



City of  
**Santa  
Monica**

2021 - 2029

# HOUSING ELEMENT

Final Draft :: October 5, 2021



# Table of Contents

## 1:

### INTRODUCTION

Santa Monica’s Housing Strategy .....	3
Community Context .....	5
Creating an Equitable and Inclusive Community .....	6
Purpose and Statutory Authority .....	9
Relationship to Other General Plan Elements.....	9
Housing Element Organization.....	11
Community Engagement.....	12
Summary of Housing Programs for the 2021-2029 Housing Element .....	19

## 2:

### ASSESSMENT OF FAIR HOUSING IN THE CITY

Historical Practices and Policies Leading to Segregation.....	40
Integration and Segregation Patterns and Trends .....	43
Disparities In Access To Opportunity.....	52
Disproportionate Housing Needs .....	62
Displacement Risk.....	67
Fair Housing Issues And Local Contributing Factors.....	67
Fair Housing Enforcement And Outreach Capacity.....	71
Summary And Actions To Affirmatively Further Fair Housing.....	73

## 3:

### GOALS AND POLICIES ..... 87

## 4:

### SUMMARY OF LAND AVAILABLE FOR HOUSING

Regional Housing Needs Allocation .....	107
Suitable Sites Inventory.....	109
Accessory Dwelling Units .....	115
Adequate Sites Alternative: Rehabilitation and Conversion of Existing Units .....	118

## 5:

### ASSESSMENT OF FAIR HOUSING IN THE CITY

Quantified Objectives .....	164
Implementation Programs .....	121

### GLOSSARY .....173

### APPENDICES

- a. Outreach Summary
- b. Housing Needs Assessment
- c. Land Use and Circulation Element Goals and Policies to be Amended
- d. Housing Resources
- e. Constraints on Housing
- f. Suitable Sites Inventory Report
- g. Review of Past Performance
- h. Opportunities for Energy Conservation
- i. 2020 Assessment of Fair Housing

## LIST OF MAPS

<b>Map 2-1:</b>	Formerly "Redlined" Areas and Single Family Zoning in the City of Santa Monica .....	41
<b>Map 2-2:</b>	Affordable Housing and Formerly "Redlined" Areas in the City of Santa Monica .....	42
<b>Map 2-3:</b>	Diversity Index .....	44
<b>Map 2-4:</b>	Racial and Ethnic Majority by Census Tract .....	45
<b>Map 2-5:</b>	Population Distribution of Non-Whites.....	45
<b>Map 2-6:</b>	Racially or Ethnically Concentrated Areas of Poverty and Areas of High Segregation & Poverty ...	46
<b>Map 2-7:</b>	Low to Moderate Income Population by Census Tract.....	47
<b>Map 2-8:</b>	Renter Households by Census Tract.....	48
<b>Map 2-9:</b>	Median Household Income Over \$130,844 .....	49
<b>Map 2-10:</b>	Racially or Ethnically Concentrated Areas of Affluence .....	49
<b>Map 2-11:</b>	Persons with a Disability.....	50
<b>Map 2-12:</b>	Married Couple Family Households with Children Under 18.....	51
<b>Map 2-13:</b>	Female Headed Households with Children Under 18.....	52
<b>Map 2-14:</b>	High Resource Areas .....	56
<b>Map 2-15:</b>	School Proficiency Index Map.....	57
<b>Map 2-16:</b>	Labor Market Engagement Index Map .....	58
<b>Map 2-17:</b>	Low Transportation Cost Index Map.....	59
<b>Map 2-18:</b>	Low Poverty Index.....	60
<b>Map 2-19:</b>	Environmental Health Index.....	61
<b>Map 2-20:</b>	Cost Burdened Renter Households.....	63
<b>Map 2-21:</b>	Cost Burdened Owner Households .....	63
<b>Map 2-22:</b>	Overcrowded Households.....	65
<b>Map 2-23:</b>	Displacement Risk in the City.....	67
<b>Map 2-24:</b>	Zoning and Rent Control Units .....	82
<b>Map 4-1:</b>	Suitable Sites .....	109
<b>Map 4-2:</b>	ADU Locations .....	116

## LIST OF FIGURES

<b>Figure 1-1:</b>	City Boards and Commissions.....	13
<b>Figure 1-2:</b>	Technical Working Group Member Organization/Affiliation .....	15
<b>Figure 1-3:</b>	Comments Received During Phase I Community Outreach, by Topic .....	17
<b>Figure 2-1:</b>	Santa Monica Population by Race and Ethnicity .....	44
<b>Figure 2-2:</b>	Santa Monica Access to Opportunity Indices.....	53
<b>Figure 2-3:</b>	Summary of the Opportunity Indicators by Race.....	55
<b>Figure 2-4:</b>	Cost Burden and Overpayment for Renters and Homeowners.....	62
<b>Figure 2-5:</b>	Median Household Income by Race .....	64
<b>Figure 2-6:</b>	Santa Monica Homeless Count, 2015 - 2020 .....	66
<b>Figure 2-7:</b>	Barriers to Fair Housing.....	68
<b>Figure 2-8:</b>	Summary of Fair Housing Issues and Local Conditions.....	69
<b>Figure 3-1:</b>	Age of Housing Stock .....	94
<b>Figure 3-2:</b>	Santa Monica Population by Race, 2019.....	97
<b>Figure 3-3:</b>	Homeless Count, 2015 - 2020 .....	99
<b>Figure 3-4:</b>	Household Affordability Level by Race.....	100
<b>Figure 4-1:</b>	Santa Monica's 2021 - 2029 Regional Housing Needs Assessment .....	108
<b>Figure 4-2:</b>	Low Income Housing Needs .....	108
<b>Figure 4-3:</b>	Suitable Sites Prioritization Categories .....	110
<b>Figure 4-4:</b>	Suitable Sites Capacity Summary Table - Base Tier 1 Housing.....	114
<b>Figure 4-5:</b>	Santa Monica ADU Production .....	116
<b>Figure 4-6:</b>	Estimated Affordability of Projected ADUs 2021-2029 .....	118
<b>Figure 5-1:</b>	RHNA vs. Quantified Objective.....	165
<b>Figure 5-2:</b>	2021-2029 Housing Rehabilitation and Conservation Quantified Objective .....	167







# 1:

## Introduction



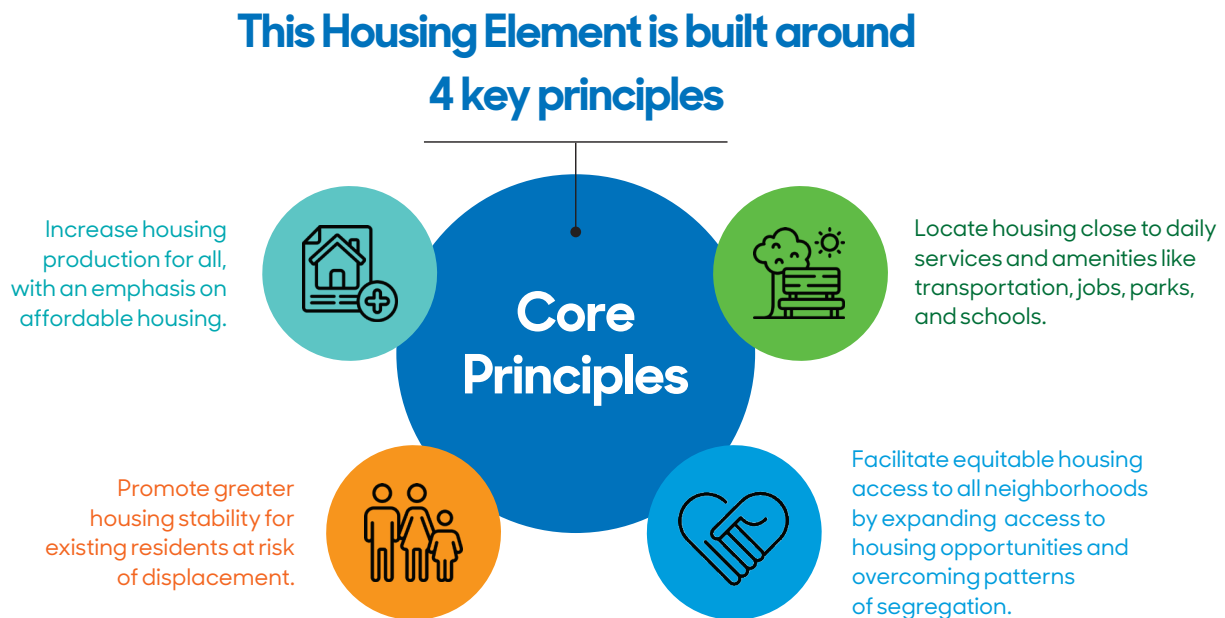


# Chapter 1: Introduction

## A. Santa Monica's Housing Strategy

Santa Monica's 2021–2029 Housing Element represents the City's longstanding commitment to affordable housing, tenant protection, housing and services for special needs groups, homeless services, sustainable development, and fair housing. With a renewed emphasis on equity and the mandate to Affirmatively Further Fair Housing, the housing plan augments the adopted Land Use and Circulation Element (LUCE) by enhancing housing mobility and expanding housing choice in high opportunity areas that have historically excluded diverse populations, which may be areas that are not immediately adjacent to major transportation systems.

The Housing Element also reflects the City's emergence from the COVID-19 pandemic and the socioeconomic inequities that have manifested in the lack of housing stability that disproportionately affected Black, Indigenous, and people of color (BIPOC) and lower-income households. This is an opportunity for the City to reflect and assess the City's approach to housing and to take a leadership role in creating solutions to address affordable housing production and housing stability in line with Santa Monica's values to secure livable and affordable housing opportunities for all.



This Housing Plan continues to reinforce Santa Monica’s core values of supporting housing production, particularly affordable housing, but includes departures from the 2013–2021 Housing Element particularly with respect to where housing is incentivized in the City. While the LUCE established a strategy to encourage housing production around major transportation systems, it does not account for the state’s new Affirmatively Furthering Fair Housing mandate. Key LUCE policies to develop complete neighborhoods in mixed-use areas within easy access to transit opportunities and daily services remain but the updated Housing Plan is driven largely through an equity and inclusion lens. Ensuring equitable housing access and housing choice to all of Santa Monica’s neighborhoods and ensuring that affordable housing production is provided the highest levels of development and process incentives are the bedrock of this updated Housing Element.

The programmatic approaches in this housing plan reflect both the City’s desire to continue to reinforce LUCE policies to develop complete neighborhoods in transit-adjacent mixed-use areas and significant changes in State of California Housing laws and events that have affected funding streams for affordable housing, including:

- Changes in State housing laws (AB686) that mandate Affirmative Furthering Fair Housing, which requires that the cities...“take meaningful actions in addition to combating discrimination that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protective characteristics.”
- Changes to the California Department of Housing and Community Development’s (HCD) Regional Housing Needs Allocation (RHNA) methodology that resulted in a significantly higher new housing unit allocation for Santa Monica due to accounting for existing unmet need.
- The devastating economic impact from the COVID-19 pandemic which affected Santa Monica’s budget and funding that would otherwise have been allocated for affordable housing. Further, as the City continues on the road to economic recovery, the funding sources for affordable housing depend heavily on the sales tax revenue that will not recover quickly and likely will affect affordable housing production in the first half of this Housing Element cycle.

## **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. As the housing strategy has been updated to account for changes in State law, LUCE policies will be updated to support this strategy.



## B. Community Context

Santa Monica had simple beginnings in 1875 as an aspiring commercial port. Growth was slow until the City re-imagined itself as a seaside coastal resort and incorporated in 1886. A regional population surge spurred on by the arrival of the Santa Fe Railroad in 1887, resulted in the City's population increasing to approximately 2,000 people by 1892 when the Santa Fe completed its line to Santa Monica. The arrival of the first electric street car in 1896 and the completion of major regional roadways in the early 1910s led to the further growth of primarily single family homes.<sup>1</sup> During the 1920s, the City witnessed a substantial population and building boom, transforming the City from a recreational destination to a sought-after residential community, that also included significant brick and aircraft industries. During World War II, demand for housing was further spurred on by the rapid growth of Douglas Aircraft resulting in both single and multi-unit development. By the mid-1960s, most land in Santa Monica was developed. Since that time,



growth has resulted principally from recycling lower-intensity land uses to higher-density uses. In recent years, the City experienced its most significant residential development in its commercial, mixed-use areas. This trend has been reinforced by the LUCE and Downtown Community Plan policies that incentivize increasing housing around the Metro E (Exposition) Light Rail transit stations.

Today, the City's existing housing stock of 52,269 units consists of a wide range of housing types, from single-unit dwellings on large lots, to small scale bungalows, courtyard apartments, condominiums and larger mixed-use apartments. This housing stock is located within distinct residential neighborhoods and commercial mixed-use districts.

With its seaside location and mild, pleasant temperatures year-round, the City has become one of the most highly desirable places to live in the country. However, the opportunity to live in the City comes at a hefty cost. While it is generally recognized that Californians pay more for housing than the average American, Santa Monica's housing costs are among the highest in the nation (see Appendix B). The lack of housing, particularly affordable housing, is consistently a top concern for many Santa Monica residents and workers.

<sup>1</sup> Santa Monica Historic Context Statement, Architectural Resources Group and Historic Resources Group, March 2018.

There are a variety of negative effects caused by a lack of housing. With a greater share of household incomes spent on housing, households are left with less money available to spend on discretionary purchases, or even basic necessities. Having less money available for non-housing costs often means that low-income households will have less savings in the bank, putting those households at risk for poverty, or preventing them from rising out of it. Low-income residents also face extra pressure of displacement due to rising housing costs. With a lack of affordable housing, more and more people are crowding into existing housing units. In addition to public safety issues, there are quality of life impacts associated with overcrowding. High housing costs also impact wider economic growth and are becoming a major consideration for employers. With approximately 80,000 non-resident workers commuting into Santa Monica, employee retention for Santa Monica companies is an issue especially if workers can't afford to live near their job and have to commute long distances to work.

### **C. Creating an Equitable and Inclusive Community**

Santa Monica has a record of supporting social equity, housing affordability, and an inclusive community. For the past forty years, the City has enacted numerous policies to prevent resident displacement, including rent control, just-cause eviction, anti-tenant harassment, source of income protections, and anti-discrimination laws that afford protections beyond the federal Fair Housing Act and the California Fair Employment and Housing Act. The City has consistently prioritized the diversity of housing opportunities available to all household types and income levels. Santa Monica's commitment to affirmatively furthering fair housing is evidenced by specific actions that the City has taken (see Chapter 2 for further discussion).

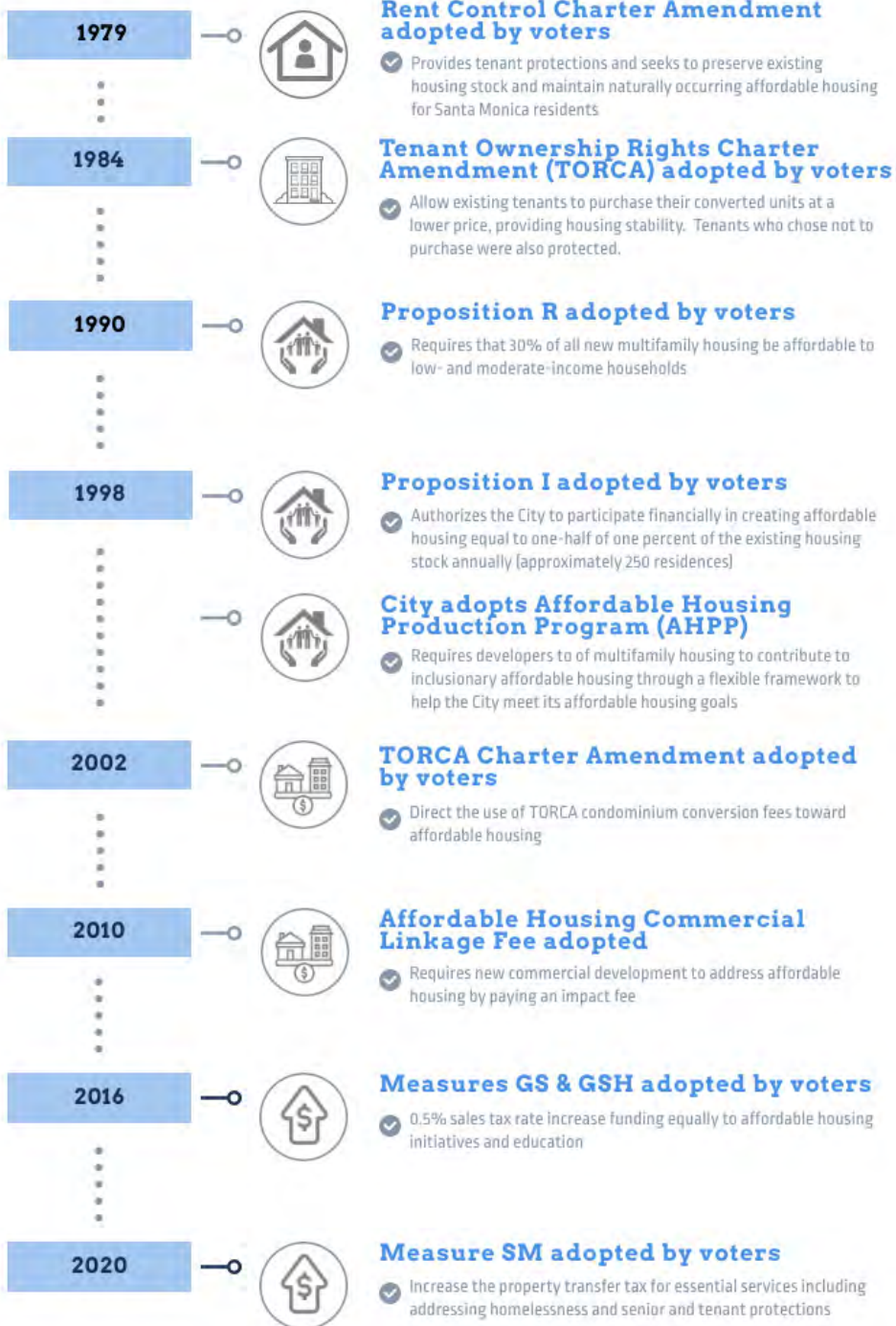
In addition, for several decades, the City has implemented policies and programs to increase the supply of deed-restricted residences that are affordable to low- and moderate-income households. The strategy primarily involves three components:

1. Public financing to support the acquisition, rehabilitation, and deed restriction of existing housing;
2. Public financing to support the construction of new deed-restricted housing;
3. Deed-restricted housing developed by private, for-profit organizations pursuant to the AHPP or development agreements.

These actions have resulted in a drastically expanded housing stock in the City. The City has preserved and produced a larger and more diverse supply of low- and moderate-income housing than otherwise would be possible if the City pursued a single strategy.

Santa Monica has also facilitated affordable housing through the adoption of land use plans and administrative funding guidelines to support affordable housing preservation and production. In 2010, the Land Use and Circulation Element (LUCE) of the General Plan was adopted, and identifies affordable housing as a primary community benefit associated with new development. Additionally, the City has a Housing Trust Fund. These actions have resulted in a drastically expanded housing stock in the City.

**40 YEARS OF SANTA MONICA'S ACTIONS FOR AN  
EQUITABLE AND INCLUSIVE COMMUNITY**







The City continues to promote and enforce programs to address its fair housing issues, including a Fair Housing Program that is implemented by the City Attorney's Office Public Rights Division (see Chapter 2 for further discussion).

To foster an inclusive and diverse community, it will be essential to continue to put greater emphasis on providing housing that meets the needs of everyone, including low-income households, seniors, BIPOC, multi-generational families, and households with children.

The effects of the COVID-19 pandemic have highlighted the complex housing challenges that the City faces, including addressing barriers to housing opportunities, housing insecurity for existing residents, and homelessness. The pandemic has particularly highlighted equity issues in terms of how lack of housing affordability disproportionately affects BIPOC and the need to reexamine land use and zoning decisions to ensure that they do not perpetuate these inequities.

This Housing Element presents an opportunity to reflect on, refine, and broaden the City's approach to housing production – particularly affordable housing – to meet the needs of our most vulnerable community members. It is also an opportunity for the City to take a leadership role in creating solutions to increase affordable housing production and stability in line with Santa Monica's values to provide secure, livable, and affordable housing opportunities for all.

## D. Purpose and Statutory Authority

The Housing Element is mandated by Sections 65580 to 65589 of the California Government Code. State Housing Element law requires that each City and County identify and analyze existing and projected housing needs within its jurisdiction every eight years. To that end, State law requires that the Housing Element:

- Provide an analysis of existing and projected housing needs, including any special housing needs
- Assess affordable units at risk of conversion to market rate
- Analyze actual and potential constraints to housing
- Assess and describe fair housing issues, including actions to affirmatively further fair housing
- Identify adequately zoned sites suitable for housing
- Analyze zoning for a variety of housing types
- Identify goals and policies to meet housing needs
- Identify a schedule of programs and actions to be undertaken to achieve the goals and policies
- Identify a quantified objective that estimates the number of units likely to be constructed, rehabilitated, or conserved/preserved
- Analyze performance of prior goals, policies, and programs from the last Housing Element cycle
- Identify opportunities for energy conservation

The 2021–2029 Housing Element updates Santa Monica’s 2013–2021 Element, adopted by the City Council on December 10, 2013 and certified by the State Department of Housing and Community Development (HCD) on January 29, 2014.

In compliance with State law, the City of Santa Monica has prepared this Housing Element to be certified by HCD after adoption by the City Council by October 15, 2021.

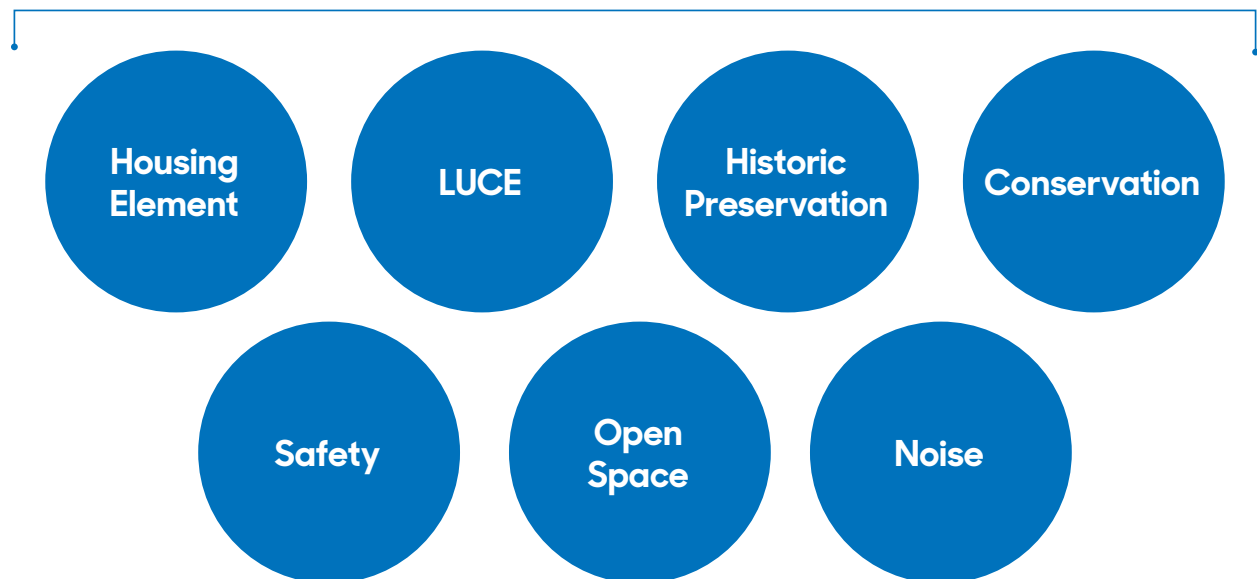
## E. Relationship to Other General Plan Elements

State law mandates the adoption of a general plan (Government Code Section 65300), which serves as the blueprint for how a particular city or county (e.g., the City of Santa Monica) will develop. A general plan expresses the community’s development goals and embodies public policy relative to the distribution of future land uses, both public and private. Zoning ordinances, specific plans, development projects, capital improvements, and development agreements are required to conform to the general plan. Preparing, adopting, implementing, and maintaining the general plan serves to identify the community’s land use, circulation, environmental, economic, and social goals and policies as they relate to future growth and development. A general plan consists of individual sections—or elements--that address a specific area of concern, but collectively, they make up an integrated

planning approach for the jurisdiction. State Law requires that general plans include seven elements: land use, transportation, conservation, noise, open space, safety, and housing. A city or county may choose to have additional elements as part of their general plan.

Santa Monica's General Plan consists of the 7 state-mandated elements: (1 & 2) Land Use and Circulation, (3) Conservation, (4) Housing, (5) Open Space, (6) Noise, (7) Safety, as well as a (8) Historic Preservation element. The City's Land Use and Circulation Element (LUCE) was adopted in July 2010, and last amended in 2020. The LUCE provides guidance for the City's overall development strategy, including where and how new land uses will be located in relation to the circulation system in the City through 2030. The LUCE established overarching policies and standards for new development based on land use designations for every property in the City. These policies and standards were further refined in the City's Zoning Ordinance Update in 2015 and by the adoption of various area and specific plans, including the 2013 Bergamot Area Plan and the 2017 Downtown Community Plan.

## General Plan



To meet the City's RHNA allocation of 8,895 new units over the next 8 years and to affirmatively further fair housing, the Housing Element includes actions and programs to amend adopted development standards and policies. As required by State law, elements of the General Plan should form an integrated, internally consistent plan, and inconsistencies cannot be remedied by a statement giving one element precedence over the others (Gov. Code § 65300.5; Sierra Club v. Board of Supervisors of Kern County (1981) 126 Cal.App.3d 698). Therefore, adoption of the Housing Element will require amendments to the LUCE and the City's Zoning Ordinance, Bergamot Area Plan, and Downtown Community Plan to ensure internal consistency.



Adoption of this Housing Element will also trigger revision of the City's Safety Element. The Safety Element was last updated and adopted in February 1995. Over 25 years have passed and since that time, and the State has established new requirements pertaining to Safety Element updates. Specifically, Senate Bill 1030 which was passed in 2018 establishes the following:

- Requires the safety element to be revised to identify new information on fire hazards, flood hazards, and climate adaptation and resiliency strategies applicable to the city or county that was not available during the previous revision of the safety element
- Requires this revision to occur upon each revision of the housing element or Local Hazard Mitigation Plan (LHMP), but not less than every eight years.

## F. Housing Element Organization

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

1. **Introduction:** This chapter discusses the City of Santa Monica's housing strategy, statutory requirements of the Housing Element and relationship to other General Plan elements, changes to the Land Use and Circulation Element, and a summary of the outreach efforts.
2. **Affirmatively Furthering Fair Housing:** This chapter provides an assessment of fair housing including a description of segregation patterns, racially or ethnically concentrated areas of poverty, disparities in access to opportunity, disproportionate housing needs, and a summary of actions to affirmatively further fair housing in the City.
3. **Goals and Policies:** This chapter provides the background for the City's housing needs, and then establishes the goals and policies to address the housing issues identified. This section forms the framework of the programs in the Housing Element.
4. **Land Available for Housing:** This chapter summarizes the City's State mandated RHNA and provides an analysis of suitable land available for residential development to meet the RHNA.
5. **Programs and Schedule of Implementation:** This chapter lays out the programs that the City will implement to achieve the goals and objectives. Each program includes specific actions to be undertaken by the City, a timeframe for implementation, the City departments/divisions responsible for implementation, and desired outcomes (where appropriate).



## G. Community Engagement

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. Throughout the preparation of the Housing Element, the City conducted numerous outreach efforts to engage all segments of the community.

### Public Process Adapts to the COVID-19 Pandemic

Due to the COVID-19 Pandemic and the resulting safer at home orders, the public outreach process was adapted to accommodate virtual participation. Staff held online roundtable discussions, workshops, questionnaires, and study sessions. The global pandemic not only shifted the way that public participation was performed, but also the way that Staff noticed outreach events.

A project website was created and launched in August 2020 to document project progress with information on public outreach events, draft documents, the RHNA, and relevant links. ([www.santamonica.gov/housing-element-update](http://www.santamonica.gov/housing-element-update)). In order to communicate upcoming engagement opportunities during a safer at home order, additional engagement strategies were needed, aside from the typical social media posts, newspaper notices, and email blasts. Two large-scale surveys were conducted at the launch of the project and when the draft concepts were released in order to gather input (see Appendix A). Non-digital communication strategies were employed, like the Rent Control Board newsletter and Seascope, a quarterly City publication mailed to every household in Santa Monica. Materials and notices were also distributed through stakeholders and community partners such as housing providers. While most materials were posted to the project website, printed versions and alternate language versions were available upon request.

### Community Input

The two phases of public outreach conducted to get community input for the Plan included public outreach meetings and inter-department collaboration with other City divisions and departments.

#### *Outreach Meetings*

Figure 1-1 lists the meetings at which opportunities for public, City Council, and City commission input on the Housing Element were provided. As indicated, the City held public webinars, met with stakeholders virtually, and held numerous public hearings with the Planning Commission, City Council, Housing Commission, and Rent Control Board. City staff attended over 35 meetings and hearings throughout the course of the Housing Element preparation.

**Figure 1-1: City Boards and Commissions**

Meeting	Date	Description
Housing Element Update Public Webinar	11/12/20 (Morning) 11/12/20 (Evening) 11/14/20	Public webinars on the project launch
Planning Commission	11/18/20 12/9/20 1/20/21 2/17/21 3/16/21 3/17/21 5/12/21 6/2/21 6/3/21 8/18/21 9/8/21 9/14/21	"Gathering Input for the Plan" presentations to City boards, commissions, and the City Council took place between November 2020 and April 2021. An initial study session with the City Council took place in December 2020.
City Council	12/10/19 12/15/20 3/9/21 3/30/21 6/15/21	Presentations of the May 2021 Draft, which took place between May and June 2021, highlighted the proposed updates to the Housing Element for Commissions, Boards and neighborhood groups as requested. The meetings yielded direction on concepts to include in the draft Housing Element.
Housing Commission	1/7/21 4/1/21 4/15/21	
Rent Control Board	12/10/20 4/8/21	
Housing Production Technical Working Group	12/3/20 12/17/20 1/22/21 2/19/21	Two technical working groups on Housing Production and Housing Stability were formed in November 2020. The groups were comprised of practitioners and interested community members. The two groups met four times each between December 2020 and February 2021.
Housing Stability Technical Working Group	12/11/20 1/8/21 1/28/21 2/18/21	
Affordable Housing Developer Round-table	2/25/21	The affordable housing stakeholders' roundtable brought together affordable housing producers and advocates with particular knowledge and experience in housing issues. Participants included: Linc Housing, Community Corporation of Santa Monica (CCSM), Abode Communities, EAH Housing, Southern California Association of Nonprofit Housing - SCANPH, Step Up, and Amcal Multi-Housing
Interfaith Council	4/28/21	Staff met with representatives of a variety of religious congregations through the Santa Monica Area Interfaith Council. The intent was to provide information regarding the possibility of increasing housing potential on parking lots of religious congregations.



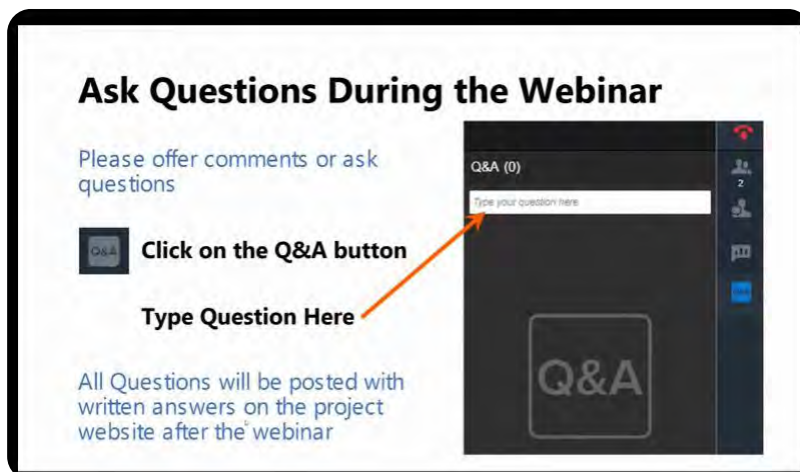
The first public draft of the Housing Element was released in May 2021 and posted on the department and project website. The Planning Commission held a public hearing on June 2 and 3, 2021, followed by City Council on June 15, 2021. All City meetings are open to the public. The City provides the public with advance notice of the public hearing, on-line links and digital copies of all related materials with print and translated materials available upon request. Comments and direction provided at these meetings were incorporated into the May 2021 draft, which was posted on the website and submitted to the State of California Department of Housing and Community Development (HCD).

The City also made use of its internal and external partners to maximize the noticing of hearings, events and the release of draft materials and concepts. This included working with affordable housing providers in the City, the rent control board, and the City's communications team to reach affordable housing and rent control residents, and the City at large through the SaMo News email blast and City social media accounts.

Community outreach for the Housing Element update started with three identical virtual workshops outlining the update process, objectives, and future engagement opportunities. Following the staff presentation, participants were given time to ask staff questions. A summary of each workshop, including the question and answer portion, was then posted to the project website. These workshops were held across several days and times, including the weekend, to allow for broad participation. In addition, an online survey was sent out to all neighborhood groups, stakeholders, and the City's list of interested parties/groups.

Additionally, two Technical Working Groups were established, one focused on housing production and the other on housing stability. The goal of these two groups was to bring together community members, practitioners, and experts to garner more specific feedback on the barriers to housing development and issues surrounding displacement. Attendees came from a broad range of stakeholder groups, including Abundant Housing LA, Community Corp of Santa Monica, NRDC, EAH Housing, various boards and commissions, several private architecture firms, and other various community groups. For a full list of member organization/affiliation, see the Figure 1-2 below. The working

groups met four times each and discussed the past and future goals, policies, and programs of the Housing Element. The comments received were then used to develop draft concepts around housing production, location, stability, and equity. These concepts were posted to the website, in both English and Spanish, along with surveys to petition additional feedback from the community at large.



**Figure 1-2: Technical Working Group Member Organization/Affiliation**

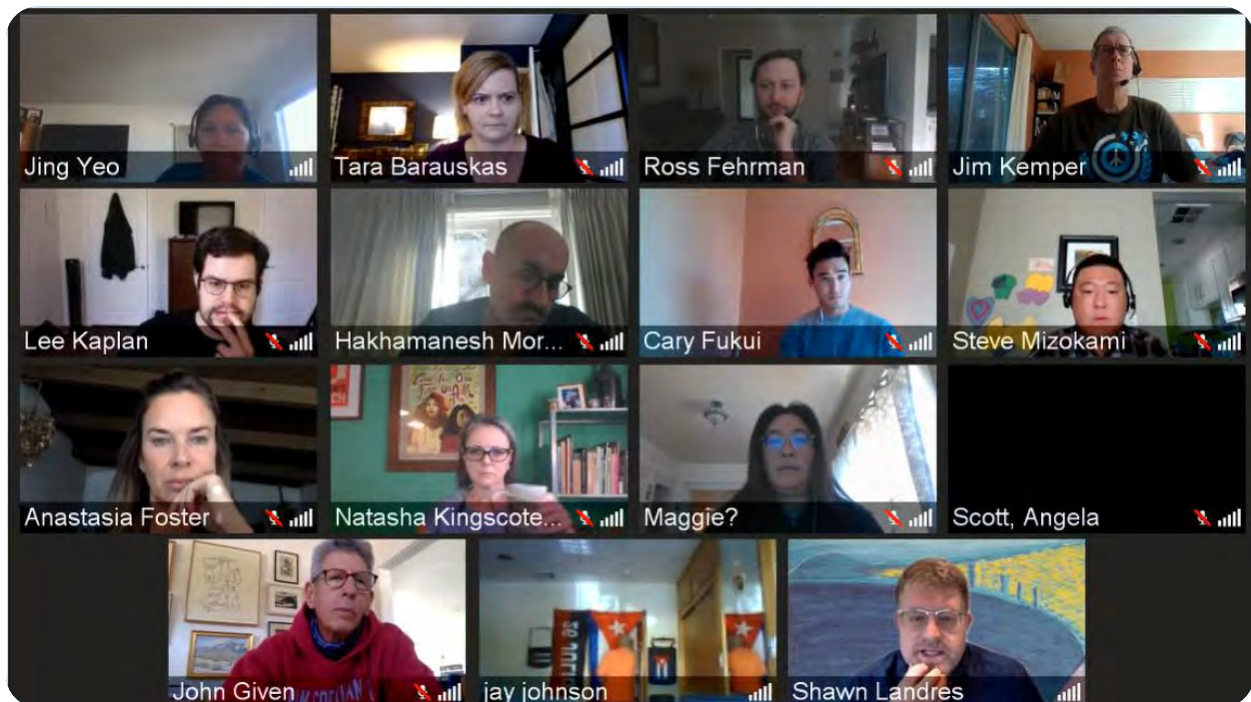
Stability TWG	Production TWG
NOMA	KoningEizenberg Architecture
Santa Monica Housing Commission	RLB Architecture
Pico Neighborhood Association	KEA
Black Agenda	SREG
Committee for Racial Justice	Abundant Housing LA
League of Women Voters	L.A. Realty Partners
NRDC	Armbruster Goldsmith & Delvac LLP
Community Corp of Santa Monica	Community Corp of Santa Monica
Harding Larmore Kutcher & Kozal	Abundant Housing LA
Disability Community Resource Center	Moore Ruble Yudell Architects and Planners
MAPS Realty	Housing Commission
PCG	Santa Monicans for Renters' Rights
Cypress Equity Investments	DFH Architects
Morley Builders	Architectural Review Board
Santa Monica Architects for a Responsible Tomorrow	Michael W. Folonis, Architects
Housing Commission	Yuguchi Architecture
Planning Commission	NRDC
Interested Community Members	Harding Larmore Kutcher & Kozal
	Santa Monica Housing Council
	Planning Commission
	Zinner Consultants
	EAH Inc.
	MAPS Realty
	Sustainable Homes of the Future, LLC
	Cypress Equity Investments
	Goldman Firth Rossi Architects
	Morley Builders
	Architect, member Building and Fire Life-Safety Commission
	Santa Monica Architects for a Responsible Tomorrow
	Housing Commission
	Interested Community Members

In an effort to gather more specific feedback around the barriers to affordable housing development, staff held a roundtable with affordable housing developers from across the Los Angeles area. Involved organizations included Linc Housing, Community Corporation of Santa Monica (CCSM), Abode Communities, EAH Housing, Southern California Association of Nonprofit Housing – SCANPH, Step Up, and Amcal Multi-Housing.

Once draft concepts for the Housing Element were developed, they were posted online, in both English and Spanish, for a period of review by the community. The public were provided the opportunity to comment on the draft concepts via an on-line interactive survey. The comments received were then presented back to the Housing Commission, Rent Control Board, Planning Commission, and City Council. City Boards and Commissions

Following each meeting held during the initial phase of the community outreach effort, comments were summarized and posted on the project webpage. These materials were made available in English and Spanish, upon request.

Figure 1-3 summarizes comments by topics that were received from the community and indicates where issues have been addressed in this document. Individual meeting summaries can be found in Appendix D.



Fourth meeting of the Stability Technical Working Group, February 18, 2021

**Figure 1-3: Comments Received During Phase I Community Outreach, by Topic**

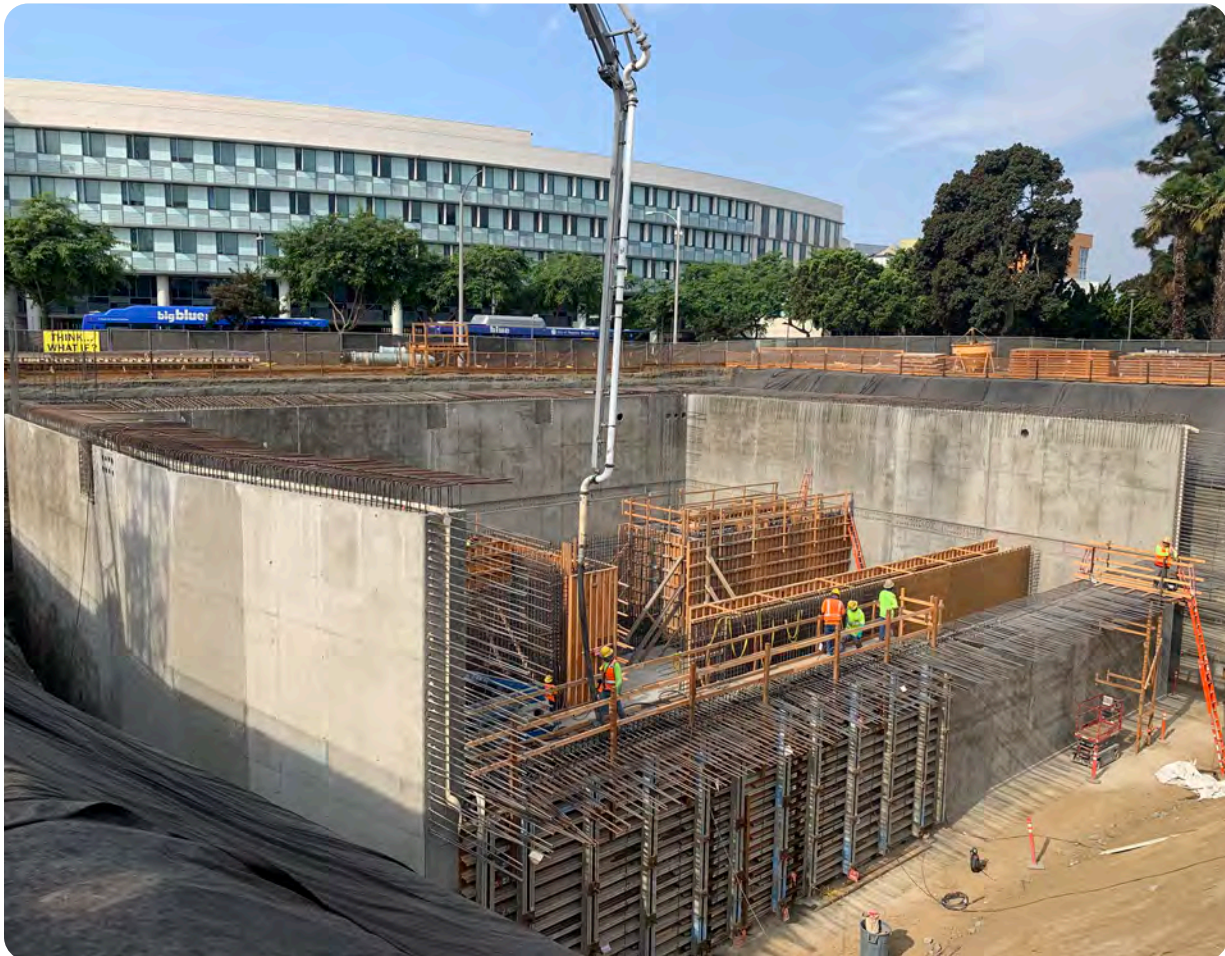
General Comment	Where Addressed
<p><b>Affordable Housing:</b> There were many discussions that concurred that the cost of housing in Santa Monica is too high. To alleviate the demand for lower-cost housing, the Housing Element should encourage both 100% affordable developments and inclusionary units in market rate housing projects. Some concepts proposed to encourage additional affordable housing are:</p> <ul style="list-style-type: none"> <li>• Increasing the inclusionary requirements of the AHPP;</li> <li>• Building in additional flexibility for the off-site affordable housing requirement;</li> <li>• Changes to certain development standards to encourage housing production;</li> <li>• Further streamline the process for housing project approval;</li> <li>• Incorporate the SB1763 changes to the state density bonus law;</li> <li>• Increase the maximum allowable density and height to ensure housing feasibility and to support increased affordable housing production;</li> <li>• Right of first offer for non-profit housing developers</li> </ul>	<p><b>Programs:</b> 1.A, 1.B, 1.E, 1.F, 2.B, 2C, 2.D, 4.B</p>
<p><b>Protect Existing Tenants:</b> Concern was expressed that meeting the higher RHNA allocation would lead to the displacement of existing tenants. Community members advocated for additional protections for existing tenants to make sure that they can remain in place while also allowing additional housing units to be built. Some concepts proposed to protect existing residents are:</p> <ul style="list-style-type: none"> <li>• Expanding upon and adding to the existing programs that provide rental assistance, tenant protections, resident support services, and maintenance/ rehabilitation of housing units;</li> <li>• Protect existing rental units and require that protected units are replaced;</li> <li>• Maintain housing repair and rehabilitation programs;</li> <li>• Expand upon outreach and information for property owners and tenants regarding tenant rights and rehabilitation programs;</li> <li>• Protect low-income units at-risk of converting to market-rate units, as well as the naturally occurring affordable housing units.</li> </ul>	<p><b>Programs:</b> 2.G, 3.A, 3.D, 3.E, 3.H, 5.A, 6.A, 6.B, 6.C, 6.D, 6.G, 6.H</p>
<p><b>Additional Incentives for Accessory Dwelling Unit (ADU) Production:</b> Ideas were proposed to explore ways to increase the development of ADUs. Since ADUs are typically additions to existing structures, the new units would help to contribute to the RHNA while maintaining neighborhood character and protecting existing residents. Some ideas proposed are:</p> <ul style="list-style-type: none"> <li>• Allow additional ADUs on single-dwelling unit parcels if they are deed restricted for affordable housing;</li> <li>• Develop an ADU accelerator program to simplify the ADU process and create pre-approved plan sets for ADUs.</li> </ul>	<p><b>Programs:</b> 1.G</p>



## *Inter-Agency Review*

**City Departments:** An Interdepartmental Taskforce representing all City departments related to housing including the Community Development Department (encompassing City Planning, Housing, and Economic Development), Community 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 Housing Element was shared with the City's Water Resources Division (WRD), which has responsibility for water and sewer maintenance and development. Appendix F provides a summary of potential water and sewer infrastructure constraints for housing projects. As indicated, while increases in infrastructure capacity will be necessary to accommodate the sewer and water demands of future housing development, the City will be increasing the Capital Facilities Fee to implement improvements as necessary to serve future housing development.



*The stormwater and sewer treatment facility at the Civic Center Lot, part of the City's Sustainable Water Infrastructure Project (SWIP).*

## H. Summary Of Housing Programs For The 2021-2029 Housing Element

This summary table is provided for convenient reference. More details regarding the programs, including program background can be found in Chapter 5.

Program No	Program	Objective	Timing
<b>GOAL 1 PROGRAMS</b>			
Production of new housing that is sustainable, innovative, safe and resilient, appropriate with the surrounding neighborhood, offers opportunities for active and healthy living, including walking and biking, and increases equitable housing opportunities.			
1.A	<p><b>By-Right Approvals For Housing Projects</b></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, at a minimum: 1) 100% affordable housing projects; 2) non-Downtown housing projects that are code-compliant or are granted specified modifications/waivers to be established in the Zoning Ordinance; 3) Downtown housing projects that do not exceed Tier 2 maximums and are code-compliant or are granted specified modifications and waivers to be established in the Zoning Ordinance; and 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 through a by-right process. Such by-right projects shall still be subject to design review, provided that design review shall not constitute a "project" for purposes of Division 13 (commencing with Section 21000) of the Public Resources Code.</p> <p>The City shall extend interim zoning amendments for process thresholds pending the full implementation of this program.</p> <p>The City shall also develop written procedures to implement the streamlined review process for eligible projects under SB35.</p>	Provide certainty for housing providers by allowing a ministerial approval process based on objective standards for 100% affordable housing projects, housing projects that are code compliant or granted specified modifications, code-compliant Downtown housing projects that do not exceed Tier 2 maximums or are granted specified modifications, and housing projects eligible for by-right processing in accordance with State law.	March 31, 2022
1.B	<p><b>Streamline The Architectural Review Process and Ensure Design Review Objectivity For Housing Projects</b></p> <p>The City shall adopt new streamlining procedures to allow staff level design review for smaller housing projects and expedited design review of larger housing projects by shifting the design review process to before or concurrently with entitlement issuance. This will reduce processing timelines and increase certainty for housing providers. These procedural changes would involve amending the Municipal Code to assure that design review cannot unreasonably delay a housing project approval by, for example, placing limits on number of hearings and maximum time limits for design review. The amendments shall also be clear that design review cannot be used to reduce density or deny a housing project. Additionally, the City shall develop objective design standards anticipating compliance with SB35 for applicable housing projects.</p>	Streamlined housing approvals.	September 30, 2022

Program No	Program	Objective	Timing
1.C	<p><b>Incentivize Housing Development On Surface Parking Lots in Residential Zones</b>            In order to provide new housing choices and affordability in high opportunity areas, the City shall adopt standards that incentivize housing production on surface parking lots in residential zones associated with existing commercial uses, including, but not limited to, removing density caps and commercial parking replacement restrictions, lot consolidation, street access to the project, and restoring underlying maximum allowable density.</p> <p>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.</p>	Incentivize housing production on underutilized sites that would not displace existing tenants.	August 1, 2022
1.D	<p><b>Reduce Minimum Parking Requirements for Housing Projects</b>            The City shall reduce minimum parking requirements for all housing projects by applying Parking Overlay 1 rates.</p>	Lower the cost of housing production	August 1, 2022
1.E	<p><b>Revise The Design Standards In The Bergamot Area Plan (BAP) For Easier Understanding And To Support Housing Production</b>            The City shall modify the design guidelines in the BAP to establish objective standards to support housing production by increasing certainty for housing providers. The revisions to design standards will address at minimum: building modulation, ground floor uses, street frontages/pedestrian orientation, open space, reduction in parking minimums, live/work artist and commercial living situations, etc. The standards shall be user-friendly with improved clarity to support housing production. The BAP should also consider the special housing needs of artists, such as live-work units, to promote artist residents in the Bergamot area.</p>	Provide clarity in the regulatory environment for housing and incentivize housing production in the Bergamot area.	June 30, 2023

Program No	Program	Objective	Timing
1.F	<p><b>Revise the Downtown Community Plan Development Standards To Support Housing Projects</b>  The City shall modify the development standards in the DCP to ensure they are set at levels that can support the minimum AHPP requirements and to support feasible housing projects. The City shall also amend the development standards and AHPP requirements to ensure Tier 2 and Tier 3 Downtown housing projects are feasible.</p> <p><b>PC Recommended</b>  The City’s assumptions of feasibility and the City’s SSI are based on the results of a feasibility analysis prepared by HR&amp;A dated June 9, 2021. 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 allowable height and FAR as of October 13, 2021. The off-site affordability requirement will be greater than the on-site requirement.</p> <p>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.</p> <p>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 impact fees and design standards such as restrictions on ground floor residential use, minimum/maximum ground floor height, and daylight plane adjacent to existing residential neighborhoods.</p> <p>The City shall revise the definition of a Housing Project in the DCP to be consistent with the HAA.</p> <p><b>Staff Recommended</b>  The City’s assumptions of feasibility and the City’s SSI are based on the results of a feasibility analysis prepared by HR&amp;A dated June 9, 2021. Based on the results of the feasibility analysis, the feasible FARs for housing projects range from a minimum 2.75 to 4.0 with heights ranging from 55 feet to 84 feet. 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 allowable height and FAR as of October 13, 2021. The off-site affordability requirement will be greater than the on-site requirement.</p> <p>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.</p> <p>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 impact fees and design standards such as restrictions on ground floor residential use, minimum/maximum ground floor height, and daylight plane adjacent to existing residential neighborhoods.</p>	Continue to encourage housing production in Downtown area.	March 31, 2022



Program No	Program	Objective	Timing
1.G	<p><b>Incentivize and Facilitate the Development Of Accessory Dwelling Units Through An ADU Accelerator Program</b></p> <p>The City shall develop an Accessory Dwelling Unit (ADU) Accelerator Program that will simplify the ADU process by providing prospective ADU developers with a handbook detailing all ADU standards and review procedures, and pre-approved ADU plans that can be selected to reduce time and costs associated with ADU development. The program will further streamline the City's ADU permitting review process. Additionally, the City will review and update its locally adopted ADU Ordinance for consistency with State law.</p>	Streamline approvals and facilitate development of ADUs.	December 31, 2022
1.H	<p><b>Adaptive Reuse Of Existing Commercial Buildings For Permanent Residential Use</b></p> <p>As an alternative to constructing new housing, the City shall encourage and incentivize the adaptive reuse of existing commercial tenant space for permanent residential use and also allow an adaptive reuse of existing ground floor commercial space for artists and live-work use. The City shall also adopt policy and zoning changes to incentivize the conversion of existing commercial tenant space to residential use, such as relaxing parking, unit mix, open space, and other typical zoning or building code requirements.</p>	Increase flexibility for reuse of vacant commercial space to residential use.	December 31, 2023
1.I	<p><b>Ensure That Local Regulations Support Innovations In Construction Technology To The Extent Technically Feasible</b></p> <p>The City shall support innovative lower-cost, efficient and environmentally sustainable construction techniques for housing. Program shall implement a streamlined building permit review process for housing projects utilizing innovative construction methods and technology, and project-based outcome-oriented permitting benchmarks.</p>	Remove impediments to innovation in housing construction.	December 31, 2023

Program No	Program	Objective	Timing
1.J	<p><b>Rezoning by Revising Development Standards to Ensure that Housing Projects are Feasible and Incentivized Over Commercial Development</b></p> <p>The City shall amend the Zoning Ordinance, LUCE, and the Bergamot Area Plan (BAP) to increase FAR and height standards to levels that can support feasible housing projects.</p> <p><b>PC Recommended</b></p> <p>The City's assumptions of feasibility and the City's SSI are based on the results of a feasibility analysis prepared by HR&amp;A dated June 9, 2021. 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 allowable height and FAR as of October 13, 2021. The off-site affordability requirement will be greater than the on-site requirement</p> <p>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.</p> <p>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 impact fees, unit mix requirements, and design standards such as restrictions on ground floor residential use, minimum/maximum ground floor height, and daylight plane adjacent to existing residential neighborhoods.</p> <p><b>Staff Recommended</b></p> <p>The City's assumptions of feasibility and the City's SSI are based on the results of a feasibility analysis prepared by HR&amp;A dated June 9, 2021. Based on the results of the feasibility analysis, the feasible FARs for housing projects range from a minimum 2.75 to 3.25 with heights ranging from 55 feet to 65 feet. 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 allowable height and FAR as of October 13, 2021. The off-site affordability requirement will be greater than the on-site requirement 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.</p> <p>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 impact fees, unit mix requirements, and design standards such as restrictions on ground floor residential use, minimum/maximum ground floor height, and daylight plane adjacent to existing residential neighborhoods.</p>	Support the production of affordable housing and encourage the equitable production of housing across the City.	March 31, 2022

Program No	Program	Objective	Timing
1.K	<p><b>Adequate Sites Program</b>  <b>PC Recommended</b>            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.</p> <p><b>Staff Recommended</b>            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 City-owned sites are allowed 100 percent residential use and require residential use to occupy at least 50 percent of the floor area. Additionally, while not required to meet the shortfall of lower-income units, the Zoning Ordinance shall be amended to specify additional mixed-used zoning districts that shall be allowed 100 percent residential uses.</p>	Create opportunity to accommodate the City's lower-income RHNA targets	August 1, 2022
<p><b>GOAL 2 PROGRAMS</b>            Housing production for all income categories including for the community's workforce and most vulnerable communities.</p>			
2.A	<p><b>Establish A Moderate-Income Affordable Housing Overlay</b>            The City shall amend the Zoning Ordinance to establish a 100% affordable housing overlay for moderate-income (up to 120% AMI) housing projects in targeted areas of the City such as Downtown area, Bergamot area, and the immediate area around the 17th St station. The moderate-income affordable housing overlay would allow a height increase of up to three additional stories or 33 feet, 50% density bonus, up to four incentives and concessions, no minimum parking requirements, and flexibility in unit size/unit mix in exchange for additional common area amenities.</p>	Provide significant incentives for 100% affordable housing.	August 1, 2022
2.B	<p><b>Right Of First Offer Ordinance For Nonprofit Affordable Housing Providers</b>            The City shall adopt a Right of First Offer Ordinance that would provide nonprofit affordable housing providers the right of first offer for a specified time period to acquire private properties as they become available for purchase. As part of this effort, the City shall prioritize the scope of properties that would most effectively achieve the goal of making nonprofit housing providers more competitive in the land buying market for the purpose of producing affordable housing.</p>	Support 100% affordable housing by assisting nonprofit affordable housing providers to be competitive in the land acquisition market.	December 31, 2023

Program No	Program	Objective	Timing
2.C	<p><b>Update The City's Affordable Housing Production Program to Increase the Number of Affordable Housing Units at all Income Levels</b></p> <p>In order to increase the number of affordable housing units at all income levels, the AHPP on-site option for housing projects located outside of the Downtown shall be revised to include, but not be limited to:</p> <ul style="list-style-type: none"> <li>• Increase the threshold (to at least 6 units) at which projects are required to provide on-site or off-site affordable units;</li> <li>• Eliminate the current "menu" option of affordability requirements and instead establish a new base affordability percentage;</li> <li>• Re-evaluate the in-lieu fee option for applicants to pay a fee instead of constructing affordable units to ensure that the fee supports the funding and construction of new affordable housing throughout the City; and</li> <li>• Evaluate the possibility of a mixed-compliance option that would provide applicants more flexibility in meeting AHPP requirements.</li> </ul> <p>Additionally, to support increased affordable housing production, the AHPP off-site option for housing projects located outside of the Downtown shall be revised to:</p> <ul style="list-style-type: none"> <li>• Increase the minimum percentage of required affordable units to be higher than the on-site option;</li> <li>• Allow projects to locate off-site affordable housing anywhere in the City that is not a disadvantaged area as defined by SB535, which includes socioeconomic and environmental metrics</li> <li>• Allow market-rate projects to comply with AHPP through acquisition and rehabilitation of existing rental units and converting those to deed-restricted units.</li> </ul>	<p>Ensure that the AHPP provides housing developers viable options for compliance.</p>	<p>March 31, 2022</p>



Program No	Program	Objective	Timing
2.D	<p><b>Update Density Bonus Ordinance to Ensure Consistency With State Law And Integration Into The City's Land Use System</b></p> <p><b>PC Recommended:</b>  The City shall update the density bonus ordinance, Santa Monica Municipal Code Chapter 9.22, to ensure consistency with State Density Bonus Law and integration with the City's land use system, including the AHPP. The ordinance will clarify how to apply State density bonus law in the City's commercial and mixed-use districts that do not have maximum density controls, including application of State density bonuses to floor area dedicated to residential uses. The amendments to the Municipal Code shall also set forth a voluntary by-right menu of incentives &amp; concessions that do not require following the process under Government Code Section 65915(d) for approval. Requests for "off-menu" incentives and concessions may be requested pursuant to Government Code Section 65915(d).</p> <p>If there is an affordability requirement in place that distributes affordability requirements evenly across income levels, explore ways for housing providers to maximize incentives and concessions, parking reductions, and density as set forth in State Density Bonus Law.</p> <p><b>Staff Recommended:</b>  The City shall update the density bonus ordinance, Santa Monica Municipal Code Chapter 9.22, to ensure consistency with State Density Bonus Law and integration with the City's land use system, including the AHPP. The ordinance will clarify how to apply State density bonus law in the City's commercial and mixed-use districts that do not have maximum density controls, including application of State density bonuses to floor area dedicated to residential uses. The amendments to the Municipal Code shall also set forth a voluntary by-right menu of incentives &amp; concessions that do not require following the process under Government Code Section 65915(d) for approval. Requests for "off-menu" incentives and concessions may be requested pursuant to Government Code Section 65915(d).</p>	Ensure consistency with State Law.	March 31, 2022

Program No	Program	Objective	Timing
2.E	<p><b>Commit To The Production Of Affordable Housing On City-Owned/Publicly- Owned Land</b></p> <p><b>PC Recommended:</b>  The City shall commit City-owned sites for the production of 100% affordable housing, with consideration for revenue generating uses that are community-serving, in synergy with fair and economically diverse housing and open space.</p> <p>The City shall plan for a minimum of 1,884 affordable housing units across available City-owned sites, which may include, but shall not be limited to, rezoning actions in the LUCE, Specific Plans, and/or Zoning Ordinance amendments. Amendments to maximize affordable housing development potential on City-owned sites, and any subsequent development of those sites will be guided through a public process, including engagement of community stakeholders. An RFP for at least one city-owned site shall be issued by December 31, 2023. Future RFPs shall be staggered based on availability of resources.</p> <p>To facilitate affordable housing development, the City will continue to assess appropriate City-owned properties for the development of affordable housing, or in some cases may consider the most appropriate disposition of City properties to nonprofit developers for the development of affordable housing.</p> <p><b>Staff Recommended:</b>  The City shall commit City-owned sites for the production of 100% affordable housing, with consideration of other community-serving purposes, including, but not limited to, green space, place making, and/or community-serving commercial.</p> <p>The City shall plan for a minimum of 1,884 affordable housing units across available City-owned sites, which may include, but shall not be limited to, rezoning actions in the LUCE, Specific Plans, and/or Zoning Ordinance amendments. Amendments to maximize affordable housing development potential on City-owned sites, and any subsequent development of those sites will be guided through a public process, including engagement of community stakeholders. An RFP for at least one city-owned site shall be issued by December 31, 2023. Future RFPs shall be staggered based on availability of resources.</p> <p>To facilitate affordable housing development, the City will continue to assess appropriate City-owned properties for the development of affordable housing, or in some cases may consider the most appropriate disposition of City properties to nonprofit developers for the development of affordable housing.</p>	<p>Prioritize affordable housing production on city-owned land.</p>	<p>December 31, 2023 and Annual Ongoing</p>

Program No	Program	Objective	Timing
2.F	<p><b>New Affordable Housing Finance Programs To Enable Continued Provision Of Technical And Financial Assistance For Housing Production</b></p> <p>The City shall leverage its commitment to use of City-owned land for affordable housing with advocacy for new sources of state, federal, and philanthropic funding that may be used for housing. Once appropriate funding sources are identified, the City will take the necessary steps to move forward.</p> <p>The City has adopted policy on prioritizing our local funding through a Housing Trust Fund plan that includes spending commitments for affordable housing production and preservation for special needs and ELI households including exploring new funding for conversion to deed-restricted, multi-unit developments in areas of affluence. The plan outlines funding strategy for ELI households including seniors and persons living with disabilities. The City will continue to implement the policy and execute funding commitments to produce housing targeted to persons experiencing homelessness or at-risk of homelessness. Local funding through the Housing Trust Fund will also help support affordable housing production on City-owned/publicly owned land in accordance with Program 2E. On an ongoing basis, the City will continue to communicate with local affordable housing providers on potential housing projects based on funding availability.</p> <p>Financial and technical assistance shall be provided when resources are available and committed to nonprofit housing providers to the greatest extent possible to support the development of affordable housing, including special needs housing and arts housing. The City will research creative financing tools like a regional housing trust fund and infrastructure financing plans to learn how they are used elsewhere and how the City might best leverage these tools to support the construction of affordable housing.</p>	Seek innovative affordable housing financing tools to increase production.	Annual ongoing
2.G	<p><b>Expand Housing Choice by Facilitating The Development And Maintenance Of Special Needs Housing</b></p> <p>The City shall continue to utilize available financial resources and partnerships with service providers to create and retrofit existing housing for special needs households. This includes the provision of 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. The City shall encourage barrier-free construction and adaptation.</p> <p>Through the 5-year Consolidated Plan process, the City shall continue to identify housing and supportive service gaps for various special needs groups and propose policy and priorities based on the analysis..</p>	Housing for individuals with special needs.	Annual ongoing
2.H	<p><b>Maintain Proposition I Monitoring</b></p> <p>The City shall monitor utilization of Proposition I authority through annual reporting of new "low rent-housing projects."</p>	Ensure the City continues to report on compliance with Proposition I.	Annual ongoing

Program No	Program	Objective	Timing
2.I	<p><b>Zoning For A Variety Of Housing Types Including Special Needs Housing And Housing Acces For Persons With Disabilities</b></p> <p>The City shall review and update the Zoning Ordinance and BAP, as applicable, to ensure consistency with State law as needed regarding special needs housing types and residential land use classifications as needed.</p>	Ensure the City is compliant with all State laws for special needs housing types and residential land uses.	December 31, 2022 and Annual Ongoing
2.J	<p><b>Program 2.J Prioritize Water And Sewer Service To Housing Projects With On-Site Affordable Units</b></p> <p>The City shall establish written procedures to grant priority to developments with on-site units affordable to lower-income households if availability of service is limited.</p>	Prioritize infrastructure service to developments with lower income units to support the production of affordable housing throughout the City	December 31 2022
<p><b>GOAL 3 PROGRAMS</b> Preservation of the existing supply of housing and prevent displacement of existing tenants.</p>			
3.A	<p><b>Restrict The Removal Of Existing Rental Units For Site Redevelopment And Require That Protected Units Are Replaced</b></p> <p>The City shall amend the Municipal Code to adopt local requirements that make permanent and potentially expand upon the anti-displacement requirements of SB 330 to ensure that protected units proposed to be demolished in order to construct a new housing development project are replaced.</p> <p>As required by Government Code Section 65583.2(g)(3), the City shall amend the Zoning Ordinance to require that sites that currently have residential use, or 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).</p>	Protect existing residents by preserving existing rental housing stock; no net loss of units.	August 1, 2022
3.B	<p><b>Develop Tenant and Landlord Programs To Address State And Federal Legislative Mandates Regarding Anti-Discrimination</b></p> <p>The City shall continue to implement programs, including tenant and landlord education/outreach, 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). The City will continue to fund the acquisition and rehabilitation of existing rental units and continue to 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>	Develop programs to address State and Federal housing mandates.	Annual ongoing



Program No	Program	Objective	Timing
3.C	<p><b>Facilitate The Conservation Of Restricted And Non-Restricted At-Risk Housing.</b>            There are approximately 770 affordable, deed-restricted units that are at-risk of conversion to market rate in the next 10 years. The City will continue to monitor the status of at-risk projects within the City, ensure that required notice is given to tenants, and advise property owners and tenants in advance of potential conversion dates, and assist in answering questions from residents of at-risk housing. As a part of the ongoing monitoring, the City will continue to provide information on maintaining long-term affordability and assist federally-funded housing properties with seeking funding assistance in applying for allocations of housing vouchers from the federal government to maintain housing affordability. On an ongoing basis, the City will continue to communicate with local affordable housing providers on conserving housing projects.</p> <p>The City will exercise its right of first refusal to purchase properties if necessary and financially feasible to ensure the continued availability of affordable housing units. Additionally, the City shall research and implement strategies on conserving non-covenant residential units such as rent-controlled units and naturally occurring affordable units.</p>	The City proactively monitors units at risk of conversion due to expiring covenants and takes actions to ensure their long-term affordability.	Annual ongoing
3.D	<p><b>Maintain An Acquisition And Rehabilitation Program</b>            As resources are available, the City shall continue to provide loan assistance to nonprofit affordable housing providers and work with providers to identify new funding sources. As outlined in Program 2.B, the City shall adopt a Right of First Offer Ordinance that would provide nonprofit affordable housing providers the right of first offer to acquire existing private properties as they become available for purchase.</p>	Protect existing residents by acquiring and rehabilitating existing housing.	Annual ongoing
3.E	<p><b>Maintain A Low Income Residential Repair Program</b>            The City shall support and fund the rehabilitation of 38 multi-family units and provide 20 minor home repairs.</p>	Rehabilitate 38 multi-unit dwellings and provide 20 minor home repairs.	2024
3.F	<p><b>Enhance Code Enforcement Response To Housing-Related Violations</b>            The City shall continue to respond to residential building code violation complaints. Code Enforcement and Building and Safety Divisions will coordinate with the Housing and Human Services Division to provide information on available rehabilitation assistance to correct code deficiencies.</p>	Require property owners to respond to Building Code violations and complete routine maintenance on their residential buildings.	Annual ongoing
3.G	<p><b>Maintain A Mandatory Seismic Retrofit Program</b>            The City shall continue to implement the Seismic Retrofit Program pursuant to the City's Seismic Retrofit Ordinance.</p>	Protect existing residents by ensuring the safety and structural integrity of existing residential buildings.	Annual ongoing

Program No	Program	Objective	Timing
3.H	<b>Information And Outreach For Property Owners Regarding Rehabilitation And Maintenance Of Housing Units</b> The City shall provide additional education and outreach to multi-unit property owners on available City programs and support continued rehabilitation, maintenance, repairs, and upgrades of their housing units.	Inform property owners regarding proper maintenance of residential units.	Annual ongoing
3.I	<b>Right To Counsel Program</b> The City shall continue to implement a Right to Counsel pilot program and evaluate its overall effectiveness, program capacity, and long-term feasibility.	Prevent the displacement of tenants by providing access to legal assistance and support for tenants facing eviction.	Ongoing
3.J	<b>Restrict Conversion Of Existing Rental Housing To Condominiums</b> The City shall continue to regulate condominium conversions pursuant to SMMC Section 9.24.040.	Restrict loss of rental housing units to condominium conversions	Ongoing
<b>GOAL 4 PROGRAMS</b> A community that provides equitable housing access to all neighborhoods.			
4.A	<b>Zoning Ordinance Amendment To Permit Multiple-Unit Housing In Non-Residential Zones Where Not Currently Permitted</b> The City shall amend the Zoning Ordinance, LUCE, and associated specific and area plans to add multi-unit housing as a permitted use in non-residential zones where housing is currently prohibited. To promote the fair and equitable distribution of new housing opportunities across the City, land use regulations shall be amended to add multi-unit housing as a permitted use in areas where it is currently prohibited. Land use regulations, FAR, and Height (as indicated in Program 1.I) will be revised to allow housing in areas that currently do not allow housing such as the Office Campus, Industrial Conservation, and Creative Conservation Sector zones.  To promote fair and equitable housing opportunities throughout the City, the City shall amend the Zoning Ordinance, LUCE, and the Bergamot Area Plan (BAP) including in areas that have historically not permitted or accommodated housing, to allow for higher maximum allowable FAR and height in the NC, IC, and OC zoning districts.  For the purposes of addressing environmental health considerations, the City shall amend the Zoning Ordinance to specify locations in the City where housing projects are required to conduct an air quality assessment and implement recommendations from the assessment.	Support the production of affordable housing and encourage the equitable production of housing across the City.	August 1, 2022

Program No	Program	Objective	Timing
4.B	<p><b>Facilitate The Development Of Housing On Surface Parking Lots Owned By Community Assembly Uses</b>            In order to Affirmatively Further Fair Housing, the City shall adopt standards that support the production of affordable housing on surface parking lots owned by community assembly uses, including religious congregations including allowing not more than 50% market-rate units to support the affordable housing, unlimited density, no minimum parking requirements, an additional 33 feet of building height and allowance for the primary community assembly use and related ancillary use, for the support or expansion thereof, on or above the ground floor.</p>	<p>Increase equitable access to all residential neighborhoods and not incentivize affordable housing in areas that have historically excluded diverse housing opportunities.</p>	<p>August 1, 2022</p>
4.C	<p><b>Provide New Housing Choices and Affordability in High Opportunity Areas Through Incentives for Additional ADUs in R1-Zone Neighborhoods</b>            The City shall establish programs to address historically exclusionary single-unit dwelling zones by encouraging and incentivizing the production of ADUs in single-unit residential districts. This would include allowing an additional ADU to be constructed if the ADU is deed restricted as a rental unit. As ADUs are naturally more affordable by design given their size, the program would help affirmatively further fair housing by helping to provide new housing choices and affordability in high opportunity areas of the City that are largely unaffordable to many people.</p>	<p>Increase equitable access to all neighborhoods through nominal density increases that may lower the barrier to housing access in areas that have historically excluded diverse housing opportunities.</p>	<p>August 1, 2022</p>
4.D	<p><b>Right to Return Program</b>            The City shall continue to implement a Right to Return Pilot Program and evaluate outreach strategies, applicant demand, the availability of historical documentation, verification processes, compliance with government legislation, and the administrative resources required to implement a broader long-term program.</p>	<p>Address the historical displacement of Santa Monica households resulting from the development of the Civic Auditorium and I-10 freeway through the Pico neighborhood during the 1950s and 1960s that disproportionately impacted low-income communities and communities of color.</p>	<p>Annual Ongoing</p>

Program No	Program	Objective	Timing
<b>GOAL 5 PROGRAMS</b>			
Housing for persons experiencing homelessness			
5.A	<p><b>Reduce 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.</b></p> <p>The City shall 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.</p>	Continue to invest in and implement housing and supportive services to prevent and address the impacts of homelessness.	Annual ongoing
5.B	<p><b>Low Barrier Navigation Centers As By-Right Use</b></p> <p>The City shall amend the Zoning Ordinance to allow Low Barrier Navigation Centers as a by-right permitted use in all non-residential zones permitting multi-unit uses.</p>	Ensure the City's regulations and procedures are in conformance with State Law.	December 31, 2022
<b>GOAL 6 PROGRAMS</b>			
Provision of housing assistance and supportive programs and services to extremely low-, very low-, low-, and moderate-income households and households with special needs, families, seniors, and the homeless.			
6.A	<p><b>Enhance Housing Mobility By Maintaining Rental Housing Voucher Programs And Expand To Assist All Persons With Disabilities</b></p> <p>The City shall continue to operate strong rental housing voucher programs and advocate for funding guidelines for Section 8 that are competitive for Santa Monica; and shall 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. When available funding opportunities are available, 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.</p>	Maintain voucher programs to ensure availability and choice of housing for households at all income levels.	Annual ongoing
6.B	<p><b>Seek Funding Sources To Support Rental Assistance For Vulnerable Individuals And Households At-Risk Of Displacement</b></p> <p>The City shall continue to pursue and identify new funding sources that support rental assistance programs, including emergency rental assistance to the extent feasible.</p>	Maintain housing stability for vulnerable individuals and households.	Annual ongoing

Program No	Program	Objective	Timing
6.C	<p><b>Maintain And Expand The Preserving Our Diversity (POD) Program</b> The City shall continue to operate the POD program and pursue additional funding to maintain assistance to seniors and evaluate expanding program assistance to other rent burdened residents vulnerable to displacement, if possible. The program shall ensure that POD subsidies do not result in an increase in rents.</p>	Assist POD beneficiaries in achieving a basic needs budget.	Annual ongoing
6.D	<p><b>Information And Outreach Coordination For Tenants And Landlords On Housing Programs And Resources</b> The City shall prioritize additional education and outreach to tenants and landlords to increase awareness of federal and local housing programs and their rights and legal obligations, including Section 8 housing voucher program and anti-discrimination regarding income source. The City shall strengthen outreach and connect vulnerable residents with housing assistance and resources, including, but not limited to, credit counseling and support services addressing resident needs in securing adequate housing.</p>	Raise awareness of housing assistance programs and tenant and landlord rights and responsibilities.	Annual ongoing subject to available staffing resources
6.E	<p><b>Maintain A Community Development Grant Program</b> The City shall 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>	Maintain funding for programs that service priority homeless populations, lower-income households, and special needs populations.	Annual ongoing
6.F	<p><b>Provide Tenant Relocation Assistance</b> The City shall continue to implement the Tenant Relocation Assistance program; periodically review existing City policies and ordinances and recommend modifications if deemed necessary, including but not limited to, additional support in locating new housing for displaced residents upon relocation.</p>	Provide displaced tenants with cash-based relocation assistance.	Annual ongoing
6.G	<p><b>Maintain A Temporary Relocation Program</b> The City shall continue the Temporary Relocation Program, including program oversight and enforcement, and coordination in providing accommodations to minimize impacts to residents including emergency hotel vouchers for tenants who have been ordered to vacate their units by the City for code violations, safety improvements, or maintenance.</p>	Provide temporary housing for tenants displaced from their units due to required maintenance.	Annual ongoing
6.H	<p><b>Maintain Reasonable Accommodations To Ensure Equal Opportunity For Housing</b> The City shall maintain and continue to support reasonable accommodations to ensure equal housing opportunities, consistent with fair housing laws.</p>	Provide regulatory relief to enable housing access for disabled persons.	Annual ongoing



Program No	Program	Objective	Timing
<b>GOAL 7 PROGRAMS</b> Eliminate housing discrimination on the basis of race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, age, marital status, national origin, ancestry, familial status, income level, source of income, disability, veteran or military status, genetic information, or other such characteristics.			
7.A	<b>Maintain Fair Housing Enforcement and Outreach Program</b> The City shall continue to implement fair housing programs. The City shall 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. The City shall also conduct targeted outreach and tenant application assistance and support to special needs populations including seniors, persons with disabilities, and individuals transitioning from institutional settings and individuals who are at risk of institutionalization.	Education of tenants and landlords of their rights and responsibilities under fair housing laws.	Annual ongoing
7.B	<b>Provide Tenant/Landlord Mediation And Legal Services</b> The City shall continue to support tenant/landlord mediation and legal services assistance.	Provide tenant/ landlord dispute resolution services.	Annual ongoing
7.C	<b>Maintain The Anti-Discrimination Tenant Protection Program</b> The City shall continue to prevent discrimination, tenant harassment, and unlawful evictions through monitoring and enforcing of "just cause" eviction protections, and continue to provide fair housing services through the Public Rights Division of the Santa Monica City Attorney's Office. The City shall review current laws and recommend any needed modifications to ensure protection of tenants to the maximum extent possible.	Protect existing tenants from harassment and unlawful eviction.	Annual ongoing

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# 2.

## Assessment of Fair Housing in the City





# Chapter 2: Assessment of Fair Housing in the City

Housing is a human right – unfortunately though, many segments of our population do not have access to safe and affordable housing. Even when such housing is available, these units may not be located in areas that are in proximity to good jobs, easily accessible public transit, and other fundamental community features such as schools and open space. In recognition of the housing inequalities that endure to this day, the State legislature passed AB 636 (2018) to require cities and counties to advance social equity through meaningful actions that affirmatively further fair housing (AFFH). This chapter of the Housing Element provides an assessment of fair housing in the City as well as programs and policies to combat “discrimination, overcome patterns of segregation, and foster inclusive communities free from barriers that restrict access to opportunity based on protective characteristics.” The information provided in this chapter references and supplements the analysis in the [City of Santa Monica’s Assessment of Fair Housing \(AFH\)](#) that was prepared in accordance with U.S. Department of Housing and Urban Development requirements and adopted in April 2020. The Assessment of Fair Housing (AFH) which is attached as Appendix I is a thorough examination of structural barriers to fair housing choice and access to opportunity for members of historically marginalized groups protected from discrimination by the federal Fair Housing Act (FHA).

## Redlining

The term “redlining” refers to the discriminatory policy instituted by the federal government to create color-coded maps of every metropolitan area in the country to indicate where it was safe to insure mortgage. These maps were based on racial composition, quality of housing stock, access to amenities, etc. and were color coded to identify best (green “A” grade), still desirable (blue “B” grade), definitely declining (yellow “C” grade), and hazardous (red “D” grade) neighborhoods. Areas of the City that were predominantly commercial/ industrial were not color coded.





## A. Historical Practices and Policies Leading to Segregation

The established neighborhoods of the City today are largely the result of decades of structural racism deeply rooted in Federal, State, and local housing policies. In the early days of Santa Monica, the City had a sizeable population of Blacks/African Americans, who had moved into the City from the 1890s to the early 20th century, as part of larger westward migration patterns based in part on the prospect of new economic opportunities and community available in California. Additionally, beginning in 1904, the job opportunities at the City's clay pit operations in the eastern portion of the City drew new Mexican immigrants. However, Blacks/African Americans, Mexicans, and other racial and ethnic groups, were met with racism from White residents in the City. In 1922, homeowners formed the Santa Monica Bay Protective League with an agenda of "eliminating all objectionable features or anything that now is or will prove a menace to the bay district ... or prove detrimental to our property values." One of the ways that this was achieved was through racial covenants on deeds.

Local government also contributed to the patterns of segregation through the adoption of exclusionary zoning. When Blacks/African Americans tried to build a Jazz Club in the Belmar area in the 1920s, City officials used zoning laws to block the project. Single-unit zoning was also seen as a way tool to economically separate the wealthier Whites from Blacks/African Americans and other racial and ethnic groups, including Italians, Japanese, Mexicans, Portuguese and, later Jews. Since many people of color could not afford or were unable to receive mortgages for owning homes, they were excluded from single-family zoned neighborhoods. Today approximately, 35% of all the land in the City is zoned for single-family homes, and very few people of color live in these zones (see Appendix B).

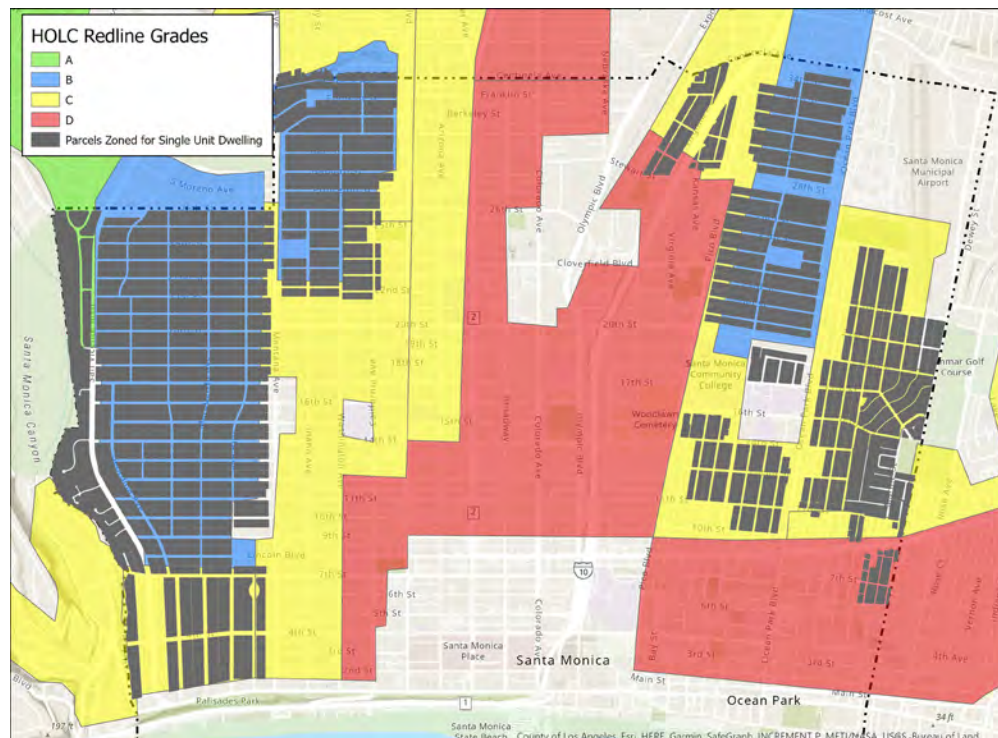
This type of discrimination at the local level was bolstered by the federal policy of "redlining" that arose during the New Deal era (1930s). The color-coded maps were first used by the Home Owners' Loan Corporation (HOLC) and then the Federal Housing Administration (FHA) and then adopted by the Veterans Administration (VA). This discriminatory practice of determining who could qualify for home mortgages based on race, ethnicity, religion, or immigrant status led to widespread segregated communities across the country, and prohibited people of color from buying homes. In



*Burning a derelict house on Belmar Place on July 1, 1953  
Source: Santa Monica Public Library*

Santa Monica, areas that were redlined included the Pico Neighborhood, portions of the Mid City neighborhood south of Santa Monica Boulevard, and Ocean Park. Areas that were color-coded green or blue generally consisted of the single-family zoned neighborhoods such as the North of Montana and Northeast neighborhoods (Map 2-1).

**Map 2-1: Formerly "Redlined" Areas and Single Family Zoning in the City of Santa Monica**



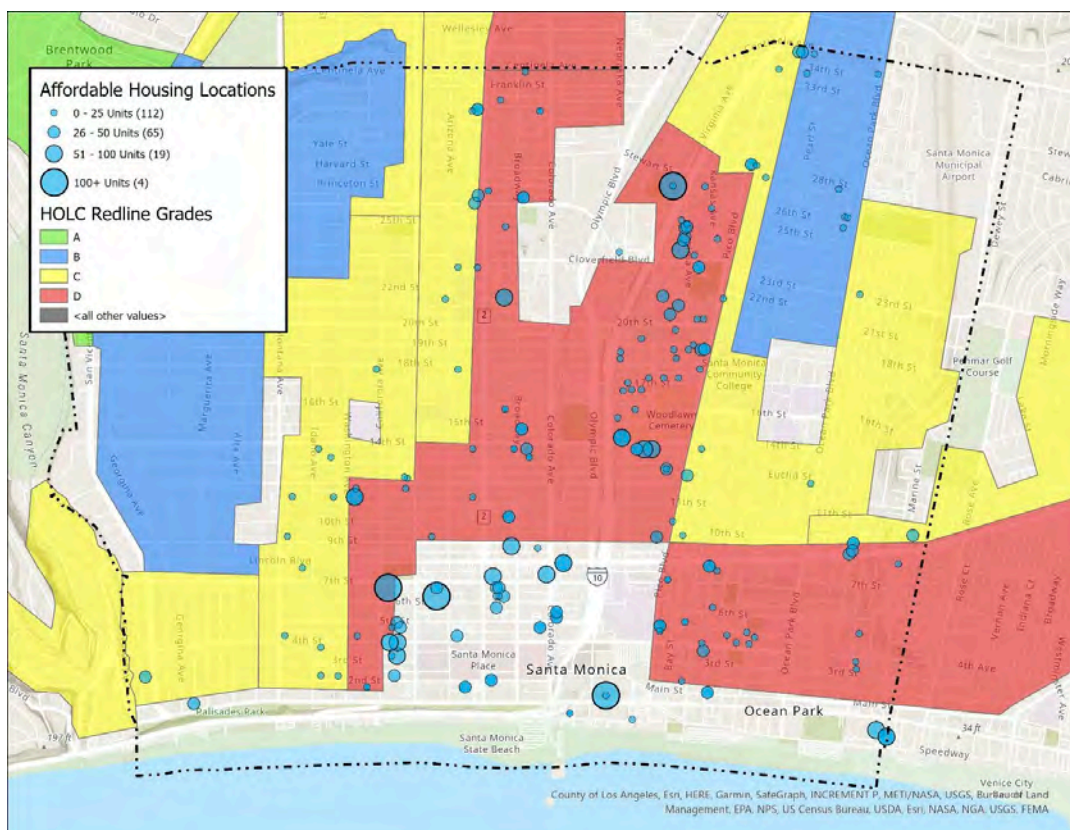
In the post-World War II era, the local and Federal government further intensified segregation through the systematic construction of government buildings and highways/freeways that began in the 1950s. Freeways were purposely routed through communities of color or to create physical barriers to separate White and Black neighborhoods. The Interstate 10 freeway in Santa Monica was purposely constructed through the middle of the Pico Neighborhood where most people of color lived instead of using mostly undeveloped land or land with abandoned uses less than two blocks away. The construction of the I-10 freeway in the early 1960s demolished hundreds of homes in the Pico neighborhood, resulting in a loss of family wealth through home ownership. With other Santa Monica neighborhoods still not open to the displaced, many more single-unit homes in the Pico Neighborhood were replaced by apartment buildings.

Santa Monica government officials in the 1950s to 1960s also targeted multiethnic neighborhoods in their plans to modernize the City. The City's Civic Center today sits atop the historic Belmar Triangle, (which encompassed the area bound by the former trolley line on the north and west [southern part of Main Street today], Fourth Street on the east, and Pico Boulevard on the south). Historically,

the Belmar Triangle was home to many African American families and other families of color who migrated to Santa Monica.<sup>1</sup> Through eminent domain proceedings, the Belmar Triangle was razed to build the Santa Monica Civic Auditorium and part of the Los Angeles County Courthouse grounds. The City's annual reports claimed that the Belmar area was "blighted" and that only substandard and dilapidated structures and dwellings were burned down and removed for health and safety reasons.<sup>2</sup>

Over the years, the development of lower-cost affordable housing has largely followed historic patterns of segregation. Map 2-2 shows the redlining boundaries overlaid with affordable housing that has been constructed or acquired/rehabilitated over the years. Of the affordable units that have been constructed over the years, 49% are in the City's former redlined areas (which make up 24% of the City).

**Map 2-2: Affordable Housing and Formerly "Redlined" Areas in the City of Santa Monica**



1 Alison Rose Jefferson, PH.D., The Erased African American Experience in Santa Monica's History; [https://alisonrosejefferson.com/wp-content/uploads/2021/02/Jefferson.ReconstructionAndReclamation.FINAL\\_12.22.2020.pdf](https://alisonrosejefferson.com/wp-content/uploads/2021/02/Jefferson.ReconstructionAndReclamation.FINAL_12.22.2020.pdf)  
 2 Ibid



## B. Integration and Segregation Patterns and Trends

### Defining Integration and Segregation

**Integration** generally means a condition in which there is not a high concentration of persons of a particular race, color, religion, sex, familial status, national origin, or having a disability or a particular type of disability when compared to a broader geographic area.

**Segregation** generally means a condition in which there is a high concentration of persons of a particular race, color, religion, sex, familial status, national origin, or having a disability or a type of disability in a particular geographic area when compared to a broader geographic area.

### 1. Race and Ethnicity

The greater Los Angeles metropolitan area is a melting pot of different cultures, races, and backgrounds. Unlike the our larger, neighboring City of Los Angeles, Whites still make up the majority of the City of Santa Monica's population. ESRI (an international supplier of geographic information system (GIS) software) tracks the shifting demographics of race and ethnicity of communities through its Diversity Index. The index shows the likelihood that two people, chosen at random from the same area, belong to different race or ethnic groups. The index ranges from 0 (no diversity) to 100 (complete diversity). For example, a diversity index of 59 means there is a 59 percent probability that two people randomly chosen would belong to different race or ethnic groups. As shown in Map 2-3, the City's census tracts have lower diversity indices than most of the surrounding Los Angeles region.

While the City is generally less diverse than the region as a whole, census data shows that the City's racial makeup is becoming more diverse. As shown in Figure 2-1, Hispanics/Latinos make up the second largest racial group in the City, followed by Asians.

In terms of the racial/ethnic makeup by census tract, there are more predominant populations of Hispanic/Latino residents in the Pico Neighborhood while the remaining areas of the City are predominantly White, Map 2-4 and Map 2-5.

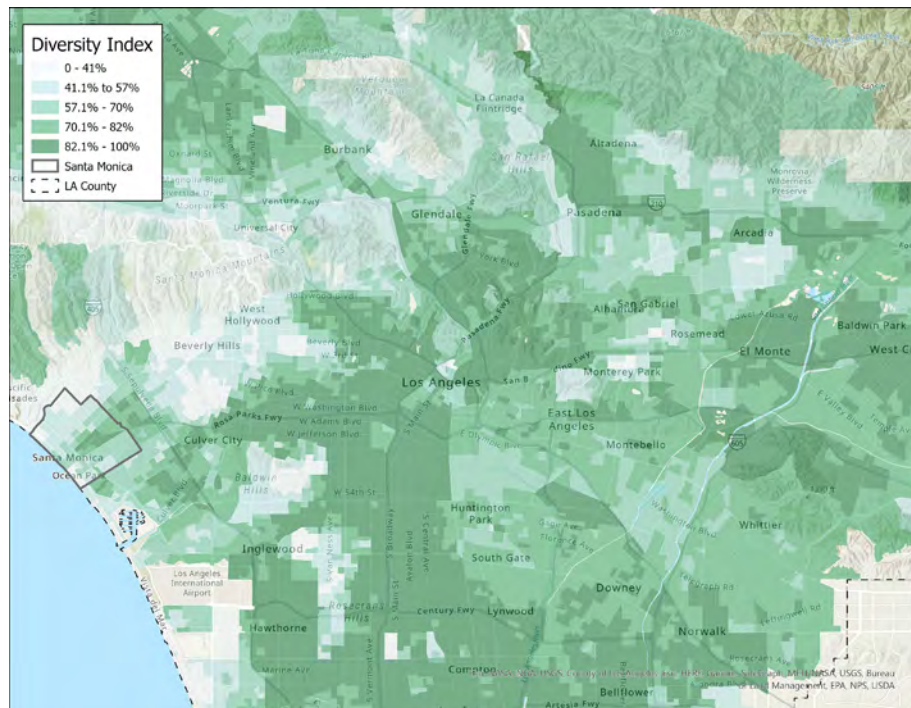


*The construction of the I-10 freeway led to the widespread displacement of households of color and further exacerbated segregation.*

**Figure 2-1: Santa Monica Population by Race and Ethnicity**

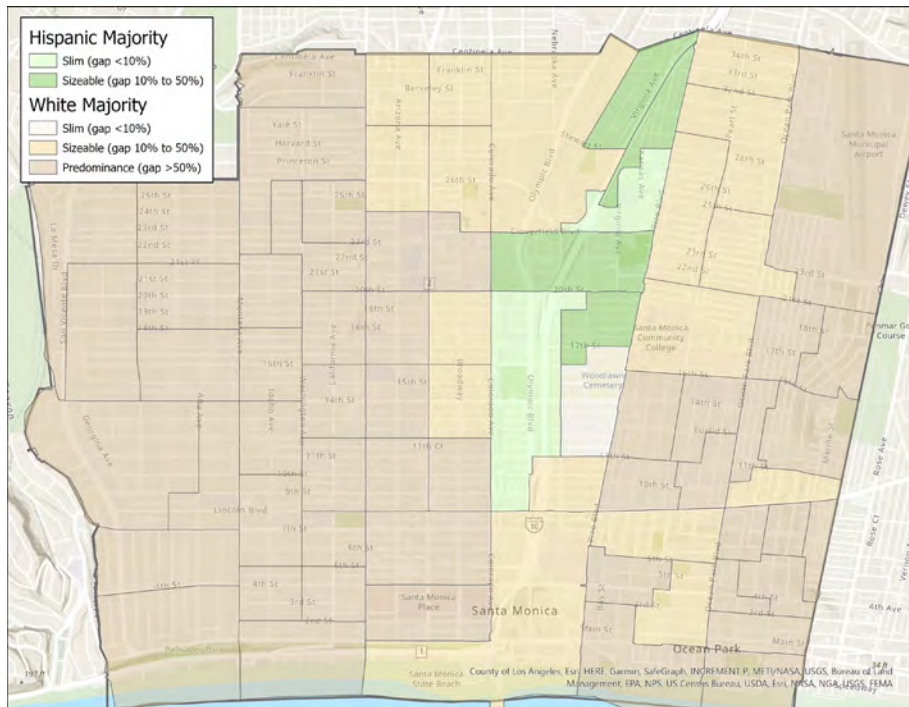
Category	2000	%	2010	%	2018	%	2019	%
White	60,482	71.9%	62,917	70.1%	59,197	64.3%	59,200	64.3%
Hispanic or Latino	11,304	13.4%	11,716	13.1%	14,613	15.9%	14,097	15.3%
Black or African American	3,081	3.7%	3,364	3.7%	3,950	4.3%	3,995	4.3%
Asian	6,043	7.2%	7,960	8.9%	9,004	9.8%	9,018	9.8%
Two or more races	2,584	3.1%	3,174	3.5%	4,782	5.2%	4,571	5.0%
Other	590	0.7%	605	0.7%	532	0.6%	696	0.8%
<b>TOTAL</b>	<b>84,084</b>		<b>89,736</b>		<b>92,078</b>		<b>91,577</b>	

**Map 2-3: Diversity Index**

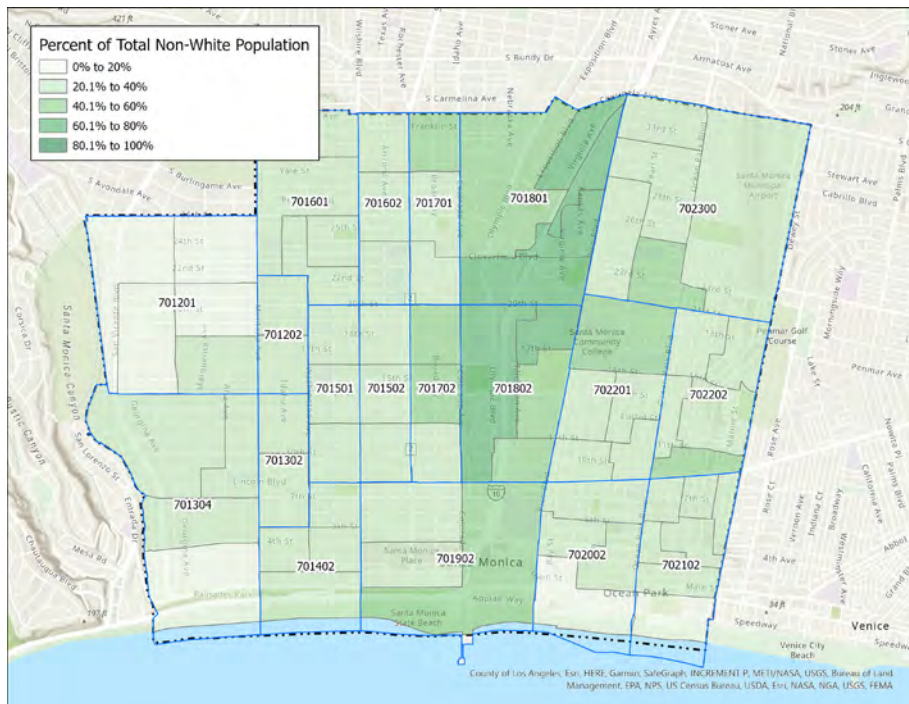




**Map 2-4: Racial and Ethnic Majority by Census Tract**



**Map 2-5: Population Distribution of Non-Whites**

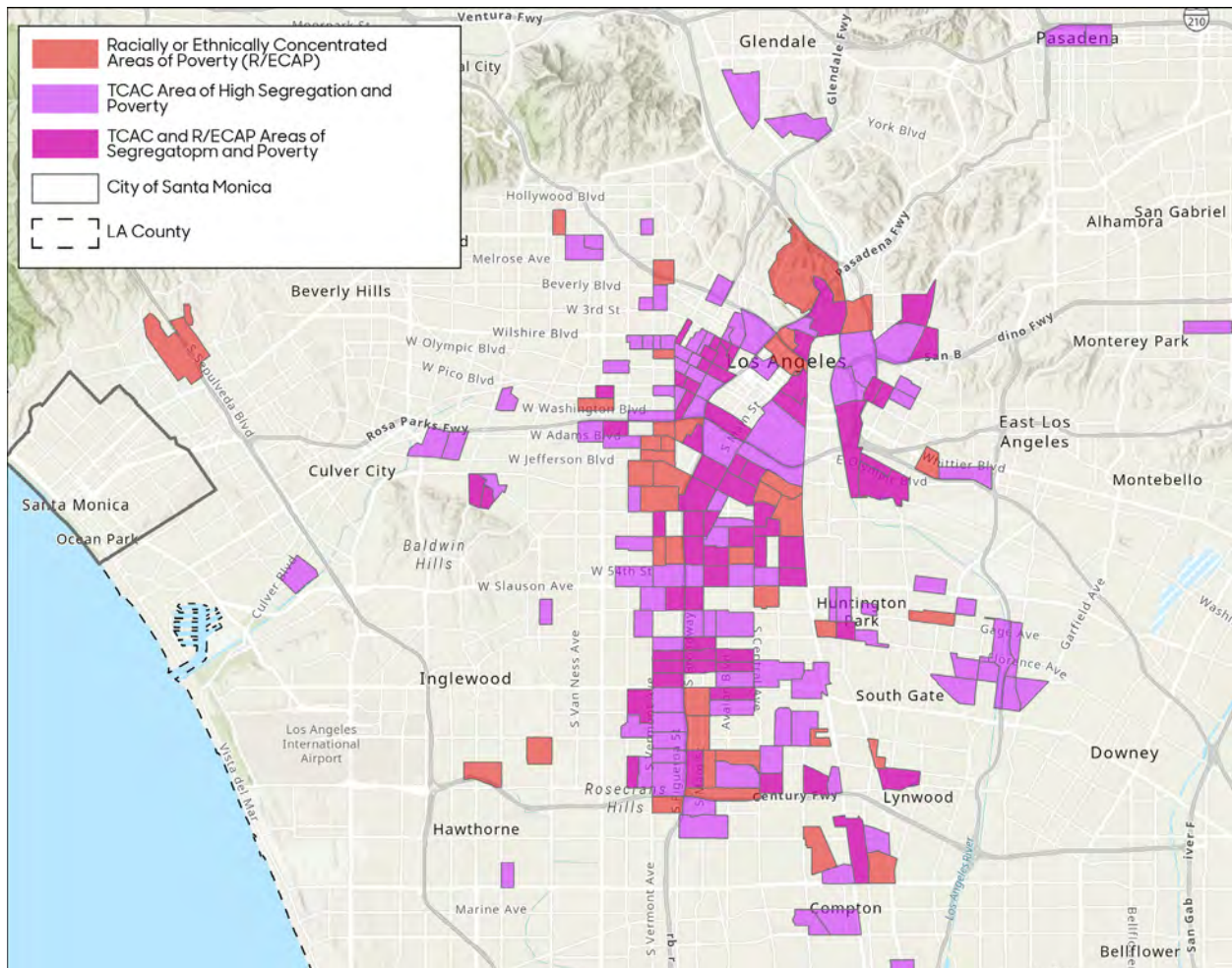


## 2. Racially or Ethnically Concentrated Areas of Poverty (R/ECAPs) and Affluence (RCAA)

### R/ECAPs

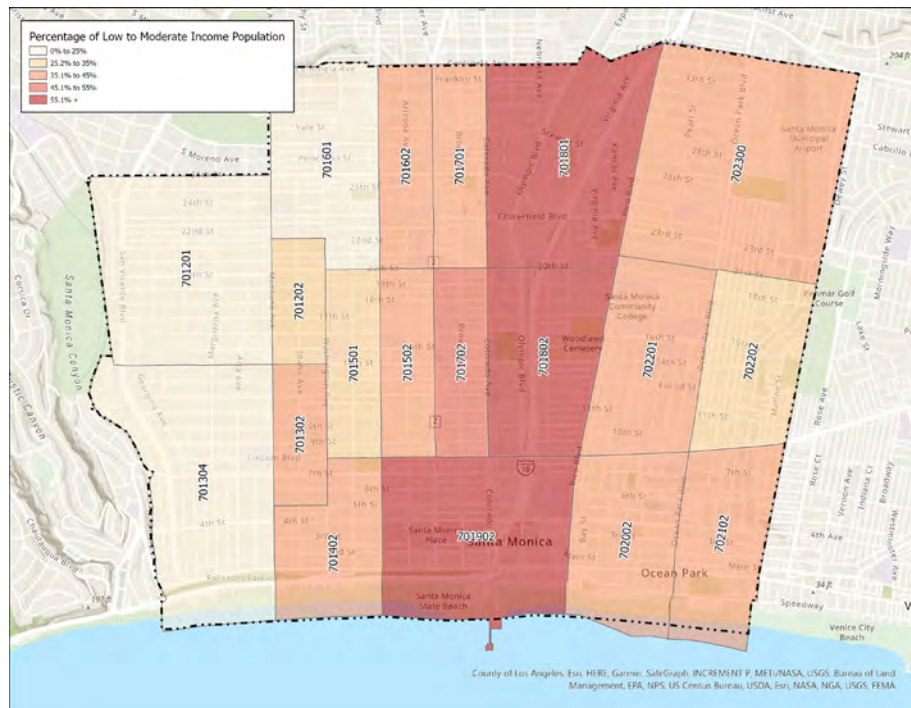
R/ECAPs are geographic areas with significant concentrations of poverty and minority populations. HUD has developed a census-tract based definition of R/ECAPs. In terms of racial or ethnic concentration, R/ECAPs are areas with a non-White population of 50 percent or more. With regards to poverty, R/ECAPs are census tracts in which 40 percent or more of individuals are living at or below the poverty limit or that have a poverty rate three times the average poverty rate for the metropolitan area, whichever threshold is lower. Households within R/ECAP tracts frequently represent the most disadvantaged households within a community and often face a multitude of housing challenges. R/ECAPs are meant to identify where residents may have historically faced discrimination and continue to be challenged by limited economic opportunity.

**Map 2-6: Racially or Ethnically Concentrated Areas of Poverty and Areas of High Segregation & Poverty**



While there are no R/ECAPs within the City of Santa Monica (Map 2-6), the legacy of past racist planning and housing policies have shaped land use patterns in the City that we see today. There are census tracts in the City that have higher concentrations of non-Whites as well as higher concentrations of low income and moderate income population. In general, the patterns of non-White and lower income households continue to mirror the redline maps with more affluent Whites on the northern and southern ends of the City (Map 2-4) and non-Whites and lower income populations concentrated in the central city near the main transportation corridors (Map 2-7).

**Map 2-7: Low to Moderate Income Population by Census Tract**

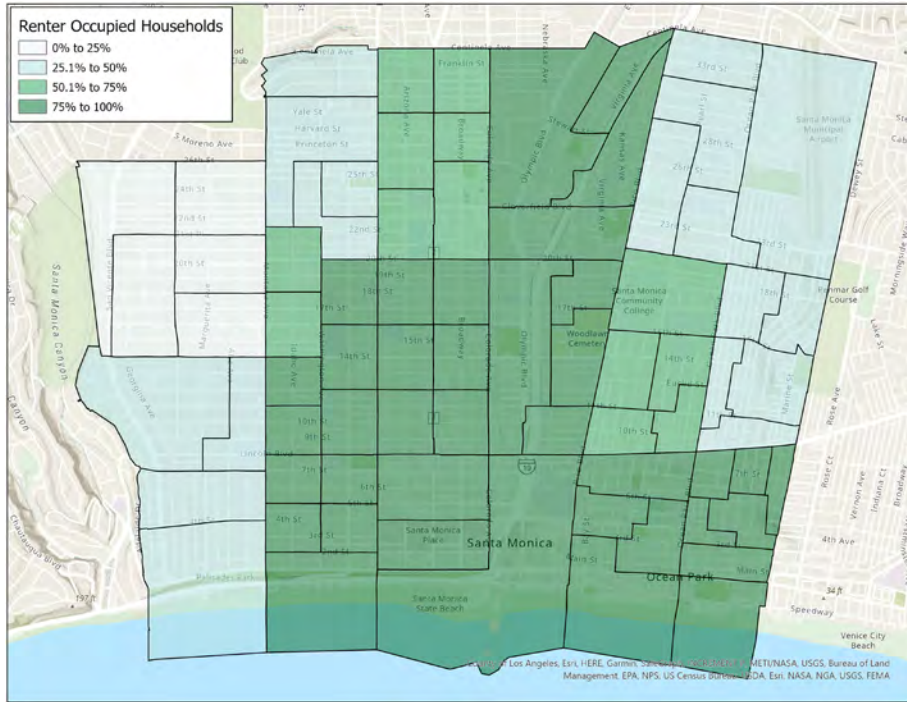


This pattern of segregation is also true for renter versus ownership households. The 2020 AFH found that the location of renters and owners in Santa Monica very highly correlates with patterns of residential racial and ethnic segregation. The areas with the highest concentrations of homeownership, such as north of Montana, Ocean Park, and Sunset Park are also the areas that are predominantly White. The areas with the highest concentrations of renters, such as the Pico neighborhood and Downtown, are areas that contain high concentrations of minorities and/or those with Limited English Proficiency.

The AFH also found that a major contributor to continued racial and ethnic segregation is the economics of high housing and land costs created by zoning, which particularly limits the feasibility of developing of affordable housing in certain areas of the City.



**Map 2-8: Renter Households by Census Tract**

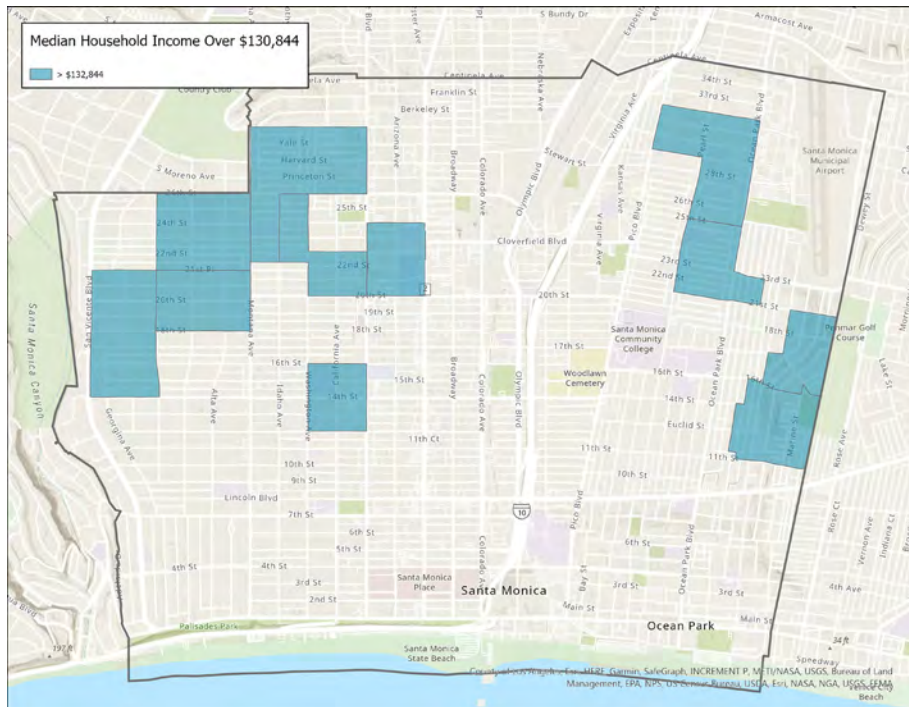


**RCAA**

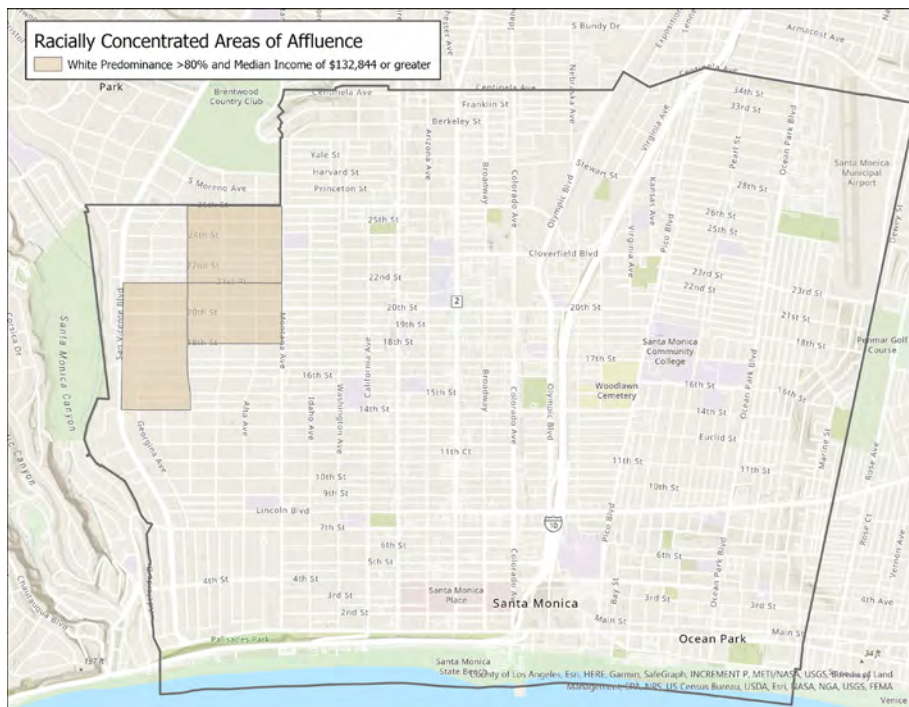
Racially or Ethnically Concentrated Areas of Affluence (RCAAs) are neighborhoods in which there are both high concentrations of non-Hispanic White households and high household income rates.<sup>3</sup> Census tracts that have median income over \$132,844 and have 80% of its households as non-Hispanic white are considered RCAAs. As discussed previously, non-Hispanic Whites are the predominant racial/ethnic group in the City, with more predominance in the northern and southern ends of the City. Additionally, the median household income in most census tracts throughout the City is lower than the RCAA income threshold. However, several census tracts have a median household income above \$132,844 (Map 2-9). The three census tracts with median household income above \$132,844 and have at least 80% of its households characterized by non-Hispanic Whites are located in Northeast area of the City, as shown in Map 2-10.

<sup>3</sup> In response to the R/ECAPs utilized by HUD in its 2015 AFFH rule, scholars at the University of Minnesota Humphrey School of Public Affairs have created the Racially Concentrated Areas of Affluence (RCAAs) metric to more fully tell the story of segregation in the United States.<sup>64</sup> Based on their research, RCAAs are defined as census tracts where 1) 80 percent or more of the population is white, and 2) the median household income is \$125,000 or greater (slightly more than double the national the median household income in 2016). While this is a useful measure nationwide, HCD has adjusted the RCAA methodology to better reflect California’s relative diversity.

## Map 2-9: Median Household Income Over \$130,844



## Map 2-10: Racially or Ethnically Concentrated Areas of Affluence



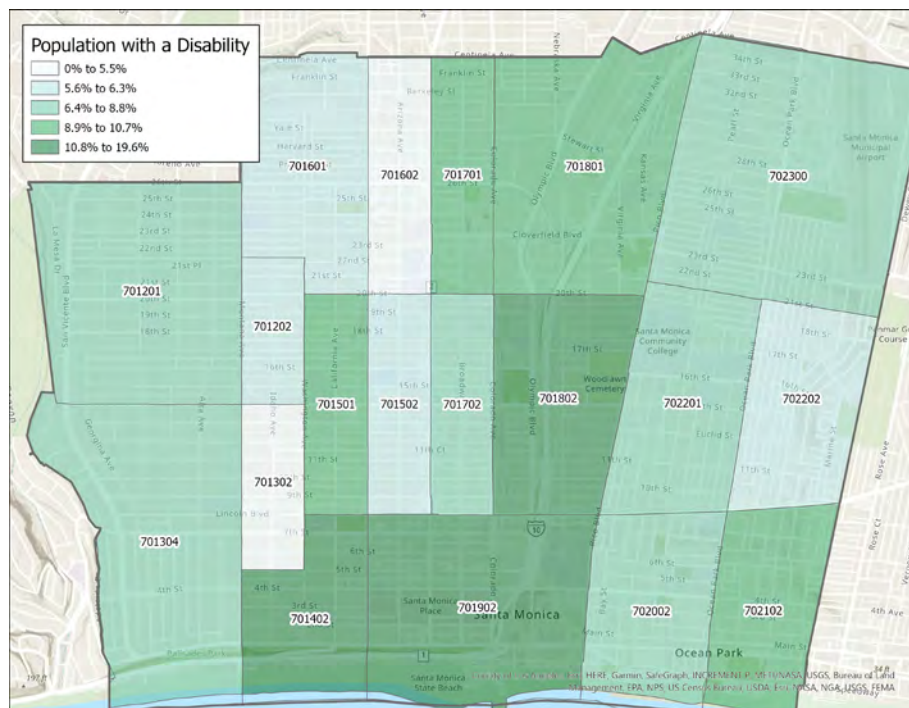


### 3. Disability Status

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. As further detailed in Appendix B, there are 8,841 Santa Monica residents with at least one disability in 2019. Map 2-11 shows the population of persons with a disability by census tract in the City. The map reveals a slightly higher concentration of residents with disabilities in Downtown and the census tracts to the north and east. This may indicate that persons with a disability have a slight preference for areas nearer to the beach – likely due to a combination of elderly housing sites, concentration of amenities including public transportation, and population density near the coast.

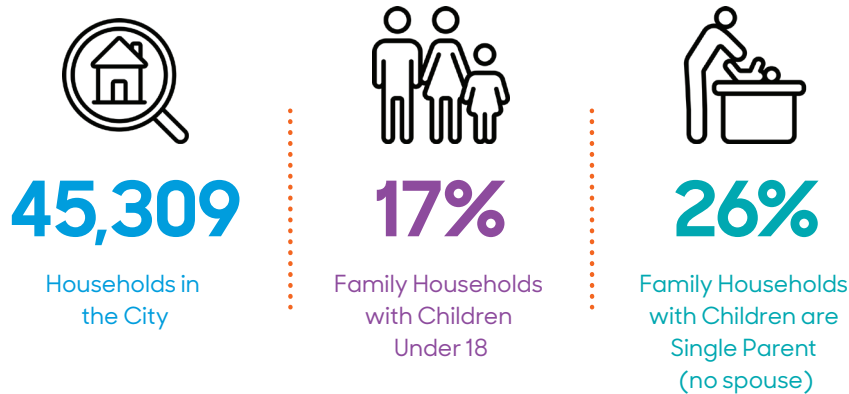
As described in the 2020 AFH report, the primary option for affordable housing for people with disabilities is Housing Choice Vouchers, of which people with disabilities make up more than 50% of residents. In 2020, five hundred twenty-two (522) people with disabilities reside in units assisted with Housing Choice Vouchers in Santa Monica, but this does not represent a proxy for actual affordable, accessible units. Rather, Housing Choice Vouchers are a mechanism for bringing otherwise unaffordable housing, which may or may not be accessible, within reach of low-income people with disabilities.

**Map 2-11: Persons with a Disability**

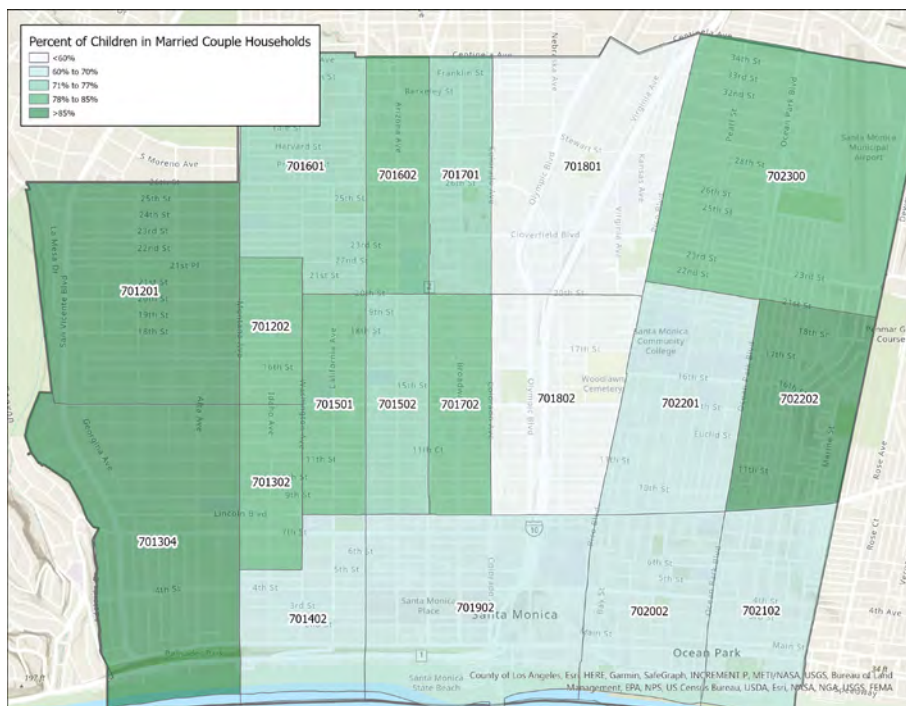


## 4. Familial Status

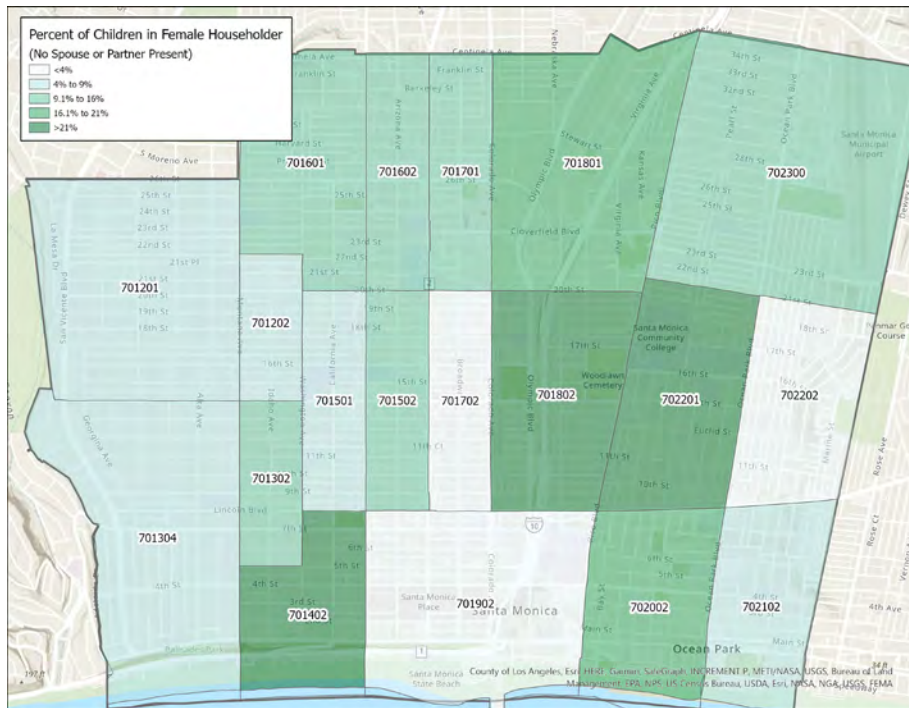
The Fair Housing Act (FHA) bans discrimination based on certain protected classes, including “familial status” which refers to households with at least one child under 18 years old. Appendix B indicates that in 2019, there were 7,750 family households with children under 18 years of age representing 17% of the City’s total households. Of this number, 5,716 are married couple family households, 1,381 are Female-Headed Households (no spouse), and 653 are Male-headed households (no spouse). Married couple families predominantly reside in the R-1 neighborhoods of the City as compared to single female headed families who are located in R-2 and R-3 neighborhoods.



Map 2-12: Married Couple Family Households with Children Under 18



**Map 2-13: Female Headed Households with Children Under 18**



### C. Disparities In Access To Opportunity

Where a person lives greatly influences their life outcomes. Housing and neighborhood choice are cornerstones of measuring fair housing and resident stability. A person’s educational attainment, economic mobility, health and well-being, to name a few, are directly impacted by exposure to poverty, neighborhood condition, and access to key opportunities such as high quality schools, jobs, transportation, economic development, and a healthy physical environment. Several agencies, including HUD and HCD in coordination with the California Tax Credit Allocation Committee (TCAC), have developed methodologies to assess and measure geographic disparities in access to opportunity (including education, poverty, transportation, and employment, and environmentally healthy neighborhoods) for areas throughout California.

HUD’s opportunity indices compare data indicators by race and ethnicity, for households below the poverty line, between jurisdictions and for the region overall. Figure 2-2 provides the City’s opportunity indices by census tracts or census block groups and Figure 2-3 provides indices by race.

**Figure 2-2: Santa Monica Access to Opportunity Indices**

Census Tract	Block Group	School Proficiency	Jobs Proficiency	Labor Market Index	Low Transportation Cost	Environmental Health	Low Poverty Index
701201	1	98	87	81	86	19	86
	2	96	91				
	3	96	91				
	4	98	87				
	5	98	91				
701202	1	96	92	97	74	7	74
	2	98	93				
701302	1	97	94	98	69	6	69
	2	97	93				
701304	1	99	88	97	70	0	70
	2	98	91				
	3	99	92				
	4	97	93				
701402	1	98	94	90	61	0	61
	2	98	93				
	3	98	93				
	4	97	94				
701501	1	96	94	96	77	4	77
	2	98	95				
	3	97	94				
701502	1	85	94	87	57	3	57
	2	85	95				
	3	97	94				
701601	1	66	93	95	93	8	93
	2	96	93				
	3	96	93				
	4	96	93				
701602	1	85	94	98	54	3	54
	2	85	93				
	3	85	94				
701701	1	85	94	73	64	3	64
	2	85	94				
	3	85	94				
701702	1	85	94	91	31	3	31
	2	85	95				
	3	97	94				

Census Tract	Block Group	School Proficiency	Jobs Proficiency	Labor Market Index	Low Transportation Cost	Environmental Health	Low Poverty Index
701801	1	84	95	50	46	4	46
	2	87	94				
	3	87	94				
	4	87	94				
	5	85	94				
701802	1	84	94	44	40	5	40
	2	84	94				
	3	71	94				
	4	73	95				
701902	1	95	93	61	39	0	39
	2	95	93				
	3	89	93				
702002	1	48	93	87	55	0	55
	2	76	92				
	3	76	93				
	4	76	93				
702102	1	48	88	89	59	0	59
	2	76	85				
	3	76	87				
	4	48	88				
	5	76	89				
	6	76	89				
	7	76	87				
702201	1	90	92	92	71	8	71
	2	85	91				
	3	85	93				
	4	71	93				
	5	71	91				
702202	1	85	87	94	70	7	70
	2	90	89				
	3	90	86				
	4	90	87				
	5	85	89				
702300	1	93	93	84	65	4	65
	2	70	89				
	3	93	92				
	4	93	93				
	5	93	93				



**Figure 2-3: Summary of the Opportunity Indicators by Race**

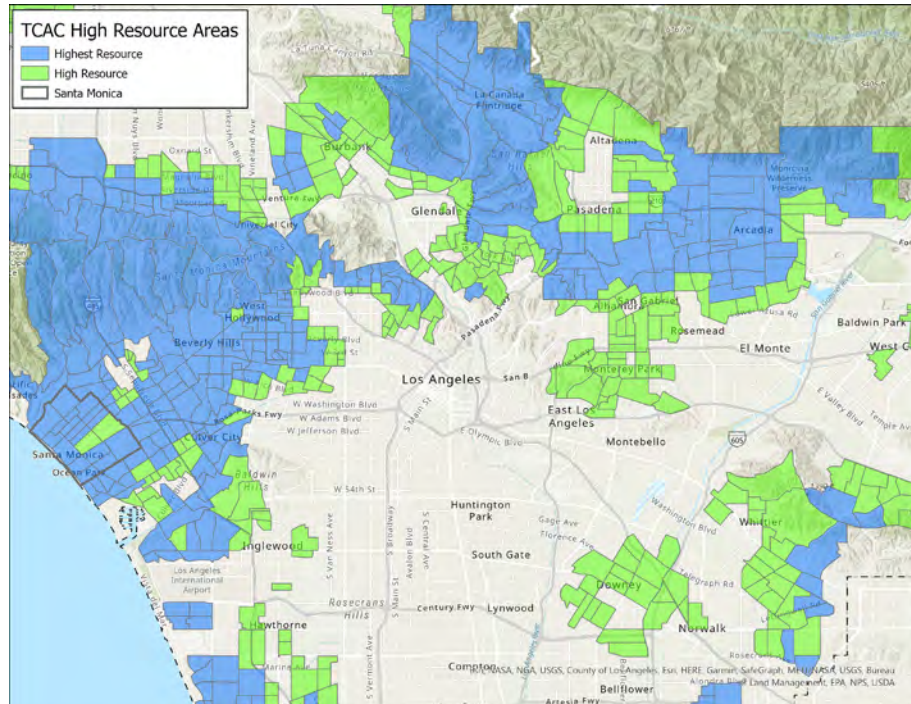
(Santa Monica, CA CDBG) Jurisdiction	School Proficiency Index	Labor Market Index	Jobs Proximity Index	Transit Index	Low Transportation Cost Index	Low Poverty Index	Environmental Health Index
<b>Total Population</b>							
White, Non-Hispanic	86.33	87.43	92.18	87.66	93.17	64.91	13.74
Black, Non-Hispanic	84.72	75.22	93.11	87.29	94.69	54.14	11.93
Hispanic	84.48	76.93	92.79	87.25	94.17	58.25	11.62
Asian or Pacific Islander, Non-Hispanic	86.66	83.66	92.59	87.15	93.36	63.72	12.73
Native American, Non-Hispanic	83.10	81.09	92.34	87.47	94.50	57.87	11.69
<b>Population below federal poverty line</b>							
White, Non-Hispanic	85.69	84.64	92.66	87.88	94.52	59.57	13.05
Black, Non-Hispanic	84.21	64.98	93.53	86.65	95.30	47.35	11.71
Hispanic	82.94	65.98	93.39	86.56	94.37	52.04	10.14
Asian or Pacific Islander, Non-Hispanic	84.85	83.21	92.67	86.81	93.67	57.06	10.83
Native American, Non-Hispanic	80.85	81.52	92.92	88.49	95.84	47.65	12.84
<b>(Los Angeles-Long Beach-Anaheim, CA) Region</b>							
<b>Total Population</b>							
White, Non-Hispanic	67.87	67.43	54.59	76.59	79.87	65.19	21.35
Black, Non-Hispanic	31.89	35.34	40.72	81.34	83.42	36.07	11.92
Hispanic	37.09	35.73	43.70	80.65	83.98	35.53	12.36
Asian or Pacific Islander, Non-Hispanic	62.18	57.64	51.11	78.82	82.35	55.03	13.13
Native American, Non-Hispanic	49.49	48.58	45.88	78.04	81.53	48.40	17.68
<b>Population below federal poverty line</b>							
White, Non-Hispanic	59.42	59.62	56.98	80.43	84.23	53.66	18.46
Black, Non-Hispanic	24.68	26.41	36.90	83.34	85.48	24.12	11.74
Hispanic	30.68	29.50	44.63	83.28	86.96	25.05	10.63
Asian or Pacific Islander, Non-Hispanic	57.18	51.41	52.88	82.27	86.69	45.45	11.05
Native American, Non-Hispanic	37.54	36.05	47.65	80.82	84.18	33.63	16.22

Note 1: Data Sources: Decennial Census; ACS; Great Schools; Common Core of Data; SABINS; LAI; LEHD; NATA

Note 2: To generate this table, index values were calculated for each census tract. These tract values were averaged and then weighted based on the distribution of people of different races and ethnicities within the CDBG jurisdiction, HOME jurisdiction, or CBSA to generate composite index values for each race and ethnicity. A similar process was applied to weight the data based on the distribution of people of different races and ethnicities who are living below the federal poverty line within the CDBG or HOME jurisdiction and CBSA. The population estimates are based on the 2010 Decennial Census at the census tract or block-group level, depending on the geographic level at which the index was originally calculated. Released June 2020

TCAC has also prepared opportunity maps to identify areas with the highest and lowest resources. The high resource areas are those areas, according to research, that offer low-income children and adults the best chance at economic advancement, high educational attainment, and good physical and mental health. As shown in Map 2-14 below, the City is generally considered a high resource, with census tract 701802 and 701801 having slightly less resource than the remaining areas of the City.

**Map 2-14: High Resource Areas**



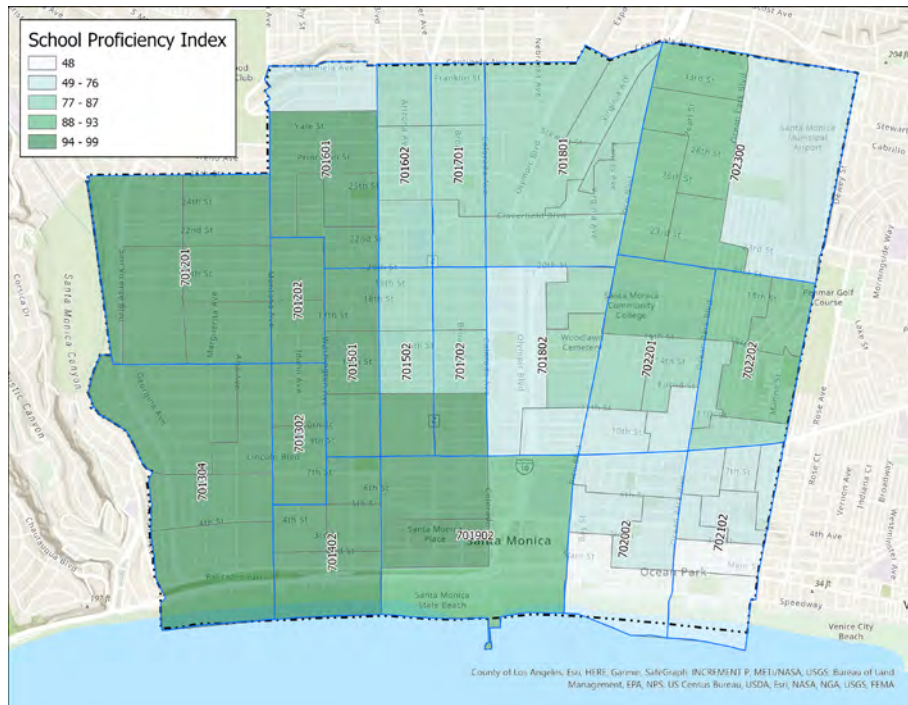
The City's designation as a high resource area is largely attributed to the availability of high performing schools, numerous employment opportunities, easy access to low cost transportation, and environmentally healthy neighborhoods. The analysis of Access to Opportunity summarized below is based on the AFH:

### 1. Access to Schools

Since there are only three middle/high schools in Santa Monica, disparities in school proficiency are most relevant to elementary school education. This is especially true because elementary school education builds the foundation for success in secondary and post-secondary education, and those without a strong foundation often struggle to catch up to their peers as they mature. As illustrated by Map 2-15, the northern half of the City has significantly higher school proficiency index numbers than the southern half, with a notable dip in proficiency in the Pico, Mid-City, and Ocean Park neighborhoods. This closely correlates with wealthier households, single-unit zoning, and concentrations of White

households. Despite these internal disparities, children in the City regardless of race generally have very high access to proficient schools, with most school proficiency index numbers above the 70s. With such proficient schools, Santa Monica generally far outperforms the region as a whole.

**Map 2-15: School Proficiency Index Map**



## 2. Access to Employment

In the City of Santa Monica, disparities in job proximity are generally modest with Black residents experiencing greater slightly greater job proximity followed by Hispanic and Asian American and Pacific Islander residents, with White residents having the lowest job proximity. This indicates that people of color in the City are more likely to live closer to their jobs, within the commercial areas.

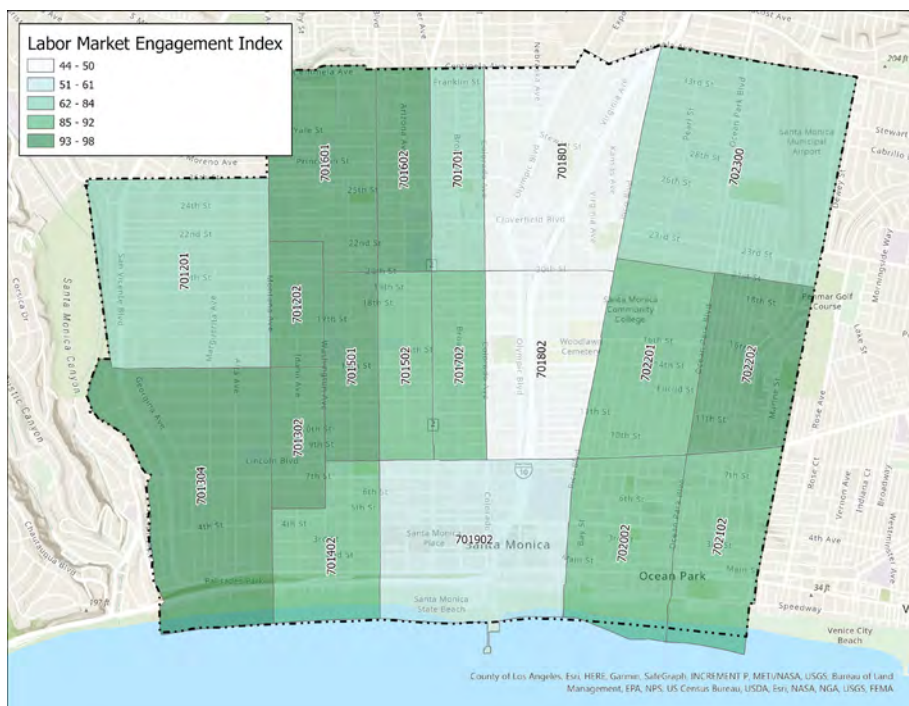
With respect to labor market engagement, disparities are somewhat larger. The order in which groups live in neighborhoods with high labor market engagement is, for the most part, reversed (meaning that Whites tend to live in areas with higher labor market engagement while population of color tend to live in areas with lower labor market engagement). One qualification to that overall trend is that Asian Americans and Pacific Islanders live in areas with significantly higher labor market engagement than do Hispanics.

In the City of Santa Monica, disparities in labor market engagement, but not in job proximity, are driven by residential patterns. Black and Hispanic residents, including residents of Mexican national origin, are disproportionately likely to live in the Pico neighborhood while areas such as North of Montana,

North of Wilshire, and Sunset Park are more heavily White. As shown in Map 2-16, two Census Tracts that include parts of the Pico neighborhood have Labor Market Indices of 44 and 50, respectively. Of the nine Block Groups in those two Census Tracts, seven are majority non-White. At the same time, the vast majority of Block Groups in Census Tracts with Labor Market Indices of 90 or above have White population concentrations of 70% or more. White residents live in areas that, by far, have the highest labor market engagement. Asian American and Pacific Islander residents live in areas with significantly lower labor market engagement, but the difference is most dramatic for Black and Hispanic residents.

In the region, there are virtually no differences in job proximity by race and ethnicity. Hispanic residents have slightly lower job proximity than other groups, but the disparity is minute. With respect to labor market engagement, however, there are significant disparities. In the region, areas with high labor market engagement are areas with disproportionately high White populations including the City of Santa Monica, westside neighborhoods within Los Angeles such as West Los Angeles, and adjacent cities like West Hollywood and Beverly Hills; neighborhoods of Los Angeles within communities in the southern or western portion of the San Fernando Valley including like Sherman Oaks, Encino, Tarzana, and Woodland Hills; the cities of Pasadena; Manhattan Beach, Hermosa Beach, Redondo Beach, and Palos Verdes in southern Los Angeles County; and most of Orange County outside of the diverse communities of Anaheim, Garden Grove, Santa Ana, and Westminster.

**Map 2-16: Labor Market Engagement Index Map**

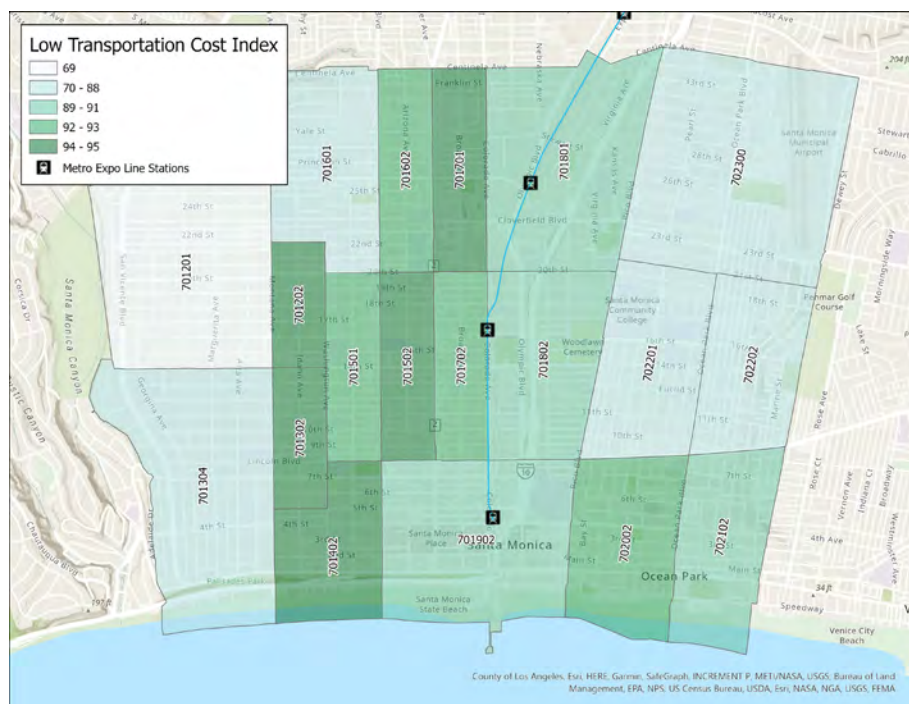




### 3. Access to Transportation

The City of Santa Monica has very high levels of utilization of transit. Overall, as shown in Map 2-17, there is very good access to low-cost public transportation, with high transportation indices (i.e., high access to transportation) for the census tracts located along the City's major boulevards (Wilshire Boulevard, Santa Monica Boulevard, Colorado Avenue). The areas with the lowest access to low-cost transportation (lowest transportation cost index), such as the northeast tract, also have the lowest levels of public transit utilization. Santa Monica is serviced by the Metro "E" (Expo) Light Rail Line, which directly connects Santa Monica to Downtown Los Angeles by rail, and provides for additional rail access to as well as Pasadena, the San Fernando Valley, the South Bay, Long Beach, and points in between. The City is also serviced by Big Blue Bus, which departs the LAX City Bus Center with two lines that run through Santa Monica. These connections to and the extensive LA Metro bus system and light rail network help to make the Region's transportation system fairly integrated. Santa Monica is fairly small and compact, and well-served by public transport. There do not seem to be any great disparities based on residential living patterns. In the Region, however, disparities in access to transportation are far more evident, and heavily dependent on residential living patterns.

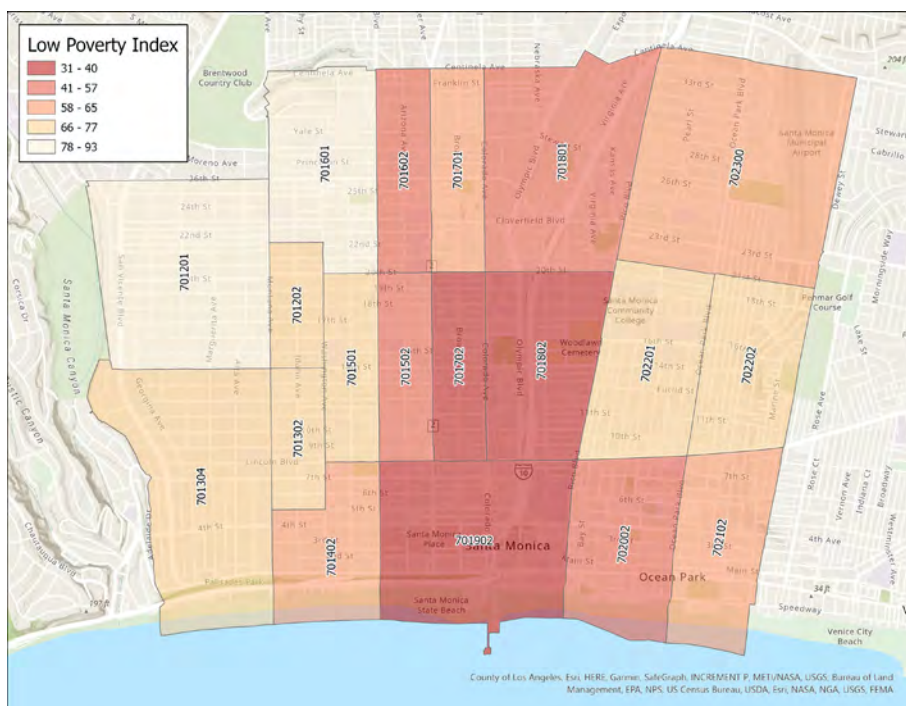
Map 2-17: Low Transportation Cost Index Map



#### 4. Access to Low Poverty Neighborhoods

In the City of Santa Monica, access to low poverty neighborhoods is closely linked to residential patterns of racial and ethnic concentration. Map 2-18 shows the low poverty indices for the City. The areas with the lowest Low Poverty Indices and thus the highest concentrations of poverty are in the Pico neighborhood and the immediate vicinity of Downtown Santa Monica. These areas have higher concentrations of Black and Hispanic households than the city as a whole. By contrast, the North of Wilshire and North of Montana neighborhoods, with higher White populations, both have higher Low Poverty Indices and thus lower concentrations of poverty. In the City of Santa Monica, Black and Hispanic households have lower access to low poverty neighborhoods than do White and Asian American or Pacific Islander households. The disparities are significant but not extreme.

Map 2-18: Low Poverty Index

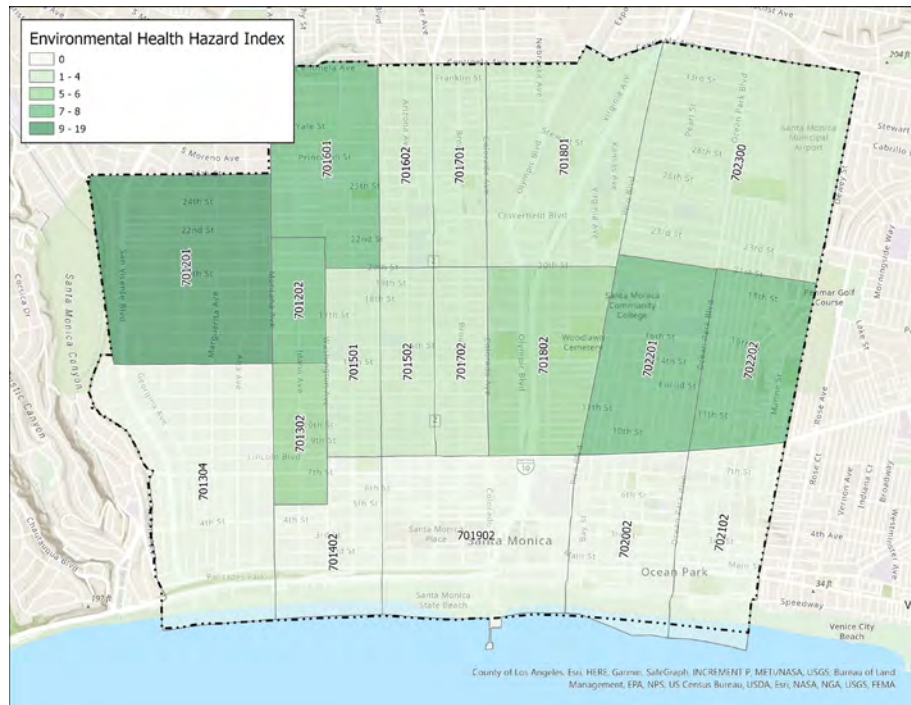


#### 5. Access to Environmentally Healthy Neighborhoods

Map 2-19 which shows the Environmental Health Hazard indices across the City and substantiates the view that there are significant differences in environmental health between neighborhoods and that those disparities are correlated with neighborhood demographics. The eastern area of NOMA and Northeast neighborhood of the City are the most environmentally healthy than other areas in the City, and have the highest environmental health indices. The Pico neighborhood, current and former industrial areas of the Industrial Conservation zones, and Downtown Santa Monica are more heavily affected by their proximity to the I-10 freeway than are more heavily White neighborhoods

like North of Wilshire and North of Montana. The Pico neighborhood and Downtown Santa Monica have the lowest Environmental Health Hazard indices, indicating adverse environmental conditions, while the North of Montana neighborhood has the highest indices (Map 2-19).

**Map 2-19: Environmental Health Index**



*Green spaces like Reed Park help to improve the health of a neighborhood, whereas industrial uses like the City Yards in the Pico neighborhood negatively impact the health of a neighborhood.*

## D. Disproportionate Housing Needs

Disproportionate Housing Needs generally refers to a condition in which there are significant disparities in the proportion of members of a protected class experiencing a category of housing need when compared to the proportion of members of any other relevant groups, or the total population experiencing that category of housing need in the applicable geographic area. According to the California Department of Housing and Community Development, categories of housing need are based on such factors as cost burden and severe cost burden, overcrowding, homelessness, and substandard housing conditions.

### 1. Cost Burden and Overpayment

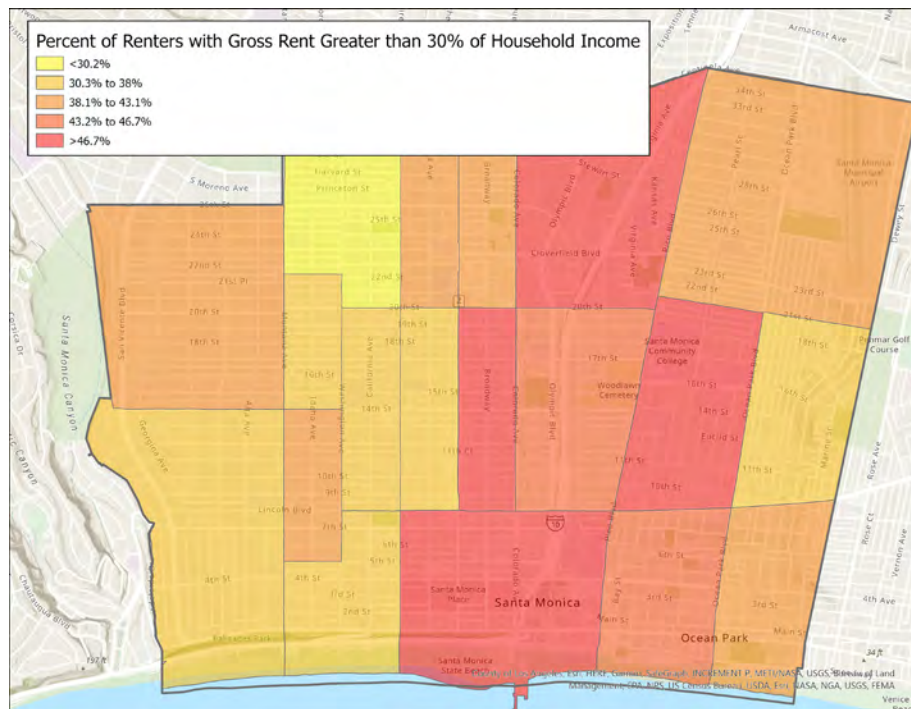
The general rule is that no more than 30% of gross monthly income should be spent on housing. Households that spend more than this percentage are considered to be "housing cost burdened". Severely cost burdened households are those households spending greater than 50% of income on housing. As further detailed in Appendix B and shown below, renter households are significantly more cost-burdened compared to homeowners, with 31.6 percent of renter households burdened by housing costs compared to 9.5 percent of owner households, as shown by Figure 2-4. The areas with the most cost burdened renter households are located in Downtown, and the areas along the I-10 freeway (Map 2-20), while the areas with the most cost burdened owner households are located in the Downtown, north of Downtown, and a couple census tracts south of the I-10 freeway (Map 2-21).

**Figure 2-4: Cost Burden and Overpayment for Renters and Homeowners**

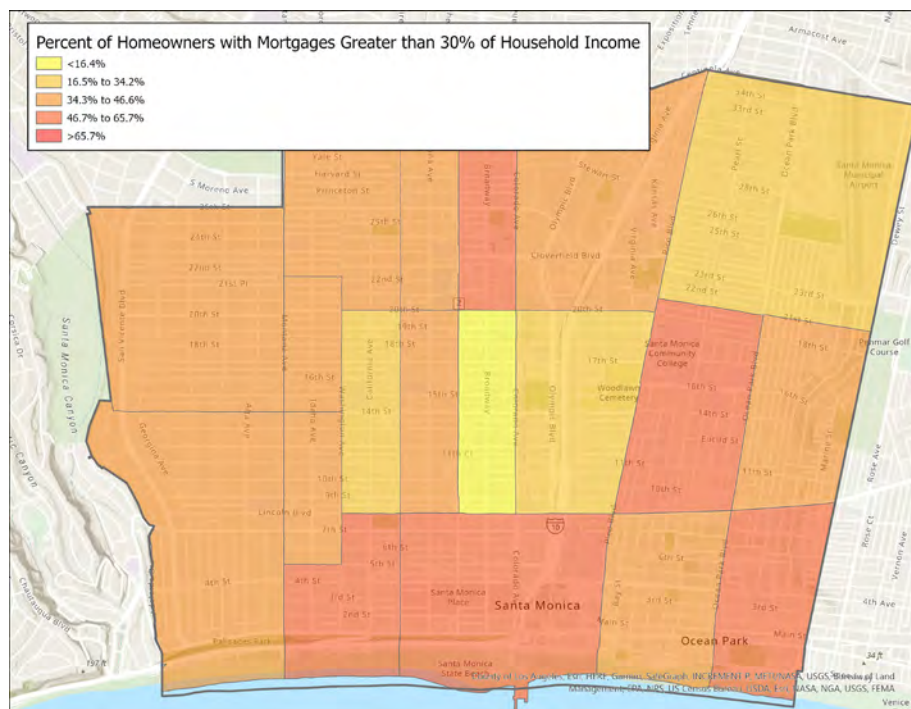
Households	Renters		Owners		Total Renters and Owners	
	Cost Burdened	Total	Cost Burdened	Total	Cost Burdened	% of Citywide
Extremely Low Income (0-30% AMI)	5,055	6,145	825	975	7,120	15.4%
Very Low Income (31-50% AMI)	2,815	3,320	555	770	26,490	8.8%
Low Income (51-80% AMI)	2,880	4,220	725	1,180	5,400	11.6%
Moderate Income (80-100% AMI)	1,690	2,685	320	570	7,120	7.0%
Above 100% AMI	2,220	17,135	2,020	9,355	26,490	57.1%
Total	14,660	33,505	4,445	12,855	46,360	15.4%
% of Total Households	31.6%		9.5%			



**Map 2-20: Cost Burdened Renter Households**



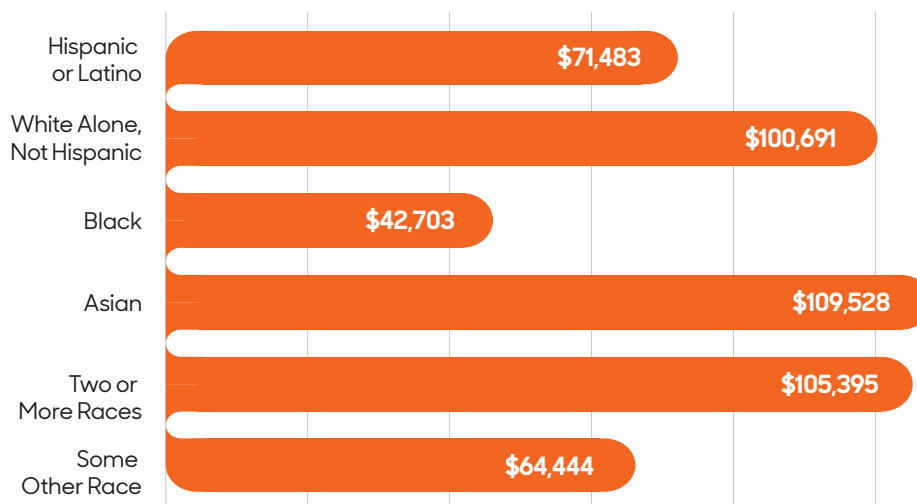
**Map 2-21: Cost Burdened Owner Households**



Even after the 1968 passage of the Fair Housing Act, people of color have continued to experience housing inequalities across the nation and within the City. As described in Appendix B Housing Needs Assessment, Black/African American and Hispanic/Latino households in the City have the lowest homeownership rates at 8% and 18%, respectively, far less than the 30% home ownership rate for White households.

Additionally, these households of color pay a greater share of their income towards housing costs given that they have the lowest median household incomes. In the City, Black/African American and Hispanic/Latino households have median incomes of \$42,703 and \$71,483 respectively, far below the citywide median of \$96,570 (Figure 2-5). With the high cost of housing coupled with low wages, approximately 11.7% of Black and 8.6% of Hispanic/Latino family households in the City were cost-burdened even before the COVID19 pandemic. These cost-burdened households are at greater risk of poverty and homelessness.

**Figure 2-5: Median Household Income by Race**

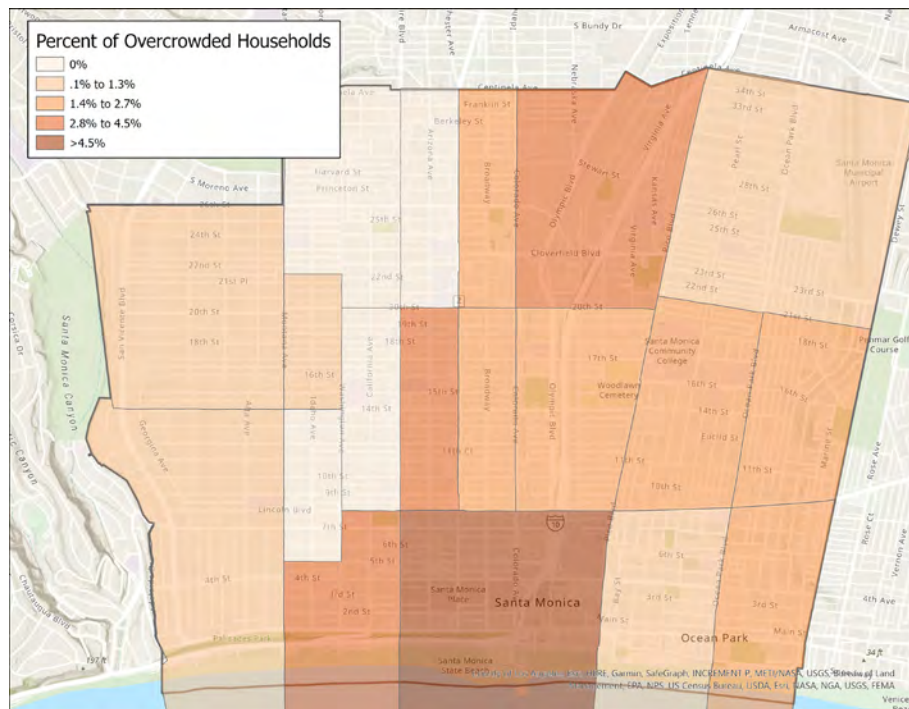


## 2. Overcrowding

Appendix B provides data on household size and overcrowding. The average household size in the City is 1.99. 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. In 2019, 185 owner occupied households and 1,360 renter occupied households were determined to be overcrowded for a total of 1,545 households (3.2% of total City households).

Map 2-22 shows the trends of overcrowded households in the City by census tract. The tract with the most overcrowded households located in Downtown. The percentages of overcrowded households for all census tracts in the City are less than the statewide average of 8.2 percent.

## Map 2-22: Overcrowded Households



Additionally, Black and Hispanic/Latino Households are more likely to be subject to overcrowding or substandard housing conditions (see Appendix B).

### 3. Homelessness

The surge of homelessness is becoming an urgent reality for many in the City. As detailed further in Appendix B, based on the most recent point in time count, there are approximately 907 homeless individuals in Santa Monica on any given night. In the greater LA region, that number is closer to 66,000. Rising rents, stagnant wages, and a decreased supply of affordable housing means that almost 7,000 people in LA County lose their housing every month. While the last count in 2020 showed positive results including an 8% decrease in Santa Monica compared to a 13% increase countywide, COVID-19 has exacerbated Los Angeles County's twin crises of housing and homelessness, and stymied interventions due to limited shelter capacity and an overburdened court system.

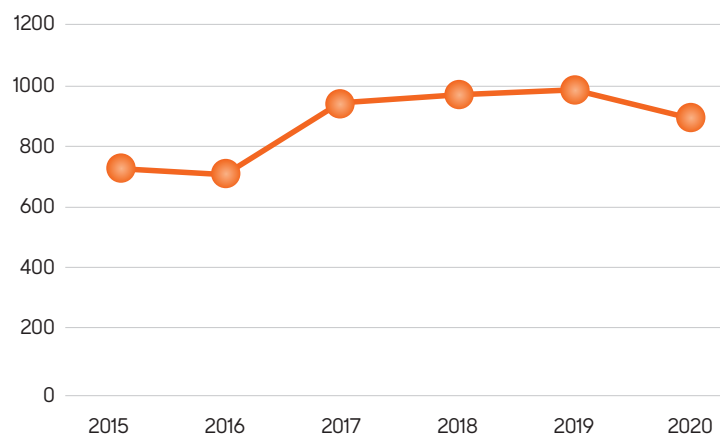
Racial inequities in housing undoubtedly has worsened due to the pandemic. While the pandemic has affected employment nationwide, its effects have been disproportionate. The job loss has been particularly dire for Blacks/African American and Latinos who experienced exceptionally high levels of unemployment and slow rates of job recovery, and therefore, are most vulnerable to losing their homes.

### COVID-19 Effects on People of Color

- Almost quarter of Black and Latino renters did not pay or deferred rent in May 2020, compared with 14 percent of white renters.
- While a quarter of white renters expressed slight or no confidence in their ability to pay rent in June 2020, nearly half of Black and Latino renters expressed similar concern.

Source: US Census Bureau weekly Household Pulse Survey

Figure 2-6: Santa Monica Homeless Count, 2015 - 2020



### 4. Substandard Housing Conditions

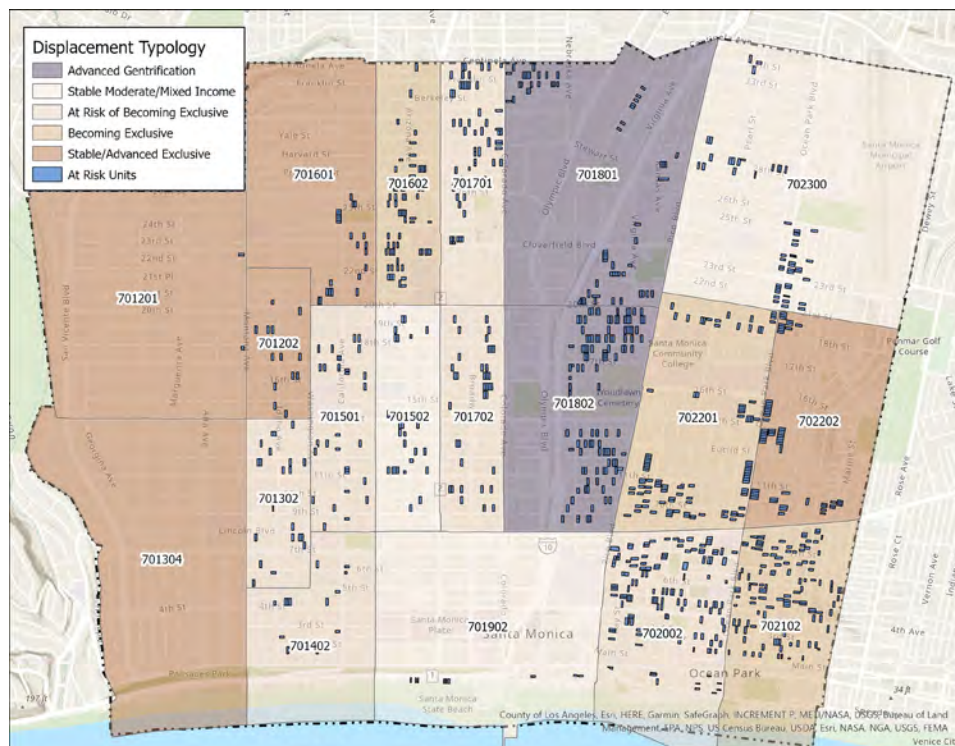
Most residential structures begin to show signs of deterioration as they approach 30 years, and often begin to require rehabilitation work to their major components, such as roofing, siding, plumbing, and electrical systems. As provided in greater detail in Appendix B, the 2019 ACS data show that almost 85% of housing in Santa Monica is more than 30 years old (i.e., built before 1990). This is much higher than the 68% measured in 2000, because Santa Monica experienced a major multi-unit construction boom in the 1970s.

The age of a structure does not necessarily equate to substandard conditions, however. Over time, building owners may have performed improvements as necessary to keep the unit in competitive market. Furthermore, many units may have been rehabilitated following the 1994 Northridge Earthquake, which resulted in many buildings being damaged. Another tool to evaluate the condition of housing is through review of Code Enforcement cases regarding violations of the City's as well as building and safety codes. Since 2015, the City has opened 222 Code violations related to substandard housing conditions.

## E. Displacement Risk

The Urban Displacement Project (UDP) is a research initiative of UC Berkeley that conducts research related to potential gentrification and displacement risks in various cities, including Santa Monica and Los Angeles. Risks are based on a number of factors, such as income levels of households, diversity of neighborhoods, and changing housing costs. Map 2-23 shows the displacement assessment of census tracts in the City. As shown, Census Tract 701802 is the most vulnerable to displacement. Based on the City’s review of residential buildings that are older than 1980 (i.e. more than 40 years old) and that are underdeveloped relative to its underlying maximum allowable density, up to 274 units are considered at risk of displacement in this census tract.

**Map 2-23: Displacement Risk in the City**



## F. Fair Housing Issues And Local Contributing Factors

During the preparation of the AFH, the City led numerous outreach efforts with various stakeholders and conducted extensive analysis to identify factors that are barriers to fair housing. These factors were prioritized as shown in Figure 2-7.



**Figure 2-7: Barriers to Fair Housing**

High Priority
<ol style="list-style-type: none"><li>1. Displacement of residents due to economic pressures</li><li>2. Impediments to mobility</li><li>3. Lack of access to opportunity due to high housing costs</li><li>4. Lack of affordable, accessible housing in a range of unit sizes</li><li>5. Land use and zoning laws</li><li>6. Private discrimination</li></ol>
Medium Priority
<ol style="list-style-type: none"><li>1. Availability of affordable units in a range of sizes</li><li>2. Community Opposition</li><li>3. Lack of affordable, integrated housing for individuals who need supportive services</li><li>4. Lack of assistance for transitioning from institutional settings to integrated housing</li><li>5. Lack of local or regional cooperation</li><li>6. Lack of meaningful language access for individuals with limited English proficiency</li><li>7. Location and type of affordable housing</li><li>8. Location of proficient schools and school assignment policies</li><li>9. Loss of affordable housing</li><li>10. Siting selection policies, practices, and decisions for publicly supported housing, including discretionary aspects of Qualified Allocation Plans and other programs</li><li>11. Source of income discrimination</li></ol>
Low Priority
<ol style="list-style-type: none"><li>1. Access for persons with disabilities to proficient schools</li><li>2. Access to financial services</li><li>3. Access to publicly supported housing for persons with disabilities</li><li>4. Access to transportation for persons with disabilities</li><li>5. Admissions and occupancy policies and procedures, including preferences in publicly supported housing</li><li>6. Availability, type, frequency, and reliability of public transportation</li><li>7. Deteriorated and abandoned properties</li><li>8. Displacement of and/or lack of housing support for victims of domestic violence, dating violence, sexual assault, and stalking</li><li>9. Inaccessible public or private infrastructure</li><li>10. Inaccessible government facilities or services</li><li>11. Lack of affordable in-home or community-based supportive services</li><li>12. Lack of assistance for housing accessibility modifications</li><li>13. Lack of community revitalization strategies</li><li>14. Lack of local private fair housing outreach and enforcement</li><li>15. Lack of local public fair housing enforcement</li><li>16. Lack of public investment in specific neighborhoods, including services or amenities</li><li>17. Lack of private investment in specific neighborhoods</li><li>18. Lack of resources for fair housing agencies and organizations</li><li>19. Lack of state or local fair housing laws</li><li>20. Lending discrimination</li><li>21. Location of accessible housing</li><li>22. Location of employers</li><li>23. Location of environmental health hazards</li><li>24. Occupancy codes and restrictions</li><li>25. Quality of affordable housing information programs</li><li>26. Regulatory barriers to providing housing and supportive services for persons with disabilities</li></ol>

The “High Priority” factors identified in the AFH are consistent with public input received during the public outreach process for the Housing Element (see Appendix A). While the City has been a leader in the production of affordable housing for the past few decades and implements a number of actions and programs to address fair housing, factors such as the high cost of housing, existing zoning, and economic pressures compounded with patterns of segregation have made it very difficult for households of color to live in the City. These factors are summarized briefly below in Figure 2-8:

**Figure 2-8: Summary of Fair Housing Issues and Local Conditions**

Fair Housing Issue Identified	High Priority Significant Contributing Factors
<p>Integration and Segregation; Disproportionate Housing Needs; Publicly Supported Housing</p>	<p><b>Displacement of residents due to economic pressures</b>            Santa Monica’s rent control law applies to most residential rental buildings constructed prior to 1979 and to certain single-family homes and condos. However, the Costa-Hawkins Rental Housing Act allows owners to raise the rents of rent-controlled units when tenants relocate or are evicted for non-payment. In addition, the Ellis Act gives property owners the right to exit the rental business, thereby evicting all of their tenants in one fell swoop (usually in the wake of a major remodel or transitioning to condo ownership). Rent-control evictions are on the rise in Santa Monica.</p>
<p>Integration and Segregation; Disparities in Access to Opportunity; Publicly Supported Housing</p>	<p><b>Impediments to Mobility</b>            There is not a mobility counseling program for Housing Choice Voucher holders assisted by the largest public housing authorities in the Region: the Housing Authority of the City of Los Angeles and the Housing Authority of the County of Los Angeles. As a result, there are informational gaps that impede some residents of heavily Black and Hispanic neighborhoods in the Region from utilizing their assistance to move to high opportunity areas like Santa Monica, other parts of the West Side, coastal and southern Orange County, and the southwestern portions of the San Fernando Valley. Because of the small geographic footprint of the City of Santa Monica, the lack of mobility counseling is a less significant reinforcement of segregation in that local context. Additionally, although the Santa Monica Housing Authority utilizes exception payment standards to bring more apartments in Santa Monica within reach of Housing Choice Voucher holders, housing costs are so high in the city that even higher payment standards may be appropriate.</p>
<p>Disparities in Access to Opportunity; Disproportionate Housing Needs; Publicly Supported Housing</p>	<p><b>High housing costs</b>            Housing prices within the city of Santa Monica are very high as indicated in Appendix B. Despite the high costs, Santa Monica has taken steps to protect housing stock. The city charter has an inclusionary zoning provision that requires not less than 30% of all newly constructed multifamily housing to be reserved for moderate or low-income families. Santa Monica has also implemented rent control since 1979. It covers all units constructed prior to passage, some units constructed after passage, and in contrast to typical rent control provisions, also covers some single family homes. In the past few Housing Element cycles, Santa Monica has exceeded its RHNA for low income units. In addition, there are approximately 1,000 LIHTC units currently in existence and earmarked for low-income households. However, these provisions largely protect those living in currently Santa Monica. Despite proximity to Los Angeles and the existence of opportunities within the city, those who don’t currently live in Santa Monica are priced out of living in the city and accessing resources or opportunity the city has to offer. Based on income and family sizes, those who are priced out will tend to be disproportionately Black, Hispanic, and with larger families.</p>

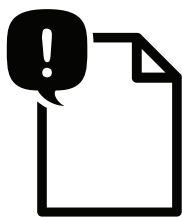
Fair Housing Issue Identified	High Priority Significant Contributing Factors
<p>Integration and Segregation; Disproportionate Housing Needs</p>	<p><b>Lack of affordable, accessible housing in a range of unit sizes</b></p> <p>Persons with disabilities in Santa Monica disproportionately have low incomes and live in poverty, thus increasing their relative need for affordable housing. In light of the broader affordable housing shortage in the city and the Region, there is a shortage for persons with disabilities. The vast majority of LIHTC units in the area were put into service from 1991–onward, thus conforming with modern accessibility standards. Publicly supported housing is also subject to the modification requirements of Section 504 of the Rehabilitation Act. Nevertheless, new affordable, multifamily units – those that are most likely to be both affordable and accessible – are too few in number to meet the total need. Supportive housing developments often consist primarily or exclusively of one–bedroom apartments. When it comes to supportive housing for persons with disabilities, although the demand likely consists primarily of a need for one–bedroom units, there are individuals at risk of institutionalization who have dependent children and persons with disabilities who need a live–in aide with their own bedroom. Including a mix of a small number of two– and even three–bedroom units in developments with a supportive housing component would foster greater community integration.</p>
<p>Segregation, R/ECAPs (in the Region), Disparities in Access to Opportunity, Disproportionate Housing Needs, Publicly Supported Housing, and Disability and Access</p>	<p><b>Land use and zoning laws</b></p> <p>Santa Monica is very compact, roughly rectangular, abutting the ocean, and just 8.3 square miles. The street layout and zoning and is very efficient, with the downtown area located along the beach and down the center of the city. Single–unit zoning is located on the northern and southern ends of the City, with denser zoning toward the center of the City and the main transportation thoroughfares. Specifically, neighborhoods like North of Montana and Sunset Park that are disproportionately White are primarily zoned for single–family homes. The problem is most severe in the North of Montana neighborhood.</p> <p>The high housing cost of single family homes and the single family home–restricted zoning on either end of the City functionally restricts racial diversity in these neighborhoods, as shown by the disproportionately White and Asian American populations of the neighborhoods. However, Santa Monica has also had an inclusionary housing program in place for 30 years within the Santa Monica Municipal Code (Affordable Housing Production Program) that requires developers to abide by affordable housing requirements, such as designating portions of their buildings for moderate–, low–, very low–, and extremely low–income rental housing. The City also has a Housing Trust Fund to finance the development, construction, and duration of affordable housing.</p>
<p>Segregation</p>	<p><b>Private discrimination</b></p> <p>Given Santa Monica’s very progressive stance and expansive state and local anti–discrimination provisions, the majority of housing discrimination in the city occurs privately, rather than at the hands of the city or state. At Santa Monica Legal Aid, most of the complaints received detail discrimination based on a tenant’s disability, particularly complaints regarding denied request for a reasonable accommodation or modification. The second largest category is Section 8 discrimination, despite Santa Monica’s explicit prohibition against source of income discrimination. The third largest category is discrimination based on familial status. Santa Monica Legal Aid coordinates with the Santa Monica City Attorney’s office to investigate and resolve these complaints, including initiating lawsuits when necessary.</p>

## G. Fair Housing Enforcement And Outreach Capacity

The City of Santa Monica takes fair housing laws seriously and has enacted a number of local laws in support of fair housing including:

- Chapter 4.28 of SMMC, addressing fair housing for families with children, disability, and source of income discrimination
- Chapter 4.40 of SMMC addressing fair housing regardless of sexual orientation or domestic partnership
- Chapter 4.52 of SMMC addressing fair housing for persons living with HIV/AIDS
- Chapter 9.49 of SMMC, addressing reasonable accommodations for persons with disabilities

The City continues to promote fair housing and prevent housing discrimination. The Public Rights Division (PRD) of the City Attorney's Office enforces Fair Housing Laws, and actively accepts, investigates, and resolves fair housing complaints. The PRD does this through sending demand letters to offending parties, coordinating with the Legal Aid Foundation of Los Angeles, and suing offending parties directly. As part of its investigations and enforcement in fair housing case, the City has continued to enforce local ordinance and State law outlawing housing discrimination based on source of income, such as rental housing vouchers. In 2020, the City responded to 43 fair housing complaints, and in fiscal year 2020–2021, the program resulted in ensuring several dozen landlords will accept Section 8 vouchers, in compliance with State law. The City also funds Legal Aid Foundation of Los Angeles (LAFLA) to pursue fair housing enforcement. Additionally, the City's Code Compliance staff are available to help relocate people, if necessary. The Santa Monica Police Department is also committed to investigating and resolving hate crimes that may occur in the housing context. Unresolved fair housing violations are not a significant contributing factor to fair housing issues, as the City of Santa Monica actively pursues enforcement.



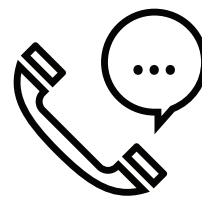
43

Fair housing complaints responded to in 2021



200+

Hours of dedicated City staff time for fair housing outreach and enforcement



13,000

Inquiries on tenant rights handled annually



The PRD also enforces the City's Tenant Harassment Ordinance, and the City's Rent Control Board monitors evictions and advises Santa Monica tenants of their rights. The Rent Control Board continues to engage the community about the protections under 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. More than 13,000 inquiries are handled annually. The Board monitors owner-occupancy evictions to ensure that grounds for eviction is not abused and an inter-departmental task-force addresses issues related to withdrawals under the Ellis Act and the current use of those properties that have been withdrawn from the rental market.

Other recent actions the City has enacted to assure that tenants are not discriminated against or harassed by building owners and address fair housing issues, particularly displacement protection, include:

- In 2010, the Just Cause Eviction protections that were available only for tenants in rent-controlled units, 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 Anti-Harassment Ordinance to all tenants with just cause eviction protections.
- In 2015, the City Council amended the City's fair housing ordinance to include source of income as a protected class and included a pioneering definition of "Source of Income" that included rental housing assistance such as the Section 8 Housing Voucher Program.
- On May 22, 2018, the City Council adopted an ordinance which extends specific tenant protections to households with either educators or students under the age of 18 if the notice of termination falls during the school year.
- In March of 2020, the City issued the first of a series of emergency orders that protected tenants from evictions during the pandemic and economic emergency.

In addition to enforcement, the PRD also annually conducts a campaign to improve community awareness of fair housing laws and spends over \$2,500 to undertake fair housing activities including public awareness and advertising in efforts to eliminate housing discrimination in the City. Prior to the COVID19 pandemic, the PRD hosted an annual fair housing workshop that is attended by hundreds of people. The PRD also regularly publishes articles about fair housing in the Santa Monica Daily Press and produces outreach videos on housing. In 2020-2021, the City sponsored or participated in fair housing webinars to promote community awareness and education. Approximately 200 staff hours are dedicated annually in fair housing enforcement work and community outreach.

## H. Summary And Actions To Affirmatively Further Fair Housing

### 1. Current Actions

The City of Santa Monica has adopted numerous policies and actions to protect existing housing stock, prevent discrimination, protect tenants from displacement, and increase the supply of affordable housing, including rent control that has been in place for over 40 years. Santa Monica's anti-discrimination and strong tenant protections include just-cause evictions, anti-tenant harassment laws, and notice of tenant buyouts; prohibitions on source of income discrimination; the Preserving Our Diversity (POD) program which provides cash-based assistance to low-income seniors; and anti-discrimination laws that afford protections beyond the federal Fair Housing Act and the California Fair Employment and Housing Act. A few of Santa Monica's current actions to enhance housing mobility, provide housing choice and affordability, and prevent displacement are highlighted below:

#### *Rent Control Law*

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. The Regulations were adopted by the Rent Control Board to implement and enforce the Rent Control Law. The rent control provisions cover single-family homes, duplexes, triplexes, and apartment buildings. The City's rent control provides tenant protections and seeks to preserve existing housing stock and maintain naturally occurring affordable housing for its residents. Primary functions of the Rent Control Board include controlling rent amounts, maintaining amenities and services for tenants, provide for only "just cause" evictions, and limiting the removal of controlled units from the rental market, all in efforts to ensure tenant stability and preserving existing housing stock and its affordability. Under the City's rent control law, tenants may only be evicted if they are at-fault or the landlord wishes to move themselves or their family into the unit.

#### *Proposition R (1990) and the Affordable Housing Production Program*

Proposition R was passed in 1990 by the voters, and requires that 30% of all new multifamily housing in the City be affordable to low- and moderate-income households. The Affordable Housing Production Program (AHPP) implements Proposition R, making the creation of affordable housing mandatory as part of the development of market-rate apartment and condominium buildings. Developers of new multifamily buildings are required to contribute to affordable housing in Santa Monica, including :

- Constructing inclusionary affordable residences onsite in a development.
- Constructing affordable residences offsite in another development.
- Paying an affordable housing fee that is used by the City to subsidize affordable housing developments and are deposited into the Citywide Housing Trust Fund.

The City continues to comply with the Proposition R affordable housing production mandate of 30% affordability in the long-term; between fiscal year 1996-97 through FY 2018-19, 38% of all multifamily housing constructed (5,346 total), pursuant to Proposition R, is affordable. The City has exceeded the goals of Proposition R, with 40 percent of all new housing built over the past 20 years being deed-restricted for occupancy by low- and moderate-income households. The City's Affordable Housing Production Program has produced more than 800 units.

### *Housing Trust Fund*

Additionally, the City has a Housing Trust Fund. Funds come primarily from redevelopment loan repayments and the stream of ongoing revenue provided by the voter-approved sales tax, Measures GS/GSH. The Housing Trust Funds has supported the production of over 1,200 very low and low-income affordable units over the same time period in addition to acquisition and rehabilitation of existing units and rental subsidies to help keep Santa Monicans housed.

### *Section 8 Housing Choice Voucher Program*

Santa Monica also has made considerable investments into expanding new housing choice and opportunities for low-income households. The Santa Monica Housing Authority operates the Section 8 Housing Choice Voucher program, which provides rental housing vouchers to extremely low- and very low-income households with rent subsidies to bridge the gap between what the household can afford and market rents. Further, the City has been active in preserving affordable housing for seniors through Project-Based vouchers that fund the rehab of affordable units and prevent them from becoming market rate units.

### *Santa Monica's Approach to Addressing Homelessness*

Santa Monica also has a long history of investing in housing and supportive services to prevent and address the impacts of homelessness. The City's homeless service system has evolved significantly over 40 years and is nationally recognized as an innovative model that addresses the complex issues that contribute to long and repeated episodes of homelessness. On March 26, 2019, the City introduced the Four "Pillars" upon which the City's homeless strategies are built:

- Preventing housed Santa Monicans from becoming homeless and increasing affordable housing opportunities;
- Addressing the behavioral health needs of vulnerable residents;
- Maintaining equitable access to safe, fun, and healthy open spaces; and
- Strengthening regional capacity to address homelessness.

These strategies have been implemented through interdepartmental and community partnerships that contributed to a sustained reduction in homelessness in the downtown and beach areas, as well as an overall 8% reduction in the City's 2020 Point-In-Time homeless count. In February 2021, in response to the economic and housing challenges brought on by the COVID19 pandemic, the City reaffirmed its commitment to addressing homelessness. In addition to continuing the multi-disciplinary street teams and the Reed Park Ambassador program through June 2023, Council prioritized the following additional strategies for consideration during the forthcoming biennial budget process.

- Extended Emergency Rental Assistance to prevent residents from falling into homelessness.
- An alternative non-congregate shelter on City property.
- A behavioral health triage center.
- Low acuity crisis response unit in the Santa Monica Fire Department.

Even with the City's residential protections, programs, and incentives at addressing fair housing issues, the lack of affordable housing to meet the housing needs of low- and moderate income residents, especially for people of color, continue to remain a challenge.

### *Pilot Right to Return Program*

Most recently on July 13, 2021, Santa Monica City Council made changes to Santa Monica's Affordable Housing Production Program and Housing Trust Fund to address past urban renewal policies that displaced many households of color. Specifically, the City's affordable housing waitlist priority will be modified to include those former residents who were displaced by the creation of the Civic Auditorium in the Belmar Triangle neighborhood and I-10 freeway in the Pico neighborhood in the 1950s and 1960s. The pilot program is part of the City's commitment to equity and inclusion.

## **2. Future Actions**

This Housing Element includes policies and programs further outlining the City's commitment to remedying the legacy of past housing discrimination practices, breaking down the patterns of segregation, and ensuring fair housing opportunities to all. Chapter 5 of this Housing Element includes programs that provide address housing mobility enhancement, new housing choices and affordability in high opportunity areas, place-based strategies for community preservation and revitalization, and displacement protection. These programs are described briefly below:



## Enhancing Housing Mobility

Housing Mobility Strategies consist of removing barriers to housing in areas of opportunity and strategically enhancing access. This Housing Element sets forth the following programs that will enhance housing mobility:

- **Program 1.C** – *Incentivize Housing Development On Surface Parking Lots In Residential Zones That Are Associated With Existing Commercial Uses*

Under Program 1.C, the existing zoning barriers to housing on surface parking lots in the R1 and multiunit residential zones would be removed. Specifically, current zoning restricts the development of surface parking lots that are located in the residential zones. Current zoning limits where vehicular access can be taken on these parcels and also caps the number of residential units that could be developed (e.g, density cap of 4, 5, or 6 units), Program 1.C would remove these existing land use and zoning constraints to housing and adopt new standards to encourage housing projects on surface parking lots. This program would promote access to multifamily housing in the high opportunity areas of R1 and the multiunit residential (R2, R3, R4, OP2, OP3, and OP4) neighborhoods.

- **Program 3.B** – *Develop Tenant and Landlord Programs to Address State and Federal Legislation Mandated Regarding Anti-Discrimination*

Under program 3.B, the City shall continue to implement programs, including tenant and landlord education/outreach, that strive to protect tenants against landlord discrimination and cancellation of existing Section 8 contracts. Currently, the City has several progressive legal protection programs, such as just-cause eviction protections and a new 2-year pilot Right to Counsel program to assist tenants facing evictions.

- **Program 3.C** – *Facilitate the Conservation of Restricted and Non-Restricted At-Risk Housing*

Under Program 3.C the City will continue to provide information on maintaining long-term affordability and assist federally-funded housing properties with seeking funding assistance by applying for allocations of housing vouchers from the federal government to maintain housing affordability.

- **Program 6.A** – *Maintain Rental Housing Voucher Programs And Expand To Assist All Persons With Disabilities*

Under Program 6.A, the City will continue to:

- Maintain and operate the Section 8, Housing Choice Voucher Program
- Maintain a City-wide list of affordable rental vacancies in partnership with Community Corporation of Santa Monica

- **Program 6.D** – *Information And Outreach Coordination For Tenants And Landlords On Housing Programs And Resources*

Under Program 6.D, the City will continue to:

- Provide education and outreach to tenants and landlords to increase awareness about federal and local housing programs, including Section 8 housing voucher programs
- Provide education and outreach to tenants and landlords to increase awareness about federal and local housing rights and legal obligations, including anti-discrimination regarding source of income
- Enforce the Affirmative Marketing Policies that are required as part of HOME-assisted rental development

**Programs to enhance housing mobility also address the following high priority factors identified in the City’s 2020 Assessment of Fair Housing:**

- Impediments to mobility
- Lack of access to opportunity due to high housing costs
- Lack of affordable, accessible housing in a range of unit sizes
- Land use and zoning laws
- Private Discrimination

*Providing New Housing Choices and Affordability in High Opportunity Areas*

Housing choice strategies promote the housing supply, choices and affordability in areas of high opportunity and outside of areas of concentrated poverty. This Housing Element sets forth the following programs that will provide new housing choices and affordability in high opportunity areas:

- **Program 1.C** – *Incentivize Housing Development On Surface Parking Lots In Residential Zones That Are Associated With Existing Commercial Uses*

As discussed previously, current zoning restricts the development of surface parking lots that are located in the residential zones. Program 1.C would remove these existing land use and zoning constraints to increase housing in the high opportunity areas of R1 and the multiunit (R2, R3, R4, OP2, OP3, and OP4) neighborhoods.

- **Program 1.J** – *Revise Development Standards To Ensure Housing Projects are Feasible Incentivized Over Commercial Development.*

In some areas of the City, such as the Neighborhood Commercial districts of Main Street and Montana Avenue, housing is a permitted use. However, due to a number of factors including zoning code limitations on development, housing has not traditionally occurred in these areas. Furthermore, a financial analysis on residential development standards

prepared for the City indicate that housing projects are unlikely to occur in the remaining mixed-use areas of the City such as the boulevards, and Bergamot Area due to land use and zoning restrictions on height and floor area ratios. To incentive housing, Program 4.B would rezone and modify the development standards in all the mixed-use and commercial zoning districts to allow housing projects to have greater density and height than commercial projects. This program would incentivize housing over commercial and create new housing choice.

- **Program 4.C** – *Provide New Housing Choices And Affordability In High Opportunity Areas Through Incentives For Additional ADUs In R1-Zone Neighborhoods*

The construction of new ADUs in recent years has increased housing opportunities in single-family zones, areas which have traditionally been out of reach for renters. The vast majority of new ADUs constructed or under development in the past 3 years have been in R1 neighborhoods, providing a valuable source of rental housing access in otherwise, high cost neighborhoods. Under State law, properties are permitted to have one ADU and one JADU. This program will further allow one more ADU on single-unit dwelling parcels with the requirement that the additional third ADU be restricted to permanent rental housing. This program will incentivize the production of ADUs thus providing new housing choice and affordability in the high opportunity areas of the R1 neighborhoods.

- **Program 2.A** – *Establish a 100% Moderate Income Housing Overlay*

Moderate Income housing projects currently have no dedicated funding source or incentives under local or State law. Since AB1763 only applies to projects up to 80% AMI and the City's Zoning Ordinance similarly defines 100% affordable housing as only including projects up to 80% AMI, there are no incentives for moderate income housing projects (serving households up to 120% AMI). In the 5th Cycle Housing Element, Santa Monica did not meet its RHNA targets for moderate income units. Moderate-income housing units serve an important segment of Santa Monica workers and residents that do not qualify for lower-income affordable units yet cannot afford market rents. Program 2.A would create a new zoning overlay to incentivize moderate income housing projects in the targeted areas of the City such as Downtown area, Bergamot area, and the immediate area around the 17th St station. 100% Moderate Income housing projects would be incentivized through special standards such as additional height (at least 33 feet additionally), density bonus, and reduced parking requirements. This program will incentivize the production of moderate-income housing thus providing new housing choice and affordability in the high opportunity areas around the Metro E transit stations.

- **Program 2.C** *Update the City's Affordable Housing Production Program (AHPP) to Incentivize Housing Production at All Income Levels*

The City's long established AHPP program has produced over 800 affordable units – expanding housing choice and affordability for many Santa Monica residents. Despite

the success of the AHPP, there is still a significant gap between the housing needs of low-income households and the availability of affordable units. To further incentivize the production of affordable units at various income levels, Program 2.C would establish a new base affordability percentage of 15% for with the inclusionary units provided equally among very low-, low- and moderate-income levels. Program 2.C would also establish new more flexible requirements for in-lieu fees and off-site affordable housing.

- **Program 4.A** - *Zoning Ordinance Amendment To Permit Multiple-Unit Housing In Nonresidential Zones Where Not Currently Permitted*

Currently, multi-unit residential is not permitted in certain commercial areas of the City; namely, the Industrial Conservation District, Office Campus, Creative Arts Center, and Conservation Creative Sector. Residential uses are not permitted in these zones, even though there may be existing residential uses that were developed in the past. Furthermore, areas within some of these zoning districts have significant housing potential with access to residential amenities, such as transit, commercial uses, parks, schools, and infrastructure. Program 4.A would add housing as a permitted use in these zones, creating new housing choices and affordability.

- **Program 4.B** - *Facilitate The Development Of Housing On Surface Parking Lots Owned By Community Assembly Uses*

Parking lots of religious congregations are largely located in multi-unit residential zones presenting a unique opportunity to expand housing choice in these areas. During the Housing Element outreach process, the City met with a variety of religious congregations through the Westside Interfaith Council. A handful of congregations have expressed strong interest in developing affordable housing on the parking lots of their sites. This program would adopt special standards in the Zoning Ordinance to support the production of affordable housing on surface parking lots owned by community assembly uses, which include religious congregations, including allowing some, but not more than 50%, market-rate units to support the affordable housing. With this program, properties associated with religious congregations and other community assembly uses in the multi-unit residential zones would be opened to new housing opportunities.

- **Program 6.H** - *Maintain Reasonable Accommodations To Ensure Equal Opportunity For Housing*

In the 2015 Zoning Ordinance update, Santa Monica adapted reasonable accommodation procedures (SMMC Chapter 9.49) that specify the applicability of eligible applicants and

requests, application requirements, reviewing authority and procedures, findings and decisions, appeal process, and the duration limits of the accommodation. The City will maintain and continue to support reasonable accommodations to ensure equal housing opportunities, consistent with fair housing laws.

**Programs to enhance housing choice in high opportunity areas also address the following high priority factors identified in the City's 2020 Assessment of Fair Housing:**

- Impediments to mobility
- High housing cost
- Lack of access to opportunity due to high housing costs
- Lack of affordable, accessible housing in a range of unit sizes
- Land use and zoning laws

*Place-based Strategies to Encourage Community Conservation and Revitalization:*

These strategies involve approaches that are focused on conserving and improving assets in areas of lower opportunity and concentrated poverty such as targeted investment in neighborhood revitalization, preserving or rehabilitating existing affordable housing, improving infrastructure, schools, employment, parks, transportation and other community amenities.

As a compact city of 8.3 square miles with a costly housing market, the City doesn't have the same level of distinct lower opportunity and concentrated poverty areas as other cities in the Region, such as the City of Los Angeles. This is evidenced by the fact that the entire City is considered to be a high opportunity area. Even so, some census tracts particularly adjacent to the I-10 freeway may have slightly less resources and opportunity than others. Therefore, this Housing Element sets forth the following programs that will provide promote community conservation and revitalization:

- **Program 3.C** - *Facilitate The Conservation Of Restricted And Non-Restricted At-Risk Housing.*  
The City monitors 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 continue these actions and exercise its right of first refusal to purchase properties if necessary and financially feasible to ensure the continued availability of affordable housing units.
- **Program 3.D** - *Maintain An Acquisition And Rehabilitation Program*  
The City provides Housing Trust Fund loans to nonprofit housing providers to assist with the purchase and rehabilitation of existing rental properties occupied primarily by low-income households. As resources are available, the City will continue to provide loan assistance



to nonprofit affordable housing providers and work with providers to identify new funding sources.

- **Program 3.E** – *Maintain A Low Income Residential Repair Program*  
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. Minor home modifications improve physical access for people with disabilities and seniors that assist with independent living. The City will continue to implement this program.
- **Program 3.F** – *Enhance Code Enforcement Response To Housing-Related Violations*  
The City's Code Enforcement and Building and Safety Divisions respond to residential building code violation complaints. The City will continue this program and will coordinate with the Housing and Human Services Division to provide information on available rehabilitation assistance to correct code deficiencies.
- **Program 3.H** – *Information And Outreach For Property Owners Regarding Rehabilitation And Maintenance Of Housing Units*  
The City will continue to provide additional education and outreach to multi-unit property owners on available City programs and support continued rehabilitation, maintenance, repairs, and upgrades of their housing units.
- **Program 6.B** – *Seek Funding Sources To Support Rental Assistance For Vulnerable Individuals And Households At-Risk Of Displacement*  
The City will continue to pursue and identify new funding sources that support rental assistance programs, including emergency rental assistance to the extent feasible.
- **Program 6.C** – *Maintain And Expand The Preserving Our Diversity (POD) Program*  
The City will continue to operate the POD program and pursue additional funding to maintain assistance to seniors and evaluate expanding program assistance to other rent burdened residents vulnerable to displacement, if possible.

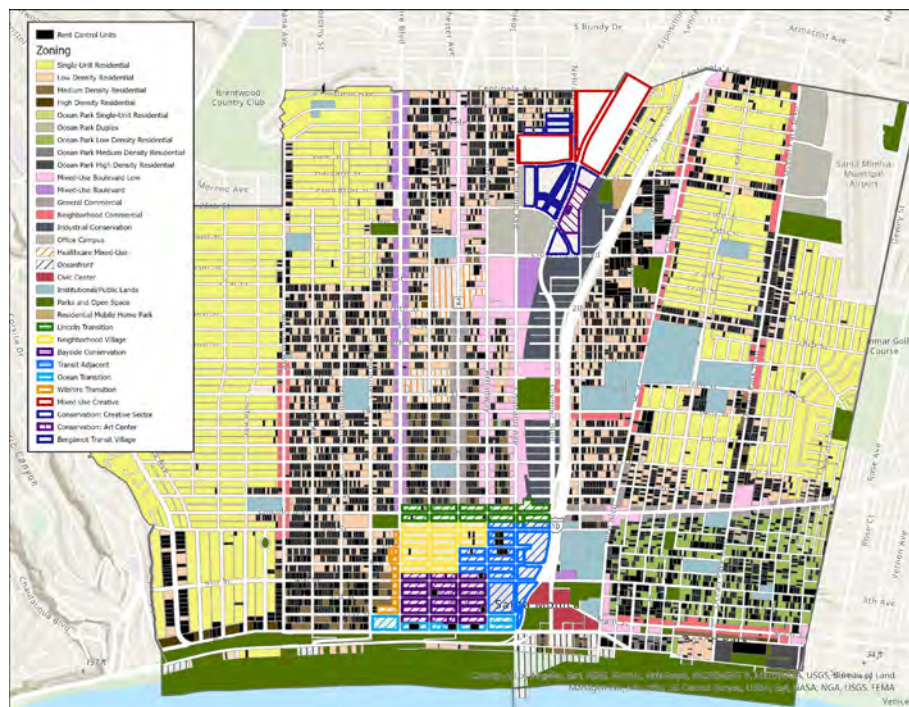
**Programs to encourage community conservation and revitalization also address the following high priority factors identified in the City's 2020 Assessment of Fair Housing:**

- Displacement of Residents due to Economic Pressures
- High housing cost
- Lack of affordable, accessible housing in a range of unit sizes

## Displacement Protection

As discussed previously, while the City already implements a number of programs and actions aimed at keeping residents housed, the inevitable economic pressures of the housing market have resulted in the displacement of residents. A fundamental guiding principle of the draft Housing Element is the preservation of existing housing stock. The primary reason why the existing multi-unit zones (R2, R3, R4, OP2, OP3, and OP4) are not being proposed for rezoning is due to the fact that most of the City's rent control housing stock are located in these areas.

**Map 2-24: Zoning and Rent Control Units**



These rent control units play an important role in keeping housing affordable to existing residents and helping to ensure their long-term tenancy. Any proposed increase to density in the multi-unit residential zones would make these units vulnerable to redevelopment, potentially forcing Santa Monica renters out of their homes. Therefore, this Housing Element does not propose any zone changes in the multi-unit residential zones. In addition to this community preservation approach, this Housing Element also sets forth the following programs to further provide displacement protection for existing residents:

- **Program 2.B – Right of First Offer Ordinance for Nonprofit Affordable Housing Providers**  
The City will adopt a Right of First Offer Ordinance that would require that qualified nonprofit organizations would be offered the right of first offer/refusal to purchase private properties

offered for sale in the City. This program would provide existing residents the opportunity to maintain their housing at an affordable level and minimize overall tenant displacement.

- **Program 3.A** – *Restrict The Removal Of Existing Rental Units For Site Redevelopment And Require That Protected Units Are Replaced*  
The City will amend the Municipal Code to adopt local requirements that require housing projects replace existing and former residential units in the past 5 years consistent with the requirements set forth in Government Code Section 65915(c)(3).
- **Program 3.B.** – *Develop Programs To Address State And Federal Legislative Mandates*  
The City will continue to implement programs, including tenant and landlord education/ outreach, 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). The City will continue to fund the acquisition and rehabilitation of existing rental units and continue to investigate new, innovative ways to increase the affordability of housing.
- **Program 3.G** – *Maintain A Mandatory Seismic Retrofit Program*  
In March 2017, the City Council adopted a Seismic Retrofit Ordinance and the City implemented the Seismic Retrofit Program that proactively seeks to strengthen existing earthquake-vulnerable buildings and enhance the safety and security of their occupants. The City will continue to implement this seismic retrofit program to minimize potential displacement of residents due to seismic risks.
- **Program 3.I** – *Right To Counsel Program*  
The City in April 2021 began a two-year pilot Right to Counsel program to provide legal assistance and support for tenants facing eviction, particularly amid the COVID-19 pandemic. This program is available to Santa Monica tenant households whose income is at or below 80% of the County’s Area Medium Income (“AMI”), and facing eviction attempts by their landlord. Program 7.C will continue this program to support tenants facing eviction.
- **Program 4.E** – *Right to Return Program*  
The City will implement a Right to Return Pilot Program for households that were historically displaced.

**Programs to protect tenants from displacement also address the following high priority factors identified in the City’s 2020 Assessment of Fair Housing:**

- Displacement of Residents due to Economic Pressures
- High housing cost
- Lack of affordable, accessible housing in a range of unit sizes
- Private Discrimination

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# 3:

## Goals and Policies



# Chapter 3: Goals and Policies

The Housing Element includes seven goals that create the framework for how the City of Santa Monica will address the community’s housing needs over the next eight years. These goals were reviewed as part of the community process for this Housing Element update. The policy goals of this Housing Element focus on:



**Affordable Housing Production:** Prioritize affordable housing on City-owned sites and remove barriers to affordable housing production in all areas of the City.



**Market-Rate Housing Production:** Continue to support the production of new market-rate housing around major transit stops and along major corridors.



**Affirmatively Furthering Fair Housing:** Decisions regarding distribution of new development are viewed through the lens of providing equitable housing access to all neighborhoods.



**Housing Assistance:** Continue to prevent displacement of existing households by providing 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.



**Address Homelessness:** Prevent housed Santa Monicans from becoming homeless and continue to address the special need to provide housing and supportive 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 related to economic sustainability and environmental objectives with the production, conservation, and protection of housing. These include encouraging a balance between housing and economic development, sustainable development, providing supportive services, and increasing walkability and non-motorized forms of transportation.



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

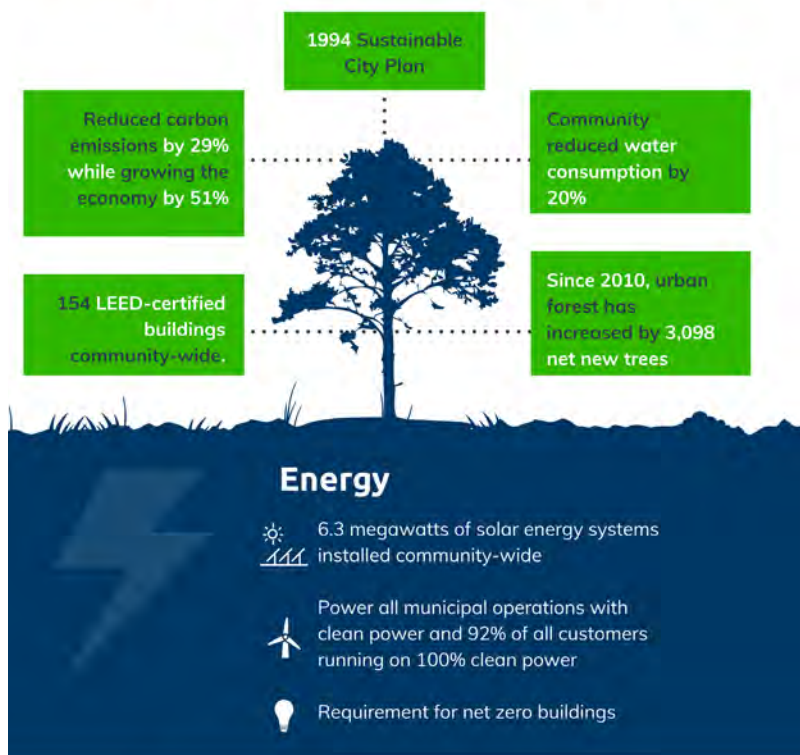


# GOAL 1

**Production of new housing that is sustainable, innovative, safe and resilient, appropriate with the surrounding neighborhood, offers opportunities for active and healthy living, including walking and biking, and increases equitable housing opportunities.**

In Santa Monica, the demand for housing greatly exceeds the supply. This has resulted in Santa Monica being one of the most expensive places to live in the country. The City is required by the State to address this housing shortage by planning for its Regional Housing Needs Allocation (RHNA). In the past eight years, the City produced 3,643 units, well exceeding its established 5th Cycle RHNA of 1,674 units. The City's target for this 6th cycle Housing Element is 8,895 units, an average of about 1,100 housing units annually. This number is more than 5 times larger than the allocation required in the prior Housing Element cycle. Meeting this housing target will be challenging and will require the enactment of new policies and programs to bolster housing production.

## Santa Monica: Sustainability Leader



## Water

- Sustainable Water Master Plan approved in 2018 as roadmap to ensure Santa Monica is water self-sufficient.
- Santa Monica Urban Runoff Recycling Facility (SMURRF) was the first urban runoff treatment facility in the world and is still fully operational.
- Clean Beaches project built with 1.6 million gallon cistern capturing runoff from Downtown Santa Monica.

Since then, the City adopted the Land Use and Circulation Element in 2010, updated the Sustainable City Plan in 2014, updated the Urban Forest Master Plan in 2017, and adopted a Climate Action and Adaptation Plan in 2019. All of these plans provide the foundation for the creation of sustainable and healthy communities. New housing plays an important role in achieving the City's goals to reduce vehicle miles traveled, reduce greenhouse gas emissions, expand the tree canopy, and promote environmental justice.

## POLICIES

- Policy 1.1 Adequate Land for Housing.** Provide adequately zoned sites for all types of housing, particularly multi-unit housing in locations near major transportation hubs and services that promote active living in addition to areas that have historically excluded diverse housing opportunities.
- Policy 1.2 Housing Production Incentives.** Encourage and provide adequate development standards and incentives for the production of housing, particularly affordable housing.
- Policy 1.3 Adaptive Reuse.** Encourage and provide incentives for adaptive reuse of existing commercial buildings for housing.
- Policy 1.4 Design of Housing.** Ensure that the design of new housing development is responsive to the surrounding context.
- Policy 1.5 Innovative and Sustainable Housing Design.** Ensure that local regulations support: sustainable construction techniques and materials to the extent technically feasible, environmental justice that protects public health, open space, and expansion of the tree canopy.
- Policy 1.6 Housing for Special Needs.** Maintain development standards that promote the development of special needs housing, such as affordable senior, accessible, and family housing.
- Policy 1.7 Review of Housing Constraints.** Periodically review City taxes, fees, and regulations to ensure that they do not constrain housing development.
- Policy 1.8 Streamlined Housing Process.** Continue to evaluate and provide an expedited and coordinated permitting process and design review, particularly for housing projects, including those using innovative and sustainable construction techniques and materials.



**Policy 1.9 Partner with School District and Community College District for Housing.** The City shall seek opportunities to work with the School District and Community College District to facilitate housing development.

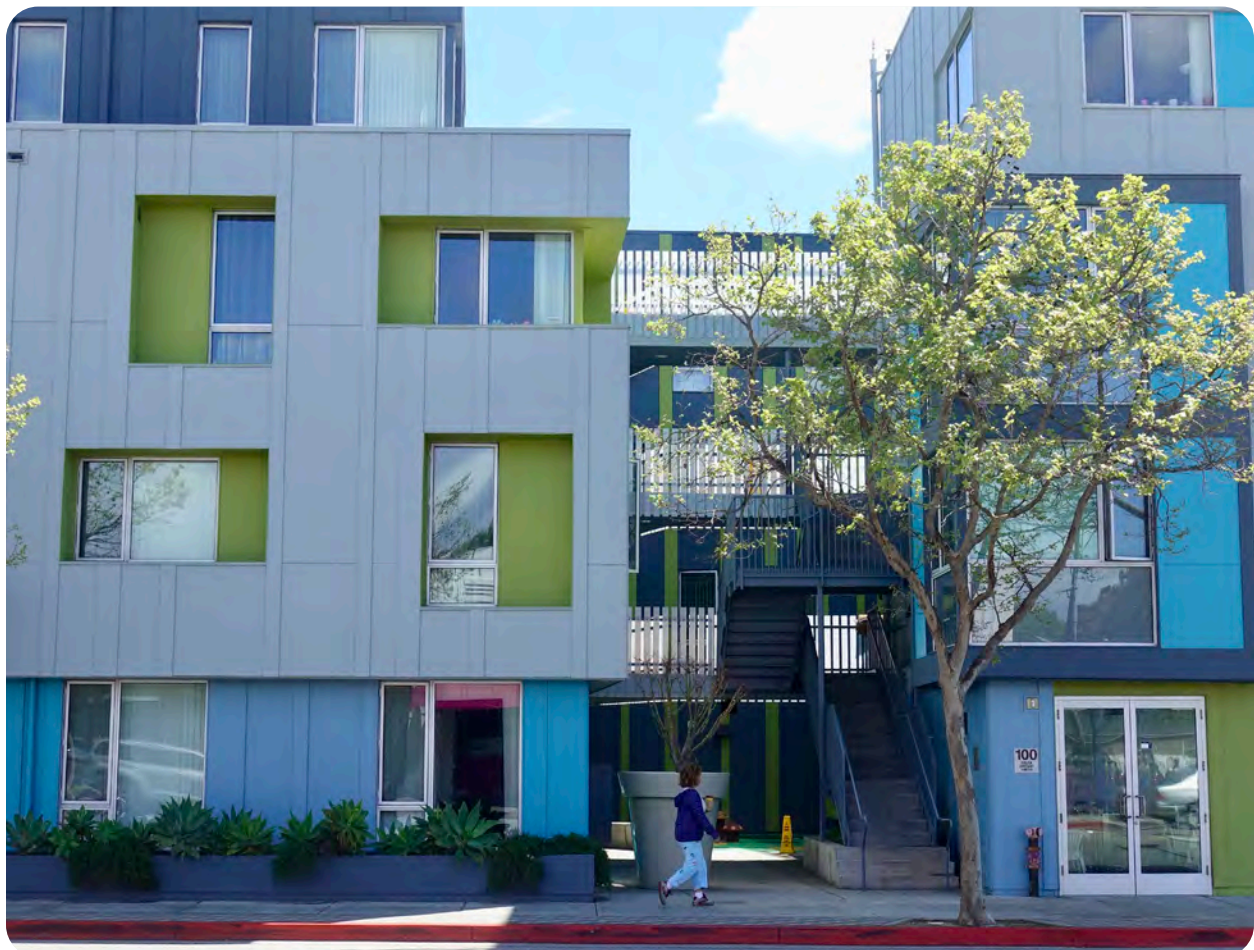
**Policy 1.10 Funding for Affordable Housing on City-Owned Sites.** Pursue grant funding opportunities to facilitate affordable housing on City-owned sites

**PC Recommended:**

**Policy 1.11 Increase Housing Opportunities in Multi-Unit Residential Zones.** Explore possibility of eliminating the unit density caps in the R2, R3, R4, OP2, OP3, and OP4 zones with the exception of rent-controlled units, deed-restricted units, or single-unit dwellings occupied by renters in the past three years.

**Staff Recommended:**

Do not include PC recommended Policy 1.11





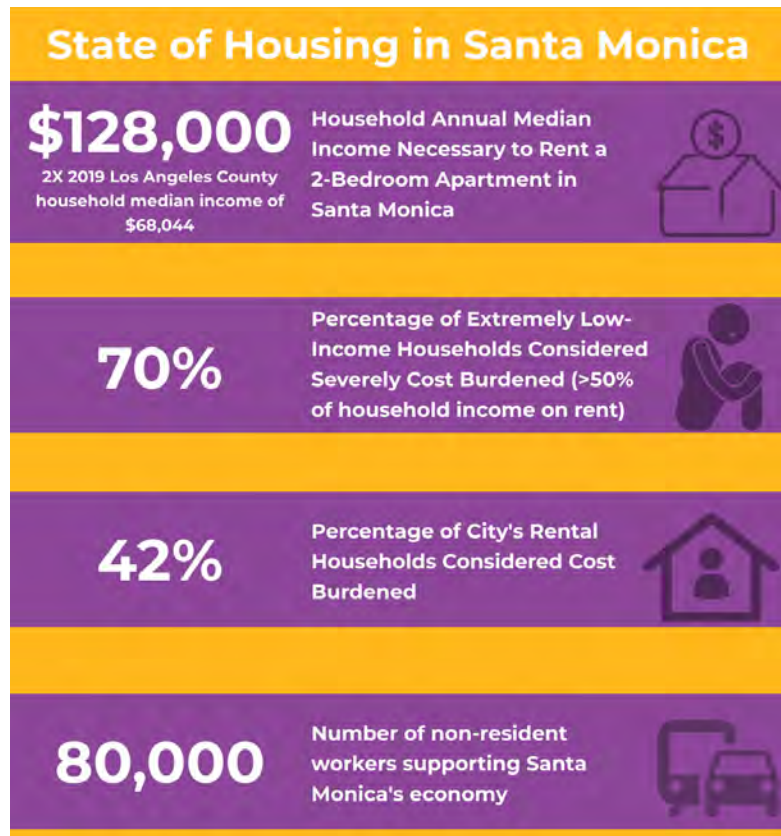
## GOAL 2

### Housing production for all income categories including for the community's workforce and most vulnerable communities.

While it is generally recognized that Californians pay more for housing than the average American, Santa Monica's housing costs are among the highest in the nation. There are a variety of negative effects caused by a lack of affordable housing. With a greater share of household incomes spent on housing costs, households are left with less money available to spend on basic necessities. Having less money available for non-housing costs often means that low income households will have less savings in the bank, putting them at risk for poverty or preventing them from rising out of it.

The City's economy is supported by a diverse variety of industry sectors but remains heavily dependent on the food/accommodation and retail trade sectors. This sector employs approximately 25% of the workforce but has generally lower wages than other sectors. With lower income jobs also in other major employment sectors such as education and healthcare, 91% of workers cannot afford to live in Santa Monica. Additionally, the artist community of Santa Monica is a unique sector that should be preserved and uplifted through housing opportunities. Artist special housing needs, like live-work units, should also be considered.

Affordable housing in Santa Monica has been produced from two sources: market-rate housing and public assistance such as the City's Housing Trust Fund. Market-rate housing is required to provide affordable housing or pay an in-lieu fee through the Affordable Housing Production Program (AHPP).



In the last eight years, the City has constructed 982 affordable housing units, which represents 27% of the total units produced. As part of this Housing Element update, the City of Santa Monica must adequately plan for and accommodate a total of 6,168 new affordable housing units, which represents 69% of the City's overall RHNA.

While the City generally provides several process and development incentives in support of 100% affordable housing projects, the major barriers to the production of affordable housing include:

- Lack of funding
- Land costs
- Insufficient height and density standards necessary to produce units
- Commercial prevailing wage requirements for buildings 5 stories and above.
- Neighborhood opposition

## POLICIES

**Policy 2.1 Affordable Housing Financing.** 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 Local Assistance for Affordable Housing.** Focus available resources (including City-owned land and Housing Trust Funds) to assist for-profit and nonprofit housing providers to develop housing for extremely low-, very low-, and low-income households.

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

**Policy 2.4 Local Incentives and Streamlining for Affordable Housing.** Continue to encourage and provide development opportunities and incentives, expedited permit review, and reduced planning fees to increase the production of affordable housing including extremely low-, low-, very-low, and moderate-income households.

**Policy 2.5 Homeownership Opportunities.** Explore ways to encourage the development of ownership housing for affordable to moderate-income households and the City's workforce, including opportunities for employer-provided permanent housing.

**Policy 2.6 New Funding Sources.** Work with local nonprofit community organizations to tap into new funding sources and support local capacity to develop affordable housing on an ongoing basis. Explore private arts funding for artist housing.

- Policy 2.7 Support for Senior Housing.** Encourage and support development of senior housing and facilities to meet the needs of seniors, particularly for the oldest senior cohort, including consideration of a preference for “aging in place” along with the need for more congregate housing and residential care facilities.
- Policy 2.8 Support for Special Needs Housing.** 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.
- Policy 2.9 New Housing Models.** Encourage proposals for new housing types, such as co-housing, and assess their feasibility and benefits on a case-by-case basis.
- Policy 2.6 Maintenance, Improvement and Development of Housing for Persons with Disabilities.** Explore alignment with the Voluntary Compliance Agreement (VCA) between the City of Los Angeles and HUD for, Santa Monica to potentially require at least 15% of total units in all newly constructed multi-family developments receiving public funds where City funds are leveraged with Low-Income Housing Tax Credits to be accessible to persons with mobility disabilities and at least 4% of total units to be accessible for persons with hearing and/or vision disabilities.



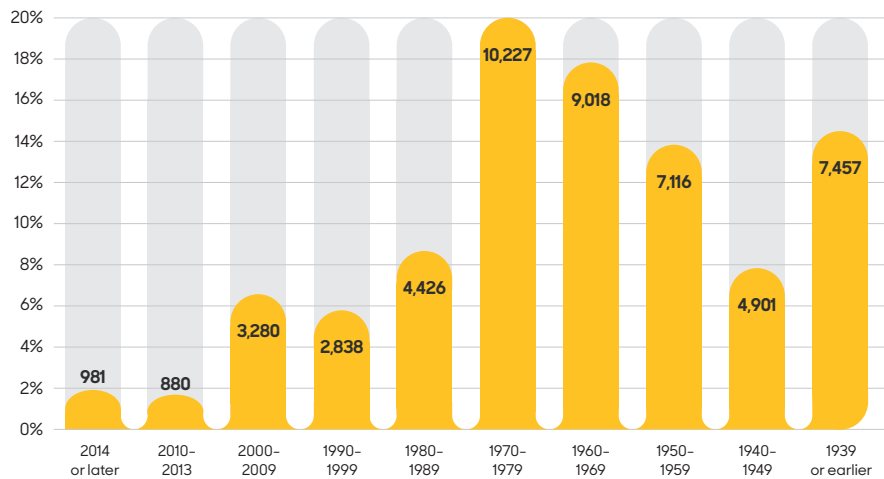
## GOAL 3

### Preservation of the existing supply of housing and prevent displacement of existing tenants.

In 2020, Santa Monica’s total housing stock consisted of approximately 52,629 total units, 11,572 of which are single-unit residences unit and 40,853 of which are within multi-unit residential structures. Although there are over 11,000 single-unit dwellings, there are only around 6,500 parcels zoned R1, meaning many are located within multi-unit zones. The total housing stock includes affordable housing units and rent-controlled units, which are valuable assets to the City as they provide housing opportunities to low and moderate-income households.

There are currently 3,902 publicly-assisted affordable units located within the City of Santa Monica.<sup>1</sup> An estimated 770 units are at-risk of converting to market rate by 2031. In addition, as of December 31, 2020, there were 27,429 rent-controlled units in the City.<sup>2</sup> Rent controlled units help ensure that rental costs do not outpace existing wages, and therefore, play a crucial role in keeping existing residents housed.

Figure 3-1: Age of Housing Stock



Deed-restricted affordable housing and rent- controlled units contribute significantly to the City’s housing affordability. Preserving and rehabilitating existing housing stock is a key anti-displacement tool that prevents existing households from becoming unhoused. The vast majority of the City’s housing stock was built before 1980, see Figure 3-1 above. As these units age, they will be at risk of being demolished due to deteriorating conditions if not properly maintained. Some of the City’s existing housing stock will be protected as a result of SB330, which prohibits a project that will demolish

1 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.

2 City of Santa Monica, Rent Control 2020 Annual Report

existing residential units and would not replace, at a minimum, the same number of new residential units. This will address existing multi-unit housing properties of five units or less that are particularly vulnerable to redevelopment and replacement. Additionally, the new allowance for ADUs on existing multi-unit properties not only creates more housing opportunities but may also encourage property owners to retain their rental properties. However, there remains existing multi-unit housing properties in the City that have fewer units than maximum allowable density and as such, could be at risk for demolition and redevelopment by a housing project that proposes a higher number of new units.

## POLICIES

- Policy 3.1 Support the City's Rent Control Law.** Ameliorate the effects of the Costa-Hawkins vacancy de-control regulation on the affordable housing stock.
- Policy 3.2 Preservation of Naturally Occurring and Deed Restricted Affordable Rental Housing.** Explore strategies to preserve naturally occurring, rent-controlled, and restricted affordable rental housing.
- Policy 3.3 Protection of Rental Units.** The City shall continue to protect rental housing by restricting the conversion of rental units to ownership units or for uses other than permanent rental housing.
- Policy 3.4 Replacement of Demolished Multi-Unit Housing.** The City shall ensure the reasonable replacement of multi-unit housing that is demolished.
- Policy 3.5 Availability of Affordable Housing.** The City shall ensure the continued availability and affordability of housing for very low-, low-, and moderate-income households.
- Policy 3.6 Rehabilitation Assistance.** Provide rehabilitation assistance to maintain, improve, and extend the use and livability of the City's aging residential buildings. Explore expansion of existing and new rehabilitation programs that may also result in short-term and long-term deed-restricted affordable units.
- Policy 3.7 Public and Private Funding for Rehabilitation and Preservation.** Encourage and promote the use of public and private funding to provide rehabilitation, home improvement, and maintenance loans and grants with priority given to affordable units at risk of conversion, and multi-unit rental housing.
- Policy 3.8 Continued Maintenance of Existing Housing.** Ensure continued maintenance of existing housing and that property owners are made aware of City programs to promote capital improvements to rental housing. Consider property owner incentives to encourage continued maintenance, repairs, and upgrades to housing that addresses the health and safety needs of the residents while respecting the character of the structure.
- Policy 3.9 Legal Support for Residents.** Continue to provide and strengthen anti-discrimination legal assistance and support for tenants facing harassment or eviction in efforts to prevent displacement of existing tenants.



## GOAL 4

A community that provides equitable housing access to all neighborhoods.

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The City of Santa Monica is generally more homogenous than the County as a whole. The majority of the City's residential population is White, followed by Hispanics and Asians, respectively. Blacks represent 4% of the population. One of the likely barriers to living in the City for non-Whites is the high cost of housing. Hispanics and Black households have the lowest median income in the City and County as a whole, and as a result, are often priced out of housing opportunities in the City.

For those households of color that can afford to live in Santa Monica, many of them are concentrated in neighborhood pockets of the City along the I-10 Freeway, and within the Pico, Downtown and Mid-City neighborhoods.

These patterns of segregation are largely the result of decades of structural racism deeply rooted in Federal, State, and local housing policies. This includes the adoption of exclusionary zoning, which was used primarily as a way to economically separate the wealthier Whites from Blacks/African Americans and other people of color. Since many Blacks/African Americans could not afford or were unable to receive mortgages to purchase homes, they were effectively driven out of single-family zoned neighborhoods. The federal policy of "redlining" that arose during the New Deal era (1930s) also have contributed to the patterns of segregated neighborhoods. This discriminatory practice of determining who could qualify for home mortgages based on skin color led to widespread segregated communities across the country and prevented Blacks/African Americans from buying homes. In Santa Monica, areas that were redlined included the Pico Neighborhood, portions of the Mid-City neighborhood south of Santa Monica Boulevard, and Ocean Park. The pattern of redlined areas directly correlate with the areas where the non-White population, lower income households, and renter households are concentrated.

### Redlining

The term "redlining" refers to the discriminatory policy instituted by the federal government to create color-coded maps of every metropolitan area in the country to indicate where it was safe to insure mortgage. These maps were based on racial composition, quality of housing stock, access to amenities, etc. and were color coded to identify best (green "A" grade), still desirable (blue "B" grade), definitely declining (yellow "C" grade), and hazardous (red "D" grade) neighborhoods. Areas of the City that were predominantly commercial/industrial were not color coded.

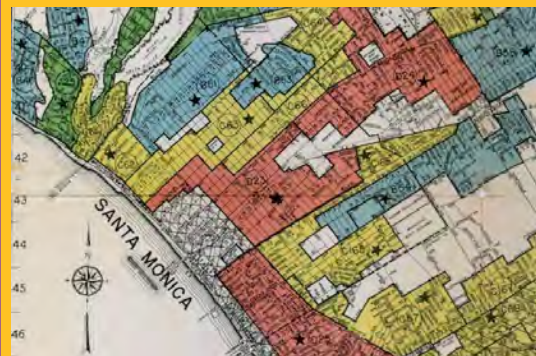
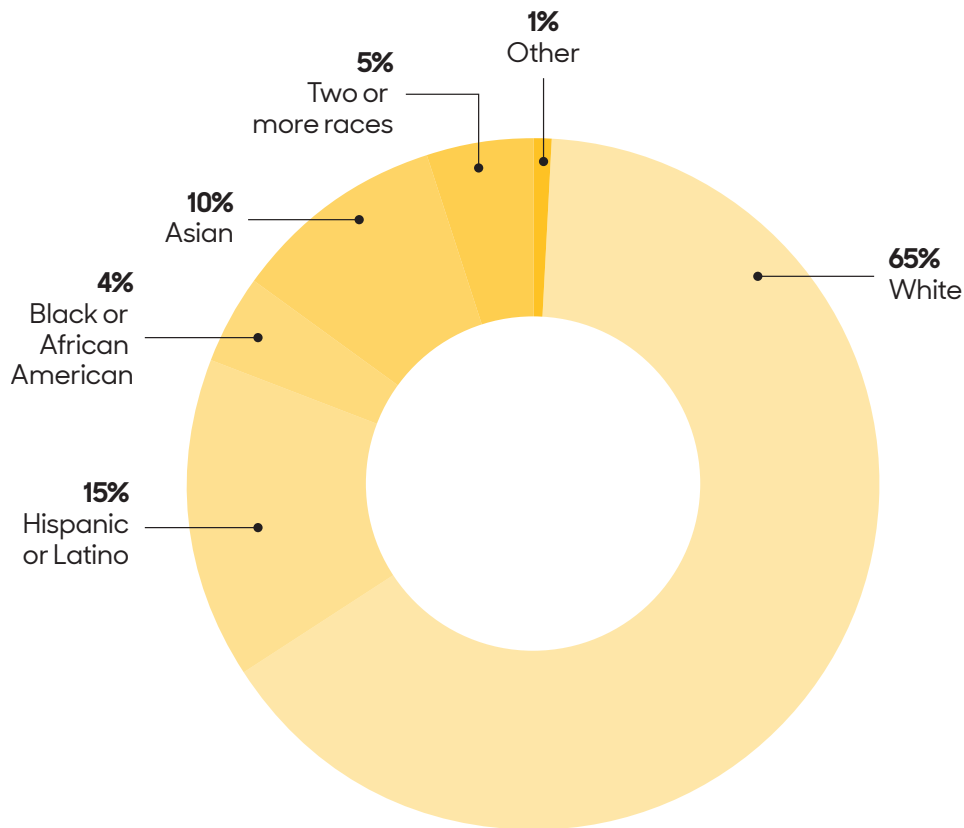


Figure 3-2: Santa Monica Population by Race, 2019



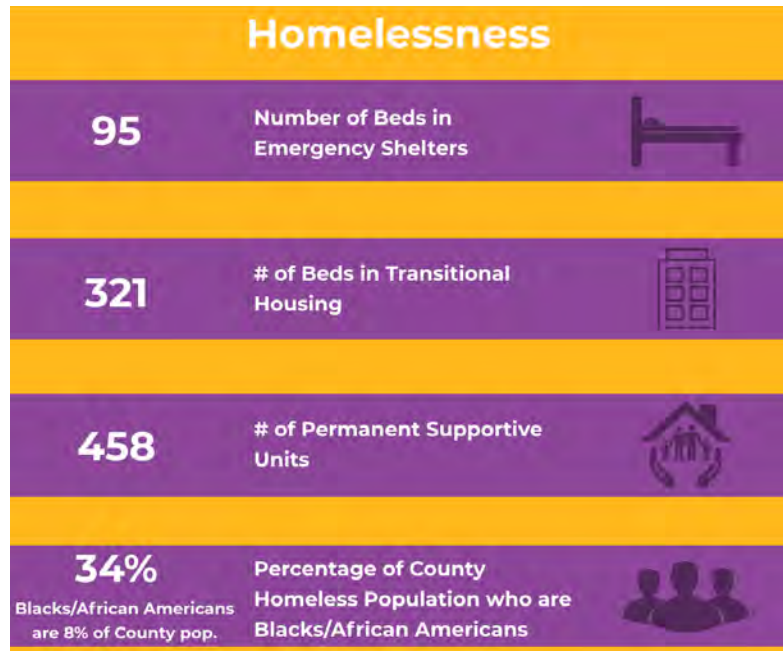
## POLICIES

- Policy 4.1 Access to Opportunities.** Promote access to environmentally healthy neighborhoods that offer transportation services, jobs, high performing schools, parks, and residential amenities – particularly in areas that have historically excluded certain segments of the population.
- Policy 4.2 Equitable Distribution of Housing for All Income Levels.** Encourage fair distribution throughout the City of all housing types for extremely low-, very low-, low-, and moderate-income persons including the most vulnerable communities and the housing insecure.
- Policy 4.3 Targeted Investments.** Strategically target housing creation and preservation strategies (e.g., public funding, incentives, infrastructure investments, etc.) and diverse housing types in locations that will help overcome historic patterns of segregation as well as programs and measures such as a “Right to Return” program that will help support historically displaced families and individuals in Santa Monica with housing.

## GOAL 5

### Housing for persons experiencing homelessness.

Even prior to the COVID-19 pandemic, homelessness was and continues to remain a regional and local challenge. Homelessness is driven by a multitude of factors, including: inadequate housing supply at all affordability levels, rising rents that have outpaced stagnant wages, and discriminatory housing and employment policies that have kept low-income populations and people of color in poverty. These challenges are compounded by insufficient and inconsistent access to medical and behavioral healthcare, as well as other essential supportive services.



Up until 2020, City staff and volunteers had conducted annual point-in-time counts to approximate the number of homeless individuals within the City borders, along with a count of shelter use that same night. The last recent count took place on the night of January 22, 2020 with a total of 907 individuals counted outside on the streets, in cars and encampments, and in shelters and institutions within the City.

While this number represented a decrease from 2017, the situation is expected to worsen due to the economic recession caused by the COVID-19 Pandemic, especially once the City's eviction protection moratoriums expire.

The City's unhoused population includes veterans, women, persons with disabilities, older adults, and other vulnerable groups. A disproportionate number of Blacks/African Americans experience homelessness in Los Angeles County while the proportion of other racial and ethnic groups are either under or equal to their prevalence in the general population, making it clear that homelessness is also a social justice issue.

**Figure 3-3: Homeless Count, 2015 - 2020**

	City of Santa Monica	Service Planning Area 5 - Westside	Los Angeles County
2015	738	4276	41174
2016	728	4659	43854
2017	921	5411	52442
2018	957	4401	49955
2019	985	5262	56257
2020	907	6009	66436

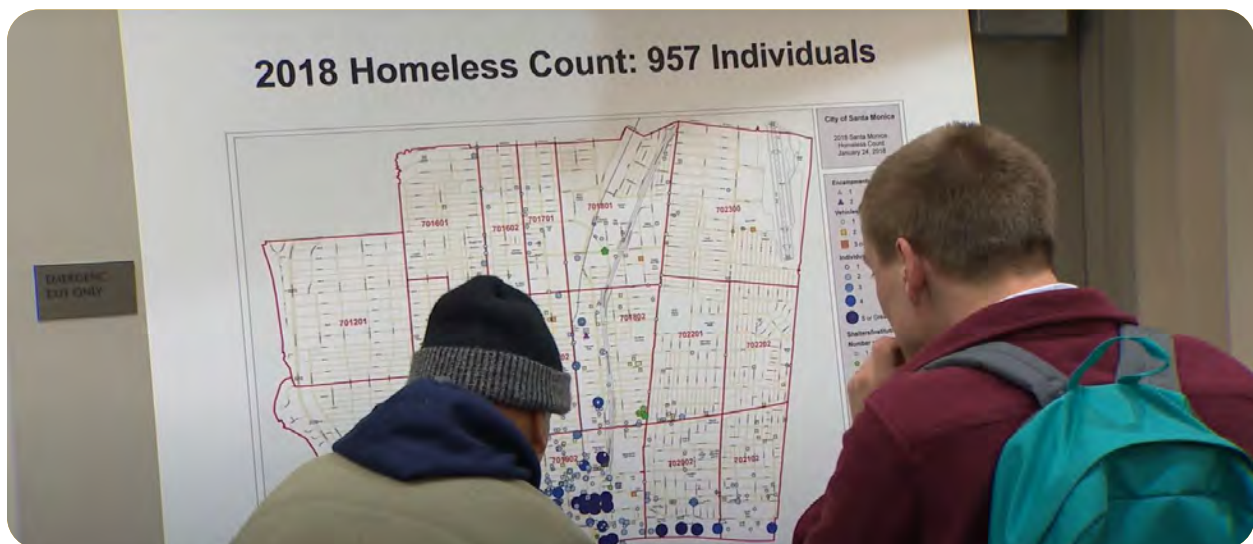
Source: Los Angeles Homeless Services Authority, <https://www.lahsa.org/homeless-count/>

## POLICIES

**Policy 5.1 Regional Fair Share Approach.** 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 5.2 Housing and Supportive Services for the Homeless.** 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 5.3 Removal of Barriers to Supportive Housing.** Remove barriers to the provision of low barrier navigation centers, emergency shelters, and supportive/transitional housing.



## GOAL 6

### Provision of housing assistance and supportive programs and services to extremely low-, very low-, low-, and moderate-income households and households with special needs, families, seniors, and the homeless.

Certain segments of the population may have greater difficulty in finding decent, affordable housing due to special circumstances. Populations requiring housing assistance and supportive programs include low-income households, the elderly, persons with disabilities, families, persons in need of emergency shelter, and persons with developmental disabilities.

In 2017, 15.4% of the City's total households were Extremely Low Income (0% to 30% AMI), 8.8% were Very Low Income (31% to 50% AMI), 11.6% were Low Income (51% to 80% AMI), and 7.0% were Moderate Income (80% to 100% AMI). Income disparity by racial group is apparent at the City level. Households of colors are more likely to have lower income levels than White households.

Many lower-income families are considered housing cost-burdened – spending more than 30 percent of their monthly income for housing costs, leaving very little left for other basic needs like healthcare, food, and transportation. Others are forced into overcrowded or substandard housing conditions or join the increasingly large population of people experiencing homelessness.

The elderly population, large families, families with children, and individuals with disabilities also require support, as they may have specific housing requirements that are necessary for access and enjoyment of their residence.

**Figure 3-4: Household Affordability Level by Race**

Households	Total Households	Extremely Low (less than 30% AMI)	Very Low Incomes (30-50% AMI)	Low Income (51-80% AMI)	Moderate (80-120% AM)
White	33,400	.6%	7.6%	10.7%	7.2%
Hispanic	5,705	20.7%	13.4%	18.0%	7.5%
Asian	4,245	15.1%	4.8%	9.1%	4.8%
Black/African American	1,508	12.7%	28.4%	15.7%	6.4%
Other	1,495	14.9%	9.9%	12.6%	8.6%
All Households	46,353	15.4%	8.8%	11.6%	7.0%

Source: CHAS HUD Data, 2017.



## POLICIES

- Policy 6.1 Financial Assistance for Residents; Rental Assistance Programs.** The City shall provide support in rental assistance programs for extremely low-, very low-, and low-income households and household types including seniors, families with children, persons with disabilities, and others with special needs. Explore funding strategies and identify additional funding sources to provide continued support with rental assistance programs.
- Policy 6.2 Technical Housing Assistance.** The City shall provide information and assistance to extremely low-, very low-, and low-income households and households with special needs and landlords to educate and increase awareness of, and provide oversight on federal and local housing and supportive programs and to assist residents in locating appropriate housing. Address housing barriers and resident challenges in securing and maintaining housing.
- Policy 6.3 Funding for Supportive Services.** 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. Ensure funding that supports emergency housing for the homeless.
- Policy 6.4 Consider Expanding the Preserving Our Diversity (POD) Program.** Evaluate expansion of the POD program to other rent burdened households including but not limited to additional seniors, families, and persons with disabilities and special needs.
- Policy 6.5 Reasonable Accommodations.** Provide regulatory relief to enable housing access designed to meet the needs for persons with disabilities to ensure equal housing opportunities, consistent with fair housing laws.
- Policy 6.6 Resident Protections During Rehabilitation.** The City shall provide resident protections including a temporary relocation program with oversight to minimize resident disruption and ensure that rehabilitation of existing units does not negatively impact or result in permanent displacement of existing residents.
- Policy 6.7 Explore Programs with the County of Los Angeles.** The City shall explore the possibility of entering into contracts with the County for project-based vouchers including, but not limited to, programs administered by the County of Los Angeles.

## ▶ GOAL 7

**Eliminate housing discrimination on the basis of race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, age, marital status, national origin, ancestry, familial status, income level, source of income, disability, veteran or military status, genetic information, or other such characteristics.**

.....

Pursuant to the California Fair Employment and Housing Act [Government Code Section 12921 (a)], the opportunity to seek, obtain, and hold housing cannot be determined by an individual's "race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, familial status, source of income, disability, veteran or military status, genetic information, or any other basis prohibited by Section 51 of the Civil Code."

Fair housing issues that may arise in Santa Monica (or any jurisdiction) include but are not limited to:

- Failure to make reasonable accommodations or modifications to make a dwelling unit accessible to an individual with a disability;
- Discrimination in the sale or rental of a dwelling unit against an individual based on race, national origin, familial status, disability, religion, sex, or other characteristic; and
- Tenant harassment because of race, color, religion, sex, disability, familial status, or national origin



*A multi-unit housing development that provides accommodations for persons with a physical disability*

The City of Santa Monica takes fair housing laws seriously and has enacted a number of local laws in support of fair housing including:

- **Chapter 4.28 of SMMC**, addressing fair housing for families with children, disability, and source of income discrimination
- **Chapter 4.40 of SMMC**, addressing fair housing regardless of sexual orientation or domestic partnership
- **Chapter 4.52 of SMMC**, addressing fair housing for persons living with HIV/AIDS
- **Chapter 9.49 of SMMC**, addressing reasonable accommodations for persons with disabilities

The Public Rights Division (PRD) of the City Attorney's Office enforces Fair Housing Laws, including investigation of fair housing complaints and litigation if necessary. The PRD also hosts an annual fair housing workshop and regularly publishes articles about fair housing in the Santa Monica Daily Press. The COVID-19

pandemic has highlighted the importance of housing rights, as many Santa Monicans (especially families and people of color) are facing evictions. The rise in hate crimes against all protected classes has also made the issue of fair housing paramount.



## POLICIES

**Policy 7.1 Enforce Fair Housing Laws.** Continue to enforce fair housing laws including but not limited to, prohibiting arbitrary discrimination in the building, financing, selling, or renting of housing, on the basis of race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, age, marital status, national origin, ancestry, familial status, income level, source of income, disability, veteran or military status, or genetic information, and to promote racial diversity and equality in housing distribution.

**Policy 7.2 Legal Support for Residents.** Continue to provide and strengthen anti-discrimination legal assistance and support for tenants facing harassment or eviction.

**Policy 7.3 Fair Housing Community Outreach.** Continue to work with local organizations and partners to engage in community outreach strategies that provide information on fair housing laws, including community workshops and public awareness campaigns.

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# 4:

## Summary of Land Available for Housing



# Chapter 4: Summary of Land Available for Housing

## A. Regional Housing Needs Allocation

The Regional Housing Needs Allocation (RHNA) is a state-mandated process that determines the amount of future housing growth each city and county must plan for 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.

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 based on its approved Final RHNA methodology.

On March 4, 2021, SCAG adopted the final RHNA allocation for all jurisdictions within its region. Figure 4-1 shows Santa Monica’s allocation in the Final Regional Housing Needs Allocation Plan—the planning period of October 2021 through October 2029. Approximately 69% of the units are allocated for households earning less than 120% of the Area Median Income (AMI).

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.

**On March 4, 2020, SCAG approved the Final RHNA methodology for determining each jurisdiction’s RHNA within the SCAG region. The methodology utilized a three-step process:**

1. Determine the jurisdiction’s projected housing need using regional projected household growth and calculate a future vacancy need by applying a healthy vacancy rate to owner and renter households. Assign a replacement need based on local survey results.
2. Determine the jurisdiction’s existing housing need based on a jurisdiction’s proximity to transit and jobs.
3. Add the projected and existing housing need together to get a total and apply social equity adjustment factors to determine the four RHNA income categories.

**Figure 4-1: Santa Monica's 2021-2029 Regional Housing Needs Assessment**

Income Level	% of AMI*	Units	% of RHNA Allocation
Very Low	31-50%	2,794	31%
Low	51-80%	1,672	19%
Moderate	81-120%	1,702	19%
Above Moderate	120%+	2,727	31%
<b>Total</b>		<b>8,895</b>	<b>100%</b>

### 1. Extremely Low Income Housing Needs

The RHNA does not include the income level of extremely low-income units (ELI). However, state law (AB 2634) requires Housing Elements to include the projected number of extremely low income housing needs, and the City's AHPP requires the production of ELI units. HCD indicates that local agencies may calculate the projected housing need for ELI households by applying one of the following two methodologies to the RHNA for very low-income (VLI) households:

- Use available Census data to calculate the percentages of ELI and VLI households and apply these percentages; or
- Assume 50 percent of the VLI units would qualify as ELI.

Applying the first methodology, approximately 7,124 extremely low-income and 4,089 very low-income households were identified in Santa Monica as detailed further in Appendix B. This equates to 64 percent and 36 percent respectively, of the total ELI and VLI households (Figure 4-2). These percentages suggest that of Santa Monica's RHNA share of 2,794 RHNA very low income units, a minimum of 1,788 units should be available for extremely low-income households and 1,008 units for very low-income households.

**Figure 4-2: Low Income Housing Needs**

	Existing # of Households	%	RHNA	Projected Need
Extremely Low	71,24	64%	2,794	1,788
Very Low	4,089	36%		1,006

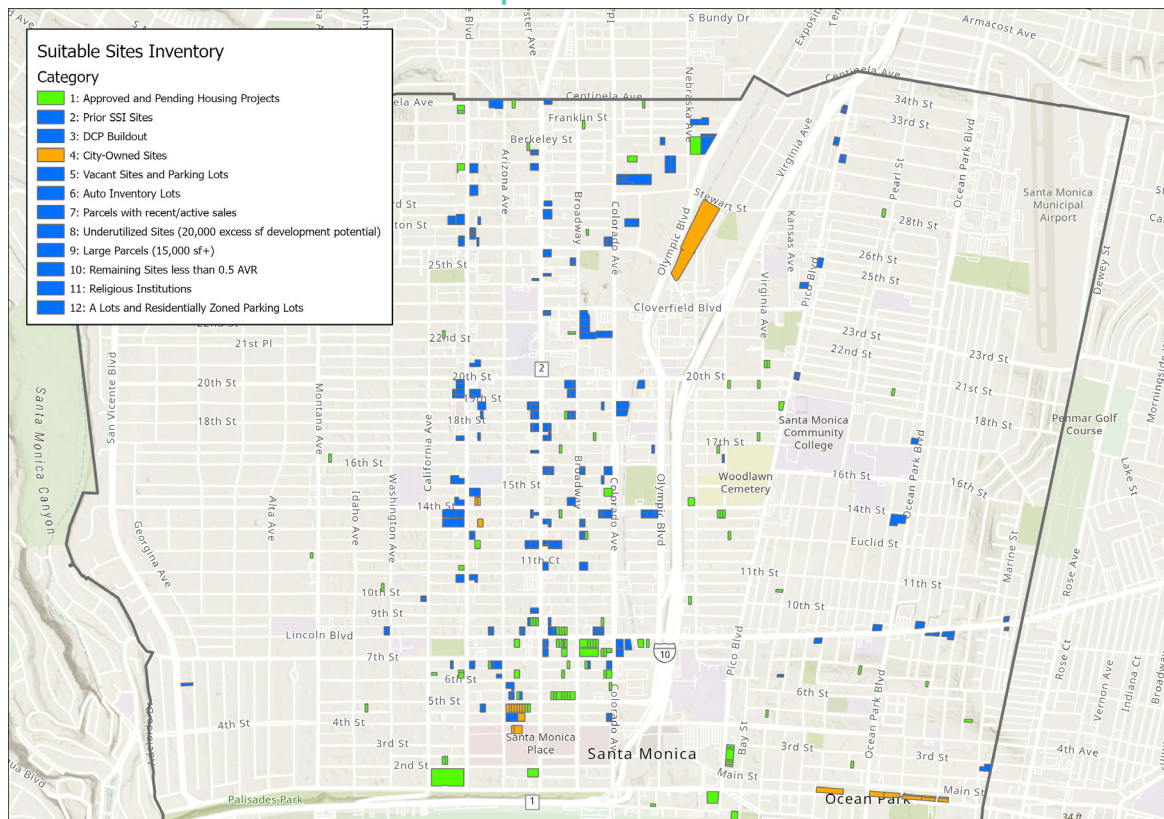
## B. Suitable Sites Inventory

The Regional Housing Needs Allocation (RHNA) is a state-mandated process that determines the amount of future housing growth each city and county must plan for 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.

Government Code Section 65583(a)(3) requires local governments to prepare an inventory of land suitable for residential development, including vacant sites and sites having the potential for redevelopment, and an analysis of the relationship of zoning and public facilities and services to these sites. This inventory of land suitable for residential development, otherwise known as the Suitable Sites Inventory (SSI), is used to demonstrate that there is sufficient land at appropriate densities and development standards to accommodate the RHNA at the income levels specified within the planning period. For the 6th Cycle 2021–2029 Housing Element, the City’s RHNA is 8,895 units, of which 69% must be provided at affordable levels.

The SSI for the City of Santa Monica’s 6th Cycle Housing Element was prepared in accordance with State Housing Element law and HCD’s Housing Element Sites Inventory Guidebook. Appendix F provides a report of the methodology used to prepare the SSI.

Map 4-1: Suitable Sites



To prepare the SSI, the City’s land use inventory was comprehensively reviewed to identify sites that are available for housing development within the Housing Element planning period, 2021–2029. The City focused the inventory to underutilized commercial sites since these sites are most likely to be redeveloped based on evidence of past development trends. Approximately 304 commercially zoned sites and 22 residentially zoned sites have been identified that have the highest potential to accommodate housing. These are shown on Map 4-1. Sites may be viewed interactively on the City’s Housing Element Update webpage at: <https://www.santamonica.gov/housing-element-update>. The sites in the SSI are categorized according to Figure 4-3.

**Figure 4-3: Suitable Sites Prioritization Categories**

#	Category	Description
1	Approved and Pending Housing Projects	Santa Monica has a number of pipeline housing projects that have been approved or are pursuing entitlements. These units are expected to be constructed in the next eight years and would count toward the City’s 6th Cycle RHNA.
2	Prior SSI Sites	83 parcels were listed in the 5th Cycle 2013–2021 Housing Element. Some of these parcels have undergone entitlements but the remaining have not.
3	DCP Buildout	As part of the Downtown Community Plan that was adopted in 2017, sites in the Downtown were identified for potential redevelopment.
4	City-Owned Sites	An important strategy for the City to meet its RHNA targets is the utilization of existing City-owned sites for housing, particularly affordable housing. All City-owned sites that are not currently developed with open space/parks, community centers, civic uses, utilities, etc. are categorized as Category 4 sites.
5	Parking Lots	A handful of sites in the City are parking lots, or parking structures. Parking lots are very underutilized and represent the greatest opportunity for new housing without displacement of existing uses.
6	Auto Storage Lots	These are parcels currently being utilized almost entirely as auto inventory surface lots for auto dealerships. Auto dealerships have indicated interest in turning over these large surface lots into redevelopment opportunities as they are rethinking their sales operations.
7	Parcels with recent/active sales	Based on a review of the Assessor’s Parcel Data and a review of commercial real estate websites (such as Loopnet), a number of properties have recently sold between 2019–2021 or have active sales listing.
8	Underutilized Sites (20,000 excess sf development potential)	Category 8 sites are sites that do not meet the criteria of Categories 1–7 but have been identified to have a net new development potential of 20,000 sf or greater (based on their existing built sf compared against their currently allowable maximum floor area).
9	Large Parcels (15,000 sf+)	Most parcels in the City are 7,500 sf. Large parcels that are 15,000 sf have greater potential for redevelopment.
10	Remaining Sites with less than 0.5 AVR	All remaining City sites with an assessor’s value ratio (AVR) of 0.5 or less have the highest likelihood of redevelopment.
11	Religious Institutions	AB 1851 was passed in 2020 to remove an important barrier to housing construction on lands owned by a religious institution. The law states that a jurisdiction cannot deny a housing project proposed by a religious institution on the sole basis that it will remove parking. A number of religious institutions with large surface parking lots are located throughout the City.
12	A-Lots and Residentially Zone Parking Lots	“A-Lots” are residentially zoned (R1/R2/R3/R4) parcels with an “A” Off-Street Parking Overlay. Within the City, there are 42 A-lots. In addition, there are numerous residentially zoned parking lots that serve the parking needs of boulevard-fronting commercial uses.



## 1. Approved and Pending Housing Projects

The City has a significant number of housing projects in the pipeline that if constructed will count toward the City's 6th Cycle RHNA. As of February 2021, there were approximately 1,670 approved units (of which 401 are affordable) and 756 pending units on 108 parcels. The list of approved and pending projects is provided in Appendix F. A review of the past 5th Cycle Housing Element shows that 10% of approved and pending projects were withdrawn and/or have had permit approvals expire. It is not possible for City staff to predict how many and which specific approved and pending projects could be withdrawn or ultimately not developed. Doing so would be arbitrary and speculative. Therefore, a 10% discount factor was applied to the current number of approved and pending units to allow for the possibility that some projects may never proceed to construction. This results in 1,503 approved units and 680 pending units that are projected to count towards the 6th Cycle Housing Element.

### Accommodating for Very Low and Low Income Housing

**The State uses the density allowed on a site as a "proxy" for determining whether a site can accommodate housing at lower-income levels.**

- **Very Low and Low Income.** *State law establishes a "default density standard" of 30 units per acre for low-income units in the City of Santa Monica. This means that if a site's zoning allows for a density that is greater than 30 units per acre, the zoning is considered appropriate to accommodate the RHNA for lower income households.*

*The City's Zoning Ordinance uses FAR rather than the density factor of units/acre. Therefore, to determine how many units per acre are possible on each site in the SSI, the number of units possible was calculated based on the allowable FARs established in Programs 1.F and 1.J. The number of units was then translated into units/acre based on the parcel size of each site. These calculations indicate that with the rezoning in Programs 1.F and 1.J, all the non-vacant, commercially zoned sites in the SSI can accommodate housing at greater densities than the "default density" of 30 units/acre. Therefore, per HCD, all sites can be identified as having the capacity and density to accommodate lower-income units.*

- **Moderate-income.** *Since all the identified SSI sites can accommodate lower-income units, the City has also determined that each site can accommodate moderate-income housing since units affordable to lower-income households would also be affordable to moderate-income households.*

## 2. Prior SSI Sites

The SSI identifies 24 sites that were in the last (5th) Cycle Housing Element with the capacity for approximately 1,500 units. According to Government Code Section 65583.2, if the SSI contains sites that were used in a prior housing element planning period, the City must allow by-right a development that includes at least 20% of the units as affordable. Sites where zoning already permits residential "use by right" as set forth in Government Code section 65583.2 (i), at the beginning of the planning period would be considered to meet this requirement. The City currently allows by-right housing projects through an interim zoning ordinance.

In order for the reused sites identified in the SSI to qualify for inclusion, this Housing Element includes Program 1.A to amend the Zoning Ordinance to establish a permanent by-right approval process for qualifying housing projects, including housing projects providing 20% of units as lower income affordable units.

## 3. City-Owned Sites

Achieving the number of affordable housing units for the 6th Cycle RHNA will be challenging, especially given limited public funding and high land costs in the City. The City recognizes that City-owned land can play an important role in producing significant housing, particularly affordable housing, and therefore, has made a commitment to prioritizing such land for 100% affordable housing within this Housing Element. Program 2.E. commits City-owned sites for the development of affordable housing through a public process that would maximize the amount of affordable housing that could be feasibly developed. The City-owned sites in the SSI are: Parking Structure 3, 4th & Arizona, Bergamot Arts Center, and Main Street parking lots. With consideration to existing constraints (such as lease terms, financial resources, etc.), City-owned sites have the potential for accommodating 1,884 units. Program 2.E commits the City to plan for a minimum of 1,884 affordable housing units across available City-owned sites, which may include but shall not be limited to rezoning actions.



*City owned parking lot off of Main Street.*

## 4. Religious Congregations

A number of religious congregations with large surface parking lots are located throughout the City. State law has made it easier to develop housing on religious institutional properties by removing parking as a barrier to development. During the outreach process of the Housing Element, many of these religious congregation leaders have expressed interest in developing housing on their properties and indicated that the provision of affordable housing on these sites would be aligned with their core mission. With Program 4.B to amend the Zoning Ordinance to facilitate the development of housing on surface parking lots owned by community assembly uses, these sites could accommodate 257 units.



## 5. All Remaining Sites

The remaining sites in the inventory include parking lots, underutilized sites with low-scale buildings, recently sold/active sales sites, and large sites.

### *Mixed-Use Zones*

Many of the SSI sites are located in the City's commercial and mixed-use zones (MUBL, MUB, GC, NC). Changes in the Downtown Community Plan and Zoning Ordinance as specified in Programs 1.F and 1.J will be required to support multi-unit housing and the production of inclusionary, affordable housing units in compliance with the City's Affordable Housing Production Program. In particular, the new increases in density and height would increase the likelihood of housing units to be developed in the NC zone (where housing has traditionally not occurred).

### *Office Campus/Industrial Conservation/Creative Conservation Sector*

Sites in the OC, IC, and CCS zones are typically developed for office, business park, warehousing, light industrial, and other commercial uses. A number of sites in these zones have been determined to be compatible for residential uses. The Housing Element includes Program 4.A to amend the Zoning Ordinance to allow multi-unit residential in non-residential zones where housing is currently prohibited

## 6. Capacity to Accommodate the RHNA by Income Levels

Per Government Code Section 65583.2(c), the SSI must include a calculation of the realistic residential development capacity of the sites. To ensure that sufficient capacity exists in the housing element to accommodate the RHNA throughout the planning period, HCD recommends that a jurisdiction create a buffer in the housing element inventory of at least 15 to 30 percent more capacity than required, especially for capacity to accommodate the lower income RHNA.

With the programs identified in this Housing Element, the sites identified for the SSI combined with anticipated ADU production has the capacity to accommodate at least 10,777 units providing a 21 percent buffer above the City’s RHNA of 8,895 units. This number is based on the application of new development standards for housing projects as established in Programs 1.F and 1.J. The buffer accounts for the likelihood that not all identified SSI sites may be necessarily developed by a property owner for housing. Approximately 150 additional units could be added to the total capacity if housing projects on these sites provided on-site affordable housing, rather than off-site. The land inventory includes capacity for 2,712 extremely low, 2,327 very low income, 2,471 low income, and 1,713 moderate income units. Figure 4-4 breaks down the summary of the SSI capacity based on category and income levels.

**Figure 4-4: Suitable Sites Capacity Summary Table – Base Tier 1 Housing**

	Total Capacity	Capacity for Affordable Units				
	# Units	# Affordable Units	ELI	VLI	LI	Moderate
Category 1 Approved	1,503	416	104	104	104	104
Category 1 Pending	680	165	42	42	42	42
Category 4 City Sites	1,884	1,884	628	628	628	-
Category 11 Religious Sites	257	129	32	32	32	32
Category 12 Parking Lots	94	47	12	12	12	12
All Remaining Categories	6,007	6,007	1,502	1,502	1,502	1,502
ADUs	352	232	53	7	151	21
<b>Total</b>	<b>10,777</b>	<b>8,880</b>	<b>2,373</b>	<b>2,327</b>	<b>2,471</b>	<b>1,713</b>
RHNA Targets	8,895	6,168	1,397	1,397	1,672	1,702
Buffer	+1,882	+2,712	+976	+930	+799	+11
	21%					



### C. Accessory Dwelling Units

Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (JADUs) play an important role in the production of housing, particularly within single-unit residential zoning districts where historically only one unit is permitted. In recognition of this, over the past four years, the State has enacted several laws to help spur the production of housing through the development of ADUs and JADUs. On September 8, 2020, City Council approved an ordinance incorporating State law ADU requirements into a new ADU/JADU Section of the Zoning Ordinance, SMMC Section 9.31.025 Accessory Dwelling Units and Junior Accessory Dwelling Units. The ordinance further expands upon the new requirements by exempting all ADUs and JADUs from parcel coverage or floor area calculations, providing more permissive development of ADUs. Figure 4-5 and Map 4-2 summarize ADU development and locations within the City since 2018, the start of when State law began to focus on incentivizing ADUs. However, it is important to note that the vast majority of these numbers are from ADU construction on R1 (Single-Unit Residential) zoned parcels. The City is just now starting to see property owners take advantage of the new ability to establish sometimes multiple ADUs with existing multiple-unit residential and mixed-use developments.



Source: Open Scope Studio

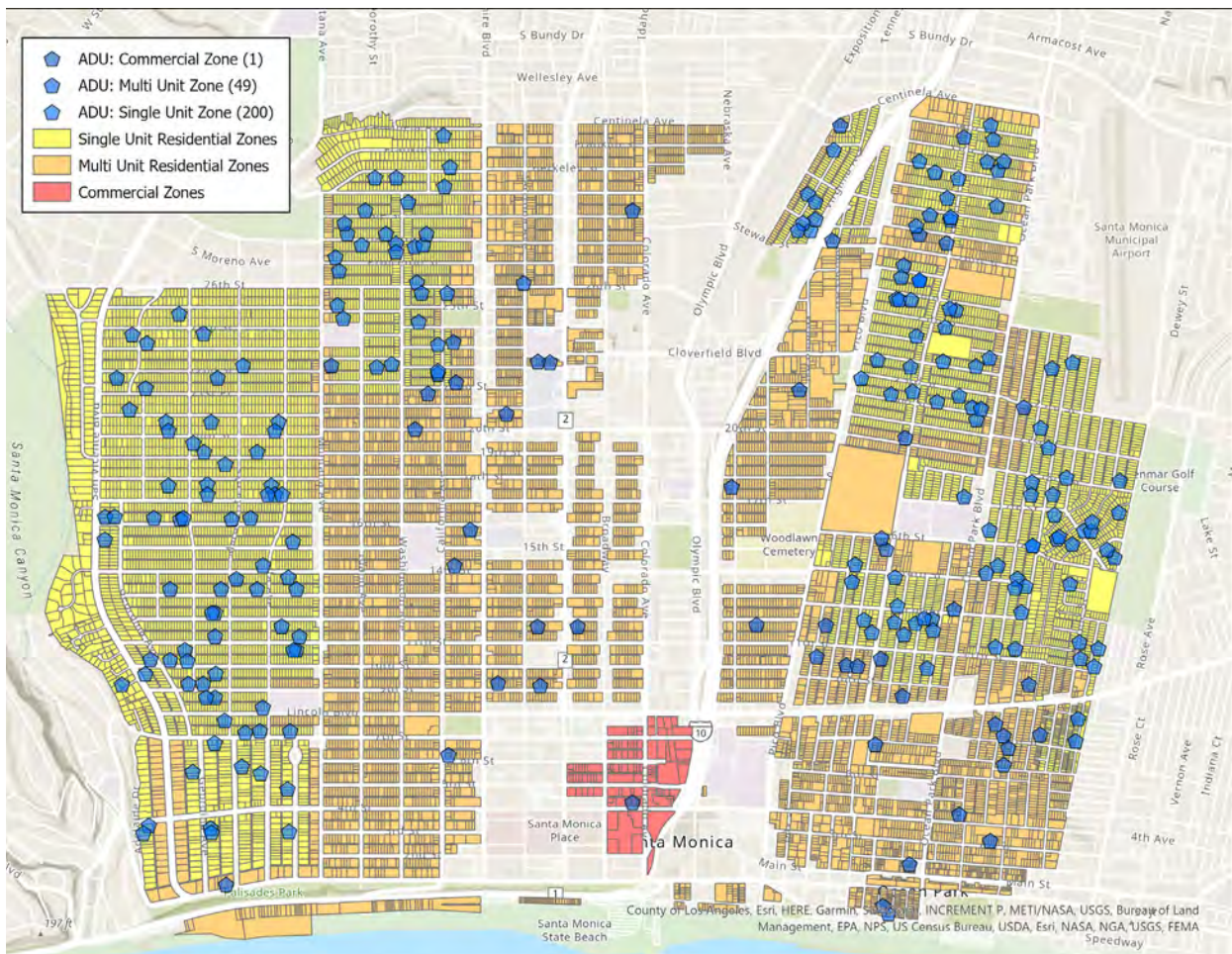


Figure 4-5: Santa Monica ADU Production

Building Permit Year	In-Progress	Permit Issued	Total
2018	2	54	56
2019	32	51	83
2020	88	27	115
2021	25	2	27
<b>TOTAL</b>	<b>147</b>	<b>134</b>	<b>281</b>
Average 2018-2020	$(54+51+27)/3 = 44$ units per year		

Source: Building permit data as of June 1, 2021  
 Each ADU building permit is only accounted for once across all years.

Map 4-2: ADU Locations



Per State law, a projection of the number of ADUs expected to be built within the 8-year planning period can be counted towards the RHNA. However, this projection must be based on the following factors:

- The number of ADUs or JADUs developed in the prior planning period;
- Community need and demand for these types of housing units;
- The resources and/or incentives available that will encourage the development of ADUs;
- The availability of ADUs and JADUs for occupancy;
- The unit must meet the Census definition of a housing unit and be reported to the Department of Finance as part of the annual City and County Housing Unit Change Survey; and
- The anticipated affordability of these units.

In order to project the increased potential of ADU development, HCD recommends the following options:

- Use the trends in ADU construction since January 2018 to estimate new production.
- Assume an average increase of five times the previous planning period construction trends prior to 2018.
- Use trends from regional production of ADUs.
- Include programs that aggressively promote and incentivize ADU and JADU construction.

As shown in the Figure 4-5 based on ADU building permit data between 2018 and 2020, Santa Monica averages 44 ADUs per year. Using this average production number, it can be expected that over the next eight-year Housing Element cycle, approximately 352 ADUs will be built and can be used towards our RHNA. This estimate is conservative, as it accounts for a potential progressive decline in available land for ADU within single-unit zones. This forecast also does not account for possible future interest in ADUs to be incorporated into existing multiple-unit residential and mixed-use developments, which the City has only just started seeing very recently as the new law permitting this only took effect January 1, 2020.

In order to determine assumptions of ADU affordability in the Southern California region, SCAG conducted a regional analysis of existing ADU rents. Figure 4-6 shows assumptions for ADU affordability based on the SCAG assumptions.

### **Determining ADU Income Levels**

SCAG conducted a regional analysis of current market rents that can be used to obtain credit towards each income category in the RHNA. SCAG's analysis was pre-certified by HCD and allows cities to assume that the total anticipated ADU production would be assigned to the following income categories:

- Extremely Low – 15%
- Very Low – 2%
- Low – 43%
- Moderate – 6%
- Above Moderate – 34%

**Figure 4-6: Estimated Affordability of Projected ADUs 2021-2029**

Income Level	Percent of ADUs <sup>a</sup>	Projected # of ADUs
Low Income	15%	53
Very Low	2%	7
Low	43%	151
Moderate	6%	21
Above Moderate	34%	120

<sup>a</sup> Based on SCAG Survey of ADU Affordability

## D. Adequate Sites Alternative - Rehabilitation and Conversion of Existing Units

Government Code Section 65583.1(c) allows for use of existing units to address up to 25 percent of the lower income RHNA by counting existing units made available or preserved through the provision of “committed assistance” to low- and very low-income households at affordable housing costs or affordable rents. This option is referred to as “Alternative Adequate Sites”. However, there are limited parameters under which substantial rehabilitation, conversion, or preservation of units can be counted and the Housing Element would be required to identify exactly how the city will guarantee compliance in order to grant the credit. The units must be:

- Substantially rehabilitated and at imminent risk of loss to the housing stock
- In a multi-unit rental or ownership housing complex of three or more units that are converted from non-affordable to affordable rental
- Preserved at levels affordable to low- or very low-income households where the local government has provided those units with continued assistance

The City has a history of dedicating revenues to support the rehabilitation of substandard housing units. From 2005 onward, the City provided Housing Trust Fund loans to nonprofit developers for acquisition, rehabilitation, and deed restriction. The City also provides housing assistance to existing residents through a number of programs and has a demonstrated history of working with willing property owners and tenants to grant project-based housing vouchers that might allow some units to qualify towards the RHNA. Further, the Housing Element includes Program 2.C allowing market-rate projects to comply with the AHPP through the acquisition and rehabilitation of existing rental units and converting those to deed-restricted units. Based on past performance, it is expected that the City will continue to preserve the existing at risk housing stock through the acquisition and rehabilitation of existing low-income units. However, it would be difficult to predict how many rehabilitated units could be counted towards the RHNA.



1626



# 5:

## Implementation Programs





# Chapter 5: Implementation Programs

The City is committed to implementing the goals and policies in Chapter 3 through the programs in this chapter. These programs have been developed through extensive community engagement and with consideration for actions necessary to achieve a compliant Housing Element. The programs reflect what realistically could be completed in the eight-year planning period. Each program includes background, a description of the program action, timeframe by which the action will be completed, and the City agencies responsible for oversight of the program. The City will be reporting on each of these programs as part of its Annual Progress Report to the California Department of Housing and Community Development.

## GOAL 1

**Production of new housing that is sustainable, innovative, safe and resilient, appropriate with the surrounding neighborhood, offers opportunities for active and healthy living, including walking and biking, and increases equitable housing opportunities.**

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### **Program 1.A** By-Right Approvals For Housing Projects

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, at a minimum: 1) 100% affordable housing projects; 2) non-Downtown housing projects that are code-compliant or are granted specified modifications/waivers to be established in the Zoning Ordinance; 3) Downtown housing projects that do not exceed Tier 2 maximums and are code-compliant or are granted specified modifications and waivers to be established in the Zoning Ordinance; and 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 through a by-right process. Such by-right projects shall still be subject to design review, provided that design review shall not constitute a "project" for purposes of Division 13 (commencing with Section 21000) of the Public Resources Code.

The City shall extend interim zoning amendments for process thresholds pending the full implementation of this program.

The City shall also develop written procedures to implement the streamlined review process for eligible projects under SB35.

## Program Background:

Based on consultation with both affordable and market-rate housing providers, the uncertainty presented by a discretionary approval process is a factor in whether to move forward with housing projects in light of other risks that are out of the City's control including land costs, construction costs, and lender requirements. On March 10, 2020, in efforts to streamline the process for housing production, the City Council adopted changes to the LUCE, DCP and BAP as well as an emergency interim ordinance to allow 100% affordable housing projects and housing projects up to Tier 2 maximums that are subject to the protections of the HAA to be reviewed through a by-right administrative process. The emergency interim ordinance expires December 31, 2021, unless extended by the City Council.

Additionally, according to Government Code Section 65583.2, if the Suitable Sites Inventory (SSI) contains sites that were used in a prior housing element planning period, the City must allow by-right a development on those sites if the project includes at least 20% of the units as affordable. Therefore, in order for the 5th Cycle Housing Element sites identified in the SSI to qualify for inclusion, the by-right process must be included in the LUCE, Zoning Ordinance, DCP and BAP, as applicable.

### LUCE Tier System

The LUCE created a tiered land use system based on increments of height and floor area ratio (FAR). Tier 1 establishes a base height and FAR while Tier 2 establishes additional height and FAR that can be requested if community benefits are provided.

- **Timeframe:** by March 31, 2022
- **Responsibility:** City Planning Division; City Attorney Office
- **Objective:** Allow a ministerial approval process based on objective standards for 100% affordable housing projects and housing projects that do not exceed Tier 2 maximums and are subject to the Housing Accountability Act.

## **Program 1.B** Streamline the Architectural Review Process and Ensure Design Review Objectivity for Housing Projects

The City shall adopt new streamlining procedures to allow staff level design review for smaller housing projects and expedited design review of larger housing projects by shifting the design review process to before or concurrently with entitlement issuance. This will reduce processing timelines and increase certainty for housing providers. These procedural changes would involve amending the Municipal Code to assure that design review cannot unreasonably delay a housing project approval by, for example, placing limits on number of hearings and maximum time limits for design review. The amendments shall also be clear that design review cannot be used to reduce density or deny a housing project. Additionally, the City shall develop objective design standards anticipating compliance with SB35 for applicable housing projects.

### **Program Background:**

Santa Monica Municipal Code Chapter 9.55 establishes the Architectural Review Board (ARB), and, along with certain provisions of the City's Zoning Ordinance, sets forth the City's design review processes. For all new construction, additions or remodel of an existing building, in all zones except R1 (single-unit), the ARB must make findings in its design review of development including compatibility with surroundings and design that 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. While the findings, which have been in place since the 1970s, are not objective, the design review process occurs after project entitlements and focuses only on project design; as a result, the ARB's review cannot be used to deny or reduce the density of a housing project.

Additionally, while the City is currently not subject to SB 35 under the 5th Cycle Housing Element reporting period (2013-2021) because the City has regularly met its RHNA targets, it is anticipated that the City will be subject to SB 35 in the coming 6th Cycle Housing Element reporting period (2021-2029), and will therefore be limited to use of objective design standards when reviewing housing projects eligible for SB 35's expedited review process.

- **Timeframe:** by September 30, 2022
- **Responsibility:** City Planning Division; City Attorney's Office
- **Objective:** Streamlined housing approvals.

## Program 1.C Incentivize Housing Development On Surface Parking Lots In Residential Zones

In order to provide new housing choices and affordability in high opportunity areas, the City shall adopt standards that incentivize housing production on surface parking lots in residential zones associated with existing commercial uses, including, but not limited to, removing density caps and commercial parking replacement restrictions, lot consolidation, street access to the project, and restoring underlying maximum allowable density.

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.

### Program Background:

There are approximately 108 residentially-zoned surface parking lots associated with an adjacent commercial use. Of those parking lots, 32 are identified as high or medium-high potential for housing in the SSI. The parking lots serve the adjacent boulevard-facing commercial uses. The existing multi-unit residential zones have density caps of 4-6 units regardless of the size of the property, which limits their capacity for housing potential.

- **Timeframe:** by August 1, 2022
- **Responsibility:** City Planning Division; City Attorney's Office
- **Objective:** Incentivize housing production on underutilized sites that would not displace existing residential tenants.



*A typical "A-Lot" in Santa Monica. The residentially-zoned surface parking lot in the foreground with the associate commercial use in the background.*



## Program 1.D Reduce Minimum Parking Requirements For Housing Projects

The City shall reduce minimum parking requirements for all housing projects by applying Parking Overlay 1 rates.

### Program Background:

Analysis of total development costs for housing projects have shown that stringent parking requirements add significantly to the cost of housing construction. In 2017, the City eliminated parking minimums in the Downtown as part of the adoption of the Downtown Community Plan. Eliminating and/or reducing minimum parking requirements would allow a housing developer to choose the “right-size” supply of parking to meet demand as necessary, and would significantly reduce the cost of housing construction.

- **Timeframe:** by August 1, 2022
- **Responsibility:** City Planning Division; Mobility Division; City Attorney’s Office
- **Objective:** Lower the cost of housing production.



*The Downtown Community Plan eliminated parking minimum requirements in an effort to reduce construction costs.*

## Program 1.E Revise The Design Standards In The Bergamot Area Plan (BAP) For Easier Understanding And To Support Housing Production

The City shall modify the design guidelines in the BAP to establish objective standards to support housing production by increasing certainty for housing providers. The revisions to design standards will address at minimum: building modulation, ground floor uses, street frontages/pedestrian orientation, open space, reduction in parking minimums, live/work artist and commercial living situations, etc. The standards shall be user-friendly with improved clarity to support housing production. The BAP should also consider the special housing needs of artists, such as live-work units, to promote artist residents in the Bergamot area.

### Program Background:

The BAP was initiated to transition 142.5 acres of former industrial land into a walkable, sustainable, and innovative complete neighborhood. The BAP encourages affordable/market-rate housing to enable employees to live in the area and offer new lifestyle choices connected to transit. However, the design standards in the Plan are complex, unclear, onerous, and do not incentivize housing. As a result, since its adoption in 2013, only three housing projects have been proposed in the Bergamot area.

- **Timeframe:** by June 30, 2023
- **Responsibility:** City Planning Division; City Attorney's Office
- **Objective:** Provide clarity in the regulatory environment for housing and incentivize housing production in the Bergamot area.



*The Bergamot Area Plan was adopted in September of 2013, and covers 142.5 acres of former industrial land as well as the Bergamot Arts Center*

## **Program 1.F** Revise The Downtown Community Plan Development (DCP) Standards To Support Housing Projects

The City shall modify the development standards in the DCP to ensure they are set at levels that can support the minimum AHPP requirements and to support feasible housing projects. The City shall also amend the development standards and AHPP requirements to ensure Tier 2 and Tier 3 Downtown housing projects are feasible.

### **PC Recommended:**

The City's assumptions of feasibility and the City's SSI are based on the results of a feasibility analysis prepared by HR&A dated June 9, 2021. 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 allowable height and FAR as of October 13, 2021. The off-site affordability requirement will be greater than the on-site requirement.

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.

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 impact fees and design standards such as restrictions on ground floor residential use, minimum/maximum ground floor height, and daylight plane adjacent to existing residential neighborhoods.

The City shall revise the definition of a Housing Project in the DCP to be consistent with the HAA.

### **Staff Recommended:**

The City's assumptions of feasibility and the City's SSI are based on the results of a feasibility analysis prepared by HR&A dated June 9, 2021. Based on the results of the feasibility analysis, the feasible FARs for housing projects range from a minimum 2.75 to 4.0 with heights ranging from 55 feet to 84 feet. 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 allowable height and FAR as of October 13, 2021. The off-site affordability requirement will be greater than the on-site requirement.

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.

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 impact fees and design standards such as restrictions on ground floor residential use, minimum/maximum ground floor height, and daylight plane adjacent to existing residential neighborhoods.

## Program Background:

The DCP was adopted in 2017 with a primary focus on producing thousands of new housing units at a range of sizes and affordability levels. The DCP provided both development and process incentives for housing projects through greater FARs relative to commercial development, no minimum parking requirements, and a ministerial approval process for typical mixed-use housing projects. In exchange for these strong incentives, Downtown housing projects are required to provide additional affordable housing and augmented fees for the portion of the floor area above Tier 1 maximums. Since DCP adoption, approximately 1,133 units have been approved in the Downtown with a lesser amount that have moved ahead into building permits. Of those 1,133 approved units, the vast majority were projects that pre-dated the DCP's inclusionary housing requirements. The current FARs and heights allowed in the DCP are shown below:

Zone	Current Tier 1 (non Housing projects)		Current Tier 1 Housing Projects w/ on-site AHPP compliance		Current Tier 2	
	FAR	Height	FAR	Height	FAR	Height
LT (East)	1.25	32'	1.50	39'	2.25	50'
LT (West)	1.25	32'	1.50	39'	2.75	60'
NV	1.75	32'	2.25	39'	3.50	60'
BC (Promenade)	1.75	32'	2.25	39'	2.75	60'
BC (2nd/4th)	1.75	32'	2.25	39'	3.50	60'
TA	1.75	32'	2.50	39'	3.50	60'
OT	1.75	32'	2.50	39'	2.75	50'
WT	1.50	32'	1.50	39'	2.25	50'

- **Timeframe:** by March 31, 2022
- **Responsibility:** City Planning Division; City Attorney's Office
- **Objective:** Continue to encourage housing production in Downtown area.

## Program 1.G Incentivize And Facilitate The Development Of Accessory Dwelling Units (ADUs) Through An Adu Accelerator Program

The City shall develop an Accessory Dwelling Unit Accelerator Program that will simplify the ADU process by providing property owners interested in constructing ADUs with a handbook detailing all ADU standards and review procedures, and pre-approved ADU plans that can be selected to reduce time and costs associated with ADU development. The program will further streamline the City's ADU permitting review process.

Additionally, the City will review and update its locally adopted ADU Ordinance for consistency with State law.



### Program Background:

An effective strategy to increasing the housing supply is facilitating the construction of Accessory Dwelling Units (ADUs), particularly in single-unit residential districts. Due to their smaller size and relatively lower cost of construction, ADUs can provide lower-cost housing opportunities within single-unit neighborhoods that are less accessible due to high housing costs.

In 2020, the City approved an ADU Ordinance (SMMC Section 9.31.025) to incorporate State law requirements for ADUs and Junior Accessory Dwelling Units (JADUs). The ordinance further encourages the production of ADUs/JADUs by exempting them from parcel coverage or floor area calculations and provides for a ministerial approval process for all ADUs and JADUs. Since implementation of these new State laws, the City has seen an increase in ADU production and interest each year.

- **Timeframe:** by December 31, 2022
- **Responsibility:** City Planning Division
- **Objective:** Streamline approvals and facilitate development of ADUs.

### **Program 1.H** Adaptive Reuse Of Existing Commercial Buildings For Permanent Residential Use

As an alternative to constructing new housing, the City shall encourage and incentivize the adaptive reuse of existing commercial tenant space for permanent residential use and also allow an adaptive reuse of existing ground floor commercial space for artists and live-work use. The City shall also adopt policy and zoning changes to incentivize the conversion of existing commercial tenant space to residential use, such as relaxing parking, unit mix, open space, and other typical zoning or building code requirements.

### Program Background:

The COVID-19 pandemic has had a dramatic impact on the City's commercial real estate market. Even prior to the pandemic, the retail industry had been struggling to compete with online retailers and the office market had started to trend downward. Empty storefronts and partially-occupied office buildings are not an uncommon sight in the City. With the downturn of retail and office real estate accelerated by the pandemic, the concept of converting commercial into residential has gained significant interest as another avenue to increase the supply of housing in the City.

- **Timeframe:** by December 31, 2023
- **Responsibility:** City Planning Division; City Attorney's Office
- **Objective:** Increase flexibility for reuse of vacant commercial space to residential use.

## **Program 1.I** Ensure That Local Regulations Support Innovations In Construction Technology To The Extent Technically Feasible

The City shall support innovative lower-cost, efficient, and environmentally sustainable construction techniques for housing. Program shall implement a streamlined building permit review process for housing projects utilizing innovative construction methods and technology, and project-based outcome-oriented permitting benchmarks.

### **Program Background:**

New innovations in building and construction technology could help decrease both the time and cost of housing construction. This includes the use of modular/pre-fabricated (prefab) construction or the use of cross laminated timber. Prefab construction involves producing standardized components of a structure in an offsite factory, then assembling them onsite. When prefab construction is done at economies of scale, it can result in significant reduction in housing cost. Cross laminated timber (CLT) has recently started gaining traction in North America as a viable type of construction. In addition to being more sustainable, CLT can significantly reduce the time and labor costs for construction.

- **Timeframe:** by December 31, 2023
- **Responsibility:** City Planning Division; Building and Safety Division
- **Objective:** Remove impediments to innovation in housing construction.

## **Program 1.J** Rezoning By Revising Development Standards To Ensure That Housing Projects Are Feasible And Incentivized Over Commercial Development

The City shall amend the Zoning Ordinance, LUCE, and the Bergamot Area Plan (BAP) to increase FAR and height standards to levels that can support feasible housing projects.

### **PC Recommended:**

The City's assumptions of feasibility and the City's SSI inventory are based on the results of a feasibility analysis prepared by HR&A dated June 9, 2021. 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 allowable height and FAR as of October 13, 2021. The off-site affordability requirement will be greater than the on-site requirement.

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.

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 impact fees, unit mix requirements, and design standards such as restrictions on ground floor residential use, minimum/maximum ground floor height, and daylight plane adjacent to existing residential neighborhoods.

### **Staff Recommended:**

The City's assumptions of feasibility and the City's SSI inventory are based on the results of a feasibility analysis prepared by HR&A dated June 9, 2021. Based on the results of the feasibility analysis, the feasible FARs for housing projects range from a minimum 2.75 to 3.25 with heights ranging from 55 feet to 65 feet. 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 allowable height and FAR as of October 13, 2021. The off-site affordability requirement will be greater than the on-site requirement.

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.

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 impact fees, unit mix requirements, and design standards such as restrictions on ground floor residential use, minimum/maximum ground floor height, and daylight plane adjacent to existing residential neighborhoods.

### **Program Background:**

When the LUCE was adopted in 2010, its core strategy was to capitalize on the City's extensive transportation system including the Metro Expo) Light Rail and to protect the City's residential neighborhoods with an emphasis on policies that discourage tenant displacement. This growth strategy has resulted in significant new housing production in the Downtown, but it has also perpetuated the historic patterns of housing segregation that remains to this day. Although all of Santa Monica is considered a high or highest resource area, there remain a handful of areas where housing would not be likely to develop due to FARs that are not high enough to support the City's regulatory requirements. The current FARs and heights allowed in the Zoning Ordinance are shown below:

Zone	Existing Tier 1 (non Housing projects)		Existing Tier 1 Housing Projects w/ on-site AHPP compliance		Existing Tier 2	
	FAR	Height	FAR	Height	FAR	Height
MUBL	1.25	2/32'	1.50	3/36'	1.75	36'
MUB	1.25	2/32'	1.50	3/39'	2.25	50'
GC (SMB)	1.00	2/32'	1.25	2/32'	1.50	35'
GC (Pico)	1.25	2/32'	1.50	3/36'	2.00	36'
GC (Lincoln)	1.25	2/32'	1.50	3/36'	2.00	36'
NC	1.25	2/32'	1.50	2/32'	N/A	N/A
NC (Main)	0.75	2/27'	1.00	2/27'	N/A	N/A
NC (Ocean Park)	0.75	2/32'	1.00	2/32'	N/A	N/A
NC (Montana)	0.75	2/32'	1.00	2/32'	N/A	N/A
HMU	1.50	3/45'	N/A	N/A	2.50	5/70'
BTV	1.75	32'	1.75	39'	2.00	60'
CAC	1.00	32'	1.00	32'	1.00	60'
MUC	1.50	32'	1.50	36'	1.70	47'
OC (Housing Not Permitted)	1.5	2/32'	N/A	N/A	1.75	3/45'
IC (Housing Not Permitted)	1.0	2/32'	N/A	N/A	1.75	3/45'

- .....
- **Timeframe:** by March 31, 2022
  - **Responsibility:** City Planning Division; City Attorney's Office
  - **Objective:** Support the production of affordable housing and encourage the equitable production of housing across the City.
- .....



## Program 1.K Adequate Sites Program

The City shall reduce minimum parking requirements for all housing projects by applying Parking Overlay 1 rates.

### PC Recommended:

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.

### Staff Recommended:

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 City-owned sites are allowed 100 percent residential use and require residential use to occupy at least 50 percent of the floor area. Additionally, while not required to meet the shortfall of lower-income units, the Zoning Ordinance shall be amended to specify additional mixed-used zoning districts that shall be allowed 100 percent residential uses.

### Program Background:

Government Code section 65583(f) and Government Code section 65583.2(h) states that where the inventory of sites does not identify adequate sites to accommodate the RHNA for lower income households, a program must be included to identify sites that can be developed for housing within the planning period. As the City will be accommodating more than 50 percent of the low- and very low-income regional housing shortfall on City-owned sites, the City must allow these sites in the inventory to accommodate 100 percent residential use and require residential use to occupy at least 50 percent of the floor area in a mixed-use project.

- **Timeframe:** by August 1, 2022
- **Responsibility:** City Planning Division
- **Objective:** Create opportunity to accommodate the City's lower-income RHNA targets.

## GOAL 2

Housing production for all income categories including for the community's workforce and most vulnerable communities.

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### Program 2.A Establish A Moderate-Income Affordable Housing Zoning Overlay

The City shall amend the Zoning Ordinance to establish a 100% affordable housing overlay for moderate-income (up to 120% AMI) housing projects in targeted areas of the City such as Downtown area, Bergamot area, and the immediate area around the 17th Street/Santa Monica College Expo station. The moderate-income affordable housing overlay would allow a height increase of up to three additional stories or 33 feet, 50% density bonus, up to four incentives and concessions, no minimum parking requirements, and flexibility in unit size/unit mix in exchange for additional common area amenities.

#### Program Background:

AB1763 amended State density bonus law (Government Code Section 65915) to allow 100% affordable housing projects unlimited density and up to 3 stories or 33 feet above maximum height limits within 1/2 mile of transit. The changes also provide relief from minimum parking requirements and allow requests for up to four incentives/concessions from local development standards.

State Density Bonus law incentives for 100% affordable housing projects only applies to projects up to 80% AMI. The City's Zoning Ordinance similarly defines 100% affordable housing as only including projects up to 80% AMI. As a result, there are no incentives for moderate income housing projects (serving households up to 120% AMI) even though the City has received a RHNA allocation for moderate income units. In the 5th Cycle Housing Element, the City did not meet its RHNA targets for moderate-income units. In addition, funding sources for 100% affordable projects generally focus on households earning up to 80% AMI and do not provide funding for moderate-income projects. Moderate-income housing units serve an important segment of Santa Monica workers and residents that do not qualify for lower-income affordable units yet cannot afford market rents.

- 
- **Timeframe:** by August 1, 2022
  - **Responsibility:** City Planning Division; City Attorney's Office
  - **Objective:** Provide significant incentives for 100% affordable housing including moderate income households.
-

## Program 2.B Right Of First Offer Ordinance For Nonprofit Affordable Housing Providers

The City shall adopt a Right of First Offer Ordinance that would provide nonprofit affordable housing providers the right of first offer for a specified time period to acquire private properties as they become available for purchase. As part of this effort, the City shall prioritize the scope of properties that would most effectively achieve the goal of making non-profit housing providers more competitive in the land buying market for the purpose of producing affordable housing.

### Program Background:

Acquisition and rehabilitation of existing housing and conversion to affordable units can preserve naturally occurring affordable housing while also providing existing residents the opportunity to maintain their housing at an affordable level and minimize overall tenant displacement.

- **Timeframe:** by December 31, 2023
- **Responsibility:** City Planning Division; Housing and Human Services Division; City Attorney's Office
- **Objective:** Support 100% affordable housing by assisting nonprofit affordable housing providers to be competitive in the land acquisition market.

## Program 2.C Update The City's Affordable Housing Production Program To Increase The Number Of Affordable Housing Units At All Income Levels

In order to increase the number of affordable housing units at all income levels, the AHPP on-site option for housing projects located outside of the Downtown shall be revised to include, but not be limited to:

- Increase the threshold (to at least 6 units) at which projects are required to provide on-site or off-site affordable units.
- Eliminate the current "menu" option of affordability requirements and instead establish a new base affordability percentage
- Re-evaluate the in-lieu fee option for applicants to pay a fee instead of constructing affordable units to ensure that the fee supports the funding and construction of new affordable housing throughout the City; and
- Evaluate the possibility of a mixed-compliance option that would provide applicants more flexibility in meeting AHPP requirements

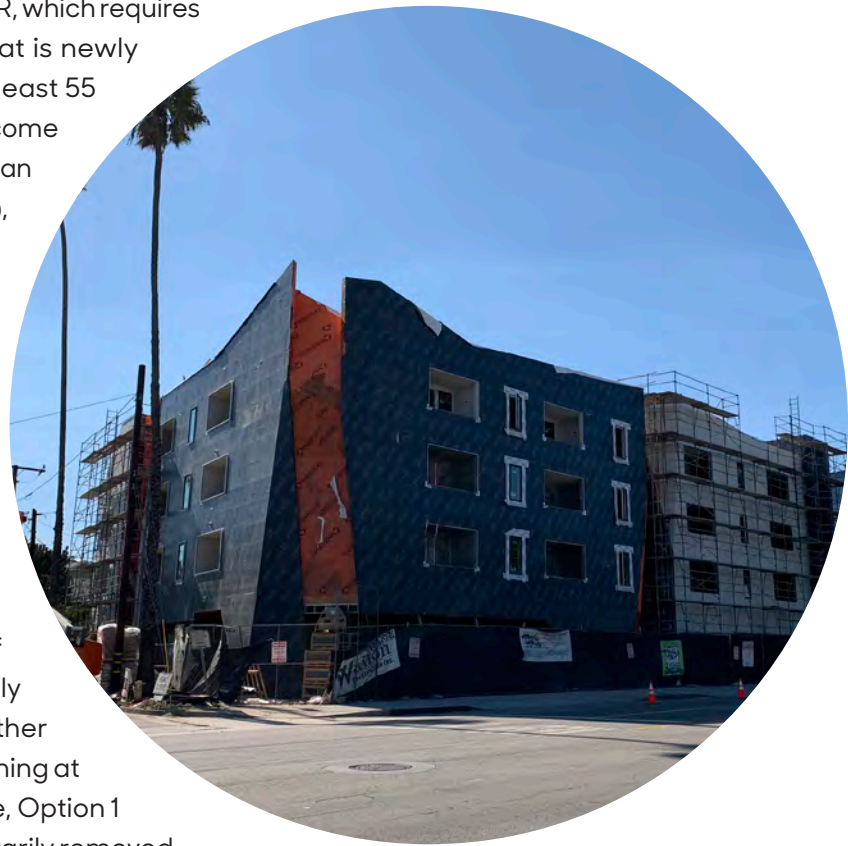
Additionally, to support increased affordable housing production, the AHPP off-site option for housing

projects located outside of the Downtown shall be revised to:

- Increase the minimum percentage of required affordable units to be higher than the on-site option;
- Allow projects to locate off-site affordable housing anywhere in the City that is not a disadvantaged area as defined by SB535, which includes socioeconomic and environmental metrics
- Allow market-rate projects to comply with AHPP through acquisition and rehabilitation of existing rental units and converting those to deed-restricted units.

### 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. The current AHPP requires market-rate housing developers to select from a “menu” of options for the production of affordable housing (see table below). However, in 2013, the menu option of the AHPP was amended to add the extremely low-income option, and since that time, the menu had the effect of producing many affordable units at the extremely low-income level at the cost of production of other income levels, with particular shortages happening at the 80% to 120% AMI income levels. In response, Option 1 (the extremely-low income option) was temporarily removed by adoption of Ordinance 26059(CCS) by the City Council on April 9, 2019 until November 26, 2019, which has since been extended by the City Council until February 28, 2022. This temporary elimination of the extremely low-income “menu” option had the effect of increasing the minimum inclusionary requirement to 10% of total units for Tier 1 projects, and 15% of Tier 2 and 3 projects affordable to 50% AMI households.



AHPP Menu Option	Tier 1	Tier 2/3
1	5% of the total units at 30% AMI	7.5% of the total units at 30% AMI
2	10% of the total units at 50% AMI	15% of the total units at 50% AMI
3	20% of the total units at 80% AMI	30% of the total units at 80% AMI
4	100% of the total units at 120% AMI	Not applicable

The AHPP also currently allows developers to fulfill their affordable obligation by providing units off-site or, in limited circumstances, paying an in-lieu fee. However, if a developer elects to provide affordable units off site, the units are required to be located within ¼ mile of the market-rate project, except that within the Downtown Community Plan area, developers of Tier 2 or Tier 3 housing project have the flexibility to locate the off-site housing anywhere within the Downtown.

- **Timeframe:** by March 31, 2022
- **Responsibility:** Housing and Human Services Division; Economic Development Division; City Attorney’s Office
- **Objective:** Ensure that the AHPP provides housing developers viable options for compliance.

## Program 2.D Update Density Bonus Ordinance To Ensure Consistency With State Law And Integration Into The City’s Land Use System

### PC Recommended:

The City shall update the density bonus ordinance, Santa Monica Municipal Code Chapter 9.22, to ensure consistency with State Density Bonus Law and integration with the City’s land use system, including the AHPP. The ordinance will clarify how to apply State density bonus law in the City’s commercial and mixed-use districts that do not have maximum density controls, including application of State density bonuses to floor area dedicated to residential uses. The amendments to the Municipal Code shall also set forth a voluntary by-right menu of incentives & concessions that do not require following the process under Government Code Section 65915(d) for approval. Requests for “off-menu” incentives and concessions may be requested pursuant to Government Code Section 65915(d).

If there is an affordability requirement in place that distributes affordability requirements evenly across income levels, explore ways for housing providers to maximize incentives and concessions, parking reductions, and density as set forth in State Density Bonus Law.



**Staff Recommended:**

The City shall update the density bonus ordinance, Santa Monica Municipal Code Chapter 9.22, to ensure consistency with State Density Bonus Law and integration with the City’s land use system, including the AHPP. The ordinance will clarify how to apply State density bonus law in the City’s commercial and mixed-use districts that do not have maximum density controls, including application of State density bonuses to floor area dedicated to residential uses. The amendments to the Municipal Code shall also set forth a voluntary by-right menu of incentives & concessions that do not require following the process under Government Code Section 65915(d) for approval. Requests for “off-menu” incentives and concessions may be requested pursuant to Government Code Section 65915(d).

**Program Background:**

On August 25, 2020, the City Council updated Santa Monica Municipal Code Chapter 9.22 which implements State density bonus law, to incorporate updates to the State Density Bonus Law for 100% affordable housing projects. At the time of the update in 2020, the City deferred amendments that would clarify how to apply State Density Bonus Law to the City’s commercial and mixed-use districts, pending further study, which has been ongoing since December 2019.

After the August 2020 update, Assembly Bill 2345 took effect on January 1, 2021, which expanded and enhanced development incentives for market rate projects that provide affordable housing. AB 2345 increases the maximum density bonus from thirty-five percent (35%) to fifty percent (50%). To be eligible for the maximum bonus of 50%, a project must set aside at least (i) fifteen percent (15%) of total units for very low-income households, (ii) twenty-four percent (24%) of total units for low-income households, or (iii) forty-four percent (44%) of for-sale units for moderate income households. Levels of bonus density between thirty-five percent (35%) and fifty percent (50%) are granted on a sliding scale

- **Timeframe:** by March 31, 2022
- **Responsibility:** City Planning Division; City Attorney’s Office
- **Objective:** Ensure consistency with State Law.

**Program 2.E Commit To The Production Of Affordable Housing On City-Owned/Publicly- Owned Land**

**PC Recommended:**

The City shall commit City-owned sites for the production of 100% affordable housing, with consideration for revenue generating uses that are community-serving in synergy with fair and economically diverse housing and open space.

The City shall plan for a minimum of 1,884 affordable housing units across available City-owned sites, which may include, but shall not be limited to, rezoning actions in the LUCE, Specific Plans, and/or Zoning Ordinance amendments. Amendments to maximize affordable housing development potential on City-owned sites, and any subsequent development of those sites will be guided through a public process, including engagement of community stakeholders. An RFP for at least one city-owned site shall be issued by December 31, 2023. Future RFPs shall be staggered based on availability of resources.

To facilitate affordable housing development, the City will continue to assess appropriate City-owned properties for the development of affordable housing, or in some cases may consider the most appropriate disposition of City properties to nonprofit developers for the development of affordable housing.

### **Staff Recommended:**

The City shall commit City-owned sites for the production of 100% affordable housing, with consideration of other community-serving purposes, including, but not limited, to green space, place making, and/or community-serving commercial.

The City shall plan for a minimum of 1,884 affordable housing units across available City-owned sites, which may include, but shall not be limited to, rezoning actions in the LUCE, Specific Plans, and/or Zoning Ordinance amendments. Amendments to maximize affordable housing development potential on City-owned sites, and any subsequent development of those sites will be guided through a public process, including engagement of community stakeholders. An RFP for at least one city-owned site shall be issued by December 31, 2023. Future RFPs shall be staggered based on availability of resources.

To facilitate affordable housing development, the City will continue to assess appropriate City-owned properties for the development of affordable housing, or in some cases may consider the most appropriate disposition of City properties to nonprofit developers for the development of affordable housing.

### **Program Background:**

As a built-out 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. City-owned land is subject to the same development standards as privately-owned land, but may benefit from additional flexibility in order to maximize the development potential for 100% affordable housing.

An RFP to redevelop Parking Structure 3 located on the Third Street Promenade as affordable housing was issued in August 15, 2019 and is currently pending review. The Parking Structure 3 RFP required that proposals including a significant commitment to permanent supportive housing for people experiencing homelessness and established parameters for affordable housing including long-term

income eligibility and affordability covenants, tenant selection from the City's below-market-rate list, and allowance to target other populations such as working families, seniors, and artist live/work housing.

- **Timeframe:** by December 31, 2023 and Annual Ongoing
- **Responsibility:** City Planning Division; Economic Development Division
- **Objective:** Prioritize affordable housing production on city-owned land.

## **Program 2.F** New Affordable Housing Finance Programs To Enable Continued Provision Of Technical And Financial Assistance For Housing Production

The City shall leverage its commitment to use of City-owned land for affordable housing with advocacy for new sources of state, federal, and philanthropic funding that may be used for housing. Once appropriate funding sources are identified, the City will take the necessary steps to move forward.

The City has adopted policy on prioritizing our local funding through a Housing Trust Fund plan that includes spending commitments for affordable housing production and preservation for special needs and ELI households, including exploring new funding for conversion to deed-restricted, multi-unit developments in areas of affluence. The plan outlines a funding strategy for ELI households including seniors and persons living with disabilities. The City will continue to implement the policy and execute funding commitments to produce housing targeted to persons experiencing homelessness or at-risk of homelessness. Local funding through the Housing Trust Fund will also help support affordable housing production on City-owned/publicly owned land in accordance with Program 2E. On an ongoing basis, the City will continue to communicate with local affordable housing providers on potential housing projects based on funding availability.

Financial and technical assistance shall be provided when resources are available and committed to nonprofit housing providers to the greatest extent possible to support the development of affordable housing, including special needs housing and arts housing. The City will research creative financing tools like a regional housing trust fund and infrastructure financing plans to learn how they are used elsewhere and how the City might best leverage these tools to support the construction of affordable housing

### **Program Background:**

The City has historically provided technical and financial support to a variety of nonprofit housing providers to support affordable housing development through the local Housing Trust Fund. Since the dissolution of the City of Santa Monica's Redevelopment Agency (RDA), the main funding source for the Housing Trust Fund comes from a 0.5% sales tax passed by the voters in 2016. Remaining funding

sources, such as the affordable housing commercial linkage fee and the affordable housing in-lieu fee, and contributions from negotiated development agreements, do not provide sufficient funding to fill the gap left from the loss of RDA funds. The City continues to work with nonprofit 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.

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 maintain current productivity levels. This Housing Element commits City-owned land for 100% affordable housing. Because land acquisition is typically the largest cost driver for affordable housing, it is anticipated that use of City land will alleviate the impact of land cost on the feasibility of an affordable housing project and allow limited funding resources to be used more effectively in producing affordable housing.

- **Timeframe:** Annual Ongoing
- **Responsibility:** City Planning Division; Housing and Human Services Division
- **Objective:** Seek innovative affordable housing financing tools to increase production.

## **Program 2.G** Expand Housing Choice By Facilitating The Development And Maintenance Of Special Needs Housing

The City shall continue to utilize available financial resources and partnerships with service providers to create and retrofit existing housing for special needs households. This includes the provision of 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. The City shall encourage barrier-free construction and adaptation.

Through the 5-year Consolidated Plan process, the City shall continue to identify housing and supportive service gaps for various special needs groups and propose policy and priorities based on the analysis.

### 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, ensuring that anyone who uses a wheelchair or other mobility device is able to visit a building, and accessibility to transit and services.

- **Timeframe:** Annual Ongoing
- **Responsibility:** Housing and Human Services Division; Building and Safety Division
- **Objective:** Housing for individuals with special needs.

## Program 2.H Maintain Proposition I Monitoring

The City shall monitor utilization of Proposition I authority through annual reporting of new "low rent-housing projects.

### 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 one-half 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.

- **Timeframe:** Annual Ongoing
- **Responsibility:** Housing and Human Services Division
- **Objective:** Ensure the City continues to report on compliance with Proposition I.



## Program 2.I Zoning For A Variety Of Housing Types Including Special Needs Housing And Housing Access For Persons With Disabilities

The City shall review and update the Zoning Ordinance and BAP, as applicable, to ensure consistency with State law as needed regarding special needs housing types and residential land use classifications as needed.

### Program Background:

Since the 2015 Zoning Ordinance update, the State has passed various laws that have removed barriers for special needs housing types, such as emergency shelters, group residential, and supportive/transitional, as well as other residential land uses. These laws have been put into place to ensure that cities zone for a variety of housing types.

- **Timeframe:** by December 31, 2022 and Annual Ongoing
- **Responsibility:** City Planning Division; City Attorney's Office; Housing and Human Services Division
- **Objective:** Ensure the City is compliant with all State laws for special needs housing types and residential land uses.

## Program 2.J Prioritize Water And Sewer Service To Housing Projects With On-Site Affordable Units

The City shall establish written procedures to grant priority to developments with on-site units affordable to lower-income households if availability of service is limited.

### Program Background:

Government Code Section 65589.7 requires water and sewer service providers to establish procedures that grant priority water and sewer service to developments that include units affordable to lower-income households.

- **Timeframe:** by December 31, 2022
- **Responsibility:** Public Works Department
- **Objective:** Prioritize infrastructure service to developments with lower income units to support the production of affordable housing throughout the City.

## GOAL 3

Preservation of the existing supply of housing and prevent displacement of existing tenants.

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### Program 3.A Restrict The Removal Of Existing Rental Units For Site Redevelopment And Require That Protected Units Are Replaced

The City shall amend the Municipal Code to adopt local requirements that make permanent and potentially expand upon the anti-displacement requirements of SB 330 to ensure that protected units proposed to be demolished in order to construct a new housing development project are replaced.

As required by Government Code Section 65583.2(g)(3), the City shall amend the Zoning Ordinance to require that sites that currently have residential use, or 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).

#### Program Background:

SB 330 (effective 01/01/21 through 01/01/25) enacted a program that establishes unit replacement requirements and tenant protections for new housing projects proposing the demolition or removal of "protected units", generally defined as units subject to any form of rent restrictions or price control. These "protected units" include rent-controlled units that must be replaced as part of a new housing project.

- 
- **Timeframe:** by August 1, 2022
  - **Responsibility:** City Planning Division
  - **Objective:** Protect existing residents by preserving existing rental housing stock; no net loss of units.
-

### **Program 3.B** Develop Tenant And Landlord Programs To Address State And Federal Legislative Mandates Regarding Anti-Discrimination

The City shall continue to implement programs, including tenant and landlord education/outreach, 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). The City will continue to fund the acquisition and rehabilitation of existing rental units and continue to 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.

#### **Program Background:**

Residents 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 enables apartment building landlords to raise the price of rent-controlled apartments to market rate when the unit is vacated and is to be rented to a new tenant, establishing a new base rent for the unit. This has allowed 74% of the rent-control housing stock to reset to market rents.

Even with Santa Monica’s exception to the HUD payment standard granted in 2016, the vast majority of Santa Monica’s existing housing supply is out of reach for lower income households. With limited federal funding resources being allocated to cities, the demand for housing assistance outpaces available resources.

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 an anti-discrimination ordinance and has launched a 2-year pilot Right to Counsel program to assist tenants facing eviction. The City also provides one-time homeless prevention grants to households in danger of losing their housing.

- **Timeframe:** Annual Ongoing
- **Responsibility:** Housing and Human Services Division (lead); Rent Control Board
- **Objective:** Develop programs to address State and Federal housing mandates.

## Program 3.C Facilitate The Conservation Of Restricted And Non-Restricted At-Risk Housing

There are approximately 770 affordable, deed-restricted units that are at-risk of conversion to market rate in the next 10 years. The City will continue to monitor the status of at-risk projects within the City, ensure that required notice is given to tenants, advise property owners and tenants in advance of potential conversion dates, and assist in answering questions from residents of at-risk housing. As a part of the ongoing monitoring, the City will continue to provide information on maintaining long-term affordability and assist federally-funded housing properties with seeking funding assistance in applying for allocations of housing vouchers from the federal government to maintain housing affordability. On an ongoing basis, the City will continue to communicate with local affordable housing providers on conserving housing projects .

The City will exercise its right of first refusal to purchase properties if necessary and financially feasible to ensure the continued availability of affordable housing units. Additionally, the City shall research and implement strategies on conserving non-covenant residential units such as rent-controlled units and naturally occurring affordable units..

### Program Background:

The City has a variety of affordable housing projects, consisting of 3,902 deed-restricted residences that are currently serving the community. Publicly-assisted housing units with federal rental assistance subsidies are protected by covenants. Those units with covenants nearing expiration are considered "at-risk" of potential conversion to market-rate housing. According to the City's local data, a total of 770 publicly-assisted housing units protected by covenants that are due to expire in the next 10 years. They are, therefore, at risk of potential conversion to market rate. These units serve seniors or persons with special needs, with one property serving families.

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 nonprofits 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.

- **Timeframe:** Annually: staff will identify funds and work with nonprofits as necessary to secure at-risk units, where appropriate and feasible; Ongoing: Monitoring
- **Responsibility:** Housing and Human Services Division
- **Objective:** The City proactively monitors units at risk of conversion due to expiring covenants and takes actions to ensure their long-term affordability.

### **Program 3.D** Maintain An Acquisition And Rehabilitation Program

As resources are available, the City shall continue to provide loan assistance to nonprofit affordable housing providers and work with providers to identify new funding sources. As outlined in Program 2.B, the City shall adopt a Right of First Offer Ordinance that would provide nonprofit affordable housing providers the right of first offer to acquire existing private properties as they become available for purchase.

#### **Program Background:**

The City provides Housing Trust Fund loans to nonprofit housing providers to assist with the purchase and rehabilitation of existing rental properties occupied primarily by low-income households. The acquisition and rehabilitation of existing housing and conversion to affordable rental units preserve naturally occurring affordable housing while also ensuring housing stability for existing tenants by allowing them to remain in their units at deed-restricted affordable rents.

- **Timeframe:** Annual Ongoing
- **Responsibility:** Housing and Human Services Division; Santa Monica Housing Authority
- **Objective:** Protect existing residents by acquiring and rehabilitating existing housing.

### **Program 3.E** Maintain A Low-Income Residential Repair Program

The City shall support and fund the rehabilitation of 38 multi-family units and provide 20 minor home repairs.

#### **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.

Minor home modifications improve physical access for people with disabilities and seniors that assist with independent living. Modifications are funded through the City's Human Services Grants Program using Community Development Block Grant (CDBG) funds.

- **Timeframe:** by 2024
- **Responsibility:** Housing and Human Services Division; Santa Monica Housing Authority
- **Objective:** Rehabilitate 38 multi-unit dwellings and provide 20 minor home repairs.



### Program 3.F Enhance Code Enforcement Response To Housing-Related Violations

The City shall continue to respond to residential building code violation complaints. Code Enforcement and Building and Safety Divisions will coordinate with the Housing and Human Services Division to provide information on available rehabilitation assistance to correct code deficiencies.

#### Program Background:

The Code Enforcement Division responds to complaints of violations of City building codes and in coordination with the Building and Safety Division, provides inspections and notices to property owners to bring their units into compliance.

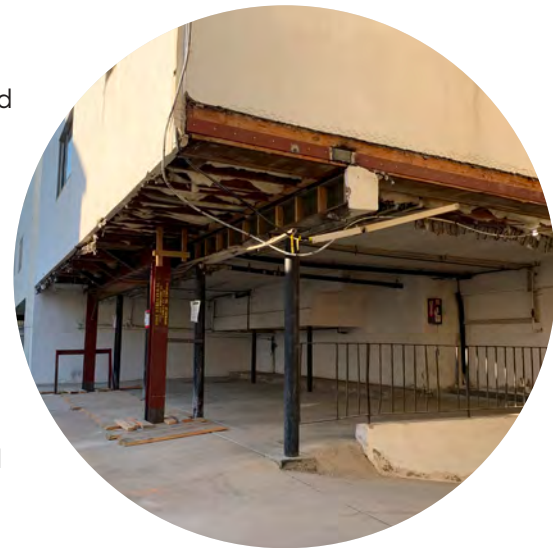
- **Timeframe:** Annual Ongoing
- **Responsibility:** Building and Safety Division, Code Enforcement Division, Housing and Human Services Division
- **Objective:** Require property owners to respond to Building Code violations and complete routine maintenance on their residential buildings.

### Program 3.G Maintain A Mandatory Seismic Retrofit Program

The City shall continue to implement the Seismic Retrofit Program pursuant to the City’s Seismic Retrofit Ordinance.

#### Program Background:

In March 2017, the City Council adopted a Seismic Retrofit Ordinance and the City implemented the Seismic Retrofit Program that proactively seeks to strengthen existing earthquake-vulnerable buildings and enhance the safety and security of their occupants. Nearly 2,000 commercial and residential buildings in the City were identified as potentially seismically vulnerable in need of possible structural improvement and are required to comply with the Program within established timeframes based on building types (20-year program overall). Ongoing seismic retrofit improvements to existing multi-unit residential buildings will help maintain the safety and structural integrity of the City’s aging housing stock.



- **Timeframe:** Annual Ongoing
- **Responsibility:** Building and Safety Division
- **Objective:** Protect existing residents by ensuring the safety and structural integrity of existing residential buildings.

### Program 3.H Information And Outreach For Property Owners Regarding Rehabilitation And Maintenance Of Housing Units

The City shall provide additional education and outreach to multi-unit property owners on available City programs to support continued rehabilitation, maintenance, repairs, and upgrades of their housing units.

#### Program Background:

Tenants in rent-controlled units who allege that their rental units need repairs or maintenance, or that their housing services have been reduced, may petition to have their monthly rent decreased. In 2019, eighty decrease petitions were filed. Both the City and Rent Control Board co-sponsor an annual Maintenance of Residential Rental Property seminar and coordinate regarding relocation disputes, use of withdrawn properties, and maintenance and enforcement issues. Annual tenant and landlord forums also educate both groups on their rights and responsibilities including but not limited to available programs, resident qualifications, and benefits of program participation.

- **Timeframe:** Annual Ongoing
- **Responsibility:** Housing and Human Services Division; Rent Control Board
- **Objective:** Inform property owners regarding proper maintenance of residential units.

### Program 3.I Right To Counsel Program

The City shall continue to implement a Right to Counsel pilot program and evaluate its overall effectiveness, program capacity, and long-term feasibility.

#### Program Background:

In April 2021, the City initiated a two-year pilot Right to Counsel program, an initiative to provide legal assistance and support for tenants facing eviction, particularly amid the COVID-19 pandemic. This pilot program is available to Santa Monica tenant households whose income is at or below 80% of the County's Area Medium Income ("AMI"), and facing eviction attempts by their landlord. The program includes a contract with the Legal Aid Foundation of Los Angeles (LAFLA), the nonprofit law firm for low-income residents, to provide full-scope eviction defense services in which LAFLA attorneys will represent tenants in court. This partnership seeks to provide emergency support to low-income tenants in need of legal assistance.

- **Timeframe:** Ongoing
- **Responsibility:** City Attorney's Office
- **Objective:** Prevent the displacement of tenants by providing access to legal assistance and support for tenants facing eviction.

## Program 3.J Restrict Conversion Of Existing Rental Housing To Condominiums

The City shall continue to regulate condominium conversions pursuant to SMMC Section 9.24.040.

### Program Background:

Displacement of residents due to economic pressure is one of the main contributing factors to housing segregation. Displacement and gentrification are widespread in Santa Monica with the Ellis Act and Costa-Hawkins Rental Housing Act allowing owners to either exit the rental business and evict all tenants or raise the rents of vacated rent-controlled. Restrictions on condominium conversions are in place to ensure that required noticing is provided to tenants and that conversions can only occur if there is a surplus of rental housing inventory in the immediate period before approval of a conversion. Condominium conversions are currently regulated by SMMC Section 9.24.040. The Condominium Conversion ordinance sets out the conditions under which a condo conversion could be approved including:



*Conversion restrictions will continue to protect and retain older housing developments, like the apartment building above.*

Condominium conversions are currently regulated by SMMC Section 9.24.040. The Condominium Conversion ordinance sets out the conditions under which a condo conversion could be approved including:

1. Rent Control Board approval to remove units from the rental market
2. Tenants have been given required notice of intent to convert and to seek alternative housing
3. Preparation of a conversion report by City staff
4. Notice of any public hearings
5. Structural, electrical, fire and life safety, and plumbing systems are in good repair and maintenance
6. Findings as required by the Planning Commission including finding that the vacancy factor of rental housing units exceeds 5 percent of the total rental housing inventory for a period of 90 days prior to the date of approval.

- **Timeframe:** Ongoing
- **Responsibility:** City Planning Division
- **Objective:** Restrict loss of rental housing units to condominium conversions.

## ▶ GOAL 4

A community that provides equitable housing access to all neighborhoods.

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### Program 4.A Zoning Ordinance Amendment To Permit Multiple-Unit Housing In Non-Residential Zones Where Not Currently Permitted

The City shall amend the Zoning Ordinance, LUCE, and associated specific and area plans to add multi-unit housing as a permitted use in non-residential zones where housing is currently prohibited. To promote the fair and equitable distribution of new housing opportunities across the City, land use regulations shall be amended to add multi-unit housing as a permitted use in areas where housing is currently prohibited. Land use regulations, FAR, and height (as indicated in Program 1.I) will be revised to allow housing in areas that currently do not allow housing such as the Office Campus, Industrial Conservation, and Creative Conservation Sector zones.

To promote fair and equitable housing opportunities throughout the City, the City shall amend the Zoning Ordinance, LUCE, and the Bergamot Area Plan (BAP) including in areas that have historically not permitted or accommodated housing, to allow for higher maximum allowable FAR and height in the NC, IC, and OC zoning districts.

For the purposes of addressing environmental health considerations, the City shall amend the Zoning Ordinance to specify locations in the City where housing projects are required to conduct an air quality assessment and implement recommendations from the assessment.

#### Program Background:

When the LUCE was adopted in 2010, its core growth strategy was to encourage housing in close proximity to major transportation systems, such as the Metro Expo Light Rail and transit corridors, and to protect the City's residential neighborhoods by discouraging development that would result in displacement of tenants. The housing incentives were balanced with a plan to support the City's economic base by incentivizing retention of existing commercial and industrial space in select areas of the City to support existing and growing businesses. This growth strategy has resulted in new housing production largely in the Downtown and some limited areas on the boulevards, but it has also perpetuated the historic patterns of housing segregation that remain to this day. Although all of Santa Monica is considered a "high resource" area based on maps produced by the California Tax Credit Allocation Committee, there remain a handful of areas that provide little to no housing opportunities.

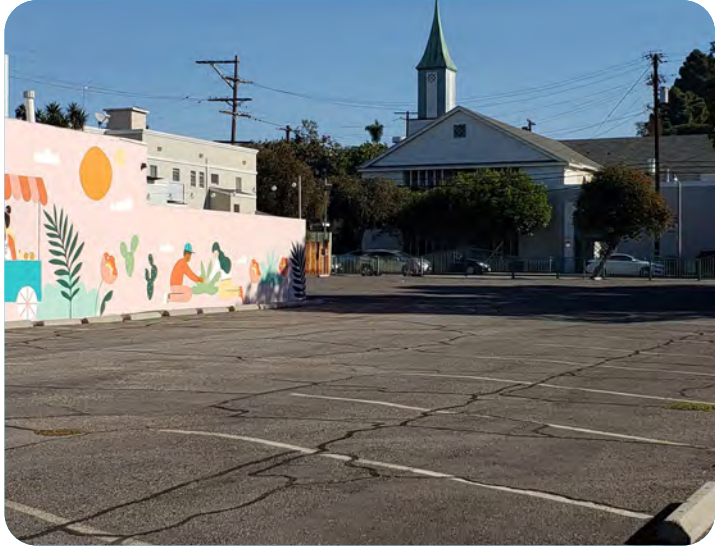
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- **Timeframe:** by August 1, 2022
  - **Responsibility:** City Planning Division; City Attorney's Office
  - **Objective:** Support the production of affordable housing and encourage the equitable production of housing across the City.
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## Program 4.B Facilitate The Development Of Housing On Surface Parking Lots Owned By Community Assembly Uses

In order to Affirmatively Further Fair Housing, the City shall adopt standards that support the production of affordable housing on surface parking lots owned by community assembly uses, including religious congregations, including allowing not more than 50% market-rate units to support the affordable housing, unlimited, density, no minimum parking requirements, an additional 33 feet of building height, and allowance for the primary community assembly use and related ancillary use, for the support or expansion thereof, on or above the ground floor.

### Program Background:

AB1851 was passed in 2020 to remove an important barrier to housing construction on lands owned by a religious institution. The law states that a jurisdiction cannot deny a housing project proposed by a religious institution on the sole basis that it will remove parking. Approximately fifteen parcels with religious congregations, which are classified in Santa Monica as community assembly uses, have large surface parking lots, have been identified on the SSI, and are located within high or highest resource areas. During the outreach process of the Housing Element, many of these religious congregations have expressed interest in developing housing on their properties; however, the Zoning Ordinance development standards for these sites severely limits the housing potential of these sites.



- **Timeframe:** by August 1, 2022
- **Responsibility:** City Planning Division
- **Objective:** Increase equitable access to all residential neighborhoods and incentivize affordable housing in areas that have historically excluded diverse housing opportunities.



**Program 4.C Provide New Housing Choices And Affordability In High Opportunity Areas Through Incentives For Additional ADUs In R1-Zone Neighborhoods**

The City shall establish programs to address historically exclusionary single-unit dwelling zones by encouraging and incentivizing the production of ADUs in single-unit residential districts. This would include allowing an additional ADU to be constructed if the ADU is deed restricted as a rental unit. As ADUs are naturally more affordable by design given their size, the program would help affirmatively further fair housing by helping to provide new housing choices and affordability in high opportunity areas of the City that are largely unaffordable to many people.

**Program Background:**

Historic practices like redlining and restrictive covenants have perpetuated housing segregation and hindered fair access to housing. Although the City has been a leader in encouraging diverse neighborhoods through fair housing, rent control and tenant protections, predominantly homeowner neighborhoods have accommodated very little diversity in housing types reducing housing access for even middle-income households and a large percentage of Santa Monica workers. R1-zoned neighborhoods make up approximately 35% of the land area in the city but contain 13% of the housing units in the city. In comparison, commercial zoning comprises only 7% of the City’s land area but contains 15% of the housing units in the City.



*Single-Unit Development in the R1 Zone.*

The construction of new ADUs in recent years has increased housing opportunities in single-family zones, areas which have traditionally been out of reach for renters. The vast majority of new ADUs constructed or under development in the past 3 years have been in the City’s R1 (single-unit) neighborhoods, providing a valuable source of rental housing access in otherwise high cost neighborhoods. Under State law, properties are permitted to have one ADU and one JADU. This program will further allow one more ADU on single-unit dwelling parcels with the requirement that the additional third ADU be restricted to permanent rental housing. This program

will incentivize the production of ADUs thus providing new housing choice and affordability in the high opportunity areas of the R1 neighborhoods.

- **Timeframe:** by August 1, 2022
- **Responsibility:** City Planning Division
- **Objective:** Increase equitable access to all neighborhoods by lowering barriers to housing access in areas that have historically excluded diverse housing opportunities.

## Program 4.D Right To Return Program

The City shall continue to implement a Right to Return Pilot Program and evaluate outreach strategies, applicant demand, the availability of historical documentation, verification processes, compliance with government legislation, and the administrative resources required to implement a broader long-term program.

### Program Background:

In July 2021, the City initiated a Right of Return Pilot Program that prioritizes housing for the historically displaced households in Santa Monica during the 1950s and 1960s due to urban renewal policies. The pilot program implements historical displacement policy by providing housing access to former residents or their descendants who were displaced by the creation of the Civic Auditorium in the Belmar Triangle neighborhood and the I-10 freeway in the Pico neighborhood, both of which disproportionately impacted low-income communities and communities of color. The program will provide priority in City-funded affordable housing and inclusionary housing for up to 100 households or descendants of households. Qualifying households will be placed on the City of Santa Monica’s affordable housing waitlist (Below Market Housing waitlist) with Second Priority and will be referred to affordable housing providers as housing units become available.



*Construction of the Civic Center Auditorium in 1957  
Source: Santa Monica Public Library*

- **Timeframe:** Annual Ongoing
- **Responsibility:** Housing and Human Services Division
- **Objective:** Address the historical displacement of Santa Monica households which resulted from the development of the Civic Auditorium and I-10 freeway through the Pico neighborhood during the 1950s and 1960s that disproportionately impacted low-income communities and communities of color and displaced thousands of households living in Santa Monica.

## ▶ GOAL 5

### Housing for persons experiencing homelessness.

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#### **Program 5.A** Reduce 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

The City shall 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.

#### **Program Background:**

Santa Monica has a long history of investing in housing and supportive services to prevent and address the impacts of homelessness. In March 2019, the City introduced the Four "Pillars" upon which the City's homeless strategies are based; 1) preventing housed Santa Monicans from becoming homeless and increasing affordable housing opportunities; 2) addressing the behavioral health needs of vulnerable residents; 3) maintaining equitable access to safe, fun, and healthy open spaces; and 4) strengthening regional capacity to address homelessness. These strategies have been implemented through interdepartmental and community partnerships that contributed to a sustained reduction in homelessness in the City's downtown and beach areas, and helped contribute to an 8% local reduction in the City of Santa Monica's annual Homeless Count in 2019.

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.

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- **Timeframe:** Annual Ongoing
  - **Responsibility:** Housing and Human Services Division
  - **Objective:** Continue to invest in and implement housing and supportive services to prevent and address the impacts of homelessness.
-

## Program 5.B Low Barrier Navigation Centers As By-Right Use

The City shall amend the Zoning Ordinance to allow Low Barrier Navigation Centers as a by-right permitted use in all non-residential zones permitting multi-unit uses.

### Program Background:

Assembly Bill 101, passed in 2019, requires that a low barrier navigation center be a use permitted by right in mixed-use zones and nonresidential zones permitting multi-unit uses if it meets specified requirements. AB 101 defines “low barrier navigation center” as a housing first, low-barrier, service-enriched shelter focused on moving people into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter and housing.

- **Timeframe:** December 31, 2022
- **Responsibility:** City Planning Division
- **Objective:** Ensure the City’s regulations and procedures are in conformance with State Law.



*The Ocean Park Community Center (OPCC), an example of a Low Barrier Navigation Center in Santa Monica.*



## ▶ GOAL 6

Provision of housing assistance and supportive programs and services to extremely low-, very low-, low-, and moderate-income households and households with special needs, families, seniors, and the homeless.

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### Program 6.A Enhance Housing Mobility By Maintaining Rental Housing Voucher Programs And Expand To Assist All Persons With Disabilities

The City shall continue to operate strong rental housing voucher programs and advocate for funding guidelines for Section 8 that are competitive for Santa Monica; and shall 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. When funding opportunities are available, 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.

#### Program Background:

In FY2020-21, the Santa Monica Housing Authority (SMHA) administered approximately 1,600 rental housing vouchers, including Section 8, Continuum of Care vouchers, HOME vouchers, and Veterans Affairs Supportive Housing (VASH) vouchers. The HOME program targets rent-burdened households at-risk of becoming homeless and persons who have been homeless for at least a year.

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- **Timeframe:** Annual Ongoing
  - **Responsibility:** Santa Monica Housing Authority; Housing and Human Services Division
  - **Objective:** Maintain voucher programs to ensure availability and choice of housing for households at all income levels.
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## **Program 6.B** Seek Funding Sources To Support Rental Assistance For Vulnerable Individuals And Households At-Risk Of Displacement

The City shall continue to pursue and identify new funding sources that support rental assistance programs, including emergency rental assistance to the extent feasible.

### **Program Background:**

The City monitors the availability of Federal, State, and County funding sources to support rental assistance programs on an ongoing basis.

- **Timeframe:** Annual Ongoing
- **Responsibility:** Housing and Human Services Division
- **Objective:** Maintain housing stability for vulnerable individuals and households.

## **Program 6.C** Maintain And Expand The Preserving Our Diversity (Pod) Program

The City shall continue to operate the POD program and pursue additional funding to maintain assistance to seniors and evaluate expanding program assistance to other rent burdened residents vulnerable to displacement, if possible. The program shall ensure that POD subsidies do not result in an increase in rents.

### **Program Background:**

The City's POD program provides cash-based assistance to low-income, long-term Santa Monica residents in rent-controlled apartments to help achieve a "basic needs budget" for seniors to have a minimum amount of income remaining after rent is paid each month for food and medical expenses. Currently, the program is available for qualifying long-term senior residents.

- **Timeframe:** Annual Ongoing
- **Responsibility:** Housing and Human Services Division
- **Objective:** Assist POD beneficiaries in achieving a basic needs budget.

## **Program 6.D** Information And Outreach Coordination For Tenants And Landlords On Housing Programs And Resources

The City shall prioritize additional education and outreach to tenants and landlords to increase awareness of federal and local housing programs and their rights and legal obligations, including Section 8 housing voucher program and anti-discrimination regarding income source. The City shall strengthen outreach and connect vulnerable residents with housing assistance and resources, including, but not limited to, credit counseling and support services addressing resident needs in securing adequate housing.

### **Program Background:**

Rental housing vouchers provide extremely low- and very low-income households with rent subsidies to bridge the gap between what the household can afford and market rents, although there is a limit to the subsidy amount. The Santa Monica Housing Authority has collaborated with owners of senior housing developments to obtain hundreds of new vouchers allocated to the senior developments allowing property owners to fund rehabilitation and maintenance and ensuring long-term affordability for the existing tenants. The Municipal Code and State law require rental property owners to accept Section 8 or housing vouchers and prohibit discrimination against an applicant based on source of income, including housing vouchers. Comments from tenants and landlords during the community engagement for this Housing Element update indicate that there continues to be lack of awareness of the availability of housing programs that could benefit both groups.

- **Timeframe:** Ongoing subject to additional staffing resources
- **Responsibility:** Housing and Human Services Division
- **Objective:** Raise awareness of housing assistance programs and tenant and landlord rights and responsibilities.

## **Program 6.E** Maintain A Community Development Grant Program

The City shall 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.

**Program Background:**

Santa Monica currently provides funding to 19 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.

- **Timeframe:** Annual Ongoing
- **Responsibility:** Housing and Human Services Division
- **Objective:** Maintain a grant program to fund–programs that service priority homeless populations, lower-income households, and special needs populations.

**Program 6.F Provide Tenant Relocation Assistance**

The City shall continue to implement the Tenant Relocation Assistance program; periodically review existing City policies and ordinances and recommend modifications if deemed necessary, including but not limited to, additional support in locating new housing for displaced residents upon relocation.

**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.

- **Timeframe:** Annual Ongoing
- **Responsibility:** City Attorney’s Office, Housing and Human Services Division, Rent Control Board
- **Objective:** Provide displaced tenants with cash–based relocation assistance.

## Program 6.G Maintain A Temporary Relocation Program

The City shall continue the Temporary Relocation Program, including program oversight and enforcement, and coordination in providing accommodations to minimize impacts to residents including emergency hotel vouchers for tenants who have been ordered to vacate their units by the City for code violations, safety improvements, or maintenance.

### Program Background:

This program is designed to provide housing for persons temporarily displaced as a result of repairs to their dwelling unit due to health and safety violations or to comply with mandatory programs such as the Seismic Retrofit Program.

- **Timeframe:** Annual Ongoing
- **Responsibility:** Building and Safety Division, Housing and Human Services Division
- **Objective:** Provide housing for tenants temporary displaced from their units due to required maintenance.

## Program 6.H Maintain Reasonable Accommodations To Ensure Equal Opportunity For Housing

The City shall maintain and continue to support reasonable accommodations to ensure equal housing opportunities, consistent with fair housing laws.

### 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, the Zoning Ordinance includes 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.

- **Timeframe:** Ongoing
- **Responsibility:** City Planning Division
- **Objective:** Provide regulatory relief to enable housing access for disabled persons.

## ▶ GOAL 7

Eliminate housing discrimination on the basis of race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, age, marital status, national origin, ancestry, familial status, income level, source of income, disability, veteran or military status, genetic information, or other such characteristics.

.....

### Program 7.A Maintain Fair Housing Enforcement And Outreach Programs

The City shall continue to implement fair housing programs. The City shall 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. The City shall also conduct targeted outreach and tenant application assistance and support to special needs populations including seniors, persons with disabilities, and individuals transitioning from institutional settings and individuals who are at risk of institutionalization.

#### Program Background:

The City Attorney’s Office, through its Public Rights Division (PRD), along with other government agencies, enforces federal, state and local fair housing laws. The PRD has an in-house attorney with expertise in fair housing law and a Spanish-speaking community liaison who works with the attorney. The PRD investigates discrimination complaints and offers education and programs to residents on their rights and responsibilities under the fair housing laws, and takes complaints involving housing discrimination based on all protected classes, but primarily on disability, family status, source of income, and race.

- .....
- **Timeframe:** Ongoing
  - **Responsibility:** City Attorney’s Office
  - **Objective:** Education of tenants and landlords of their rights and responsibilities under fair housing laws.
- .....



## Program 7.B Provide Tenant/Landlord Mediation And Legal Services

The City shall continue to support tenant/landlord mediation and legal services assistance.

### Program Background:

The Santa Monica Rent Control Board also mediates disputes between tenants and property owners that arise from rent control law. The City has also partnered with the Status Institute for Dispute Resolution at Pepperdine University School of Law to provide mediation services to help resolve landlord tenant for Santa Monica residents, free of charge. The Housing and Human Services Division funds the Los Angeles Legal Aid Foundation to provide legal services related to housing to low-income Santa Monica residents. Referrals are also made to local dispute resolutions services.

- **Timeframe:** Ongoing
- **Responsibility:** City Attorney’s Office; Rent Control Board; Housing and Human Services Division
- **Objective:** Provide tenant/landlord dispute resolution services.

## Program 7.C Maintain The Anti-Discrimination And Tenant Protection Program

The City shall continue to prevent discrimination, tenant harassment, and unlawful evictions through monitoring and enforcing of “just cause” eviction protections, and continue to provide fair housing services through the Public Rights Division of the Santa Monica City Attorney’s Office. The City shall review current laws and recommend any needed modifications to ensure protection of tenants to the maximum extent possible.

### Program Background:

Santa Monica has long maintained anti-discrimination protections, which among other prohibitions, prevents a tenant from being evicted if the eviction is based on the tenant’s familial status, including tenant’s status of being married or having children. The Public Rights Division (PRD) 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.

- **Timeframe:** Ongoing
- **Responsibility:** City Attorney’s Office; Rent Control Board; Housing and Human Services Division
- **Objective:** Protect existing tenants from harassment and unlawful eviction.

## A. Quantified Objectives

Pursuant to Government Code Section 65583(b), the City has developed quantified objectives for housing production, housing rehabilitation, and housing assistance as required by State law. The following sets forth these objectives for the 2021–2029 planning period.

### 1. New Construction Objectives

The City of Santa Monica was allocated 8,895 units, of which 6,168 units must be affordable, in the 2021–2029 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 March 2029.

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 success in producing housing units that are deed-restricted to be affordable for the 5th Cycle Housing Element has been made possible by public assistance through the City’s Housing Trust Fund, inclusionary units required by the City’s Affordable Housing Production Program, inclusionary units negotiated in development agreements, and pursuit of new funding resources. The lack of a significant and consistent funding source for affordable housing coupled with high land and construction costs in Santa Monica makes it unrealistic that the City will be able to achieve its 6th Cycle RHNA for affordable housing units. Funding to produce all of the affordable units in Santa Monica’s RHNA allocation would likely continue to require a mix of inclusionary units and public assistance (i.e. any combination of federal, state, county, and tax credits). Even on City-owned land, the funding gap is estimated at approximately \$152,000 that would need to be filled by sources other than the City. For privately-funded inclusionary units, the estimated cost to a developer is approximately \$480,000.

Figure 5-1 presents Santa Monica’s RHNA along with the City’s new construction objectives by income level. The quantified objective represents a level that the City believes is reasonable given the uncertainty of available funding resources from the State and other sources. The City Council has prioritized funding and land use policies to develop affordable housing.

**Figure 5-1: RHNA vs. Quantified Objective**

Household Income Category	RHNA	% of Total	Quantified Objective	% of Total
Very Low	2,794	31%	1,150	22%
Low	1,672	19%	572	11%
Moderate	1,702	19%	351	7%
Above Moderate	2,727	31%	3,180	61%
Total	8,895		5,253	

Source: City of Santa Monica Community Development Department

The goal of 5,253 units can be achieved based on current approved and pending projects, zoning standards, use of City-owned land, and incentives for ADU production. The lower quantified objectives reflect the lack of public financing available for affordable housing. Even with maximizing affordable housing on City-owned sites and the City’s inclusionary requirements from the AHPP and DCP, providing 69% of the future units as affordable will be difficult.

The quantified objective aims for almost 50% of units produced to be affordable to lower income households. This is in excess of the requirement set forth in the City’s Proposition R (passed in November 1990). Proposition R specifies that at least 30% of all new multifamily-residential housing constructed in the city on an annual basis be permanently affordable to low and moderate-income households with at least 50% of the newly constructed units required to be permanently affordable to low-income households.

## 2. Housing Rehabilitation and Conservation Objectives

Housing Rehabilitation programs are important for maintaining the integrity of existing housing stock, preventing displacement of existing residents, 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:

- The Residential Rehabilitation Program for owners of multifamily rental properties occupied by low- and moderate-income tenants
- The Owner-Occupied Rehabilitation Program for low- and moderate-income owners (typically used for mobile-home owners).

The City of Santa Monica's goal for the Housing Element planning period is to support and fund the rehabilitation of 38 units of multi-family and provide 20 minor home repairs, as shown in Figure 5-2. 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.

While the City has focused its efforts in recent years on new construction, acquisition and rehabilitation continues to be an important tool for conserving existing rental housing. The housing is restricted as affordable housing for a period ranging from 55-80 years. 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 (2014-2021), the City invested more than \$33 million in the acquisition and rehabilitation of existing rental housing, creating four projects with 88 units for very-low and low-income households.

Available funding continues to be a significant issue to support this program's capacity at present levels. The Housing Plan therefore reflects a reduced quantitative objective for the acquisition and rehabilitation of 40 housing units affordable to very-low income households over the next eight years (Figure 5-2). The City will continue to seek funding sources to maintain this program and exceed the objective.

The City's housing and supportive services supports long-term residency and housing affordability. As outlined in the next section, the City has an aggressive program for funding housing and supportive services to special needs populations. These supportive programs help to conserve housing units in that rental/housing assistance, in the form of financial support and legal support for tenants against eviction, assist tenants in maintaining housing, prevent resident displacement, and preserve housing stock. Accordingly, an estimated number of housing vouchers and qualifying tenants for supportive services are reflected as "units" in Table 5-2 under the conservation objective:

- The Preserving Our Diversity (POD) Program provides cash-based assistance to low-income, long-term Santa Monica residents in rent-controlled apartments to help achieve a "basic needs budget" for seniors. It is estimated to include at least 50 participants within the next housing cycle.
- Rental assistance voucher programs include Section 8, Continuum of Care, HOME Tenant-Based Rental Assistance (TBRA) vouchers, and Veterans Affairs Supportive Housing. The City will continue to provide an estimated 1,600 housing vouchers for qualified residents.

- The City’s Right to Counsel Program is an initiative to provide legal assistance and support for tenants facing eviction, particularly amid the COVID-19 pandemic. This pilot program is available to Santa Monica tenant households whose income is at or below 80% of the County’s Area Medium Income (“AMI”), and facing eviction attempts by their landlord. Maintaining housing for low-income residents also contributes to the conservation of existing units. Assuming the current two-year pilot program will be renewed regularly and annual funding remains consistent over the next 8 years, the goal of the City is to provide assistance to an estimated 210 participants within the next housing cycle.

**Figure 5-2: 2021-2029 Housing Rehabilitation and Conservation Quantified Objective**

Income Category	Rehabilitated Units			Conservation Units			
	Definition	Multi-Family Rehabilitation	Minor Home Repairs	Acquisition & Rehabilitation	POD	Rental Assistance Vouchers	Right to Counsel
Very Low	0-50% of County MFI	19	10	40	50	1,600	0
Low	51 to 80% of County MFI	19	10	0	0	0	210
Moderate	81 to 120% of County MFI	0	0	0	0	0	0
Upper	Over 120% of County MFI	0	0	0	0	0	0
<b>Totals</b>		<b>38</b>	<b>20</b>	<b>40</b>	<b>50</b>	<b>1,600</b>	<b>210</b>
		58		1,900			

### 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 2021-2029 Housing Element period, contingent upon the availability of adequate funds and annual City Council approval, are:



- Rental Assistance Vouchers: Continue to provide about 1600 vouchers, including Section 8, Continuum of Care, HOME Tenant-Based Rental Assistance (TBRA) vouchers, and Veterans Affairs Supportive Housing vouchers.
- Homeless Services: Focus efforts on the priority populations defined in the Action Plan for Addressing Homelessness in Santa Monica:
  - o The long-term chronic and vulnerable of the homeless population living on the streets of Santa Monica, including homeless veterans
  - o Persons whose last permanent address is in Santa Monica
  - o Vulnerable members of Santa Monica's workforce
  - o High users of local first responder services
- Regional Partner: Continue to be an active partner in finding regional solutions to the problem of homelessness.
- Health Care for Low Income Persons: 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:
  - o Provide paratransit services for approximately 2,200 seniors and persons with disabilities annually. This includes providing approximately 1,400 one-way, escorted trips for people who need extra assistance, as well as limited after-hours taxi service.
  - o Provide a range of health and mental health services, including health screenings, primary medical care, health education, peer counseling (individual, group, and family), caregiver services, and care coordination
  - o 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.
  - o Provide care management and other support services in conjunction with the Santa Monica Police Department's efforts to address elder abuse.

- o Through the non-profit WISE & Healthy Aging (WISE) Diner Meal Program, provide a well-rounded lunch to older adults at three City sites. Boxed meals were provided via pickup or delivery while COVID-19 restrictions were in place.
  - o Provide home-delivered meals to approximately 300 home-bound seniors and persons with disabilities annually. With COVID-19, the need for home-delivered meals increased significantly, with about 650 individuals having accessed this service.
  - o Provide ongoing operating support for WISE's Adult Day Care Center serving frail seniors, including seniors with Parkinson's and Alzheimer's Disease.
  - o 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 Disability Community Resource Center, which provides home modifications to low-income 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, as well as larger projects such as stair lift installations. Provide assistance to approximately 15 individuals annually.

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# Glossary





# Glossary of Terms and Acronyms

- ADU:** Accessory Dwelling Unit  
An attached or detached residential dwelling unit that provides complete independent living facilities for one or more persons and that is located on a parcel with a proposed or existing primary single-unit or multi-unit dwelling.  
**JADU:** Junior Accessory Dwelling Unit  
A dwelling unit that is no more than 500 square feet in size and is contained entirely within an existing or proposed single-unit dwelling.
- AFFH:** Affirmatively Furthering Fair Housing  
Taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws.
- AHO:** Affordable Housing Overlay  
Program 2.A that would amend the Zoning Ordinance to establish a 100% affordable housing overlay for moderate-income (up to 120% AMI) housing projects in targeted areas of the City such as the Downtown, Bergamot area, and the immediate area around the 17th Street station.
- AHPP:** Affordable Housing Production Program (SMMC 9.64)  
Requires developers of market rate multi-family developments to contribute to affordable housing production and thereby help the City meet its affordable housing need.
- FAR:** Floor Area Ratio  
The ratio of the total floor area of all buildings on a parcel to the total area of the parcel.
- HCD:** California Department of Housing and Community Development
- HUD:** U.S. Department of Housing and Urban Development
- LUCE:** Land Use and Circulation Element  
Key components of the City's General Plan establishing the City's vision, goals, and long-term framework for the City's future physical development.
- QO:** Quantified Objective  
Estimated number of units likely to be constructed, rehabilitated, or conserved/preserved by income level during the upcoming 6th housing cycle. After the City identifies housing needs, surveys land and financial resources, analyzes constraints, and develops appropriate programmatic and policy responses that reflect the community's unique needs and circumstances, it then sets quantified objectives, a target goal for the City to achieve based on needs, resources, and constraints.

10. **RHNA:** Regional Housing Needs Assessment  
RHNA is mandated by State Housing Law as part of the periodic process of updating local housing elements of the General Plan. RHNA quantifies the need for housing within each jurisdiction during the upcoming 6th housing cycle between October 2021 through October 2029.
11. **SDB:** State Density Bonus  
State law that allows a density increase of residential units based on a specified percentage of affordable units provided in a proposed project.
12. **SSI:** Suitable Sites Inventory  
An inventory of land suitable and available for residential development to meet the locality's regional housing need by income level.

### Affordability Levels

13. **ELI:** Extremely-Low Income  
A household whose gross income does not exceed 30% of the area median income.
14. **VLI:** Very-Low Income  
A household whose gross income does not exceed 50% of the area median income.
15. **LI:** Low-Income  
A household whose gross income does not exceed 80% of the area median income.
16. **Moderate-Income:**  
A household whose gross income exceeds the maximum income for an 80% income household and whose gross income does not exceed 120% of the area median income.

### Zoning Districts, Area Plans, and Neighborhoods

17. **R 1:** Single-Unit Residential District  
Areas for single-unit housing on individual parcels at densities of one unit plus one accessory dwelling unit (ADU) and one junior accessory dwelling unit (JADU) per parcel.
18. **R2:** Low Density Residential District  
Areas for a variety of low-density housing types. These include single-unit housing, duplexes, triplexes, low-scale multi-unit housing, ADUs, etc.
19. **MUBL:** Mixed-Use Boulevard Low District

20. **MUB:** Mixed-Use Boulevard District
21. **GC:** General Commercial
22. **NC:** Neighborhood Commercial District (Main Street, Ocean Park Blvd, Pico Blvd, Montana Ave)
23. **IC:** Industrial Conservation
24. **OC:** Office Campus
25. **HMU:** Healthcare Mixed Use
26. **OF:** Oceanfront District
27. **DCP:** Downtown Community Plan
  - o **LT:** Lincoln Transition
  - o **NV:** Neighborhood Village
  - o **BC:** Bayside Conservation (Promenade)
  - o **BC:** Bayside Conservation (2nd & 4th Streets)
  - o **TA:** Transit Adjacent
  - o **OT:** Ocean Transition
  - o **WT:** Wilshire Transition
28. **BAP:** Bergamot Area Plan
  - o **BTV:** Bergamot Transit Village
  - o **MUC:** Mixed-Use Creative
  - o **CAC:** Conservation: Arts Center
  - o **CSC:** Conservation: Creative Sector
29. **NOMA:** North of Montana Neighborhood
30. **Wilmont:** Wilshire-Montana Neighborhood

