

From: [Witte, Bill](#)
To: [Mario Fonda-Bonardi](#); [Nina Fresco](#); [Leslie Lambert](#); [Richard McKinnon](#); [Shawn Landres](#); [Jim Ries](#); [Elisa Paster](#); [Planning Commission Comments](#)
Cc: [David Martin](#); [Jing Yeo](#); [Heidi von Tongeln](#); [Steve Mizokami](#); [Melissa Zak](#); [Paula Larmore](#); [Witte, Bill](#)
Subject: Item 9-A, Support for DCP and Zoning Ordinance Amendments Related to Housing Production
Date: Tuesday, May 19, 2020 1:56:43 PM
Attachments: [Planning Commission from Related 2020.05.19BW.pdf](#)

EXTERNAL

Dear Chair Lambert and Honorable Commissioners,

Please see my enclosed letter in support of the proposed Downtown Community Plan and Zoning Ordinance amendments related to housing projects in the Downtown.

Sincerely,

Bill Witte



May 19, 2020

VIA EMAIL

Santa Monica Planning Commission
City of Santa Monica
1685 Main Street, Room 212
Santa Monica, CA 90401

RE: Item 9-A Proposed DCP and Zoning Ordinance Amendments to Remove Barriers to Additional Housing Production in the Downtown

Dear Chair Lambert and Honorable Commissioners:

On behalf of 710 Broadway, LLC, an affiliate of Related California Residential, I am writing in support of Staff's recommendation to allow Tier 3 housing projects through a Development Review Permit process and to modify the Downtown Community Plan's definition of "housing project" to be consistent with the Housing Accountability Act. Related California is California's largest developer of mixed-income housing. We have a development portfolio of 16,000 residential units completed or under construction, and more than 1,750 affordable and 4,000 market rate units in pre-development. As one of the only developers that has filed for a Tier 2 housing project in the Downtown since the City's adoption of its Downtown Community Plan ("DCP"), we also wanted to respond to the question raised at your May 13th Planning Commission hearing about the reasons a developer would choose to pursue a Tier 2 housing project compared with a Tier 3 housing project.

The DA requirement is a disincentive to build much needed housing in the downtown

As noted above, we recently filed a development review permit ("DRP") application for a Tier 2 housing project at 710 Broadway (the Vons site) rather than pursuing a Tier 3 DA application. Given that a Tier 3 project would allow us to request up to two more floors of housing on a significant portion of the project site, this decision was not made lightly.

We decided to apply for the DRP and forgo the potential extra housing in return for predictability and time. The City's DA process is extremely time consuming and resource intensive. With a DA, a developer/property owner must go through a minimum of six public hearings over a 2.5+ year time period to receive a final decision on the DA (not including the additional time for design review and plan check). Throughout this process, the developer incurs substantial architect, lawyer and other consultant fees. And, when you start the process, there is no ability to predict the level of benefits or requirements that the

City will impose or the extent to which the City may cut the project's height or density. Thus, there is no assurance that the result of the long, grueling and expensive process will be a viable housing project.

The DCP and Zoning Ordinance requirements for Tier 2 housing projects and Tier 3 housing projects of 90,000 square feet or less already push the verge of feasibility. Our understanding of the City's position with respect to DAs is that the Code-required community benefits for non-DA projects are generally the "floor" for DA projects. Given this, we have no confidence that DA negotiations would ultimately result in a viable Tier 3 housing project that could be successfully financed and constructed.

The DRP process, by contrast, requires a minimum of three public hearings and has substantially more predictability in terms of process and community benefits requirements. By no means is the DRP process or the Tier 2 DCP requirements a "walk in the park" though. With the DCP and related Zoning Ordinance amendments, the City codified an onerous package of community benefits for Downtown housing projects. These include substantial on-site affordable housing (at or near the highest of any jurisdiction in the State), aggressive Transportation Demand Management requirements and significantly enhanced fees for transportation infrastructure, parks/open space and affordable housing. In addition, the City's recent and ongoing adoption of increased sustainability requirements (i.e. water neutrality, on-site capture and use of rainwater, solar panels, EV charging infrastructure, etc.) mirrors many of the sustainability requirements included in DAs.

In this regard, City Staff acknowledged the lack of necessity for and desirability of development agreements in a 2018 City Council Staff Report:

"Having completed the implementation of the Land Use and Circulation Element (LUCE) in 2010 with the adoption of the citywide Zoning Ordinance and the Downtown Community Plan, the flexibility utilized for development agreements is no longer either necessary or desirable. Predictability for both property owners and residents outweighs the perceived benefits that came from negotiating heights and density on a project by project basis." (May 8, 2018 City Council Staff Report Agenda Item 8-B, p. 2)

Overall, with a DA, a developer/property owner incurs a minimum 2.5 year process to attempt to negotiate a development agreement that allows for a feasible housing project. Given our extensive experience with multi-family housing projects, we are extremely knowledgeable about the feasibility of these projects. We've learned that time and the resultant uncertainty can play havoc with project feasibility, especially when significant affordable housing is involved. In our assessment, the benefits of the potential additional development rights in Tier 3 are not worth the risk and uncertainty of the DA process.

The DCP's Housing Project definition should be consistent with the Housing Accountability Act

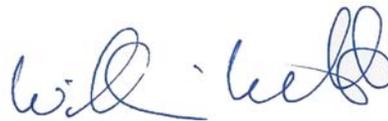
We also support City Staff's proposed revision to the DCP's definition of housing project. The DCP's definition of housing project (a) limits nonresidential uses to 25% of the project's floor area compared with 33% allowed by the Housing Accountability Act and (b) does not allow nonresidential uses above the first floor (not even a partial second floor/mezzanine) whereas the Housing Accountability Act

does not regulate the location of the commercial uses so long as the total amount does not exceed 33%. (DCP, §9.10.050(A)(2), p. 177; Cal. Gov. Code § 65589.5(h)(2)(B).) Aligning the DCP's housing project definition to be consistent with the Housing Accountability Act is prudent and allows more flexibility for leasing. Notably, the DCP's limitation that commercial uses be limited to the first floor of housing projects precludes ground floor commercial uses from having a mezzanine (which the City defines as second story) for storage and/or administrative offices to support the ground floor retail uses. This type of mezzanine use can be particularly important for certain neighborhood-serving uses including grocery stores and allows for the ground floor space to be dedicated for active, pedestrian-oriented uses. The proposed refinements to the DCP's housing project definition ensure that housing projects will remain predominantly housing consistent with the DCP's intent and will assist with long-term leasability and vibrancy of the project.

Conclusion

We ask the Planning Commission to recommend approval of the DCP and Zoning Ordinance amendments in Item 9-A as they reduce current barriers to the production of housing and realization of the DCP's vision for the Downtown.

Sincerely,

A handwritten signature in blue ink, appearing to read "Will Kutz". The signature is fluid and cursive, with a large initial "W" and "K".

Cc: David Martin, Planning Director
Jing Yeo, Planning Manager
Steve Mizokami, Principal Planner
Heidi von Tongeln, Deputy City Attorney
Paula Larmore, Harding Larmore Kutcher & Kozal LLP

From: [Matthew Stevens](#)
To: [Leslie Lambert](#); [Shawn Landres](#); [Elisa Paster](#); [Nina Fresco](#); [Richard McKinnon](#); [Jim Ries](#); [Mario Fonda-Bonardi](#)
Cc: [David Martin](#); [Jing Yeo](#); [Steve Mizokami](#); [Planning Commission Comments](#)
Subject: I support Agenda Item 9-A
Date: Tuesday, May 19, 2020 6:37:22 PM

EXTERNAL

Dear Planning Commissioners,

I **strongly** support Item 9-A. This is a common-sense process improvement which will encourage badly needed housing in Downtown Santa Monica.

This proposal does not change any zoning limits Downtown. Rather, it simply makes the approval process for new housing more predictable and transparent. This makes housing cheaper, which makes housing more accessible, for young people like me and the many others who have struggled with the high cost of housing in Santa Monica.

I have seen several community members state that this proposal will eliminate public input from housing development. This is not true. Development Review Permits still require public hearings, and still require an affirmative vote of this Commission.

As a parting thought, I want to highlight one key constituency who you are not hearing from – the future residents of these buildings. They are the largest beneficiaries of this proposal but they aren't sharing their views because they don't know who they are yet. Perhaps you will hear from dozens who will complain about this proposal but there are literally thousands of others who will live in these buildings and thus would obviously be supportive. As you evaluate public comment, I hope you keep these future residents in mind.

Thank you,

Matthew Stevens

From: [Steven Welliver](#)
To: [Melissa Zak](#)
Cc: [David Martin](#); [Jing Yeo](#); [Steve Mizokami](#); [Downtown Santa Monica, Inc. Staff](#)
Subject: DCP Housing Amendments, May 20, 2020 Agenda, Item 9-A
Date: Tuesday, May 19, 2020 8:24:41 PM
Attachments: [20200520_Planning_Commission_DCP_Housing_Amendments.pdf](#)

EXTERNAL

Please see attached for distribution to the Planning Commission a letter from Downtown Santa Monica, Inc. in support of the housing amendments to the Downtown Community Plan.

Thanks,

Steven Welliver
Deputy Chief Executive

Downtown Santa Monica, Inc.
1351 Third Street Promenade, Ste. 201
Santa Monica, CA 90401
310.393.8355
www.DowntownSM.com
[Facebook](#) | [Twitter](#)



THIRD
STREET
PROMENADE

May 20, 2020

Ms. Leslie Lambert, Chair
and Santa Monica Planning Commissioners
1685 Main Street
Santa Monica, CA 90401

Re: Amendments to the Downtown Community Plan (DCP) authorizing Tier 3 housing projects greater than 90,000 sq. ft. to be reviewed by Development Review Permit and revising the definition of "housing project," May 20, 2020 Agenda, Item 9-A

Dear Chair Lambert and Honorable Planning Commissioners:

Downtown Santa Monica, Inc. (DTSM) supports elimination of the 90,000 sq. ft. cap on Development Review Permits (DRPs) for Tier 3 housing projects and the revision of the definition of "housing project."

Applying the DRP process to Tier 3 projects will simplify and improve the predictability of our community's onerous entitlement process. It will also significantly reduce the resources required of both the applicant and the City. As it is currently structured, the DRP process provides ample public process and opportunity for organizations like DTSM and other community stakeholders to provide feedback on a project's merits.

Revising the definition of "housing project" to align to the Housing Accountability Act furthers our shared goal of designing downtown as a complete mixed-use neighborhood. Allow for nonresidential use of up to 33% of a project's square footage increases flexibility and further improves financial feasibility. Further, we do not believe nonresidential uses need to be restricted to the ground floor, provided the project as a whole relates well to adjacent sidewalks and streets.

As we move into an economic climate unlike any we have ever experienced, other zoning modifications and improvements to the entitlement processes may warrant consideration. We look forward to continued partnership with the Planning Commission to keep downtown a vibrant residential and commercial community.

Sincerely,

A handwritten signature in black ink that reads "Kathleen Rawson".

Kathleen Rawson, CEO
Downtown Santa Monica, Inc.

cc: DTSM, Inc. Board of Directors
DTSM, Inc. Staff
David Martin, Director of Planning & Community Development
Jing Yeo, Planning Division Manager
Steve Mizokami, Principal Planner

From: [Matt Stauffer](#)
To: [Planning Commission Comments; Planning](#)
Subject: May 20th agenda item 9-A - SUPPORT
Date: Wednesday, May 20, 2020 8:21:31 AM
Attachments: [Chamber to Planning Commission re 9-A 5-20-20.pdf](#)

EXTERNAL

Please see the attached letter in support of agenda item 9-A.

Thank you,

Matt Stauffer

Executive Vice President of External Affairs
Santa Monica Chamber of Commerce
(310) 393-9825 ext. 1116



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Jeffrey Fritz
Coldwell Banker

Annie Goeke
Earth Rights Institute

May 20, 2020

Planning Commission
Santa Monica City Hall
1685 Main Street
Santa Monica, CA 90401

RE: May 20 Planning Commission meeting – item 9-A - SUPPORT

Dear Chair Lambert and Commissioners:

On behalf of the Santa Monica Chamber of Commerce I want to offer our support for the amendments to the Downtown Community Plan on the agenda tonight.

The Chamber has been surveying local businesses to assess the impacts of COVID-19 on our economy and what remedies the City can offer to aid in our recovery. Streamlining and expediting the development process has wide appeal among the business community as a way of spurring economic activity.

We are all looking for ways to quickly and safely open businesses, put people back to work, and begin generating tax revenue for the City. Reducing the time and costs associated with developing housing—which is already necessary under recent state and regional directives—is even more critical now.

We urge a yes vote on 9-A and look forward to working with you and the rest of the City in the near future to find other ways to rejuvenate our local economy as soon as it is safe to do so.

Thank you.

Sincerely,

Laurel Rosen, President/CEO

Board Members, Cont.

Paul Graves
Morley Builders

Stephanie Harris
Carlthorp School

Damien Hirsch
*JW Marriott Santa Monica
Le Merigot*

Jeff Jarow
PAR Commercial

Kim Koury
Spin PR

Kevin Kozal
*Harding Larmore Kutcher &
Kozal*

Robert Kull
The Lobster

Hayden Lee
Hayden Lee Coaching Intl.

John Loyacono
Bank of America

Brian MacMahon
Expert DOJO

Pam O'Connor

Evan Pozarny
Muselli Commercial Realtors

Michael Ricks
*Providence St John's Health
Center*

Ali Sahabi
Optimum Seismic

Kathy Shepard
KS Consulting

Jon Shoemaker
Gumbiner Savett, Inc.

Heather Somaini
Lionsgate

Nat Trives
New Visions Foundation

John Warfel
Metropolitan Pacific

Becky Warren
Elevate Public Affairs

David Woodbury
Arthur Murray Dance Center

Jerry L. Yu
Kaiser Permanente

From: [Noma Boardmember](#)
To: [Leslie Lambert](#); shawn.landiers@smgov.net; [Nina Fresco](#); [Richard McKinnon](#); [Jim Ries](#); [Mario Fonda-Bonardi](#); elise.paster@smgov.net; [Planning Commission Comments](#)
Cc: [David Martin](#); [Steve Mizokami](#)
Subject: Subject: NOMA Opposes Item 9 A
Date: Wednesday, May 20, 2020 9:25:30 AM

EXTERNAL



NOMA fully supports the letter from SMCLC and opposes item 9 A.

This is **not** a time for streamlining HUGE developments and limiting community input and oversight. In this economic downturn there are too many questions to answer, too many unknowns, to commit to a limited review process that we may come to regret.

Will the original purpose of our commercial and multi-story buildings, for example, change in light of recent circumstances and life patterns? And if so, to what use? How much of our current office space will be re-adapted if "remote working" (telecommuting) becomes more of a norm? Will more of this available space be used for housing? Should it be to meet our State-mandated goal? In which case, shouldn't adaptive re-use take precedence over rushed new construction?

We are in a particularly unsettled time now. A pandemic has struck and our immediate future is unknown. Revenue and our economy are floundering. Our city and our lives are in flux, and the city's administration is RUSHING to make these enormous decisions NOW? To whose benefit? Limiting resident's input into large developments certainly does not benefit the average Santa Monica resident.

We, as the 24/7 residents of our much-loved city, need to be invited to participate in on-going discussions and proposals for the future of our city and not steamrolled for the benefit of speculators and business interests both here and out-of-town who may not hold the city's livability as close.

For these reasons and more, we urge you to reject the proposal before you.

The NOMA Board

smnoma.org
NOMAboard@gmail.com

From: [Jonathan Merhaut](#)
To: [Mario Fonda-Bonardi](#); [Nina Fresco](#); [Leslie Lambert](#); [Richard McKinnon](#); [Shawn Landres](#); [Jim Ries](#); [Elisa Paster](#); [Planning Commission Comments](#)
Cc: [David Martin](#); [Jing Yeo](#); [Heidi von Tongeln](#); [Steve Mizokami](#); [Melissa Zak](#)
Subject: Support More Housing under 9-A
Date: Wednesday, May 20, 2020 9:30:22 AM

EXTERNAL

To whom it may concern:

I am I young professional living and working in Santa Monica and it is getting extraordinarily expensive to live here. The lack of housing supply and excess demand has caused prices to rise unfairly. I urge you all to consider invoking any measures to bring more housing to our city. Specifically relating to 9-A, I would like to express my support for the measure.

Thank you,
Jonathan Merhaut

From: [Jing Yeo](#)
To: [Planning Commission Comments](#); [Steve Mizokami](#); [Heidi von Tongeln](#)
Subject: FW: Planning Commission 5/20/20 agenda item 9-A -- Oppose
Date: Wednesday, May 20, 2020 11:59:54 AM

From: zinajosephs@aol.com <zinajosephs@aol.com>
Sent: Wednesday, May 20, 2020 11:53 AM
To: zinajosephs@aol.com; Planning <Planning@SMGOV.NET>; Leslie Lambert <Leslie.Lambert@SMGOV.NET>; Richard McKinnon <Richard.McKinnon@SMGOV.NET>; Elisa Paster <Elisa.Paster@SMGOV.NET>; Shawn Landres <Shawn.Landres@SMGOV.NET>; Mario Fonda-Bonardi <Mario.Fonda-Bonardi@SMGOV.NET>; Jim Ries <Jim.Ries@SMGOV.NET>; Nina Fresco <Nina.Fresco@SMGOV.NET>; Clerk Mailbox <Clerk.Mailbox@SMGOV.NET>; Lane Dilg <Lane.Dilg@SMGOV.NET>; David Martin <David.Martin@SMGOV.NET>; Jing Yeo <Jing.Yeo@SMGOV.NET>
Cc: Council Mailbox <Council.Mailbox@SMGOV.NET>; Mayor Kevin McKeown <Kevin.McKeown@SMGOV.NET>; Terry O'Day <Terry.Oday@smgov.net>; Gleam Davis <Gleam.Davis@SMGOV.NET>; Ana Maria Jara <AnaMaria.Jara@SMGOV.NET>; Sue Himmelrich <Sue.Himmelrich@SMGOV.NET>; Greg Morena <Greg.Morena@SMGOV.NET>; Ted Winterer <Ted.Winterer@SMGOV.NET>; zinajosephs@aol.com
Subject: Re: Planning Commission 5/20/20 agenda item 9-A -- Oppose

EXTERNAL

May 20, 2020

To: Planning Commission
From: Board of Directors, Friends of Sunset Park
Re: **9-A. Eliminating DA review for downtown Tier 3 housing projects exceeding 90,000 sf**

The FOSP Board continues to oppose this staff recommendation.

In a message dated 5/13/2020 1:04:20 AM Pacific Standard Time, zinajosephs@aol.com writes:

May 12, 2020

To: Planning Commission
From: Board of Directors, Friends of Sunset Park
RE: 5/13/20 item 8-A - Eliminating DA review for Tier 3 housing projects exceeding 90,000 sf

A majority of the FOSP Board members support the SMCLC letter below, opposing any recommendation by the Planning Commission to the City Council to process Tier 3 housing projects under a Development Review permit instead of a Development Agreement.

We strongly urge the Planning Commission to reject this staff recommendation, which would eliminate all public hearings for these large projects.

There are still residents in this city who would like to have some say as to what gets built in our downtown, and we object to this streamlining scenario, i.e., “Developers Gone Wild.”

Thank you for your consideration.

May 12, 2020

RE: Agenda Item: 8-A (Eliminating DA review for Tier 3 housing projects exceeding 90,000 square feet)

Dear Planning Commissioners,

As our Planning Commissioners, residents rely on you to reject knee-jerk responses for fast fixes and instead, to provide thoughtful, factual analysis, and demand the same from City staff. Unfortunately, this staff report gives you nothing you need to decide whether this is a good idea or a terrible one. In the many housing discussions that both you and the City Council have entertained, no one has studied eliminating Development Agreements for the largest housing projects exceeding 90,000 square feet. Further, we believe that this proposal will have unintended consequences and erode public trust.

In response to what was basically a “shout-out” from a councilmember during a study session, you are now being asked to change the Development Agreement approval process for Tier 3 housing projects to a “streamlined” development review permit.

One line in the very short staff report says it all: “This change would be intended to encourage the development of larger housing projects as the current requirement of a Development Agreement for projects greater than 90,000 square feet may be viewed as a disincentive for property owners to maximize housing developments.” (Emphasis added).

Those are two speculative and subjective thoughts unconstrained by any factual analysis.

Maybe property owners (developers) will do what you hope, and maybe they won’t unless they can make more money. Maybe all this idea will accomplish is to create a wave of land speculation downtown as developers and REITs don’t build the housing you want, but instead wait for a new, more favorable post-pandemic, post-financial crisis world. In a couple of years, nothing in developer time, the speculators you will create tonight will press for new development standards (in order to have their projects “pencil out”) that – no surprise – will feature mostly market rate and luxury housing with barely a nod to affordable housing. There is nothing in this proposal that would prohibit that from happening. In fact, it’s inevitable. And when it does happen, you will have facilitated it along with the predictable and disastrous upscaling and gentrification.

“Streamlining” the development process also provides a kind of “punch list” for both staff and the

developers; it's a cookie cutter approach instead of being responsive to the actual needs and impacts of specific project sites and their surroundings.

The current pandemic and financial crisis will inevitably result in a top down review of downtown land-use assumptions (the levels of retail, office, hotels and yes, housing) that our city planners have used to guide our future. Is this the best time to be considering a "quick fix"?

While the public – residents – are busy quarantining from this life-and-death pandemic, the city should not be deputizing staff to push through what would become the biggest housing developments in our city.

This proposal is misguided and cannot be justified. It should be rejected.

Sincerely,

Diana Gordon Co-Chair, Santa Monica Coalition for a Livable City ("SMCLC")

Cc: City Council City Manager Lane Dilg, Planning Director David Martin, Planning Division Manager Jing Yeo, Community Groups