

RESOLUTION NUMBER 21-011 (PCS)

(Planning Commission Series)

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF
SANTA MONICA RECOMMENDING TO THE CITY COUNCIL THAT THE COUNCIL
ADOPT THE 6TH CYCLE (2021-2029) HOUSING ELEMENT OF THE CITY'S
GENERAL PLAN

WHEREAS, State Housing Element Law, California Government Code Sections 65580 *et seq.*, requires the City to review and update the Housing Element of its General Plan every eight years; and

WHEREAS, as the City prepares its 6th Cycle (2021-2029) Housing Element (the "6th Cycle Housing Element"), the State is experiencing a housing supply crisis, with housing demand far outstripping supply; and

WHEREAS, in 2018, California ranked 49th out of the 50 states in housing units per capita; and

WHEREAS, the housing crisis has particularly exacerbated the need for affordable homes at prices below market rates; and

WHEREAS, the housing crisis has resulted in increased poverty and homelessness, especially first-time homelessness, forced lower income residents into crowded and unsafe housing in urban areas, and forced families into lower cost new

housing in greenfields at the urban-rural interface with longer commute times and a higher exposure to fire hazard; and

WHEREAS, California needs an estimated 180,000 additional homes annually to keep up with population growth, and the Governor has called for 3.5 million new homes to be built over 7 years; and

WHEREAS, the City has received a Regional Housing Needs Assessment (“RHNA”) allocation for the 6th Cycle Housing Element of approximately 8,895 housing units, with approximately 70 percent allocated as affordable housing; and

WHEREAS, this RHNA allocation will require the City to permit approximately 1,000 housing units annually between 2021 and 2029, 700 of which are required to be affordable housing, representing an increase of approximately five times over the City’s RHNA allocation for the 5th Cycle (2013-2021) Housing Element; and

WHEREAS, in September 2020, the City commenced a public outreach process for the 6th Cycle Housing Element, which has consisted of creation of a dedicated website, presenting informational webinars, seeking input through questionnaires and surveys, forming two technical working groups, and conducting a series of study sessions with the Planning Commission, Housing Commission, Rent Control Board, and the City Council; and

WHEREAS, on or about May 24, 2021, City staff published a draft 6th Cycle Housing Element (“Draft Housing Element”) built around four primary principles: 1) housing production—providing access to increase housing production, with an emphasis on affordable housing; 2) housing stability—ensuring that existing residents are protected from displacement; 3) location—incentivizing and locating housing close to daily services

and amenities like parks and schools in addition to places around the city that have historically not accommodated housing; and 4) equitable housing access—overcoming historic patterns of segregation by expanding access to housing choices in high opportunity areas; and

WHEREAS, the Draft Housing Element includes a variety of goals and policies based on these four principles related to new housing production for all income categories, the preservation of existing housing, ensuring equitable housing access to all neighborhoods, providing housing for the homeless and housing assistance and supportive services to low-income households, and eliminating housing discrimination; and

WHEREAS, the Draft Housing Element sets forth a range of programs to implement such goals and policies, including, but not limited to, procedural changes to streamline the review of housing projects, updates to development standards and the City's Affordable Housing Production Program ("AHPP") to ensure housing projects are feasible as the City achieves its affordable housing production goals, providing opportunities for housing in areas of the City that do not currently permit housing, incentivizing housing in areas of the City that have not historically supported housing production, amending the City's density bonus ordinance to ensure consistency with State law and integration into the City's land use system, and committing to the production of affordable housing on City-owned/publicly owned land; and

WHEREAS, on June 2 and 3, 2021, the Planning Commission conducted a public hearing on the Draft Housing Element and made recommendations to the City Council; and

WHEREAS, on June 15, 2021, the City Council conducted a public hearing to discuss the Draft Housing Element and directed staff to transmit the Draft Housing Element to the California Department of Housing and Community Development (“HCD”) with revisions; and

WHEREAS, on July 1, 2021, City staff transmitted the Draft Housing Element, as revised by the City Council, to HCD for a 60-day review period; and

WHEREAS on August 4, 2021, in accordance with Santa Monica Municipal Code Section 9.4.060(A), the Planning Commission adopted a Resolution of Intention, Resolution Number 21-006 (PCS), declaring its intention to consider recommending to the City Council that the City Council adopt the 6th Cycle (2021-2029) Housing Element of the City’s General Plan and amendments to the Land Use and Circulation of the City’s General Plan, the Bergamot Area Plan and the Downtown Specific Plan for consistency with the goals, policies and programs set forth in the Housing Element; and

WHEREAS, on August 30, 2021, in accordance with Government Code Section 65585, HCD issued a letter to report on its review of the Draft Housing Element; and

WHEREAS, HCD’s review concluded that the draft Housing Element addressed many statutory requirements, but that revisions would be necessary to comply with State Housing Element Law, and set forth recommended revisions to the Draft Housing Element to, among other things, provide additional information and analysis of the City’s housing needs, resources, and constraints related to fair housing, population and employment trends, household characteristics, the Suitable Sites Inventory (“SSI”), zoning for a variety of housing types, governmental and nongovernmental constraints on housing, special housing needs, and “at risk” housing units; and

WHEREAS, HCD further recommended that the City make revisions to housing programs set forth in the Draft Housing Element to: demonstrate adequate capacity for the RHNA allocation; address, and where legally possible, remove, constraints to the maintenance, improvement and development of housing; promote and affirmatively further fair housing; and preserve assisted housing development for low-income households; and

WHEREAS, on September 8, 2021, the Planning Commission held a discussion to consider HCD's review and recommendations and to discuss concepts that would address those recommendations; and

WHEREAS, on September 20, 2021, the Planning Commission conducted a discussion to review proposed revisions to the Draft Housing Element to address HCD's recommendations; and

WHEREAS, on September 24, 2021, Planning Commission conducted a duly noticed public hearing to consider recommending to the City Council that the City Council adopt the 6th Cycle Housing Element.

NOW, THEREFORE, THE PLANNING COMMISSION OF THE CITY OF SANTA MONICA DOES RESOLVE AS FOLLOWS:

SECTION 1. The Planning Commission has considered HCD's recommendations and, pursuant to Santa Monica Municipal Code Section 9.45.070(A), the Planning Commission does hereby recommend to the City Council that the City Council adopt the 6th Cycle (2021-2029) Housing Element, as set forth in Exhibit A, and as amended by Exhibit B, attached hereto.

SECTION 2. Based on substantial evidence set forth in Chapter 4, Summary of Land Available for Housing, and Appendix F, Suitable Sites Inventory Report of the 6th Cycle Housing Element, the existing uses on nonvacant sites identified in the SSI to accommodate lower income housing are likely to be discontinued during the planning period, and therefore do not constitute an impediment to additional residential development during the period covered by the Housing Element.

A. Parcels with existing uses that were not likely to be discontinued during the planning period were not examined for suitability, as follows:

- Parcels in the RMH (Residential Mobile Home) and OS (Open Space) Districts;
- Parcels with existing historic resources;
- Parcels that are under construction, or have recently completed projects, approved entitlements, or pending entitlements for commercial uses only;
- Parcels that have unique land uses, such as Santa Monica City Hall, Los Angeles County Courthouse, Civic Auditorium, hospitals, cemetery, schools, parks, churches/religious facilities, utilities, government offices, libraries, police/fire stations, transportation infrastructure/Metro Expo Light Rail, and airport;
- Parcels developed with affordable housing, condominium units, and rent control units; and
- Parcels with newer buildings developed post 1980.

B. All remaining parcels (approximately 1,300) were placed into categories and examined for suitability. Parcels with existing uses were selected for the SSI based on the following factors and evidence:

1. Category 1 (Approved/Pending Project Sites): Sites for which entitlements have been issued for housing development projects or applications have been received for housing development projects; evidence that in the previous planning period, only 10 percent of approved or pending projects are withdrawn and/or have had permits expire.

2. Category 2 (Prior 5th Cycle Housing Element Sites): Evidence that property owners have expressed past or current development interest; the properties are underdeveloped below current maximum floor area ratio allowed or have single tenants. Evidence that past and current proposed housing projects all occurred on similar nonvacant sites with existing uses consisting of older buildings (at least 40 years of age) or surface parking lots. Evidence that in the past decade development in Santa Monica has trended towards new residential development rather than new commercial development, and recent financial feasibility studies that concluded residential projects will be more likely to occur than commercial projects with increased development potential (*i.e.*, greater permitted floor area ratio (“FAR”) and height) for housing development projects, as proposed by Program 1 J of the Housing Element.

3. Category 3 (Downtown Community Plan buildout): Evidence that the sites have low assessors value ratio (“AVR”) (less than 0.5), are developed with low-scale buildings more than 40 years of age, are developed below current

maximum FAR allowed, are located in proximity to many other recent housing projects in the Downtown, and have been previously identified as high potential for redevelopment in the 2017 Downtown Community Plan. Evidence that in the past decade development in Santa Monica has trended towards new residential development rather than new commercial development, and that past and current proposed housing projects all occurred on similar nonvacant sites with existing uses consisting of older buildings (at least 40 years of age) or surface parking lots.

4. Category 4 (City-owned Sites): Evidence that these City-owned sites do not have long-term leases with outside parties that extend beyond the 6th Cycle Housing Element planning period and do not have existing uses that are non-City operated.

5. Category 5 (Parking Lot Sites): Evidence that these surface parking lots do not serve existing uses that have demonstrated longevity (e.g., uses that are more unique in a particular location such as a successful grocer in a residential neighborhood, a popular restaurant, long-standing reputable business, etc.) and that past and current proposed housing projects occurred on similar nonvacant sites with existing uses consisting of surface parking lots. Evidence that in the past decade development in Santa Monica has trended towards new residential development rather than new commercial development, and recent financial feasibility studies that concluded residential projects will be more likely to occur than commercial projects with increased development potential (i.e., greater permitted FAR and height) for housing development projects, as proposed by Program 1 J of the Housing Element.

6. Category 6 (Auto Inventory Sites): Evidence that property owners of such sites have expressed past or current development interest; there is common ownership with adjacent parcels, or there are other multiple parcels located elsewhere that are also owned by the same property owner. Evidence that in the past decade development in Santa Monica has trended towards new residential development rather than new commercial development, and recent financial feasibility studies that concluded residential projects will be more likely to occur than commercial projects with increased development potential (*i.e.*, greater permitted FAR and height) for housing development projects, as proposed by Program 1 J of the Housing Element.

7. Category 7 (Recently Sold/For Sale Sites): Evidence that the sites are for sale or recently sold, and existing buildings on the sites are vacant and have upcoming expiring lease terms. Evidence that in the past decade development in Santa Monica has trended towards new residential development rather than new commercial development, and recent financial feasibility studies that concluded residential projects will be more likely to occur than commercial projects with increased development potential (*i.e.*, greater permitted FAR and height) for housing development projects, as proposed by Program 1 J of the Housing Element.

8. Categories 8, 9, and 10 (Underutilized Sites, Remaining Large Parcels, Remaining Sites with 0.5 AVR or Less): Evidence that the existing buildings on the sites are low-scale buildings and more than 40 years old, have single tenancy or minimal tenancy, there is known developer interest, or the

existing use does not appear to have longevity (e.g., uses that are more unique in a particular location such as a successful grocer in a residential neighborhood, a popular restaurant, long-standing reputable business, etc.). Evidence that in the past decade development in Santa Monica has trended towards new residential development rather than new commercial development, and recent financial feasibility studies that concluded residential projects will be more likely to occur than commercial projects with increased development potential (i.e., greater permitted FAR and height) for housing development projects, as proposed by Program 1 J of the Housing Element.

SECTION 3. The Director of the Community Development Department shall certify to the adoption of this Resolution, and thenceforth and thereafter the same shall be in full force and effect.

APPROVED AS TO FORM:

GEORGE S. CARDONA
Interim City Attorney

Adopted this 24th day of September, 2021.

Chair, Planning Commission

I hereby certify that the foregoing Resolution of Intention was duly and regularly introduced and approved at a meeting of the Planning Commission on the 24th day of September, 2021 by the following vote:

Ayes:

Noes:

Abstain:

Absent:

Attest:

Director of Community Development Department

EXHIBIT A

SEPTEMBER 20, 2021 REVISIONS TO JULY 1, 2021 DRAFT HOUSING ELEMENT

[Proposed Redline Changes to Draft Housing Element \(Chapters 1-5\)](#)

[Appendix A \(no change\)](#)

[Proposed Redline Changes to Appendix B, Housing Needs Assessment](#)

[Appendix C \(no change\)](#)

[Appendix D \(no change\)](#)

[Proposed Redline Changes to Appendix E, Housing Constraints](#) (further revised 9/23/21 as described in Exhibit B)

[Proposed Redline Changes to Appendix F, Suitable Sites Inventory Report](#)

(further revised 9/23/21 as described in Exhibit B)

[Appendix G \(no change\)](#)

[Appendix H \(no change\)](#)

EXHIBIT B
AMENDMENTS TO EXHIBIT A

HOUSING ELEMENT 2021-2029 ADDENDA SHEET

This **addenda sheet** contains corrections, clarifications, and changes to the published text of The Revised Draft 6th Cycle Housing Element and represents changes recommended by the Planning Commission and staff. The proposed corrections, clarifications, and changes to the Housing Element Update are listed with their locations and their corrections. There may be errors, clarifications and changes that carry over to multiple areas within the plan, all of which will be addressed and amended.

The Staff Response column includes explanation where staff does not agree with the Planning Commission recommendation.

PLANNING COMMISSION RECOMMENDED CHANGES

The following recommended changes to the Revised Draft Housing Element Update result from Planning Commission deliberations and further staff analysis.

Red Text: Redlines from the Revised Draft based on the letter from HCD.

Purple Text: Additional redlines based on Planning Commission recommended changes, 9/20/21.

Change No.	Page No.	Planning Commission direction 9/20/21	Planning Commission Recommended Redline per direction received on 9/20/21	Staff Response
1.	37	New program implementing SB9 to address 25% demolition limitation for building a duplex. Delete reference to SB 9 in Program 4.C.	New <u>Program 4.E: Implement SB 9 in a meaningful way, that may include, but not be limited to, allowing for demolition of existing structures to produce a duplex.</u>	Program 4.E will be added
2.	103	Facilitate and streamline the approval of housing projects on school sites as contemplated in certain state bill.	<u>Policy 1.9 Partner with School District for Housing</u> <u>The City shall seek opportunities to work with the School District to facilitate housing development.</u>	School Districts can vote to exempt themselves from local law. The City has no control over what the School District can

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Housing Element 2021- 2029
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				do with their properties. Based on prior discussions with school district, there is an interest in developing housing for SMMUSD workforce. New Policy 1.9 under Goal 1 to be added.
3.	18	<p>Program 1.A: Projects requesting a minor modification are still entitled to streamlining and HAA, but not projects requesting major modifications. Additionally, reduce the number of major modifications on the menu. Change the timeframe to December 31, 2021.</p>	<p>The City shall make permanent amendments to the Zoning Ordinance that are currently interim and make amendments to the Land Use and Circulation Element (LUCE), Downtown Community Plan (DCP), Bergamot Area Plan (BAP) and Zoning Ordinance, as necessary, to allow, <u>at a minimum: 1) 100% affordable housing projects and; 2) non-Downtown housing projects that are code-compliant or are granted a minor modification; 3) Downtown housing projects that do not exceed Tier 2 maximums and are subject to the Housing Accountability Act code-compliant or are granted a minor modification.</u></p> <p>Timing: <u>August 1, 2022 December 31, 2021.</u></p>	<p>Projects that seek deviations from objective standards through the minor modification process do not meet all objective standards, and are thus not covered under the HAA. However, these projects are still eligible for the administrative approval (by-right) process and the City will be prohibited from</p>

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				<p>denying or reducing density.</p> <p>Due to limited time, noticing requirements, necessary procedure to bring forward code amendments, and outreach, staff proposes a timeframe of March 31, 2022.</p>
4.	19	Program 1.B: Change timeframe to September 30, 2022	Timing: August 1, 2022 <u>September 31, 2022</u>	Program timeframe to be updated accordingly.
5.	19	Program 1.C: Change language to build in flexibility to allow housing on surface lots in all residential districts, including OP districts. Also consider removing restrictions on lot consolidation and street access.	<p>Program 1.C: Incentivize Housing Development On Surface Parking Lots in Residential Zones That Are Associated With Existing Commercial Uses</p> <p>New paragraph in Program 1.C: <u>The City shall also adopt standards that incentivize housing production on surface parking lots associated with existing residential uses as long as the existing residential use is not removed.</u></p>	Program language to be updated accordingly.

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6.	21	<p>Program 1.F: Remove affordability percentage for off-site and on-site and the affordability mix requirement. Add a note at the bottom of the table that “The City reserves the right to adjust these heights and FARs up or down. Any changes will ensure feasibility and that overall capacity is met, and will be no lower than existing height and FAR. The off-site affordability requirement will be greater than the on-site requirement.”</p>	<table border="1"> <thead> <tr> <th data-bbox="758 282 932 769" rowspan="3"><u>Zone</u></th> <th colspan="6" data-bbox="932 282 1635 423"><u>NEW Downtown Community Plan Development Standards for Housing Projects based on HR&A Feasibility Analysis*</u></th> </tr> <tr> <th colspan="2" data-bbox="932 423 1171 711"><u>Tier 1 –15% On-Site</u> 5% VLI, 5% LI, 5% Mod (20% Required for Off-Site)</th> <th colspan="2" data-bbox="1171 423 1411 711"><u>Tier 2 –20% On-Site</u> 5% VLI, 5% LI, 10% Mod (25% Required for Off-Site)</th> <th colspan="2" data-bbox="1411 423 1635 711"><u>Tier 3 –25% On-Site</u> 5% VLI, 10% LI, 10% Mod (30% Required for Off-Site)</th> </tr> <tr> <th data-bbox="932 711 1062 769"><u>FAR</u></th> <th data-bbox="1062 711 1171 769"><u>Height</u></th> <th data-bbox="1171 711 1302 769"><u>FAR</u></th> <th data-bbox="1302 711 1411 769"><u>Height</u></th> <th data-bbox="1411 711 1541 769"><u>FAR</u></th> <th data-bbox="1541 711 1635 769"><u>Height</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="758 769 932 805"><u>LT (East)</u></td> <td data-bbox="932 769 1062 805"><u>2.75</u></td> <td data-bbox="1062 769 1171 805"><u>55'</u></td> <td data-bbox="1171 769 1302 805"><u>3.0</u></td> <td data-bbox="1302 769 1411 805"><u>65'</u></td> <td colspan="2" data-bbox="1411 769 1635 805" rowspan="5"></td> </tr> <tr> <td data-bbox="758 805 932 841"><u>LT (West)</u></td> <td data-bbox="932 805 1062 841"><u>2.75</u></td> <td data-bbox="1062 805 1171 841"><u>55'</u></td> <td data-bbox="1171 805 1302 841"><u>3.0</u></td> <td data-bbox="1302 805 1411 841"><u>65'</u></td> </tr> <tr> <td data-bbox="758 841 932 876"><u>NV</u></td> <td data-bbox="932 841 1062 876"><u>2.75</u></td> <td data-bbox="1062 841 1171 876"><u>55'</u></td> <td data-bbox="1171 841 1302 876"><u>3.5</u></td> <td data-bbox="1302 841 1411 876"><u>65'</u></td> </tr> <tr> <td data-bbox="758 876 932 912"><u>BC (Promenade)</u></td> <td data-bbox="932 876 1062 912"><u>2.75</u></td> <td data-bbox="1062 876 1171 912"><u>55'</u></td> <td data-bbox="1171 876 1302 912"><u>3.0</u></td> <td data-bbox="1302 876 1411 912"><u>65'</u></td> </tr> <tr> <td data-bbox="758 912 932 948"><u>BC (2nd/4th)</u></td> <td data-bbox="932 912 1062 948"><u>2.75</u></td> <td data-bbox="1062 912 1171 948"><u>55'</u></td> <td data-bbox="1171 912 1302 948"><u>3.5</u></td> <td data-bbox="1302 912 1411 948"><u>65'</u></td> </tr> <tr> <td data-bbox="758 948 932 984"><u>TA</u></td> <td data-bbox="932 948 1062 984"><u>2.75</u></td> <td data-bbox="1062 948 1171 984"><u>55'</u></td> <td data-bbox="1171 948 1302 984"><u>3.5</u></td> <td data-bbox="1302 948 1411 984"><u>65'</u></td> <td data-bbox="1411 948 1541 984"><u>4.0</u></td> <td data-bbox="1541 948 1635 984"><u>84'</u></td> </tr> <tr> <td data-bbox="758 984 932 1019"><u>OT</u></td> <td data-bbox="932 984 1062 1019"><u>2.75</u></td> <td data-bbox="1062 984 1171 1019"><u>55'</u></td> <td data-bbox="1171 984 1302 1019"><u>3.0</u></td> <td data-bbox="1302 984 1411 1019"><u>65'</u></td> <td colspan="2" data-bbox="1411 984 1635 1019" rowspan="2"></td> </tr> <tr> <td data-bbox="758 1019 932 1055"><u>WT</u></td> <td data-bbox="932 1019 1062 1055"><u>2.75</u></td> <td data-bbox="1062 1019 1171 1055"><u>55'</u></td> <td data-bbox="1171 1019 1302 1055"><u>3.0</u></td> <td data-bbox="1302 1019 1411 1055"><u>65'</u></td> </tr> </tbody> </table> <p data-bbox="758 1105 1635 1222">*The City reserves the right to adjust these heights and FARs up or down. Any changes will ensure feasibility and that overall unit capacity assumed in the site inventory is met, including income category, and will be no lower than existing height and FAR. The off-site affordability requirement will be greater than the on-site requirement</p> <p data-bbox="758 1263 1635 1398">Add as last sentence to program 1.F: <u>The City shall consider opportunities, including rezoning or the creation of new zoning districts, as necessary, to facilitate advancement of housing goals and/or historic preservation.</u></p>						<u>Zone</u>	<u>NEW Downtown Community Plan Development Standards for Housing Projects based on HR&A Feasibility Analysis*</u>						<u>Tier 1 –15% On-Site</u> 5% VLI, 5% LI, 5% Mod (20% Required for Off-Site)		<u>Tier 2 –20% On-Site</u> 5% VLI, 5% LI, 10% Mod (25% Required for Off-Site)		<u>Tier 3 –25% On-Site</u> 5% VLI, 10% LI, 10% Mod (30% Required for Off-Site)		<u>FAR</u>	<u>Height</u>	<u>FAR</u>	<u>Height</u>	<u>FAR</u>	<u>Height</u>	<u>LT (East)</u>	<u>2.75</u>	<u>55'</u>	<u>3.0</u>	<u>65'</u>			<u>LT (West)</u>	<u>2.75</u>	<u>55'</u>	<u>3.0</u>	<u>65'</u>	<u>NV</u>	<u>2.75</u>	<u>55'</u>	<u>3.5</u>	<u>65'</u>	<u>BC (Promenade)</u>	<u>2.75</u>	<u>55'</u>	<u>3.0</u>	<u>65'</u>	<u>BC (2nd/4th)</u>	<u>2.75</u>	<u>55'</u>	<u>3.5</u>	<u>65'</u>	<u>TA</u>	<u>2.75</u>	<u>55'</u>	<u>3.5</u>	<u>65'</u>	<u>4.0</u>	<u>84'</u>	<u>OT</u>	<u>2.75</u>	<u>55'</u>	<u>3.0</u>	<u>65'</u>			<u>WT</u>	<u>2.75</u>	<u>55'</u>	<u>3.0</u>	<u>65'</u>	<p>OK to delete reference to AHPP affordability requirements in the HE.</p> <p>FARs are based on Council direction of 15% AHPP affordability requirement. Adjusting FARs down later would require reducing the AHPP requirement as well.</p>
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			<p>Add to the end of Program 1.F: In addition to FAR and height, the City shall review all standards and regulations that may be considered a constraint to housing production including but not limited to development impacts fees and design standards <u>such as restrictions on ground floor residential use, minimum/maximum ground floor height, and daylight plane adjacent to existing residential neighborhoods.</u></p>	
7.	22	Program 1.G: Add back ADU accelerator to the title	<p>Promote The UseIncentivize and Facilitate the Development Of Accessory Dwelling Units <u>Through An ADU Accelerator Program</u></p>	OK. Deletion made in error and original text for program title will be restored.
8.	23	Program 1.I: Add “environmentally sustainable” before construction techniques.	<p>Ensure That Local Regulations Support Innovations In Construction Technology To The Extent Technically Feasible <i>The City shall support innovative lower-cost, and efficient, and <u>environmentally sustainable</u> construction techniques for housing. Program shall consider <u>implement</u> a streamlined building permit review process for housing projects utilizing innovative construction methods and technology, and project-based outcome-oriented permitting benchmarks.</i></p>	OK. Addition will be made.

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9.	24	<p>Program 1.J: : Remove affordability percentage and the affordability mix requirement. Add a note at the bottom of the table that “The City reserves the right to adjust these heights and FARs up or down. Any changes will ensure feasibility and that overall capacity is met, and will be no lower than existing height and FAR.</p> <p>Housing projects should be defined as stated in HAA.</p> <p>Staff shall explore opportunities, including rezoning or the creation of new zoning districts, to facilitate advancement of housing goals and/or historic preservation.</p> <p>Apply the SDBL definition of “equivalent size” to unit mix requirements.</p>	<table border="1"> <thead> <tr> <th rowspan="2">Zone</th> <th colspan="2">NEW Citywide Housing Project Development Standards based on HR&A Feasibility to support*</th> </tr> <tr> <th colspan="2">15% On-Site 5% VLI, 5% LI, 5% Moderate</th> </tr> <tr> <th></th> <th>FAR</th> <th>Height*</th> </tr> </thead> <tbody> <tr> <td><u>MUBL</u></td> <td><u>2.25</u></td> <td><u>55'</u></td> </tr> <tr> <td><u>MUB</u></td> <td><u>2.75</u></td> <td><u>55'</u></td> </tr> <tr> <td><u>GC (SMB)</u></td> <td><u>2.75</u></td> <td><u>55'</u></td> </tr> <tr> <td><u>GC (Pico)</u></td> <td><u>2.75</u></td> <td><u>55'</u></td> </tr> <tr> <td><u>GC (Lincoln)</u></td> <td><u>2.25</u></td> <td><u>55'</u></td> </tr> <tr> <td><u>NC</u></td> <td><u>2.75</u></td> <td><u>55'</u></td> </tr> <tr> <td><u>NC (Main)</u></td> <td><u>3.00</u></td> <td><u>65'</u></td> </tr> <tr> <td><u>NC (Ocean Park)</u></td> <td><u>2.75</u></td> <td><u>55'</u></td> </tr> <tr> <td><u>NC (Montana)</u></td> <td><u>2.25</u></td> <td><u>45'</u></td> </tr> <tr> <td><u>HMU</u></td> <td><u>2.75</u></td> <td><u>55'</u></td> </tr> <tr> <td><u>BTV</u></td> <td><u>2.50</u></td> <td><u>55'</u></td> </tr> <tr> <td><u>CAC</u></td> <td><u>2.50</u></td> <td><u>55'</u></td> </tr> <tr> <td><u>MUC</u></td> <td><u>2.50</u></td> <td><u>55'</u></td> </tr> <tr> <td><u>CCS</u></td> <td><u>2.50</u></td> <td><u>55'</u></td> </tr> <tr> <td><u>OC</u></td> <td><u>2.75</u></td> <td><u>55'</u></td> </tr> <tr> <td><u>IC</u></td> <td><u>3.25</u></td> <td><u>65'</u></td> </tr> </tbody> </table> <p><u>*The City reserves the right to adjust these heights and FARs up or down. Any changes will ensure feasibility and that overall unit capacity assumed in the site inventory is met, including income category, and will be no lower than existing height and FAR. The off-site affordability requirement will be greater than the on-site requirement</u></p> <p>Amend Program 1.J: “...may be considered a constraint to housing production, including but not limited to development impact fees, <u>unit mix requirements</u>, and design standards.”</p>	Zone	NEW Citywide Housing Project Development Standards based on HR&A Feasibility to support*		15% On-Site 5% VLI, 5% LI, 5% Moderate			FAR	Height*	<u>MUBL</u>	<u>2.25</u>	<u>55'</u>	<u>MUB</u>	<u>2.75</u>	<u>55'</u>	<u>GC (SMB)</u>	<u>2.75</u>	<u>55'</u>	<u>GC (Pico)</u>	<u>2.75</u>	<u>55'</u>	<u>GC (Lincoln)</u>	<u>2.25</u>	<u>55'</u>	<u>NC</u>	<u>2.75</u>	<u>55'</u>	<u>NC (Main)</u>	<u>3.00</u>	<u>65'</u>	<u>NC (Ocean Park)</u>	<u>2.75</u>	<u>55'</u>	<u>NC (Montana)</u>	<u>2.25</u>	<u>45'</u>	<u>HMU</u>	<u>2.75</u>	<u>55'</u>	<u>BTV</u>	<u>2.50</u>	<u>55'</u>	<u>CAC</u>	<u>2.50</u>	<u>55'</u>	<u>MUC</u>	<u>2.50</u>	<u>55'</u>	<u>CCS</u>	<u>2.50</u>	<u>55'</u>	<u>OC</u>	<u>2.75</u>	<u>55'</u>	<u>IC</u>	<u>3.25</u>	<u>65'</u>	<p>OK to delete reference to AHPP affordability requirements for now in the HE.</p> <p>FARs are based on Council direction of 15% AHPP affordability requirement. Adjusting FARs down later would require reducing the AHPP requirement as well.</p> <p>If housing is to be permitted in zones where housing has historically not occurred (to address AFFH, the standards must make it feasible for housing to be produced.</p> <p>There may be fair housing implications resulting from continuing to discourage housing in certain areas of the City and more heavily incentivizing in others.</p>
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			<p>Add to Program 1.J: <u>Revise the definition of a Housing Project in the DCP to be consistent with the HAA.</u></p> <p>Add to end of Program 1.J: <u>The City shall consider opportunities, including rezoning or the creation of new zoning districts, as necessary, to facilitate advancement of housing goals and/or historic preservation.</u></p> <p>Add to the end of Program 1.J: In addition to FAR and height, the City shall review all standards and regulations that may be considered a constraint to housing production including but not limited to development impacts fees and design standards <u>such as restrictions on ground floor residential use, minimum/maximum ground floor height, and daylight plane adjacent to existing residential neighborhoods.</u></p>	<p>Council voted to define housing project in the DCP in August 2020, limiting to 25% neighborhood commercial uses on the first two floors.</p>
10.	26	<p>Program 2.C: Remove percentages and distribution requirements (aligned with 1.F and 1.J) and increase the AHPP applicability to projects with 6 or more units.</p>	<p>Update The City's Affordable Housing Production Program And Development Standards to <u>Ensure-Increase the Number of Affordable Housing Units at all Income Levels that Housing Projects Are Feasible</u></p> <p>In order to increase the number of affordable housing units at all <u>income</u> levels, the AHPP including in on-site option for housing projects located outside of the Downtown, shall be revised to eliminate<u>include, but not be limited to:</u></p> <ul style="list-style-type: none"> • <u>Increase the threshold (to at least 6 units) by which projects are required to provide on-site or off-site affordable units.</u> • <u>Eliminate</u> the current "menu" option of affordability requirements and instead establish a desired<u>new</u> base affordability percentage of 15% for%, with the inclusionary units provided equally among all affordable very low, low, and moderate income levels. The City shall also re; • <u>Re-evaluate</u> the in-lieu fee option to provide funds for 	<p>OK.</p>

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			<p><u>applicants to pay a fee</u> instead of construction<u>constructing</u> affordable units to ensure that the fee supports the funding and construction of new affordable housing throughout the City;<u>and</u></p> <ul style="list-style-type: none"> <u>Evaluate the possibility of a mixed-compliance option that would provide applicants more flexibility in meeting AHPP requirements</u> <p>Additionally, to support increased affordable housing production, the AHPP <u>off-site option for housing projects located outside of the Downtown</u> shall be revised to <u>allow</u>:</p> <ul style="list-style-type: none"> <u>Increase the off-site affordable housing option minimum percentage of required affordable units to be higher than the on-site option. to be a more viable alternative to on-site affordable 20% with inclusionary units. The revision would allow provided at 10% very low, 5% low, and 5% moderate income</u> <u>Allow</u> projects to locate off-site affordable housing to be located anywhere in the City that is not a disadvantaged area, determined through as defined by SB535, which includes socioeconomic and environmental metrics such as overconcentration of lower income households. <p>A.</p> <ul style="list-style-type: none"> The AHPP off site option shall also be updated to allow<u>Allow</u> market-rate projects to comply with theAHPP through the acquisition and rehabilitation of existing vacant rental units and converting those to deed-restricted units. 	
11.	27	Program 2.D: If the income distribution for the affordability requirement is removed	Add new sentence: <u>If there is an affordability requirement in place that distributes affordability requirements evenly across income levels, explore ways for developers to request more than one incentive/concession.</u>	Staff does not recommend this change as it conflicts with prior Council

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		then there shall be a mechanism for developers to get more than one concession.		direction. The City will follow allowed provisions of State density bonus law. Applicants are eligible for density bonus in accordance with percentage of affordable units provided on-site. There are also other options available other than concessions/incentives, such as waivers.
12.	28	Program 2.E: Add language to allow for revenue generating uses that are in synergy with housing, including up to 200% AMI affordable units.	Amend Program 2.E: "...with consideration of other <u>revenue-generating uses that are in synergy with housing, including up to 200% AMI deed-restricted units, community-serving purposes,</u> including but not limited to green space, place making, and/or community-serving commercial."	Staff does not recommend this change as it conflicts with prior Council direction. Council previously directed specific language for this program.
13.	103	New Policy: Aggressively pursue grant money to facilitate affordable housing on City-owned sites.	Add new Policy 1.10: <u>Funding for Affordable Housing on City-owned sites: Pursue grant funding opportunities to facilitate affordable housing on City-owned sites</u>	OK.
14.	29	Program 2.F: Acquisition/rehabilitation of units should be for deed-restricted, multi-unit developments in areas of affluence.	Amend Program 2.F: "...commitments for affordable housing production and preservation for special needs and ELI households, <u>including acquisition/rehabilitation of units to be converted to deed-restricted, multi-unit developments in areas of affluence.</u> "	Staff does not recommend this change as City Council sets policy on use of Housing Trust Funds that establishes

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				<p>priority goals and funding allocations based on recommendations from the Housing Commission. The current HTF plan is to create permanent supportive housing and allocate funds among four populations. Santa Monica residents facing displacement or recently displaced due to certain situations (such as Ellis) receive priority for the City’s below market rate housing waiting list.</p>
15.	31	<p>Program 3A - Study: Distinction between SB8 and Housing Element law requirements for non-vacant sites.</p>	<p>Amend Program 3.A: <u>As required by Government Code Section 65583.2(g)(3), the City shall amend the Zoning Ordinance to require that :(1)-sites that currently have residential use, or (2)-within the past five years have had residential uses that have been vacated or demolished, that (1) are or were subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of low or very low income, or (2) subject to any other form of rent or price control through a public entity's valid exercise of its police power, or (3) within the past five years were occupied by low or very low income households, shall be required to replace all of those units as affordable to the same or lower income level as a condition of any development on the site. Replacement requirements shall be consistent with those set forth Government Code Section 65915(c)(3).</u></p>	<p>This program addresses replacement requirements under the Housing Crisis Act of 2019 (SB 330, as amended by SB8) and Housing Element Law (Government Code Section 65583.2(g)(3)).</p> <p>The typographic error in language has been rectified to match the replacement requirements under</p>

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				Housing Element law [Government Code Section 65583.2(g)(3)]. These requirements, as well as replacement requirements under State Density bonus law [Government Code Section 65915(c)], and the Housing Crisis Act will be reviewed and reconciled, as necessary.
16.	36	Program 4.B: Expand to permit ancillary uses to support the expansion of the primary community serving Community Assembly use on or above the ground floor with applicability to non-profit, youth-serving community assembly uses.	Amend Program 4.B: “...and an additional 33 feet of building height, <u>and allowance for the primary community assembly use on or above the ground floor.</u> ”	OK to include recommended redline but there is no need to distinguish between different types of community assembly uses for applicability of the program.
17.	37	Program 4.D: Broaden the objective by removing the date range “1950s and 1960s” and adding in other impacted groups, low-income, indigenous, and communities of color.	Update objective of Program 4.D: “...through the Pico neighborhood <u>during the 1950s and 1960s</u> that disproportionately impacted low-income communities, <u>other impacted groups, indigenous,</u> and communities of color.”	Council approved pilot program on July 23, 2021 with specific program objectives. Staff does not recommend change without Council direction.
18.	115	Program 6.A: Explore the possibility of entering	New Policy 6.7:	Staff is consulting with Housing and Human

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		into a contract with the County for project-based vouchers including, but not limited to, programs administered by the County of LA.	<u>The City shall explore the possibility of entering into a contract with the County for project-based vouchers including, but not limited to, programs administered by the County of Los Angeles.</u>	Services Division staff to determine whether this is appropriate policy.
19.	39	Program 6.C: Update the objective to also assist persons with disabilities.	Update objective of Program 6.C: “Assist seniors <u>and person with disabilities</u> in achieving a basic needs budget.”	Staff does not recommend this change since this is an existing City Council adopted program and any such changes would require Council approval. Potential POD program expansion to other rent burdened households, including persons with disabilities, is provided as Policy 6.4. Program expansion will be evaluated based on Housing Commission and Housing and Human Services Division input and consideration of available program funding.

STAFF RECOMMENDED CHANGES

The following recommended changes to the DRAFT Housing Element Update result from public comment, correspondence with stakeholders and staff review.

Change No.	Page Number	Item Description	Recommended Redline
1.		New Program 1.K – Adequate Sites Program as required by Government Code section 65583.2(h)	<p><u>Program 1.K: Adequate Sites Program</u> <u>To accommodate the City’s lower-income RHNA, the City shall make amendments to the Land Use and Circulation Element (LUCE), Downtown Community Plan (DCP), Bergamot Area Plan (BAP) and Zoning Ordinance, as necessary to establish that all sites designated for mixed-uses, except for NC Main Street and NC Montana, are allowed 100 percent residential use and require residential use to occupy at least 50 percent of the floor area in a mixed-use project.</u></p>
2.	F-22	Capacity to Accommodate the RHNA by Income Under Current Zoning	New section added demonstrating shortfall of sites to accommodate the RHNA under existing zoning. New table showing shortfall of sites added in accordance with HCD Suitable Sites Inventory Guidebook.
3.	Appendix E	Additional language and analysis added to appendix.	<p>Topics: (Revised sections highlighted in grey)</p> <ul style="list-style-type: none"> • Development standard constraints, including fees (throughout appendix) • Activity Centers (Pages E-5, 9-10) • Residential zone density caps (Page E-10) • Surface parking lot redevelopment limitations (Page E-10) • Affordable Housing Production Program (E-14) • Community Benefits (E-15) • Implementation of State Density Bonus (E-19) • Local Coastal Program (E-25) • Locational limitations on housing (E-26) • Local amendments to the Building Code (E-43-44) • On- and off-site improvements (E-45) • Entitlement Processes and Thresholds (E-50, 54) • SB 35 (E-59-60) • Housing Accountability Act (E-60)

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Change No.	Page Number	Item Description	Recommended Redline
4.		Add to Program 1.A to include creation of SB 35 implementation procedures	Add new paragraph to Program 1A: The City shall also develop written procedures to implement the streamlined review process for eligible projects under SB35.
5.		Add to Program 1.A to include reference to Government Code Section 65583.2(c)	Amend Program 1.A: "...4) housing projects that include at least 20% of units on-site as affordable to lower-income households [Government Code Section 65583.2(c)] to be reviewed..."