability covenants for the units. Preserved units must:

- Be located within an “assisted housing development;”
- Have new long-term affordability covenants and restrictions (at least 40 years);
- Have received governmental assistance under specified programs;

- Be expected to convert to non low-income uses; and
- Be in decent, safe and sanitary condition.

Units must also be found, via a public hearing, as eligible for preservation with a reasonable expectation that the units will change from affordable to another use during the next five years. When units are identified for preservation, they must be available at affordable costs to persons and families of low- or very low-income.

Although not included in the suitable sites analysis, the City may be able to preserve some affordable housing units that meet these requirements.

d. Zoning for a Variety of Housing Types

Government Code Section 65583 requires the Housing Element to identify adequate sites for a variety of housing types including multifamily rental housing, factory-built housing, mobile homes, housing for agricultural employees, supportive housing, single-room occupancy units, emergency shelters, and transitional housing.

Government Code Section 65583(a)(4) requires the identification of a zone or zones where emergency shelters are allowed as a permitted use without a conditional use or other discretionary permit. The identified zone or zones shall include sufficient capacity to accommodate the need for emergency shelters identified in paragraph (7) of Government Code Section 65583(a), except that each local government shall identify a zone or zones that can accommodate at

least one year-round emergency shelter. Government Code Section 65583(c)(1) requires “As part of the analysis of available sites, a jurisdiction must include an analysis of zoning that encourages and facilitates a variety of housing types...including emergency shelters and transitional housing.”

Chapter 3 discusses the City’s efforts to respond to the needs of the homeless. The City’s Zoning Ordinance includes established policies and standards that allow homeless shelters with less than 55 beds as a permitted use in numerous commercial districts (BCD, CP, CM, CC, C2, C3, C3-C, C4, C5, C6, and BSCD) and in the City’s industrial districts (M1, LMSD). No discretionary permit is required for the development of these facilities. The development and processing standards for these facilities are the same as other permitted uses in these districts. Larger shelters in these districts, or shelters of any size in higher density residential districts, may be allowed through obtaining a conditional use permit (CUP). The Zoning Ordinance Update will incorporate these policies into the new districts being created for consistency with the 2010 LUCE.

The City authorizes transitional housing as a permitted use in most of the City’s zoning districts. Table 5-4 references the City’s development standards for homeless shelters (SMMC 9.04 .10.02.061), which were amended in June 1994 and which the State considers to be a model ordinance in compliance with SB 2.

Table 5-4 Development Standards for Homeless Shelters

The following development standards for homeless shelters apply to all zoning districts:

- (a) Lighting. Adequate external lighting shall be provided for security purposes. The lighting shall be stationary, directed away from adjacent properties and public rights-of-way, and of an intensity compatible with the neighborhood.
- (b) Laundry Facilities. The development shall provide laundry facilities or services adequate for the number of residents.
- (c) Common Facilities. The development may provide one or more of the following specific common facilities for the exclusive use of the residents and staff:
 - (1) Central cooking and dining room(s)
 - (2) Recreation room
 - (3) Counseling center
 - (4) Child care facilities
 - (5) Other support services
- (d) Security. Parking and outdoor facilities shall be designed to provide security for residents, visitors, and employees.
- (e) Outdoor Activity. For the purposes of noise abatement in residential districts, organized outdoor activities may only be conducted between the hour of eight a.m. and ten p.m.
- (f) Refuse. Homeless shelters shall provide a refuse storage area that is completely enclosed with masonry walls not less than five feet high with solid-gated opening and that is large enough to accommodate a standard-sized trash bin adequate for use on the parcel, or other enclosures as approved by the Director of General Services and the Architectural Review Board. The refuse enclosure shall be accessible to refuse collection vehicles.
- (g) Homeless Shelter Provider. The agency or organization operating the shelter shall comply with the following requirements:
 - (1) Temporary shelter shall be available to residents for no more than six months.
 - (2) Staff and services shall be provided to assist residents to obtain permanent shelter and income.
 - (3) The provider shall have a written management plan including, as applicable, provisions for staff training, neighborhood outreach, security, screening of residents to insure compatibility with services provided at the facility, and for training, counseling, and treatment programs for residents.
- (h) Maximum Unit Density. Homeless shelters located in residential districts, when not developed in an individual dwelling unit format, shall not be subject to the underlying zoning district's maximum unit density standard, but the number of beds shall be limited to three times the maximum number of dwelling units which would otherwise be permitted.

(SMMC 9.04.10.02.061)

Source: City of Santa Monica, 2013

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6. Review of Housing Element Past Performance

A. INTRODUCTION

An important step in developing future housing strategies that meet the community's needs is an evaluation of the success of the prior Housing Element in addressing identified needs. State law requires Housing Elements to be updated on a regular basis and to report on progress in meeting the goals, policies, and objectives set forth in the prior Housing Element. The Element must review the progress made in implementation of the adopted housing programs, and evaluate the effectiveness and continued appropriateness of these identified housing programs.

HCD certified the City's prior Housing Element in February 2009. It contained a detailed discussion of Housing Element accomplishments from 2000 to 2005 and an evaluation of the appropriateness of its goals, objectives and programs, which resulted in some consolidation or elimination of goals and programs and the addition of others. In total, the Housing Element included 50 programs to implement the City's eight primary housing goals.



The RHNA cycle for the 2008 Housing Element extended from 2006 to 2014, due to an anomaly in state law that left a gap between Housing Element planning cycles. This chapter reports on the City's progress on housing programs from 2006 through 2012, noting that the planning period for the current Housing Element has not yet concluded. Therefore, this is somewhat of an interim progress report and some programs which may not yet be fully implemented are likely to be addressed by the expiration date.



B. HIGHLIGHTS OF PROGRAM ACCOMPLISHMENTS (2006-2014)¹

Table 6-3 at the end of this chapter is a comprehensive evaluation of the City's progress in meeting its Housing Element goals. The following highlights some of the City's major accomplishments since 2006 in the areas of:

- Transit-Oriented Planning for Integrated Housing and Services
- Housing Production and Affordable Rehabilitation
- Preserving Affordability and Tenant Protection
- Housing Assistance

1. Transit-Oriented Planning for Integrated Housing and Services

The 2008-2014 Housing Element included a program referencing the emerging LUCE land use strategy to build housing in targeted locations near existing and proposed transit connections served by nearby retail uses and services. During the Housing Element planning period, the City adopted the LUCE (January 2010), which identified new transit-oriented districts, particularly around the three light rail stations (downtown terminus, Memorial Park/17th Street, and Bergamot Station). The City was awarded competitive planning grants from Federal, State and Metro sources to plan all three areas. One of the plans (Bergamot Area Plan) will be completed in 2013 and the remaining two plans, the Downtown Specific Plan and Memorial Park Master Plan, are scheduled for completion in 2014

¹ Includes programs and ordinances enacted through 2012

and 2015 respectively, prior to the operation of the Expo Line. These plans include detailed projections and strategies for housing, both affordable and market rate. By the end of 2012, a number of new housing developments had already been constructed in the downtown area and applications for many more housing projects were in the pipeline. Additionally, the City has committed funding for "betterments" to the Expo Line, such as platform improvements and station entrances, to promote walkability to the station areas and integrate with planned neighborhoods. Provision of a mix of housing types and affordability levels is a central feature of all new neighborhoods and viewed as critical for reaching the City's goal to reduce trips and promote sustainable lifestyles.

2. Housing Production and Affordable Rehabilitation

The City of Santa Monica monitors housing development for the purpose of evaluating performance by final permit or certificate of occupancy. To avoid overlap with units counted toward the prior RHNA, only permits issued after January 1, 2006 which have been finalized are included in the numbers shown below.

The City of Santa Monica has produced housing units, both market rate and affordable in excess of the 2008-14 RHNA allocation, producing more than its fair share of affordable housing for the region. The City has followed through on the goals and programs of the Housing Element through funding housing assistance and rehabilitation programs, construction of many infill, special needs, and mixed-use housing projects

Table 6-1 Multi-Family Units Completed January 1, 2006 to June 12, 2012

New Units Permitted and Completed/Scheduled for Completion Between Jan. 1, 2006 and June 12, 2012	Total	%	Very Low	Low	Moderate	Market	Affordable as % of Total
In Commercial Zones	972	63%	133	6	405	425	56%
New Single Family in ALL Residential Zones	183	12%	0	0	0	183	N/A
New Multifamily Units in Residential Zones	388	25%	118	79	0	191	51%
Total Completed Citywide	1,543	100%	251	85	408	799	48%
2008-2014 RHNA Allocation (Quantified Objective)	662		164	107	114	277	58%
Units in excess and as a % of Housing Element Quantified Objective	881	233%	87	-22	294	522	
New multifamily housing units only (excluding SFD)	1,360						55%
Source: City of Santa Monica building permit analysis (PCD); Proposition R Compliance Reports 2006 through 2011 (Housing Division)							

within commercial areas, implementing and amending as appropriate the Affordable Housing Production Program ordinance, establishing partnerships with numerous local non-profits to build affordable housing, and continuing to aid low-income tenants through the Rent Control Board. The City made use of Redevelopment funds, beyond the statutory set-aside level, in order to build this substantial number of units despite the high costs of land and construction.

During the planning period, redevelopment agencies were eliminated; the City was able to complete several projects already under construction, but others in planning have been placed on hold pending a search for alternative funding sources.

a. Housing Production

Between January 1, 2006, and June 12, 2012, 1,360 multi-family units were constructed in the City of Santa Monica along with 183 new single-family homes (Table 6-1). This development was mostly infill, with the vast majority of units constructed in non-residential, mixed-used zoning districts. Most single-family homes replaced demolished single-family homes and generally represent no net increase in housing stock.

As Table 6-1 demonstrates, a significant amount of housing was constructed in the City of Santa Monica, achieving way beyond its share of the regional housing allocation. Of the multi-family housing completed, 55% were deed-restricted affordable, with a particularly strong showing at the very low income

level. Santa Monica continued to be a desirable market despite the recession. The City's policies encouraging transit-oriented development resulted in more than 2/3 of the housing being developed in commercial areas. In residential areas, most market rate projects were small – four or five units generally - and not more than eight in any case. The larger residentially-zoned projects were affordable housing units built through partnerships with the City and affordable housing developers.

In conclusion, the data demonstrate that City programs, requirements and funding have succeeded in producing housing including a significant number of deed-restricted affordable units throughout the planning period in compliance with the goals of the Housing Element.

Table 6-2 Acquired and Rehabilitated Mutli-Family Uhits

Year	Acquired and Rehabilitated Units			Minor Repairs
	Total	Affordable		
		Very Low	Low	
2006	49	4	45	39
2007				28
2008	78	0	78	0
2009	29	0	29	0
2010	20	20	0	30
2011	12	0	12	0
2012	0	0	0	0
<i>Total</i>	<i>188</i>	<i>24</i>	<i>164</i>	<i>97</i>
Quantified Objective for 2008-2014 Housing Element	350	-	-	250

Source: City of Santa Monica, Housing Division, 2012

In the previous (1998-2005) Housing Element cycle, 27% of all housing units produced were affordable units, a considerable accomplishment. Santa Monica’s success during the past six years at producing more than 50% of all units as affordable units, even as market rate housing production continued at a substantial pace, is unprecedented in the City’s history and a rare achievement for a local jurisdiction in the SCAG region.

b. Housing Rehabilitation and Conservation

Housing rehabilitation plays an important role in maintaining the quality of housing, preserving the overall quality of neighborhoods, and contributing to a higher quality of life. The City of Santa Monica’s goal

for the 2008-2014 Housing Element was to support and fund the acquisition and rehabilitation of 350 multi-family housing units and to provide 250 minor home repairs through its program by 2014.

In total over this period, \$39 million was invested in housing rehabilitation, with approximately 12% of those assisted classified as very low-income households and 88% as low-income households. From 2006 to date, the City has financed the acquisition and rehabilitation of a total of 188 multi-family housing units and a total of 97 households have benefitted from the minor home repair program for low-income households (Table 6-2).

3. Preserving Affordability and Tenant Protection

A number of measures have been taken in the last few years to maintain affordability for tenants and deter and prosecute against harassment. Some of the most significant were:

- *Tenant Protection:* The City Council successfully sponsored a ballot measure in 2010 (Measure RR), which amended the City Charter to require additional protections for tenants, specifically requiring the landlord to provide a warning and reasonable opportunity to correct a problem before a tenant may be served with a notice terminating tenancy on that ground. Measure RR also expanded eviction protections for seniors, disabled and low-income tenants with respect to evictions for owner-occupancy, and extended tenant protections to non-rent-controlled units. On December 13, 2011, the City Council adopted an ordinance which extended the Tenant Harassment Ordinance protections to all tenants covered by just cause eviction rules.
- *Improvements at Mountain View Mobile Home Park:* Santa Monica has continued to facilitate the preservation of mobile homes at the 105 pad Mountain View site that it purchased in 2000. There are currently 75 units occupied, with some units being kept available for relocation of Village Trailer Park residents. In May 2011, the City replaced 20 of the trailers with state-of-the-art environmentally designed mobile homes and upgraded landscaping and hardscaping at the site. In addition, the City funds the Mobile Home Improvement Program, which provides

financial assistance to low- and moderate-income households. The Village Trailer Park, purchased by a developer who has negotiated a development agreement for the construction of several hundred housing units and ground floor retail, has been largely vacated, with some remaining residents, some residents relocated to Mountain View, and others provided with a relocation assistance package.

- *Preserving Existing Publicly-Assisted Affordable Housing:* No publicly-assisted housing converted to market rate during the planning period.

4. Housing Assistance

Santa Monica has long demonstrated its commitment to providing housing and supportive services for all economic segments of its community as well as accommodating the special needs of its residents. Some of the highlights during the planning period included:

- **Housing Modifications for Disabled Individuals.** The City provides funding to the Westside Center for Independent Living (WCIL) for a program that provides home modifications to low-income renter households that have a member with a disability. Modifications include the installation of grab bars, nonslip bath mats, ramps, shower benches, and toilet seat hand rails. In the last five years, approximately 200 individuals have been assisted.
- **Reasonable Accommodation Website.** The City Attorney's office has initiated a project to provide a website to give tenants with disabilities

and advocates ideas on how a reasonable accommodation or modification would work in their situation.

- **Rental Assistance.** During FY2011-12, the Santa Monica Housing Authority (SMHA) administered a total of \$17.2 million in Federal and local funds, providing approximately 1,400 active housing vouchers, inclusive of Section 8, Special Needs Programs, HOME and RDA (Redevelopment Agency) vouchers. The HOME Tenant Based Rental Assistance (TBRA), which provides intensive case management services from community-based agencies for the disabled, provided rental assistance to 25 households.

The Shelter Plus Care Program links housing with supportive services for homeless persons with disabilities (e.g., mental illness, substance abuse, HIV/AIDS). The City contracts with Ocean Park Community Center, Step Up on Second, and St. Joseph Center to provide case management, housing assistance and coordination of other necessary community services.

- **Tenant Rental Assistance.** In 1998, the City Council adopted the Tenant Rental Assistance Program (TARP) and appropriated \$1.2 million in City funds to provide rental assistance. The TARP Program provides up to two years of City-funded rental assistance to Section 8 and Shelter Plus Care tenants whose owners terminated their Section 8 contracts. Since tenants can remain in their homes after the owner cancels the Section 8 contract and pay the rent control rent with City funds, the TARP program effectively eliminated a property owner's

incentive to cancel their Section 8 contract. The Santa Monica Housing Authority continues to operate the program today. HUD last approved an increased voucher payment standard ranging from 163% to 203% of the Los Angeles FMR in 2006 and the City has been requesting additional increases in order to fill the affordability gap for Section 8 voucher holders.

- **Human Services.** The goal of the City's Human Services Grants Program (HSGP) is to develop, fund and sustain human service programs and increase the impact of organizations by cultivating an effective safety net or system of services, including access to suitable housing opportunities, building on the unique assets and strengths of neighborhoods, community organizations and public institutions. The Human Services Grants Program provides funding support of approximately \$7.4 million annually to 23 non-profit human service organizations supporting over 47 different programs to meet the needs of Santa Monica's low income community members of all ages. In FY2011-12, the HSGP refined the criteria for participant eligibility in City-funded Santa Monica to ensure that local resources such as supportive housing, after-school programs, and senior services are directed to individuals and households who live or work in the City.
- **Homeless Services.** The City of Santa Monica continues to implement one of the most extensive continuum of care systems for the homeless population in Los Angeles County. Through fifteen programs, the City provides permanent housing, emergency shelter, transitional housing,

case management, and outreach. Since 2008, the Homeless Service Registry has grown to 346 individuals. Two hundred thirteen (213) individuals on the Registry are now in permanent housing. In addition, over 180 families each year received supportive services to access or maintain stable housing.

- Senior and Disabled Services. The City of Santa Monica supports and funds a variety of services for senior and disabled individuals that assist them to “age in place” and supplement their living situations. Key accomplishments include:
 - Para-transit services for approximately 3,700 seniors and 1,000 persons under the age of 65 with a disability annually
 - Home delivered meals to approximately 300 home-bound seniors and people with disabilities annually
 - Ongoing operating support for WISE’s Adult Day Care Center serving frail seniors, including seniors with Parkinson’s and Alzheimer’s Disease
 - Construction or replacement of 100 curb cuts citywide annually
- Ensure Fair Housing. The City continues to affirmatively further fair housing. At the end of 2012, the City adopted an updated Analysis of Impediments (AI). The AI noted that the greatest impediments to available housing in Santa Monica continued to be the cost of housing which is uniformly high and is not related to housing discrimination.

- Improving Quality of Life for Special Needs Residents: The Human Services Division collaborates with public and private organizations to improve the quality of life for Santa Monica residents including children, teens, families, persons with disabilities, seniors, and persons who are low-income and homeless. Recent initiatives have improved transportation assistance for seniors and disabled persons, created the City’s first Report Card to assess the wellbeing of children and youth, and enhanced coordination to improve housing outcomes for vulnerable homeless individuals.
- Youth Wellbeing. The City of Santa Monica, the Santa Monica-Malibu Unified School District, Santa Monica College, and local youth service providers formed the Cradle to Career Working Group (C2C) in 2010 in response to youth violence and mental health related incidents. This initiative brings together City-funded youth service agencies and other key entities to improve outcomes, strategies, and information sharing across groups. A Youth Wellbeing Report Card was released in 2012 that sets a baseline for assessing progress toward creating a community where every Santa Monica child thrives, from cradle to career. Key to this effort is ongoing and strategic local investment in programs and diverse affordable housing options that promote greater household stability for youth and families.

C. SUMMARY OF PROGRAM IMPLEMENTATION

Table 6-3 presents the major accomplishments of each program since 2008. In summary, the City has implemented all programs, with some complete, some ongoing in nature, and others still in progress.

Note: Agency listings reflect 2008-2014 Housing Element. Some changes have been made based on City reorganizations, and new agency names and responsibilities are reflected in the new Housing Plan.

Table 6-3 Review of 2008–2014 Housing Element Accomplishments

2008-2014 Housing Element Program	Progress Since 2008	Agency
Goal 1.0: Promote the construction of new housing within the City's regulatory framework.		
Objective 1.a: Assess and Revise, Where Appropriate, City Regulatory Requirements		
<p>Periodically review and, where necessary, revise planning, zoning and development regulations, assessments, and fees to ensure that they support the development of a variety of housing types and prices including workforce housing and live/work spaces. The City will also periodically review the City's impact fees, site improvement requirements, taxes and processing fees, times and procedures to assess whether the additional development costs associated with these requirements act as a constraint on the City's ability to meet its RHNA housing production target. The City will continue to promote residential uses in nonresidential zoning districts.</p>	<p>Progress: 1,360 multi-family units had received building permits and were expected to complete construction within the 4th Cycle time period of the Housing Element. The City has made substantial progress on providing its share of regional housing at all affordability levels with more time remaining in the Housing Element's duration.</p> <p>During this time, the zoning regulations were periodically assessed when issues related to residential development arose. In some cases, the Code was revised, and in most cases, the modifications were directed into the overall zoning ordinance update project.</p> <p>The City Planning Division continually gathers data on permit processing times to monitor that this activity happens in a reasonable timeframe. Development costs are also reevaluated on a regular basis. The LUCE calls for community benefits in larger projects, in addition to regulatory requirements such as fees, provision of open space and affordable housing, etc. The steady rate of applications to develop residential projects attests to the fact that these requirements do not act as a constraint on the City's ability to meet its RHNA housing production target</p> <p>The LUCE has sharply focused the City's goal of promoting housing in non-residential districts.</p> <p><i>Appropriateness: This program continues to be appropriate for the 2013-2021 Housing Element.</i></p>	<p>City Planning Division; City Attorney's Office</p>
Objective 1.b: Continue to Streamline the Permit Approval Processes		
<p>Continue to monitor permit processing procedures and provide handbook and outreach materials of interdepartmental regulations and services to guide applicants through the development approval process. The City will also continue to expand the type of data available on the "Permits" tracking system and improve reporting procedures to facilitate project tracking and provide up-to-date information.</p>	<p>Progress: As of September 2011, PCD data demonstrated that new streamlining timeframes had significantly reduced the plan review portion of permits. These timeframes reflect the scope and type of project with initial and recheck timeframes reduced accordingly.</p> <p>As of November 1, 2010, the City implemented electronic plan check with ePlans. Although review time by staff is the same, electronic plans have allowed efficiencies, convenience and sustainability benefits for the public.</p> <p><i>Appropriateness: This program continues to be appropriate for the 2013-2021 Housing Element.</i></p>	<p>City Planning Division; Building and Safety Division; Information Systems Division</p>

Table 6-3 Review of 2008–2014 Housing Element Accomplishments (continued)

2008-2014 Housing Element Program	Progress Since 2008	Agency
Objective 1.c: Maintain Architectural Review and Development Compatibility		
Continue to implement City architectural review guidelines, review development standards, and revise as appropriate, to provide project applicants with clear design direction and ensure design compatibility.	<p>Progress: There have been no changes to the ARB process during the planning period. All multi-family projects continue to require ARB approval. Some updates and process improvements are under consideration to be included in the Zoning Code update currently in process.</p> <p><i>Appropriateness: This program continues to be appropriate for the 2013-2021 Housing Element.</i></p>	City Planning Division
Goal 2.0: Encourage the production of housing for all income categories including housing for the community's workforce.		
Objective 2.a: Maintain an Affordable Housing Production Program		
Continue to monitor, evaluate, and revise the affordable housing production program as necessary to meet the housing needs of the community, prepare an annual report concerning compliance with Proposition R and update fees and housing cost requirements annually. Update the AHPP administrative guidelines, consider revisions as appropriate to meet the AHPP objectives, and improve the process of monitoring eligibility of residents in existing units.	<p>Progress: On December 13, 2011, the City Council adopted an ordinance establishing a compliance monitoring fee for the Affordable Housing Production Program which represents the cost to the City of performing investigations and audits to ensure compliance with this program when affordable housing units are initially rented or sold, when units are periodically reoccupied or sold, and when required annual reports are submitted. The City continues to annually update the affordable housing fees and affordable housing unit development cost provisions.</p> <p>In June 2013, the Council amended the AHPP to adjust income and rent levels in order to be consistent with State and Federal guidelines, and added an Extremely Low Income category to the ordinance.</p> <p><i>Appropriateness: This program continues to be appropriate for the 2013-2021 Housing Element. While the loss of redevelopment funding will have a profound impact on the productivity of the program, the monitoring and evaluation of affordable housing processes and revising the production program based on new opportunities are high City priorities.</i></p>	Housing Division; Housing & Economic Development Department; City Attorney's Office
Objective 2.b: Maintain a Density Bonus Program		
Maintain the City's density bonus program and revise as necessary to remain consistent with State Law and the City's affordable housing needs.	<p>Progress: The City's Density Bonus program complies with State Law and was revised most recently on February 22, 2011 at which time it was codified in the City's Zoning Ordinance. The Density Bonus program will be included in the upcoming Zoning Ordinance revision.</p> <p><i>Appropriateness: This program continues to be appropriate for the 2013-2021 Housing Element.</i></p>	City Planning Division

Table 6-3 Review of 2008–2014 Housing Element Accomplishments

2008-2014 Housing Element Program	Progress Since 2008	Agency
Objective 2.c: Provide Technical and Financial Assistance for Housing Production		
Continue to provide financial and technical assistance to nonprofit housing providers to support the development of affordable housing, including special needs housing. The City will also continue to seek out local, state, and federate funds to support the construction of affordable housing.	<p>Progress: The City continues to provide financial and technical assistance to nonprofit housing providers for the development of affordable housing. Between FY06 and FY12, 399 affordable housing units were completed with \$118 million of city RDA funds leveraged. With the elimination of redevelopment agencies, the City will continue to seek alternative sources of funding for affordable housing development. In addition, the City has provided TA funds for nonprofits to attend national conferences to learn about best practices in housing and service delivery.</p> <p><i>Appropriateness: This program continues to be appropriate for the 2013-2021 Housing Element.</i></p>	City Housing Division (lead); Human Services Division
Objective 2.d: Assess Alternative Affordable Housing Finance Programs		
Continue to seek out all available affordable housing financing programs from the state and federal government, and develop alternative financing strategies, such as leveraging redevelopment set-aside revenue.	<p>Progress: The concept for creative financing programs envisioned in the previous housing element was directly related to leveraging the city's strong redevelopment resources. With the elimination of redevelopment agencies, the City will continue to seek alternative sources of funding for affordable housing development and creative financing strategies.</p> <p><i>Appropriateness: This program will be modified and maintained in the 2013-2021 Housing Element.</i></p>	Housing Division
Objective 2.e: Assess Use of City-Owned/Publicly-Owned Land for Affordable Housing		
Continue to implement the City's land banking program, purchase publicly and privately owned land for the use of affordable housing, and use creative means for facilitating the production of housing such as the use of 'air-rights' on City buildings.	<p>Progress: During the planning period, additional properties were purchased by the City, particularly in the Downtown area. The City is analyzing its stock of publicly-owned parcels to maximize usefulness and community benefits including housing production.</p> <p><i>Appropriateness: This program will be revised in the 2013-2021 Housing Element to reflect the RDA funding loss.</i></p>	Housing & Economic Development Department; City Planning Division

Table 6-3 Review of 2008–2014 Housing Element Accomplishments (continued)

2008-2014 Housing Element Program	Progress Since 2008	Agency
Objective 2.f: Foster Housing Development through Development Agreements		
Continue to enter into Development Agreements that provide community benefits by including on-site affordable housing or payment of affordable housing fees beyond existing City requirements to the extent appropriate. Continue to monitor compliance with existing Development Agreements.	<p>Progress: The City has received applications for more than 25 development agreements (DAs) during the planning period, many of them in the Downtown and Bergamot Plan areas, reflecting high interest in developing Transit Oriented Development. The City negotiates for DAs that include housing to provide on-site affordable units in excess of the minimum number required by Code and/or to contribute to the Affordable Housing Trust Fund (AHTF). Commercial projects have also contributed funds to the AHTF as development agreement terms.</p> <p>The City bolstered its DA compliance monitoring process in 2010, and annually reviews ongoing conditions.</p> <p><i>Appropriateness: This program continues to be appropriate for the 2013-2021 Housing Element.</i></p>	City Planning Division; City Attorney's Office; Housing Division
Objective 2.g: Facilitate the Development and Maintenance of Special Needs Housing		
Continue to utilize existing and new financial resources and strengthen partnerships with service providers to create and retrofit existing housing for special needs households.	<p>Progress: A partnership of Step Up on Second and A Community of Friends completed construction of 46 studio units of permanent supportive housing in 2009. "Step Up on Fifth" is geared towards the formerly homeless and mentally disabled population. The City is assisting 2 other permanent supportive housing projects by Step Up on Second: Step Up on Colorado and Step Up on Second. The projects are expected to be completed in 2015 and 2014 respectively.</p> <p><i>Appropriateness: This program continues to be appropriate for the 2013-2021 Housing Element.</i></p>	Housing Division; City Human Services Division
Study the future needs for congregate care based on the City's aging demographics and develop a policy(ies) to address these needs.	<p>Progress: The Commission for Seniors in the Community has been evaluating the needs of seniors to be able to age in place and City policies are evolving around that concept, as well as the need for provision of congregate care opportunities.</p> <p><i>Appropriateness: This program continues to be appropriate for the 2013-2021 Housing Element.</i></p>	Housing Division; City Human Services Division
Study data to identify housing and supportive service gaps for various special needs groups and propose policy and priorities based on the analysis	<p>Progress: The Housing Division recently analyzed potential impediments to housing and the report identifies solutions to overcome these potential impediments. Additionally, the Housing Division has applied for renewals of all the Shelter Plus Care vouchers and SIP to sustain supportive housing for homeless and special needs families. In addition, in 2009, Human Services Implemented a new Homeless Management Information System (HMIS) which is collecting data on service usage, housing placement and retention from all City-funded homeless service agencies. This data is used to identify effective programs, trends in service needs and usage, and is used to evaluate annual grant renewals.</p> <p><i>Appropriateness: This program continues to be appropriate for the 2013-2021 Housing Element. In addition, more specific programs to address housing issues that affect persons with disabilities need to be identified.</i></p>	Housing Division; City Human Services Division

Table 6-3 Review of 2008–2014 Housing Element Accomplishments (continued)

2008-2014 Housing Element Program	Progress Since 2008	Agency
<p>Consider requiring or incentivizing units with 2 or more bedrooms for new residential multi-family development.</p>	<p>Progress: In conjunction with local nonprofit housing developers, the City has been prioritizing the development of larger residential units with 2 or more bedrooms. The largest provider, Community Corporation of Santa Monica (CCSM), which has received significant assistance from the City’s Affordable Housing Trust Fund, has constructed 292 units since 2006, of which all but four have at least two bedrooms, and 113 have three or four bedrooms. As of October 2012, 35% of tenants in CCSM properties, which include both new construction and rehabilitated units, were households of three or more people. CCSM units now provide housing for a higher percentage of children than the overall rate in the 2010 census – 18.4% compared to 10% are in the 5-17 year old category.</p> <p>Projects with multiple bedrooms have been designated as “preferred projects” with increased density allowed; this may continue to be a consideration in the new Tier system in the Zoning Code update.</p> <p><i>Appropriateness: This program continues to be appropriate for the 2013-2021 Housing Element.</i></p>	<p>Housing Division; City Human Services Division</p>
<p>Explore the feasibility and desirability of new housing types, such as co-housing.</p>	<p>Progress: The City’s zoning allows for alternative types of housing in multi-family, commercial, and industrial zoning areas but the development of these alternatives was intended to be explored based on interest expressed by private parties, which has not been forthcoming.</p> <p><i>Appropriateness: This program continues to be appropriate for the 2013-2021 Housing Element, but may be slightly revised to reflect the intention to be responsive to new ideas proposed by community members.</i></p>	<p>Housing Division; City Human Services Division</p>
<p>Objective 2.h: Pursuant to Policy Adopted in the LUCE Update, Consider Ways to Facilitate the Development of Housing within Targeted Locations</p>		
<p>Based on the land use strategy developed in the City’s Land Use and Circulation Element identifying areas of future residential development near existing and proposed transit connections, consider ways to successfully develop housing that is served by nearby retail uses and services.</p>	<p>Progress: The LUCE was adopted in July 2010, including designated activity centers near the planned Expo Line stations and along several commercial corridors served by transit. Two specific planning efforts, in Downtown and in the Bergamot Transit Village/Mixed Use Districts, are underway including attention to provision of services and amenities in proximity to proposed housing. The City received a HUD Sustainable Communities grant for the Bergamot Plan. A State Sustainable Communities Grant is being utilized to begin work in the Memorial Park area as well. All of these planning efforts contain analysis regarding housing development at both market rate and affordable levels. When adopted, they will guide the successful development of housing integrated with services and transit choices.</p> <p><i>Appropriateness: This objective should be revised to reflect the adoption of the LUCE, but is still appropriate to retain in a more evolved form in the 2013-2021 Housing Element.</i></p>	<p>City Planning Division</p>

Table 6-3 Review of 2008–2014 Housing Element Accomplishments (continued)

2008-2014 Housing Element Program	Progress Since 2008	Agency
Objective 2.i: Assess the Development of Workforce Housing		
<p>Explore the development of housing that is affordable to the city’s workforce, including rental, ownership, and forms of employer-provided transitional housing through development of a Workforce Housing Program/ Initiative. This program will be focused on households with income above 120% of the area median income and could possibly be capped at 180% of the area median income. Possible parameters of the program are as follows:</p> <ul style="list-style-type: none"> • Provide regulatory development incentives, particularly in conjunction with proximity to transit, and other possible tools that may be included in the City’s zoning ordinance. • The workforce housing program should not detract from current affordable housing programs for households below 120% of the median-income level 	<p>Progress: As this issue has been explored over the last five years, economic conditions have varied greatly. Currently, rental housing at levels affordable to the workforce as defined by this objective is provided in the open market. However, ownership housing is not currently offered to these income targets due to the high land value in Santa Monica. The City has not identified any available funding to subsidize ownership housing of this type but continues to explore opportunities.</p> <p>Families in this income range have a particularly difficult time affording housing in Santa Monica, and the challenge to create the conditions to incentivize this type of development remains.</p> <p><i>Appropriateness: This program continues to be appropriate for the 2013-2021 Housing Element.</i></p>	<p>City Planning Division; Housing Division</p>

Table 6-3 Review of 2008–2014 Housing Element Accomplishments (continued)

2008-2014 Housing Element Program	Progress Since 2008	Agency
Objective 2.j: Facilitate the reduction of the number of homeless individuals living on the streets of Santa Monica through the provision of a range of housing options, with an emphasis on affordable, permanent, supportive housing		
Continue to seek and leverage funds that contribute to the development of a range of permanent, supportive housing options, within and outside of Santa Monica.	<p>Progress: The City continues to seek additional funding opportunities for leveraging. The City is participating with LASHA, HACOLA, HACLA, City of Burbank to issue a joint Notice of Funding Opportunity for HUD McKinney Vento Act funding for local nonprofit organizations to secure funding for permanent supportive housing.</p> <p><i>Appropriateness: This program continues to be appropriate for the 2013-2021 Housing Element.</i></p>	City Human Services Division; Housing Division
Focus case management and housing resources on the 110 most chronic and vulnerable homeless individuals that have been identified as the top priority for accessing permanent, supportive housing.	<p>Progress: Since 2008, the Homeless Service Registry has grown to 240 chronic and vulnerable individuals. As of June 2012, 139 of those are in permanent supportive housing. In addition, over 180 families received supportive services and either accessed supportive housing or maintained supportive housing each year.</p> <p><i>Appropriateness: This program continues to be appropriate for the 2013-2021 Housing Element.</i></p>	City Human Services Division; Housing Division
Continue to serve other priority homeless populations through City-funded programs.	<p>Progress: In 2010, the City refined the definition of “Santa Monica Priority Population” for homelessness, establishing a consistent policy that is used across Human Services grant programs, including those for seniors, people with disabilities, and low-income programs that do not target, but do serve, homeless individuals and families</p> <p><i>Appropriateness: This program continues to be appropriate for the 2013-2021 Housing Element.</i></p>	City Human Services Division; Housing Division
Develop strategies to link those not first-homeless in Santa Monica with services near their communities of origin.	<p>Progress: Since 2006, the City’s Project Homecoming program has reunited over 1,200 homeless individuals with family and friends in their home community.</p> <p><i>Appropriateness: This program continues to be appropriate for the 2013-2021 Housing Element.</i></p>	City Human Services Division; Housing Division
Review City policy and practices that may contribute to homelessness.	<p>Progress: In 2008, the City Council adopted the Action Plan to Address Homelessness in Santa Monica, which provides a framework for coordination of all activities to address homelessness including interdepartmental collaboration and public/private partnerships. The Action Plan has been updated in 2009 and 2010.</p> <p><i>Appropriateness: This program continues to be appropriate for the 2013-2021 Housing Element.</i></p>	City Human Services Division; Housing Division

Table 6-3 Review of 2008–2014 Housing Element Accomplishments (continued)

2008-2014 Housing Element Program	Progress Since 2008	Agency
Objective 2.k: Maintain Proposition I Monitoring		
Monitor utilization of Proposition I authority through annual reporting of new “low rent-housing projects.”	<p>Progress: The Housing Division provides annual reports on Proposition I. These are made available on the City’s website at: http://www.smgov.net/Departments/HED/Housing_and_Redevelopment/Housing/Reports/</p> <p><i>Appropriateness: This program continues to be appropriate for the 2013-2021 Housing Element.</i></p>	Housing Division
Goal 3.0: Protect the existing supply of affordable housing.		
Objective 3.a: Develop Programs to Address State and Federal Legislative Mandates		
Continue to implement programs to protect tenants against landlord cancellation of existing Section 8 contracts (including City and/or private foundation-funded subsidy) to enable tenants to remain and pay the maximum allowable rent (MAR) such as the TARP program.	<p>Progress: The City of Santa Monica passed Measure RR which protects all tenants with just cause protection, thereby precluding landlords from terminating their tenants due to issues related to Section 8 subsidy. The Rent Control Charter includes protection for all Section 8 participants to assure annual rent increases are governed by the approved increase.</p> <p>The Rent Control Board provides market rate rental data to the Housing Authority to assist the Santa Monica Housing Authority’s request for increased Section 8 payment standards in Santa Monica. The Board also provides fee waivers for the registration of units offered through Section 8.</p> <p><i>Appropriateness: This program continues to be appropriate for the 2013-2021 Housing Element.</i></p>	Housing Division (lead); Rent Control; City Planning Division
Continue to take all necessary steps to increase HUD’s Fair Market Rent (FMR) for Santa Monica so that Section 8 can offer competitive market rate rent; continue to fund the acquisition and rehabilitation of existing rental units.	<p>Progress: The Housing Authority currently operates with an exception payment standard approved by HUD. Staff will evaluate if the standard can be increased if the criteria are met during this HE period.</p> <p><i>Appropriateness: This program continues to be appropriate for the 2013-2021 Housing Element.</i></p>	Housing Division (lead); Rent Control; City Planning Division
Investigate new, innovative ways to increase the affordability of housing in light of the loss of formerly affordable units due to vacancy decontrol and Ellis withdrawals.	<p>Progress: The Rent Control Board monitors the removal of rent-controlled units due to vacancy de-control and Ellis withdrawals. Annual reports detail the impact of these losses on affordable housing. Based on Rent Control records, there was a net loss of 108 rent-controlled units for the period of January 2008 to December 2012, due to Ellis withdrawals. During that period, 2,510 rent-controlled units were given their first Costa-Hawkins market rate increase.</p> <p>These units are hard to replace, but the City continues to explore ways to maintain affordability and develop new and rehabilitated affordable units.</p> <p><i>Appropriateness: This program continues to be appropriate for the 2013-2021 Housing Element.</i></p>	Housing Division (lead); Rent Control; City Planning Division

Table 6-3 Review of 2008–2014 Housing Element Accomplishments (continued)

2008-2014 Housing Element Program	Progress Since 2008	Agency
Objective 3.b: Protection of Mobile Home Park Tenants		
<p>Continue to assist tenants at the Mountain View Mobile Home Park and protect the existing tenants at the Village Trailer Park. In the event that closure of the Village Trailer Park is approved, provide assistance options for residents such as relocation to the proposed on-site rent controlled apartment buildings or condominiums, coach purchase and replacement programs or relocation to the City's Mountain View mobile home park.</p>	<p>Progress: The Housing Division replaced 20 rental units with new manufactured homes and offered a deferred loan program to the resident owners to replace their travel trailers and older mobile homes. The City has preserved all vacant spaces to accept residents who may be displaced from the Village Trailer Park. The City Council approved a Development Agreement including a Tenant Relocation Plan and retention of 10 mobile homes on the eastern portion of the property for 10-15 years. This allows the closure of the Village Trailer Park, with relocation assistance options that implement this objective. The Rent Control Board has assisted tenants throughout the process to ensure respect for their rights.</p> <p><i>Appropriateness: Continue policy to assist MV Mobile Home Park tenants; remove the rest of policy language as it has been implemented.</i></p>	<p>Housing Division; City Planning Division; Rent Control</p>
Objective 3.c: Maintain a Tenant Eviction Protection Program		
<p>Continue to prevent unlawful evictions through monitoring and enforcing of "just cause" eviction protections, and continue to provide fair housing services through the Consumer Protection Unit of the Santa Monica City Attorney's Office.</p>	<p>Progress: The Rent Control Board engages the community about the protections of Rent Control Law through a number of events and seminars, as well as ongoing one-on-one consultations with tenants and property owners about their rights and responsibilities under the law. For the period of 2008 to the present, the Board responded to an average of 13,241 inquiries per year. The Board also receives notices of eviction when served on tenants for any other reason than non-payment of rent, which permits the Board to inform property owners of improper application of the Rent Control Law.</p> <p>The Board monitors owner-occupancy evictions to ensure that this ground for eviction is not abused and an inter-departmental task-force was formed to address issues related to Ellis withdrawals and the current use of those properties.</p> <p>Due to the great number of eviction notices based on alleged nuisance or breaches of lease terms during this period, the Rent Control Board recommended that the City Council place a measure on the ballot in 2010 to amend the City Charter and require additional protections for tenants, specifically requiring warning and a reasonable opportunity to correct a problem before a tenant may be served with a notice terminating tenancy on that ground. The measure passed and is now law. Measure RR also expanded eviction protections for seniors, disabled and low-income tenants with respect to evictions for owner-occupancy. The measure also expanded eviction protections (including the required pre-eviction warning) to non-rent-controlled units. On December 13, 2011, the City Council adopted an ordinance which extended the protections of the Tenant Harassment Ordinance to all tenants with just cause eviction protections.</p> <p><i>Appropriateness: This program continues to be appropriate for the 2013-2021 Housing Element.</i></p>	<p>City Attorney's Office; Rent Control; Housing Division</p>

Table 6-3 Review of 2008–2014 Housing Element Accomplishments (continued)

2008-2014 Housing Element Program	Progress Since 2008	Agency
<p>Evaluate and propose legislation or other measures as appropriate to protect tenants of affordable units by requiring just cause eviction and prohibit discrimination based on source of income. Continue to review current laws and recommend any needed modifications to ensure protection of tenants.</p>	<p>Progress: The Rent Control Board reviews current and proposed legislation and offers perspective to legislators about the impact such laws may have on tenants and rental housing. The Board supports legislation that supports fundamental tenant rights that are compatible with the Rent Control Law and opposes legislation that would undermine those rights. For example, during the last period, the Board publicly supported AB 265 (Feuer) to extend the time in which a tenant must pay back rent to avoid eviction and SB 184 (Leno) to provide express authorization for local jurisdictions to enact enforceable inclusionary housing ordinances. The Board was also instrumental in ensuring that a new City ordinance prohibiting smoking in common areas of apartment buildings contained safeguards so tenants would not be evicted for violating the ordinance.</p> <p><i>Appropriateness: This program continues to be appropriate for the 2013-2021 Housing Element.</i></p>	<p>City Attorney’s Office; Rent Control; Housing Division</p>
<p>Objective 3.d: Facilitate the Preservation of At-Risk Housing</p>		
<p>The City will continue to monitor the status of at-risk projects within the City, advise tenants in advance of potential conversion dates, and assist in answering questions from residents of at-risk housing. The City will exercise its right of first refusal to purchase properties if necessary to ensure the continued availability of affordable housing units.</p>	<p>Progress: The Housing Element identified two housing projects with affordability covenants that were potentially at-risk during the housing element period, but also noted that this risk was mitigated by City policies and agreements that extend the project’s affordability status past the expiration date of the original covenant. These two projects continue to be rented as affordable housing. The City continues to monitor at-risk development with covenants that could expire. The funding sources used in these developments require that tenants are given a year’s notice of the owner’s intent to opt out of maintaining the affordability targets.</p> <p><i>Appropriateness: This program continues to be appropriate for the 2013-2021 Housing Element. A quantified objective for conservation will be added based on the 10-year planning period.</i></p>	<p>Housing Division</p>
<p>Goal 4.0: Promote the rehabilitation and continued maintenance of existing housing.</p>		
<p>Objective 4.a: Maintain a Low Income Residential Repair Program</p>		
<p>Support and fund the rehabilitation of 350 multi-family units and provide 250 minor home repairs.</p>	<p>Progress: 188 affordable homes were rehabilitated to be preserved for affordable housing and 97 homes received funding from the City to make minor modifications during the Housing Element period (2006-2012). A Notice of Funding Availability was issued in 2011 to solicit broader participation in rehabilitation activities and several letters of interest were received from property owners. However, the City was unable to continue the funding when the RDA was eliminated.</p> <p><i>Appropriateness: This program continues to be appropriate for the 2013-2021 Housing Element but will have a lower quantified objective.</i></p>	<p>Housing Division; Santa Monica Housing Authority</p>

Table 6-3 Review of 2008–2014 Housing Element Accomplishments (continued)

2008-2014 Housing Element Program	Progress Since 2008	Agency
Objective 4.b: Maintain a Housing Code Enforcement Program		
Continue to implement the City's housing code enforcement program. The Building and Safety Division will coordinate with the Housing Division to provide information on available rehabilitation assistance to correct code deficiencies.	<p>Progress: This program continues for violations of residential housing. Tenants may call in for concerns of building or zoning violations and subsequent investigation by Code Compliance staff. Resource assistance through advisement is available from both Building and Safety and Code Compliance Divisions.</p> <p><i>Appropriateness: This program continues to be appropriate for the 2013-2021 Housing Element.</i></p>	Building and Safety Division; Housing Division; Housing Authority
Objective 4.c: Maintain an Earthquake Retrofitting Program		
Continue to require earthquake retrofitting in compliance with seismic upgrade regulations.	<p>Progress: Specified thresholds for proposed construction of existing buildings require seismic retrofitting to current Building Code standards, and the City implements these requirements through the plan check process. These projects require engineered plans and specific procedures to meet retrofit standards.</p> <p><i>Appropriateness: This program continues to be appropriate for the 2013-2021 Housing Element.</i></p>	Building and Safety Division
Objective 4.d: Maintain a Lead-Based Paint and Asbestos Hazards Reduction Program		
Continue to implement an educational program and potentially other assistance to address the abatement and removal of lead-based paint; educate construction industry and train enforcement personnel to ensure safe construction sites.	<p>Progress: As a condition of housing subsidy for very low and low income households an inspection is required prior to occupation. All units are inspected for paint wear and defects. All painted surfaces must be free of wear. Annually the Housing Authority reports on the status of lead exposure. All tenants who are participants in subsidized housing are informed of the risks of lead exposure through written materials. All City-funded projects require safe handling procedures regarding asbestos removal.</p> <p><i>Appropriateness: This program will be modified to reflect that the Housing Division only works with affordable projects and only addresses lead based paint in subsidized units. The City does not offer any educational program.</i></p>	Housing Division (lead); Building and Safety Division; Environmental and Public Works Management

Table 6-3 Review of 2008–2014 Housing Element Accomplishments (continued)

2008-2014 Housing Element Program	Progress Since 2008	Agency
Goal 5.0: Provide housing assistance and supportive services to very low, low, and moderate income households and households with special needs.		
Objective 5.a: Maintain a Section 8 Rental Assistance and Housing Voucher Program		
Continue to operate the Section 8 programs and advocate for funding guidelines that are competitive in Santa Monica; pursue additional funding to maintain the financial feasibility of the program and if possible, expand it. Review and update the Housing Authority Administrative Plan to ensure compliance with the latest HUD regulations and to provide flexibility to respond to tenants' needs consistent with legal requirements.	<p>Progress: The Housing Authority continues to maintain the Section 8 program and will pursue additional vouchers if available. The Housing Commission and Housing Authority Board approve annually the Administrative Plan which is updated to revise policies and integrates new regulations. The Housing Authority currently administers approximately 1,400 vouchers total in all programs.</p> <p><i>Appropriateness: This program continues to be appropriate for the 2013-2021 Housing Element.</i></p>	Santa Monica Housing Authority; Housing and Economic Development
Objective 5.b: Maintain a Community Development Grant Program		
Continue to fund supportive services that serve the priority homeless populations, striking a balance between existing programs that have demonstrated effectiveness and national best practices that are consistent with the City's adopted Action Plan to Address Homelessness in Santa Monica.	<p>Progress: In FY2011, the Community Development Grant Program was renamed the Human Services Grant Program (HSGP). Changes were made in the FY2011-2015 grants program cycle to further align funding with the goals of the Action Plan to Address Homelessness. These changes re-directed funding towards programs that demonstrated success in serving the City's priority population, as well as programs that are recognized best practices.</p> <p><i>Appropriateness: This program continues to be appropriate for the 2013-2021 Housing Element.</i></p>	Human Services Division
Objective 5.c: Maintain a Home Buyers Assistance Program		
Continue to operate the TORCA Shared Appreciation Program and look at developing future homeownership housing on a case-by-case basis.	<p>Progress: The City made deferred loans in the 1990s to assist low income buyers to purchase homes. Most of the loans come due in the next few years. Housing Division staff is analyzing various options to amend the loan terms to avoid a financial burden on these homeowners. In addition, with the increase in property values and the decrease in City resources, staff is considering alternatives to this program.</p> <p><i>Appropriateness: This program will be removed in the 2013-2021 Housing Element, pursuant to Council direction.</i></p>	Housing Division

Table 6-3 Review of 2008–2014 Housing Element Accomplishments (continued)

2008-2014 Housing Element Program	Progress Since 2008	Agency
Objective 5.d: Provide Tenant Relocation Assistance		
Continue to implement the Tenant Relocation Assistance program; periodically review existing City policies and ordinances and recommend modifications if deemed necessary.	<p>Progress: In 2011, the Rent Control Board forwarded recommendations to the City Council for the increase and expansion of the City's relocation assistance provisions and tenant harassment protections. The City Council adopted the recommendations and a new ordinance went into effect in January 2012. This ordinance increased the amount of permanent relocation benefits to tenants and changed the eligibility requirements for seniors, children, and disabled tenants to be entitled to enhanced benefits.</p> <p><i>Appropriateness: This program continues to be appropriate for the 2013-2021 Housing Element.</i></p>	City Attorney's Office; Housing Division; Rent Control
Objective 5.e: Maintain a Temporary Relocation Program		
Continue the Temporary Relocation Program, including providing emergency hotel vouchers for tenants who have been ordered to vacate their units by the City for code violations or safety reasons.	<p>Progress: Santa Monica Municipal Code Chapter 4.36 establishes requirements relating to the payment of both permanent and temporary relocation benefits, including benefits mandated by a code compliance order. The Building and Safety Division works with the City Attorney's Office to implement this ordinance when appropriate. Building & Safety pursues recovery of expenses from landlords who are obligated to provide the benefits to tenants temporarily displaced while the health and safety of their property is secured. Building and Safety also provides temporary relocation through hotel vouchers for households who have had to abate their unit. The ordinance was amended in 2007 and has not been further amended during the review period.</p> <p><i>Appropriateness: This program continues to be appropriate for the 2013-2021 Housing Element.</i></p>	City Attorney's Office; Building & Safety
Objective 5.f: Address Threats to the HUD Section 8 Rental Subsidy Program		
Continue the Tenants Assistance Rental Program to pay for a percentage of the MAR for Section 8 tenants whose HUD contracts were cancelled and apply to HUD as needed for Santa Monica renters to receive enhanced rental vouchers.	<p>Progress: The program provided assistance to tenants for a one year period to allow them time to relocate. To date, no tenants are currently enrolled in TARP. If a Section 8 landlord seeks to opt out of Section 8 then the tenant is issued a new voucher. Funding for this program is extremely limited and staff routinely refers tenants to Legal Aid to assure that tenants' rights are protected.</p> <p><i>Appropriateness: This program continues to be appropriate for the 2013-2021 Housing Element.</i></p>	Housing Division

Table 6-3 Review of 2008–2014 Housing Element Accomplishments (continued)

2008-2014 Housing Element Program	Progress Since 2008	Agency
Objective 5.g: Maintain Senior Homeless Prevention Program		
Continue to implement the Senior Homeless Prevention and Rental Assistance Program.	<p>Progress: The City has maintained 82 households every year in the program. The program has been funded through Redevelopment and with the elimination of Redevelopment Agencies by the State of California, the program is no longer viable.</p> <p><i>Appropriateness: This program will not be included separately in the 2013-2021 Housing Element. It will be incorporated into the Section 8 program, with General Fund assistance to achieve the program’s goals.</i></p>	Santa Monica Housing Authority; Housing Division
Objective 5.h: Reasonable Accommodation		
The City will include a reasonable accommodation procedure as part of a comprehensive revision of the City’s Zoning Ordinance.	<p>Progress: Following the adoption of the LUCE in July 2010, the City began the process of updating the Zoning Ordinance to reflect new districts and integrated land use goals. Public outreach and review progressed in 2012 and approval is anticipated by the end of 2013. The reasonable accommodation procedure is to be included in this update, within the 2008-14 planning period.</p> <p><i>Appropriateness: This program does not need to be repeated once the ordinance is adopted. It should be modified to reference efforts to promote accessibility and visitability.</i></p>	Community & Strategic Planning Division
Goal 6.0: Eliminate discrimination in the rental or sale of housing on the basis of race, religion, national origin, sex, sexual preference, age, disability, family status, aids, or other such characteristics.		
Objective 6.a: Maintain Fair Housing Programs		
Continue to implement fair housing programs. Educate landlords about discrimination and educate the real estate community on the necessity of ensuring that their practices meet the objectives of the fair housing laws.	<p>Progress: The City Attorney’s Office has taken a practical approach to educating tenants and owners about Fair Housing laws. On an annual basis, the Consumer Protection Unit conducts a public workshop on fair housing which is attended by landlords, managers, tenants, and other public agencies. The Consumer Protection Unit also produces a fair housing poster contest which is actively supported by all of the City’s local schools. In conjunction with this event and in recognition of Fair Housing Month, this unit places an ad in the local paper promoting these events. In August 2010, the City Council adopted an ordinance expanding the definition of residential common areas for purposes of second-hand smoke protections to include all outdoor areas within 25 feet of any door, window, or vent at a multi-unit residential property.</p> <p><i>Appropriateness: This program continues to be appropriate for the 2013-2021 Housing Element.</i></p>	City Attorney’s Office

Table 6-3 Review of 2008–2014 Housing Element Accomplishments (continued)

2008-2014 Housing Element Program	Progress Since 2008	Agency
Objective 6.b: Provide Tenant/Landlord Mediation and Legal Services		
Continue to support tenant/landlord mediation and legal services assistance.	<p>Progress: The Rent Control Board referred 334 cases to mediation in the previous reporting period and held 198 hearings on petitions for claims including excess rent, rent increases, rent decreases, and exemptions. The Board also redesigned its website to make it more user-friendly and created a new Spanish-language site that mirrors the English-language site in layout and content. The Board has established a social media presence through Facebook in an effort to expand awareness of the resources available through the Board. The Consumer Protection Unit of the City Attorney's Office continues to administer fair housing services. The Human Services Division continues to provide grant funds to support legal services and tenant/landlord mediation.</p> <p>Appropriateness: This program continues to be appropriate for the 2013-2021 Housing Element.</p>	City Attorney; Rent Control; Human Services Division
Goal 7.0: Promote quality housing and neighborhoods.		
Objective 7.a: Provide a Residential Neighborhood Safety Program		
Continue to offer neighborhood safety programs in cooperation with the Police Department.	<p>Progress: The Police Department manages 165 Neighborhood Watch groups from all areas of the city. The periodic and incident-driven meetings are facilitated by Crime Prevention Coordinators and focus on neighborhood safety and quality of life issues. The groups are on-going and adapt over time to changes in the neighborhoods.</p> <p>Appropriateness: This program continues to be appropriate for the 2013-2021 Housing Element.</p>	Police Department (lead); Housing Division
Objective 7.b: Maintain Energy and Water Conservation Programs		
Continue to monitor energy and water usage in the city and investigate other appropriate programs to conserve these scarce natural resources. Continue to reduce city-wide water and energy use in accordance with the goals and targets set out in the Sustainable City Plan.	<p>Progress: Water demand has decreased by 14 gallons per person per day thereby keeping the city on track to meet its 2020 goal to reduce water demand by 25 gallons per person per day.</p> <p>The City has exceeded its Sustainable City Plan goal of having 1% of citywide energy use come from clean distributed renewable sources (4% rooftop solar) and 25% of all electricity use come from renewable sources (remaining 21% from renewables So Cal Edison's grid).</p> <p>Overall City energy use has increased and will continue to increase largely due to major new infrastructure projects (Main Library, Public Safety Facility, the Village, etc.) however new buildings are required to be at least 15% more efficient than minimum state standards.</p> <p>Appropriateness: This program continues to be appropriate for the 2013-2021 Housing Element.</p>	Environmental Programs Division

Table 6-3 Review of 2008–2014 Housing Element Accomplishments (continued)

2008-2014 Housing Element Program	Progress Since 2008	Agency
Objective 7.c: Facilitate Sustainable Housing Development		
<p>Continue to offer incentives to encourage green building and investigate new ways that green building might be incentivized. Continue to amend the Municipal Code as appropriate to support improved environmental performance of newly constructed buildings. Continue green building incentives and requirements in accordance with the goals and targets set forth in the Sustainable City Plan.</p>	<p>Progress: The California Green Building Standards Code had its inaugural adoption on January 1, 2010. This Code applies green and sustainable construction standards to new construction. The Code expanded the requirements to apply to existing commercial (and mixed use) projects on July 1, 2012. During the same years, the Office of Sustainability and the Environment worked with Building and Safety on Code amendments to add new local green standards to the Santa Monica Building Code.</p> <p><i>Appropriateness: This program continues to be appropriate for the 2013-2021 Housing Element.</i></p>	<p>City Planning Division (lead); Building and Safety, Environmental Programs</p>
Objective 7.d: Maintain an Office Development Mitigation Program		
<p>Continue implementation of an Office Mitigation Program.</p>	<p>Progress: The Office Mitigation fee still exists, but certain types of projects were exempted in the past and the development patterns during this planning period have been such that the program has not yielded many new housing resources. This fee is being reviewed and analyzed. There is currently a Parks and Open Space Nexus Study underway and it is anticipated that a revised mitigation fee will be proposed in 2013 (CCS, PCD).</p> <p><i>Appropriateness: This program will be removed. A program to consider new mitigation fees based on nexus studies will be incorporated into the 2013-2021 Housing Element.</i></p>	<p>PCD (lead); Community and Cultural Services Department</p>
Objective 7.e: Monitor Rate of Development Activity in Multi-family Residential Districts		
<p>Continue to monitor the rate of development activity in multifamily residential districts. Report on an annual basis the number of planning applications granted for new housing construction.</p>	<p>Progress: Due to the economic recession and the construction rate ordinance that was adopted to address the community's concerns regarding neighborhood livability due to a high level of construction activity, the pace of residential development applications in residential zones has slowed down somewhat. Neighborhood conservation is a city priority expressed in the LUCE, and residential development focus is anticipated to continue to be in commercial and formerly industrial areas that are being further defined through area plans.</p> <p>The annual report on housing applications is included in the Housing Division's annual Prop R report.</p> <p><i>Appropriateness: This program continues to be appropriate for the 2013-2021 Housing Element.</i></p>	<p>City Planning Division, Housing Division</p>

Table 6-3 Review of 2008–2014 Housing Element Accomplishments (continued)

2008-2014 Housing Element Program	Progress Since 2008	Agency
Goal 8.0: Promote the participation of citizens, community groups, and governmental agencies in housing and community development activities.		
Objective 8.a: Maintain a Citizen Notification Program		
<p>Continue to publicize development and policy proposals to all interested parties through the use of noticing, the radio, cable TV, and the City’s webpage. Continue to conduct neighborhood meetings on proposed development projects.</p>	<p>Progress: During this Housing Element cycle, notifications have continued to be provided in compliance with City Code and often beyond for both development projects and long-range planning efforts. Two websites for the Downtown and Bergamot Station projects have been established to engage the community on those projects. Neighborhood meetings hosted by development project applicants are required and held regularly prior to official review with City staff’s participation.</p> <p><i>Appropriateness: This program continues to be appropriate for the 2013-2021 Housing Element.</i></p>	<p>City Planning Division</p>
Objective 8.b: Conduct Housing Element Review		
<p>Implement identified housing element programs within the time frames identified. Annually review grant-funded programs and redevelopment set-aside programs.</p>	<p>Progress: The Housing Element is maintained as a living policy document. As a charter city, Santa Monica does not submit annual reports to the State, but the Council carefully monitors progress in housing production, tenant protections and housing policy in relation to other land use and transportation planning through regular staff reports, information items and study sessions.</p> <p><i>Appropriateness: This program continues to be appropriate for the 2013-2021 Housing Element.</i></p>	<p>Housing Division (lead); City Planning Division</p>

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Appendices

Appendix A Suitable Sites Inventory identifies properties in districts designated in the General Plan for mixed-use, in which the underlying traditional uses have been primarily commercial or industrial. Some of these properties, as noted, have projects proposed and under review.

Appendix B Permitted Projects Anticipated to Complete After 1/1/2014 includes a listing of projects anticipated to receive certificates of occupancy after January 1, 2014 by address, unit count, and restricted affordable units.

Appendix C LUCE Goals for Housing presents a comprehensive list of all goals in the 2010 LUCE that pertain to housing, integration of housing, transportation and amenities, or provision of supportive services related to housing.

Appendix D Meeting Summaries includes individual meeting summaries from the initial phase of the community outreach effort.



Appendix A Suitable Sites Inventory

The following suitable sites inventory is based on availability of underutilized land in LUCE-designated transit-oriented, mixed-use neighborhood districts. It includes four areas in which strong interest to develop housing has already been demonstrated, which combined provides opportunities in excess of Santa Monica's 2014-2021 RHNA allocation. Selected properties analyzed in these areas generally have existing structures of at least 40 years old; however, properties with pending project applications included in the sites inventory may have newer existing buildings. Additional criteria for inclusion as a suitable site include existing development at significantly lower intensity than now permitted (less than 50%) and location within walking distance of one of the new Expo Line stations and/or a stop along a rapid bus corridor. The following development assumptions, which are either less than or equal to the LUCE maximums, reflect the character of recently developed and proposed projects and draft specific/area plan recommendations:

- Downtown: FAR of 2.5; residential/commercial mix of projects:80%/20%
- Bergamot Plan Area: FAR of 2.5 for Transit Village and 2.2 for Mixed Use Creative (below LUCE; based on area plan direction); residential/commercial mix of projects: 60%/40%
- Memorial Park Plan Area: FAR of 2.0; residential/commercial mix of projects: 60%/40%
- Mixed-Use Boulevards: FAR of 2.0; residential/commercial mix of projects: 60%/40%

To avoid overestimating the potential of pending development agreement applications, a factor of two-thirds of the proposed number of units has been applied to the total. Properties listed on the City's Historic Resources Inventory (HRI), located in the downtown only, are assumed to have a reduced potential, which is based on adaptive reuse using the Secretary of Interior's Standards for Rehabilitation.

Address	Current Zoning	Current Zoning FAR	Current FAR	Year Built	Existing Use	Lot Sq.Ft.	Building Sq. Ft.	Max Unit if 100% Res.	HRI Property 50%	40-80% Res, Varies by District	Project Application	Proposed # of Units
Downtown Specific Plan												
1318 2nd Street*	BSC4	2.50		1948	Store and Office/1 story	7,497	11,672				Y	56
1301 4th Street*	BSC3	2.50	0.3	1959	Bank or Savings and Loan	31,877	9,995				Y	400
1216 5th Street	C3C	2.50	1.0	1955	Store and Office Combination	7,497	7,500	19		15		
1235 5th Street	C3C	2.50	0.7	1923	Vacant Land - Residential	7,497	5,402	19		15		
1311 5th Street	C3C	2.50	0.6	1939	Restaurant/Lounge/Tavern	7,497	4,600	19		15		
1313 5th Street	C3C	2.50	1.0	1954	Parking Lot-Patron or Employee	7,497	7,500	19		15		
1327 5th Street*	C3C	2.50		1930	Store	7,497	6,455	19		15		
1415 5th Street	C3C	2.50	0.7	1980	Store and Office Combination	7,497	5,000				Y	100
1423 5th Street	C3C	2.50	0.8	1966	Store and Office Combination	7,497	5,880				Y	100
1427 5th Street	C3C	2.50	1.0	1954	Store	14,998	15,705	37		30		
1445 5th Street	C3C	2.50	1.0	1946	Store	7,497	7,500	19		15		

Appendix A Suitable Sites Inventory (continued)

Address	Current Zoning	Current Zoning FAR	Current FAR	Year Built	Existing Use	Lot Sq.Ft.	Building Sq. Ft.	Max Unit if 100% Res.	HRI Property 50%	40-80% Res, Varies by District	Project Application	Proposed # of Units
1552 5th Street	C3C	2.50	1.0	1948	Parking Lot-Patron or Employee	7,497	7,500	19		15		
1218 6th Street*	C3	2.00	0.7	1948	Professional Building	7,497	5,120	15		12		
1240 6th Street	C3	2.00	0.5	1960	Office Building	7,497	4,046	15		12		
1437 6th Street*	C3	2.00	0.5	1898	Single Family Residence	7,497	3,956	15		12		
1213 7th Street	C3	2.00	1.0	1951	Parking Lot-Patron or Employee	7,497	7,500	15		12		
1217 7th Street	C3	2.00	1.0	1949	Parking Lot-Patron or Employee	7,497	7,500	15		12		
1227 7th Street	C3	2.00	1.0	1960	Parking Lot-Patron or Employee	7,497	7,500	15		12		
1238 7th Street	C3	2.00	0.3	1912	Office Building	7,497	1,976	15		12		
1244 7th Street	C3	2.00	0.8		Professional Building	7,497	5,897	15		12		
1313 7th Street	C3	2.00	1.0	1958	5 or more Units/4 Story or less	7,497	7,345	15		12		
1314 7th Street*	C3	2.00	0.0	1937	Utility/State Assessed Property	29,928					Y	100
1317 7th Street	C3	2.00	1.0	1988	Parking Lot-Patron or Employee	7,497	7,500				Y	57
1331 7th Street*	C3	2.00	0.4	1953	Store + Residential Combination	7,497	3,021	15	7			
1407 7th Street	C3	2.00	0.7	1923	Store	14,998	10,500	30		24		
1427 7th Street	C3	2.00	0.0	1973	Vacant Land	15,018	0	30		24		
1448 7th Street	C3	2.00	0.6	1952	Store + Residential Combination	7,497	4,297	15		12		
1453 7th Street	C3	2.00	0.4	1949	Two Units/4 Stories or Less	4,996	2,210	10		8		
1524 7th Street	C3	2.00	0.9	1958	5 or more Units/4 Story or less	7,497	6,693	15		12		
1547 7th Street	C3	2.00	0.3	1956	Light Manufacturing/Printing	7,497	2,440	15		12		
1557 7th Street	C3	2.00	0.5	1959	Office Building	7,497	3,900	15		12		
510 Arizona Ave.*	C3C	2.50	1.0	1956	Office Building	7,497	7,724	19		15		
519 Arizona Ave.	C3	2.00	0.6	1936	Professional Building	3,450	1,935	7		6		
624 Arizona Ave.	C3	2.00	0.6	1947	Vacant Land-Residential	3,846	2,353	8		6		

Appendix A Suitable Sites Inventory (continued)

Address	Current Zoning	Current Zoning FAR	Current FAR	Year Built	Existing Use	Lot Sq.Ft.	Building Sq. Ft.	Max Unit if 100% Res.	HRI Property 50%	40-80% Res, Varies by District	Project Application	Proposed # of Units
625 Arizona Ave.*	C3	2.00	0.6	1938	Office Building	22,499	12,835	45	22			
702 Arizona Ave.	C3	2.00	0.9	1936, 1958, 1988	Office, 5 or more Units, Parking Lot	29,992	28,252				Y	49
408 Broadway	C3C	2.50	0.9	1924	Auto Service (Body and Fender)	8,991	8,100	22		18		
500 Broadway	C3C	2.50	0.6	1959	Store	60,000	35,074	150		120		
500 Broadway	C3C	2.50	1.0	1959	Parking Lot-Patron or Employee	7,497	7,500	19		15		
501 Broadway	C3C	2.50	0.6		Office Building	14,998	8,294	37		30		
609 Braodway	C3	2.00	2.8	2001	Store + Residential Combination	8,995	25,633	18		14		
525 Colorado Ave.	C3	2.00	0.7	1960	Office Building	7,497	5,050	15		12		
631 Colorado Ave.	C3	2.00	0.4	1937	Creative Office	14,998	6,050	30		24		
1443 Lincoln Blvd.	C4	2.00	1.7	1959	Store	7,497	12,500				Y	100
1650 Lincoln Blvd.	C4	2.00	0.5	1954	Light Manufacturing	16,810	9,180				Y	90
1660 Lincoln Blvd.	C4	2.00	0.8	1954	Warehousing	7,353	6,000				Y	82
101 Wilshire Blvd.*			1.3	1938	Hotel	190,793	257,362				Y	120
311 Wilshire Blvd.*	C3	2.00	1.0	1936	Store	4,996	5,050	10	5			
315 Wilshire Blvd.*	C3	2.00	0.8	1937	Store	9,993	8,342	20	10			
317 Wilshire Blvd.*	C3	2.00	0.0	1925	Store and Office Combination	14,998	23	30	15			
419 Wilshire Blvd.	C3	2.00	0.7	1940	Store	4,996	3,250	10		8		
424 Wilshire Blvd.	C3C	2.50	0.9	1946	Restaurant/Lounge/Tavern	4,996	4,494	12		10		
427 Wilshire Blvd.	C3	2.00	1.0	1956	Restaurant/Lounge/Tavern	4,996	4,888	10		8		

Appendix A Suitable Sites Inventory (continued)

Address	Current Zoning	Current Zoning FAR	Current FAR	Year Built	Existing Use	Lot Sq.Ft.	Building Sq. Ft.	Max Unit if 100% Res.	HRI Property 50%	40-80% Res, Varies by District	Project Application	Proposed # of Units
601 Wilshire Blvd.	C3	2.00	0.4	1977	Office Building	9,993	3,995	20		16		
611 Wilshire Blvd.	C3	2.00	0.9	1922	Office Building	4,996	4,332	10		8		
626 Wilshire Blvd.	C3C	2.50	0.3	1959	Store	14,998	4,340	37		30		
Downtown Total						779,418			60	687	-	836**
Bergamot Plan Area												
1655 26th Street	LMSD/BTV	2.50	0.6	1990	Light Manufacturing	88,423	52,072	221		88		
1681 26th Street*	LMSD/BTV	2.50	0.9	1957	Former Manufacturing-Vacant	291,412	256,229	729		498	Y	
2848 Colorado Ave.	LMSD/MUC	2.20	0.4	1952	Light Manufacturing	121,853	48,170	268		231	Y	
3025 Olympic Blvd.*	LMSD/MUC	2.20	0.6	1946, 1952, 1953	Light Manufacturing	138,604	76,680	305		152		
2700 Pennsylvania	LMSD/BTV	2.50	0.5			87,120	40,146	218		87		
1703 Stewart	LMSD/MUC	2.20	0.5	1977		106,827	57,028	235		118		
Bergamot Area Total						834,239			0	1,174	-	0
Memorial Park Plan Area												
1654 14th Street	M1	2.00	0.6	1975	Warehousing	14,998	9,000	25		18		
1660 14th Street	M1	2.00	0.8	1925	Store	21,349	17,715	36		26		
1415 Colorado Ave.*	M1	2.00	0.9	1955	Light Manufacturing	7,497	7,100	13		9		
1431 Colorado Ave.	M1	2.00	0.4	1923	Warehousing	22,499	8,816	38		27		
1501 Colorado Ave.	M1	2.00	1.0	1949	Light Manufacturing	7,436	7,500	13		9		
1519 Colorado Ave.	M1	2.00	1.0	1957	Office Building	22,499	21,940	38		27		
Memorial Park Total						96,278			0	116	-	0

Appendix A Suitable Sites Inventory (continued)

Address	Current Zoning	Current Zoning FAR	Current FAR	Year Built	Existing Use	Lot Sq.Ft.	Building Sq. Ft.	Max Unit if 100% Res.	HRI Property 50%	40-80% Res, Varies by District	Project Application	Proposed # of Units
Mixed-Use Boulevards												
2050 Broadway	LMSD	2.00	0.6	1948	Office Building	95,832	58,800	163		115		
2043 Colorado	LMSD	2.00	0.6	1946	Mini Public Storage	89,734	56,450	153		108		
2225 Colorado	LMSD	2.00	0.6	1972	Store	35,715	20,111	61		43		
2601 Lincoln Blvd.	C4	2.00	0.8	1955	Shopping Center/Community	203,421	161,381	346		244		
2723 Lincoln Blvd.	C4	2.00	0.4	1955	Stores	20,835	7,536	35		25		
2809 Lincoln Blvd.	C4	2.00	0.2	1989	Restaurant/Lounge/Tavern	29,538	4,718	50		35		
1122 Pico Blvd.	R4	2.00	0.4	1948	5 or more Units	18,962	6,712	32			Y	32
1802 Santa Monica	C4	2.00	0.0		Commercial/Vacant Land	7,497		13			Y	36
1301 Wilshire Blvd.	R2/C6	2.00	0.6	1966	Supermarket	60,000	33,611	102		72		
1317 Wilshire Blvd.	C6	2.00	0.8	1940	Store	22,499	17,770	38		27		
1401 Wilshire Blvd.	R2/C6	2.00	0.4	1931	Bank or Savings and Loan	21,249	8,653	36		25		
1501 Wilshire Blvd.	R2/C6/R2A	2.00	0.4	1932	Bank or Savings and Loan	17,494	6,816	30		21		
3105 Wilshire Blvd.	C6/R2A	2.00	0.8	1978	Supermarket	56,994	43,196	97		68		
Total Boulevards/Centers						679,770			0	784	-	45**
Total Housing Unit Potential									60	2,761	-	881**
Total Potential in Commercial Areas									3,702			

Source: City of Santa Monica Department of Planning & Community Development, 2013

Note: The inventory assumes proportions of residential development by District similar to actual proposed or implemented projects in those areas, and based on emerging plan principles that will guide future development. The % of residential for projects in each area are as follows: Downtown - 80%; Bergamot Transit Village - 40%; Mixed Use Creative - 50%; Mixed-Use Boulevards: 60%

* Property listed on the HRI. Housing assumption based on adaptive reuse.

** DA approvals; totalled numbers are decreased by 1/3 to avoid overestimating the potential of pending development agreement applications.

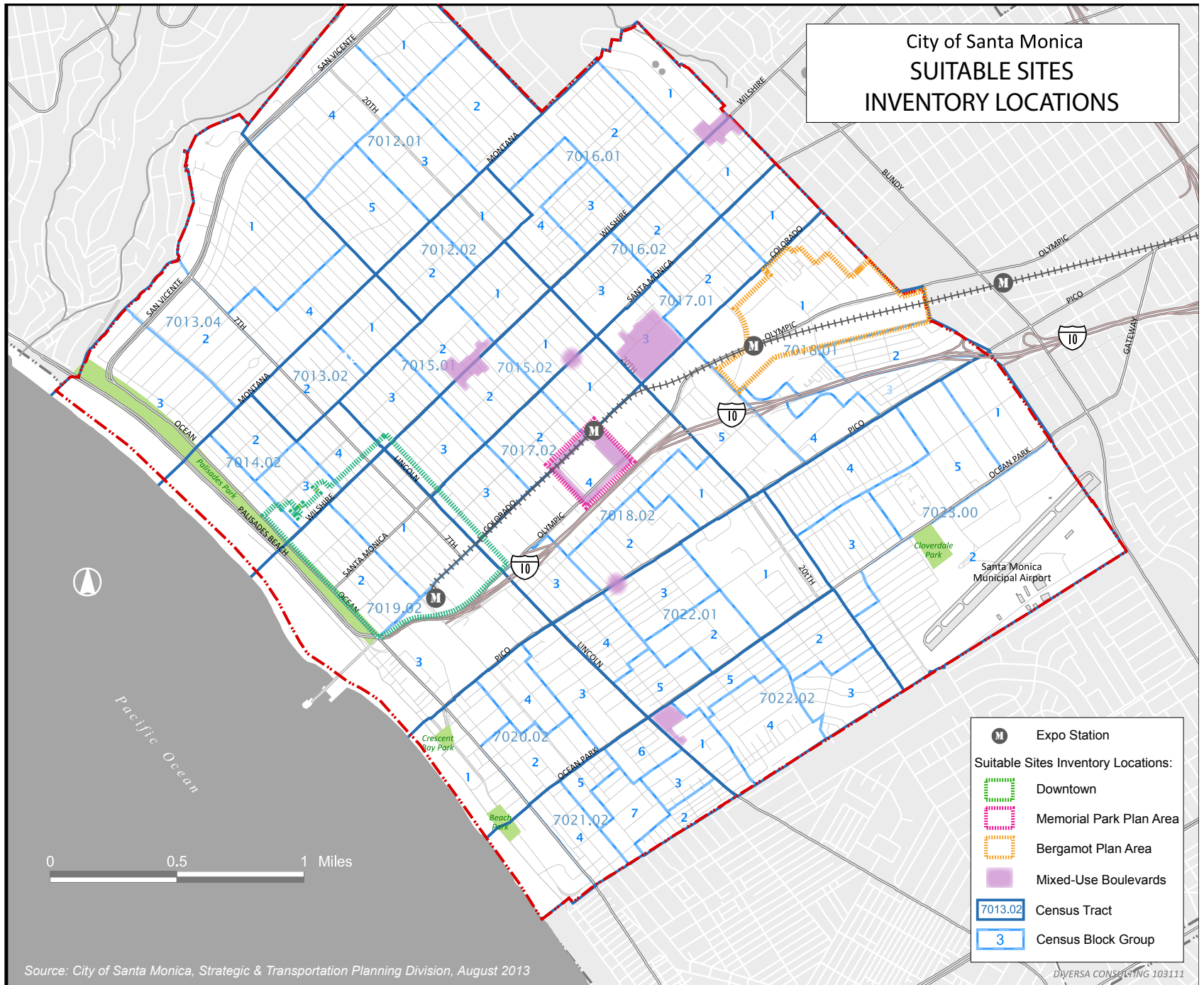


Figure A-1
Suitable Sites
Inventory
Locations

Appendix B Permitted Projects Anticipated to Complete After 1/1/2014

Address	Zone	# of Units	Extremely Low	Very Low	Low	Moderate	Market	Affordable as % of Total
Permitted Projects - Multi-Family Districts								
954 5th Street	R2	3	0	0	0	0	3	0%
2510 7th Street	OP2	8	0	0	0	0	8	0%
1518 11th Street	R3	6	0	0	1	0	5	17%
1621 Franklin Street	R2	4	0	0	1	0	3	25%
1959 High Place	R2	45	0	0	45	0	0	100%
301 Ocean Avenue	R4	20	0	0	0	5	15	25%
2438 Ocean Park Boulevard	R3	2	0	0	0	0	2	0%
Total Permitted Projects - Multi-Family Districts		88	0	0	47	5	36	59%
Permitted Projects - Commercial								
1318 2nd Street	BSC4	53	0	5	5	0	43	19%
1437 5th Street	C3C	50	0	0	50	0	0	100%
1514 7th Street	C3	26	0	20	0	6	0	100%
603 Arizona Avenue	C3	39	0	7	0	0	32	18%
401 Broadway	BSC3	56	0	6	0	0	50	11%
525 Broadway	C3	122	0	0	0	0	122	0%
520 Colorado Avenue - Step Up on Colorado	C3	34	33	0	0	0	1	97%
711 Colorado Avenue	C3	26	0	26	0	0	0	100%
2930 Colorado Avenue - Village Trailer Park	LMSD/MUC	377	3	35	0	0	339	10%
1705 Ocean Avenue	CC	65	0	0	0	0	65	0%
1725 Ocean Avenue	CC	160	0	105	53	0	2	99%
1755 Ocean Avenue	CC	93	0	0	0	0	93	0%
2901 Santa Monica Boulevard	C4	50	0	0	50	0	0	100%
Total Permitted Projects - Commercial		1,151	36	204	158	6	747	35%
Total Units		1,239	36	204	205	11	783	37%

Source: City of Santa Monica building permit analysis (PCD); Proposition R Compliance Reports 2006 through 2012 (Housing Division)

Appendix C LUCE Goals for Housing

A. LAND USE

GOAL LU2 Integrate Land Use and Transportation for Greenhouse Gas (GHG) Emission Reduction – Integrate land use and transportation, carefully focusing new development on transit-rich boulevards and in the districts, to create sustainable active pedestrian-friendly centers that decrease reliance on the automobile, increase walking, bicycling and transit use, and improve community quality of life.

LU2.1 Neighborhood Conservation. Establish effective neighborhood conservation strategies to manage and control the type, rate and pace of change within existing neighborhoods to conserve their character, design and pattern of development and the high quality living environment they provide for a diversity of households, by establishing Neighborhood Conservation Overlay Districts, measures for retention of courtyard housing, modification of demolition regulations and of development standards, and coordinated parking management programs.

LU2.2 Transit Villages. Capitalize on the Expo Light Rail stations to create vital new complete sustainable neighborhoods with transit as a focal element, green connections and pathways, a variety of housing types and jobs, enhanced creative arts and institutions, and local-serving retail and services.

LU2.3 Activity Centers. Create vibrant activity centers at select transit crossroads along the boulevards with attractive spaces for meeting, local shopping and living, that include opportunities for affordable and workforce housing for new and existing residents.

LU2.4 Affordable and Workforce Housing. Create diverse housing options along the transit corridors and in the activity centers, replacing some commercial potential with additional affordable and workforce housing, and encouraging affordable workforce housing near the transit stations.

GOAL LU3 Transition from Regional-Serving Commercial Uses to Local-Serving Uses in Areas Served by Transit – Redirect regional-serving commercial and office development potential into new housing opportunities with access to neighborhood-serving uses in transit-accessible areas as part of a citywide trip reduction strategy.

LU3.1 Reduce Regional-Serving Commercial Uses. Reduce regional office and commercial uses and encourage smaller floor plate office uses, housing and local-serving retail and services.

LU3.2 Focus on Housing in Transit-Accessible Corridors and Districts. Focus on additional housing opportunities on the transit-rich commercial boulevards.

GOAL LU4 Complete Sustainable Neighborhoods – Create complete neighborhoods that exemplify sustainable living practices with open spaces, green connections, diverse housing, local employment, and local-serving businesses that meet the daily needs of residents and reduce vehicle trips and GHG emissions.

LU4.3 Mixed-Use Associated with Transit. Encourage mixed-use development close to transit to provide housing opportunities for the community, support local businesses, and reduce reliance on automobiles.

GOAL LU5 Expo Light Rail line – Cluster housing, employment, local-serving retail and services around the Expo Light Rail line to reduce vehicle trips, create complete neighborhoods and support transit.

LU5.1 Encourage Desired Uses at Stations. Encourage a range of housing options, including affordable and workforce housing, around the Expo Light Rail stations with a balanced mix of local-serving retail, services and employment.

Appendix C LUCE Goals for Housing (continued)

GOAL LU7 Hospital Area – Support the continued vitality of the City’s hospitals to meet the healthcare needs of the City and the larger region, and implement strategies to reduce vehicle trips

LU7.1 Workforce Housing. Encourage workforce housing near the hospitals, primarily to serve healthcare employees.

GOAL LU8 Reduction of Vehicle Trips/ Management of Congestion – Establish a complete transportation network that supports integrated land use. Ensure that transportation supports human activity and access to land uses through a diverse multi-modal transportation system that incentivizes walking, biking and transit and reduces the need for vehicle trips.

LU8.2 Comprehensive Parking Management. Comprehensively manage parking and parking policies to address housing affordability, congestion management and air quality goals. Facilitate the creation of shared parking, particularly within activity centers, transit districts, and near Expo Light Rail stations. Use pricing and other innovative strategies to manage parking availability.

GOAL LU9 Monitoring and Managing Land Use Changes – Actively monitor and manage change to address community needs, promote citywide sustainability and ensure community livability.

LU9.1 Performance Measures Tied to LUCE Goals. Establish performance measures tied to LUCE goals that address transportation, housing, neighborhood conservation, and a sustainable economy.

GOAL LU10 Community Benefits – Require new development to contribute directly to the community’s core social, physical and transportation goals through mechanisms such as community benefits.

LU10.3 Affordable and Workforce Housing. Focus on additional affordable and workforce housing with an emphasis on employment centers close to transit facilities.

LU10.4 Discretionary Review. Require a discretionary review process with community input for projects above the base height except for 100% affordable housing projects. Inclusion of community benefits and specific findings will be required for conditional approval above the base height and density.

GOAL LU11 Create Additional Housing Opportunities – Provide additional opportunities for a diversity of housing options for all income groups, and advance the City’s sustainability goals through housing production.

LU11.1 Neighborhood Housing. Continue to support healthy, diverse neighborhoods that provide a range of housing choices to meet the needs of the residents.

LU11.2 Expand Housing Opportunities. Expand housing opportunities by identifying and designating specific infill areas along transit-rich boulevards and in the districts, including near Expo Light Rail stations and at transit hubs. In these areas, new residential is desired to create complete neighborhoods and support sustainability goals.

LU11.3 Housing Incentives. Provide incentives to build and increase the amount of affordable and workforce housing and to conserve character-defining multi-family housing.

LU11.4 Housing and Employment. Encourage programs for employer-assisted housing (housing accessible to Santa Monica workers) and other efforts to reduce vehicle miles traveled.

Appendix C LUCE Goals for Housing (continued)

- LU11.5** Senior and Lifecycle Housing. Provide opportunities for housing and care facilities that meet the needs of people of different ages and abilities including singles, families, seniors, disabled persons and homeless individuals.
- LU11.6** Affordable Housing Incentives. Encourage projects providing exclusively very low, low-, and moderate-income housing through incentives such as a streamlined permit process, flexible development and parking standards, density bonuses, and financial assistance.

B. NEIGHBORHOODS

GOAL N1 Protect, preserve and enhance the residential neighborhoods.

- N1.1** Respect and preserve the existing housing stock for its vitality, character and existing affordability to the extent feasible.
- N1.8** Make a range of housing options available in multi-family neighborhoods, to suit the spectrum of individual lifestyles and space needs.

GOAL N2 Promote and maintain distinctive existing neighborhoods that are defined by their character, design and pattern of development and the high-quality living environment they provide for a diversity of households through the establishment of a Neighborhood Conservation Program.

- N2.2** Manage the City’s residential resources to ensure continued availability of the range of housing opportunities necessary to sustain a diverse labor force and to meet the needs of all segments of the community, to the extent feasible.

- N2.3** Promote the preservation and maintenance of existing affordable housing as a resource essential to protecting community diversity, maintaining community stability, meeting the varied needs of the City’s workforce and its residents, and meeting its goal of reducing automobile commuting and controlling GHG emissions.

GOAL N3 Locate services and amenities within walking distance of neighborhoods.

- N3.2** Allow small-scale retail uses in neighborhoods with a land use designation of Low-Density Residential, Medium-Density Residential or High-Density Housing.

GOAL N5 Preserve and conserve Santa Monica’s historic resources and character-defining structures through development of incentive and disincentive programs.

- N5.1** Establish a program for the Transfer of Development Rights (TDR) for significant historic resources as well as character-defining structures, as defined by the City (such as courtyard buildings.) Program components to be explored include:

Appendix C LUCE Goals for Housing (continued)

- Identifying designated preservation zone(s)—such as the Downtown District or a Neighborhood Conservation Overlay District, i.e., the sending area
- Identifying receiving areas on specified boulevards, transit corridors and activity center overlays
- Identifying historic resources and/or courtyard housing as a community benefit
- Identifying procedures for determining valuation of the TDR, approving the transfer and recordation of the exchange, and ensuring maintenance of the historic resources or character-defining property
- Establishing criteria for courtyard building participation in the program possibly in conjunction with a Neighborhood Conservation Overlay District or as individual structures

C. HOUSING

GOAL H1 Initiate new programs and maintain existing programs to provide more affordable housing and affordable housing opportunities within the City.

- H1.1** Provide direct subsidies for the production of affordable housing.
- H1.2** Maintain programs to require and encourage the production of affordable housing for very low-, low- and moderate-income households.
 - Require compliance with the Affordable Housing Production Program and seek additional opportunities to increase the percentage of affordable housing as a component of for-sale and qualifying rental residential and mixed-use housing projects.
 - Incentivize affordable housing projects.
- H1.3** Incentivize the creation of new affordable housing opportunities
 - Encourage affordable housing in transit-accessible areas.
 - Create more affordable housing by transitioning the potential growth for regional-serving office and commercial into new housing opportunities.

- H1.4** Provide more affordable housing units by offering a 3-foot bonus above the allowable base height permitting an extra floor of housing at 35 feet in most districts.
- H1.5** Encourage construction of affordable housing units on-site within the corridor or district.
- H1.6** Encourage the production of affordable housing on the boulevards and in the districts by requiring a percentage of affordable housing as a pre-condition for consideration of height above the base.
- H1.7** Incentivize additional affordable housing as a community benefit along the boulevards and in the districts.
- H1.8** Consider separating or reducing parking requirements for new housing.
 - De-couple the provision of parking so that renters or owners could choose to rent or buy parking spaces as a separate transaction from the housing rental or purchase. This would facilitate more affordable options to address the needs of middle-income workers.
 - Continue to establish reduced parking requirements and explore pursuing additional parking reductions

Appendix C LUCE Goals for Housing (continued)

GOAL H2 Identify additional opportunities to increase the amount of workforce housing in the City.

- H2.1** Provide workforce housing to complement and augment Affordable Housing Program initiatives and subsidies.
- H2.2** Incentivize workforce housing as a community benefit along the boulevards and in the districts.
 - Incentivize affordable housing projects.
- H2.3** Encourage workforce housing as a component of activity centers at locations accessible to transit.
- H2.4** Consider separating or reducing parking requirements for workforce housing.
 - De-couple the provision of parking so that renters or owners could choose to rent or buy parking spaces as a separate transaction from the housing rental or purchase. This would facilitate more affordable options to address the needs of middle-income workers.
- H1.5** Facilitate the efforts of major employers, such as hospitals, to create new workforce housing in the City.
- H1.6** Explore ways to ensure that workforce housing, once created, remains an asset to the City. Covenants or deed restrictions should be used to ensure that the housing remains affordable for an extended period of time.

GOAL H3 Encourage the creation of complete neighborhoods.

- H3.1** Locate new housing opportunities near transit and within walking distance of local retail and services.
- H3.2** Encourage complementary uses and local services adjacent to existing neighborhoods.

GOAL H4 Provide increased opportunities to stimulate a variety of housing choices.

- H4.1** Encourage the production of both rental and ownership housing.
- H4.2** Continue to support programs for the housing needs of underserved populations, such as the homeless.
- H4.3** Seek opportunities for increased senior housing throughout the City, particularly in areas that have the characteristics of complete neighborhoods with basic services within a short walking distance.
- H4.4** Encourage a range of housing options in the Downtown, including the addition of ownership housing to enhance the district as a stable residential neighborhood and to capitalize on the Expo Light Rail line.
- H4.5** Prioritize new housing for households with families.
- H4.6** All services for homeless individuals will be directly linked to facilities and programs

that are directed to ending homelessness, and those facilities will develop Good Neighbor Agreements with surrounding residents and businesses.

- H4.7** A range of permanent housing options for homeless persons should be developed, with a focus on permanent supportive housing linked to services, consistent with Santa Monica’s fair share.

GOAL H5 Maintain and preserve the character and scale of the City’s existing residential neighborhoods, including single family and multi-family areas.

- H5.1** Ensure that new housing on commercial boulevards is designed to transition to adjacent existing residential neighborhoods in a way that reflects the scale of existing adjacent residential structures.
- H5.2** Ensure that new housing in residential neighborhoods is compatible in scale and character with the surrounding neighborhood.
- H5.3** Limit infill pressure on existing neighborhoods by instituting measures to preserve existing open space and low-scale and character-defining buildings, through a program of Neighborhood Conservation Overlay Districts, courtyard housing protections, modification of

Appendix C LUCE Goals for Housing (continued)

demolition regulations, the establishment of a Transfer of Development Rights process, and modification of development standards. Explore the implementation of a preservation and/or conservation ordinance.

H5.4 Recognize and promote the value of existing housing stock.

GOAL H6 Incentivize new housing to be located in areas and produced in ways that reduce GHG emissions.

H6.1 Encourage housing to be located along transit corridors and close to transit stations.

H6.2 Encourage complementary uses and local services in conjunction with or adjacent to new housing, and locate housing in close proximity to existing services.

H6.3 Encourage or facilitate the inclusion of complementary land uses not already present within a neighborhood district such as grocery markets, daily services, and parks.

H6.4 Consider separating out or reducing parking requirements for new housing near transit.

H6.5 Establish minimum pedestrian and bicycle facility and connectivity standards in conjunction with new housing development.

GOAL H7 Promote the creation of new housing that is tailored to the needs of residents and emphasizes amenities that increase the livability of the residential environment, such as ground floor open space and access to natural light and air.

H7.1 Require the inclusion of usable private and common ground floor open space that promotes passive and active social interaction.

H7.2 Encourage the incorporation of “quality of life” features in common areas such as seating areas, landscaping, and recreational facilities.

H7.3 Encourage pedestrian and bicycle connections that support active and healthy living, and increase accessibility to daily needs and services.

H7.4 Encourage context-sensitive design that opens to the neighborhood with pedestrian-friendly features such as entrances, large windows, balconies, stoops and porches facing the street.

H7.5 Ensure that site and building design responds to Santa Monica’s natural environment through access to natural light and air.

D. ECONOMY

GOAL E10 Support the responsible expansion of the City’s existing hospitals and their ancillary support facilities that are requisite to their missions of serving the community.

E10.3 Encourage development of a continuum of healthcare uses such as congregate care, senior housing with services, outpatient clinics and other uses consistent with modern medical facilities.

E10.4 Encourage uses that support the continued operation and vitality of the hospitals, such as private medical offices, extended-stay hotels, cafes, restaurants, and workforce housing at locations that are proximate to the two hospitals.

E. CHILD, YOUTH, SENIOR AND FAMILY EDUCATION

GOAL CE6 Foster the health and well-being of all residents.

CE6.4 Update the HASP (Hospital Area Specific Plan) to encourage creation of a complete neighborhood, providing an example of active living through pedestrian linkages, green streets and pocket parks that allow users to walk comfortably and pleasantly between services, incorporating uses that meet the daily needs of healthcare staff and workforce housing.

Appendix C LUCE Goals for Housing (continued)

GOAL CE7 Create convenient and safe opportunities for physical activity for residents of all ages and income levels.

- CE7.1** Promote land use patterns and transportation decisions that enable all residents to walk and bicycle to meet their daily needs.
- Encourage affordable and workforce housing in close proximity to new activity center overlays and close proximity to services, transit access and employment.

GOAL CE11 Support long-term quality of life and provide for the diverse needs of seniors.

- CE11.7** Encourage the creation and design of affordable housing to accommodate the needs of seniors, including facilities that provide a continuum of care.

F. TRANSPORTATION

GOAL T19 Create an integrated transportation and land use program that seeks to limit total peak period vehicle trips with a Santa Monica origin or destination to 2009 levels.

- T19.5** Encourage local-serving retail uses within walking distance of housing, particularly in new mixed-use neighborhoods, such as Bergamot Transit Village and Memorial Park Activity Center.

GOAL T22 Provide adequate parking availability for residents on residential streets at all times of day.

- T22.4** Promote programs that reduce residents' average vehicle ownership, including car-sharing and pricing parking separately from housing.

GOAL T26 Use parking policies to achieve housing affordability, congestion management and air quality goals.

- T26.9** In all new multi-family development, seek to provide the option to purchase parking separately from residential units to reduce the overall cost of housing.
- T26.10** In 100% affordable housing projects, consider allowing residential guest parking to be used to meet parking requirements, or establishing thresholds under which parking would not be required, for on-site local-serving retail and services.

Appendix D Meeting Summaries

Presentation to: Commission on the Senior Community Date: July 18, 2012

Following the presentation on the housing element process, challenges and emerging issues, commissioners provided the following feedback:

Aging in Place

Seniors mostly want to age in place. If they move, the following are important for a new location:

- Elevators or ground floor level for accessibility and visitability (minimize interior/ exterior stairs)
- Supportive services, case management in the building and facilities for transitions in care level (for specifically senior projects)
- Seniors need space! Don't want a little 800 sf apartment
- Washer and dryer in the unit is important
- Shorter walking distance to transportation than normally thought of as walkable.
- Seniors often need a caretaker, or may at some time, whether it be a family member or hired. A unit for a senior living independently should have at a minimum 2 bedrooms and 1.5 bathrooms.

Defining and Understanding the seniors in our population

- When speaking of older Americans/seniors, it should be noted that there are cohorts of seniors – multiple generations within the senior community. Think of solutions in different ways for 60-70, 70-80, or older than 80 because they do not all want and need the same types of housing and services.

Universal design and visitability

- Housing should be designed so that the important structural components are in place to easily accommodate adjustments for persons with disabilities. (It was noted that the City complies with State building code regulations on the subject, but these do not require all the features the Commissioners would like to see. The City's Building Official and his staff are working on ways that they might be able to encourage or require such features.)
- Housing should be designed so that units are accessible for neighbors to visit each other.

Traffic/Parking

- Concern about the effect on traffic that may result from the addition of so many housing units in the mixed-use districts. How will all this housing exacerbate existing traffic problems?
- It is important to think about having transportation alternatives that work for people who do not live within short walking distance of a bus line. There should be shuttles, local-serving transit that takes into account that for seniors the reasonable walking distance is often shorter.

Infrastructure

- With all the housing being proposed, the City should assess the infrastructure and update it. It was expressed that this has not been done for a very long time.

Other

Commissioners expressed interest in reviewing the draft document, particularly to see details on the data regarding seniors in need.

Presentation to: Planning Commission Date: July 25, 2012

Following the presentation on the housing element process, challenges and emerging issues, commissioners provided the following feedback:

Process

Commissioners noted the challenges involved with preparing the Housing Element at the same time as the Zoning Ordinance and asked staff to consider how best to synchronize the efforts. There was also reference to previous PC and Council discussions about affordable housing need.

As one goal of housing development is to balance jobs and to reduce traffic, the housing needs of Santa Monica's workforce should be studied.

Commissioners questioned the most relevant approach to looking at the demographic and housing data, as there is a "chicken and egg" relationship: Should new housing be allowed to be built without consideration for the City's goal to attract a diverse population (a developer-driven future)? Another approach is to consider "What is the vision?" and to build housing to meet the needs of those we want to attract.

Unit Sizes

Concern was expressed about unit sizes – too many SROs and small units that don't address diverse needs.

Consider whether it is a good idea to set a minimum square footage size for new units, or consider that smaller units can also be seen as potentially positive because they may be more affordable.

It was stated that small units do not meet the needs of the community. Council should have a discussion and consider whether to be allowing these types of units. Developers say that there is a market for these units and they are quite profitable; therefore they are proposing them. But there was a concurrence that developers' bottom line should not be the leading factor in setting policy. How can the city develop a market for larger units and could we require some mix with at least some larger units in each project?

Appendix D Meeting Summaries (continued)

The HE should consider ways to incentivize larger units and those that would meet seniors' needs and lower-income units to meet demand, including a certain amount of family-sized units (three or more bedrooms) to accommodate larger families.

Affordable Housing: Funding and Incentives

The City will need to find new funding sources for affordable housing; what will happen to the share of tax funding that comes in as the State reallocates RDA money to cities, counties and school districts? Can that be dedicated back to housing?

Consider whether 100% affordable very low/low income projects should be able to have more than 50 units on an administrative permit so that they can reduce their per-unit cost through increased density. Reducing the parking requirement would also help and could be considered, but we need to ensure that it does not result in neighborhood impacts (residents in new construction projects should not get on-street preferential parking permits).

Need to meet the needs of families and workforce.

The definition of affordability needs to be adjusted and made consistent. City should look at increasing the ministerial threshold for 100% low income units.

Moderate Income Housing

Consider revising policies that might remove incentives (i.e., AA approvals) for moderate income housing. Reconsider some of the affordable housing fee "discounts" that apply to projects with certain characteristics.

Outreach

It was suggested to reach out to Santa Monicans for Renters' Rights for input and to hear what businesses perceive as the greatest need, and generally to cast a wide net. It was also suggested to meet with the Chamber Land Use Committee on Land Use.

Housing Element Background

Some commissioners have been involved in past Housing Elements since 1998, at which time there was some real policy shift toward promoting affordable housing. Most updates since then were more or less status quo in terms of policy. The last update was good and should be the primary basis for the next. The overarching vision is to achieve housing diversity because housing defines who lives here. Housing diversity will lead to more community diversity. To reduce VMT, the Housing Element should identify measures that connect both living and working in Santa Monica.

Public: 1 speaker – Sarah Lett, CCSM

Moderate Income housing should be treated as less of a priority. The rent levels for moderate are close to market rate, so subsidizing them and providing incentives is not good use of limited public funds for affordable housing. Unit sizes should be bigger – we need more 2 and 3 bedroom units for families. It is not just about reading the demographics – it is about encouraging a vision of the community.

Per unit cost needs to be brought down in order to stay competitive and attract state funding, which increasingly is going to those locations that are more cost effective. Economies of scale and parking are considerations for reducing per unit cost.

Presentation to: Disabilities Commission

Date: August 6, 2012

Following the presentation on the housing element process, challenges and emerging issues, commissioners provided the following feedback:

Affordable Housing

It is great to hear the amount of affordable housing being built, but the commission's concern is to understand better how much of the affordable housing being constricted can be considered accessible and for the Disabilities Commission to advocate to increase this number/percentage.

Additionally, in the new proposed units in the pipeline, are there accessible units and if so how many?

Many questions were asked about ensuring that accessible units were occupied by tenants who need that level of accommodation. In particular, if projects received government funding, how does the City enforce Section 504 of the Rehabilitation Act? Also, what efforts are being made to direct persons with disabilities to accessible units as units become available? They would like to see a policy that promotes more outreach related to housing accessibility and affordability, including prioritizing units for persons with disabilities to the greatest extent allowable.

Visitability

Visitability is a term that describes the ability for a residential building and/or unit to be accessed by visitors with disabilities, whether those are neighbors living in the building or others. The design of residential buildings to facilitate visitability is a major concern for the Disabilities Commission and is not currently required by State law or City code. The City's building official (Ron Takiguchi) recently gave a presentation (to the Disabilities Commission) and they discussed the potential ways to promote visitability with him.

Appendix D Meeting Summaries (continued)

The Disabilities Commission strongly supports the principle of providing visitability, which is also a factor in enabling people to “age in place” and would like a policy that promotes visitability because it “makes good sense.”

Housing Assistance and Supportive Services

Of the eight primary goals under the 2008-2014 Housing Element, the goal of providing housing assistance and supportive services to those in need is especially pertinent. Commissioners encouraged working closely with Westside Center for Independent Living.

Public: 1 speaker - Alan Toy, Executive Director of Westside Center for Independent Living

Mr. Toy would very much like to see [1] set-asides of accessible housing and [2] accessible housing as a community benefit.

There is a problem for projects that accommodate the disabled getting tax credits because the State code does not include in the category of special needs persons with physical disabilities. He would like to see SM take the lead by supporting legislation to change that.

After the discussion, the Commission agreed to write a letter for City staff and officials expressing their concerns and requests in regard to housing policy and disability accommodations.

Presentation to: Commission on the Status of Women Date: August 8, 2012

Following the presentation on the housing element process, challenges and emerging issues, commissioners provided the following feedback:

Affordable Housing

- When the commission conducted outreach, they found that affordable housing was a big issue among women because of the recent economic downturn.
- A supply of affordable housing is needed in the community to accommodate the workforce; many in the hospitality industry in Santa Monica cannot afford the high rents of Santa Monica.
- Interested in affordable ownership housing, which is very difficult to build in SM due to high land and development costs as well as administrative and monitoring challenges.
- Concerned about loss of rent-controlled units.

Traffic/Parking

- Concern about requiring less parking in residential projects and “unbundling.” When more apartment-sharing brings more cars into the neighborhood and they park on the streets, it puts pressure on residents in older neighborhoods in which

the parking is not sufficient, sometimes resulting in the need for tenants to park further and further away from their buildings. At night, especially on streets that are not so well-lit, this becomes a safety issue for women.

o It was clarified that residents of mixed-use projects in non-residential zones may not receive permits to park in the surrounding residential areas, in order to address this issue.

- Increase in vehicle traffic leads to more “pulling in and out,” causing accidents. Housing needs to consider transportation.
- Consider charging more for parking permits (like San Francisco)
- When Expo is operational, there should be shuttles and other options to get from stations out to residential areas.

Unit Size

- The pending projects’ emphasis on building smaller studio units is not helpful to women when considering that women looking for rental housing are single-family households and women who tend to live longer and move in with their daughter or other family.
- It was expressed that women generally need units bigger than those proposed.

Data Collection

- Commissioners would like to see data in the Housing Element collected by gender to inform the issues most important to women. For instance, female single-headed households by area would be useful. 90404-90405 has the largest concentrations of single parents, and understanding how household heads divide by gender would be useful.
- Would like to see correlation between unit size and gender if it is available.

Safety

Issues of street lighting were brought up, and staff noted that a Pedestrian Action Plan is being developed and commissioners should get involved in that effort.

Services/Amenities

- Little parks/playgrounds, grocery stores, and bus lines within walking distance
- Washer/dryer in unit

Other

Commissioners expressed interest in reviewing the draft document, particularly to see details on the data regarding seniors in need.

Appendix D Meeting Summaries (continued)

Presentation to: Rent Control Board **Date: August 15, 2012**

Following the presentation on the housing element process, challenges and emerging issues, commissioners provided the following feedback:

Unit Sizes in Proposed Projects

Board members expressed that the rental community is very alarmed by the many DA proposals for studios, which, if all constructed, would create a “hyper-transient city.” This compounds the effects of vacancy decontrol, which has led to fewer families staying in Santa Monica for a long time, escalating transiency. Units with enough rooms to accommodate families are needed.

Concern was expressed that RHNA requirements for so many very-low income units could result in producing many studio units instead of larger units. It was noted that in the past, this has not been the case, primarily due to the CCSM model for building family housing at low and very low income levels.

Building to Meet the Community’s Needs

Concern was expressed about how projects were determined and whether they were being based on research about the community’s needs. It was explained that the pipeline projects discussed in the presentation are developer-proposed through the development agreement process, which requires consistency with the general plan and, ultimately, approval by the Council. Board members expressed that they are not “happy with the plans” and that the Housing Element needs to get ahead to define the community’s needs and guide development. The issue of constructing ownership vs. rental housing was discussed, and it was stated that it is currently a landlord’s market, and that people with capital are being encouraged to build rental units.

Moderate Level Affordable Housing and Market

At this time, it seems that there is not much difference between moderate and market, and there is interest in a policy that would provide for greater differentiation between moderate and market.

One Board member expressed that affordable housing should not be counted as a community benefit.

Parking

Following up on the presentation regarding the concept of unbundling parking, it was noted that the concept of enabling cost savings through opting out of parking could create more demand for street parking when tenants want to save money even if they do have a car and “want to believe” that they don’t need a garage. The implications must be considered, and staff stated that occupants of projects in a non-residential zoning district do not have rights to permit parking

passes for adjacent residential neighborhoods, and most of the projects under discussion, including all of the larger ones, are in commercial zones. Board members were relieved to hear this, and noted that it is a very important principle to ensure that automobiles from new projects do not overwhelm the surrounding neighborhoods.

The opinion was expressed that there is a bias in planning driven by activists, by people who live in Santa Monica who do not have to travel far (“either retired or lucky”). The tendency toward more costly parking means that “executives” who can afford to have their offices here are fine, but other people who need to go in and out of the City aren’t fine. It is still too early to tell whether significant numbers of people will really be taking the Expo.

Public Comments

Affordable housing is too expensive for someone living on social security, and needs to be subsidized.

In regards to the “Population Trends” slide from the PowerPoint presentation, the numbers may stay the same, but the people are not the same; the people moving in have much higher incomes.

Presentation to: Social Services Commission **Date: August 27, 2012**

Following the presentation on the housing element process, challenges and emerging issues, commissioners provided the following feedback:

Monitoring Affordable Housing Units

Concern was expressed about having an auditing process for low-income housing residents whose income increases and makes them ineligible for the publicly subsidized housing. The Housing Department has a monitoring process, which has been improved in recent years.

Unit Size

Discussed the definition of a bedroom in a unit, and whether it is a bedroom when separated only by a half-wall. A unit should have a fully separated bedroom if it is called a one-unit.

Pipeline development is skewed towards 1-bedroom and studio units and trending against lower-income families, resulting in transient community with younger couples “moving up and moving out.”

Commissioners discussed the reasons behind this trend toward one-bedroom and studio units. Developers are proposing these units and finding the financing for them, and believe that there is a market. One possible scenario predicted was that

Appendix D Meeting Summaries (continued)

housing in small units without parking near the Expo stations, combined with USC at other end, will result in USC college students living in Santa Monica and taking the Expo to the USC campus.

Many of these projects proposed by NMS consist are significantly weighted toward studio units; there are some units with two bedrooms, but not a lot, and these are generally small in size, as well. The city is trying to gather input from the community about these and other proposals to aid its evaluation of projects and staff's recommendations, which will ultimately be presented to Council as projects move forward through the development agreement process.

Commissioners stated that they would like to see the City first come out with that the community wants and then find developers, instead of being reactionary to what developers are proposing, the City should be more proactive.

Commissioners stated that the City needs to close the loophole that NMS found that allowed it to build so many small units at moderate income level with waivers of standards.

Rent Control

Interested in rent control and whether there is any way for market-rate units, which are not subject to rent control, to be controlled as rent in these buildings can go up every year, which contributes to more transiency and less stability in the community. The City needs to look at promoting the longevity of residents and not encouraging housing for the transient community.

Parking

Commissioners expressed concern about whether residents in income-controlled units actually paid more for units with unbundled parking because, rather than reducing rent, unbundling parking just increases rent for those with cars (i.e., who is getting the savings – the tenant or the landlord?). The City has to be careful that unbundled parking is not an extra expense and ensure that benefits are given to the community and not the developer. If in fact, housing and parking costs together make up a higher proportion of income, what disposable income will people earning \$60,000 have to put into the local economy?

Moderate Income Housing

Commissioners stated that the workforce's median income was higher than the county's so that market rate level was hitting moderate level. (Staff noted that that the City can consider revising the Code in terms of incentives for moderate-income housing, with the caveat that state law includes moderate-income housing as an affordable category that must receive density bonuses.)

Addressing Homelessness

Too often, the homeless population tends to be lumped into one category, instead of recognizing homeless with "mental health issues" versus "families with children." The City once had programs to help families from becoming homeless but ran out of funds. It is important to take care of families with minor children.

Amenities to Support Housing

In terms of services to complement housing, amenities like proper street lighting, parking, and general transportation are important.

In addition, open space and environmental features (i.e., solar panels, space to put a clothesline, community gardens, electric car share, electric charging stations and/or infrastructure capability, high level of building energy efficiency) are important amenities to try to get in projects.

There was support for designing small community spaces throughout a building, rather than spaces for specific active sports, like tennis or racquetball courts. The "simple things," such as places to sit and places for neighbors to gather, should be encouraged. The project located at 5th/Santa Monica does this well.

There was also support for courtyard spaces and architecturally significant design. The City should hold developer responsible for providing better design than has been seen in some recent multi-family projects. The project located at San Vicente/Ocean exhibits architecturally significant design.

Aging in Place

It was noted that there is a growing need to serve members of the aging community in their homes. One way to support aging in place is to provide accessible housing, with amenities, for seniors.

Presentation to: Housing Commission Date: September 20, 2012

Following the presentation on the housing element process, challenges and emerging issues, commissioners provided the following feedback:

Zoning Ordinance

Commissioners expressed that the City should encourage affordable housing through waiver of standards.

Regional Housing Needs Assessment (RHNA)

Commissioners asked about whether RHNA would be further adjusted due to TOD, and discussed the factors that led to an increased RHNA allocation.

Appendix D Meeting Summaries (continued)

Preservation of existing affordable housing

The City should find ways to retain affordable units that are due to expire. There are no units imminently expiring, but the Housing Element will analyze the projects that are reaching their expiration dates anytime up to 2021. A lot of affordable housing was developed in the 1980s with affordability restrictions lasting 55 years.

Unit Type for Prioritization

There was some support for focusing the City's remaining affordable housing funding on family housing to compensate for the many smaller units that developers are building. Average household size has not changed significantly over time. The large majority of recent CCSM units have been designed for families.

There was a discussion about whether to analyze current demographics to assess need or to look more broadly at ways to maintain a desired population balance. One commissioner asked: Do we want a transient population or do we want families who will form the basis of a more stable community?

One Commissioner expressed that young singles (25-35 yrs.) are priced out of housing in the city because rents are too high. In particular, transportation to work for those employed in SM restaurants and nightlife locations is challenging because BBB buses stop running too early. Another noted that in addition to single young adults, there is a strong need for housing for lower-income families (3-4 bedroom units), seniors, and supportive housing (mentally disabled, special needs, etc.).

Employee housing

Commissioners asked about the percentage of people who work and live in Santa Monica, which they believe to be very low. The housing element should include that information and demonstrate that a lot of people are commuting into Santa Monica, perhaps because they cannot afford to live in the city.

Some commissioners expressed that the highest need is for housing for very low and extremely low income people. The income level for units that the city uses for its matrix needs to be lowered, consistent with the HUD standard (\$24,000 for a single person). It was suggested that it might be necessary to focus all subsidies into extremely low income housing because DA's will never build them and they require a huge level of subsidy to construct and operate.

Protecting affordability

Commissioners suggested that the City find ways to compensate owners for retaining Section 8 tenants or accepting new Section 8 tenants. Section 8 voucher-holder discrimination is a problem and the cost of housing in SM makes it more affordable for voucher holders to choose a unit elsewhere in order to avoid the need to spend more than 30% of their income on housing. Even in rent-controlled

units, Section 8 tenants are at risk of losing their apartments because if the rent creeps up, even in small increments, it can go beyond their means. Particularly if a voucher holder moves into a unit that is more than 30% of their income, this can be a problem.

It was noted that the City has lost its stock of mobile homes over time, resulting in a loss of extremely low income households for whom these units were affordable. The City is becoming a wealth economy and losing its economic diversity through housing.

Commissioners concurred that units built with public money should go to the people who need them, and some expressed concern in regard to the process that takes place if a tenant moves past the income level for which their unit is intended.

The high cost of housing production

The cost of producing affordable units in Santa Monica is very high – are there any ways to reduce that cost? Per Housing staff that the cost per unit to build affordable housing is close to \$600,000 when the land costs are factored in.

There are credit restrictions that make it harder to finance affordable housing. Can that be adjusted?

There was discussion on reducing the parking requirement to a level that is actually used, which would help to reduce housing construction costs.

One commissioner noted that second units can be part of the solution, as these units are a potential lower rent option for singles and students. It was noted that the City's new zoning ordinance will be updated to comply with the State law on this subject.

The Commission plans to get more information together and combine their thoughts and provide more comprehensive recommendations for the Housing Element process.

Housing Practitioners Stakeholders Meeting September 19, 2012

Attendance: 23 representatives of community organizations and commissions; City staff (PCD, HED, Rent Control, CCS, City Attorney)

Liz Bar-El, senior planner and project manager, and Karen Warner, project consultant, gave a presentation about the Housing Element process, the Regional Housing Needs Assessment (RHNA) and the City's continuing housing policies and challenges (see presentation).

Appendix D Meeting Summaries (continued)

Amy Anderson, Santa Monica Planning Commissioner and Senior Program Manager at the California Housing Partnership Corporation, followed with a presentation about the post-Redevelopment Agency situation for funding low-income housing. Although none of the currently emerging ideas would replace the level of RDA funding that Santa Monica has benefited from over the past few years to create affordable housing, a few ideas for the next steps for affordable housing funding were shared:

- Look into using some existing programs that were not sought before because they may be more difficult to qualify for. For example, project-based Section 8 may be available.
- The City of Los Angeles may be getting its own geographic apportionment for tax credits, which would make tax credits in the remaining district more attainable. Developers should ask for more tax credits than they have in the past in order to make the project pencil out, as they may be more likely to get more of them approved.
- The City still gets a fraction of the tax revenue that previously stayed with the redevelopment agency as its local share, and Council could dedicate a portion of that “new” revenue stream to affordable housing. This would provide a dependable funding source that could also be used to leverage other program funds that are still available and require a local match.
- There are bills on the governor’s desk to amend rules for infrastructure finance districts and to create a Sustainable Communities Investment Authority, which may create new opportunities for Santa Monica to pursue. The City should actively follow the progress on new bills.

Participants at the meeting contributed comments and suggestions on a wide range of housing-related topics, grouped below by subject:

Housing for People with Physical Disabilities

- Commercial districts require accessible parking, which needs to be provided in sufficient amounts.
- There should be set-asides for housing for people with physical disabilities.
- There is concern about individuals placed in accessible housing when they don’t need it, and then it is not available for those with disabilities.

Tax Credits

- Tax credits are available for developmental disabilities, but not for physical disabilities. Advocates would like to work with the City and go to State to change those regulations.

Section 8

- The City may not always be requesting all available Section 8 credits. The City should be sure to apply for vouchers to keep people with disabilities from having to move to institutions.

- There is an issue of landlords refusing to sign W-9s, which are required to accept vouchers for one-time payment to avoid eviction. Refusing payment should not be an option.

Funding

- It is going to be difficult to maintain programs for building housing through mid-2013 without RDA funds.
 - o City should consider putting money in trust fund and use it to fill gaps for non-profit funding (top loss to make financing possible).
 - o City should take existing projects and try to refinance.
 - o City should research nexus between healthcare and housing (where decrease in hospital stays helps to fund beds for homeless).
 - o State Mental Health Fund (MHF): City should take advantage of MHF and combine affordable units with mental health subsidized units.
 - o City should look into public/private partnerships around three stations. It is important that affordable housing in TOD projects is managed properly and monitored.
- Developer typically does not look to subsidize with public money and should be given incentives to enable building the mixed-use community that the City envisions.
- More and more, the City will need to look to the private development market to produce affordable housing. How can the City demand more and facilitate production? Consider zoning (i.e. LUCE Tiers, parking requirements).
- The City should consider how to partner with developers by connecting them to affordable housing funds and the nonprofit community.
- The economic downturn allowed CCSM/Step Up to compete and build affordable housing—this will not always be the case as construction costs rise.
- Santa Monica has historically been competitive for state resources, but in current conditions this will not be the case, particularly because of the high cost of building in Santa Monica. Finding funds to play the role that RDA funds played in the past will help the City to again become competitive.
- Political will and local money affect affordable housing. Come up with ways to raise local money.
 - o Prop R: 30% must be affordable housing
 - o Study session examining low, very low, and extremely low income levels
 - o City’s two main tools now: Inclusionary housing and higher community benefits
 - o Other possible avenues:
 - o Development of housing Fee (commercial -> jobs -> build housing)
 - o Tax affordable housing (general fund tax to create affordable housing fund)

City’s Requirements/Zoning

- Last Housing Element did not mention expanding mobile home parks (which seniors prefer)—City should consider expanding.
- Building & Safety requirements prevent putting a lift in an old building. Lifts help keep seniors and the disabled in their homes and allow them to stay in rent-controlled units.

Appendix D Meeting Summaries (continued)

- Zoning code allows 50 units maximum at 80% median income. If this were increased to 100 units, developers could build more low/very low units because the cost per unit would decrease. This could also help developers to get the needed financing.

Building Size/Quality

- Housing Size: What are the long-term impacts from building units of a certain size or number of bedrooms?
 - o Larger, affordable multi-family units are mostly built by non-profits.
- Consider the impact of new housing on needs for educational and recreational facilities.
- Don't forget that buildings are for people, we are not just building units. Make sure units are livable. As we move forward, although the units may be small, think about livability.

Serving Veterans

- Circumstances that have changed include increase in veterans (keep eye out at federal level to serve veterans). Within the homeless population, are veterans tracked?

Homelessness

- Definition of "homelessness" prevents some people from qualifying.
- Keep in mind that it is difficult for those who have been homeless to move into small spaces.

Maintaining affordability of existing housing

- Affordable housing should stay affordable— no high rent increases.
- When thinking about changing the parking standards, value and protect those living in existing residential neighborhoods and those in rent-controlled apartments.
- For TOD sites: Studies show an increase in the cost of land around transit. The City must understand the market in order to maintain housing affordability and to avoid demolitions that might turn 10 affordable housing units into 4 condos. Think about low because moderate = market.

Housing balance

- Housing proposals are currently primarily focused on single units. This will change the City from a stable, family-oriented community to a transient community.

Other

- Think about low-wage workers in terms of the mobility options that they need. Low income housing for Santa Monica workers will reduce vehicle trips in the City
- Consider that there are limited resources, and make sure to think about unintended consequences.

o It was noted that in-lieu fees are not currently an option in residential districts. The City updates the in-lieu fee from time to time, but the fee does not equal the full cost of providing a unit. However, most projects now are going through the development agreement process and the City negotiates for on-site affordable housing, so few projects within the past 5 years have paid the fee.

Neighborhood Councils Meeting November 17, 2012

Attendance: 20 attendees representing all City neighborhood Councils attended.

Liz Bar-El, Senior Planner, gave a presentation about the Housing Element process, the Regional Housing Needs Assessment (RHNA) and the City's continuing housing policies and challenges.

Participants at the meeting asked questions and provided comments on a wide range of topics, grouped below by subject:

RHNA

- There were questions about the consequences for not meeting RHNA allocation. State incentives for grants based on Housing Element certification were discussed and the RHNA as a planning goal that must be included to achieve certification was explained. The City of Santa Monica implements its programs to encourage and build affordable housing based on City Council policies and direction to support diversity and trip reduction, and not because it is a state mandate to build all RHNA units.
- There were questions and discussion of the SCAG RHNA process, which resulted in unequal distribution among Westside Cities and in general. The City submitted a challenge to the draft RHNA, which was denied.

Current Development Pipeline

- Concern was expressed about the type and number of units being proposed through development agreements. Some commented that there are too many small units being built and they are only suitable for young singles (not good for seniors) and people will not stay long in them, so turnover will be high. This does not support community stability.
- There were suggestions that growth must be slowed down and managed carefully.
- Neighborhood conservation: A comment was made that the focus on housing in mixed-used transit-rich parts of the city has not yet brought relief to neighborhoods because the streets are still busy due to high peak hour traffic volumes. It was noted that there are less development projects in residential neighborhoods now, which is in part attributable to the LUCE policies to focus on mixed-use areas and discourage demolition/replacement in residential areas.

Appendix D Meeting Summaries (continued)

Affordable Housing

- There was a question about monitoring residency in affordable housing projects, which is done. The discussion focused on the need to ensure that the housing helps those it was intended to help but also that there must be sensitivity to families to make sure they are not uprooted from the community without a housing solution should their economic situation improve.

Seniors

- There was a comment that senior housing was not emphasized in the presentation, although the population trend toward a growing senior segment was presented.
- Housing that provides more options for older adults and promotes aging in place is needed.
- Senior housing is about more than affordable units; the market needs to provide alternatives to seniors who are above the affordable housing threshold.