



Agenda Item #: _____

Staff Report

City of Manhattan Beach

TO: Honorable Mayor Cohen and Members of the City Council

THROUGH: Geoff Dolan, City Manager

FROM: Richard Thompson, Director of Community Development
Michael P. Rocque, Assistant Planner

DATE: May 19, 2009

SUBJECT: Consideration of the Planning Commission Recommendation to Approve a Comprehensive Update to the City's General Plan Housing Element and Adopt a Negative Declaration of Environmental Impacts.

RECOMMENDATION:

Staff recommends that the City Council **CONDUCT** the Public Hearing and **ADOPT** Resolution No. 6192 approving the City's General Plan Housing Element update and Negative Declaration of Environmental Impacts.

FISCAL IMPLICATION:

There are no direct fiscal impacts as a result of the adoption of the Housing Element.

BACKGROUND:

The Housing Element is one of the seven mandated elements of the local general plan. Housing Element law mandates that local governments adequately plan to meet the existing and projected housing needs of all economic segments of the community. The Housing Element also functions as the City's long range plan for housing. Cities are required to provide opportunities for housing through programs; the City itself is not required to build housing. Housing Element law also requires the Department of Housing and Community Development (HCD) to review local Housing Elements for compliance with State law and to report its written findings to the local government with hopes of meeting all of the statutory requirements. HCD will review the document after City Council adoption.

The intent of the State Legislature is to accomplish the following objectives (Government Code Section 65581):

- (a) To assure that local governments recognize their responsibility in contributing to the attainment of the State's housing goals.
- (b) To assure that local governments prepare and implement housing elements that, along with corresponding federal and state programs, will move towards the attainment of the State' housing goals.

- (c) To assist each locality in determining what is required to enable the community to meet existing housing need and future housing demand.
- (d) To ensure that local governments cooperate with other public agencies in order to address the regions housing needs.

State law requires that local governments review and update their Housing Elements every five (5) years. The Manhattan Beach Housing Element was most recently updated in 2003.

On January 15, 2008 the City Council authorized a contract with a Housing Element consultant Sandra Genis, Planning Resources to prepare the updated Housing Element. A first draft of the Element was reviewed by the Planning Commission on November 12, 2008. A Housing Element Public Workshop was then held on January 29, 2009 and provided the opportunity for public input and for the Commission to address the Element in more detail. Over the next several months staff revised the Housing Element, working with the Commission, general public, interest groups, and the consultant to address its concerns. On April 8, 2009 the Planning Commission reviewed the revised draft document and provided further direction. On April 22, 2009 staff presented and addressed the remaining concerns and the Planning Commission recommended approval of the Housing Element. Staff believes that the proposed Housing Element meets the statutory requirements for the current planning period.

DISCUSSION:

Housing Element Sections

The primary goal of the City of Manhattan Beach Housing Element is to promote the development of suitable housing to meet existing and projected demand, while protecting the vitality of the existing residential neighborhoods. The draft Housing Element contains six (6) sections. The following is a brief summary of each section.

Section 1. Executive Summary

This section provides an overview of the entire document and highlights the major components of each of the six sections of the document.

Section 2. Introduction

This section provides an overview of the purpose and scope of the Housing Element, and describes its content.

Section 3. City Profile

This section provides a breakdown of the overall demographics and socioeconomic characteristics of the City and contains the technical analysis for the Element. The key sources include the Federal Census (2000 data), many local housing resources, and the Department of Housing and Urban Development (HUD).

Section 4. Housing Need

This section identifies housing need projections developed by the Southern California Association of Governments (SCAG) as part of the Regional Housing Needs Assessment (RHNA) for the City and other regional growth projections. The City's RHNA allocation of 895 new housing units by June 30, 2014 is established by SCAG, and the City does not have the

ability to modify the number. This section also identifies how the City plans on meeting housing requirements for its special need groups such as the handicapped, elderly, large families, female-headed households, and the homeless.

Section 5. Opportunities and Constraints

This section highlights the opportunities for housing allocation and identifies trends and potential development constraints that could inhibit the City's ability in meeting its RHNA allocation over the current planning period. This section also provides quantified housing objectives that are more likely to be achieved.

Section 6. Goals, Policies, and Programs

This section illustrates the City's housing policies and identifies the programs that will implement those policies. This is the section of the Element that requires implementation. State law requires that housing policies address the following issues: 1) conservation of existing affordable housing stock; 2) strategies that will effectively assist in development of affordable housing; 3) provision of adequate sites to accommodate a diversity of housing types; 4) removal of governmental constraints as necessary; and 5) strategies for promoting equal housing opportunities. Some of the policies contained in the draft element are a continuation of those identified in the current (2003) document along with some new policies that create and encourage the use of green building practices, as well as to comply with State Law requirements.

The City's RHNA allocation is a total of 895 units. The current draft Element contains language which explains the difficulty and conflicts the City faces with attaining this number due to Southern California Association of Governments (SCAG's) Regional Growth Forecast and other housing constraints such as land supply and construction costs.

Implementation-Code Amendments

The proposed updated Housing Element contains three programs that would require the City to consider amending the Municipal Code and/or Local Coastal Program.

Program 3d

The first program relates to revising development standards for residential uses in the Downtown (CD) and North End (CNE) zoning districts. This program suggests using established height, setback and floor area standards for residential development in these commercial zones. There would be no maximum limit to the number of units per lot. Greater numbers of smaller units could result with likely occupants being young people or seniors wanting easy access to commercial uses.

Under existing codes in the Downtown (CD) zone, no parking for commercial uses is required at all provided the floor area ratio does not exceed 1:1. When parking is required, it is permitted off-site. These same parking standards are not permitted for residential uses. In order to facilitate development of residential uses, both residential and commercial would be treated equally for parking purposes, if the units are of a smaller size and the City concludes that it does not burden the district.

Program 5e

The second program involves allowing second units in single family areas. This was included in the 2003 Housing Element. State law provides that second units be allowed in single family zones under certain zoning limitations. The Manhattan Beach Zoning Ordinance currently contains a

provision prohibiting second units in single family zones Citywide to protect and maintain the low density character of its single family neighborhoods. State law requires this program and states that if we don't have a provision then we must approve second units under the State law provision. There have been efforts made in the past to develop local regulations but these were abandoned before the process was completed. If this program is implemented it could potentially result in 36 additional housing units.

Programs 10, 11a & 11b

The last program involves the encouragement of energy conservation in housing. Typical energy conservation programs include; solar panel installation, green building techniques, and water conservation. If these programs were to be implemented it would require amendments to various zoning and building codes.

Environmental Review

An Initial Study was prepared pursuant to the California Environmental Quality Act (CEQA) for the Draft Housing Element. While the Housing Element itself will not directly result in a specific development or physical change to the environment, it contains policies that will promote new housing. Therefore, the Initial Study is based on the potential development that may result if the housing production in its policies are realized. The Initial Study determined that there is no significant impact from the project and a Negative Declaration of environmental impacts in accordance with CEQA should be issued. The findings have been incorporated into the attached draft Resolution No. 6192.

PUBLIC INPUT:

Public Notice

A public workshop for the Housing Element was conducted on January 29, 2009, and was advertised in the Beach Reporter and noticed to local agencies and interested parties. Notice of the Planning Commission hearings and availability of the draft Element was published in the Beach Reporter for the November 12, 2008, April 8, 2009 and April 22, 2009 hearings. Copies of the proposed Element, staff reports, and minutes are available to the public from the Department of Community Development, Library and on the City's website. Staff did receive several comments from the general public and addressed many of them in the draft Element that is before the Council tonight. Staff also attended a Senior Advisory Committee (SAC) meeting on April 21, 2009 in which it solicited comments and presented a brief overview of the document. The Committee then reviewed the document and indicated that it had no further comments.

Planning Commission Discussion

The concerns of the Commission were that the substantive issues, organization, and programs contained in the first draft presented in November were inadequate and did not support the attainment by the City in meeting the housing goals as determined by the State, specifically the Regional Housing Needs Assessment (RHNA) allocation of 895 new units. The Commission felt that it was crucial for the Housing Element document to contain language that explained the difficulty and challenges the City faces with being able to attain 895 new units. The Commission discussed the limited availability of housing sites, as the City has very limited availability of vacant or recyclable land, particularly larger parcels. Additionally, the existing land use patterns, sand dunes and steep slopes in the highest density areas, narrow streets that limit emergency vehicle

access, the need to preserve the commercial tax base, and high land and construction costs, makes development of a large number of new housing units difficult.

Preserving the small town and low density character of the City, balanced with providing housing opportunities was discussed extensively. There was also some discussion from both the public and the Planning Commission that perhaps the City should challenge or lobby the State on its current housing requirements which seem unrealistic and unattainable, however staff stressed that we did participate extensively in the RHNA process and the allocation can not be revised.

Another concern the Planning Commission noted was the implementation of Program 3d (Revise development standards for residential uses in the CD and CNE Districts). The Commission felt that revising the code to allow for more residential units could create parking issues. There was also some discussion as to the practicality of the program and one of the concerns was that there really isn't a high demand for Downtown living since most people do not live and work in Downtown Manhattan Beach. Staff addressed these concerns by revising the program language and adding provisions to address parking.

CONCLUSION:

After City Council adoption staff will submit the Housing Element to HCD for certification. If HCD does not make the finding that the Housing Element is in compliance with State Law, the City Council then has two options. The City must either continue to work with the State and make further changes as necessary to bring the Element into compliance as determined by HCD, or self-certify the amended Housing Element. To self-certify, the City Council must adopt a Resolution with findings that explain the reasons the City Council believes the Housing Element complies with housing regulations despite the findings of HCD.

- Attachments:
- A. Draft Resolution No. 6192
 - B. Draft Housing Element-5/19/09
 - C. Planning Commission Meeting Minutes, Staff Reports, and Attachments- 11/12/08, 1/29/09, 4/08/09, and 4/22/09 (Duplicates removed)
 - D. Adopted Resolution PC 09-03
 - E. Initial Study/Negative Declaration

RESOLUTION NO. 6192

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
MANHATTAN BEACH, CALIFORNIA, APPROVING AN UPDATED
HOUSING ELEMENT OF THE GENERAL PLAN

THE CITY COUNCIL OF THE CITY OF MANHATTAN BEACH, CALIFORNIA DOES
HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The City Council of the City of Manhattan Beach hereby makes the
following findings:

- A. The proposed Housing Element was prepared in accordance with Title 7 Article 10.6 Section 66580 et seq. of the State of California Government Code.
- B. Pursuant to applicable law, the Planning Commission of the City of Manhattan Beach conducted public hearings on November 12, 2008 and April 22, 2009, as well as a public meeting on April 8, 2009 and a public workshop on January 29, 2009 to consider an Update to the City's Housing Element of the General Plan initiated by the City to adopt goals, policies, and programs pertaining to the provision of housing with the City.
- C. The public hearings and meetings were advertised pursuant to applicable law, and testimony was invited and received. The Planning Commission adopted Resolution No. PC 09-03 on April 22, 2009, recommending approval of the updated Housing Element.
- D. On May 19, 2009 the City Council of Manhattan Beach conducted a public hearing to consider the proposed Housing Element and accompanying Environmental Assessment.
- E. An Initial Study and Negative Declaration were prepared for the proposed updated Housing Element in accordance with the California Environmental Quality Act (CEQA) and City of Manhattan Beach CEQA Guidelines, finding no significant environmental impacts associated with the project. The City Council has reviewed the Initial Study and approves the Negative Declaration with comments received in the public hearing and finds that there is no substantial evidence that the project will have a significant impact on the environment.
- F. The proposed Housing Element update will comply with the provisions and be consistent with the Manhattan Beach General Plan, Municipal Code, and all other applicable programs.
- G. The proposed updated Housing Element contains three programs that require the City to consider amending the Municipal Code and/or Local Coastal Program, including: 1) Revise development standards for residential uses in the CD and CNE District (amendment of the Zoning ordinance to allow no limit to the maximum number of dwelling units per lot and that parking be treated equally for both residential and commercial uses); 2) Second Unit Program (Single-Family zones) to permit Second units on over-sized lots outside of the Coastal Zone; and 3) Encourage the conservation of energy in housing which includes solar panel installation, green building techniques, and water conservation.

SECTION 2. The City Council of the City of Manhattan Beach hereby approves the proposed updated Housing Element of the City's General Plan and the accompanying environmental assessment, including an Initial Study and Negative Declaration.

SECTION 3. Pursuant to Government Code Section 65907 and Code of Civil Procedure Section 1094.6, any action or proceeding to attack, review, set aside, void or annul this decision, or concerning any of the proceedings, acts, or determinations taken, done or made prior to such decision or to determine the reasonableness, legality or validity of any condition attached to this decision shall not be maintained by any person unless the action or proceeding is commenced within 90 days of the date of this resolution and the City Council is served within 120 days of the date of this resolution. The City Clerk shall send a certified copy of this resolution to the applicant, and if any, the appellant at the address of said person set forth in the record of the proceedings and such mailing shall constitute the notice required by Code of Civil Procedure Section 1094.6.



SECTION 4. This resolution shall take effect immediately. The City Clerk shall make this resolution readily available for public inspection within thirty (30) days of the date this resolution is adopted.

SECTION 5. The City Clerk shall certify to the adoption of this resolution and thenceforth and thereafter the same shall be in full force and effect.

PASSED, APPROVED and ADOPTED this 19th day of May, 2009.

Ayes:
Noes:
Absent:
Abstain:

Mayor, City of Manhattan Beach, California

ATTEST:

City Clerk

APPROVED AS TO FORM:

By 

City Attorney

CITY OF MANHATTAN BEACH
HOUSING ELEMENT

DRAFT
CITY COUNCIL
MAY 19, 2009

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HOUSING ELEMENT SUMMARY



HOUSING ELEMENT SUMMARY

The housing element is one of seven state mandated elements that must be included in a local general plan. A housing element must contain:

- A discussion of population and employment trends, household characteristics, housing stock characteristics;
- An assessment of existing housing needs including special needs for handicapped, elderly, large families, farmworkers, families with female heads of household, and the homeless;
- An inventory of resources and constraints which would affect meeting those needs; and
- A statement of community goals, policies, and quantified objectives designed to help maintain, preserve, improve, and develop housing.

CITY PROFILE

The existing profile and characteristics of the City are described in pages 6-43 and are summarized as follows.

At the time of the 2000 Federal Census, the City of Manhattan Beach had a population of 33,852, little changed from the population of 33,934 recorded by the 1960 Federal Census. This is reflective of the built out nature of the City. Approximately one fifth of the population is 55 years of age or older, with half of those 65 or older.

Approximately two thirds of all housing stock in the City consists of single family homes, with 10,191 single family detached homes out of the City's total of 15,094 dwelling units. In a similar ratio, approximately 65 percent of housing in the City is owner occupied.

Vacancy rates are low, and housing costs are higher than for the region in general, with median rent in the City being approximately twice that of Los Angeles County as a whole. A household is considered to be overpaying for housing if housing costs exceed thirty percent of household income. Low income and elderly renters have the greatest problem with overpayment for housing in the City.

Housing stock is generally in good condition. Few units are overcrowded.

HOUSING NEED

The Southern California Association of Governments (SCAG) has assessed housing need for each community in the region through their Regional Housing Needs Assessment (RHNA). The assigned

housing need for Manhattan Beach is 895 units, assigned to different economic segments of the community and is fully explained in pages 44-53 and summarized as follows:

Income Group	Income Level	Units Needed
Very Low Income	< 50% of median	236
Low Income	50% to <80% of median	149
Moderate Income	80% to <120% of median	160
Upper Income	≥120% of median	350
TOTAL		895

Source: SCAG RHNA, 2007

The largest special needs groups in the City of Manhattan Beach are the elderly and the disabled. The 2000 U.S. Census reports that there are 5,642 households in the City of Manhattan Beach which include at least one handicapped individual. The 2000 Census also indicates that there were 3,526 persons, or 10.4% of the City's total population over 65 years of age at the time of the Census. Many of these households overlap.

In January 2007, the Los Angeles Homeless Services Authority (LAHSA) conducted a count of homeless individuals at homeless shelters and drop in centers as well as on streets, at parks, and other areas believed to be utilized by the homeless. The survey reported that 87 homeless individuals would live in Manhattan Beach on a given night.

OPPORTUNITIES AND CONSTRAINTS

The opportunities and constraints for additional housing are further discussed in pages 54-67 and are summarized below. Perhaps the greatest constraint to the provision of additional housing in the City of Manhattan Beach is the availability of land. The City is nearly built out, and allowable housing densities exceed fifty units per acre in some areas.

The City has sought to maximize services and opportunities for under served groups through an exchange of Community Development Block Grant (CDBG) Funds for unrestricted funds. This allows one hundred percent of the funds to be granted to local social service providers. The City participates with the Los Angeles Community Development Commission which administers the Section 8 rental assistance program, and first time homebuyer program.

Local programs to encourage additional housing include:

- Affordable housing incentive program
- Mixed use development ordinance
- Condominium conversion program
- Mansionization ordinance

GOALS, POLICIES, AND PROGRAMS

The overall primary goal of the City of Manhattan Beach Housing Element is to promote the development of suitable housing to meet the existing and projected demand, while protecting the vitality of the existing residential neighborhoods in the City. The policies and programs contained in this Element are intended to accomplish the following:

- **Preserve existing neighborhoods** by preserving the scale of development in existing residential neighborhoods and preserving existing dwellings.
- **Provide a variety of housing opportunities for all segments of the community** by providing sites for new housing, preserving existing affordable housing stock, encouraging development of additional low and moderate income housing, encouraging measures to increase ability to afford existing housing stock and promoting housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, or color and for special needs groups.
- **Provide a safe and healthy living environment for City residents** by eliminating potentially unsafe or unhealthy conditions in existing development, and preventing the establishment of potentially unhealthful conditions in new development.
- **Encourage the conservation of energy in housing** by encouraging use of alternate energy, reducing energy loss due to inferior construction/development techniques, and encouraging reduction in energy consumption for commuting to work and other activities.

These goals will be implemented by the following programs. The Goals and Policies, as well as the Programs to implement them, are discussed in detail in pages 68-88.

Program 1a. Continue to enforce provisions of the Zoning Code which specify District Development Regulations for height, lot coverage, setbacks, open space, and parking.

Section 10.12.030 has established standards to avoid “mansionization”, including increased setback and open space requirements for new single family residences. Properties in the Medium and High Density Residential zones which are developed with three or more units are generally exempt from the stricter requirements, in order to encourage development of multi-family development.

These provisions act to discourage dwellings that are out of scale with the surrounding neighborhood. The large dwellings are also more costly, and lead to increased pressure to demolish modest dwellings in favor of lavish structures affordable only to the most affluent.

Program 1b. Continue to apply the Design Overlay as provided under Section 10.44 of the Municipal Code, as appropriate.

This section provides a mechanism for establishing specific development standards and review procedures for certain areas of the City with unique needs, consistent with General Plan policies, taking into consideration the unique nature of a given neighborhood.

Program 1c. Refrain from approval of lot mergers which would result in a reduction in the number of residences allowed.

Many homes have been constructed on double lots. The City has permitted the underlying subdivision to remain, in order that separate homes may potentially be built on each of the underlying lots. In addition, the maximum lot standards noted above would prevent consolidation of very large lots. This will preserve opportunities for future housing units that would otherwise be lost if lots were consolidated.

Program 2a. Allow non-conforming dwellings to remain and improve.

The development process for improvements to smaller non-conforming residential structures has been streamlined. The non-conforming dwellings to be preserved tend to be smaller and less costly than newer housing in the community. The preservation and improvement of these units will maintain the pool of smaller units which might otherwise be demolished to make way for larger, more costly housing.

Program 2b. Consider utilizing Community Development Block Grant funds or exchange funds for home improvement loans for low income residents, consistent with income limits provided for such funding, and pursue additional sources of funding for City programs.

Program 3a. Continue to allow infill in residential areas.

Development of existing vacant residential infill sites would result in the production of dwelling units on small sites scattered throughout the City.

Program 3b. Permit and facilitate the establishment of residential uses in certain commercial districts.

Provision of housing in mixed use areas is a long-time City housing policy. A use permit is currently required for development of residences in most commercial areas. Residential uses in the Downtown area and along Manhattan Beach Boulevard may enhance those areas. It is suggested that the City allow residential uses by right with specific criteria, subject to Planning Director review to assure that all standards are met.

Program 3c. Continue to provide for a mixture of uses in the Manhattan Village area.

The Manhattan Village area contains a mix of hotel, office, research and development, retail, recreation and residential uses, including senior housing. The existing parking lot at Parkview Avenue and Village Drive could accommodate up to twenty five (25) additional residential housing similar to the existing senior project.

Program 3d. Revise development standards for residential uses in the CD and CNE District.

Rather than limit residential units to a certain number of units per lot, the City could revise existing ordinances so that the specific maximum number of units per lot would not be limited, so long as the otherwise maximum physical dimensions of the allowable building envelope are not exceeded in mixed use commercial/residential developments. Greater numbers of smaller units could result, with likely occupants being young people and seniors wanting easy access to commercial uses, particularly seniors who no longer feel comfortable driving. In order to facilitate development of residential uses, residential and commercial uses could be treated equally for parking purposes.

Program 4. Regulate the conversion of rental stock to condominiums.

Section 10.88.080 of the Municipal Code requires that potential displacement of existing tenants be taken into consideration when evaluating requests for conversion of existing rental units to condominiums. Tenants must be given first right of refusal to purchase at discounted prices, and tenants who do not wish to purchase must be provided relocation assistance. Elderly and handicapped tenants must be provided life leases, with no rent increases for at least two years, and low and moderate income tenants and families must be given at least one year to relocate.

Program 5a. Provide incentives for housing affordable to low income households and senior housing.

Section 10.52.090 of the Municipal Code provides for density bonus or other incentives when low income housing is provided. The housing must remain affordable for at least thirty years. Development standards may be modified where affordable housing is provided. Developers who volunteer to make a portion of the housing development affordable by persons of lower income receive financial incentives, expanding housing opportunities for lower-income persons throughout the City. Developments meeting the above requirements may be granted an incentive of financial value equivalent to a 25% density bonus and a regulatory concession or incentive, subject to the approval of the City Council following a public hearing.

Program 5b. Streamline the development process to the extent feasible.

The City currently allows and encourages concurrent processing of all discretionary applications for a project, thereby streamlining the development process. Many routine applications may be processed as minor exceptions instead of the longer and more difficult variance process.

Program 5c. Allow the establishment of manufactured housing on single family residential lots.

In accordance with Section 10.52.100 of the Municipal Code, manufactured housing is permitted on single family lots not occupied by another dwelling.

Program 5d. Work with the private sector to facilitate the provision of low and moderate priced housing.

The City has worked with the private sector to produce two residential projects available to low and moderate income households. The City approved a use permit for the Manhattan Terrace senior citizen project occupied in 1991. This forty eight unit project contains 540 square foot units with rents at affordable levels.

A 104-unit seniors project was completed at Manhattan Village on Parkview Avenue in 1997. This project provides housing affordable to very low and moderate income households along with market rate housing. The City processed a zoning amendment and reoriented a City recreation facility to facilitate development of the project.

Program 5e. Allow second units in single family areas.

Section 65852.2 of the California Government Code provides for the establishment of second units in areas zoned for single family, as a means of increasing housing stock. The City does not currently have a local ordinance regarding second family units, though second family units may still be established consistent with State law. The City may wish to reconsider developing its own second family unit program, both to facilitate provision of second family units and to establish standards suited to the City's unique neighborhoods.

Program 6a. Continue to participate in Los Angeles County Housing Authority, and publicize availability of Section 8 rental assistance for households in the City.

Section 8 rental assistance is administered locally by the Los Angeles Community Development Commission (CDC) operating as the Housing Authority of the County of Los Angeles. Low income households are provided the differential between the rental rate of a unit and what they can afford. Based on Census data and advertised rents, there are units within the City which fall within the permissible rental range.

Program 6b. Participate in the Home Ownership Program (HOP) and American Dream Down Payment Initiative (ADDI) programs.

These first-time homebuyers programs are administered by the Los Angeles Community Development Commission and are available to prospective residents of Manhattan Beach. Although the programs place a ceiling on housing price, a few units in Manhattan Beach could qualify, based on existing home listings.

Program 6c. Encourage shared housing programs for seniors and existing one person households.

Sharing of one housing unit by two or more roommates can render housing affordable to persons who could not otherwise afford housing individually. This is also of help to seniors who may need minor assistance or even just occasional monitoring.

Program 7a. Continue to participate in area wide programs to ensure fair housing.

The City will continue to contract with Fair Housing organizations to process complaints regarding housing discrimination within the City, and to provide counseling in landlord/tenant disputes.

Program 7b. Provide for the housing needs of seniors.

The Manhattan Village Senior Villas consists of 104 senior housing apartments. As a condition of the project's approval, 20% of the units must be reserved for very low income households, 20% must be reserved for low-income households, and 40% of the units must be reserved for moderate-income households. The remainder (20%) of the units may be rented at a market-rate.

Program 7c. Provide for the special needs of seniors so that they may remain in the community.

The Senior Care Management program provides services to predominantly low-income seniors. At any given time, the Senior Services Program may assist up to 110 senior citizens, of which 70% are low-income.

Program 8a. Continue the active code enforcement program for illegal and substandard units.

The City has an active Code enforcement program which responds to complaints of substandard structures. In addition a Report of Residential Building Records is required each time a property is sold, which serves to alert all parties to unpermitted and potentially substandard construction that may exist.

Program 8b. Utilize Community Development Block Grant funds for home improvement loans for low income housing, consistent with income limits provided for such funding, and pursue additional sources of funding for City programs. This is identical to Program 2, above.**Program 9. Require that residential uses adjacent to industrial or commercial uses be adequately buffered from such uses.**

The Municipal Code requires that walls and setbacks be provided between industrial and residential uses and between commercial and residential uses. As industrial uses have left the area, this is less of a problem than in the past, although such uses continue to exist in the area.

Program 10. Waive fees for installation of solar panels.

Existing height limits in Manhattan Beach ensure rooftop units would not eventually be subject to shade and shadow which would render them ineffective. In March 2008, in order to encourage use of alternate energy, the City Council voted to waive any building fees for photovoltaic panels.

Program 11a. Enforce green building techniques.

The City has adopted the California Energy Code and requires the following:

- Insulating hot water pipes to minimize energy loss
- Using caulk and insulation that are formaldehyde-free or contain low VOC (volatile organic compounds)
- Pre-plumb water piping and sensor wiring to the roof for future solar water heating
- Use duct mastic on all duct joints and seams to minimize energy loss
- Install "Energy Star" bath fans vented to the outside
- Energy efficient water fixtures

The City continues to review its codes to encourage greener building techniques.

Program 11b. Encourage water conservation.

Any measures to conserve water will also help conserve energy. The Municipal Code currently addresses landscaping, tree preservation, and tree planting, but does not address drought tolerant landscaping. These sections should be reviewed and revised to address water use as well as aesthetic factors.

City codes provide for waterless urinals. Inspection and permit fees for installation of such urinals should be waived, when they are used to replace older, water-wasting urinals.

Program 12. Provide a balance of residential and employment generating uses in the City, including mixed use projects.

Where individuals have an opportunity to live in close proximity to their work, vehicle miles traveled to and from work can be reduced, thus reducing energy consumption. This is enhanced by the provision of mixed uses in the City. In addition, commercial areas of the City are in close proximity to residential districts, increasing the potential that residents will walk to work or to shopping, dining out or other activities, or only drive a short distance.

INTRODUCTION

INTRODUCTION

HOUSING ELEMENT AUTHORITY AND MANDATE

The housing element is one of seven State mandated elements that must be included in a local general plan. When adopting requirements regarding the content of Housing Elements, it was the stated intent of the California State Legislature as expressed in Section 65581 of the Government Code:

- (a) To assure that counties and cities recognize their responsibilities in contributing to the attainment of the State housing goal.
- (b) To assure that counties and cities will prepare and implement housing elements which, along with federal and State programs, will move toward attainment of the State housing goal.
- (c) To recognize that each locality is best capable of determining what efforts are required by it to contribute to the attainment of the State housing goal, provided such a determination is compatible with the State housing goal and regional housing needs.
- (d) To ensure that each local government cooperates with other local governments in order to address regional housing needs.

The State housing goal, as declared in Section 65580 (a) of the California Government Code is that:

...the early attainment of decent housing and a suitable living environment for every California family ... is a priority of the highest order.

Thus, the purpose of a local housing element is to assure that State housing goals are achieved at the local level. At the same time, local conditions are to be considered and local autonomy is to be preserved.

The Manhattan Beach Housing Element fulfills the requirements of the State Planning and Zoning Law and the regulations of Sections 65580 through 65589.5 of the California Government Code. These regulations identify those issues that must be addressed in the Housing Element and recommends programs that may be effective in the rehabilitation of the existing housing and in promoting the development of new housing. To monitor compliance with these requirements, and the State's overall housing policies, all housing elements are reviewed by the HCD prior to and after their adoption. The State's housing element requirements, and the corresponding sections of this Element that address these required issues, are identified in Table 1 below:

Table 1 State Housing Element Requirements		
Analysis of Population Trends in Technical Report	Government Code Section	Reference in Housing Element
Analysis of employment trends.	Section 65583.A	Housing Need
Projection and quantification of existing and projected housing needs for all income groups.	Section 65583.A	Housing Need
Analysis and documentation of City’s housing characteristics, including cost for housing compared to ability to pay; overcrowding; and housing condition.	Section 65583.A	City Profile & Housing Need
An inventory of land suitable for residential development, including vacant sites and sites having redevelopment potential.	Section 65583.A	Opportunities & Constraints
Analysis of existing and potential governmental constraints upon the maintenance, improvement, or development of housing for all income levels.	Section 65583.A	Opportunities & Constraints
Analysis of existing and potential non-governmental (private sector) constraints upon maintenance, improvement, or development of housing for all income levels.	Section 65583.A	Opportunities & Constraints
Analysis concerning the needs of the homeless, including emergency shelters and transitional housing.	Section 65583.A	Housing Need
Analysis of special housing needs: handicapped, elderly, large families, farm workers, and female-headed households.	Section 65583.A	Housing Need
Analysis of opportunities for energy conservation with respect to residential development.	Section 65583.A	Goals, Programs, & Policies
Publicly-Assisted Housing Developments.	Section 65583.A	Goals, Programs & Policies
Units at Risk of Conversion to Market Rate Housing.	Section 65583.A	Opportunities & Constraints
Identification of the City’s goal relative to the maintenance, improvement, and development of housing.	Section 65583.A	Goals, Programs, & Policies

Table 1- continued State Housing Element Requirements		
Analysis of Population Trends in Technical Report	Government Code Section	Reference in Housing Element
Quantified objectives and policies relative to the maintenance, improvement, and development of housing.	Section 65583.B	Goals, Programs & Policies
Identify adequate sites that will be made available through appropriate action with required public services and facilities for a variety of housing types for all income levels.	Section 65583.C(1)	Opportunities & Constraints
Assist in the development of adequate housing to meet the needs of low- and moderate-income households.	Section 65583.C(2)	Opportunities & Constraints/Goals Programs & Policies
Identify and, when appropriate and possible, remove governmental constraints to the maintenance, improvement, and development of housing in Manhattan Beach.	Section 65583.C(3)	Opportunities & Constraints
Conserve and improve the condition of the existing affordable housing stock.	Section 65583.C(4)	Goals, Programs & Policies
Promote equal access to housing for all groups.	Section 65583.C(5)	Goals, Programs & Policies
Preserve the existing low-income housing stock.	Section 65583.C(6)	Goals, Programs & Policies
Description of the Public Participation Program in the formulation of Housing Element Goals, Policies, and Programs.	Section 65583.D	Introduction
A description of the Regional Housing Needs Assessment (RHNA) prepared by the Southern California Association of Governments.	Section 65583.E	Housing Need
Review of the effectiveness of the past Element, including the City’s accomplishments during the previous planning period.	Section 65583.F	Introduction
Source: State of California, Department of Community Development.		

A housing element must also be consistent with other elements of the General Plan, such as the land use and circulation elements. To a large extent this element represents a continuation and expansion of previous policies and no conflicts are anticipated.

SUMMARY OF OBJECTIVES

Section 65583 (b) of the California Government Code requires that a housing element contain quantified objectives for the maintenance, improvement, and development of housing. Under the existing General Plan, the City has capacity on residentially designated sites for 395 dwelling units (as highlighted in Program 3a, p.74)) more than existed in the City at the beginning of the planning period. This does not include potential additional units in mixed use areas.

From the time of the Census to 2006, there was an estimated increase of 391 dwelling units in the City, based on a Department of Finance estimate of 15,485 dwelling units in the City as of January 1, 2006. Since then, development of net new housing has nearly come to a stop, with a net increase of only one dwelling unit from January 1, 2006 to January 1, 2008, according to the Department of Finance estimates. Construction also occurred on sites where older homes were removed and replaced with new construction.

However, construction of infill housing would not be anticipated to occur at the robust levels which occurred in the years preceding 2006.

Due to market factors, it is anticipated that the bulk of new, market rate units would be affordable only to high income individuals, with 157 dwelling units or 32.5 % of all new units allocated to high income as shown in Table 2. Infill units include thirteen (13) units in the downtown area, twenty-two (22) units in the multi-family area near Meadows School, thirty four (34) units in the Beach area and three (3) units on vacant land zoned for residential use, for a total of seventy-two (72) infill units. The total number of anticipated new units, including infill, redevelopment of unmerged double lots, second units, incentive units, and development of commercial areas including Manhattan Village, would be 483, as indicated in the first portion of Table 2. Anticipated units in commercial areas include eleven (11) units on vacant sites currently zoned for commercial use as well as currently developed sites that may redevelop or remodel for a total of 300 units.

In addition to providing new dwelling units, goals include means of increasing affordability of existing housing stock and preserving existing dwellings. There are a total of fifteen (15) existing units that could qualify as newly affordable, with five (5) manufactured homes, six (6) units enrolled in the Section 8 low income rental program and four (4) units that could be purchased by low/moderate income families through the HOP and ADDI programs. Additionally, Housing Element programs would result in the preservation of 217 low and moderate income dwelling units.

Unfortunately, due to scarce land resources in the nearly built-out community, the City has limited capacity to accommodate new dwellings, even though the General Plan and zoning permit densities up to 53.3 dwelling units per acre in the City in the highest density residential areas in the Beach Area.

**TABLE 2
QUANTIFIED HOUSING OBJECTIVES**

NEW UNITS						
	Very Low	Low	Moderate	High	Total	Program
RHNA % of RHNA	236 du 26.4%	149 du 16.6%	160 du 17.9%	350 du 39.1%	895 du 100%	
Infill				72 du	72 du	3a
Redevelop double lots (no mergers)			10 du	10 du	20 du	1c
Second Units	12 du	18 du	6 du		36 du	5e
Incentive Units	15 du	10 du	5 du		30 du	5a
Commercial Areas	75 du	75 du	75 du	75 du	300 du	3b & 3d
Manhattan Village	5 du	10 du	10 du		25 du	3c
NEW UNIT TOTAL	107 du 22.2%	113 du 23.4%	106 du 21.9%	157 du 32.5%	483 du 100%	
EXISTING UNITS-NEWLY AFFORDABLE						
Manufactured Housing			5 du		5 du	5c
Section 8	3 du	3 du			6 du	6a
HOP/ADDI			4 du		4 du	6b
TOTAL NEWLY AFFORDABLE	3 du	3 du	9 du		15 du	
EXISTING UNITS- PRESERVED						
Zoning Code (mansionization)			40 du	10 du	50 du	1a
Preserve non-conforming units			18 du	6 du	24 du	2a
Home improvement loans (CDBG)	2 du	12 du	2 du		16 du	2b
Regulate condo conversions	2 du	5 du	5 du		12 du	4
Private Sector Senior Housing	36 du	37 du	58 du	21 du	152 du	5d & 7b
TOTAL UNITS PRESERVED	41 du	54 du	122 du	37 du	254 du	
TOTAL POSSIBLE HOUSING UNITS					752 du	

HOUSING PLAN

This element continues efforts to provide additional housing and increase housing affordability in the City of Manhattan Beach. This element builds on the Manhattan Beach Housing Element adopted in 2003, just as that element built on the element before. The overall primary goal of the City of Manhattan Beach Housing Element is to promote the development of suitable housing to meet the existing and projected demand, while protecting the vitality of the existing residential neighborhoods in the City. Goals of this Element also include:

- **Preserve existing neighborhoods** by preserving the scale of development in existing residential neighborhoods and preserving existing dwellings.
- **Provide a variety of housing opportunities** for all segments of the community, by providing sites for new housing, preserving existing affordable housing stock, encouraging development of additional low and moderate income housing, encouraging measures to increase ability to afford existing housing stock and promoting housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, or color and for special needs groups.
- **Providing a safe and healthy living environment** for City residents, eliminating potentially unsafe or unhealthy conditions in existing development, preventing the establishment of potentially unhealthful conditions in new development.
- **Encourage the conservation of energy** in housing by encourage use of alternate energy, reducing energy loss due to inferior construction/development techniques, and encouraging reduction in energy consumption for commuting to work and other activities.

Housing programs included in this element are designed to implement these goals.

RELATIONSHIP OF THE HOUSING ELEMENT TO THE GENERAL PLAN

The focus of this Housing Element is to demonstrate the City's progress in implementing the housing polices and programs established as part of the previous Citywide General Plan update undertaken in the mid-1980s. This Element also builds upon housing policy included in the previously-adopted (2003) Housing Element. This Element then evaluates the current Regional Housing Needs Assessment (RHNA) prepared by the Southern California Association of Governments (SCAG) for the City. Finally, this Element outlines how the City intends to accommodate the projected RHNA allocation for the City.

The California Government Code requires that the General Plan contain an integrated, internally consistent set of goals, policies, and programs. This Housing Element is most directly related to the Land Use Element, since it is the Land Use Element that designates the location and extent of residential development throughout the City. With regard to the City's existing adopted General Plan, the following findings of conformity may be made:

1. This Housing Element proposes minimal changes in land uses or in zoning. The revisions, however, are consistent with the adopted Land Use policy.
2. This Housing Element will involve minimal changes to the adopted land use map and the development standards included in the Land Use Element.

3. This Housing Element does not promote or propose any land use changes requiring the installation of any new streets or infrastructure, not already anticipated in the General Plan.
4. The City's ability to accommodate new residential development is limited. As a result, the focus of this Element is to identify strategies that will be effective in conserving existing housing, while at the same time, to investigate opportunities to accommodate new infill residential development, including the development of affordable housing.
5. This Housing Element considers a number of other relevant environmental plans, including the Local Coastal Program prepared pursuant to the Coastal Act requirements.
6. Finally, this Housing Element updates important background information used in the evaluation and/or formulation of housing policy.

Section 65400 (b) (1) of the Government Code requires local governments to review their adopted general plans annually. The Government Code indicates that the City must provide an annual report to the City Council, the Office of Planning Research, and the State Department of Housing and Community Development regarding the status of the General Plan and any progress being made with regard to the Plan's implementation in meeting the City's share of its regional housing needs, and the City's efforts in removing governmental constraints. The statute goes on to state that the housing portion of the annual report shall use the forms and definitions adopted by the HCD.

As part of the City's compliance with the aforementioned requirements, the City will undertake an annual review of the City of Manhattan Beach General Plan, including the Housing Element, prepare the requisite reports, and submit the findings to the City Council. The annual report will document the revisions made to the Housing Element, and any requisite changes that may be required for the other General Plan Elements to provide internal consistency.

RELATIONSHIP TO PREVIOUSLY EXISTING ELEMENT

As noted above, many of the goals, policies and programs included in this element represent a continuation or expansion of programs included in previous elements.

The Manhattan Beach Housing Element adopted February 4, 2003 focused on five primary strategies for the provision of additional housing as follows:

1. **Development of Vacant and Underutilized Parcels** – Six vacant parcels have been developed with housing. This strategy is recommended to continue in the future (Program 3a in this element).
2. **Conversion of Downtown Multiple Family Residential** – A 1.77 acre area located at the 200 and 300 blocks of 10th Street and 11th Street and developed with residential use was rezoned. The new designation provides for high density residential use (RH), a change from Downtown Commercial (CD), thereby allowing preservation and expansion of residential uses in this area.
3. **Encouragement of Mixed Use** – This is an ongoing program that is recommended to continue (Program 3b in this element).
4. **Beach Infill** – This is an ongoing program that is recommended to continue (Program 3a in this element).
5. **Second Units** – This program has not yet been implemented, but is recommended for implementation in this element (Program 5e in this element).

The 2003 Element also included the following programs:

- **Affordable Housing Incentive Program** - This is an ongoing program that is recommended to continue (Program.5a in this element)
- **Code Enforcement Program** - This is an ongoing program that is recommended to continue (Program 8a in this element).
- **Community Development Block Grant (fund exchange)** – This program has provided resources for local social service providers, enabling those in need to remain in the community, as described in more detail on Page 44 (Opportunities and Constraints).
- **Developer Consultation Program** - This is an ongoing program that is recommended to continue (Programs 5b and 5d in this element).
- **Energy Conservation Program** – Since adoption of the 2003 Element, the City has developed a task force to develop a sustainable development program. This ongoing program is recommended to continue and expand (Programs 10, 11a, 11b, and 12 in this element).
- **Environmental Review (CEQA) Program** - This is an ongoing program that will continue in accordance with the requirements of the California Environmental Quality Act.
- **Fair Housing Program** - The City continues to work with fair housing organizations. This is an ongoing program that is recommended to continue (Program 7a in this element).
- **Small Rental Unit/Second Unit Program (Multiple-family Zones)** – This program was not implemented. A similar program is included in this element for commercial areas (Program 3d in this element)
- **Senior Housing Program** - This ongoing program led to the development of the Manhattan Senior Villas, which remain available to seniors. This program is recommended to continue (Program 7b in this element).
- **Senior Services Manager Program** – This is an ongoing program that is recommended to continue (Program 7c in this element).
- **Zoning Conformity Program** - This is an ongoing program that is recommended to continue (Programs 1a and 1b in this element).

The basic goals of the 2003 Housing Element include preservation of existing housing stock and provision of adequate sites for housing. The previously discussed mansionization ordinance and non-conforming ordinance respond to these goals. Overall, the City was able to meet or attempted to meet all of programs mentioned with the status of each program noted above. The very limited availability of vacant or recyclable land, particularly larger parcels, the existing land use patterns, sand dunes and steep slopes in the highest density areas, narrow streets that limit emergency vehicle access, and the need to preserve the commercial tax base, makes development of a large number of new housing units difficult.

PUBLIC REVIEW

This Housing Element is an update of the City's 2003 Housing Element. Throughout the course of the Element's preparation, the City made a diligent effort to involve the public in the review of the existing Element and the proposed changes. Notices of meetings were published in the local paper, made available on the City's website and mailed to interested individuals and groups. These efforts specifically included the following:

1. Review of the Draft Housing Element by the City of Manhattan Beach Planning Commission at three noticed public hearings and meetings prior to its submittal to the State Department of Housing and Community Development (HCD);
2. In the course of revising the Draft Housing Element, staff provided a public workshop on January 29, 2009 which included the Planning Commission, City Staff, Housing Element Consultant, and general public. A number of community groups and organizations with interest in housing issues were invited to attend and did participate. The Workshop focused specifically on a discussion of issues germane to housing, including the main components of the Element and available housing sites in the City.
3. The Draft Housing Element was considered at a public hearing held before the City of Manhattan Beach Planning Commission and the Commission made a recommendation to the City Council ; and,
4. The Draft Housing Element and the environmental documents were adopted at a noticed public hearing of the City of Manhattan Beach City Council.

Additional scheduled public hearings will be conducted following the receipt of HCD's comments. These hearings will provide the public additional opportunities to review the Housing Element and the programs it contains.

CITY PROFILE



CITY PROFILE

The City of Manhattan Beach is located within the southwestern coastal portion of Los Angeles County in what is commonly referred to locally as the "South Bay" area (Figure 1). To the north is the City of El Segundo, to the east is Redondo Beach, to the south is Hermosa Beach, and on the west the Pacific Ocean. The City has a total land area of 2,017 acres (3.15 square miles).

The City is made up of several distinct neighborhoods which are grouped into "planning areas" that reflect the City's unique and varied environment (Figure 2). These planning areas are as follows:

- **Beach Area** - This area contains most of the City's multi-family rental housing. Lots in this area are small with generally less than 3,000 square feet, and parking for residents and visitors is in short supply (Figure 4). The General Plan calls for the maintenance and enhancement of the "Village" atmosphere within the downtown commercial district. The City's goal is to promote the preservation of the small specialty retail and service activities that serve both visitors to the beach and local residents while also encouraging mixed-used residential/commercial development.
- **Hill Section** - This area consists primarily of single-family residential development, with commercial and higher-density residential development limited to Sepulveda Boulevard and Manhattan Beach Boulevard (Figure 5). The City's General Plan promotes the maintenance of single-family neighborhoods. Higher-density, multiple-family residential development is directed to those parcels located on either side of Manhattan Beach Boulevard, which is already developed with a mix of commercial and multi-family residential uses.
- **East-Side/Manhattan Village** - This includes all of the City's land area located east of Sepulveda Boulevard, and a large proportion of the City's commercial and residential uses are within this area. The City's land use policy calls for the preservation of the existing character of the residential neighborhoods located in the areas. Medium-and high-density residential development is located along Manhattan Beach Boulevard, Artesia Boulevard, and in areas adjacent to Manhattan Intermediate and Meadows schools, which are designated exclusively for multiple-family residential development (Figure 6).

Manhattan Village includes a substantial amount of regional commercial and office development as well as a significant number of condominium units.

- **Tree Section** – This is the portion of the City located to the east of Grand Avenue and northwest of Valley Drive. The area will remain almost exclusively single-family residential under the policies contained in the General Plan (Figure 7). A small portion of the area adjacent to Sepulveda Boulevard is designated for commercial uses.
- **El Porto** – This area was formerly the unincorporated community of El Porto and is located north of 38th Street between the ocean and the City of El Segundo. The area is developed with a mix of residential and commercial uses. El Porto has the highest residential development intensities found in the City (Figure 8). The General Plan protects the mix of multi-family and commercial development presently existing in this area.

POPULATION

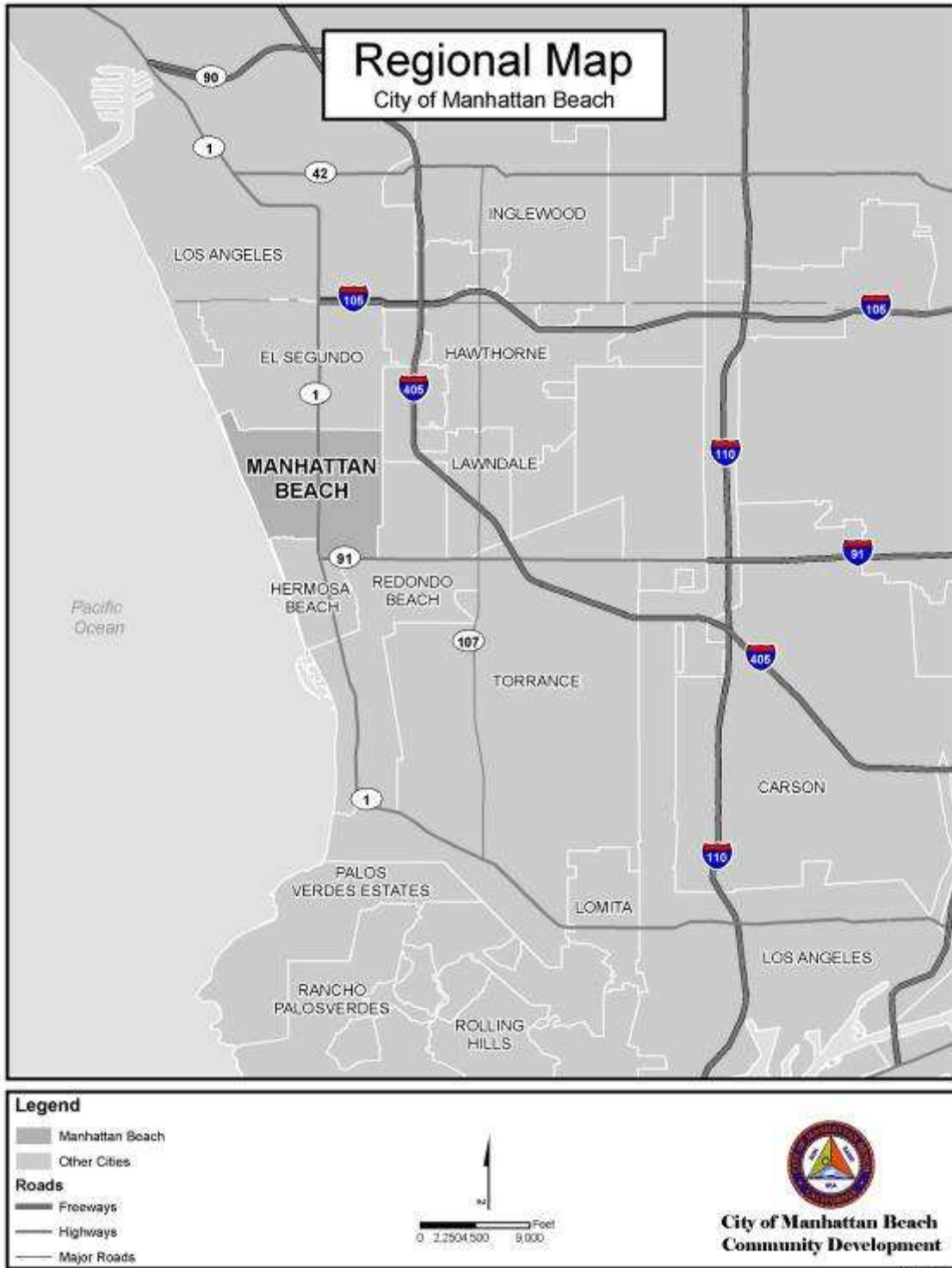
According to the most recent Department of Finance (DOF) estimates, the City's population was 36,505 persons as of January 1, 2008, while the number of housing units in the City totaled 15,485 units, and total households were estimated at 14,911.

The City has been divided into eight census tracts which correspond with City planning areas as follows (Figure 3):

**TABLE 3
PLANNING AREAS**

Planning Area	Census Tract
Beach Area	6203.02 and 6209.02
Hill Section	6209.01
East-side/Manhattan Village	6208 and 6204
Tree Section	6203.01 and 6203.03
El Porto	6202.01

**FIGURE 1
REGIONAL MAP**



**FIGURE 2
PLANNING AREAS**



**FIGURE 3
CENSUS TRACTS**

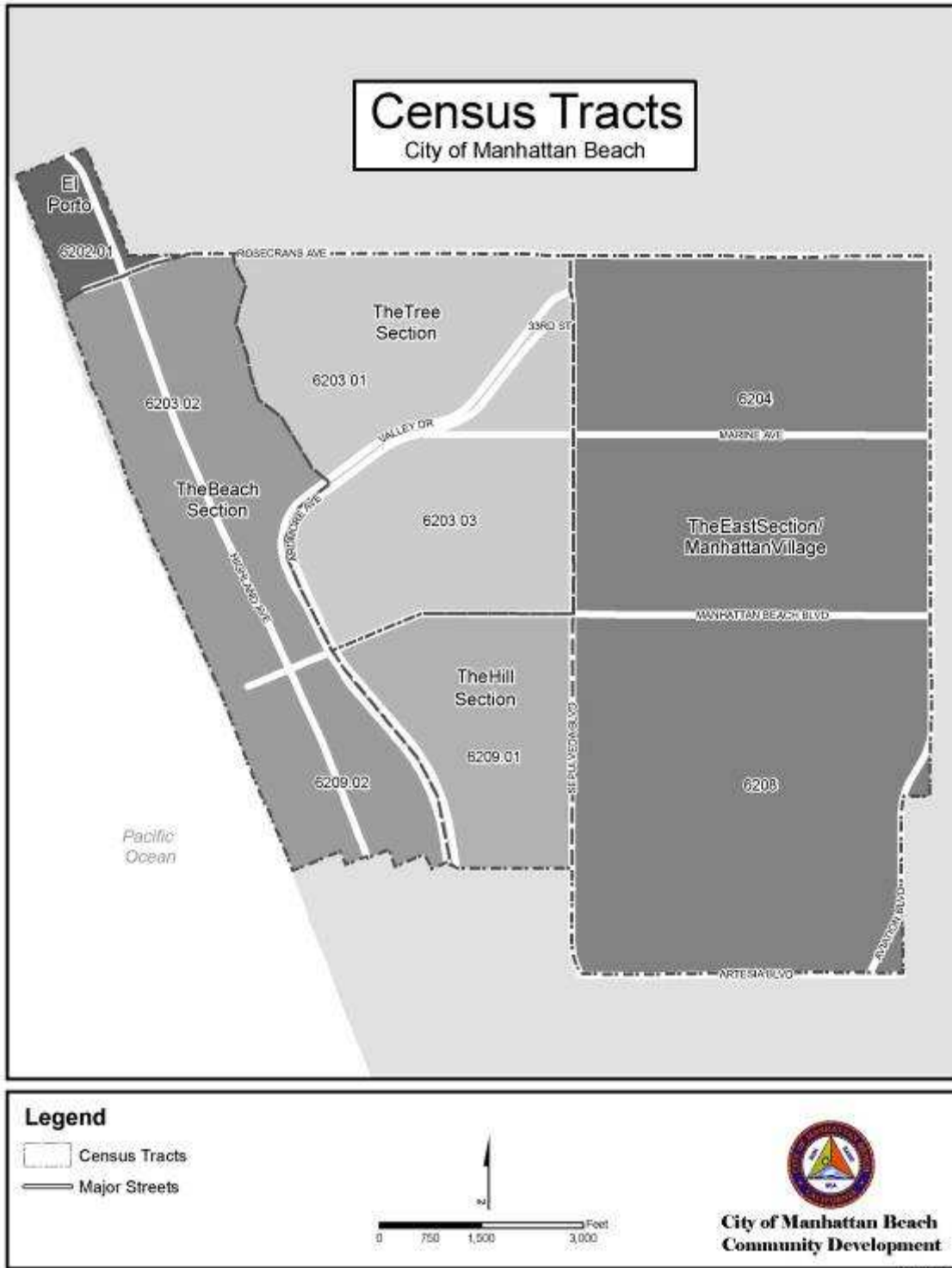




FIGURE 4-BEACH AREA



FIGURE 5-HILL SECTION



FIGURE 6-EAST-SIDE/MANHATTAN VILLAGE

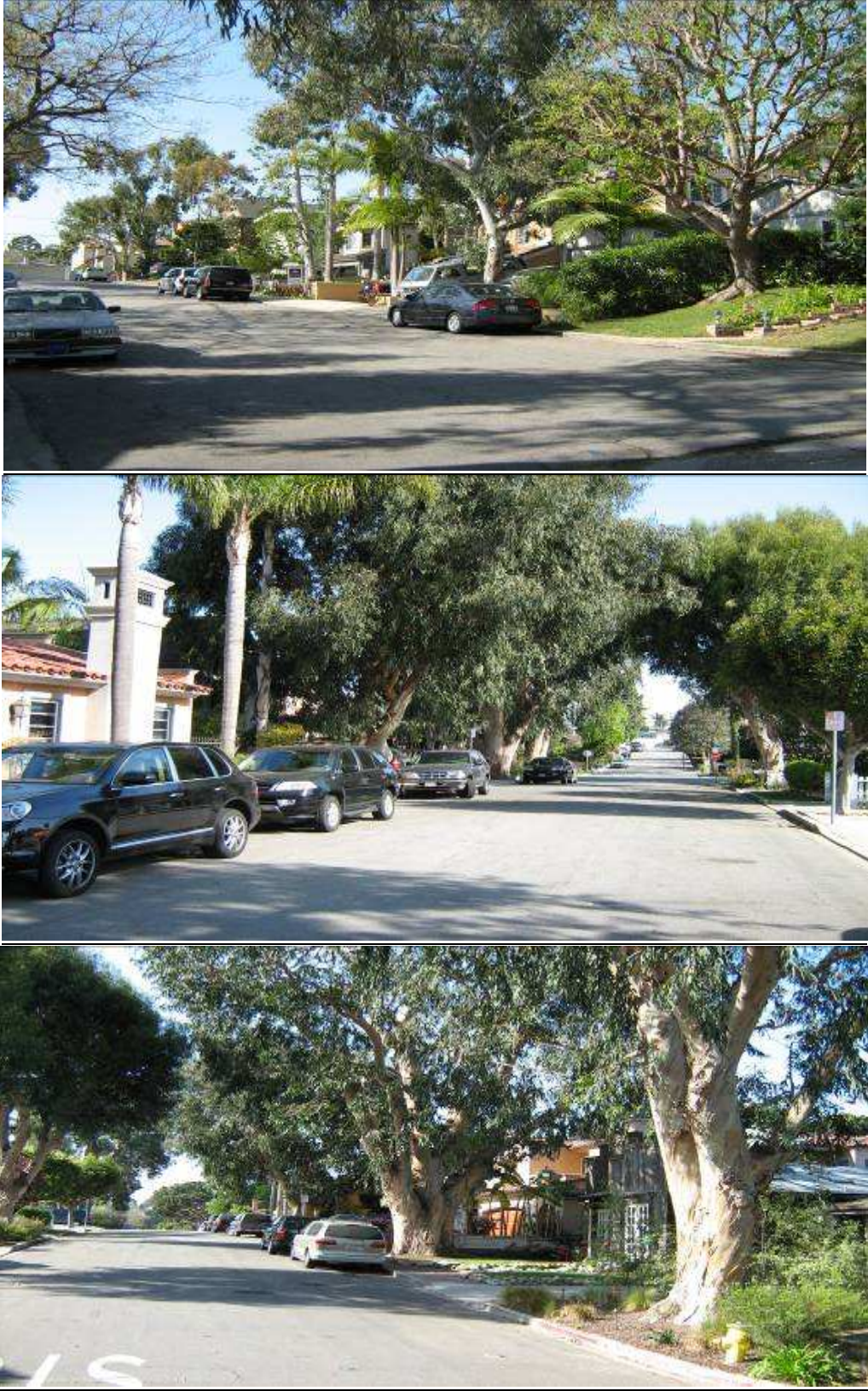


FIGURE 7-TREE SECTION



FIGURE 8-EL PORTO

Population Growth

When Manhattan Beach was incorporated in 1912, the City's population was 600 persons. In the years immediately following incorporation, the City's population increased very slowly, with slightly over 1,000 persons being added over the next two decades. According to the 1930 U.S. Census, the City's population was 1,891 persons. Manhattan Beach, like most Southern California beach cities, experienced a "population boom" during the 1930s, and this growth was largely the result of the development of the region's *Pacific Electric* transit system. Just prior to the Second World War, the City's population had grown to 6,398 persons.

The City's greatest period of population growth followed the war years, continuing on into the 1960s. Between 1950 and 1960, the City's population nearly doubled from 17,300 persons to 33,934 persons. The City's population peaked during the early 1970s, reaching a high of more than 35,000 persons. In the latter part of the 1970s and continuing through the 1980s, the City's population actually began to decline. However, by 1990, a reversal in the trends of a declining population experienced in the 1970s and 1980s was noted in the 1990 Census, with the City's population registering a slight increase in population. The decline in population in the 1970s and 1980s may be attributed to reductions in household size. The families that settled in the City following the Second World War began raising families, continuing on into the 1960s. As the children left home, the average household size for the City experienced a decline. According to the most recent 2000 Census, the City's population was 33,852 persons. Trends in population growth are illustrated in Table 4 below.

**TABLE 4
POPULATION GROWTH AND TRENDS-1912-2000**

	Population	Number	Percent Change
1912	600	*	*
1920	859	259	43.17%
1930	1,891	1,032	120.14%
1940	6,398	4,507	238.34%
1950	17,330	10,932	170.87%
1960	33,934	16,604	95.81%
1970	35,352	1,418	4.18%
1980	31,542	-3,810	-10.78%
1990	32,063	521	1.65%
2000	33,852	1,789	5.58%

Source: Federal Census, 1920-2000; Manhattan Beach General Plan, p. INT-5

Population in some areas of the City continues to decline, although population increased in other areas, as seen below (Table 5). The City’s 2000 Census population at 33,852 represents a 5% increase from 1990, but is still less than the peak population figures for the 1970s. The greatest population decline has been experienced in the old section of the City, in Census Tracts 6203.2 and 6209.01/6209.02 adjacent to the coast.

**TABLE 5
POPULATION GROWTH AND TRENDS BY CENSUS TRACT - 1970 TO 2000**

Tract	1980	1990	Change 1980-1990		2000	Change 1990-2000		Change 1980-2000	
			Number	Percent		Number	Percent	Number	Percent
El-Porto 6202	1,185	1,281	96	8.10%	1,548	267	20.84%	363	30.63%
Tree Section 6203.01	4,044	3,932	-112	-2.77%	4,324	392	9.97%	280	6.92%
Beach Area 6203.02	6,546	6,101	-445	-6.80%	6,022	-79	-1.29%	-524	-8.00%
Tree Section 6203.03	4,250	4,087	-163	-3.84%	4,303	216	5.29%	53	1.25%
East Side 6204	3,835	4,626	791	20.63%	5,022	396	8.56%	1,187	30.95%
East Side 6208	7,074	6,763	-311	-4.40%	7,271	508	7.51%	197	2.78%
Hill Section 6209.01	2,651	2,385	-266	-10.03%	2,483	98	4.11%	-168	-6.34%
Beach Area 6209.02	3,142	2,885	-257	-8.18%	2,879	-6	-0.21%	-263	-8.37%
City Total	32,727	32,060	-667	-2.04%	33,852	1,792	5.59%	1,125	3.44%

Source: Federal Census

**TABLE 6
POPULATION TRENDS BY PLANNING AREA – 1980- 2000**

Planning Area	Population		Change 1980-2000	
	1980	2000	Number	Percent
Beach Section	9,688	8,901	-787	-8.12%
Hill Section	2,651	2,483	-168	-6.34%
East Side/Manhattan Village	10,909	12,293	1,384	12.69%
Tree Section	8,294	8,627	333	4.01%
El Porto	1,185	1,548	363	30.63%
Total	32,727	33,852	1,125	3.44%

Source: Federal Census

The relatively stable population growth for the City of Manhattan Beach between 1970 and 2000 is consistent with the trends identified in the majority of the nearby communities, especially those located along the coast. Table 6 above compares the population growth that occurred in the City with that of the neighboring coastal communities. Population growth between 1970-1990, and growth between 1990-2000, are summarized in Table 7 below. This growth is then compared to corresponding statistics for Los Angeles County as a whole.

**TABLE 7
POPULATION GROWTH AND TRENDS - 1970-2000**

Area	1970	1990	Change 1970-1990		2000	Change 1990-2000	
			Number	Percent		Number	Percent
Manhattan Beach	35,352	32,063	-3,289	-9.30%	33,852	1,789	5.58%
El Segundo	15,620	15,223	-397	-2.54%	16,033	810	5.32%
Hermosa Beach	17,412	18,219	807	4.63%	18,566	347	1.90%
Redondo Beach	57,415	60,167	2,752	4.79%	63,261	3,094	5.14%
Beach cities total	125,799	125,672	-127	-0.10%	131,712	6,040	4.81%
L.A. County	7,041,980	8,863,164	1,821,184	25.86%	9,519,338	656,174	7.40%

Source: Federal Decennial Census, dates shown

As indicated in Table 7 above, the trend toward a declining population that occurred within the subregion between 1970 and 1990 appeared to have reversed during the decade following the 1990 Census. Between 1970 and 1990, the coastal region, comprised of the cities of Manhattan Beach, El Segundo, Hermosa Beach, and Redondo Beach, experienced an overall population decline of slightly less than 1.0%. Following 1990, the Beach cities experienced an overall population increase of 4.8%. Of the four cities shown in Table 6 above, Manhattan Beach's rate of population growth rate was 5.58%.

Age

Between 1970 and 1990 the number and proportion of school age children in the City of Manhattan Beach declined significantly, from 25.30 percent of the population in 1970 to only 11.51 percent of the population in 1990 (Table 8). In recent years the trend has reversed with an increase in the number of pre-school age children to nearly 1980 levels. However, the proportion of young adults continues to decline, while the number of seniors continues to grow.

**TABLE 8
AGE PROFILE-1970 to 2000**

Age	1970		1980		1990		2000	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
0-4	2,405	6.80%	1,424	4.34%	1,825	5.69%	2,197	6.49%
5-18	8,944	25.30%	6,189	18.85%	3,689	11.51%	5,680	16.78%
19-24	3,391	9.59%	2,922	8.90%	2,380	7.42%	1,052	3.11%
25-54	16,600	46.96%	17,450	53.16%	18,528	57.79%	18,135	53.57%
55-59	1,435	4.06%	1,682	5.12%	1,513	4.72%	1,963	5.80%
60-64	903	2.55%	1,219	3.71%	1,369	4.27%	1,299	3.84%
65+	1,674	4.74%	1,941	5.91%	2,759	8.60%	3,526	10.42%

Source: Federal Census, years shown

Ethnicity

The population of Manhattan Beach is predominantly non-minority white (Table 9). This varies only slightly from area to area. Census Tracts 6204 and 6208, easterly of Sepulveda Boulevard have a slightly higher concentration of minorities than the rest of the City, although still predominantly non-minority white. These two tracts have a significantly greater percentage of individuals of Asian extraction than other areas of the City. The two tracts also have a somewhat higher proportion of Hispanics.

**TABLE 9
RACE AND ETHNICITY BY CENSUS TRACT**

Tract	Total	White		Black		Amerind/ Eskimo		Asian or Pacific Islander		Other		Hispanic	
		#	%	#	%	#	%	#	%	#	%	#	%
El Porto 6202.01	1,548	1,410	91.1	6	0.39	4	0.26	71	4.59	36	2.33	91	5.88
Tree Section 6203.01	4,324	3,961	91.6	19	0.44	3	0.07	178	4.12	38	0.88	212	4.9
Beach Area 6203.02	6,022	5,609	93.1	27	0.45	11	0.18	198	3.29	63	1.05	263	4.37
Tree Section 6203.03	4,303	3,900	90.6	15	0.35	3	0.07	211	4.9	66	1.53	210	4.88
East Side 6204	5,022	4,253	84.7	48	0.96	18	0.36	441	8.78	75	1.49	319	6.35
East Side 6208	7,271	6,033	83	59	0.81	23	0.32	761	10.47	191	2.63	424	5.83
Hill Section 6209.01	2,483	2,269	91.4	22	0.89	7	0.28	100	4.03	21	0.85	106	4.27
Beach Area 6209.02	2,879	2,689	93.4	12	0.42	1	0.03	83	2.88	21	0.73	125	4.34
City Total	33,852	30,124	89	208	0.61	70	0.21	2,043	6.04	501	1.48	1,756	5.19

Source: 2000 Federal Census

The racial and ethnic composition of the City of Manhattan Beach is typical of that of nearby beach cities, as indicated in Table 10 below. All of the nearby coastal cities have a relatively high percentage of whites, with minorities accounting for less than 10% of the population. The proportion of Hispanics in the neighboring cities was also comparable to that of the City of Manhattan Beach, according to the 2000 Census.

**TABLE 10
PERCENTAGE RACE AND ETHNICITY BY CITY - 2000**

City	Total Population	White	Black	AmerInd/ Eskimo	Asian or Pacific Islander	Other	Hispanic
Manhattan Beach	33,852	89%	0.6%	0.2%	6%	1.3%	5.2%
El Segundo	16,033	83.6%	1.2%	0.5%	6.4%	3.8%	11%
Hermosa Beach	18,566	89.6%	0.8%	0.4%	4.4%	1.9%	6.7%
Redondo Beach	63,261	78.6%	2.5%	0.5%	9.1%	4.8%	13.5%
Beach cities total	131,712	85.2%	1.3%	0.4%	6.5%	3%	9.1%
L.A. County	9,519,338	48.7%	9.8%	0.8%	11.9%	23.8%	44.6%

Source: 2000 Federal Census

HOUSEHOLD CHARACTERISTICS

A household consists of the full-time occupants of a housing unit. A household may consist of one individual, a family or a number of unrelated individuals. Family households consist of two or more individuals related by blood, marriage, or adoption, and do not include one person households or households comprised of unrelated individuals.

Household Size and Type

Household size declined markedly between 1970 and 1980 and has only increased slightly since that time. This is consistent with the decrease in numbers of school age children and young adults noted above in Table 8.

**TABLE 11
HOUSEHOLD SIZE-1970-2000**

	1970	1980	1990	2000
Population	35,352	31,542	32,063	33,852
Dwelling Units	13,107	14,511	14,695	15,094
Persons per Unit	2.7	2.17	2.18	2.24
Households	12,769	13,901	13,992	14,474
Persons per Household	2.77	2.27	2.29	2.34

Source: U.S. Census, dates shown

Household size is smallest in the areas nearest the ocean, in Census Tracts 6202.01, 6203.2, and 6209.02. In these areas, household size tends to be two or fewer people. Inland tracts tend to have somewhat larger households, averaging about two and a half persons per household. In addition, owner occupied units tend to have a larger household size than renter occupied units.

**TABLE 12
PERSONS PER OCCUPIED HOUSING UNIT BY TENURE BY CENSUS TRACT- 2000**

	6202.01	6203	6203.02	6203.03	6204	6208	6209	6209.02	City Average
Owner Occupied	1.79	2.74	2.18	2.70	2.53	2.92	2.72	2.39	2.60
Renter Occupied	1.54	2.29	1.72	1.99	2.14	2.07	2.05	1.73	1.85

Source: 2000 Census Data

The proportion of households comprised of families continued to drop in the last decade, from 59 percent of all households in 1980 and 67.3 percent in 1970 down to 56.9 percent of all households in 1990, rising slightly to 58 percent of households in 2000 (Table 13). Meanwhile, the proportion of single person households rose slightly from 27.2 percent in 1970 to 29.3 percent in 2000.

The proportion of households comprised of families is lowest in the beach areas, particularly in Census Tract 6202.01 (El Porto). The proportion of single person households and households comprised of unrelated individuals is accordingly higher in these areas (Table 13). The largest proportion of family households is in the southeast sector of the City, in Census Tract 6208.

TABLE 13
HOUSEHOLD TYPE- 2000

Census Tract	Percent Families	Percent Single Person	Percent Nonfamily
El Porto 6202.01	20.7%	51.5%	27.8%
Tree Section 6203.01	72.2%	20.5%	7.3%
Beach Area 6203.02	38.4%	40.9%	20.7%
Tree Section 6203.03	69.1%	21.1%	9.9%
East Side 6204	67.1%	26.3%	6.7%
East Side 6208	72.1%	20.4%	7.5%
Hill Section 6209.01	69.5%	20.3%	10.2%
Beach Area 6209.02	49.1%	36.4%	14.5%
TOTAL CITY	58%	29.3%	12.7%

Source: 2000 Federal Census

Housing Tenure

In 2000, 35.06% of all households in the City consisted of renter households. This is a slight decrease from 1980, when 37.48 % of households were renter households, continuing an ongoing trend toward greater home-ownership since 1980, when 40.90 of households were renter households (Table 14). Owner-occupied units accounted for the clear majority of housing units in most areas of the City, except in two coastal area census tracts, C.T. 6202.01 (El Porto) and C.T. 6203.02 (northerly beach area). The coastal areas contain a larger proportion of duplexes and multi-family housing compared to the other areas of the City. In Tract 6909.02, located in the southwest portion of the City, owner-occupied units constitute only a slight majority. This is consistent with the larger proportion of duplexes and multi-family housing in the beach areas.

**TABLE 14
HOUSING TENANCY BY CENSUS TRACT-1980-2000**

Census Tract	Owner occupied		Renter Occupied	
	Units	Percent	Units	Percent
El Porto 6202.01	249	25.83%	715	74.17%
Tree Section 6203.01	1,362	84.02%	259	15.98%
Beach Area 6203.02	1,403	44.85%	1,725	55.15%
Tree Section 6203.03	1,334	79.22%	350	20.78%
East Side 6204	1,523	73.68%	544	26.32%
East Side 6208	2,011	75.09%	667	24.91%
Hill Section 6209.01	771	80.31%	189	19.69%
Beach Area 6209.02	767	55.90%	605	44.10%
TOTAL, 2000*	9,440	64.94%	5,096	35.06%
TOTAL, 1990	8,748	62.52%	5,244	37.48%
TOTAL, 1980	8,193	59.10%	5,669	40.90%

* Total for City as reported by Federal Census does not reflect total of all census tracts combined

Source: Federal Decennial Census, years shown

Manhattan Beach had a significantly higher proportion of owner-occupied units than surrounding cities and than Los Angeles County as a whole (Table 15). In fact, Manhattan Beach was the only city in the area with less than half of all housing to be renter occupied.

**TABLE 15
TENANCY BY CITY- 2000**

	Owner Occupied		Renter Occupied	
	Units	Percent	Units	Percent
Manhattan Beach	9,440	64.94%	5,096	35.06%
El Segundo	2,945	41.88%	4,087	58.12%
Hermosa Beach	4,033	42.71%	5,409	57.29%
Redondo Beach	14,147	49.52%	14,419	50.48%
TOTAL	30,565	51.30%	29,011	48.70%
L.A. County	1,499,744	47.72%	1,643,030	52.28%

Source: 2000 Federal Census

Income

The 2000 Federal census reported a median income of \$100,750 for the City of Manhattan Beach, well above the Los Angeles County median of \$42,189. At the same time, poverty does exist in the city, though at very low levels (Table 16). At the time of the Census, 93 people reported receiving public financial assistance, and 221 reported receiving Supplemental Security Income (SSI).

**TABLE 16
PERSONS IN POVERTY- 2000**

Census Tract	All persons	Persons Below Poverty	Percent
El Porto 6202.01	1,611	41	2.55%
Tree Section 6203.01	4,324	120	2.78%
Beach Area 6203.02	6,022	280	4.65%
Tree Section 6203.03	4,296	117	2.72%
East Side 6204	5,012	275	5.49%
East Side 6208	7,263	140	1.93%
Hill Section 6209.01	2,607	81	3.11%
Beach Area 6209.02	2,879	50	1.74%
City Total	34,014	1,104	3.25%

Source: 2000 Federal Census

Poverty level is determined by the Bureau of the Census based on national averages and costs for certain necessities of life. Poverty level was defined as less than \$17,029 for a four person household at the time of the 2000 Census.

Regional variations are not considered when determining poverty level. Therefore, the number of households in the City which were experiencing conditions of poverty at the time of the 1980 Federal Census may actually have been somewhat higher. The U.S. Bureau of the Census has established poverty thresholds as follows:

**TABLE 17
POVERTY LEVEL-2000**

Household Size	Weighted Average Threshold	Number of Children under 18 years of age								
		None	One	Two	Three	Four	Five	Six	Seven	Eight or more
1 person	\$8,501									
Under 65	\$8,667									
65 and over	\$7,990									
2 people	\$10,869									
Under 65	\$11,214	\$11,156	\$11,483							
65 and over	\$10,075	\$10,070	\$11,440							
3 people	\$13,290	\$13,032	\$13,410	\$13,423						
4 people	\$17,029	\$17,184	\$17,465	\$16,895	\$16,954					
5 people	\$20,127	\$20,723	\$21,024	\$20,380	\$19,882	\$19,578				
6 people	\$22,727	\$23,835	\$23,930	\$23,436	\$22,964	\$22,261	\$21,845			
7 people	\$25,912	\$27,425	\$27,596	\$27,006	\$26,595	\$25,828	\$24,934	\$23,953		
8 people	\$28,967	\$30,673	\$30,944	\$30,387	\$29,899	\$29,206	\$28,327	\$27,412	\$27,180	
9+ people	\$34,417	\$36,897	\$37,076	\$36,583	\$36,169	\$35,489	\$34,554	\$33,708	\$33,499	\$32,208

Source: 2000 Federal Census

The State of California has defined various income groups, based on the percent of median income earned per household. Extremely low income households make less than thirty percent of the median income. Very low income households make less than fifty percent of the median income. Low income households make fifty to eighty percent of the median income. Low, very low, and extremely low income groups are known as lower income groups. Moderate income households make up to 120 percent of the median income.

HOUSING CHARACTERISTICS

Housing Type

The vast majority of housing in Manhattan Beach consists of single family detached homes, with smaller amounts of single family attached homes, duplexes, triplexes, fourplexes, and larger apartment complexes (Table 18). This contrasts with Los Angeles County as a whole, where only about half of all housing consists of single family detached units.

**TABLE 18
DWELLING UNITS PER STRUCTURE- 2000**

Census Tract	1 Unit, Detached	1 Unit, Attached	2 Units	3 or 4 Units	5 to 19 Units	20 or more Units	Mobile home ¹	Total
El Porto 6202.01	177	77	536	191	70	0	0	1,051
Tree Section 6203.01	1,602	0	7	0	0	54	0	1,663
Beach Area 6203.02	1,551	475	670	509	109	7	0	3,321
Tree Section 6203.03	1,495	14	38	58	68	41	0	1,714
East Side 6204	1,291	482	46	91	136	54 ²	8	2,118
East Side 6208	2,205	109	44	170	164	43	8	2,743
Hill Section 6209.01	887	24	28	28	50	0	7	1,024
Beach Area 6209.02	983	166	166	50	79	16	0	1,460
City Total	10,191	1,347	1,535	1,097	676	215	23	15,094
LA County	1,593,516	241,571	89,608	197,916	532,441	559,236	53,475	3,270,909

Source: 2000 Federal Census

1. The City of Manhattan Beach does not contain any mobile home parks, though 23 mobile homes were reported by the 2000 Federal Census. It is not known whether the census data may be in error or may reflect the presence of manufactured housing or construction trailers on single family lots.
2. Though 2000 Federal Census data reflect a total of 54 dwelling units in larger complexes of 20 or more units, City records indicate that only 48 such units exist in the area corresponding to Census Tract 6204.

With the exception of the beach areas, single family homes dominate in most areas of the City. The majority of remaining housing is provided in duplexes, triplexes, and fourplexes, with few dwelling units provided in larger complexes of five or more units

The 2000 Federal Census indicates that 1,347 dwelling units, or 8.92 percent of the City housing stock, consisted of single family attached dwellings, or condominiums. This is very close to the 1,342 single family attached dwellings reported for Manhattan Beach by the California Department of Finance in 2008, and is an increase from the 1990 Federal Census which reported 1,123 single family attached units, or 7.64% of total housing stock. The largest proportion of condominiums exist in Census Tract 6204, where condominiums are aggregated in a large tract in the Manhattan Village area and in the beach section attached units are provided in numerous small developments of only a few units.

Housing Size

Homes range from quite small to fairly large, with the majority of homes having four to seven rooms (Table 19). Units in Tract 6202.01 (El Porto) tend to be the smallest, followed by the other beach areas in Census Tracts 6203.02 and 6209.02. The largest number of rooms per unit tends to be provided in the areas east of Sepulveda Boulevard, in Census Tracts 6204 and 6208.

**TABLE 19
DWELLING UNIT SIZE- 2000**

	6202.01 El Porto	6203.01 Tree Section	6203.02 Beach Area	6203.03 Tree Section	6204 East Side	6208 East Side	6209.01 Hill Section	6209.02 Beach Area	City Total
1 room	76	0	99	6	5	14	0	68	268
2 rooms	180	29	256	69	78	98	18	77	805
3 rooms	242	75	476	152	138	194	49	131	1,457
4 rooms	242	151	722	126	164	393	68	247	2,113
5 rooms	165	406	684	336	615	450	97	241	2,994
6 rooms	99	331	440	373	554	441	209	214	2,661
7 rooms	19	192	353	176	339	336	256	261	1,932
8 rooms	8	287	167	190	118	315	126	122	1,333
9 or more rooms	20	192	124	286	107	502	201	99	1,531

Source: 2000 Federal Census

Housing Condition

Housing in the City of Manhattan Beach is generally in quite good condition. Due to the desirability of beach area real estate, units that become dilapidated are usually purchased and rebuilt. Further, the City of Manhattan Beach maintains an active code enforcement program, thus reducing the potential for perpetuation of substandard conditions. The City's most recent survey which was conducted at that time of the previous Housing Element (2003) indicated 55 units in need of repair. However, these units were all capable of rehabilitation.

The following categories were considered in the survey:

Category 1: Substandard; rehabilitation would not be economical, and replacement is recommended. A total of 11 units were identified in this category.

Category 2: Major repair needed, but economically feasible to rehabilitate. A total of 16 units were identified in this category.

Category 3: Moderate repair needed (painting, landscaping, minor repairs). A total of 28 units were identified in this category.

Category 4: Structurally sound with little or no repairs needed. The balance of the housing units in the City were included in this category.

Housing Vacancy

At the time of the 2000 Federal Census, the City of Manhattan Beach had 548 vacant housing units, comprising 3.7 percent of the total dwelling units within the City (Table 20). The California Department of Finance estimated a similar vacancy rate, 3.71 percent, for purposes of its 2008 annual population estimate. Vacant units include units available for sale or rent, units held for weekend and seasonal use, and units which have been built but not yet occupied.

At the time of the 2000 Census, the beach areas (Census Tracts 6202.01, 6203.02, and 6209.02) had the highest vacancy rates. As seen in Table 20 below, this is partially due to the significant number of units held for seasonal or occasional use.

**TABLE 20
HOUSING VACANCY BY CENSUS TRACT-2000**

Census Tract	For rent	For sale	Rented or sold, not occupied	Seasonal, recreational, occasional use	Other	Total	
	Units	Units	Units	Units	Units	Units	% ¹
El Porto 6202.01	27	0	12	9	11	59	5.61%
Tree Section 6203.01	7	12	15	8	0	42	2.53%
Beach Area 6203.02	57	34	0	90	12	193	5.81%
Tree Section 6203.03	30	0	0	0	0	30	1.75%
East Side 6204	13	0	0	38	0	51	2.41%
East Side 6208	42	7	3	13	0	65	2.37%
Hill Section 6209.01	9	9	0	12	0	30	2.93%
Beach Area 6209.02	18	12	0	58	0	88	6.03%
City Total	203	74	30	228	23	558	3.70%

1. Total vacant dwelling units/total dwelling units

Source: 2000 Federal Census

The overall vacancy rate in Manhattan Beach is similar to that in other beach cities and to Los Angeles County as a whole. However, the beach cities have a larger portion of vacancies due to seasonal or occasional use, whereas Los Angeles County as a whole has greater numbers of vacancies in units available for sale or rent.

**TABLE 21
HOUSING VACANCY BY CITY-2000**

	For rent	For sale only	Rented or sold, not occupied	Seasonal, recreational, or occasional use	Other vacant	Total ¹	
	Units	Units	Units	Units	Units	Units	%
Manhattan Beach	203	74	30	228	23	558	3.70%
El Segundo	47	20	52	66	11	196	2.71%
Hermosa Beach	223	37	17	80	14	371	3.78%
Redondo Beach	434	203	63	208	69	977	3.31%
Total, beach cities	907	334	162	582	117	2102	3.41%
Los Angeles County	61,369	28,827	12,588	17,499	16,806	137,135	4.19%

1. (total vacant dwelling units/total dwelling units)

Source 2000 Federal Census

HOUSING COST

Home Values

As shown in Table 21, housing values in beach cities are much higher than those in Los Angeles County as a whole. At the time of the 2000 Federal Census, the median value of ownership occupied was \$672,600. This is more than triple the median value for owner occupied housing countywide. Similarly, Dataquick Information Systems reported a median price of \$700,000 for all detached homes sold in Manhattan Beach and a median price of \$205,000 for all homes sold in Los Angeles County in 2000.

**TABLE 22
VALUE OF OWNER OCCUPIED HOUSING BY CITY- 2000**

City	Lower value quartile	Median value	Upper value quartile
Manhattan Beach	\$499,200	\$672,600	\$888,200
El Segundo	\$305,400	\$371,900	\$467,200
Hermosa Beach	\$393,300	\$519,200	\$714,800
Redondo Beach	\$283,200	\$353,300	\$436,000
Los Angeles County	\$155,400	\$209,300	\$328,400

Source: 2000 Federal Census

Within the City of Manhattan Beach, housing values are generally higher in the tree section and the beach areas, with the exception of the El Porto area, which reported among the lowest home values. Generally the inland areas reported lower values, with the southerly portion of the City reporting higher values than the northerly portion.

**TABLE 23
VALUE OF OWNER OCCUPIED HOUSING BY CENSUS TRACT- 2000**

Census Tract	Lower quartile	Median value	Upper quartile
El Porto 6202.01	\$502,100	\$620,700	\$739,300
Tree Section 6203.01	\$481,100	\$631,500	\$802,900
Beach Area 6203.02	\$564,700	\$743,100	\$952,300
Tree Section 6203.03	\$555,700	\$703,400	\$919,300
East Side 6204	\$417,900	\$518,300	\$671,400
East Side 6208	\$457,300	\$635,400	\$842,100
Hill Section 6209.01	\$635,400	\$885,800	>\$1,000,001
Beach Area 6209.02	\$709,700	\$866,800	>\$1,000,001
City Total	\$499,200	\$672,600	\$888,200

Source: 2000 Census

Housing values in the City of Manhattan Beach have risen significantly in the years since the census, rising most steeply between the years 2002 to 2005. This is reflective of regional trends. While home sales prices continued to rise through 2007, price per square foot dropped slightly in 2007, reflecting sales of larger units, both locally and countywide.

**TABLE 24
HOUSING SALES PRICE 2000-2007**

Year	Manhattan Beach			Los Angeles County		
	Median Home Price	Median Condo Price	Price/ Sq.ft.	Median Home Price	Median Condo Price	Price/ Sq.ft.
2000	\$700,000	\$600,000	\$386	\$205,000	\$154,000	\$153
2001	\$726,000	\$664,000	\$418	\$232,000	\$169,000	\$169
2002	\$850,000	\$750,000	\$451	\$274,000	\$203,000	\$196
2003	\$1,050,000	\$918,000	\$462	\$330,000	\$251,000	\$234
2004	\$1,300,000	\$1,068,000	\$616	\$412,000	\$325,000	\$297
2005	\$1,473,000	\$1,294,000	\$698	\$495,000	\$385,000	\$358
2006	\$1,550,000	\$1,400,000	\$783	\$541,000	\$412,000	\$397
2007	\$1,625,000	\$1,523,000	\$765	\$560,000	\$430,000	\$385

Source: Dataquick Information Systems

There is a wide range in asking prices (as noted in Table 25 below) for homes advertised for sale on internet realty sites including Realtor.com, Roost.com, and Trulia.com. The lowest advertised price for any home was a condominium advertised at \$350,000. The highest advertised price was \$8 million for a home on a nearly ten thousand square foot building site.

**TABLE 25
HOME ASKING PRICE - APRIL 2008**

Asking price	Number of units
<\$350,000	0
\$350,000-\$400,000	1
\$400,000-\$500,000	0
\$500,000-\$600,000	1
\$600,000-\$700,000	2
\$700,000-\$800,000	2
\$800,000-\$900,000	9
\$900,000-\$1 million	8
\$1-1.5 million	52
\$1.5-2 million	43
\$2-2.5 million	45
\$2.5-3 million	22
\$3-4 million	16
\$4-5 million	5
>\$5million	9

Source: Realtor.com, Roost.com, Trulia.com

The median asking price for all homes advertised was about \$1.9 million, nearly twenty percent higher than the median sales experienced in all of 2007. Due to the regionally soft market, it is unlikely that prices will continue to rise in the near future in Manhattan Beach. Advertisements of homes for sale reflect the owner's optimistic opinion of the home value. The asking price may be somewhat higher than what the seller actually expects to obtain. The recorded sales price reflects what someone is actually willing to pay.

Rental Rates

Similar to housing sales prices, rents also are higher in the beach cities, with median rent in Manhattan Beach slightly more than twice the median rent in Los Angeles County as a whole.

**TABLE 26
RENT BY CITY-2000 CENSUS**

Location	Lower quartile	Median	Upper quartile
Manhattan Beach	\$923	\$1,293	\$1,795
El Segundo	\$686	\$848	\$1,019
Hermosa Beach	\$852	\$1,095	\$1,472
Redondo Beach	\$782	\$943	\$1,202
Los Angeles County	\$507	\$643	\$838

Source: 2000 Federal Census

The highest reported rental rates were in the Tree Section followed by the northerly beach area of the City. Lower rental rates were reported in the southerly beach area and in the Hill Section, which had reported the highest values for owner-occupied housing.

**TABLE 27
RENT BY CENSUS TRACT**

Census Tract	Lower quartile	Median	Upper quartile
6202.01 El Porto	\$920	\$1,258	\$1,869
6203.01 Tree Section	\$889	\$1,550	\$1,888
6203.02 Beach Area	\$1,021	\$1,447	\$1,818
6203.03 Tree Section	\$942	\$1,307	\$1,712
6204 East Side	\$918	\$1,119	\$1,780
6208 East Side	\$828	\$993	\$1,472
6209.01 Hill Section	\$928	\$1,182	\$1,681
6209.02 Beach Area	\$916	\$1,375	\$2,001
City Total	\$923	\$1,293	\$1,795

Source: 2000 Federal Census

Since the time of the Federal Census, rental rates, like home prices, have risen significantly, as reflected in the rental survey by Westside Rentals.

**TABLE 28
MEDIAN RENTS-2008**

Unit Type	Monthly Rent
Apartment	\$2,524
Condo	\$3,497
House	\$5,671
Duplex	\$3,305
Triplex	\$4,800
Townhouse	\$4,921
Studio	\$1,450
1 bedroom	\$2,345
2 bedrooms	\$3,489
3 bedrooms	\$5,738
4 bedrooms	\$6,542

Source: Westside Rentals

The few units listed for rent in the City of Manhattan Beach vary widely in rent asked. At the low end, a studio apartment in El Porto is listed at \$800 per month, and one bedroom apartments in the same area are listed at \$875 and \$895. The most expensive advertised rental is a detached home with an advertised rent of \$37,000 per month. It should be noted that rentals in small complexes in beach areas are often not formally advertised, but are offered through word of mouth and on-site signage to those in the community.

The trend toward increased rental costs in the region is reflected in the increase in Fair Market Rents for the Los Angeles-Long Beach Standard Metropolitan Statistical Area. The HUD-formulated Fair Market Rent (FMR) schedule is a guideline to maximum rents allowable for units developed with HUD assistance of for tenants receiving Section 8 housing assistance. HUD uses the Consumer Price Index and the Census Bureau housing survey data to calculate the FMR's for each metropolitan area.

TABLE 29
HUD FAIR MARKET RENTS-2000-2008

FMR Year	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY 2000	\$505	\$605	\$766	\$1,033	\$1,233
FY 2001	\$516	\$618	\$782	\$1,055	\$1,260
FY 2002	\$543	\$650	\$823	\$1,110	\$1,325
FY 2003	\$638	\$764	\$967	\$1,305	\$1,558
FY 2004	\$674	\$807	\$1,021	\$1,378	\$1,646
FY 2005	\$746	\$900	\$1,124	\$1,510	\$1,816
FY 2006	\$789	\$952	\$1,189	\$1,597	\$1,921
FY 2007	\$843	\$1,016	\$1,269	\$1,704	\$2,051
FY 2008	\$863	\$1,041	\$1,300	\$1,746	\$2,101

Source: HUD

Based on information presented above, the lower priced units advertised in the El Porto area would fall below the HUD Fair Market Rent limit and could be eligible for utilization of Section 8 vouchers if the landlords were amenable. There are currently no subsidized housing units in the City and therefore no units at risk of conversion.

HOUSING AFFORDABILITY

Households paying over thirty percent of income for housing are considered to be overpaying for housing. Those paying over fifty percent of income for housing are considered to be severely overpaying. Based on 2000 census data, 26.9 percent of households for which data is available were paying 30 percent or more for housing in 2000, of which over a third (11 percent of all households) were paying more than fifty percent of income for housing. Low income and elderly renter households had the greatest problem with overpaying for housing, with the vast majority of low income households overpaying for housing. Overpayment was less of a problem for lower income owners than for renters, possibly due to fixed costs for ownership housing. Moderate to upper income households experienced fewer problems with overpayment for housing than lower income groups, but a significant proportion of these households were also overpaying.

**TABLE 30
HOUSING EXPENDITURES AS PERCENTAGE OF INCOME - 2000**

Households by Income, & Affordability	Renters		Owners		Total Households
	Elderly 1&2 member households	Total Renters	Elderly 1&2 member households	Total Owners	
Household Income <=30% Median	32	230	137	267	497
% Cost Burden >30%	75%	64.3%	82.5%	77.9%	71.6%
% Cost Burden >50%	75%	64.3%	72.3%	72.7%	68.8%
Household Income >30% to <=50% Median	44	179	154	173	352
% Cost Burden >30%	77.3%	88.8%	51.3%	56.6%	73%
% Cost Burden >50%	68.2%	86.6%	48.7%	54.3%	70.7%
Household Income >50 to <=80% Median	64	223	222	365	588
% Cost Burden >30%	84.4%	95.5%	32.4%	46.6%	65.1%
% Cost Burden >50%	78.1%	48.9%	19.8%	32.3%	38.6%
Household Income >80% Median	133	4,436	1,825	8,634	13,070
% Cost Burden >30%	21.1%	17.3%	18.4%	24.8%	22.2%
% Cost Burden >50%	7.5%	3.9%	5.8%	7.1%	6%
Total Households	273	5,068	2,338	9,439	14,507
% Cost Burden >30%	51.3%	25.4%	25.6%	27.7%	26.9%
% Cost Burden >50%	41.8%	11.6%	13.8%	10.8%	11%

Source: HUD CHAS data book (based on 2000 Census data)

Overpayment for housing may be reflective of a number of conditions, including limited supply of low or moderately priced housing. Lack of supply is exacerbated by a poor match between affordable units and low income households. As shown in Table 31, only a small portion of rentals affordable to lower income households are actually occupied by households in those income groups.

**TABLE 31
AFFORDABILITY MISMATCH- 2000**

Housing Units by Affordability	Rental Units	Owned/For Sale Units
Affordable at household income <=30% median income		
# occupied units	104	N/A
% occupants with income <=30% median	28.8	N/A
# vacant for rent	0	N/A
Affordable at household income >30% to <=50% median income		
# occupied units	77	48
% occupants with income <=50% median	28.6	20.8
# vacant for rent	0	0
Affordable at household income >50% to <=80% median income		
# occupied units	360	40
% occupants with income <=80% median	10	50
# vacant for rent	15	0
Affordable at household income >80% median income		
# occupied units	4,529	9,354
# vacant for rent	190	69

Source: HUD CHAS data book (based on 2000 Census data)

Overpayment for housing by very low and low income households is considered to be more serious than overpayment by more affluent income groups, due to the limited funds available to lower income households for all expenses. Overpayment for shelter may result in lack of availability of funds for such basics as medical care, transportation, or food. On the other hand, more affluent households may choose to expend a greater proportion of income on housing due to the greater discretionary income available.

Based on the median income of \$42,189 at the time of the Census and a thirty percent affordability ratio, an affordable rent for a median family household in Los Angeles County would have been a maximum of \$1,054. This is below the median rent in the City of Manhattan Beach, and below the median rent for all census tracts in the City except Census Tract 6208 in the southeast portion of the City. The \$1,054 figure well exceeds the lower quartile rent in all areas of the City, indicating that at least twenty five percent of all rental housing in the City would be affordable to a County median household.

One measure of housing affordability would be housing foreclosures. If homeowners cannot afford mortgage payments, they go into default. As of April 2009, forty homes in Manhattan Beach were at some

point in the foreclosure process, representing 0.26 percent of City housing stock. By contrast, in the same period, 1.39 percent of housing units in Los Angeles County were at some point in the foreclosure process. Within the City of Manhattan Beach, notices of default had been issued for twenty seven homes, which is the beginning of the foreclosure process, and financial institutions were taking possession of thirteen homes, signifying completion of the foreclosure process. Thus, while foreclosures are an issue for Manhattan Beach, the problem is much smaller than in the region as a whole.

As of May 2008, twenty nine homes in Manhattan Beach were at some point in the foreclosure process. Notices of default had been issued for twenty three homes, which is the beginning of the foreclosure process, and financial institutions had taken possession of six homes, signifying completion of the foreclosure process.

An ownership unit would generally be considered affordable if the purchase price were three to four times annual household income. Actual affordability would depend on prevailing mortgage rates, the size of the down payment, and other expenses to be met by the household. Optimistically assuming a four to one ratio, a County median household could afford to pay \$169,000 to purchase a home at the time of the Census, which is well below both the County and City median housing value reported at the time of the Census. A City median household would have been able to afford a home priced at \$403,000, less than even the lowest quartile value in the City. Thus fewer than 25 percent of all owner occupied homes, would have been considered affordable to a household making the City median income at the time of the Census.

This disparity between numbers of affordable units and local household income can be attributed to a number of factors. Many owners bought their homes many years ago for much lower prices. New purchasers may be willing to pay higher prices because the home is viewed as an investment and tax advantages may balance a portion of the costs. A buyer may have considerable equity from a previous home to apply toward the price of the new home. In addition, as noted above, homeowners may have an optimistic view of the value of their property.

Finally, ownership units have a differing market response than rental units. Rental units are more often on the market and constantly competing with other units for available tenants and tend to reflect current market conditions. By contrast, the typical owner has not paid the prevailing housing price due to long term ownership of the unit. Thus, while housing value may increase, actual costs are relatively fixed. At any given time, only a small portion of ownership units will be on the market. Thus, ownership units are not as immediately subject to housing affordability.

HOUSING NEED

HOUSING NEED

This section of the Housing Element identifies those housing need projections developed by the Southern California Association of Governments (SCAG) as part of the Regional Housing Needs Assessment (RHNA) for the City and other regional growth projections. The City’s RHNA allocation is then identified and followed by the City’s ability in meeting its RHNA allocation over the planning period, which ends in 2013. This section then concludes with an identification of Special Needs Groups and how the City plans on addressing each group.

In accordance with Section 65584 of the California Government Code, the distribution of regional housing need is to take into consideration market demand for housing, employment opportunities, the viability of suitable housing sites and public facilities, commuting patterns, and type and tenure of need.

The Southern California Association of Governments (SCAG) 2004 Regional Growth Forecast estimates that in 2000, 13,985 individuals were employed in the City of Manhattan Beach (Table 32). The SCAG population estimate for the City at that time was 34,097 and estimated housing units were 14,516. SCAG forecasts only small, incremental growth in the City, with an average per-decade increase of 463 dwelling units. Even this small incremental projection exceeds historic growth. In the years between 1990 and 2000, the City added only 399 dwelling units. From 1980 to 1990 the City added just 188 dwelling units.

**TABLE 32
SCAG ESTIMATES OF
POPULATION, EMPLOYMENT, AND HOUSING-2000-2030**

Year	Population	Dwelling Units	Employment	Employees per Unit
2000	34,097	14,516	13,985	0.96
2005	36,384	14,999	14,086	0.94
2010	36,541	15,087	15,114	1.00
2015	37,051	15,285	15,414	1.01
2020	37,553	15,491	15,699	1.01
2025	38,035	15,695	15,952	1.02
2030	38,498	15,905	16,181	1.02

Source: SCAG

Future employment at maximum buildout permitted under the General Plan was calculated using standard employee generation rates (Table 33). This resulted in an estimated 18,088 jobs within the City at buildout, which may not occur until long after the period addressed in SCAG's growth projections above.

**TABLE 33
EMPLOYMENT BY LAND USE**

USE	ACRES	FLOOR AREA FACTOR	SQUARE FEET	EMPLOYEES
Commercial				
General Commercial	87	1.5:1	5,684,580	5,685
Downtown	14	1.5:1	914,760	915
Local Commercial	13	1.5:1	849,420	849
Mixed Use	4	1.0:1	174,240	174
Manhattan Village	102	1.5:1	6,664,680	6,665
North End	8	1.5:1	522,720	588
Industrial	73	1.0:1	N/A	3,212
Total Employment				18,088

1. Square footage, based on acreage and maximum floor area ratios permitted in General Plan
2. Commercial employee generation assumes predominantly retail, generating 1 employee/1,000 square feet. Industrial uses assumed to generate 44 employees/acre.

It should be noted that this estimate assumes full buildout under maximum permitted floor area ratios. However, this level of development would be unlikely, both due to market demand and the difficulty of providing adequate parking if higher floor area ratios were attempted.

REGIONAL HOUSING NEEDS ASSESSMENT

SCAG has developed an assessment of housing needs for each city in the SCAG region. The needs assessment is an assignment to each community of the share of need assigned to the SCAG region by the California Department of Housing and Community Development (HCD). HCD assigned a need of 699,368 dwelling units to the SCAG region as a whole. SCAG assigned 283,927 units to all of Los Angeles County of which 13,733 were assigned to the South Bay cities.

SCAG's 2007 Regional Housing Needs Assessment (RHNA) indicates that total new housing production of 895 units would be needed in the City of Manhattan Beach for the period from January 1, 2006 through June 30, 2014. The 895 unit need assessed under the RHNA for the 2006 to 2014 planning period is over three times SCAG's projected growth of 286 dwelling units for the longer 2005 to 2015 period. This conflict between SCAG's Regional Growth Forecast and SCAG's assignment of housing need is especially puzzling when one considers that the Regional Growth Forecast was a factor in assigning housing need. As evident from the examination of Table 33 above, the historic growth in the City's population, housing development, and employment is substantially less than that anticipated in the SCAG projections. The ability of the City to accommodate the growth anticipated by SCAG is further compounded by the constraints to housing identified in the following section of this report.

The RHNA assesses need by income group as described in Table 34 below. In allocating housing by income group, SCAG is to avoid excess impacts on areas which already contain a relatively high proportion of low income housing. Under the 2007 RHNA, Manhattan Beach was determined to need 296 dwelling units affordable to very low income households, 149 units affordable to low income households, and 160 units affordable to moderate income households. The remaining 350 units would meet the needs of high income households.

**TABLE 34
RHNA BY INCOME GROUP - 2007**

Income Group	Income Level	Units Needed
Very Low Income	< 50% of median	236
Low Income	50% to <80% of median	149
Moderate Income	80% to <120% of median	160
Upper Income	≥120% of median	350
TOTAL		895

Source: SCAG RHNA, 2007

The RHNA considers overpayment for housing in developing its needs assessment. A household is considered to be overpaying for shelter if it expends over 30 percent of its income for housing. SCAG utilized tables prepared by the United States Department of Housing and Urban Development for use in preparation of Consolidated Plans required in connection with Community Development Block Grant. The HUD data indicate that 1,234 renters in the City are overpaying for housing. Of these 299 were very low income and 220 were low income (Table 35).

**TABLE 35
EXISTING OVERPAYMENT**

	Number of Households		
	Renter	Owner	Total
Very Low Income	294	299	593
Low Income	220	175	395
Moderate and Upper Income	765	2130	2895
TOTAL	1279	2604	3883

Source: SCAG reproduction of HUD data

The RHNA does not quantify need for extremely low income units. In accordance with Government Code Section 65583(a)(1), this is assumed to be fifty percent of the very low income need, or 118 units.

SPECIAL NEEDS GROUPS

In addition to low income households, a number of groups with special housing needs have been identified under Section 65583 of the Government Code. These include the handicapped, elderly, large families, farmworkers, families with female heads of household, and the homeless. The City of Manhattan Beach is in an urban area with no farms or farmworkers. Other special needs groups are discussed in the following sections.

Handicapped

Handicapped households are defined as those with at least one member having a work or housework disability. People with handicaps include people who are blind, deaf, or mute, or people confined to a bed or wheelchair, or require crutches. Many of these disabilities require that modifications be made to the housing units or that assistance animals be accommodated. Some of these housing needs include, but are not limited to, wheelchair ramps, widened doorways, grab bars, and access ramps. Furthermore, some individuals require housing which is close to health care facilities.

The 2000 U.S. Census reports that there are 5,642 households in the City of Manhattan Beach which include at least one handicapped individual. Table 36 illustrates where handicapped households are concentrated throughout the City.

**TABLE 36
HANDICAPPED HOUSEHOLDS BY CENSUS TRACT - 2000**

Census Tract	Handicapped Households
6202.01 El Porto	279
6203.01 Tree Section	736
6203.02 Beach Area	753
6203.03 Tree Section	485
6204 East Side	1,175
6208 East Side	1,320
6209.01 Hill Section	472
6209.02 Beach Area	422
TOTAL	5,642

Source: 2000 U.S. Census

Persons over 64 years of age comprise 1,881 handicapped individuals, or about a third of the total. Typical housing needs would include wider doorways to accommodate wheelchairs, access ramps, and accommodation for service animals. From the Census information available, it is not possible to determine the number of handicapped persons or households which need housing assistance.

Elderly

The 2000 Census also indicates that there were 3,526 persons, or 10.4% of the City's total population over 65 years of age at the time of the Census. Comparing these figures to comparable 1980 and 1990 data, the City's elderly population has increased significantly over the last 20 years.

Elderly residents may share many of the special housing needs of disabled persons. In addition, many elderly persons are on fixed incomes. At the time of the Census, 2,472 households received Social Security income, though these households may have also had additional sources of income, such as pensions or investment income. Supplemental Security Income was received by 221 households.

**TABLE 37
SENIORS (OVER 55 YEARS OF AGE) - 1980 to 2000**

Age	1980		1990		2000	
	Persons	Percent	Persons	Percent	Persons	Percent
55-59	1,682	5.1%	1,513	4.7%	1,963	5.8%
60 - 64	1,219	3.7%	1,369	4.2%	1,299	3.8%
65 +	1,941	5.9%	2,759	8.6%	3,526	10.4%
Total	4,842	14.7%	5,641	17.5%	6,788	20.6%

Source: 2000 US Census

Of the total 14,474 occupied housing units in the City, 2,618 were headed by elderly persons at the time of the census. Of the housing units headed by elderly persons, 2,177 were owner-occupied housing units and 241 were rental units. A total of 166 elderly households spent more than 30% of their income for housing (rents or mortgages). Elderly renters were especially subject to overpayment for housing, with 51.3 percent of elderly renters paying more than 30 percent of income for housing and 41.8 percent paying more than 50 percent of income for housing. Younger households may respond to rent increases by moving, whereas the elderly may be more reluctant to move or have difficulty undertaking the tasks involved in moving, including finding a new unit and packing for a move.

There are two senior housing projects in the City: Manhattan Terrace and Manhattan Village- Senior Villas. The Manhattan Terrace (located at 3400 Valley Drive) consists of 48 units, and the Manhattan Village-Senior Villas (located at 1300 Park View Avenue) consists of 104 dwelling units. These projects are designed to be affordable to seniors on fixed incomes.

The City has established a Senior Services Program that is run by a City staff Senior Services Manager to plan and implement recreational, educational and social programs designed to meet the needs of older adults living in Manhattan Beach. This includes assistance with household finances and shelter. In addition, the Beach Cities Health District (BCHD) provides health and wellness services to residents of Manhattan Beach, Hermosa Beach and Redondo Beach. The BCHD Care Manager completes needs assessments of older adults and/or disabled, develops individualized care plans, provides the service linkages, and if necessary arranges services to address the agreed upon identified needs.

Large Families

A large family is defined as a household or family with five or more persons. Families are considered groups of persons related by blood, marriage or adoption. Households represent all persons living together as groups, regardless of whether or not they are related.

The 2000 Census reported that 861 households (4.8%) contained 5 or more persons. Of these large households, 844 households (98%) were classified as families. The remaining 17 households consisted of non-related people sharing housing. Table 38 illustrates the distribution of large households in the City.

**TABLE 38
LARGER FAMILIES AND HOUSEHOLDS BY CENSUS TRACT - 2000**

Number of Persons	El Porto 6202.01	Tree Section 6203.01	Beach Area 6203.02	Tree Section 6203.03	East Side 6204	East Side 6208	Hill Section 6209.01	Beach Area 62902.02	Total
Family households									
5 persons	2	98	57	103	98	183	60	32	633
6+ persons	1	28	15	30	28	81	17	11	211
Non-family households									
5 persons	0	2	4	0	0	0	0	5	11
6+ persons	0	0	1	1	0	3	0	1	6

Source: 2000 US Census

Overcrowding can be more of a problem for large families. A unit is considered overcrowded if there is more than one occupant per room. The 2000 Federal Census recorded few overcrowded dwelling units in the City of Manhattan Beach. (generally more than 1 person per room). Less than one percent of all owner-occupied housing in the City was overcrowded and only 3 percent of renter occupied housing was overcrowded.

**TABLE 39
OVERCROWDING-2000**

Occupants per room	Owner occupied					Renter occupied				Total
	1.00 or fewer	1.01 to 1.50	1.51 to 2.00	2.01 or more	Total	1.00 or fewer	1.01 to 1.50	1.51 to 2.00	2.01 or more	
El Porto 6202.01	239	0	0	0	239	737	9	7	0	753
Tree Section 6203.01	1363	0	0	0	1,363	258	0	0	0	258
Beach Area 6203.02	1391	9	0	0	1,400	1681	9	26	12	1,728
Tree Section 6203.03	1330	5	0	0	1,335	345	0	4	0	349
East Side 6204	1501	8	10	0	1,519	542	0	0	6	548
East Side 6208	1987	27	0	0	2,014	622	34	0	8	664
Hill Section 6209.01	804	0	0	0	804	190	0	0	0	190
Beach Area 6209.02	761	5	0	0	766	565	16	25	0	606
City Total	9276	54	10	0	9,440	4940	68	62	26	5,096

Source: 2000 US Census

Female-headed Households

Demographic, social, and economic conditions contribute to special housing demands for female-headed households. According to the 2000 Census, there were 769 (5.3%) female-headed households in the City of Manhattan Beach. Among these female-headed households, 433 had related children under 18 years of age, of which sixty households, or 13.86%, had poverty level incomes. No female headed households without children under eighteen years of age had poverty level incomes. The incomes of those households that are female-headed are lower than those other households, and the key housing issue for this special needs group involves affordability, security, and, possibly, child care facilities. The Los Angeles Homeless Services Authority found that nearly 7,200 of the homeless persons on any given night were victims of domestic violence. From Census information, it is not possible to determine how many female-headed households are in need of housing assistance.

Homeless

Manhattan Beach is a participating city in the Los Angeles County Housing Authority Programs and in county wide HUD funding administered by the Los Angeles Community Development Commission. The Los Angeles Homeless Services Authority (LAHSA) administers funds for homeless services through the Los Angeles Continuum of Care in Urban Los Angeles County, which includes the City of Manhattan Beach. LAHSA is the lead agency in the Los Angeles Continuum of Care, and coordinates and manages over \$60 million dollars annually in Federal, State, County and City funds for programs providing shelter, housing and services to homeless persons in Los Angeles County.

The following is a partial list of the make-up of the homeless population.

- a. Single adult (usually male) transients who pass through a community on the way to some other destination, but who do not stay.
- b. Seasonal or migrant homeless individuals, mainly farmworkers and fishermen.
- c. Chronically homeless, single adults, including non-institutionalized, mentally disturbed individuals, alcohol and drug abusers, elderly individuals with insufficient incomes, and others who voluntarily, or are forced, due to financial circumstances, to "live on the streets."
- d. Minors who have either run away from home or have been "thrown out."
- e. Low-income families who are temporarily homeless due to financial circumstances or are in the process of searching for a home or single-parent families, mostly female-headed, are especially prevalent in this group.
- f. Women (with or without children) who are escaping domestic violence. Men may also fall into this category.
- g. Persons displaced as a result of disaster with no short term means of providing shelter.

In January 2007, LAHSA conducted a count of homeless individuals over three nights. The LAHSA counts were conducted at homeless shelters and drop in centers as well as on streets, at parks, and other areas believed to be utilized by the homeless. This analysis indicated that on any given night in the Los Angeles Continuum of Care service area, a total of 68,608 people were homeless, with 57,166 people living on the street and 11,442 people living in either emergency shelters or transitional housing facilities. The survey found that 87 homeless individuals would live in Manhattan Beach on a given night.

LAHSA found that within the Los Angeles Continuum of Care service area, adult men comprise 59 percent of the homeless population, with about 85 percent of the men without shelter nightly. Adult women make up another 24 percent of the homeless population. The remaining 15 percent of the homeless are children under the age of 18. Thus on any given night, 10,100 children are homeless, with nearly 8,000 of them unsheltered. There were 16,643 people in families that were homeless on any particular night, and 8,828 youth in these families. Hence, nearly 1,300 homeless persons younger than 18 are unaccompanied by a parent each night

Specialized programs funded through LAHSA address a wide-range of issues related to homelessness, including but not limited to: domestic violence, mental illness, substance abuse, job training, family strengthening, health, mainstream benefits enrollment, and most importantly, supportive short and long-term housing. The CDC has funding designated for construction of additional homeless shelters.

The following shelter and service providers are located in the Manhattan Beach area:

1. **The Salvation Army** operates a shelter located at 1370 Alamitos Avenue in the City of Long Beach. The operators of this shelter reported that providing temporary shelter to the homeless is the shelter's primary function. This Salvation Army shelter provides services to an average of 73 people per day. Of this number, approximately 10% are homeless.
2. **The Second Step Shelter**, located in Redondo Beach, provides transitional housing for women with dependent children. The focus of the shelter's services is to provide women who are victims of domestic violence with housing while they are making a transition to independent living. The shelter has a 24-bed capacity.
3. **1736 Family Crisis Center** provides shelters at several locations in the area. The shelters include transitional housing for women and their children under 18 years of age and a shelter for homeless youth. The Center also offers legal services.
4. **The Kenny Nicholson Foundation** provides services to homeless in the South Bay and Los Angeles area.

Emergency shelters and transitional housing developments are permitted in the City in the High Density Residential (RH) and General Commercial (CG) zoning districts with a use permit (MBMC 10.12.020 and 10.16.020). The infrastructure services for the City have been designed to accommodate build-out under the General Plan, and the infrastructure is considered adequate to handle these kinds of facilities. Any applicant constructing an emergency shelter or transitional housing facility would be required to obtain a use permit. As part of any application for such a facility, the City would study the adequacy and suitability of the site for its intended use, analyze traffic and other environmental impacts and, based on the anticipated impacts, establish conditions of development.

National Guard armories have been utilized for emergency, cold weather shelter programs since 1987. These include armories in Culver City, Glendale, Long Beach, Pomona, Sylmar, and West Los Angeles. The armory in Manhattan Beach has not traditionally been utilized, though inclusion of armories in the program varies from year to year. The armories provide shelter between 6:00 pm and 7:00 am. LAHSA estimates that up to forty five percent of emergency shelter beds in Los Angeles County have been provided through the armory program. Armories currently identified for the shelter program include:

1. Sylmar National Guard Armory
12860 Arroyo Street
Sylmar
2. Glendale National Guard Armory
220 East Colorado Street
Glendale
3. Los Angeles National Guard Armory
1300 Federal Ave.
Los Angeles
4. Culver City National Guard Armory
1808 Culver Blvd.
Culver City

OPPORTUNITIES AND CONSTRAINTS



OPPORTUNITIES AND CONSTRAINTS

This section of the Housing Element highlights and discusses the opportunities the City has for potential and additional housing sites and discusses affordable housing opportunities as well. The section concludes and documents environmental constraints, market constraints, and governmental constraints that may further impede the development of new housing in the City which could inhibit the available opportunities for housing development.

OPPORTUNITIES

Land Resources

The City of Manhattan Beach contains 2,492 gross acres, and 2,017 net acres excluding streets. Residential uses occupy 1,422 acres, or 70.5 percent of developable land. The Land Use Element of the Manhattan Beach General Plan estimates that 15,541 residential units could be accommodated on existing residentially designated sites, with another 340 dwellings provided in mixed use areas, for a total of 15,881 dwelling units at build-out. This is 395 more units than the 15,486 units estimated to exist in the City as of January 1, 2008 by the California Department of Finance.

Perhaps the most significant factor limiting the construction of large numbers of new housing units is the availability of land to accommodate significant new growth. The City of Manhattan Beach is nearly built out and contains very few vacant sites, all of which are relatively small and could accommodate only a few additional units:

**TABLE 40
VACANT LAND INVENTORY AND DEVELOPMENT POTENTIAL**

Location	Zoning	Intensity	Area (sq. ft.)	Current Units	Potential Units	Vacant
3911 Crest	CNE	850 sf/du	4,543	2	5	No
133 El Porto	RH	850 sf/du	1,380	0	1	Yes
3804 Highland	CNE	850 sf/du	1,800	Parking Lot	2	Yes
3216 Highland	CNE	850 sf/du	3,498	Retail/ Restaurant	4	No
820 Duncan Place	RS	7,500 sf/du	4,200	0	1	Yes
1120 6th St.	RS	7,500 sf/du	7,500	0	1	Yes
Total			22,921	2	14	

Source: City of Manhattan Beach, 2008

In addition to residential development in residentially designated areas, the City provides for residential uses in areas designated Downtown Commercial, Local Commercial, and North End Commercial, upon the approval of a use permit, in areas designated Downtown Commercial, Local Commercial, and North End Commercial. The commercial uses in these areas are smaller in scale than those in General Commercial areas, offering a pedestrian friendly, village atmosphere. These areas total 39 acres and could accommodate a maximum of 2,001 dwelling units if complete conversion to mixed residential/commercial developments were to occur. At a fifteen percent conversion rate, potentially 300 additional dwellings would be provided.

As noted in Table 41 below, commercial areas along the Sepulveda Corridor, totaling eighty to ninety acres, are not being considered for mixed use at this time. The Sepulveda Corridor experiences heavy traffic and lots are not deep enough to buffer potential residences from traffic's negative effects such as noise and air emissions. In addition, this area is important in maintaining the City's economic base and providing for the commercial and service needs of the community.

A number of publicly owned parcels within the City could potentially be redeveloped for other uses (see Table 40 below). These include: Begg School, Ladera School, and the National Guard Armory.

Begg School is located on a 5.3-acre site at Peck and 18th Street. Portions of the property are currently utilized for recreational purposes.

The 6.2-acre Ladera School site consists of three terraces separated by steep slopes. Bell Avenue, a narrow street which terminates in a cul-de-sac a few hundred feet to the north of the school, runs along the easterly edge of the site. Further constraining access, 24th Place, another narrow street, runs along the southerly boundary of the site. Landform and access issues render this site unsuitable for housing above very low densities. In addition, the Safety Element of the General Plan indicates the site and adjacent areas are subject to earthquake-induced landslides.

The National Guard Armory is located on a 6.32-acre site along the northerly portion of Bell Avenue, south of Rosecrans Avenue. The site consists largely of steep slopes. The steep terrain and poor access also render this site unsuitable for housing above very low densities. The Armory site is also subject to earthquake-induced landslides.

The School District recently established a "blue ribbon" committee that reviewed a number of issues including possible surplus properties and they did not recommend these school sites as surplus. The armory is an active military facility. None of these three publicly owned sites or any others are anticipated to be declared surplus within this housing planning period. However, these sites may be considered for housing in the more distant future, should conditions change. Should any of these sites become available, planning for future use must balance various community needs, including housing and recreation facilities for currently underserved residents.

There is also an opportunity for additional housing through the redevelopment of existing developed sites such as the Manhattan Village Mall overflow parking lot as noted in Table 41 below. This site includes a parking lot at Parkview Avenue and Village Drive in the Manhattan Village area which could accommodate

up to twenty five (25) units, however the City owns this site and it is currently under lease with Manhattan Village Mall for overflow parking and is not available at this time.

As noted in the previous section a survey was conducted at the time the previous Housing Element (2003) was completed to identify underutilized parcels. The survey indicated that there are five (5) under utilized lots in the Downtown Commercial area that are currently occupied by industrial uses that could accommodate thirteen (13) additional dwelling units. Multi-family areas along Manhattan Beach Boulevard and near Meadow School could accommodate twenty-two (22) additional dwelling units and underdeveloped parcels in the beach area between 23rd and 35th street could accommodate thirty-four (34) additional dwelling units on the 122 currently developed lots within the area.

Double sized, single family lots could also redevelop. Up to twenty one (21) additional units could be provided in the Tree Section with double lots currently occupied by a single dwelling being developed with two single family dwellings. However, this happens quite slowly and as one such site redevelops, other homebuyers purchase adjacent lots for use as a single residence, or ancillary uses for a residence on an adjacent lot such as an expanded yard.

**TABLE 41
POTENTIAL HOUSING SITES**

Potential Sites	Pros	Cons	Justification/Reasoning
<p>Sepulveda Commercial Corridor (various private owners)</p> <p><i>Approximate Size/Area: 80-90 Acres (Excludes Man. Village Mall)</i></p>	<p>Potential for mixed-use development could provide a large number of additional housing units</p>	<p>-Could hinder the City’s current tax base revenue it receives from most businesses along Sepulveda by losing some commercial business.</p> <p>-New housing would not be conducive to the Sepulveda corridor in terms of traffic, circulation, noise, etc.</p>	<p>-City Council direction to keep this area primarily commercial and to maintain the City’s economic base.</p> <p>-This area is consistent with the General Plan and Land Use Policies.</p>
<p>School Sites (if available - school district owns)</p> <p>-Begg School (Peck/18th)</p> <p>-Ladera School (Next to Grandview)</p> <p><i>Approximate Size/Area: 11.5 Acres (Combined)</i></p>	<p>Larger parcels which could lead to the potential for higher densities and more affordable housing.</p>	<p>-Increased residential uses could lead to increased demand for school facilities while reducing available sites</p> <p>-Conflicts with the City’s recreation needs (school parks).</p> <p>-Site conditions. Steep terrain and poor access.</p>	<p>-Could have a conflict with the City’s general plan (Community Resource Element) to provide enough adequate schooling. School sites also represent approximately 28% of the City’s park and open space.</p>
<p>Armory Site (if available- Federal government owned)</p> <p><i>Approximately Size/Area: 3.4 Acres</i></p>	<p>Not a very active armory site. Could be used for other services such as housing or recreation.</p>	<p>Not ideal for high density development. Would not create that much additional housing.</p>	<p>-Surrounding uses and area is not ideal for additional housing other than low density.</p> <p>-City Yard surrounds this site on two sides by triangular site and on a third side by existing low density residential neighborhoods.</p>
<p>Manhattan Village Mall overflow parking lot (City owned)</p> <p><i>Approx Size/Area: 1.5 acres</i></p>	<p>-Could potentially accommodate up to 25 additional housing units.</p> <p>-Provide more Senior Housing</p>	<p>Used as overflow mall employee parking and Manhattan Village Field during peak periods.</p>	<p>City Council direction to keep this area primarily commercial and retain ownership.</p>

Financial Resources

The Los Angeles Community Development Commission administers housing assistance funds for the City of Manhattan Beach which is a participating city in Housing Authority and Community Development Block Grant (CDBG) programs.

CDBG Funds

Beginning in the 1997-1998 Fiscal Year, the City of Manhattan Beach has traditionally sold its allocation of CDBG funds to other participating cities in exchange for general funds. For the 2008-2009 Fiscal Year, the City is exchanging \$145,388 in CDBG funds with the City of Hawaiian Gardens at sixty cents on the dollar for general fund monies in the amount of \$87,232.80. The City is providing funding for the following local social service providers:

- **Care Management for Manhattan Beach Seniors**- promotes optimal functioning of seniors to avoid the need to institutionalize fragile or at risk seniors, targeting the population 85 years of age or older.
- **1736 Family Crisis Center**- provides shelter for victims of domestic violence, including five women's shelters for women and their children and an emergency youth shelter. The Center provides a 24-hour hot line and also offers legal services.
- **South Bay Family Health Care Center**- provides dental care to low and moderate income residents and the indigent.
- **South Bay Center for Counseling**-provides counseling to low and moderate income families, groups, and individuals.
- **South Bay Youth Project**- provides counseling to at-risk youth
- **Salvation Army-Operation Sunshine**- provides groceries to low income seniors.
- **Project Touch**- provides tutoring, counseling, and social services to at-risk youth.
- **Wellness Community**- provides psychological and social support services to cancer patients and their families.
- **South Bay Adult Care Center**- provides adult day care for seniors suffering from Alzheimer's, Parkinson's, stroke, frailty, etc.

Rental Assistance

Landlords and tenants in Manhattan Beach may participate in the Section 8 rental assistance program which assists eligible families to afford safe, decent, high-quality rental housing. The Housing Authority of Los Angeles County provides rental assistance to over 20,000 households in the jurisdiction of Los Angeles County.

The Section 8 Program is funded by the U.S. Department of Housing and Urban Development (HUD), and tenants and rental units must meet limits on income and rental rates, respectively, as discussed previously. HUD has developed income ceilings for low and very low income household based on household size (Table 42). Income limits may also be adjusted for individuals with major medical needs.

**TABLE 42
HUD ADOPTED FISCAL YEAR 2008 INCOME LIMITS
LOS ANGELES—LONG BEACH PMSA**

FY 2008 Income Limit Category	Extremely Low Income	Low	Income
1 Person	\$15,950	\$26,550	\$42,450
2 Person	\$18,200	\$30,300	\$48,500
3 Person	\$20,500	\$34,100	\$54,600
4 Person	\$22,750	\$37,900	\$60,650
5 Person	\$24,550	\$40,950	\$65,500
6 Person	\$26,400	\$43,950	\$70,350
7 Person	\$28,200	\$47,000	\$75,200
8 Person	\$30,050	\$50,050	\$80,050

1. Based on \$58,900 adopted median family income, Fiscal Year 2008

Source: HUD

Maximum rent is limited to the HUD Fair Market Rent (FMR) shown below in most cases.

**TABLE 43
HUD FAIR MARKET RENT - 2008**

Unit Type	Maximum Rent
Efficiency	\$863
One-Bedroom	\$1,041
Two-Bedroom	\$1,300
Three-Bedroom	\$1,746
Four-Bedroom	\$2,101

Source: HUD

Participants rent housing from private landlords and pay no more than thirty percent of income toward rent. Very low and extremely low income tenants pay a smaller portion of income toward rent. The Housing Authority utilized Federal funds to subsidize the difference in monthly payments between ability to pay and Fair Market Rent directly to the owner. Owners, participants and the Housing Authority share in a three-way-partnership.

The Housing Authority's responsibilities in administering the program include:

- Maintaining the waiting list;
- Determining eligibility , and level of assistance;
- Calculating rent portion;
- Conducting annual re-determinations; Briefing tenants on finding a rental unit;
- Contracting with owners; Ensuring that contracted unit rents are reasonable ; Conducting unit housing quality standard inspections;
- Ensuring tenant and owner compliance with program rules (and terminating contracts and assistance if necessary);
- Making housing assistance payments to owners; and
- Processing assisted families moving into and out of the jurisdiction through portability.

Home Buyer Programs

Prospective home buyers in Manhattan Beach may participate in the Home Ownership Program (HOP) which is financed with HOME funds provided through the U.S. Department of Housing and Urban Development (HUD) and is subject to the applicable federal regulations. HOP has been designed to meet the needs of low-income families with the necessary down payment assistance. This program will provide a 2nd Trust Deed loan at 0% interest with all payments deferred until sale, transfer, refinancing, or full repayment of the first mortgage. In the participating cities, the borrower will receive \$80,000 or 20% of the purchase price whichever is less.

The maximum purchase price allowed for existing or new homes are:

Single Family Homes - \$493,000
Condominiums/Townhomes - \$394,250

While these prices are quite low, compared to median sales prices in Manhattan Beach, there are a few homes, mostly condominiums, in the City which would meet the state criteria.

The American Dream Down Payment Initiative (ADDI) is a component of the HOME Investment Partnerships Program, authorized under Title II of the Cranston-Gonzalez National Affordable Housing Act. The program assists low-income First-Time homebuyers in purchasing homes. Homebuyers approved for HOP, are also approved for ADDI. ADDI monies are used for closing costs and down payment assistance with a loan amount of up to \$10,000 or 6% of the purchase price whichever is greater. Units under ADDI are subject to the same limits as HOP.

These programs are administered by the Los Angeles Community Development Commission (CDC), Regulatory Resources, and are included in this Draft Element as housing programs. In response to the current economic recession and housing market downturn, CDC is now concentrating funding on the Housing Economic Recovery Ownership (HERO) program which is targeted to foreclosed and abandoned properties located only within certain census tracts. The program is not available within the City of Manhattan Beach. CDC has not eliminated the Home Ownership Program (HOP) and American Dream Down Payment Initiative (ADDI) programs, but the programs are no longer funded for this year.

The City has used its regulatory resources to preserve and enhance housing opportunities and neighborhoods. These are discussed in more detail under housing programs and include:

- **Affordable housing incentive program** for projects which include five or more units in which (1) at least 20 percent of the total units are affordable to lower-income persons or families, including elderly persons and families, or (2) 10 percent of the total units of a housing development are for very-low-income households, or (3) 50 percent of the total dwelling units of a housing development are for qualifying residents.
- **Mixed Use Development ordinance** permitting residential uses in certain commercial areas.
- **Condominium conversion ordinance** requires tenant notification, right to purchase, tenant purchase discounts, relocation assistance, and no increases in rental costs when condominiums are converted. Special provision is made for non-purchasing elderly or medically disabled tenants; low and moderate income tenants; and tenants with children.
- **Mansionization ordinance** limits development of over-sized single family homes while encouraging maintenance and improvement of existing smaller homes. Over 50 smaller homes have been remodeled and expanded since 2005 using these provisions, which encourages smaller homes to be remodeled instead of being torn down and replaced with new larger homes. This encourages the preservation and upgrading of the existing housing stock, allows families to remain in the City instead of possibly moving out of town, and preserves older smaller homes that are generally more affordable than new larger homes.

NONGOVERNMENTAL CONSTRAINTS

Land Supply

The primary constraint on the delivery of additional housing in the City of Manhattan Beach is the lack of raw land. This is typical of the surrounding area, which is largely developed. New construction occurs primarily as redevelopment of previously developed parcels.

Subdivision Patterns

A significant constraint to new housing development in the City of Manhattan Beach involves the prevailing subdivision pattern, which consists of numerous small parcels, with few sites having a land area over a few thousand square feet. As a result, the assembly of a large site to accommodate a major housing project is difficult. The City does not have the ability to assemble properties through redevelopment, since the City does not have a redevelopment agency.

Land Cost

As a result of the limited supply of land, coupled with a strong demand for coastal property, the cost of land in the City is quite high. Land prices in Manhattan Beach vary according to views obtained from the property and proximity to the water, and proximity to undesirable uses, such as industrial uses to the north.

Based on input provided by realtors and a review of sales information obtained from Internet data, the average cost for undeveloped land within the coastal zone ranged from \$191 to over \$1,000 per square foot. In comparison, costs for undeveloped land zoned for residential development in inland areas within urbanized Los Angeles County ranged from \$68 to \$373 a square foot for a hillside view lot. By contrast, acreage in more remote locations such as the Antelope Valley area is advertised for as low as \$1 a square

foot. Thus, land cost would be a major factor for housing, even at the highest residential densities in Manhattan Beach.

Construction Costs

The cost of residential development in the City is considerably greater than that compared to other areas of the County for a number of reasons. First, the City's location next to the beach and the attendant amenities translate into greater land costs. Typically, the cost for land within the City is greatest in the coastal areas where access to the beach or views of the ocean are available. The cost for land decreases further inland.

Other costs can include the type of material used, and the amenities provided. The cost for basic no frills construction is about \$125 per square foot. However, construction prices can easily exceed \$200 or \$300 per square foot for construction providing greater amenities. Factory-built housing is more economical and can be fully installed for under \$100 per square foot.

Developers may use luxury construction and build larger units to balance high land costs. This is because the land price alone will cause a dwelling to have a fairly high price. Buyers paying higher prices have expectations for greater amenities, which in turn leads to a greater increase in per unit cost.

While land costs can be defrayed by providing less land per dwelling unit, i.e. increasing density, this approach is only effective up to a point. Once densities approach about forty units per acre or fewer, depending on project and site specifics, costs increase greatly due to the need to provide parking structures, instead of surface parking and other items such as elevators. Basic wood frame construction is not adequate for housing at higher densities which requires the use of steel framing.

Financing

While the recent downturn has led to a reduction in the prime lending rate, that rate cannot normally be attained by the average homebuilder or buyer. As foreclosures increase, standards for home loans and construction loans have increased, with decreased availability of financing. Individuals who could easily qualify for loans in the recent past may find difficulty in obtaining financing in the future.

Marketability

In order to remain profitable, builders must respond to consumer demand. Thus, builders will produce that product believed to be most marketable. For this reason, amenities are generally provided beyond the mere minimum required for habitability. Buyers may be perceived to require a minimum size unit, or additional parking.

Buyers have sought larger and larger homes with more amenities. In 1970, according to the U.S. Census Bureau, the average home size in the United States was 1,500 square feet, up from an average 983 square feet in 1950. By 2000 this had increased to 2,266 square feet. Home sizes continue to rise, as evidenced by the increase in local home sales prices even as price per square foot has declined. Builders may be leery of scaling back amenities to achieve economy, if they believe consumers may not respond.

Availability of Infrastructure

Roadways in Manhattan Beach are subject to high levels of traffic which would be exacerbated by increased development. Much of this traffic is cut through traffic over which the City has no control, a particular problem on such north/south arterials as Sepulveda Boulevard. This traffic affects both the ability of the City to intensify development and the desirability of residential use of parcels along major streets.

Other infrastructure issues relate primarily to the age of the infrastructure, rather than capacity. In the coastal area of the City, terra cotta sewer lines are deteriorating. Domestic water discoloration occurs from time to time in the beach area due to the use of iron pipes. At the southerly end of the City, along Sepulveda Boulevard, elevation differences between the area and the reservoir result in water pressure problems on occasion. Therefore intensification of water consuming development in this area could be a problem.

Environmental Factors-Flooding

Because of the City's coastal location and its topography, a substantial portion of the City may be subject to flooding in the event of a tsunami. The Beach and El Porto Sections include a significant number of parcels that may be subject to inundation in the event of a tsunami. Throughout the City there are also a number of depressions where localized flooding may occur under severe storm conditions. The County of Los Angeles has mapped the potential risk along the Southern California coastline.

Environmental Factors-Seismic Risk

The State of California has mapped seismic hazards for the urbanized areas of northern and southern California. This mapping program identifies those areas that may be subject to liquefaction and/or seismically-induced slope failure in the event of a major earthquake. Development within those areas that may be subject to these risks must undertake additional geotechnical investigation to ascertain the level of risk and any requisite mitigation. The mapping program identified several areas within the City of Manhattan Beach where potential seismic risks are present. The coastal areas along the "Strand" may also be subject to liquefaction due to the presence of water-bearing, sandy soils. The City's Natural Hazards Mitigation Plan (2008) provides more detailed information.

GOVERNMENTAL CONSTRAINTS

Governmental actions and policies may act as a constraint to the delivery of housing. These constraints include local ordinances and practices as well as state actions. The primary controls upon land use in the City of Manhattan Beach are the General Plan, Zoning Code, and Building Code. In addition, City fees and processing times may also affect development.

General Plan and Zoning

The General Plan provides for three categories of residential density. The permitted density in each category varies by area as shown on Table 44 below. These land use categories are consistent with those provided in the Zoning Code. To the extent that demand existed for very high density residential uses these density limits could act as a constraint on the delivery of housing.

**TABLE 44
GENERAL PLAN CATEGORIES**

Area	Low Density	Medium Density	High Density
District 1 - Hill Section/ Eastside so. of Manhattan Beach Blvd.	5.8 du/acre	11.6 du/acre	43.6 du/acre
District 2- Tree Section/ Eastside no. of Manhattan Beach Blvd.	9.5 du/acre	18.9 du/acre	43.6 du/acre
District 2- Manhattan Village	Specific Plan	Specific Plan	Specific Plan
District 3- Beach	16.1 du/acre	32.3 du/acre	51.3 du/acre
District 4 - El Porto	na	na	51.0 du/acre

Source: 2003 General Plan Land Use Element (LU-20)

The above densities provide for a range of housing types. The densities provided under the medium and high density designations are within the range deemed adequate to provide lower income housing in accordance with Government Code Section 65583.2 (c)(3)(B)(iv).

The City's height limit also constrains development, accommodating three stories, at most. In accordance with Municipal Code Section 10.12.030, any change in the height limit must be submitted to City voters for approval. Thus densities higher than the maximum 65 units per acre permitted would be extremely difficult to achieve, due to the need for parking and the desire of the residents for adequate living space. This limit is consistent with the repeatedly stated desires of the citizenry to maintain a small scale community and the capacity of area roadways to serve development.

The provision of parking is needed to satisfy the requirements of the Zoning Code and resident needs. In addition, the California Coastal Commission has repeatedly expressed the need to preserve public parking for visitor serving uses, which can sometimes be affected by new development.

Permit Process and Development Fees

Fees are charged by the City to cover processing costs and staff time. By State law, fees cannot exceed costs to the city generated by the activity for which the fee is assessed. A full schedule of planning fees is included in the Appendix.

A comparison of several fees associated with development of housing between the City of Manhattan Beach and neighboring jurisdictions is given in Table 45. For the fees examined, the City of Manhattan Beach charges rates comparable to the surrounding cities, charging the lowest fees for parcel maps. This would indicate that the City's planning and zoning fees are not a significant constraint to the construction of housing.

**TABLE 45
COMPARISON OF ADJACENT CITIES PROCESSING FEES,
CONDOMINIUM DEVELOPMENT**

City	Manhattan Beach	El Segundo	Redondo Beach	Hermosa Beach	Hawthorne
Parcel Map	\$805 to \$3,180	\$675 ≤ 6 du \$935 > 6du	\$826	\$1,974	\$3,380
Coastal Development Permit	\$560 minor, \$4,295 major	\$385	\$188 minor, \$875 major	n/a ¹	n/a
Conditional Use Permit(condo)	\$5,200	\$675 ≤ 6 du \$935 > 6du	\$1,750+ \$734/unit	\$1,293+ \$144/unit over 2 units	\$3,380
Variance	\$4,925	\$675 ≤ 6 du \$935 > 6du	\$1,750	\$1,869	\$3,380

1. Implementation Plan not certified. Coastal Commission approval required with \$500 fee for waiver, \$2,500 for administrative permit. If Commission action required, minimum \$3,000 fee for single family residence; \$7,500 for 2-4 attached units; \$10,000 for over 4 units.

Building Codes

In December 2007, the Manhattan Beach City Council approved Ordinance 2109, adopting the 2007 California Building Code which is based on the 2006 the International Building Code. The ordinance details the revisions and amendments to the Building Code which differ from CBC standards. These amendments are minor, and primarily relate to administration, sustainable development, soils investigations and seismic safety, and would thus not result in a constraint to housing production in the City of Manhattan Beach.

Coastal Zone Requirements

Section 65590 of the California State Government Code requires the inclusion of low- or moderate-income housing in new residential development in the coastal zone where feasible. It also contains requirements for the replacement of low- and moderate-income housing within the coastal zone when such housing is demolished or converted to other uses. The replacement housing must be provided only where feasible if the local jurisdiction has less than fifty acres, in aggregate, of privately-owned vacant land that is available for residential use. As noted previously, the City is built out and has only a nominal amount of vacant land.

Since the City does not have the ability to construct or otherwise subsidize the construction of new housing through redevelopment, it must rely on its existing incentives to promote the development of affordable housing in the coastal zone.

The City of Manhattan Beach has a certified Local Coastal Program (LCP). The LCP was certified by the California Coastal Commission in 1994 and therefore the City is able to issue its own coastal permits.

The LCP addresses three primary issue areas: public access, locating and planning for new development, and the preservation of marine-related resources. The LCP includes a number of policies that will affect the ability to develop new housing development within the coastal areas of the City. These include policies related to the preservation of beach access, the provision of adequate parking (including requiring adequate off-street parking to be provided in new residential development) and controlling the types and densities of residential development within the coastal zone. Those coastal policies related to residential development within the coastal zone include the following:

1. Policy II.B.1: Maintain building scale in coastal zone residential neighborhoods consistent with Chapter 2 of the Implementation Plan.
2. Policy II.B.2: Maintain residential building bulk control established by development standards in Chapter 2 of the Implementation Plan.
3. Policy II.B.3: Maintain Coastal Zone residential height limit not to exceed 30 feet as required by Sections A.04.030 and A.60.050 of Chapter 2 of the Implementation Plan.
4. Policy II.B.4: The beach shall be preserved for public beach recreation. No permanent structures, with the exception of bikeways, walkways, and restrooms, shall be permitted on the beach.

Condominium Conversions

The existing LCP also includes provisions related to condominium conversion, senior citizen housing, and loss of affordable housing in the coastal zone. Regarding condominium conversion, the existing LCP provides that:

“The City shall continue to maintain, at a minimum, the present restrictive conditions for condominium conversion, within the coastal zone. This will allow only buildings which meet current standards to be converted to condominiums, thus preserving many units for privately owned, affordable rental units.”

Section 10.88.070 of the Municipal Code also contains requirements regarding tenant notification, right to purchase, tenant purchase discounts, relocation expenses, and tenant discounts when condominiums are converted. Provision is made for lifetime leases for non-purchasing elderly or medically disabled tenants. In addition, low and moderate income tenants and those with children are provided with an extended relocation period. In evaluating requests for condominium conversion, the Planning Commission must consider the impact of tenant displacement, with emphasis on existing low- and moderate-income tenants under Section 10.88.080 of the MBMC.

Second Units

Assembly Bill 2702 (Steinberg), addressing second units in single family neighborhoods, passed both houses of the California Legislature in 2004, but was vetoed by the Governor. The bill would have severely restricted the ability of local communities to regulate second units.

Under AB 2702, local ordinances could not have precluded or “effectively preclude” second units unless the local agency found that that specific adverse impacts upon the public health, safety, and welfare would result from allowing second units. Substantial evidence would have been required to support any such findings.

AB 2702 also would have precluded any local agency from establishing a minimum units size below 550 square feet, requiring more than one parking space for the second unit, requiring a minimum lot size for detached second units above twice the square footage of the primary unit, or establishing any requirements as to tenure of the unit. Thus, a community could not require that either unit be owner occupied, occupied by a caregiver, family member, or senior citizen.

AB 2702 also would have established a minimum residential density for vacant school sites equal to the highest residential density on any multi-family residential parcel within 300 feet.

Different communities have addressed second units differently. Some communities have restricted second units to only parcels over a certain size. This approach was studied by the City of Manhattan Beach after the adoption of the 2003 Housing Element but was not adopted. As new second unit housing law is adopted the city will respond to the requirements.

GOALS, POLICIES AND PROGRAMS



GOALS, POLICIES AND PROGRAMS

The previous sections of this Housing Element described existing conditions in the City relative to housing, the projected need, opportunities and the constraints that will affect the City's ability in accommodating the number of housing units identified in the Regional Housing Needs Assessment (RHNA) developed by the Southern California Association of Governments (SCAG).⁴⁻¹⁾ This section of the Element, the Goals, Policies, and Programs articulates City policy relative to housing and indicates those programs that will be effective in their implementation.

GOAL I. Preserve existing neighborhoods.

The City is made up of several distinct neighborhoods, some of which were originally established in the early 1900s. The neighborhoods each contribute to the small town feel of the community and reflect the City's unique and varied environment. They include the following which are described in more detail on Page 10:

- 1) **The Beach Area**, containing most of the City's multi-family rental housing which is developed on small lots and offers a village atmosphere;
- 2) **The Hill Section** consisting primarily of single-family residential development on slightly larger lots, with commercial and higher-density residential development limited to Sepulveda Boulevard and Manhattan Beach Boulevard;
- 3) **East-Side** including single family residential uses and a large proportion of the City's commercial and residential uses within this area;
- 4) **Manhattan Village** which includes a substantial amount of regional commercial and office development as well as a significant number of single family homes and senior housing.
- 5) **The Tree Section** which is the single family area east of Bell Avenue and northwest of Valley Drive as well as senior housing; and
- 6) **El Porto**, a formerly unincorporated community providing a mix of high density residential and commercial uses.

The City has long been committed to the maintenance and preservation of its residential neighborhoods. This was a goal of both the 1993 and the 2003 Manhattan Beach Housing Elements

Policy 1. Preserve the scale of development in existing residential neighborhoods.

This policy is similar to, but somewhat more specific than, Policy 1.1 in the 2003 Housing Element, which called for the character of existing neighborhoods to be maintained and preserved. In furtherance of that policy, the City has adopted a "mansions ordinance" and revised lot merger provisions so as to preserve existing residential lots.

⁴⁻¹⁾ According to the RHNA, the City's allocation for new housing is 895 new units.

Program 1a. Continue to enforce provisions of the Zoning Code which specify District Development Regulations for height, lot coverage, setbacks, open space, and parking.

Section 10.12.030 of the MBMC has established standards to avoid “mansionization”, including increased setback and open space requirements for new single family residences. The additional open space must be provided in areas adjacent to streets or in areas that create useable open space. Open space may be provided above the second story, encouraging structures to be built to less than maximum height and reducing the mass of homes.

The mansionization ordinance also establishes maximum lot sizes in residential districts as follows:

**TABLE 46
MAXIMUM LOT SIZES**

District	Maximum Lot
I - Hill Section; Ardmore east, Manhattan Beach Blvd. south	15,000 sq. ft.
II - Tree Section; Ardmore/Blanche east, Manhattan Beach Blvd. south	10,800 sq. ft.
III - Beach area	7,000 sq. ft.
IV - El Porto	7,000 sq. ft.

Generally, properties in the Medium and High Density Residential zones which are developed with three or more units are exempt from the stricter requirements, in order to encourage development of multi-family development.

Section 10.64.030 of the MBMC requires additional enclosed parking for larger residences. Three enclosed parking spaces are required for residences that exceed 3,600 square feet in floor area, whereas residences smaller than 3,600 square feet only need to provide two spaces. Only one space is required for multi-family units with less than 550 square feet.

These provisions act to discourage construction of overly large dwellings that are out of scale with the surrounding neighborhood. In addition to issues of scale, the large dwellings are also more costly, and lead to increased pressure to demolish modest dwellings in favor of lavish structures affordable only to the most affluent.

- Responsibility: Community Development Department
- Funding: City General Fund
- Schedule: On-going
- Objective: Preserve 50 smaller units

Program 1b. Continue to apply the Design Overlay as provided under Section 10.44 of the Municipal Code, as appropriate.

This section provides a mechanism for establishing specific development standards and review procedures for certain areas of the City with unique needs, consistent with General Plan policies, taking into consideration the unique nature of a given neighborhood. Seven subdistricts have been established:

- D1) Rosecrans Avenue**, where higher fences in the front-yard setback area are needed to reduce traffic noise;
- D2) 11th Street**, where limitations on building height and density are needed to minimize building bulk and buffer adjoining residences;
- D3) Gaslamp neighborhood**, where special design standards and review procedures are needed to preserve existing neighborhood character;
- D4) Traffic noise impact areas**, where higher fences are needed to reduce traffic noise;
- D5) North end commercial**, where special design standards are needed for the north end commercial area to accommodate additional residential development;
- D6) Oak Avenue**, where special design standards, landscaping and buffering requirements are needed to allow commercial use of property in a residential area adjacent to Sepulveda Boulevard;
- D7) Longfellow Drive area**, including residential lots in Tract 14274 located on Longfellow Drive, Ronda Drive, Terraza Place, Duncan Drive and Kuhn Drive, where a special minimum lot area requirement and restriction on subdivision is needed to preserve the character of the neighborhood, including views and privacy.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: On-going

Objective: Preserve neighborhood character citywide.

Program 1c. Refrain from approval of lot mergers which would result in a reduction in the number of residences allowed.

Many homes have been constructed on double lots. The City has permitted the underlying subdivision to remain, in order that separate homes may potentially be built on each of the underlying lots. In accordance with Zoning Code Section 10.52.050, accessory structures ancillary to a primary residence may be constructed on an adjacent lot in common ownership without processing a lot merger. Similarly, the City will not require that lots be merged when schools, churches or other, similar public assembly uses are constructed on multiple lots. In addition, the maximum lot standards noted

above would prevent consolidation of very large lots. This will preserve opportunities for future housing units that would otherwise be lost if lots were consolidated.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: On-going

Objective: Preserve 20 subdivided lots

Policy 2. Preserve existing dwellings.

This policy is similar to Policies 1.2 and 1.3 in the 2003 Housing Element which called for existing housing units and affordable housing to be maintained.

Program 2a. Allow non-conforming dwellings to remain and improve.

Under the Zoning Code Section 10.68, as recently revised in conjunction with the City's mansionization ordinance, the development process for improvements to smaller non-conforming residential structures has been streamlined. Exceptions may be approved administratively to allow additions to non-conforming structures that will not result in total structures in excess of 66 percent of the maximum floor area in Districts III and IV or 75 percent of the maximum floor area in Districts I and II, or 3,000 square feet, whichever is less.

Non-conforming dwellings may also be improved while maintaining non-conforming, existing parking. For dwellings with less than 2,000 square feet of floor area, only one enclosed parking space is required.

The non-conforming dwellings to be preserved tend to be smaller and less costly than newer housing in the community. The preservation and improvement of these units will maintain the pool of smaller units which might otherwise be demolished to make way for larger, more costly housing.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: On-going

Objective: Preserve 24 smaller units

Program 2b. Consider utilizing Community Development Block Grant funds or exchange funds for home improvement loans for low income residents, consistent with income limits provided for such funding, and pursue additional sources of funding for City programs.

As discussed previously, CDBG funds are exchanged for unencumbered General Funds which are granted to local public service agencies who provide services for low and moderate income residents as well as elderly, disabled, and abused residents. Services include counseling, shelter referral, dental care, case management and groceries for seniors. This allows the City to exceed the fifteen percent limit on a locality's CDBG funds which may be passed on to such social service providers.

As shown previously in Table 28, approximately three quarters of extremely low income homeowners, and half of very low income homeowners pay over half of their income on housing, leaving little for home maintenance or improvement. A third of low income homeowners pay over half of their income on housing.

Many homeowners in the City could not afford to purchase their homes at currently prevailing prices, and are "house rich and cash poor," which is not unusual for the region. Long time residents would be expected to have decades-old mortgages with relatively low payments. Some may have completed their mortgage payments. Thus, as they approach their retirement years and live on a fixed income, they could continue to afford to live in their current residences. However, major home repairs and rehabilitation could exceed limited budgets.

Under this new program, a portion of CDBG funds could be utilized to provide a larger number of small loans or grants for rehabilitation of existing housing or utility undergrounding. Years ago, residents showed little interest in such a program. However, the population has aged, leading to a greater number of residents on fixed incomes. Before initiating any such program, the City should attempt to establish whether interest exists through public solicitation of interest. It would be important to assure residents of full confidentiality, in order not to deter participation.

First time homeowners would be facing new mortgages with large payments. Units available to first time buyers would be expected to be the lowest priced homes, oftentimes "fixer uppers". Mortgage payments could require a large proportion of the buyers' income, leaving little remaining income for home repairs. However, even the lowest advertised prices for residential units would be out of reach for low income individuals, and a CDBG funded loan program would therefore be expected to be most heavily utilized by long term homeowners on fixed incomes.

Responsibility: Community Development Department

Funding: CDBG

Schedule: Initiate assessment of interest 2009; If interest exists, initiate program 2010.

Objective: Preserve/improve 16 low and moderate income units

GOAL II. Provide a variety of housing opportunities for all segments of the community, including various economic segments and special needs groups.

There is considerable diversity in the types and densities of housing that comprise the City's neighborhoods, with high-density multiple-family development found within the coastal zone, and less dense single-family neighborhoods located further inland. As noted previously, housing is offered to a variety of economic sectors, with for sale units advertised at prices ranging from \$350,000 to \$8 million. Approximately one fifth of the City's population is currently over the age of fifty five, and housing policy must consider the special needs of the aging population.

This goal reflects two goals in the 2003 Housing Element, to assist in the development of new housing for all income groups, and to strive to provide sites to achieve a variety and density of housing.

Policy 3. Provide adequate sites for new housing consistent with the capacity of roadways, sewer lines, and other infrastructure to handle increased growth.

Program 3a. Continue to allow infill in residential areas.

Development of existing vacant residential infill sites would result in the production of dwelling units on small sites scattered throughout the City. The Manhattan Beach General Plan would provide for an additional 395 dwelling units on sites designated for residential use citywide. Infill on specific developed sites built at less than the density permitted under existing zoning with a high potential for redevelopment could result in approximately seventy-two (72) additional units. This is a long-time (since 1993) City housing policy.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: On-going

Objective: 72 to 395 dwelling units dwelling units

Program 3b. Permit and facilitate the establishment of residential uses in certain commercial districts.

Provision of housing in mixed use areas is a long-time (since 1993) City housing policy. Under Section 10.16.020 of the Municipal Code, residential uses are permitted upon the approval of a use permit in the Local Commercial, Downtown Commercial, and North End Commercial Districts. Single-family residential permitted by right in the North End Commercial District if located on a site which (1) fronts on Crest Drive; or (2) on the rear half of a site which fronts on Highland Avenue; or (3) on a site which fronts on the east side of Highland Avenue between 38th Place to the south and Moonstone Street to the north; or (4) on a site which does not abut Rosecrans Avenue or Highland Avenue; otherwise a use permit is required.

Development of mixed uses can facilitate the delivery of housing. Not only does mixed use development make additional areas available for residential development, in a mixed use project the provision of an accompanying commercial use can help absorb some of the fixed costs of development, thereby facilitating the production of lower cost units. In addition, traffic congestion along with energy consumption and air emission can be reduced as residents walk to nearby commercial uses. This can also enhance the viability of less thriving commercial areas.

Because a use permit is currently required for development of residences in most commercial areas, these cannot be considered units that would be permitted by right and therefore could not be considered to meet the RHNA. Residential uses in the Downtown area and along Manhattan Beach Boulevard may enhance those areas. It is suggested that the City allow residential uses by right with specific criteria, subject to Planning Director review to assure that all standards are met.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: Revise code to eliminate use permit requirement 2010.

Continued approval of mixed use development, on-going

Objective: 300 dwelling units

Program 3c. Continue to provide for a mixture of uses in the Manhattan Village area.

The Manhattan Village area contains a mix of hotel, office, research and development, retail, recreation and residential uses, including senior housing. The existing parking lot at Parkview Avenue and Village Drive could accommodate up to twenty five (25) additional residential housing similar to the existing senior project. This site was identified as a potential housing site in the 2003 Housing Element, consistent with the more general 1993 Housing Element program calling for a mixture of uses in the Manhattan Village area.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: On-going

Objective: 25 senior units

Program 3d. Revise development standards for residential uses in the CD and CNE District.

In order to encourage residential uses, it is suggested that rather than limit residential units to a certain number of units per lot, that no specific maximum number of units per lot be specified, so long as the otherwise maximum physical dimensions of the allowable building envelope are not exceeded in mixed use commercial/residential developments. Greater numbers of smaller units could result, with likely occupants being young people and seniors wanting easy access to commercial uses, particularly seniors who no longer feel comfortable driving.

Under existing codes, parking spaces located within the Downtown Commercial (CD) district may serve as required parking for a nonresidential use located within the same district at a maximum distance of one thousand feet (1,000'). No parking for commercial uses is required at all if the floor area ratio does not exceed 1:1. The same is not permitted for residential uses. In order to facilitate development of residential uses, residential and commercial uses could be treated equally for parking purposes, if the residential units are a small size and the City concludes that it does not burden the District.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: Revise code by 2011

Objective: Facilitate mixed use units noted above.

Policy 4. Preserve existing affordable housing stock**Program 4. Regulate the conversion of rental stock to condominiums.**

Section 10.88.080 of the Municipal Code requires that potential displacement of existing tenants be taken into consideration when evaluating requests for conversion of existing rental units to condominium status. In addition, under Section 10.88.070, tenants must be given first right of refusal to purchase at discounted prices. Those tenants who do not wish to purchase must be provided relocation assistance. Elderly and handicapped tenants must be provided life leases, with no rent increases for at least two years, and low and moderate income tenants and families must be given at least one year to relocate. These programs help to reduce the impact of condominium conversion on low and moderate income households.

Responsibility: Community Development Department

Funding: City General Fund, condominium application fees

Schedule: On-going

Objective: Preserve 12 affordable units

Policy 5. Encourage the development of additional low and moderate income housing.**Program 5a. Provide incentives for housing affordable to low income households and senior housing.**

Section 10.52.090 of the Municipal Code provides for density bonus or other incentives when low income housing is provided, in accordance with Section 65915 of the California Government Code. The housing must remain affordable for at least thirty years. In accordance with Section 10.12.050 N of the Municipal Code, development standards may be modified where affordable housing is provided. This is an ongoing program included in the two preceding housing elements.

Pursuant to Section 10.52.090 of the City's Zoning Ordinance (Affordable Housing Incentive Program), developers who volunteer to make a portion of the housing development affordable by persons of lower income receive financial incentives, thus expanding housing opportunities for lower-income persons throughout the City. The Code defines "affordability" as follows:

1. A "for-sale" unit is considered affordable to a lower-income household if the total monthly payment required by the household to purchase and occupy the unit does not exceed 35% of the monthly income of a family (of the appropriate family size for the unit per the occupancy standards of the U.S. Department of Housing and Urban Development) with a monthly income equal to 80% of the County median income.
2. A new rental unit is considered affordable to a lower-income family if the total housing cost (including rent and utilities) does not exceed 30% of monthly income for households making 60% or less of County median income, based on a household appropriately sized for the unit per HUD occupancy standards which normally allow two persons per bedroom plus one additional person.
3. An existing rental unit is considered affordable to a lower-income household if the total housing cost including rent and utilities does not exceed the prevailing fair-market rent published by the U.S. Department of Housing and Urban Development.

Additional requirements needed to qualify for the incentives provided under this Affordable Housing Incentive Program include the following:

1. At least 20% of the total units must be affordable to lower-income persons or families as defined by the California Health and Safety Code, Section 50079.5, including elderly persons and families defined by Section 50067 of the Health and Safety Code; or,

2. At least 10% of the total units of a housing development must be made available to very-low-income households, as defined in Section 50105 of the Health and Safety Code; or,
3. At least 50% of the total dwelling units of a housing development must be made available to qualifying residents, as defined in Section 51.2 of the Civil Code.

Applicants for development meeting the above requirements may request that the City grant an incentive of financial value equivalent to a 25% density bonus and a regulatory concession or incentive. Following a public hearing, the City Council may grant such incentives as long as the density bonus is appropriate and consistent with the General Plan and the Zoning Code. The Zoning Code also provides for the following regulatory concessions or incentives to enable qualifying affordable housing development will be produced at a reduced cost:

1. A reduction in site development standards or a modification of zoning code requirements or architectural design requirements;
2. A reduction in setback and square-footage requirements;
3. A reduction in required vehicular parking spaces;
4. The approval of mixed use zoning in conjunction with the housing project if commercial, office, industrial, or other land uses will reduce the costs of the housing development. In these instances, the commercial, office, industrial, or other land uses must be compatible with the residential development and the surrounding residential development.
5. Other regulatory incentives or concessions proposed by the developer or the City, which result in identifiable cost reductions.

The developer must enter into an agreement which shall include the following provisions at a minimum:

1. The proportion of the total units that will be affordable by persons and families of lower income,
2. A commitment that the affordable units will remain available and affordable for 30 years unless the City approves a shorter time period.
3. A requirement that the affordable units be identified on building plans and described in the application for a lower- income housing incentive.
4. A requirement that resale controls be included as a deed restriction to ensure continued affordability, secured by a promissory note, in the amount of fifty thousand dollars (\$50,000.00) per affordable unit, secured by a deed of trust against the property.

5. A description of the specific incentives that the City will make available to the developer and any conditions pertaining to them.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: Annual review of development agreements, ongoing approval of projects as proposed.

Objective: 30 incentive units

Program 5b. Streamline the development process to the extent feasible.

The City currently allows and encourages concurrent processing of all discretionary applications for a project, thereby streamlining the development process. Many routine applications may be processed as minor exceptions instead of the longer and more difficult variance process. As discussed in the previous section regarding governmental constraints, processing time for building permits in the City compares favorably with that for other nearby jurisdictions.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: Ongoing.

Objective: Process 100 percent of applications in an efficient manner

Program 5c. Allow the establishment of manufactured housing on single family residential lots.

Manufactured housing can be constructed for much less than the cost of traditional building. Building various standardized modules in one location results in savings due to economies of scale and greatly reduced waste of building materials. Factory-built housing designed for placement on fixed foundations can be highly attractive and virtually indistinguishable from standard construction. In addition, current factory-built housing is typically built to higher standards for energy conservation.

In accordance with Section 10.52.100 of the Municipal Code, manufactured housing is permitted on single family lots not occupied by another dwelling. The housing must be secured, must meet certain design criteria, and must be on a relatively flat slope. These criteria are not unduly burdensome and would not prevent the establishment of manufactured housing on residential lots.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: Ongoing.

Objective: Increase affordability of 5 units

Program 5d. Work with the private sector to facilitate the provision of low and moderate priced housing.

This is a continuation of the Developer Consultation Program included in the 2003 Housing Element. In the recent past, the City has worked with the private sector to produce two residential projects available to low and moderate income households. The Manhattan Terrace development received a certificate of occupancy in July 1991. The City approved a use permit to allow this senior citizen project at 3400 Valley Road. This forty eight (48) unit project contains 540 square foot units with the percent of each units affordability (16) equally distributed among very low to moderate income levels.

A 104-unit seniors' project was completed at Manhattan Village on Parkview Avenue in 1997. This project provides housing affordable to very low and moderate income households along with market rate housing. The City processed a zoning amendment to allow a higher density for this project, and reoriented a City recreation facility in order to facilitate development of the project.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: Annual review of continuing affordability;
Ongoing approval of projects as proposed.

Objective: Preserve 131 affordable senior units

Program 5e. Allow second units in single family areas.

This was included in the 2003 Housing Element as the Second Unit Program. Section 65852.2 of the California Government Code provides for the establishment of second units in areas zoned for single family, as a means of increasing housing stock. Provision for second units has superseded the original State provision for granny flats, though many of the second units are designed for elderly family members. Units meeting the following criteria must be permitted:

1. The unit is not intended to be sold separately from the primary residence, but the second unit may be rented.
2. The lot is zoned for single-family or multifamily use.
3. The lot contains an existing single-family dwelling.
4. The second unit is either attached to the existing dwelling and located within the living area of the existing dwelling or detached from the existing dwelling and located on the same lot as the existing dwelling.
5. The increased floor area of an attached second unit shall not exceed 30 percent of the existing living area.
6. The total area of floor space for a detached second unit shall not exceed 1,200 square feet.

No more than one parking space per bedroom may be required. In accordance with Section 65852.2(b)(3), local ordinances may specify that the property owner reside on the property.

Absent a local ordinance specifying development standards, the provisions of State law apply. The City does not currently have a local ordinance regarding second family units. Efforts were made to develop an ordinance in the past, but abandoned before the process was completed. The City may wish to reconsider developing its own second family unit program, both to facilitate provision of second family units and to establish standards suited to the City's unique neighborhoods.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: Develop ordinance 2011

Objective: 36 second family units

Policy 6. Encourage means of increasing ability to afford existing housing stock.

Program 6a. Continue to participate in Los Angeles County Housing Authority, and publicize availability of Section 8 rental assistance for households in the City.

Section 8 rental assistance is provided by the United States Department of Housing and Urban Development (HUD) and is administered locally by the Los Angeles Community Development Commission (CDC) operating as the Housing Authority of the County of Los Angeles. Under this program, low income households are provided the differential between the rental rate of a unit and what they can afford. The rental rate cannot exceed fair market rent for the area as established by HUD. Based on Census data and advertised rents, there are units within the City which fall within the permissible rental range. The County has ceased accepting applications for new Section 8 assistance due to the length of the countywide waiting list, but is soliciting enrollment of additional landlords.

Responsibility: Los Angeles Community Development Commission;

Publicized by City Community Development Department

Funding: Federal Section 8 funds

Schedule: Ongoing. Publicize to landlords and tenants via City newsletter, link on City website or other means, 2010 and ongoing.

Objective: 6 existing units made available through Section 8 program.

Program 6b. Participate in the Home Ownership Program (HOP) and American Dream Down Payment Initiative (ADDI) programs.

These first-time homebuyers programs are administered by the Los Angeles Community Development Commission and are available to prospective residents of Manhattan Beach. Although the programs place a ceiling on housing price, a few units in Manhattan Beach could qualify, based on existing home listings.

The Home Ownership Program (HOP) is financed with HOME funds provided through the U.S. Department of Housing and Urban Development (HUD) and is subject to the applicable federal regulations. HOP has been designed to meet the needs of low-income families with the necessary down payment assistance. This program will provide a 2nd Trust Deed loan at 0% interest with all payments deferred until sale, transfer, refinancing, or full repayment of the first mortgage.

The American Dream Down Payment Initiative (ADDI) is a component under the HOME Investment Partnerships Program, authorized under the Title II of the Cranston-Gonzalez National Affordable Housing Act. ADDI monies are used for closing costs and down payment assistance with a loan amount of up to \$10,000 or 6% of the purchase price whichever is greater.

Responsibility: Los Angeles Community Development Commission;

Publicized by City Community Development Department

Funding: HUD HOME funds

Schedule: Ongoing. Publicize to via city newsletter, link on city website or other means commencing 2010.

Objective: 4 units purchased through HOP or ADDI

Program 6c. Encourage shared housing programs for seniors and existing one person households.

Sharing of one housing unit by two or more roommates can render housing affordable to persons who could not otherwise afford housing individually due to the ability to share housing costs among roommates. This is also of help to seniors who may need minor assistance or even just occasional monitoring. The programs could be coordinated by the City's Senior Services Care Manager.

Responsibility: Fire Department/Senior Services Care Manager

Funding: City General Fund/Beach Cities Health District/CDBG Funds

Schedule: Begin program 2010

Objective: 48 housing matches

Policy 7. Promote housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, or color and for special needs groups.

Program 7a. Continue to participate in area wide programs to ensure fair housing.

The City will continue to contract with Fair Housing organizations to process complaints regarding housing discrimination within the City, and to provide counseling in landlord/tenant disputes. This is a continuation of the Fair Housing Program included in previous housing elements.

Responsibility: Community Development Department

Funding: General fund/CDBG

Schedule: Ongoing, annual review

Objective: Address 100 percent of fair housing complaints

Program 7b. Provide for the housing needs of seniors.

The Manhattan Village Senior Villas, located at 1300 Park View Avenue, was first occupied in 1997, and included in the 1993 and 2003 Housing Elements. This project consists of 104 senior housing apartments. As a condition of the project's approval, 20% of the units must be reserved for very low income households, 20% must be reserved for low-income households, and 40% of the units must be reserved for moderate-income households. The remainder (20%) of the units may be rented at a market-rate. The occupants of the senior housing project must consist of a householder 62 years of age or older, or 55 years of age or older if handicapped, according to criteria established by the Americans With Disabilities Act (ADA) of 1990 or the Federal Rehabilitation Act of 1973. This program is concerned with ensuring that the current affordability of the project is being maintained.

Implementation: No additional funding and/or staffing will be required or are anticipated with this program's continued implementation. The City will work to inform the public of the program.

Responsible Agency: California Housing Finance Agency

Funding: State of California

Schedule: On-going

Objective: Preserve 83 affordable senior units

Program 7c. Provide for the special needs of seniors so that they may remain in the community.

The Senior Care Management program, which is an ongoing program also included in the 2003 Housing Element, provides services to predominantly low-income seniors. This program is operated by a part-time Senior Services Care Manager which is contracted through the Beach Cities Health District and the City of Manhattan Beach Fire Department administers the contract. At any given time, the Senior Services Program may assist up to 110 senior citizens, of which 70% are low-income. As liaison and service coordinator, the Senior Services Care Manager performs the following functions:

1. Locates suitable (often more affordable) housing. This may include referrals to "board and care" residential facilities in Manhattan Beach, or multi-family apartments;
2. Identifies financial assistance resources, including HUD Section 8 rental vouchers through Los Angeles County, and other federal assistance programs, as well as disbursing information and referring to lenders for special mortgage programs;
3. Coordinates "Rotary Cares," a volunteer program, which rehabilitates two senior homes per year, consisting of minor repairs, plumbing, carpentry, painting, etc.,
4. Arranges and makes referrals for health and personal services for the Senior Health Program, which is funded by the Beach Cities Health District; and,
5. Informs eligible low-income seniors of state and utility company programs (Southern California Edison and Southern California Gas Company) regarding discounts, weatherization services, and payment assistance.

As discussed above, it is suggested that a shared housing program also be established, expanding responsibilities under No. 1 above. The City also provides funds for social service groups serving seniors, including the Salvation Army brown bag food program, Care Management for Manhattan Beach Seniors, and South Bay Adult Care Center.

Responsible Agency: Fire Department/Senior Services Care Manager

Funding: General Fund/Beach Cities Health District/CDBG Funds

Schedule: On-going; add shared housing program 2010

Objective: Maintain part-time Senior Services Care Manager

GOAL III. Provide a safe and healthy living environment for City residents.

The City's housing stock is generally in good condition, and the City has few heavy industrial type uses. In the past, industrial uses to the north, in El Segundo adversely affected local residents, but the two cities have worked together to address this problem. It is the goal of the City to continue to provide a healthy environment for all residents, consistent with the stated goal of the California Legislature to provide decent safe and sanitary housing.

Policy 8. Eliminate potentially unsafe or unhealthy conditions in existing development.

Program 8a. Continue the active code enforcement program for illegal and substandard units.

The City has an active Code enforcement program which responds to complaints of substandard structures. In addition a Report of Residential Building Records is required each time a property is sold, which serves to alert all parties to unpermitted and potentially substandard construction that may exist. This ongoing program was included in the 2003 Housing Element.

Responsible Agency: Community Development Department

Funding: General Fund

Schedule: On-going

Objective: Respond to 100 percent of reports of substandard units

Program 8b. Utilize Community Development Block Grant funds for home improvement loans for low income housing, consistent with income limits provided for such funding, and pursue additional sources of funding for City programs. This is identical to Program 2, above.

Policy 9. Prevent the establishment of potentially unhealthful conditions in new development.

Program 9. Require that residential uses adjacent to industrial or commercial uses be adequately buffered from such uses.

Sections 10.16.030 and 10.20.030 of the Municipal Code requires that walls and setbacks be provided between industrial and residential uses and between commercial and residential uses. As industrial uses have left the area, this is less of a problem than in the past, although such uses continue to exist in the area.

Responsible Agency: Community Development Department

Funding: General Fund

Schedule: On-going

Objective: Maintain block walls and adequate landscaping at all industrial/residential interfaces.

GOAL IV. Encourage the conservation of energy in housing.

The conservation of energy and sustainable development have become of increasing importance. Worldwide energy supplies are subject to greater demand from emerging economies throughout the world. Scientists and society at large have gained a greater understanding of the impacts of energy consumption and global warming, specifically greenhouse gases. California has become the first state to address greenhouse gases. It is important that new housing be developed in light of a changing energy environment. The policies and programs below are an expansion of the energy conservation program included in the 2003 Housing Element.

Policy 10. Encourage the use of alternate energy.

Program 10. Waive fees for installation of solar panels.

Solar panels may be used on roofs of residential and commercial structures to generate electricity which is either transmitted to the grid or stored in batteries on-site. The existing height limits in Manhattan Beach ensure rooftop units would not eventually be subject to shade and shadow which would render them ineffective. In March 2008, in order to encourage use of alternate energy, the City Council voted to waive any building fees for photovoltaic panels.

Responsible Agency: Community Development Department

Funding: General Fund

Schedule: On-going

Objective: 84 solar panels

Policy 11. Reduce energy loss due to inferior construction/development techniques.

Program 11a. Enforce green building techniques.

The City has adopted the California Energy Code. In addition the City requires the following:

- Insulating hot water pipes to minimize energy loss
- Using caulk and insulation that are formaldehyde-free or contain low VOC (volatile organic compounds)
- Pre-plumb water piping and sensor wiring to the roof for future solar water heating
- Use duct mastic on all duct joints and seams to minimize energy loss
- Install "Energy Star" bath fans vented to the outside
- Energy efficient water fixtures

The City continues to review its codes to encourage greener building techniques. The United States Green Building Council is currently reviewing more intensive measures to be included in buildings for LEED certification. The City is in the process of

reviewing standards through the Environmental Task Force and should also review its codes upon completion of the USGBC review.

Responsible Agency: Community Development Department

Funding: General Fund

Schedule: On-going. Revise codes by 2011.

Objective: 100 percent compliance for new units

Program 11b. Encourage water conservation.

Massive amounts of energy are utilized in pumping water to southern California. Any measures to conserve water will therefore help conserve energy. This can be achieved through use of low flow fixtures and use of drought tolerant landscaping. Sections 7.32 and 10.52.120 of the Municipal Code currently address landscaping, tree preservation, and tree planting, but do not address drought tolerant landscaping. These sections should be reviewed and revised to address water use as well as aesthetic factors. The City is in the process of reviewing standards through the Environmental Task Force.

City codes provide for waterless urinals. Similar to the situation with solar panels, inspection and permit fees for installation of such urinals should be waived, when they are used to replace older, water-wasting urinals.

Responsible Agency: Community Development Department

Funding: General Fund

Schedule: On-going. Revise codes by 2012.

Objective: Reduced water consumption

Policy 12. Encourage reduction in energy consumption for commuting to work and other activities.

Program 12. Provide a balance of residential and employment generating uses in the City, including mixed use projects.

Where individuals have an opportunity to live in close proximity to their work, vehicle miles traveled to and from work can be reduced, thus reducing energy consumption. The City has permitted the development of mixed uses in Manhattan Village and permits the development of residential uses in commercial districts downtown and along Manhattan Beach Boulevard. In addition, the commercial areas of the City are in close proximity to residential districts, thus providing the potential that residents may walk to work or to shopping, dining out or other activities, or only drive a short distance.

Responsible Agency: Community Development Department
Funding: General Fund
Schedule: On-going. Revise codes as noted above
Objective: 200 mixed use units

Preservation of Assisted Housing

Section 65583(a)(8) of the California Government Code requires an analysis of previously assisted housing projects which may change to non-low-income housing during the next 10 years as well as strategies to preserve or replace the units. There are currently no such projects in the City of Manhattan Beach and, therefore, no preservation program for such units is necessary.

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**CITY OF MANHATTAN BEACH
PLANNING COMMISSION
MINUTES OF REGULAR MEETING
NOVEMBER 12, 2008**

The Regular Meeting of the Planning Commission of the City of Manhattan Beach, California, was held on the 12th day of November, 2008, at the hour of 6:30 p.m., in the City Council Chambers of City Hall, at 1400 Highland Avenue, in said City.

A. ROLL CALL

Present: Fasola, Paralusz, Powell, Seville-Jones and Chair Lesser
Absent: None
Staff Present: Richard Thompson, Community Development Director
Laurie Jester, Planning Manager
Michael Rocque, Assistant Planner
Recording Secretary: Sarah Boeschen

B. APPROVAL OF MINUTES – October 22, 2008

Commissioner Powell requested that page 10, paragraph 2, line 13 of the October 22 minutes be revised to read: “. . . neighborhood or create a detriment to the health safety or public welfare of the community.”

A motion was MADE and SECONDED (Paralusz/Powell) to approve the minutes of October 22, 2008, as amended.

AYES: Fasola, Paralusz, Powell, Seville-Jones and Chair Lesser
NOES: None.
ABSENT: None.
ABSTAIN: None.

C. AUDIENCE PARTICIPATION

None.

D. PUBLIC HEARINGS (CONTINUED)

Consideration of a Master Use Permit to Allow Conversion of an Existing Office to Restaurants or Other Commercial Uses and Allow a New Restaurant (Tin Roof Bistro) With a New Outdoor Dining Patio and On-Site Consumption of Alcohol at 3500 Sepulveda Boulevard, Hacienda/Haagen Building, Manhattan Village Shopping Center

Planning Manager Jester summarized the staff report. She said that a revised draft Resolution has been provided to the Commissioners. She indicated that the words “paid in full” should be deleted from Condition 11 on page 9 of the revised draft Resolution. She said that the applicant also has proposed a change to Condition 7. She commented that the subject parcel is separate from the Manhattan Village Shopping Center with separate ownership. She indicated that there is a private settlement agreement to bring the site under the existing Master Use Permit with the Mall. She indicated that the proposal is to clarify and confirm that the subject property is part of the Master Use Permit for the mall and to allow alcohol service for the proposed restaurant. She pointed out that the Mall does allow for beer and wine service, but

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full alcohol service requires an amendment. She said that the proposal is for interior and exterior improvements to an existing building currently utilized for office use and would not include any additions. She indicated that the proposal is for a 4,250 square foot restaurant plus 800 square feet of outdoor courtyard dining. She indicated that the proposed hours would be from 11:00 a.m. to 11:00 p.m. She said that no entertainment is proposed.

Planning Manager Jester stated that staff received one comment with concerns regarding light spillover with the change of use and hours which can be mitigated with standard conditions. She commented that staff recommends that the Commission adopt the revised resolution with conditions. She said that the site would be subject to all of the conditions that are applicable to the existing Master Use Permit and sign program for the Mall. She said that Condition 7 requires a dedication for the Sepulveda Boulevard right-of-way for the bridge widening project. She said that the condition also includes that the applicant would pay a fair share cash contribution that would be assessed in the future when the mall is redeveloped. She commented that the applicant is also requesting to provide valet parking, and it would need to be determined that it would not impact circulation and access, and the fire lanes.

In response to a question from Chairman Lesser, Planning Manager Jester indicated that the Mall would still be below the amount of footage allowed for restaurant use by approximately 13,000 square feet if the application is approved. She commented that there is a condition that an updated list of the current tenants and square footage be provided as part of the plan check process.

Chairman Lesser asked if any further study needs to be done regarding the safety of pedestrians crossing the service road from the parking area to access the proposed restaurant.

Planning Manager Jester said that there are handicapped access ways marked across the service road. She indicated that the change in use would result in an increase in pedestrian traffic. She said that additional conditions regarding pedestrian safety could be added if it is felt appropriate by the Commission.

In response to a question from Chairman Lesser, Planning Manager Jester said that staff's understanding is that the applicant is agreeable to allowing the dedication for the future widening of Sepulveda Boulevard and a future cash payment for a fair share contribution as this condition has been discussed with the applicant for two years.

Commissioner Seville-Jones asked the reason for the applicant's fair share contribution to be included with the future EIR assessment for the Mall rather than with the subject application.

Planning Manager Jester said that staff felt it was reasonable to require the payment at the time of the future EIR. She indicated, however, that the Commission can change the wording of the condition if they feel it would be more appropriate for it to be provided sooner. She commented that staff does not anticipate that the Sepulveda Boulevard widening project would occur within the next year. She said that staff felt the dedication was an immediate need, whereas the cash contribution is a future consideration.

Director Thompson said that staff felt there was an equity issue. He commented that the purpose of the fair share contribution is because of the location of the property being adjacent to the bridge. He indicated that it was felt that if the subject property should be assessed at the same time as the Mall since it would be considered part of the same permit.

Commissioner Seville-Jones commented that she has a concern that the applicant would not be subject to the fair share contribution for the widening project if the Mall remains in its existing

configuration and an EIR for any expansion is not brought forward.

Director Thompson pointed out that it is difficult to determine the fair share for the applicant if the larger site for the Mall is not also assessed.

Planning Manager Jester said that staff felt that the restaurant complies with parking, as it is within the cap for the square footage permitted for restaurant use within the Mall. She said that staff also felt the proposed use would have less of an impact on the parking for the Mall since it would be located along the perimeter.

Commissioner Seville-Jones pointed out that the movie theater is also located at the perimeter of the main Mall and it has a large impact on the parking.

In response to a question from Commissioner Seville-Jones, Director Thompson said that the Commission does not have discretion over the parking requirement with the subject application. He indicated that the determination for allowing the subject site to become a restaurant use has been negotiated between the property owners and the owners of the mall. He said that the issue has been clarified and the City Attorney is satisfied that the site is included with the mall. He indicated that the issue before the Commission is the alcohol license.

Commissioner Paralusz pointed out that section 1(L) on page 6 of the revised draft Resolution refers to a type 47 alcohol license, and 1(N) refers to a type 42 license.

Planning Manager Jester said that section 1(N) should also refer to a type 47 license.

Commissioner Fasola said that his main concern is regarding parking. He commented that it is almost impossible to find a parking space at the Mall during the Christmas season or during lunch hours. He indicated, however, that parking is not an issue before the Commission. He commented that the existing pole sign for the theater is useful for informing of the shows currently playing. He asked whether the pole sign is related to the project.

Planning Manager Jester said that there is a sign exception with the Master Use Permit for the mall approved in 2002 indicating that the theater sign needs to be removed. She said that the intent was that the sign be removed when the theaters leave the site. She indicated that staff's understanding is that the applicant would potentially like to modify the sign or have it be relocated. She said that staff wanted to acknowledge that the applicant would be under the existing sign exception for the Mall which would need to be amended if they were to choose to revise the sign. She stated that the project would not directly affect the sign, and the applicant would be required to apply for an exception if they wish to change it. She indicated that no changes are proposed to the sign with the current application.

Commissioner Powell commented that there was a letter in the packet from the applicant to the City dated August 7, 2007, which raised a question regarding whether the theater sign would be grandfathered in as part of the Master Use Permit for the Mall.

Planning Manager Jester indicated that the original proposal from the applicant was for the sign to become grandfathered in as part of the site incorporated into the Use Permit for the Mall. She said that staff was not able to agree to allow the sign to remain, as there was a sign exception which would have to be amended in order for the sign to remain. She stated that the dedication would impact the sign when the roadway is widened.

In response to a question from Commissioner Powell, Planning Manager Jester indicated that the City Attorney is satisfied that the language of the settlement agreement between the

applicant and the owner of the Mall addresses the City's issues with the use of the property in relationship to the Master Use Permit.

Mike Simms, representing the applicant, said that they are looking forward to opening the restaurant. He commented that the process could be delayed if Condition 11 is included as part of the draft Resolution as worded. He indicated that the wording of Condition 11 could be a potential delay to their opening the restaurant. He said that since there is an agreement between the City and property owner, he would prefer that the condition not delay obtaining a building permit for the subject restaurant. He commented that they intent to operate the business as a family restaurant.

In response to a question from Commissioner Fasola, Director Thompson said that there is a condition that requires the irrevocable offer to dedicate to happen at a particular time; however, it should not delay the issuance of a building permit. He said that there is already a draft document prepared which only needs to be finalized, signed and recorded.

In response to a question from Commissioner Powell, **Mr. Simms** said that the restaurant will employ approximately 80 people, with a maximum of approximately 20 working at any one time.

In response to a question from Commissioner Seville-Jones, **Mr. Simms** said that he would prefer to not be restricted to selling alcohol only until 11:00 p.m. He said that they would not serve until 2:00 a.m., but they would prefer to have flexibility to allow for later patrons or for events until midnight.

In response to a question from Commissioner Powell, **Mr. Simms** said that they would not have an objection to alcohol service beginning at 11:00 a.m. rather than 6:00 a.m. as proposed.

Mark Neumann, the property owner, said that they have been working on the project for the past three years. He commented that the subject property is owned by a group of local families. He said that when they purchased the property they were told that the Master Use Permit for the Mall applies to their property and were then later told that it does not apply to their property. He stated that with the draft Resolution, their property would be incorporated into the Use Permit for the Mall only if the Mall is permitted to expand to the extent they wish. He said that he does not feel it is fair to force a property owner to give up their entitlements. He said that they previously agreed with staff to provide to the City for the dedication if they would be permitted to open their business. He indicated that after 2 ½ years they have lost a great amount of revenue in rent for the site.

Mr. Neumann said that they have had to provide soundproofing for the building because with the dedication, it would be located very close to Sepulveda Boulevard once the street is widened. He said that they have now lost a deal with Starbucks to locate on the site because of the delay. He commented that the widening of Sepulveda Boulevard would not be an advantage to their property but rather a disadvantage because they would be located only 3 feet from the roadway. He indicated that they were agreeable to making a dedication of the property with the conditions included in their letter of August 7, 2007, which are not included as part of the draft Resolution. He stated that they have been working with the City, but it has been a long process. He indicated that there is no nexus between granting an alcohol permit for the restaurant and determining that an existing entitlement applies to the property. He indicated that they are not pleased with being required to dedicate the land and also being asked to give up future rights in order to allow the Mall to expand. He stated that the conditions included in their August 7, 2007, letter should be included. He commented that they should not be forced to give up land and also to give the City an unspecified amount for a fair share

payment. He said that they are not opposed to the City acquiring the land; however, they would like for the condition regarding the dedication to be removed. He said that they would also request that consideration be given to soundproofing the building.

In response to a question from Commissioner Paralusz, **Mr. Neumann** indicated that a portion of the land that is to be dedicated is encumbered by a ground lease for the Theater sign. He said that the dedication cannot be made without informing the City that the dedication is subject to the rights, terms and conditions of an unrecorded ground lease between the property owners and RREEF. He commented that they also had a deal with the City to use part of the theater sign off of Sepulveda Boulevard to advertise their building, which should be included as part of the subject draft Resolution.

In response to a question from Commissioner Seville-Jones, Director Thompson pointed out that the delay is a result of a challenge by the owner of the Mall regarding concerns with the applicant's property being included as part of the Master Use Permit. He also indicated that the parking for the subject property is completely on the Mall property.

Commissioner Fasola commented that although the dedication would be 3 feet from the subject building, Sepulveda Boulevard would not necessarily be built up to that point because the sidewalk would be between the roadway and the dedication line.

Director Thompson said that the dedication is to within 3 feet of the subject property; however the configuration of the roadway has not been finalized. He stated that they are requiring a dedication necessary to install the additional lane that would match up to the bridge.

In response to a question from Chairman Lesser, Director Thompson indicated that a dedication request is typically negotiated between the City and the property owner and also may be part of an approval for an entitlement. He said that such dedication can be included with entitlements, although it is unusual for one to be included as part of an approval for alcohol service. He stated that the applicant has always told staff that he is willing to provide the dedication, and he is surprised that the applicant now has an issue with including the dedication as part of the subject draft Resolution. He indicated that staff is suggesting that the dedication be included with the request for alcohol service given the history of the proposal.

Planning Manager Jester pointed out that the August 2007 dedication and agreement letter from the applicant was not finalized because it included a request that the City replace the existing theater sign along Sepulveda Boulevard. Staff was unable to agree to this because of the existing Sign Exception, and the applicant was fully aware of this.

In response to a question from Commissioner Seville-Jones, Director Thompson stated that the applicant would have the ability to open a restaurant without alcohol, without the draft Resolution being approved, as they have already entered into an agreement with the Mall to be included in their Master Use Permit.

In response to a question from Chairman Lesser, Director Thompson said that he does not believe that a dedication of land has ever been included as part of an application for alcohol service as with the subject proposal.

Chairman Lesser opened the public hearing.

Audience Participation

Beth Gordie, Latham & Watkins, representing RREEF, said that RREEF supports the acknowledgement in the revised draft Resolution that the subject property is part of the Master Use Permit for the mall and that the applicant be permitted to have full service of alcohol. She stated that they are requesting a few modifications to the draft Resolution. She said that RREEF shares staff's concerns regarding safety and requests that the provisions included in Condition 13 regarding valet parking be struck. She commented that valet parking is a private matter that can be worked out between RREEF and the applicant. She said that RREEF has employees who address issues regarding parking on a daily basis who understand the parking demand. She indicated that they have a concern with the language in Condition 8 that outdoor area be included as square footage. She commented that this is a new condition in the subject draft Resolution that is not part of the Master Use Permit for the Mall. She indicated that her understanding is that the City typically does not include outdoor dining area as gross leasable area, and they are requesting that the language be stricken. She commented that they agree with the language in Condition 7 that the property owner shall also be required to be an applicant in the EIR and entitlement application for the mall. She indicated, however, that they have a concern with the language stating "...and sign any Master Use Permit Amendment or other entitlement applications that affect both parties as required by the Municipal Code." She indicated that RREEF is concerned with the requirement that the subject property owner sign the other entitlement applications that affect both parties. She said that Section 10.84 of the Code clearly sets forth the circumstances in which an entitlement must be signed by a property owner, and they feel that the Code should dictate when the applicant is required to sign any entitlements for the Mall.

In response to a question from Chairman Lesser, **Ms. Gordie** said that RREEF is remaining neutral regarding the issue of the dedication of land by the property owner to the City.

Commissioner Paralusz commented that the Commission only received the letter from RREEF with the suggested revisions as it was passed out at the meeting by **Ms. Gordie**, which does not allow a sufficient opportunity to review and consider the suggested changes. She commented that it could have been submitted at least a day before the meeting which would have allowed more time to review RREEF's concerns.

Ms. Gordie commented that they only received the staff report at the end of the day Friday and worked with staff and the property owner to address the issues. She said that after the holiday on Monday, they had a conference call on Tuesday to discuss the concerns with the parties which have been included in their proposed changes.

Director Thompson indicated that staff stands by its recommendations and the revised draft Resolution. He said that if the Commission would like for the staff to do further research, he would recommend that the item be tabled until a later time and renoticed.

Richard Rizika, representing the property owner, and a resident of the 800 block of 18th Street, said that Mike Simms has been attempting to open his restaurant in the community and has proven himself to be a good corporate citizen. He commented that it is a shame that the restaurant has been delayed. He indicated that it would seem that the issue of the dedication can be included as part of the future EIR for the expansion of the mall. He commented that there are issues regarding safety and soundproofing of the building with the expansion of Sepulveda Boulevard. He indicated that he has a concern with the requirement for a future financial impact with the fair share of the dedication that is uncertain as to the amount. He commented that the expansion will not be a benefit for the property owners through additional income or square footage. He indicated that the subject property was permitted to use the parking for the mall in common with the other users and tenants previously which would not change with the subject application. He said that safety regarding the adjacent access road is a

preexisting condition that would not change as a result of the subject proposal.

Chairman Lesser closed the public hearing.

Discussion

Commissioner Fasola indicated that he is in favor of approving the revised draft Resolution as proposed by staff. He said that he would support including the dedication language in Condition 7, and he would suggest that the item be tabled if any changes were proposed to the condition. He commented that any valet service for the proposed restaurant should be reviewed by the City. He commented that the outdoor patio would be substantial and should be counted as part of the square footage of the restaurant because there is an issue with parking. He commented that converting an office space to a restaurant is very difficult because of the increase in the intensity of the use. He commented, however, that there is some flexibility with the subject property being located within the Mall area. He said that he would like for the hours of operation to remain until 2:00 a.m. He commented that there is not a problem in the area, and later hours are the time when parking is not an issue. He pointed out that the theaters operate until 1:00 a.m. He commented that he feels the draft Resolution is fair as written.

Commissioner Paradusz said that she also is in favor of approving the revised draft Resolution as written. She said that she is in favor of clarifying the hours permitted for selling alcohol until midnight, as the applicant is agreeable and it is consistent with the other uses in the Mall. She stated that she is in favor of keeping the language for the dedication in the draft Resolution after weighing the costs and benefits to the owner and the public at large. She indicated that it is important to recognize that the City is asking for the dedication of the right-of-way. She said that she is concerned that the objections from RREEF were only presented at the very last minute before the meeting which demonstrates a lack of respect for the process, the applicant, the staff, and the Commissioners. She said that she cannot comment on issues without hearing staff's opinion and having an opportunity to consider them. She commented that she also feels the applicant's project should not be held up because of last minute objections by RREEF. She requested that page 3 section 10 of the revised draft Resolution be changed to read: "Therefore a Master Use Permit to allow a conversion of a portion of the existing office to restaurants or other commercial uses is not be required . . ." She requested "type 42" be changed to read "type 47" on page 7, paragraph N of the revised draft Resolution. She requested that the words "paid in full" be struck on page 9, paragraph 11.

Commissioner Seville-Jones indicated that she recognizes that the situation is complicated and involves three parties that have been trying to work through the situation over the past several years; however, the City has become trapped in a situation where private parties have not been able to reach an agreement. She said that she does not have sufficient information regarding the dedication. She said that the owner now objects to the dedication, and she is not certain whether there is a legal basis for the City to impose on the applicant the condition that the land be dedicated to widen the street. She indicated that she is concerned that the property owner is now requesting that the wording regarding the dedication be stricken, and she would like further information from the City Attorney regarding the legal basis for it to be required by the City. She stated that she also would like further information on the outdoor square footage being counted toward the restaurant use. She commented that she feels the comments from RREEF should be considered although they were received at the last minute. She indicated that staff is simply requesting that they have an opportunity to review any agreement between the private parties regarding valet parking. She said that permitted hours for alcohol service until 12:00 a.m. is consistent with the hours for other uses in the Mall, and she would not be in favor of allowing alcohol to be served until 2:00 a.m.

Commissioner Powell stated that the restaurant is a great proposal, and the Commission does not want to hold up the project unreasonably. He said that the hours for alcohol service should only be permitted from 11:00 a.m. to 11:00 p.m. in order to be consistent with the hours of the other operations in the Mall. He stated that the project meets the required findings as detailed in the draft Resolution, and he would support the proposal.

Chairman Lesser said that he is sympathetic to the lessee who simply would like to start his business and to the property owner who has been without rent while the issue has remained unresolved. He indicated, however, that he has concerns with language being changed without a sufficient opportunity for review, and he needs more information to consider the requests by RREEF. He said that he needs more input from staff regarding their position. He said that staff has made a strong argument regarding the dedication; however he would want more information before it moves forward. He said that he also would like further information regarding the outdoor dining area being included toward restaurant use, as it would have implications for the future expansion of the Mall. He said that he would be sorry for the item to be delayed further because of the burden on the applicant. He stated that he supports the language in the revised draft Resolution as written regarding valet service. He indicated that he does see issues regarding public safety regarding traffic on the adjacent ring road, and he would want further information regarding the impact that the restaurant would have on parking. He indicated that any valet parking would be within the jurisdiction of the City, and he would not support removal of the condition. He indicated that he would also want further information on the removal of Condition 7. He said that he would support allowing the applicant to serve alcohol until midnight.

Commissioner Fasola said that tabling the item in order to review RREEF's requests brought at the last minute would penalize the applicant.

Chairman Lesser commented that he would like further information regarding the dedication. He said that the application was presented with a suggestion that the applicant had agreed to the language and the condition related to the dedication, and it now appears that the applicant is opposed.

Mr. Neumann indicated that they are not opposed to the City acquiring the land for the dedication; however, there are other means for the dedication rather than including it as part of a request for an alcohol permit. He indicated that he does not feel there is a nexus between the granting of an alcohol permit and a dedication of land. He commented that he does not feel it is fair for him to be required to give up a portion of his property and also be required to pay to improve the bridge. He requested that the requirement for the fair share payment be removed, as they are already paying for the road by dedicating a portion of their property which is very valuable. He pointed out that the General Plan requires a dedication of land with new construction or substantial renovation, and they are only proposing changing existing structures. He stated that it would not be fair for them to be required to pay an amount that has not yet been determined. He pointed out that Macy's also is a property owner as part of the Mall and will be involved with the future EIR for the Mall expansion.

Commissioner Seville-Jones said that she does not want for property owners to feel forced into an agreement as part of an application. She said that she feels strongly that the item should be tabled for a future meeting. She commented that the applicant has delayed the hearing a number of times, and she does not feel another delay would be too much to ask. She said that the Commission has given the applicant time on their agenda which they have not taken an opportunity to use.

Chairman Lesser said that he agrees with the comments of Commissioner Seville-Jones and

feels that he would need further information regarding the nexus between the granting of an alcohol permit and a dedication of land.

Commissioner Fasola pointed out that the City of Los Angeles often requires dedications as well as payments for improvements for change of uses. He also pointed out that the restaurant would be an intensification of use from office space.

In response to a question from Commissioner Paralusz, Director Thompson indicated that staff would be willing to remove the requirement in the draft Resolution for payment of the fair share contribution, as it will be addressed when the EIR for the Mall expansion is brought forward. He said that staff is not willing to change its position on the dedication and feels it is necessary to clarify that it is the appropriate action.

Commissioner Fasola asked the reason it is felt that all of the restaurants in the Mall should close at the same time and that one should not be permitted to remain open later.

Commissioner Paralusz said that she would prefer to provide for consistency with restaurant hours since the subject property is located in the same parcel as the other restaurants in the Mall. She indicated that she would want to prevent other restaurants from using the subject proposal as a precedent for requesting later hours. She said that she is more comfortable with applying the standard that is currently in place for the other restaurants in the Mall.

Commissioner Seville-Jones said that she also is more comfortable with limiting the operation of the restaurant to midnight. She said that she also would not want for the subject proposal to set a precedent for other restaurants in the Mall that might also request to remain open until 2:00 a.m.

Commissioner Paralusz said that if the purpose of the restaurant remaining open later is to serve more alcohol, she has a concern with encouraging people to drink until 1:00 a.m. or 2:00 a.m.

Director Thompson pointed out that the Master Use Permit allows for hours of operation between 6:00 a.m. and 2:00 a.m., and the proposal is only regarding the hours permitted for alcohol service.

Commissioner Powell said that he would like to see consistency for the subject restaurant with the hours of alcohol service with the other restaurants in the mall. He indicated that he also has a concern with people who are drinking at late hours exiting the restaurant and driving on Sepulveda Boulevard.

Commissioner Seville-Jones indicated that she does not think the Commission should make a decision where an applicant feels they are being forced to make concessions. She said that she would support the item being continued and for there to be a period of time for the applicant to consider its position.

Mr. Neumann said that they would be comfortable with the elimination of the requirement in the draft Resolution for a fair share contribution. He commented that the dedication needs to include that the property is subject to an unrecorded ground lease.

Director Thompson said that he is not aware of an unrecorded ground lease for the property, and he is certain that evidence would have been brought forward previously if such a lease were an issue. He said that the issue will be addressed if the language in the condition cannot be implemented. He commented that issues regarding the theater sign will be addressed with

the sign exception.

Action

A motion was MADE and SECONDED (Fasola/Paralusz) to **APPROVE** the revised draft Resolution for a Master Use Permit to Allow Conversion of an Existing Office to Restaurants or Other Commercial Uses and Allow a New Restaurant (Tin Roof Bistro) With a New Outdoor Dining Patio and On-Site Consumption of Alcohol at 3500 Sepulveda Boulevard, Hacienda/Haagen Building, Manhattan Village Shopping Center with the deletion of the wording regarding the requirement for a fair share contribution in Condition 11; with the change of the words "applicant" to "property owner" in the last sentence of Condition 11; with a limit of the hours permitted for alcohol service between 11:00 a.m. and 12:00 a.m.; with a revision to page 3 section 10 of the revised draft Resolution to read: "Therefore a Master Use Permit to allow a conversion of a portion of the existing office to restaurants or other commercial uses is not be required . . ." ; with the changing of "type 42" to "type 47" on page 7, paragraph N; and with the removal of the words "paid in full" on the fifth sentence of paragraph 11 on page 9.

AYES: Fasola, Paralusz, Powell, and Chair Lesser

NOES: Seville-Jones

ABSENT: None.

ABSTAIN: None.

Director Thompson explained the 15-day appeal period and stated that the item will be placed on the City Council's Consent Calendar for their meeting of December 2, 2008.

At 8:30 p.m., a 10 minute recess was taken.

E. PUBLIC HEARINGS (NEW)

1. Consideration of a Comprehensive Update to the City's General Plan Housing Element

Assistant Planner Rocque commented that the City's Housing Element is one of seven mandated elements that must be included in the City's Local Plan and functions as the City's long range plan for housing. He indicated that the purpose of the Housing Element is to ensure that cities assist in implementing a state wide housing goal and that local governments adequately plan to meet the housing needs of all economic segments of the community. He indicated that the law acknowledges that in order for private markets to adequately address housing needs and demand that cities must attain land use plans and regulatory systems that provide opportunities for and do not restrain housing development. He commented that State law requires that cities update their Housing Element every five years, and the most recent update to the City's Housing Element was 2003. He indicated that the City Council authorized a contract with Sandra Genis to prepare the updated Housing Element. He stated that staff will make the appropriate changes as suggested by the Commission and forward the document to the City Council for their review and approval. He said that once approval is received from the City Council, the Housing Element will be sent to the State Department of Housing and Community Development for their review. He commented that there was difficulty with the servers in attempting to post the draft Housing Element on line, and it was not uploaded to the City's website until Monday November 10. He said that a copy was made available at the City library on Friday, November 7.

Sandra Genis, Planning Resources, indicated that the Housing Element is a State mandated element of the City's General Plan. She stated that an important part of the Housing Element is identifying potential sites for additional housing, which are very limited in a city such as Manhattan Beach. She commented that specific housing needs groups that are identified housing include the elderly, people with disabilities, large families, people in need of emergency shelter, and households overpaying for housing. She indicated that very low income households have an income of \$30,000 or less; low income households have an income between \$30,000 and \$48,000; moderate income households have an income between \$48,000 and \$72,000; and upper income households have an income over \$72,000. She indicated that there is an assigned need based on the income groups which is initially determined for the region by the State Department of Housing and Community Development and it is then determined by the Southern California Association of Governments (SCAG) to assign portions of the need to each of the communities within the region. She indicated that Manhattan Beach has been assigned a projected need of 895 units with 350 in the upper income group, 160 in the moderate income group, 149 in low income group, and 296 in the very low income group.

Ms. Genis stated that the main components of the housing program include housing preservation; housing production; housing affordability; and energy conservation. She said that existing housing is preserved through code enforcement; utilizing the design overlay district to ensure that neighborhood character and quality are preserved; refraining from lot mergers; retaining and improving non conforming dwellings; regulating condominium conversions which can result in the loss of rental housing; and potentially utilizing Community Development Block Grant (CBDG) funds for home improvement loans. She indicated that producing additional housing units can potentially be done through residential infill; continuing to promote mixed use dwellings; revising the mixed use standards; implementing an affordable housing incentive program; allowing for second family units; allowing manufactured housing on single family lots; and providing for permit streamlining.

Ms. Genis commented that the affordable housing incentive program requires a portion of the homes that are provided to be affordable. She pointed out that Manhattan Beach is part of the Los Angeles County Housing Authority which provides housing affordability programs and includes the home ownership program and American dream down payment initiative. She said that there is a green building program in the City. She commented that promoting mixed use saves energy by reducing the need for vehicular transportation.

In response to a question from Chairman Lesser, Director Thompson indicated that a copy of the Housing Element was available to the public at the library. He indicated that it was available on the City's website on Monday.

In response to a question from Chairman Lesser, **Ms. Genis** indicated that the Planning Commission must make a recommendation regarding any revisions to the General Plan under State law. She indicated that she would appreciate any input from the Commission regarding potential sites in the City where additional housing could be provided. She indicated that the role of the Commission is to help to develop a Housing Element that conforms to the State requirements. She commented that many of the goals in the proposed document have been taken from the existing Housing Element and Land Use Element or from programs that are currently in place.

Regarding item V on page 4 of the Environmental Check List included with the staff report, Commissioner Powell commented that the City currently has only a recognition program for culturally significant landmarks and does nothing to preserve historic structures. He asked whether it is an objective, goal, or policy.

Director Thompson commented that CEQA requires the City to evaluate the items included in the Environmental Check List, and staff feels the Housing Element would result in no impact in the areas included in the checklist.

In response to a comment from Commissioner Powel, Assistant Planner Rocque said that the word "regulation" can be changed in item V which states: "The City has a local Culturally Significant Landmarks regulation that is voluntary and any new housing will be reviewed to ensure conformance with those requirements."

Commissioner Powell commented that the indication in the Environmental Check List that the recommendations would have a less than significant impact from seismic ground shaking and no impact from a tsunami is in conflict with the Hazard Mitigation Plan approved by the City Council which states that a tsunami would have an impact. He said that he has a concern regarding the inconsistency with the hazard mitigation plan. He said that he would think that the impacts from seismic shaking and a tsunami should be consistent.

Ms. Genis pointed out that some of the language for the document was taken from the City's Safety Element.

Commissioner Powell asked whether a public workshop is supposed to be held to receive public input.

Ms. Genis said that the City is only required to allow the public an opportunity to provide comments. She said that a study session could be scheduled.

Commissioner Powell indicated that the data included in the Housing Element is broken down by eight census tracts, of which there is a summary of on page 5. He requested that the tables in the report include the area district or area name in the heading rather than the census tract number.

Commissioner Powell commented that there is an error on table 32 on page 28 of the document, as the numbers in the column labeled "units needed" do not add up to the total of 895. He indicated that it appears the number should be changed from 350 to 290 on the second to the last sentence on page 27, which would appear to also be the correct number to place in the lower right column of table 32.

Commissioner Fasola commented that it would be very difficult for residents to have parking located up to 1000 feet away for residences in the downtown area as suggested in the document. He indicated that there are many instances of apartment buildings in the Sand Section being torn down and changed to homes or condominium units. He commented that the percentage of residents in the area between 19 and 24 has shrunk to 3 percent as shown on table 6 on page 9 of the document, which demonstrates that young people are priced out of living in Manhattan Beach. He suggested that rather than the lots being rebuilt with 2 three bedroom condominiums with three stories and three parking spaces which is the current development trend, the lots should be allowed to include up to 6 one bedroom units with one parking space each. He said that such units would sell for closer to \$500,000.00 rather than \$2,000,000.00 and would be affordable to a larger number of people. He indicated that he would suggest that staff consider changing the parking requirement for condominiums. He commented that the development pattern along The Strand used to include homes with smaller rental units which added to the vitality along the beach, as the occupants would often be outside on the patios. He indicated that the area is currently developed with giant homes where the owners do not live full time. He suggested incentives for building homes along The Strand that include a smaller rental unit.

In response to a question from Commissioner Paralusz, **Ms. Genis** indicated that the State could impose penalties for non compliance with the loss of state grants and funding for local projects with the next cycle of the Housing Element. She indicated that the City is supposed to provide an annual report on the implementation of the goals in the Housing Element.

In response to a question from Commissioner Seville-Jones, **Ms. Genis** indicated that all of the programs that were suggested in the previous Housing Element have not been completed; however, the City has not acted in contradiction to those programs.

Commissioner Seville-Jones said that before a vote is taken regarding the document, she wants to know whether it is felt that the goals that are suggested for the City are actually achievable. She asked if other possibilities were considered for adding housing such as changing the zoning of the mall to allow some mixed use.

Ms. Genis commented that there was a parcel within the Manhattan Village that is currently used for overflow parking which they considered for mixed use. She said that there was some concern of losing a portion of the economic base of the mall.

Commissioner Seville-Jones commented that she would like further guidance regarding the trade-offs and considerations in arriving at the proposed plan. She commented that she would also like more information regarding the advancement of this plan from the previous Housing Element.

Commissioner Paralusz suggested that an additional study session could be helpful and worth the time. She said that she is not certain that she has all of the information necessary to approve the document.

Chairman Lesser commented that there are malls in other cities which have included mixed use with commercial businesses and residential units. He suggested whether such an option for mixed use should be explored for Manhattan Village, although it may not necessarily result in housing that is affordable. He commented that the draft Housing Element also mentions adding to senior villas located to the east of Manhattan Village where there is a City-owned parking lot, which is a possibility he would like to have explored in more detail.

Ms. Genis pointed out that public agencies that are disposing of property must offer it to other public agencies, and priorities for such land are given to public recreation and affordable housing.

Chairman Lesser opened the public hearing.

Audience Participation

Gary Osterhout, a resident of the 500 block of 31st Street, commented that the California Housing Element law often is in conflict with local politics by asking cities to plan for the needs of the wider region and not only current residents. He stated that the law represents a mismatch of goals and policy tools by addressing the problem of overall housing underproduction with a process oriented approach developed to prod cities and counties into planning for their share of affordable units. He said that using a fair share planning approach as a tool to encourage overall housing production places an unrealistic burden on a fairly fragile policy. He pointed out that nearly four cities in ten and a quarter of counties are out of compliance with the law, and a large majority of jurisdictions in the state have been non compliant at some point. He commented that the draft document is an opportunity for

Manhattan Beach as well as other similar cities to educate State leaders that the current requirements are not working and there are other means to provide affordable housing. He indicated that the law is constantly being changed as far as penalties and enforcement. He said that the public needs to be made aware of the requirements and the detrimental effects that are going to occur by going through the process. He commented that the public hearing for the Housing Element was placed as the second agenda item, and the draft document was not properly posted on the City's website. He also pointed out that a workshop or study session regarding the Housing Element also has not been held, and none of the Commissioners have previously been through the process of evaluating a Housing Element. He commented that the Housing and Community Development website indicates that local governments must make a diligent effort to achieve the public participation of all economic segments of society in order to assist in the development of the Housing Element, identify key community housing concerns, and brainstorm possible solutions. He suggested that there are many possible methods of engaging public participation including establishing an ongoing Housing Element task force, using websites, holding community meetings or events, and conducting surveys. He pointed out that there was no mention on the City's website home page that there was going to be a very important hearing regarding the Housing Element. He said that the public is supposed to be engaged and feel that they are a large part of the process. He indicated that the City needs input from the community.

Mr. Osterhout commented that the description of the Tree Section needs to be changed on pages 2 and 5 of the document from east of Bell Avenue and northwest to Valley Drive to East of Grand View Avenue. He commented that if the school district ever parted with the property, Grand View School could be zoned for single family if it were included as part of the Tree Section rather than the Sand Section. He indicated that he would like more specificity with maps or specific addresses regarding underdeveloped parcels in the Beach Area between 23rd Street and 35th Street which could accommodate 34 dwelling units as specified on page 36. He said that he would also like more specificity regarding the multi-family area along Manhattan Beach Boulevard near Meadows School. He indicated that the downtown parking situation for residences needs to be considered as indicated on page 49. He stated that the specific number of additional infill units that could be accommodated on existing residential sites should be identified as indicated on page 35.

Mr. Osterhout commented that the number of units that need to be developed is based on an estimate of the Department of Finance and an arbitrary estimate of the City. He indicated that it appears the number of additional units that could be provided through commercial area conversion has been doubled in the calculation on page 35 and page 62, and 640 units throughout the commercial area is an extremely high number. He commented that the document is very difficult to read and includes a lot of unnecessary statistics. He stated that the statistics could be placed toward the end of the document. He stated that the narrative information could be better indexed and more precisely identified with the four or five requirements of a Housing Element. He indicated that Government Code Section 65580(a) has been misquoted in the introduction of the document. He said that the Staff report also has inaccurately quoted 65581(c). He stated that SCAG's forecasting for small incremental growth on page 26 is not consistent with growth that has occurred in the City in recent decades. He said that other strategies need to be discussed such as in lieu fees, zero loss policies, housing assistance for City employees, and basic cottage configurations. He said that alternative sites for housing need to be presented with reasoning as to whether or not they may be viable.

Gerry O'Connor, a resident of the 500 block of Harkness Street, said that he recognizes that the Housing Element is a mandate from the State that is not easily achievable. He commented that he is perplexed by a plan being put forward in order to reach a goal that in fact the City recognizes cannot be reached and has no intention of meeting. He said that it needs to be

specified that the goals are unrealistic, and he feels that it is dishonest to suggest that the City has the ability or intention of executing the plan. He commented that the City is already largely built out and has a housing value that is very difficult to change significantly. He indicated that the City should indicate that implementing the plan for 895 new units is a problem and arrive at a figure which is felt can be realistic. He commented that the due date for the Housing Element to be submitted was July 1, 2008. He said that the definition of the project schedule included in the original January staff report specified that public participation should occur in the first and second months of the project as well as in the fourth and fifth month. He commented that soliciting public support would increase the strength of a message that is sent to SCAG that their goal is unrealistic. He indicated that the public needs to be more engaged and more aware of the challenge presented to the City. He commented that he has difficulty believing that there would be no detrimental environmental impact if 895 new units are built as indicated in the CEQUA negative declaration. He indicated that the previous Housing Element should be the base line for moving forward with the new document.

Chairman Lesser closed the public hearing.

Discussion

Director Thompson indicated that the City was very involved in the allocation of the Regional Housing Needs Assessment (RHNA) numbers from the beginning, and different approaches have been tried during each cycle to indicate that the numbers are unrealistic. He said that he has attended the meetings and attempted to make the argument that such a large number of new units would not be appropriate for Manhattan Beach; however, there are certain equations that are used by the State over which the individual cities have no control.

In response to a question from Chairman Lesser, Director Thompson indicated that a public workshop can be held if it is the desire of the Commission, which could be held in a more informal setting.

Commissioner Fasola commented that he agrees with the comments of **Mr. O'Connor** that the City should not submit a report indicating that 895 additional units will be provided if the goal is not realistic.

Director Thompson pointed out that the report is stating the actions the City can take to reach the goals set by SCAG; however, the issue is the resources that the City has available in order for it to be implemented. He indicated that there are higher priorities in the City's work plan. He pointed out that the City becomes a target for litigation if they do not forward the Housing Element.

Commissioner Fasola commented that the City would be better off stating that it is not realistic and setting forth a goal that they feel can be met.

Director Thompson indicated that he supports the suggestion of having all of the options identified and then brainstorming as to whether or not they are feasible. He indicated that informed decisions could then be made regarding the options that should or should not be included in the document.

Commissioner Paralusz indicated that community members with certain expertise that may be able to help in developing alternative solutions could be asked to provide input.

Commissioner Powell pointed out that the document is part of the City's General Plan, and it is imperative that at least one public meeting is held that is well noticed and which specifies the

proposals. He stated that the document suggests that the City be built out further, which is in contrast to the goals of the General Plan to maintain the City's small town atmosphere and unique neighborhoods. He commented that there is a suggestion on page 35 that the parking structure on Rosecrans Avenue and Highland Avenue be changed to accommodate two units, and he would question whether it would be beneficial to lose such a large amount of parking to accommodate two units.

Commissioner Seville-Jones said that a public workshop would help to gain credibility that the City has considered alternatives for reaching the goals. She said that she would like to see the preservation of trees and landscaping addressed further in the document. She said that she would also like for in-lieu fees and for the preservation of historically significant structures to be addressed further. She said that she would also like further consideration given to building units on other large parcels within the City.

Chairman Lesser said that he would like to see the previous Housing Element, and he agrees that the new document should start with the previous document as a base. He commented that the rationale for arriving at the goals has not been fully explained, and he would like further information regarding how they were chosen. He said that he also would like further information as to why certain options for including housing were included and others were not.

Commissioner Paralusz thanked staff and **Ms. Genis** for their work in drafting the Housing Element. She indicated that the criticism that has been expressed is constructive and will make for a better document.

Commissioner Powell commented that the State is requiring that the City increase density and bulk; however, the indication of the Coastal Commission is that the City needs to control bulk and density. He said that he also does not believe the indication of the negative declaration that adding a large number of units would have no detrimental environmental impact.

Director Thompson pointed out that CEQUA will be evaluated every time a project is proposed for additional units to determine the environmental impact. He said that the negative declaration for the Housing Element is regarding the impact of the overall policies that are included and not specific projects.

Commissioner Powell commented that an increase in overall density in general will result in an increase in traffic and pollution.

Commissioner Seville-Jones commented that holding a hearing at the Police Fire Facility does not allow the meeting to be broadcast over cable which would not allow it to reach as large of an audience. She said that she would prefer for a study session to be held in the Council chambers.

Chairman Lesser said that he likes the idea of encouraging larger public participation by allowing people to watch proceedings on the cable channel; however, a more informal setting allows a better opportunity for dialogue.

In response to a comment from Commissioner Powell, Director Thompson said that he would suggest that the meeting be held at the Police Fire Facility. He pointed out that the Council chambers is the only room that is set up for a camera to film and broadcast the proceedings.

Director Thompson said that a workshop will be scheduled to take place at the Police Fire Facility most likely in January.

Action

A motion was MADE and SECONDED (Fasola/Powell) to **TABLE** consideration of a Comprehensive Update to the City's General Plan Housing Element to a date uncertain.

AYES: Fasola, Paralusz, Powell, Seville-Jones and Chair Lesser
NOES: None.
ABSENT: None.
ABSTAIN: None.

F. BUSINESS ITEMS

None.

G. DIRECTORS ITEMS

None.

H. PLANNING COMMISSION ITEMS

Commissioner Powell commented that an exercise for earthquake preparedness is scheduled for Thursday November 24.

I. TENTATIVE AGENDA (November 26, 2008)

J. ADJOURNMENT

The meeting was adjourned at 10:30 p.m. to Wednesday, November 26, 2008 in the City Council Chambers, City Hall, 1400 Highland Avenue

SARAH BOESCHEN
Recording Secretary

ATTEST:

RICHARD THOMPSON
Community Development Director

**CITY OF MANHATTAN BEACH
PLANNING COMMISSION
MINUTES OF SPECIAL MEETING
JANUARY 29, 2009**

The Special Meeting of the Planning Commission of the City of Manhattan Beach, California, was held on the 29th day of January, 2009, at the hour of 6:40 p.m., in the Police/Fire Conference Room, at 400/420 15th Street, in said City.

A. ROLL CALL

Present: Fasola, Paralusz, Powell, Seville-Jones and Chair Lesser
Absent: None
Staff Present: Richard Thompson, Laurie Jester, Michael Rocque
Recording Secretary: Patricia Schilling

B. AUDIENCE PARTICIPATION

None.

C. PUBLIC HEARINGS

1. Planning Commission Workshop to Discuss and Review a Comprehensive Update to the City's General Plan Housing Element.

Director Thompson explained that the Special Meeting was called, per the Planning Commission's direction at the November 12, 2008 meeting after Staff presented their initial considerations to the Commission. The Workshop is designed to educate the Commission and public on the purpose of the Housing Element and the process that goes into creating the Element.

Director Thompson introduced Sandra Genis, of Sandra Genis Planning Resources, the consultant on the project, to present an overview of the State requirements. The Housing Element is part of the General Plan and State law requires that local governments review and update their Housing Element every five (5) years. The last one conducted by the City of Manhattan Beach was in 2003.

Ms. Genis explained that the Housing Element has been in effect since the 1980's. She explained over the years the Housing Element has developed in content and accountability. The State has specific requirements for each City and the number of affordable housing units required. It is the City's responsibility to adopt policy regarding the Housing Element and the 2008 laws require that the City also designate potential sites for these projects. She further explained that if a City chooses not to develop a policy regarding the second units in single family zones that the City would default to the State Ordinance.

Discussion

A lengthy discussion ensued among the Commissioners, consultant Sandra Genis, Director Thompson and the public;

Items addressed during the discussion were as follows:

- Clarification of the R1 zoning and the State requirements for the addition of a second family unit.
- Second units requirements, regarding parking, occupancy, etc.
- Second units can not be sold as separate properties.

- Without a City driven policy the item automatically defaults to the State policy.

Consultant Genis reiterated the fact that it is a Statewide policy passed 3-4 years ago permitting R1 zoned properties to construct a second family unit. Ms. Genis also acknowledged that there were many limitations regarding density and number of units per acre.

The discussion continued with the Commissioners, Consultant Genis, Director Thompson and the public;

- Difficulty of providing the number of units required by the State based on affordability and the sq ft cost of property in Manhattan Beach
- Feasibility of constructing the number of units assigned to the City of Manhattan Beach based on density and arguments presented at SCAG sponsored meetings
- Consideration of the factors that impact the number of units; over crowding, over paying and employment
- Impact of lot merger ordinance on the number of units feasible
- Consideration for formulating a plan to encompass a regional approach to the problem of low income housing, working with other cities that have the space to construct the numbers needed to meet the State requirements
 - Director Thompson addressed this issue at the SCAG meetings and explained that each city has its own unique set of restrictions to consider and politically this is not a feasible option.
- Impact the LCP has on the reaching the number of low income housing units required
 - Land Use Element use to dictate housing but now it is deferred to the Housing Element.

Director Thompson suggested that the Commission make a recommendation to the Council regarding compliance with the State directed numbers and emphasized again the fact that if we don't have a second family unit requirement in place, we have to default to the State policy requirements.

Consultant Genis explained that under State law the City can't build low income housing with General Funds without the voter's approval.

In response to a question raised by Commissioner Powell regarding how the City can reconcile the Housing Element item if it contradicts the General Plan, Director Thompson stated that all decisions made to date by the Planning Commission are consistent with the Housing Element and General Plan.

In an effort to return to determining policy and goals, Consultant Genis provided more information regarding information in the Housing Element and State requirements relative to the City of Manhattan Beach;

- 87 homeless individuals need to be accounted for
- Accessibility for seniors and disabled needs to be addressed
- Possible infrastructure restraints - none
- Developer fees – not a problem
- A need to provide a variety of housing opportunities
- Revision of development standards (parking, open space) could be considered
- Inclusionary housing where feasible within coastal zone or 3 miles from coastal zone
- Regulating the conversion of condos

- Streamlining the development process
- Possibility of pre-fabricated housing
- Section 8 rental assistance and relation to the LA CDC
- Encourage Shared Housing for Seniors
- Initiate Fair Housing Program
- Buffering residential/commercial use properties
- Green buildings

Commission Chair Lesser suggested that the group focus on the list of possible sites the City has presented for additional housing and determine which ones were feasible and which sites they were opposed to.

Director Thompson concurred with this direction and suggested that policy issues be addressed once the site locations were discussed.

Discussion ensued among Commissioners regarding each proposed site on the handout provided by staff. The votes were as follows:

1. Sepulveda Commercial Corridor –
The Commissioners discussed the following concerns;
 - May have a negative impact on tax revenue for the city – mostly retail on Sepulveda
 - Current use of the Sepulveda corridor is consistent with the City's General Plan
 - Could increase traffic on Sepulveda
 - The noise factor on Sepulveda and congestion would not be conducive to favorable living conditions, and other land use incompatibilities
2. School Sites Not Currently in Use- (if available) –
The Commissioners discussed the following concerns;
 - Could conflict with the City's General Plan to provide enough adequate schooling
 - Appears that more younger families are moving into the area
 - Represent approximately 28% of the City's park and open space
 - Conflicts with the City's recreation needs
 - Site conditions – steep terrains and poor access
3. Armory Site (if available from Federal Government)
The Commissioners discussed the following concerns;
 - The area is not ideal for high density units
4. Manhattan Village Mall overflow parking lot – all Commissioners supported considering this site
The Commissioners cited the following main reasons for considering supporting this site;
 - Location to mall
 - Provide more Senior Housing adjacent to the existing senior housing in the area
 - Has little use throughout most of the year
 - Set back from Rosecrans corridor

The Commission directed Staff to explore additional site options:

- Aviation near Rosecrans
- Back of lots behind the commercial buildings along the Rosecrans corridor/ Parkview
- Further explore the use of the overflow parking lot currently leased to the Village Mall and Manhattan Beach Country Club

In summary the Commission made a number of recommendations to Staff and Consultant Genis on what specific items they would like to have returned to them for further discussion and consideration.

Chair Lesser asked for more information on the 2003 Housing Element plan along with the plan submitted in 1993. It was noted that the City received a waiver in 1998 because there were budget constraints with the State and Housing Elements were not required during that update period explaining the ten year gap between Housing Element updates. Chair Lesser also requested that Ms. Genis return with an Executive Summary of a possible Housing Element document.

Commissioner Powell supports a number of items laid out in the Housing Element presented for discussion tonight including;

- Preservation of existing neighborhoods
- Green Sustainable buildings
- Handicap Accessible
- Historical preservation
- Mixed Use where parking is available
- Permit Streamlining
- Additional Senior housing
- Preservation of the Quality of Life residents currently experience in Manhattan Beach

Commissioner Fasola asked that the Consultant provide a revised report reflecting the issues addressed in tonight's workshop.

Commissioner Seville-Jones stated that the Commission would need another meeting to determine policy and have a working document to present to Council for consideration and public discussion.

Commissioner Paralusz concurred with Chair Lesser's request for more information and an Executive Summary.

There were several residents in attendance that requested the statistics in the report be better summarized. They asked if the issue had been addressed with Assembly member Ted Lieu and other congressional representatives because they see it as a political issue.

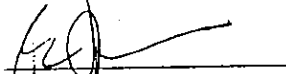
Chair Lesser reiterated the fact that it was the Planning Commissions responsibility to present recommendations for Council's consideration. He explained his concerns over developing something that was only aspirational when City Council will need to make decisions based on the information they provide.

I. ADJOURNMENT

The meeting was adjourned at 9:42 p.m. to Wednesday, February 11, 2009 in the City Council Chambers, City Hall, 1400 Highland Avenue

PATRICIA SCHILLING
Recording Secretary

ATTEST:


RICHARD THOMPSON
Community Development Director

**CITY OF MANHATTAN BEACH
COMMUNITY DEVELOPMENT DEPARTMENT**

TO: Planning Commission

THROUGH: Richard Thompson, Director of Community Development *RT*

FROM: Michael P. Rocque, Assistant Planner *MR*

DATE: November 12, 2008

SUBJECT: Consideration of a Comprehensive Update to the City's General Plan Housing Element.

RECOMMENDATION

Staff recommends that the Planning Commission CONDUCT THE PUBLIC HEARING and RECOMMEND to the City Council approval of the Housing Element, and adoption of a Negative Declaration of environmental impacts in accordance with the California Environmental Quality Act (CEQA).

BACKGROUND

The Housing Element is one of seven mandated elements that must be included in a city's local General Plan in accordance with State law. The legislative purpose of a Housing Element is to ensure that cities assist in implementing a State-wide housing goal and that local governments adequately plan to meet the existing and projected housing needs of all economic segments of the community. The law also acknowledges that, in order for the private market to adequately address housing needs and demand, local governments must adopt land use plans and regulatory systems which provide opportunities for, and do not unduly constrain, housing development. The Housing Element also functions as the City's long range plan for housing.

The intent of the State Legislature is to accomplish the following objectives (Government Code Section 65581):

- (a) To assure that local governments recognize their responsibility in contributing to the attainment of the State's housing goals.
- (b) To assure that local governments prepare and implement housing elements that, along with corresponding federal and state programs, will move towards the attainment of the State's housing goals.
- (c) To assist each locality in determining what is required to enable the community to meet existing housing need and future housing demand.
- (d) To ensure that local government cooperate with other public agencies in order to address the regions housing needs.

**ATTACHMENT C
PC MTG 4/8/09:
11/12/08 PC Staff Report**

**CITY OF MANHATTAN BEACH
PLANNING COMMISSION
MINUTES OF REGULAR MEETING
APRIL 8, 2009**

The Regular Meeting of the Planning Commission of the City of Manhattan Beach, California, was held on the 10th day of April 8, 2009, at the hour of 6:35 p.m., in the City Council Chambers of City Hall, at 1400 Highland Avenue, in said City.

A. ROLL CALL

Present: Fasola, Lesser, Paralusz, Chairperson Seville-Jones
 Absent: None
 Staff Present: Richard Thompson, Community Development Director
 Michael Rocque, Assistant Planner
 Laurie B. Jester, Planning Manager
 Recording Secretary: Sarah Boeschen

B. APPROVAL OF MINUTES – February 11, 2009

Commissioner Paralusz requested that the words “going green” be capitalized on page 4, paragraph 6 of the February 11 minutes, as it is a formal section on the City’s website.

Commissioner Paralusz requested that page 5, paragraph 3 be revised to read: “Commissioner Paralusz pointed out that she is not certain that it would be legal for the City to have requirements for tree trimmers that are more stringent than those of the state.”

Chairperson Seville-Jones requested that the first sentence of page 7, paragraph 3 be changed to read: “Commissioner Seville-Jones said that she also feels the sentence may be more appropriate to be ~~plae~~ placed in the purpose section. She suggested that the language be revised to read: . . .”

A motion was MADE and SECONDED (Lesser/Paralusz) to approve the minutes of February 11, 2009, as amended.

AYES: Lesser, Paralusz, and Chairperson Seville-Jones
 NOES: None.
 ABSENT: None.
 ABSTAIN: Fasola.

C. PRESENTATION

04//08/09-2 Presentation to Wayne Powell for his Service on the Planning Commission from 2006 to 2009

Chairperson Seville-Jones commended Wayne Powell on being elected to the City Council. She presented him with a plaque from the City in recognition of his service on the Commission for the past three years as well as a certificate from the California Chapter of the American Planning Association. She praised his dedication to the community and his understanding of the issues facing the City.

Commissioner Lesser thanked Councilman Powell for his service on the Commission. He read a letter from the California Chapter of the American Planning Association in recognition of his

service on the Commission. He praised Councilman Powell for his kindness to staff, members of the public and fellow Commissioners.

Commissioner Fasola thanked Councilman Powell for his support and praised him for his dedication.

Commissioner Paralusz echoed the comments of the other Commissioners in recognition of Councilman Powell's service and dedication to the City.

Councilman Powell thanked the Commissioners and staff for their service. He congratulated Chairperson Seville-Jones on being elected to the executive board of the Los Angeles Chapter of the American Planning Association.

D. AUDIENCE PARTICIPATION

None.

E. PUBLIC HEARINGS

None

F. BUSINESS ITEMS

04/08/09-3 Consideration and Discussion of City's General Plan Housing Element

Director Thompson stated that staff presented the initial draft of the Housing Element in November. He indicated that a public workshop was then scheduled at the request of the Commission which was conducted in January. He stated that at the conclusion of the workshop, the Commission asked staff to address some outstanding issues within the Housing Element and to consider and include public comments. He indicated that the Commission felt the document would be strengthened by including an executive summary and that the organization of the document could be improved. He indicated that the Commissioners have been provided with an updated copy of the document for additional comments. He commented that an e-mail was received from Gary Osterhout with comments regarding the document. He indicated that staff has not had an opportunity to study the issues raised in his e-mail and will have input by the next meeting.

Sandra Genis, Housing Element consultant, presented a power point with an overview of the revised draft of the Housing Element. She stated that the goals of the 2009 Housing Element are similar to the goals of the 2003 Housing Element. She indicated that the goals of the 2009 document include preserving existing neighborhoods; providing housing opportunities for all segments of the community; providing a safe and healthy living environment; and promoting energy conservation. She stated that the proposed programs included in the 2009 Housing Element include Zoning Code enforcement including anti-mansionization standards; applying design overlays as appropriate; minimizing lot mergers; allowing nonconforming dwellings to continue to remain and to be improved; allowing CDBG Funds to be used for home improvement loans; providing for residential infill of vacant lots; encouraging mixed use; revising of development standards for dwellings in CD and CNE Districts; regulating condominium conversions; providing affordable housing incentives; encouraging streamlined development; allowing manufactured housing on single family lots; providing for private sector affordable housing; addressing second family units; and participating in the Los Angeles County Housing Authority Home Ownership Program (HOP) and American Dream Down

Payment Initiative (ADDI) programs. Other programs in the 2009 Housing Element include encouraging shared housing, fair housing, senior housing, and senior services; providing active code enforcement; providing buffers for residential uses near industrial or commercial uses; providing fee waivers for solar panels; providing incentives for green building and water conservation; and promoting balanced land uses. She stated that there is another hearing before the Commission on April 22, and it is scheduled for a public hearing before the City Council on May 19. She said that if approved it then would be submitted to the State Department of Housing and Community Development (HCD) for certification review in June and comments from the State would be received by August 2009.

In response to a question from Chairperson Seville-Jones, **Ms. Genis** said that the State is reluctant to certify if the assessed number of units is not provided.

Chairperson Seville-Jones said that Mr. Osterhout's e-mail pointed out that it is not clear whether the report specifies that the City can actually provide 895 additional units, which is the number that has been assigned to the City by the State. She said that she is concerned about the readability of the report. She indicated that she does not feel the language of the report addresses the fact that providing 895 additional housing units does not work for a community that is already built out such as Manhattan Beach.

Commissioner Lesser asked about whether the role of the Commission in reviewing the document is to suggest improvements or suggest new programs and policies in order to strive toward reaching 895 additional new units.

Director Thompson stated that review of the draft document by the Commission provides the forum to receive public comments and provides an opportunity for the public to receive further information regarding the Housing Element. He said that the Commission also must make a determination that the Housing Element is consistent with the City's General Plan.

Commissioner Lesser asked whether there is more current population data that can be used in the Housing Element rather than census data from 2000.

Ms. Genis said that the census data is considered the most reliable, and using other data sources can create problems.

Commissioner Fasola asked whether the City has actually increased the number of living units in the City as referenced in the goals of the report. He commented that his impression is that the number of units has actually decreased over the last several years with the conversion of smaller homes to larger structures.

Director Thompson commented that the more recent trend is a decrease in the number of dwelling units in the City.

Commissioner Paralusz commented that it seems difficult for the City to commit to an increase of 895 units when less than half of that amount has been generated in the past eight years.

Commissioner Lesser asked whether zoning and jurisdictions that would be permitted for emergency shelters and transitional housing are identified in the Housing Element. He suggested that there should be a specific reference in the document as to how the City intends to meet the Code requirement of Government Code Section 65583(a)(3).

Ms. Genis commented that a reference to the Code section could be added to the document.

Chairperson Seville-Jones asked whether a statement should be made in the document about the compliance of the City with the previous 2003 Housing Element and whether the stated goals were met.

Commissioner Fasola commented that the trend of tearing down smaller homes and building much larger structures in their place makes homes less affordable.

Chairperson Seville-Jones commented that encouraging the maintenance of existing smaller units is one method of making housing more affordable.

Commissioner Paralusz pointed out that the Mansionization Ordinance resulted from the impact of older smaller homes being torn down to build much larger structures. She said that the impact of the Mansionization Ordinance of making homes more affordable should be considered. She commented that steps have been taken to make homes more affordable.

Commissioner Fasola commented that every five years seems to be too often to produce a new Housing Element, as another report must be written just as the effects of the programs from the previous report are being determined. He indicated that he does not believe that the City has taken steps to reach the stated goal on page 4 of the Housing Element of preserving existing neighborhoods by preserving the scale of development. He said that even though there have been attempts to reduce the scale of development, it has increased dramatically in the last 10 or 15 years. He indicated that he does not believe that the City taken measures to achieve the second goal of providing a variety of housing opportunities for all segments of the community by providing sites for new housing, preserving existing affordable housing stock and encouraging development of additional low and moderate income housing.

Chairperson Seville-Jones opened the public hearing.

There being no one wishing to speak, Chairperson Seville-Jones closed the public hearing.

Discussion

Director Thompson pointed out that the purpose of the document is to express a good faith effort on the part of the City to provide housing to meet the needs of all income levels including providing for affordable housing, although it is not guaranteed that it will be achieved. He said that the City intends to continue with the goals and efforts included in the 2003 Housing Element, which is expressed in the 2009 report. He indicated that the City has limited resources to provide affordable housing. He commented that providing a good faith effort by permitting an increase in density and increased height limitations allows developers an opportunity to build affordable housing. He said, however, that allowing greater density and height limits must be weighed against the desire in the community to control density and limit height to maintain the character of the town. He said that the goal of the document is to express the best effort of the City to provide affordable housing. He indicated that once the document is submitted, the State will ask for additional comments as to how the City will comply with the goals.

Chairperson Seville-Jones requested that staff will address the comments included in Mr. Osterhout's e-mail as well as the comments received from the Senior Advisory Committee.

Director Thompson stated that staff has scheduled a meeting with the Senior Advisory

Committee and will discuss their concerns.

Commissioner Fasola indicated that the primary goal of the Housing Element is to promote the development of suitable housing to meet existing and projected demand while protecting the vitality of the existing residential neighborhoods. He said that the draft document is longer and hard to read and includes language that is not necessary. He asked whether the intent is to have a document that simply satisfies the State or if the intent is to actually implement programs that would improve the City. He said that he is struck by the loss of affordable housing that has occurred in the City with smaller homes being torn down and larger structures being built in their place which are less affordable. He indicated that multi-unit structures are also being torn down and replaced with large single family homes. He commented that there is no mention in the document of programs that would result in affordable housing being built.

Chairperson Seville-Jones said that other methods of retaining smaller homes can be considered when the Mansionization Ordinance is reviewed in two years. She suggested that the language in the document include that there will be a review of the Mansionization Ordinance to determine the number of smaller homes that have been preserved as a result of the Ordinance. She suggested that programs should be included in the report that the City would actually want to have implemented.

Commissioner Fasola commented that people used to live full time in the houses on The Strand, and now the homes are mainly secondary residences. He said that properties on The Strand used to include rental units, and now those units are being lost as the properties are rebuilt. He commented that the issue is whether the goal is really for the City to include an additional 895 units. He stated that he would be in favor of encouraging more affordable units, although others in the community may disagree.

Chairperson Seville-Jones said that she can understand that placing residential units above commercial uses in urban areas reduces traffic and the need to drive a car. She indicated that she is not convinced, however, that smaller residential units in the Downtown area would accomplish the goal of reducing the number of cars traveling on the street because it is not clear that the occupants would be walking to offices in the adjacent area. She said that the result of reducing parking requirements for residential units in the Downtown area would be allowing for larger density without any additional parking being provided. She asked whether it is an option that the Commission would actually wish to have studied further.

Commissioner Paralusz said that she would think that there would be a large number of residents who would oppose waiving parking requirements for new units in the Downtown area when there is already a huge congestion problem.

Director Thompson pointed out that the peak parking demand for residential is during nighttime hours would balance against the peak demand for the commercial and beach uses during the day. He indicated that there is space in the City parking lots to accommodate overnight parking.

Commissioner Fasola indicated that mixed use with small lots is already in place in the Downtown area. He suggested that developers would provide the most realistic solutions to the goal of providing more affordable housing. He pointed out that developers make more money when they build a larger number of units, and they would be able to come up with creative ideas. He suggested possibly reducing the parking requirement for a residential unit of 1,000 square feet to one parking space rather than two as currently required by the Coastal Plan.

Commissioner Paralusz suggested the possibility of only reducing the parking requirement in one area of the City. She commented that there is more street parking available in the east side of the City than in the downtown area.

Chairperson Seville-Jones indicated that would support 3d being eliminated or that it be studied rather than be stated as a goal.

Director Thompson pointed out that the State is not willing to approve Housing Elements which includes language suggesting that programs be studied rather than actually implemented. He said that the wording has been chosen in the document to attempt to provide for options that the State will find is meeting their goals.

Commissioner Fasola said that once the City commits to providing 895 units with the 2009 report, the State will continue to allocate additional housing in subsequent Housing Elements. He said that continuing to increase the density of the City changes its character, which he does not feel is the desire of the City.

Commissioner Fasola suggested that the programs be considered by different people with differing perspectives to determine the best options for actually providing affordable homes. He commented that the American First Homebuyer program has a price limit which is not sufficient for providing a home in the City where a family could reasonably live.

Chairperson Seville-Jones commented that a creative landscaping buffer has been used on an office building project on Manhattan Beach Boulevard which could be a model for buffering homes from the commercial district. She suggested that the use of building codes for water conservation and eliminating artificial lighting be referenced in the document.

Commissioner Fasola pointed out that the State already requires adherence to the building codes for energy efficiency, and that language could be left out of the document.

Chairperson Seville-Jones asked about the possibility of additional programs for seniors and using CBDG funds for senior programs.

Commissioner Lesser also asked about additional possibilities for providing senior housing and for CBDG block grants to be applied for low income housing. He commented, however, that the Council has traditionally traded the block grants and supported other service programs for seniors and low income residents.

Chairperson Seville-Jones suggested including outreach programs for seniors who may be more isolated and not as active in the community.

Director Thompson commented that program 3(c) in the document only identifies the property behind the mall as a potential site for senior housing. He said that he is not sure if the language will remain in the document after review from the City Council, as they are interested in the site being used for commercial development.

Commissioner Paralusz suggested that the Senior Advisory Committee may have further recommendations when they meet with staff. She indicated that she would also like for the document to reference outreach programs for seniors. She commented that more seniors may be attracted to living in the City because of services that are offered. She said that she would like for a statement to be included in the document as to whether the goals established in the 2003 Housing Element have been met.

Chairperson Seville-Jones suggested possibly adding language to delicately challenge the goal of achieving 895 additional units as unrealistic for Manhattan Beach. She pointed out that such language was included in the 2003 Housing Element but left out of the current document. She referred to the top of page 3-4 which includes language that the projections are historically not right for the City.

Commissioner Lesser commented that he respects that the requirements of the State for the language of the document are more stringent than as in the past; however, the language of the 2003 Housing Element was approved. He said that he agrees with the statement of Chairperson Seville-Jones that the language included in the 2003 Housing Element does help to provide a framework. He said that he sees problems with the City achieving the goals as written in the current report.

Chairperson Seville-Jones said that the previous 2003 Housing Element had texture and depth that is not reflected in the current document. She said omitting such language in the current document would be noticed when comparing it with the 2003 document. She indicated that page 3-7 of the 2003 report referenced market constraints and the difficulty of building in the beach section because of the sandy soil which helps to demonstrate why it is difficult to provide more affordable housing. She indicated that section 3-9 of the 2003 report referenced governmental constraints and the issues with converting condominiums which also are absent in the current document. She suggested that consideration be given to the reason why language that was included in the 2003 report has been omitted from the 2009 report and whether they should be included. She commented that the Housing Element is part of the General Plan. She indicated that the General Plan provides a history to the community which is absent from the subject document. She indicated that the 2003 report includes a written history along with the population statistics, and she is not certain why it is not included with the current report. She commented that she would like to consider whether the document should be more consistent with the language of the General Plan.

Ms. Genis said that some of the language of the 2003 report was left out of the current document in order to shorten it; however, it can be included.

Commissioner Paralusz indicated that she appreciates the work that has gone in to drafting the current document; however, she also feels that the context has been lost by streamlining the language from the 2003 report. She commented that the document should also reflect the vibrant and active character of the City which is lost by removing the background information. She said that she would like for more context to be included to better reflect the character of the community and to address the challenges of meeting the goal of providing an additional 895 units.

Chairperson Seville-Jones suggested shortening the language of the current document by eliminating the details with respect to the potential sites for adding housing on pages 45 and 46. She said that a general statement could be included instead to state that a meeting took place where potential sites were considered and that none appeared to be viable options because the School District is not offering the sites to the City and the armory is still in operation. She commented that the detailed information was helpful for consideration during the workshop, but she is not certain whether it needs to be included in the final document.

Director Thompson said that the item is tentatively scheduled to return to the Commission on April 22. He said that if staff is not able to complete work for the next meeting, it will be scheduled for a future date.

G. DIRECTORS ITEMS

H. PLANNING COMMISSION ITEMS

I. TENTATIVE AGENDA

1. Housing Element
2. Chevron- Use Permit – 2301 North Aviation Blvd.
3. CIP- General Plan Consistency Findings

J. ADJOURNMENT

The meeting was adjourned at 8:20 p.m. to Wednesday, April 22, 2009, in the City Council Chambers, City Hall, 1400 Highland Avenue

SARAH BOESCHEN
Recording Secretary

ATTEST:

RICHARD THOMPSON
Community Development Director

**CITY OF MANHATTAN BEACH
[DRAFT] PLANNING COMMISSION
MINUTES OF REGULAR MEETING
APRIL 22, 2009**

The Regular Meeting of the Planning Commission of the City of Manhattan Beach, California, was held on the 22nd day of April 2009, at the hour of 6:35 p.m., in the City Council Chambers of City Hall, at 1400 Highland Avenue, in said City.

A. ROLL CALL

Present: Fasola, Lesser, Paralusz, Chairperson Seville-Jones
Absent: None
Staff Present: Richard Thompson, Community Development Director
Jim Arndt, Public Works Director
Laurie Jester, Planning Manager
Angelica Ochoa, Assistant Planner
Michael Rocque, Assistant Planner
Michael Guerrero, Principal Engineer
Steve Fenton, City Engineer
Eric Zandvliet, Traffic Engineer
Recording Secretary: Sarah Boesch

B. APPROVAL OF MINUTES – April 8, 2009

Commissioner Fasola requested that the fifth paragraph on page 4 of the February 11 minutes be revised to read: "He indicated that he does not believe that the City has not taken steps to reach the stated goal on page 4 of the Housing Element of preserving existing neighborhoods by preserving the scale of development."

A motion was MADE and SECONDED (Paralusz/Lesser) to approve the minutes of April 8, 2009, as amended.

AYES: Lesser, Paralusz, Fasola, and Chairperson Seville-Jones
NOES: None.
ABSENT: None.
ABSTAIN: None

C. PRESENTATION

Public Works Director Jim Arndt introduced Steve Fenton, who is replacing Dana Greenwood as City Engineer

D. AUDIENCE PARTICIPATION

None.

E. PUBLIC HEARINGS

04/22/09-1 Consideration and Discussion of City's General Plan Housing Element

Director Thompson said that staff has made changes to the draft document as suggested by the Commission at the last meeting. He stated that staff has met with the Senior Advisory Committee to discuss their concerns regarding the document.

Planning Manager Jester indicated that the Senior Advisory Committee consists of members who represent several different senior groups throughout the City as well as members at large. She indicated that the group reports to staff. She stated that the Committee wanted to have an opportunity to review the Housing Element with staff and to provide their input. She said that staff showed the Committee members the programs that relate to seniors. She commented that the Committee had concerns with the potential for housing in the Manhattan Village mall overflow parking lot site that is owned by the City. She indicated that staff explained that there is no proposal for housing on any of the identified sites and this time and it would take years for any potential zone changes and General Plan amendments to be considered and approved and that the areas mentioned in the report are simply being identified as potential sites for housing. She said that the Committee also indicated that they would advocate low income vouchers for seniors. She said that staff pointed out that vouchers would not be only for seniors but would apply for all low income groups. She said that the Committee understands that staff's role is to prepare the document in accordance with State requirements to provide opportunities for senior housing but that the City does not have the financial resources to construct the housing. The Committee stated that it would provide comments for the May 19th City Council meeting.

In response to a question from Commissioner Lesser, Planning Manager Jester indicated that there were concerns expressed by the Committee regarding traffic and noise with the development of housing on the site east of the Manhattan Village Mall near the Manhattan Villas.

Director Thompson said that the revisions which have been made to the document have made it more readable. He commented that staff received an e-mail from Gary Osterhout after the staff report was written and has not had an opportunity to review his comments.

Chairperson Seville-Jones opened the public hearing.

There being no one wishing to speak, Chairperson Seville-Jones closed the public hearing.

Discussion

Chairperson Seville-Jones indicated that she would like further clarification regarding table 2 on page 5 of the draft report.

Sandra Genis commented that table 2 separates the different income categories in the City into very low, low, moderate and high, which provides the basis for the housing being assigned. She indicated that the aim of the table is to project how each program will provide housing units within the separate categories. She said that infill housing will sell at the market rate and would only be affordable for people within the upper income level. She stated that redeveloping double lots would be split between moderate and high income housing. She

indicated that second family units that are ancillary to a primary residence are estimated to be primarily available to the lower and moderate income groups. She commented that most people in the upper and moderate income levels would not choose to live in a secondary unit. She indicated that the incentive units are units that are provided under the City's housing incentive program which includes a density bonus or waiver of certain requirements in order to foster the provision of low income housing. She indicated that there may be some housing in commercial areas with amenities that would attract people in the upper income level, but many of the units would be smaller and geared toward younger people.

In response to a question from Chairperson Seville-Jones, **Ms. Genis** said that adding 300 units in the downtown is optimistic. She stated that the total number of new units included in the chart is 483, which is a shortfall of the State requirement. She indicated that there has been a reluctance to utilize additional sites, and the amount of vacant land in the City is limited.

Commissioner Lesser asked whether "New Unit Affordability" is the appropriate title for table 2. He commented that Mr. Osterhout's e-mail notes that the table also includes increased affordability, total newly affordable, and total units preserved. He asked if there is a broader reference that is more appropriate for the table.

Ms. Genis suggested that the title of the table could be changed to "Quantified Objectives for Housing."

In response to a question from Chairperson Seville-Jones, Director Thompson indicated that staff can address issues regarding the wording which would not change the document but rather simply provide clarification.

Commissioner Lesser said that Mr. Osterhout's e-mail also indicated that there is an absence of narrative in the document to put table 2 into greater perspective. He indicated that he would defer to staff as to whether additional narrative should be included to explain the relationship of the table with the rest of the document. He said that he recognizes that staff may not wish to emphasize the discrepancy between the number of units proposed and that were assigned to the City by the State; however, it is not addressed at all in the document. He commented that he would hope that staff would take into account the suggestions that are included in Mr. Osterhout's e-mail. He indicated that page 3 of the staff report under "Additional Housing-Affordable Housing in the Coastal Zone" references that there was little support by the Commission for potential affordable housing inclusionary programs. He said that his recollection was that the discussion was regarding the feasibility and challenges of such programs and not necessarily that the Commissioners were opposed.

Commissioner Paralusz said that she was pleased with the additional context that has been included in the document. She said that the revised document reflects that providing 895 additional units is not realistic and that the City is making a good faith effort to provide affordable housing. She indicated that the revised document also outlines the constraints of the City in providing additional housing.

Commissioner Fasola said that he has issues regarding whether the City actually intends to proceed with some of the programs in the report. He stated that he disagrees with the State handing down a mandate that the number of additional living units in the City must be increased. He stated that the process of preparing the Housing Element does allow an opportunity for the City to address issues regarding providing an opportunity for affordable housing. He said that the main characteristic of affordable units is that they are small. He indicated that existing duplexes or apartment buildings are being lost for larger single family

homes that are less affordable, and lot mergers are still allowed. He said that if the City is truly attempting to provide affordable housing, the language of the Code must encourage multiple unit buildings being built or discourage single unit buildings from replacing multiple unit buildings. He indicated that he does not feel that any methods that would be successful for encouraging affordable homes are included in the document. He commented that the revisions to the document have made it easier to read and is clearer than the previous draft, but he does not feel that it truly promotes affordable housing.

Commissioner Lesser thanked staff for being responsive to the concerns of the Commission. He said that staff has spent a great deal of time in responding to the comments of the Commission regarding the document. He commented the City has other pressing problems, and getting the document approved by the State is taking a great deal of time and resources of the City. He said that the State law imposes an unrealistic obligation on the City. He commented that the requirement of the State is for the City to generate a Plan to provide for the construction of an additional 895 housing units, which is not practical given the limitations of space, development patterns and economic constraints. He said that the role of the Commission is limited, and it is staff with the direction of the Council who is ultimately responsible for drafting a document that is approved by the State. He said that the question is whether the draft is the best possible that can be presented, and he feels the substance and format could be improved. He commented that he feels more programs could be developed in order to form a plan for generating affordable housing. He indicated that he would like more housing near the senior villas east of the Manhattan Village mall, but the property has been looked at for commercial development. He stated that he feels there could have been more substantive proposals presented in the document. He commented that the 2003 version of the document was much easier to read, and he would have liked for it to be used as a template. He said, however, that he would support the draft document and would leave it to staff to get it approved by the State.

Commissioner Paralusz thanked staff and the consultant for their patience and time and effort addressing the concerns of the public, Commission and seniors. She said that she shares the concerns of the other Commissioners; however, she finds that the document is substantially improved since the first draft and she would support it moving forward to the Council. She said that she is pleased that it is acknowledged in the document that providing 895 additional units is not realistic and that the City is putting forward their best plan for providing affordable housing.

Chairperson Seville-Jones also thanked staff and the consultant for their work on the document. She indicated that the document has come a long way from the original version, and staff has taken the comments from the public and Commission into consideration in making revisions. She said that the document now presents a position as to why it is not feasible to achieve 895 new units given the constraints of the community. She commented that she is against including program 3d to allow for smaller units in the downtown area without parking. She stated that the proposal to add units in the downtown area with relief for parking requirements would be allowing the State to mandate policies that are inconsistent with her wishes and what she imagines is the wishes of many members of the community. She said that the City is not going to be able to add 895 units, and the City is making a good faith effort which is consistent with the values of the community. She stated that she is willing to move the document forward to the City Council.

Director Thompson pointed out that there are programs included to promote high density housing, including adding units in the area by the Manhattan Village mall. He stated that the means of achieving high density and making units that are more affordable is by eliminate

parking requirements. He pointed out that the downtown area has a parking district which allows for commercial development with adequate parking, and the same requirements can also be considered for residential units. He said that requiring additional parking would significantly change the downtown area.

Chairperson Seville-Jones stated that her concern is that the City's goal as stated in 3d is for smaller units to be developed without parking. She suggested that the language of program 3d on page 76 be changed to "In order to facilitate development of residential uses, residential and commercial uses ~~would~~ could be treated equally for parking purposes, if the residential units are a small size ~~which limits parking demand~~ and the City concludes that it does not burden the District."

Director Thompson said that staff has studied the programs that are included in the document and is making a good effort to encourage smaller units in order to provide for more affordable housing.

Commissioner Fasola said that he is not certain that allowing second units in single family areas is desirable. He indicated that the loss of smaller units has changed the character of the City, and a cross section of people in the beach area is being lost. He commented that The Strand was an active and vibrant area 15 years ago, and now it is quiet. He said that there are no incentives in place for providing rental units.

In response to a question from Commissioner Lesser, Commissioner Fasola commented that some cities require that any development replace the same number of units in other areas if not on the property; however, he does not feel such a regulation is necessarily appropriate for Manhattan Beach.

Director Thompson commented that he does not feel that the City is willing to impose such requirements, which is why it was not included in the document.

Commissioner Fasola commented that there currently are no incentives for providing rental units.

Commissioner Lesser indicated that he is not certain that the discussion of the Housing Element is the appropriate forum for addressing Commissioner Fasola's concern of the changing character of the City, as the City is required to meet a State mandate with the Housing Element which follows a particular structure. He said that he feels the State requirement is flawed, but he is willing to move the document forward.

Chairperson Seville-Jones pointed out that the Mansionization Ordinance is helping to save existing smaller homes.

Director Thompson said that the concern expressed by Commissioner Fasola will be included in the staff report.

Action

A motion was MADE and SECONDED (Paralusz/Lesser) to **ADOPT** the draft Resolution to **APPROVE** the Housing Element with the change of the language to 3d on page 76 of the draft document as proposed by Chairperson Seville-Jones to state "In order to facilitate development of residential uses, residential and commercial uses ~~would~~ could be treated equally for parking purposes, if the residential units are a small size ~~which limits parking demand~~ and the City

concludes that it does not burden the District.”

AYES: Fasola, Lesser, Paralusz, Chairperson Seville-Jones
NOES: None
ABSENT: None.
ABSTAIN: None.

Director Thompson commented that the item will be scheduled for public hearing before the City Council for their meeting of May 19, 2009.

04/22/09-3 Consideration of Determination of Consistency of the Proposed Fiscal Year 2009-10 Capital Improvement Plan (CIP) with the City of Manhattan Beach General Plan

Principal Engineer Michael Guerrero summarized the CIP staff report. He indicated that the plan represents ongoing maintenance of the City's existing infrastructure based on available funding. He commented that there is an error on the last project under the water section titled "reconditioning well 15." He commented that the project amount is \$200,000 rather than \$20,000 bringing the total amount to \$7,274,956. He commented that many of the public works vehicles run on compressed natural gas, and the City is seeking to expand its facilities as the number of natural gas vehicles increases. He stated that there is an ongoing energy audit for the City's facilities, and there are improvements scheduled for next year. He said that two projects at the Public Works Maintenance Facility include the material storage facility cover and the fuel island cover. He commented that projects for pedestrian improvements and maintaining beach access include The Strand stair project and The Strand slope erosion control. He commented that there is also an automated parking meter pilot project proposed at the pier parking lot. He pointed out that improvements on arterial and collector streets are paid for with State, Federal, and County funds. He indicated that the annual slurry seal project is included for local streets. He said that the annual water main replacement project is included, which is part of the current water master plan.

In response to a question from Chairperson Seville-Jones, Director Thompson indicated that approval of the Resolution is a determination by the Commission of consistency of the projects included in the CIP with the City's General Plan.

In response to questions from Commissioner Paralusz regarding the energy audit improvements, Principal Engineer Guerrero indicated that there is not a timeline by which any corrective actions must be taken. With regard to the comments in Gary Osterhout's e-mail, he indicated that improvements to Begg Pool would be a Public Works Capital Improvement Project although it is currently unfunded. He pointed out that staff will outline the current CIP projects, the five-year CIP projects, and unfunded projects at the Parking and Public Improvements Commission meeting on April 23. He stated that the City Council determines the funding for projects. In response to the e-mail received from Gary Osterhout, he said that the City studies the streets every three years and rates them in terms of priorities. He stated that the CIP is based on available funding, and there is a list of unfunded projects. He indicated that most of the funded projects are arterial and collector streets because of the State, Federal and County requirements for expenditure of the funds. He said that local streets such as Bell Avenue would not qualify for such funds.

Commissioner Lesser said that he would like for traffic counts to be conducted regularly for the westbound traffic on Manhattan Beach Boulevard turning left onto southbound Sepulveda Boulevard in order to determine the need to add a second left hand turn lane in the event

funding becomes available.

In response to a question from Commissioner Fasola, Principal Engineer Guerrero said that the \$600,000.00 allotment for parking meter improvements at the pier parking lot is a pilot project. He indicated that the funds are from the State Pier and Parking Lot Fund and can only be spent at the pier. He stated that the success of the pilot program will determine the priority for next year. He commented that the program is to enhance the parking meter cash key system and to provide electronic feedback to show when a meter is expired and whether parking spaces are open or full. He said that the \$600,000.00 from the State fund could also be used for structural improvements to the pier; however, the amount required for that project will not be known until the structural study is complete. He indicated that the \$600,000.00 cost for the pilot project could also be reduced and most likely will not increase.

In response to a question from Chairperson Seville-Jones, Public Works Director Arndt indicated that the particular amount of funding proposed is to expand the natural gas facilities that serve the City's vehicles. He indicated the City Council has an interest in joining a regional facility. He indicated that the money is definitely going to expand the City's facilities, and any regional project is not finalized.

Chairperson Seville-Jones commented that she has difficulty in making a determination that \$1,000,000.00 is necessary for energy audit improvements when the audit has not yet been conducted.

Public Works Director Arndt said that the funding is a place holder in case it is needed for energy audit improvements. He indicated that the City will be entering into a contract with a consultant to look at the energy use of all of its facilities. He indicated that the funding is intended to provide available money depending on the outcome of the audit. He pointed out that the funds are part of the general fund which will be in competition with many other projects under consideration by the City Council. He indicated that setting aside the funds for the project does not mean that the full amount will be used towards the energy audit improvements.

Chairperson Seville-Jones asked whether the determination of consistency of the CIP with the General Plan should be made once the programs are known after the energy audit is completed.

Director Thompson said that the City Council must have a determination of consistency before they can take action. He indicated that the projects will not be changed; however, the priorities and the funding will most likely be changed.

Chairperson Seville-Jones opened the public hearing.

There being no one wishing to speak, Chairperson Seville-Jones closed the public hearing.

Discussion

Commissioner Paralusz said that she would support the finding that the CIP is consistent with the General Plan. She commented that she would like the Council to consider funding improvements to Begg Pool. She indicated that as it is not known how much will be necessary to spend on energy audits, she would like for consideration to be given to spending a portion of the \$1,000,000.00 on the pool since it would also come from the capital improvement fund. She said that there is a need to fix the pool.

Commissioner Fasola indicated that he would also like for the City Council to consider funding improvements to Begg Pool.

Chairperson Seville-Jones commented that Begg Pool is one of a list of unfunded capital improvement projects. She said that she does not have sufficient information for priorities for unfunded projects, as the Commission was not provided with a list of potential projects. She suggested that the list of unfunded projects be provided along with the CIP when it comes before the Commission next year.

Director Thompson pointed out that the role of the Commission is not to prioritize projects but rather only to determine consistency of the plan with the City's General Plan.

Commissioner Lesser commented that he recognizes that the role of the Commission is limited to finding consistency of the CIP projects with the General Plan. He indicated that he can make the finding of consistency for each of the projects. He commented that he appreciates Chairperson Seville-Jones' comment regarding the issue of authorizing funds in advance for the energy audit improvements. He stated, however, he finds that the process is consistent with the General Plan, in that it allows for funding to be available to implement any necessary improvements.

Commissioner Fasola said that he feels the Commissioners should see the potential projects that are not funded in order to have a context for the CIP and would suggest that the list of unfunded projects be provided to the City Council.

Director Thompson said that the list of unfunded projects will be provided to the Council. He pointed out that the purpose of the Commission is to consider the description of the projects rather than the funding.

Chairperson Seville-Jones indicated that she also finds the projects included in the document are consistent with the General Plan.

Action

A motion was MADE and SECONDED (Lesser/Fasola) to **APPROVE** a Determination of Consistency of the Proposed Fiscal Year 2009-10 Capital Improvement Plan (CIP) with the City of Manhattan Beach General Plan

AYES: Fasola, Lesser, Paralusz, Chairperson Seville-Jones
NOES: None
ABSENT: None.
ABSTAIN: None.

04/22/09-3 Consideration of Use Permit to Construct a New Gas Station 24-Hour Food Mart with Beer and Wine Sales, Drive-Thru Coffee Area and Self Serve Car Wash and Adoption of a Negative Declaration of Environmental Impacts at 2301 North Aviation Boulevard

Assistant Planner Ochoa summarized the staff report. She commented that the applicant has provided a sound analysis report since the staff report was written which has been provided to the Planning Commissioners. She indicated that staff received an e-mail from the applicant yesterday, Tuesday, April 21 withdrawing the proposal for a coffee area and drive-thru service. Due to the lateness of the revision staff did not have an opportunity to review the revised

proposal and will present the original project to the Commission. The applicant will go over the proposed revisions with the Planning Commissioners. She said that staff received an e-mail from a resident with concerns regarding lighting, noise and circulation resulting from the project but was overall supportive of the project. She commented that the subject site is a wide intersection with a large amount of traffic. She indicated that the proposal is to demolish all of the existing uses on the site and to add a food mart. She stated that the applicant is requesting an alcohol license to sell beer and wine for off site consumption. She indicated that the proposal also includes a self-serve carwash and four fuel pump islands. She stated that the applicant is proposing that the food mart and gas station operate 24 hours. She indicated that there would be no eating or seating area on site. She stated that the carwash is proposed to operate between 6:00 a.m. and 9:00 p.m., and the hours proposed for alcohol sales would be between 7:00 a.m. and 10:00 p.m. She commented that 29 parking spaces are proposed. She commented that street dedications are proposed on both Aviation Boulevard and Marine Avenue at the request of the Public Works and Engineering Departments. She pointed out that a notice was mailed to property owners within 500 feet and was published in the Beach Reporter. She indicated that one comment was received with concerns regarding traffic, noise, lighting, the sale of alcohol and 24 hour operation of the gas station and food mart. She said that comments from other departments will be addressed in the conditions if the project is approved. She said that staff is concerned with the number and scale of the uses proposed for the site which impact traffic, circulation and parking. She commented that 24 hour operation for the food mart and the selling of alcohol also are concerns. She stated that an acoustical analysis was provided by the applicant regarding the carwash; however, staff has a concern with noise from the overall site operations which was not addressed. She indicated that staff has a concern that keeping the existing pole sign would exceed the allowable signage and would require a sign exception.

In response to a question from Commissioner Fasola, Director Thompson said that staff had a concern that the applicant was proposing too many uses for the site and that the applicant did not address the concerns sufficiently. He commented that if there is general support for the project by the Commission, staff will work further with the applicant. He indicated that the applicant has indicated that they are willing to eliminate the drive-thru coffee service and the inside coffee area. He commented that staff is pleased with the direction of the applicant in scaling down the project.

Commissioner Lesser said that it would be helpful for the Commissioners to see a new plan for the project, as it has now been revised from the previous plans. He requested that the Commissioners be provided with information regarding the conditions placed on the operation of the Mobil gas station at the northwest corner of Aviation Boulevard and Manhattan Beach Boulevard.

In response to a question from Commissioner Paralusz, Assistant Planner Ochoa said that staff has briefly reviewed the noise report provided by the applicant, and it appears to basically address the noise of the carwash.

Commissioner Fasola commented that the carwash at the Mobil station on the corner of Aviation Boulevard and Manhattan Beach Boulevard is definitely closer to residential uses and it is located on a smaller site.

Chairperson Seville-Jones asked for more information regarding other stations in the City that are open 24 hours and regarding the sale of beer and wine at those stations. She also asked that staff provide the addresses of the gas stations to allow the Commissioners to visit the sites.

Ahmad Ghaderi, ANS Engineering, 207 West Alameda, Burbank, representing the applicant, said that the subject site is currently developed as a service station with service bays and a small snack shop. He indicated that the original proposal for the project was submitted in 2007. He said that when it was originally submitted, the proposal was to convert the building to a food mart and a self serve automated carwash on the west side of the property. He indicated that the original proposal was abandoned because of the 12 feet of dedication on Aviation Boulevard and additional landscaping that would have resulted in the pump island being unusable. He said that the subsequent proposal was to construct a 3,800 square foot food mart with specialty coffee sales along the west of the property, a 1,980 square foot carwash along the north side of the property, and a new canopy. He said that the same number of fueling pumps would remain. He stated that the changes have allowed the applicant to meet the 12 foot of dedication along Aviation Boulevard. He pointed out that they are also proposing an enhanced architectural design and increased landscaping. He indicated that the changes have resulted in a cleaner and more functional project.

Mr. Ghaderi stated that they were surprised by staff's concerns that were expressed in the staff report. He pointed out that they are exceeding the parking requirements. He commented that the parking spaces at the Chevron station at the corner of Sepulveda Boulevard and Rosecrans Avenue are located much closer to the canopy island. He indicated that the revised layout has greatly improved the traffic circulation with the new orientation of the pumps. He stated that it is imperative that they retain the existing sign. He commented that the existing improvements on the north side of the property along Aviation Boulevard impact the view of the site, and changing from a pole sign to a monument sign would put them at a disadvantage to other stations. He stated that they have agreed to change the sign to a monument sign at the time the City utilizes the 12 foot dedication along Aviation Boulevard. He commented that 24 hour operation for gas and food sales is a requirement of their contract with Chevron. He said that the largest amount of noise would be generated from the carwash, and they have located it on the north side which is the furthest from residences. He pointed out that they will meet the City's noise ordinance. He commented that they would be willing to submit an acoustical study for the entire site. He indicated that his client has withdrawn the proposal for a specialty coffee use and drive-thru service, although they still would plan to sell coffee as part of the foot mart.

Mr. Ghaderi pointed out that the property is 39,000 square feet, which is one of the largest for the type of use in the area. He indicated that they are also willing to reduce the size of the structure from 3,800 square feet to 3,200 square feet. He pointed out that the use has been in operation for 40 years, and the adjacent residents are well aware of its location. He said that the proposed renovation will improve the site, and there is no nexus with the project to a reduction of the surrounding property values. He pointed out that there are many service stations in the area which operate 24 hours near residential, and the sale of alcohol would be for off-site consumption only. He commented that the hours proposed for the carwash are between 7:00 a.m. to 10:00 p.m. He pointed out that the use draws from the existing traffic on the street. He stated that they are willing to shield the lighting facing residential areas. He indicated that his client is required by their contract with Chevron to rebuild the site by October of this year.

Chairperson Seville-Jones opened the public hearing.

Audience Participation

Gabriella Mohia, a resident of the 1800 block of 23rd Street, stated that there has been growth and development in the area at a rapid pace that has resulted in impacts regarding traffic and noise. She said that she is concerned with the environmental impact and security. She indicated that the proposal is to have access to liquor next to a soccer field. She commented

that there is already a great deal of traffic on Aviation Boulevard. She stated that the lights from the field shine onto their back yard, and she has a concern with light from the station and carwash. She commented that there currently are other carwashes, gas stations and liquor stores within a quarter mile of the site. She said that she recognizes that the property owner has the right to develop their property and expand; however, it needs to be weighed against the impact to the community.

Jonathan Gordon, a resident of the 1800 block of 23rd Street said that the Commission should not be influenced by a contractual obligation of the applicant that are compelling them to make the proposed changes hastily.

Kate Budlong, a resident of the 1800 block of Marine Avenue, indicated that a letter with her concerns were included as attachment H to the staff report. She said that the service being offered by the station is not needed or desired by the community, as there are many other similar uses in the area. She stated that the proposal would continue to sacrifice the adjacent residential neighborhood in favor of retail use. She indicated that the City is caving in to many different types of retail uses. She commented that 24 hour mini marts and liquor sales are not needed in a small city. She said that the lights of the station are currently shut off at midnight. She indicated that a decision to favor retail uses in order to increase tax revenue for the City should be decided by a vote. She commented that 24 hour operation of the station would add lights, traffic, noise, and people to the area at all hours. She said that there currently is an issue with vandalism in the area, and 24 hour operation would increase crime.

Ms. Budlong indicated that liquor sales are inappropriate in a residential area, and there currently are other locations in the area that sell alcohol. She commented that people visiting the youth soccer fields would purchase alcohol at the station to consume during long games. She said that there is also a concern with only two people working at the station at any one time being able to control liquor sales. She commented that traffic patterns on the site are complex and need careful review. She suggested that all of the access to the site be provided off of Aviation Boulevard with no access being provided from Marine Avenue. She commented that Marine Avenue is currently overburdened and is not able to support any additional traffic. She stated that there is a concern with additional traffic on Marine Avenue late at night. She said that headlights from cars lining up at the carwash and cars existing the gas pumps and mini mart would shine directly into homes. She said that many drivers have very loud stereos, which would be an additional impact to the residents with cars stopping at the station late at night. She indicated that property values in the City already have dropped. She indicated that home values on her block have long been impacted by the presence of the station and by the increase of traffic on Marine Avenue as Rosecrans Avenue has continued to be developed. She indicated that 24 hour operation of the station would further decrease home values.

In response to a question from Commissioner Fasola, **Ms. Budlong** indicated that her first choice for the site would be for it to be used as a park.

In response to a question from Commissioner Paralusz, **Ms. Budlong** suggested the possibility of adding a sound wall along Marine Avenue in front of the station similar to the existing wall along Aviation Boulevard. She also suggested that access to the station only be provided along Aviation Boulevard.

Ms. Mohia said that their main concern was the scale of the proposed development for the site with the car wash and larger food mart. She indicated that they also have a large concern with the sale of alcohol.

Mr. Ghaderi said that people now mainly take their cars to the dealer for repairs rather than gas stations. He said that the carwash is necessary in order to provide additional revenue with the loss of business from vehicle repairs. He commented that remodeling the site would be a great asset to the City. He indicated that the reconfiguration of the gas pump islands would reorient the direction of the cars and prevent the headlights from shining into the adjacent homes. He pointed out that the proposal is for a beer and wine license which is similar to other stations in the area, and liquor sales would be very limited. He indicated that they are willing to relocate the lights far away from the property line to shield them from the adjacent residences. He commented that the building can also be located further north on the property to create an additional landscape buffer to the adjacent properties. He pointed out that it would not be feasible to block access to the site from Marine Avenue, and they must be able to provide easy access to their customers. He indicated that several customers that are supportive of the project live on Marine Avenue. He commented that the Zoning Code allows the site to be developed with up to a 65,000 square foot building.

Chairperson Seville-Jones closed the public hearing.

Discussion

Traffic Engineer Zandvliet commented that closing the driveway on Marine would not change the traffic circulation on the street. He said that blocking access from Marine Avenue would adversely impact cars entering and exiting the site and would result in more U-turns and left turns on the adjacent streets. He stated that the proposal which includes two driveways provides the minimum access that is feasible for the site, and eliminated the two driveways that are closest to the corner which are in poor locations. He pointed out that the traffic circulation within the site is very good with full circulation around all of the pumps and adequate space for vehicles to back up from all of the parking spaces.

In response to a question from Commissioner Lesser, Traffic Engineer Zandvliet indicated that a traffic impact analysis is not required because the project would generate fewer than 50 new net trips within a peak hour. He commented that the proposed uses are similar to the existing uses in terms of generating new trips to the site. He pointed out that most trips to gas stations are from cars that are already on the road for another reason.

Commissioner Lesser said that the Commission does consider the concerns of the residents regarding public safety as paramount in reviewing the project. He commented that he understands the concerns of the residents regarding liquor sales and increasing density; however, the Commission must also balance the property rights of the property owner. He indicated that fuel stations are phasing out service bays and need to find alternative ways of generating revenue. He said that he feels it is necessary to see a revised plan in light of the applicant being willing to withdraw the drive-thru coffee service. He commented that he would strongly encourage the applicant to study the Sign Ordinance and to consider whether the grounds for a Variance are met. He indicated that he would like further information regarding comparative hours of operation and hours permitted for alcohol sales for similar uses. He said that he would also like for further review of the acoustical analysis as well as lighting regarding the impacts to the neighbors. He commented that he is looking forward to seeing a revised proposal, and he is pleased that the applicant is willing to work with staff.

Commissioner Paralusz also thanked the residents and applicant's representative for their input. She indicated that the Commission must balance the public interest with the interest of the property owner. She commented that she uses the station and shares the concerns of the residents. She indicated that she also shares the concerns of the property owner in being able to

develop their property. She stated that she is looking forward to seeing the revised plans at the next meeting. She stated that she would like a comparison of the project with other service stations that are currently operating or that have recently operated in the City including the Shell station and Manhattan Beach Fuel that were across the street from each other on Manhattan Beach Boulevard and Sepulveda Boulevard. She commented that her recollection is that the Shell station and Manhattan Beach Fuel did not operate 24 hours, although she believes the Mobil station at Aviation Boulevard and Manhattan Beach Boulevard does operate 24 hours. She stated that she also would like information regarding the operating hours for other stations and the hours permitted for beer and wine sales at the Mobil station. She pointed out that the City is not a party to any contract between the property owner and Chevron, and the City can impose its own restrictions. She said that she would be interested to see the language of the agreement. She commented that she is also interested in more information regarding the hours of operation of the adjacent Marine Avenue Park field and the security procedure for the hours during which the park is closed. She commented that she has a concern with security, particularly regarding someone being able to purchase alcohol at the station and access the park. She said that she would like consideration to be given as to whether people would actually purchase alcohol and consume it at the park while they watch a game. She also asked whether there is currently an issue of people purchasing alcohol at Trader Joe's and accessing nearby Polliwog Park. She said that she also questions whether keeping the existing sign would meet the criteria for granting a Sign Exception. She commented that she would like for the applicant to consider proposing an alternative to the existing sign in the event it does not meet the necessary criteria. She pointed out that blocking access to the station from Marine Avenue would back up traffic on Aviation Boulevard.

Commissioner Fasola stated that he appreciates the comments of the adjacent neighbors who would be impacted by the project. He commented that the flow of the cars through the site would be improved with the proposed configuration of the driveways. He also indicated that the headlights from the cars visiting the station would face east and west rather than toward the adjacent residences with the proposed configuration. He indicated that the site has a large parking lot in the back that is not utilized, and it is anticipated that the site would be redeveloped. He commented that he does not object to food sales or the carwash, although he was not in favor of the drive-thru service. He indicated that he does have a concern with alcohol sales, and his understanding is that alcohol is not permitted to be sold after 2:00 a.m. He stated that he would not want for the facility to operate 24 hours. He commented that Aviation Boulevard has a quieter character than Sepulveda Boulevard or Manhattan Beach Boulevard. He pointed out that the site would be developed with a more intensive type of use if the gas station fails. He suggested that the design of the roof of the proposed structure be reconsidered.

Chairperson Seville-Jones said that she also agrees with many of the comments of the other Commissioners. She commented that she would not be in support of 24 hour operation. She said that if 24 hour operation is considered, she would like to have a comparison of other similar 24 hour operations in relation to neighboring residences. She stated that there does not appear to be a critical need for the station to operate 24 hours. She commented that she would also like for the hours of operation of the food mart and the carwash to be clearly defined and sensitive to the adjacent neighbors. She indicated that she has a concern with liquor sales given the proximity to the adjacent neighborhood, parks, and the alleyway. She stated that she also would have a concern as to whether people would be able to access the fields after purchasing alcohol. She commented that a lighting plan would be helpful to demonstrate that the light would not be intrusive to the neighbors. She suggested that the residents review the Conditional Use Permit in order to understand the restrictions placed on the use. She commented that it would not appear feasible to block the site from Marine Avenue with a sound

wall, although she would be interested in other creative methods to block noise with landscaping. She indicated that she also would like a comparison of the proposed use with other stations and their hours of operation.

Chairman Seville-Jones **REOPENED** the public hearing and **CONTINUED** the item to May 27, 2009.

F. BUSINESS ITEMS

None.

G. DIRECTORS ITEMS

None.

H. PLANNING COMMISSION ITEMS

None.

I. TENTATIVE AGENDA

J. ADJOURNMENT

The meeting was adjourned at 9:40 p.m. to Wednesday, May, 13, 2009, in the City Council Chambers, City Hall, 1400 Highland Avenue

SARAH BOESCHEN
Recording Secretary

ATTEST:

RICHARD THOMPSON
Community Development Director

**CITY OF MANHATTAN BEACH
COMMUNITY DEVELOPMENT DEPARTMENT**

TO: Planning Commission
THROUGH: Richard Thompson, Director of Community Development *RT*
FROM: Michael P. Rocque, Assistant Planner *MR*
DATE: November 12, 2008
SUBJECT: Consideration of a Comprehensive Update to the City's General Plan Housing Element.

RECOMMENDATION

Staff recommends that the Planning Commission CONDUCT THE PUBLIC HEARING and RECOMMEND to the City Council approval of the Housing Element, and adoption of a Negative Declaration of environmental impacts in accordance with the California Environmental Quality Act (CEQA).

BACKGROUND

The Housing Element is one of seven mandated elements that must be included in a city's local General Plan in accordance with State law. The legislative purpose of a Housing Element is to ensure that cities assist in implementing a State-wide housing goal and that local governments adequately plan to meet the existing and projected housing needs of all economic segments of the community. The law also acknowledges that, in order for the private market to adequately address housing needs and demand, local governments must adopt land use plans and regulatory systems which provide opportunities for, and do not unduly constrain, housing development. The Housing Element also functions as the City's long range plan for housing.

The intent of the State Legislature is to accomplish the following objectives (Government Code Section 65581):

- (a) To assure that local governments recognize their responsibility in contributing to the attainment of the State's housing goals.
- (b) To assure that local governments prepare and implement housing elements that, along with corresponding federal and state programs, will move towards the attainment of the State' housing goals.
- (c) To assist each locality in determining what is required to enable the community to meet existing housing need and future housing demand.
- (d) To ensure that local government cooperate with other public agencies in order to address the regions housing needs.

State law requires that local governments review and update their Housing Elements every five (5) years. Housing element law also requires the Department of Housing and Community Development (HCD) review local housing elements for compliance with State law and to report its written findings to the local government prior to and after adoption. The Manhattan Beach Housing Element was most recently updated in 2003. The proposed Housing Element will meet the statutory requirements for the current planning period which began in 2005 and ends in 2011.

On January 15, 2008 the City Council authorized a contract with a Housing Element consultant to prepare the updated Housing Element. Staff has prepared an updated Element in compliance with State law with assistance from Sandra Genis, Planning Resources. Upon review and recommendation by the Planning Commission, staff will make the appropriate changes, as directed and then take the revised draft document to City Council for their review and approval. Once City Council approval is attained, staff will forward the document to the State Department of Housing and Community Development (HCD) for its review.

DISCUSSION

A Housing Element must include the following components:

1. Assessment of existing and projected housing characteristics and needs;
2. Identification of adequate sites for housing;
3. Inventory of resources and constraints which would affect meeting housing needs;
4. Statement of community goals, policies, quantified objectives and scheduled programs for the preservation, improvement, and development of housing.

The needs analysis must address special needs groups such as the elderly, handicapped, large families, and homeless. The primary goal of the City of Manhattan Beach Housing Element is to promote the development of suitable housing to meet existing and projected demand, while protecting the vitality of the existing residential neighborhoods. The draft Housing Element contains five (5) sections. The following is a brief summary of each.

Section 1. Introduction

This section provides an overview of the purpose and scope of the Housing Element, and describes its content.

Section 2. City Profile

This section provides a breakdown of the overall demographics and socioeconomic characteristics of the City and contains the technical analysis for the Element. The key sources include the Federal Census (2000 data), many local housing resources, and the Department of Housing and Urban Development (HUD).

Section 3. Housing Need

This section identifies housing need projections developed by the Southern California Association of Governments (SCAG) as part of the Regional Housing Needs Assessment (RHNA) for the City and other regional growth projections. The City's RHNA allocation in meeting the regions housing need is identified. This allocation of 895 new housing units by June 30, 2014 is established by SCAG, and the City does not have the ability to modify the number. This section also identifies how the City plans on meeting its special need groups such as the Handicapped, Elderly, Large Families, Female-headed households, and the homeless.

Section 4. Opportunities and Constraints

This section highlights the opportunities for housing allocation and identifies trends and potential development constraints that could inhibit the City's ability in meeting its RHNA allocation over the current planning period. This section also provides quantified housing objectives that are more likely to be achieved.

Section 5. Goals, Policies, and Programs

This section illustrates the City's housing policies and identifies those programs that will implement those policies. This is the section of the Element that requires implementation. State law requires that housing policies shall address the following issues: 1) conservation of existing affordable housing stock; 2) strategies that will effectively assist in development of affordable housing; 3) provision of adequate sites to accommodate a diversity of housing types; 4) removal of governmental constraints as necessary; and 5) strategies for promoting equal housing opportunities.

Some of the policies contained in the draft element are a continuation of those identified in the current (2003) document along with some new policies that create and encourage the use of green building practices, as well as to comply with State Law requirements.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

An Initial Study was prepared pursuant to the California Environmental Quality Act (CEQA) for the Draft Housing Element. While the Housing Element itself will not directly result in a specific development or physical change to the environment, it contains policy that will promote new housing. Therefore, the Initial Study is based on the potential development that may result if the housing production in its policies is realized. The Initial Study determined that there is no significant impact from the project and a Negative Declaration of environmental impacts in accordance with CEQA should be issued.

PUBLIC NOTICE

A notice of the Planning Commission review hearing and availability of the draft element and Initial Study was published in the Beach Reporter on October 30, 2008. The draft Element has been made available at the Library and City Hall, and copies of the draft Element are available to the public at the Department of Community Development and posted on the web.

ATTACHMENTS

Exhibit A: Draft Housing Element

Exhibit B: Draft Initial Study and Negative Declaration in accordance with CEQA

Draft

HOUSING ELEMENT

FOR THE

CITY OF MANHATTAN BEACH

OCTOBER 2008

Prepared for:
City of Manhattan Beach
1400 Highland Avenue
Manhattan Beach, Ca.

Prepared by:
Sandra Genis, Planning Resources
1586 Myrtlewood St.
Costa Mesa, Ca.

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INTRODUCTION

The housing element is one of seven state mandated elements that must be included in a local general plan. When adopting requirements regarding the content of Housing Elements, it was the stated intent of the California State Legislature as expressed in Section 65581 of the Government Code:

- (a) To assure that counties and cities recognize their responsibilities in contributing to the attainment of the state housing goal.
- (b) To assure that counties and cities will prepare and implement housing elements which, along with federal and state programs, will move toward attainment of the state housing goal.
- (c) To recognize that each locality is best capable of determining what efforts are required by it to contribute to the attainment of the state housing goal, provided such a determination is compatible with the state housing goal and regional housing needs.
- (d) To ensure that each local government cooperates with other local governments in order to address regional housing needs.

The state housing goal, as declared in Section 65580 (a) of the California Government Code is that:

...the early attainment of decent housing and a suitable living environment for every California family is a priority of the highest order.

Thus, the purpose of a local housing element is to assure that state housing goals are achieved at the local level. At the same time, local conditions are to be considered and local autonomy is to be preserved.

A housing element must contain an assessment of existing housing needs, an inventory of resources and constraints which would affect meeting those needs, and a statement of community goals, policies, and quantified objectives designed to help maintain, preserve, improve, and develop housing. The needs analysis must address special needs groups such as the elderly, handicapped, and large families.

This element was made available for public review _____ . A public workshop regarding the element was held _____ . Public hearings were held _____ .

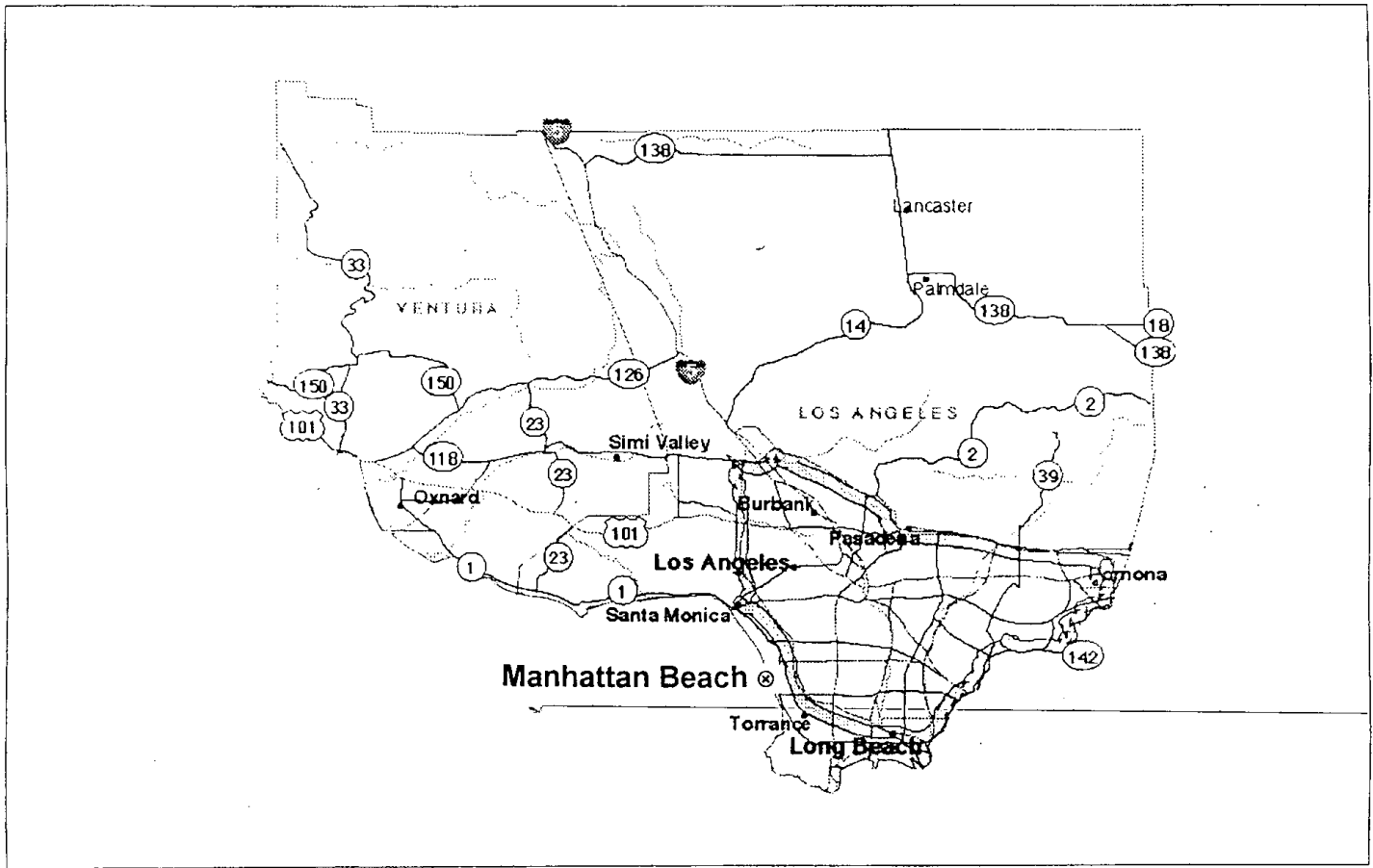
CITY PROFILE

The City of Manhattan Beach is located within the southwestern coastal portion of Los Angeles County in what is commonly referred to locally as the "South Bay" area (Figure 1). To the north is the City of El Segundo, to the east is Redondo Beach, to the south is Hermosa Beach, and on the west the Pacific Ocean. The City has a total land area of 2,017 acres (2.79 square miles).

The City is made up of several distinct neighborhoods which are grouped into "planning areas" that reflect the City's unique and varied environment (Figure 2). These planning areas are as follows:

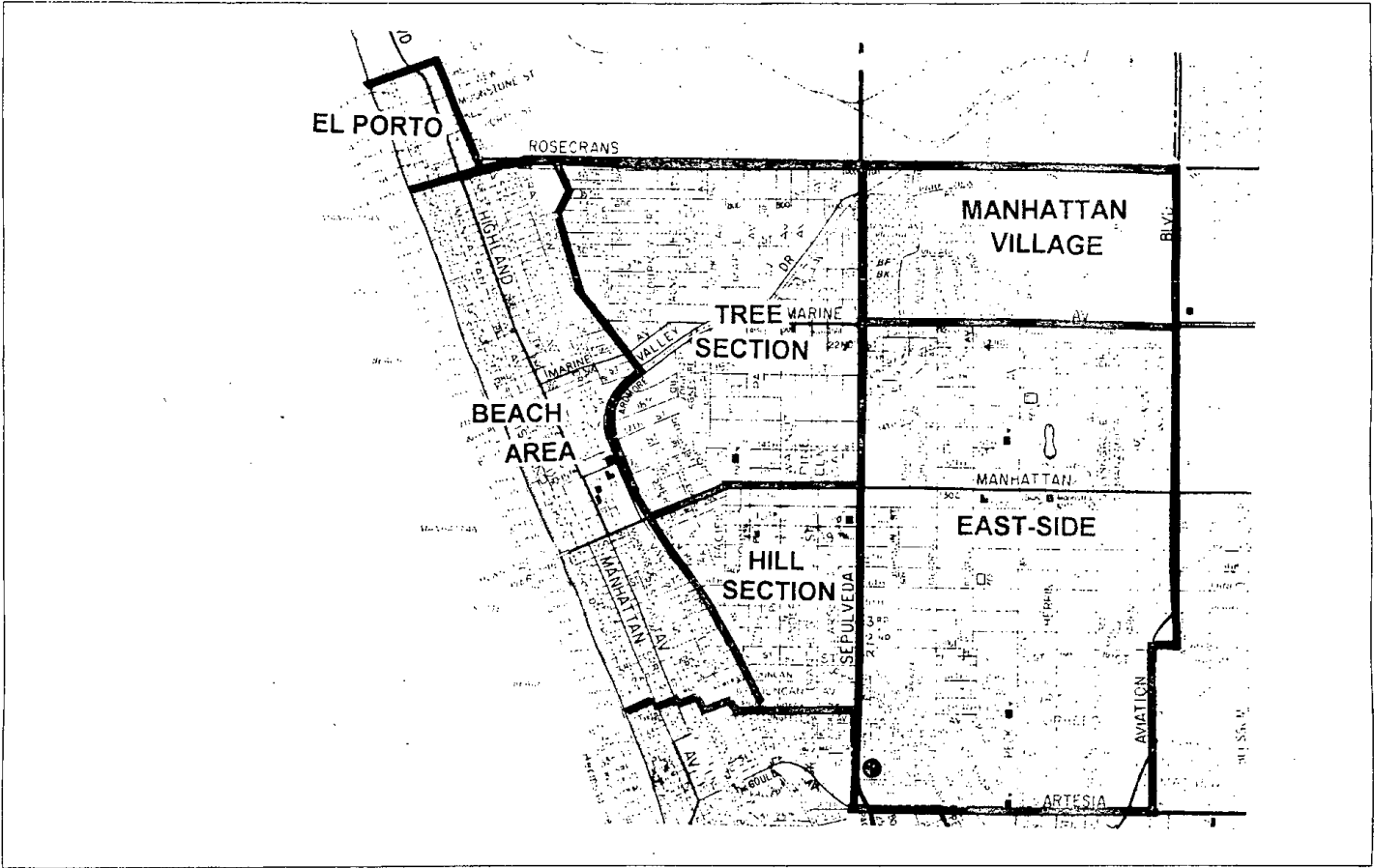
- Beach Area - This area contains most of the City's multi-family rental housing. Lots in this area are small with generally less than 3,000 square feet, and parking for residents and visitors is in short supply. The General Plan calls for the maintenance and enhancement of the "Village" atmosphere within the downtown commercial district. The City's goal is to promote the preservation of the small specialty retail and service activities that serve both visitors to the beach and local residents while also encouraging mixed-used residential/commercial development.
- Hill Section - This area consists primarily of single-family residential development, with commercial and higher-density residential development limited to Sepulveda Boulevard and Manhattan Beach Boulevard. The City's General Plan promotes the maintenance of single-family neighborhoods. Higher-density, multiple-family residential development is directed to those parcels located on either side of Manhattan Beach Boulevard, which is already developed with a mix of commercial and multi-family residential uses.
- East-Side/Manhattan Village - This includes all of the City's land area located east of Sepulveda Boulevard, and a large proportion of the City's commercial and residential uses is within this area. The City's land use policy calls for the preservation of the existing character of the residential neighborhoods located in the areas. Medium-and high-density residential development is located along Manhattan Beach Boulevard, Artesia Boulevard, and in areas adjacent to Manhattan Intermediate and Meadows schools, which are designated exclusively for multiple-family residential development.

Manhattan Village includes a substantial amount of regional commercial and office development as well as a significant number of condominium units.



MANHATTAN BEACH REGIONAL LOCATION

FIGURE 1



MANHATTAN BEACH PLANNING AREAS

FIGURE 2

- **Tree Section** – This is the portion of the City located to the east of Bell Avenue and northwest of Valley Drive. The area will remain almost exclusively single-family residential under the policies contained in the General Plan. A small portion of the area adjacent to Sepulveda Boulevard is designated for commercial uses.
- **El Porto** – This area was formerly the unincorporated community of El Porto and is located north of 38th Street between the ocean and the City of El Segundo. The area is developed with a mix of residential and commercial uses. El Porto has the highest residential development intensities found in the City. The General Plan protects the mix of multi-family and commercial development presently existing in this area.

POPULATION

According to the most recent Department of Finance (DOF) estimates, the City's population was 36,505 persons as of January 1, 2008, while the number of housing units in the City totalled 15,486 units. Total households were estimated at 14,911.

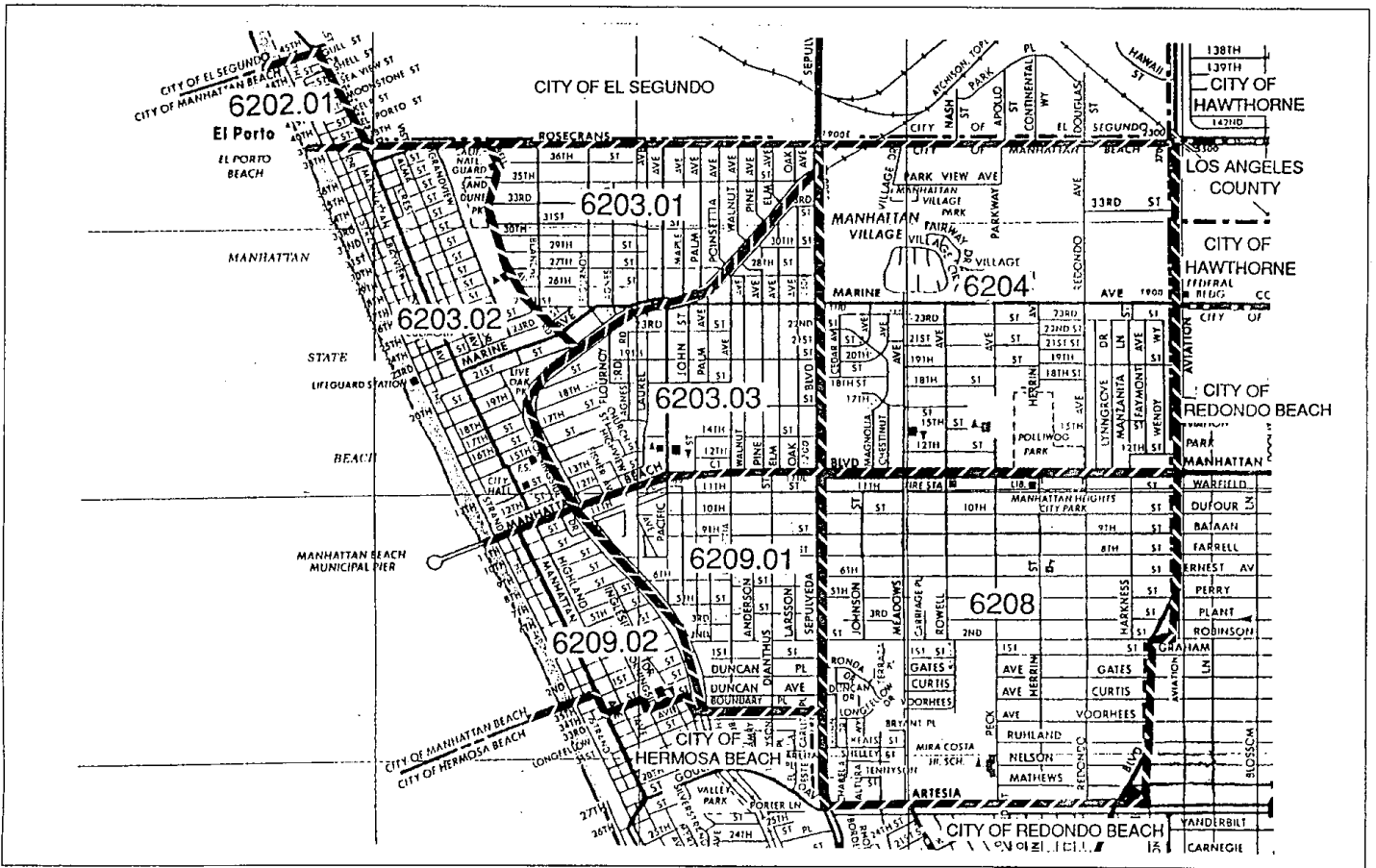
The City has been divided into eight census tracts which correspond with City planning areas as follows (Figure 3):

TABLE 1 PLANNING AREAS

Planning Area	Census Tract
Beach Area	6203.02 and 6209.02
Hill Section	6209.01
East-side/Manhattan Village	6208 and 6204
Tree Section	6203.01 and 6203.03
El Porto	6202.01

POPULATION GROWTH

The City of Manhattan Beach was incorporated in 1912, and grew rapidly until the 1960's (Table 2). The City experienced the most rapid growth in the 1930's 1940's and 1950's, and actually experienced a population decline in the 1970's (Table 1), dropping from 35,352 to 31,542.



MANHATTAN BEACH CENSUS TRACTS

FIGURE 3

TABLE 2
POPULATION GROWTH

	Population	Change	Percent Change
1912	600	*	*
1920	859	259	43.17%
1930	1,891	1,032	120.14%
1940	398	4,507	238.34%
1950	17,330	10,932	170.87%
1960	33,934	16,604	95.81%
1970	35,352	1,418	4.18%
1980	31,542	-3,810	-10.78%
1990	32,063	521	1.65%
2000	33,852	1,789	5.58%

Source: Federal Census, 1920-2000; Manhattan Beach General Plan, p. INT-5

Population in some areas of the City continues to decline, although population increased in other areas, as seen below (Table 3). The City's 2000 Census population at 33,852 represents a 5% increase from 1990, but is still less than the peak population figures for the 1970s. The greatest population decline has been experienced in the old section of the City, in Census Tracts 6203.2 and 6209.01/6209.02 adjacent to the coast.

TABLE 3
GROWTH BY CENSUS TRACT -1970 TO 2000

Tract	1980	1990	Change 1980-1990		2000	Change 1990-2000		Change 1980-2000	
			Number	Percent		Number	Percent	Number	Percent
6202	1,185	1,281	96	8.10%	1,548	267	20.84%	363	30.63%
6203.01	4,044	3,932	-112	-2.77%	4,324	392	9.97%	280	6.92%
6203.02	6,546	6,101	-445	-6.80%	6,022	-79	-1.29%	-524	-8.00%
6203.03	4,250	4,087	-163	-3.84%	4,303	216	5.29%	53	1.25%
6204	3,835	4,626	791	20.63%	5,022	396	8.56%	1,187	30.95%
6208	7,074	6,763	-311	-4.40%	7,271	508	7.51%	197	2.78%
6209.01	2,651	2,385	-266	-10.03%	2,483	98	4.11%	-168	-6.34%
6209.02	3,142	2,885	-257	-8.18%	2,879	-6	-0.21%	-263	-8.37%
City Total	32,727	32,060	-667	-2.04%	33,852	1,792	5.59%	1,125	3.44%

Source: Federal Census

TABLE 4
Population Trends by Planning Area - 1980 to 2000

Planning Area	Population		Change 1980-2000	
	1980	2000	Change	Percent
Beach Section	9,688	8,901	-787	-8.12%
Hill Section	2,651	2,483	-168	-6.34%
East Side/Manhattan Village	10,909	12,293	1,384	12.69%
Tree Section	8,294	8,627	333	4.01%
El Porto	1,185	1,548	363	30.63%
Total	32,727	33,852	1,125	3.44%

Source: Federal Census

Overall growth is similar to trends in other nearby communities.

TABLE 5
POPULATION GROWTH - 1970-2000

Area	1970	1990	Change 1970-1990		2000	Change 1990-2000	
			Number	Percent		Number	Percent
Manhattan Beach	35,352	32,063	-3,289	-9.30%	33,852	1,789	5.58%
El Segundo	15,620	15,223	-397	-2.54%	16,033	810	5.32%
Hermosa Beach	17,412	18,219	807	4.63%	18,566	347	1.90%
Redondo Beach	57,415	60,167	2,752	4.79%	63,261	3,094	5.14%
Beach cities total	125,799	125,672	-127	-0.10%	131,712	6,040	4.81%
L.A. County	7,041,980	8,863,164	1,821,184	25.86%	9,519,338	656,174	7.40%

Source: Federal Decennial Census, dates shown

Opportunities for growth have been limited by available land in these older, stable communities.

Age

Between 1970 and 1990 the number and proportion of school age children in the City of Manhattan Beach declined significantly, from 25.30 percent of the population in 1970 to only 11.51 percent of the population

in 1990 (Table 6). In recent years the trend has reversed with an increase in the number of pre-school age children to nearly 1980 levels. However, the proportion of young adults continues to decline, while the number of seniors continues to grow.

**TABLE 6
Age Profile**

Age	1970		1980		1990		2000	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
0-4	2,405	6.80%	1,424	4.34%	1,825	5.69%	2,197	6.49%
5-18	8,944	25.30%	6,189	18.85%	3,689	11.51%	5,680	16.78%
19-24	3,391	9.59%	2,922	8.90%	2,380	7.42%	1,052	3.11%
25-54	16,600	46.96%	17,450	53.16%	18,528	57.79%	18,135	53.57%
55-59	1,435	4.06%	1,682	5.12%	1,513	4.72%	1,963	5.80%
60-64	903	2.55%	1,219	3.71%	1,369	4.27%	1,299	3.84%
65+	1,674	4.74%	1,941	5.91%	2,759	8.60%	3,526	10.42%

Source: Federal Census, years shown

Ethnicity

The population of Manhattan Beach is predominantly non-minority white (Table 7). This varies only slightly from area to area. Census Tracts 6204 and 6208, easterly of Sepulveda Boulevard have a slightly higher concentration of minorities than the rest of the City, although still predominantly non-minority white. These two tracts have a significantly greater percentage of individuals of Asian extraction than other areas of the City. The two tracts also have a somewhat higher proportion of Hispanics.

**TABLE 7
RACE BY CENSUS TRACT**

Tract	Total	White		Black		Amerind/ Eskimo		Asian or Pacific Islander		Other		Hispanic	
		#	%	#	%	#	%	#	%	#	%	#	%
		6202.01	1,548	1,410	91.1	6	0.39	4	0.26	71	4.59	36	2.33
6203.01	4,324	3,961	91.6	19	0.44	3	0.07	178	4.12	38	0.88	212	4.9
6203.02	6,022	5,609	93.1	27	0.45	11	0.18	198	3.29	63	1.05	263	4.37
6203.03	4,303	3,900	90.6	15	0.35	3	0.07	211	4.9	66	1.53	210	4.88
6204	5,022	4,253	84.7	48	0.96	18	0.36	441	8.78	75	1.49	319	6.35
6208	7,271	6,033	83	59	0.81	23	0.32	761	10.47	191	2.63	424	5.83
6209.01	2,483	2,269	91.4	22	0.89	7	0.28	100	4.03	21	0.85	106	4.27
6209.02	2,879	2,689	93.4	12	0.42	1	0.03	83	2.88	21	0.73	125	4.34
City Total	33,852	30,124	89	208	0.61	70	0.21	2,043	6.04	501	1.48	1,756	5.19

Source: 2000 Federal Census

The ethnic makeup of the City of Manhattan Beach is typical of that of nearby beach communities (Table 8).

TABLE 8
PERCENT RACE BY CITY

City	Total Population	White	Black	Amerind/ Eskimo	Asian or Pacific	Other	Hispanic
Manhattan Beach	33,852	89	0.6	0.2	6	1.3	5.2
El Segundo	16,033	83.6	1.2	0.5	6.4	3.8	11
Hermosa Beach	18,566	89.6	0.8	0.4	4.4	1.9	6.7
Redondo Beach	63,261	78.6	2.5	0.5	9.1	4.8	13.5
Beach cities total	131,712	85.2	1.3	0.4	6.5	3	9.1
L.A. County	9,519,338	48.7	9.8	0.8	11.9	23.8	44.6

Source: 2000 Federal Census

HOUSEHOLD CHARACTERISTICS

A household consists of the full-time occupants of a housing unit. A household may consist of one individual, a family or a number of unrelated individuals. Family households consist of two or more individuals related by blood, marriage, or adoption, and do not include one person households or households comprised of unrelated individuals.

Household Size and Type

Household size declined markedly between 1970 and 1980 and has only increased slightly since that time. This is consistent with the decrease in numbers of school age children and young adults noted above.

TABLE 9
HOUSEHOLD SIZE

	1970	1980	1990	2000
Population	35,352	31,542	32,063	33,852
Dwelling Units	13,107	14,511	14,695	15,094
Persons per Unit	2.7	2.17	2.18	2.24
Households	12,769	13,901	13,992	14,474
Persons per Household	2.77	2.27	2.29	2.34

Source: U.S. Census, dates shown

Household size is smallest in the areas nearest the ocean, in Census Tracts 6202.01, 6203.2, and 6209.02. In these areas, household size tends to be two or fewer people. Inland tracts tend to have

somewhat larger households, averaging about two and a half persons per household. In addition, owner occupied units tend to have a larger household size than renter occupied units.

TABLE 10
PERSONS PER OCCUPIED HOUSING UNIT BY TENURE BY CENSUS TRACT

	6202.01	6203	6203.02	6203.03	6204	6208	6209	6209.02	City Average
Owner Occupied	1.79	2.74	2.18	2.70	2.53	2.92	2.72	2.39	2.60
Renter Occupied	1.54	2.29	1.72	1.99	2.14	2.07	2.05	1.73	1.85

Source: 2000 Census Data

The proportion of households comprised of families continued to drop in the last decade, from 59 percent of all households in 1980 and 67.3 percent in 1970 down to 56.9 percent of all households in 1990, rising slightly to 58 percent of households in 2000 (Table 11). Meanwhile, the proportion of single person households rose slightly from 27.2 percent in 1970 to 29.3 percent in 2000.

The proportion of households comprised of families is lowest in the beach areas, particularly in Census Tract 6202.01 (El Porto). The proportion of single person households and households comprised of unrelated individuals is accordingly higher in these areas (Table 11). The largest proportion of family households is in the southeast sector of the City, in Census Tract 6208.

TABLE 11
HOUSEHOLD TYPE

Census Tract	Percent Families	Percent Single	Percent Nonfamily
6202.01	20.7	51.5	27.8
6203.01	72.2	20.5	7.3
6203.02	38.4	40.9	20.7
6203.03	69.1	21.1	9.9
6204	67.1	26.3	6.7
6208	72.1	20.4	7.5
6209.01	69.5	20.3	10.2
6209.02	49.1	36.4	14.5
TOTAL CITY	58	29.3	12.7

Source: 2000 Federal Census

Housing Tenure

In 2000, 35.06% of all households in the City consisted of renter households. This is a slight decrease from 1980, when 37.48 % of households were renter households, continuing an ongoing trend toward greater home-ownership since 1980, when 40.90 of households were renter households (Table 12). Owner-occupied units accounted for the clear majority of housing units in most areas of the City, except in two coastal area census tracts, C.T. 6202.01 (El Porto) and C.T. 6203.02 (northerly beach area). The coastal areas contain a larger proportion of duplexes and multi-family housing compared to the other areas of the City. In Tract 6909.02, located in the southwest portion of the City, owner-occupied units constitute only a slight majority. This is consistent with the larger proportion of duplexes and multi-family housing in the beach areas.

**TABLE 12
HOUSING TENANCY**

Census Tract	Owner occupied		Renter Occupied	
	Units	Percent	Units	Percent
6202.01	249	25.83%	715	74.17%
6203.01	1,362	84.02%	259	15.98%
6203.02	1,403	44.85%	1,725	55.15%
6203.03	1,334	79.22%	350	20.78%
6204	1,523	73.68%	544	26.32%
6208	2,011	75.09%	667	24.91%
6209.01	771	80.31%	189	19.69%
6209.02	767	55.90%	605	44.10%
TOTAL, 2000*	9,440	64.94%	5,096	35.06%
TOTAL, 1990	8,748	62.52%	5,244	37.48%
TOTAL, 1980	8,193	59.10%	5,669	40.90%

* Total for City as reported by Federal Census does not reflect total of all census tracts combined

Source: Federal Decennial Census, years shown

Manhattan Beach had a significantly higher proportion of owner-occupied units than surrounding cities and than Los Angeles County as a whole (Table 13). In fact, Manhattan Beach was the only city in the area with less than half of all housing to be renter occupied.

**TABLE 13
TENANCY BY CITY**

	Owner Occupied		Renter Occupied	
	Units	Percent	Units	Percent
Manhattan Beach	9,440	64.94%	5,096	35.06%
El Segundo	2,945	41.88%	4,087	58.12%
Hermosa Beach	4,033	42.71%	5,409	57.29%
Redondo Beach	14,147	49.52%	14,419	50.48%
TOTAL	30,565	51.30%	29,011	48.70%
L.A. County	1,499,744	47.72%	1,643,030	52.28%

Source: 2000 Federal Census

Income

The 2000 Federal census reported a median income of \$100,750 for the City of Manhattan Beach, well above the Los Angeles County median of \$42,189. At the same time, poverty does exist in the city, though at very low levels (Table 14). At the time of the Census, 93 people reported receiving public financial assistance, and 221 reported receiving Supplemental Security Income (SSI).

**TABLE 14
PERSONS IN POVERTY**

Census Tract	All persons	Persons Below Poverty	Percent
6202.01	1,611	41	2.55%
6203.01	4,324	120	2.78%
6203.02	6,022	280	4.65%
6203.03	4,296	117	2.72%
6204	5,012	275	5.49%
6208	7,263	140	1.93%
6209.01	2,607	81	3.11%
6209.02	2,879	50	1.74%
City Total	34,014	1,104	3.25%

Source: 2000 Federal Census

Poverty level is determined by the Bureau of the Census based on national averages and costs for certain necessities of life. Poverty level was defined as less than \$17,029 for a four person household at the time of the 2000 Census.

Regional variations are not considered when determining poverty level. Therefore, the number of households in the City which were experiencing conditions of poverty at the time of the 1980 Federal Census may actually have been somewhat higher. The U.S. Bureau of the Census has established poverty thresholds as follows.

TABLE 15
POVERTY LEVEL-1999

Household Size	Weighted Average Threshold	Number of Children under 18 years of age								
		None	One	Two	Three	Four	Five	Six	Seven	Eight or more
1 person	\$8,501									
Under 65	\$8,667									
65 and over	\$7,990									
2 people	\$10,869									
Under 65	\$11,214	\$11,156	\$11,483							
65 and over	\$10,075	\$10,070	\$11,440							
3 people	\$13,290	\$13,032	\$13,410	\$13,423						
4 people	\$17,029	\$17,184	\$17,465	\$16,895	\$16,954					
5 people	\$20,127	\$20,723	\$21,024	\$20,380	\$19,882	\$19,578				
6 people	\$22,727	\$23,835	\$23,930	\$23,436	\$22,964	\$22,261	\$21,845			
7 people	\$25,912	\$27,425	\$27,596	\$27,006	\$26,595	\$25,828	\$24,934	\$23,953		
8 people	\$28,967	\$30,673	\$30,944	\$30,387	\$29,899	\$29,206	\$28,327	\$27,412	\$27,180	
9+ people	\$34,417	\$36,897	\$37,076	\$36,583	\$36,169	\$35,489	\$34,554	\$33,708	\$33,499	\$32,208

Source: 2000 Federal Census

The State of California has defined various income groups, based on the percent of median income earned per household. Extremely low income households make less than thirty percent of the median income. Very low income households make less than fifty percent of the median income. Low income households make fifty to eighty percent of the median income. Low, very low, and extremely low income groups are known as lower income groups. Moderate income households make up to 120 percent of the median income.

HOUSING CHARACTERISTICS

Housing Type

The vast majority of housing in Manhattan Beach consists of single family detached homes, with smaller amounts of single family attached homes, duplexes, triplexes, fourplexes, and larger apartment complexes (Table 16). This contrasts with Los Angeles County as a whole, where only about half of all housing consists of single family detached units.

**TABLE 16
UNITS PER STRUCTURE**

Census Tract	1, Detached	1, Attached	2	3 or 4	5 to 19	20 or more	Mobile home ¹	Total
6202.01	177	77	536	191	70	0	0	1,051
6203.01	1,602	0	7	0	0	54	0	1,663
6203.02	1,551	475	670	509	109	7	0	3,321
6203.03	1,495	14	38	58	63	41	0	1,714
6204	1,291	482	46	91	136	54 ²	8	2,118
6208	2,205	109	44	170	164	43	8	2,743
6209.01	887	24	28	28	50	0	7	1,024
6209.02	983	166	166	50	79	16	0	1,460
City Total	10,191	1,347	1,535	1,097	676	215	23	15,094
LA County	1,593,516	241,571	89,608	197,916	532,441	559,236	53,475	3,270,909

Source: 2000 Federal Census

1. The City of Manhattan Beach does not contain any mobile home parks, though 23 mobile homes were reported by the 2000 Federal Census. It is not known whether the census data may be in error or may reflect the presence of manufactured housing or construction trailers on single family lots.
2. Though 2000 Federal Census data reflect a total of 54 dwelling units in larger complexes of 20 or more units, City records indicate that only 48 such units exist in the area corresponding to Census Tract 6204.

With the exception of the beach areas, single family homes dominate in most areas of the City. The majority of remaining housing is provided in duplexes, triplexes, and fourplexes, with few dwelling units provided in larger complexes of five or more units.

The 2000 Federal Census indicates that 1,347 dwelling units, or 8.92 percent of the City housing stock, consisted of single family attached dwellings, or condominiums. This is very close to the 1,342 single family attached dwellings reported for Manhattan Beach by the California Department of Finance in 2008, and is an increase from the 1990 Federal Census which reported 1,123 single family attached units, or 7.64% of total housing stock. The largest proportion of condominiums exist in Census Tract 6204, where condominiums are aggregated in a large tract in the Manhattan Village area and in the beach section attached units are provided in numerous small developments of only a few units.

HOUSING SIZE

Homes range from quite small to fairly large, with the majority of homes having four to seven rooms (Table 18). Units in Tract 6202.01 (El Porto) tend to be the smallest, followed by the other beach areas in Census Tracts 6203.02 and 6209.02. The largest number of rooms per unit tends to be provided in the areas east of Sepulveda Boulevard, in Census Tracts 6204 and 6208.

TABLE 17
UNIT SIZE

	6202.01	6203.01	6203.02	6203.03	6204	6208	6209.01	6209.02	City Total
1 room	76	0	99	6	5	14	0	68	268
2 rooms	180	29	256	69	78	98	18	77	805
3 rooms	242	75	476	152	138	194	49	131	1,457
4 rooms	242	151	722	126	164	393	68	247	2,113
5 rooms	165	406	684	336	615	450	97	241	2,994
6 rooms	99	331	440	373	554	441	209	214	2,661
7 rooms	19	192	353	176	339	336	256	261	1,932
8 rooms	8	287	167	190	118	315	126	122	1,333
9 or more rooms	20	192	124	286	107	502	201	99	1,531

Source: 2000 Federal Census

HOUSING CONDITION

Housing in the City of Manhattan Beach is generally in quite good condition. Due to the desirability of beach area real estate, units that become dilapidated are usually purchased and rebuilt. Further, the City of Manhattan Beach maintains an active code enforcement program, thus reducing the potential for perpetuation of substandard conditions. The City's most recent survey indicated 55 units in need of repair. However, these units were all capable of rehabilitation.

HOUSING VACANCY

At the time of the 2000 Federal Census, the City of Manhattan Beach had 548 vacant housing units, comprising 3.7 percent of the total dwelling units within the city (Table 18). The California Department of Finance estimated a similar vacancy rate, 3.71 percent, for purposes of its 2008 annual population estimate. Vacant units include units available for sale or rent, units held for weekend and seasonal use, and units which have been built but not yet occupied.

At the time of the 2000 Census, the beach areas (Census Tracts 6202.01, 6203.02, and 6209.02) had the highest vacancy rates. As seen in Table 18, this is partially due to the significant number of units held for seasonal or occasional use.

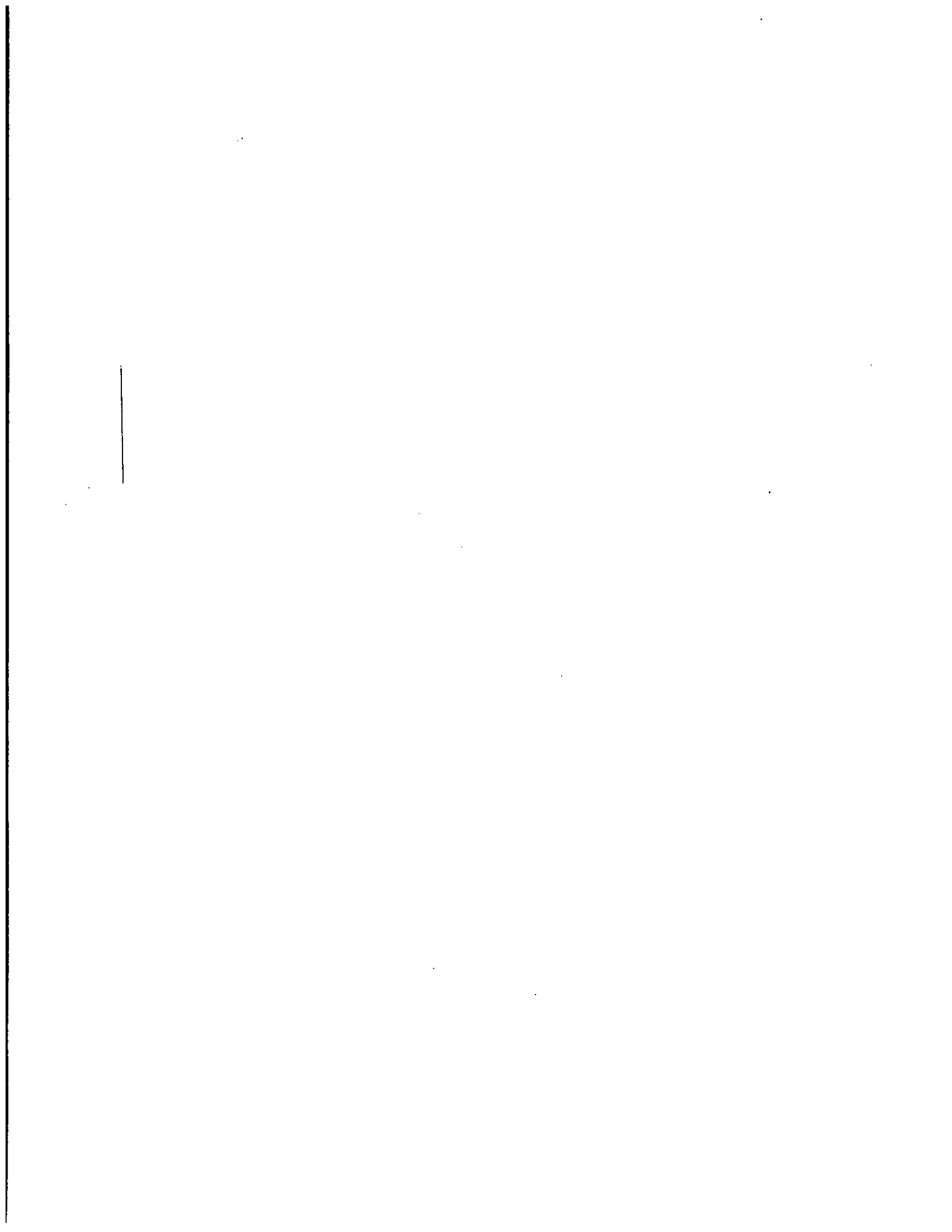


TABLE 18
HOUSING VACANCY BY CENSUS TRACT

	For rent	For sale	Rented or sold, not occupied	Seasonal, recreational, occasional use	Other	Total	
	Units	Units	Units	Units	Units	Units	% ¹
6202.01	27	0	12	9	11	59	5.61%
6203.01	7	12	15	8	0	42	2.53%
6203.02	57	34	0	90	12	193	5.81%
6203.03	30	0	0	0	0	30	1.75%
6204	13	0	0	38	0	51	2.41%
6208	42	7	3	13	0	65	2.37%
6209.01	9	9	0	12	0	30	2.93%
6209.02	18	12	0	58	0	88	6.03%
City Total	203	74	30	228	23	558	3.70%

1. Total vacant dwelling units/total dwelling units

Source: 2000 Federal Census

The overall vacancy rate in Manhattan Beach is similar to that in other beach cities and to Los Angeles County as a whole. However, the beach cities have a larger portion of vacancies due to seasonal or occasional use, whereas Los Angeles County as a whole has greater numbers of vacancies in units available for sale or rent.

TABLE 19
HOUSING VACANCY BY CITY

	For rent	For sale only	Rented or sold, not occupied	Seasonal, recreational, or occasional use	Other vacant	Total ¹	
	Units	Units	Units	Units	Units	Units	%
Manhattan Beach	203	74	30	228	23	558	3.70%
El Segundo	47	20	52	66	11	196	2.71%
Hermosa Beach	223	37	17	80	14	371	3.78%
Redondo Beach	434	203	63	208	69	977	3.31%
Total, beach cities	907	334	162	582	117	2102	3.41%
Los Angeles County	61,369	28,827	12,588	17,499	16,806	137,135	4.19%

1. (total vacant dwelling units/total dwelling units)

Source 2000 Federal Census

HOUSING COST

Home Values

As shown in Table 20, housing values in beach cities are much higher than those in Los Angeles County as a whole. At the time of the 2000 Federal Census, the median value of ownership occupied was \$672,600. This is more than triple the median value for owner occupied housing countywide. Similarly, Dataquick Information Systems reported a median price of \$700,000 for all detached homes sold in Manhattan Beach and a median price of \$205,000 for all homes sold in Los Angeles County in 2000.

TABLE 20
VALUE OF OWNER OCCUPIED HOUSING BY CITY

City	Lower value quartile	Median value	Upper value quartile
Manhattan Beach	\$499,200	\$672,600	\$888,200
El Segundo	\$305,400	\$371,900	\$467,200
Hermosa Beach	\$393,300	\$519,200	\$714,800
Redondo Beach	\$283,200	\$353,300	\$436,000
Los Angeles County	\$155,400	\$209,300	\$328,400

Source: 2000 Federal Census

Within the City of Manhattan Beach, housing values are generally higher in the tree section and the beach areas, with the exception of the El Porto area, which reported among the lowest home values. Generally the inland areas reported lower values, with the southerly portion of the City reporting higher values than the northerly portion.

TABLE 21
VALUE OF OWNER OCCUPIED HOUSING BY CENSUS TRACT

Census Tract	Lower quartile	Median value	Upper quartile
6202.01	\$502,100	\$620,700	\$739,300
6203.01	\$481,100	\$631,500	\$802,900
6203.02	\$564,700	\$743,100	\$952,300
6203.03	\$555,700	\$703,400	\$919,300
6204	\$417,900	\$518,300	\$671,400
6208	\$457,300	\$635,400	\$842,100
6209.01	\$635,400	\$885,800	>\$1,000,001
6209.02	\$709,700	\$866,800	>\$1,000,001
City Total	\$499,200	\$672,600	\$888,200

Source: 2000 Census

Housing values in the City of Manhattan Beach have risen significantly in the years since the census, rising most steeply in the years between 2002 to 2005. This is reflective of regional trends. While home sales prices continued to rise through 2007, price per square foot dropped slightly in 2007, reflecting sales of larger units, both locally and countywide.

TABLE 22
HOUSING SALES PRICE 2000-2007

Year	Manhattan Beach			Los Angeles County		
	Median Home Price	Median Condo Price	Price/ Sq.ft.	Median Home Price	Median Condo Price	Price/ Sq.ft.
2000	\$700,000	\$600,000	\$386	\$205,000	\$154,000	\$153
2001	\$726,000	\$664,000	\$418	\$232,000	\$169,000	\$169
2002	\$850,000	\$750,000	\$451	\$274,000	\$203,000	\$196
2003	\$1,050,000	\$918,000	\$462	\$330,000	\$251,000	\$234
2004	\$1,300,000	\$1,068,000	\$616	\$412,000	\$325,000	\$297
2005	\$1,473,000	\$1,294,000	\$698	\$495,000	\$385,000	\$358
2006	\$1,550,000	\$1,400,000	\$783	\$541,000	\$412,000	\$397
2007	\$1,625,000	\$1,523,000	\$765	\$560,000	\$430,000	\$385

Source: Dataquick Information Systems

There is a wide range in asking prices for homes advertised for sale on internet realty sites including Realtor.com, Roost.com, and Trulia.com. The lowest advertised price for any home was a condominium advertised at \$350,000. The highest advertised price was \$8 million for a home on a nearly ten thousand square foot building site.

TABLE 23
HOME ASKING PRICE
April 2008

Asking price	Number of units
<\$350,000	0
\$350,000-\$400,000	1
\$400,000-\$500,000	0
\$500,000-\$600,000	1
\$600,000-\$700,000	2
\$700,000-\$800,000	2
\$800,000-\$900,000	9
\$900,000-\$1 million	8
\$1-1.5 million	52
\$1.5-2 million	43
\$2-2.5 million	45
\$2.5-3 million	22
\$3-4 million	16
\$4-5 million	5
>\$5million	9

Source: Realtor.com, Roost.com, Trulia.com

The median asking price for all homes advertised was about \$1.9 million, nearly twenty percent higher than the median sales experienced in all of 2007. Due to the regionally soft market, it is unlikely that prices will continue to rise in the near future in Manhattan Beach. Advertisements of homes for sale reflect the owner's optimistic opinion of the home value. The asking price may be somewhat higher than what the seller actually expects to obtain. The recorded sales price reflects what someone is actually willing to pay.

Rental Rates

Similar to housing sales prices, rents also are higher in the beach cities, with median rent in Manhattan Beach slightly more than twice the median rent in Los Angeles County as a whole.

TABLE 24
RENT BY CITY-2000 CENSUS

Location	Lower quartile	Median	Upper quartile
Manhattan Beach	\$923	\$1,293	\$1,795
El Segundo	\$686	\$848	\$1,019
Hermosa Beach	\$852	\$1,095	\$1,472
Redondo Beach	\$782	\$943	\$1,202
Los Angeles County	\$507	\$643	\$838

Source: 2000 Federal Census

The highest reported rental rates were in the Tree Section followed by the northerly beach area of the City. Lower rental rates were reported in the southerly beach area and in the Hill Section, which had reported the highest values for owner-occupied housing.

**TABLE 25
RENT BY CENSUS TRACT**

Census Tract	Lower quartile	Median	Upper quartile
6202.01	\$920	\$1,258	\$1,869
6203.01	\$889	\$1,550	\$1,888
6203.02	\$1,021	\$1,447	\$1,818
6203.03	\$942	\$1,307	\$1,712
6204	\$918	\$1,119	\$1,780
6208	\$828	\$993	\$1,472
6209.01	\$928	\$1,182	\$1,681
6209.02	\$916	\$1,375	\$2,001
City Total	\$923	\$1,293	\$1,795

Source: 2000 Federal Census

Since the time of the Federal Census, rental rates, like home prices, have risen significantly, as reflected in the rental survey by Westside Rentals.

**TABLE 26
MEDIAN RENTS-2008**

Unit Type	Monthly Rent
Apartment	\$2,524
Condo	\$3,497
House	\$5,671
Duplex	\$3,305
Triplex	\$4,800
Townhouse	\$4,921
Studio	\$1,450
1 bedroom	\$2,345
2 bedrooms	\$3,489
3 bedrooms	\$5,738
4 bedrooms	\$6,542

Source: Westside Rentals

The few units listed for rent in the City of Manhattan Beach vary widely in rent asked. At the low end, a studio apartment in El Porto is listed at \$800 per month, and one bedroom apartments in the same area are listed at \$875 and \$895. The most expensive advertised rental is a detached home with an advertised rent of \$37,000 per month. It should be noted that rentals in small complexes in beach areas are often not formally advertised, but are offered through word of mouth and on-site signage to those in the community.

The trend toward increased rental costs in the region is reflected in the increase in Fair Market Rents for the Los Angeles-Long Beach Standard Metropolitan Statistical Area. The HUD-formulated Fair Market Rent (FMR) schedule is a guideline to maximum rents allowable for units developed with HUD assistance or for tenants receiving Section 8 housing assistance. HUD uses the Consumer Price Index and the Census Bureau housing survey data to calculate the FMRs for each metropolitan area.

TABLE 27
HUD FAIR MARKET RENTS

FMR Year	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY 2000	\$505	\$605	\$766	\$1,033	\$1,233
FY 2001	\$516	\$618	\$782	\$1,055	\$1,260
FY 2002	\$543	\$650	\$823	\$1,110	\$1,325
FY 2003	\$638	\$764	\$967	\$1,305	\$1,558
FY 2004	\$674	\$807	\$1,021	\$1,378	\$1,646
FY 2005	\$746	\$900	\$1,124	\$1,510	\$1,816
FY 2006	\$789	\$952	\$1,189	\$1,597	\$1,921
FY 2007	\$843	\$1,016	\$1,269	\$1,704	\$2,051
FY 2008	\$863	\$1,041	\$1,300	\$1,746	\$2,101

Source: HUD

Based on information presented above, the lower priced units advertised in the El Porto area would fall below the HUD Fair Market Rent limit and could be eligible for utilization of Section 8 vouchers if the landlords were amenable. There are currently no subsidized housing units in the City and therefore no units at risk of conversion.

HOUSING AFFORDABILITY

Households paying over thirty percent of income for housing are considered to be overpaying for housing. Those paying over fifty percent of income for housing are considered to be severely overpaying. Based on 2000 census data, 26.9 percent of households for which data is available were paying 30 percent or more for housing in 2000, of which over a third (11 percent of all households) were paying more than fifty percent of income for housing. Low income and elderly renter households had the greatest problem with overpaying for housing, with the vast majority of low income households overpaying for housing. Overpayment was less of a problem for lower income owners than for renters, possibly due to fixed costs for ownership housing. Moderate to upper income households experienced fewer problems with overpayment for housing than lower income groups, but a significant proportion of these households were also overpaying.

TABLE 28
HOUSING EXPENDITURES AS PERCENTAGE OF INCOME — 2000

Households by Income, & Affordability	Renters		Owners		Total Households
	Elderly 1&2 member households	Total Renters	Elderly 1&2 member households	Total Owners	
Household Income <=30% Median	32	230	137	267	497
% Cost Burden >30%	75	64.3	82.5	77.9	71.6
% Cost Burden >50%	75	64.3	72.3	72.7	68.8
Household Income >30% to <=50% Median	44	179	154	173	352
% Cost Burden >30%	77.3	88.8	51.3	56.6	73
% Cost Burden >50%	68.2	86.6	48.7	54.3	70.7
Household Income >50 to <=80% Median	64	223	222	365	588
% Cost Burden >30%	84.4	95.5	32.4	46.6	65.1
% Cost Burden >50%	78.1	48.9	19.8	32.3	38.6
Household Income >80% Median	133	4,436	1,825	8,634	13,070
% Cost Burden >30%	21.1	17.3	18.4	24.8	22.2
% Cost Burden >50%	7.5	3.9	5.8	7.1	6
Total Households	273	5,068	2,338	9,439	14,507
% Cost Burden >30%	51.3	25.4	25.6	27.7	26.9
% Cost Burden >50%	41.8	11.6	13.8	10.8	11

Source: HUD CHAS data book (based on 2000 Census data)

Overpayment for housing may be reflective of a number of conditions, including limited supply of low or moderately priced housing. Lack of supply is exacerbated by a poor match between affordable units and low income households. As shown in Table 29, only a small portion of rentals affordable to lower income households are actually occupied by households in those income groups.

TABLE 29
AFFORDABILITY MISMATCH

Housing Units by Affordability	Rental Units	Owned/For Sale Units
Affordable at household income <=30% median income		
# occupied units	104	N/A
% occupants with income <=30% median	28.8	N/A
# vacant for rent	0	N/A
Affordable at household income >30% to <=50% median income		
# occupied units	77	48
% occupants with income <=50% median	28.6	20.8
# vacant for rent	0	0
Affordable at household income >50% to <=80% median income		
# occupied units	360	40
% occupants with income <=80% median	10	50
# vacant for rent	15	0
Affordable at household income >80% median income		
# occupied units	4,529	9,354
# vacant for rent	190	69

Source: HUD CHAS data book (based on 2000 Census data)

Overpayment for housing by very low and low income households is considered to be more serious than overpayment by more affluent income groups, due to the limited funds available to lower income households for all expenses. Overpayment for shelter may result in lack of availability of funds for such basics as medical care, transportation, or food. On the other hand, more affluent households may choose to expend a greater proportion of income on housing due to the greater discretionary income available.

Based on the median income of \$42,189 at the time of the Census and a thirty percent affordability ratio, an affordable rent for a median family household in Los Angeles County would have been a maximum of \$1,054. This is below the median rent in the City of Manhattan Beach, and below the median rent for all census tracts in the City except Census Tract 6208 in the southeast portion of the City. The \$1,054 figure well exceeds the lower quartile rent in all areas of the City, indicating that at least twenty five percent of all rental housing in the City would be affordable to a County median household.

One measure of housing affordability would be housing foreclosures. If homeowners cannot afford mortgage payments, they go into default. As of May 2008, twenty nine homes in Manhattan Beach were at some point in the foreclosure process. Notices of default had been issued for twenty three homes, which is the beginning of the foreclosure process, and financial institutions had taken possession of six homes, signifying completion of the foreclosure process.

An ownership unit would generally be considered affordable if the purchase price were three to four times annual household income. Actual affordability would depend on prevailing mortgage rates, the size of the down payment, and other expenses to be met by the household. Optimistically assuming a four to one ratio, a County median household could afford to pay \$169,000 to purchase a home at the time of the Census, which is well below both the County and City median housing value reported at the time of the Census. A City median household would have been able to afford a home priced at \$403,000, less than even the lowest quartile value in the City. Thus fewer than 25 percent of all owner occupied homes, would have been considered affordable to a household making the City median income at the time of the Census.

This disparity between numbers of affordable units and local household income can be attributed to a number of factors. Many owners bought their homes many years ago for much lower prices. New purchasers may be willing to pay higher prices because the home is viewed as an investment and tax advantages may balance a portion of the costs. A buyer may have considerable equity from a previous home to apply toward the price of the new home. In addition, as noted above, homeowners may have an optimistic view of the value of their property.

Finally, ownership units have a differing market response than rental units. Rental units are more often on the market and constantly competing with other units for available tenants and tend to reflect current market conditions. By contrast, the typical owner has not paid the prevailing housing price due to long term ownership of the unit. Thus, while housing value may increase, actual costs are relatively fixed. At any given time, only a small portion of ownership units will be on the market. Thus, ownership units are not as immediately subject to housing affordability.

HOUSING NEED

In accordance with Section 65584 of the California Government Code, the distribution of regional housing need is to take into consideration market demand for housing, employment opportunities, the viability of suitable housing sites and public facilities, commuting patterns, and type and tenure of need.

The Southern California Association of Governments (SCAG) 2004 Regional Growth Forecast estimates that in 2000, 13,985 individuals were employed in the City of Manhattan Beach. The SCAG population estimate for the City at that time was 34,097 and estimated housing units were 14,516. SCAG's forecasting for small, incremental growth is consistent with growth that has occurred in the City in recent decades.

**TABLE 30
POPULATION, EMPLOYMENT, AND HOUSING**

Year	Population	Dwelling Units	Employment	Employees per Unit
2000	34097	14516	13985	0.96
2005	36384	14999	14086	0.94
2010	36541	15087	15114	1.00
2015	37051	15285	15414	1.01
2020	37553	15491	15699	1.01
2025	38035	15695	15952	1.02
2030	38498	15905	16181	1.02

Source: SCAG

Need

Future employment at maximum buildout permitted under the General Plan was calculated using standard employee generation rates (Table 31). This resulted in an estimated 18,088 jobs within the City at buildout, which may not occur until long after the period addressed in SCAG's growth projections above.

**TABLE 31
EMPLOYMENT BY LAND USE**

USE	ACRES	FLOOR AREA FACTOR	SQUARE FEET	EMPLOYEES
Commercial				
General Commercial	87	1.5:1	5,684,580	5,685
Downtown	14	1.5:1	914,760	915
Local Commercial	13	1.5:1	849,420	849
Mixed Use	4	1.0:1	174,240	174
Manhattan Village	102	1.5:1	6,664,680	6,665
North End	8	1.5:1	522,720	588
Industrial	73	1.0:1	NA	3,212
Total Employment				18,088

Gross floor area, based on acreage and maximum floor area ratios permitted in General Plan

Commercial employee generation assumes predominantly retail, generating 1 employee/1,000 square feet.

Industrial uses assumed to generate 44 employees/acre.

It should be noted that this estimate assumes full buildout under maximum permitted floor area ratios. However, this level of development would be unlikely, both due to market demand and the difficulty of providing adequate parking if higher floor area ratios were attempted.

Regional Housing Needs Assessment

SCAG has developed an assessment of housing needs for each city in the SCAG region. SCAG's 2007 Regional Housing Needs Assessment (RHNA) indicates that total new housing production of 895 units would be needed in the City of Manhattan Beach for the period from January 1, 2006 through June 30, 2014.

The RHNA assesses need by income group. In allocating housing by income group, SCAG is to avoid excess impacts on areas which already contain a relatively high proportion of low income housing. Under the 2007 RHNA, Manhattan Beach was determined to need 296 dwelling units affordable to very low income households, 149 units affordable to low income households, and 160 units affordable to moderate income households. The remaining 350 units would meet the needs of high income households. The 895 unit total need assessed under the RHNA for the 2006 to 2014 period far exceeds SCAG's projected growth of 286 dwelling units in the 2005 to 2015 period.

TABLE 32
RHNA BY INCOME GROUP

Income Group	Income Level	Units Needed
Very Low Income	< 50% of median	296
Low Income	50% to <80% of median	149
Moderate Income	80% to <120% of median	160
Upper Income	≥120% of median	350
TOTAL		895

Source: SCAG RHNA,2007

The RHNA considers overpayment for housing in developing its needs assessment. A household is considered to be overpaying for shelter if it expends over 30 percent of its income for housing. SCAG utilized tables prepared by the United States Department of Housing and Urban Development for use in preparation of Consolidated Plans required in connection with Community Development Block Grant. The HUD data indicate that 1,234 renters in the City are overpaying for housing. Of these 299 were very low income and 220 were low income (Table33).

TABLE 33
EXISTING OVERPAYMENT

	Number of Households		
	Renter	Owner	Total
Very Low Income	294	299	593
Low Income	220	175	395
Moderate and Upper Income	765	2130	2895
TOTAL	1279	2604	3883

Source: SCAG reproduction of HUD data

In addition to low income households, a number of groups with special housing needs have been identified under Section 65583 of the Government Code. These include the handicapped, elderly, large families, farmworkers, families with female heads of household, and the homeless. The City of Manhattan Beach is in an urban area with no farms or farmworkers. Other special needs groups are discussed in the following sections.

Need

Handicapped

Handicapped households are defined as those with at least one member having a work or housework disability. People with handicaps include people who are blind, deaf, or mute, or people confined to a bed or wheelchair, or require crutches. Many of these disabilities require that modifications be made to the housing units or that assistance animals be accommodated. Some of these housing needs include, but are not limited to, wheelchair ramps, widened doorways, grab bars, and access ramps. Furthermore, some individuals require housing which is close to health care facilities.

The 2000 U.S. Census reports that there are 5,642 households in the City of Manhattan Beach which include at least one handicapped individual. Table 34 illustrates where handicapped households are concentrated throughout the City.

**TABLE 34
HANDICAPPED HOUSEHOLDS BY CENSUS TRACT**

Census Tract	Handicapped Households
6202.01	279
6203.01	736
6203.02	753
6203.03	485
6204	1,175
6208	1,320
6209.01	472
6209.02	422
TOTAL	5,642

Source: 2000 U.S. Census

Persons over 64 years of age comprise 1,881 handicapped individuals, or about a third of the total. Typical housing needs would include wider doorways to accommodate wheelchairs, access ramps, and accommodation for service animals. From the Census information available, it is not possible to determine the number of handicapped persons or households which need housing assistance.

Elderly

The 2000 Census also indicates that there were 3,526 persons, or 10.4% of the City's total population over 65 years of age at the time of the Census. Comparing these figures to comparable 1980 and 1990 data, the City's elderly population has increased significantly over the last 20 years.

Elderly residents may share many of the special housing needs of disabled persons. In addition, many elderly persons are on fixed incomes. At the time of the Census, 2,472 households received Social Security income, though these households may have also had additional sources of income, such as pensions or investment income. Supplemental Security Income was received by 221 households.

Table 35
Seniors (Over 55 years of Age) - 1980 to 2000

Age	1980		1990		2000	
	Persons	Percent	Persons	Percent	Persons	Percent
55-59	1,682	5.12%	1,513	4.72%	1,963	5.80%
60 - 64	1,219	3.71%	1,369	4.27%	1,299	3.80%
65 +	1,941	5.91%	2,759	8.60%	3,526	10.40%
Total	4,842	14.74%	5,641	17.59%	6,788	20.60%

Source: 2000 US Census

Of the total 14,474 occupied housing units in the City, 2,618 were headed by elderly persons at the time of the census. Of the housing units headed by elderly persons, 2,177 were owner-occupied housing units and 241 were rental units. A total of 166 elderly households spent more than 30% of their income for housing (rents or mortgages). Elderly renters were especially subject to overpayment for housing, with 51.3 percent of elderly renters paying more than 30 percent of income for housing and 41.8 percent paying more than 50 percent of income for housing. Younger households may respond to rent increases by moving, whereas the elderly may be more reluctant to move or have difficulty undertaking the tasks involved in moving, including finding a new unit and packing for a move.

There are two senior housing projects in the City: Manhattan Terrace and Manhattan Village - Senior Villas. The Manhattan Terrace (located at 3400 Valley Drive) consist of 48 units, The Manhattan Village-Senior Villas (located at 1300 Park View Avenue) consists of 104 dwelling units. These projects are designed to be affordable to seniors on fixed incomes.

The City has established a Senior Services Program that is run by a Cit staff Senior Services Manager to plan and implement recreational, educational and social programs designed to meet the needs of older adults living in Manhattan Beach. This includes assistance with household finances and shelter. In addition, the Beach Cities Health District (BCHD) provides health and wellness services to residents of Manhattan Beach, Hermosa Beach and Redondo Beach. The BCHD Care Manager completes needs assessments of older adults and/or disabled, develops individualized care plans, provides the service linkages, and if necessary arranges services to address the agreed upon identified needs.

Large Families

A large family is defined as a household or family with five or more persons. Families are considered groups of persons related by blood, marriage or adoption. Households represent all persons living together as groups, regardless of whether or not they are related.

The 2000 Census reported that 861 households (4.8%) contained 5 or more persons. Of these large households, 844 households (98%) were classified as families. The remaining 17 households consisted of non-related people sharing housing. Table 36 illustrates the distribution of large households in the City.

Need

**Table 36
Larger Families and Households by Census Tract - 2000**

Number of Persons	6202.01	6203.01	6203.02	6203.03	6204	6208	6209.01	62902.02	Total
Family households									
5 persons	2	98	57	103	98	183	60	32	633
6+ persons	1	28	15	30	28	81	17	11	211
Non-family households									
5 persons	0	2	4	0	0	0	0	5	11
6+ persons	0	0	1	1	0	3	0	1	6

Overcrowding can be more of a problem for large families. A unit is considered overcrowded if there is more than one occupant per room. The 2000 Federal Census recorded few overcrowded dwelling units in the City of Manhattan Beach. (Generally more than 1 person per room). Less than one percent of all owner-occupied housing in the city was overcrowded and only 3 percent of renter occupied housing was overcrowded.

**TABLE 37
OVERCROWDING**

Occupants per room	Owner occupied					Renter occupied				
	1.00 or fewer	1.01 to 1.50	1.51 to 2.00	2.01 or more	Total	1.00 or fewer	1.01 to 1.50	1.51 to 2.00	2.01 or more	Total
C.T. 6202.01	239	0	0	0	239	737	9	7	0	753
C.T. 6203.01	1363	0	0	0	1,363	258	0	0	0	258
C.T. 6203.02	1391	9	0	0	1,400	1681	9	26	12	1,728
C.T. 6203.03	1330	5	0	0	1,335	345	0	4	0	349
C.T. 6204	1501	8	10	0	1,519	542	0	0	6	548
C.T. 6208	1987	27	0	0	2,014	622	34	0	8	664
C.T. 6209.01	804	0	0	0	804	190	0	0	0	190
C.T. 6209.02	761	5	0	0	766	565	16	25	0	606
City Total	9276	54	10	0	9,440	4940	68	62	26	5,096

Female-headed Households

Demographic, social, and economic conditions contribute to special housing demands for female-headed households. According to the 2000 Census, there were 769 (5.3%) female-headed households in the City of Manhattan Beach. Among these female-headed households, 433 had related children under

Need

18 years of age, of which sixty households, or 13.86%, had poverty level incomes. No female headed households without children under eighteen years of age had poverty level incomes. The incomes of those households that are female-headed are lower than those other households, and the key housing issue for this special needs group involves affordability, security, and, possibly, child care facilities. The Los Angeles Homeless Services Authority found that nearly 7,200 of the homeless persons on any given night were victims of domestic violence. From Census information, it is not possible to determine how many female-headed households are in need of housing assistance.

Homeless

Manhattan Beach is a participating city in the Los Angeles County Housing Authority Programs and in county wide HUD funding administered by the Los Angeles Community Development Commission. The Los Angeles Homeless Services Authority (LAHSA) administers funds for homeless services through the Los Angeles Continuum of Care in Urban Los Angeles County, which includes the City of Manhattan Beach. LAHSA is the lead agency in the Los Angeles Continuum of Care, and coordinates and manages over \$60 million dollars annually in Federal, State, County and City funds for programs providing shelter, housing and services to homeless persons in Los Angeles County.

The following is a partial list of the make-up of the homeless population.

- a. Single adult (usually male) transients who pass through a community on the way to some other destination, but who do not stay.
- b. Seasonal or migrant homeless individuals, mainly farmworkers and fishermen.
- c. Chronically homeless, single adults, including non-institutionalized, mentally disturbed individuals, alcohol and drug abusers, elderly individuals with insufficient incomes, and others who voluntarily, or are forced, due to financial circumstances, to "live on the streets."
- d. Minors who have either run away from home or have been "thrown out."
- e. Low-income families who are temporarily homeless due to financial circumstances or are in the process of searching for a home. Single-parent families, mostly female-headed, are especially prevalent in this group.
- f. Women (with or without children) who are escaping domestic violence. Men may also fall into this category.
- g. Persons displaced as a result of disaster with no short term means of providing shelter.

In January 2007, LAHSA conducted a count of homeless individuals over three nights. The LAHSA counts were conducted at homeless shelters and drop in centers as well as on streets, at parks, and other areas believed to be utilized by the homeless. This analysis indicated that on any given night in the Los Angeles Continuum of Care service area, a total of 68,608 people were homeless, with 57,166 people living

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on the street and 11,442 people living in either emergency shelters or transitional housing facilities. The survey found that 87 homeless individuals would live in Manhattan Beach on a given night.

LAHSA found that within the Los Angeles Continuum of Care service area, adult men comprise 59 percent of the homeless population, with about 85 percent of the men without shelter nightly. Adult women make up another 24 percent of the homeless population. The remaining 15 percent of the homeless are children under the age of 18. Thus on any given night, 10,100 children are homeless, with nearly 8,000 of them unsheltered. There were 16,643 people in families that were homeless on any particular night, and 8,828 youth in these families. Hence, nearly 1,300 homeless persons younger than 18 are unaccompanied by a parent each night

Specialized programs funded through LAHSA address a wide-range of issues related to homelessness, including but not limited to: domestic violence, mental illness, substance abuse, job training, family strengthening, health, mainstream benefits enrollment, and most importantly, supportive short and long-term housing. The CDC has funding designated for construction of additional homeless shelters.

The following shelter and service providers are located in the Manhattan Beach area.

1. The Salvation Army operates a shelter located at 1370 Alamitos Avenue in the City of Long Beach. The operators of this shelter reported that providing temporary shelter to the homeless is the shelter's primary function. This Salvation Army shelter provides services to an average of 73 people per day. Of this number, approximately 10% are homeless.
2. The Second Step Shelter, located in Redondo Beach, provides transitional housing for women with dependent children. The focus of the shelter's services is to provide women who are victims of domestic violence with housing while they are making a transition to independent living. The shelter has a 24-bed capacity.
3. 1736 Family Crisis Center provides shelters at several locations in the area. The shelters include transitional housing for women and their children under 18 years of age and a shelter for homeless youth. The Center also offers legal services.
4. The Kenny Nicholson Foundation provides services to homeless in the South Bay and Los Angeles area.

Emergency shelters and transitional housing developments are permitted in the City in the high density residential (RH) and general commercial (CG) zone districts with a conditional use permit. The infrastructure services for the City have been designed to accommodate build-out under the General Plan, and the infrastructure is considered adequate to handle these kinds of facilities. Any applicant constructing an emergency shelter or transitional housing facility would be required to obtain a conditional use permit. As part of any application for such a facility, the City would study the adequacy and suitability of the site for its intended use, analyze traffic and other environmental impacts and, based on the anticipated impacts, establish conditions of development.

Need

National Guard armories have been utilized for emergency, cold weather shelter programs since 1987. These include armories in Culver City, Glendale, Long Beach, Pomona, Sylmar, and West Los Angeles. The armory in Manhattan Beach has not traditionally been utilized, though inclusion of armories in the program varies from year to year. The armories provide shelter between 6:00 pm and 7:00 am. LAHSA estimates that up to forty five percent of emergency shelter beds in Los Angeles County have been provided through the armory program. Armories currently identified for the shelter program include:

Sylmar National Guard Armory
12860 Arroyo St
Sylmar

Glendale National Guard Armory
220 East Colorado St
Glendale

Los Angeles National Guard Armory
1300 Federal Ave
Los Angeles

Culver City National Guard Armory
10808 Culver Blvd
Culver City

OPPORTUNITIES AND CONSTRAINTS

OPPORTUNITIES

Land Resources

The City of Manhattan Beach contains 2,492 gross acres, and 2,017 net acres excluding streets. Residential uses occupy 1,422 acres, or 70.5 percent of developable land. The Land Use Element of the Manhattan Beach General Plan estimates that 15,881 residential units could be accommodated on existing residentially designated sites, or 395 more units than the 15,486 units estimated to exist in the city as of January 1, 2008 by the California Department of Finance.

Perhaps the most significant factor limiting the construction of large numbers of new housing units is the availability of land available to accommodate significant new growth. The City of Manhattan Beach is nearly built out and contains very few vacant sites:

**TABLE 38
VACANT LAND INVENTORY AND DEVELOPMENT POTENTIAL**

Location	Zoning	Intensity	Area (sq. ft.)	Current Units	Potential Units	Vacant
3911 Crest	CNE	850 sf/du	4543	2	5	No
133 El Porto	RH	850 sf/du	1380	0	1	Yes
3804 Highland	CNE	850 sf/du	1800	Parking Lot	2	Yes
3216 Highland	CNE	850 sf/du	3498	Retail/Resturant	4	No
820 Duncan Place	RS	7500 sf/du	4200	0	1	Yes
1120 6th St.	RS	7500 sf/du	7500	0	1	Yes
Total			22921	2	14	

Source: City of Manhattan Beach, 2008

In addition, residential uses are considered compatible with, and are permitted, upon the approval of a use permit, in areas designated Downtown Commercial, Local Commercial, and North End Commercial. The commercial uses in these areas are smaller in scale than those in General Commercial areas, offering a pedestrian friendly, village atmosphere. These areas total 39 acres and could accommodate a maximum of 2,001 dwelling units if complete conversion to mixed residential/commercial developments were to occur. At a fifteen percent conversion rate, potentially 300 additional dwellings would be provided.

Opportunities and Constraints

The opportunity exists for the development of additional housing through the redevelopment of existing developed sites. The parcels include a parking lot at Parkview Avenue and Village Drive in the Manhattan Village area which could accommodate up to twenty five units, and parcels in the "downtown" area currently in industrial use. Under utilized lots in the Downtown Commercial area, currently utilized for low intensity industrial uses could accommodate 13 dwelling units. Multi-family areas along Manhattan Beach Boulevard and near Meadow School could accommodate 22 units, and underdeveloped parcels in the beach area between 23rd and 35th street can accommodate 34 dwelling units.

Double sized, single family lots could also redevelop. However, this happens quite slowly and as one such site redevelops, other homebuyers purchase adjacent lots for use as a single residence, or ancillary uses for a residence on an adjacent lot such as an expanded yard.

Financial Resources

The Los Angeles Community Development Commission administers housing assistance funds for the City of Manhattan Beach which is a participating city in Housing Authority and Community Development Block Grant (CDBG) programs.

CDBG Funds

Beginning in the 1997-1998 Fiscal Year, the City of Manhattan Beach has traditionally sold its allocation of Community Development Block Grant funds to other participating cities in exchange for general funds. For the 2008-2009 Fiscal Year, the City is exchanging \$145,388 in CDBG funds with the City of Hawaiian Gardens at sixty cents on the dollar for general fund monies in the amount of \$87,232.80. The City is providing funding for the following local social service providers:

- Care Management for Manhattan Beach Seniors- promotes optimal functioning of seniors to avoid the need to institutionalize fragile or at risk seniors, targeting the population 85 years of age or older.
- 1736 Family Crisis Center- provides shelter for victims of domestic violence, including five women's shelters for women and their children and an emergency youth shelter. The Center provides a 24-hour hot line and also offers legal services.
- South Bay Family Health Care Center- provides dental care to low and moderate income residents and the indigent.
- South Bay Center for Counseling-provides counseling to low and moderate income families, groups, and individuals.
- South Bay Youth Project- provides counseling to at-risk youth
- Salvation Army-Operation Sunshine- provides groceries to low income seniors.
- Project Touch- provides tutoring, counseling, and social services to at-risk youth.
- Wellness Community- provides psychological and social support services to cancer patients and their families.
- South Bay Adult Care Center- provides adult day care for seniors suffering from Alzheimer's, Parkinson's, stroke, frailty; etc.

Rental Assistance

Landlords and tenants in Manhattan Beach may participate in the Section 8 rental assistance program which assists eligible families afford safe, decent, high-quality rental housing. The Housing Authority of Los Angeles County provides rental assistance to over 20,000 households in the jurisdiction of Los Angeles County.

The Section 8 Program is funded by the U.S. Department of Housing and Urban Development (HUD), and tenants and rental units must meet limits on income and rental rates, respectively, discussed previously. HUD has developed income ceilings for low and very low income household based on household size (Table 39). Income limits may also be adjusted for individuals with major medical needs.

**TABLE 39
HUD ADOPTED FISCAL YEAR 2008 INCOME LIMITS
LOS ANGELES—LONG BEACH PMSA**

FY 2008 Income Limit Category	Extremely Low Income	Low	Income
1 Person	\$15,950	\$26,550	\$42,450
2 Person	\$18,200	\$30,300	\$48,500
3 Person	\$20,500	\$34,100	\$54,600
4 Person	\$22,750	\$37,900	\$60,650
5 Person	\$24,550	\$40,950	\$65,500
6 Person	\$26,400	\$43,950	\$70,350
7 Person	\$28,200	\$47,000	\$75,200
8 Person	\$30,050	\$50,050	\$80,050

¹Based on \$58,900 adopted median family income, Fiscal Year 2008

Source: HUD

Maximum rent is limited to the HUD Fair Market Rent (FMR) shown below in most cases.

**TABLE 40
HUD FAIR MARKET RENT**

Unit Type	Maximum Rent
Efficiency	\$863
One-Bedroom	\$1,041
Two-Bedroom	\$1,300
Three-Bedroom	\$1,746
Four-Bedroom	\$2,101

Source: HUD

Opportunities and Constraints

Participants rent housing from private landlords and pay no more than thirty percent of income toward rent. Very low and extremely low income tenants pay a smaller portion of income toward rent. The Housing Authority utilized Federal funds to subsidize the difference in monthly payments between ability to pay and Fair Market Rent directly to the owner. Owners, participants and the Housing Authority share in a three-way-partnership.

The Housing Authority's responsibilities in administering the program include:

- Maintaining the waiting list;
- Determining eligibility , and level of assistance;
- Calculating rent portion;
- Conducting annual re-determinations; Briefing tenants on finding a rental unit;
- Contracting with owners; Ensuring that contracted unit rents are reasonable ; Conducting unit housing quality standard inspections;
- Ensuring tenant and owner compliance with program rules (and terminating contracts and assistance if necessary);
- Making housing assistance payments to owners; and
- Processing assisted families moving into and out of the jurisdiction through portability.

Home Buyer Programs

Prospective home buyers in Manhattan Beach may participate in the Home Ownership Program (HOP) which is financed with HOME funds provided through the U.S. Department of Housing and Urban Development (HUD) and is subject to the applicable federal regulations. HOP has been designed to meet the needs of low-income families with the necessary down payment assistance. This program will provide a 2nd Trust Deed loan at 0% interest with all payments deferred until sale, transfer, refinancing, or full repayment of the first mortgage. In the participating cities, the borrower will receive \$80,000 or 20% of the purchase price whichever is less.

The maximum purchase price allowed for existing or new homes are:

- Single Family Homes - \$493,000
- Condominiums/Townhomes - \$394,250

While these prices are quite low, compared to median sales prices in Manhattan Beach, there are a few homes, mostly condominiums, in the City which would meet the state criteria.

The American Dream Down Payment Initiative (ADDI) is a component of the HOME Investment Partnerships Program, authorized under Title II of the Cranston-Gonzalez National Affordable Housing Act. The program assists low-income First-Time homebuyers in purchasing homes. Homebuyers approved for HOP, are also approved for ADDI. ADDI monies are used for closing costs and down payment assistance with a loan amount of up to \$10,000 or 6% of the purchase price whichever is greater. Units under ADDI are subject to the same limits as HOP.

Regulatory Resources

The City has used its regulatory resources to preserve and enhance housing opportunities and neighborhoods. These are discussed in more detail under housing programs and include:

- **Affordable housing incentive program** for projects which include five or more units in which (1) at least 20 percent of the total units are affordable to lower-income persons or families, including elderly persons and families, or (2) 10 percent of the total units of a housing development are for very-low-income households, or (3) 50 percent of the total dwelling units of a housing development are for qualifying residents.
- **Mixed Use Development ordinance** permitting residential uses in certain commercial areas.
- **Condominium conversion ordinance** requires tenant notification, right to purchase, tenant purchase discounts, relocation assistance, and no increases in rental costs when condominiums are converted. Special provision is made for non-purchasing elderly or medically disabled tenants; low and moderate income tenants; and tenants with children.
- **Mansionization ordinance** limits development of over-sized single family homes while encouraging maintenance and improvement of existing smaller homes.

CONSTRAINTS

NONGOVERNMENTAL CONSTRAINTS

Land Supply

The primary constraint on the delivery of additional housing in the City of Manhattan Beach is the lack of raw land. This is typical of the surrounding area, which is largely developed. New construction occurs primarily as redevelopment of previously developed parcels.

An additional constraint in the City of Manhattan Beach is the prevailing subdivision pattern which consists of numerous small parcels with few sites over a few thousand square feet. As a result, assembly of a large site to accommodate a major housing project would be quite difficult. Construction of small projects results in the distribution of fixed costs over fewer units and loss of potential for economy of scale.

Land Cost

As a result of the limited supply of land, coupled with a strong demand for coastal property, the cost of land in the City is quite high. Land prices in Manhattan Beach vary according to views obtained from the property and proximity to the water, and proximity to undesirable uses, such as industrial uses to the north.

Based on input provided by realtors and a review of sales information obtained from Internet data, the average cost for undeveloped land within the coastal zone ranged from \$191 to over \$1,000 per square foot. In comparison, costs for undeveloped land zoned for residential development in inland areas within urbanized Los Angeles County ranged from \$68 to \$373 a square foot for a hillside view lot. By contrast, acreage in more remote locations such as the Antelope Valley area, is advertised for as low as \$1 a

Opportunities and Constraints

square foot. Thus, land cost would be a major factor for housing, even at the highest residential densities in Manhattan Beach.

Construction Costs

Construction costs vary according to the type of material used, and the amenities provided. The cost for basic no frills construction is about \$125 per square foot. However, construction prices can easily exceed \$200 or \$300 per square foot for construction providing greater amenities. Factory-built housing is more economical and can be fully installed for under \$100 per square foot.

Developers may use luxury construction and build larger units to balance high land costs. This is because the land price alone will cause a dwelling to have a fairly high price. Buyers paying higher prices have expectations for greater amenities, which in turn leads to a greater increase in per unit cost.

While land costs can be defrayed by providing less land per dwelling unit, i.e. increasing density, that is only effective up to a point. Once densities approach about forty units per acre or fewer, depending on project and site specifics, costs increase greatly due to the need to provide parking structures, instead of surface parking and other items such as elevators. Basic wood frame construction is not adequate for housing at higher densities which requires the use of steel framing.

Financing

While the recent downturn has led to a reduction in the prime lending rate, that rate cannot normally be attained by the average homebuilder or buyer. As foreclosures increase, standards for home loans and construction loans have increased, with decreased availability of financing. Individuals who could easily qualify for loans in the recent past may find difficulty in obtaining financing in the future.

Marketability

In order to remain profitable, builders must respond to consumer demand. Thus, builders will produce that product believed to be most marketable. For this reason, amenities are generally provided beyond the mere minimum required for habitability. Buyers may be perceived to require a minimum size unit, or additional parking.

Buyers have sought larger and larger homes with more amenities. In 1970, according to the U.S. Census Bureau, the average home size in the United States was 1,500 square feet, up from an average 983 square feet in 1950. By 2000 this had increased to 2,266 square feet. Home sizes continue to rise, as evidenced by the increase in local home sales prices even as price per square foot has declined. Builders may be leery of scaling back amenities to achieve economy, if they believe consumers may not respond.

Availability of Infrastructure

Roadways in Manhattan Beach are subject to high levels of traffic which would be exacerbated by increased development. Much of this traffic is cut through traffic over which the City has no control, a particular problem on such north/south arterials as Sepulveda Boulevard. This traffic affects both the ability of the City to intensify development and the desirability of residential use of parcels along major streets.

Other infrastructure issues relate primarily to the age of the infrastructure, rather than capacity. In the coastal area of the City, terra cotta sewer lines are deteriorating. Domestic water discoloration occurs from time to time in the beach area due to the use of iron pipes. At the southerly end of the City, along Sepulveda Boulevard, elevational differences between the area and the reservoir result in water pressure problems on occasion. Therefore intensification of water consuming development in this area could be a problem.

GOVERNMENTAL CONSTRAINTS

Governmental actions and policies may act as a constraint to the delivery of housing. These constraints include local ordinances and practices as well as state actions. The primary controls upon land use in the City of Manhattan Beach are the General Plan, Zoning Code, and Building Code. In addition, City fees and processing times may also affect development.

General Plan and Zoning

The General Plan provides for three categories of residential density. The permitted density in each category varies by area as shown on Table 41. These land use categories are consistent with those provided in the Zoning Code. To the extent that demand existed for very high density residential uses these density limits could act as a constraint on the delivery of housing.

TABLE 41 GENERAL PLAN CATEGORIES

AREA	Low Density	Medium Density	High Density
District 1 - Hill Section/ Eastside so. of Manhattan Beach Blvd.	5.8 du/acre	11.6 du/acre	43.6 du/acre
District 2- Tree Section/ Eastside no. of Manhattan Beach Blvd.	9.5 du/acre	18.9 du/acre	43.6 du/acre
District 2- Manhattan Village	Specific Plan	Specific Plan	Specific Plan
District 3- Beach	16.1 du/acre	32.3 du/acre	51.3 du/acre
District 4 - El Porto	na	na	51.0 du/acre

Source: 2003 General Plan Land Use Element (LU-20)

The above densities provide for a range of housing types. The densities provided under the medium and high density designations are within the range deemed adequate to provide lower income housing in accordance with Government Code Section 65583.2 (c)(3)(B)(iv).

Opportunities and Constraints

The City's height limit also constrains development, accommodating three stories, at most. Thus densities higher than the maximum 65 units per acre permitted would be extremely difficult to achieve, due to the need for parking and the desire of the residents for adequate living space. This limit is consistent with the repeatedly stated desires of the citizenry to maintain a small scale community and the capacity of area roadways to serve development.

The provision of parking is needed to satisfy the requirements of the Zoning Code and resident needs. In addition, the California Coastal Commission has repeatedly expressed the need to preserve public parking for visitor serving uses, which can sometimes be affected by new development.

Permit Process and Development Fees

Fees are charged by the City to cover processing costs and staff time. By State law, fees cannot exceed costs to the city generated by the activity for which the fee is assessed. A full schedule of planning fees is included in the Appendix.

A comparison of several fees associated with development of housing between the City of Manhattan Beach and neighboring jurisdictions is given in Table 42. For the fees examined, the City of Manhattan Beach charges rates comparable to the surrounding cities, charging the lowest fees for parcel maps. This would indicate that the City's planning and zoning fees are not a significant constraint to the construction of housing.

**TABLE 42
COMPARISON OF ADJACENT CITIES PROCESSING FEES,
CONDOMINIUM DEVELOPMENT**

City	Manhattan Beach	El Segundo	Redondo Beach	Hermosa Beach	Hawthorne
Parcel Map	\$805 to \$3,180	\$675 ≤ 6 du \$935 > 6 du	\$826	\$1,974	\$3,380
Coastal Development Permit	\$560 minor, \$4,295 major	\$385	\$188 minor, \$875 major	n/a ¹	n/a
Conditional Use Permit(condo)	\$5,200	\$675 ≤ 6 du \$935 > 6 du	\$1,750+ \$734/unit	\$1,293+ \$144/unit over 2 units	\$3,380
Variance	\$4,925	\$675 ≤ 6 du \$935 > 6 du	\$1,750	\$1,869	\$3,380

1. Implementation Plan not certified. Coastal Commission approval required with \$500 fee for de minimis waiver, \$2,500 for administrative permit. If Commission action required, minimum \$3,000 fee for single family residence; \$7,500 for 2-4 attached units; \$10,000 for over 4 units.

Building Codes

In December 2007, the Manhattan Beach City Council approved Ordinance 2109, adopting the 2007 California Building Code which is based on the 2006 the International Building Code. The ordinance details the revisions and amendments to the Building Code which differ from CBC standards. These amendments are minor, and primarily relate to administration, sustainable development, soils investigations and seismic safety, and would thus not result in a constraint to housing production in the City of Manhattan Beach.

Coastal Zone Requirements

Section 65590 of the California State Government Code requires the inclusion of low- or moderate-income housing in new residential development in the coastal zone where feasible. It also contains requirements for the replacement of low- and moderate-income housing within the coastal zone when such housing is demolished or converted to other uses. The replacement housing must be provided only where feasible if the local jurisdiction has less than fifty acres, in aggregate, of privately-owned vacant land that is available for residential use. As noted previously, the City is built out and has only a nominal amount of vacant land.

Since the City does not have the ability to construct or otherwise subsidize the construction of new housing through redevelopment, it must rely on its existing incentives to promote the development of affordable housing in the coastal zone.

The Local Coastal Program (LCP) addresses three primary issue areas: public access, locating and planning for new development, and the preservation of marine-related resources. The LCP includes a number of policies that will affect the ability to develop new housing development within the coastal areas of the City. These include policies related to the preservation of beach access, the provision of adequate parking (including requiring adequate off-street parking to be provided in new residential development) and controlling the types and densities of residential development within the coastal zone. Those coastal policies related to residential development within the coastal zone include the following:

1. Policy II.B.1: Maintain building scale in coastal zone residential neighborhoods consistent with Chapter 2 of the Implementation Plan.
2. Policy II.B.2: Maintain residential building bulk control established by development standards in Chapter 2 of the Implementation Plan.
3. Policy II.B.3: Maintain Coastal Zone residential height limit not to exceed 30 feet as required by Sections A.04.030 and A.60.050 of Chapter 2 of the Implementation Plan.
4. Policy II.B.4: The beach shall be preserved for public beach recreation. No permanent structures, with the exception of bikeways, walkways, and restrooms, shall be permitted on the beach.

GOALS, POLICIES AND PROGRAMS

GOAL I. Preserve existing neighborhoods.

The City is made up of several distinct neighborhoods, some of which were originally established in the early 1900s. The neighborhoods reflect the City's unique and varied environment and include:

- 1) The Beach Area, containing most of the City's multi-family rental housing which is developed on small lots and offers a village atmosphere;
- 2) The Hill Section consisting primarily of single-family residential development on slightly larger lots, with commercial and higher-density residential development limited to Sepulveda Boulevard and Manhattan Beach Boulevard;
- 3) East-Side including single family residential uses and a large proportion of the City's commercial and residential uses within this area;
- 4) Manhattan Village which includes a substantial amount of regional commercial and office development as well as a significant number of single family homes and senior housing.
- 5) The Tree Section which is the single family area east of Bell Avenue and northwest of Valley Drive as well as senior housing; and
- 6) El Porto, a formerly unincorporated community providing a mix of high density residential and commercial uses.

The City is committed to the maintenance and preservation of its residential neighborhoods.

Policy 1. Preserve the scale of development in existing residential neighborhoods.

Program 1a. Continue to enforce provisions of the Zoning Code which specify District Development Regulations for height, lot coverage, setbacks, open space, and parking.

Section 10.12.030 has established standards to avoid "mansionization", including increased setback and open space requirements for new single family residences. The additional open space must be provided in areas adjacent to streets or in areas that create useable open space. Open space may be provided above the second story, encouraging structures to be built to less than maximum height and reducing the mass of homes.

The mansionization ordinance also establishes maximum lot sizes in residential districts as follows:

TABLE 43
MAXIMUM LOT SIZES

District	Maximum Lot
I - Hill Section; Ardmore east, Manhattan Beach Blvd. south	15,000 sq. ft.
II - Tree Section; Ardmore/Blanche ea., Manhattan Beach Blvd so.	10,800 sq. ft.
III - Beach area	7,000 sq. ft.
IV - El Porto	7,000 sq. ft.

Generally, properties in the Medium and High Density Residential zones which are developed with three or more units are exempt from the stricter requirements, in order to encourage development of multi-family development.

Section 10.64.030 requires additional enclosed parking for larger residences. Three enclosed parking spaces are required for residences that exceed 3,600 square feet in floor area, whereas residences smaller than 3,600 square feet only need to provide two spaces. Only one space is required for multi-family units with less than 550 square feet.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: On-going

Objective: Preserve 20 smaller units

Program 1b. Continue to apply the Design Overlay as provided under Section 10.44 of the Municipal Code, as appropriate.

This section provides a mechanism for establishing specific development standards and review procedures for certain areas of the City with unique needs, consistent with General Plan policies, taking into consideration the unique nature of a given neighborhood. Seven subdistricts have been established:

D1--Rosecrans Avenue, where higher fences in the front-yard setback area are needed to reduce traffic noise;

D2--11th Street, where limitations on building height and density are needed to minimize building bulk and buffer adjoining residences;

D3--Gaslamp neighborhood, where special design standards and review procedures are needed to preserve existing neighborhood character;

D4--Traffic noise impact areas, where higher fences are needed to reduce traffic noise;

D5--North end commercial, where special design standards are needed for the north end commercial area to accommodate additional residential development;

Program

D6--Oak Avenue, where special design standards, landscaping and buffering requirements are needed to allow commercial use of property in a residential area adjacent to Sepulveda Boulevard;

D7--Longfellow Drive area, including residential lots in Tract 14274 located on Longfellow Drive, Ronda Drive, Terraza Place, Duncan Drive and Kuhn Drive, where a special minimum lot area requirement and restriction on subdivision is needed to preserve the character of the neighborhood, including views and privacy.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: On-going

Objective: Preserve neighborhood character citywide.

Program 1c. Refrain from approval of lot mergers which would result in a reduction in the number of residences allowed.

Many homes have been constructed on double lots. The City has permitted the underlying subdivision to remain, in order that separate homes may potentially be built on each of the underlying lots. In accordance with Zoning Code Section 10.52.050, accessory structures ancillary to a primary residence may be constructed on an adjacent lot in common ownership without processing a lot merger. Similarly, the City will not require that lots be merged when schools, churches or other, similar public assembly uses are constructed on multiple lots. In addition, the maximum lot standards noted above would prevent consolidation of very large lots.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: On-going

Objective: Preserve 20 subdivided lots

Policy 2. Preserve existing dwellings.

Program 2a. Allow non-conforming dwellings to remain and improve.

Under the Zoning Code Section 10.68, as recently revised in conjunction with the City's mansionization ordinance; the development process for improvements to smaller non-conforming residential structures has been streamlined. Exceptions may be approved administratively to allow additions to non-conforming structures that will not result in total structures in excess of 66 percent of the maximum floor area in Districts III and IV or 75 percent of the maximum floor area in Districts I and II, or 3,000 square feet, whichever is less.

Program

Non-conforming dwellings may also be improved while maintaining non-conforming, existing parking. For dwellings with less than 2,000 square feet of floor area, only one enclosed parking space is required.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: On-going

Objective: Preserve 24 smaller units

Program 2b. Consider utilizing Community Development Block Grant funds or exchange funds for home improvement loans for low income residents, consistent with income limits provided for such funding, and pursue additional sources of funding for City programs.

As discussed previously, CDBG funds are exchanged for unencumbered General Funds which are granted to local public service agencies who provide services for low and moderate income residents as well as elderly, disabled, and abused residents. Services include counseling, shelter referral, dental care, case management and groceries for seniors. This allows the City to exceed the fifteen percent limit on a locality's CDBG funds which may be passed on to such social service providers.

As shown previously in Table 28, approximately three quarters of extremely low income homeowners, and half of very low income homeowners pay over half of their income on housing, leaving little for home maintenance or improvement. A third of low income homeowners pay over half of their income on housing.

Many homeowners in the City could not afford to purchase their homes at currently prevailing prices, and are "house rich and cash poor," which is not unusual for the region. Long time residents would be expected to have decades-old mortgages with relatively low payments. Some may have completed their mortgage payments. Thus, as they approach their retirement years and live on a fixed income, they could continue to afford to live in their current residences. However, major home repairs and rehabilitation could exceed limited budgets.

A portion of CDBG funds could be utilized to provide a larger number of small loans or grants for rehabilitation of existing housing. Years ago, residents showed little interest in such a program. However, the population has aged, leading to a greater number of residents on fixed incomes. Before initiating any such program, the City should attempt to establish whether interest exists through public solicitation of interest. It would be important to assure residents of full confidentiality, in order not to deter participation.

First time homeowners would be facing new mortgages with large payments. Units available to first time buyers would be expected to be the lowest priced homes,

Program

oftentimes "fixer uppers". Mortgage payments could require a large proportion of the buyers' income, leaving little remaining income for home repairs. However, even the lowest advertised prices for residential units would be out of reach for low income individuals, and a CDBG funded loan program would therefore be expected to be most heavily utilized by long term homeowners on fixed incomes.

Responsibility: Community Development Department

Funding: CDBG

Schedule: Initiate assessment of interest 2009;
if interest exists, initiate program 2010.

Objective: Preserve/improve 16 low and moderate income units

GOAL II. Provide a variety of housing opportunities for all segments of the community, including various economic segments and special needs groups.

There is considerable diversity in the types and densities of housing that comprise the City's neighborhoods, with high-density multiple-family development found within the coastal zone, and less dense single-family neighborhoods located further inland. As noted previously, housing is offered to a variety of economic sectors, with for sale units advertised at prices ranging from \$350,000 to \$8 million. Approximately one fifth of the City's population is currently over the age of fifty five, and housing policy must consider the special needs of the aging population.

Policy 3. Provide adequate sites for new housing consistent with the capacity of roadways, sewer lines, and other infrastructure to handle increased growth.

Program 3a. Continue to allow infill in residential areas.

Development of existing vacant residential infill sites would result in the production of dwelling units on small sites scattered throughout the City. The Manhattan Beach General Plan would provide for and additional 395 dwelling units on sites designated for residential use citywide. Infill on specific developed sites built at less than the density permitted under existing zoning with a high potential for redevelopment could result in approximately eighty eight (88) additional units.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: On-going

Objective: 88 to 395 dwelling units dwelling units

Program 3b. Permit and facilitate the establishment of residential uses in certain commercial districts.

Under Section 10.16.020 of the Municipal Code, residential uses are permitted upon the approval of a use permit in the Local Commercial, Downtown Commercial, and

North End Commercial Districts. Single-family residential permitted by right in the North End Commercial District if located on a site which (1) fronts on Crest Drive; or (2) on the rear half of a site which fronts on Highland Avenue; or (3) on a site which fronts on the east side of Highland Avenue between 38th Place to the south and Moonstone Street to the north; or (4) on a site which does not abut Rosecrans Avenue or Highland Avenue; otherwise a use permit is required.

Development of mixed uses can facilitate the delivery of housing. Not only does mixed use development make additional areas available for residential development, in a mixed use project the provision of an accompanying commercial use can help absorb some of the fixed costs of development, thereby facilitating the production of lower cost units. In addition, traffic congestion along with energy consumption and air emission can be reduced as residents walk to nearby commercial uses. This can also enhance the viability of less thriving commercial areas.

Because a use permit is currently required for development of residences in most commercial areas, these cannot be considered units that would be permitted by right and therefore could not be considered to meet the RHNA. Residential uses in the Downtown area and along Manhattan Beach Boulevard may enhance those areas. It is suggested that the City allow residential uses by right with specific criteria, subject to Planning Director review to assure that all standards are met.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: Revise code to eliminate use permit requirement 2010.

Continued approval of mixed use development, on-going

Objective: 300 dwelling units

Program 3d. Revise development standards for residential uses in the CD and CNE District.

In order to encourage residential uses, it is suggested that rather than limit residential units to a certain number of units per lot, that no specific maximum number of units per lot be specified, so long as the otherwise maximum physical dimensions of the allowable building envelope are not exceeded. Greater numbers of smaller units could result, with likely occupants being young people and seniors wanting easy access to commercial uses, particularly seniors who no longer feel comfortable driving.

Under existing codes, parking spaces located within the Downtown Commercial (CD) district may serve as required parking for a nonresidential use located within the same district at a maximum distance of one thousand feet (1,000'). No parking for commercial uses is required at all if the floor area ratio does not exceed 1:1. The same is not permitted for residential uses. In order to facilitate development of

Program

residential uses, residential and commercial uses should be treated equally for parking purposes.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: Revise code by 2011

Objective: Facilitate mixed use units noted above.

Policy 4. Preserve existing affordable housing stock

Program 4a. Regulate the conversion of rental stock to condominiums.

Section 10.88.080 of the Municipal Code requires that potential displacement of existing tenants be taken into consideration when evaluating requests for conversion of existing rental units to condominium status. In addition, under Section 10.88.070, tenants must be given first right of refusal to purchase at discounted prices. Those tenants who do not wish to purchase must be provided relocation assistance. Elderly and handicapped tenants must be provided life leases, with no rent increases for at least two years, and low and moderate income tenants and families must be given at least one year to relocate. These programs help to reduce the impact of condominium conversion on low and moderate income households.

Responsibility: Community Development Department

Funding: City General Fund, condominium application fees

Schedule: On-going

Objective: Preserve 12 affordable units

Policy 5. Encourage the development of additional low and moderate income housing.

Program 5a. Provide incentives for housing affordable to low income households and senior housing.

Section 10.52.090 of the Municipal Code provides for density bonus or other incentives when low income housing is provided, in accordance with Section 65915 of the California Government Code. The housing must remain affordable for at least thirty years. In accordance with Section 10.12.050 N of the Municipal Code, development standards may be modified where affordable housing is provided.

Pursuant to Section 10.52.090 of the City's Zoning Ordinance (Affordable Housing Incentive Program), developers who volunteer to make a portion of the housing development affordable by persons of lower income receive financial incentives, thus expanding housing opportunities for lower-income persons throughout the City. The Code defines "affordability" as follows:

Program

1. A "for-sale" unit is considered affordable to a lower-income household if the total monthly payment required by the household to purchase and occupy the unit does not exceed 35% of the monthly income of a family (of the appropriate family size for the unit per the occupancy standards of the U.S. Department of Housing and Urban Development) with a monthly income equal to 80% of the County median income.
2. A new rental unit is considered affordable to a lower-income family if the total housing cost (including rent and utilities) does not exceed 30% of monthly income for households making 60% or less of County median income, based on a household appropriately sized for the unit per HUD occupancy standards which normally allow two persons per bedroom plus one additional person.
3. An existing rental unit is considered affordable to a lower-income household if the total housing cost including rent and utilities does not exceed the prevailing fair-market rent published by the U.S. Department of Housing and Urban Development.

Additional requirements needed to qualify for the incentives provided under this Affordable Housing Incentive Program include the following:

1. At least 20% of the total units must be affordable to lower-income persons or families as defined by the California Health and Safety Code, Section 50079.5, including elderly persons and families defined by Section 50067 of the Health and Safety Code; or,
2. At least 10% of the total units of a housing development must be made available to very-low-income households, as defined in Section 50105 of the Health and Safety Code; or,
3. At least 50% of the total dwelling units of a housing development must be made available to qualifying residents, as defined in Section 51.2 of the Civil Code.

Applicants for development meeting the above requirements may request that the City grant an incentive of financial value equivalent to a 25% density bonus and a regulatory concession or incentive. Following a public hearing, the City Council may grant such incentives as long as the density bonus is appropriate and consistent with the General Plan and the Zoning Code. The Zoning Code also provides for the following regulatory concessions or incentives to enable qualifying affordable housing development will be produced at a reduced cost:

1. A reduction in site development standards or a modification of zoning code requirements or architectural design requirements;
2. A reduction in setback and square-footage requirements;
3. A reduction in required vehicular parking spaces;

4. The approval of mixed use zoning in conjunction with the housing project if commercial, office, industrial, or other land uses will reduce the costs of the housing development. In these instances, the commercial, office, industrial, or other land uses must be compatible with the residential development and the surrounding residential development.
5. Other regulatory incentives or concessions proposed by the developer or the City, which result in identifiable cost reductions.

The developer must enter into an agreement which shall include the following provisions at a minimum:

1. The proportion of the total units that will be affordable by persons and families of lower income,
2. A commitment that the affordable units will remain available and affordable for 30 years unless the City approves a shorter time period.
3. A requirement that the affordable units be identified on building plans and described in the application for a lower- income housing incentive.
4. A requirement that resale controls be included as a deed restriction to ensure continued affordability, secured by a promissory note, in the amount of fifty thousand dollars (\$50,000.00) per affordable unit, secured by a deed of trust against the property.
5. A description of the specific incentives that the City will make available to the developer and any conditions pertaining to them.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: Annual review of development agreements, ongoing approval of projects as proposed.

Objective: 30 incentive units

Program 5b. Streamline the development process to the extent feasible.

The City currently allows and encourages concurrent processing of all discretionary applications for a project, thereby streamlining the development process. Many routine applications may be processed as minor exceptions instead of the longer and more difficult variance process. As discussed in the previous section regarding governmental constraints, processing time for building permits in the City compares favorably with that for other nearby jurisdictions.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: Ongoing.

Program

Objective: Process 100 percent of applications in an efficient manner

Program 5c.

Allow the establishment of manufactured housing on single family residential lots.

Manufactured housing can be constructed for much less than the cost of traditional building. Building various standardized modules in one location results in savings due to economies of scale and greatly reduced waste of building materials. Factory-built housing designed for placement on fixed foundations can be highly attractive and virtually indistinguishable from standard construction. In addition, current factory-built housing is typically built to higher standards for energy conservation.

In accordance with Section 10.52.100 of the Municipal Code, manufactured housing is permitted on single family lots not occupied by another dwelling. The housing must be secured, must meet certain design criteria, and must be on a relatively flat slope. These criteria are not unduly burdensome and would not prevent the establishment of manufactured housing on residential lots.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: Ongoing.

Objective: Increase affordability of 5 units

Program 5d.

Work with the private sector to facilitate the provision of low and moderate priced housing.

In the recent past, the City has worked with the private sector to produce two residential projects available to low and moderate income households. The Manhattan Terrace development received a certificate of occupancy in July 1991. The City approved a use permit to allow this senior citizen project at 3400 Valley Road. This forty eight unit project contains 540 square foot units with rents at affordable levels.

A 104-unit seniors project was completed at Manhattan Village on Parkview Avenue in 1997. This project provides housing affordable to very low and moderate income households along with market rate housing. The City processed a zoning amendment to allow a higher density for this project, and reoriented a City recreation facility in order to facilitate development of the project.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: Annual review of continuing affordability; ongoing approval of projects as proposed.

Objective: Preserve 81 affordable senior units

PROGRAM 5e. Allow second family units in single family areas.

Section 65852.2 of the California Government Code provides for the establishment of second units in areas zoned for single family, as a means of increasing housing stock. Provision for second units has superseded the original State provision for granny flats, though many of the second units are designed for elderly family members. Units meeting the following criteria must be permitted:

1. The unit is not intended to be sold separately from the primary residence, but the second unit may be rented.
2. The lot is zoned for single-family or multifamily use.
3. The lot contains an existing single-family dwelling.
4. The second unit is either attached to the existing dwelling and located within the living area of the existing dwelling or detached from the existing dwelling and located on the same lot as the existing dwelling.
5. The increased floor area of an attached second unit shall not exceed 30 percent of the existing living area.
6. The total area of floorspace for a detached second unit shall not exceed 1,200 square feet.

No more than one parking space per bedroom may be required. In accordance with Section 65852.2(b)(3), local ordinances may specify that the property owner reside on the property.

Absent a local ordinance specifying development standards, the provisions of State law apply. The City does not currently have a local ordinance regarding second family units. Efforts were made to develop an ordinance in the past, but abandoned before the process was completed. The City may wish to reconsider developing its own second family unit program, both to facilitate provision of second family units and to establish standards suited to the City's unique neighborhoods.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: Develop ordinance 2011

Objective: 36 second family units

Policy 6. Encourage means of increasing ability to afford existing housing stock.

Program 6a. Continue to participate in Los Angeles County Housing Authority, and publicize availability of Section 8 rental assistance for households in the City.

Section 8 rental assistance is provided by the United States Department of Housing and Urban Development (HUD) and is administered locally by the Los Angeles

Program

Community Development Commission (CDC) operating as the Housing Authority of the County of Los Angeles. Under this program, low income households are provided the differential between the rental rate of a unit and what they can afford. The rental rate cannot exceed fair market rent for the area as established by HUD. Based on Census data and advertised rents, there are units within the City which fall within the permissible rental range. The County has ceased accepting applications for new Section 8 assistance due to the length of the countywide waiting list, but is soliciting enrollment of additional landlords.

Responsibility: Los Angeles Community Development Commission;
Publicized by City Community Development Department

Funding: Federal Section 8 funds

Schedule: Ongoing. Publicize to landlords and tenants via City newsletter, link on City website or other means, 2010 and ongoing.

Objective: 6 existing units made available through Section 8 program.

Program 6b. Participate in the Home Ownership Program (HOP) and American Dream Down Payment Initiative (ADDI) programs.

These first-time homebuyers programs are administered by the Los Angeles Community Development Commission and are available to prospective residents of Manhattan Beach. Although the programs place a ceiling on housing price, a few units in Manhattan Beach could qualify, based on existing home listings.

The Home Ownership Program (HOP) is financed with HOME funds provided through the U.S. Department of Housing and Urban Development (HUD) and is subject to the applicable federal regulations. HOP has been designed to meet the needs of low-income families with the necessary down payment assistance. This program will provide a 2nd Trust Deed loan at 0% interest with all payments deferred until sale, transfer, refinancing, or full repayment of the first mortgage.

The American Dream Down Payment Initiative (ADDI) is a component under the HOME Investment Partnerships Program, authorized under the Title II of the Cranston-Gonzalez National Affordable Housing Act. ADDI monies are used for closing costs and down payment assistance with a loan amount of up to \$10,000 or 6% of the purchase price whichever is greater.

Responsibility: Los Angeles Community Development Commission;
Publicized by City Community Development Department

Funding: HUD HOME funds

Schedule: Ongoing. Publicize to via city newsletter, link on city website or other means commencing 2010.

Objective: 4 units purchased through HOP or ADDI

Program

Program 6c. Encourage shared housing programs for seniors and existing one person households.

Sharing of one housing unit by two or more roommates can render housing affordable to persons who could not otherwise afford housing individually due to the ability to share housing costs among roommates. This is also of help to seniors who may need minor assistance or even just occasional monitoring. The programs could be coordinated by the City's Senior Services Manager.

Responsibility: Senior Services Manager

Funding: City General Fund/Beach Cities Health District

Schedule: Begin program 2010

Objective: 48 housing matches

Policy 7. Promote housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, or color and for special needs groups.

Program 7a. Continue to participate in area wide programs to ensure fair housing.

The City will continue to contract with Fair Housing organizations to process complaints regarding housing discrimination within the City, and to provide counseling in landlord/tenant disputes.

Responsibility: Community Development Department

Funding: General fund/CDBG

Schedule: Ongoing, annual review

Objective: Address 100 percent of fair housing complaints

Program 7b. Provide for the housing needs of seniors.

The Manhattan Village Senior Villas, located at 1300 Park View Avenue, was first occupied in 1997. This project consists of 104 senior housing apartments. As a condition of the project's approval, 20% of the units must be reserved for very low income households, 20% must be reserved for low-income households, and 40% of the units must be reserved for moderate-income households. The remainder (20%) of the units may be rented at a market-rate. The occupants of the senior housing project must consist of a householder 62 years of age or older, or 55 years of age or older if handicapped, according to criteria established by the Americans With Disabilities Act (ADA) of 1990 or the Federal Rehabilitation Act of 1973. This program is concerned with ensuring that the current affordability of the project is being maintained.

Program

Implementation. No additional funding and/or staffing will be required or are anticipated with this program's continued implementation. The City will work to inform the public of the program.

Responsible Agency: California Housing Finance Agency

Funding: State of California

Schedule: On-going

Objective: Preserve 81 affordable senior units

Program 7c. Provide for the special needs of seniors so that they may remain in the community.

The Senior Care Management program provides services to predominantly low-income seniors. At any given time, the Senior Services Program may assist up to 110 senior citizens, of which 70% are low-income. As liaison and service coordinator, the Senior Care Manager performs the following functions:

1. Locates suitable (often more affordable) housing. This may include referrals to "board and care" residential facilities in Manhattan Beach, or multi-family apartments;
2. Identifies financial assistance resources, including HUD Section 8 rental vouchers through Los Angeles County, and other federal assistance programs, as well as disbursing information and referring to lenders for special mortgage programs;
3. Coordinates "Rotary Cares," a volunteer program, which rehabilitates two senior homes per year, consisting of minor repairs, plumbing, carpentry, painting, etc.,
4. Arranges and makes referrals for health and personal services for the Senior Health Program, which is funded by the Beach Cities Health District; and,
5. Informs eligible low-income seniors of state and utility company programs (Southern California Edison and Southern California Gas Company) regarding discounts, weatherization services, and payment assistance.

As discussed above, it is suggested that a shared housing program also be established, expanding responsibilities under No. 1 above. The City also provides funds for social service groups serving seniors, including the Salvation Army brown bag food program, Care Management for Manhattan Beach Seniors, and South Bay Adult Care Center.

Responsible Agency: Fire Department

Funding: General Fund/Beach Cities Health District

Schedule: On-going; add shared housing program 2010

Objective: Maintain full-time senior services provider

Program

GOAL III. Provide a safe and healthy living environment for City residents.

The City's housing stock is generally in good condition, and the City has few heavy industrial type uses. In the past, industrial uses to the north, in El Segundo adversely affected local residents, but the two cities have worked together to address this problem. It is the goal of the City to continue to provide a healthy environment for all residents.

Policy 8. Eliminate potentially unsafe or unhealthy conditions in existing development.

Program 8a. Continue the active code enforcement program for illegal and substandard units.

The City has an active Code enforcement program which responds to complaints of substandard structures. In addition a Report of Residential Building Records is required each time a property is sold, which serves to alert all parties to unpermitted and potentially substandard construction that may exist.

Responsible Agency: Community Development Department

Funding: General Fund

Schedule: On-going

Objective: Respond to 100 percent of reports of substandard units

Program 8b. Utilize Community Development Block Grant funds for home improvement loans for low income housing, consistent with income limits provided for such funding, and pursue additional sources of funding for City programs. This is identical to Program 2, above.

Policy 9. Prevent the establishment of potentially unhealthful conditions in new development.

Program 9. Require that residential uses adjacent to industrial or commercial uses be adequately buffered from such uses.

Sections 10.16.030 and 10.20.030 of the Municipal Code requires that walls and setbacks be provided between industrial and residential uses and between commercial and residential uses. As industrial uses have left the area, this is less of a problem than in the past, although such uses continue to exist in the area.

Responsible Agency: Community Development Department

Funding: General Fund

Schedule: On-going

Objective: Maintain block walls and adequate landscaping at all industrial/residential interfaces.

GOAL IV. Encourage the conservation of energy in housing.

Program

The conservation of energy and sustainable development have become of increasing importance. Worldwide energy supplies are subject to greater demand from emerging economies throughout the world. Scientists and society at large have gained a greater understanding of the impacts of energy consumption and global warming, specifically greenhouse gases. California has become the first state to address greenhouse gases. It is important that new housing be developed in light of a changing energy environment.

Policy 10. Encourage the use of alternate energy.

Program 10. Waive fees for installation of solar panels.

Solar panels may be used on roofs of residential and commercial structures to generate electricity which is either transmitted to the grid or stored in batteries on-site. The existing height limits in Manhattan Beach ensure rooftop units would not eventually be subject to shade and shadow which would render them ineffective. In March 2008, in order to encourage use of alternate energy, the City Council voted to waive any building fees for photovoltaic panels.

Responsible Agency: Community Development Department

Funding: General Fund

Schedule: On-going

Objective: 84 solar panels

Policy 11. Reduce energy loss due to inferior construction/development techniques.

Program 11a. Enforce green building techniques.

The City has adopted the California Energy Code. In addition the City requires the following:

- Insulating hot water pipes to minimize energy loss
- Using caulk and insulation that are formaldehyde-free or contain low VOC (volatile organic compounds)
- Pre-plumb water piping and sensor wiring to the roof for future solar water heating
- Use duct mastic on all duct joints and seams to minimize energy loss
- Install "Energy Star" bath fans vented to the outside
- Energy efficient water fixtures

The City continues to review its codes to encourage greener building techniques. The United States Green Building Council is currently reviewing more intensive measures to be included in buildings for LEED certification. The City should review its codes upon completion of the USGBC review.

Program

Responsible Agency: Community Development Department
Funding: General Fund
Schedule: On-going. Revise codes by 2011.
Objective: 100 percent compliance for new units

Program 11b. Encourage water conservation.

Massive amounts of energy are utilized in pumping water to southern California. Any measures to conserve water will therefore help conserve energy. This can be achieved through use of low flow fixtures and use of drought tolerant landscaping. Sections 7.32 and 10.52.120 of the Municipal Code currently address landscaping, tree preservation, and tree planting, but do not address drought tolerant landscaping. These section should be reviewed and revised to address water use as well as aesthetic factors.

City codes provide for waterless urinals. Similar to the situation with solar panels, inspection and permit fees for installation of such urinals should be waived, when they are used to replace older, water-wasting urinals.

Responsible Agency: Community Development Department
Funding: General Fund
Schedule: On-going. Revise codes by 2012.
Objective: Reduced water consumption

Policy 12 Encourage reduction in energy consumption for commuting to work and other activities.

Program 12. Provide a balance of residential and employment generating uses in the City, including mixed use projects.

Where individuals have an opportunity to live in close proximity to their work, vehicle miles traveled to and from work can be reduced, thus reducing energy consumption. The City has permitted the development of mixed uses in Manhattan Village and permits the development of residential uses in commercial districts downtown and along Manhattan Beach Boulevard. In addition, the commercial areas of the City are in close proximity to residential districts, thus providing the potential that residents may walk to work or to shopping, dining out or other activities, or only drive a short distance.

Responsible Agency: Community Development Department
Funding: General Fund
Schedule: On-going. Revise codes as noted above
Objective: 200 mixed use units

Program

Preservation of Assisted Housing

Section 65583(a)(8) of the California Government Code requires an analysis of previously assisted housing projects which may change to non-low-income housing during the next 10 years as well as strategies to preserve or replace the units. There are currently no such projects in the City of Manhattan Beach and, therefore, no preservation program for such units is necessary.

SUMMARY OF OBJECTIVES

Section 65583 (b) of the California Government Code requires that a housing element contain quantified objectives for the maintenance, improvement, and development of housing. Under the existing General Plan, the City has capacity on residentially designated sites for 395 dwelling units more than existed in the City at the beginning of the planning period. This does not include potential additional units in mixed use areas.

From the time of the Census to 2006, there was an estimated increase of 391 dwelling units in the city, based on a Department of Finance estimate of 15,485 dwelling units in the City as of January 1, 2006. Since then, development of new housing has nearly come to a stop, with a net increase of only one dwelling unit from January 1, 2006 to January 1, 2008, according to the Department of Finance estimates. Construction also occurred on sites where older homes were removed and replaced with new construction. However, construction of infill housing would not be anticipated to occur at the robust levels which occurred in the years preceding 2006.

Due to market factors, it is anticipated that the bulk of new, market rate units would be affordable only to high income individuals. Anticipated new units are shown in Table 44. In addition, six units would be enrolled in the Section 8 low income rental program and 4 units would be purchased by low/moderate income families through the HOP and ADDI programs.

**TABLE 44
NEW UNIT AFFORDABILITY**

	Very Low	Low	Moderate	High	Total
RHNA	296 du 11.02%	149 du 12.59%	160 du 15.35%	350 du 61.03%	895 du
Infill				88-395 du	88-395 du
Second Family Units	12 du	18 du	6du		36 du
Incentive Units	10 du	10 du	10 du		30 du
Commercial Areas	75 du	75 du	75du	75 du	300 du
NEW UNIT TOTAL	97 du 9.8%	103 du 13.95%	91 du 21.96%	163-470 du 54.3%	366-761 du
Section 8	3 du	3 du			6 du
HOP/ADDI			4 du		4 du
TOTAL NEWLY AFFORDABLE	3 du	3 du	4 du		10 du

Program

Implementation of Previously Existing Element

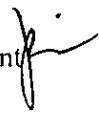
The Manhattan Beach Housing Element adopted February 4, 2003 focused on five primary strategies as follows:

1. Development of Vacant and Underutilized Parcels - Six vacant parcels have been developed with housing. This strategy is recommended to continue in the future.
2. Conversion of Downtown Multiple Family Residential- A 1.77 acre area developed in residential use was designated for high density residential use (RH) from Downtown Commercial (CD), thereby allowing preservation and expansion of residential uses in this area.
3. Encouragement of Mixed Use - This is an ongoing program that is recommended to continue.
4. Beach Infill - This is an ongoing program that is recommended to continue.
5. Second Family Units - This program has not yet been implemented, but is recommended for implementation in this element.

The basic goals of the 2004 Housing Element include preservation of existing housing stock and provision of adequate sites for housing. The previously discussed mansionization ordinance and non-conforming ordinance respond to these goals.

The 2004 Housing Element also included an energy conservation program. The City's previously discussed sustainable development program implements the energy conservation program.

**CITY OF MANHATTAN BEACH
COMMUNITY DEVELOPMENT DEPARTMENT**

TO: Planning Commission
THROUGH: Richard Thompson, Director of Community Development 
FROM: Michael P. Rocque, Assistant Planner *M.P.R.*
DATE: January 29, 2009
SUBJECT: Planning Commission Workshop to Discuss and Review a Comprehensive Update to the City's General Plan Housing Element

BACKGROUND

The Housing Element is one of seven mandated elements that must be included in a city's local General Plan in accordance with State law. State law also requires that local governments review and update their Housing Elements every five (5) years. The legislative purpose of a Housing Element is to ensure that cities assist in implementing a State-wide housing goal and that local governments adequately plan to meet the existing and projected housing needs of all economic segments of the community.

More detailed background information can be found in the previous Staff Report and attachments from the November 12, 2008 regular meeting (Exhibit C).

The primary goal of the City of Manhattan Beach Housing Element is to promote the development of suitable housing to meet existing and projected demand, while protecting the vitality of the existing residential neighborhoods. The challenge that the City can sometimes face is attempting to apply the State regulated goals and policies within the Element which does not always correlate or fit in with the City's existing infrastructure and Land Use goals/policies. The goal is to try and attain a Housing Element that addresses all or many of the State's goals while incorporating and considering the City's primary goals and objectives. A more detailed discussion of what the Housing Element must include along with a breakdown of the current draft Element is included in the previous Staff Report from the November 12, 2008 regular meeting (Attachment C).

Staff presented the Housing Element for initial review at the November 12, 2008 Planning Commission regular meeting for consideration. The Commission decided at that meeting to Table the item for further discussion and directed staff to hold a Public Workshop in order to grasp and gain a full understanding of the purpose and process that goes into creating the Housing Element, as well as inviting the public for insight and comments.

DISCUSSION

At the November 2008 meeting, the Commission requested more information on the decision-making process used to identify the available housing sites. Attachment D is a copy of the potential sites in which the consultant and staff discussed along with the pros and cons of each site and the reasoning/justification for not selecting these sites for additional housing units.

Additionally, the Commission commented on the content in certain areas of the Housing Element. Staff is in the process of working with the Consultant to address all organizational and substantive issues within the Housing Element, such as, the layout and correlation, discussion of the 2003 Housing Element, visible areas for housing, and open space/parking regulations. Further revisions to the Element will take place after receiving comments and direction from tonight's meeting. A copy of the 2003 Housing Element has been provided (Attachment E) per the Commissions request.

At the November 12, 2008 meeting there were two speakers from the public. Both speakers commented on how they would like to see the Housing Element become more of a public process and that the current State Housing Goals and RHNA number of 896 units does not seem to be realistic and attainable. There were also suggestions that the City should consider lobbying the State to consider changing some of its current requirements.

PUBLIC NOTICE

A notice of the Planning Commission workshop was published in the Beach Reporter on January 8, 2009. Staff also sent out mailers to interested stakeholders and made the notice available on the web. The draft Element has been made available at the Library and City Hall, and copies of the draft Element are available to the public at the Department of Community Development. Staff, received one comment Attachment F.

ATTACHMENTS

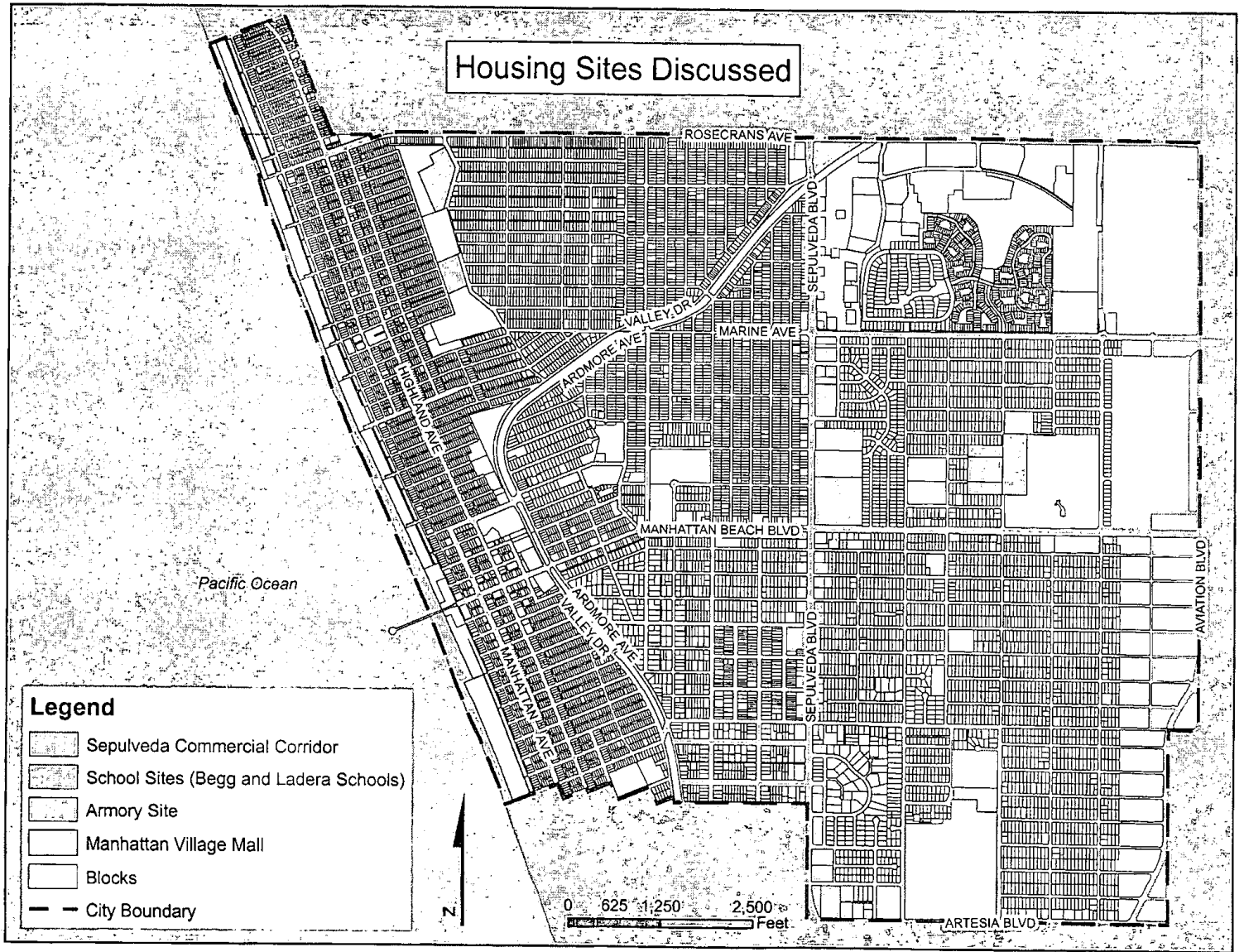
- A: PC Minutes from 11/12/08 Meeting
- B: Draft Housing Element-10/08
- C: 11/12/08 Planning Commission Staff Report & Attachments
- D: Potential Available Housing Sites-1/7/09
- E: 2003 Adopted Housing Element
- F: E-Mail-Gary Osterhout-1/22/09

Housing Sites Discussed

<i>Potential Sites</i>	<i>Pros</i>	<i>Cons</i>	<i>Justification/Reasoning</i>
<p>Sepulveda Commercial Corridor (various private owners)</p> <p><i>Approximate Size/Area: 80-90 Acres (Excludes Man. Village Mall)</i></p>	<p>Potential for mixed-use development could provide a large number of additional housing units</p>	<p>-Could hinder the City's current tax base revenue it receives from most businesses along Sepulveda by losing some commercial business.</p> <p>-New housing would not be conducive to the Sepulveda corridor in terms of traffic, circulation, noise, etc.</p>	<p>-City Council direction to keep this area primarily commercial and to maintain the City's economic base.</p> <p>-This area is consistent with the General Plan and Land Use Policies.</p>
<p>School Sites (if available - school district owns)</p> <p>-Begg School (Peck/18th)</p> <p>-Ladera School (Next to Grandview)</p> <p><i>Approximate Size/Area: 11.5 Acres (Combined)</i></p>	<p>Larger parcels which could lead to the potential for higher densities and more affordable housing.</p>	<p>-Increased residential uses could lead to increased demand for school facilities while reducing available sites</p> <p>-Conflicts with the City's recreation needs (school parks).</p> <p>-Site conditions. Steep terrain and poor access.</p>	<p>-Could have a conflict with the City's general plan (comm. resource element) to provide enough adequate schooling. School sites also represent approximately 28% of the City's park and open space.</p>
<p>Armory Site (if available- Federal government owned)</p> <p><i>Approximately Size/Area: 3.4 Acres</i></p>	<p>Not a very active armory site. Could be used for other services such as housing or recreation.</p>	<p>Not ideal for high density development. Would not create that much additional housing.</p>	<p>-Surrounding uses and area is not ideal for additional housing other than low density.</p> <p>-City Yard is surrounded on two sides by triangular site and on third side by existing low density residential neighborhoods.</p>
<p>Manhattan Village Mall overflow parking lot (city owned)</p> <p><i>Approx Size/Area: 1.5 acres</i></p>	<p>-Could potentially accommodate up to 25 additional housing units.</p> <p>-Provide more Senior Housing</p>	<p>Used as overflow mall employee parking and Manhattan Village Field during peak periods.</p>	<p>City Council direction to keep this area primarily commercial and retain ownership.</p>

EXHIBIT D
 Housing Elem. Workshop
 0/29/09

Housing Sites Discussed



DRAFT

HOUSING ELEMENT

FOR THE

CITY OF MANHATTAN BEACH



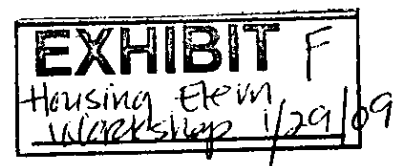
OCTOBER 2008

Overall Remarks

1. For the public meeting, I suggest we start with page 62/63, and work through the numbers, instead of starting with the boilerplate and working to the results. I would suggest for report formatting that these are brought forward to the beginning of the report.
2. I notice that, with the exception of Palos Verdes Estates, no other South Bay community has submitted their Housing Element, and all are Due. I would be interested to the extent we collaborate with other cities in developing our approach.
3. The City of Los Altos has seven goals in their 23 page Housing Element document (see list below). This translates to three pages of policies. Can we reduce or conform our goals similarly?

Los Altos goals:

- a. Preserve natural beauty and rural/suburban atmosphere and the high quality of residential neighborhoods.
 - b. Attract families with children
 - c. Maintain and enhance the existing variety of housing opportunities.
 - d. Maintain and enhance the existing pleasant, attractive, moderate density multifamily zoning districts.
 - e. Make housing available without regard to race, ethnicity, religion, gender or disability.
 - f. Increase senior housing opportunities.
 - g. Maximize energy efficiency.
4. To what extent is our goal of preserving a family-friendly, small-town atmosphere relevant to goals? To what extent do we have a preservation interest in keeping our voting mix stable--arguably, building more senior housing would put more voter stress on family/school facility or program funding.
 5. It must be stressed that fair housing laws generally prevent cities from restricting housing to only those folks working or already living in the city. Thus, a lot of what we build will likely enlarge our population, not necessarily help those already resident.
 6. A large part of the problems with the Housing Element is that the elements and the RHNA appears developed for larger population communities, communities with a greater welfare need, and for communities that are not adjacent and within a larger metropolitan area. Even the SCAG's RHNA is short on discussion of communities such as M.B., and are directed more to Torrance-size communities. I would like to have some idea of the "push-back" our representatives give to the SCAG. It would be nice to have a representative of Representative Ted Lieu's office at the public meeting to provide perspective.
 7. I find the document itself to be a bit ponderous, overwritten, and with little attention to assisting the reader with understanding the document, including addition of seemingly nonessential information and excessive verbiage. It would have helped to have a redline version of the prior document. I would suggest placing a lot of the raw



statistical references in the back as an Appendix instead of incorporating into the narrative.

8. California HCD provides a Housing Element Review Worksheet. It would be helpful to have a completed worksheet available and cross-referenced to our Element.
9. I believe our community would benefit from a discussion of other strategies employed by other cities such as in-lieu fees, zero loss/no-net-loss policies, and housing assistance for city employees, cottage configurations, if only to exclude them as being unlikely to produce material benefit.
10. There needs to be more elaboration on the second unit requirement. Of particular interest is that El Segundo's Mayor, Kelly McDowell, as spokesperson for the Independent Cities Association (of which M.B. is a member), publicly applauded Gov. Schwarzenegger's recent veto of a more strict second unit housing law. This brings up two questions: (1) what would have been the affect of this law on Manhattan Beach given a good possibility the next governor will not veto similar legislation, and (2) how is El Segundo phrasing their second unit responsibilities.
11. Page 49. It is inappropriate to suggest that downtown residences should not provide their own parking, but could use street parking instead.
12. Where in our Element is the "review of the actual results of the previous element's goals, objectives, policies and programs." Where is the "description of how the goals, objectives, policies and programs of the updated element incorporate what has been learned from the results of the previous element."? Is this on page 63? If so, seems rather brief.

Remarks on the Staff Report

1. Inaccurately summarized Govt. Code Sec. 65581(c). The staff report currently reads the objective intent of the legislation is "to assist each locality in determining what is required to enable the community to meet existing housing need and future housing demand."

The related intent actually reads: "to recognize that each locality is best capable of determining what efforts are required by it to contribute to the attainment of the state housing goal, provided such determination is compatible with the state housing goal." This section is correctly reflected in the actual draft element.

2. The staff report itemizes four components of the Housing Element (by including a housing needs assessment in with assessment of housing characteristics), where the Department of Housing and Community Developments Housing Element Law summary lists five (be separately listing the housing needs assessment). There is no reason the wording of each component cannot or should not be consistent. In addition, it would assist in the evaluation to have the draft report neatly organized and indexed around these four(five) components.

Remarks on the Draft Housing Element Document

1. For readability, it would be nice to have the Element section summaries that are currently in the Staff Report to be on the Element's Index page.
2. Page 1. Misquote of Govt. Code Sec. 65580(a) in the introduction. Needs to include the words "including farm workers." A quote is a quote. You could use the "...." to omit these words, if preferred.
3. Page 1. Paragraph starting "a housing element must contain" for readability and consistency should conform to the similar section in the Staff Report.
4. Page 2 and 5. The description of the Tree Section needs changed from east of Bell/Blanche and northwest of Valley Drive to East of Grandview Avenue. This area is more Trees than Beach, and should be recognized as compatible with single family (Trees), not multi-family (Beach).
5. Page 4 et seq. Do not reference census tract numbers as these are meaningless to a layman. Consider including corresponding physical location names and aggregating the tracts into the proper groups in displays (see, e.g., Tables 1 and 3, with Table 3 requiring the reader to do the addition to get an idea of the growth by Planning Area.
6. City population figures on page 7 (Table 2) need rationalized to page 26 (Table 30). Each Table would be better labeled in the heading what the source is (instead of below the table) since the source drives the figures. Also, on page 26, it states "SCAG's forecasting for small, incremental growth is consistent with growth that has occurred in the City in recent decades." This is not true, for in Table 2 it shows a decline from 1970 to 1980. If "recent decades" means the 1980s and 1990s, then that should be stated.
7. Notwithstanding 5, above, the population projections of Table 26 (sans new housing projects) needs reconciled to the fact that Manhattan Beach has had higher populations than now, but never as high as projected.
8. P. 26 et seq. The sections stop being headed with the section title after "City Profile." These headings are helpful to understand what section one is in.
9. P. 27. The report would benefit with more elaboration of the RNHA, as this is a driver. Could be placed in an Appendix, with reference.
10. P. 35. Need to specifically identify the number of specific additional infill units that could be accommodated on existing residentially designated sites instead of relying on the difference between an estimate (Dept. of Finance) applied against an estimate (the Land Use Element Estimate at Table LU-4).

11. P. 35, P. 62 and Table LU-4. It appears that either element is double-counting the number of additional units that can be provided through commercial area conversion. This number seems to be reflected in the table on page 65 as both a component of the infill estimates and the amount specifically identified to commercial areas. If it is not double-counted, then there needs to be a better explanation to separate the assumptions of each, and then to rationalize whether it is practical to consider 640 additional units in our commercial areas. In addition, Table LU-4 of the Land Use Element should be incorporated by more than just reference; there is no reason it should not be reproduced in the Housing Element in its entirety.
12. Page 36, reference "underdeveloped parcels in the beach area between 23rd Street and 35th street can accommodate 34 dwelling units." Need to be specific as to locations (maps and parcels), and why these boundaries were selected. Also need to identify the "multifamily areas along MBB and near Meadow School" that could accommodate 22 dwelling units.
13. P. 36. Why are the country club and adjacent buildings (including the Marriott) not included in the parcels available to accommodate additional units, while the Parkview/Village Drive parking lot is? At the least the reason this land is unavailable for housing should be distinguished.
14. P. 36. Need to tighten-up the sentences in the first paragraph referencing the parcels in the downtown commercial area.
15. P. 42. Height limit restrictions. Is providing a height restriction allowance an opportunity addressed somewhere in the report?
16. P. 46. Need a discussion about preservation of subdivided lots/lot mergers. I once asserted that our Housing Element could be used as justification to prevent lot mergers, but was told by Community Services that lot mergers served other community goals. To what extent should the housing need have primacy over other goals?
17. P. 48, Program 3a. I would like to see some map of the existing vacant residential infill sites. I believe our GIS mapping system would be well suited to this.
18. P. 48, Program 3b. The report should state here and probably elsewhere the trade-offs of having residential property built in commercial areas. It has to be acknowledged that housing prices (and parking requirements) are such that it is more economically advantageous to develop a residence than a commercial building even on Highland or Rosecrans. Also, residents or landlords of housing nearby businesses begin to assert restrictions over businesses (such as preventing outdoor dining patios). Thus, community-serving businesses are prevented from development, and existing business stock is deteriorating. So in our attempt to

make more housing close to businesses for benefits of transportation, in the long term we are pushing out businesses.

19. P. 54. Other Housing Elements seem to get away with verbiage involving encouraging second units by putting in language like they "post information at City Hall." Is this type of wording/effort sufficient?

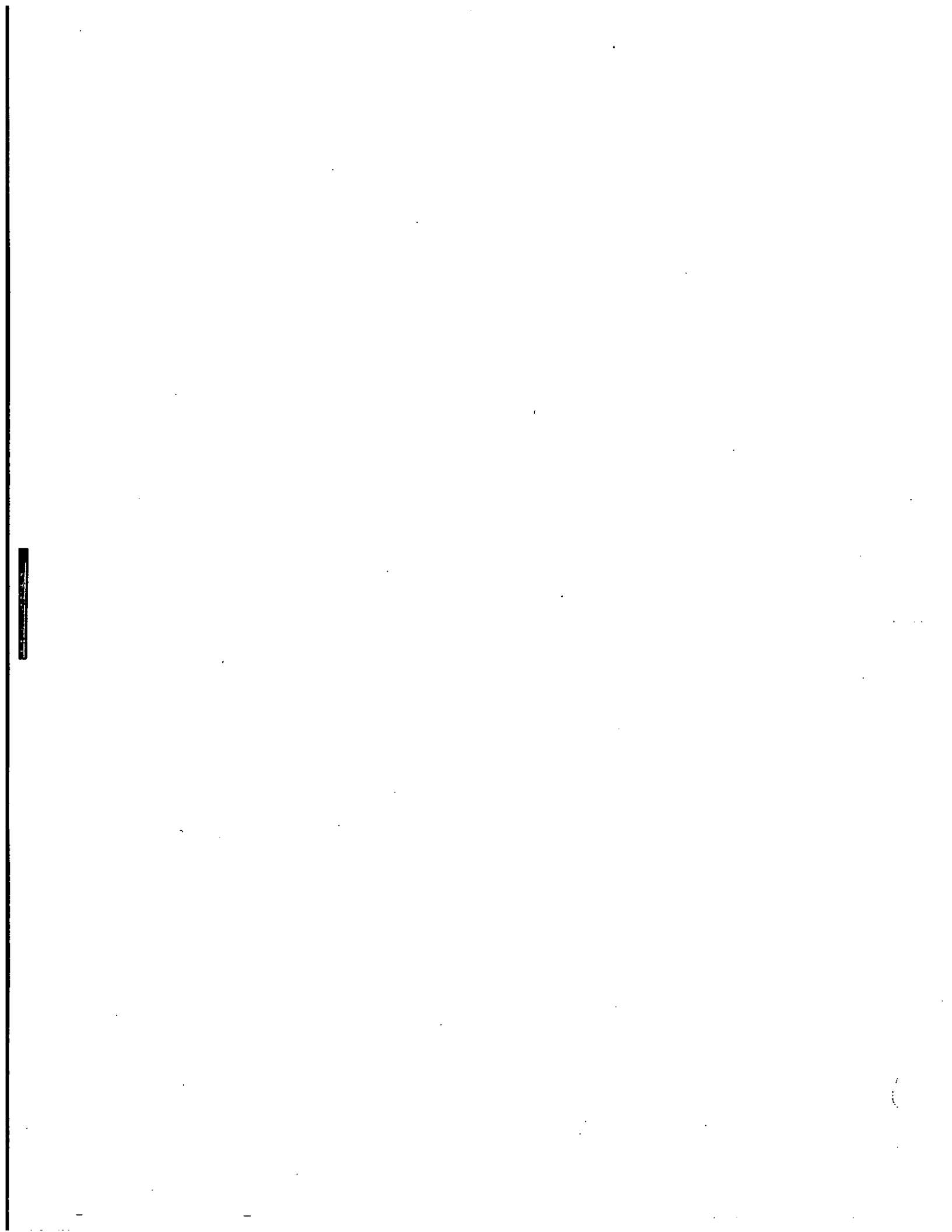
20. Page 57 under special needs of seniors (7c). I don't think that the Fire Department is the responsible agency in this regard, nor is the appropriate objective "to maintain a full-time senior service provider."

City of Manhattan Beach Housing Element

EXHIBIT E
Hous. Elem. Wkshp.

11/29/09

Adopted February 4, 2003



City of Manhattan Beach Housing Element

Prepared for:
City of Manhattan Beach
1400 Highland Avenue
Manhattan Beach, California 90266

Prepared By:
Blodgett Baylosis Associates
Whittier, California 90601

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
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May 13, 2003

Mr. Richard Thompson, Director
Planning Department
City of Manhattan Beach
1400 Highland Avenue
Manhattan Beach, California 90266

Dear Mr. Thompson:

RE: Review of the City of Manhattan Beach's Adopted Housing Element

Thank you for submitting Manhattan Beach's housing element adopted February 4, 2003, and received for our review February 28, 2003. As you know, the Department of Housing and Community Development (Department) is required to review adopted housing elements and report our findings to the locality pursuant to Government Code Section 65585(h).

The Department's January 7, 2003 review found the City's draft housing element met the statutory requirements of State housing element law. Since the adopted element is substantially the same as the draft, we are pleased to find it in full compliance with State housing element law (Article 10.6 of the Government Code). We applaud Manhattan Beach for adopting innovative strategies to promote affordable infill and mixed-use development to meet its critical housing needs. We look forward to following the City's progress in implementing its housing and land use programs through the annual general plan progress reports required pursuant to Government Code Section 65400.

We appreciate the efforts of Ms. Rosemary Lackow, Senior Planner, in revising the housing element to comply with State law and also in assisting us in our review. If we can help in the implementation of Manhattan Beach's adopted housing element, please contact Glen Campora, of our staff, at (916) 327-2640.

In accordance with requests pursuant to the Public Records Act, we are forwarding copies of this letter to the persons and organizations listed below.

Sincerely,

Cathy E. Creswell
Deputy Director

cc: Rosemary Lackow, City of Manhattan Beach
Marc T. Blodgett, Consultant, Blodgett Baylosis Associates
Mark Stivers, Senate Committee on Housing & Community Development
Suzanne Ambrose, Supervising Deputy Attorney General, AG's Office
Terry Roberts, Governor's Office of Planning and Research
Nick Cammarota, California Building Industry Association
Marcia Salkin, California Association of Realtors
Marc Brown, California Rural Legal Assistance Foundation
Rob Weiner, California Coalition for Rural Housing
John Douglas, AICP, Civic Solutions
Deanna Kitamura, Western Center on Law and Poverty
S. Lynn Martinez, Western Center on Law and Poverty
Alexander Abbe, Law Firm of Richards, Watson & Gershon
Michael G. Colantuono, Colantuono, Levin & Rozell, APC
Ilene J. Jacobs, California Rural Legal Assistance, Inc.
Carlyle W. Hall, Hall & Phillips Law Firm
Fair Housing Council of the San Fernando Valley
Mark Johnson, Legal Aid Foundation of Los Angeles
Dennis Rockway, Legal Aid Foundation of Long Beach
Stephanie Knapik, Westside Fair Housing Council
Chancela Al-Mansour, Los Angeles County Neighborhood Legal Services
Karen Warner, Karen Warner Associates
Min Chang, Neighborhood Legal Services of Los Angeles County
Michael Bodaken, San Fernando Valley Neighborhood Legal Services
Veronica Tam, Cotton, Bridges and Associates
David Booher, California Housing Council
Jonathan Lehrer-Graiwer, Attorney at Law
Ana Marie Whitaker, California State University Pomona
Joe Carreras, Southern California Association of Governments
Won Chang, Attorney at Law, Davis and Company
Jacob Lieb, Southern California Association of Governments
Lynne Fishel, Building Industry Association

RESOLUTION NO. 5813

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
MANHATTAN BEACH, CALIFORNIA, APPROVING AN UPDATED
HOUSING ELEMENT OF THE GENERAL PLAN

WHEREAS, the proposed Housing Element was prepared in accordance with Title 7, Article 10.6, Section 66580 et seq. of the State of California Government Code; and,

WHEREAS, the Planning Commission of the City of Manhattan Beach, pursuant to applicable law, conducted public hearings on October 25, 2000 and November 13, 2002 and a public workshop on June 28, 2001 to consider a proposed updated Housing Element of the General Plan, initiated by the City to adopt goals, policies and programs pertaining to the provision of housing within the City; and,

WHEREAS, on November 13, 2002 the Planning Commission, recommended approval of the proposed Housing Element; and,

WHEREAS, on January 7, 2003 the California Department of Housing and Community Development (HCD) notified the City of Manhattan Beach in writing that the proposed Housing Element complies with California housing element law (Article 10.6 of the California Government Code); and,

WHEREAS, on February 4, 2003 the City Council of Manhattan Beach conducted a public hearing to consider the proposed Housing Element and accompanying Environmental Assessment; and,

WHEREAS, an Initial Study has been prepared in compliance with the California Environmental Quality Act (CEQA) and City of Manhattan Beach CEQA Guidelines to determine whether the proposed Housing Element would have adverse effects on the environment. The study concluded that the project would not have any significant adverse effects, and a Negative Declaration has been prepared that finds that the project will not have significant environmental effects. The City Council has reviewed the Initial Study and approves the Negative Declaration together with comments received in the public hearing and finds that there is no substantial evidence that the project will have a significant effect on the environment; and,

WHEREAS, the City of Manhattan Beach is in the process of a comprehensive update of its current General Plan. The General Plan, upon completion and adoption will be consistent with the proposed Housing Element; and,

WHEREAS, the proposed Housing Element contains three programs that require that the City to consider amending the Municipal Code and/or Local Coastal Program, including: 1) Downtown Rezoning Program (amendment of the Zoning Map and Local Coastal Program to change the zoning designation of certain properties from CD - Downtown Commercial to RH High Density Residential consistent with existing land uses); 2) Second Unit Program (Single-Family zones) that involves amendment of the Zoning Ordinance to permit small second units on over-sized lots outside of the Coastal Zone; and 3) Small Rental Unit Program (Multiple-Family Zones) which would evaluate and amend, as feasible, the Zoning Ordinance and Local Coastal Program to allow reduced parking and/or other development standards applicable to small dwelling units that are incidental to a main dwelling unit; and,

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MANHATTAN BEACH,
CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The City hereby approves the proposed Housing Element of the General Plan.

SECTION 2. The City hereby approves the accompanying environmental assessment, including an Initial Study and Negative Declaration, for the proposed Housing Element.

SECTION 3. This Resolution shall take effect upon its adoption by this Council.

SECTION 4. The City Clerk shall make this Resolution reasonably available for public inspection within thirty (30) days of the date this Resolution is adopted.

SECTION 5. The City Clerk shall certify to the adoption of this Resolution and thenceforth and thereafter the same shall be in full force and effect.

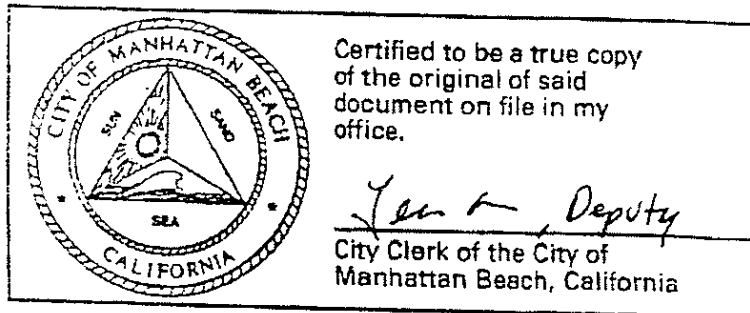
PASSED, APPROVED and ADOPTED this 4th day of February, 2003.

Ayes: Wilson, Dougher, Fahey and Aldinger.
Noes: Napolitano.
Absent: None.
Abstain: None.

/s/ Steven A. Napolitano
Mayor City of Manhattan Beach, California

ATTEST:

/s/ Liza Tamura
City Clerk



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1.0 INTRODUCTION

City of Manhattan Beach  Housing Element

1.1 Purpose and Authority of the Housing Element

The State of California requires local governments to prepare and maintain housing elements that identify strategies that will be effective in conserving, rehabilitating, and promoting the development of new housing to meet existing and projected needs. Specific guidelines concerning the preparation of housing elements have been established by the State Legislature and the California Department of Housing and Community Development (HCD). These guidelines outline the State legislature's directives concerning the scope and content of housing elements and the State's housing goal.¹⁻¹⁾ The State's housing goal is declared in Section 65580(a) of the California Government Code:

"the early attainment of decent housing and a suitable living environment for every California family is a priority of the highest order."

The intent of the State Legislature, with regard to Section 65581 of the Government Code, is to accomplish the following objectives:

1. To ensure that local governments recognize their responsibility in contributing to the attainment of the State's goals for housing;
2. To ensure that local governments prepare and implement housing elements that, along with corresponding federal and state programs, will move towards the attainment of the State's housing goals;
3. To assist each locality in determining what is required to enable the community to meet the existing housing need and future housing demand; and,
4. To ensure that local governments cooperate with other public agencies in order to address the region's housing needs.

The primary goal of the City of Manhattan Beach Housing Element is to promote the development of suitable housing to meet the existing and projected demand while protecting the vitality of the existing residential neighborhoods in the City. The policies and programs contained in this Element are intended to accomplish the following:

1. To maintain and conserve the existing housing resources in Manhattan Beach;
2. To permit the production of new housing to meet existing and projected needs;
3. To ensure that adequate infrastructure and sufficient services are available to accommodate new residential development; and,
4. To maintain those amenities that contribute to the City's desirability as a place to live.

1.2 Scope and Content of the Housing Element

According to the Government Code governing the scope and content of housing elements, the following information must be provided:

1. An assessment of existing housing needs within the City;

¹⁻¹⁾ The Housing Element and the Safety Elements are the only two elements where a review by a State Agency is required. The requirement for a Housing Element review is contained in the Government Code, ' 65580 through 65589.5.

2. An inventory of resources and constraints that will affect the ability of the public and private sector in meeting the housing needs of the City;
3. A statement of the goals, policies, and quantified objectives that state City policies regarding the maintenance of existing housing and the development of new housing; and,
4. An analysis of the housing needs of special needs groups, such as the elderly, the disabled, and large families.

The Manhattan Beach Housing Element fulfills the requirements of the State Planning and Zoning Law and the regulations of Sections 65580 through 65589.5 of the California Government Code. These regulations identify those issues that must be addressed in the Housing Element and recommends programs that may be effective in the rehabilitation of the existing housing and in promoting the development of new housing. To monitor compliance with these requirements, and the State's overall housing policies, all housing elements are reviewed by the HCD prior to and after their adoption. The State's housing element requirements, and the corresponding sections of this Element that address these required issues, are identified in Table 1-1.

Table 1-1 State Housing Element Requirements		
Analysis of Population Trends in Technical Report	Government Code Section	Reference in Housing Element
Analysis of employment trends.	Section 65583.A	Section 3.0, Housing Projection, Needs, & Constraints
Projection and quantification of existing and projected housing needs for all income groups.	Section 65583.A	Section 3.0, Housing Projections, Needs, & Constraints
Analysis and documentation of City's housing characteristics, including cost for housing compared to ability to pay; overcrowding; and housing condition.	Section 65583.A	Section 2.0, Profile Report
An inventory of land suitable for residential development, including vacant sites and sites having redevelopment potential.	Section 65583.A	Section 3.0, Housing Projections, Needs, & Constraints
Analysis of existing and potential governmental constraints upon the maintenance, improvement, or development of housing for all income levels.	Section 65583.A	Section 3.0, Housing Projections, Needs, & Constraints
Analysis of existing and potential non-governmental (private sector) constraints upon maintenance, improvement, or development of housing for all income levels.	Section 65583.A	Section 3.0, Housing Projections, Needs, & Constraints
Analysis concerning the needs of the homeless.	Section 65583.A	Section 2.0, Profile Report
Analysis of special housing needs: handicapped, elderly, large families, farm workers, and female-headed households.	Section 65583.A	Section 2.0, Profile Report
Analysis of opportunities for energy conservation with respect to residential development.	Section 65583.A	Section 4.0, Housing Plan
Publicly-Assisted Housing Developments.	Section 65583.A	Section 2.0, Profile Report
Units at Risk of Conversion to Market Rate Housing.	Section 65583.A	Section 2.0, Profile Report
Identification of the City's goal relative to the maintenance, improvement, and development of housing.	Section 65583.A	Section 4.0, Housing Plan
Quantified objectives and policies relative to the maintenance, improvement, and development of housing.	Section 65583.B	Section 4.0, Housing Plan

Table 1-1 State Housing Element Requirements		
Analysis of Population Trends in Technical Report	Government Code Section	Reference in Housing Element
Identify adequate sites that will be made available through appropriate action with required public services and facilities for a variety of housing types for all income levels.	Section 65583.C(1)	Section 3.0, Housing Projections, Needs, & Constraints
Assist in the development of adequate housing to meet the needs of low- and moderate-income households.	Section 65583.C(2)	Section 4.0, Housing Plan
Identify and, when appropriate and possible, remove governmental constraints to the maintenance, improvement, and development of housing in Manhattan Beach.	Section 65583.C(3)	Section 3.0, Housing Projections, Needs, & Constraints
Conserve and improve the condition of the existing affordable housing stock.	Section 65583.C(4)	Section 4.0, Housing Plan
Promote equal access to housing for all groups.	Section 65583.C(5)	Section 4.0, Housing Plan
Preserve the existing low-income housing stock.	Section 65583.C(6)	Section 4.0, Housing Plan
Description of the Public Participation Program in the formulation of Housing Element Goals, Policies, and Programs.	Section 65583.D	Section 1.0, Introduction
A description of the Regional Housing Needs Assessment (RHNA) prepared by the Southern California Association of Governments.	Section 65583.E	Section 3.0, Housing Projections, Needs, & Constraints
Review of the effectiveness of the past Element, including the City's accomplishments during the previous planning period.	Section 65583.F	Section 4.0, Housing Plan
Source: State of California, Department of Community Development.		

California State Law requires that local governments review and update their housing elements every five years. This Housing Element will meet the statutory requirements for the current planning period, which began in 1998 and ends in 2005.¹⁻²⁾

1.3 Public Participation

This Housing Element is an update of the City's 1993 Housing Element. Throughout the course of the Element's preparation, the City made a diligent effort to involve the public in the review of the existing Element and the proposed changes. These efforts included the following:

1. Review of the Draft Housing Element by the City of Manhattan Beach Planning Commission at a noticed public hearing prior to its submittal to the State Department of Housing and Community Development (HCD);
2. In the course of revising the Draft Housing Element, staff prepared a notice and invited a number of housing and service providers, and others who requested CDBG funds this year, to attend the June 28 workshop before the Planning Commission and to discuss issues germane to housing, including the provision of affordable housing in the City. In addition, the comments from the HCD and the staff-recommended changes were further considered by the Planning Commission at a public hearing, where staff received direction regarding the changes recommended by HCD;

¹⁻²⁾ The planning period was extended beyond the 5-year planning period due to delays in funding the Regional Housing Needs Assessment.

3. The second round of comments from the HCD were incorporated into the Draft Housing Element, and it was resubmitted to HCD and circulated to a number of public service and housing-related agencies for further review and comment;
4. The formal Draft Housing Element was considered at public hearings held before the City of Manhattan Beach Planning Commission and City Council; and,
5. The Draft Housing Element and the environmental documents were adopted at a noticed meeting of the City of Manhattan Beach City Council.

Public service agencies and housing providers were also contacted regarding the Housing Element update and the public meetings. The following organizations will be contacted to attend the next public meeting:

1. South Bay Children's Health Center, Torrance;
2. Family Child Care Network - South Bay, Hermosa Beach;
3. South Bay Center for Counseling, El Segundo;
4. South Bay Senior Services, Torrance;
5. Beach Cities Health District, Redondo Beach;
6. Project Touch, Hermosa Beach;
7. South Bay Association of Realtors, Torrance;
8. Wellness Community South Bay Cities;
9. Salvation Army, Redondo Beach;
10. South Bay Youth Project.
11. South Bay Family Healthcare Center;
12. 1736 Family Crisis Center;
13. South Bay Adult Care Adult Center Inc.

Additional scheduled public hearings will be conducted following the receipt of HCD's comments. These hearings will provide the public additional opportunities to review the Draft Housing Element and the programs it contains.

1.4 Relationship of the Housing Element to the General Plan

The focus of this Housing Element is to demonstrate the City's progress in implementing the housing policies and programs established as part of the previous Citywide General Plan update undertaken in the mid-1980s. This Element also builds upon housing policy included in the previously-adopted (1993) Housing Element. This Element then evaluates the current Regional Housing Needs Assessment (RHNA) prepared by the Southern California Association of Governments (SCAG) for the City. Finally, this Element outlines how the City intends to accommodate the projected RHNA allocation for the City.

The California Government Code requires that the General Plan contain an integrated, internally consistent

set of goals, policies, and programs.¹⁻³⁾ This Housing Element is most directly related to the Land Use Element, since it is the Land Use Element that designates the location and extent of residential development throughout the City. With regard to the City's existing adopted General Plan, the following findings of conformity may be made:

1. This Housing Element proposes minimal changes in land uses or in zoning. The revisions, however, are consistent with the adopted Land Use policy.
2. This Housing Element will involve minimal changes to the adopted land use map and the development standards included in the Land Use Element.
3. This Housing Element does not promote or propose any land use changes requiring the installation of any new streets or infrastructure, not already anticipated in the General Plan.
4. The City's ability to accommodate new residential development is limited. As a result, the focus of this Element is to identify strategies that will be effective in conserving existing housing, while at the same time, to investigate opportunities to accommodate new infill residential development, including the development of affordable housing.
5. This Housing Element considers a number of other relevant environmental plans, including the Local Coastal Program prepared pursuant to the Coastal Act requirements.
6. Finally, this Housing Element updates important background information used in the evaluation and/or formulation of housing policy.

Section 65400 (b) (1) of the Government Code requires local governments to review their adopted general plans annually. The Government Code indicates that the City must provide an annual report to the City Council, the Office of Planning Research, and the State Department of Housing and Community Development regarding the status of the General Plan and any progress being made with regard to the Plan's implementation in meeting the City's share of its regional housing needs, and the City's efforts in removing governmental constraints. The statute goes on to state that the housing portion of the annual report shall use the forms and definitions adopted by the HCD.

As part of the City's compliance with the aforementioned requirements, the City will undertake an annual review of the City of Manhattan Beach General Plan, including the Housing Element, prepare the requisite reports, and submit the findings to the City Council. The annual report prepared for 2001 will document the revisions made to the Housing Element, and any requisite changes that may be required for the other General Plan Elements to provide internal consistency.

1.5 Format of the Housing Element

The organization and structure of this Housing Element provides for its periodic review and updating required under State of California planning statutes. For example, when the data from the 2000 U.S. Census becomes available, the data included in Section 2.0 (Housing Profile) that deals with demographic statistics for the City may be easily updated. The Housing Element consists of the following sections:

1. The *Introduction* outlines the statutory requirements governing the authority and scope of the Element and provides insight into its content.
2. The *Housing Element Profile* section provides an overview of the housing, demographic, and socioeconomic characteristics of the City.

¹⁻³⁾ State of California. Planning, Zoning, and Development Laws. 1999.

3. The *Housing Projections, Needs, and Constraints* section provides an overview of housing, population, and employment projections relevant to this Element, as well as the constraints that may affect the feasibility of accommodating these projections. This section concludes with the identification of new quantified housing goals that the City will strive to achieve.
4. The *Housing Plan* contains a listing of those policies and programs that will promote the maintenance of existing housing and promote the development of new housing.

1.6 Overview of the City of Manhattan Beach

The City of Manhattan Beach is located within the southwestern coastal portion of Los Angeles County in what is commonly referred to locally as the "South Bay" area. The City is bounded on the north by El Segundo, on the east by Redondo Beach, on the south by Hermosa Beach, and on the west by the Pacific Ocean.¹⁻⁴⁾ The City has a total land area of 1,788 acres (3.89 square miles).¹⁻⁵⁾ According to the most recent Department of Finance (DOF) estimates, the City's current population is 36,124 persons, while the number of housing units in the City totals 15,293 units. The General Plan recognized the distinct neighborhoods that comprise the City, and these residential areas were grouped into "planning areas" that reflect the City's unique and varied environment. These planning areas are described as follows:

1. The *Beach Planning Area* contains most of the City's multi-family rental housing. Lots in this area are small (the majority have less than 3,000 square feet), and parking for residents and visitors is in short supply. The General Plan calls for the maintenance and enhancement of the "Village" atmosphere within the downtown commercial district. The City is promoting the preservation of the small specialty retail and service activities that serve both visitors to the beach and local residents, while at the same time, is encouraging mixed-use residential/commercial development.
2. The *Hill Section Planning Area* consists primarily of single-family residential development, with commercial and higher-density residential development limited to Sepulveda Boulevard and Manhattan Beach Boulevard. The City's General Plan promotes the maintenance of the Planning Area's single-family character. Higher-density, multiple-family residential development is directed to those parcels located on either side of Manhattan Beach Boulevard, which is already developed with a mix of commercial and multi-family residential uses.
3. The *East-Side/Manhattan Village Planning Areas* includes all of the City's land area located east of Sepulveda Boulevard, and a large proportion of the City's land area devoted to commercial and residential uses is found within these Planning Areas. The City's land use policy calls for the preservation of the existing character of the residential neighborhoods located in these Planning Areas. Medium- and high-density residential development is found within those parcels located along Manhattan Beach Boulevard, Artesia Boulevard, and in those areas found adjacent to Manhattan Intermediate and Meadows schools, that are designated exclusively for multiple-family residential development. Manhattan Village, which includes a substantial amount of regional commercial and office development, also contains a significant number of condominium units.
4. The *Tree Section Planning Area* includes that portion of the City located to the east of Bell Avenue and northwest of Valley Drive. The Planning Area will remain almost exclusively single-family residential under the policies contained in the General Plan. A small portion of the Planning Area, located adjacent to Sepulveda Boulevard, is designated for commercial uses.

¹⁻⁴⁾ United States Geological Survey. *El Segundo 7 2 Minute Quadrangle*. 1994

¹⁻⁵⁾ City of Manhattan Beach. *Land Use Element* 1987

5. The *El Porto Planning Area* encompasses the former unincorporated community of El Porto, located north of 38th Street between the ocean and the City of El Segundo. The Planning Area is fully developed with a mix of residential and commercial uses. El Porto has the highest residential development intensities found in the City. The General Plan protects the mix of multi-family and commercial development presently found in this Planning Area.

The location of the City from a regional perspective is shown in Exhibit 1-1. A vicinity map of the City is provided in Exhibit 1-2. In Exhibit 1-3, the previously-discussed planning areas that comprise the City are indicated. Finally, views of selected residential neighborhoods within the aforementioned Planning Areas are provided in Exhibits 1-4 through 1-8.

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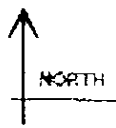
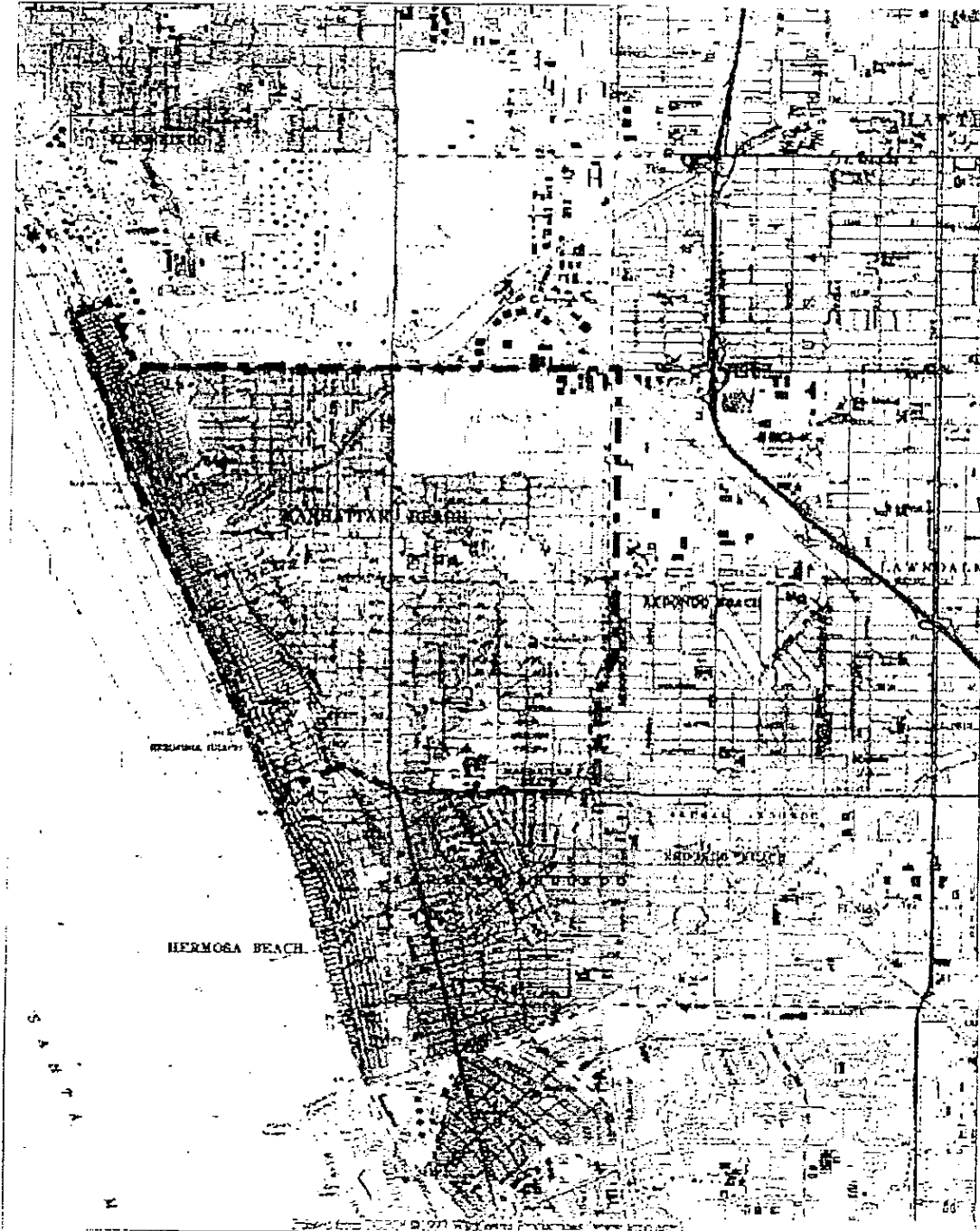


Exhibit 1-1
Regional Location of the City of Manhattan Beach

Source: Blodgett/Baytos Associates, 2001.



**Exhibit 1-2
Vicinity Map**

Source: Blodgett/Bayosis Associates, 2001.



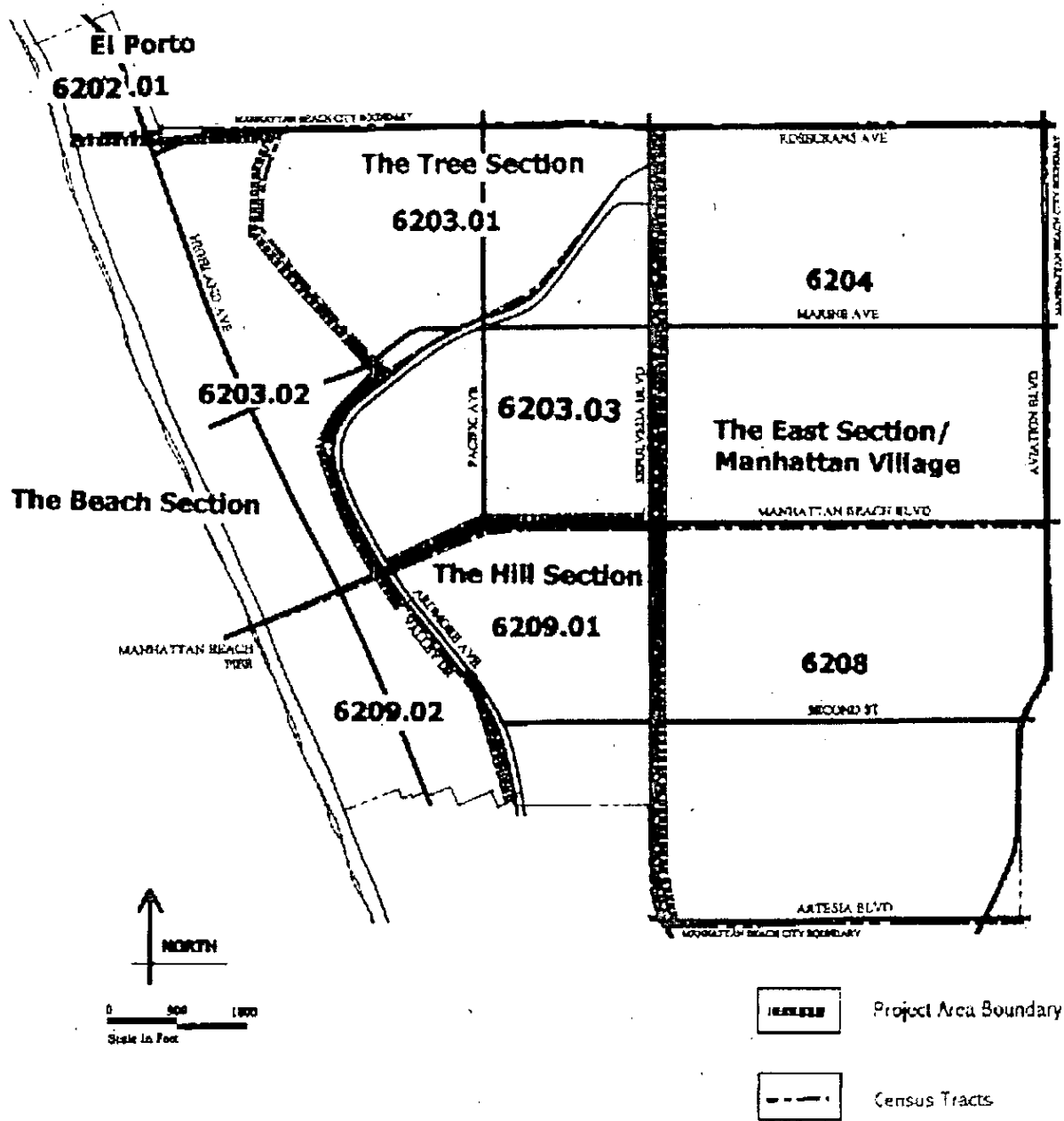


Exhibit 1-3
Planning Areas
 Source: Blodgett/Baylosis Associates, 2001



Exhibit 1-4
Views of the City - Tree Section Planning Area

Source: City of Manhattan Beach, 2000.

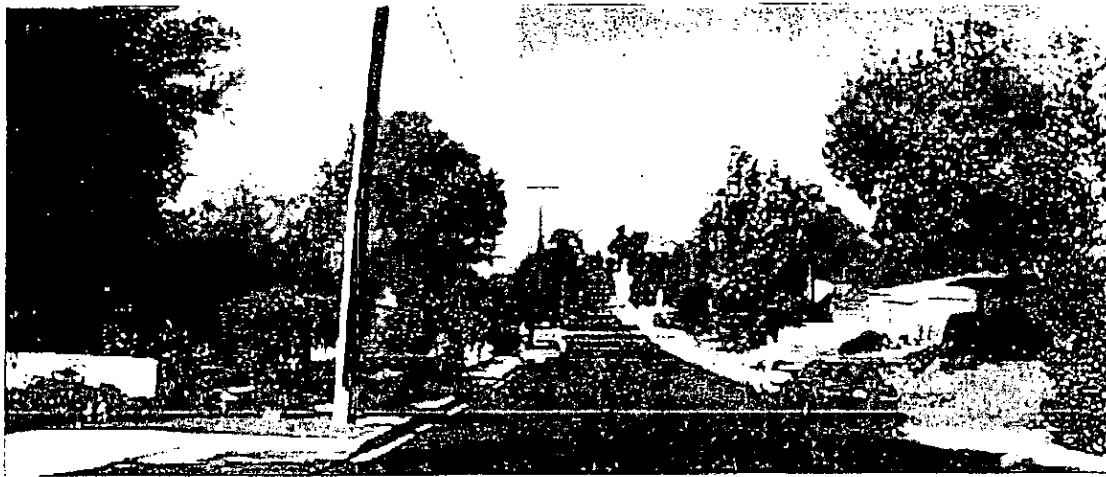


Exhibit 1-5
Views of the City - Hill Section Planning Area
Source: City of Manhattan Beach, 2000.

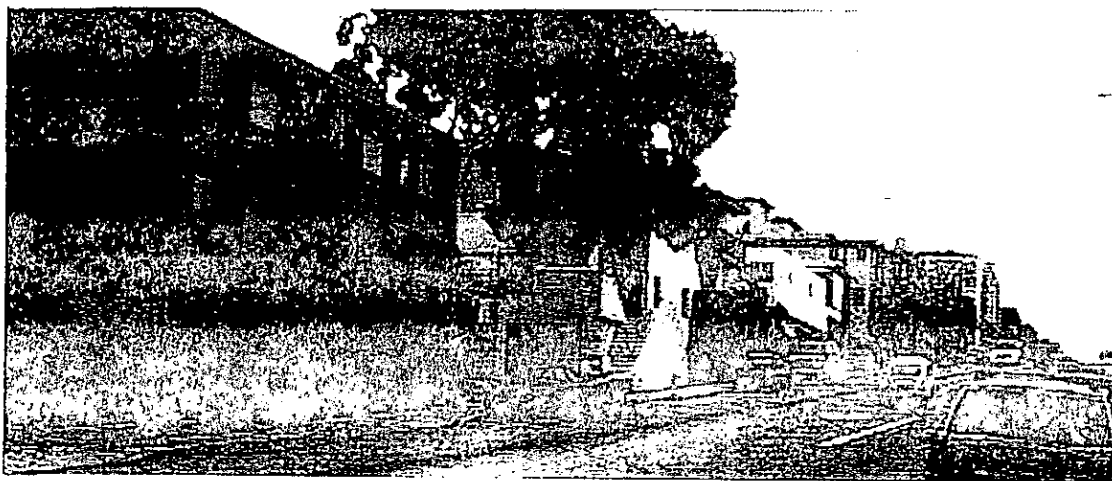


Exhibit 1-6
Views of the City - Beach Section Planning Area
Source: City of Manhattan Beach, 2000.



Exhibit 1-7
Views of the City - East Section Planning Area
Source: City of Manhattan Beach, 2000.

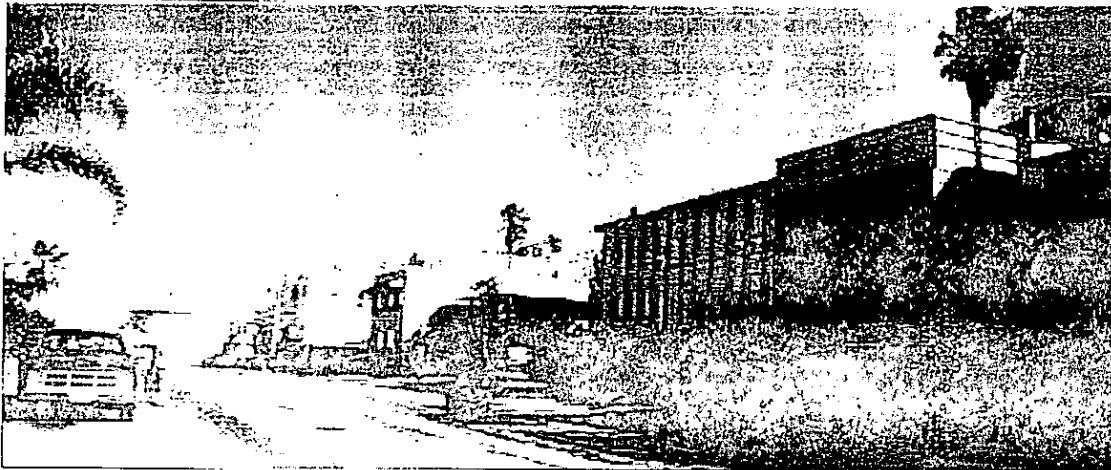
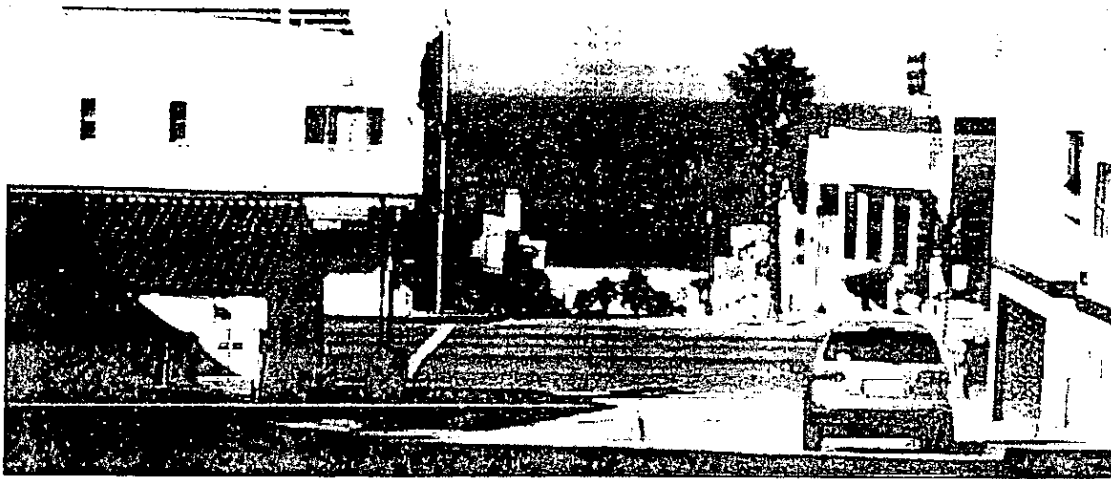
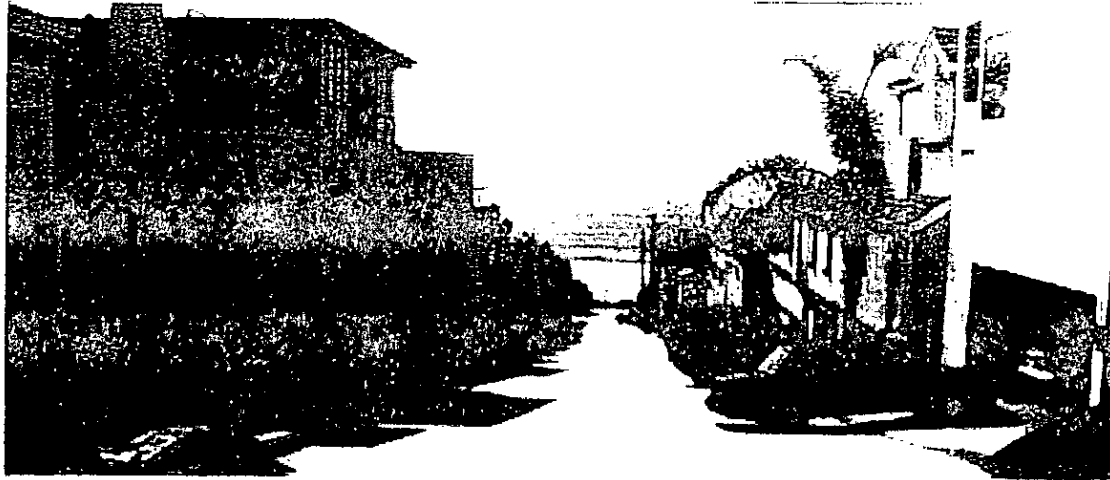


Exhibit 1-8
Views of the City - El Porto Section Planning Area
Source: City of Manhattan Beach, 2000.

2.0 HOUSING ELEMENT PROFILE

City of Manhattan Beach  Housing Element

2.1 Overview of Housing Element Profile

This section of the Manhattan Beach Housing Element provides an overview of the population, housing, and socioeconomic characteristics of the City, and contains the requisite technical analysis for the Housing Element.²⁻¹⁾ The Housing Element’s policies and programs, contained in Section 4.0, will build upon, and respond to, those trends, issues, and opportunities identified herein.

A number of sources were consulted during the preparation of this analysis, with the key sources being the United States Bureau of the Census, the State Department of Finance (DOF), and the Southern California Association of Governments (SCAG). The baseline population, housing, and socioeconomic data for cities and counties is collected every ten years as part of the national Census. The most recent Census was completed in the year 2000.²⁻²⁾ The DOF Demographic Research Unit was an additional source of population and housing information. The DOF publishes population and housing estimates for California cities and counties on an annual basis.²⁻³⁾ Finally, SCAG is mandated under State law to prepare population, housing, and employment projections that are to be used in the development of the region’s Growth Management Plan. These projections were used in the determination of the City’s Regional Housing Needs Assessment (RHNA).

As indicated in Section 1.0, the City is divided into five Planning Areas that correspond to the five distinct areas of the City. These Planning Areas, and the corresponding census tracts, are referenced throughout this section of the Housing Element. The Planning Areas, and the corresponding census tracts, are shown in Table 2-1.

**Table 2-1
City of Manhattan Beach Planning Areas**

Planning Area Name	Corresponding Census Tracts
Beach Section	6203.02 and 6209.02
Hill Section	6209.01
East-Side/Manhattan Village	6208 and 6204
Tree Section	6203.01 and 6203.03
El Porto	6202.01

Sources: City of Manhattan Beach General Plan and U.S. Bureau of the Census

²⁻¹⁾ California, State of. *Planning, Zoning, and Development Laws*. As amended 1999.

²⁻²⁾ According to the Bureau of the Census, preliminary statistics for California will be available in late 2000.

²⁻³⁾ California, State of. *Population and Housing Estimates, Report E-5*, 2000.

2.2 Characteristics of the City's Population

Population Trends

When Manhattan Beach was incorporated in 1912, the City's population was 600 persons. In the years immediately following incorporation, the City's population increased very slowly, with slightly over 1,000 persons being added over the next two decades. According to the 1930 U.S. Census, the City's population was 1,891 persons.²⁻⁴⁾ Manhattan Beach, like most Southern California beach cities, experienced a "population boom" during the 1930s, and this growth was largely the result of the development of the region's *Pacific Electric* transit system. Just prior to the Second World War, the City's population had grown to 6,398 persons.

The City's greatest period of population growth followed the war years, continuing on into the 1960s. This post-war growth corresponded to the period of peak growth experienced elsewhere in the Southern California region. Between 1950 and 1960, the City's population nearly doubled from 17,300 persons to 33,934 persons. The City's population peaked during the early 1970s, reaching a high of more than 35,000 persons. In the latter part of the 1970s and continuing through the 1980s, the City's population actually began to decline. However, by 1990, a reversal in the trends of a declining population experienced in the 1970s and 1980s was noted in the 1990 Census, with the City's population registering a slight increase in population. The most recent Federal census confirms that the City's population is increasing.

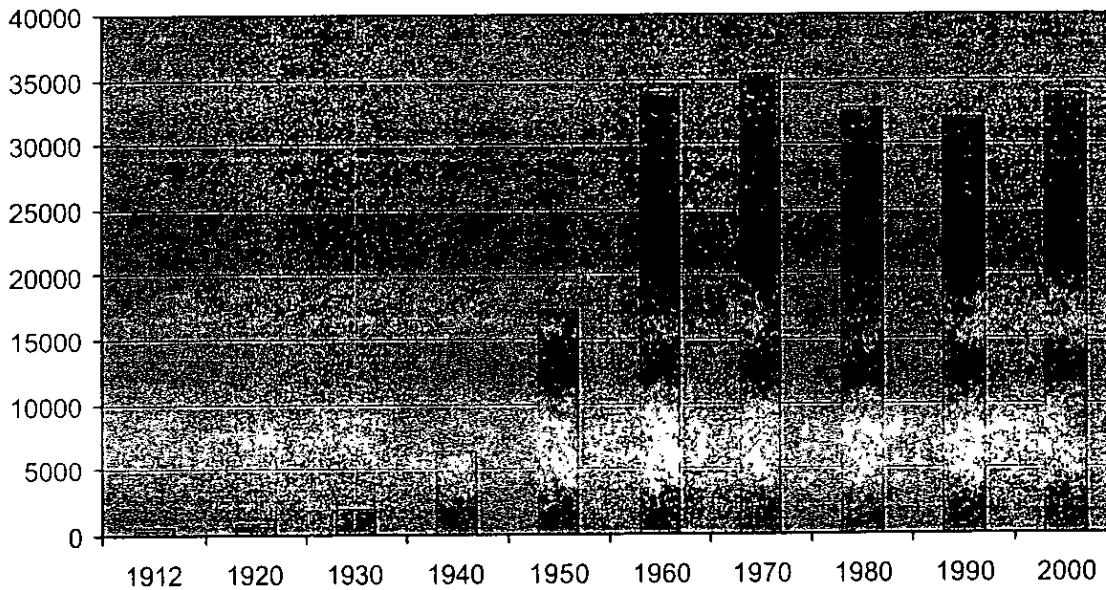
The decline in population in the 1970s and 1980s may be attributed to reductions in household size. The families that settled in the City following the Second World War began raising families, continuing on into the 1960s. As the children left home, the average household size for the City experienced a decline. According to the most recent 2000 Census, the City's population was 33,852 persons. Trends in population growth are illustrated in Exhibit 2-1 and quantified in Table 2-2.

²⁻⁴⁾ U.S. Bureau of the Census. Census of Population and Housing. Los Angeles-Long Beach Standard Metropolitan Statistical Area (SMSA).

**Table 2-2
Trends in Population Growth**

Year	Population	Change - #	Change - %
1912	600	--	--
1920	859	259	43.17%
1930	1,891	1,032	120.14%
1940	6,398	4,507	238.34%
1950	17,330	10,932	170.87%
1960	33,934	16,604	95.81%
1970	35,352	1,418	4.18%
1980	32,727	-3,810	-10.78%
1990	32,063	521	1.65%
2000	33,852	1,789	5.58%

Source: U.S. Bureau of the Census 1912-2000



**Exhibit 2-1
Population Growth Trends Citywide: 1912 – 2000
Source: U.S. Bureau of the Census**

Table 2-3 indicates the population trends that have occurred in the Census Tracts that comprise the City between 1980 and 2000. Population statistics, included in Table 2-3, were derived from data collected as part of the 1980, 1990, and 2000 Censuses. As indicated in Table 2-2 and Table 2-3, the population in most areas of the City declined between 1980 and 1990. However, the population did increase in two Census Tracts, Tract Number 6202.01 (the El Porto Planning Area) and Tract Number 6204 (located in the northeasterly portion of the City containing Manhattan Village and the nearby golf course).

The population increase in the Manhattan Village area was due to the significant residential construction that occurred within this area in the 1980s. The greatest rates of population decline between 1970 and 1990 occurred in those areas containing Census Tracts 6203.2, 6209.01, and 6209.02. The latter two tracts are located adjacent to the coast, in the Beach Planning Area. Population trends within the individual census tracts, that comprise the City, are shown in Exhibit 2-2.

As indicated in Table 2-2, the City's population in 1970 was 35,352. Ten years later, the City's population had declined to 32,727 persons, a decrease of approximately 7%.

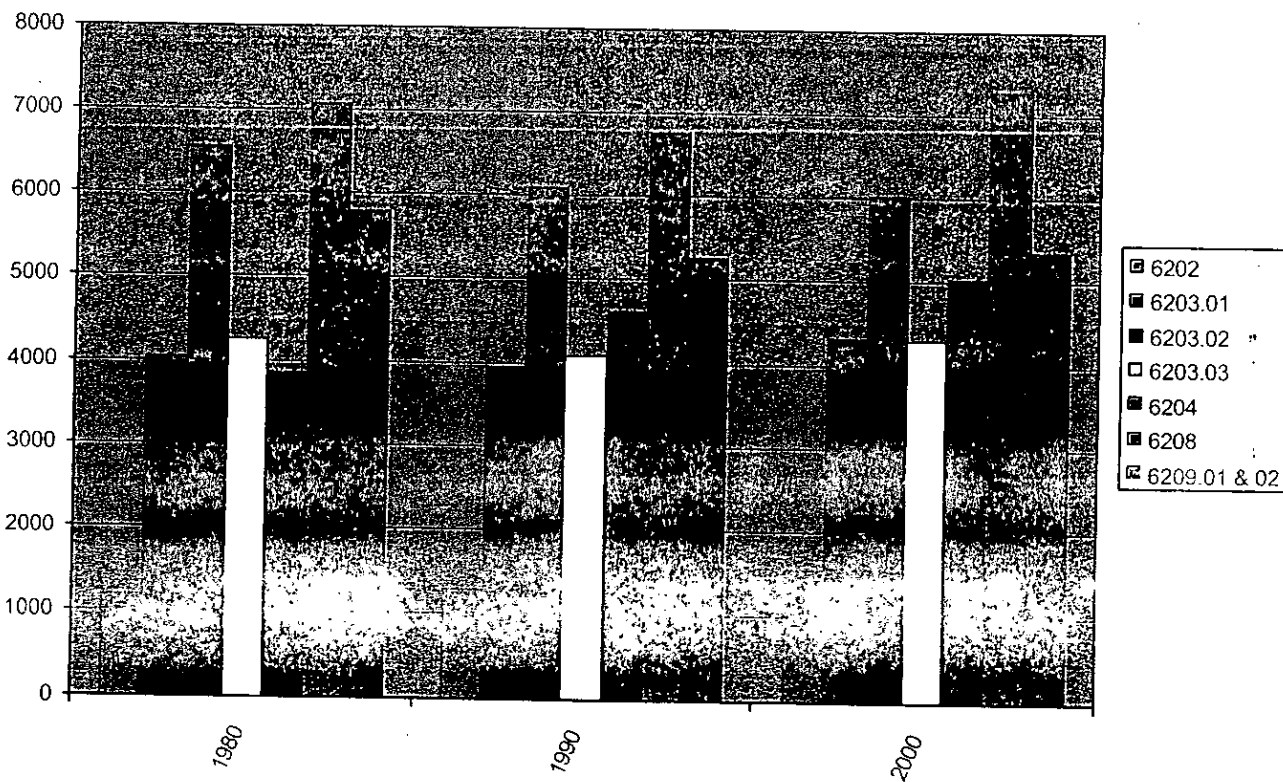


Exhibit 2-2
Population Trends by Tract: 1980 – 2000

Source: U.S. Bureau of the Census
Table 2-3

Population Trends by Census Tract – 1980 to 2000

Tract	Change Between 1980-1990				Change Between 1990-2000			Change Between 1980 to 2000	
	1980	1990	Change (#)	Change (%)	2000	Change (#)	Change (%)	Change (#)	Change (%)
6202.01	1,185	1,281	96	8.10%	1,548	267	20.84%	363	30.63%
6203.01	4044	3,932	-112	-2.77%	4,324	392	9.96%	280	6.729%
6203.02	6,546	6,101	-445	-6.80%	6,022	-79	-1.29%	-524	-8.00%
6203.03	4,250	4,087	-163	-3.84%	4,303	216	5.29%	53	1.25%
6204	3,835	4,626	791	20.63%	5,022	396	8.56%	1,187	30.00%
6208	7,074	6,763	-311	-4.40%	7,271	508	7.81%	197	2.78%
6209.01 ¹	2,651	2,385	-266	-10.03%	2,483	98	4.11%	-168	-6.33%
6209.02	3,142	2,885	-257	-8.18%	2,879	-6	-0.20%	-263	-8.37%
City Total	32,727	32,060	-667	-2.09%	33,852	1,792	5.85%	1,125	3.4%

Note: ¹ Tracts 6209.01 and 6209.02 formed in 1980 from previously-existing 1970 Tract 6209

Source: U.S. Bureau of the Census, 1980, 1990, and 2000.

The trend toward a declining population in the City was reversed beginning in the 1980s and continuing on into the 1990s. The City has experienced a gradual and consistent increase in population through the 1990s. In the first half of the decade, a severe recession in Southern California limited the production of new housing throughout the region. The recession's end marked the beginning of a new development cycle that has contributed to some of the population growth in the City. In addition, a gradual increase in the average household size has also contributed to this growth. The City's 2000 Census population at 33,852 represents a 5% increase from 1990, but is still less than the peak population figures for the 1970s.

The most significant trend contributing to population growth appears to be a marked increase in the average household size. According to the 2000 Census statistics, it appears that more households consisted of families with children, a reversal of the demographic cycle of the 1970s and 1980s, when children were leaving home. This trend is underscored by the decline in the median age of City, the increase in the average household size figures, and the increased enrollments in local schools. The implications of these trends will be discussed in greater detail in subsequent sections.

Table 2-4 reorganizes the 1980 and 2000 Census figures to correspond to the five planning areas that comprise the City.

**Table 2-4
Population Trends by Planning Area – 1980 to 2000**

Planning Area	Population 1980-2000		Change Between 1980 - 2000	
	1980	2000	Change (#)	Change (%)
Beach Section	9,688	8,901	-787	-8.1%
Hill Section	2,651	2,483	-168	-6.3%
East Side/Manhattan Village	10,909	12,293	1,384	12.6%
Tree Section	8,294	8,627	333	4.0%
El Porto	1,185	1,548	363	30.6%
Total	32,727	33,852	1,125	3.4%

Source: U.S. Bureau of the Census, 1980, and 2000.

The relatively stable population growth for the City of Manhattan Beach between 1970 and 2000 is consistent with the trends identified in the majority of the nearby communities, especially those located along the coast. Table 2-5 compares the population growth that occurred in the City with that of the neighboring coastal communities. Population growth between 1970-1990, and growth between 1990-2000, are summarized in Table 2-5. This growth is then compared to corresponding statistics for Los Angeles County as a whole.

**Table 2-5
Population Growth in the Surrounding Region- 1970 to 2000**

City	1970 ¹	1990 ²	Change 1970- 1990		2000 ³	Change 1990 - 2000	
			Change- #	Change- %		Change- #	Change- %
Manhattan Beach	35,352	32,060	-3,292	-9.311%	33,852	1,792	5.5%
El Segundo	15,620	15,223	-397	-2.50%	16,033	810	5.3%
Hermosa Beach	17,412	18,219	807	4.60%	18,566	1,154	6.3%
Redondo Beach	57,415	60,167	2,752	4.80%	63,261	5,896	10.1%
Beach cities only	125,799	125,672	-127	-0.09%	131,712	6,040	4.8%
L.A. County	7,041,980	8,863,164	1,821,184	25.62%	9,519,338	656,174	7.4%

Sources: ¹ U.S. Bureau of the Census, 1970; ² U.S. Bureau of the Census, 1990; ³ U.S. Bureau of the Census, 2000.

As indicated in Table 2-5, the trend toward a declining population that occurred within the sub-region between 1970 and 1990 appeared to have reversed during the decade following the 1990 Census. Between 1970 and 1990, the coastal region, comprised of the cities of Manhattan Beach, El Segundo, Hermosa Beach, and Redondo Beach, experienced an overall population decline of slightly less than 1.0%. Following 1990, the Beach cities experienced an overall population increase of 4.8%. Of the four cities shown in Table 2-5, Manhattan Beach's rate of population growth rate was 5.58%.

Population Age Characteristics

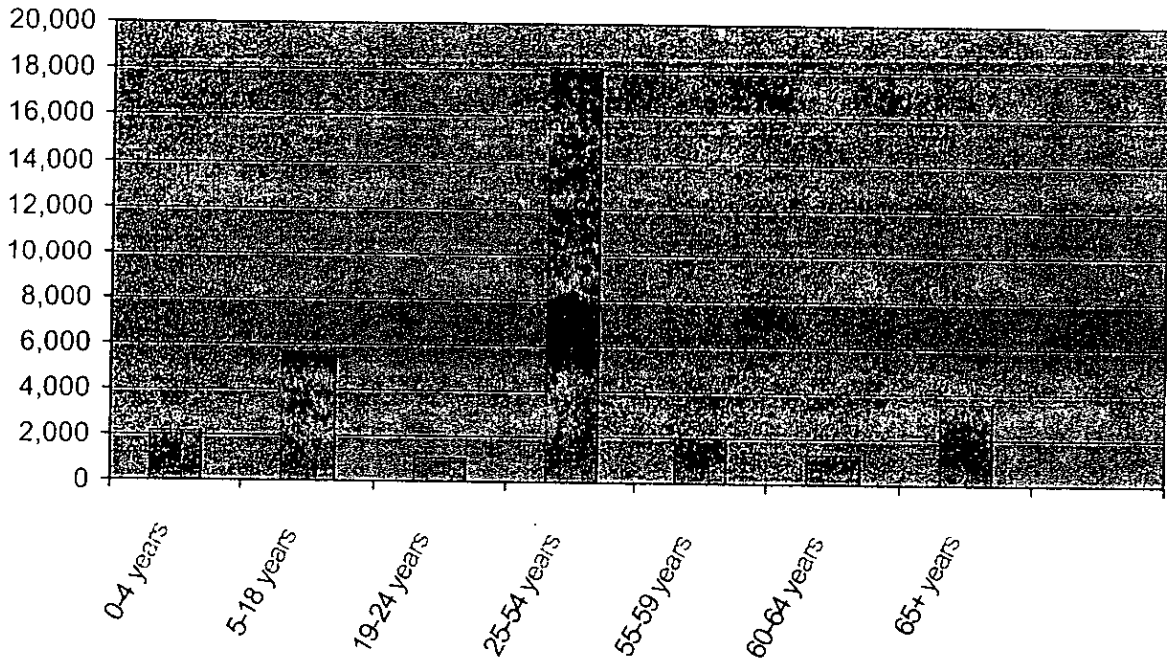
Between 1970 and 1990, the number and proportion of school age children in the City of Manhattan Beach experienced a significant decrease, from 25.3% of the population in 1970 to only 11.5% of the population in 1990. The 2000 Census shows that there has been a significant increase in the number of preschool children since 1990, indicating a reversal of this trend. This further supports the previous observation that the current population increase in the City is due to an increase in the average household size associated with natural growth (birth rate increases).

The earlier 1970, 1980, 1990, and recent 2000 Census figures underscore another important demographic trend. The number and proportion of individuals over 55 years of age has increased, from 11.4% of the population in 1970, to 20% of the population in 2000. This is consistent with the "empty nest" phenomena, where a family ages, and the children grow up and leave home, leaving the parents alone in the household. The significant decrease in household size that was registered between 1970 and 2000 would be consistent with this scenario. Table 2-6 indicates the trends in the City's population age characteristics between 1970 and 2000. As shown in Table 2-6, the City's population is organized around the major age categories that are typically referred to in the analysis of demographic trends. The age characteristics of the City's population in 2000 are illustrated in Exhibit 2-3.

**Table 2-6
Age Profile of the City of Manhattan Beach- 1970 to 2000**

Age Group	1970		1980		1990		2000	
	Persons - #	Persons - %	Persons - #	Persons - %	Persons - #	Persons - %	Persons - #	Persons - %
0-4	2,405	6.80%	1,424	4.34%	1,825	5.69%	2,197	6.49%
5-19	8,944	25.30%	6,189	18.85%	3,689	11.51%	5,680	16.78%
20-24	3,391	9.59%	2,922	8.90%	2,380	7.42%	1,052	3.10%
25-54	16,600	46.96%	17,450	53.16%	18,528	57.79%	18,135	53.57%
55-59	1,435	4.06%	1,682	5.12%	1,513	4.72%	1,963	5.79%
60-64	903	2.55%	1,219	3.71%	1,369	4.27%	1,299	3.83%
65+	1,674	4.74%	1,941	5.91%	2,759	8.60%	3,526	10.42%
Total	35,352	100.00%	32,827	99.99%	32,063	100.00%	33,852	100.00%

Sources: U.S. Bureau of the Census, 1970, 1980, 1990 and 2000.



**Exhibit 2-3
Population Age Characteristics – 2000
Source: U.S. Bureau of the Census**

Race and Ethnicity of the Population

According to Census statistics, the City's population is predominantly white, as indicated in Table 2-7. Overall, Asians accounted for approximately 6.0% of the City's 2000 population, and the remaining minorities (Blacks, American Indians, etc.) accounted for less than 1.0% of the City's 2000 population. The City's race characteristics derived from the 2000 Census are illustrated in Exhibit 2-4.

In the majority of the Census Tracts, more than 95% of the population was classified as white, according to the 2000 Census, Census Tract numbers 6204 and 6208 (these tracts are located easterly of Sepulveda Boulevard) have slightly more minorities compared to the other tracts in the City. These two tracts have a significantly greater percentage of individuals of Asian extraction, predominantly Chinese and Japanese, compared to other areas of the City. The racial and ethnic make-up of the individual tracts that comprise the City are depicted in Table 2-7.

According to data supplied by the Manhattan Beach Unified School District, selected minorities may be increasing in proportion to the City's total population. In City schools, Asians now account for 7% of the school enrollments, Blacks for 1.7%, and Hispanic students account for 7.8%^{2.5)}

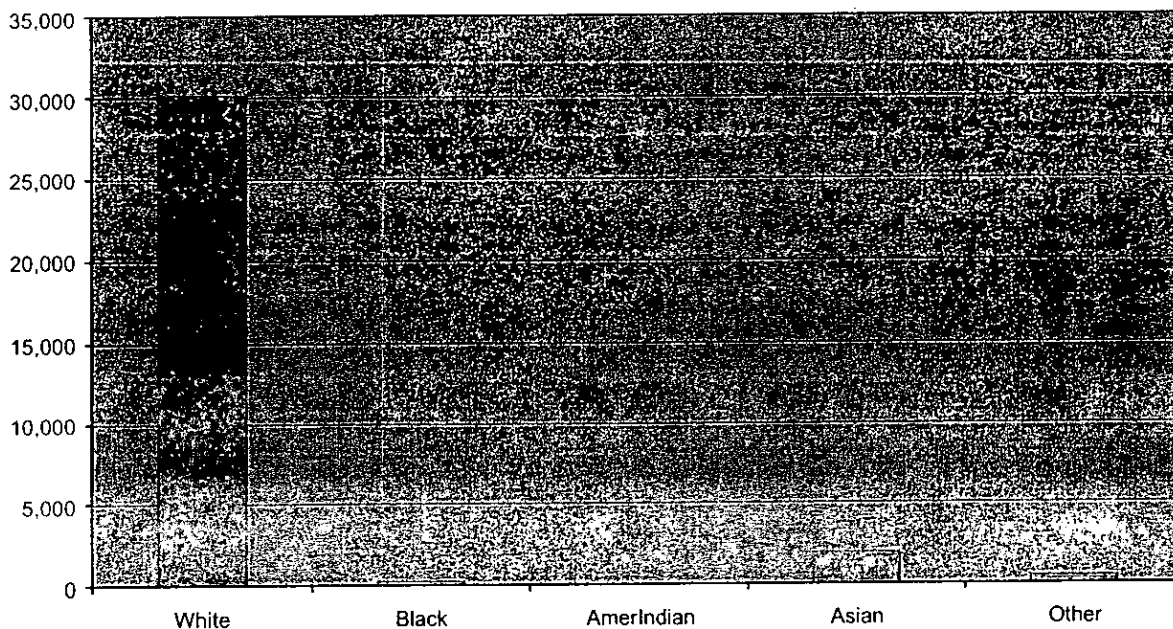


Exhibit 2-4
Population Race Characteristics: 2000
Source: U.S. Bureau of the Census

^{2.5)} California Basic Education Data System. Manhattan Beach Unified School District, 2000.

Hispanics are not included in the "race" categories, since whites, blacks, and other races may also be considered to be Hispanic. As a result, the number of Hispanics shown in Table 2-7 should be considered to be mutually exclusive from the other racial categories. Overall, slightly over 5% of the City's population in 2000 was classified as Hispanic. As indicated previously, current school enrollment data indicates that 7.8% of the students attending area schools are classified as Hispanic.

**Table 2-7
Race and Ethnicity by Census Tract - 2000**

Census Tract	Total Pop.	White		Black		Amerind		Asian		Other		Hispanic	
		#	%	#	%	#	%	#	%	#	%	#	%
6202.01	1,548	1,410	91.08	6	0.38	4	0.25	71	4.5	36	1.67	91	5.8
6203.01	4,324	3,961	91.6	19	0.43	3	0.06	178	4.11	38	0.87	212	4.9
6203.02	6,022	5,609	93.1	27	0.4	11	0.18	198	3.2	63	1.04	263	4.5
6203.03	4,303	3,900	90.6	15	0.3	3	0.1	211	4.9	66	1.53	210	4.9
6204	5,022	4,253	84.7	48	0.95	18	0.35	441	8.7	75	1.5	319	6.3
6208	7,271	6,033	82.9	59	0.8	23	0.3	761	10.4	191	2.6	424	5.8
6209.01	2,483	2,269	91.3	22	0.7	7	0.2	100	4.0	21	0.84	106	4.3
6209.02	2,879	2,689	93.4	12	0.4	1	0.0	83	2.9	21	0.73	125	4.3
Total	33,852	30,124	88.9	208	0.61	70	0.20	2,043	6.0	501	1.48	1,756	5.1

Source: U.S. Bureau of the Census, 2000

Note: Persons of Hispanic origin are counted by both race and Hispanic origin inasmuch as ethnic Hispanic may be various races. Therefore, adding Hispanics to the totals of the various races would result in an overcounting.

The racial and ethnic composition of the City of Manhattan Beach is typical of that of nearby beach cities, as indicated in Table 2-8. All of the nearby coastal cities have a relatively high percentage of whites, with minorities accounting for less than 10% of the population. The proportion of Hispanics in the neighboring cities was also comparable to that of the City of Manhattan Beach, according to the 1990 Census.

Table 2-8
% of Total Population Race and Ethnicity by City

City	Total	White	Black	Amer-Indian	Asian	Other	Hispanic
Manhattan Beach	33,852	89.0	0.6	.2	6.0	1.3	5.2
El Segundo	16,033	83.6	1.2	0.5	6.4	3.8	11.0
Hermosa Beach	18,566	89.6	0.8	0.4	4.4	1.9	6.7
Redondo Beach	63,261	78.6	2.5	0.5	9.1	4.8	13.5
Beach cities only	131,712	85.2	1.3	0.4	6.5	3	9.1
L.A. County	9,519,338	48.7	9.8	0.8	11.9	23.8	44.6

Note: Persons of Hispanic origin are counted by both race and Hispanic origin.

Source: U.S. Bureau of the Census, 2000 QT-P3.

Household Characteristics

According to criteria established by the U.S. Census, a household consists of the full-time occupants of a housing unit. A household may consist of one individual, a family, or a number of unrelated individuals. However, a "family household" is defined as a household consisting of two or more individuals related by blood, marriage, or adoption. Family households do not include one-person (single-person) households or households comprised of unrelated individuals.

In 2000, the average household size in Manhattan Beach was 2.34 persons per unit, compared to 2.70 persons per unit in 1970. This trend in the average household size is consistent with the trends discussed earlier of "aging families" with children leaving home after completing school. This decline in the average household size also accounts for the overall decline in the City's population that occurred during this same period.

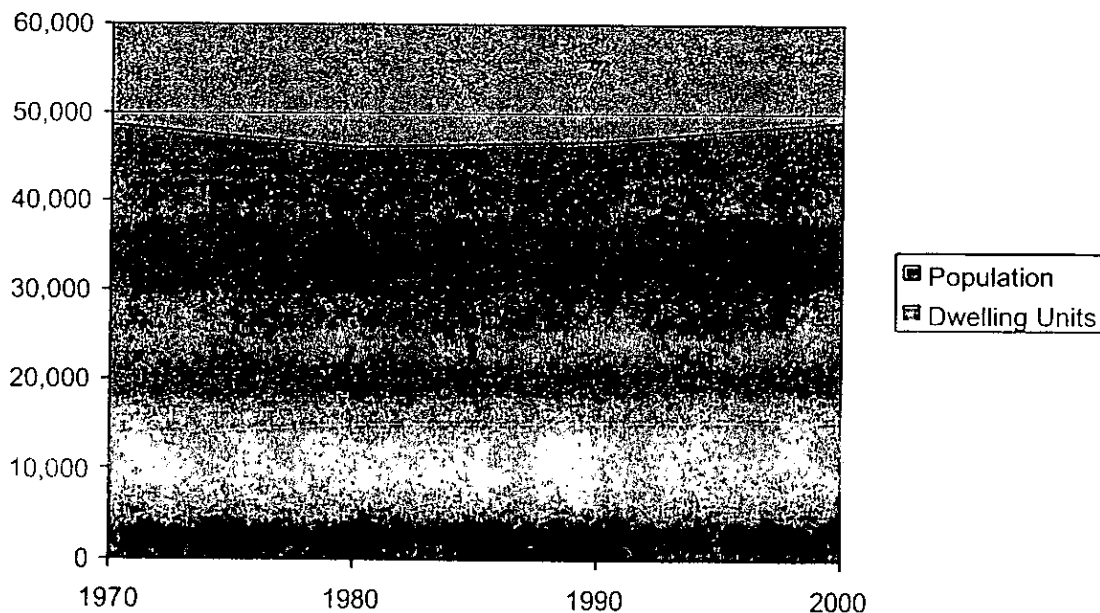
The average household size within the City experienced a rebound during the decade following 1990. According to the 2000 census, the average household size in the City currently stands at 2.34 persons per unit, compared to 2.29 in 1990. This increase in the average household size alone would account for a corresponding population increase of more than 4,408 persons, even if no new housing were constructed (as indicated in Table 2-9, the City's housing inventory increased by more than 598 units since 1990, with the majority of these new units being located within Manhattan Village). However, the current average household size of 2.34 persons per unit is still substantially less than that of the 1970s (2.77 persons per unit). The lower household size may be a hallmark of smaller families, more households without children, and more single adults living in the City.

Exhibit 2-5 compares population and housing growth in the City between 1970 and 2000. As indicated in Exhibit 2-5, the number of housing units in the City experienced modest but consistent growth. During this same period, the City's population experienced marked fluctuations, again due to changes in the City's average household size.

**Table 2-9
Household Size 1970-2000**

	1970	1980	1990	2000	Changes (#) 1970- 2000	Changes (%) 1970- 2000
Population	35,352	31,542	32,063	33,852	-1500	-4.2%
Housing Units	13,107	14,511	14,695	15,034	1,927	14.7%
Persons per Unit	2.70	2.17	2.18	2.25	-.45	-16.6%
Occupied Units	12,769	13,901	13,992	14,474	1,705	13.3%
Persons/Household	2.77	2.27	2.29	2.34	-.43	-15.5%

Sources: U.S. Bureau of the Census, 1970, 1980, 1990, and 2000.



**Exhibit 2-5
Comparison of Population and Housing Units: 1970 -2000
Sources: U.S. Bureau of the Census**

Exhibit 2-6 compares the average household size derived from the 1970, 1980, 1990, and 2000 U. S. Census. When comparing the trend depicted in Exhibit 2-6 below with the population trends shown above in Exhibit 2-5, it is evident that the trends in population growth in the City are more a function of household size trends rather than due to new housing development.

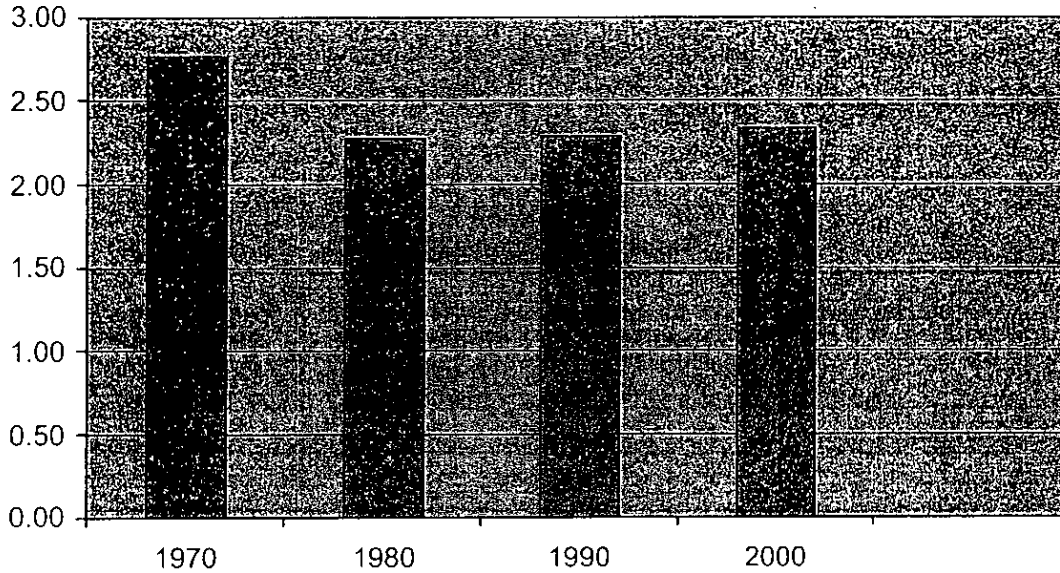


Exhibit 2-6
Trends in Average Household Size: 1970 - 2000
 Sources: U. S. Bureau of the Census

According to the 2000 Census data, the average household size is lowest in those areas located nearest the ocean, in Census Tracts 6202.01, 6203.2, and 6209.02 (refer to Table 2-10). In these areas, the average household size tends to be two or fewer people. Those census tracts found within the inland areas typically have somewhat larger households. In addition, owner-occupied units tend to have a larger household size compared to the renter-occupied units. Finally, smaller housing units are also concentrated in the coastal areas, while the larger units (with correspondingly larger household sizes) are located in the inland areas.

Table 2-10
Persons Per Occupied Housing Unit by Tenure by Census Tract - 2000

Tenure	6202.01	6203.01	6203.02	6203.03	6204	6208	6209.01	6209.02	City
Owner-Occupied	1.79	2.74	2.18	2.70	2.53	2.92	2.72	2.39	2.60
Renter-Occupied	1.54	2.29	1.72	1.99	2.14	2.07	2.05	1.73	1.85

Source: U.S. Bureau of the Census, 2000.

The proportion of households comprised of families continued to decline in the 1990s, from 67.3% in 1970 to 59% of all households in 1980, continuing downwards to 58% of all households in 2000 (Table 2-11). Meanwhile, the proportion of single-person households increased slightly, to 29.3% in 2000 from 27.3% in 1980. By 1990, the proportion of households comprised of non-related individuals sharing housing units increased to 12.7%, up from 10.8% in 1970. The proportion of households comprised of families is lowest in the coastal areas, particularly in Census Tract 6202.01 (the El Porto planning area). The proportion of single-person households and households comprised of unrelated individuals is also higher in these coastal areas (refer to Table 2-11). Trends in household size are illustrated in Exhibit 2-7.

Table 2-11
Household Type - 2000

Census Tract	Percentage of Families	Percentage of Single Person Households	Percentage of Non-Family Households
6202.01	20.7	51.5	27.8
6203.01	72.2	20.5	7.3
6203.02	38.4	40.9	20.7
6203.03	69.1	21.1	9.9
6204	67.1	26.3	6.7
6208	72.1	20.4	7.5
6209.01	69.5	20.3	10.2
6209.02	49.1	36.4	14.5
Total City	58.0	29.3	12.7

Source: U.S. Bureau of the Census, 2000

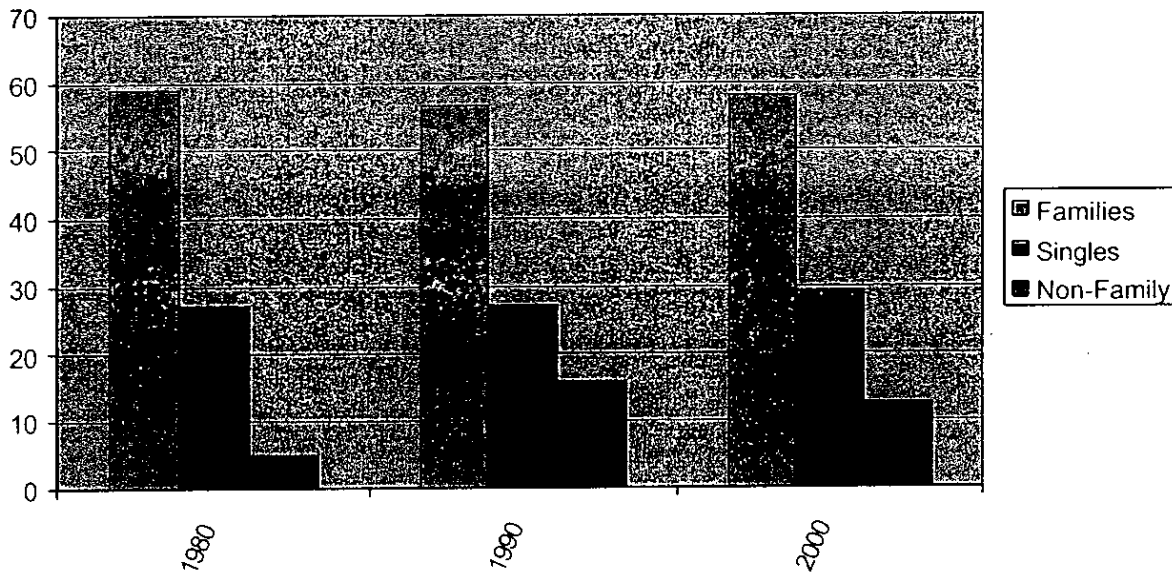


Exhibit 2-7
Trends in Average Household Size: 1980 - 2000
 Sources: U. S. Bureau of the Census

2.3 Special Needs Households in the City

Households with special needs are defined as those with at least one member having a disability requiring special modifications within the dwelling unit to accommodate the disability. People with special needs include people who are blind, deaf, or mute, or people confined to a bed or wheelchair, or requiring crutches. Many of these disabilities require modifications to be made to the housing units. Some of these modifications may include, but are not limited to, extra wide doorways, grab bars, and access ramps. Furthermore, some individuals may require housing that is located closer to health care facilities.²⁻⁶⁾

According to the 1990 U.S. Census, there are 1,048 households in the City of Manhattan Beach that included at least one household member with special needs. The City has a lower percentage of special needs residents compared to the County as whole. Approximately, 7.5% of the total households within the City are special needs households compared to 10.5% of the households within Los Angeles County.

Elderly Households

Households occupied by elderly individuals may require specialized improvements to accommodate restricted mobility. These improvements may include ramps (instead of steps), special elevator devices attached to stairways to second levels, wide door frames to

²⁻⁶⁾ Special needs data from the 2000 U.S. Census is not currently available.

accommodate wheelchairs, and handholds in the bathroom. Collectively, these devices may represent a significant expenditure to seniors on fixed incomes. In addition, these households may have difficulty undertaking routine maintenance such as painting, landscaping, and roof repair. According to the 2000 Census, there were 2,618 households that were headed by individuals over 65 years of age.

The 2000 Census also indicated that there were 3,526 persons, or 10.4% of the City's total population, who were over 65 years of age. Comparing these figures to comparable 1980 and 1990 data, the City's elderly population has increased over the last 20 years. Overall, between 1980 and 2000, the City's population above 65 years of age grew by 8,190. From 1980 to 1990, the growth averaged 42.1%. This trend is summarized in Table 2-12.

**Table 2-12
Seniors (Over 55 years of Age) – 1980 to 2000**

Age	1980		1990		2000	
	Persons #	Persons %	Persons #	Persons %	Persons #	Persons %
55-59	1,682	5.12%	1,513	4.72%	1,963	5.8%
60 – 64	1,219	3.71%	1,369	4.27%	1,299	3.8%
65 +	1,941	5.91%	2,759	8.60%	3,526	10.4%
Total	4,842	14.74%	5,641	17.59%	6,788	20.6%

Source: U.S. Bureau of the Census, 1980, 1990, and 2000.

According to the 2000 Census there were 14,474 occupied housing units in the City, and of this total, 2,618, were occupied by elderly persons. Of the housing units occupied by elderly persons, 2,177 were owner-occupied housing units and 241 were rental units. A total of 166 elderly households spent more than 30% of their income for housing (rents or mortgages). In other words, 1% of the housing units in the City were occupied by elderly persons that expended more than 30% of their income for housing (rent or mortgage payments).²⁻⁷⁾

There are two senior housing projects in the City: Manhattan Terrace and Manhattan Village - Senior Villas. The Manhattan Terrace (located at 3400 Valley Drive) consist of 48 units, The Manhattan Village-Senior Villas (located at 1300 Park View Avenue) consists of 104 dwelling units. In addition, the City recently established a Senior Services Manager Program to assist senior citizens, especially low-income senior citizens with household finances and shelter (see Section 4.3). To date the program has assisted 110 senior citizens, of which 70% are considered low income.

²⁻⁷⁾ U.S. Bureau of the Census 1990

Large Households and Overcrowding

The 1990 Census compiled statistics concerning the overcrowding of individual occupied housing units. A unit is considered to be overcrowded if it contains 1.01 or more persons per room (kitchens and bathrooms not included). A severely overcrowded housing unit is classified as a unit containing more than 1.5 persons per room. Those households are typically at greatest risk for overcrowding. "Families" are considered groups of persons related by blood, marriage, or adoption. Households represent all persons living together as groups, regardless of whether or not they are related. According to the 2000 U.S. Census, 220 units were classified as overcrowded, with more than 1.01 persons per room or 1.5% of the total occupied units. Of the overcrowded units, 64 units were owner occupied and 156 units were renter occupied. For purposes of comparison, statistics for Los Angeles County indicated that 15% of the occupied units in the County overall met the Census definition of overcrowded units and severely overcrowded units.

Households containing 5 or more persons are considered to be "large households," according to the Census definition. The 2000 Census reported that 861 households (4.8%) contained 5 or more persons. Of these large households, 844 households (98%) were classified as families. The remaining 17 households consisted of non-related people sharing housing. According to the 1990 census, problems with overcrowded households were not significant, compared to overcrowding in other areas of Southern California. There were 673 households in the City containing 5 or more persons, but only 192 units in the City were considered overcrowded. Table 2-13 indicates the distribution of large households within the City's Census Tracts.

Table 2-13
Larger Families and Households by Census Tract – 2000

No. Persons	6202	6203.01	6203.02	6203.03	6204	6208	6209.01	66209.02	Total
Family Households									
5 Persons	2	98	57	103	98	183	60	32	633
6+ Persons	1	28	15	30	28	81	17	11	211
Non-Family Households									
5 Persons	0	2	4	0	0	0	0	5	11
6+ Persons	0	0	1	1	0	3	0	1	6

Source: U.S. Bureau of the Census, 2000.

Female-Headed Households

Over the past several decades, there has been a significant increase in the number of female-headed household in the region. Demographic, social, and economic conditions contribute to special housing demands for female-headed households. According to the 2000 Census, there were 769 (5.3%) female-headed households in the City of Manhattan Beach. Among these female-headed households, 433 had related children under 18 years of age. The incomes of those households that are female-headed are lower than those other households, and the key housing issue for this special needs group involves affordability, security, and, possibly, child care facilities.

Need for Emergency Shelter

The issue of homelessness emerged as a major issue in 1990 during the severe economic recession that Southern California was undergoing at that time. While the region has experienced a dramatic economic rebound, those conditions that typically contribute to homelessness have not significantly changed. As a result, homelessness within the larger Southern California region continues to be a problem. Data provided by the Shelter Partnership estimated that there were 236,400 homeless persons in Los Angeles County over the course of a year. On any given night in Los Angeles County, there are more than 84,000 homeless persons. Various circumstances that may lead to homelessness, include the following:

1. Single adult transients passing through the City on the way to some other destination;
2. Seasonal and/or migrant homeless individuals seeking seasonal employment in the City;
3. The chronically homeless, single adults, including non-institutionalized, mentally disabled individuals, alcohol and drug abusers, elderly individuals with insufficient incomes, and others who voluntarily, or are forced, due to financial circumstances, to live on the streets;
4. Minors who have run away from home;
5. Low-income families who are temporarily homeless due to financial circumstances or are in the process of searching for a home (single-parent families, mostly female-headed, are especially prevalent in this group); and,
6. Women (with or without children) who are escaping domestic violence.

The following shelter and service providers are located in the Manhattan Beach area.

1. The Salvation Army operates a shelter located at 1370 Alamitos Avenue in the City of Long Beach. The operators of this shelter reported that providing temporary shelter to the homeless is the shelter's primary function. This Salvation Army shelter provides services to an average of 73 people per day. Of this number, approximately 10% are homeless.

2. The Second Step Shelter, located in Redondo Beach, provides transitional housing for women with dependent children. The focus of the shelter's services is to provide women who are victims of domestic violence with housing while they are making a transition to independent living. The shelter has a 24-bed capacity.²⁻⁸⁾
3. Another transitional shelter for women and youths is located in Hermosa Beach. This shelter, operated by the 1736 Family Crisis Center, provides transitional housing for women and for children under 18 years of age.
4. The Wellness Community-South Bay, located at 109 W. Torrance Blvd. in Redondo Beach, provides free-of-charge psychological and social support services to cancer patients. They estimate that they service 75 people per day, none of whom are homeless. Approximately 100 people who participate in this service either reside in Manhattan Beach or identified the City as their last permanent address.
5. The Kenny Nickelson Foundation provides services to homeless in the South Bay and Los Angeles area.

Contact with the Los Angeles County Department of Beaches, the City of Manhattan Beach Police Department, and the Kenny Nickelson Foundation indicated that there are no truly homeless persons in the City.²⁻⁹⁾

Emergency shelters and transitional housing developments are permitted in the City. Emergency shelters and transitional housing facilities may be located in the high density residential (RH) and general commercial (CG) zone districts with a conditional use permit.²⁻¹⁰⁾ The infrastructure services for the City have been designed to accommodate build-out under the General Plan, and the infrastructure is considered adequate to handle these kinds of facilities. An applicant constructing an emergency shelter or transitional housing facility would be required to obtain a conditional use permit. As part of any application for such a facility, the City would study the adequacy and suitability of the site for its intended use, analyze traffic and other environmental impacts and, based on the anticipated impacts, establish conditions of development.

2.4 Housing Characteristics of the City

Housing Development Trends

The majority (67%) of the housing in Manhattan Beach consist of single-family detached homes, with smaller numbers of single-family attached homes, duplexes, triplexes, fourplexes, and larger apartment complexes (Table 2-14). For purpose of comparison, approximately half of all housing in Los Angeles County consists of single-family detached units.

²⁻⁸⁾ City of Redondo Beach. *Public Review Draft Housing Element*, 2000.

²⁻⁹⁾ Kenny Nickelson Foundation, *Conversation with Doris Nickelson*, 2001.

²⁻¹⁰⁾ City of Manhattan Beach Zoning Ordinance 10.12.020 and 10.16.020

**Table 2-14
Housing Characteristics (Units Per Structure) in 2000**

Census Tract	Single-family Detached	Single-family Attached	2 Units	3 or 4 Units	5 or more Units	Mobile Home	Other	Total
6202.01	177	77	536	191	70	0	0	1,051
6203.01	1,602	0	7	0	54	0	0	1,663
6203.02	1,551	475	670	509	116	0	0	3,321
6203.03	1,495	14	38	58	109	0	0	1,714
6204	1,291	482	46	91	190	0	0	2,100
6208	2,205	109	44	170	207	0	0	2,735
6209.01	887	24	28	28	50	0	0	1,017
6209.02	983	166	166	50	95	0	0	1,460
Total	10,191	1,347	1,535	1,097	861	0	0	15,061

Source: U.S. Bureau of the Census, 2000.

With the exception of the coastal areas, single-family homes predominate in most areas of the City. The majority of remaining housing is provided in duplexes, triplexes, fourplexes, and larger multiple-family complexes consisting of five or more units. The 1990 Census indicates that 1,123 dwelling units, or 7.64% of the City housing stock, consisted of single-family attached dwellings, or condominiums, in 1990 (see Table 2-15). The largest proportion of condominiums exist in Census Tract 6204, where condominiums are aggregated in a large tract in the Manhattan Village area and in the beach section. Approximately 10% of all units in the City were classified as single-family "attached" units. According to the most recent (January 2000) DOF estimates, a total of 15,293 housing units were located in the City. This represents an increase of 262 units (2.7%) over the number of housing units identified in the 1990 Census. Housing trends in Manhattan Beach between 1990 and 2000 are summarized in Table 2-15.

**Table 2-15
Units Per Structure – 1990 to 2000**

Unit Type	Units in 1990		Units in 2000		Change 1990-2000	
	# Units	% Units	# Units	% Units	# Units	% Units
Single-family (detached)	9,853	67.6%	10,191	67.6%	338	3.4%
Single-family (attached)	1,123	7.7%	1,347	8.9%	224	19.9%
2-4 units per structure	2,749	18.9%	2,632	17.5%	-117	-4.2%
5 or more units per structure	844	5.8%	891	5.9%	47	5.5%
Mobile Homes	3	0.0%	0	0%	0	0%
Total	14,572	100%	15,061	100%	489	3.3%

Sources: U.S. Bureau of the Census, 1990 and 2000; Department of Finance, 2000.

Homes in the City range from quite small to fairly large, with the majority of homes containing between four to six rooms (Table 2-16). Units in Tract 6202 tend to be the smallest, followed by the other Census Tracts located within the beach sections (Census Tracts 6203.02 and 6209.02). The larger units are found in the areas located east of Sepulveda Boulevard, in Census Tracts 6204 and 6208.

**Table 2-16
Unit Size – No. of Rooms per Unit (2000)**

Rooms	6202.01	6203.01	6203.02	6203.03	6204	6208	6209.01	6209.02	Total
1	76	0	99	6	5	14	0	68	268
2	180	29	256	69	78	98	18	77	805
3	242	75	476	152	138	194	49	131	1,457
4	242	151	722	126	164	393	68	247	2,113
5	165	406	684	336	615	450	97	241	2,994
6	99	331	440	373	554	441	209	214	2,661
7	19	192	353	176	339	336	256	261	1,932
8	8	287	167	190	118	315	126	122	1,333
9 +	20	192	124	286	107	502	201	99	1,531

Source: U.S. Bureau of the Census, 2000.

Housing Condition

In July 2000, City staff conducted a citywide survey to assess housing conditions in the City. The housing condition survey completed for the previous Housing Element update identified a total of 23 units in need of repair. According to the most recent survey, a total of 55 units requiring repair, rehabilitation, or removal were identified. The following categories were considered in the survey:

Category 1: Substandard; rehabilitation would not be economical, and replacement is recommended. A total of 11 units were identified in this category.

Category 2: Major repair needed, but economically feasible to rehabilitate. A total of 16 units were identified in this category.

Category 3: Moderate repair needed (painting, landscaping, minor repairs). A total of 28 units were identified in this category.

Category 4: Structurally sound with little or no repairs needed. The balance of the housing units in the City were included in this category.

Between January 1, 2000 through August 31, 2000, Manhattan Beach code enforcement staff inspected 36 units, of which 9 units were determined to be illegal. Of these, all 9 units were abated.

Housing Vacancy

At the time of the 2000 Federal Census, the City of Manhattan Beach had 548 vacant housing units, comprising 3.7% of the total dwelling units within the City (Table 2-17). These include units available for sale or rent, units held for weekend/seasonal use, and those units that were recently constructed but not yet occupied.

According to the 2000 Census, the South Beach tract area (Census Tract 6209.02) had the highest vacancy rate (10.64%), with 8% of this Tract's rentals unoccupied. Census Tract 6203.03 (South Tract Section) had the lowest vacancy rate at 2.6%. On the whole, the City of Manhattan Beach had a relatively low vacancy rate (Table 2-18) compared to the nearby cities and the County. At 3.7%, the vacancy rate in Manhattan Beach was higher than the rate of El Segundo, but comparable to that of Hermosa Beach and Redondo Beach vacancy rates. For purposes of comparison, the vacancy rate for Los Angeles County was 4.1%.

**Table 2-17
Housing Vacancy by Census Tract - 2000**

Census Tract	For Rent		For Sale		Other ¹	Total Vacancies	
	Units	%	Units	%	Units	Units	% ²
6202.01	24	2.3%	0	0%	30	54	5.3%
6203.01	12	.7%	13	.8%	17	42	2.5%
6203.02	57	1.7%	34	1.0%	102	193	5.8%
6203.03	7	.4%	8	.4%	15	30	1.8%
6204	7	.3%	8	.4%	36	51	2.4%
6208	16	.6%	14	.5%	35	65	2.4%
6209.01	15	1.5%	9	0.9%	13	37	3.7%
6209.02	20	1.3%	10	.7%	58	88	6%
City Total	158	1.0%	96	.6%	306	560	3.7%

¹ Includes homes held for seasonal or weekend use, homes built but not yet on the market, and dwelling utilized for corporate purposes.

² (total vacant dwelling units/total dwelling units)

Source: U.S. Bureau of the Census, 1990.

Manhattan Beach's vacancies were characterized primarily as "seasonal-type" vacancies, whereas adjacent cities and Los Angeles County had vacancies mainly due to unoccupied rental units. These statistics imply that there are a substantial number of units in the City used as second units, vacation homes, or even as time-share rentals. The City's relatively close proximity to the ocean has contributed to the area's desirability as a vacation spot.

**Table 2-18
Housing Vacancy by City - 2000**

Census Tract	Units Vacant For Rent		Units Vacant For Sale Only		All Other Vacancies ¹	Total Vacancies	
	#	%	#	%	Units	Units	% ²
Manhattan Beach	158	1.0%	36	.6%	306	560	3.7%
El Segundo	60	.82%	13	.17%	128	201	2.8%
Hermosa Beach	223	2.2%	37	.37%	111	371	3.7%
Redondo Beach	434	1.47%	203	.69%	340	977	3.3%
City Total	920	1.49%	334	.54%	861	2,092	3.4%
L.A. County	61,369	1.87%	28,827	.88%	46,939	137,135	4.1%

¹ Includes homes held for seasonal or weekend use, homes built but not yet on the market, and dwelling utilized for corporate purposes.

² (total vacant dwelling units/total dwelling units)

Source: U.S. Bureau of the Census, 2000.

Housing Tenure

In 2000, 34.9% of all households in the City consisted of renter households. This is close to the same as the 1990 figure (refer to Table 2-19). Owner-occupied units accounted for the clear majority of housing units in most areas of the City, except in one coastal area census tract 6202.01 (El Porto). The coastal areas contain a larger proportion of duplexes and multi-family housing compared to the other areas of the City. In Tract 6909.02, located in the southwest portion of the City, owner-occupied units constitute only a slight majority, and the Tract 6203.02 located in the northwest renter households were a slight minority. The proportion of renter households is the greatest in the El Porto area, with 74.2% of the total occupied units consisting of renter-occupied units. Table 2-19 indicates the housing tenure for those individual tracts that comprise the City.

**Table 2-19
Housing Tenure in City- 2000**

Census Tract	Owner-Occupied		Renter-Occupied	
	Units (#)	Units (%)	Units (#)	Units (%)
6202.01	249	25.8%	715	74.2%
6203.01	1,362	84%	259	16%
6203.02	1,403	44.9%	1,725	55.1%
6203.03	1,334	79.2%	350	20.8%
6204	1,523	73.7%	544	26.3%
6208	2,011	75.1%	667	24.9%
6209.01	771	80.3%	189	19.7%
6209.02	767	55.9%	605	44.1%
Total	9,420	65.1%	5054	34.9%
TOTAL, 1990	8,574	64.9%	4636	35.1%

Source: U.S. Bureau of the Census, 1990-2000.

Manhattan Beach had a significantly higher proportion of owner-occupied units compared to the proportion of rental households in the surrounding cities and in Los Angeles County as a whole (refer to Table 2-20). In fact, Manhattan Beach was the only city in the Southbay area of Los Angeles County where owner-occupied units constituted the majority of the occupied housing units.

**Table 2-20
Housing Tenure in Region**

	Owner-Occupied		Renter-Occupied	
	Units (#)	Units (%)	Units (#)	Units (%)
Manhattan Beach	9,420	65.1%	5,054	34.9%
El Segundo	2,945	41.9%	4,087	58.1%
Hermosa Beach	4,033	42.9%	5,409	57.3%
Redondo Beach	14,147	49.5%	14,419	50.5%
Total	29,001	51.3%	28,001	48.7%
L.A. County	1,499,744	47.9%	1,643,030	52.1%

Source: U.S. Bureau of the Census, 2000.

Housing Cost

According to the census, the housing costs in beach cities are much higher than costs in Los Angeles County as a whole. According to the 2000 Federal Census, the median value of owner-occupied housing was \$519,200 in Hermosa Beach and \$692,600 for Manhattan Beach. This is more than triple the median value for owner-occupied housing countywide. The median rent paid for housing was more than 145% of that of the County. In addition, the median cost for housing in Manhattan Beach was greater than that for its neighboring cities, as shown in Table 2-21.

**Table 2-21
Housing Costs in the Region - 2000**

City	Median Value (\$)	Median Rent (\$)
Manhattan Beach	\$ 692,600	\$ 1,293
Hermosa Beach	\$ 519,200	\$ 1,095
El Segundo	\$ 371,900	\$ 848
Redondo Beach	\$ 353,300	\$ 943
L.A. County	\$ 209,300	\$ 643

Source: U.S. Bureau of the Census, 2000.

As might be expected, the reported home values in the inland areas (Census Tracts 6204 and 6208) were generally lower compared to those areas located nearer to the beach (Tracts 6203.02, 6202.01, and 6209.02). In contrast, the highest median cost for rentals was in an inland tract. This may be due to the availability of homes for rent and larger apartments found in the inland areas. The median value of a "for sale" unit and a rental unit are summarized below in Table 2-22 for the Census Tracts that comprise the City.

**Table 2-22
Housing Costs in Manhattan Beach - 2000**

Census Tract	Median Value (\$)	Median Rent (\$)
6202.01	\$ 620,700	\$ 1,258
6203.01	\$ 631,500	\$ 1,550
6203.02	\$ 743,100	\$ 1,447
6203.03	\$ 703,400	\$1,307
6204	\$ 518,300	\$ 1,119
6208	\$ 635,400	\$ 993
6209.01	\$ 885,800	\$1,182
6209.02	\$ 866,800	\$1,375
Manhattan Beach	\$ 692,600	\$1,293
L.A. County	\$ 209,300	\$ 643

Source: U.S. Bureau of the Census, 2000.

The reported median home value is consistent with the asking prices of homes advertised for sale in Manhattan Beach on various websites advertising "for sale" units (Table 2-23). A search of advertised "for sale" advertisements was undertaken on the Internet using "Realty.com." A total of 51 advertisements appeared in the databases.

Table 2-23
Home Asking Prices June-July 2000

Asking Price	Houses	Condos
<\$200,000	0	5
\$200,000 – 249,000	1	3
\$250,000 – 299,000	0	14
\$300,000 – 349,000	4	2
\$350,000 – 399,999	2	2
\$400,000 – 449,999	2	3
\$450,000 – 499,999	3	--
\$500,000 – 599,999	1	1
\$600,000 – 699,999	4	1
\$700,000 – 799,999	3	--
\$800,000 – 999,999	1	--
\$1,000,000 +	1	--
Total	22	2

Source: Blodgett/Baylosis Associates, 2000.

The difference between values reported in the census and home sales prices may be attributed to two factors. First, both the census and advertisements of homes for sale reflect the owners' optimistic opinion of the home's value. In the case of sales advertisements in particular, the asking price is typically somewhat higher than what the seller actually expects to obtain. The recorded sales price reflects what a buyer is actually willing to pay. Second, the home value reported in the census is for owner-occupied units only, and does not reflect the value of renter-occupied homes. It is possible that the renter-occupied homes are being held for future

remodeling or rebuilding and have a somewhat lower value than those homes that owners choose to occupy.

The same Internet databases were consulted to obtain advertised rental rates. As shown in Table 2-24, this survey yielded 67 advertisements for rentals. The rentals ranged from a low of \$595 per month for smaller studio apartments to more than \$3,000 per month for a single-family home. Still higher monthly rental rates were identified in the survey, though they appeared to be vacation and seasonal rentals. Some of these seasonal rentals range between \$2,000 to \$3,000 per week.

**Table 2-24
Advertised Rents: September/October 2000**

Rent	Houses / Condos	Apartments
< \$600	0	1
\$600 – 699	0	3
\$700 – 799	0	9
\$800 – 899	0	6
\$900 – 999	0	11
\$1,000 – 1,099	1	4
\$1,100 – 1,199	0	3
\$1,200 – 1,299	3	1
\$1,300 – 1,399	1	1
\$1,400 – 1,499	9	0
\$1,500+	14	0
Total	38	39

Source: Blodgett/Baylosis Associates, 2000.

The U.S. Census data indicated that for renters, the median gross rent per month is \$1,042 in 1990 and approximately \$1,293 in 2000. This dollar amount refers to the contract rent (i.e., monthly rent agreed to, or contracted for) plus the estimated average cost of utilities and fuels if paid for by the renter. This definition was used by the Census in an attempt to eliminate differentials due to varying practices in rent structuring. Though the census rental rates are substantial, another rent value rate to consider is HUD’s Fair Market Rent (FMR). Table 2-13, HUD’s FMR, shows that rents for two-, three-, and four-bedroom units significantly increase and then decline in the mid 1990s. The HUD-formulated Fair Market Rent (FMR) schedule is a

guideline to maximum rents allowable for units receiving Section 8 assistance. HUD uses the Consumer Price Index and the Census Bureau housing survey data to calculate the FMRS for each SMSA.

Because HUD includes different criteria in its definition of rent, Census figures and FMR's are not directly comparable. However, what is significant and applicable to the City is the HUD rental rate increase peaking in 1995. From 1980-1988, the FMR increased by 102% for one-bedroom units and 135% for four-bedroom units. By 1997, 13% - 17% rental rate decreases were experienced for one-, two-, three-, and four-bedroom units. These reduced rates are now increasing at a 1.5% - 2.2% rate, most likely due to a rebounding economy.

If rental rates are increasing, then through time the availability of affordable housing units will then decrease. In addition to the for mentioned types of affordable housing, an owner-occupied housing unit would generally be considered affordable if the purchase price were three to four times the annual household income. The ultimate cost of the unit will ultimately depend on prevailing mortgage rates, the size of the down payment, and other expenses to be met by the household. Optimistically assuming a four-to-one ratio, a household with an annual income corresponding to the County median household could afford to pay \$168,000 to purchase a home. On that basis, approximately 165 homes would be considered affordable. A household with an income corresponding to the City's median household income levels (\$67,723) would be able to afford a home priced at \$316,760. Approximately 600 homes, or 23% of all owner-occupied homes, would be considered affordable to a household making the City median income.

Table 2-25
HUD Fair Market Rents, Los Angeles – Long Beach

Year	1-Bedroom	2-Bedroom	3-Bedroom	4-Bedroom
1980	\$ 291	\$ 343	\$ 380	\$ 420
1983	\$ 463	\$ 538	\$ 710	\$ 816
1988	\$ 588	\$ 684	\$ 876	\$ 990
1990	\$ 615	\$ 715	\$ 916	\$ 1,035
1995	\$ 695	\$ 855	\$ 1,154	\$ 1,416
1996	\$ 675	\$ 854	\$ 1,153	\$ 1,375
1997	\$ 583	\$ 737	\$ 995	\$ 1,187
1998	\$ 592	\$ 749	\$ 1,011	\$ 1,206
1999	\$ 605	\$ 766	\$1,033	\$1,233
Percentage Change				
1980-1988	103%	99%	130%	135%
1988-1998	101%	110%	115%	122%
1998-200	102%	102%	102%	102%

Source: U.S. Department of Housing and Development, 1999.

This disparity between numbers of affordable units and local household income may be attributed to a number of factors. Many owners bought their homes many years ago for much lower prices. New purchasers may be willing to pay higher prices because the home is viewed as an investment, and tax advantages may outweigh a portion of the costs. A buyer may have considerable equity from a previous home to apply toward the price of the new home. In addition, as noted above, homeowners may have an optimistic view of the value of their property. Finally, ownership units have a differing market response than rental units, which have a median cost approximating median affordability for the County. Rental units are more often on the market and constantly competing with other units for available tenants. By contrast, the typical owner has not paid the prevailing housing price due to long-term ownership of the unit. Thus, while housing value may increase, actual costs are relatively fixed. At any given time, only a small portion of ownership units will be on the market. Thus, owner-occupied units are not as immediately subject to housing affordability.

Overpayment

A household overpaying for housing is defined as a household that spends more than 30% of the gross household income for housing, including utilities.²⁻¹¹⁾ Severe overpayment occurs when households pay 50% or more of their gross income for housing or when lower-income households pay more than 30% of their income for housing. Table 2-26, indicates the number of occupied units, categorized by household income level, that spent more than 30% of their income for rent or mortgage payments.

**Table 2-26
Overpayment by Owner- and Renter-Occupied: 2000**

Income Level	Owner-occupied	Renter-occupied
Less than \$10,000	169	128
\$10,000 to \$19,999	153	205
\$20,000 to \$34,999	205	342
\$35,000 to \$49,999	233	273
\$50,000 or more	1,805	467
Total	2,565	1,415

Source: U.S. Bureau of the Census, 2000.

According to the US Census, in 2000 there were 14,474 occupied housing units in the City. Of this total, 9,420 owner occupied housing units and 5,054 renter occupied housing units.

²⁻¹¹⁾ Q&A, State of California Department of Housing and Community Development, 2000.

Therefore, a total of 3,980 occupied housing units in the City spent more than 30% of their household income for rent or mortgage payments.

Assisted Housing Units at Risk of Conversion and Poverty in the City

The U. S. Bureau of the Census has established poverty thresholds for households for those years following the 1990 Census. These thresholds consider the number of persons in a family as well as the number of minor dependent children. These income thresholds are shown in Table 2-27.

Table 2-27
Poverty Threshold Limits (annual income in dollars)

Household Size	Weighted Average Threshold	Number of Related Children Under 18 Years of Age								
		None	1	2	3	4	5	6	7	8
1 Person	\$ 8,667	8,667								
2 Persons	\$ 11,214	11,156	11,483							
3 Persons	\$ 13,290	13,302	13,410	13,423						
4 Persons	\$ 17,029	17,184	17,465	16,895	16,954					
5 Persons	\$ 20,127	20,723	21,024	20,380	19,882	19,578				
6 Persons	\$ 22,727	23,835	23,930	23,426	22,964	22,261	21,845			
7 Persons	\$ 25,912	27,425	27,596	27,006	26,595	25,828	24,934	23,953		
8 Persons	\$ 28,967	30,673	30,944	30,387	29,899	29,206	28,327	27,412	27,180	
9+	\$ 34,417	36,897	37,076	36,583	36,169	35,489	34,534	33,708	33,499	32,208

Source: U.S. Bureau of the Census, 1999

At the present time, there are no subsidized (HUD Section 8) housing units in the City. As a result, no units are at risk of conversion. The absence of subsidized housing is a reflection of housing cost for rentals, and the inability of assistance providers to realize a fair return on their expenditure for such assistance. The 2000 Census (refer to Table 2-28) indicates that 3.2% of the City's population is below the poverty line in 1999 for those Census Tracts located in the City.

**Table 2-28
Persons Under the Poverty Threshold - 2000**

Census Tract	Total	No. of Persons	% of Population
6202.01	1,611	41	2.5%
6203.01	4,324	120	2.8%
6203.02	6,022	280	4.6%
6203.03	4,296	117	2.7%
6204	5,012	275	5.5%
6208	7,263	140	1.9%
6209.01	2,607	81	3.1%
6209.02	2,879	50	1.7%
Total	34,014	1,104	3.2%

Source: U.S. Bureau of the Census, 2000.

3.0 HOUSING PROJECTIONS, NEEDS AND CONSTRAINTS

City of Manhattan Beach  Housing Element

3.1 Introduction to Projections, Needs, and Constraints

This section of the Housing Element identifies those housing need projections developed by the Southern California Association of Governments (SCAG) as part of the Regional Housing Needs Assessment (RHNA) for the City and other regional growth projections. The City's RHNA allocation is then identified and is followed by a comparison of growth trends and potential development constraints that could inhibit the City's ability in meeting its RHNA allocation over the planning period, which ends in 2005. This section then concludes with an identification of quantified housing objectives the City is more likely to achieve over the time frame governed by this Housing Element.

3.2 SCAG Growth Projections

As indicated above, the development of the RHNA for the cities and counties that comprise the SCAG planning area began with the formulation of the City's baseline and projected population, housing, and employment figures through the year 2020. The baseline year used in these projections was 1997, and projections were developed for the following increments: 2000, 2005, 2010, 2015, and 2020. The three variables considered in the projections, 1) population, 2) housing units, and 3) employment, were assumed to have the greatest impact on potential future housing need. Table 3-1 indicates the SCAG population, housing, and employment projections for the City ultimately used in the formulation of the Regional Transportation Plan and, ultimately, the Growth Management Plan. The SCAG projections call for 16,751 persons to be employed in the City in 2020. This figure represents an additional 2,482 jobs over the existing (1997 baseline year). According to information provided by the Private Industry Council (PIC) for Los Angeles County, there were 11,400 jobs and 12,800 jobs in the City in 1976 and 1984, respectively.³⁻¹⁾ More recent figures (April 2000) obtained from the State Department of Employment Development indicate that the current number of jobs in the City is 14,800.³⁻²⁾ Since 1976, the number of jobs within the City increased by 3,080 jobs. This translates into an average annual increase of 220 jobs. Table 3-1 outlines the SCAG growth projections for population, housing, and employment.

Year	Population	Housing	Employment
1997	34,680	14,395	13,783
2000	35,833	14,437	14,269
2005	35,252	14,507	14,936
2010	37,187	15,778	15,474
2015	38,185	16,487	16,051
2020	39,481	16,500	16,751

Source: Southern California Association of Governments, 1998.

³⁻¹⁾ Los Angeles County Private Industry Council, Employment, 1976 and 1984.

³⁻²⁾ According to the EDD, the City's current unemployment rate is 2.7%, compared to 4.8% for the County.

3.3 Regional Housing Needs Assessment

As indicated previously, the authority to determine housing needs for the various income groups for cities within the region has been delegated to SCAG, pursuant to Section 65584 of the Government Code. The housing needs are categorized according to income groups. The income categories include *Very Low*, *Low*, *Moderate*, and *High Income* households, and the incomes of the selected income groups are based upon percentages of the median household income for the Los Angeles area and are defined according to the following criteria:

1. The *Very-Low-Income* households are those whose income is less than 50% of the median household income for the greater Los Angeles area;
2. The *Low-Income* households earn from 50% to 80% of the median;
3. The *Moderate-Income* groups earn from 80% to 120% of the median; and
4. The *High-Income* households earn over 120% of the median income.

SCAG's Regional Housing Needs Assessment estimated the seven-year future housing construction need for Manhattan Beach at 250 units (refer to Table 3-2). The housing needs for the selected income groups are shown in the lower portion of Table 3-2. As discussed later in this section, the replacement need is substantially higher than historic demolition permit issuance for the City. As stated in SCAG's RHNA report, replacement need is the third component built upon the concept that a certain number of housing units are needed to replace those lost due to demolition, conversion to non-residential use, or natural disaster. As indicated previously, the RHNA allocation calls for 250 units to be constructed between 1998 and 2005. As a result, these RHNA objectives are retroactive. During this planning period, beginning in 1998, a total of 618 units were constructed and 594 units were removed, giving the City a net increase of 24 units that may be counted towards the RHNA.

RHNA Component	Number of Units	Southbay Cities		
		Number of Units	% of Total SCAG Region	
1. Household Growth	113 units	6,477 units	2%	
2. Vacancy Rage Adjustments	-99 units	-1,832 units	6%	
3. Housing Unit Loss Adjustment	235 units	4,880 units	5%	
4. Total Construction Need	250 units	9,525 units	3%	
Future Housing Needs By Income Group				
Very Low	Low	Moderate	Above Moderate	Total
41 units	29 units	42 units	139 units	250 units
16%	11%	17%	56%	100%
1. When deducting the net increase of 24 units since 1998, the actual total construction need is 226 units (250-24=226) Source: SCAG Regional Housing Needs Assessment, 1999				

3.4 Comparison of Growth Projections

The purpose of this section of the Housing Element is to provide a comparison with the SCAG projections developed for the City (refer to Table 3-1) and other projections that more closely reflect demographic and development trends in the City. In terms of population growth, SCAG projections anticipate a year 2020 population of 39,481 persons for the City, an increase of 3,357 persons (9.3%) over the existing (year 2000) figures. This population growth translates into an average annual rate of population growth of 168 persons.

In terms of housing unit development, the SCAG projections anticipate 16,500 housing units by the year 2020, an increase of 2,105 units (13.8%) over the existing (2000) figures. This increase in the number of housing units translates into an average annual rate of housing construction of 60 units. Since 1980, only 782 housing units have been added to the City's housing inventory. This rate of historic development translates into 39 new housing units being added on an annual basis. Of the 782 units added to the City's housing inventory, 152 units were constructed as part of the Manhattan Village and Manhattan Terrace senior projects. When discounting Manhattan Village and Manhattan Terrace developments, the adjusted average increase was 630 units.³⁻³⁾ Table 3-3 compares the SCAG projections with actual trends that have occurred in the City since 1980.

Table 3-3 Population and Housing Projections		
Year	Population	Housing
Actual Growth in Population and Housing Development		
Historic Growth (1980-2000) - #	4,582	782
Historic Growth (1980-2000) - %	14.5%	5.4%
Average Annual Growth (1980-2000) - #	229	39
Adjusted Growth in Population and Housing Development¹		
Historic Growth (1980-2000) - #	1,562 ²	630 units
Historic Growth (1980-2000) - %	5.0%	4.3%
Average Annual Growth (1980-2000) - #	78	32
Growth Based on SCAG Projections		
Projected Growth (2000-2020) - #	3,648	1,207
Projected Growth (2000-2020) - %	25.3%	13.8%
Average Annual Growth (2000-2020) - #	182	60
1. Adjusted growth discounts the development in the Manhattan Village and Manhattan Terrace projects. 2. Population assumes an average household size of 2.48 persons per unit. Year 2000 figures are from the State Dept. of Finance. Sources: U. S. Bureau of the Census, SCAG RHNA, and Dept. of Finance, 2000.		

³⁻³⁾ City of Manhattan Beach. *Housing Element* 1993.

As is evident from the examination of Table 3-3, the historic growth in the City's population, housing development, and employment is substantially less than that anticipated in the SCAG projections. The ability of the City to accommodate the growth anticipated by SCAG is further compounded by the constraints to housing identified in the sections that follow.

3.5 Constraints to Housing Development

This section of the Housing Element documents those environmental constraints, market constraints, and governmental constraints that may further impede the development of new housing in the City. The purpose of this section is to identify those constraints that may inhibit housing development.

Land Availability - Residential Land Use Designations

One of the more significant constraints to the development of substantial numbers of new housing units is related to the availability of land to accommodate such development. As indicated in the previous sections of this Element, the City has been fully developed for a number of years. The City has a total land area of 2,492 acres, with 1,788 acres actually available for development (the difference of 704 acres is devoted to streets, public rights-of way, and easements). Of the total land area available for development, 1,210 acres, or 67%, are developed as residential. Table 3-4 itemizes the land area devoted to the various land use designations that comprise the City of Manhattan Beach General Plan.

Land Use Designation	Description	Area (in acres)	% of Land Area ¹
Low-Density Residential	single-family residential	1,019	57.0%
Medium-Density Residential	single-family and multiple-family	114	6.0%
High-Density Residential	multiple-family	77	4.0%
Commercial	retail and office	211	12.0%
Industrial	manufacturing	106	6.0%
Public Facilities	schools, civic uses, & institutional	139	8.0%
Parks/Open Space	parks and dedicated open space	123	7.0%
Total		1,788	100.0%
1. The % refers to the 1,788 acres of land available for development. Source: City of Manhattan Beach Land Use Element. 1988.			

As indicated previously, approximately 67% of the City's land area is designated for residential development.³⁻⁴⁾ More significantly, the permitted development intensities are substantially greater than those typically associated with "Low-Density" and "Medium-Density" development. In addition, the General Plan's development intensity standards vary among the Planning Areas that comprise the City, as indicated in Table 3-5.

³⁻⁴⁾ City of Manhattan Beach General Plan. *Land Use Element* 1988.

**Table 3-5
Development Intensity Standards for Residential Land Use Designations (units/acre)**

Land Use Designation	Planning Area				
	Beach	Hill Section	Eastside/M. V. ¹	Tree Section	El Porto
Low-Density Residential	0-17 du/ac.	0-10 du/ac.	0-6 du/ac.	0-10 du/ac.	0-17 du/ac.
Medium-Density Residential	0-35 du/ac.	0-30 du/ac.	0-30 du/ac.	0-23 du/ac.	0-35 du/ac.
High-Density Residential	0-52 du/ac.	0-49 du/ac.	0-49 du/ac.	0-49 du/ac.	0-65 du/ac.
Mixed-Use	0-52 du/ac.	--	--	--	0-52 du/ac.

1. Development intensities for the Manhattan Village area are determined by the applicable zoning ordinance or specific plan.
Source: City of Manhattan Beach Land Use Element. 1988.

Table 3-5 clearly indicates that the City’s land use policy promotes a variety of housing types at various development intensities. Based on the extent and location of land designated for residential land uses, and the permitted intensity of residential development corresponding to the land use designations, the City of Manhattan Beach General Plan is “non-exclusionary.”

Table 3-6 compares the population and residential development intensities of the City of Manhattan Beach with the surrounding communities. As indicated in the table, the City’s population intensity is comparable to that of its neighboring cities. Collectively, the beach cities are among the most intensity developed cities in Los Angeles County, largely due to their coastal location.

**Table 3-6
Population and Housing Intensity Comparison**

City	Land Area (sq. miles)	Population Intensity		Housing Density	
		Population	Persons/Sq. Mile	No. of Units	Units/Sq. Mile
Manhattan Beach	3.87	15,293	3,952	36,124	9,334
El Segundo	5.50	7,632	1,388	16,864	3,066
Hermosa Beach	1.36	9,813	7,215	19,631	14,435
Redondo Beach	6.34	29,164	4,600	67,638	10,668

Sources: U.S. Bureau of the Census, 1990, and State Department of Finance, 2000.

Land Availability - Vacant Land Inventory

The primary constraint related to the development of new housing in the City is related to the lack of available sites for residential development. While the majority of the City’s land area is designated for residential development, virtually all of the parcels where such uses are permitted have been previously developed.

To assess the availability of suitable development sites for residential uses, a Citywide survey was undertaken in June 2000 to identify vacant parcels.³⁻⁵⁾ The results of this survey are summarized in Table 3-7. As indicated in Table 3-7, a total of 12 sites, with a total land area of 44,045 square feet, are

³⁻⁵⁾ City of Manhattan Beach Community Development Department

presently undeveloped. Assuming that all of these parcels were to be developed to the maximum intensities permitted under the applicable land use designation, a total of 20 new housing units would be possible.

Location	Applicable Zoning	Intensity Standard	Area (in sq. ft.)	Dev. Potential
3911 Crest	CNE District 4	850 sq. ft./unit.	2,103	2 units ¹
133 El Porto ¹	RH District 4	850 sq. ft./unit.	1,380	1 unit
3804 Highland ¹	RH District 4	850 sq. ft./unit.	1,800	2 units
3216 Highland	CNE D5 3	850 sq. ft./unit.	3,465	4 units
3008 Highland	RH District 3	850 sq. ft./unit.	1,749	2 units
2804 Highland	RH District 3	850 sq. ft./unit.	1,749	2 units
2416 Highland	RH District 3	850 sq. ft./unit.	1,749	2 units
820 Duncan Place	RS District 2	4,600 sq. ft./unit	4,200	1 unit ¹
930 Duncan Place	RS District 2	4,600 sq. ft./unit	4,200	1 unit ¹
1120 6 th Street	RS District 1	7,500 sq. ft./unit	7,500	1 unit
1211 3 rd Street	RS District 1	7,500 sq. ft./unit	7,500	1 unit
1420 3 rd Street	RS District 1	7,500 sq. ft./unit	6,650	1 unit ¹
Total			44,045	20 units

1. Substandard lot
Source: City of Manhattan Beach, 2000.

In addition to the vacant land, a survey was undertaken to identify underutilized parcels. The parcels included an "overflow" parking lot in the Manhattan Village Shopping Center, five parcels in the "downtown" currently occupied by industrial uses, and the potential for the subdivision of double-size, single-family zoned lots located in Area District II. Assuming that all of these parcels were fully utilized and developed to the maximum intensities permitted under the applicable land use designation, a total of 81 new housing units could theoretically be accommodated.

Subdivision Patterns

A significant constraint to new housing development in the City of Manhattan Beach involves the prevailing subdivision pattern, which consists of numerous small parcels, with few sites having a land area over a few thousand square feet. As a result, the assembly of a large site to accommodate a major housing project is difficult. The City does not have the ability to assemble properties through redevelopment, since the City does not have a redevelopment agency.

In 1988, the Manhattan Beach General Plan underwent a comprehensive revision. Following the General Plan update, the City's Zoning Code was amended. The public repeatedly expressed a desire to maintain the existing development densities, and there was overwhelming support for limitations on the scale and intensity of new development. As indicated previously, the development intensities permitted under the applicable General Plan land use designations permit considerably greater development densities compared to other areas within the Southern California region.

Market Constraints

The cost of residential development in the City is considerably greater than that compared to other areas of the County for a number of reasons. First, the City's location next to the beach and the attendant amenities translate into greater land costs. Typically, the cost for land within the City is greatest in the coastal areas where access to the beach or views of the ocean are available. The cost for land decreases further inland.

A survey of realtors was completed to assess the cost of raw land in the City. Based on input provided by realtors and a review of sales information obtained from Internet data, the average cost for undeveloped land within the coastal zone ranged from \$166.00 to \$ 865.00 per square foot. In comparison, the cost for undeveloped land located in inland areas that are zoned for residential development ranged from \$63.00 to \$143.00 a square foot.

Other factors also contribute to the increased cost of residential development in the City, especially within the coastal areas. In the areas adjacent to the beach containing sandy soils and a relatively shallow water table, special care must be taken to ensure that the structures may withstand the effects of storm surges and liquefaction. Telephone interviews with local building contractors in the City were conducted to ascertain the cost of development. Based on these interviews, the development costs for single-family detached housing in the City ranged from \$110 to \$225 per square foot. The typical cost for multiple-family development ranges from \$125 per square foot for condominiums, \$100 per square foot for apartments, and \$66 per square foot for senior apartments.

Environmental Constraints - Infrastructure

Roadways in Manhattan Beach are subject to high levels of traffic, which would be exacerbated by increased development. Much of this traffic consists of through-traffic, over which the City has no control. Because of the City's location in relation to the regional freeway system, access to the surrounding region is limited to the arterial roadways. This traffic affects both the ability of the City to intensify development and the desirability of residential use of parcels along major streets such as Sepulveda Boulevard.

Other infrastructure issues relate primarily to the age of the infrastructure, rather than capacity. In the coastal area of the City, terra cotta sewer lines are deteriorating. Domestic water discoloration occurs from time to time in the beach section due to the use of iron pipes. In the southerly portion of the City, along Sepulveda Boulevard, elevational differences between the area and the reservoir result in water pressure problems on occasion.

Environmental Constraints - Flooding

Because of the City's coastal location and its topography, a substantial portion of the City may be subject to flooding in the event of a tsunami. The Beach and El Porto Sections include a significant number of parcels that may be subject to inundation in the event of a tsunami. The State of California Division of Mines and Geology, the United States Geological Survey, and the Federal Emergency Management Agency are in the midst of mapping the potential tsunami risk along Southern California's coastline.

Environmental Constraints - Seismic Risk

The California Division of Mines and Geology is currently mapping seismic hazards for the urbanized areas of northern and southern California. This mapping program identifies those areas that may be subject to liquefaction and/or seismically-induced slope failure in the event of a major earthquake. Development within those areas that may be subject to these risks must undertake additional geotechnical

investigation to ascertain the level of risk and any requisite mitigation. The mapping program identified several areas within the City of Manhattan Beach where potential seismic risks are present. The coastal areas along the "Strand" may also be subject to liquefaction due to the presence of water-bearing, sandy soils.

Governmental Constraints - Development Fees

Governmental actions and policies may act as a constraint to the delivery of housing. These constraints include local ordinances and practices as well as state actions. The primary controls upon land use in the City of Manhattan Beach are the General Plan, Zoning Code, and Building Code. In addition, City fees and processing times may also affect development. Table 3-8 summarizes the planning and zoning fees for the City of Manhattan Beach and compares the City's fees with comparable fees for the cities of Hermosa Beach and El Segundo.

Location	Manhattan Beach	Hermosa Beach	El Segundo
General Plan/Specific Plan Amendment	\$2,267	\$1,396	\$2,645
Municipal Code Amendment	\$2,267	\$1,396	\$2,645
Zoning Map Amendment	\$2,267	\$1,396	\$2,645
Planning Commission Appeal	\$436	\$174	\$460
Administrative Appeal	\$436	\$174	\$460
Parcel Map/Tract Map	\$548	\$1,070	\$1,835
Final Parcel Map	\$548	\$261	\$100
Plan Check	\$2,505	\$2,173	\$1,835
Building Permit	\$2,505	\$2,716	--

Sources: City of Manhattan Beach, City of Hermosa Beach, and City of El Segundo. 2000.

The time required for processing building permits is generally four to six weeks, depending on the City's work load. For discretionary permits, there is an initial internal review period of 30 days. If all materials appear to be in order, the application is then forwarded for a 21-day public review and noticing period. These timeframes are typical of those for cities in the region.

In 1999, the City adopted the 1997 Edition of the Uniform Building Code and other related construction codes (Ordinance No. 1991). The ordinance details the revisions and amendments to the Building Code which exceed State standards. These amendments are all relatively inexpensive, and most of the revisions are related to fire alarms, smoke detectors, sprinkler systems, and other basic safety measures.

Building Codes are applied to new construction, and are monitored and inspected under the building permit process. Where no permits have been obtained, inspections are made in response to requests and complaints.

Governmental Constraints - Coastal Zone Requirements

Section 65590 of the California State Government Code requires the inclusion of low- or moderate-income housing in new residential development in the coastal zone where feasible. It also contains requirements for the replacement of low- and moderate-income housing within the coastal zone when such housing is demolished or converted to other uses. The replacement housing must be provided

only where feasible if the local jurisdiction has less than fifty acres, in aggregate, of privately-owned vacant land that is available for residential use.

The City of Manhattan Beach currently has just over one acre of vacant land Citywide available for residential use. Vacant land available for residential use is limited to 44,045 square feet (slightly over one acre). The existing 12 vacant parcels (refer to previous Table 3-6) will accommodate 20 additional units.

Since the City does not have the ability to construct or otherwise subsidize the construction of new housing through redevelopment, it must rely on its existing incentives to promote the development of affordable housing in the coastal zone.³⁻⁶⁾

The Local Coastal Program (LCP) addresses three primary issue areas: access, locating and planning for new development, and the preservation of marine-related resources. The LCP includes a number of policies that will impede new housing development within the coastal areas of the City. These include policies related to the preservation of beach access, the provision of adequate parking (including requiring adequate off-street parking to be provided in new residential development) and controlling the types and densities of residential development within the coastal zone.³⁻⁷⁾ Those coastal policies related to residential development within the coastal zone include the following:

1. *Policy II.B.1:* Maintain building scale in coastal zone residential neighborhoods consistent with Chapter 2 of the Implementation Plan.
2. *Policy II.B.2:* Maintain residential building bulk control established by development standards in Chapter 2 of the Implementation Plan.
3. *Policy II.B.3:* Maintain Coastal Zone residential height limit not to exceed 30 feet as required by Sections A.04.030 and A.60.050 of Chapter 2 of the Implementation Plan.
4. *Policy II.B.4:* The beach shall be preserved for public beach recreation. No permanent structures, with the exception of bikeways, walkways, and restrooms, shall be permitted on the beach.

Governmental Constraints - Condominium Conversion

The existing LCP also includes provisions related to condominium conversion, senior citizen housing, and loss of affordable housing in the coastal zone. Regarding condominium conversion, the existing LCP provides that:

"The City shall continue to maintain, at a minimum, the present restrictive conditions for condominium conversion, within the coastal zone. This will allow only buildings which meet current standards to be converted to condominiums, thus preserving many units for privately owned, affordable rental units."

Section 10.88.070 of the Municipal Code also contains requirements regarding tenant notification, right to purchase, tenant purchase discounts, relocation expenses, and tenant discounts when condominiums are converted. Provision is made for lifetime leases for non-purchasing elderly or medically disabled tenants. In addition, low and moderate income tenants and those with children are provided with an extended relocation period. In evaluating requests for condominium conversion, the Planning Commission must consider the impact of tenant displacement, with emphasis on existing low- and moderate-income tenants under Section 10.88.080 of the Code.

³⁻⁶⁾ The City's existing and proposed housing programs are identified in Section 4.4.

³⁻⁷⁾ City of Manhattan Beach. *Local Coastal Program, Phase II, Land Use Amendment*. January 1994.

Governmental Constraints - Nonconforming Residential Uses

The City's Zoning Code (Chapter 10.68) indicates the regulations governing non-conforming uses. The Code indicates that non-conforming residential uses with no vehicular access to a public street must comply with the provisions of the Zoning Code when improvements are being proposed. The Code does permit the reconstruction of a non-conforming use in the event of damage, and notes that such uses may be rehabilitated in the event the structures are found to be substandard.

Consistent with this policy, under Section 10.68.020 of the Municipal Code, a use which does not conform to current parking requirements is not deemed to be nonconforming solely because of the parking nonconformity. Thus, expansion of a residential structure having nonconforming parking would be permitted, provided the structure or use was conforming in other respects. The Non-conforming Code section of the City's Zoning Code indirectly addresses the loss of affordable units insofar as it does not encourage the replacement of residential units that are nonconforming in terms of parking.

3.6 City-Initiated Efforts to Remove Governmental Constraints

Since the adoption of the last Housing Element in 1993, the City has been very proactive in reducing governmental constraints with the passage of ordinances designed to ease development restrictions. The following ordinances were adopted following the most recent Housing Element Update in 1993:

- 1 *Ordinance 1942 (Section 10.16.030 of the Municipal Code)*. This Ordinance clarified development standards for mixed-use development. The height limit for new residential development, when this development involved the replacement of existing residential units within the CD District, was increased from 26 feet to 30 feet.
- 2 *Ordinance 1951 (Section 10.12.020 of the Municipal Code)*. This Ordinance exempted 2-unit condominium projects (both new and converted units) from the Use Permit requirements. This Ordinance also permits non-conforming residential uses to remain indefinitely. The previous abatement provisions in the Zoning Ordinance were also repealed. The applicable sections of the LCP were also amended.
- 3 *Ordinance 1951 (Section 10.12.030 of the Municipal Code)*. This Ordinance reduced the required number of parking spaces for senior housing developments. The parking requirements were reduced from the existing 1.2 spaces per unit plus 1 enclosed space per employee to a requirement of .5 spaces per unit plus 1 guest space per 5 units, plus 1 space per non-resident employee and 1 loading space. The applicable sections of the LCP were also amended.
- 4 *Ordinance 1971 - LCP Revision (LCP A.96.260)*. This amendment to the LCP provided for a waiver of the public hearing requirement for minor development within the Coastal "Appeal Area."

4.0 HOUSING PLAN

City of Manhattan Beach  Housing Element

4.1 Introduction to the Housing Plan

The previous sections of this Housing Element described existing conditions in the City relative to housing, the projected need, and the constraints that will affect the City's ability in accommodating the number of housing units identified in the Regional Housing Needs Assessment (RHNA) developed by the Southern California Association of Governments (SCAG).⁴⁻¹⁾ This section of the Element, the Housing Plan, articulates City policy relative to housing and indicates those programs that will be effective in their implementation. As required under State law, actions and policies included in the housing program must address the following issue areas:⁴⁻²⁾

1. The conservation of the existing stock of affordable housing;
2. Strategies that will be effective in assisting in development of new housing;
3. The provision of adequate sites to accommodate a variety and diversity of housing types;
4. The removing governmental constraints as necessary; and,
5. Strategies that will be effective in promoting equal housing opportunities.

This section of the Manhattan Beach Housing Element follows a logical sequence that consists of the following:

1. The "statements" that serve as the framework and vision for the City's housing policy are first identified (refer to section 4.2). The policies are arranged according to the five major issue areas discussed above.
2. Each statement or policy must be implemented for it to be effective in the implementation of the City's vision. As a result, one or more "programs" will be required to implement each policy. In addition, a program may also assist in the implementation of numerous policies. These programs are identified in Section 4.3. The individual policies and the corresponding programs that are effective in their implementation, are noted in Table 4-1.
3. The objective of this Housing Element is to identify the manner in which the City will achieve its Regional Housing Needs Assessment (RHNA). Towards this end, the aforementioned programs, and their quantified objectives, are included in one of five "Housing Development Strategies." These strategies consist of the following: 1. development of vacant and underutilized parcels, 2. conservation of multiple-family development in the Downtown area, 3. encouragement of mixed-use development, 4. promotion of the development of second units, and 5. The conservation of higher density residential development in the Beach area.

An implementation matrix indicating those programs that will be effective in the implementation of the housing policies is provided at the end of this section. The programs are discussed in Section 4.3.

⁴⁻¹⁾ The Regional Housing Needs Assessment for the City of Manhattan Beach is discussed in Section 3.3. According to the RHNA, the City's allocation for new housing is 250 new units.

⁴⁻²⁾ California Government Code. ' 65583(c)

4.2 Housing Policies

This section indicates those policies that will be adopted to achieve the State's housing objectives for the five major issue categories outlined in State Law. Each issue is identified and its relevance to the City of Manhattan Beach is discussed. Under each issue, applicable housing policies adopted by the City that address that particular issue are identified. The key programs that will be effective in implementing the underlying policies are identified at the end of each issue area. The housing programs are described in greater detail in Section 4.3.

Issue Area 1 - Conservation of Existing Housing Resources

As indicated in the previous section, the majority of the City's land area consists of residential neighborhoods.⁴⁻³⁾ There is considerable diversity in the types and densities of housing that comprise the City's neighborhoods, with high-density multiple-family development found within the coastal zone, and more traditional single-family communities located further inland. The City is committed to the maintenance and preservation of its residential neighborhoods, in general, and of affordable housing, in particular.

The following policies address this commitment in preserving the existing housing resources in the City. Programs that will be effective in implementing the underlying policies include the Code Enforcement, Environmental Review, the Affordable Housing Incentive, and the Zoning Conformity programs.

Policy 1.1 - The City of Manhattan Beach will continue to maintain and conserve the character of its existing residential neighborhoods.

Policy 1.2 - The City of Manhattan Beach will continue to promote the maintenance of existing housing units and property.

Policy 1.3 - The City of Manhattan Beach will promote the preservation and maintenance of affordable housing.

Issue Area 2 - Assistance in the Development of New Housing

The development of truly affordable housing in the City is limited in that land costs are excessive due to its close proximity to the beach. In addition, construction costs are higher in the coastal areas due to development constraints that are unique to the coastal region, and little vacant undeveloped land is available for new development. As a result, new residential construction will likely consist of infill development that involves the demolition of existing units, thus adding to the cost of new development. Finally, the City must largely rely on the private market to undertake the development of housing, including housing that is affordable to lower-income households. In the absence of redevelopment authority, the City is limited to ensuring that its land use controls and other development regulations promote, rather than discourage, the construction of housing that is affordable.⁴⁻⁴⁾ Toward this end, the policies that underscore the City's continued commitment in promoting the development of affordable housing are listed below. Programs that will be effective in the implementation of the underlying policies include the Affordable Housing Incentive, Environmental Review, Zoning Conformity, and Senior Housing programs.

⁴⁻³⁾ Section 3.5.4 and Table 3-4 indicates the land within the City designated for residential development in the City of Manhattan Beach General Plan and the Land Use Element.

⁴⁻⁴⁾ The City of Manhattan Beach does not have a Redevelopment Agency or any redevelopment project areas. Under State Redevelopment Law, 20% of the tax increment revenue must be allocated to the development of affordable housing. Redevelopment authority also permits the Agency to acquire law and assemble parcels for new development.

Policy 2.1 -The City of Manhattan Beach will ensure that new residential development is compatible with surrounding residential development.

Policy 2.2 - The City of Manhattan Beach will strive to promote new residential development for a variety of housing types for all income groups.

Issue Area 3 - Providing Sites to Achieve a Variety and Diversity of Housing

While the availability of vacant and underutilized sites for new residential development is limited, the City will continue to be proactive in promoting new residential development within the sites that are available for development.⁴⁻⁵⁾ The City's land use policy supports the development of a variety of housing types throughout the City. This policy is evident from reviewing the City's Land Use Element and Zoning Map, which provided for higher-density development and mixed-use development in many areas of the City.⁴⁻⁶⁾

The following policies indicate the City's desire to continue to work with private developers in identifying opportunities for new residential development. The programs that will be effective in the implementation of the underlying policies include the Affordable Housing, Environmental Review, and Zoning Conformity programs.

Policy 3.1 - The City of Manhattan Beach will work with developers to identify opportunities for residential development.

Policy 3.2 - The City of Manhattan Beach will consider potential opportunities for new residential development in those areas presently occupied by non-residential uses.

Policy 3.3 - The City of Manhattan Beach will promote the development of new housing pursuant to the City's Land Use Element and Local Coastal Program.

Issue Area 4 - Removing Governmental Constraints as Necessary

The City has been very proactive in removing governmental constraints that may impede the development of affordable housing (refer to Section 3.5.8).⁴⁻⁷⁾ These programs have been implemented since the last Housing Element Update (1993) and have been effective in promoting the construction of new housing. The City will continue to strive to remove those regulations that may impede the development of new housing, especially affordable housing through the underlying policies. The programs that will assist in the implementation of the policies related to the removal of governmental constraints include the Affordable Housing Incentive, Developer Consultation, and Senior Housing programs.

Policy 4.1 - The City of Manhattan Beach will continue to evaluate ways in which development review may be streamlined.

Policy 4.2 - The City of Manhattan Beach will work with other agencies, such as the Coastal Commission, Los Angeles County, etc., to facilitate the review of new residential development proposals.

Policy 4.3 - The City of Manhattan Beach will continue to promote the "one-stop" services to those seeking to develop or rehabilitate housing in the City.

⁴⁻⁵⁾ As indicated in Section 3.5 and in Table 3-7, only 44,045 square feet of undeveloped land is available for new residential development. This land area translates into a potential for 20 new housing units.

⁴⁻⁶⁾ As indicated in Section 3.5 and Table 3-4, a total of 1,210 acres of land is designated for residential development. This figure represents 67% of the total land area available for development.

⁴⁻⁷⁾ Section 3.6 indicates those programs that have been implemented since the City's last Housing Element Update that have been effective in reducing governmental constraints.

Issue Area 5 - Promoting Equal Housing Opportunities

The City is committed to the enforcement of fair housing laws to ensure that housing is made available to all persons, regardless of race, ethnicity, marital status, sex, and in the elimination of other discriminatory housing practices. The following policies indicate the City’s commitment to ensuring that the housing will be available for all persons, regardless of race, religion, or ethnicity. The programs that will be effective in the implementation of these policies include the CDBG and Fair Housing Programs.

Policy 5.1 - The City of Manhattan Beach will remain committed in promoting housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, age, or color.

Policy 5.2 - The City of Manhattan Beach will continue to support a diversity of housing types to accommodate existing and future needs.

Policy 5.3 - The City of Manhattan Beach will continue to work with other cities and public agencies in promoting fair housing.

Housing Policies and Programs Matrix

Table 4-1 identifies the policies that have been included in Section 4.1, arranged according to the five main “issue” categories. The implementing housing programs and ordinances related to the policies are then identified in the second column. The individual housing programs referred to previously in this section and identified below in Table 4-1 are discussed in detail in Section 4.3.

Table 4-1 City of Manhattan Beach Policies and Housing Programs Matrix	
Issue Category/Housing Element Policy	Implementing Program
Issue Area No. 1 - The City of Manhattan Beach will remain committed to those efforts designed to the preserve and maintain the existing housing resources in the City, including affordable housing.	
Policy 1.1 - The City of Manhattan Beach will continue to maintain and conserve the character of its existing residential neighborhoods.	Code Enforcement Environmental Review (CEQA) Program Zoning Conformity Program
Policy 1.2 - The City of Manhattan Beach will continue to promote the maintenance of existing housing units and property.	Code Enforcement Zoning Conformity Program
Policy 1.3 - The City of Manhattan Beach will promote the preservation and maintenance of affordable housing.	Affordable Housing Incentive Program Energy Conservation Program Environmental Review (CEQA) Program Senior Housing Program Senior Services Manager Program
Issue Area No. 2 - The City of Manhattan Beach will continue to assist in the development of new housing for all income groups.	
Policy 2.1 - The City of Manhattan Beach will encourage the development of additional low- and moderate-income housing	Affordable Housing Incentive Program Developer Consultation Program Second Unit Program Small Rental Unit Program
Policy 2.2 - The City of Manhattan Beach will strive to promote new residential development for a variety of housing types for all income groups.	Affordable Housing Incentive Program Beach Area Infill Program Downtown Rezoning Program Senior Housing Program Zoning Conformity Program

Table 4-1 City of Manhattan Beach Policies and Housing Programs Matrix	
Issue Category/Housing Element Policy	Implementing Program
Issue Area No. 3 - The City of Manhattan Beach will strive to provide sites to achieve a variety and density of housing.	
Policy 3.1 - The City of Manhattan Beach will work with developers to identify opportunities for residential development.	Affordable Housing Incentive Program Developer Consultation Program Beach Area Infill Program Downtown Rezoning Program Small Rental Unit Program
Policy 3.2 - The City of Manhattan Beach will consider potential opportunities for new residential development in those areas presently occupied by non-residential uses.	Affordable Housing Incentive Program Developer Consultation Program
Policy 3.3 - The City of Manhattan Beach will promote the development of new housing pursuant to the City's Land Use Element and Local Coastal Program.	Environmental Review (CEQA) Beach Area Infill Program Downtown Rezoning Program Small Unit Program
Issue Area No. 4 - The City of Manhattan Beach will continue to explore and implement strategies designed to remove those governmental constraints to new housing production.	
Policy 4.1 - The City of Manhattan Beach will continue to evaluate ways in which development review may be streamlined.	Affordable Housing Incentive Program Developer Consultation Program
Policy 4.2 - The City of Manhattan Beach will work with other agencies, such as the Coastal Commission, Los Angeles County, etc., to facilitate the review of new residential development proposals.	Affordable Housing Incentive Program Environmental Review (CEQA) Zoning Conformity Program Small Rental Unit Program Developer Consultation Program
Policy 4.3 - The City of Manhattan Beach will continue to promote the "one-stop" services to those seeking to develop or rehabilitate housing in the City.	Affordable Housing Incentive Program Developer Consultation Program Zoning Conformity Program
Issue Area No. 5 - The City of Manhattan Beach will continue to promote equal housing opportunities in the City.	
Policy 5.1 - The City of Manhattan Beach will remain committed in promoting housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, age, or color.	Fair Housing Program Community Development Block Grant Program Senior Services Manager Program
Policy 5.2 - The City of Manhattan Beach will continue to support a diversity of housing types to accommodate existing and future needs.	Fair Housing Program Community Development Block Grant Program
Policy 5.3 - The City of Manhattan Beach will continue to work with other cities and public agencies in promoting fair housing.	Fair Housing Program Community Development Block Grant Program
Source: City of Manhattan Beach, 2002.	

4.3 Overview of Housing Programs

This section outlines those housing programs that will be effective in the implementation of the aforementioned housing policies outlined in Section 4.2. These programs are arranged in alphabetical order to assist in their previous references in Section 4.2. At the end of this section, a matrix is provided indicating how the programs are to be implemented. The manner in which these programs will work to implement the overall housing development strategy for the City is described in Section 4.4. Finally, the quantified objectives are summarized in Section 4.5.

Affordable Housing Incentive Program

Program Description. This program provides for bonuses and other incentives in the City's Zoning Ordinance, as required under the Government Code, to developers who construct projects with qualifying percentages of affordable units. Pursuant to Section 10.52.090 of the City's Zoning Ordinance (*Affordable Housing Incentive Program*), consistent with State law, developers who guarantee that a portion of the housing development will be affordable by persons of lower income will receive financial incentives, thus expanding housing opportunities for lower-income persons throughout the City. This Code section defines "affordability" as follows:

1. A "for-sale" unit is considered affordable to a lower-income household if the total monthly payment required by the household to purchase and occupy the unit does not exceed 35% of the monthly income of a family (of the appropriate family size for the unit per the occupancy standards of the U.S. Department of Housing and Urban Development) with a monthly income equal to 80% of the County median income.
2. A new rental unit is considered affordable to a lower-income family if the total housing cost (including rent and utilities) does not exceed 30% of 60% of the median income for the monthly income of a family (of the appropriate family size for the unit per the occupancy standards of the U.S. Department of Housing and Urban Development).
3. An existing rental unit is considered affordable to a lower-income household if the total housing cost including rent and utilities does not exceed the prevailing fair-market rent published by the U.S. Department of Housing and Urban Development.

Additional requirements needed to qualify for the incentives provided under this Affordable Housing Incentive Program include the following:

1. At least 20% of the total units must be affordable to lower-income persons or families as defined by the California Health and Safety Code, Section 50079.5, including elderly persons and families defined by Section 50067 of the Health and Safety Code; or,
2. At least 10% of the total units of a housing development must be made available to very-low-income households, as defined in Section 50105 of the Health and Safety Code; or,
3. At least 50% of the total dwelling units of a housing development must be made available to qualifying residents, as defined in Section 51.2 of the Civil Code.

Development meeting the above requirements may request that the City grant an incentive of financial value equivalent to a 25% density bonus and a regulatory concession or incentive. Within 90 days of receiving a request for such an incentive, the City Council is required to conduct a public hearing on the request. Following the hearing, the City Council may grant such incentives as long as the density bonus is appropriate and consistent with the General Plan and the Zoning Code. The Zoning Code also provides for the following regulatory concessions or incentives that are intended to ensure that the qualifying affordable housing development will be produced at a reduced cost:

1. A reduction in site development standards or a modification of zoning code requirements or architectural design requirements;
2. A reduction in setback and square-footage requirements;
3. A reduction in the ratio of required vehicular parking spaces that would otherwise be needed to comply with the City's parking standards;

4. The approval of mixed use zoning in conjunction with the housing project if commercial, office, industrial, or other land uses will reduce the costs of the housing development. In these instances, the commercial, office, industrial, or other land uses must be compatible with the residential development and the surrounding residential development. The City approved a three-unit mixed-use development within the beach section CL District in the year 2000, which is under construction; and,
5. Other regulatory incentives or concessions proposed by the developer or the City, which result in identifiable cost reductions.

After City Council approval of a request of incentives, the applicant and/or developer is required to enter into an agreement with the City to provide low- and moderate-income housing. The agreement typically includes the following provisions:

1. The proportion of the total units that will be affordable by persons and families of lower income, or otherwise qualified by Section 51.2 of the Civil Code, shall be specified;
2. A commitment that the affordable units will remain available and affordable by persons and families of lower income, or otherwise qualified, for 30 years unless the City approves a shorter time period;
3. The affordability of the units must be specified on all building plans submitted for architectural review;
4. A requirement that resale controls be included as a deed restriction to ensure continued affordability. Security for compliance with these provisions shall be a promissory note, in the amount of \$50,000 per affordable unit, secured by a deed of trust against the property; and,
5. A description of the specific incentives that the City will make available to the developer and any conditions pertaining to them.

Status of Implementation. This housing program presently exists. No additional funding and/or staffing will be required or are anticipated with this program's continued implementation. Under this Housing Element, the program will be continued over the entire planning period applicable to this Housing Element update. To promote the program, the City will provide fliers that will be made available at the counter. In addition, this information will be posted on the City's web site.

Responsible Agency: Community Development Department
Funding Source: Program will be overseen by existing staff
Schedule: Annual Review - this program will continue to be implemented indefinitely
Quantified Objective: 20 units

Beach Area Infill Program

Program Description. In 1994, a citizen requested that the City Council downzone approximately 120 *RH (High Density Residential)* zoned lots in the beach section to *RM (Medium Density Residential)*. The affected area is generally located between 23rd Street and 35th Street, west of Highland Avenue. The issue raised was whether, in 1990, when the City Council adopted the revised Zoning Ordinance and Zoning Map, these lots were unintentionally "up-zoned" from their previous designation of *R-2 (Two-Family Residential)* to *RH* (formerly *R-3*). Under the previous Zoning Map, these lots were zoned *R-2*, and all were interior lots "sandwiched" between *R-3* zoned lots located at each block-end (at the street corners).

The density standards in the current Zoning Ordinance allow one dwelling unit per 1,350 square feet of lot area if zoned *RM*, and one dwelling unit per 850 square feet if zoned *RH*. For a typical single beach area lot of 2,700 square feet, under the *RM* zoning these ratios result in a maximum of two dwelling units, and a maximum of three dwellings under the *RH* designation. The citizen's concern was that this change in zoning in 1990 could result in a disruption of the historic pattern of development in these neighborhoods.

The matter was referred to the Planning Commission, which conducted a public hearing and recommended that the City Council retain the existing *RH* zoning, and not re-zone as *RM*. This recommendation was based on findings that the *RH* zoning is consistent with the General Plan, and that the projected potential increase in the number of units overall would not be detrimental. On July 9, 1996, the City Council directed staff to address the issue in the Housing Element. The subject study area contains 122 parcels. A maximum number of 297 units could be developed in the area based on current development standards, which would be an increase of approximately 90 existing units. Due to walk street access constraints, however, the total number of additional units under the *RH* designation is estimated to be 241, translating into an increase of 34 units when accounting for the removal of the existing units.

Status of Implementation. The retention of the *RH* zoning designation would provide greater variety in the types of housing that could be developed within the beach section, which is consistent with Policy 2.3 of this Housing Element. The retention of the *RH* zoning in the beach section will be continued over the entire planning period applicable to this Housing Element update. The City will advertise the adoption of the programs in the local paper and the information will be posted on the City's web site. The City is currently undertaking a General Plan Update that includes a review of the City's Land Use Element and this program will be completed as part of the aforementioned General Plan Update.

Responsible Agency: Community Development Department

Funding Source: General Fund

Schedule: Completion of GPA and Zone Change -Third Quarter, 2003.

The implementation will be long-term and occur over the life of the general plan.

Quantified Objective: A potential net increase in 34 units

Code Enforcement Program

Program Description. The primary goal of the City of Manhattan Beach's Property Maintenance Ordinance is to enhance public health, safety, and welfare through the expeditious implementation of an effective code enforcement program. To ensure that this goal is achieved, the Code Enforcement Program emphasizes the following:

1. The City actively pursues Municipal Code violations on a complaint basis, with particular emphasis being placed on those areas clearly exposed to public view;
2. The City takes all necessary steps to ensure that violations are corrected in an expeditious and voluntary manner;
3. The City utilizes misdemeanor criminal prosecution only when attempts to gain voluntary compliance have failed; and,
4. When necessary, the City prosecutes Code violations as misdemeanor criminal complaints.

The Code Enforcement Program is responsible for enforcing certain sections of the Municipal Code, including zoning, property maintenance, illegal units, trash container regulations, and sign regulations. The Code Enforcement Officer also assists and makes recommendations to other city departments, such as

conducting inspections of business license and home occupation offenses. The majority of code enforcement cases are initiated by citizen complaints, which usually require several follow-up inspections to ensure that compliance is met. The most frequent violations for residential development are referred to the Code Enforcement Officer and include the following: trash containers in public view, illegal units, right-of-way obstruction, property maintenance, home occupation offenses, illegal structures, and construction without permits.

The City recently amended the Property Maintenance Ordinance, MBMC, Section 9.68.010, which permits Code Enforcement staff to address more types of community complaints. Previously, the ordinance only addressed limited property maintenance violations, such as vegetation that harbors vermin, dead or decayed weeds and vegetation, abandoned motor vehicles, trailers, or boats, etc. The ordinance did not address other issues such as weathered, peeling paint and landscaping. A uniform property maintenance model code could be drafted to represent the City's specific code enforcement concerns.

In July 2000, City staff conducted a Citywide survey to assess housing conditions in the City. The housing condition survey completed for the previous Housing Element update identified a total of 23 units in need of repair. According to the most recent survey, a total of 55 units requiring repair, rehabilitation, or removal were identified. The following categories were considered in the survey:

Category 1: Substandard; rehabilitation would not be economical and replacement is recommended. A total of 11 units were identified in this category.

Category 2: Major repair needed, but economically feasible to rehabilitate. A total of 16 units were identified in this category.

Category 3: Moderate repair needed (painting, landscaping, minor repairs). A total of 28 units were identified in this category.

Category 4: Structurally sound with little or no repairs needed. The balance of the housing units in the City were included in this category.

Between January 1, 2000 through August 31, 2000, Manhattan Beach code enforcement staff inspected 36 units, of which 9 units were determined to be illegal. All of these units were brought into conformance by the property owner.

Status of Implementation. During the past fiscal year (June, 1999 - July, 2000), Code Enforcement has cited 25 residential properties for development and/or zoning code violations. The majority of these violations were related to maintenance and outdoor storage, though there were a number of "illegal" conversions. No code violations were transmitted to the Appeals Board. This housing program presently exists. No additional funding and/or staffing will be required or are anticipated with this program's continued implementation. Under this Housing Element, the program will be continued over the entire planning period applicable to this Housing Element update.

Responsible Agency: Community Development Department

Funding Source: General Fund

Schedule: Ongoing - this program will continue to be implemented indefinitely

Quantified Objective: No specific objective though current level of code enforcement effort will be maintained.

Community Development Block Grant

Program Description. The City receives Community Development Block Grant (CDBG) funding through, and is participating with, the Los Angeles County Community Development Commission (CDC). The primary purpose of the CDBG program is to develop "...viable urban communities, providing decent

housing and a suitable living environment and expanding economic opportunities, principally for persons of low- and moderate-income." Towards this end, proposed CDBG projects must meet certain mandated objectives, such as:

1. Activities benefiting low- and moderate-income persons;
2. Activities that aid in the prevention or elimination of blight;
3. Urgent community development needs; and,
4. Additional criteria as outlined in the Federal Register.

Since 1997, the City has sold its full allocation of CDBG funds to other eligible cities. In return, the City receives moneys at a rate of 60% of the total allocation in general funds from the other city (formally San Dimas, and most recently West Hollywood). This money in its entire amount is directly programmed to fund a number of public agencies that provide services to City residents. The City's ability to directly use CDBG funds are constrained due to the inability of most households to meet the income requirements for housing assistance (both new housing and rehabilitation). As a result, the City determined that these funds would be better suited for selected service providers that would benefit the community at large. A brief description of each of the funded agencies is as follows.

1. The *Salvation Army* provides the Operation Sunshine program, assisting approximately 19 senior residents through the provision of food that they otherwise could not afford.
2. The *South Bay Center for Counseling* provides mental health services for low- and moderate-income residents of Manhattan Beach through three counseling programs. These include: Parents and Children together Program, Counseling Services, and Beach Cities Health District Children's Program.
3. The *South Bay Youth Project* provides counseling and other services to youth who are experiencing difficulties at home, school, or with the police. Specific problems discovered by the Agency include students who have been: a) victims of parental neglect; b) truant; c) involved in substance abuse; or, d) involved in criminal activity. The In-Class Student Assistance Program provides counseling and intervention programs for those students who have been identified as requiring such services.
4. The *1736 Family Crisis Center* provides residents and family households of Manhattan Beach a variety of counseling and shelter services to resolve problems associated with child abuse, spousal abuse, and homelessness. The Center provides five shelters for battered women and their children; one shelter for adolescents; 24-hour hotline services; walk-in services; outpatient services; support group counseling and intervention for families and individuals; crisis referral and advocacy; the Mentor Program; assertiveness training; and, community outreach services.
5. The *Wellness Community South Bay Cities* provides free psychological, emotional and social services for cancer patients and loved ones.
6. The *South Bay Adult Care Center, Inc.* operates an adult day care center that serves to enrich the lives of adults suffering from Alzheimer's, Parkinson's, stroke, frailty, etc.

All of the above programs qualify for CDBG funding under federal (HUD) regulations including, but not limited to, the fact that they benefit low- and moderate-income persons, and meet urgent community development needs.

Status of Implementation. The City continues to sell its full allocation of CDBG funds to other cities. No additional funding and/or staffing will be required or are anticipated with this program's continued implementation. Under this Housing Element, the program will be continued over the entire planning period applicable to this Housing Element update. To promote the program, the City will provide fliers that will be made available at the counter. In addition, this information will be posted on the City's web site.

Responsible Agency: Community Development Department
Funding Source: CDBG Funds
Schedule: Annual Review - this program will continue to be implemented indefinitely
Quantified Objective: Existing funding recipients will be maintained.

Developer Consultation Program

Program Description. This program promotes consultation with developers to assist in expanding housing opportunities in order to aid in the development of affordable housing. This early consultation will also provide developers with information needed to assist them in applying for funding to develop affordable and assisted housing. This program is an integral component of the Affordable Housing Incentive Program and the Senior Housing Program. While the City has limited financial and land resources, as a public agency it does have the ability to assist the private market in identifying other resources that may be available.

Status of Implementation. The City has continued the practice of meeting with prospective developers prior to receipt of the formal development application. This program has saved time and money on the part of the developer as well as staffing time in the review of development applications. Projects that require special attention may be asked to pay the costs associated with the development's review, including any environmental studies that may be required. No additional funding and/or staffing will be required or are anticipated with this program's continued implementation. Under this Housing Element, the program will be continued over the entire planning period applicable to this Housing Element update.

Responsible Agency: Community Development Department
Funding Source: General Fund
Schedule: Ongoing - this program will continue to be implemented indefinitely
Quantified Objective: No specific quantified objective.

Downtown Rezoning Program

Program Description. In December 1995, the City Council conducted a public hearing regarding proposed zoning code amendments pertaining to mixed-use development standards and use regulations applicable in commercial zones, which include CL (*Local Commercial*), CNE (*Commercial North End*) and CD (*Downtown Commercial*). On January 23, 1996, the City Council adopted Ordinance No. 1942, which clarified use permit requirements and development standards for mixed-use development in these districts.

During these hearings, the Planning Commission and City Council became aware that there were approximately 25 lots located in the 200 and 300 blocks of 10th Street and 11th Street that are developed exclusively in residential uses. The Commission received public input requesting that these particular lots be re-zoned from the current CD designation to RH (High Density Residential) to protect the residential character of these neighborhoods. The Planning Commission recommended that a public hearing be conducted to consider the re-zoning of some or all of the parcels in the study area, and the City Council directed that this matter be addressed during this Housing Element Update. The subject study area is located between the north side of 10th Street northerly to the south side of 11th Place, and from the west side of Morningside Drive continuing westerly to Bayview Drive. There are 32 individual parcels located within this area. Prior to 1990, the majority of these lots were zoned R-3 (*Multi-Family Residential*) and the remainder, located on the north side of 11th Street, west of Highland Avenue, were

zoned C-1 (*Service Commercial-Professional*), which permitted high-density residential development consistent with R-3 development standards.

The study area is a developed neighborhood with no vacant parcels. There are a total of 82 dwelling units containing a wide variety of housing, including single-family homes, condominiums, and apartments. Under the current zoning, all residential uses within the CD district require a use permit. With the exception of two recent developments, the residences in the study area are nonconforming uses and must obtain a use permit in order to make living area enlargements greater than 10%. If the study area were to be re-zoned to RH (*High Density Residential*), only those projects containing four or more units would be required to obtain a use permit, as is the case throughout the beach section. The change in zoning will implement Policy 1.1 of this Housing Element in that it would encourage the maintenance and conservation of the character of existing residential neighborhoods located adjacent to the historic downtown area. The change in zoning will also conserve the existing 82 dwelling units with the potential density increasing by 7 units.

Status of Implementation. The study area is currently designated *Downtown Commercial* in the Land Use Element of the General Plan and therefore, concurrent with the zone change, the proposal would require an amendment of the General Plan to a *High Density Residential* designation. The study area is also located within the Coastal Zone and, as a result, the proposed re-zoning would also require an amendment to the City's Local Coastal Plan (LCP). This is a new program that is scheduled for implementation during the third quarter of 2003. Public hearings will be scheduled regarding the applicable land use approvals, including amendment of the General Plan Land Use Element, Zoning Ordinance (Map), and Local Coastal Plan. The LCP amendment may include changes to *CL* or *CNE* development standards. No additional funding and/or staffing will be required or are anticipated. The City is currently undertaking a General Plan update, including a review of the City's Land Use Element and this program will be incorporated in to the General Plan update.

Responsible Agency: Community Development Department
Funding Source: General Fund
Schedule: LCP/Rezoning completed by 3rd Quarter 2003
Quantified Objective: Net gain of 7 additional units.

Energy Conservation Program

Program Description. Under this program, the City will continue to promote possible energy conservation programs by advertising for weatherization programs and energy audits by participating utility companies. The City will continue to enforce Title 24 and asbestos removal in construction. Since the earlier part of 2001, the City has contracted an individual who provides advisory services to seniors regarding energy efficiency to reduce housing utilities costs. This program will supplement existing City efforts in the enforcement of the State's construction codes requiring energy efficiency in new construction.

Status of Implementation. This housing program presently exists. No additional funding and/or staffing will be required or are anticipated with this program's continued implementation. Under this Housing Element, the program will be continued over the entire planning period applicable to this Housing Element update.

Responsible Agency: Community Development Department
Funding Source: General Fund
Schedule: Adopted in 2002 - this program will continue to be implemented indefinitely
Quantified Objective: Applicable to all new units.

Environmental Review (CEQA) Program

Program Description. The City shall continue to evaluate the environmental impacts of new development and provide mitigation measures prior to development approval, as required by the California Environmental Quality Act (CEQA). Environmental review shall be provided for major projects and those that will have a potential to adversely impact the environment. In compliance with CEQA, the City shall also assign responsibilities for the verification of the implementation of mitigation measures.

Status of Implementation. The City has actively used the CEQA process as a means to evaluate the impacts of development on the local environment, services, and infrastructure. This housing program presently exists. No additional funding and/or staffing will be required or are anticipated with this program's continued implementation. Under this Housing Element, the program will be continued over the entire planning period applicable to this Housing Element update.

Responsible Agency: Community Development Department
Funding Source: Sources may vary and include General Fund or contributions from developers
Schedule: Ongoing - this program will continue to be implemented indefinitely
Quantified Objective: No specific quantified objective.

Fair Housing Program

Program Description. The City will continue to contract with Fair Housing organizations to process complaints regarding housing discrimination within the City, and to provide counseling in landlord/tenant disputes.

Status of Implementation. No additional funding and/or staffing will be required or are anticipated with this program's continued implementation. Under this Housing Element, the program will be continued over the entire planning period applicable to this Housing Element update.

Responsible Agency: Community Development Department
Funding Source: General Fund
Schedule: Annual Review - The funding for this program will continue indefinitely. The funding will be reviewed on an annual basis as part of the City's budget review process.
Quantified Objective: No specific quantified objective.

Mixed Use Housing Development Program

Program Description. Mixed-use refers to commercial development that incorporates a residential component into the development. This type of development may take several forms, including retail and commercial development on the lower levels while residential units occupy the upper levels. Other types of mixed-use development may include residential units located adjacent or behind commercial uses. In some instances, mixed-use development enables the commercial and residential components to share parking and other amenities. The Manhattan Beach General Plan has included a mixed-use land use designation since its adoption in the late 1980's. Only in the past several years has there been a willingness in the private sector to undertake mixed-use developments. At the present time, 26 residential units within mixed-use developments have been provided. All of these units are market rate. The City is hopeful that mixed-use development, together with other incentive programs, will serve as a vehicle for more affordable housing development in the City.

Status of Implementation. This is a new program that will be designed to enhance, and possibly expand the existing mixed-use land use designation. The initial stage of the program will correspond to

the current General Plan update. Through this effort, the location and extent of potential candidate areas for mixed-use will be identified. The second component of this effort will be to review the current zoning and LCP to ensure that they do not present burdens to the program's implementation. Finally, City will initiate an outreach to advertise the potential opportunities for mixed-use development. To promote the program, the City will provide fliers that will be made available at the counter. In addition, this information will be posted on the City's web site.

Responsible Agency: Community Development Department
Funding Source: General Fund
Schedule: LCP/Zoning Ordinance, 3rd Quarter of 2003
Quantified Objective: 15 new units (as part of the Zoning Conformity Program).

Second Unit Program (Single-Family Zones)

Program Description. State law facilitates the creation of units without additional land costs by permitting jurisdictions to allow second dwelling units in single-family and multi-family zones if they conform to certain criteria. The current City General Plan and Zoning Code does not allow the construction of second units in single-family zones. The City will amend its general Plan and Zoning Ordinance to establish a Second Unit Ordinance in accordance with Section 65852.1 of the California Government Code to apply to oversized lots in the single-family zone outside of the boundaries of the Coastal Zone. The owners of such lots shall be notified of this program. The program will be in conformance with State law governing second unit ordinances.

Status of Implementation. This is a new program that is scheduled for adoption during the third quarter of 2003. No additional funding and/or staffing will be required or are anticipated with this program's adoption. Under this Housing Element, the program will be continued over the entire planning period applicable to this Housing Element update. To inform the public about the new program the city will advertise the adoption of the program in the local paper. To promote the program, the City will provide fliers that will be made available at the counter. In addition, this information will be posted on the City's web site.

Responsible Agency: Community Development Department
Funding Source: General Fund
Schedule: LCP/Zoning Ordinance, 3rd Quarter of 2003
Quantified Objective: Theoretical potential for 38 new units (does not include double single-family lots in Area II).

Senior Housing Program

Program Description. The Manhattan Village Senior Villas, located at 1300 Park View Avenue, was first occupied in 1997. This project consists of 104 senior housing apartments. As a condition of the project's approval, 20% of the units must be reserved for very low income households, 20% must be reserved for low-income households, and 40% of the units must be reserved for moderate-income households. The remainder (20%) of the units may be rented at a market-rate. The occupants of the senior housing project must consist of a householder 62 years of age or older, or 55 years of age or older if handicapped, according to criteria established by the Americans With Disabilities Act (ADA) of 1990 or the Federal Rehabilitation Act of 1973. This program is concerned with ensuring that the current affordability of the project is being maintained. Staff is working with the property owner to ensure that the condition requiring affordability is continuously being implemented.

Status of Implementation. No additional funding and/or staffing will be required or are anticipated with this program's continued implementation. Under this Housing Element, the program will be continued over the entire planning period applicable to this Housing Element update. To inform the public of the

program, the City will provide fliers that will be made available at the counter. In addition, this information will be posted on the City's web site.

Responsible Agency: Community Development Department
Funding Source: On-going
Schedule: 2000-2005 - Program development will be completed by 4th Quarter, 2003. Fliers and brochures will be available by the 2nd Quarter of 2004. Full implementation of the program in place by 1st Quarter of 2005.
Quantified Objective: Conservation and maintenance of the existing 81 affordable housing units.

Senior Services Manager Program

Program Description. This program provides services to predominantly low-income seniors. At any given time, the Senior Care Manager may assist up to 110 senior citizens, of which 70% are low-income. As liaison and service coordinator, the Senior Care Manager performs the following functions: 1. Locates suitable (often more affordable) housing. This may include referrals to two "board and care" residential facilities in Manhattan Beach, or multi-family apartments (two projects include Ross Senior Apartments, formerly known as "Manhattan Terrace," and Manhattan Senior Villas); 2. Identifies financial assistance resources, including HUD Section 8 rental vouchers through Los Angeles County, and other federal assistance programs, as well as disbursing information and referring to lenders for special mortgage programs; 3. Coordinates "Rotary Cares," a volunteer program, which rehabilitates two senior homes per year, consisting of minor repairs, plumbing, carpentry, painting, etc.; 4. Arranges and makes referrals for health and personal services for the Senior Health Program, which is funded by the Beach Cities Health District; and, 5. Informs eligible low-income seniors of state and utility company programs (Southern California Edison and Southern California Gas Company) regarding discounts, weatherization services, and payment assistance.

Status of Implementation. This housing program was established in the earlier part of 2001. The program is 100% funded with the City providing 55% of the program funding for a full-time staff person for a 5 year period. The Beach Cities Health District pays for the balance of the funding. Therefore, under this Housing Element, the program will continue over the entire planning period applicable to this Housing Element update. To promote the program, the City will provide fliers that will be made available at the counter. In addition, this information will be posted on the City's web site.

Responsible Agency: Community Development Department
Funding Source: General Fund
Schedule: Program will continue through 2005
Quantified Objective: To achieve programs identified under Program Description

Small Rental Unit/Second Unit Program (Multiple-family Zones)

Program Description. This program would expand and facilitate the development of a program that would permit the construction of small rental units with a maximum floor area of 550 square feet. These small units would contain living areas and kitchen areas. Smaller units of this size are currently permitted though design requirements, related to open space areas for balconies, etc. and the standard parking requirements (2 stalls per unit), often discourage the actual construction of these units. Under this program, the City's Zoning Code would be evaluated and amended to specifically address these small units. The City staff will evaluate the feasibility of relaxing the parking and other design standards that may current constrain the development of these smaller units and present their findings to decision-makers and the public. A second component of this program will be to advertise its availability on the City's website and through materials available at the planning counter. The primary focus of this program is to promote the development of smaller units within the Beach area. In the multiple-family zones, these units may also function as second units in the main dwelling.

Status of Implementation. This is a new program that is scheduled for adoption during the 2003-2004 fiscal year. No additional funding and/or staffing will be required or are anticipated with this program's adoption. To inform the public about the new program the City will advertise the adoption of the program in the local paper. To promote the program, the City will provide fliers that will be made available at the counter. In addition, this information will be posted on the City's web site.

Responsible Agency: Community Development Department

Funding Source: General Fund

Schedule: 2003-2004 - Program development will be completed by 4th Quarter, 2003. Fliers and brochures will be available by the 1st Quarter of 2004. Full implementation of the program in place by 4th Quarter of 2004.

Quantified Objective: 38 units over the 5-year planning period

Zoning Conformity Program

Program Description. This program provides for an ongoing review of the City of Manhattan Beach Zoning Code and Zoning Map to ensure that it fulfills the intent of the City's General Plan. The zoning ordinance is reviewed on an annual basis as a means to identify those provisions that should be updated to address local issues to conform to State regulations.

Status of Implementation. This housing program presently exists. No additional funding and/or staffing will be required or are anticipated with this program's continued implementation. Under this Housing Element, the program will be continued over the entire planning period applicable to this Housing Element update.

Responsible Agency: Community Development Department

Funding Source: General Fund

Schedule: 2003-2004 - General Plan will be completed by 2nd Quarter of 2003, Zoning conformity review will be completed by 1st Quarter of 2004.

Quantified Objective: 15 units in mixed use, 20 units on vacant lots, and 81 units theoretically possible on underutilized lots, for a total of 116 units (does not include the units for the second unit program or the small rental unit program).

4.4 Housing Development Strategies

Section 2.0 detailed demographic, housing, and socioeconomic characteristics that have occurred over the past three decades. The Regional Housing Needs Assessment (RHNA) developed for the City by SCAG is provided in Section 3.3. Section 3.4 compared population and housing growth trends with growth projections developed by SCAG. Section 3.5 identified the available sites that are available for new housing development. The purpose of this section is to indicate feasible and realistic objectives for new housing development based on the following: 1) the availability of land, and 2) housing development trends in the City that have occurred over the past two decades. The objective of this Housing Element is to identify the manner in which the City will achieve its Regional Housing Needs Assessment (RHNA). Towards this end, the aforementioned programs, and their quantified objectives, are included in one of five "Housing Development Strategies." These strategies consist of the following:

1. Development of vacant and underutilized parcels;
2. Conservation of multiple-family development in the Downtown area;
3. Encouragement of mixed-use development;
4. Promotion of the development of second units; and

5. The conservation of higher density residential development in the Beach area.

These five aforementioned strategies are detailed further in subsequent sections. These descriptions also indicate those programs, and the corresponding quantified objectives, that correspond to each strategy. These individual strategies are outlined below and on the following pages.

Strategy 1. - Development of Vacant and Underutilized Parcels

The existing 12 vacant parcels (refer to Table 3-7) in the City could theoretically accommodate 20 units while underutilized properties in the City have the potential for accommodating 81 new residential units in the City. The location and description of these areas are noted in Exhibits 4-3 through 4-9 provided at the end of this section. The underutilized parcels identified in a survey, completed as part of this Housing Element Update, indicate there is a potential for 25 units adjacent to the Manhattan Village Shopping Center, 13 units on five parcels (currently occupied by industrial uses) located in the Downtown, and the potential for 21 additional units on single-family double lots in the "Tree Section" (Area District II). Finally, there is a potential for a net increase of 22 residential units in two areas located along or near Manhattan Beach Boulevard in the multiple-family zones. Under this strategy, there is a potential for 81 new units to be developed on underutilized lots and 20 units on the existing 12 vacant parcels, for a total net increase of 101 units.

Strategy 2. Conservation of Downtown Multiple-family Residential

One of the recommendations contained in this Housing Element calls for the re-designation of a 1.77-acre portion of the downtown from CD (*Downtown Commercial*) to RH (*Residential High Density*).⁴⁻⁸⁾ This re-designation would remove the requirement for special use permits for the redevelopment of some existing uses to higher-density residential uses (with densities of up to 52 units per acre). There are presently 82 units located within the area that would be subject to the re-zoning. Under the new zone (RH) a total of 89 units are theoretically possible within this area. The City will establish a program, the Downtown Rezoning Program, to encourage the maintenance and conservation of the 82 existing units and promote the infill development of 7 additional units.

Strategy 3. Encouragement of Mixed-Use Development

The City's Zoning Ordinance currently permits mixed-use residential and commercial development within the CL (*Local Commercial District*), CD (*Downtown Commercial District*), and the CNE (*North End Commercial District*) zone districts subject to use permits. The City is currently reviewing a mixed-use commercial and residential development within the beach section CL zone and a 3-unit mixed-use residential development was constructed on Highland Avenue within a 3,495-square foot parcel. In addition, 23 new units are being developed in a mixed-use project on Aviation Boulevard. The Element's new housing objectives assume that 38 units will be constructed within the commercial zones over the Element's 7-1/2-year planning period. This objective assumes that one new mixed-use development will undergo review and implementation on an annual basis.

Strategy 4. Second Unit Program and the Small Rental Unit Program

The current City General Plan and Zoning code does not allow the construction of second units in RS zones. The Second Unit Program will remove this prohibition and allow second units in both the single

⁴⁻⁸⁾ Refer to Section 4.3 for a discussion of this program.

family and multi-family zones.⁴⁻⁹⁾ This strategy also includes a new “Small Rental Unit Program” that would involve a revision to the Zoning Ordinance that would encourage the development of smaller rental units with a maximum floor area of 550 square feet. The City will consider a relaxation of the parking requirements and other development standards that are applicable to these smaller units. The total potential number of the new units developed under these two programs is 76 units.⁴⁻¹⁰⁾

Strategy 5. Beach Infill Development High Density Residential in Beach Zone

The zoning ordinance allows one dwelling unit per 1,350 square feet of lot area if zoned RM, and one dwelling unit for 850 square feet if zoned RH. In 1994, a citizen requested that the City Council down-zone approximately 120 RH (High-Density Residential) zoned lots in the beach section, generally located between 23rd Street and 35th Street, west of Highland Avenue. This area contains 122 parcels, and based on the walk access constraints, a total of 241 units can be theoretically developed in the RH Zone. The RH Zone is consistent with the General Plan, and the City has denied the request. By retaining the existing RH zoning designation, this area can accommodate a theoretical net increase of 34 units.⁴⁻¹¹⁾ The aforementioned variables indicate that additional residential development is feasible, in spite of the City’s development character. The Beach Area Infill Program will implement this policy.

Overview of Strategies/Quantified Objectives

Table 4-2 illustrates the relationship between the key housing programs described in Section 4.3 that focus on new housing development with the five “housing strategies” described in Section 4.4. The matrix below indicates the total potential theoretical new housing development contemplated during the planning period.

Program	Strategy 1 Vacant/ Underutilized Parcels	Strategy 2 Downtown M.F.Develop	Strategy 3 Mixed Use Develop.	Strategy 4 Second Unit/Small Unit	Strategy 5 Beach Area Infill
Affordable Housing Program ¹	20 units				
Beach Area Infill Program					potential for 34 additional units
Downtown Rezoning Program		potential for an additional 7 units			
Second Unit Program				76 units total under both programs (38 units/program)	
Small Rental Unit Program					
Zoning Conformity Program (including mixed-use)	20 Units on vacant parcels & 81 units on units on underutil. parcels		38 units		
1. This program may apply to any of the five strategies. Source: City of Manhattan Beach, 2002					

⁴⁻⁹⁾ The City had issued permits to allow the construction of 17 second units in the City’s multiple-family zones (RH and RM zones). These units were constructed during this Housing Element Update planning period.

⁴⁻¹⁰⁾ The City identified 44 oversized single-family lots (not the “double-lots” previously referred to) suitable for second units predominantly located in Area District 1). In addition, the City will pursue a Local Coastal Plan (LCP) Amendment to require only one parking space per unit (550 sq. ft. or less), instead of two parking spaces, to decrease the parking requirement for small units in the multi-family (RM and RH) zones.

⁴⁻¹¹⁾ Refer to Section 4.3 for a discussion of this program.

As indicated previously, past trends have shown that while there is a substantial amount of construction activity, the actual net increase is low because the construction of new housing often requires the demolition of existing housing. However, the aforementioned strategies (strategy 1-5) may potentially result in 276 units being added or conserved as indicated below:

1. Total new units possible within vacant parcels and affordable housing program (strategy 1)..... 40 units
 2. Total new units possible within underutilized lots (strategy 1)..... 81 units
 3. Potential new number of Downtown Rezoning Program (strategy 2)..... 7 units
 4. Potential new number of mixed-use developments possible (strategy 3)..... 38 units
 5. Units possible under the Second Unit/Small Rental Unit (strategy 4)..... 76 units
 6. Beach Area Infill Program, additional units in RH Zone (strategy 5)..... 34 units
- Total Net Increase in New Units (not including conserved units)..... 276 units⁴⁻¹²⁾**

Table 4-3 compares the RHNA goals with the number of housing units that may be constructed as part of the implementation of those five strategies identified previously. As indicated in the table, the successful implementation of the aforementioned housing strategies will enable the City to meet, and possibly exceed, its overall RHNA objectives.

Income Category	RHNA Housing Need	City Projections	
		Construction ¹	Conservation
Very Low-Income	41	41	0
Low-Income	29	29	27
Moderate-Income	42	42	8
Above Moderate	139	164	47
Total	250	276	82

¹Includes the net increase of 24 units constructed since 1998.
Source: City of Manhattan Beach, 2001.

4.5 5-Year Housing Program Implementation

Table 4-4 indicates the Agency or department responsible for overseeing the administration and/or implementation of the aforementioned programs. Table 4-4 also indicates the proposed strategies described in Section 4.4, the funding source for the program, the schedule for the program’s implementation, and finally, where appropriate, the number of units that will be assisted through the implementation of the housing program. As indicated previously, the aforementioned housing development strategies (refer to Section 4.4) will result in the potential of 276 units.

⁴⁻¹²⁾ A total of 82 units will be conserved as part of the Downtown Rezoning Program.

**Table 4-4
5-Year Housing Program Implementation Matrix, 2000-2005**

Program	Responsible Agency	Funding Source	Implementation Schedule	Quantified Objectives
Affordable Housing Incentive Program	Community Development Dept.	N/A	2000-2005	Potential 20 units
Beach Area Infill Program	Community Development Dept.	General Fund	2003	Potential 34 units
Code Enforcement Program	Community Development Dept.	General Fund	2000-2005	--
CDBG Program	Community Development Dept.	CDBG Funds	2000-2005	--
Developer Consultation Program	Community Development Dept.	General Fund	2000-2005	--
Downtown Rezoning Program	Community Development Dept.	General Fund	2000-2005	Net increase of 7 units
Energy Conservation Program	Community Development Dept.	N/A	Adopted in the Year 2003	--
Environmental Review	Community Development Dept.	N/A	2000-2005	--
Fair Housing Program	Community Development Dept.	General Fund	2000-2005	--
Second Unit Program	Community Development Dept.	General Fund	2002-2005	Potential for up to 38 units
Senior Housing Program	Community Development Dept.	General Fund	2000-2005	--
Senior Services Manager Program	Community Development Dept.	General Fund	2001-2005	--
Small Rental Unit Program	Community Development Dept.	General Fund	2003-2005	Potential for up to 38 units
Zoning Conformity Program-(including Mixed-Use Program)	Community Development Dept.	General Fund	2000-2005	38 units mixed-use, 20 unit on vacant lots, & 81 units on underutilized lots

¹ Strategies described in Section 4.4
Source: City of Manhattan Beach, 2001.

4.6 Previously-Adopted Housing Element Policies and Programs

This section describes those policies and programs that were included within the previously- adopted housing element, and indicates the City's status in their implementation. The policies included in the previous Housing Element are noted in italics, followed by a statement regarding the success in their implementation. Specific programs that were used to implement the individual policies included in the previous Element are also noted.

Policy 1. Preserve the scale of development in existing residential neighborhoods.

The City revised its Zoning Code during the previous housing element cycle. The City is presently reconsidering the zoning of two areas of the City. These areas are described in Sections 4.3 and 4.4. The City will continue to enforce applicable provisions of Section 10.12.030 of the Zoning Code, which specifies District Development Regulations for height, lot coverage, setbacks, and open space.

Policy 2. Encourage the maintenance of existing dwellings.

The City continued to undertake code enforcement efforts to improve and rehabilitate substandard units. Prior to 1997, CDBG funds were used to assist in the rehabilitation of substandard units. During the course of the planning period, the City utilized Community Development Block Grant funds for home

improvement loans for low-income housing, consistent with income limits provided for such funding, and pursued additional sources of funding for City programs.

Policy 3. Provide adequate sites for new housing consistent with the capacity of roadways, sewer lines, and other infrastructure to handle increased growth.

Through the implementation of the Land Use Element, the City maintained the existing residential neighborhoods. The City also continued to promote residential development within selected commercial districts. Three key elements of the City's effort involved the provision of adequate sites to continue to allow infill in residential areas, to provide for a mixture of uses in the Manhattan Village area, and to permit the establishment of residential uses in commercial districts.

Policy 4. Preserve existing affordable housing stock.

The City actively discouraged the conversion of affordable rental units to condominiums through the implementation of the Condominium Conversion Ordinance. Program 4b, included in the previously-adopted Housing Element, was adopted, and permits non-conforming units to remain indefinitely.

Policy 5. Encourage the development of additional low- and moderate-income housing.

The City, in an ongoing effort, provided density bonuses or other incentives for the development of low-income housing units as part of new residential development projects, including senior housing. The City also streamlined the development process, allowed the establishment of manufactured housing on single-family residential lots, worked with the private sector to facilitate the provision of low- and moderate-priced housing, and considered allowing granny flats (subject to approval of a use permit), where such housing is limited to low- or very low-income individuals over 62 years of age.

Policy 6. Encourage means of increasing ability to afford existing housing stock.

The City continued to implement its Affordable Housing Incentive Program as a means to promote the development of affordable housing units. The City continued its participation in the Los Angeles County Housing Authority, publicized the availability of Section 8 rental assistance for households in the City, and encouraged shared housing programs for seniors and existing one-person households.

Policy 7. Promote housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, or color.

Over the planning period, the City has assisted in the funding of several referral agencies and has continued to participate in area wide programs to ensure fair housing.

Policy 8. Eliminate potentially unsafe or unhealthful conditions in existing development.

The City has utilized code enforcement as a means to eliminate unhealthful housing conditions. Prior to 1997, CDBG funds were used to assist in the rehabilitation of substandard units. The active code enforcement program was continued for illegal and substandard units, and Community Development Block Grant funds were utilized for home improvement loans for low-income housing, consistent with income limits provided for such funding. Additional sources of funding for City programs was pursued. The City considered the adoption of an ordinance to require the provision of adequate security and facilities for moderately-priced hotels or motels that informally convert to single-room occupancy use. Finally, the City worked with neighboring cities, the South Coast Air Quality Management District, the Regional Water Quality Control Board, and the Chevron Oil Refinery to ensure that residential uses in the northerly portion of the City are not adversely affected by industrial uses in the area.

Policy 9. Prevent the establishment of potentially unhealthful conditions in new development.

The City has faithfully implemented the City's Land Use Element. In addition, new discretionary residential development has undergone the appropriate environmental review to minimize the potential for land use conflicts. The City required that residential uses adjacent to industrial or commercial uses be adequately buffered from such uses.

Policy 10. Reduce energy loss due to inferior construction techniques.

The City has continued to implement Title 24 regulations governing energy conservation in new and rehabilitated housing development and has required all new projects to conform to the requirements of Title 24 of the California Administrative Code.

Policy 11. Encourage residents to conserve energy.

The City has continued to implement Title 24 regulations governing energy conservation in new and rehabilitated housing development and has supported public utility companies in their efforts to educate the public in means of energy conservation.

Policy 12. Encourage reduction in energy consumption by residents commuting to work.

The City has continued to implement Title 24 regulations governing energy conservation in new and rehabilitated housing developments by providing a balance of residential and employment-generating uses in the City (including mixed-use projects) and by continuing to implement Regulation XV of the Air Quality Management Plan at the City level.

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500 0 500 Feet



Affected Lots
Rezone CD to RH

Zoning Designations

CD Commercial Downtown

RH Residential High Density

RM Residential Medium Density

City Walk Streets


Exhibit 4-1
Zoning Conformity - Rezoning of Downtown Lots

Source: City of Manhattan Beach





500 0 500 Feet



 Affected Lots
 RH Rezoned from R-2 (1990)

Zoning Designations

 Residential Medium Density

 Residential High Density


 City Walk Streets

Exhibit 4-2 Zoning Conformity - Beach Section RH Lots

Source: City of Manhattan Beach

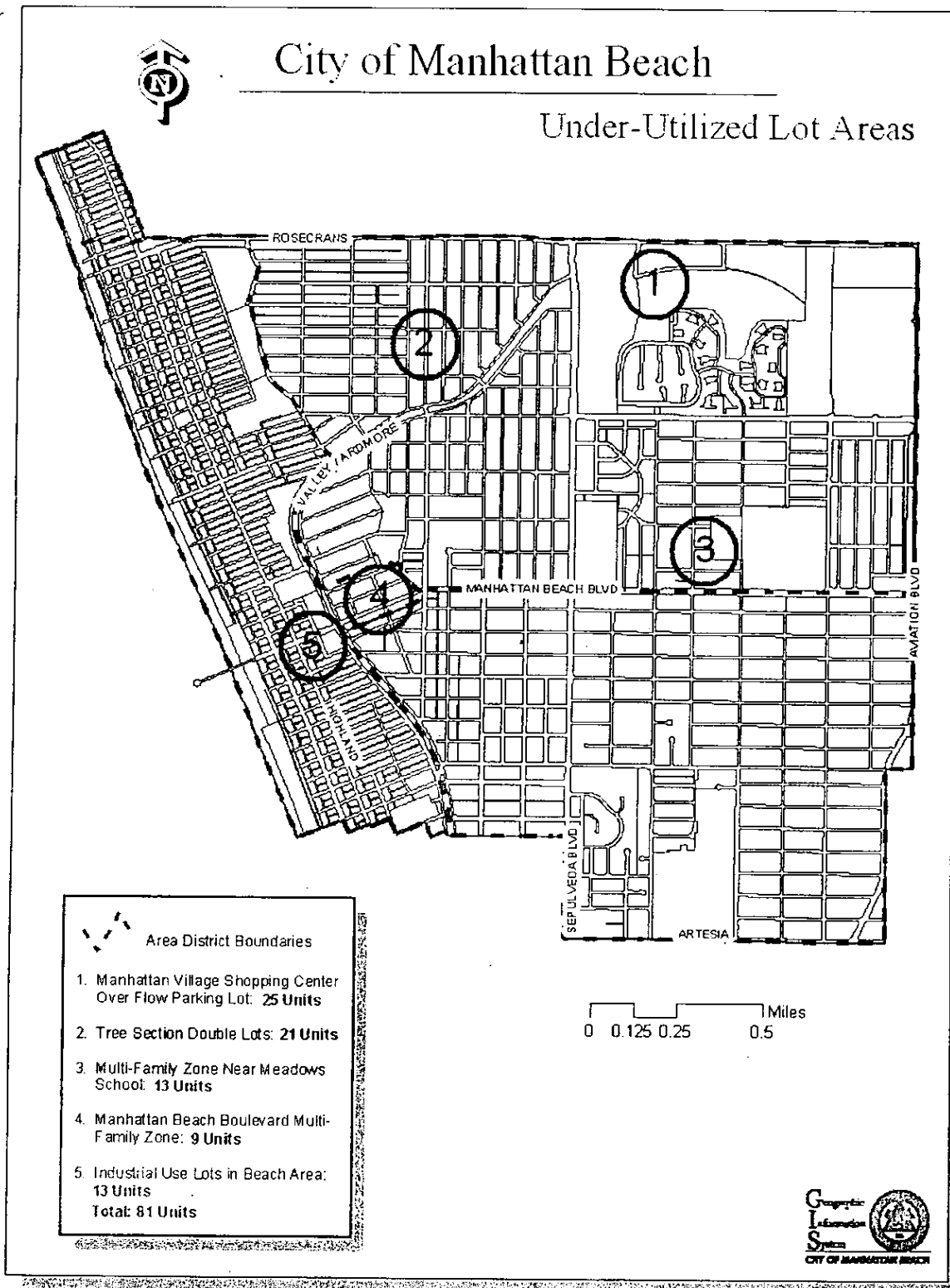


Exhibit 4-3
City Map Indicating Underutilized Lots

Source: City of Manhattan Beach

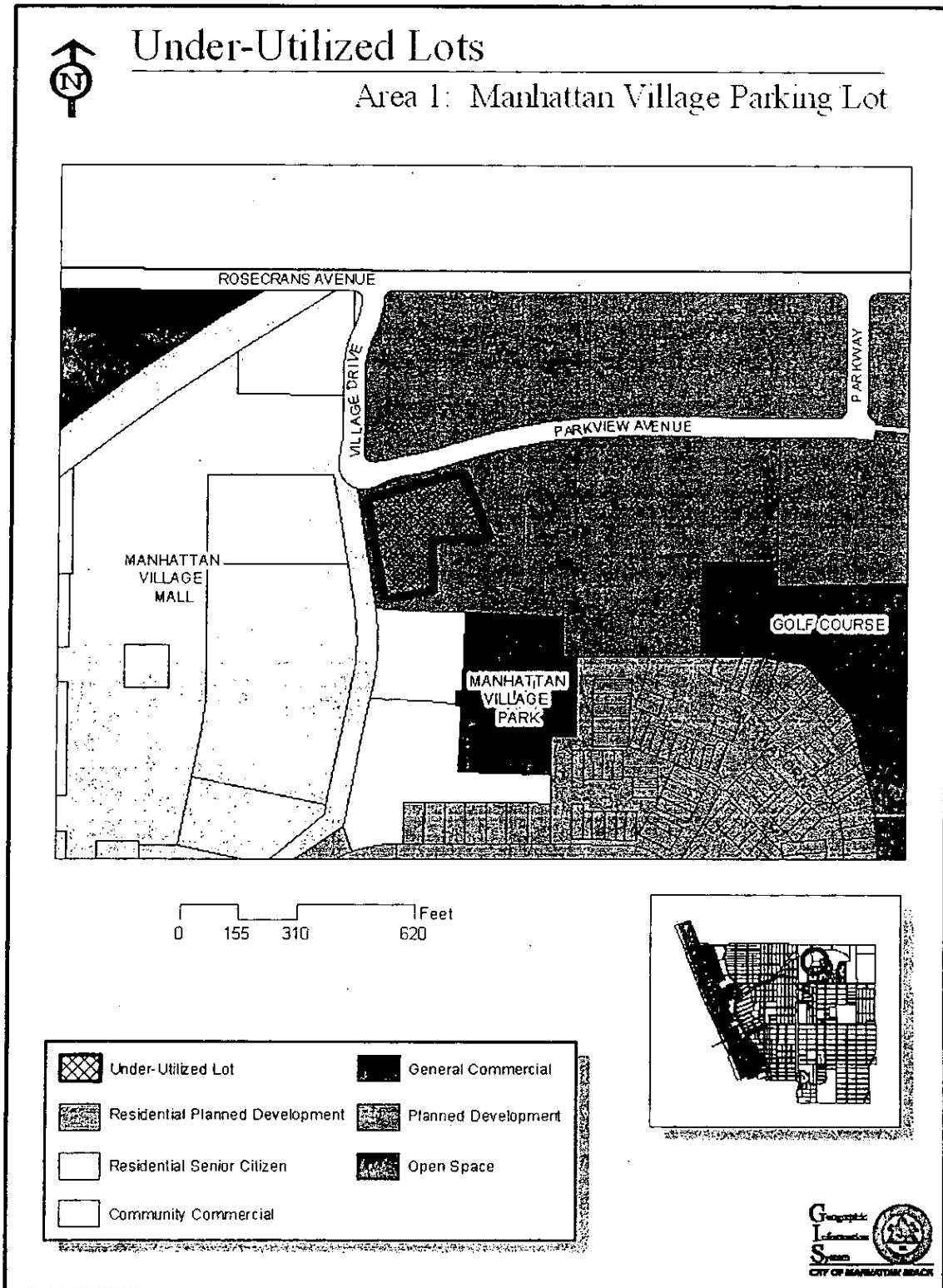
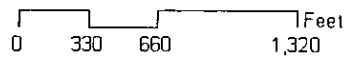


Exhibit 4-4
Underutilized Lots in Area 1
 Source: City of Manhattan Beach



Under-Utilized Lots

Area 2: "Tree Section" Oversize Lots



	Under-Utilized Lots		Residential High Density
	Residential Single Family		General Commercial
	Residential Senior Citizen		Open Space

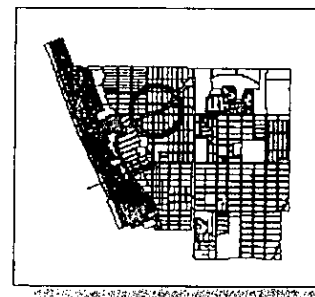


Exhibit 4-5
Underutilized Lots in Area 2

Source: City of Manhattan Beach

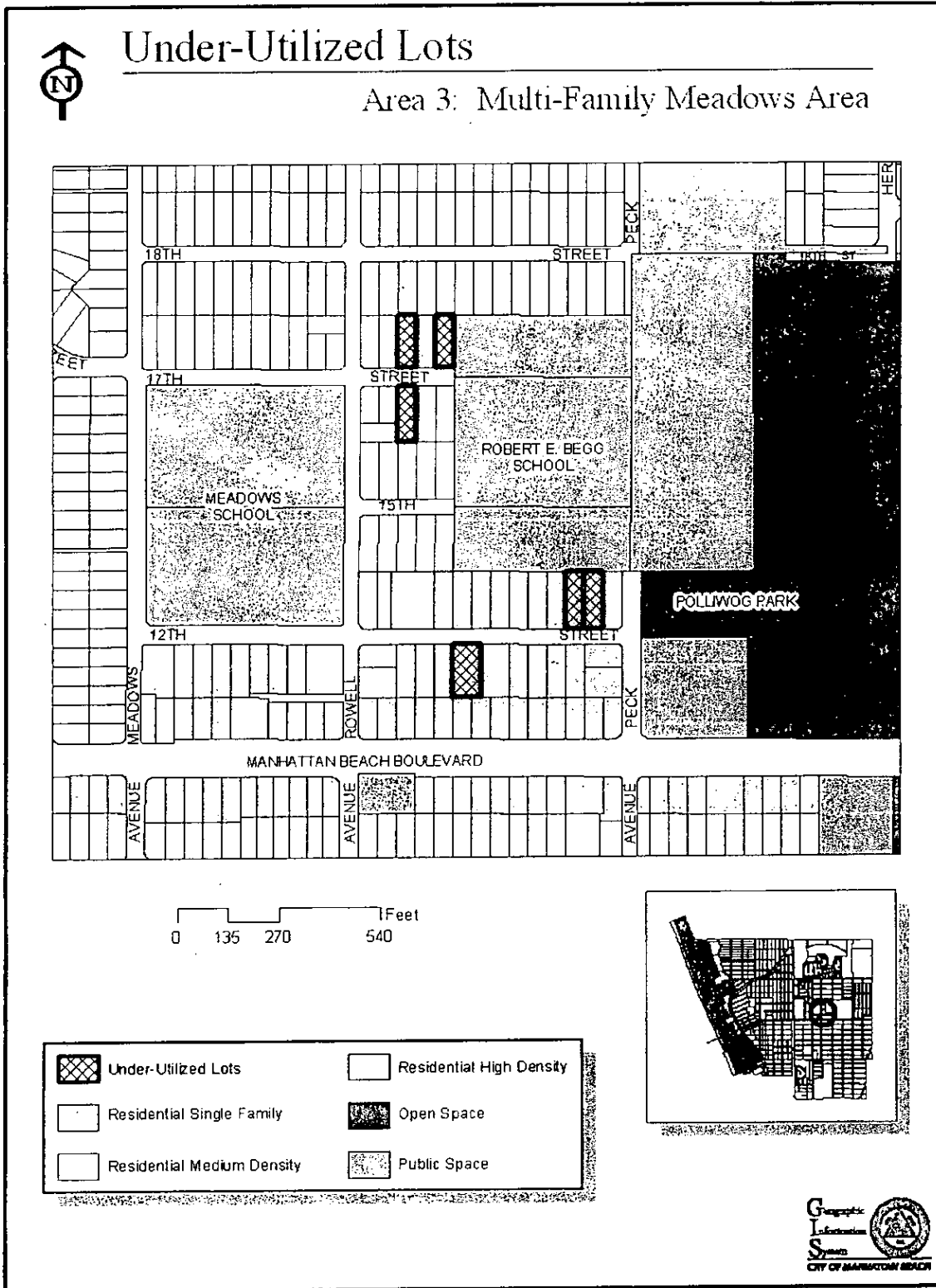


Exhibit 4-6
Underutilized Lots in Area 3

Source: City of Manhattan Beach

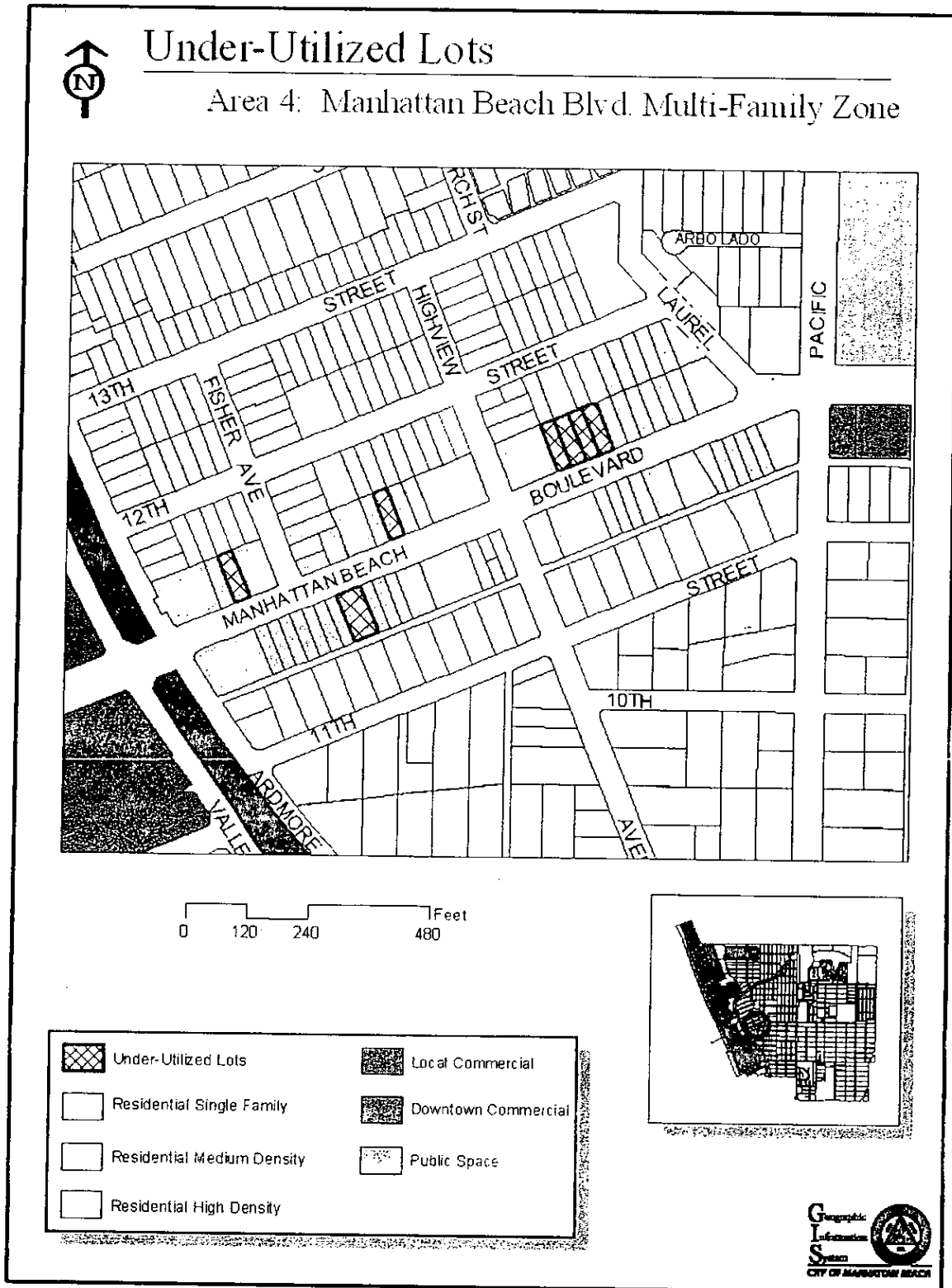


Exhibit 4-7
Underutilized Lots in Area 4

Source: City of Manhattan Beach

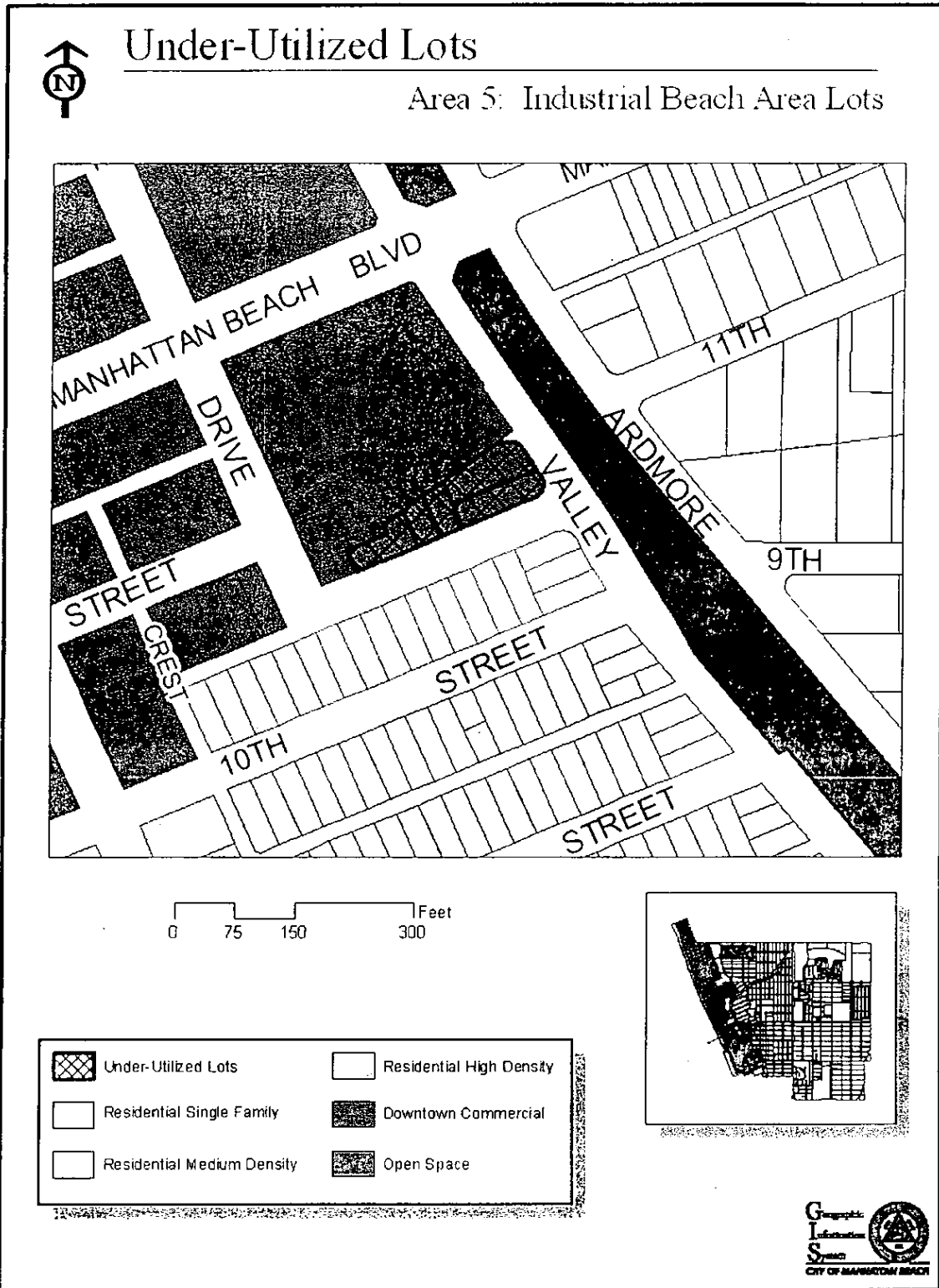
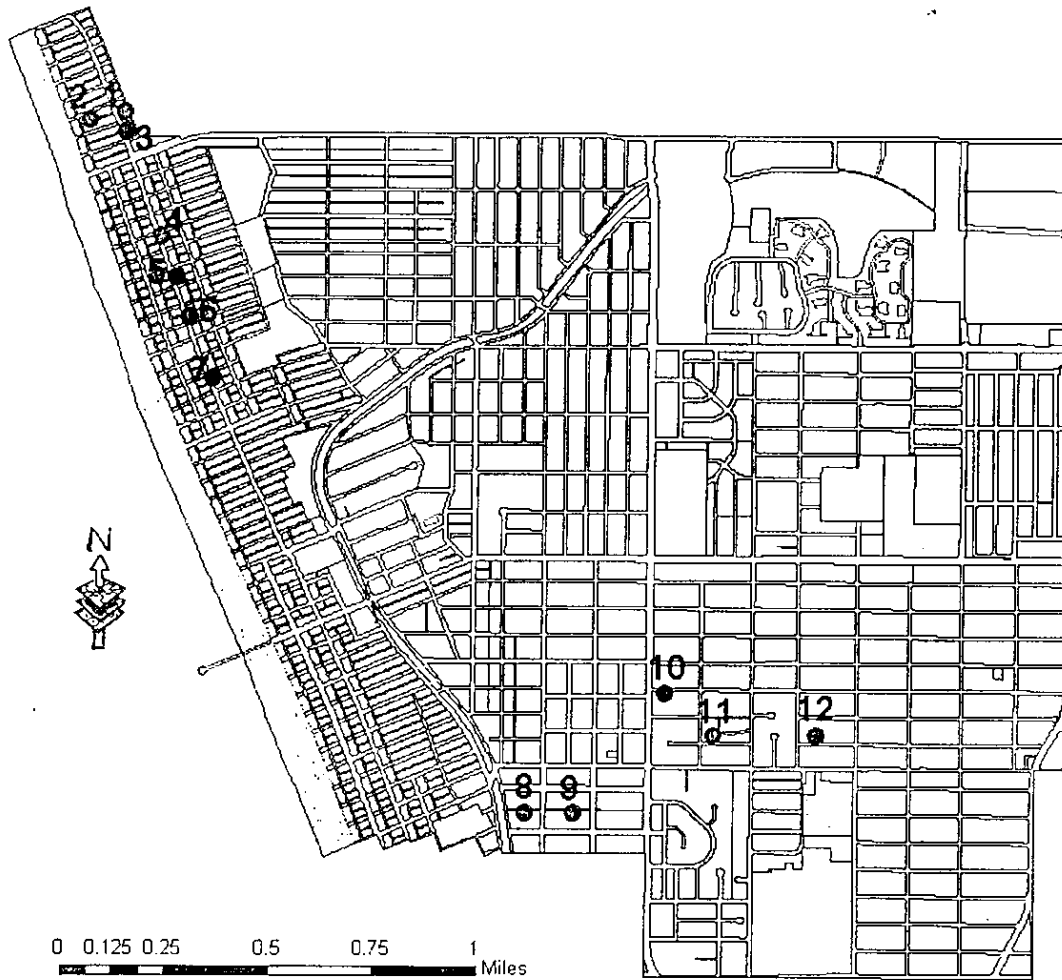




Exhibit 4-8
Underutilized Lots in Area 5
 Source: City of Manhattan Beach

City of Manhattan Beach

Vacant Land Inventory



-  PARK
-  SCHOOL

Vacant Sites

- 1.) 3911 Crest Drive
- 2.) 133 El Porto Street
- 3.) 3804 Highland Avenue
- 4.) 3216 Highland Avenue
- 5.) 3008 Highland Avenue
- 6.) 2804 Highland Avenue
- 7.) 2416 Highland Avenue
- 8.) 820 Duncan Place
- 9.) 930 Duncan Place
- 10.) 1120 6th Street
- 11.) 1211 3rd Street
- 12.) 1420 3rd Street

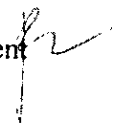



Exhibit 4-9
Vacant Lot Inventory

Source: City of Manhattan Beach

**CITY OF MANHATTAN BEACH
COMMUNITY DEVELOPMENT DEPARTMENT**

TO: Planning Commission

THROUGH: Richard Thompson, Director of Community Development 

FROM: Michael P. Rocque, Assistant Planner 

DATE: April 8, 2009

SUBJECT: Consideration of a Comprehensive Update to the City's General Plan Housing Element.

BACKGROUND

The Housing Element is one of seven mandated elements that must be included in a city's local General Plan in accordance with State law. State law also requires that local governments review and update their Housing Elements every five (5) years. The legislative purpose of a Housing Element is to ensure that cities assist in implementing a State-wide housing goal and that local governments adequately plan to meet the existing and projected housing needs of all economic segments of the community.

The primary goal of the City of Manhattan Beach Housing Element is to promote the development of suitable housing to meet existing and projected demand, while protecting the vitality of the existing residential neighborhoods. The challenge that the City can sometimes face is attempting to apply the State regulated goals and policies within the Element which does not always correlate or fit in with the City's existing infrastructure and Land Use goals/policies. The Housing Element should address the State's goals while considering and incorporating the City's goals and objectives. More detailed background information and discussion can be found in the previous Staff Report and attachments from the November 12, 2008 regular meeting (Attachment C).

Staff presented the Housing Element for initial review at the November 12, 2008 Planning Commission meeting. The Commission decided at that meeting to table the item for further discussion and directed staff to hold a Public Workshop in order to grasp and gain a full understanding of the purpose and process that goes into creating the Housing Element, as well as inviting the public for insight and comments.

The Public Workshop was held on January 29, 2009 and included the Commission, Staff, Housing Element Consultant and general public. At the workshop the Commission invited all comments and concerns from the public and also discussed the main components of the Housing

Element while providing detailed direction to Staff as to what the next draft version should include.

DISCUSSION AND PUBLIC COMMENTS

At the November 12, 2008 meeting, the Commission requested more information on the decision-making process which the consultant and staff used to identify available housing sites, along with the pros and cons of each site and the reasoning/justification for not selecting these sites for additional housing units. Additionally, the Commission commented on the content in certain areas of the Housing Element and directed Staff to address organizational and substantive issues within the Housing Element, such as the layout, correlation, and formatting, discussion of the 2003 Housing Element, viable areas for housing, and open space/parking regulations.

At the November meeting there were two speakers from the public. Both speakers commented on how they would like to see the Housing Element become more of a public process and that the current State Housing Goals and RHNA number of 896 units does not seem to be realistic and attainable. There were also suggestions that the City should consider lobbying the State to consider changing some of its current requirements. These issues were also brought up at the January Workshop. Staff outline the comprehensive involvement in the RHNA process that the City participated in and the frustration with the inability of City's to institute any real changes in the RHNA. Lobbying the State to consider revisions to their process or the RHNA will be a policy decision that will be set forth by the City Council. All of the comments and concerns discussed by the public and the Planning Commission will be forwarded to the Council.

Staff received a number of written comments from the public and the Commission (Attachment D) before and after the January 29th Public Workshop. The comments focused on providing an Executive Summary, consistent formatting in the text, layout and tables, more maps, an inventory of sites, discussion of the RHNA, and a discussion of the 2003 Housing Element.

At the January 29th Public Workshop, the consultant presented an overview of the proposed Element and highlighted the State required content and policies that need to be included and discussed in all Housing Elements. Staff also presented the requested information from the November 12, 2008 meeting which included a chart that identified the available housing sites, the pros and cons of each site, and copies of the previous 2003 Housing Element. At the conclusion of the Workshop, the Planning Commission directed Staff to address some outstanding issues within the Element and to consider and include the public comments that were provided. Overall, the Commission felt that the Housing Element would be strengthened by the inclusion of an Executive Summary and that the Element still had to address some organizational issues.

Since the January 29th Public Workshop Staff received comments from the Senior Advisory Committee (SAC) requesting that the Planning Commission provide them the opportunity for input and to address concerns regarding the availability of Senior housing, affordable housing, and requiring higher densities. Staff has a meeting scheduled with the SAC to address their comments.

The revised Draft Housing Element (Attachment A) strives to address the comments raised at the Planning Commission hearing and workshop. An Executive Summary is included at the beginning of the document to provide a framework and quick overview of the Element. Other sections and headings have been organized to be consistent in format and tables have been reorganized and reformatted. The Table of Contents has been reorganized to provide more information and consistent titles. Staff believes that the Draft document addresses the direction provided by the Planning Commission and that the consultant has addressed the State requirements.

PUBLIC NOTICE

A notice of tonight's Planning Commission meeting and the April 22, 2009 public hearing was published in the Beach Reporter on April 2, 2009. The draft Element has been made available at the Library, City Hall, and at the Department of Community Development. The staff reports and attachments, including the Elements are posted on the City website.

ATTACHMENTS

- A: Draft Housing Element-04/08/09
- B: 01/29/09 Planning Commission Workshop Staff Report, attachments and minutes (duplicates deleted)
- C: 11/12/08 Planning Commission Staff Report, attachments and minutes
- D: Public Comments

Michael Rocque

From: Richard Thompson
Sent: Monday, March 30, 2009 4:52 PM
To: Michael Rocque
Cc: Laurie B. Jester
Subject: FW: SAC housing memo
Attachments: SAC housing memo.doc

Be sure to include this in the report along with the other written comments. You should prepare a response to each comment as well. Maybe we should contact this group before proceeding.

Richard Thompson
Director of Community Development

From: Eve Kelso
Sent: Monday, March 30, 2009 10:53 AM
To: Richard Thompson
Cc: Richard Gill; Jan Buike
Subject: SAC housing memo

Hello Rich-

Richard Gill suggested that I forward the attached memo to you developed by the Senior Advisory Committee with their thoughts on the Housing Elements report. Please let me know if you have any questions. Thanks.

Eve Kelso

ATTACHMENT D
PC MTG 4/8/09:
Public Comments

TO: MB Director Parks & Recreation
FROM: Senior Advisory Committee(SCA)
DATE: March 2009
SUBJECT: HOUSING ELEMENTS REPORT

The SAC wishes to address the question of affordable housing and senior housing in Manhattan Beach. It is our understanding that a "Housing Elements Report" is required by the State from each city. We are concerned about the mandate for higher density in local communities and the impact this will have here in Manhattan Beach where density is already high. In a time of increasing concern for the environment and the need to reduce water usage it seems inappropriate and contradictory for a state government agency to mandate higher density in local communities.

If the City of Manhattan Beach is going to submit a Housing Element Plan that includes proposed additional housing development it is essential that this include more affordable housing and housing stock for seniors, since both are very limited in Manhattan Beach.

The SAC recommends consideration of the following should be expressly included in the development of any housing plan and report:

1. The overall community's needs must include specifically the needs of the growing older population.
2. There is very limited affordable housing currently available in Manhattan Beach
3. Manhattan Beach residents want to remain in this community as they age (age in place)
4. When their current housing no longer meets their needs, senior who want to remain in Manhattan Beach have limited options

The SAC requests:

1. The planning commission provide the opportunity for seniors, either through a community meeting or meeting with the SAC, to have input in any plan prior to submission.
2. Richard Thompson, head of community development, or his representative, attend the next SAC meeting to hear our concerns and provide information about the status of the City's "Housing Element Report"
3. Our concerns and recommendations enumerated above be shared with each with members of the City Council and the Planning Commission.

Michael Rocque

From: Richard Thompson
Sent: Wednesday, February 11, 2009 5:30 PM
To: Michael Rocque
Cc: Laurie B. Jester
Subject: FW: "Second Family Units"

One for the consultant....Michael you should read and may decide not to forward to her, rather explain what needs to be changed if necessary.

Richard Thompson
Director of Community Development

-----Original Message-----

From: gosterhout@roadrunner.com [mailto:gosterhout@roadrunner.com]
Sent: Wednesday, February 11, 2009 3:47 PM
To: Sandra Seville-Jones; Wayne Powell; jim@fasolaarchitects.com; paralusz@hotmail.com; David Lesser; Richard Thompson
Subject: "Second Family Units"

Dear Planning Commissioners:

At your recent Housing Element workshop I requested that Sarah Genis, the city's planning consultant, refrain from using the term "Second Family Units," as that term was not referenced either in state law or our Housing Element document.

However, I see this term sprinkled throughout the workshop minutes, even when no attributed directly to the consultant's remarks.

The term of art is "second unit," or "accessory dwelling unit." It has no connotation to "family" or "granny flat," both which convey false mental ideas of the simple facts of these units. The simple use of "second unit" or "accessory dwelling unit" (or even "second dwelling unit") provides a sufficient objective description without influencing concepts one way or another.

In fact, if one was to enter "second family unit" in the "Search" function on the State of California's Housing and Community Development, you get no results, which is not true for searches for "second unit" and "accessory dwelling unit." We are intelligent people; there is no reason we can't communicate in precise terms.

Perhaps my sense of specifics is too elevated, but I as a community member should not be the one that has to correct a consultant. This is to the same effect where she said that at the first hearing at a council meeting was sufficient public outreach when that paucity of input was so directly contrary to Cal HCD guidance. I acknowledge that I have a problem with this consultant's apparent flippant attitude to our Housing Element process in general, but given that this consultant obviously wasn't hired to develop worthwhile public workshops, I call to question why we engaged her in the first place as I have yet seen the value-add. And having to combat a consultant even further exacerbates my concern about the difficulty in getting timely and precise information in respect to the Housing Element in the first place.

If I'm short-sighted in my understanding of the term "second family unit," then I would certainly appreciate correction. However, I believe I've done my due diligence.

I leave this up to you for remedy, individually or as a commission.

Thank you for considering my feedback.

Regards,

Gary Osterhout

February 11, 2009

Richard Thompson
Director of Community Development
1400 Highland Avenue
Manhattan Beach, CA 90266

Dear Mr. Thompson,

I spent some time reviewing the Final Draft Housing Element prepared by Sandra Genis. I was disappointed to find that the presentation quality of the Final Draft was less professional than most consultant reports I see. The six-line Table of Contents was the first clue. I also find the content of the Draft to be dated, incomplete, and inadequate. My primary recommendation would be to toss the recent Final Draft and, instead, update and "tweak" the prior housing element (2003 HE). This would be a less overwhelming task and could increase the likelihood of approval by HCD. My personal experience with getting consultants to revise severely inadequate first attempts, no matter how specific my comments are, is that the revised document is not much improved. Document quality strongly goes to the competence of the preparer -- a quality that doesn't change after comments are presented.

Without significant revision, I do not believe the Final Draft will be approved by HCD. Most importantly, it is deficient as to the broad requirements related to the "provision of adequate sites" for potential development of housing for moderate and lower-income households. To adequately address this requirement, the housing element must develop and document the city's housing needs (including a discussion of the RHNA) and provide detailed analyses of the city's land, zoning regulations, and housing programs. Once developed, this information is can be used to support specific programs to meet the city's goals and HCD's requirements. Although the city is not directly required to build new housing units, it is required to show that its laws and behaviors are, or will be, conducive to development of a range of housing opportunities. I do not believe the Draft accomplishes this.

I'll try to explain why I have come to this conclusion. My general and specific comments are listed below. This is the short version: I've tried to focus on items that would make the Housing Element compliant and appear professional.

I.

The Intro should set out the bigger picture; it is incomplete. Possible improvements would be statements that

- a) discuss the critical importance of adequate housing for the well-being and vitality of the region,
- b) explain that the state recognizes this and requires local governments to plan for their fair share of future housing by analyzing existing and projected housing needs and preparing goals, policies, and programs to address these needs,
- c) state that the current housing element is a plan for the community to meet broad-based, long-range housing needs,
- d) summarily express the city's approach to facilitating potential development opportunities for affordable housing (the state's primary focus), and
- e) highlight MB's uniqueness with respect to preparing the HE. This would include MB's lack of vacant land, small-lot subdivision structure, intention to maintain the high desirability of its neighborhoods, and the city's significant inventory of good quality housing.

If the city so decides, the HE could also say that MB is committed to successfully facilitating some level of truly affordable housing. If, as I heard in the workshop, the city is not so committed, then the HE should not

say that its programs for providing "sites" will create such opportunities. Producing units affordable at low or very low income levels is not feasible without public assistance.

II.

It would be helpful if one or two early sections outlined the process and the components of the HE document (with explanations of what certain items mean, etc.). These "foundation" sections should include HE update timelines, prior and current HE effective dates, etc. A discussion of the goals and programs that have been revised from the 2003 HE, as a summary of the city's achievements (or lack thereof) relative to the 2003 HE. The detailed performance summary would be provided in a later section. A broad overview, highlighting what is particularly relevant for MB, would set the reader up for better understanding.

The various state requirements are quite specific and public participation is of high importance. I don't believe much effort was made to involve the public. Maybe I'm just naïve about how difficult it can be to rouse attendees for meetings.

The mention of the General Plan (GP) on page 1 of the Draft is overly terse. The relationship between the GP and its required elements should be noted, i.e., the HE is the only one that requires review and certification by the state.

This would be a good place to mention changes in housing law since the prior HE was approved, as the changes affect not only the updated HE, but may also involve the GP.

III.

The City Profile section, for the most part, includes demographic, income, and housing data current as of the 2000 census. This is basically the same data presented in the 2003 HE. The statutes explicitly require that HEs be based on the most current information. I find the general presentation of data shockingly inadequate. Many sources, including both SCAG and the California Department of Finance, have published updated data, at least through 2007. Current information is critical for determining the city's needs and for developing meaningful long-range housing programs.

IV.

The following comments relate primarily to the data and conclusions (or lack thereof) within the Final Draft document.

- a) The charts/tables need to be revised and presented in a professional style. Tables appear in at least seven different formats. Certain tables were poorly labeled or mislabeled, making it difficult to discern what was being presented. Several tables included numbers and totals with no percentages or other measures to help the reader see relative magnitudes (Table 16, for example). Some tables with percentages include the percent sign, others don't. Carrying out percentages two decimal places is unnecessary and slows the reader. The data presented by census tract number, without mentioning the planning areas by name, is not meaningful. Some tables just weren't necessary, could be combined, and/or could be presented in a way that clearly reveals the tendency of the data.
- b) The demographic and household income data were not concisely presented and therefore, the Final Draft does not lead to an understanding of MB's housing needs. The needs revealed by the data should be used to persuasively conclude the goals and policies. The pieces are not tied together.
- c) The statutes require that significant amounts of data be presented and *analyzed*. For the most part, no real analysis was presented and the proposed goals were not supported by prior analysis. In places where numbers were presented in a table, the related text, if any, only summarized (regurgitated) the data. The text typically went no further and failed to discuss relevance or implications.
- d) The Final Draft's lack of analysis was exacerbated by frequent "profound" or meaningless statements. Here are just two examples:

“Overcrowding can be more of a problem for large families.”

“One measure of housing affordability would be housing foreclosures. If homeowners cannot afford mortgage payments, they go into default. As of May 2008, twenty nine [sic] homes in Manhattan Beach were at some point in the foreclosure process.....” (p24)

There was no further discussion regarding foreclosures. Is “twenty-nine” a high or low number for foreclosures? How does MB’s (actually low) foreclosure rate speak to affordability or housing needs? Home prices typically become more affordable in areas with high foreclosure rates. But, wait a minute: foreclosure rates are much higher in affordable markets. If this is relevant, the topic should be developed. If it’s not relevant, it should be left out.

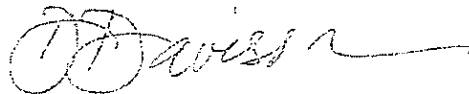
- e) The statutes are very specific as to the inventories of sites, such as vacant residentially-zoned sites, under-improved sites, sites for potential mixed-use, etc. The HE should include detailed identifying information, zoning, number of potential units and how calculated, physical attributes, map showing specific locations. The sites were inadequately documented and were listed in inconsistent formats; some sites were listed in a too-brief table and other sites were just mentioned in the text. If a site is dismissed from consideration, this belongs in the HE with a reasonable analysis. I believe relevant potential sites are missing from the analysis. Under-improved site next to Vons? She did not discuss how sites were identified or selected (so none were missed) and no reference was provided for the land data. The site inventory should tie directly into the city’s ability to “provide sites”. Several persons at the workshop were lost as to this connection and some cities’ HEs were found noncompliant on this basis.
- f) No maps were included in the Draft. Broad, clear location maps are also necessary. Compare the maps in the Draft to those in the 2003 HE, especially the site inventory maps. This item and the prior bullet are very telling: comprehensive charts and good exhibits are basic to a truly professional presentation.
- g) The structure of the Draft was at times difficult to follow. Parts of the “Housing Need” sub-section appear mislabeled: it includes demographic information (with no analysis or conclusions) and lists of programs for persons with “special needs”. It is not clear that part of this section delineates the “special needs” categories required in the statutes. Other topics are misplaced. The sites inventory was strangely found in the “Opportunities” section. The sites inventory is about resources and is typically handled separately. Available land is not an opportunity, at least not for MB. In a following section, a discussion of land appears as a “Constraint”. A discussion of MB’s high housing costs is found in the “Opportunities” section. A sub-section relating to the Coastal Zone is in the “Constraints” section. The Draft mentions an “LCP” with no description or explanation as to what jurisdiction created it or why the itemized LCP policies are “constraints”.
- h) The headings and content of two “Opportunities” sub-sections are confusing. “Financial Resources” gives dated, sometimes irrelevant, incomplete, and incorrect information about various government housing assistance programs. The “Government Resources” section, strangely, discusses city programs and ordinances, some of which are quite restrictive. These may be legitimate components of an HE, but the presentation is so weak a reader may not see the connections.
- i) As noted, a most critical component of a housing element involves showing that the city has provided or will provide sufficient potential available sites for development of the RHNA-determined number and types of housing units. Unlike the 2003 HE, the Draft does not explain or connect the city’s derived housing needs and the RHNA requirements with the range of housing types and the number of units that theoretically could be developed during the planning period. What is worse, the Final Draft does not develop or explain what is really required and what could be achieved. Again, recent law on this broader topic is relevant and should be applied.

- j) Many of the goals and policies appear to be a jumbled remix of those in the 2003 HE, possibly revised to fit the consultant's boilerplate. If these goals stand, the HE should include a clear mapping from the prior HE to the update. There was no reason to change the basic format of the goals and policies from the 2003 HE, although revisions would be necessary. The 2003 HE included several enlightening tables showing how the goals, policies, and programs were tied together. The Final Draft's revised goals and policies don't follow from the presentation of data. In this section, most goals were not explained. Rather, factual information was often repeated in the text following a goal, policy, or program. For example, Goal I - "Preserve existing neighborhoods" was followed by a repeat listing of MB's neighborhoods. A brief discussion of why MB would want to preserve its existing neighborhoods would be more persuasive. If, in the city description the consultant had provided a discussion of the city's unparalleled amenities, this policy would not only follow from earlier text, it would also speak for itself. Repeating the city's various geographic areas serves no purpose. Under Policy I - "Preserve the scale of development", the text follows with a recitation of MB's "mansionization" standards. Size limitations are one way that MB has performed on Policy I, but that's not what the text points out. Again, *why* should this be a policy? Policy I includes a Program Ia to "continue to enforce" certain zoning provisions. So, I ask...which provisions should we not continue to enforce? How is this a program? How about a program to "maintain" a range of home size parameters that will preserve the current scale of development? In my mind, neither expression is really a "program". This and other similar "programs" appear to be nothing more than the city's labeling of completed tasks and basic jurisdictional responsibilities as "programs" that don't relate to the requirements of an HE.
- k) The statutes address how and why HEs should discuss housing production costs and ownership expenses. New law makes this less important; however, the Draft's disorganized topics don't highlight (or even show) how much higher MB's production and ownership costs are. The Final Draft does not state how these high costs cause significant "constraints" for producing lower- and moderate-income housing, but not for producing "above median income" housing.
- l) The statutes require the updated HE to include an analysis of the city's performance in regard to the goals, policies, and programs during the planning period of the prior housing element (2001 - 2005). A portion of the goals and policies were achieved; others were not. It does not state what the city's performance was on the specific programs. Did 20 units get built under the "Affordable Housing Program"? If not, why not. Was Downtown rezoned? How many affordable units were built under the Second Unit Program? The 2003 Element covered this in a concise format.

In conclusion, I believe the Final Draft did not present and apply recent, relevant data to develop conclusions and motivate the specific goals, policies, and programs. For example, a housing element could show why, say, increasing sub-populations of certain age groups need to be met with appropriate housing programs. For increasing average household size, it might mean permitting larger homes in certain neighborhoods. For seniors, the data might suggest we should provide more assistance with home repairs or accessibility upgrades. More depth of analysis, however, could reveal that "low-income" seniors are really wealthy seniors who own their homes outright and live fine on their Social Security and tax-exempt interest payments. Programs should follow from clearly determined needs.

I will eventually communicate to City Council and the Planning Commission some of my concerns and preferences for certain goals and programs. Because you are working directly with the consultant, I have directed detailed comments regarding the document to you. Thank you for your consideration.

Diane Davisson
Manhattan Beach Resident
310-897-4955



Michael Rocque

From: Richard Thompson
Sent: Friday, January 23, 2009 8:41 AM
To: Michael Rocque
Cc: Laurie B. Jester
Subject: FW: Housing Element Notes

Attachments: Housing Element Notes Jan 2009.doc



Housing Element
Notes Jan 2009...

More comments to share with our consultant. Also be sure to include in PC and my packet.

Richard Thompson
Director of Community Development

-----Original Message-----

From: gosterhout@roadrunner.com [mailto:gosterhout@roadrunner.com]
Sent: Thursday, January 22, 2009 6:26 PM
To: Sandra Seville-Jones; Wayne Powell; jim@fasolaarchitects.com; paralusz@hotmail.com;
David Lesser; Richard Thompson
Subject: Housing Element Notes

Planning Commission and Director Thompson:

I have attached those topics I would be interested in covering at the upcoming Housing Element public meeting, which also includes a few thoughts and observations, and notations of few items which appear to be discrepancies.

Many of these I mentioned at the first hearing, so some might appear or sound duplicative. As this material is merely intended to facilitate via advance notice, I would prefer if these do not get placed in the public record, absent a legally compelling reason to do so, of course.

I certainly am not trying to co-opt whatever format is planned for the meeting and hope for a productive session.

Regards,

Gary Osterhout

Overall Remarks

1. For the public meeting, I suggest we start with page 62/63, and work through the numbers, instead of starting with the boilerplate and working to the results. I would suggest for report formatting that these are brought forward to the beginning of the report.
2. I notice that, with the exception of Palos Verdes Estates, no other South Bay community has submitted their Housing Element, and all are Due. I would be interested to the extent we collaborate with other cities in developing our approach.
3. The City of Los Altos has seven goals in their 23 page Housing Element document (see list below). This translates to three pages of policies. Can we reduce or conform our goals similarly?

Los Altos goals:

- a. Preserve natural beauty and rural/suburban atmosphere and the high quality of residential neighborhoods.
 - b. Attract families with children
 - c. Maintain and enhance the existing variety of housing opportunities.
 - d. Maintain and enhance the existing pleasant, attractive, moderate density multifamily zoning districts.
 - e. Make housing available without regard to race, ethnicity, religion, gender or disability.
 - f. Increase senior housing opportunities.
 - g. Maximize energy efficiency.
4. To what extent is our goal of preserving a family-friendly, small-town atmosphere relevant to goals? To what extent do we have a preservation interest in keeping our voting mix stable--arguably, building more senior housing would put more voter stress on family/school facility or program funding.
 5. It must be stressed that fair housing laws generally prevent cities from restricting housing to only those folks working or already living in the city. Thus, a lot of what we build will likely enlarge our population, not necessarily help those already resident.
 6. A large part of the problems with the Housing Element is that the elements and the RHNA appears developed for larger population communities, communities with a greater welfare need, and for communities that are not adjacent and within a larger metropolitan area. Even the SCAG's RHNA is short on discussion of communities such as M.B., and are directed more to Torrance-size communities. I would like to have some idea of the "push-back" our representatives give to the SCAG. It would be nice to have a representative of Representative Ted Lieu's office at the public meeting to provide perspective.
 7. I find the document itself to be a bit ponderous, overwritten, and with little attention to assisting the reader with understanding the document, including addition of seemingly nonessential information and excessive verbiage. It would have helped to have a redline version of the prior document. I would suggest placing a lot of the raw

- statistical references in the back as an Appendix instead of incorporating into the narrative.
8. California HCD provides a Housing Element Review Worksheet. It would be helpful to have a completed worksheet available and cross-referenced to our Element.
 9. I believe our community would benefit from a discussion of other strategies employed by other cities such as in-lieu fees, zero loss/no-net-loss policies, and housing assistance for city employees, cottage configurations, if only to exclude them as being unlikely to produce material benefit.
 10. There needs to be more elaboration on the second unit requirement. Of particular interest is that El Segundo's Mayor, Kelly McDowell, as spokesperson for the Independent Cities Association (of which M.B. is a member), publicly applauded Gov. Schwarzenegger's recent veto of a more strict second unit housing law. This brings up two questions: (1) what would have been the affect of this law on Manhattan Beach given a good possibility the next governor will not veto similar legislation, and (2) how is El Segundo phrasing their second unit responsibilities.
 11. Page 49. It is inappropriate to suggest that downtown residences should not provide their own parking, but could use street parking instead.
 12. Where in our Element is the "review of the actual results of the previous element's goals, objectives, policies and programs." Where is the "description of how the goals, objectives, policies and programs of the updated element incorporate what has been learned from the results of the previous element."? Is this on page 63? If so, seems rather brief.

Remarks on the Staff Report

1. Inaccurately summarized Govt. Code Sec. 65581(c). The staff report currently reads the objective intent of the legislation is "to assist each locality in determining what is required to enable the community to meet existing housing need and future housing demand."

The related intent actually reads: "to recognize that each locality is best capable of determining what efforts are required by it to contribute to the attainment of the state housing goal, provided such determination is compatible with the state housing goal." This section is correctly reflected in the actual draft element.

2. The staff report itemizes four components of the Housing Element (by including a housing needs assessment in with assessment of housing characteristics), where the Department of Housing and Community Developments Housing Element Law summary lists five (be separately listing the housing needs assessment). There is no reason the wording of each component cannot or should not be consistent. In addition, it would assist in the evaluation to have the draft report neatly organized and indexed around these four(five) components.

Remarks on the Draft Housing Element Document

1. For readability, it would be nice to have the Element section summaries that are currently in the Staff Report to be on the Element's Index page.
2. Page 1. Misquote of Govt. Code Sec. 65580(a) in the introduction. Needs to include the words "including farm workers." A quote is a quote. You could use the "...." to omit these words, if preferred.
3. Page 1. Paragraph starting "a housing element must contain" for readability and consistency should conform to the similar section in the Staff Report.
4. Page 2 and 5. The description of the Tree Section needs changed from east of Bell/Blanche and northwest of Valley Drive to East of Grandview Avenue. This area is more Trees than Beach, and should be recognized as compatible with single family (Trees), not multi-family (Beach).
5. Page 4 et seq. Do not reference census tract numbers as these are meaningless to a layman. Consider including corresponding physical location names and aggregating the tracts into the proper groups in displays (see, e.g., Tables 1 and 3, with Table 3 requiring the reader to do the addition to get an idea of the growth by Planning Area.
6. City population figures on page 7 (Table 2) need rationalized to page 26 (Table 30). Each Table would be better labeled in the heading what the source is (instead of below the table) since the source drives the figures. Also, on page 26, it states "SCAG's forecasting for small, incremental growth is consistent with growth that has occurred in the City in recent decades." This is not true, for in Table 2 it shows a decline from 1970 to 1980. If "recent decades" means the 1980s and 1990s, then that should be stated.
7. Notwithstanding 5, above, the population projections of Table 26 (sans new housing projects) needs reconciled to the fact that Manhattan Beach has had higher populations than now, but never as high as projected.
8. P. 26 et seq. The sections stop being headed with the section title after "City Profile." These headings are helpful to understand what section one is in.
9. P. 27. The report would benefit with more elaboration of the RNHA, as this is a driver. Could be placed in an Appendix, with reference.
10. P. 35. Need to specifically identify the number of specific additional infill units that could be accommodated on existing residentially designated sites instead of relying on the difference between an estimate (Dept. of Finance) applied against an estimate (the Land Use Element Estimate at Table LU-4).

11. P. 35, P. 62 and Table LU-4. It appears that either element is double-counting the number of additional units that can be provided through commercial area conversion. This number seems to be reflected in the table on page 65 as both a component of the infill estimates and the amount specifically identified to commercial areas. If it is not double-counted, then there needs to be a better explanation to separate the assumptions of each, and then to rationalize whether it is practical to consider 640 additional units in our commercial areas. In addition, Table LU-4 of the Land Use Element should be incorporated by more than just reference; there is no reason it should not be reproduced in the Housing Element in its entirety.
12. Page 36, reference "underdeveloped parcels in the beach area between 23rd Street and 35th street can accommodate 34 dwelling units." Need to be specific as to locations (maps and parcels), and why these boundaries were selected. Also need to identify the "multifamily areas along MBB and near Meadow School" that could accommodate 22 dwelling units.
13. P. 36. Why are the country club and adjacent buildings (including the Marriott) not included in the parcels available to accommodate additional units, while the Parkview/Village Drive parking lot is? At the least the reason this land is unavailable for housing should be distinguished.
14. P. 36. Need to tighten-up the sentences in the first paragraph referencing the parcels in the downtown commercial area.
15. P. 42. Height limit restrictions. Is providing a height restriction allowance an opportunity addressed somewhere in the report?
16. P. 46. Need a discussion about preservation of subdivided lots/lot mergers. I once asserted that our Housing Element could be used as justification to prevent lot mergers, but was told by Community Services that lot mergers served other community goals. To what extent should the housing need have primacy over other goals?
17. P. 48, Program 3a. I would like to see some map of the existing vacant residential infill sites. I believe our GIS mapping system would be well suited to this.
18. P. 48, Program 3b. The report should state here and probably elsewhere the trade-offs of having residential property built in commercial areas. It has to be acknowledged that housing prices (and parking requirements) are such that it is more economically advantageous to develop a residence than a commercial building even on Highland or Rosecrans. Also, residents or landlords of housing nearby businesses begin to assert restrictions over businesses (such as preventing outdoor dining patios). Thus, community-serving businesses are prevented from development, and existing business stock is deteriorating. So in our attempt to

make more housing close to businesses for benefits of transportation, in the long term we are pushing out businesses.

19. P. 54. Other Housing Elements seem to get away with verbiage involving encouraging second units by putting in language like they "post information at City Hall." Is this type of wording/effort sufficient?

20. Page 57 under special needs of seniors (7c). I don't think that the Fire Department is the responsible agency in this regard, nor is the appropriate objective "to maintain a full-time senior service provider."

Michael Rocque

From: Richard Thompson
Sent: Tuesday, January 20, 2009 8:22 AM
To: Michael Rocque
Cc: Laurie B. Jester
Subject: FW: Housing Element

Be sure to forward these comments to our consultant.

Richard Thompson
Director of Community Development

From: David Lesser [mailto:david.lesser@verizon.net]
Sent: Friday, January 16, 2009 5:17 PM
To: Richard Thompson
Subject: RE: Housing Element

Richard,

I very much appreciate your soliciting commissioners' comments in advance of our scheduled 1/29/2009 Housing Element workshop.

At the outset, I would welcome at the beginning of the workshop a clear statement on the commission's role in revising the Housing Element. Are we to devise new policies for Council, new implementations of existing policies, or both? Such a statement will help define the purpose of the workshop and narrow lines of inquiry commissioners may wish to pursue.

What follows are comments regarding the draft Housing Element presented at the 11/12/2008 commission meeting.

1. Organizational Issues.

- a. Introduction: The introductory section in the draft document could be strengthened and perhaps supplemented with an "Executive Summary" at the beginning of the document. The introductory section presently is limited to a summary of California law and provides no information specific to Manhattan Beach. Whether placed in the introduction or in a separate Executive Summary, there should be a summary of the goals, policies, and programs of the City's Housing Element program. This may also be the place to summarize how the proposed 2009 Housing Element compares with its 2004 predecessor. It is hard to know from the summary that a 2004 version of the document was ever produced. This may also be the place where there could be a more succinct statement of what the City must do to satisfy its responsibilities pursuant to section 65580, et seq. of the Government Code.
- b. Table of Contents: Page numbers should be added to the table for the main headings in the "Housing Need[s]" (sic?), "Opportunities and Constraints" and "Goals, Objectives, and Programs" sections. The additional references would help to summarize the document's content and allow a reader to find pertinent information. It is odd to have 44 separate tables listed by page number without providing references to the document's more significant content.

2. Substantive Issues.

- a. Discussion of 2004 Housing Element: Discussion in the draft document of the 2004 Housing Element could be improved. It is presently condensed to less than half a page and buried on the last page of the document. It would be helpful to move the discussion forward in the document, more fully describe the "five primary strategies" set forth in 2004, and explain how they differ (if at all) from

strategies set forth in the proposed 2009 document. It would also be helpful to more fully discuss how the 2004 strategies have been implemented. How effective have the strategies been and how could they be modified if they should be continued at all? Separately, I would welcome more discussion of challenges the City faces in implementing its Housing strategies and goals.

- b. Reasoning in Arriving at Goals, Policies and Programs: Little insight is provided to explain how the particular goals, policies and programs were arrived. What decision-making went into selecting these particular ones and excluding others? It may be too ambitious to provide extensive detail on decisions made years ago but some additional background would be helpful. Other cities include extensive discussions of how they arrived at their goals.
- c. Viable Areas for Increased Housing: If appropriate, it would be helpful to have a further discussion of specific geographic areas within the City where increased housing could be provided. For example, the document would be strengthened by adding a discussion of housing that could be built adjacent to the Manhattan Villas senior community located due east of the Manhattan Beach Mall. The discussion could be focused on increasing housing in general or on increasing housing for a specific demographic group such as seniors.
- d. Parking Requirements: Commissioner Fasola observed during the 11/12/2008 hearing that parking requirements have a direct bearing on meeting our Housing goals and should be more fully discussed in the document.
- e. Additional Tools: Should the City be considering any additional tools to effectuate its goals?

Unfortunately, I am out of time. But I thank you for soliciting our comments and look forward to the workshop.

David J. Lesser
david.lesser@verizon.net

From: Richard Thompson [mailto:rthompson@citymb.info]
Sent: Thursday, January 15, 2009 8:40 AM
To: David Lesser; Jim Fasola; paralusz@hotmail.com; Seville-Jones, Sandra; Wayne Powell
Cc: Michael Rocque; Laurie B. Jester
Subject: Housing Element

As you know we have scheduled a Housing Element workshop for January 29th at 6:30 in the Police Fire conference room. Staff is preparing a staff report for that meeting and would like to make sure we address all of your concerns and questions. Please provide any comments regarding the Housing Element by Friday. Thank you

Richard Thompson
Director of Community Development

Michael Rocque

From: Richard Thompson
Sent: Thursday, January 15, 2009 9:40 AM
To: Michael Rocque
Cc: Laurie B. Jester
Subject: FW: Housing Element

Richard Thompson
Director of Community Development

From: Jim Fasola [mailto:jim@fasolaarchitects.com]
Sent: Thursday, January 15, 2009 8:59 AM
To: Richard Thompson
Subject: Re: Housing Element

Hi Richard-
That was quick- here's one of your 50 emails...
The main thing I want to explore is creating opportunities to construct smaller houses or condominiums, especially in the sand section. Currently, the zoning code promotes 4,000 to 5,000 sf homes and 2,000 to 2,200 sf condos. I think it would be great to encourage more, smaller units, perhaps as small as 600 to 900 sf. We would need to look at how open space and parking requirements currently work against these smaller units.
Thanks-
Jim Fasola

-----Original Message-----

From: Richard Thompson [mailto:rthompson@citymb.info]
Sent: Thursday, January 15, 2009 11:39 AM
To: 'David Lesser', 'Jim Fasola', paralusz@hotmail.com, 'Seville-Jones, Sandra', 'Wayne Powell'
Cc: 'Michael Rocque', 'Laurie B. Jester'
Subject: Housing Element

As you know we have scheduled a Housing Element workshop for January 29th at 6:30 in the Police Fire conference room. Staff is preparing a staff report for that meeting and would like to make sure we address all of your concerns and questions. Please provide any comments regarding the Housing Element by Friday. Thank you

Richard Thompson
Director of Community Development

Michael Rocque

From: Richard Thompson
Sent: Thursday, November 20, 2008 4:17 PM
To: Michael Rocque
Cc: Laurie B. Jester
Subject: FW: Housing Element WS
Attachments: Housing Element 11-08.doc

Mike-
Keep this in the file in case we want to use it..

Richard Thompson
Director of Community Development

From: Paul Gross [mailto:pjgross@msn.com]
Sent: Thursday, November 13, 2008 1:40 PM
To: Richard Thompson
Subject: Housing Element WS

Richard,

I watched most of the housing element discussion at the Planning meeting last night and continue to admire your patience. I only started to understand what was going on when the public comments stopped talking in politically correct code and informed me of the real world. Then you started elaborating about the state wide process etc so I started to understanding what a waste of scarce resources this is. thank you for that!

I do like the idea of some public body (maybe MB) starting to push back to the state on this, especially when all government resources are going to be stretched very thin in the next few years. For that to happen the Council would have to run with the ball. For that to happen the public would have to become aroused on this wasted effort. An opportunity to do this will be the public workshop that you all agreed is going to happen.

Attached is a very rough draft of a simple public notice that would probably get an aroused turnout for the workshop. I don't pretend that the details of what I've written are all accurate but it maybe conveys the kind of information and a format for presenting it in a public announcement. I'll certainly try to attend the meeting.

Paul

Public Notice Ideas For Housing Element Workshop

Paul Gross 11/13/08

In order to obtain adequate public participation in the above workshop it is necessary to let the public know what is at stake and how it will affect them. Below are some topics that will probably get their attention and participation.

Suggested statements and topics for Housing Element Workshop

STATE LAW requires a 5 year plan for enough low and ultra low income housing in Manhattan Beach. We are preparing this mandatory plan now.

865 NEW housing units for low and ultra low income people over and above our existing housing stock have been requested by the state.

POPULATION of MB will increase significantly for the first time in decades.

ALTERNATIVES to be considered to implement this request include:

- Use existing parking sites for low cost housing – downtown, mall area, North MB, other
- Use existing business sites for low cost housing – downtown area, mall area, North MB, Sepulveda and Rosecrans corridors, other
- Use existing park areas for low cost housing
- Use surplus public property for low cost housing including school sites
- Relax setback, height, zoning and parking requirements in existing residential areas to allow higher density for low cost condo or rental units
- Other ideas from public

**CITY OF
MANHATTAN
BEACH**

**HOUSING
ELEMENT**

**DRAFT
PLANNING COMMISSION
APRIL 8, 2009**

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HOUSING ELEMENT SUMMARY

The housing element is one of seven state mandated elements that must be included in a local general plan. A housing element must contain:

- A discussion of population and employment trends, household characteristics, housing stock characteristics;
- An assessment of existing housing needs including special needs for handicapped, elderly, large families, farmworkers, families with female heads of household, and the homeless;
- An inventory of resources and constraints which would affect meeting those needs; and
- A statement of community goals, policies, and quantified objectives designed to help maintain, preserve, improve, and develop housing.

CITY PROFILE

The existing profile and characteristics of the City are described in pages 6-31 and are summarized as follows.

At the time of the 2000 Federal Census, the City of Manhattan Beach had a population of 33,852, little changed from the population of 33,934 recorded by the 1960 Federal Census. This is reflective of the built out nature of the City. Approximately one fifth of the population is 55 years of age or older, with half of those 65 or older.

Approximately two thirds of all housing stock in the City consists of single family homes, with 10,191 single family detached homes out of the City's total of 15,094 dwelling units. In a similar ratio, approximately 65 percent of housing in the City is owner occupied.

Vacancy rates are low, and housing costs are higher than for the region in general, with median rent in the City being approximately twice that of Los Angeles County as a whole. A household is considered to be overpaying for housing if housing costs exceed thirty percent of household income. Low income and elderly renters have the greatest problem with overpayment for housing in the City.

Housing stock is generally in good condition. Few units are overcrowded.

HOUSING NEED

The Southern California Association of Governments (SCAG) has assessed housing need for each community in the region through their Regional Housing Needs Assessment (RHNA). The assigned housing need for Manhattan Beach is 895 units, assigned to different economic segments of the community and is fully explained in pages 34-37 and summarized as follows:

Income Group	Income Level	Units Needed
Very Low Income	< 50% of median	236
Low Income	50% to <80% of median	149
Moderate Income	80% to <120% of median	160
Upper Income	≥120% of median	350
TOTAL		895

Source: SCAG RHNA, 2007

The largest special needs groups in the City of Manhattan Beach are the elderly and the disabled. The 2000 U.S. Census reports that there are 5,642 households in the City of Manhattan Beach which include at least one handicapped individual. The 2000 Census also indicates that there were 3,526 persons, or 10.4% of the City's total population over 65 years of age at the time of the Census. Many of these households overlap.

In January 2007, the Los Angeles Homeless Services Authority (LAHSA) conducted a count of homeless individuals at homeless shelters and drop in centers as well as on streets, at parks, and other areas believed to be utilized by the homeless. The survey reported that 87 homeless individuals would live in Manhattan Beach on a given night

OPPORTUNITIES AND CONSTRAINTS

The opportunities and constraints for additional housing are further discussed in pages 44-52 and are summarized below. Perhaps the greatest constraint to the provision of additional housing in the City of Manhattan Beach is the availability of land. The City is nearly built out, and allowable housing densities exceed fifty units per acre in some areas.

The City has sought to maximize services and opportunities for under served groups through an exchange of Community Development Block Grant (CDBG) Funds for unrestricted funds. This allows one hundred percent of the funds to be granted to local social service providers. The City participates with the Los Angeles Community Development Commission which administers the Section 8 rental assistance program, and first time homebuyer program.

Local programs to encourage additional housing include:

- Affordable housing incentive program
- Mixed use development ordinance
- Condominium conversion program
- Mansionization ordinance

GOALS, POLICIES, AND PROGRAMS

The primary goals of this element are to:

- **Preserve existing neighborhoods** by preserving the scale of development in existing residential neighborhoods and preserving existing dwellings.
- **Provide a variety of housing opportunities for all segments of the community**, by providing sites for new housing, preserving existing affordable housing stock, encouraging development of additional low and moderate income housing, encouraging measures to increase ability to afford existing housing stock and promoting housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, or color and for special needs groups.
- **Provide a safe and healthy living environment for City residents**, by eliminating potentially unsafe or unhealthy conditions in existing development, and preventing the establishment of potentially unhealthful conditions in new development.
- **Encourage the conservation of energy in housing** by encouraging use of alternate energy, reducing energy loss due to inferior construction/development techniques, and encouraging reduction in energy consumption for commuting to work and other activities.

These goals will be implemented by the following programs. The Goals and Policies, as well as the Programs to implement them, are discussed in detail in pages 55-74.

Program 1a. Continue to enforce provisions of the Zoning Code which specify District Development Regulations for height, lot coverage, setbacks, open space, and parking.

Section 10.12.030 has established standards to avoid "mansionization", including increased setback and open space requirements for new single family residences. Properties in the Medium and High Density Residential zones which are developed with three or more units are generally exempt from the stricter requirements, in order to encourage development of multi-family development.

These provisions act to discourage dwellings that are out of scale with the surrounding neighborhood. The large dwellings are also more costly, and lead to increased pressure to demolish modest dwellings in favor of lavish structures affordable only to the most affluent.

Program 1b. Continue to apply the Design Overlay as provided under Section 10.44 of the Municipal Code, as appropriate.

This section provides a mechanism for establishing specific development standards and review procedures for certain areas of the City with unique needs, consistent with General Plan policies, taking into consideration the unique nature of a given neighborhood.

Program 1c. Refrain from approval of lot mergers which would result in a reduction in the number of residences allowed.

Many homes have been constructed on double lots. The City has permitted the underlying subdivision to remain, in order that separate homes may potentially be built on each of the underlying lots. In addition, the maximum lot standards noted above would prevent consolidation of very large lots. This will preserve opportunities for future housing units that would otherwise be lost if lots were consolidated.

Program 2a. Allow non-conforming dwellings to remain and improve.

The development process for improvements to smaller non-conforming residential structures has been streamlined. The non-conforming dwellings to be preserved tend to be smaller and less costly than newer housing in the community. The preservation and improvement of these units will maintain the pool of smaller units which might otherwise be demolished to make way for larger, more costly housing.

Program 2b. Consider utilizing Community Development Block Grant funds or exchange funds for home improvement loans for low income residents, consistent with income limits provided for such funding, and pursue additional sources of funding for City programs.

Program 3a. Continue to allow infill in residential areas.

Development of existing vacant residential infill sites would result in the production of dwelling units on small sites scattered throughout the City.

Program 3b. Permit and facilitate the establishment of residential uses in certain commercial districts.

Provision of housing in mixed use areas is a long-time City housing policy. A use permit is currently required for development of residences in most commercial areas. Residential uses in the Downtown area and along Manhattan Beach Boulevard may enhance those areas. It is suggested that the City allow residential uses by right with specific criteria, subject to Planning Director review to assure that all standards are met.

Program 3c. Continue to provide for a mixture of uses in the Manhattan Village area.

The Manhattan Village area contains a mix of hotel, office, research and development, retail, recreation and residential uses, including senior housing. The existing parking lot at Parkview Avenue and Village Drive could accommodate up to twenty five (25) additional residential housing similar to the existing senior project.

Program 3d. Revise development standards for residential uses in the CD and CNE District.

Rather than limit residential units to a certain number of units per lot, the City could revise existing ordinances so that the specific maximum number of units per lot would not be limited, so long as the otherwise maximum physical dimensions of the allowable building envelope are not exceeded in mixed use commercial/residential developments. Greater numbers of smaller units could result, with likely occupants being young people and seniors wanting easy access to commercial uses, particularly seniors who no longer feel comfortable driving. In order to facilitate development of residential uses, residential and commercial uses should be treated equally for parking purposes.

Program 4. Regulate the conversion of rental stock to condominiums.

Section 10.88.080 of the Municipal Code requires that potential displacement of existing tenants be taken into consideration when evaluating requests for conversion of existing rental units to condominiums. Tenants must be given first right of refusal to purchase at discounted prices, and tenants who do not wish to purchase must be provided relocation assistance. Elderly and handicapped tenants must be provided life leases, with no rent increases for at least two years, and low and moderate income tenants and families must be given at least one year to relocate.

Program 5a. Provide incentives for housing affordable to low income households and senior housing.

Section 10.52.090 of the Municipal Code provides for density bonus or other incentives when low income housing is provided. The housing must remain affordable for at least thirty years. Development standards may be modified where affordable housing is provided. Developers who volunteer to make a portion of the housing development affordable by persons of lower income receive financial incentives, expanding housing opportunities for lower-income persons throughout the City. Developments meeting the above requirements may be granted an incentive of financial value equivalent to a 25% density bonus and a regulatory concession or incentive, subject to the approval of the City Council following a public hearing.

Program 5b. Streamline the development process to the extent feasible.

The City currently allows and encourages concurrent processing of all discretionary applications for a project, thereby streamlining the development process. Many routine applications may be processed as minor exceptions instead of the longer and more difficult variance process.

Program 5c. Allow the establishment of manufactured housing on single family residential lots.

In accordance with Section 10.52.100 of the Municipal Code, manufactured housing is permitted on single family lots not occupied by another dwelling.

Program 5d. Work with the private sector to facilitate the provision of low and moderate priced housing.

The City has worked with the private sector to produce two residential projects available to low and moderate income households. The City approved a use permit for the Manhattan Terrace senior citizen project occupied in 1991. This forty eight unit project contains 540 square foot units with rents at affordable levels.

A 104-unit seniors project was completed at Manhattan Village on Parkview Avenue in 1997. This project provides housing affordable to very low and moderate income households along with market rate housing. The City processed a zoning amendment and reoriented a City recreation facility to facilitate development of the project.

Program 5e. Allow second units in single family areas.

Section 65852.2 of the California Government Code provides for the establishment of second units in areas zoned for single family, as a means of increasing housing stock. The City does not currently have a local ordinance regarding second family units, though second family units may still be established consistent with State law. The City may wish to reconsider developing its own second family unit program, both to facilitate provision of second family units and to establish standards suited to the City's unique neighborhoods.

Program 6a. Continue to participate in Los Angeles County Housing Authority, and publicize availability of Section 8 rental assistance for households in the City.

Section 8 rental assistance is administered locally by the Los Angeles Community Development Commission (CDC) operating as the Housing Authority of the County of Los Angeles. Low income households are provided the differential between the rental rate of a unit and what they can afford. Based on Census data and advertised rents, there are units within the City which fall within the permissible rental range.

Program 6b. Participate in the Home Ownership Program (HOP) and American Dream Down Payment Initiative (ADDI) programs.

These first-time homebuyers programs are administered by the Los Angeles Community Development Commission and are available to prospective residents of Manhattan Beach. Although the programs place a ceiling on housing price, a few units in Manhattan Beach could qualify, based on existing home listings.

Program 6c. Encourage shared housing programs for seniors and existing one person households.

Sharing of one housing unit by two or more roommates can render housing affordable to persons who could not otherwise afford housing individually. This is also of help to seniors who may need minor assistance or even just occasional monitoring.

Program 7a. Continue to participate in area wide programs to ensure fair housing.

The City will continue to contract with Fair Housing organizations to process complaints regarding housing discrimination within the City, and to provide counseling in landlord/tenant disputes.

Program 7b. Provide for the housing needs of seniors.

The Manhattan Village Senior Villas consists of 104 senior housing apartments. As a condition of the project's approval, 20% of the units must be reserved for very low income households, 20% must be reserved for low-income households, and 40% of the units must be reserved for moderate-income households. The remainder (20%) of the units may be rented at a market-rate.

Program 7c. Provide for the special needs of seniors so that they may remain in the community.

The Senior Care Management program provides services to predominantly low-income seniors. At any given time, the Senior Services Program may assist up to 110 senior citizens, of which 70% are low-income.

Program 8a. Continue the active code enforcement program for illegal and substandard units.

The City has an active Code enforcement program which responds to complaints of substandard structures. In addition a Report of Residential Building Records is required each time a property is sold, which serves to alert all parties to unpermitted and potentially substandard construction that may exist.

Program 8b. Utilize Community Development Block Grant funds for home improvement loans for low income housing, consistent with income limits provided for such funding, and pursue additional sources of funding for City programs. This is identical to Program 2, above.

Program 9. Require that residential uses adjacent to industrial or commercial uses be adequately buffered from such uses.

The Municipal Code requires that walls and setbacks be provided between industrial and residential uses and between commercial and residential uses. As industrial uses have left the area, this is less of a problem than in the past, although such uses continue to exist in the area.

Program 10. Waive fees for installation of solar panels.

Existing height limits in Manhattan Beach ensure rooftop units would not eventually be subject to shade and shadow which would render them ineffective. In March 2008, in order to encourage use of alternate energy, the City Council voted to waive any building fees for photovoltaic panels.

Program 11a. Enforce green building techniques.

The City has adopted the California Energy Code and requires the following:

- Insulating hot water pipes to minimize energy loss
- Using caulk and insulation that are formaldehyde-free or contain low VOC (volatile organic compounds)
- Pre-plumb water piping and sensor wiring to the roof for future solar water heating
- Use duct mastic on all duct joints and seams to minimize energy loss
- Install "Energy Star" bath fans vented to the outside
- Energy efficient water fixtures

The City continues to review its codes to encourage greener building techniques.

Program 11b. Encourage water conservation.

Any measures to conserve water will also help conserve energy. The Municipal Code currently addresses landscaping, tree preservation, and tree planting, but do not address drought tolerant landscaping. These sections should be reviewed and revised to address water use as well as aesthetic factors.

City codes provide for waterless urinals. Inspection and permit fees for installation of such urinals should be waived, when they are used to replace older, water-wasting urinals.

Program 12. Provide a balance of residential and employment generating uses in the City, including mixed use projects.

Where individuals have an opportunity to live in close proximity to their work, vehicle miles traveled to and from work can be reduced, thus reducing energy consumption. This is enhanced by the provision of mixed uses in the City. In addition, commercial areas of the City are in close proximity to residential districts, increasing the potential that residents will walk to work or to shopping, dining out or other activities, or only drive a short distance.

INTRODUCTION

HOUSING ELEMENT AUTHORITY AND MANDATE

The housing element is one of seven state mandated elements that must be included in a local general plan. When adopting requirements regarding the content of Housing Elements, it was the stated intent of the California State Legislature as expressed in Section 65581 of the Government Code:

- (a) To assure that counties and cities recognize their responsibilities in contributing to the attainment of the state housing goal.
- (b) To assure that counties and cities will prepare and implement housing elements which, along with federal and state programs, will move toward attainment of the state housing goal.
- (c) To recognize that each locality is best capable of determining what efforts are required by it to contribute to the attainment of the state housing goal, provided such a determination is compatible with the state housing goal and regional housing needs.
- (d) To ensure that each local government cooperates with other local governments in order to address regional housing needs.

The state housing goal, as declared in Section 65580 (a) of the California Government Code is that:

...the early attainment of decent housing and a suitable living environment for every California family ... is a priority of the highest order.

Thus, the purpose of a local housing element is to assure that state housing goals are achieved at the local level. At the same time, local conditions are to be considered and local autonomy is to be preserved.

A housing element must contain:

- An assessment of existing housing needs, a discussion of population and employment trends (pp. 7-16, 34-35), household characteristics (pp. 17-21), housing stock characteristics (pp. 22-33) and special housing needs (pp. 37-43)
- An inventory of resources and constraints which would affect meeting those needs (pp. 44-54), and
- A statement of community goals, policies, and quantified objectives designed to help maintain, preserve, improve, and develop housing (pp. 55-74).

A housing element must also be consistent with other elements of the General Plan, such as the land use and circulation elements. To a large extent this element represents a continuation and expansion of previous policies and no conflicts are anticipated.

SUMMARY OF OBJECTIVES

Section 65583 (b) of the California Government Code requires that a housing element contain quantified objectives for the maintenance, improvement, and development of housing. Under the existing General Plan, the City has capacity on residentially designated sites for 395 dwelling units more than existed in the City at the beginning of the planning period. This does not include potential additional units in mixed use areas.

From the time of the Census to 2006, there was an estimated increase of 391 dwelling units in the City, based on a Department of Finance estimate of 15,485 dwelling units in the City as of January 1, 2006. Since then, development of net new housing has nearly come to a stop, with a net increase of only one dwelling unit from January 1, 2006 to January 1, 2008, according the Department of Finance estimates. Construction also occurred on sites where older homes were removed and replaced with new construction. However, construction of infill housing would not be anticipated to occur at the robust levels which occurred in the years preceding 2006.

Due to market factors, it is anticipated that the bulk of new, market rate units would be affordable only to high income individuals. Anticipated new units are shown in Table 1. In addition, six units would be enrolled in the Section 8 low income rental program and 4 units would be purchased by low/moderate income families through the HOP and ADDI programs. Unfortunately, the City has limited capacity to accommodate new dwellings, even though the general plan and zoning permit densities up to 53.3 dwelling units per acre in the City in the highest density residential areas in the Beach Area.

**TABLE 1
NEW UNIT AFFORDABILITY**

	Very Low	Low	Moderate	High	Total
RHNA	236 du 26.4%	149 du 16.6%	160 du 17.9%	350 du 39.1%	895 du
Infill				72 du	72 du
Redevelop double lots (refrain from mergers)			10 du	10 du	20 du
Second Family Units	12 du	18 du	6du		36 du
Incentive Units	15 du	10 du	5 du		30 du
Commercial Areas	75 du	75 du	75du	75 du	300 du
NEW UNIT TOTAL	102 du 22.3%	103 du 22.5%	86 du 18.8%	157du 34.3%	458 du
Section 8	3 du	3 du			6 du
HOP/ADDI			4 du		4 du
TOTAL NEWLY AFFORDABLE	3 du	3 du	4 du		10 du
UNITS PRESERVED					
Zoning Code (mansionization)			40 du	10 du	50 du
Preserve non- conforming dwellings			18 du	6 du	24 du
Home improvement loans (CDBG)	2 du	12 du	2 du		16 du
Regulate condo conversions	2 du	5 du	5 du		12 du
TOTAL UNITS PRESERVED	4 du	17 du	65 du	16 du	102 du

HOUSING PLAN

This element continues efforts to provide additional housing and increase housing affordability in the City of Manhattan Beach. This element builds on the Manhattan Beach Housing Element adopted in 2003, just as that element built on the element before. Primary goals of this element are to:

- Preserve existing neighborhoods by preserving the scale of development in existing residential neighborhoods and preserving existing dwellings.
- Provide a variety of housing opportunities for all segments of the community, by providing sites for new housing, preserving existing affordable housing stock, encouraging development of additional low and moderate income housing, encouraging measures to increase ability to afford existing housing stock and promoting housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, or color and for special needs groups.
- Providing a safe and healthy living environment for City residents, eliminating potentially unsafe or unhealthy conditions in existing development, preventing the establishment of potentially unhealthful conditions in new development.
- Encourage the conservation of energy in housing by encourage use of alternate energy, reducing energy loss due to inferior construction/development techniques, and encouraging reduction in energy consumption for commuting to work and other activities.

Housing programs included in this element are designed to implement these goals.

RELATIONSHIP TO PREVIOUSLY EXISTING ELEMENT

As noted above, many of the goals, policies and programs included in this element represent a continuation or expansion of programs included in previous elements.

The Manhattan Beach Housing Element adopted February 4, 2003 focused on five primary strategies for the provision of additional housing as follows:

1. Development of Vacant and Underutilized Parcels - Six vacant parcels have been developed with housing. This strategy is recommended to continue in the future (Program 3a in this element).
2. Conversion of Downtown Multiple Family Residential- A 1.77 acre area located at the 200 and 300 blocks of 10th Street and 11th Street and developed with residential use was rezoned. The new designation provides for high density residential use (RH), a change from Downtown Commercial (CD), thereby allowing preservation and expansion of residential uses in this area.
3. Encouragement of Mixed Use - This is an ongoing program that is recommended to continue (Program 3b in this element).
4. Beach Infill - This is an ongoing program that is recommended to continue (Program 3a in this element).

5. Second Family Units – This program has not yet been implemented, but is recommended for implementation in this element (Program 5e in this element).

The 2003 Element also included the following programs:

- Affordable Housing Incentive Program - This is an ongoing program that is recommended to continue (Program 5a in this element)
- Code Enforcement Program - This is an ongoing program that is recommended to continue (Program 8a in this element).
- Community Development Block Grant (fund exchange) - This program has provided resources for local social service providers, enabling those in need to remain in the community, as described in more detail on Page 44 (Opportunities and Constraints).
- Developer Consultation Program - This is an ongoing program that is recommended to continue (Programs 5b and 5d in this element).
- Energy Conservation Program - Since adoption of the 2003 Element, the City has developed a task force to develop a sustainable development program. This ongoing program is recommended to continue and expand (Programs 10, 11a, 11b, and 12 in this element).
- Environmental Review (CEQA) Program - This is an ongoing program that will continue in accordance with the requirements of the California Environmental Quality Act.
- Fair Housing Program - The City continues to work with fair housing organizations. This is an ongoing program that is recommended to continue (Program 7a in this element).
- Small Rental Unit/Second Unit Program (Multiple-family Zones) – This program was not implemented. A similar program is included in this element for commercial areas (Program 3d in this element)
- Senior Housing Program - This ongoing program led to the development of the Manhattan Senior Villas, which remain available to seniors. This program is recommended to continue (Program 7b in this element).
- Senior Services Manager Program – This is an ongoing program that is recommended to continue (Program 7c in this element).
- Zoning Conformity Program - This is an ongoing program that is recommended to continue (Programs 1a and 1b in this element).

The basic goals of the 2003 Housing Element include preservation of existing housing stock and provision of adequate sites for housing. The previously discussed mansionization ordinance and non-conforming ordinance respond to these goals.

PUBLIC REVIEW

This element was made available for public review _____. A public workshop regarding the element was held on January 29, 2009. Public hearings were held _____.

CITY PROFILE

The City of Manhattan Beach is located within the southwestern coastal portion of Los Angeles County in what is commonly referred to locally as the "South Bay" area (Figure 1). To the north is the City of El Segundo, to the east is Redondo Beach, to the south is Hermosa Beach, and on the west the Pacific Ocean. The City has a total land area of 2,017 acres (3.15 square miles).

The City is made up of several distinct neighborhoods which are grouped into "planning areas" that reflect the City's unique and varied environment (Figure 2). These planning areas are as follows:

- **Beach Area** - This area contains most of the City's multi-family rental housing. Lots in this area are small with generally less than 3,000 square feet, and parking for residents and visitors is in short supply. The General Plan calls for the maintenance and enhancement of the "Village" atmosphere within the downtown commercial district. The City's goal is to promote the preservation of the small specialty retail and service activities that serve both visitors to the beach and local residents while also encouraging mixed-used residential/commercial development.
- **Hill Section** - This area consists primarily of single-family residential development, with commercial and higher-density residential development limited to Sepulveda Boulevard and Manhattan Beach Boulevard. The City's General Plan promotes the maintenance of single-family neighborhoods. Higher-density, multiple-family residential development is directed to those parcels located on either side of Manhattan Beach Boulevard, which is already developed with a mix of commercial and multi-family residential uses.
- **East-Side/Manhattan Village** - This includes all of the City's land area located east of Sepulveda Boulevard, and a large proportion of the City's commercial and residential uses are within this area. The City's land use policy calls for the preservation of the existing character of the residential neighborhoods located in the areas. Medium-and high-density residential development is located along Manhattan Beach Boulevard, Artesia Boulevard, and in areas adjacent to Manhattan Intermediate and Meadows schools, which are designated exclusively for multiple-family residential development.

Manhattan Village includes a substantial amount of regional commercial and office development as well as a significant number of condominium units.

- **Tree Section** – This is the portion of the City located to the east of Bell Avenue and northwest of Valley Drive. The area will remain almost exclusively single-family residential under the policies contained in the General Plan. A small portion of the area adjacent to Sepulveda Boulevard is designated for commercial uses.
- **El Porto** – This area was formerly the unincorporated community of El Porto and is located north of 38th Street between the ocean and the City of El Segundo. The area is developed with a mix of residential and commercial uses. El Porto has the highest residential development intensities found in the City. The General Plan protects the mix of multi-family and commercial development presently existing in this area.

POPULATION

According to the most recent Department of Finance (DOF) estimates, the City's population was 36,505 persons as of January 1, 2008, while the number of housing units in the City totaled 15,486 units, and total households were estimated at 14,911.

The City has been divided into eight census tracts which correspond with City planning areas as follows (Figure 3):

**TABLE 2
PLANNING AREAS**

Planning Area	Census Tract
Beach Area	6203.02 and 6209.02
Hill Section	6209.01
East-side/Manhattan Village	6208 and 6204
Tree Section	6203.01 and 6203.03
El Porto	6202.01

FIGURE 1
REGIONAL MAP

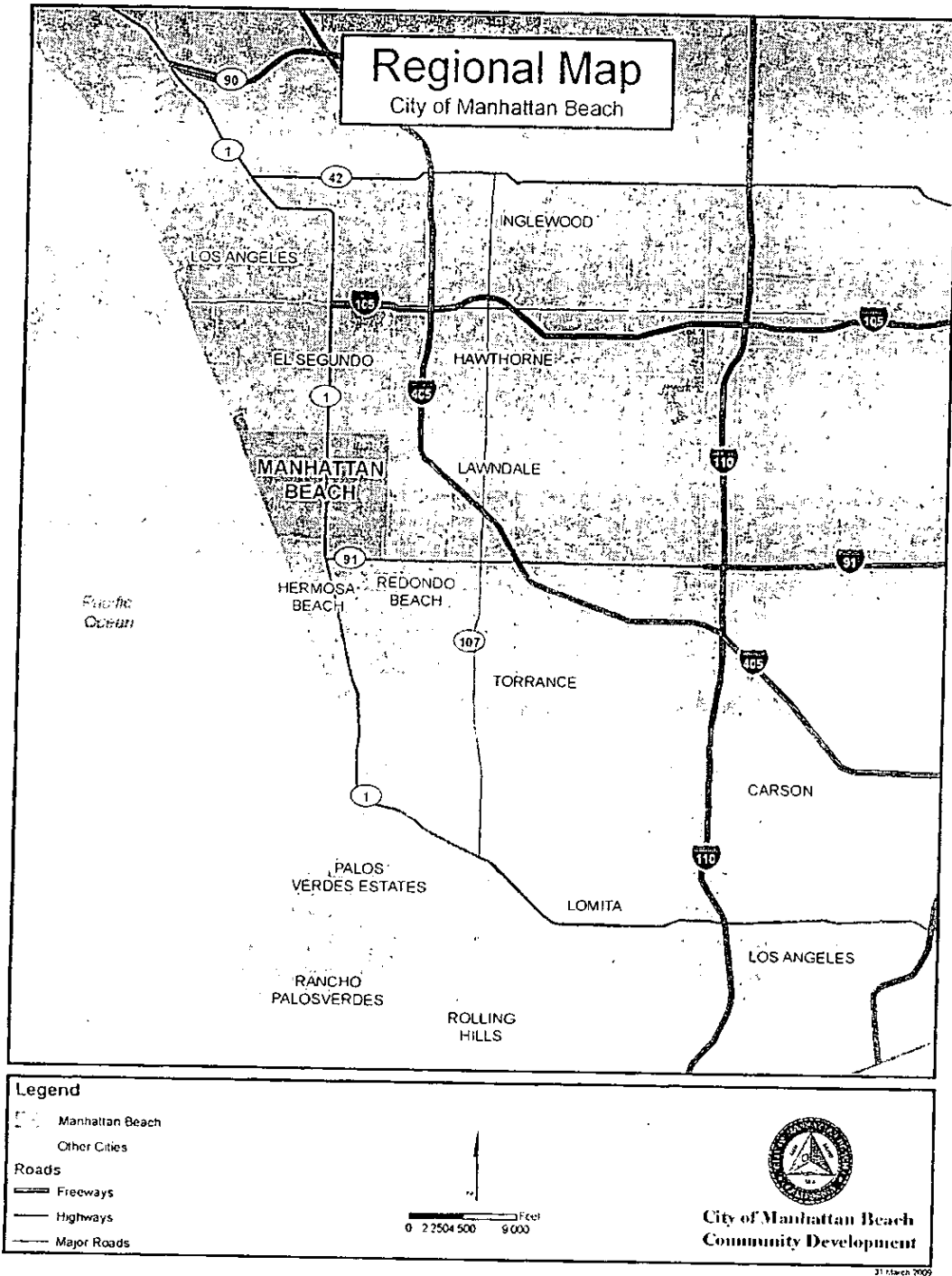


FIGURE 2
PLANNING AREAS

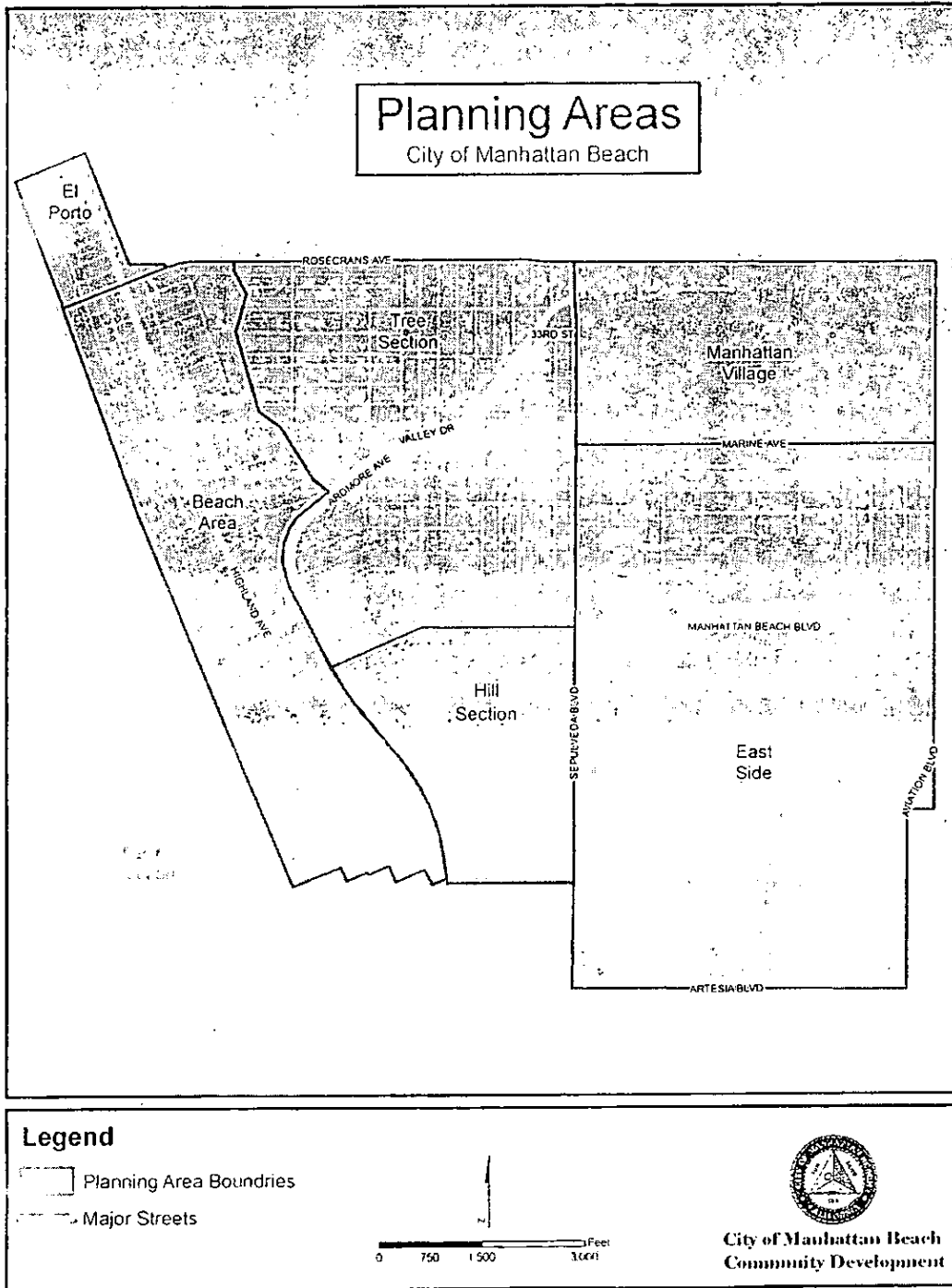
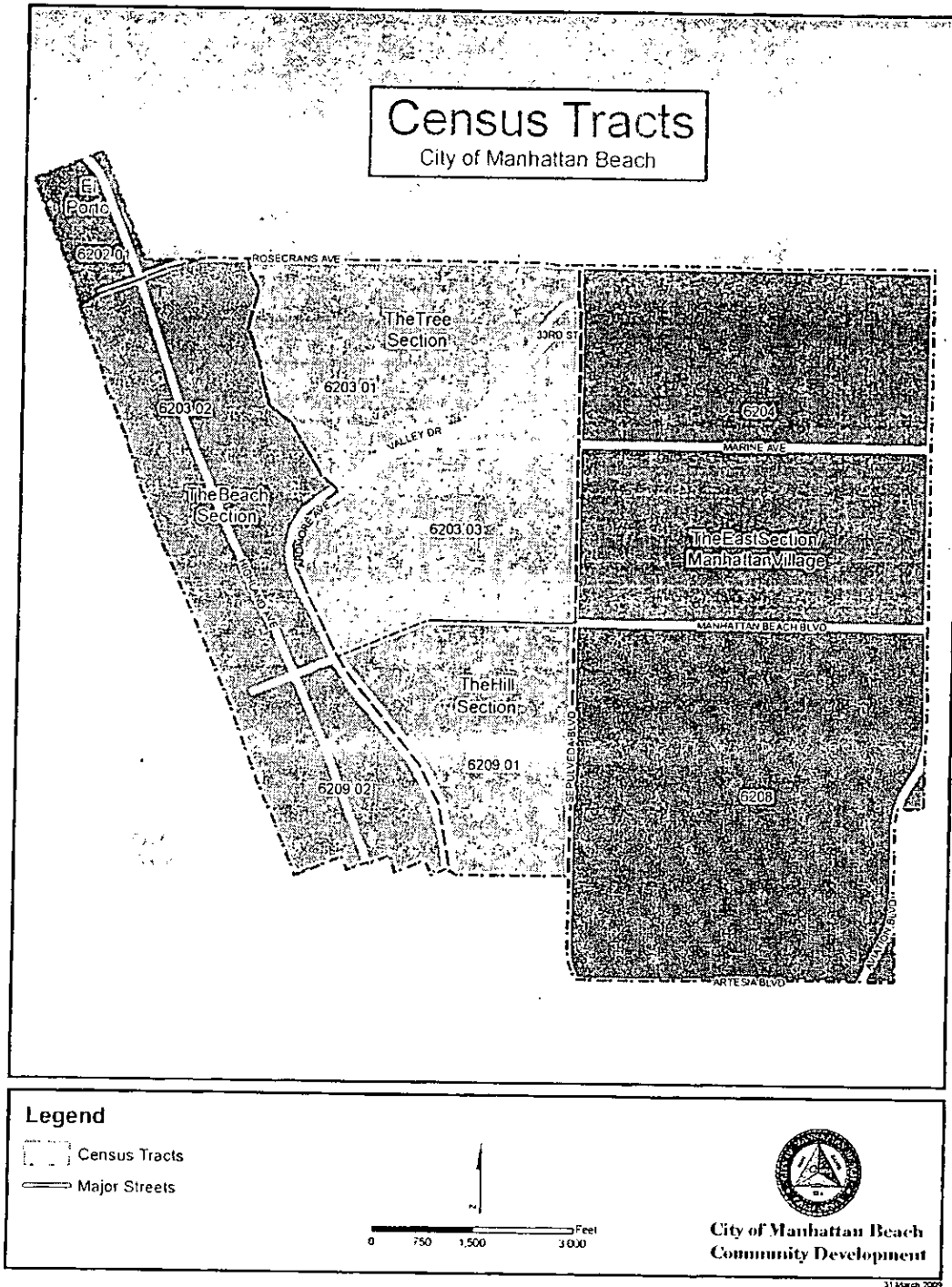


FIGURE 3
CENSUS TRACTS



Population Growth

The City of Manhattan Beach was incorporated in 1912, and grew rapidly until the 1960's (Table 2). The City experienced the most rapid growth in the 1930's 1940's and 1950's, and actually experienced a population decline in the 1970's (Table 3), dropping from 35,352 to 31,542.

**TABLE 3
POPULATION GROWTH**

	Population	Change	Percent Change
1912	600	*	*
1920	859	259	43.17%
1930	1,891	1,032	120.14%
1940	6,398	4,507	238.34%
1950	17,330	10,932	170.87%
1960	33,934	16,604	95.81%
1970	35,352	1,418	4.18%
1980	31,542	-3,810	-10.78%
1990	32,063	521	1.65%
2000	33,852	1,789	5.58%

Source: Federal Census, 1920-2000; Manhattan Beach General Plan, p. INT-5

Population in some areas of the City continues to decline, although population increased in other areas, as seen below (Table 4). The City's 2000 Census population at 33,852 represents a 5% increase from 1990, but is still less than the peak population figures for the 1970s. The greatest population decline has been experienced in the old section of the City, in Census Tracts 6203.2 and 6209.01/6209.02 adjacent to the coast.

TABLE 4
GROWTH BY CENSUS TRACT -1970 TO 2000

Tract	1980	1990	Change 1980-1990		2000	Change 1990-2000		Change 1980-2000	
			Number	Percent		Number	Percent	Number	Percent
El-Porto 6202	1,185	1,281	96	8.10%	1,548	267	20.84%	363	30.63%
Tree Section 6203.01	4,044	3,932	-112	-2.77%	4,324	392	9.97%	280	6.92%
Beach Area 6203.02	6,546	6,101	-445	-6.80%	6,022	-79	-1.29%	-524	-8.00%
Tree Section 6203.03	4,250	4,087	-163	-3.84%	4,303	216	5.29%	53	1.25%
East Side 6204	3,835	4,626	791	20.63%	5,022	396	8.56%	1,187	30.95%
East Side 6208	7,074	6,763	-311	-4.40%	7,271	508	7.51%	197	2.78%
Hill Section 6209.01	2,651	2,385	-266	-10.03%	2,483	98	4.11%	-168	-6.34%
Beach Area 6209.02	3,142	2,885	-257	-8.18%	2,879	-6	-0.21%	-263	-8.37%
City Total	32,727	32,060	-667	-2.04%	33,852	1,792	5.59%	1,125	3.44%

Source: Federal Census

TABLE 5
POPULATION TRENDS BY PLANNING AREA - 1980 TO 2000

Planning Area	Population		Change 1980-2000	
	1980	2000	Change	Percent
Beach Section	9,688	8,901	-787	-8.12%
Hill Section	2,651	2,483	-168	-6.34%
East Side/Manhattan Village	10,909	12,293	1,384	12.69%
Tree Section	8,294	8,627	333	4.01%
El Porto	1,185	1,548	363	30.63%
Total	32,727	33,852	1,125	3.44%

Source: Federal Census

Overall growth is similar to trends in other nearby communities.

TABLE 6
POPULATION GROWTH - 1970-2000

Area	1970	1990	Change 1970-1990		2000	Change 1990-2000	
			Number	Percent		Number	Percent
Manhattan Beach	35,352	32,063	-3,289	-9.30%	33,852	1,789	5.58%
El Segundo	15,620	15,223	-397	-2.54%	16,033	810	5.32%
Hermosa Beach	17,412	18,219	807	4.63%	18,566	347	1.90%
Redondo Beach	57,415	60,167	2,752	4.79%	63,261	3,094	5.14%
Beach cities total	125,799	125,672	-127	-0.10%	131,712	6,040	4.81%
L.A. County	7,041,980	8,863,164	1,821,184	25.86%	9,519,338	656,174	7.40%

Source: Federal Decennial Census, dates shown

Opportunities for growth have been limited by available land in these older, stable communities.

Age

Between 1970 and 1990 the number and proportion of school age children in the City of Manhattan Beach declined significantly, from 25.30 percent of the population in 1970 to only 11.51 percent of the population in 1990 (Table 7). In recent years the trend has reversed with an increase in the number of pre-school age children to nearly 1980 levels. However, the proportion of young adults continues to decline, while the number of seniors continues to grow.

TABLE 7
AGE PROFILE

Age	1970		1980		1990		2000	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
0-4	2,405	6.80%	1,424	4.34%	1,825	5.69%	2,197	6.49%
5-18	8,944	25.30%	6,189	18.85%	3,689	11.51%	5,680	16.78%
19-24	3,391	9.59%	2,922	8.90%	2,380	7.42%	1,052	3.11%
25-54	16,600	46.96%	17,450	53.16%	18,528	57.79%	18,135	53.57%
55-59	1,435	4.06%	1,682	5.12%	1,513	4.72%	1,963	5.80%
60-64	903	2.55%	1,219	3.71%	1,369	4.27%	1,299	3.84%
65+	1,674	4.74%	1,941	5.91%	2,759	8.60%	3,526	10.42%

Source: Federal Census, years shown

Ethnicity

The population of Manhattan Beach is predominantly non-minority white (Table 8). This varies only slightly from area to area. Census Tracts 6204 and 6208, easterly of Sepulveda Boulevard have a slightly higher concentration of minorities than the rest of the City, although still predominantly non-minority white. These two tracts have a significantly greater percentage of individuals of Asian extraction than other areas of the City. The two tracts also have a somewhat higher proportion of Hispanics.

TABLE 8
RACE BY CENSUS TRACT

Tract	Total	White		Black		Amerind/ Eskimo		Asian or Pacific Islander		Other		Hispanic	
		#	%	#	%	#	%	#	%	#	%	#	%
El Porto 6202.01	1,548	1,410	91.1	6	0.39	4	0.26	71	4.59	36	2.33	91	5.88
Tree Section 6203.01	4,324	3,961	91.6	19	0.44	3	0.07	178	4.12	38	0.88	212	4.9
Beach Area 6203.02	6,022	5,609	93.1	27	0.45	11	0.18	198	3.29	63	1.05	263	4.37
Tree Section 6203.03	4,303	3,900	90.6	15	0.35	3	0.07	211	4.9	66	1.53	210	4.88
East Side 6204	5,022	4,253	84.7	48	0.96	18	0.36	441	8.78	75	1.49	319	6.35
East Side 6208	7,271	6,033	83	59	0.81	23	0.32	761	10.47	191	2.63	424	5.83
Hill Section 6209.01	2,483	2,269	91.4	22	0.89	7	0.28	100	4.03	21	0.85	106	4.27
Beach Area 6209.02	2,879	2,689	93.4	12	0.42	1	0.03	83	2.88	21	0.73	125	4.34
City Total	33,852	30,124	89	208	0.61	70	0.21	2,043	6.04	501	1.48	1,756	5.19

Source: 2000 Federal Census

The ethnic makeup of the City of Manhattan Beach is typical of that of nearby beach communities (Table 9).

**TABLE 9
PERCENT RACE BY CITY**

City	Total Population	White	Black	AmerInd/ Eskimo	Asian or Pacific Islander	Other	Hispanic
Manhattan Beach	33,852	89	0.6	0.2	6	1.3	5.2
El Segundo	16,033	83.6	1.2	0.5	6.4	3.8	11
Hermosa Beach	18,566	89.6	0.8	0.4	4.4	1.9	6.7
Redondo Beach	63,261	78.6	2.5	0.5	9.1	4.8	13.5
Beach cities total	131,712	85.2	1.3	0.4	6.5	3	9.1
L.A. County	9,519,338	48.7	9.8	0.8	11.9	23.8	44.6

Source: 2000 Federal Census

HOUSEHOLD CHARACTERISTICS

A household consists of the full-time occupants of a housing unit. A household may consist of one individual, a family or a number of unrelated individuals. Family households consist of two or more individuals related by blood, marriage, or adoption, and do not include one person households or households comprised of unrelated individuals.

Household Size and Type

Household size declined markedly between 1970 and 1980 and has only increased slightly since that time. This is consistent with the decrease in numbers of school age children and young adults noted above.

**TABLE 10
HOUSEHOLD SIZE**

	1970	1980	1990	2000
Population	35,352	31,542	32,063	33,852
Dwelling Units	13,107	14,511	14,695	15,094
Persons per Unit	2.7	2.17	2.18	2.24
Households	12,769	13,901	13,992	14,474
Persons per Household	2.77	2.27	2.29	2.34

Source: U.S. Census, dates shown

Household size is smallest in the areas nearest the ocean, in Census Tracts 6202.01, 6203.2, and 6209.02. In these areas, household size tends to be two or fewer people. Inland tracts tend to have somewhat larger households, averaging about two and a half persons per household. In addition, owner occupied units tend to have a larger household size than renter occupied units.

**TABLE 11
PERSONS PER OCCUPIED HOUSING UNIT BY TENURE BY CENSUS TRACT**

	6202.01	6203	6203.02	6203.03	6204	6208	6209	6209.02	City Average
Owner Occupied	1.79	2.74	2.18	2.70	2.53	2.92	2.72	2.39	2.60
Renter Occupied	1.54	2.29	1.72	1.99	2.14	2.07	2.05	1.73	1.85

Source: 2000 Census Data

The proportion of households comprised of families continued to drop in the last decade, from 59 percent of all households in 1980 and 67.3 percent in 1970 down to 56.9 percent of all households in 1990, rising slightly to 58 percent of households in 2000 (Table 12). Meanwhile, the proportion of single person households rose slightly from 27.2 percent in 1970 to 29.3 percent in 2000.

The proportion of households comprised of families is lowest in the beach areas, particularly in Census Tract 6202.01 (El Porto). The proportion of single person households and households comprised of unrelated individuals is accordingly higher in these areas (Table 12). The largest proportion of family households is in the southeast sector of the City, in Census Tract 6208.

TABLE 12
HOUSEHOLD TYPE

Census Tract	Percent Families	Percent Single	Percent Nonfamily
El Porto 6202.01	20.7	51.5	27.8
Tree Section 6203.01	72.2	20.5	7.3
Beach Area 6203.02	38.4	40.9	20.7
Tree Section 6203.03	69.1	21.1	9.9
East Side 6204	67.1	26.3	6.7
East Side 6208	72.1	20.4	7.5
Hill Section 6209.01	69.5	20.3	10.2
Beach Area 6209.02	49.1	36.4	14.5
TOTAL CITY	58	29.3	12.7

Source: 2000 Federal Census

Housing Tenure

In 2000, 35.06% of all households in the City consisted of renter households. This is a slight decrease from 1980, when 37.48 % of households were renter households, continuing an ongoing trend toward greater home-ownership since 1980, when 40.90 of households were renter households (Table 13). Owner-occupied units accounted for the clear majority of housing units in most areas of the City, except in two coastal area census tracts, C.T. 6202.01 (El Porto) and C.T. 6203.02 (northerly beach area). The coastal areas contain a larger proportion of duplexes and multi-family housing compared to the other areas of the City. In Tract 6909.02, located in the southwest portion of the City, owner-occupied units constitute only a slight majority. This is consistent with the larger proportion of duplexes and multi-family housing in the beach areas.

**TABLE 13
HOUSING TENANCY**

Census Tract	Owner occupied		Renter Occupied	
	Units	Percent	Units	Percent
El Porto 6202.01	249	25.83%	715	74.17%
Tree Section 6203.01	1,362	84.02%	259	15.98%
Beach Area 6203.02	1,403	44.85%	1,725	55.15%
Tree Section 6203.03	1,334	79.22%	350	20.78%
East Side 6204	1,523	73.68%	544	26.32%
East Side 6208	2,011	75.09%	667	24.91%
Hill Section 6209.01	771	80.31%	189	19.69%
Beach Area 6209.02	767	55.90%	605	44.10%
TOTAL, 2000*	9,440	64.94%	5,096	35.06%
TOTAL, 1990	8,748	62.52%	5,244	37.48%
TOTAL, 1980	8,193	59.10%	5,669	40.90%

* Total for City as reported by Federal Census does not reflect total of all census tracts combined

Source: Federal Decennial Census, years shown

Manhattan Beach had a significantly higher proportion of owner-occupied units than surrounding cities and than Los Angeles County as a whole (Table 14). In fact, Manhattan Beach was the only city in the area with less than half of all housing to be renter occupied.

TABLE 14
TENANCY BY CITY

	Owner Occupied		Renter Occupied	
	Units	Percent	Units	Percent
Manhattan Beach	9,440	64.94%	5,096	35.06%
El Segundo	2,945	41.88%	4,087	58.12%
Hermosa Beach	4,033	42.71%	5,409	57.29%
Redondo Beach	14,147	49.52%	14,419	50.48%
TOTAL	30,565	51.30%	29,011	48.70%
L.A. County	1,499,744	47.72%	1,643,030	52.28%

Source: 2000 Federal Census

Income

The 2000 Federal census reported a median income of \$100,750 for the City of Manhattan Beach, well above the Los Angeles County median of \$42,189. At the same time, poverty does exist in the city, though at very low levels (Table 15). At the time of the Census, 93 people reported receiving public financial assistance, and 221 reported receiving Supplemental Security Income (SSI).

TABLE 15
PERSONS IN POVERTY

Census Tract	All persons	Persons Below Poverty	Percent
El Porto 6202.01	1,611	41	2.55%
Tree Section 6203.01	4,324	120	2.78%
Beach Area 6203.02	6,022	280	4.65%
Tree Section 6203.03	4,296	117	2.72%
East Side 6204	5,012	275	5.49%
East Side 6208	7,263	140	1.93%
Hill Section 6209.01	2,607	81	3.11%
Beach Area 6209.02	2,879	50	1.74%
City Total	34,014	1,104	3.25%

Source: 2000 Federal Census

Poverty level is determined by the Bureau of the Census based on national averages and costs for certain necessities of life. Poverty level was defined as less than \$17,029 for a four person household at the time of the 2000 Census.

Regional variations are not considered when determining poverty level. Therefore, the number of households in the City which were experiencing conditions of poverty at the time of the 1980 Federal Census may actually have been somewhat higher. The U.S. Bureau of the Census has established poverty thresholds as follows:

TABLE 16
POVERTY LEVEL-1999

Household Size	Weighted Average Threshold	Number of Children under 18 years of age								
		None	One	Two	Three	Four	Five	Six	Seven	Eight or more
1 person	\$8,501									
Under 65	\$8,667									
65 and over	\$7,990									
2 people	\$10,869									
Under 65	\$11,214	\$11,156	\$11,483							
65 and over	\$10,075	\$10,070	\$11,440							
3 people	\$13,290	\$13,032	\$13,410	\$13,423						
4 people	\$17,029	\$17,184	\$17,465	\$16,895	\$16,954					
5 people	\$20,127	\$20,723	\$21,024	\$20,380	\$19,882	\$19,578				
6 people	\$22,727	\$23,835	\$23,930	\$23,436	\$22,964	\$22,261	\$21,845			
7 people	\$25,912	\$27,425	\$27,596	\$27,006	\$26,595	\$25,828	\$24,934	\$23,953		
8 people	\$28,967	\$30,673	\$30,944	\$30,387	\$29,899	\$29,206	\$28,327	\$27,412	\$27,180	
9+ people	\$34,417	\$36,897	\$37,076	\$36,583	\$36,169	\$35,489	\$34,554	\$33,708	\$33,499	\$32,208

Source: 2000 Federal Census

The State of California has defined various income groups, based on the percent of median income earned per household. Extremely low income households make less than thirty percent of the median income. Very low income households make less than fifty percent of the median income. Low income households make fifty to eighty percent of the median income. Low, very low, and extremely low income groups are known as lower income groups. Moderate income households make up to 120 percent of the median income.

HOUSING CHARACTERISTICS

Housing Type

The vast majority of housing in Manhattan Beach consists of single family detached homes, with smaller amounts of single family attached homes, duplexes, triplexes, fourplexes, and larger apartment complexes (Table 17). This contrasts with Los Angeles County as a whole, where only about half of all housing consists of single family detached units.

TABLE 17
UNITS PER STRUCTURE

Census Tract	1, Detached	1, Attached	2	3 or 4	5 to 19	20 or more	Mobile home ¹	Total
El Porto 6202.01	177	77	536	191	70	0	0	1,051
Tree Section 6203.01	1,602	0	7	0	0	54	0	1,663
Beach Area 6203.02	1,551	475	670	509	109	7	0	3,321
Tree Section 6203.03	1,495	14	38	58	68	41	0	1,714
East Side 6204	1,291	482	46	91	136	54 ²	8	2,118
East Side 6208	2,205	109	44	170	164	43	8	2,743
Hill Section 6209.01	887	24	28	28	50	0	7	1,024
Beach Area 6209.02	983	166	166	50	79	16	0	1,460
City Total	10,191	1,347	1,535	1,097	676	215	23	15,094
LA County	1,593,516	241,571	89,608	197,916	532,441	559,236	53,475	3,270,909

Source: 2000 Federal Census

1. The City of Manhattan Beach does not contain any mobile home parks, though 23 mobile homes were reported by the 2000 Federal Census. It is not known whether the census data may be in error or may reflect the presence of manufactured housing or construction trailers on single family lots.
2. Though 2000 Federal Census data reflect a total of 54 dwelling units in larger complexes of 20 or more units, City records indicate that only 48 such units exist in the area corresponding to Census Tract 6204.

With the exception of the beach areas, single family homes dominate in most areas of the City. The majority of remaining housing is provided in duplexes, triplexes, and fourplexes, with few dwelling units provided in larger complexes of five or more units

The 2000 Federal Census indicates that 1,347 dwelling units, or 8.92 percent of the City housing stock, consisted of single family attached dwellings, or condominiums. This is very close to the 1,342 single family attached dwellings reported for Manhattan Beach by the California Department of Finance in 2008, and is an increase from the 1990 Federal Census which reported 1,123 single family attached units, or 7.64% of total housing stock. The largest proportion of condominiums exist in Census Tract 6204, where condominiums are aggregated in a large tract in the Manhattan Village area and in the beach section attached units are provided in numerous small developments of only a few units.

Housing Size

Homes range from quite small to fairly large, with the majority of homes having four to seven rooms (Table 18). Units in Tract 6202.01 (El Porto) tend to be the smallest, followed by the other beach areas in Census Tracts 6203.02 and 6209.02. The largest number of rooms per unit tends to be provided in the areas east of Sepulveda Boulevard, in Census Tracts 6204 and 6208.

TABLE 18
UNIT SIZE

	6202.01	6203.01	6203.02	6203.03	6204	6208	6209.01	6209.02	City Total
1 room	76	0	99	6	5	14	0	68	268
2 rooms	180	29	256	69	78	98	18	77	805
3 rooms	242	75	476	152	138	194	49	131	1,457
4 rooms	242	151	722	126	164	393	68	247	2,113
5 rooms	165	406	684	336	615	450	97	241	2,994
6 rooms	99	331	440	373	554	441	209	214	2,661
7 rooms	19	192	353	176	339	336	256	261	1,932
8 rooms	8	287	167	190	118	315	126	122	1,333
9 or more rooms	20	192	124	286	107	502	201	99	1,531

Source: 2000 Federal Census

Housing Condition

Housing in the City of Manhattan Beach is generally in quite good condition. Due to the desirability of beach area real estate, units that become dilapidated are usually purchased and rebuilt. Further, the City of Manhattan Beach maintains an active code enforcement program, thus reducing the potential for perpetuation of substandard conditions. The City's most recent survey which was conducted at that time of the previous Housing Element (2003) indicated 55 units in need of repair. However, these units were all capable of rehabilitation.

Housing Vacancy

At the time of the 2000 Federal Census, the City of Manhattan Beach had 548 vacant housing units, comprising 3.7 percent of the total dwelling units within the City (Table 19). The California Department of Finance estimated a similar vacancy rate, 3.71 percent, for purposes of its 2008 annual population estimate. Vacant units include units available for sale or rent, units held for weekend and seasonal use, and units which have been built but not yet occupied.

At the time of the 2000 Census, the beach areas (Census Tracts 6202.01, 6203.02, and 6209.02) had the highest vacancy rates. As seen in Table 19, this is partially due to the significant number of units held for seasonal or occasional use.

TABLE 19
HOUSING VACANCY BY CENSUS TRACT

Census Tract	For rent	For sale	Rented or sold, not occupied	Seasonal, recreational, occasional use	Other	Total	
	Units	Units	Units	Units	Units	Units	% ¹
El Porto 6202.01	27	0	12	9	11	59	5.61%
Tree Section 6203.01	7	12	15	8	0	42	2.53%
Beach Area 6203.02	57	34	0	90	12	193	5.81%
Tree Section 6203.03	30	0	0	0	0	30	1.75%
East Side 6204	13	0	0	38	0	51	2.41%
East Side 6208	42	7	3	13	0	65	2.37%
Hill Section 6209.01	9	9	0	12	0	30	2.93%
Beach Area 6209.02	18	12	0	58	0	88	6.03%
City Total	203	74	30	228	23	558	3.70%

1. Total vacant dwelling units/total dwelling units

Source: 2000 Federal Census

The overall vacancy rate in Manhattan Beach is similar to that in other beach cities and to Los Angeles County as a whole. However, the beach cities have a larger portion of vacancies due to seasonal or occasional use, whereas Los Angeles County as a whole has greater numbers of vacancies in units available for sale or rent.

**TABLE 20
HOUSING VACANCY BY CITY**

	For rent	For sale only	Rented or sold, not occupied	Seasonal, recreational, or occasional use	Other vacant	Total ¹	
	Units	Units	Units	Units	Units	Units	%
Manhattan Beach	203	74	30	228	23	558	3.70%
El Segundo	47	20	52	66	11	196	2.71%
Hermosa Beach	223	37	17	80	14	371	3.78%
Redondo Beach	434	203	63	208	69	977	3.31%
Total, beach cities	907	334	162	582	117	2102	3.41%
Los Angeles County	61,369	28,827	12,588	17,499	16,806	137,135	4.19%

1. (total vacant dwelling units/total dwelling units)

Source 2000 Federal Census

HOUSING COST

Home Values

As shown in Table 21, housing values in beach cities are much higher than those in Los Angeles County as a whole. At the time of the 2000 Federal Census, the median value of ownership occupied was \$672,600. This is more than triple the median value for owner occupied housing countywide. Similarly, Dataquick Information Systems reported a median price of \$700,000 for all detached homes sold in Manhattan Beach and a median price of \$205,000 for all homes sold in Los Angeles County in 2000.

**TABLE 21
VALUE OF OWNER OCCUPIED HOUSING BY CITY**

City	Lower value quartile	Median value	Upper value quartile
Manhattan Beach	\$499,200	\$672,600	\$888,200
El Segundo	\$305,400	\$371,900	\$467,200
Hermosa Beach	\$393,300	\$519,200	\$714,800
Redondo Beach	\$283,200	\$353,300	\$436,000
Los Angeles County	\$155,400	\$209,300	\$328,400

Source: 2000 Federal Census

Within the City of Manhattan Beach, housing values are generally higher in the tree section and the beach areas, with the exception of the El Porto area, which reported among the lowest home values. Generally the inland areas reported lower values, with the southerly portion of the City reporting higher values than the northerly portion.

TABLE 22
VALUE OF OWNER OCCUPIED HOUSING BY CENSUS TRACT

Census Tract	Lower quartile	Median value	Upper quartile
El Porto 6202.01	\$502,100	\$620,700	\$739,300
Tree Section 6203.01	\$481,100	\$631,500	\$802,900
Beach Area 6203.02	\$564,700	\$743,100	\$952,300
Tree Section 6203.03	\$555,700	\$703,400	\$919,300
East Side 6204	\$417,900	\$518,300	\$671,400
East Side 6208	\$457,300	\$635,400	\$842,100
Hill Section 6209.01	\$635,400	\$885,800	>\$1,000,001
Beach Area 6209.02	\$709,700	\$866,800	>\$1,000,001
City Total	\$499,200	\$672,600	\$888,200

Source: 2000 Census

Housing values in the City of Manhattan Beach have risen significantly in the years since the census, rising most steeply between the years 2002 to 2005. This is reflective of regional trends. While home sales prices continued to rise through 2007, price per square foot dropped slightly in 2007, reflecting sales of larger units, both locally and countywide.

TABLE 23
HOUSING SALES PRICE 2000-2007

Year	Manhattan Beach			Los Angeles County		
	Median Home Price	Median Condo Price	Price/ Sq.ft.	Median Home Price	Median Condo Price	Price/ Sq.ft.
2000	\$700,000	\$600,000	\$386	\$205,000	\$154,000	\$153
2001	\$726,000	\$664,000	\$418	\$232,000	\$169,000	\$169
2002	\$850,000	\$750,000	\$451	\$274,000	\$203,000	\$196
2003	\$1,050,000	\$918,000	\$462	\$330,000	\$251,000	\$234
2004	\$1,300,000	\$1,068,000	\$616	\$412,000	\$325,000	\$297
2005	\$1,473,000	\$1,294,000	\$698	\$495,000	\$385,000	\$358
2006	\$1,550,000	\$1,400,000	\$783	\$541,000	\$412,000	\$397
2007	\$1,625,000	\$1,523,000	\$765	\$560,000	\$430,000	\$385

Source: Dataquick Information Systems

There is a wide range in asking prices for homes advertised for sale on internet realty sites including Realtor.com, Roost.com, and Trulia.com. The lowest advertised price for any home was a condominium advertised at \$350,000. The highest advertised price was \$8 million for a home on a nearly ten thousand square foot building site.

TABLE 24
HOME ASKING PRICE - APRIL 2008

Asking price	Number of units
<\$350,000	0
\$350,000-\$400,000	1
\$400,000-\$500,000	0
\$500,000-\$600,000	1
\$600,000-\$700,000	2
\$700,000-\$800,000	2
\$800,000-\$900,000	9
\$900,000-\$1 million	8
\$1-1.5 million	52
\$1.5-2 million	43
\$2-2.5 million	45
\$2.5-3 million	22
\$3-4 million	16
\$4-5 million	5
>\$5million	9

Source: Realtor.com, Roost.com, Trulia.com

The median asking price for all homes advertised was about \$1.9 million, nearly twenty percent higher than the median sales experienced in all of 2007. Due to the regionally soft market, it is unlikely that prices will continue to rise in the near future in Manhattan Beach. Advertisements of homes for sale reflect the owner's optimistic opinion of the home value. The asking price may be somewhat higher than what the seller actually expects to obtain. The recorded sales price reflects what someone is actually willing to pay.

Rental Rates

Similar to housing sales prices, rents also are higher in the beach cities, with median rent in Manhattan Beach slightly more than twice the median rent in Los Angeles County as a whole.

**TABLE 25
RENT BY CITY-2000 CENSUS**

Location	Lower quartile	Median	Upper quartile
Manhattan Beach	\$923	\$1,293	\$1,795
El Segundo	\$686	\$848	\$1,019
Hermosa Beach	\$852	\$1,095	\$1,472
Redondo Beach	\$782	\$943	\$1,202
Los Angeles County	\$507	\$643	\$838

Source: 2000 Federal Census

The highest reported rental rates were in the Tree Section followed by the northerly beach area of the City. Lower rental rates were reported in the southerly beach area and in the Hill Section, which had reported the highest values for owner-occupied housing.

**TABLE 26
RENT BY CENSUS TRACT**

Census Tract	Lower quartile	Median	Upper quartile
6202.01	\$920	\$1,258	\$1,869
6203.01	\$889	\$1,550	\$1,888
6203.02	\$1,021	\$1,447	\$1,818
6203.03	\$942	\$1,307	\$1,712
6204	\$918	\$1,119	\$1,780
6208	\$828	\$993	\$1,472
6209.01	\$928	\$1,182	\$1,681
6209.02	\$916	\$1,375	\$2,001
City Total	\$923	\$1,293	\$1,795

Source: 2000 Federal Census

Since the time of the Federal Census, rental rates, like home prices, have risen significantly, as reflected in the rental survey by Westside Rentals.

TABLE 27
MEDIAN RENTS-2008

Unit Type	Monthly Rent
Apartment	\$2,524
Condo	\$3,497
House	\$5,671
Duplex	\$3,305
Triplex	\$4,800
Townhouse	\$4,921
Studio	\$1,450
1 bedroom	\$2,345
2 bedrooms	\$3,489
3 bedrooms	\$5,738
4 bedrooms	\$6,542

Source: Westside Rentals

The few units listed for rent in the City of Manhattan Beach vary widely in rent asked. At the low end, a studio apartment in El Porto is listed at \$800 per month, and one bedroom apartments in the same area are listed at \$875 and \$895. The most expensive advertised rental is a detached home with an advertised rent of \$37,000 per month. It should be noted that rentals in small complexes in beach areas are often not formally advertised, but are offered through word of mouth and on-site signage to those in the community.

The trend toward increased rental costs in the region is reflected in the increase in Fair Market Rents for the Los Angeles-Long Beach Standard Metropolitan Statistical Area. The HUD-formulated Fair Market Rent (FMR) schedule is a guideline to maximum rents allowable for units developed with HUD assistance of for tenants receiving Section 8 housing assistance. HUD uses the Consumer Price Index and the Census Bureau housing survey data to calculate the FMRs for each metropolitan area.

TABLE 28
HUD FAIR MARKET RENTS

FMR Year	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY 2000	\$505	\$605	\$766	\$1,033	\$1,233
FY 2001	\$516	\$618	\$782	\$1,055	\$1,260
FY 2002	\$543	\$650	\$823	\$1,110	\$1,325
FY 2003	\$638	\$764	\$967	\$1,305	\$1,558
FY 2004	\$674	\$807	\$1,021	\$1,378	\$1,646
FY 2005	\$746	\$900	\$1,124	\$1,510	\$1,816
FY 2006	\$789	\$952	\$1,189	\$1,597	\$1,921
FY 2007	\$843	\$1,016	\$1,269	\$1,704	\$2,051
FY 2008	\$863	\$1,041	\$1,300	\$1,746	\$2,101

Source: HUD

Based on information presented above, the lower priced units advertised in the El Porto area would fall below the HUD Fair Market Rent limit and could be eligible for utilization of Section 8 vouchers if the landlords were amenable. There are currently no subsidized housing units in the City and therefore no units at risk of conversion.

HOUSING AFFORDABILITY

Households paying over thirty percent of income for housing are considered to be overpaying for housing. Those paying over fifty percent of income for housing are considered to be severely overpaying. Based on 2000 census data, 26.9 percent of households for which data is available were paying 30 percent or more for housing in 2000, of which over a third (11 percent of all households) were paying more than fifty percent of income for housing. Low income and elderly renter households had the greatest problem with overpaying for housing, with the vast majority of low income households overpaying for housing. Overpayment was less of a problem for lower income owners than for renters, possibly due to fixed costs for ownership housing. Moderate to upper income households experienced fewer problems with overpayment for housing than lower income groups, but a significant proportion of these households were also overpaying.

TABLE 29
HOUSING EXPENDITURES AS PERCENTAGE OF INCOME — 2000

Households by Income, & Affordability	Renters		Owners		Total Households
	Elderly 1&2 member households	Total Renters	Elderly 1&2 member households	Total Owners	
Household Income <=30% Median	32	230	137	267	497
% Cost Burden >30%	75	64.3	82.5	77.9	71.6
% Cost Burden >50%	75	64.3	72.3	72.7	68.8
Household Income >30% to <=50% Median	44	179	154	173	352
% Cost Burden >30%	77.3	88.8	51.3	56.6	73
% Cost Burden >50%	68.2	86.6	48.7	54.3	70.7
Household Income >50 to <=80% Median	64	223	222	365	588
% Cost Burden >30%	84.4	95.5	32.4	46.6	65.1
% Cost Burden >50%	78.1	48.9	19.8	32.3	38.6
Household Income >80% Median	133	4,436	1,825	8,634	13,070
% Cost Burden >30%	21.1	17.3	18.4	24.8	22.2
% Cost Burden >50%	7.5	3.9	5.8	7.1	6
Total Households	273	5,068	2,338	9,439	14,507
% Cost Burden >30%	51.3	25.4	25.6	27.7	26.9
% Cost Burden >50%	41.8	11.6	13.8	10.8	11

Source: HUD CHAS data book (based on 2000 Census data)

Overpayment for housing may be reflective of a number of conditions, including limited supply of low or moderately priced housing. Lack of supply is exacerbated by a poor match between affordable units and low income households. As shown in Table 30, only a small portion of rentals affordable to lower income households are actually occupied by households in those income groups.

TABLE 30
AFFORDABILITY MISMATCH

Housing Units by Affordability	Rental Units	Owned/For Sale Units
Affordable at household income <=30% median income		
# occupied units	104	N/A
% occupants with income <=30% median	28.8	N/A
# vacant for rent	0	N/A
Affordable at household income >30% to <=50% median income		
# occupied units	77	48
% occupants with income <=50% median	28.6	20.8
# vacant for rent	0	0
Affordable at household income >50% to <=80% median income		
# occupied units	360	40
% occupants with income <=80% median	10	50
# vacant for rent	15	0
Affordable at household income >80% median income		
# occupied units	4,529	9,354
# vacant for rent	190	69

Source: HUD CHAS data book (based on 2000 Census data)

Overpayment for housing by very low and low income households is considered to be more serious than overpayment by more affluent income groups, due to the limited funds available to lower income households for all expenses. Overpayment for shelter may result in lack of availability of funds for such basics as medical care, transportation, or food. On the other hand, more affluent households may choose to expend a greater proportion of income on housing due to the greater discretionary income available.

Based on the median income of \$42,189 at the time of the Census and a thirty percent affordability ratio, an affordable rent for a median family household in Los Angeles County would have been a maximum of \$1,054. This is below the median rent in the City of Manhattan Beach, and below the median rent for all census tracts in the City except Census Tract 6208 in the southeast portion of the City. The \$1,054 figure well exceeds the lower quartile rent in all areas of the City, indicating that at least twenty five percent of all rental housing in the City would be affordable to a County median household.

One measure of housing affordability would be housing foreclosures. If homeowners cannot afford mortgage payments, they go into default. As of May 2008, twenty nine homes in Manhattan Beach were at

some point in the foreclosure process. Notices of default had been issued for twenty three homes, which is the beginning of the foreclosure process, and financial institutions had taken possession of six homes, signifying completion of the foreclosure process.

An ownership unit would generally be considered affordable if the purchase price were three to four times annual household income. Actual affordability would depend on prevailing mortgage rates, the size of the down payment, and other expenses to be met by the household. Optimistically assuming a four to one ratio, a County median household could afford to pay \$169,000 to purchase a home at the time of the Census, which is well below both the County and City median housing value reported at the time of the Census. A City median household would have been able to afford a home priced at \$403,000, less than even the lowest quartile value in the City. Thus fewer than 25 percent of all owner occupied homes, would have been considered affordable to a household making the City median income at the time of the Census.

This disparity between numbers of affordable units and local household income can be attributed to a number of factors. Many owners bought their homes many years ago for much lower prices. New purchasers may be willing to pay higher prices because the home is viewed as an investment and tax advantages may balance a portion of the costs. A buyer may have considerable equity from a previous home to apply toward the price of the new home. In addition, as noted above, homeowners may have an optimistic view of the value of their property.

Finally, ownership units have a differing market response than rental units. Rental units are more often on the market and constantly competing with other units for available tenants and tend to reflect current market conditions. By contrast, the typical owner has not paid the prevailing housing price due to long term ownership of the unit. Thus, while housing value may increase, actual costs are relatively fixed. At any given time, only a small portion of ownership units will be on the market. Thus, ownership units are not as immediately subject to housing affordability.

HOUSING NEED

In accordance with Section 65584 of the California Government Code, the distribution of regional housing need is to take into consideration market demand for housing, employment opportunities, the viability of suitable housing sites and public facilities, commuting patterns, and type and tenure of need.

The Southern California Association of Governments (SCAG) 2004 Regional Growth Forecast estimates that in 2000, 13,985 individuals were employed in the City of Manhattan Beach (Table 31). The SCAG population estimate for the City at that time was 34,097 and estimated housing units were 14,516. SCAG's forecasting for small, incremental growth is consistent with growth that has occurred in the City in recent decades.

TABLE 31
SCAG ESTIMATES OF
POPULATION, EMPLOYMENT, AND HOUSING

Year	Population	Dwelling Units	Employment	Employees per Unit
2000	34,097	14,516	13,985	0.96
2005	36,384	14,999	14,086	0.94
2010	36,541	15,087	15,114	1.00
2015	37,051	15,285	15,414	1.01
2020	37,553	15,491	15,699	1.01
2025	38,035	15,695	15,952	1.02
2030	38,498	15,905	16,181	1.02

Source: SCAG

Future employment at maximum buildout permitted under the General Plan was calculated using standard employee generation rates (Table 32). This resulted in an estimated 18,088 jobs within the City at buildout, which may not occur until long after the period addressed in SCAG's growth projections above.

**TABLE 32
EMPLOYMENT BY LAND USE**

USE	ACRES	FLOOR AREA FACTOR	SQUARE FEET	EMPLOYEES
Commercial				
General Commercial	87	1.5:1	5,684,580	5,685
Downtown	14	1.5:1	914,760	915
Local Commercial	13	1.5:1	849,420	849
Mixed Use	4	1.0:1	174,240	174
Manhattan Village	102	1.5:1	6,664,680	6,665
North End	8	1.5:1	522,720	588
Industrial	73	1.0:1	N/A	3,212
Total Employment				18,088

1. Square footage, based on acreage and maximum floor area ratios permitted in General Plan
2. Commercial employee generation assumes predominantly retail, generating 1 employee/1,000 square feet. Industrial uses assumed to generate 44 employees/acre.

It should be noted that this estimate assumes full buildout under maximum permitted floor area ratios. However, this level of development would be unlikely, both due to market demand and the difficulty of providing adequate parking if higher floor area ratios were attempted.

REGIONAL HOUSING NEEDS ASSESSMENT

SCAG has developed an assessment of housing needs for each city in the SCAG region. The needs assessment is an assignment to each community of the share of need assigned to the SCAG region by the California Department of Housing and Community Development. SCAG's 2007 Regional Housing Needs Assessment (RHNA) indicates that total new housing production of 895 units would be needed in the City of Manhattan Beach for the period from January 1, 2006 through June 30, 2014.

The RHNA assesses need by income group. In allocating housing by income group, SCAG is to avoid excess impacts on areas which already contain a relatively high proportion of low income housing. Under the 2007 RHNA, Manhattan Beach was determined to need 296 dwelling units affordable to very low income households, 149 units affordable to low income households, and 160 units affordable to moderate income households. The remaining 350 units would meet the needs of high income households. The 895 unit total need assessed under the RHNA for the 2006 to 2014 period far exceeds SCAG's projected growth of 286 dwelling units in the 2005 to 2015 period.

TABLE 33
RHNA BY INCOME GROUP

Income Group	Income Level	Units Needed
Very Low Income	< 50% of median	236
Low Income	50% to <80% of median	149
Moderate Income	80% to <120% of median	160
Upper Income	≥120% of median	350
TOTAL		895

Source: SCAG RHNA, 2007

The RHNA considers overpayment for housing in developing its needs assessment. A household is considered to be overpaying for shelter if it expends over 30 percent of its income for housing. SCAG utilized tables prepared by the United States Department of Housing and Urban Development for use in preparation of Consolidated Plans required in connection with Community Development Block Grant. The HUD data indicate that 1,234 renters in the City are overpaying for housing. Of these 299 were very low income and 220 were low income (Table 34).

TABLE 34
EXISTING OVERPAYMENT

	Number of Households		
	Renter	Owner	Total
Very Low Income	294	299	593
Low Income	220	175	395
Moderate and Upper Income	765	2130	2895
TOTAL	1279	2604	3883

Source: SCAG reproduction of HUD data

The RHNA does not quantify need for extremely low income units. In accordance with Government Code Section 65583(a)(1), this is assumed to be fifty percent of the very low income need, or 118 units.

SPECIAL NEEDS GROUPS

In addition to low income households, a number of groups with special housing needs have been identified under Section 65583 of the Government Code. These include the handicapped, elderly, large families, farmworkers, families with female heads of household, and the homeless. The City of Manhattan Beach is in an urban area with no farms or farmworkers. Other special needs groups are discussed in the following sections.

Handicapped

Handicapped households are defined as those with at least one member having a work or housework disability. People with handicaps include people who are blind, deaf, or mute, or people confined to a bed or wheelchair, or require crutches. Many of these disabilities require that modifications be made to the housing units or that assistance animals be accommodated. Some of these housing needs include, but are not limited to, wheelchair ramps, widened doorways, grab bars, and access ramps. Furthermore, some individuals require housing which is close to health care facilities.

The 2000 U.S. Census reports that there are 5,642 households in the City of Manhattan Beach which include at least one handicapped individual. Table 35 illustrates where handicapped households are concentrated throughout the City.

TABLE 35
HANDICAPPED HOUSEHOLDS BY CENSUS TRACT

Census Tract	Handicapped Households
6202.01	279
6203.01	736
6203.02	753
6203.03	485
6204	1,175
6208	1,320
6209.01	472
6209.02	422
TOTAL	5,642

Source: 2000 U.S. Census

Persons over 64 years of age comprise 1,881 handicapped individuals, or about a third of the total. Typical housing needs would include wider doorways to accommodate wheelchairs, access ramps, and accommodation for service animals. From the Census information available, it is not possible to determine the number of handicapped persons or households which need housing assistance.

Elderly

The 2000 Census also indicates that there were 3,526 persons, or 10.4% of the City's total population over 65 years of age at the time of the Census. Comparing these figures to comparable 1980 and 1990 data, the City's elderly population has increased significantly over the last 20 years.

Elderly residents may share many of the special housing needs of disabled persons. In addition, many elderly persons are on fixed incomes. At the time of the Census, 2,472 households received Social Security income, though these households may have also had additional sources of income, such as pensions or investment income. Supplemental Security Income was received by 221 households.

TABLE 36
SENIORS (OVER 55 YEARS OF AGE) - 1980 to 2000

Age	1980		1990		2000	
	Persons	Percent	Persons	Percent	Persons	Percent
55-59	1,682	5.1%	1,513	4.7%	1,963	5.8%
60 - 64	1,219	3.7%	1,369	4.2%	1,299	3.8%
65 +	1,941	5.9%	2,759	8.6%	3,526	10.4%
Total	4,842	14.7%	5,641	17.5%	6,788	20.6%

Source: 2000 US Census

Of the total 14,474 occupied housing units in the City, 2,618 were headed by elderly persons at the time of the census. Of the housing units headed by elderly persons, 2,177 were owner-occupied housing units and 241 were rental units. A total of 166 elderly households spent more than 30% of their income for housing (rents or mortgages). Elderly renters were especially subject to overpayment for housing, with 51.3 percent of elderly renters paying more than 30 percent of income for housing and 41.8 percent paying more than 50 percent of income for housing. Younger households may respond to rent increases by moving, whereas the elderly may be more reluctant to move or have difficulty undertaking the tasks involved in moving, including finding a new unit and packing for a move.

There are two senior housing projects in the City: Manhattan Terrace and Manhattan Village- Senior Villas. The Manhattan Terrace (located at 3400 Valley Drive) consists of 48 units, and the Manhattan Village-Senior Villas (located at 1300 Park View Avenue) consists of 104 dwelling units. These projects are designed to be affordable to seniors on fixed incomes.

The City has established a Senior Services Program that is run by a City staff Senior Services Manager to plan and implement recreational, educational and social programs designed to meet the needs of older adults living in Manhattan Beach. This includes assistance with household finances and shelter. In addition, the Beach Cities Health District (BCHD) provides health and wellness services to residents of Manhattan Beach, Hermosa Beach and Redondo Beach. The BCHD Care Manager completes needs assessments of older adults and/or disabled, develops individualized care plans, provides the service linkages, and if necessary arranges services to address the agreed upon identified needs.

Large Families

A large family is defined as a household or family with five or more persons. Families are considered groups of persons related by blood, marriage or adoption. Households represent all persons living together as groups, regardless of whether or not they are related.

The 2000 Census reported that 861 households (4.8%) contained 5 or more persons. Of these large households, 844 households (98%) were classified as families. The remaining 17 households consisted of non-related people sharing housing. Table 37 illustrates the distribution of large households in the City.

**TABLE 37
LARGER FAMILIES AND HOUSEHOLDS BY CENSUS TRACT - 2000**

Number of Persons	El Porto 6202.01	Tree Section 6203.01	Beach Area 6203.02	Tree Section 6203.03	East Side 6204	East Side 6208	Hill Section 6209.01	Beach Area 62902.02	Total
Family households									
5 persons	2	98	57	103	98	183	60	32	633
6+ persons	1	28	15	30	28	81	17	11	211
Non-family households									
5 persons	0	2	4	0	0	0	0	5	11
6+ persons	0	0	1	1	0	3	0	1	6

Source: 2000 US Census

Overcrowding can be more of a problem for large families. A unit is considered overcrowded if there is more than one occupant per room. The 2000 Federal Census recorded few overcrowded dwelling units in the City of Manhattan Beach. (generally more than 1 person per room). Less than one percent of all owner-occupied housing in the City was overcrowded and only 3 percent of renter occupied housing was overcrowded.

TABLE 38
OVERCROWDING

Occupants per room	Owner occupied					Renter occupied				
	1.00 or fewer	1.01 to 1.50	1.51 to 2.00	2.01 or more	Total	1.00 or fewer	1.01 to 1.50	1.51 to 2.00	2.01 or more	Total
El Porto 6202.01	239	0	0	0	239	737	9	7	0	753
Tree Section 6203.01	1363	0	0	0	1,363	258	0	0	0	258
Beach Area 6203.02	1391	9	0	0	1,400	1681	9	26	12	1,728
Tree Section 6203.03	1330	5	0	0	1,335	345	0	4	0	349
East Side 6204	1501	8	10	0	1,519	542	0	0	6	548
East Side 6208	1987	27	0	0	2,014	622	34	0	8	664
Hill Section 6209.01	804	0	0	0	804	190	0	0	0	190
Beach Area 6209.02	761	5	0	0	766	565	16	25	0	606
City Total	9276	54	10	0	9,440	4940	68	62	26	5,096

Source: 2000 US Census

Female-headed Households

Demographic, social, and economic conditions contribute to special housing demands for female-headed households. According to the 2000 Census, there were 769 (5.3%) female-headed households in the City of Manhattan Beach. Among these female-headed households, 433 had related children under 18 years of age, of which sixty households, or 13.86%, had poverty level incomes. No female headed households without children under eighteen years of age had poverty level incomes. The incomes of those households that are female-headed are lower than those other households, and the key housing issue for this special needs group involves affordability, security, and, possibly, child care facilities. The Los Angeles Homeless Services Authority found that nearly 7,200 of the homeless persons on any given night were victims of domestic violence. From Census information, it is not possible to determine how many female-headed households are in need of housing assistance.

Homeless

Manhattan Beach is a participating city in the Los Angeles County Housing Authority Programs and in county wide HUD funding administered by the Los Angeles Community Development Commission. The Los Angeles Homeless Services Authority (LAHSA) administers funds for homeless services through the Los Angeles Continuum of Care in Urban Los Angeles County, which includes the City of Manhattan Beach. LAHSA is the lead agency in the Los Angeles Continuum of Care, and coordinates and manages over \$60 million dollars annually in Federal, State, County and City funds for programs providing shelter, housing and services to homeless persons in Los Angeles County.

The following is a partial list of the make-up of the homeless population.

- a. Single adult (usually male) transients who pass through a community on the way to some other destination, but who do not stay.
- b. Seasonal or migrant homeless individuals, mainly farmworkers and fishermen.
- c. Chronically homeless, single adults, including non-institutionalized, mentally disturbed individuals, alcohol and drug abusers, elderly individuals with insufficient incomes, and others who voluntarily, or are forced, due to financial circumstances, to "live on the streets."
- d. Minors who have either run away from home or have been "thrown out."
- e. Low-income families who are temporarily homeless due to financial circumstances or are in the process of searching for a home or single-parent families, mostly female-headed, are especially prevalent in this group.
- f. Women (with or without children) who are escaping domestic violence. Men may also fall into this category.
- g. Persons displaced as a result of disaster with no short term means of providing shelter.

In January 2007, LAHSA conducted a count of homeless individuals over three nights. The LAHSA counts were conducted at homeless shelters and drop in centers as well as on streets, at parks, and other areas believed to be utilized by the homeless. This analysis indicated that on any given night in the Los Angeles Continuum of Care service area, a total of 68,608 people were homeless, with 57,166 people living on the street and 11,442 people living in either emergency shelters or transitional housing facilities. The survey found that 87 homeless individuals would live in Manhattan Beach on a given night.

LAHSA found that within the Los Angeles Continuum of Care service area, adult men comprise 59 percent of the homeless population, with about 85 percent of the men without shelter nightly. Adult women make up another 24 percent of the homeless population. The remaining 15 percent of the homeless are children under the age of 18. Thus on any given night, 10,100 children are homeless, with nearly 8,000 of them unsheltered. There were 16,643 people in families that were homeless on any particular night, and 8,828 youth in these families. Hence, nearly 1,300 homeless persons younger than 18 are unaccompanied by a parent each night

Specialized programs funded through LAHSA address a wide-range of issues related to homelessness, including but not limited to: domestic violence, mental illness, substance abuse, job training, family strengthening, health, mainstream benefits enrollment, and most importantly, supportive short and long-term housing. The CDC has funding designated for construction of additional homeless shelters.

The following shelter and service providers are located in the Manhattan Beach area:

1. The Salvation Army operates a shelter located at 1370 Alamitos Avenue in the City of Long Beach. The operators of this shelter reported that providing temporary shelter to the homeless is the shelter's primary function. This Salvation Army shelter provides services to an average of 73 people per day. Of this number, approximately 10% are homeless.
2. The Second Step Shelter, located in Redondo Beach, provides transitional housing for women with dependent children. The focus of the shelter's services is to provide women who are victims of domestic violence with housing while they are making a transition to independent living. The shelter has a 24-bed capacity.
3. 1736 Family Crisis Center provides shelters at several locations in the area. The shelters include transitional housing for women and their children under 18 years of age and a shelter for homeless youth. The Center also offers legal services.
4. The Kenny Nicholson Foundation provides services to homeless in the South Bay and Los Angeles area.

Emergency shelters and transitional housing developments are permitted in the City in the High Density Residential (RH) and General Commercial (CG) zoning districts with a use permit. The infrastructure services for the City have been designed to accommodate build-out under the General Plan, and the infrastructure is considered adequate to handle these kinds of facilities. Any applicant constructing an emergency shelter or transitional housing facility would be required to obtain a use permit. As part of any application for such a facility, the City would study the adequacy and suitability of the site for its intended use, analyze traffic and other environmental impacts and, based on the anticipated impacts, establish conditions of development.

National Guard armories have been utilized for emergency, cold weather shelter programs since 1987. These include armories in Culver City, Glendale, Long Beach, Pomona, Sylmar, and West Los Angeles. The armory in Manhattan Beach has not traditionally been utilized, though inclusion of armories in the program varies from year to year. The armories provide shelter between 6:00 pm and 7:00 am. LAHSA estimates that up to forty five percent of emergency shelter beds in Los Angeles County have been provided through the armory program. Armories currently identified for the shelter program include:

1. Sylmar National Guard Armory
12860 Arroyo Street
Sylmar
2. Glendale National Guard Armory
220 East Colorado Street
Glendale
3. Los Angeles National Guard Armory
1300 Federal Ave.
Los Angeles
4. Culver City National Guard Armory
1808 Culver Blvd.
Culver City

OPPORTUNITIES AND CONSTRAINTS

OPPORTUNITIES

Land Resources

The City of Manhattan Beach contains 2,492 gross acres, and 2,017 net acres excluding streets. Residential uses occupy 1,422 acres, or 70.5 percent of developable land. The Land Use Element of the Manhattan Beach General Plan estimates that 15,541 residential units could be accommodated on existing residentially designated sites, with another 340 dwellings provided in mixed use areas, for a total of 15,881 dwelling units at build-out. This is 395 more units than the 15,486 units estimated to exist in the City as of January 1, 2008 by the California Department of Finance.

Perhaps the most significant factor limiting the construction of large numbers of new housing units is the availability of land to accommodate significant new growth. The City of Manhattan Beach is nearly built out and contains very few vacant sites, all of which are relatively small and could accommodate only a few additional units:

**TABLE 39
VACANT LAND INVENTORY AND DEVELOPMENT POTENTIAL**

Location	Zoning	Intensity	Area (sq. ft.)	Current Units	Potential Units	Vacant
3911 Crest	CNE	850 sf/du	4,543	2	5	No
133 El Porto	RH	850 sf/du	1,380	0	1	Yes
3804 Highland	CNE	850 sf/du	1,800	Parking Lot	2	Yes
3216 Highland	CNE	850 sf/du	3,498	Retail/ Restaurant	4	No
820 Duncan Place	RS	7,500 sf/du	4,200	0	1	Yes
1120 6th St.	RS	7,500 sf/du	7,500	0	1	Yes
Total			22,921	2	14	

Source: City of Manhattan Beach, 2008

In addition, residential uses are considered compatible with, and are permitted, upon the approval of a use permit, in areas designated Downtown Commercial, Local Commercial, and North End Commercial. The commercial uses in these areas are smaller in scale than those in General Commercial areas, offering a pedestrian friendly, village atmosphere. These areas total 39 acres and could accommodate a maximum of 2,001 dwelling units if complete conversion to mixed residential/commercial developments were to occur. At a fifteen percent conversion rate, potentially 300 additional dwellings would be provided.

As noted in Table 40 below, commercial areas along the Sepulveda Corridor, totaling eighty to ninety acres, are not being considered for mixed use at this time. The Sepulveda Corridor experiences heavy traffic and lots are not deep enough to buffer potential residences from traffic's negative effects such as noise and air emissions. In addition, this area is important in maintaining the City's economic base.

A number of publicly owned parcels within the City could potentially be redeveloped for other uses (see Table 40 below). These include: Begg School, Ladera School, and the National Guard Armory.

Begg School is located on a 5.3-acre site at Peck and 18th Street. Portions of the property are currently utilized for recreational purposes. The 6.2-acre Ladera School site consists of three terraces separated by steep slopes. Bell Avenue, a narrow street which terminates in a cul-de-sac a few hundred feet to the north of the school, runs along the easterly edge of the site. Access may be taken from 24th Street via the Grandview School parking lot. Landform and access issues render this site unsuitable for housing above very low densities. The National Guard Armory is located on a 6.32-acre site along the northerly portion of Bell Avenue, south of Rosecrans Avenue. The site consists largely of steep slopes. The steep terrain and poor access also render this site unsuitable for housing above very low densities.

None of these three publicly owned sites are anticipated to be declared surplus within this housing planning period. However, these sites may be considered for housing in the more distant future, should conditions change. Should any of these sites become available, planning for future use must balance various community needs, including housing and recreation facilities for currently underserved residents.

There is also an opportunity for additional housing through the redevelopment of existing developed sites such as the Manhattan Village Mall overflow parking lot as noted in Table 40 below. This site includes a parking lot at Parkview Avenue and Village Drive in the Manhattan Village area which could accommodate up to twenty five (25) units, however the City owns this site and it is currently under lease with Manhattan Village Mall for overflow parking and is not available at this time.

As noted in the previous section a survey was conducted at the time the previous Housing Element (2003) was completed to identify underutilized parcels. The survey indicated that there are five (5) under utilized lots in the Downtown Commercial area that are currently occupied by industrial uses that could accommodate thirteen (13) additional dwelling units. Multi-family areas along Manhattan Beach Boulevard and near Meadow School could accommodate twenty-two (22) additional dwelling units and underdeveloped parcels in the beach area between 23rd and 35th street could accommodate thirty-four (34) additional dwelling units on the 122 currently developed lots within the area.

Double sized, single family lots could also redevelop. Up to twenty one (21) additional units could be provided in the Tree Section with double lots currently occupied by a single dwelling being developed with two single family dwellings. However, this happens quite slowly and as one such site redevelops, other homebuyers purchase adjacent lots for use as a single residence, or ancillary uses for a residence on an adjacent lot such as an expanded yard.

**TABLE 40
POTENTIAL HOUSING SITES**

Potential Sites	Pros	Cons	Justification/Reasoning
<p>Sepulveda Commercial Corridor (various private owners)</p> <p><i>Approximate Size/Area: 80-90 Acres (Excludes Man. Village Mall)</i></p>	<p>Potential for mixed-use development could provide a large number of additional housing units</p>	<p>-Could hinder the City's current tax base revenue it receives from most businesses along Sepulveda by losing some commercial business.</p> <p>-New housing would not be conducive to the Sepulveda corridor in terms of traffic, circulation, noise, etc.</p>	<p>-City Council direction to keep this area primarily commercial and to maintain the City's economic base.</p> <p>-This area is consistent with the General Plan and Land Use Policies.</p>
<p>School Sites (if available - school district owns)</p> <p>-Begg School (Peck/18th)</p> <p>-Ladera School (Next to Grandview)</p> <p><i>Approximate Size/Area: 11.5 Acres (Combined)</i></p>	<p>Larger parcels which could lead to the potential for higher densities and more affordable housing.</p>	<p>-Increased residential uses could lead to increased demand for school facilities while reducing available sites</p> <p>-Conflicts with the City's recreation needs (school parks).</p> <p>-Site conditions. Steep terrain and poor access.</p>	<p>-Could have a conflict with the City's general plan (Community Resource Element) to provide enough adequate schooling. School sites also represent approximately 28% of the City's park and open space.</p>
<p>Armory Site (if available- Federal government owned)</p> <p><i>Approximately Size/Area: 3.4 Acres</i></p>	<p>Not a very active armory site. Could be used for other services such as housing or recreation.</p>	<p>Not ideal for high density development. Would not create that much additional housing.</p>	<p>-Surrounding uses and area is not ideal for additional housing other than low density.</p> <p>-City Yard surrounds this site on two sides by triangular site and on a third side by existing low density residential neighborhoods.</p>
<p>Manhattan Village Mall overflow parking lot (City owned)</p> <p><i>Approx Size/Area: 1.5 acres</i></p>	<p>-Could potentially accommodate up to 25 additional housing units.</p> <p>-Provide more Senior Housing</p>	<p>Used as overflow mall employee parking and Manhattan Village Field during peak periods.</p>	<p>City Council direction to keep this area primarily commercial and retain ownership.</p>

The Los Angeles Community Development Commission administers housing assistance funds for the City of Manhattan Beach which is a participating city in Housing Authority and Community Development Block Grant (CDBG) programs.

CDBG Funds

Beginning in the 1997-1998 Fiscal Year, the City of Manhattan Beach has traditionally sold its allocation of CDBG funds to other participating cities in exchange for general funds. For the 2008-2009 Fiscal Year, the City is exchanging \$145,388 in CDBG funds with the City of Hawaiian Gardens at sixty cents on the dollar for general fund monies in the amount of \$87,232.80. The City is providing funding for the following local social service providers:

- Care Management for Manhattan Beach Seniors- promotes optimal functioning of seniors to avoid the need to institutionalize fragile or at risk seniors, targeting the population 85 years of age or older.
- 1736 Family Crisis Center- provides shelter for victims of domestic violence, including five women's shelters for women and their children and an emergency youth shelter. The Center provides a 24-hour hot line and also offers legal services.
- South Bay Family Health Care Center- provides dental care to low and moderate income residents and the indigent.
- South Bay Center for Counseling-provides counseling to low and moderate income families, groups, and individuals.
- South Bay Youth Project- provides counseling to at-risk youth
- Salvation Army-Operation Sunshine- provides groceries to low income seniors.
- Project Touch- provides tutoring, counseling, and social services to at-risk youth.
- Wellness Community- provides psychological and social support services to cancer patients and their families.
- South Bay Adult Care Center- provides adult day care for seniors suffering from Alzheimer's, Parkinson's, stroke, frailty, etc.

Rental Assistance

Landlords and tenants in Manhattan Beach may participate in the Section 8 rental assistance program which assists eligible families to afford safe, decent, high-quality rental housing. The Housing Authority of Los Angeles County provides rental assistance to over 20,000 households in the jurisdiction of Los Angeles County.

The Section 8 Program is funded by the U.S. Department of Housing and Urban Development (HUD), and tenants and rental units must meet limits on income and rental rates, respectively, as discussed previously. HUD has developed income ceilings for low and very low income household based on household size (Table 41). Income limits may also be adjusted for individuals with major medical needs.

**TABLE 41
HUD ADOPTED FISCAL YEAR 2008 INCOME LIMITS**

LOS ANGELES—LONG BEACH PMSA

FY 2008 Income Limit Category	Extremely Low Income	Low	Income
1 Person	\$15,950	\$26,550	\$42,450
2 Person	\$18,200	\$30,300	\$48,500
3 Person	\$20,500	\$34,100	\$54,600
4 Person	\$22,750	\$37,900	\$60,650
5 Person	\$24,550	\$40,950	\$65,500
6 Person	\$26,400	\$43,950	\$70,350
7 Person	\$28,200	\$47,000	\$75,200
8 Person	\$30,050	\$50,050	\$80,050

1. Based on \$58,900 adopted median family income, Fiscal Year 2008

Source: HUD

Maximum rent is limited to the HUD Fair Market Rent (FMR) shown below in most cases.

TABLE 42
HUD FAIR MARKET RENT

Unit Type	Maximum Rent
Efficiency	\$863
One-Bedroom	\$1,041
Two-Bedroom	\$1,300
Three-Bedroom	\$1,746
Four-Bedroom	\$2,101

Source: HUD

Participants rent housing from private landlords and pay no more than thirty percent of income toward rent. Very low and extremely low income tenants pay a smaller portion of income toward rent. The Housing Authority utilized Federal funds to subsidize the difference in monthly payments between ability to pay and Fair Market Rent directly to the owner. Owners, participants and the Housing Authority share in a three-way-partnership.

The Housing Authority's responsibilities in administering the program include:

- Maintaining the waiting list;
- Determining eligibility, and level of assistance;
- Calculating rent portion;
- Conducting annual re-determinations; Briefing tenants on finding a rental unit;
- Contracting with owners; Ensuring that contracted unit rents are reasonable; Conducting unit housing quality standard inspections;
- Ensuring tenant and owner compliance with program rules (and terminating contracts and assistance if necessary);
- Making housing assistance payments to owners; and
- Processing assisted families moving into and out of the jurisdiction through portability.

Home Buyer Programs

Prospective home buyers in Manhattan Beach may participate in the Home Ownership Program (HOP) which is financed with HOME funds provided through the U.S. Department of Housing and Urban Development (HUD) and is subject to the applicable federal regulations. HOP has been designed to meet the needs of low-income families with the necessary down payment assistance. This program will provide a 2nd Trust Deed loan at 0% interest with all payments deferred until sale, transfer, refinancing, or full repayment of the first mortgage. In the participating cities, the borrower will receive \$80,000 or 20% of the purchase price whichever is less.

The maximum purchase price allowed for existing or new homes are:

Single Family Homes - \$493,000
Condominiums/Townhomes - \$394,250

While these prices are quite low, compared to median sales prices in Manhattan Beach, there are a few homes, mostly condominiums, in the City which would meet the state criteria.

The American Dream Down Payment Initiative (ADDI) is a component of the HOME Investment Partnerships Program, authorized under Title II of the Cranston-Gonzalez National Affordable Housing Act. The program assists low-income First-Time homebuyers in purchasing homes. Homebuyers approved for HOP, are also approved for ADDI. ADDI monies are used for closing costs and down payment assistance with a loan amount of up to \$10,000 or 6% of the purchase price whichever is greater. Units under ADDI are subject to the same limits as HOP.

Regulatory Resources

The City has used its regulatory resources to preserve and enhance housing opportunities and neighborhoods. These are discussed in more detail under housing programs and include:

- **Affordable housing incentive program** for projects which include five or more units in which (1) at least 20 percent of the total units are affordable to lower-income persons or families, including elderly persons and families, or (2) 10 percent of the total units of a housing development are for very-low-income households, or (3) 50 percent of the total dwelling units of a housing development are for qualifying residents.

- **Mixed Use Development ordinance** permitting residential uses in certain commercial areas.
- **Condominium conversion ordinance** requires tenant notification, right to purchase, tenant purchase discounts, relocation assistance, and no increases in rental costs when condominiums are converted. Special provision is made for non-purchasing elderly or medically disabled tenants; low and moderate income tenants; and tenants with children.
- **Mansionization ordinance** limits development of over-sized single family homes while encouraging maintenance and improvement of existing smaller homes.

NONGOVERNMENTAL CONSTRAINTS

Land Supply

The primary constraint on the delivery of additional housing in the City of Manhattan Beach is the lack of raw land. This is typical of the surrounding area, which is largely developed. New construction occurs primarily as redevelopment of previously developed parcels.

An additional constraint in the City of Manhattan Beach is the prevailing subdivision pattern which consists of numerous small parcels with few sites over a few thousand square feet. As a result, assembly of a large site to accommodate a major housing project would be quite difficult. Construction of small projects results in the distribution of fixed costs over fewer units and loss of potential for economy of scale.

Land Cost

As a result of the limited supply of land, coupled with a strong demand for coastal property, the cost of land in the City is quite high. Land prices in Manhattan Beach vary according to views obtained from the property and proximity to the water, and proximity to undesirable uses, such as industrial uses to the north.

Based on input provided by realtors and a review of sales information obtained from Internet data, the average cost for undeveloped land within the coastal zone ranged from \$191 to over \$1,000 per square foot. In comparison, costs for undeveloped land zoned for residential development in inland areas within urbanized Los Angeles County ranged from \$68 to \$373 a square foot for a hillside view lot. By contrast, acreage in more remote locations such as the Antelope Valley area is advertised for as low as \$1 a square foot. Thus, land cost would be a major factor for housing, even at the highest residential densities in Manhattan Beach.

Construction Costs

Construction costs vary according to the type of material used, and the amenities provided. The cost for basic no frills construction is about \$125 per square foot. However, construction prices can easily exceed \$200 or \$300 per square foot for construction providing greater amenities. Factory-built housing is more economical and can be fully installed for under \$100 per square foot.

Developers may use luxury construction and build larger units to balance high land costs. This is because the land price alone will cause a dwelling to have a fairly high price. Buyers paying higher prices have expectations for greater amenities, which in turn leads to a greater increase in per unit cost.

While land costs can be defrayed by providing less land per dwelling unit, i.e. increasing density, this approach is only effective up to a point. Once densities approach about forty units per acre or fewer, depending on project and site specifics, costs increase greatly due to the need to provide parking structures, instead of surface parking and other items such as elevators. Basic wood frame construction is not adequate for housing at higher densities which requires the use of steel framing.

Financing

While the recent downturn has led to a reduction in the prime lending rate, that rate cannot normally be attained by the average homebuilder or buyer. As foreclosures increase, standards for home loans and construction loans have increased, with decreased availability of financing. Individuals who could easily qualify for loans in the recent past may find difficulty in obtaining financing in the future.

Marketability

In order to remain profitable, builders must respond to consumer demand. Thus, builders will produce that product believed to be most marketable. For this reason, amenities are generally provided beyond the mere minimum required for habitability. Buyers may be perceived to require a minimum size unit, or additional parking.

Buyers have sought larger and larger homes with more amenities. In 1970, according to the U.S. Census Bureau, the average home size in the United States was 1,500 square feet, up from an average 983 square feet in 1950. By 2000 this had increased to 2,266 square feet. Home sizes continue to rise, as evidenced by the increase in local home sales prices even as price per square foot has declined. Builders may be leery of scaling back amenities to achieve economy, if they believe consumers may not respond.

Availability of Infrastructure

Roadways in Manhattan Beach are subject to high levels of traffic which would be exacerbated by increased development. Much of this traffic is cut through traffic over which the City has no control, a particular problem on such north/south arterials as Sepulveda Boulevard. This traffic affects both the ability of the City to intensify development and the desirability of residential use of parcels along major streets.

Other infrastructure issues relate primarily to the age of the infrastructure, rather than capacity. In the coastal area of the City, terra cotta sewer lines are deteriorating. Domestic water discoloration occurs from time to time in the beach area due to the use of iron pipes. At the southerly end of the City, along Sepulveda Boulevard, elevation differences between the area and the reservoir result in water pressure problems on occasion. Therefore intensification of water consuming development in this area could be a problem.

GOVERNMENTAL CONSTRAINTS

Governmental actions and policies may act as a constraint to the delivery of housing. These constraints include local ordinances and practices as well as state actions. The primary controls upon land use in the City of Manhattan Beach are the General Plan, Zoning Code, and Building Code. In addition, City fees and processing times may also affect development.

General Plan and Zoning

The General Plan provides for three categories of residential density. The permitted density in each category varies by area as shown on Table 43. These land use categories are consistent with those provided in the Zoning Code. To the extent that demand existed for very high density residential uses these density limits could act as a constraint on the delivery of housing.

**TABLE 43
GENERAL PLAN CATEGORIES**

Area	Low Density	Medium Density	High Density
District 1 - Hill Section/ Eastside so. of Manhattan Beach Blvd.	5.8 du/acre	11.6 du/acre	43.6 du/acre
District 2- Tree Section/ Eastside no. of Manhattan Beach Blvd.	9.5 du/acre	18.9 du/acre	43.6 du/acre
District 2- Manhattan Village	Specific Plan	Specific Plan	Specific Plan
District 3- Beach	16.1 du/acre	32.3 du/acre	51.3 du/acre
District 4 - El Porto	na	na	51.0 du/acre

Source: 2003 General Plan Land Use Element (LU-20)

The above densities provide for a range of housing types. The densities provided under the medium and high density designations are within the range deemed adequate to provide lower income housing in accordance with Government Code Section 65583.2 (c)(3)(B)(iv).

The City's height limit also constrains development, accommodating three stories, at most. Thus densities higher than the maximum 65 units per acre permitted would be extremely difficult to achieve, due to the need for parking and the desire of the residents for adequate living space. This limit is consistent with the repeatedly stated desires of the citizenry to maintain a small scale community and the capacity of area roadways to serve development.

The provision of parking is needed to satisfy the requirements of the Zoning Code and resident needs. In addition, the California Coastal Commission has repeatedly expressed the need to preserve public parking for visitor serving uses, which can sometimes be affected by new development.

Permit Process and Development Fees

Fees are charged by the City to cover processing costs and staff time. By State law, fees cannot exceed costs to the city generated by the activity for which the fee is assessed. A full schedule of planning fees is included in the Appendix.

A comparison of several fees associated with development of housing between the City of Manhattan Beach and neighboring jurisdictions is given in Table 44. For the fees examined, the City of Manhattan Beach charges rates comparable to the surrounding cities, charging the lowest fees for parcel maps. This would indicate that the City's planning and zoning fees are not a significant constraint to the construction of housing.

**TABLE 44
COMPARISON OF ADJACENT CITIES PROCESSING FEES,
CONDOMINIUM DEVELOPMENT**

City	Manhattan Beach	El Segundo	Redondo Beach	Hermosa Beach	Hawthorne
Parcel Map	\$805 to \$3,180	\$675 ≤ 6 du \$935 > 6du	\$826	\$1,974	\$3,380
Coastal Development Permit	\$560 minor, \$4,295 major	\$385	\$188 minor, \$875 major	n/a ¹	n/a
Conditional Use Permit(condo)	\$5,200	\$675 ≤ 6 du \$935 > 6du	\$1,750+ \$734/unit	\$1,293+ \$144/unit over 2 units	\$3,380
Variance	\$4,925	\$675 ≤ 6 du \$935 > 6du	\$1,750	\$1,869	\$3,380

1. Implementation Plan not certified. Coastal Commission approval required with \$500 fee for waiver. \$2,500 for administrative permit. If Commission action required, minimum \$3,000 fee for single family residence; \$7,500 for 2-4 attached units; \$10,000 for over 4 units.

Building Codes

In December 2007, the Manhattan Beach City Council approved Ordinance 2109, adopting the 2007 California Building Code which is based on the 2006 the International Building Code. The ordinance details the revisions and amendments to the Building Code which differ from CBC standards. These amendments are minor, and primarily relate to administration, sustainable development, soils investigations and seismic safety, and would thus not result in a constraint to housing production in the City of Manhattan Beach.

Coastal Zone Requirements

Section 65590 of the California State Government Code requires the inclusion of low- or moderate-income housing in new residential development in the coastal zone where feasible. It also contains requirements for the replacement of low- and moderate-income housing within the coastal zone when such housing is demolished or converted to other uses. The replacement housing must be provided only where feasible if the local jurisdiction has less than fifty acres, in aggregate, of privately-owned vacant land that is available for residential use. As noted previously, the City is built out and has only a nominal amount of vacant land.

Since the City does not have the ability to construct or otherwise subsidize the construction of new housing through redevelopment, it must rely on its existing incentives to promote the development of affordable housing in the coastal zone.

The City of Manhattan Beach has a certified Local Coastal Program (LCP). The LCP was certified by the California Coastal Commission in 1994 and therefore the City is able to issue its own coastal permits.

The LCP addresses three primary issue areas: public access, locating and planning for new development, and the preservation of marine-related resources. The LCP includes a number of policies that will affect the ability to develop new housing development within the coastal areas of the City. These include policies related to the preservation of beach access, the provision of adequate parking (including requiring adequate off-street parking to be provided in new residential development) and controlling the types and densities of residential development within the coastal zone. Those coastal policies related to residential development within the coastal zone include the following:

1. Policy II.B.1: Maintain building scale in coastal zone residential neighborhoods consistent with Chapter 2 of the Implementation Plan.
2. Policy II.B.2: Maintain residential building bulk control established by development standards in Chapter 2 of the Implementation Plan.
3. Policy II.B.3: Maintain Coastal Zone residential height limit not to exceed 30 feet as required by Sections A.04.030 and A.60.050 of Chapter 2 of the Implementation Plan.
4. Policy II.B.4: The beach shall be preserved for public beach recreation. No permanent structures, with the exception of bikeways, walkways, and restrooms, shall be permitted on the beach.

GOALS, POLICIES AND PROGRAMS

GOAL I. Preserve existing neighborhoods.

The City is made up of several distinct neighborhoods, some of which were originally established in the early 1900s. The neighborhoods reflect the City's unique and varied environment and include:

- 1) The Beach Area, containing most of the City's multi-family rental housing which is developed on small lots and offers a village atmosphere;
- 2) The Hill Section consisting primarily of single-family residential development on slightly larger lots, with commercial and higher-density residential development limited to Sepulveda Boulevard and Manhattan Beach Boulevard;
- 3) East-Side including single family residential uses and a large proportion of the City's commercial and residential uses within this area;
- 4) Manhattan Village which includes a substantial amount of regional commercial and office development as well as a significant number of single family homes and senior housing.
- 5) The Tree Section which is the single family area east of Bell Avenue and northwest of Valley Drive as well as senior housing; and
- 6) El Porto, a formerly unincorporated community providing a mix of high density residential and commercial uses.

The City has long been committed to the maintenance and preservation of its residential neighborhoods. This was a goal of both the 1993 and the 2003 Manhattan Beach Housing Elements

Policy 1. Preserve the scale of development in existing residential neighborhoods.

This policy is similar to, but somewhat more specific than, Policy 1.1 in the 2003 Housing Element, which called for the character of existing neighborhoods to be maintained and preserved. In furtherance of that policy, the City has adopted a "mansions ordinance" and revised lot merger provisions so as to preserve existing residential lots.

Program 1a. Continue to enforce provisions of the Zoning Code which specify District Development Regulations for height, lot coverage, setbacks, open space, and parking.

Section 10.12.030 of the MBMC has established standards to avoid “mansionization”, including increased setback and open space requirements for new single family residences. The additional open space must be provided in areas adjacent to streets or in areas that create useable open space. Open space may be provided above the second story, encouraging structures to be built to less than maximum height and reducing the mass of homes.

The mansionization ordinance also establishes maximum lot sizes in residential districts as follows:

**TABLE 45
MAXIMUM LOT SIZES**

District	Maximum Lot
I - Hill Section; Ardmore east, Manhattan Beach Blvd. south	15,000 sq. ft.
II -Tree Section; Ardmore/Blanche east, Manhattan Beach Blvd. south	10,800 sq. ft.
III - Beach area	7,000 sq. ft.
IV - El Porto	7,000 sq. ft.

Generally, properties in the Medium and High Density Residential zones which are developed with three or more units are exempt from the stricter requirements, in order to encourage development of multi-family development.

Section 10.64.030 of the MBMC requires additional enclosed parking for larger residences. Three enclosed parking spaces are required for residences that exceed 3,600 square feet in floor area, whereas residences smaller than 3,600 square feet only need to provide two spaces. Only one space is required for multi-family units with less than 550 square feet.

These provisions act to discourage construction of overly large dwellings that are out of scale with the surrounding neighborhood. In addition to issues of scale, the large dwellings are also more costly, and lead to increased pressure to demolish modest dwellings in favor of lavish structures affordable only to the most affluent.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: On-going

Objective: Preserve 50 smaller units

Program 1b. Continue to apply the Design Overlay as provided under Section 10.44 of the Municipal Code, as appropriate.

This section provides a mechanism for establishing specific development standards and review procedures for certain areas of the City with unique needs, consistent with General Plan policies, taking into consideration the unique nature of a given neighborhood. Seven subdistricts have been established:

- D1) Rosecrans Avenue, where higher fences in the front-yard setback area are needed to reduce traffic noise;
- D2) 11th Street, where limitations on building height and density are needed to minimize building bulk and buffer adjoining residences;
- D3) Gaslamp neighborhood, where special design standards and review procedures are needed to preserve existing neighborhood character;
- D4) Traffic noise impact areas, where higher fences are needed to reduce traffic noise;
- D5) North end commercial, where special design standards are needed for the north end commercial area to accommodate additional residential development;
- D6) Oak Avenue, where special design standards, landscaping and buffering requirements are needed to allow commercial use of property in a residential area adjacent to Sepulveda Boulevard;
- D7) Longfellow Drive area, including residential lots in Tract 14274 located on Longfellow Drive, Ronda Drive, Terraza Place, Duncan Drive and Kuhn Drive, where a special minimum lot area requirement and restriction on subdivision is needed to preserve the character of the neighborhood, including views and privacy.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: On-going

Objective: Preserve neighborhood character citywide.

Program 1c. Refrain from approval of lot mergers which would result in a reduction in the number of residences allowed.

Many homes have been constructed on double lots. The City has permitted the underlying subdivision to remain, in order that separate homes may potentially be built on each of the underlying lots. In accordance with Zoning Code Section 10.52.050, accessory structures ancillary to a primary residence may be constructed on an adjacent lot in common ownership without processing a lot merger. Similarly, the City will not require that lots be merged when schools, churches or other, similar public assembly uses are constructed on multiple lots. In addition, the maximum lot standards noted above would prevent consolidation of very large lots. This will

preserve opportunities for future housing units that would otherwise be lost if lots were consolidated.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: On-going

Objective: Preserve 20 subdivided lots

Policy 2. Preserve existing dwellings.

This policy is similar to Policies 1.2 and 1.3 in the 2003 Housing Element which called for existing housing units and affordable housing to be maintained.

Program 2a. Allow non-conforming dwellings to remain and improve.

Under the Zoning Code Section 10.68, as recently revised in conjunction with the City's mansionization ordinance, the development process for improvements to smaller non-conforming residential structures has been streamlined. Exceptions may be approved administratively to allow additions to non-conforming structures that will not result in total structures in excess of 66 percent of the maximum floor area in Districts III and IV or 75 percent of the maximum floor area in Districts I and II, or 3,000 square feet, whichever is less.

Non-conforming dwellings may also be improved while maintaining non-conforming, existing parking. For dwellings with less than 2,000 square feet of floor area, only one enclosed parking space is required.

The non-conforming dwellings to be preserved tend to be smaller and less costly than newer housing in the community. The preservation and improvement of these units will maintain the pool of smaller units which might otherwise be demolished to make way for larger, more costly housing.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: On-going

Objective: Preserve 24 smaller units

Program 2b. Consider utilizing Community Development Block Grant funds or exchange funds for home improvement loans for low income residents, consistent with income limits provided for such funding, and pursue additional sources of funding for City programs.

As discussed previously, CDBG funds are exchanged for unencumbered General Funds which are granted to local public service agencies who provide services for low and moderate income residents as well as elderly, disabled, and abused residents.

Services include counseling, shelter referral, dental care, case management and groceries for seniors. This allows the City to exceed the fifteen percent limit on a locality's CDBG funds which may be passed on to such social service providers.

As shown previously in Table 28, approximately three quarters of extremely low income homeowners, and half of very low income homeowners pay over half of their income on housing, leaving little for home maintenance or improvement. A third of low income homeowners pay over half of their income on housing.

Many homeowners in the City could not afford to purchase their homes at currently prevailing prices, and are "house rich and cash poor," which is not unusual for the region. Long time residents would be expected to have decades-old mortgages with relatively low payments. Some may have completed their mortgage payments. Thus, as they approach their retirement years and life on a fixed income, they could continue to afford to live in their current residences. However, major home repairs and rehabilitation could exceed limited budgets.

Under this new program, a portion of CDBG funds could be utilized to provide a larger number of small loans or grants for rehabilitation of existing housing. Years ago, residents showed little interest in such a program. However, the population has aged, leading to a greater number of residents on fixed incomes. Before initiating any such program, the City should attempt to establish whether interest exists through public solicitation of interest. It would be important to assure residents of full confidentiality, in order not to deter participation.

First time homeowners would be facing new mortgages with large payments. Units available to first time buyers would be expected to be the lowest priced homes, oftentimes "fixer uppers". Mortgage payments could require a large proportion of the buyers' income, leaving little remaining income for home repairs. However, even the lowest advertised prices for residential units would be out of reach for low income individuals, and a CDBG funded loan program would therefore be expected to be most heavily utilized by long term homeowners on fixed incomes.

Responsibility: Community Development Department

Funding: CDBG

Schedule: Initiate assessment of interest 2009;

If interest exists, initiate program 2010.

Objective: Preserve/improve 16 low and moderate income units

GOAL II. Provide a variety of housing opportunities for all segments of the community, including various economic segments and special needs groups.

There is considerable diversity in the types and densities of housing that comprise the City's neighborhoods, with high-density multiple-family development found within the coastal zone, and less dense single-family neighborhoods located further inland. As noted previously, housing is offered to a variety of economic sectors, with for sale units advertised at prices ranging from \$350,000 to \$8 million. Approximately one fifth of the City's population is currently over the age of fifty five, and housing policy must consider the special needs of the aging population.

This goal reflects two goals in the 2003 Housing Element, to assist in the development of new housing for all income groups, and to strive to provide sites to achieve a variety and density of housing.

Policy 3. Provide adequate sites for new housing consistent with the capacity of roadways, sewer lines, and other infrastructure to handle increased growth.

Program 3a. Continue to allow infill in residential areas.

Development of existing vacant residential infill sites would result in the production of dwelling units on small sites scattered throughout the City. The Manhattan Beach General Plan would provide for an additional 395 dwelling units on sites designated for residential use citywide. Infill on specific developed sites built at less than the density permitted under existing zoning with a high potential for redevelopment could result in approximately eighty eight (88) additional units. This is a long-time (since 1993) City housing policy.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: On-going

Objective: 88 to 395 dwelling units dwelling units

Program 3b. Permit and facilitate the establishment of residential uses in certain commercial districts.

Provision of housing in mixed use areas is a long-time (since 1993) City housing policy. Under Section 10.16.020 of the Municipal Code, residential uses are permitted upon the approval of a use permit in the Local Commercial, Downtown Commercial, and North End Commercial Districts. Single-family residential permitted by right in the North End Commercial District if located on a site which (1) fronts on Crest Drive; or (2) on the rear half of a site which fronts on Highland Avenue; or (3) on a site which fronts on the east side of Highland Avenue between 38th Place to the south and Moonstone Street to the north; or (4) on a site which does not abut Rosecrans Avenue or Highland Avenue; otherwise a use permit is required.

Development of mixed uses can facilitate the delivery of housing. Not only does mixed use development make additional areas available for residential development, in a mixed use project the provision of an accompanying commercial use can help absorb some of the fixed costs of development, thereby facilitating the production of lower cost units. In addition, traffic congestion along with energy consumption and air emission can be reduced as residents walk to nearby commercial uses. This can also enhance the viability of less thriving commercial areas.

Because a use permit is currently required for development of residences in most commercial areas, these cannot be considered units that would be permitted by right and therefore could not be considered to meet the RHNA. Residential uses in the Downtown area and along Manhattan Beach Boulevard may enhance those areas. It is suggested that the City allow residential uses by right with specific criteria, subject to Planning Director review to assure that all standards are met.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: Revise code to eliminate use permit requirement 2010.

Continued approval of mixed use development, on-going

Objective: 300 dwelling units

Program 3c. Continue to provide for a mixture of uses in the Manhattan Village area.

The Manhattan Village area contains a mix of hotel, office, research and development, retail, recreation and residential uses, including senior housing. The existing parking lot at Parkview Avenue and Village Drive could accommodate up to twenty five (25) additional residential housing similar to the existing senior project. This site was identified as a potential housing site in the 2003 Housing Element, consistent with the more general 1993 Housing Element program calling for a mixture of uses in the Manhattan Village area.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: On-going

Objective: 25 senior units

Program 3d. Revise development standards for residential uses in the CD and CNE District.

In order to encourage residential uses, it is suggested that rather than limit residential units to a certain number of units per lot, that no specific maximum number of units per lot be specified, so long as the otherwise maximum physical dimensions of the allowable building envelope are not exceeded in mixed use commercial/residential developments. Greater numbers of smaller units could result, with likely occupants being young people and seniors wanting easy access to commercial uses, particularly seniors who no longer feel comfortable driving.

Under existing codes, parking spaces located within the Downtown Commercial (CD) district may serve as required parking for a nonresidential use located within the same district at a maximum distance of one thousand feet (1,000'). No parking for commercial uses is required at all if the floor area ratio does not exceed 1:1. The same is not permitted for residential uses. In order to facilitate development of residential uses, residential and commercial uses should be treated equally for parking purposes.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: Revise code by 2011

Objective: Facilitate mixed use units noted above.

Policy 4. Preserve existing affordable housing stock

Program 4. Regulate the conversion of rental stock to condominiums.

Section 10.88.080 of the Municipal Code requires that potential displacement of existing tenants be taken into consideration when evaluating requests for conversion of existing rental units to condominium status. In addition, under Section 10.88.070, tenants must be given first right of refusal to purchase at discounted prices. Those tenants who do not wish to purchase must be provided relocation assistance. Elderly and handicapped tenants must be provided life leases, with no rent increases for at least two years, and low and moderate income tenants and families must be given at least one year to relocate. These programs help to reduce the impact of condominium conversion on low and moderate income households.

Responsibility: Community Development Department

Funding: City General Fund, condominium application fees

Schedule: On-going

Objective: Preserve 12 affordable units

Policy 5. Encourage the development of additional low and moderate income housing.

Program 5a. Provide incentives for housing affordable to low income households and senior housing.

Section 10.52.090 of the Municipal Code provides for density bonus or other incentives when low income housing is provided, in accordance with Section 65915 of the California Government Code. The housing must remain affordable for at least thirty years. In accordance with Section 10.12.050 N of the Municipal Code, development standards may be modified where affordable housing is provided. This is an ongoing program included in the two preceding housing elements.

Pursuant to Section 10.52.090 of the City's Zoning Ordinance (Affordable Housing Incentive Program), developers who volunteer to make a portion of the housing development affordable by persons of lower income receive financial incentives, thus expanding housing opportunities for lower-income persons throughout the City. The Code defines "affordability" as follows:

1. A "for-sale" unit is considered affordable to a lower-income household if the total monthly payment required by the household to purchase and occupy the unit does not exceed 35% of the monthly income of a family (of the appropriate family size for the unit per the occupancy standards of the U.S. Department of Housing and Urban Development) with a monthly income equal to 80% of the County median income.
2. A new rental unit is considered affordable to a lower-income family if the total housing cost (including rent and utilities) does not exceed 30% of monthly income for households making 60% or less of County median income, based on a household appropriately sized for the unit per HUD occupancy standards which normally allow two persons per bedroom plus one additional person.
3. An existing rental unit is considered affordable to a lower-income household if the total housing cost including rent and utilities does not exceed the prevailing fair-market rent published by the U.S. Department of Housing and Urban Development.

Additional requirements needed to qualify for the incentives provided under this Affordable Housing Incentive Program include the following:

1. At least 20% of the total units must be affordable to lower-income persons or families as defined by the California Health and Safety Code, Section 50079.5, including elderly persons and families defined by Section 50067 of the Health and Safety Code; or,

2. At least 10% of the total units of a housing development must be made available to very-low-income households, as defined in Section 50105 of the Health and Safety Code; or,
3. At least 50% of the total dwelling units of a housing development must be made available to qualifying residents, as defined in Section 51.2 of the Civil Code.

Applicants for development meeting the above requirements may request that the City grant an incentive of financial value equivalent to a 25% density bonus and a regulatory concession or incentive. Following a public hearing, the City Council may grant such incentives as long as the density bonus is appropriate and consistent with the General Plan and the Zoning Code. The Zoning Code also provides for the following regulatory concessions or incentives to enable qualifying affordable housing development will be produced at a reduced cost:

1. A reduction in site development standards or a modification of zoning code requirements or architectural design requirements;
2. A reduction in setback and square-footage requirements;
3. A reduction in required vehicular parking spaces;
4. The approval of mixed use zoning in conjunction with the housing project if commercial, office, industrial, or other land uses will reduce the costs of the housing development. In these instances, the commercial, office, industrial, or other land uses must be compatible with the residential development and the surrounding residential development.
5. Other regulatory incentives or concessions proposed by the developer or the City, which result in identifiable cost reductions.

The developer must enter into an agreement which shall include the following provisions at a minimum:

1. The proportion of the total units that will be affordable by persons and families of lower income,
2. A commitment that the affordable units will remain available and affordable for 30 years unless the City approves a shorter time period.
3. A requirement that the affordable units be identified on building plans and described in the application for a lower- income housing incentive.
4. A requirement that resale controls be included as a deed restriction to ensure continued affordability, secured by a promissory note, in the amount of fifty thousand dollars (\$50,000.00) per affordable unit, secured by a deed of trust against the property.

5. A description of the specific incentives that the City will make available to the developer and any conditions pertaining to them.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: Annual review of development agreements, ongoing approval of projects as proposed.

Objective: 30 incentive units

Program 5b. Streamline the development process to the extent feasible.

The City currently allows and encourages concurrent processing of all discretionary applications for a project, thereby streamlining the development process. Many routine applications may be processed as minor exceptions instead of the longer and more difficult variance process. As discussed in the previous section regarding governmental constraints, processing time for building permits in the City compares favorably with that for other nearby jurisdictions.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: Ongoing.

Objective: Process 100 percent of applications in an efficient manner

Program 5c. Allow the establishment of manufactured housing on single family residential lots.

Manufactured housing can be constructed for much less than the cost of traditional building. Building various standardized modules in one location results in savings due to economies of scale and greatly reduced waste of building materials. Factory-built housing designed for placement on fixed foundations can be highly attractive and virtually indistinguishable from standard construction. In addition, current factory-built housing is typically built to higher standards for energy conservation.

In accordance with Section 10.52.100 of the Municipal Code, manufactured housing is permitted on single family lots not occupied by another dwelling. The housing must be secured, must meet certain design criteria, and must be on a relatively flat slope. These criteria are not unduly burdensome and would not prevent the establishment of manufactured housing on residential lots.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: Ongoing.

Objective: Increase affordability of 5 units

Program 5d. Work with the private sector to facilitate the provision of low and moderate priced housing.

This is a continuation of the Developer Consultation Program included in the 2003 Housing Element. In the recent past, the City has worked with the private sector to produce two residential projects available to low and moderate income households. The Manhattan Terrace development received a certificate of occupancy in July 1991. The City approved a use permit to allow this senior citizen project at 3400 Valley Road. This forty eight unit project contains 540 square foot units with rents at affordable levels.

A 104-unit seniors project was completed at Manhattan Village on Parkview Avenue in 1997. This project provides housing affordable to very low and moderate income households along with market rate housing. The City processed a zoning amendment to allow a higher density for this project, and reoriented a City recreation facility in order to facilitate development of the project.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: Annual review of continuing affordability:

Ongoing approval of projects as proposed.

Objective: Preserve 81 affordable senior units

Program 5e. Allow second units in single family areas.

This was included in the 2003 Housing Element as the Second Unit Program. Section 65852.2 of the California Government Code provides for the establishment of second units in areas zoned for single family, as a means of increasing housing stock.

Provision for second units has superseded the original State provision for granny flats, though many of the second units are designed for elderly family members. Units meeting the following criteria must be permitted:

1. The unit is not intended to be sold separately from the primary residence, but the second unit may be rented.
2. The lot is zoned for single-family or multifamily use.
3. The lot contains an existing single-family dwelling.
4. The second unit is either attached to the existing dwelling and located within the living area of the existing dwelling or detached from the existing dwelling and located on the same lot as the existing dwelling.
5. The increased floor area of an attached second unit shall not exceed 30 percent of the existing living area.
6. The total area of floor space for a detached second unit shall not exceed 1,200 square feet.

No more than one parking space per bedroom may be required. In accordance with Section 65852.2(b)(3), local ordinances may specify that the property owner reside on the property.

Absent a local ordinance specifying development standards, the provisions of State law apply. The City does not currently have a local ordinance regarding second family units. Efforts were made to develop an ordinance in the past, but abandoned before the process was completed. The City may wish to reconsider developing its own second family unit program, both to facilitate provision of second family units and to establish standards suited to the City's unique neighborhoods.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: Develop ordinance 2011

Objective: 36 second family units

Policy 6. Encourage means of increasing ability to afford existing housing stock.

Program 6a. Continue to participate in Los Angeles County Housing Authority, and publicize availability of Section 8 rental assistance for households in the City.

Section 8 rental assistance is provided by the United States Department of Housing and Urban Development (HUD) and is administered locally by the Los Angeles Community Development Commission (CDC) operating as the Housing Authority of the County of Los Angeles. Under this program, low income households are provided the differential between the rental rate of a unit and what they can afford. The rental rate cannot exceed fair market rent for the area as established by HUD. Based on Census data and advertised rents, there are units within the City which fall within the permissible rental range. The County has ceased accepting applications for new Section 8 assistance due to the length of the countywide waiting list, but is soliciting enrollment of additional landlords.

Responsibility: Los Angeles Community Development Commission;

Publicized by City Community Development Department

Funding: Federal Section 8 funds

Schedule: Ongoing. Publicize to landlords and tenants via City newsletter, link on City website or other means, 2010 and ongoing.

Objective: 6 existing units made available through Section 8 program.

Program 6b. Participate in the Home Ownership Program (HOP) and American Dream Down Payment Initiative (ADDI) programs.

These first-time homebuyers programs are administered by the Los Angeles Community Development Commission and are available to prospective residents of Manhattan Beach. Although the programs place a ceiling on housing price, a few units in Manhattan Beach could qualify, based on existing home listings.

The Home Ownership Program (HOP) is financed with HOME funds provided through the U.S. Department of Housing and Urban Development (HUD) and is subject to the applicable federal regulations. HOP has been designed to meet the needs of low-income families with the necessary down payment assistance. This program will provide a 2nd Trust Deed loan at 0% interest with all payments deferred until sale, transfer, refinancing, or full repayment of the first mortgage.

The American Dream Down Payment Initiative (ADDI) is a component under the HOME Investment Partnerships Program, authorized under the Title II of the Cranston-Gonzalez National Affordable Housing Act. ADDI monies are used for closing costs and down payment assistance with a loan amount of up to \$10,000 or 6% of the purchase price whichever is greater.

Responsibility: Los Angeles Community Development Commission;
Publicized by City Community Development Department

Funding: HUD HOME funds

Schedule: Ongoing. Publicize to via city newsletter, link on city website or other means commencing 2010.

Objective: 4 units purchased through HOP or ADDI

Program 6c. Encourage shared housing programs for seniors and existing one person households.

Sharing of one housing unit by two or more roommates can render housing affordable to persons who could not otherwise afford housing individually due to the ability to share housing costs among roommates. This is also of help to seniors who may need minor assistance or even just occasional monitoring. The programs could be coordinated by the City's Senior Services Manager.

Responsibility: Senior Services Manager

Funding: City General Fund/Beach Cities Health District

Schedule: Begin program 2010

Objective: 48 housing matches

Policy 7. Promote housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, or color and for special needs groups.

Program 7a. Continue to participate in area wide programs to ensure fair housing.

The City will continue to contract with Fair Housing organizations to process complaints regarding housing discrimination within the City, and to provide counseling in landlord/tenant disputes. This is a continuation of the Fair Housing Program included in previous housing elements.

Responsibility: Community Development Department

Funding: General fund/CDBG

Schedule: Ongoing, annual review

Objective: Address 100 percent of fair housing complaints

Program 7b. Provide for the housing needs of seniors.

The Manhattan Village Senior Villas, located at 1300 Park View Avenue, was first occupied in 1997, and included in the 1993 and 2003 Housing Elements. This project consists of 104 senior housing apartments. As a condition of the project's approval, 20% of the units must be reserved for very low income households, 20% must be reserved for low-income households, and 40% of the units must be reserved for moderate-income households. The remainder (20%) of the units may be rented at a market-rate. The occupants of the senior housing project must consist of a householder 62 years of age or older, or 55 years of age or older if handicapped, according to criteria established by the Americans With Disabilities Act (ADA) of 1990 or the Federal Rehabilitation Act of 1973. This program is concerned with ensuring that the current affordability of the project is being maintained.

Implementation: No additional funding and/or staffing will be required or are anticipated with this program's continued implementation. The City will work to inform the public of the program.

Responsible Agency: California Housing Finance Agency

Funding: State of California

Schedule: On-going

Objective: Preserve 81 affordable senior units

Program 7c. Provide for the special needs of seniors so that they may remain in the community.

The Senior Care Management program, which is an ongoing program also included in the 2003 Housing Element, provides services to predominantly low-income seniors. At any given time, the Senior Services Program may assist up to 110 senior citizens, of which 70% are low-income. As liaison and service coordinator, the Senior Care Manager performs the following functions:

1. Locates suitable (often more affordable) housing. This may include referrals to "board and care" residential facilities in Manhattan Beach, or multi-family apartments;
2. Identifies financial assistance resources, including HUD Section 8 rental vouchers through Los Angeles County, and other federal assistance programs, as well as disbursing information and referring to lenders for special mortgage programs;
3. Coordinates "Rotary Cares," a volunteer program, which rehabilitates two senior homes per year, consisting of minor repairs, plumbing, carpentry, painting, etc.,
4. Arranges and makes referrals for health and personal services for the Senior Health Program, which is funded by the Beach Cities Health District; and,
5. Informs eligible low-income seniors of state and utility company programs (Southern California Edison and Southern California Gas Company) regarding discounts, weatherization services, and payment assistance.

As discussed above, it is suggested that a shared housing program also be established, expanding responsibilities under No. 1 above. The City also provides funds for social service groups serving seniors, including the Salvation Army brown bag food program, Care Management for Manhattan Beach Seniors, and South Bay Adult Care Center.

Responsible Agency: Fire Department
Funding: General Fund/Beach Cities Health District
Schedule: On-going; add shared housing program 2010
Objective: Maintain full-time senior services provider

GOAL III. Provide a safe and healthy living environment for City residents.

The City's housing stock is generally in good condition, and the City has few heavy industrial type uses. In the past, industrial uses to the north, in El Segundo adversely affected local residents, but the two cities have worked together to address this problem. It is the goal of the City to continue to provide a healthy environment for all residents, consistent with the stated goal of the California Legislature to provide decent safe and sanitary housing.

Policy 8. Eliminate potentially unsafe or unhealthy conditions in existing development.

Program 8a. Continue the active code enforcement program for illegal and substandard units.

The City has an active Code enforcement program which responds to complaints of substandard structures. In addition a Report of Residential Building Records is required each time a property is sold, which serves to alert all parties to unpermitted and potentially substandard construction that may exist. This ongoing program was included in the 2003 Housing Element.

Responsible Agency: Community Development Department

Funding: General Fund

Schedule: On-going

Objective: Respond to 100 percent of reports of substandard units

Program 8b. Utilize Community Development Block Grant funds for home improvement loans for low income housing, consistent with income limits provided for such funding, and pursue additional sources of funding for City programs. This is identical to Program 2, above.

Policy 9. Prevent the establishment of potentially unhealthful conditions in new development.

Program 9. Require that residential uses adjacent to industrial or commercial uses be adequately buffered from such uses.

Sections 10.16.030 and 10.20.030 of the Municipal Code requires that walls and setbacks be provided between industrial and residential uses and between commercial and residential uses. As industrial uses have left the area, this is less of a problem than in the past, although such uses continue to exist in the area.

Responsible Agency: Community Development Department

Funding: General Fund

Schedule: On-going

Objective: Maintain block walls and adequate landscaping at all industrial/residential interfaces.

GOAL IV. Encourage the conservation of energy in housing.

The conservation of energy and sustainable development have become of increasing importance. Worldwide energy supplies are subject to greater demand from emerging economies throughout the world. Scientists and society at large have gained a greater understanding of the impacts of energy consumption and global warming, specifically greenhouse gases. California has become the first state to address greenhouse gases. It is important that new housing be developed in light of a changing energy environment. The policies and programs below are an expansion of the energy conservation program included in the 2003 Housing Element.

Policy 10. Encourage the use of alternate energy.**Program 10. Waive fees for installation of solar panels.**

Solar panels may be used on roofs of residential and commercial structures to generate electricity which is either transmitted to the grid or stored in batteries on-site. The existing height limits in Manhattan Beach ensure rooftop units would not eventually be subject to shade and shadow which would render them ineffective. In March 2008, in order to encourage use of alternate energy, the City Council voted to waive any building fees for photovoltaic panels.

Responsible Agency: Community Development Department
 Funding: General Fund
 Schedule: On-going
 Objective: 84 solar panels

Policy 11. Reduce energy loss due to inferior construction/development techniques.**Program 11a. Enforce green building techniques.**

The City has adopted the California Energy Code. In addition the City requires the following:

- Insulating hot water pipes to minimize energy loss
- Using caulk and insulation that are formaldehyde-free or contain low VOC (volatile organic compounds)
- Pre-plumb water piping and sensor wiring to the roof for future solar water heating
- Use duct mastic on all duct joints and seams to minimize energy loss
- Install "Energy Star" bath fans vented to the outside
- Energy efficient water fixtures

The City continues to review its codes to encourage greener building techniques. The United States Green Building Council is currently reviewing more intensive

measures to be included in buildings for LEED certification. The City is in the process of reviewing standards through the Environmental Task Force and should also review its codes upon completion of the USGBC review.

Responsible Agency: Community Development Department

Funding: General Fund

Schedule: On-going. Revise codes by 2011.

Objective: 100 percent compliance for new units

Program 11b. Encourage water conservation.

Massive amounts of energy are utilized in pumping water to southern California. Any measures to conserve water will therefore help conserve energy. This can be achieved through use of low flow fixtures and use of drought tolerant landscaping. Sections 7.32 and 10.52.120 of the Municipal Code currently address landscaping, tree preservation, and tree planting, but do not address drought tolerant landscaping. These sections should be reviewed and revised to address water use as well as aesthetic factors. The City is in the process of reviewing standards through the Environmental Task Force.

City codes provide for waterless urinals. Similar to the situation with solar panels, inspection and permit fees for installation of such urinals should be waived, when they are used to replace older, water-wasting urinals.

Responsible Agency: Community Development Department

Funding: General Fund

Schedule: On-going. Revise codes by 2012.

Objective: Reduced water consumption

Policy 12. Encourage reduction in energy consumption for commuting to work and other activities.

Program 12. Provide a balance of residential and employment generating uses in the City, including mixed use projects.

Where individuals have an opportunity to live in close proximity to their work, vehicle miles traveled to and from work can be reduced, thus reducing energy consumption. The City has permitted the development of mixed uses in Manhattan Village and permits the development of residential uses in commercial districts downtown and along Manhattan Beach Boulevard. In addition, the commercial areas of the City are in close proximity to residential districts, thus providing the potential that residents may walk to work or to shopping, dining out or other activities, or only drive a short distance.

Responsible Agency: Community Development Department
Funding: General Fund
Schedule: On-going. Revise codes as noted above
Objective: 200 mixed use units

Preservation of Assisted Housing

Section 65583(a)(8) of the California Government Code requires an analysis of previously assisted housing projects which may change to non-low-income housing during the next 10 years as well as strategies to preserve or replace the units. There are currently no such projects in the City of Manhattan Beach and, therefore, no preservation program for such units is necessary.

**CITY OF MANHATTAN BEACH
COMMUNITY DEVELOPMENT DEPARTMENT**

TO: Planning Commission

THROUGH: Richard Thompson, Director of Community Development

FROM: Michael P. Rocque, Assistant Planner

DATE: April 22, 2009

SUBJECT: Consideration of a Comprehensive Update to the City's General Plan Housing Element.

RECOMMENDATION

Staff recommends that the Planning Commission **CONDUCT THE PUBLIC HEARING** and **RECOMMEND** to the City Council approval of the Housing Element, and adoption of a Negative Declaration of environmental impacts in accordance with the California Environmental Quality Act (CEQA). A draft resolution will be provided at the meeting.

BACKGROUND

The Housing Element is one of seven mandated elements that must be included in a city's local General Plan in accordance with State law. State law also requires that local governments review and update their Housing Elements every five (5) years. The legislative purpose of a Housing Element is to ensure that cities assist in implementing a State-wide housing goal and that local governments adequately plan to meet the existing and projected housing needs of all economic segments of the community.

The primary goal of the City of Manhattan Beach Housing Element is to promote the development of suitable housing to meet existing and projected demand, while protecting the vitality of the existing residential neighborhoods. The challenge that the City can sometimes face is attempting to apply the State regulated goals and policies within the Element which does not always correlate or fit in with the City's existing infrastructure and Land Use goals/policies. The Housing Element should address the State's goals while considering and incorporating the City's goals and objectives. More detailed background information and discussion can be found in the previous Staff Report and attachments from the November 12, 2008 regular meeting.

Staff presented the Housing Element for initial review at the November 12, 2008 Planning Commission meeting. The Commission decided at that meeting to table the item for further discussion and directed staff to hold a Public Workshop in order to grasp and gain a full understanding of the purpose and process that goes into creating the Housing Element, as well as inviting the public for insight and comments.

The Public Workshop was held on January 29, 2009 and included the Commission, Staff, Housing Element Consultant and general public. At the workshop the Commission invited all comments and concerns from the public and also discussed the main components of the Housing Element while providing detailed direction to Staff as to what the next draft version should include.

Staff presented the revised Draft Housing Element for further review at the April 8, 2009 Planning Commission meeting. The Commission reviewed the revised Housing Element and provided further direction and comments for staff to include in a revised document.

DISCUSSION

At the April 8, 2009 Planning Commission meeting, staff presented the revised Draft Housing Element which included all of the comments and concerns from the Public Workshop and prior meeting. The document included an Executive Summary and addressed the organizational/substantive issues that were raised at the Workshop and included the public's general comments and concerns. At the conclusion of the meeting, the Commission provided further direction as to what remaining issues still needed to be addressed in the document. These items include providing: data consistent with the 2003 Housing Element, all State requirements, a declarative statement on the status of completing the 2003 Element goals, persuasive language regarding the difficulty of providing the 895 required RHNA assigned units, information on Mansionization that preserves smaller homes, more information on reduced parking for smaller downtown residential uses, information on senior housing programs, information on the potential sites for additional housing, and more texture and context within the document so it reflects the unique characteristics of the community.

The revised Draft Housing Element being presented tonight (Attachment A) strives to address the comments raised at the April 8, 2009 Planning Commission hearing, the Housing Element workshop, and the public's general comments that were received after or just prior to the April 8, 2009 meeting. All changes and additions to the attached draft element have been highlighted for reference. Most sections of the document contain an expanded discussion in areas that were lacking before and noted above. Other sections and headings have been organized to be consistent in format and tables have been reorganized and reformatted. Staff believes that the attached Draft document addresses the direction provided by the Planning Commission and that the consultant has addressed the State requirements.

After the January 29th Public Workshop Staff received comments from the Senior Advisory Committee (SAC) requesting that the Planning Commission provide them the opportunity for input and to address concerns regarding the availability of Senior housing, affordable housing, and requiring higher densities. Staff has a meeting on April 21, 2009 with the SAC to address their comments. All comments from the meeting with the SAC will be summarized at the Commission meeting and included in the Final Housing Element document as appropriate.

RESPONSE TO COMMENTS

At the last meeting there were a number of comments from the Commissioners and the public. Staff felt that some of these issues were not appropriate to be included in the Housing Element document itself, but rather these comments should be addressed in the Staff Report. Below are responses to comments that Housing Element consultant has provided.

Additional Programs-Affordable Housing in the Coastal Zone

At the last meeting, there were also some questions raised as to additional potential programs. Based on the discussion at the Workshop there appeared to be little support for inclusionary housing programs, in lieu housing fees, or housing linkage fees for commercial development.

An additional program which was not discussed at the workshop was an ordinance to implement Government Code Section 65590 (Mello Act). This was discussed at an earlier meeting and the consensus was not to include it. The information below highlights the Mello Act and is provided for informational purposes only. It expands on discussions in the Opportunities and Constraints Section of the Element which can be found on pages 55-56.

Government Code Section 65590 establishes requirements for provision and preservation of affordable housing in the Coastal Zone. Section 65590(d) imposes on local agencies the duty to ensure that:

“new housing developments constructed within the coastal zone shall, where feasible, provide housing units for persons and families of low or moderate income...Where it is not feasible to provide these housing units in a proposed new housing development, the local government shall require the developer to provide such housing, if feasible to do so, at another location within the same city or county, either within the coastal zone or within three miles thereof”.

Under Section 65590, low or moderate income housing must be provided in new residential development in the coastal zone where feasible. As defined under Section 65590(g)(3):

"Feasible" means capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, social, and technical factors.

The Act is silent as to the proportion of affordable units to be provided.

The local agency is also required to offer incentives for the provision of low and moderate income housing. The City of Manhattan Beach addresses this requirement through its existing Incentive Program, though Section 65590 is not specifically addressed.

The City of Manhattan Beach has not adopted a specific ordinance to implement Section 65590. This is consistent with Government Code Section 65590(h) which states that the Section is not to be construed as a requirement that a local government adopt individual ordinances or programs in order to implement the requirements of the section. Local agencies are required to implement the

affordable housing provisions of Section 65590 whether or not they are included within a local agency's adopted housing element or other locally adopted program.

Section 65590 also contains requirements for replacement of low and moderate income housing within the coastal zone when such housing is demolished or converted to other uses. The replacement housing must be provided only where feasible if the local jurisdiction has less than fifty acres, in aggregate, of privately owned, vacant land which is available for residential use in the coastal zone or within three miles inland of the coastal zone boundary. This is the case for the City of Manhattan Beach.

If a city has fifty or more acres of vacant residential land (which is not the case for the City of Manhattan Beach), replacement of dwelling units demolished or converted to other use must be provided only if feasible in some cases; in other cases, the replacement units must be provided regardless of circumstances:

REPLACEMENT REQUIREMENTS UNDER SECTION 65590			
Number of Units to Be <u>Demolished or Converted</u>	Number of <u>Structures</u>	<u>Replacement Use</u>	<u>Replacement Requirement</u>
One or two	Any	Any	If feasible
Three to ten	Two or more	Any	If feasible
" " "	One	Coastal dependent or coastal related	If feasible
" " "	"	Not coastal dependent or related	Replacement required
More than ten	Any	Coastal dependent or coastal related	If feasible

Data

Questions were raised as to the use of old, outdated data. For the most part, the Draft Element relies on data from the 2000 Federal United States Census. In some places this will varies from data reported in the 2003 Element, possibly due to data corrections that occurred after initial

release of the data earlier in the decade. The current draft provides more detailed Census information than the 2003 Element in the following tables:

Table 22. Value of Owner Occupied Housing by City

Table 23. Value of Owner Occupied Housing by Census Tract

Table 26. Rent by City-2000 Census

Table 27. Rent by Census Tract

Table 30. Housing Expenditures as Percentage of Income — 2000

Table 31. Affordability Mismatch

Table 36. Handicapped Households by Census Tract

Table 39. Overcrowding

Other tables, such as Table 35. Existing Overpayment, are similar to tables in the existing element, but present data for State defined income groups, e.g., low income and moderate income. Though the raw data was collected as part of the 2000 Federal Census, processing the data is time consuming. Thus, some of the more detailed information would not yet have been available in 2002, when the 2003 Element was prepared.

Particular mention was made in written comments regarding California Department of Finance (DOF) and Southern California Association of Governments data (SCAG). The Draft Housing Element contains recent Department of Finance data (pp 4, 11, 32, and 33). The most recent SCAG data is also included (p.45). Data provided by these two agencies is limited in scope and is not available at the level of detail provided by the U.S. Census.

Additional data was obtained from the Los Angeles Homeless Services Authority, the California Emergency Management Agency, the United States Department of Housing and Urban Development (HUD), and private data sources such as Dataquick Information Systems.

It would have been desirable to present the data by the commonly known sections of the City. However, the boundaries are not identical. This would be problematic in the easterly portion of the City where Census Tract 6204 includes everything east of Sepulveda and north of Manhattan Beach Boulevard.

Housing Production

Questions were raised as to implementation of the previous Element. The bulk of the programs in the 2003 Element have been implemented (p.8), but little additional housing has been built. Housing estimates provided by the Department of Finance actually indicate a decrease in

dwelling units in the City. However, this reflects a mid-decade correction of previous estimates in response to release of the 2000 U. S. Census data. Taking into account the correction, the City of Manhattan Beach added fourteen dwelling units since 2003.

PUBLIC NOTICE

A notice of tonight's Planning Commission meeting was published in the Beach Reporter on April 2, 2009. The draft Element has been made available at the Library, City Hall, and at the Department of Community Development. The staff reports and attachments, including the Element are posted on the City website.

CONCLUSION

The purpose of the Housing Element document is to express a good faith effort on the part of the City to provide housing to meet the needs of all income levels including providing for affordable housing, although it is not guaranteed that it will be achieved. The City intends to continue with the goals and efforts included in the 2003 Housing Element and has limited resources to provide affordable housing. Providing a good faith effort by permitting an increase in density and increased height limitations allows developers an opportunity to build affordable housing. However, allowing greater density and height limits must be weighed against the desire in the community to control density and limit height to maintain the character of the City. Once the document is submitted for certification. It is anticipated the State will ask for additional information as to how the City will comply with the goals and requirements. The City will respond at that time based on City Council direction.

ATTACHMENTS

- A: Draft Housing Element-04/22/09
- B: 04/08/09 Draft Planning Commission Minutes

CITY OF MANHATTAN BEACH
HOUSING ELEMENT

DRAFT
PLANNING COMMISSION
APRIL 22, 2009



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HOUSING ELEMENT SUMMARY

HOUSING ELEMENT SUMMARY

The housing element is one of seven state mandated elements that must be included in a local general plan. A housing element must contain:

- A discussion of population and employment trends, household characteristics, housing stock characteristics;
- An assessment of existing housing needs including special needs for handicapped, elderly, large families, farmworkers, families with female heads of household, and the homeless;
- An inventory of resources and constraints which would affect meeting those needs; and
- A statement of community goals, policies, and quantified objectives designed to help maintain, preserve, improve, and develop housing.

CITY PROFILE

The existing profile and characteristics of the City are described in pages 6-43 and are summarized as follows.

At the time of the 2000 Federal Census, the City of Manhattan Beach had a population of 33,852, little changed from the population of 33,934 recorded by the 1960 Federal Census. This is reflective of the built out nature of the City. Approximately one fifth of the population is 55 years of age or older, with half of those 65 or older.

Approximately two thirds of all housing stock in the City consists of single family homes, with 10,191 single family detached homes out of the City's total of 15,094 dwelling units. In a similar ratio, approximately 65 percent of housing in the City is owner occupied.

Vacancy rates are low, and housing costs are higher than for the region in general, with median rent in the City being approximately twice that of Los Angeles County as a whole. A household is considered to be overpaying for housing if housing costs exceed thirty percent of household income. Low income and elderly renters have the greatest problem with overpayment for housing in the City.

Housing stock is generally in good condition. Few units are overcrowded.

HOUSING NEED

The Southern California Association of Governments (SCAG) has assessed housing need for each community in the region through their Regional Housing Needs Assessment (RHNA). The assigned

housing need for Manhattan Beach is 895 units, assigned to different economic segments of the community and is fully explained in pages 44-53 and summarized as follows:

Income Group	Income Level	Units Needed
Very Low Income	< 50% of median	236
Low Income	50% to <80% of median	149
Moderate Income	80% to <120% of median	160
Upper Income	≥120% of median	350
TOTAL		895

Source: SCAG RHNA, 2007

The largest special needs groups in the City of Manhattan Beach are the elderly and the disabled. The 2000 U.S. Census reports that there are 5,642 households in the City of Manhattan Beach which include at least one handicapped individual. The 2000 Census also indicates that there were 3,526 persons, or 10.4% of the City's total population over 65 years of age at the time of the Census. Many of these households overlap.

In January 2007, the Los Angeles Homeless Services Authority (LAHSA) conducted a count of homeless individuals at homeless shelters and drop in centers as well as on streets, at parks, and other areas believed to be utilized by the homeless. The survey reported that 87 homeless individuals would live in Manhattan Beach on a given night

OPPORTUNITIES AND CONSTRAINTS

The opportunities and constraints for additional housing are further discussed in pages 54-67 and are summarized below. Perhaps the greatest constraint to the provision of additional housing in the City of Manhattan Beach is the availability of land. The City is nearly built out, and allowable housing densities exceed fifty units per acre in some areas.

The City has sought to maximize services and opportunities for under served groups through an exchange of Community Development Block Grant (CDBG) Funds for unrestricted funds. This allows one hundred percent of the funds to be granted to local social service providers. The City participates with the Los Angeles Community Development Commission which administers the Section 8 rental assistance program, and first time homebuyer program.

Local programs to encourage additional housing include:

- Affordable housing incentive program
- Mixed use development ordinance

- Condominium conversion program
- Mansionization ordinance

GOALS, POLICIES, AND PROGRAMS

The overall primary goal of the City of Manhattan Beach Housing Element is to promote the development of suitable housing to meet the existing and projected demand, while protecting the vitality of the existing residential neighborhoods in the City. The policies and programs contained in this Element are intended to accomplish the following:

- **Preserve existing neighborhoods** by preserving the scale of development in existing residential neighborhoods and preserving existing dwellings.
- **Provide a variety of housing opportunities for all segments of the community**, by providing sites for new housing, preserving existing affordable housing stock, encouraging development of additional low and moderate income housing, encouraging measures to increase ability to afford existing housing stock and promoting housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, or color and for special needs groups.
- **Provide a safe and healthy living environment for City residents**, by eliminating potentially unsafe or unhealthy conditions in existing development, and preventing the establishment of potentially unhealthful conditions in new development.
- **Encourage the conservation of energy in housing** by encouraging use of alternate energy, reducing energy loss due to inferior construction/development techniques, and encouraging reduction in energy consumption for commuting to work and other activities.

These goals will be implemented by the following programs. The Goals and Policies, as well as the Programs to implement them, are discussed in detail in pages 68-88.

Program 1a. Continue to enforce provisions of the Zoning Code which specify District Development Regulations for height, lot coverage, setbacks, open space, and parking.

Section 10.12.030 has established standards to avoid "mansionization", including increased setback and open space requirements for new single family residences. Properties in the Medium and High Density Residential zones which are developed with three or more units are generally exempt from the stricter requirements, in order to encourage development of multi-family development.

These provisions act to discourage dwellings that are out of scale with the surrounding neighborhood. The large dwellings are also more costly, and lead to increased pressure to demolish modest dwellings in favor of lavish structures affordable only to the most affluent.

Program 1b. Continue to apply the Design Overlay as provided under Section 10.44 of the Municipal Code, as appropriate.

This section provides a mechanism for establishing specific development standards and review procedures for certain areas of the City with unique needs, consistent with General Plan policies, taking into consideration the unique nature of a given neighborhood.

Program 1c. Refrain from approval of lot mergers which would result in a reduction in the number of residences allowed.

Many homes have been constructed on double lots. The City has permitted the underlying subdivision to remain, in order that separate homes may potentially be built on each of the underlying lots. In addition, the maximum lot standards noted above would prevent consolidation of very large lots. This will preserve opportunities for future housing units that would otherwise be lost if lots were consolidated.

Program 2a. Allow non-conforming dwellings to remain and improve.

The development process for improvements to smaller non-conforming residential structures has been streamlined. The non-conforming dwellings to be preserved tend to be smaller and less costly than newer housing in the community. The preservation and improvement of these units will maintain the pool of smaller units which might otherwise be demolished to make way for larger, more costly housing.

Program 2b. Consider utilizing Community Development Block Grant funds or exchange funds for home improvement loans for low income residents, consistent with income limits provided for such funding, and pursue additional sources of funding for City programs.

Program 3a. Continue to allow infill in residential areas.

Development of existing vacant residential infill sites would result in the production of dwelling units on small sites scattered throughout the City.

Program 3b. Permit and facilitate the establishment of residential uses in certain commercial districts.

Provision of housing in mixed use areas is a long-time City housing policy. A use permit is currently required for development of residences in most commercial areas. Residential uses in the Downtown area and along Manhattan Beach Boulevard may enhance those areas. It is suggested that the City allow residential uses by right with specific criteria, subject to Planning Director review to assure that all standards are met.

Program 3c. Continue to provide for a mixture of uses in the Manhattan Village area.

The Manhattan Village area contains a mix of hotel, office, research and development, retail, recreation and residential uses, including senior housing. The existing parking lot at Parkview Avenue and Village Drive could accommodate up to twenty five (25) additional residential housing similar to the existing senior project.

Program 3d. Revise development standards for residential uses in the CD and CNE District.

Rather than limit residential units to a certain number of units per lot, the City could revise existing ordinances so that the specific maximum number of units per lot would not be limited, so long as the otherwise maximum physical dimensions of the allowable building envelope are not exceeded in mixed use commercial/residential developments. Greater numbers of smaller units could result, with likely occupants being young people and seniors wanting easy access to commercial uses, particularly seniors who no longer feel comfortable driving. In order to facilitate development of residential uses, residential and commercial uses could be treated equally for parking purposes.

Program 4. Regulate the conversion of rental stock to condominiums.

Section 10.88.080 of the Municipal Code requires that potential displacement of existing tenants be taken into consideration when evaluating requests for conversion of existing rental units to condominiums. Tenants must be given first right of refusal to purchase at discounted prices, and tenants who do not wish to purchase must be provided relocation assistance. Elderly and handicapped tenants must be provided life leases, with no rent increases for at least two years, and low and moderate income tenants and families must be given at least one year to relocate.

Program 5a. Provide incentives for housing affordable to low income households and senior housing.

Section 10.52.090 of the Municipal Code provides for density bonus or other incentives when low income housing is provided. The housing must remain affordable for at least thirty years. Development standards may be modified where affordable housing is provided. Developers who volunteer to make a portion of the housing development affordable by persons of lower income receive financial incentives, expanding housing opportunities for lower-income persons throughout the City. Developments meeting the above requirements may be granted an incentive of financial value equivalent to a 25% density bonus and a regulatory concession or incentive, subject to the approval of the City Council following a public hearing.

Program 5b. Streamline the development process to the extent feasible.

The City currently allows and encourages concurrent processing of all discretionary applications for a project, thereby streamlining the development process. Many routine applications may be processed as minor exceptions instead of the longer and more difficult variance process.

Program 5c. Allow the establishment of manufactured housing on single family residential lots.

In accordance with Section 10.52.100 of the Municipal Code, manufactured housing is permitted on single family lots not occupied by another dwelling.

Program 5d. Work with the private sector to facilitate the provision of low and moderate priced housing.

The City has worked with the private sector to produce two residential projects available to low and moderate income households. The City approved a use permit for the Manhattan Terrace senior citizen project occupied in 1991. This forty eight unit project contains 540 square foot units with rents at affordable levels.

A 104-unit seniors project was completed at Manhattan Village on Parkview Avenue in 1997. This project provides housing affordable to very low and moderate income households along with market rate housing. The City processed a zoning amendment and reoriented a City recreation facility to facilitate development of the project.

Program 5e. Allow second units in single family areas.

Section 65852.2 of the California Government Code provides for the establishment of second units in areas zoned for single family, as a means of increasing housing stock. The City does not currently have a local ordinance regarding second family units, though second family units may still be established consistent with State law. The City may wish to reconsider developing its own second family unit program, both to facilitate provision of second family units and to establish standards suited to the City's unique neighborhoods.

Program 6a. Continue to participate in Los Angeles County Housing Authority, and publicize availability of Section 8 rental assistance for households in the City.

Section 8 rental assistance is administered locally by the Los Angeles Community Development Commission (CDC) operating as the Housing Authority of the County of Los Angeles. Low income households are provided the differential between the rental rate of a unit and what they can afford. Based on Census data and advertised rents, there are units within the City which fall within the permissible rental range.

Program 6b. Participate in the Home Ownership Program (HOP) and American Dream Down Payment Initiative (ADDI) programs.

These first-time homebuyers programs are administered by the Los Angeles Community Development Commission and are available to prospective residents of Manhattan Beach. Although the programs place a ceiling on housing price, a few units in Manhattan Beach could qualify, based on existing home listings.

Program 6c. Encourage shared housing programs for seniors and existing one person households.

Sharing of one housing unit by two or more roommates can render housing affordable to persons who could not otherwise afford housing individually. This is also of help to seniors who may need minor assistance or even just occasional monitoring.

Program 7a. Continue to participate in area wide programs to ensure fair housing.

The City will continue to contract with Fair Housing organizations to process complaints regarding housing discrimination within the City, and to provide counseling in landlord/tenant disputes.

Program 7b. Provide for the housing needs of seniors.

The Manhattan Village Senior Villas consists of 104 senior housing apartments. As a condition of the project's approval, 20% of the units must be reserved for very low income households, 20% must be reserved for low-income households, and 40% of the units must be reserved for moderate-income households. The remainder (20%) of the units may be rented at a market-rate.

Program 7c. Provide for the special needs of seniors so that they may remain in the community.

The Senior Care Management program provides services to predominantly low-income seniors. At any given time, the Senior Services Program may assist up to 110 senior citizens, of which 70% are low-income.

Program 8a. Continue the active code enforcement program for illegal and substandard units.

The City has an active Code enforcement program which responds to complaints of substandard structures. In addition a Report of Residential Building Records is required each time a property is sold, which serves to alert all parties to unpermitted and potentially substandard construction that may exist.

Program 8b. Utilize Community Development Block Grant funds for home improvement loans for low income housing, consistent with income limits provided for such funding, and pursue additional sources of funding for City programs. This is identical to Program 2, above.**Program 9. Require that residential uses adjacent to industrial or commercial uses be adequately buffered from such uses.**

The Municipal Code requires that walls and setbacks be provided between industrial and residential uses and between commercial and residential uses. As industrial uses have left the area, this is less of a problem than in the past, although such uses continue to exist in the area.

Program 10. Waive fees for installation of solar panels.

Existing height limits in Manhattan Beach ensure rooftop units would not eventually be subject to shade and shadow which would render them ineffective. In March 2008, in order to encourage use of alternate energy, the City Council voted to waive any building fees for photovoltaic panels.

Program 11a. Enforce green building techniques.

The City has adopted the California Energy Code and requires the following:

- Insulating hot water pipes to minimize energy loss
- Using caulk and insulation that are formaldehyde-free or contain low VOC (volatile organic compounds)
- Pre-plumb water piping and sensor wiring to the roof for future solar water heating
- Use duct mastic on all duct joints and seams to minimize energy loss
- Install "Energy Star" bath fans vented to the outside
- Energy efficient water fixtures

The City continues to review its codes to encourage greener building techniques.

Program 11b. Encourage water conservation.

Any measures to conserve water will also help conserve energy. The Municipal Code currently addresses landscaping, tree preservation, and tree planting, but do not address drought tolerant landscaping. These sections should be reviewed and revised to address water use as well as aesthetic factors.

City codes provide for waterless urinals. Inspection and permit fees for installation of such urinals should be waived, when they are used to replace older, water-wasting urinals.

Program 12. Provide a balance of residential and employment generating uses in the City, including mixed use projects.

Where individuals have an opportunity to live in close proximity to their work, vehicle miles traveled to and from work can be reduced, thus reducing energy consumption. This is enhanced by the provision of mixed uses in the City. In addition, commercial areas of the City are in close proximity to residential districts, increasing the potential that residents will walk to work or to shopping, dining out or other activities, or only drive a short distance.

INTRODUCTION



INTRODUCTION

HOUSING ELEMENT AUTHORITY AND MANDATE

The housing element is one of seven state mandated elements that must be included in a local general plan. When adopting requirements regarding the content of Housing Elements, it was the stated intent of the California State Legislature as expressed in Section 65581 of the Government Code:

- (a) To assure that counties and cities recognize their responsibilities in contributing to the attainment of the state housing goal.
- (b) To assure that counties and cities will prepare and implement housing elements which, along with federal and state programs, will move toward attainment of the state housing goal.
- (c) To recognize that each locality is best capable of determining what efforts are required by it to contribute to the attainment of the state housing goal, provided such a determination is compatible with the state housing goal and regional housing needs.
- (d) To ensure that each local government cooperates with other local governments in order to address regional housing needs.

The state housing goal, as declared in Section 65580 (a) of the California Government Code is that:

...the early attainment of decent housing and a suitable living environment for every California family ... is a priority of the highest order.

Thus, the purpose of a local housing element is to assure that state housing goals are achieved at the local level. At the same time, local conditions are to be considered and local autonomy is to be preserved.

The Manhattan Beach Housing Element fulfills the requirements of the State Planning and Zoning Law and the regulations of Sections 65580 through 65589.5 of the California Government Code. These regulations identify those issues that must be addressed in the Housing Element and recommends programs that may be effective in the rehabilitation of the existing housing and in promoting the development of new housing. To monitor compliance with these requirements, and the State's overall housing policies, all housing elements are reviewed by the HCD prior to and after their adoption. The State's housing element requirements, and the corresponding sections of this Element that address these required issues, are identified in Table 1 below:

Table 1 State Housing Element Requirements		
Analysis of Population Trends in Technical Report	Government Code Section	Reference in Housing Element
Analysis of employment trends.	Section 65583.A	Housing Need
Projection and quantification of existing and projected housing needs for all income groups.	Section 65583.A	Housing Need
Analysis and documentation of City's housing characteristics, including cost for housing compared to ability to pay; overcrowding; and housing condition.	Section 65583.A	City Profile & Housing Need
An inventory of land suitable for residential development, including vacant sites and sites having redevelopment potential.	Section 65583.A	Opportunities & Constraints
Analysis of existing and potential governmental constraints upon the maintenance, improvement, or development of housing for all income levels.	Section 65583.A	Opportunities & Constraints
Analysis of existing and potential non-governmental (private sector) constraints upon maintenance, improvement, or development of housing for all income levels.	Section 65583.A	Opportunities & Constraints
Analysis concerning the needs of the homeless, including emergency shelters and transitional housing.	Section 65583.A	Housing Need
Analysis of special housing needs: handicapped, elderly, large families, farm workers, and female-headed households.	Section 65583.A	Housing Need
Analysis of opportunities for energy conservation with respect to residential development.	Section 65583.A	Goals, Programs, & Policies
Publicly-Assisted Housing Developments.	Section 65583.A	Goals, Programs & Policies
Units at Risk of Conversion to Market Rate Housing.	Section 65583.A	Opportunities & Constraints
Identification of the City's goal relative to the maintenance, improvement, and development of housing.	Section 65583.A	Goals, Programs, & Policies

Table 1- continued State Housing Element Requirements		
Analysis of Population Trends in Technical Report	Government Code Section	Reference in Housing Element
Quantified objectives and policies relative to the maintenance, improvement, and development of housing.	Section 65583.B	Goals, Programs & Policies
Identify adequate sites that will be made available through appropriate action with required public services and facilities for a variety of housing types for all income levels.	Section 65583.C(1)	Opportunities & Constraints
Assist in the development of adequate housing to meet the needs of low- and moderate-income households.	Section 65583.C(2)	Opportunities & Constraints/Goals Programs & Policies
Identify and, when appropriate and possible, remove governmental constraints to the maintenance, improvement, and development of housing in Manhattan Beach.	Section 65583.C(3)	Opportunities & Constraints
Conserve and improve the condition of the existing affordable housing stock.	Section 65583.C(4)	Goals, Programs & Policies
Promote equal access to housing for all groups.	Section 65583.C(5)	Goals, Programs & Policies
Preserve the existing low-income housing stock.	Section 65583.C(6)	Goals, Programs & Policies
Description of the Public Participation Program in the formulation of Housing Element Goals, Policies, and Programs.	Section 65583.D	Introduction
A description of the Regional Housing Needs Assessment (RHNA) prepared by the Southern California Association of Governments.	Section 65583.E	Housing Need
Review of the effectiveness of the past Element, including the City's accomplishments during the previous planning period.	Section 65583.F	Introduction
Source: State of California, Department of Community Development.		

A housing element must also be consistent with other elements of the General Plan, such as the land use and circulation elements. To a large extent this element represents a continuation and expansion of previous policies and no conflicts are anticipated.

SUMMARY OF OBJECTIVES

Section 65583 (b) of the California Government Code requires that a housing element contain quantified objectives for the maintenance, improvement, and development of housing. Under the existing General Plan, the City has capacity on residentially designated sites for 395 dwelling units more than existed in the City at the beginning of the planning period. This does not include potential additional units in mixed use areas.

From the time of the Census to 2006, there was an estimated increase of 391 dwelling units in the City, based on a Department of Finance estimate of 15,485 dwelling units in the City as of January 1, 2006. Since then, development of net new housing has nearly come to a stop, with a net increase of only one dwelling unit from January 1, 2006 to January 1, 2008, according the Department of Finance estimates. Construction also occurred on sites where older homes were removed and replaced with new construction.

However, construction of infill housing would not be anticipated to occur at the robust levels which occurred in the years preceding 2006.

Due to market factors, it is anticipated that the bulk of new, market rate units would be affordable only to high income individuals. Anticipated new units are shown in Table 1. In addition, six units would be enrolled in the Section 8 low income rental program and 4 units would be purchased by low/moderate income families through the HOP and ADDI programs. Unfortunately, the City has limited capacity to accommodate new dwellings, even though the general plan and zoning permit densities up to 53.3 dwelling units per acre in the City in the highest density residential areas in the Beach Area.

**TABLE 2
NEW UNIT AFFORDABILITY**

	Very Low	Low	Moderate	High	Total
RHNA	236 du 26.4%	149 du 16.6%	160 du 17.9%	350 du 39.1%	895 du
Infill				72 du	72 du
Redevelop double lots (refrain from mergers)			10 du	10 du	20 du
Second Units	12 du	18 du	6du		36 du
Incentive Units	15 du	10 du	5 du		30 du
Commercial Areas	75 du	75 du	75du	75 du	300 du
<u>Manhattan Village</u>	<u>5 du</u>	<u>10du</u>	<u>10du</u>		<u>25 du</u>
NEW UNIT TOTAL	<u>107 du</u> <u>22.2%</u>	<u>113 du</u> <u>23.4%</u>	<u>106 du</u> <u>21.9%</u>	<u>157du</u> <u>32.5%</u>	<u>483 du</u>

INCREASED AFFORDABILITY

Section 8	3 du	3 du			6 du
HOP/ADDI			4 du		4 du
TOTAL NEWLY AFFORDABLE UNITS PRESERVED	3 du	3 du	4 du		10 du
Zoning Code (mansionization)			40 du	10 du	50 du
Preserve non-conforming dwellings			18 du	6 du	24 du
Home improvement loans (CDBG)	2 du	12 du	2 du		16 du
Regulate condo conversions	2 du	5 du	5 du		12 du
TOTAL UNITS PRESERVED	4 du	17 du	65 du	16 du	102 du

HOUSING PLAN

This element continues efforts to provide additional housing and increase housing affordability in the City of Manhattan Beach. This element builds on the Manhattan Beach Housing Element adopted in 2003, just as that element built on the element before. The overall primary goal of the City of Manhattan Beach Housing Element is to promote the development of suitable housing to meet the existing and projected demand, while protecting the vitality of the existing residential neighborhoods in the City. Goals of this Element also include:

- **Preserve existing neighborhoods** by preserving the scale of development in existing residential neighborhoods and preserving existing dwellings.
- **Provide a variety of housing opportunities** for all segments of the community, by providing sites for new housing, preserving existing affordable housing stock, encouraging development of additional low and moderate income housing, encouraging measures to increase ability to afford existing housing stock and promoting housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, or color and for special needs groups.
- **Providing a safe and healthy living environment** for City residents, eliminating potentially unsafe or unhealthy conditions in existing development, preventing the establishment of potentially unhealthful conditions in new development.
- **Encourage the conservation of energy** in housing by encourage use of alternate energy, reducing energy loss due to inferior construction/development techniques, and encouraging reduction in energy consumption for commuting to work and other activities.

Housing programs included in this element are designed to implement these goals.

RELATIONSHIP OF THE HOUSING ELEMENT TO THE GENERAL PLAN

The focus of this Housing Element is to demonstrate the City's progress in implementing the housing policies and programs established as part of the previous Citywide General Plan update undertaken in the mid-1980s. This Element also builds upon housing policy included in the previously-adopted (2003) Housing Element. This Element then evaluates the current Regional Housing Needs Assessment (RHNA) prepared by the Southern California Association of Governments (SCAG) for the City. Finally, this Element outlines how the City intends to accommodate the projected RHNA allocation for the City.

The California Government Code requires that the General Plan contain an integrated, internally consistent set of goals, policies, and programs. This Housing Element is most directly related to the Land Use Element, since it is the Land Use Element that designates the location and extent of residential development throughout the City. With regard to the City's existing adopted General Plan, the following findings of conformity may be made:

1. This Housing Element proposes minimal changes in land uses or in zoning. The revisions, however, are consistent with the adopted Land Use policy.
2. This Housing Element will involve minimal changes to the adopted land use map and the development standards included in the Land Use Element.

3. This Housing Element does not promote or propose any land use changes requiring the installation of any new streets or infrastructure, not already anticipated in the General Plan.
4. The City's ability to accommodate new residential development is limited. As a result, the focus of this Element is to identify strategies that will be effective in conserving existing housing, while at the same time, to investigate opportunities to accommodate new infill residential development, including the development of affordable housing.
5. This Housing Element considers a number of other relevant environmental plans, including the Local Coastal Program prepared pursuant to the Coastal Act requirements.
6. Finally, this Housing Element updates important background information used in the evaluation and/or formulation of housing policy.

Section 65400 (b) (1) of the Government Code requires local governments to review their adopted general plans annually. The Government Code indicates that the City must provide an annual report to the City Council, the Office of Planning Research, and the State Department of Housing and Community Development regarding the status of the General Plan and any progress being made with regard to the Plan's implementation in meeting the City's share of its regional housing needs, and the City's efforts in removing governmental constraints. The statute goes on to state that the housing portion of the annual report shall use the forms and definitions adopted by the HCD.

As part of the City's compliance with the aforementioned requirements, the City will undertake an annual review of the City of Manhattan Beach General Plan, including the Housing Element, prepare the requisite reports, and submit the findings to the City Council. The annual report will document the revisions made to the Housing Element, and any requisite changes that may be required for the other General Plan Elements to provide internal consistency.

RELATIONSHIP TO PREVIOUSLY EXISTING ELEMENT

As noted above, many of the goals, policies and programs included in this element represent a continuation or expansion of programs included in previous elements.

The Manhattan Beach Housing Element adopted February 4, 2003 focused on five primary strategies for the provision of additional housing as follows:

1. **Development of Vacant and Underutilized Parcels** – Six vacant parcels have been developed with housing. This strategy is recommended to continue in the future (Program 3a in this element).
2. **Conversion of Downtown Multiple Family Residential** – A 1.77 acre area located at the 200 and 300 blocks of 10th Street and 11th Street and developed with residential use was rezoned. The new designation provides for high density residential use (RH), a change from Downtown Commercial (CD), thereby allowing preservation and expansion of residential uses in this area.
3. **Encouragement of Mixed Use** – This is an ongoing program that is recommended to continue (Program 3b in this element).
4. **Beach Infill** – This is an ongoing program that is recommended to continue (Program 3a in this element).
5. **Second Units** – This program has not yet been implemented, but is recommended for implementation in this element (Program 5e in this element).

The 2003 Element also included the following programs:

- **Affordable Housing Incentive Program** - This is an ongoing program that is recommended to continue (Program 5a in this element)
- **Code Enforcement Program** - This is an ongoing program that is recommended to continue (Program 8a in this element).
- **Community Development Block Grant (fund exchange)** – This program has provided resources for local social service providers, enabling those in need to remain in the community, as described in more detail on Page 44 (Opportunities and Constraints).
- **Developer Consultation Program** - This is an ongoing program that is recommended to continue (Programs 5b and 5d in this element).
- **Energy Conservation Program** – Since adoption of the 2003 Element, the City has developed a task force to develop a sustainable development program. This ongoing program is recommended to continue and expand (Programs 10, 11a, 11b, and 12 in this element).
- **Environmental Review (CEQA) Program** - This is an ongoing program that will continue in accordance with the requirements of the California Environmental Quality Act.
- **Fair Housing Program** - The City continues to work with fair housing organizations. This is an ongoing program that is recommended to continue (Program 7a in this element).
- **Small Rental Unit/Second Unit Program (Multiple-family Zones)** – This program was not implemented. A similar program is included in this element for commercial areas (Program 3d in this element)
- **Senior Housing Program** - This ongoing program led to the development of the Manhattan Senior Villas, which remain available to seniors. This program is recommended to continue (Program 7b in this element).
- **Senior Services Manager Program** – This is an ongoing program that is recommended to continue (Program 7c in this element).
- **Zoning Conformity Program** - This is an ongoing program that is recommended to continue (Programs 1a and 1b in this element).

The basic goals of the 2003 Housing Element include preservation of existing housing stock and provision of adequate sites for housing. The previously discussed mansionization ordinance and non-conforming ordinance respond to these goals. Overall, the City was able to meet or attempted to meet all of programs mentioned with the status of each program noted above. The very limited availability of vacant or recyclable land, particularly larger parcels, the existing land use patterns, sand dunes and steep slopes in the highest density areas, narrow streets that limit emergency vehicle access, and the need to preserve the commercial tax base, makes development of a large number of new housing units difficult.

PUBLIC REVIEW

This Housing Element is an update of the City's 2003 Housing Element. Throughout the course of the Element's preparation, the City made a diligent effort to involve the public in the review of the existing Element and the proposed changes. Notices of meetings were published in the local paper, made available on the City's website and mailed to interested individuals and groups. These efforts specifically included the following:

1. Review of the Draft Housing Element by the City of Manhattan Beach Planning Commission at several noticed public hearings and meetings prior to its submittal to the State Department of Housing and Community Development (HCD);
2. In the course of revising the Draft Housing Element, staff provided a public workshop on January 29, 2009 which included the Planning Commission, City Staff, Housing Element Consultant, and general public. A number of community groups and organizations with interest in housing issues were invited to attend and did participate. The intent of the workshop was to discuss issues germane to housing, including the main components of the Element and available housing sites in the City.
3. The formal Draft Housing Element was considered at public hearings held before the City of Manhattan Beach Planning Commission and City Council; and,
4. The Draft Housing Element and the environmental documents were adopted at a noticed meeting of the City of Manhattan Beach City Council.

Additional scheduled public hearings will be conducted following the receipt of HCD's comments. These hearings will provide the public additional opportunities to review the Housing Element and the programs it contains.

CITY PROFILE



CITY PROFILE

The City of Manhattan Beach is located within the southwestern coastal portion of Los Angeles County in what is commonly referred to locally as the "South Bay" area (Figure 1). To the north is the City of El Segundo, to the east is Redondo Beach, to the south is Hermosa Beach, and on the west the Pacific Ocean. The City has a total land area of 2,017 acres (3.15 square miles).

The City is made up of several distinct neighborhoods which are grouped into "planning areas" that reflect the City's unique and varied environment (Figure 2). These planning areas are as follows:

- **Beach Area** - This area contains most of the City's multi-family rental housing. Lots in this area are small with generally less than 3,000 square feet, and parking for residents and visitors is in short supply (Figure 4). The General Plan calls for the maintenance and enhancement of the "Village" atmosphere within the downtown commercial district. The City's goal is to promote the preservation of the small specialty retail and service activities that serve both visitors to the beach and local residents while also encouraging mixed-used residential/commercial development.
- **Hill Section** - This area consists primarily of single-family residential development, with commercial and higher-density residential development limited to Sepulveda Boulevard and Manhattan Beach Boulevard (Figure 5). The City's General Plan promotes the maintenance of single-family neighborhoods. Higher-density, multiple-family residential development is directed to those parcels located on either side of Manhattan Beach Boulevard, which is already developed with a mix of commercial and multi-family residential uses.
- **East-Side/Manhattan Village** - This includes all of the City's land area located east of Sepulveda Boulevard, and a large proportion of the City's commercial and residential uses are within this area. The City's land use policy calls for the preservation of the existing character of the residential neighborhoods located in the areas. Medium-and high-density residential development is located along Manhattan Beach Boulevard, Artesia Boulevard, and in areas adjacent to Manhattan Intermediate and Meadows schools, which are designated exclusively for multiple-family residential development (Figure 6).

Manhattan Village includes a substantial amount of regional commercial and office development as well as a significant number of condominium units.

- **Tree Section** – This is the portion of the City located to the east of Bell-Grand Avenue and northwest of Valley Drive. The area will remain almost exclusively single-family residential under the policies contained in the General Plan (Figure 7). A small portion of the area adjacent to Sepulveda Boulevard is designated for commercial uses.
- **El Porto** – This area was formerly the unincorporated community of El Porto and is located north of 38th Street between the ocean and the City of El Segundo. The area is developed with a mix of residential and commercial uses. El Porto has the highest residential development intensities found in the City (Figure 8). The General Plan protects the mix of multi-family and commercial development presently existing in this area.

POPULATION

According to the most recent Department of Finance (DOF) estimates, the City's population was 36,505 persons as of January 1, 2008, while the number of housing units in the City totaled 15,485 units, and total households were estimated at 14,911.

The City has been divided into eight census tracts which correspond with City planning areas as follows (Figure 3):

**TABLE 3
PLANNING AREAS**

Planning Area	Census Tract
Beach Area	6203.02 and 6209.02
Hill Section	6209.01
East-side/Manhattan Village	6208 and 6204
Tree Section	6203.01 and 6203.03
El Porto	6202.01

**FIGURE 2
PLANNING AREAS**

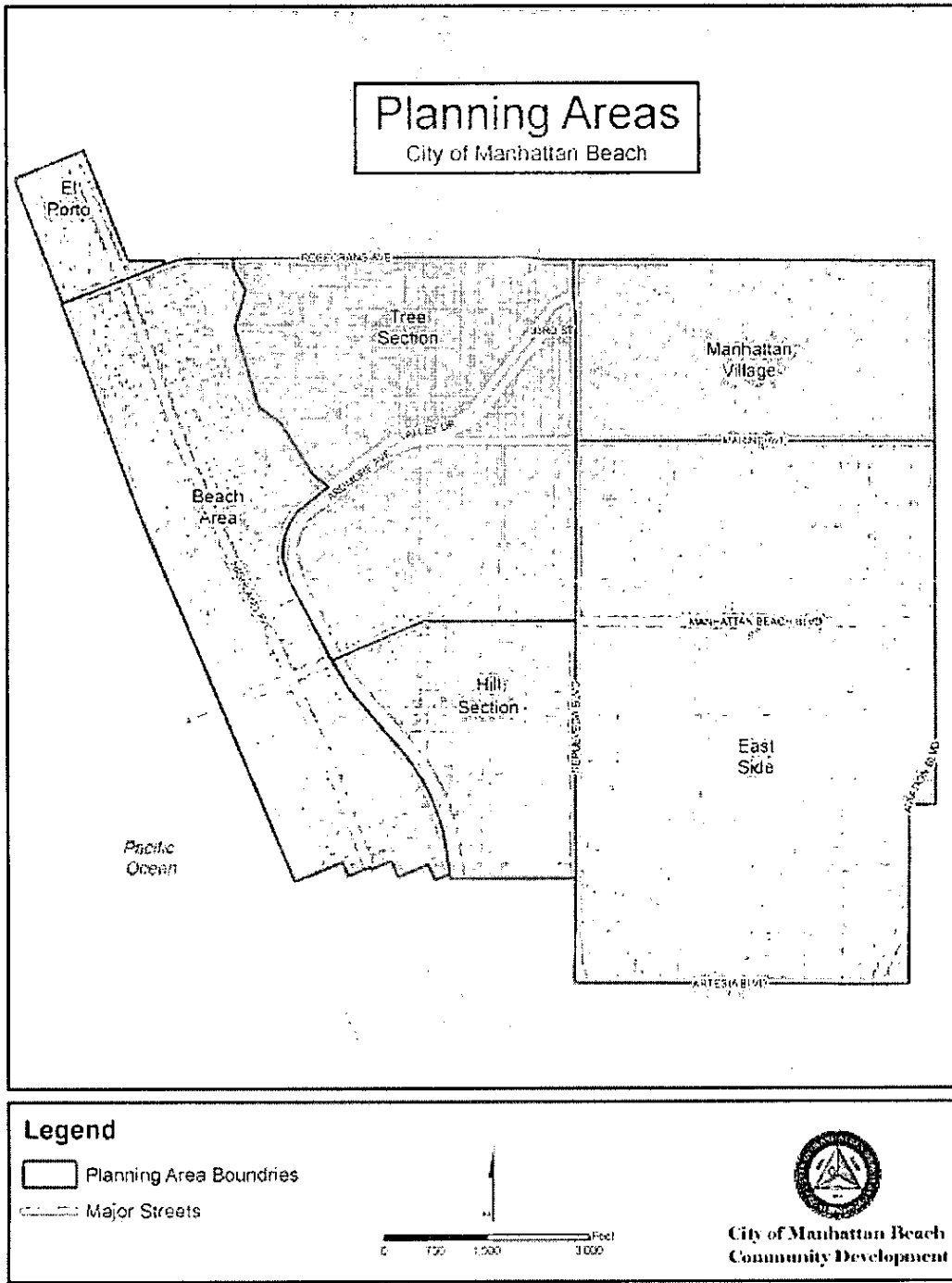
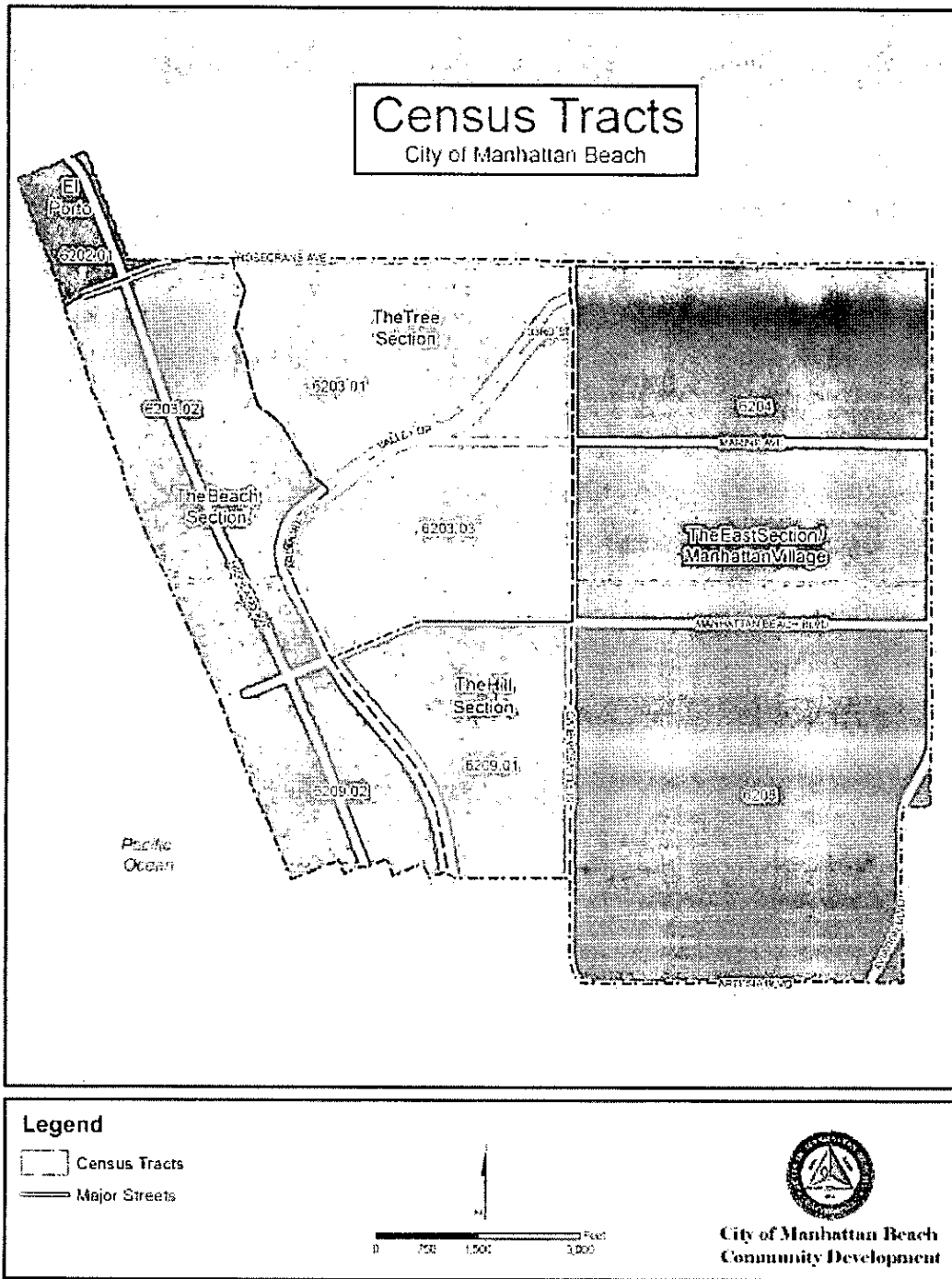


FIGURE 3
CENSUS TRACTS



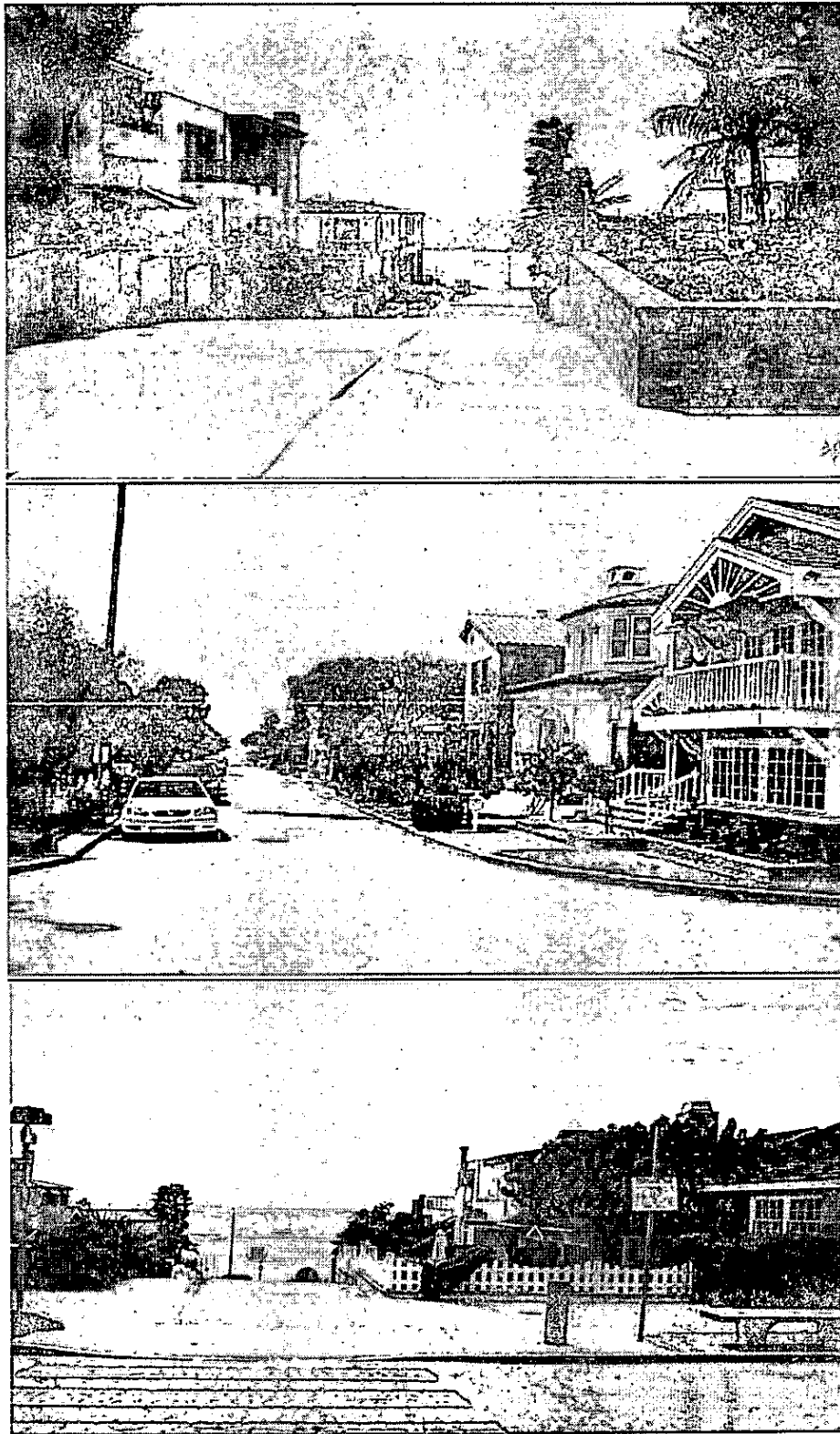


FIGURE 4-BEACH AREA

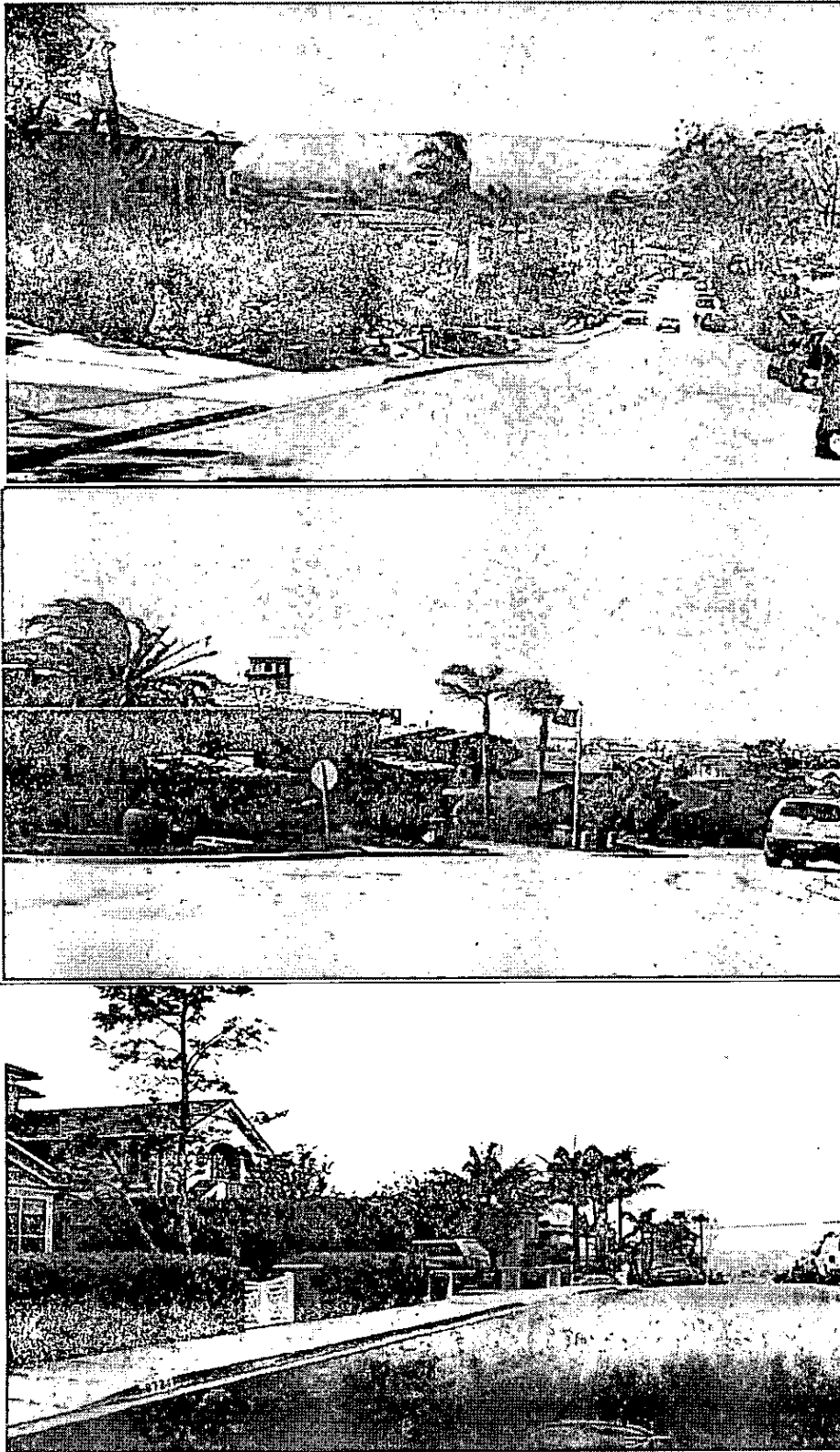


FIGURE 5-HILL SECTION

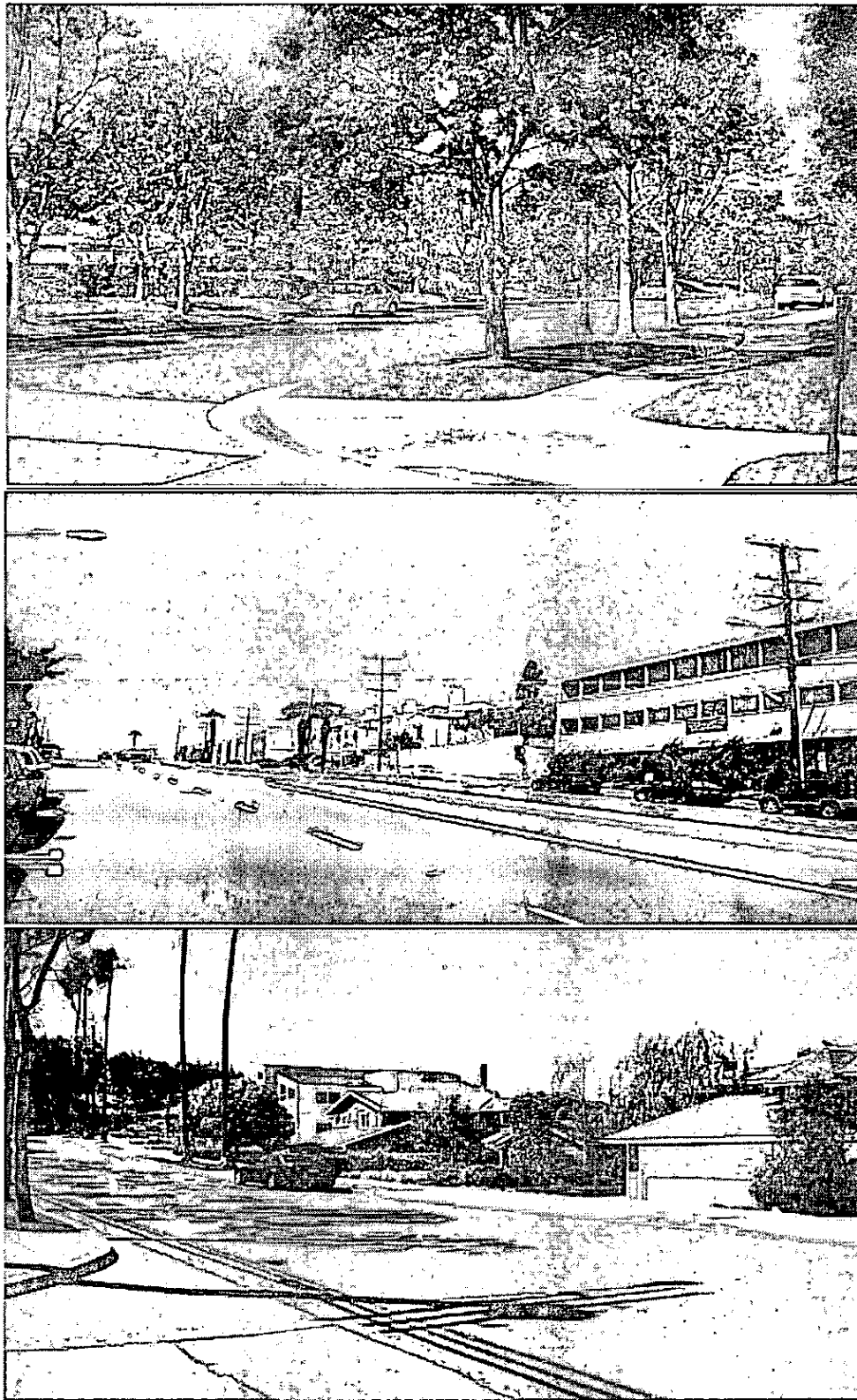


FIGURE 6-EAST-SIDE/MANHATTAN VILLAGE

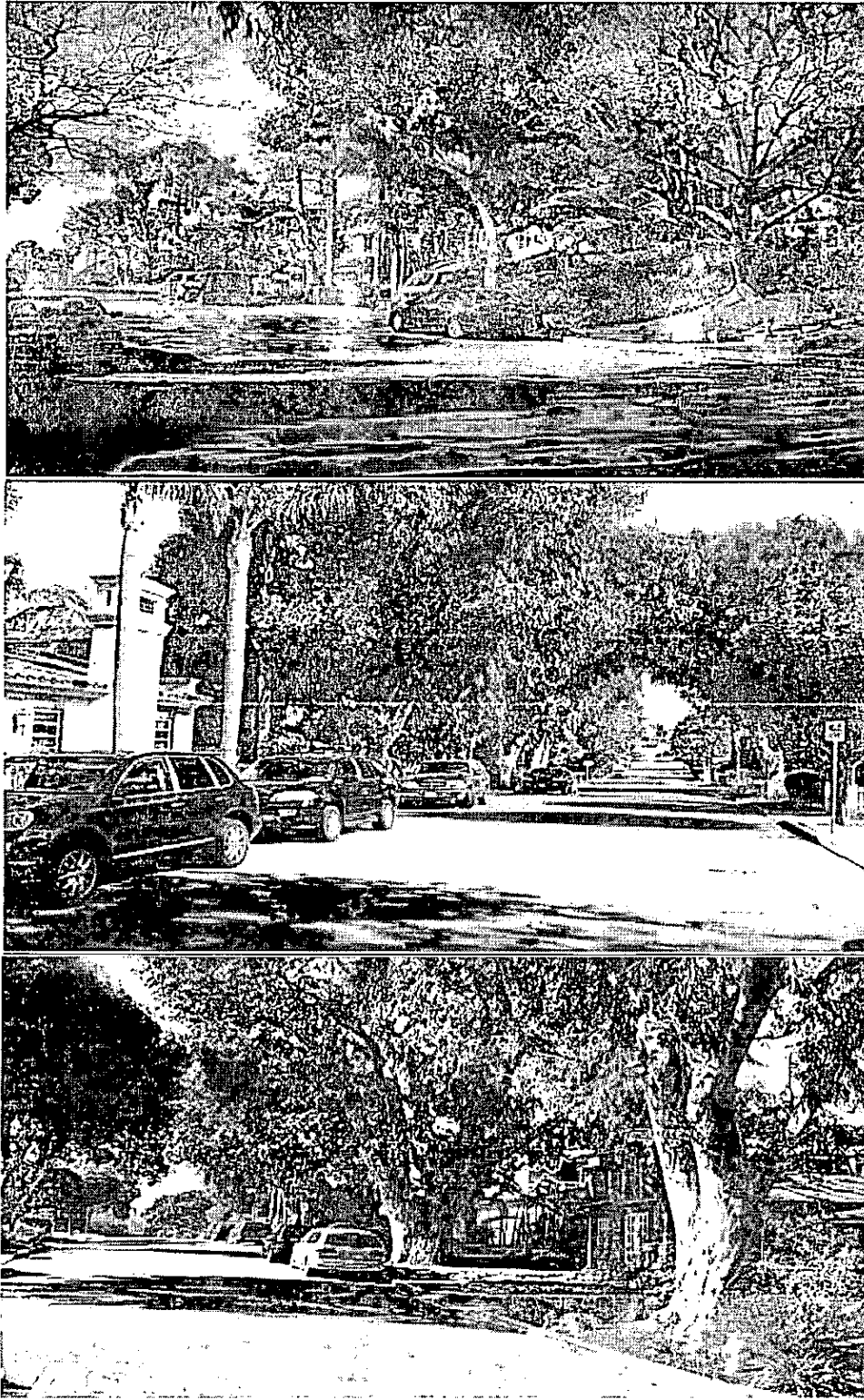


FIGURE 7-TREE SECTION

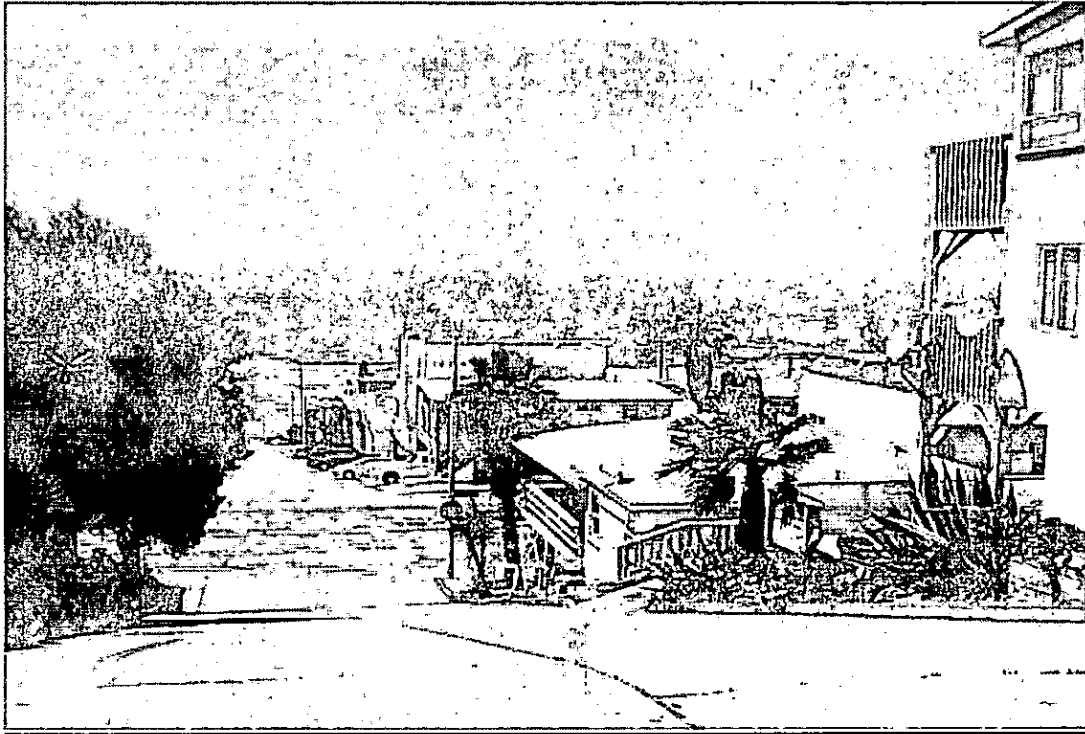
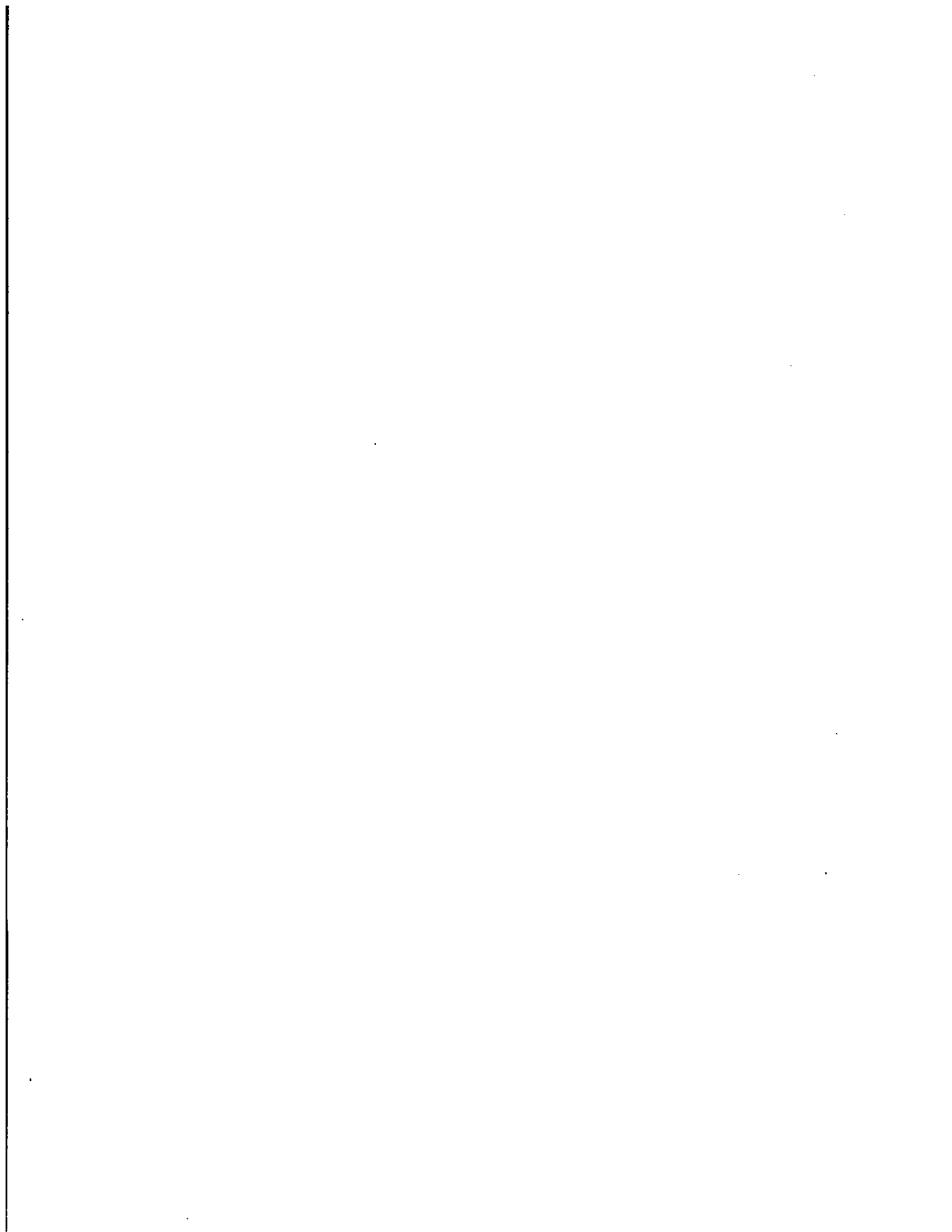


FIGURE 8-EL PORTO



Population Growth

When Manhattan Beach was incorporated in 1912, the City's population was 600 persons. In the years immediately following incorporation, the City's population increased very slowly, with slightly over 1,000 persons being added over the next two decades. According to the 1930 U.S. Census, the City's population was 1,891 persons. Manhattan Beach, like most Southern California beach cities, experienced a "population boom" during the 1930s, and this growth was largely the result of the development of the region's *Pacific Electric* transit system. Just prior to the Second World War, the City's population had grown to 6,398 persons.

The City's greatest period of population growth followed the war years, continuing on into the 1960s. Between 1950 and 1960, the City's population nearly doubled from 17,300 persons to 33,934 persons. The City's population peaked during the early 1970s, reaching a high of more than 35,000 persons. In the latter part of the 1970s and continuing through the 1980s, the City's population actually began to decline. However, by 1990, a reversal in the trends of a declining population experienced in the 1970s and 1980s was noted in the 1990 Census, with the City's population registering a slight increase in population. The decline in population in the 1970s and 1980s may be attributed to reductions in household size. The families that settled in the City following the Second World War began raising families, continuing on into the 1960s. As the children left home, the average household size for the City experienced a decline. According to the most recent 2000 Census, the City's population was 33,852 persons. Trends in population growth are illustrated in Table 4 below.

**TABLE 4
POPULATION GROWTH AND TRENDS-1912-2000**

	Population	Number	Percent Change
1912	600	*	*
1920	859	259	43.17%
1930	1,891	1,032	120.14%
1940	6,398	4,507	238.34%
1950	17,330	10,932	170.87%
1960	33,934	16,604	95.81%
1970	35,352	1,418	4.18%
1980	31,542	-3,810	-10.78%
1990	32,063	521	1.65%
2000	33,852	1,789	5.58%

Source: Federal Census, 1920-2000; Manhattan Beach General Plan, p. INT-5

Population in some areas of the City continues to decline, although population increased in other areas, as seen below (Table 5). The City's 2000 Census population at 33,852 represents a 5% increase from 1990, but is still less than the peak population figures for the 1970s. The greatest population decline has been experienced in the old section of the City, in Census Tracts 6203.2 and 6209.01/6209.02 adjacent to the coast.

**TABLE 5
POPULATION GROWTH AND TRENDS BY CENSUS TRACT - 1970 TO 2000**

Tract	1980	1990	Change 1980-1990		2000	Change 1990-2000		Change 1980-2000	
			Number	Percent		Number	Percent	Number	Percent
El-Porto 6202	1,185	1,281	96	8.10%	1,548	267	20.84%	363	30.63%
Tree Section 6203.01	4,044	3,932	-112	-2.77%	4,324	392	9.97%	280	6.92%
Beach Area 6203.02	6,546	6,101	-445	-6.80%	6,022	-79	-1.29%	-524	-8.00%
Tree Section 6203.03	4,250	4,087	-163	-3.84%	4,303	216	5.29%	53	1.25%
East Side 6204	3,835	4,626	791	20.63%	5,022	396	8.56%	1,187	30.95%
East Side 6208	7,074	6,763	-311	-4.40%	7,271	508	7.51%	197	2.78%
Hill Section 6209.01	2,651	2,385	-266	-10.03%	2,483	98	4.11%	-168	-6.34%
Beach Area 6209.02	3,142	2,885	-257	-8.18%	2,879	-6	-0.21%	-263	-8.37%
City Total	32,727	32,060	-667	-2.04%	33,852	1,792	5.59%	1,125	3.44%

Source: Federal Census

TABLE 6
POPULATION TRENDS BY PLANNING AREA – 1980- 2000

Planning Area	Population		Change 1980-2000	
	1980	2000	Number	Percent
Beach Section	9,688	8,901	-787	-8.12%
Hill Section	2,651	2,483	-168	-6.34%
East Side/Manhattan Village	10,909	12,293	1,384	12.69%
Tree Section	8,294	8,627	333	4.01%
El Porto	1,185	1,548	363	30.63%
Total	32,727	33,852	1,125	3.44%

Source: Federal Census

The relatively stable population growth for the City of Manhattan Beach between 1970 and 2000 is consistent with the trends identified in the majority of the nearby communities, especially those located along the coast. Table 6 above compares the population growth that occurred in the City with that of the neighboring coastal communities. Population growth between 1970-1990, and growth between 1990-2000, are summarized in Table 7 below. This growth is then compared to corresponding statistics for Los Angeles County as a whole.

TABLE 7
POPULATION GROWTH AND TRENDS - 1970-2000

Area	1970	1990	Change 1970-1990		2000	Change 1990-2000	
			Number	Percent		Number	Percent
Manhattan Beach	35,352	32,063	-3,289	-9.30%	33,852	1,789	5.58%
El Segundo	15,620	15,223	-397	-2.54%	16,033	810	5.32%
Hermosa Beach	17,412	18,219	807	4.63%	18,566	347	1.90%
Redondo Beach	57,415	60,167	2,752	4.79%	63,261	3,094	5.14%
Beach cities total	125,799	125,672	-127	-0.10%	131,712	6,040	4.81%
L.A. County	7,041,980	8,863,164	1,821,184	25.86%	9,519,338	656,174	7.40%

Source: Federal Decennial Census, dates shown

As indicated in Table 7 above, the trend toward a declining population that occurred within the subregion between 1970 and 1990 appeared to have reversed during the decade following the 1990 Census. Between 1970 and 1990, the coastal region, comprised of the cities of Manhattan Beach, El Segundo, Hermosa Beach, and Redondo Beach, experienced an overall population decline of slightly less than 1.0%. Following 1990, the Beach cities experienced an overall population increase of 4.8%. Of the four cities shown in Table 6 above, Manhattan Beach's rate of population growth rate was 5.58%.

Age

Between 1970 and 1990 the number and proportion of school age children in the City of Manhattan Beach declined significantly, from 25.30 percent of the population in 1970 to only 11.51 percent of the population in 1990 (Table 8). In recent years the trend has reversed with an increase in the number of pre-school age children to nearly 1980 levels. However, the proportion of young adults continues to decline, while the number of seniors continues to grow.

**TABLE 8
AGE PROFILE-1970 to 2000**

Age	1970		1980		1990		2000	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
0-4	2,405	6.80%	1,424	4.34%	1,825	5.69%	2,197	6.49%
5-18	8,944	25.30%	6,189	18.85%	3,689	11.51%	5,680	16.78%
19-24	3,391	9.59%	2,922	8.90%	2,380	7.42%	1,052	3.11%
25-54	16,600	46.96%	17,450	53.16%	18,528	57.79%	18,135	53.57%
55-59	1,435	4.06%	1,682	5.12%	1,513	4.72%	1,963	5.80%
60-64	903	2.55%	1,219	3.71%	1,369	4.27%	1,299	3.84%
65+	1,674	4.74%	1,941	5.91%	2,759	8.60%	3,526	10.42%

Source: Federal Census, years shown

Ethnicity

The population of Manhattan Beach is predominantly non-minority white (Table 9). This varies only slightly from area to area. Census Tracts 6204 and 6208, easterly of Sepulveda Boulevard have a slightly higher concentration of minorities than the rest of the City, although still predominantly non-minority white. These two tracts have a significantly greater percentage of individuals of Asian extraction than other areas of the City. The two tracts also have a somewhat higher proportion of Hispanics.

**TABLE 9
RACE AND ETHNICITY BY CENSUS TRACT**

Tract	Total	White		Black		Amerind/ Eskimo		Asian or Pacific Islander		Other		Hispanic	
		#	%	#	%	#	%	#	%	#	%	#	%
El Porto 6202.01	1,548	1,410	91.1	6	0.39	4	0.26	71	4.59	36	2.33	91	5.88
Tree Section 6203.01	4,324	3,961	91.6	19	0.44	3	0.07	178	4.12	38	0.88	212	4.9
Beach Area 6203.02	6,022	5,609	93.1	27	0.45	11	0.18	198	3.29	63	1.05	263	4.37
Tree Section 6203.03	4,303	3,900	90.6	15	0.35	3	0.07	211	4.9	66	1.53	210	4.88
East Side 6204	5,022	4,253	84.7	48	0.96	18	0.36	441	8.78	75	1.49	319	6.35
East Side 6208	7,271	6,033	83	59	0.81	23	0.32	761	10.47	191	2.63	424	5.83
Hill Section 6209.01	2,483	2,269	91.4	22	0.89	7	0.28	100	4.03	21	0.85	106	4.27
Beach Area 6209.02	2,879	2,689	93.4	12	0.42	1	0.03	83	2.88	21	0.73	125	4.34
City Total	33,852	30,124	89	208	0.61	70	0.21	2,043	6.04	501	1.48	1,756	5.19

Source: 2000 Federal Census

The racial and ethnic composition of the City of Manhattan Beach is typical of that of nearby beach cities, as indicated in Table 10 below. All of the nearby coastal cities have a relatively high percentage of whites, with minorities accounting for less than 10% of the population. The proportion of Hispanics in the neighboring cities was also comparable to that of the City of Manhattan Beach, according to the 2000 Census.

TABLE 10
PERCENTAGE RACE AND ETHNICITY BY CITY - 2000

City	Total Population	White	Black	AmerInd/ Eskimo	Asian or Pacific Islander	Other	Hispanic
Manhattan Beach	33,852	89%	0.6%	0.2%	6%	1.3%	5.2%
El Segundo	16,033	83.6%	1.2%	0.5%	6.4%	3.8%	11%
Hermosa Beach	18,566	89.6%	0.8%	0.4%	4.4%	1.9%	6.7%
Redondo Beach	63,261	78.6%	2.5%	0.5%	9.1%	4.8%	13.5%
Beach cities total	131,712	85.2%	1.3%	0.4%	6.5%	3%	9.1%
L.A. County	9,519,338	48.7%	9.8%	0.8%	11.9%	23.8%	44.6%

Source: 2000 Federal Census

HOUSEHOLD CHARACTERISTICS

A household consists of the full-time occupants of a housing unit. A household may consist of one individual, a family or a number of unrelated individuals. Family households consist of two or more individuals related by blood, marriage, or adoption, and do not include one person households or households comprised of unrelated individuals.

Household Size and Type

Household size declined markedly between 1970 and 1980 and has only increased slightly since that time. This is consistent with the decrease in numbers of school age children and young adults noted above in Table 8.

**TABLE 11
HOUSEHOLD SIZE-1970-2000**

	1970	1980	1990	2000
Population	35,352	31,542	32,063	33,852
Dwelling Units	13,107	14,511	14,695	15,094
Persons per Unit	2.7	2.17	2.18	2.24
Households	12,769	13,901	13,992	14,474
Persons per Household	2.77	2.27	2.29	2.34

Source: U.S. Census, dates shown

Household size is smallest in the areas nearest the ocean, in Census Tracts 6202.01, 6203.2, and 6209.02. In these areas, household size tends to be two or fewer people. Inland tracts tend to have somewhat larger households, averaging about two and a half persons per household. In addition, owner occupied units tend to have a larger household size than renter occupied units.

**TABLE 12
PERSONS PER OCCUPIED HOUSING UNIT BY TENURE BY CENSUS TRACT- 2000**

	6202.01	6203	6203.02	6203.03	6204	6208	6209	6209.02	City Average
Owner Occupied	1.79	2.74	2.18	2.70	2.53	2.92	2.72	2.39	2.60
Renter Occupied	1.54	2.29	1.72	1.99	2.14	2.07	2.05	1.73	1.85

Source: 2000 Census Data

The proportion of households comprised of families continued to drop in the last decade, from 59 percent of all households in 1980 and 67.3 percent in 1970 down to 56.9 percent of all households in 1990, rising slightly to 58 percent of households in 2000 (Table 13). Meanwhile, the proportion of single person households rose slightly from 27.2 percent in 1970 to 29.3 percent in 2000.

The proportion of households comprised of families is lowest in the beach areas, particularly in Census Tract 6202.01 (El Porto). The proportion of single person households and households comprised of unrelated individuals is accordingly higher in these areas (Table 13). The largest proportion of family households is in the southeast sector of the City, in Census Tract 6208.

TABLE 13
HOUSEHOLD TYPE- 2000

Census Tract	Percent Families	Percent Single Person	Percent Nonfamily
El Porto 6202.01	20.7%	51.5%	27.8%
Tree Section 6203.01	72.2%	20.5%	7.3%
Beach Area 6203.02	38.4%	40.9%	20.7%
Tree Section 6203.03	69.1%	21.1%	9.9%
East Side 6204	67.1%	26.3%	6.7%
East Side 6208	72.1%	20.4%	7.5%
Hill Section 6209.01	69.5%	20.3%	10.2%
Beach Area 6209.02	49.1%	36.4%	14.5%
TOTAL CITY	58%	29.3%	12.7%

Source: 2000 Federal Census

Housing Tenure

In 2000, 35.06% of all households in the City consisted of renter households. This is a slight decrease from 1980, when 37.48 % of households were renter households, continuing an ongoing trend toward greater home-ownership since 1980, when 40.90 of households were renter households (Table 14). Owner-occupied units accounted for the clear majority of housing units in most areas of the City, except in two coastal area census tracts, C.T. 6202.01 (El Porto) and C.T. 6203.02 (northerly beach area). The coastal areas contain a larger proportion of duplexes and multi-family housing compared to the other areas of the City. In Tract 6909.02, located in the southwest portion of the City, owner-occupied units constitute only a slight majority. This is consistent with the larger proportion of duplexes and multi-family housing in the beach areas.

**TABLE 14
HOUSING TENANCY BY CENSUS TRACT-1980-2000**

Census Tract	Owner occupied		Renter Occupied	
	Units	Percent	Units	Percent
El Porto 6202.01	249	25.83%	715	74.17%
Tree Section 6203.01	1,362	84.02%	259	15.98%
Beach Area 6203.02	1,403	44.85%	1,725	55.15%
Tree Section 6203.03	1,334	79.22%	350	20.78%
East Side 6204	1,523	73.68%	544	26.32%
East Side 6208	2,011	75.09%	667	24.91%
Hill Section 6209.01	771	80.31%	189	19.69%
Beach Area 6209.02	767	55.90%	605	44.10%
TOTAL, 2000*	9,440	64.94%	5,096	35.06%
TOTAL, 1990	8,748	62.52%	5,244	37.48%
TOTAL, 1980	8,193	59.10%	5,669	40.90%

* Total for City as reported by Federal Census does not reflect total of all census tracts combined

Source: Federal Decennial Census, years shown

Manhattan Beach had a significantly higher proportion of owner-occupied units than surrounding cities and than Los Angeles County as a whole (Table 15). In fact, Manhattan Beach was the only city in the area with less than half of all housing to be renter occupied.

**TABLE 15
TENANCY BY CITY- 2000**

	Owner Occupied		Renter Occupied	
	Units	Percent	Units	Percent
Manhattan Beach	9,440	64.94%	5,096	35.06%
El Segundo	2,945	41.88%	4,087	58.12%
Hermosa Beach	4,033	42.71%	5,409	57.29%
Redondo Beach	14,147	49.52%	14,419	50.48%
TOTAL	30,565	51.30%	29,011	48.70%
L.A. County	1,499,744	47.72%	1,643,030	52.28%

Source: 2000 Federal Census

Income

The 2000 Federal census reported a median income of \$100,750 for the City of Manhattan Beach, well above the Los Angeles County median of \$42,189. At the same time, poverty does exist in the city, though at very low levels (Table 16). At the time of the Census, 93 people reported receiving public financial assistance, and 221 reported receiving Supplemental Security Income (SSI).

**TABLE 16
PERSONS IN POVERTY- 2000**

Census Tract	All persons	Persons Below Poverty	Percent
El Porto 6202.01	1,611	41	2.55%
Tree Section 6203.01	4,324	120	2.78%
Beach Area 6203.02	6,022	280	4.65%
Tree Section 6203.03	4,296	117	2.72%
East Side 6204	5,012	275	5.49%
East Side 6208	7,263	140	1.93%
Hill Section 6209.01	2,607	81	3.11%
Beach Area 6209.02	2,879	50	1.74%
City Total	34,014	1,104	3.25%

Source: 2000 Federal Census

Poverty level is determined by the Bureau of the Census based on national averages and costs for certain necessities of life. Poverty level was defined as less than \$17,029 for a four person household at the time of the 2000 Census.

Regional variations are not considered when determining poverty level. Therefore, the number of households in the City which were experiencing conditions of poverty at the time of the 1980 Federal Census may actually have been somewhat higher. The U.S. Bureau of the Census has established poverty thresholds as follows:

**TABLE 17
POVERTY LEVEL-2000**

Household Size	Weighted Average Threshold	Number of Children under 18 years of age								
		None	One	Two	Three	Four	Five	Six	Seven	Eight or more
1 person	\$8,501									
Under 65	\$8,667									
65 and over	\$7,990									
2 people	\$10,869									
Under 65	\$11,214	\$11,156	\$11,483							
65 and over	\$10,075	\$10,070	\$11,440							
3 people	\$13,290	\$13,032	\$13,410	\$13,423						
4 people	\$17,029	\$17,184	\$17,465	\$16,895	\$16,954					
5 people	\$20,127	\$20,723	\$21,024	\$20,380	\$19,882	\$19,578				
6 people	\$22,727	\$23,835	\$23,930	\$23,436	\$22,964	\$22,261	\$21,845			
7 people	\$25,912	\$27,425	\$27,596	\$27,006	\$26,595	\$25,828	\$24,934	\$23,953		
8 people	\$28,967	\$30,673	\$30,944	\$30,387	\$29,899	\$29,206	\$28,327	\$27,412	\$27,180	
9+ people	\$34,417	\$36,897	\$37,076	\$36,583	\$36,169	\$35,489	\$34,554	\$33,708	\$33,499	\$32,208

Source: 2000 Federal Census

The State of California has defined various income groups, based on the percent of median income earned per household. Extremely low income households make less than thirty percent of the median income. Very low income households make less than fifty percent of the median income. Low income households make fifty to eighty percent of the median income. Low, very low, and extremely low income groups are known as lower income groups. Moderate income households make up to 120 percent of the median income.

HOUSING CHARACTERISTICS

Housing Type

The vast majority of housing in Manhattan Beach consists of single family detached homes, with smaller amounts of single family attached homes, duplexes, triplexes, fourplexes, and larger apartment complexes (Table 18). This contrasts with Los Angeles County as a whole, where only about half of all housing consists of single family detached units.

TABLE 18
DWELLING UNITS PER STRUCTURE- 2000

Census Tract	1 Unit, Detached	1 Unit, Attached	2 Units	3 or 4 Units	5 to 19 Units	20 or more Units	Mobile home ¹	Total
El Porto 6202.01	177	77	536	191	70	0	0	1,051
Tree Section 6203.01	1,602	0	7	0	0	54	0	1,663
Beach Area 6203.02	1,551	475	670	509	109	7	0	3,321
Tree Section 6203.03	1,495	14	38	58	68	41	0	1,714
East Side 6204	1,291	482	46	91	136	54 ²	8	2,118
East Side 6208	2,205	109	44	170	164	43	8	2,743
Hill Section 6209.01	887	24	28	28	50	0	7	1,024
Beach Area 6209.02	983	166	166	50	79	16	0	1,460
City Total	10,191	1,347	1,535	1,097	676	215	23	15,094
LA County	1,593,516	241,571	89,608	197,916	532,441	559,236	53,475	3,270,909

Source: 2000 Federal Census

1. The City of Manhattan Beach does not contain any mobile home parks, though 23 mobile homes were reported by the 2000 Federal Census. It is not known whether the census data may be in error or may reflect the presence of manufactured housing or construction trailers on single family lots.
2. Though 2000 Federal Census data reflect a total of 54 dwelling units in larger complexes of 20 or more units, City records indicate that only 48 such units exist in the area corresponding to Census Tract 6204.

With the exception of the beach areas, single family homes dominate in most areas of the City. The majority of remaining housing is provided in duplexes, triplexes, and fourplexes, with few dwelling units provided in larger complexes of five or more units

The 2000 Federal Census indicates that 1,347 dwelling units, or 8.92 percent of the City housing stock, consisted of single family attached dwellings, or condominiums. This is very close to the 1,342 single family attached dwellings reported for Manhattan Beach by the California Department of Finance in 2008, and is an increase from the 1990 Federal Census which reported 1,123 single family attached units, or 7.64% of total housing stock. The largest proportion of condominiums exist in Census Tract 6204, where condominiums are aggregated in a large tract in the Manhattan Village area and in the beach section attached units are provided in numerous small developments of only a few units.

Housing Size

Homes range from quite small to fairly large, with the majority of homes having four to seven rooms (Table 19). Units in Tract 6202.01 (El Porto) tend to be the smallest, followed by the other beach areas in Census Tracts 6203.02 and 6209.02. The largest number of rooms per unit tends to be provided in the areas east of Sepulveda Boulevard, in Census Tracts 6204 and 6208.

**TABLE 19
DWELLING UNIT SIZE- 2000**

	6202.01 El Porto	6203.01 Tree Section	6203.02 Beach Area	6203.03 Tree Section	6204 East Side	6208 East Side	6209.01 Hill Section	6209.02 Beach Area	City Total
1 room	76	0	99	6	5	14	0	68	268
2 rooms	180	29	256	69	78	98	18	77	805
3 rooms	242	75	476	152	138	194	49	131	1,457
4 rooms	242	151	722	126	164	393	68	247	2,113
5 rooms	165	406	684	336	615	450	97	241	2,994
6 rooms	99	331	440	373	554	441	209	214	2,661
7 rooms	19	192	353	176	339	336	256	261	1,932
8 rooms	8	287	167	190	118	315	126	122	1,333
9 or more rooms	20	192	124	286	107	502	201	99	1,531

Source: 2000 Federal Census

Housing Condition

Housing in the City of Manhattan Beach is generally in quite good condition. Due to the desirability of beach area real estate, units that become dilapidated are usually purchased and rebuilt. Further, the City of Manhattan Beach maintains an active code enforcement program, thus reducing the potential for perpetuation of substandard conditions. The City's most recent survey which was conducted at that time of the previous Housing Element (2003) indicated 55 units in need of repair. However, these units were all capable of rehabilitation.

The following categories were considered in the survey:

Category 1: Substandard; rehabilitation would not be economical, and replacement is recommended. A total of 11 units were identified in this category.

Category 2: Major repair needed, but economically feasible to rehabilitate. A total of 16 units were identified in this category.

Category 3: Moderate repair needed (painting, landscaping, minor repairs). A total of 28 units were identified in this category.

Category 4: Structurally sound with little or no repairs needed. The balance of the housing units in the City were included in this category.

Housing Vacancy

At the time of the 2000 Federal Census, the City of Manhattan Beach had 548 vacant housing units, comprising 3.7 percent of the total dwelling units within the City (Table 20). The California Department of Finance estimated a similar vacancy rate, 3.71 percent, for purposes of its 2008 annual population estimate. Vacant units include units available for sale or rent, units held for weekend and seasonal use, and units which have been built but not yet occupied.

At the time of the 2000 Census, the beach areas (Census Tracts 6202.01, 6203.02, and 6209.02) had the highest vacancy rates. As seen in Table 20 below, this is partially due to the significant number of units held for seasonal or occasional use.

**TABLE 20
HOUSING VACANCY BY CENSUS TRACT-2000**

Census Tract	For rent	For sale	Rented or sold, not occupied	Seasonal, recreational, occasional use	Other	Total	
	Units	Units	Units	Units	Units	Units	% ¹
El Porto 6202.01	27	0	12	9	11	59	5.61%
Tree Section 6203.01	7	12	15	8	0	42	2.53%
Beach Area 6203.02	57	34	0	90	12	193	5.81%
Tree Section 6203.03	30	0	0	0	0	30	1.75%
East Side 6204	13	0	0	38	0	51	2.41%
East Side 6208	42	7	3	13	0	65	2.37%
Hill Section 6209.01	9	9	0	12	0	30	2.93%
Beach Area 6209.02	18	12	0	58	0	88	6.03%
City Total	203	74	30	228	23	558	3.70%

1. Total vacant dwelling units/total dwelling units

Source: 2000 Federal Census

The overall vacancy rate in Manhattan Beach is similar to that in other beach cities and to Los Angeles County as a whole. However, the beach cities have a larger portion of vacancies due to seasonal or occasional use, whereas Los Angeles County as a whole has greater numbers of vacancies in units available for sale or rent.

**TABLE 21
HOUSING VACANCY BY CITY-2000**

	For rent	For sale only	Rented or sold, not occupied	Seasonal, recreational, or occasional use	Other vacant	Total ¹	
	Units	Units	Units	Units	Units	Units	%
Manhattan Beach	203	74	30	228	23	558	3.70%
El Segundo	47	20	52	66	11	196	2.71%
Hermosa Beach	223	37	17	80	14	371	3.78%
Redondo Beach	434	203	63	208	69	977	3.31%
Total, beach cities	907	334	162	582	117	2102	3.41%
Los Angeles County	61,369	28,827	12,588	17,499	16,806	137,135	4.19%

1. (total vacant dwelling units/total dwelling units)
Source 2000 Federal Census

HOUSING COST

Home Values

As shown in Table 21, housing values in beach cities are much higher than those in Los Angeles County as a whole. At the time of the 2000 Federal Census, the median value of ownership occupied was \$672,600. This is more than triple the median value for owner occupied housing countywide. Similarly, Dataquick Information Systems reported a median price of \$700,000 for all detached homes sold in Manhattan Beach and a median price of \$205,000 for all homes sold in Los Angeles County in 2000.

**TABLE 22
VALUE OF OWNER OCCUPIED HOUSING BY CITY- 2000**

City	Lower value quartile	Median value	Upper value quartile
Manhattan Beach	\$499,200	\$672,600	\$888,200
El Segundo	\$305,400	\$371,900	\$467,200
Hermosa Beach	\$393,300	\$519,200	\$714,800
Redondo Beach	\$283,200	\$353,300	\$436,000
Los Angeles County	\$155,400	\$209,300	\$328,400

Source: 2000 Federal Census

Within the City of Manhattan Beach, housing values are generally higher in the tree section and the beach areas, with the exception of the El Porto area, which reported among the lowest home values. Generally the inland areas reported lower values, with the southerly portion of the City reporting higher values than the northerly portion.

**TABLE 23
VALUE OF OWNER OCCUPIED HOUSING BY CENSUS TRACT- 2000**

Census Tract	Lower quartile	Median value	Upper quartile
El Porto 6202.01	\$502,100	\$620,700	\$739,300
Tree Section 6203.01	\$481,100	\$631,500	\$802,900
Beach Area 6203.02	\$564,700	\$743,100	\$952,300
Tree Section 6203.03	\$555,700	\$703,400	\$919,300
East Side 6204	\$417,900	\$518,300	\$671,400
East Side 6208	\$457,300	\$635,400	\$842,100
Hill Section 6209.01	\$635,400	\$885,800	>\$1,000,001
Beach Area 6209.02	\$709,700	\$866,800	>\$1,000,001
City Total	\$499,200	\$672,600	\$888,200

Source: 2000 Census

Housing values in the City of Manhattan Beach have risen significantly in the years since the census, rising most steeply between the years 2002 to 2005. This is reflective of regional trends. While home sales prices continued to rise through 2007, price per square foot dropped slightly in 2007, reflecting sales of larger units, both locally and countywide.

**TABLE 24
HOUSING SALES PRICE 2000-2007**

Year	Manhattan Beach			Los Angeles County		
	Median Home Price	Median Condo Price	Price/ Sq.ft.	Median Home Price	Median Condo Price	Price/ Sq.ft.
2000	\$700,000	\$600,000	\$386	\$205,000	\$154,000	\$153
2001	\$726,000	\$664,000	\$418	\$232,000	\$169,000	\$169
2002	\$850,000	\$750,000	\$451	\$274,000	\$203,000	\$196
2003	\$1,050,000	\$918,000	\$462	\$330,000	\$251,000	\$234
2004	\$1,300,000	\$1,068,000	\$616	\$412,000	\$325,000	\$297
2005	\$1,473,000	\$1,294,000	\$698	\$495,000	\$385,000	\$358
2006	\$1,550,000	\$1,400,000	\$783	\$541,000	\$412,000	\$397
2007	\$1,625,000	\$1,523,000	\$765	\$560,000	\$430,000	\$385

Source: Dataquick Information Systems

There is a wide range in asking prices (as noted in Table 25 below) for homes advertised for sale on internet realty sites including Realtor.com, Roost.com, and Trulia.com. The lowest advertised price for any home was a condominium advertised at \$350,000. The highest advertised price was \$8 million for a home on a nearly ten thousand square foot building site.

**TABLE 25
HOME ASKING PRICE - APRIL 2008**

Asking price	Number of units
<\$350,000	0
\$350,000-\$400,000	1
\$400,000-\$500,000	0
\$500,000-\$600,000	1
\$600,000-\$700,000	2
\$700,000-\$800,000	2
\$800,000-\$900,000	9
\$900,000-\$1 million	8
\$1-1.5 million	52
\$1.5-2 million	43
\$2-2.5 million	45
\$2.5-3 million	22
\$3-4 million	16
\$4-5 million	5
>\$5million	9

Source: Realtor.com, Roost.com, Trulia.com

The median asking price for all homes advertised was about \$1.9 million, nearly twenty percent higher than the median sales experienced in all of 2007. Due to the regionally soft market, it is unlikely that prices will continue to rise in the near future in Manhattan Beach. Advertisements of homes for sale reflect the owner's optimistic opinion of the home value. The asking price may be somewhat higher than what the seller actually expects to obtain. The recorded sales price reflects what someone is actually willing to pay.

Rental Rates

Similar to housing sales prices, rents also are higher in the beach cities, with median rent in Manhattan Beach slightly more than twice the median rent in Los Angeles County as a whole.

**TABLE 26
RENT BY CITY-2000 CENSUS**

Location	Lower quartile	Median	Upper quartile
Manhattan Beach	\$923	\$1,293	\$1,795
El Segundo	\$686	\$848	\$1,019
Hermosa Beach	\$852	\$1,095	\$1,472
Redondo Beach	\$782	\$943	\$1,202
Los Angeles County	\$507	\$643	\$838

Source: 2000 Federal Census

The highest reported rental rates were in the Tree Section followed by the northerly beach area of the City. Lower rental rates were reported in the southerly beach area and in the Hill Section, which had reported the highest values for owner-occupied housing.

**TABLE 27
RENT BY CENSUS TRACT**

Census Tract	Lower quartile	Median	Upper quartile
6202.01 El Porto	\$920	\$1,258	\$1,869
6203.01 Tree Section	\$889	\$1,550	\$1,888
6203.02 Beach Area	\$1,021	\$1,447	\$1,818
6203.03 Tree Section	\$942	\$1,307	\$1,712
6204 East Side	\$918	\$1,119	\$1,780
6208 East Side	\$828	\$993	\$1,472
6209.01 Hill Section	\$928	\$1,182	\$1,681
6209.02 Beach Area	\$916	\$1,375	\$2,001
City Total	\$923	\$1,293	\$1,795

Source: 2000 Federal Census

Since the time of the Federal Census, rental rates, like home prices, have risen significantly, as reflected in the rental survey by Westside Rentals.

**TABLE 28
MEDIAN RENTS-2008**

Unit Type	Monthly Rent
Apartment	\$2,524
Condo	\$3,497
House	\$5,671
Duplex	\$3,305
Triplex	\$4,800
Townhouse	\$4,921
Studio	\$1,450
1 bedroom	\$2,345
2 bedrooms	\$3,489
3 bedrooms	\$5,738
4 bedrooms	\$6,542

Source: Westside Rentals

The few units listed for rent in the City of Manhattan Beach vary widely in rent asked. At the low end, a studio apartment in El Porto is listed at \$800 per month, and one bedroom apartments in the same area are listed at \$875 and \$895. The most expensive advertised rental is a detached home with an advertised rent of \$37,000 per month. It should be noted that rentals in small complexes in beach areas are often not formally advertised, but are offered through word of mouth and on-site signage to those in the community.

The trend toward increased rental costs in the region is reflected in the increase in Fair Market Rents for the Los Angeles-Long Beach Standard Metropolitan Statistical Area. The HUD-formulated Fair Market Rent (FMR) schedule is a guideline to maximum rents allowable for units developed with HUD assistance of for tenants receiving Section 8 housing assistance. HUD uses the Consumer Price Index and the Census Bureau housing survey data to calculate the FMRs for each metropolitan area.

TABLE 29
HUD FAIR MARKET RENTS-2000-2008

FMR Year	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY 2000	\$505	\$605	\$766	\$1,033	\$1,233
FY 2001	\$516	\$618	\$782	\$1,055	\$1,260
FY 2002	\$543	\$650	\$823	\$1,110	\$1,325
FY 2003	\$638	\$764	\$967	\$1,305	\$1,558
FY 2004	\$674	\$807	\$1,021	\$1,378	\$1,646
FY 2005	\$746	\$900	\$1,124	\$1,510	\$1,816
FY 2006	\$789	\$952	\$1,189	\$1,597	\$1,921
FY 2007	\$843	\$1,016	\$1,269	\$1,704	\$2,051
FY 2008	\$863	\$1,041	\$1,300	\$1,746	\$2,101

Source: HUD

Based on information presented above, the lower priced units advertised in the El Porto area would fall below the HUD Fair Market Rent limit and could be eligible for utilization of Section 8 vouchers if the landlords were amenable. There are currently no subsidized housing units in the City and therefore no units at risk of conversion.

HOUSING AFFORDABILITY

Households paying over thirty percent of income for housing are considered to be overpaying for housing. Those paying over fifty percent of income for housing are considered to be severely overpaying. Based on 2000 census data, 26.9 percent of households for which data is available were paying 30 percent or more for housing in 2000, of which over a third (11 percent of all households) were paying more than fifty percent of income for housing. Low income and elderly renter households had the greatest problem with overpaying for housing, with the vast majority of low income households overpaying for housing. Overpayment was less of a problem for lower income owners than for renters, possibly due to fixed costs for ownership housing. Moderate to upper income households experienced fewer problems with overpayment for housing than lower income groups, but a significant proportion of these households were also overpaying.

TABLE 30
HOUSING EXPENDITURES AS PERCENTAGE OF INCOME - 2000

Households by Income, & Affordability	Renters		Owners		Total Households
	Elderly 1&2 member households	Total Renters	Elderly 1&2 member households	Total Owners	
Household Income <=30% Median	32	230	137	267	497
% Cost Burden >30%	75%	64.3%	82.5%	77.9%	71.6%
% Cost Burden >50%	75%	64.3%	72.3%	72.7%	68.8%
Household Income >30% to <=50% Median	44	179	154	173	352
% Cost Burden >30%	77.3%	88.8%	51.3%	56.6%	73%
% Cost Burden >50%	68.2%	86.6%	48.7%	54.3%	70.7%
Household Income >50 to <=80% Median	64	223	222	365	588
% Cost Burden >30%	84.4%	95.5%	32.4%	46.6%	65.1%
% Cost Burden >50%	78.1%	48.9%	19.8%	32.3%	38.6%
Household Income >80% Median	133	4,436	1,825	8,634	13,070
% Cost Burden >30%	21.1%	17.3%	18.4%	24.8%	22.2%
% Cost Burden >50%	7.5%	3.9%	5.8%	7.1%	6%
Total Households	273	5,068	2,338	9,439	14,507
% Cost Burden >30%	51.3%	25.4%	25.6%	27.7%	26.9%
% Cost Burden >50%	41.8%	11.6%	13.8%	10.8%	11%

Source: HUD CHAS data book (based on 2000 Census data)

Overpayment for housing may be reflective of a number of conditions, including limited supply of low or moderately priced housing. Lack of supply is exacerbated by a poor match between affordable units and low income households. As shown in Table 31, only a small portion of rentals affordable to lower income households are actually occupied by households in those income groups.

**TABLE 31
AFFORDABILITY MISMATCH- 2000**

Housing Units by Affordability	Rental Units	Owned/For Sale Units
Affordable at household income <=30% median income		
# occupied units	104	N/A
% occupants with income <=30% median	28.8	N/A
# vacant for rent	0	N/A
Affordable at household income >30% to <=50% median income		
# occupied units	77	48
% occupants with income <=50% median	28.6	20.8
# vacant for rent	0	0
Affordable at household income >50% to <=80% median income		
# occupied units	360	40
% occupants with income <=80% median	10	50
# vacant for rent	15	0
Affordable at household income >80% median income		
# occupied units	4,529	9,354
# vacant for rent	190	69

Source: HUD CHAS data book (based on 2000 Census data)

Overpayment for housing by very low and low income households is considered to be more serious than overpayment by more affluent income groups, due to the limited funds available to lower income households for all expenses. Overpayment for shelter may result in lack of availability of funds for such basics as medical care, transportation, or food. On the other hand, more affluent households may choose to expend a greater proportion of income on housing due to the greater discretionary income available.

Based on the median income of \$42,189 at the time of the Census and a thirty percent affordability ratio, an affordable rent for a median family household in Los Angeles County would have been a maximum of \$1,054. This is below the median rent in the City of Manhattan Beach, and below the median rent for all census tracts in the City except Census Tract 6208 in the southeast portion of the City. The \$1,054 figure well exceeds the lower quartile rent in all areas of the City, indicating that at least twenty five percent of all rental housing in the City would be affordable to a County median household.

One measure of housing affordability would be housing foreclosures. If homeowners cannot afford mortgage payments, they go into default. As of April 2009, forty homes in Manhattan Beach were at some

point in the foreclosure process, representing 0.26 percent of City housing stock. By contrast, in the same period, 1.39 percent of housing units in Los Angeles County were at some point in the foreclosure process. Within the City of Manhattan Beach, notices of default had been issued for twenty seven homes, which is the beginning of the foreclosure process, and financial institutions were taking possession of thirteen homes, signifying completion of the foreclosure process. Thus, while foreclosures are an issue for Manhattan Beach, the problem is much smaller than in the region as a whole.

As of May 2008, twenty nine homes in Manhattan Beach were at some point in the foreclosure process. Notices of default had been issued for twenty three homes, which is the beginning of the foreclosure process, and financial institutions had taken possession of six homes, signifying completion of the foreclosure process.

An ownership unit would generally be considered affordable if the purchase price were three to four times annual household income. Actual affordability would depend on prevailing mortgage rates, the size of the down payment, and other expenses to be met by the household. Optimistically assuming a four to one ratio, a County median household could afford to pay \$169,000 to purchase a home at the time of the Census, which is well below both the County and City median housing value reported at the time of the Census. A City median household would have been able to afford a home priced at \$403,000, less than even the lowest quartile value in the City. Thus fewer than 25 percent of all owner occupied homes, would have been considered affordable to a household making the City median income at the time of the Census.

This disparity between numbers of affordable units and local household income can be attributed to a number of factors. Many owners bought their homes many years ago for much lower prices. New purchasers may be willing to pay higher prices because the home is viewed as an investment and tax advantages may balance a portion of the costs. A buyer may have considerable equity from a previous home to apply toward the price of the new home. In addition, as noted above, homeowners may have an optimistic view of the value of their property.

Finally, ownership units have a differing market response than rental units. Rental units are more often on the market and constantly competing with other units for available tenants and tend to reflect current market conditions. By contrast, the typical owner has not paid the prevailing housing price due to long term ownership of the unit. Thus, while housing value may increase, actual costs are relatively fixed. At any given time, only a small portion of ownership units will be on the market. Thus, ownership units are not as immediately subject to housing affordability.

HOUSING NEED



City of Manhattan Beach

Housing Element

HOUSING NEED

This section of the Housing Element identifies those housing need projections developed by the Southern California Association of Governments (SCAG) as part of the Regional Housing Needs Assessment (RHNA) for the City and other regional growth projections. The City's RHNA allocation is then identified and followed by the City's ability in meeting its RHNA allocation over the planning period, which ends in 2013. This section then concludes with an identification of Special Needs Groups and how the City plans on addressing each group.

In accordance with Section 65584 of the California Government Code, the distribution of regional housing need is to take into consideration market demand for housing, employment opportunities, the viability of suitable housing sites and public facilities, commuting patterns, and type and tenure of need.

The Southern California Association of Governments (SCAG) 2004 Regional Growth Forecast estimates that in 2000, 13,985 individuals were employed in the City of Manhattan Beach (Table 32). The SCAG population estimate for the City at that time was 34,097 and estimated housing units were 14,516. SCAG forecasts only small, incremental growth in the City, with an average per-decade increase of 463 dwelling units. Even this small incremental projection exceeds historic growth. In the years between 1990 and 2000, the City added only 399 dwelling units. From 1980 to 1990 the City added just 188 dwelling units.

TABLE 32
SCAG ESTIMATES OF
POPULATION, EMPLOYMENT, AND HOUSING-2000-2030

Year	Population	Dwelling Units	Employment	Employees per Unit
2000	34,097	14,516	13,985	0.96
2005	36,384	14,999	14,086	0.94
2010	36,541	15,087	15,114	1.00
2015	37,051	15,285	15,414	1.01
2020	37,553	15,491	15,699	1.01
2025	38,035	15,695	15,952	1.02
2030	38,498	15,905	16,181	1.02

Source: SCAG

Future employment at maximum buildout permitted under the General Plan was calculated using standard employee generation rates (Table 33). This resulted in an estimated 18,088 jobs within the City at buildout, which may not occur until long after the period addressed in SCAG’s growth projections above.

**TABLE 33
EMPLOYMENT BY LAND USE**

USE	ACRES	FLOOR AREA FACTOR	SQUARE FEET	EMPLOYEES
Commercial				
General Commercial	87	1.5:1	5,684,580	5,685
Downtown	14	1.5:1	914,760	915
Local Commercial	13	1.5:1	849,420	849
Mixed Use	4	1.0:1	174,240	174
Manhattan Village	102	1.5:1	6,664,680	6,665
North End	8	1.5:1	522,720	588
Industrial	73	1.0:1	N/A	3,212
Total Employment				18,088

1. Square footage, based on acreage and maximum floor area ratios permitted in General Plan
2. Commercial employee generation assumes predominantly retail, generating 1 employee/1,000 square feet. Industrial uses assumed to generate 44 employees/acre.

It should be noted that this estimate assumes full buildout under maximum permitted floor area ratios. However, this level of development would be unlikely, both due to market demand and the difficulty of providing adequate parking if higher floor area ratios were attempted.

REGIONAL HOUSING NEEDS ASSESSMENT

SCAG has developed an assessment of housing needs for each city in the SCAG region. The needs assessment is an assignment to each community of the share of need assigned to the SCAG region by the California Department of Housing and Community Development (HCD). HCD assigned a need of 699,368 dwelling units to the SCAG region as a whole. SCAG assigned 283,927 units to all of Los Angeles County of which 13,733 were assigned to the South Bay cities.

SCAG’s 2007 Regional Housing Needs Assessment (RHNA) indicates that total new housing production of 895 units would be needed in the City of Manhattan Beach for the period from January 1, 2006 through June 30, 2014. The 895 unit need assessed under the RHNA for the 2006 to 2014 planning period is over three times SCAG’s projected growth of 286 dwelling units for the longer 2005 to 2015 period. This conflict between SCAG’s Regional Growth Forecast and SCAG’s assignment of housing need is especially puzzling when one considers that the Regional Growth Forecast was a factor in assigning housing need. As evident from the examination of Table 33 above, the historic growth in the City’s population, housing development, and employment is substantially less than that anticipated in the SCAG projections. The ability of the City to accommodate the growth anticipated by SCAG is further compounded by the constraints to housing identified in the following section of this report.

The RHNA assesses need by income group as described in Table 34 below. In allocating housing by income group, SCAG is to avoid excess impacts on areas which already contain a relatively high proportion of low income housing. Under the 2007 RHNA, Manhattan Beach was determined to need 296 dwelling units affordable to very low income households, 149 units affordable to low income households, and 160 units affordable to moderate income households. The remaining 350 units would meet the needs of high income households.

**TABLE 34
RHNA BY INCOME GROUP - 2007**

Income Group	Income Level	Units Needed
Very Low Income	< 50% of median	236
Low Income	50% to <80% of median	149
Moderate Income	80% to <120% of median	160
Upper Income	≥120% of median	350
TOTAL		895

Source: SCAG RHNA, 2007

The RHNA considers overpayment for housing in developing its needs assessment. A household is considered to be overpaying for shelter if it expends over 30 percent of its income for housing. SCAG utilized tables prepared by the United States Department of Housing and Urban Development for use in preparation of Consolidated Plans required in connection with Community Development Block Grant. The HUD data indicate that 1,234 renters in the City are overpaying for housing. Of these 299 were very low income and 220 were low income (Table 35).

**TABLE 35
EXISTING OVERPAYMENT**

	Number of Households		
	Renter	Owner	Total
Very Low Income	294	299	593
Low Income	220	175	395
Moderate and Upper Income	765	2130	2895
TOTAL	1279	2604	3883

Source: SCAG reproduction of HUD data

The RHNA does not quantify need for extremely low income units. In accordance with Government Code Section 65583(a)(1), this is assumed to be fifty percent of the very low income need, or 118 units.

SPECIAL NEEDS GROUPS

Households with special needs are defined as those with at least one member having a disability requiring special modifications within the dwelling unit to accommodate the disability. In addition to low income households, a number of groups with special housing needs have been identified under Section 65583 of the Government Code. These include the handicapped, elderly, large families, farmworkers, families with female heads of household, and the homeless. The City of Manhattan Beach is in an urban area with no farms or farmworkers. Other special needs groups are discussed in the following sections.

Handicapped

Handicapped households are defined as those with at least one member having a work or housework disability. People with handicaps include people who are blind, deaf, or mute, or people confined to a bed or wheelchair, or require crutches. Many of these disabilities require that modifications be made to the housing units or that assistance animals be accommodated. Some of these housing needs include, but are not limited to, wheelchair ramps, widened doorways, grab bars, and access ramps. Furthermore, some individuals require housing which is close to health care facilities.

The 2000 U.S. Census reports that there are 5,642 households in the City of Manhattan Beach which include at least one handicapped individual. Table 36 illustrates where handicapped households are concentrated throughout the City.

**TABLE 36
HANDICAPPED HOUSEHOLDS BY CENSUS TRACT - 2000**

Census Tract	Handicapped Households
6202.01 El Porto	279
6203.01 Tree Section	736
6203.02 Beach Area	753
6203.03 Tree Section	485
6204 East Side	1,175
6208 East Side	1,320
6209.01 Hill Section	472
6209.02 Beach Area	422
TOTAL	5,642

Source: 2000 U.S. Census

Persons over 64 years of age comprise 1,881 handicapped individuals, or about a third of the total. Typical housing needs would include wider doorways to accommodate wheelchairs, access ramps, and accommodation for service animals. From the Census information available, it is not possible to determine the number of handicapped persons or households which need housing assistance.

Elderly

The 2000 Census also indicates that there were 3,526 persons, or 10.4% of the City's total population over 65 years of age at the time of the Census. Comparing these figures to comparable 1980 and 1990 data, the City's elderly population has increased significantly over the last 20 years.

Elderly residents may share many of the special housing needs of disabled persons. In addition, many elderly persons are on fixed incomes. At the time of the Census, 2,472 households received Social Security income, though these households may have also had additional sources of income, such as pensions or investment income. Supplemental Security Income was received by 221 households.

**TABLE 37
SENIORS (OVER 55 YEARS OF AGE) - 1980 to 2000**

Age	1980		1990		2000	
	Persons	Percent	Persons	Percent	Persons	Percent
55-59	1,682	5.1%	1,513	4.7%	1,963	5.8%
60 - 64	1,219	3.7%	1,369	4.2%	1,299	3.8%
65 +	1,941	5.9%	2,759	8.6%	3,526	10.4%
Total	4,842	14.7%	5,641	17.5%	6,788	20.6%

Source: 2000 US Census

Of the total 14,474 occupied housing units in the City, 2,618 were headed by elderly persons at the time of the census. Of the housing units headed by elderly persons, 2,177 were owner-occupied housing units and 241 were rental units. A total of 166 elderly households spent more than 30% of their income for housing (rents or mortgages). Elderly renters were especially subject to overpayment for housing, with 51.3 percent of elderly renters paying more than 30 percent of income for housing and 41.8 percent paying more than 50 percent of income for housing. Younger households may respond to rent increases by moving, whereas the elderly may be more reluctant to move or have difficulty undertaking the tasks involved in moving, including finding a new unit and packing for a move.

There are two senior housing projects in the City: Manhattan Terrace and Manhattan Village- Senior Villas. The Manhattan Terrace (located at 3400 Valley Drive) consists of 48 units, and the Manhattan Village-Senior Villas (located at 1300 Park View Avenue) consists of 104 dwelling units. These projects are designed to be affordable to seniors on fixed incomes.

The City has established a Senior Services Program that is run by a City staff Senior Services Manager to plan and implement recreational, educational and social programs designed to meet the needs of older adults living in Manhattan Beach. This includes assistance with household finances and shelter. In addition, the Beach Cities Health District (BCHD) provides health and wellness services to residents of Manhattan Beach, Hermosa Beach and Redondo Beach. The BCHD Care Manager completes needs assessments of older adults and/or disabled, develops individualized care plans, provides the service linkages, and if necessary arranges services to address the agreed upon identified needs.

Large Families

A large family is defined as a household or family with five or more persons. Families are considered groups of persons related by blood, marriage or adoption. Households represent all persons living together as groups, regardless of whether or not they are related.

The 2000 Census reported that 861 households (4.8%) contained 5 or more persons. Of these large households, 844 households (98%) were classified as families. The remaining 17 households consisted of non-related people sharing housing. Table 38 illustrates the distribution of large households in the City.

**TABLE 38
LARGER FAMILIES AND HOUSEHOLDS BY CENSUS TRACT - 2000**

Number of Persons	El Porto 6202.01	Tree Section 6203.01	Beach Area 6203.02	Tree Section 6203.03	East Side 6204	East Side 6208	Hill Section 6209.01	Beach Area 62902.02	Total
Family households									
5 persons	2	98	57	103	98	183	60	32	633
6+ persons	1	28	15	30	28	81	17	11	211
Non-family households									
5 persons	0	2	4	0	0	0	0	5	11
6+ persons	0	0	1	1	0	3	0	1	6

Source: 2000 US Census

Overcrowding can be more of a problem for large families. A unit is considered overcrowded if there is more than one occupant per room. The 2000 Federal Census recorded few overcrowded dwelling units in the City of Manhattan Beach. (generally more than 1 person per room). Less than one percent of all owner-occupied housing in the City was overcrowded and only 3 percent of renter occupied housing was overcrowded.

**TABLE 39
OVERCROWDING-2000**

Occupants per room	Owner occupied					Renter occupied				
	1.00 or fewer	1.01 to 1.50	1.51 to 2.00	2.01 or more	Total	1.00 or fewer	1.01 to 1.50	1.51 to 2.00	2.01 or more	Total
El Porto 6202.01	239	0	0	0	239	737	9	7	0	753
Tree Section 6203.01	1363	0	0	0	1,363	258	0	0	0	258
Beach Area 6203.02	1391	9	0	0	1,400	1681	9	26	12	1,728
Tree Section 6203.03	1330	5	0	0	1,335	345	0	4	0	349
East Side 6204	1501	8	10	0	1,519	542	0	0	6	548
East Side 6208	1987	27	0	0	2,014	622	34	0	8	664
Hill Section 6209.01	804	0	0	0	804	190	0	0	0	190
Beach Area 6209.02	761	5	0	0	766	565	16	25	0	606
City Total	9276	54	10	0	9,440	4940	68	62	26	5,096

Source: 2000 US Census

Female-headed Households

Demographic, social, and economic conditions contribute to special housing demands for female-headed households. According to the 2000 Census, there were 769 (5.3%) female-headed households in the City of Manhattan Beach. Among these female-headed households, 433 had related children under 18 years of age, of which sixty households, or 13.86%, had poverty level incomes. No female headed households without children under eighteen years of age had poverty level incomes. The incomes of those households that are female-headed are lower than those other households, and the key housing issue for this special needs group involves affordability, security, and, possibly, child care facilities. The Los Angeles Homeless Services Authority found that nearly 7,200 of the homeless persons on any given night were victims of domestic violence. From Census information, it is not possible to determine how many female-headed households are in need of housing assistance.

Homeless

Manhattan Beach is a participating city in the Los Angeles County Housing Authority Programs and in county wide HUD funding administered by the Los Angeles Community Development Commission. The Los Angeles Homeless Services Authority (LAHSA) administers funds for homeless services through the Los Angeles Continuum of Care in Urban Los Angeles County, which includes the City of Manhattan Beach. LAHSA is the lead agency in the Los Angeles Continuum of Care, and coordinates and manages over \$60 million dollars annually in Federal, State, County and City funds for programs providing shelter, housing and services to homeless persons in Los Angeles County.

The following is a partial list of the make-up of the homeless population.

- a. Single adult (usually male) transients who pass through a community on the way to some other destination, but who do not stay.
- b. Seasonal or migrant homeless individuals, mainly farmworkers and fishermen.
- c. Chronically homeless, single adults, including non-institutionalized, mentally disturbed individuals, alcohol and drug abusers, elderly individuals with insufficient incomes, and others who voluntarily, or are forced, due to financial circumstances, to "live on the streets."
- d. Minors who have either run away from home or have been "thrown out."
- e. Low-income families who are temporarily homeless due to financial circumstances or are in the process of searching for a home or single-parent families, mostly female-headed, are especially prevalent in this group.
- f. Women (with or without children) who are escaping domestic violence. Men may also fall into this category.
- g. Persons displaced as a result of disaster with no short term means of providing shelter.

In January 2007, LAHSA conducted a count of homeless individuals over three nights. The LAHSA counts were conducted at homeless shelters and drop in centers as well as on streets, at parks, and other areas believed to be utilized by the homeless. This analysis indicated that on any given night in the Los Angeles Continuum of Care service area, a total of 68,608 people were homeless, with 57,166 people living on the street and 11,442 people living in either emergency shelters or transitional housing facilities. The survey found that 87 homeless individuals would live in Manhattan Beach on a given night.

LAHSA found that within the Los Angeles Continuum of Care service area, adult men comprise 59 percent of the homeless population, with about 85 percent of the men without shelter nightly. Adult women make up another 24 percent of the homeless population. The remaining 15 percent of the homeless are children under the age of 18. Thus on any given night, 10,100 children are homeless, with nearly 8,000 of them unsheltered. There were 16,643 people in families that were homeless on any particular night, and 8,828 youth in these families. Hence, nearly 1,300 homeless persons younger than 18 are unaccompanied by a parent each night

Specialized programs funded through LAHSA address a wide-range of issues related to homelessness, including but not limited to: domestic violence, mental illness, substance abuse, job training, family strengthening, health, mainstream benefits enrollment, and most importantly, supportive short and long-term housing. The CDC has funding designated for construction of additional homeless shelters.

The following shelter and service providers are located in the Manhattan Beach area:

1. **The Salvation Army** operates a shelter located at 1370 Alamitos Avenue in the City of Long Beach. The operators of this shelter reported that providing temporary shelter to the homeless is the shelter's primary function. This Salvation Army shelter provides services to an average of 73 people per day. Of this number, approximately 10% are homeless.
2. **The Second Step Shelter**, located in Redondo Beach, provides transitional housing for women with dependent children. The focus of the shelter's services is to provide women who are victims of domestic violence with housing while they are making a transition to independent living. The shelter has a 24-bed capacity.
3. **1736 Family Crisis Center** provides shelters at several locations in the area. The shelters include transitional housing for women and their children under 18 years of age and a shelter for homeless youth. The Center also offers legal services.
4. **The Kenny Nicholson Foundation** provides services to homeless in the South Bay and Los Angeles area.

Emergency shelters and transitional housing developments are permitted in the City in the High Density Residential (RH) and General Commercial (CG) zoning districts with a use permit (MBMC 10.12.020 and 10.16.020). The infrastructure services for the City have been designed to accommodate build-out under the General Plan, and the infrastructure is considered adequate to handle these kinds of facilities. Any applicant constructing an emergency shelter or transitional housing facility would be required to obtain a use permit. As part of any application for such a facility, the City would study the adequacy and suitability of the site for its intended use, analyze traffic and other environmental impacts and, based on the anticipated impacts, establish conditions of development.

National Guard armories have been utilized for emergency, cold weather shelter programs since 1987. These include armories in Culver City, Glendale, Long Beach, Pomona, Sylmar, and West Los Angeles. The armory in Manhattan Beach has not traditionally been utilized, though inclusion of armories in the program varies from year to year. The armories provide shelter between 6:00 pm and 7:00 am. LAHSA estimates that up to forty five percent of emergency shelter beds in Los Angeles County have been provided through the armory program. Armories currently identified for the shelter program include:

1. Sylmar National Guard Armory
12860 Arroyo Street
Sylmar
2. Glendale National Guard Armory
220 East Colorado Street
Glendale
3. Los Angeles National Guard Armory
1300 Federal Ave.
Los Angeles
4. Culver City National Guard Armory
1808 Culver Blvd.
Culver City

OPPORTUNITIES AND CONSTRAINTS



OPPORTUNITIES AND CONSTRAINTS

This section of the Housing Element highlights and discusses the opportunities the City has for potential and additional housing sites and discusses affordable housing opportunities as well. The section concludes and documents environmental constraints, market constraints, and governmental constraints that may further impede the development of new housing in the City which could inhibit the available opportunities for housing development.

OPPORTUNITIES

Land Resources

The City of Manhattan Beach contains 2,492 gross acres, and 2,017 net acres excluding streets. Residential uses occupy 1,422 acres, or 70.5 percent of developable land. The Land Use Element of the Manhattan Beach General Plan estimates that 15,541 residential units could be accommodated on existing residentially designated sites, with another 340 dwellings provided in mixed use areas, for a total of 15,881 dwelling units at build-out. This is 395 more units than the 15,486 units estimated to exist in the City as of January 1, 2008 by the California Department of Finance.

Perhaps the most significant factor limiting the construction of large numbers of new housing units is the availability of land to accommodate significant new growth. The City of Manhattan Beach is nearly built out and contains very few vacant sites, all of which are relatively small and could accommodate only a few additional units:

**TABLE 40
VACANT LAND INVENTORY AND DEVELOPMENT POTENTIAL**

Location	Zoning	Intensity	Area (sq. ft.)	Current Units	Potential Units	Vacant
3911 Crest	CNE	850 sf/du	4,543	2	5	No
133 El Porto	RH	850 sf/du	1,380	0	1	Yes
3804 Highland	CNE	850 sf/du	1,800	Parking Lot	2	Yes
3216 Highland	CNE	850 sf/du	3,498	Retail/ Restaurant	4	No
820 Duncan Place	RS	7,500 sf/du	4,200	0	1	Yes
1120 6th St.	RS	7,500 sf/du	7,500	0	1	Yes
Total			22,921	2	14	

Source: City of Manhattan Beach, 2008

In addition to residential development in residentially designated areas, the City provides for residential uses in areas designated Downtown Commercial, Local Commercial, and North End Commercial, upon the approval of a use permit, in areas designated Downtown Commercial, Local Commercial, and North End Commercial. The commercial uses in these areas are smaller in scale than those in General Commercial areas, offering a pedestrian friendly, village atmosphere. These areas total 39 acres and could accommodate a maximum of 2,001 dwelling units if complete conversion to mixed residential/commercial developments were to occur. At a fifteen percent conversion rate, potentially 300 additional dwellings would be provided.

As noted in Table 41 below, commercial areas along the Sepulveda Corridor, totaling eighty to ninety acres, are not being considered for mixed use at this time. The Sepulveda Corridor experiences heavy traffic and lots are not deep enough to buffer potential residences from traffic's negative effects such as noise and air emissions. In addition, this area is important in maintaining the City's economic base and providing for the commercial and service needs of the community.

A number of publicly owned parcels within the City could potentially be redeveloped for other uses (see Table 40 below). These include: Begg School, Ladera School, and the National Guard Armory.

Begg School is located on a 5.3-acre site at Peck and 18th Street. Portions of the property are currently utilized for recreational purposes.

The 6.2-acre Ladera School site consists of three terraces separated by steep slopes. Bell Avenue, a narrow street which terminates in a cul-de-sac a few hundred feet to the north of the school, runs along the easterly edge of the site. Further constraining access, 24th Place, another narrow street, runs along the southerly boundary of the site. Landform and access issues render this site unsuitable for housing above very low densities. In addition, the Safety Element of the General Plan indicates the site and adjacent areas are subject to earthquake-induced landslides.

The National Guard Armory is located on a 6.32-acre site along the northerly portion of Bell Avenue, south of Rosecrans Avenue. The site consists largely of steep slopes. The steep terrain and poor access also render this site unsuitable for housing above very low densities. The Armory site is also subject to earthquake-induced landslides.

The School District recently established a "blue ribbon" committee that reviewed a number of issues including possible surplus properties and they did not recommend these school sites as surplus. The armory is an active military facility. None of these three publicly owned sites or any others are anticipated to be declared surplus within this housing planning period. However, these sites may be considered for housing in the more distant future, should conditions change. Should any of these sites become available, planning for future use must balance various community needs, including housing and recreation facilities for currently underserved residents.

There is also an opportunity for additional housing through the redevelopment of existing developed sites such as the Manhattan Village Mall overflow parking lot as noted in Table 41 below. This site includes a parking lot at Parkview Avenue and Village Drive in the Manhattan Village area which could accommodate

up to twenty five (25) units, however the City owns this site and it is currently under lease with Manhattan Village Mall for overflow parking and is not available at this time.

As noted in the previous section a survey was conducted at the time the previous Housing Element (2003) was completed to identify underutilized parcels. The survey indicated that there are five (5) under utilized lots in the Downtown Commercial area that are currently occupied by industrial uses that could accommodate thirteen (13) additional dwelling units. Multi-family areas along Manhattan Beach Boulevard and near Meadow School could accommodate twenty-two (22) additional dwelling units and underdeveloped parcels in the beach area between 23rd and 35th street could accommodate thirty-four (34) additional dwelling units on the 122 currently developed lots within the area.

Double sized, single family lots could also redevelop. Up to twenty one (21) additional units could be provided in the Trée Section with double lots currently occupied by a single dwelling being developed with two single family dwellings. However, this happens quite slowly and as one such site redevelops, other homebuyers purchase adjacent lots for use as a single residence, or ancillary uses for a residence on an adjacent lot such as an expanded yard.

**TABLE 41
POTENTIAL HOUSING SITES**

Potential Sites	Pros	Cons	Justification/Reasoning
<p>Sepulveda Commercial Corridor (various private owners)</p> <p><i>Approximate Size/Area: 80-90 Acres (Excludes Man. Village Mall)</i></p>	<p>Potential for mixed-use development could provide a large number of additional housing units</p>	<p>-Could hinder the City's current tax base revenue it receives from most businesses along Sepulveda by losing some commercial business.</p> <p>-New housing would not be conducive to the Sepulveda corridor in terms of traffic, circulation, noise, etc.</p>	<p>-City Council direction to keep this area primarily commercial and to maintain the City's economic base.</p> <p>-This area is consistent with the General Plan and Land Use Policies.</p>
<p>School Sites (if available - school district owns)</p> <p>-Begg School (Peck/18th)</p> <p>-Ladera School (Next to Grandview)</p> <p><i>Approximate Size/Area: 11.5 Acres (Combined)</i></p>	<p>Larger parcels which could lead to the potential for higher densities and more affordable housing.</p>	<p>-Increased residential uses could lead to increased demand for school facilities while reducing available sites</p> <p>-Conflicts with the City's recreation needs (school parks).</p> <p>-Site conditions. Steep terrain and poor access.</p>	<p>-Could have a conflict with the City's general plan (Community Resource Element) to provide enough adequate schooling. School sites also represent approximately 28% of the City's park and open space.</p>
<p>Armory Site (if available- Federal government owned)</p> <p><i>Approximately Size/Area: 3.4 Acres</i></p>	<p>Not a very active armory site. Could be used for other services such as housing or recreation.</p>	<p>Not ideal for high density development. Would not create that much additional housing.</p>	<p>-Surrounding uses and area is not ideal for additional housing other than low density.</p> <p>-City Yard surrounds this site on two sides by triangular site and on a third side by existing low density residential neighborhoods.</p>
<p>Manhattan Village Mall overflow parking lot (City owned)</p> <p><i>Approx Size/Area: 1.5 acres</i></p>	<p>-Could potentially accommodate up to 25 additional housing units.</p> <p>-Provide more Senior Housing</p>	<p>Used as overflow mall employee parking and Manhattan Village Field during peak periods.</p>	<p>City Council direction to keep this area primarily commercial and retain ownership.</p>

Financial Resources

The Los Angeles Community Development Commission administers housing assistance funds for the City of Manhattan Beach which is a participating city in Housing Authority and Community Development Block Grant (CDBG) programs.

CDBG Funds

Beginning in the 1997-1998 Fiscal Year, the City of Manhattan Beach has traditionally sold its allocation of CDBG funds to other participating cities in exchange for general funds. For the 2008-2009 Fiscal Year, the City is exchanging \$145,388 in CDBG funds with the City of Hawaiian Gardens at sixty cents on the dollar for general fund monies in the amount of \$87,232.80. The City is providing funding for the following local social service providers:

- **Care Management for Manhattan Beach Seniors-** promotes optimal functioning of seniors to avoid the need to institutionalize fragile or at risk seniors, targeting the population 85 years of age or older.
- **1736 Family Crisis Center-** provides shelter for victims of domestic violence, including five women's shelters for women and their children and an emergency youth shelter. The Center provides a 24-hour hot line and also offers legal services.
- **South Bay Family Health Care Center-** provides dental care to low and moderate income residents and the indigent.
- **South Bay Center for Counseling-** provides counseling to low and moderate income families, groups, and individuals.
- **South Bay Youth Project-** provides counseling to at-risk youth
- **Salvation Army-Operation Sunshine-** provides groceries to low income seniors.
- **Project Touch-** provides tutoring, counseling, and social services to at-risk youth.
- **Wellness Community-** provides psychological and social support services to cancer patients and their families.
- **South Bay Adult Care Center-** provides adult day care for seniors suffering from Alzheimer's, Parkinson's, stroke, frailty, etc.

Rental Assistance

Landlords and tenants in Manhattan Beach may participate in the Section 8 rental assistance program which assists eligible families to afford safe, decent, high-quality rental housing. The Housing Authority of Los Angeles County provides rental assistance to over 20,000 households in the jurisdiction of Los Angeles County.

The Section 8 Program is funded by the U.S. Department of Housing and Urban Development (HUD), and tenants and rental units must meet limits on income and rental rates, respectively, as discussed previously. HUD has developed income ceilings for low and very low income household based on household size (Table 42). Income limits may also be adjusted for individuals with major medical needs.

**TABLE 42
HUD ADOPTED FISCAL YEAR 2008 INCOME LIMITS
LOS ANGELES—LONG BEACH PMSA**

FY 2008 Income Limit Category	Extremely Low Income	Low	Income
1 Person	\$15,950	\$26,550	\$42,450
2 Person	\$18,200	\$30,300	\$48,500
3 Person	\$20,500	\$34,100	\$54,600
4 Person	\$22,750	\$37,900	\$60,650
5 Person	\$24,550	\$40,950	\$65,500
6 Person	\$26,400	\$43,950	\$70,350
7 Person	\$28,200	\$47,000	\$75,200
8 Person	\$30,050	\$50,050	\$80,050

1. Based on \$58,900 adopted median family income, Fiscal Year 2008
Source: HUD

Maximum rent is limited to the HUD Fair Market Rent (FMR) shown below in most cases.

**TABLE 43
HUD FAIR MARKET RENT - 2008**

Unit Type	Maximum Rent
Efficiency	\$863
One-Bedroom	\$1,041
Two-Bedroom	\$1,300
Three-Bedroom	\$1,746
Four-Bedroom	\$2,101

Source: HUD

Participants rent housing from private landlords and pay no more than thirty percent of income toward rent. Very low and extremely low income tenants pay a smaller portion of income toward rent. The Housing Authority utilized Federal funds to subsidize the difference in monthly payments between ability to pay and Fair Market Rent directly to the owner. Owners, participants and the Housing Authority share in a three-way-partnership.

The Housing Authority's responsibilities in administering the program include:

- Maintaining the waiting list;
- Determining eligibility, and level of assistance;
- Calculating rent portion;
- Conducting annual re-determinations; Briefing tenants on finding a rental unit;
- Contracting with owners; Ensuring that contracted unit rents are reasonable; Conducting unit housing quality standard inspections;
- Ensuring tenant and owner compliance with program rules (and terminating contracts and assistance if necessary);
- Making housing assistance payments to owners; and
- Processing assisted families moving into and out of the jurisdiction through portability.

Home Buyer Programs

Prospective home buyers in Manhattan Beach may participate in the Home Ownership Program (HOP) which is financed with HOME funds provided through the U.S. Department of Housing and Urban Development (HUD) and is subject to the applicable federal regulations. HOP has been designed to meet the needs of low-income families with the necessary down payment assistance. This program will provide a 2nd Trust Deed loan at 0% interest with all payments deferred until sale, transfer, refinancing, or full repayment of the first mortgage. In the participating cities, the borrower will receive \$80,000 or 20% of the purchase price whichever is less.

The maximum purchase price allowed for existing or new homes are:

Single Family Homes - \$493,000
 Condominiums/Townhomes - \$394,250

While these prices are quite low, compared to median sales prices in Manhattan Beach, there are a few homes, mostly condominiums, in the City which would meet the state criteria.

The American Dream Down Payment Initiative (ADDI) is a component of the HOME Investment Partnerships Program, authorized under Title II of the Cranston-Gonzalez National Affordable Housing Act. The program assists low-income First-Time homebuyers in purchasing homes. Homebuyers approved for HOP, are also approved for ADDI. ADDI monies are used for closing costs and down payment assistance with a loan amount of up to \$10,000 or 6% of the purchase price whichever is greater. Units under ADDI are subject to the same limits as HOP.

These programs are administered by the Los Angeles Community Development Commission (CDC), Regulatory Resources, and are included in this Draft Element as housing programs. In response to the current economic recession and housing market downturn, CDC is now concentrating funding on the Housing Economic Recovery Ownership (HERO) program which is targeted to foreclosed and abandoned properties located only within certain census tracts. The program is not available within the City of Manhattan Beach. CDC has not eliminated the Home Ownership Program (HOP) and American Dream Down Payment Initiative (ADDI) programs, but the programs are no longer funded for this year.

The City has used its regulatory resources to preserve and enhance housing opportunities and neighborhoods. These are discussed in more detail under housing programs and include:

- **Affordable housing incentive program** for projects which include five or more units in which (1) at least 20 percent of the total units are affordable to lower-income persons or families, including elderly persons and families, or (2) 10 percent of the total units of a housing development are for very-low-income households, or (3) 50 percent of the total dwelling units of a housing development are for qualifying residents.
- **Mixed Use Development ordinance** permitting residential uses in certain commercial areas.
- **Condominium conversion ordinance** requires tenant notification, right to purchase, tenant purchase discounts, relocation assistance, and no increases in rental costs when condominiums are converted. Special provision is made for non-purchasing elderly or medically disabled tenants; low and moderate income tenants; and tenants with children.
- **Mansionization ordinance** limits development of over-sized single family homes while encouraging maintenance and improvement of existing smaller homes. Over 50 smaller homes have been remodeled and expanded since 2005 using these provisions, which encourages smaller homes to be remodeled instead of being torn down and replaced with new larger homes. This encourages the preservation and upgrading of the existing housing stock, allows families to remain in the City instead of possibly moving out of town, and preserves older smaller homes that are generally more affordable than new larger homes.

NONGOVERNMENTAL CONSTRAINTS

Land Supply

The primary constraint on the delivery of additional housing in the City of Manhattan Beach is the lack of raw land. This is typical of the surrounding area, which is largely developed. New construction occurs primarily as redevelopment of previously developed parcels.

Subdivision Patterns

A significant constraint to new housing development in the City of Manhattan Beach involves the prevailing subdivision pattern, which consists of numerous small parcels, with few sites having a land area over a few thousand square feet. As a result, the assembly of a large site to accommodate a major housing project is difficult. The City does not have the ability to assemble properties through redevelopment, since the City does not have a redevelopment agency.

Land Cost

As a result of the limited supply of land, coupled with a strong demand for coastal property, the cost of land in the City is quite high. Land prices in Manhattan Beach vary according to views obtained from the property and proximity to the water, and proximity to undesirable uses, such as industrial uses to the north.

Based on input provided by realtors and a review of sales information obtained from Internet data, the average cost for undeveloped land within the coastal zone ranged from \$191 to over \$1,000 per square foot. In comparison, costs for undeveloped land zoned for residential development in inland areas within urbanized Los Angeles County ranged from \$68 to \$373 a square foot for a hillside view lot. By contrast, acreage in more remote locations such as the Antelope Valley area is advertised for as low as \$1 a square

foot. Thus, land cost would be a major factor for housing, even at the highest residential densities in Manhattan Beach.

Construction Costs

The cost of residential development in the City is considerably greater than that compared to other areas of the County for a number of reasons. First, the City's location next to the beach and the attendant amenities translate into greater land costs. Typically, the cost for land within the City is greatest in the coastal areas where access to the beach or views of the ocean are available. The cost for land decreases further inland.

Other costs can include the type of material used, and the amenities provided. The cost for basic no frills construction is about \$125 per square foot. However, construction prices can easily exceed \$200 or \$300 per square foot for construction providing greater amenities. Factory-built housing is more economical and can be fully installed for under \$100 per square foot.

Developers may use luxury construction and build larger units to balance high land costs. This is because the land price alone will cause a dwelling to have a fairly high price. Buyers paying higher prices have expectations for greater amenities, which in turn leads to a greater increase in per unit cost.

While land costs can be defrayed by providing less land per dwelling unit, i.e. increasing density, this approach is only effective up to a point. Once densities approach about forty units per acre or fewer, depending on project and site specifics, costs increase greatly due to the need to provide parking structures, instead of surface parking and other items such as elevators. Basic wood frame construction is not adequate for housing at higher densities which requires the use of steel framing.

Financing

While the recent downturn has led to a reduction in the prime lending rate, that rate cannot normally be attained by the average homebuilder or buyer. As foreclosures increase, standards for home loans and construction loans have increased, with decreased availability of financing. Individuals who could easily qualify for loans in the recent past may find difficulty in obtaining financing in the future.

Marketability

In order to remain profitable, builders must respond to consumer demand. Thus, builders will produce that product believed to be most marketable. For this reason, amenities are generally provided beyond the mere minimum required for habitability. Buyers may be perceived to require a minimum size unit, or additional parking.

Buyers have sought larger and larger homes with more amenities. In 1970, according to the U.S. Census Bureau, the average home size in the United States was 1,500 square feet, up from an average 983 square feet in 1950. By 2000 this had increased to 2,266 square feet. Home sizes continue to rise, as evidenced by the increase in local home sales prices even as price per square foot has declined. Builders may be leery of scaling back amenities to achieve economy, if they believe consumers may not respond.

Availability of Infrastructure

Roadways in Manhattan Beach are subject to high levels of traffic which would be exacerbated by increased development. Much of this traffic is cut through traffic over which the City has no control, a particular problem on such north/south arterials as Sepulveda Boulevard. This traffic affects both the ability of the City to intensify development and the desirability of residential use of parcels along major streets.

Other infrastructure issues relate primarily to the age of the infrastructure, rather than capacity. In the coastal area of the City, terra cotta sewer lines are deteriorating. Domestic water discoloration occurs from time to time in the beach area due to the use of iron pipes. At the southerly end of the City, along Sepulveda Boulevard, elevation differences between the area and the reservoir result in water pressure problems on occasion. Therefore intensification of water consuming development in this area could be a problem.

Environmental Factors-Flooding

Because of the City's coastal location and its topography, a substantial portion of the City may be subject to flooding in the event of a tsunami. The Beach and El Porto Sections include a significant number of parcels that may be subject to inundation in the event of a tsunami. Throughout the City there are also a number of depressions where localized flooding may occur under severe storm conditions. The County of Los Angeles has mapped the potential risk along the Southern California coastline.

Environmental Factors-Seismic Risk

The State of California has mapped seismic hazards for the urbanized areas of northern and southern California. This mapping program identifies those areas that may be subject to liquefaction and/or seismically-induced slope failure in the event of a major earthquake. Development within those areas that may be subject to these risks must undertake additional geotechnical investigation to ascertain the level of risk and any requisite mitigation. The mapping program identified several areas within the City of Manhattan Beach where potential seismic risks are present. The coastal areas along the "Strand" may also be subject to liquefaction due to the presence of water-bearing, sandy soils. The City's Natural Hazards Mitigation Plan (2008) provides more detailed information.

GOVERNMENTAL CONSTRAINTS

Governmental actions and policies may act as a constraint to the delivery of housing. These constraints include local ordinances and practices as well as state actions. The primary controls upon land use in the City of Manhattan Beach are the General Plan, Zoning Code, and Building Code. In addition, City fees and processing times may also affect development.

General Plan and Zoning

The General Plan provides for three categories of residential density. The permitted density in each category varies by area as shown on Table 44 below. These land use categories are consistent with those provided in the Zoning Code. To the extent that demand existed for very high density residential uses these density limits could act as a constraint on the delivery of housing.

TABLE 44
GENERAL PLAN CATEGORIES

Area	Low Density	Medium Density	High Density
District 1 - Hill Section/ Eastside so. of Manhattan Beach Blvd.	5.8 du/acre	11.6 du/acre	43.6 du/acre
District 2- Tree Section/ Eastside no. of Manhattan Beach Blvd.	9.5 du/acre	18.9 du/acre	43.6 du/acre
District 2- Manhattan Village	Specific Plan	Specific Plan	Specific Plan
District 3- Beach	16.1 du/acre	32.3 du/acre	51.3 du/acre
District 4 - El Porto	na	na	51.0 du/acre

Source: 2003 General Plan Land Use Element (LU-20)

The above densities provide for a range of housing types. The densities provided under the medium and high density designations are within the range deemed adequate to provide lower income housing in accordance with Government Code Section 65583.2 (c)(3)(B)(iv).

The City's height limit also constrains development, accommodating three stories, at most. In accordance with Municipal Code Section 10.12.030, any change in the height limit must be submitted to City voters for approval. Thus densities higher than the maximum 65 units per acre permitted would be extremely difficult to achieve, due to the need for parking and the desire of the residents for adequate living space. This limit is consistent with the repeatedly stated desires of the citizenry to maintain a small scale community and the capacity of area roadways to serve development.

The provision of parking is needed to satisfy the requirements of the Zoning Code and resident needs. In addition, the California Coastal Commission has repeatedly expressed the need to preserve public parking for visitor serving uses, which can sometimes be affected by new development.

Permit Process and Development Fees

Fees are charged by the City to cover processing costs and staff time. By State law, fees cannot exceed costs to the city generated by the activity for which the fee is assessed. A full schedule of planning fees is included in the Appendix.

A comparison of several fees associated with development of housing between the City of Manhattan Beach and neighboring jurisdictions is given in Table 45. For the fees examined, the City of Manhattan Beach charges rates comparable to the surrounding cities, charging the lowest fees for parcel maps. This would indicate that the City's planning and zoning fees are not a significant constraint to the construction of housing.

**TABLE 45
COMPARISON OF ADJACENT CITIES PROCESSING FEES,
CONDOMINIUM DEVELOPMENT**

City	Manhattan Beach	El Segundo	Redondo Beach	Hermosa Beach	Hawthorne
Parcel Map	\$805 to \$3,180	\$675 ≤ 6 du \$935 > 6du	\$826	\$1,974	\$3,380
Coastal Development Permit	\$560 minor, \$4,295 major	\$385	\$188 minor, \$875 major	n/a ¹	n/a
Conditional Use Permit(condo)	\$5,200	\$675 ≤ 6 du \$935 > 6du	\$1,750+ \$734/unit	\$1,293+ \$144/unit over 2 units	\$3,380
Variance	\$4,925	\$675 ≤ 6 du \$935 > 6du	\$1,750	\$1,869	\$3,380

1. Implementation Plan not certified. Coastal Commission approval required with \$500 fee for waiver, \$2,500 for administrative permit. If Commission action required, minimum \$3,000 fee for single family residence; \$7,500 for 2-4 attached units; \$10,000 for over 4 units.

Building Codes

In December 2007, the Manhattan Beach City Council approved Ordinance 2109, adopting the 2007 California Building Code which is based on the 2006 the International Building Code. The ordinance details the revisions and amendments to the Building Code which differ from CBC standards. These amendments are minor, and primarily relate to administration, sustainable development, soils investigations and seismic safety, and would thus not result in a constraint to housing production in the City of Manhattan Beach.

Coastal Zone Requirements

Section 65590 of the California State Government Code requires the inclusion of low- or moderate-income housing in new residential development in the coastal zone where feasible. It also contains requirements for the replacement of low- and moderate-income housing within the coastal zone when such housing is demolished or converted to other uses. The replacement housing must be provided only where feasible if the local jurisdiction has less than fifty acres, in aggregate, of privately-owned vacant land that is available for residential use. As noted previously, the City is built out and has only a nominal amount of vacant land.

Since the City does not have the ability to construct or otherwise subsidize the construction of new housing through redevelopment, it must rely on its existing incentives to promote the development of affordable housing in the coastal zone.

The City of Manhattan Beach has a certified Local Coastal Program (LCP). The LCP was certified by the California Coastal Commission in 1994 and therefore the City is able to issue its own coastal permits.

The LCP addresses three primary issue areas: public access, locating and planning for new development, and the preservation of marine-related resources. The LCP includes a number of policies that will affect the ability to develop new housing development within the coastal areas of the City. These include policies related to the preservation of beach access, the provision of adequate parking (including requiring adequate off-street parking to be provided in new residential development) and controlling the types and densities of residential development within the coastal zone. Those coastal policies related to residential development within the coastal zone include the following:

1. Policy II.B.1: Maintain building scale in coastal zone residential neighborhoods consistent with Chapter 2 of the Implementation Plan.
2. Policy II.B.2: Maintain residential building bulk control established by development standards in Chapter 2 of the Implementation Plan.
3. Policy II.B.3: Maintain Coastal Zone residential height limit not to exceed 30 feet as required by Sections A.04.030 and A.60.050 of Chapter 2 of the Implementation Plan.
4. Policy II.B.4: The beach shall be preserved for public beach recreation. No permanent structures, with the exception of bikeways, walkways, and restrooms, shall be permitted on the beach.

Condominium Conversions

The existing LCP also includes provisions related to condominium conversion, senior citizen housing, and loss of affordable housing in the coastal zone. Regarding condominium conversion, the existing LCP provides that:

“The City shall continue to maintain, at a minimum, the present restrictive conditions for condominium conversion, within the coastal zone. This will allow only buildings which meet current standards to be converted to condominiums, thus preserving many units for privately owned, affordable rental units.”

Section 10.88.070 of the Municipal Code also contains requirements regarding tenant notification, right to purchase, tenant purchase discounts, relocation expenses, and tenant discounts when condominiums are converted. Provision is made for lifetime leases for non-purchasing elderly or medically disabled tenants. In addition, low and moderate income tenants and those with children are provided with an extended relocation period. In evaluating requests for condominium conversion, the Planning Commission must consider the impact of tenant displacement, with emphasis on existing low- and moderate-income tenants under Section 10.88.080 of the MBMC.

Second Units

Assembly Bill 2702 (Steinberg), addressing second units in single family neighborhoods, passed both houses of the California Legislature in 2004, but was vetoed by the Governor. The bill would have severely restricted the ability of local communities to regulate second units.

Under AB 2702, local ordinances could not have precluded or “effectively preclude” second units unless the local agency found that that specific adverse impacts upon the public health, safety, and welfare would result from allowing second units. Substantial evidence would have been required to support any such findings.

AB 2702 also would have precluded any local agency from establishing a minimum units size below 550 square feet, requiring more than one parking space for the second unit, requiring a minimum lot size for detached second units above twice the square footage of the primary unit, or establishing any requirements as to tenure of the unit. Thus, a community could not require that either unit be owner occupied, occupied by a caregiver, family member, or senior citizen.

AB 2702 also would have established a minimum residential density for vacant school sites equal to the highest residential density on any multi-family residential parcel within 300 feet.

Different communities have addressed second units differently. Some communities have restricted second units to only parcels over a certain size. This approach was studied by the City of Manhattan Beach after the adoption of the 2003 Housing Element but was not adopted. As new second unit housing law is adopted the city will respond to the requirements.

GOALS, POLICIES AND PROGRAMS



GOALS, POLICIES AND PROGRAMS

The previous sections of this Housing Element described existing conditions in the City relative to housing, the projected need, opportunities and the constraints that will affect the City's ability in accommodating the number of housing units identified in the Regional Housing Needs Assessment (RHNA) developed by the Southern California Association of Governments (SCAG).⁴⁻¹⁾ This section of the Element, the Goals, Policies, and Programs articulates City policy relative to housing and indicates those programs that will be effective in their implementation.

GOAL I. Preserve existing neighborhoods.

The City is made up of several distinct neighborhoods, some of which were originally established in the early 1900s. The neighborhoods each contribute to the small town feel of the community and reflect the City's unique and varied environment. They include the following which are described in more detail on Page 10:

- 1) **The Beach Area**, containing most of the City's multi-family rental housing which is developed on small lots and offers a village atmosphere;
- 2) **The Hill Section** consisting primarily of single-family residential development on slightly larger lots, with commercial and higher-density residential development limited to Sepulveda Boulevard and Manhattan Beach Boulevard;
- 3) **East-Side** including single family residential uses and a large proportion of the City's commercial and residential uses within this area;
- 4) **Manhattan Village** which includes a substantial amount of regional commercial and office development as well as a significant number of single family homes and senior housing.
- 5) **The Tree Section** which is the single family area east of Bell Avenue and northwest of Valley Drive as well as senior housing; and
- 6) **El Porto**, a formerly unincorporated community providing a mix of high density residential and commercial uses.

The City has long been committed to the maintenance and preservation of its residential neighborhoods. This was a goal of both the 1993 and the 2003 Manhattan Beach Housing Elements

Policy 1. Preserve the scale of development in existing residential neighborhoods.

This policy is similar to, but somewhat more specific than, Policy 1.1 in the 2003 Housing Element, which called for the character of existing neighborhoods to be maintained and preserved. In furtherance of that policy, the City has adopted a "mansions ordinance" and revised lot merger provisions so as to preserve existing residential lots.

⁴⁻¹⁾ According to the RHNA, the City's allocation for new housing is 895 new units.

Program 1a. Continue to enforce provisions of the Zoning Code which specify District Development Regulations for height, lot coverage, setbacks, open space, and parking.

Section 10.12.030 of the MBMC has established standards to avoid “mansionization”, including increased setback and open space requirements for new single family residences. The additional open space must be provided in areas adjacent to streets or in areas that create useable open space. Open space may be provided above the second story, encouraging structures to be built to less than maximum height and reducing the mass of homes.

The mansionization ordinance also establishes maximum lot sizes in residential districts as follows:

**TABLE 46
MAXIMUM LOT SIZES**

District	Maximum Lot
I - Hill Section; Ardmore east, Manhattan Beach Blvd. south	15,000 sq. ft.
II -Tree Section; Ardmore/Blanche east, Manhattan Beach Blvd. south	10,800 sq. ft.
III - Beach area	7,000 sq. ft.
IV - El Porto	7,000 sq. ft.

Generally, properties in the Medium and High Density Residential zones which are developed with three or more units are exempt from the stricter requirements, in order to encourage development of multi-family development.

Section 10.64.030 of the MBMC requires additional enclosed parking for larger residences. Three enclosed parking spaces are required for residences that exceed 3,600 square feet in floor area, whereas residences smaller than 3,600 square feet only need to provide two spaces. Only one space is required for multi-family units with less than 550 square feet.

These provisions act to discourage construction of overly large dwellings that are out of scale with the surrounding neighborhood. In addition to issues of scale, the large dwellings are also more costly, and lead to increased pressure to demolish modest dwellings in favor of lavish structures affordable only to the most affluent.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: On-going

Objective: Preserve 50 smaller units

Program 1b. Continue to apply the Design Overlay as provided under Section 10.44 of the Municipal Code, as appropriate.

This section provides a mechanism for establishing specific development standards and review procedures for certain areas of the City with unique needs, consistent with General Plan policies, taking into consideration the unique nature of a given neighborhood. Seven subdistricts have been established:

- D1) Rosecrans Avenue, where higher fences in the front-yard setback area are needed to reduce traffic noise;
- D2) 11th Street, where limitations on building height and density are needed to minimize building bulk and buffer adjoining residences;
- D3) Gaslamp neighborhood, where special design standards and review procedures are needed to preserve existing neighborhood character;
- D4) Traffic noise impact areas, where higher fences are needed to reduce traffic noise;
- D5) North end commercial, where special design standards are needed for the north end commercial area to accommodate additional residential development;
- D6) Oak Avenue, where special design standards, landscaping and buffering requirements are needed to allow commercial use of property in a residential area adjacent to Sepulveda Boulevard;
- D7) Longfellow Drive area, including residential lots in Tract 14274 located on Longfellow Drive, Ronda Drive, Terraza Place, Duncan Drive and Kuhn Drive, where a special minimum lot area requirement and restriction on subdivision is needed to preserve the character of the neighborhood, including views and privacy.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: On-going

Objective: Preserve neighborhood character citywide.

Program 1c. Refrain from approval of lot mergers which would result in a reduction in the number of residences allowed.

Many homes have been constructed on double lots. The City has permitted the underlying subdivision to remain, in order that separate homes may potentially be built on each of the underlying lots. In accordance with Zoning Code Section 10.52.050, accessory structures ancillary to a primary residence may be constructed on an adjacent lot in common ownership without processing a lot merger. Similarly, the City will not require that lots be merged when schools, churches or other, similar public assembly uses are constructed on multiple lots. In addition, the maximum lot standards noted

above would prevent consolidation of very large lots. This will preserve opportunities for future housing units that would otherwise be lost if lots were consolidated.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: On-going

Objective: Preserve 20 subdivided lots

Policy 2. Preserve existing dwellings.

This policy is similar to Policies 1.2 and 1.3 in the 2003 Housing Element which called for existing housing units and affordable housing to be maintained.

Program 2a. Allow non-conforming dwellings to remain and improve.

Under the Zoning Code Section 10.68, as recently revised in conjunction with the City's mansionization ordinance, the development process for improvements to smaller non-conforming residential structures has been streamlined. Exceptions may be approved administratively to allow additions to non-conforming structures that will not result in total structures in excess of 66 percent of the maximum floor area in Districts III and IV or 75 percent of the maximum floor area in Districts I and II, or 3,000 square feet, whichever is less.

Non-conforming dwellings may also be improved while maintaining non-conforming, existing parking. For dwellings with less than 2,000 square feet of floor area, only one enclosed parking space is required.

The non-conforming dwellings to be preserved tend to be smaller and less costly than newer housing in the community. The preservation and improvement of these units will maintain the pool of smaller units which might otherwise be demolished to make way for larger, more costly housing.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: On-going

Objective: Preserve 24 smaller units

Program 2b. Consider utilizing Community Development Block Grant funds or exchange funds for home improvement loans for low income residents, consistent with income limits provided for such funding, and pursue additional sources of funding for City programs.

As discussed previously, CDBG funds are exchanged for unencumbered General Funds which are granted to local public service agencies who provide services for low and moderate income residents as well as elderly, disabled, and abused residents. Services include counseling, shelter referral, dental care, case management and groceries for seniors. This allows the City to exceed the fifteen percent limit on a locality's CDBG funds which may be passed on to such social service providers.

As shown previously in Table 28, approximately three quarters of extremely low income homeowners, and half of very low income homeowners pay over half of their income on housing, leaving little for home maintenance or improvement. A third of low income homeowners pay over half of their income on housing.

Many homeowners in the City could not afford to purchase their homes at currently prevailing prices, and are "house rich and cash poor," which is not unusual for the region. Long time residents would be expected to have decades-old mortgages with relatively low payments. Some may have completed their mortgage payments. Thus, as they approach their retirement years and live on a fixed income, they could continue to afford to live in their current residences. However, major home repairs and rehabilitation could exceed limited budgets.

Under this new program, a portion of CDBG funds could be utilized to provide a larger number of small loans or grants for rehabilitation of existing housing or utility under-grounding. Years ago, residents showed little interest in such a program. However, the population has aged, leading to a greater number of residents on fixed incomes. Before initiating any such program, the City should attempt to establish whether interest exists through public solicitation of interest. It would be important to assure residents of full confidentiality, in order not to deter participation.

First time homeowners would be facing new mortgages with large payments. Units available to first time buyers would be expected to be the lowest priced homes, oftentimes "fixer uppers". Mortgage payments could require a large proportion of the buyers' income, leaving little remaining income for home repairs. However, even the lowest advertised prices for residential units would be out of reach for low income individuals, and a CDBG funded loan program would therefore be expected to be most heavily utilized by long term homeowners on fixed incomes.

Responsibility: Community Development Department

Funding: CDBG

Schedule: Initiate assessment of interest 2009; If interest exists, initiate program 2010.

Objective: Preserve/improve 16 low and moderate income units

GOAL II. Provide a variety of housing opportunities for all segments of the community, including various economic segments and special needs groups.

There is considerable diversity in the types and densities of housing that comprise the City's neighborhoods, with high-density multiple-family development found within the coastal zone, and less dense single-family neighborhoods located further inland. As noted previously, housing is offered to a variety of economic sectors, with for sale units advertised at prices ranging from \$350,000 to \$8 million. Approximately one fifth of the City's population is currently over the age of fifty five, and housing policy must consider the special needs of the aging population.

This goal reflects two goals in the 2003 Housing Element, to assist in the development of new housing for all income groups, and to strive to provide sites to achieve a variety and density of housing.

Policy 3. Provide adequate sites for new housing consistent with the capacity of roadways, sewer lines, and other infrastructure to handle increased growth.

Program 3a. Continue to allow infill in residential areas.

Development of existing vacant residential infill sites would result in the production of dwelling units on small sites scattered throughout the City. The Manhattan Beach General Plan would provide for an additional 395 dwelling units on sites designated for residential use citywide. Infill on specific developed sites built at less than the density permitted under existing zoning with a high potential for redevelopment could result in approximately eighty eight (88) additional units. This is a long-time (since 1993) City housing policy.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: On-going

Objective: 88 to 395 dwelling units dwelling units

Program 3b. Permit and facilitate the establishment of residential uses in certain commercial districts.

Provision of housing in mixed use areas is a long-time (since 1993) City housing policy. Under Section 10.16.020 of the Municipal Code, residential uses are permitted upon the approval of a use permit in the Local Commercial, Downtown Commercial, and North End Commercial Districts. Single-family residential permitted by right in the North End Commercial District if located on a site which (1) fronts on Crest Drive; or (2) on the rear half of a site which fronts on Highland Avenue; or (3) on a site which fronts on the east side of Highland Avenue between 38th Place to the south and Moonstone Street to the north; or (4) on a site which does not abut Rosecrans Avenue or Highland Avenue; otherwise a use permit is required.

Development of mixed uses can facilitate the delivery of housing. Not only does mixed use development make additional areas available for residential development, in a mixed use project the provision of an accompanying commercial use can help absorb some of the fixed costs of development, thereby facilitating the production of lower cost units. In addition, traffic congestion along with energy consumption and air emission can be reduced as residents walk to nearby commercial uses. This can also enhance the viability of less thriving commercial areas.

Because a use permit is currently required for development of residences in most commercial areas, these cannot be considered units that would be permitted by right and therefore could not be considered to meet the RHNA. Residential uses in the Downtown area and along Manhattan Beach Boulevard may enhance those areas. It is suggested that the City allow residential uses by right with specific criteria, subject to Planning Director review to assure that all standards are met.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: Revise code to eliminate use permit requirement 2010.

Continued approval of mixed use development, on-going

Objective: 300 dwelling units

Program 3c. Continue to provide for a mixture of uses in the Manhattan Village area.

The Manhattan Village area contains a mix of hotel, office, research and development, retail, recreation and residential uses, including senior housing. The existing parking lot at Parkview Avenue and Village Drive could accommodate up to twenty five (25) additional residential housing similar to the existing senior project. This site was identified as a potential housing site in the 2003 Housing Element, consistent with the more general 1993 Housing Element program calling for a mixture of uses in the Manhattan Village area.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: On-going

Objective: 25 senior units

Program 3d. Revise development standards for residential uses in the CD and CNE District.

In order to encourage residential uses, it is suggested that rather than limit residential units to a certain number of units per lot, that no specific maximum number of units per lot be specified, so long as the otherwise maximum physical dimensions of the allowable building envelope are not exceeded in mixed use commercial/residential developments. Greater numbers of smaller units could result, with likely occupants being young people and seniors wanting easy access to commercial uses, particularly seniors who no longer feel comfortable driving.

Under existing codes, parking spaces located within the Downtown Commercial (CD) district may serve as required parking for a nonresidential use located within the same district at a maximum distance of one thousand feet (1,000'). No parking for commercial uses is required at all if the floor area ratio does not exceed 1:1. The same is not permitted for residential uses. In order to facilitate development of residential uses, residential and commercial uses would be treated equally for parking purposes, if the residential units are a small size which limits parking demand.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: Revise code by 2011

Objective: Facilitate mixed use units noted above.

Policy 4. Preserve existing affordable housing stock**Program 4. Regulate the conversion of rental stock to condominiums.**

Section 10.88.080 of the Municipal Code requires that potential displacement of existing tenants be taken into consideration when evaluating requests for conversion of existing rental units to condominium status. In addition, under Section 10.88.070, tenants must be given first right of refusal to purchase at discounted prices. Those tenants who do not wish to purchase must be provided relocation assistance. Elderly and handicapped tenants must be provided life leases, with no rent increases for at least two years, and low and moderate income tenants and families must be given at least one year to relocate. These programs help to reduce the impact of condominium conversion on low and moderate income households.

Responsibility: Community Development Department

Funding: City General Fund, condominium application fees

Schedule: On-going

Objective: Preserve 12 affordable units

Policy 5. Encourage the development of additional low and moderate income housing.**Program 5a. Provide incentives for housing affordable to low income households and senior housing.**

Section 10.52.090 of the Municipal Code provides for density bonus or other incentives when low income housing is provided, in accordance with Section 65915 of the California Government Code. The housing must remain affordable for at least thirty years. In accordance with Section 10.12.050 N of the Municipal Code, development standards may be modified where affordable housing is provided. This is an ongoing program included in the two preceding housing elements.

Pursuant to Section 10.52.090 of the City's Zoning Ordinance (Affordable Housing Incentive Program), developers who volunteer to make a portion of the housing development affordable by persons of lower income receive financial incentives, thus expanding housing opportunities for lower-income persons throughout the City. The Code defines "affordability" as follows:

1. A "for-sale" unit is considered affordable to a lower-income household if the total monthly payment required by the household to purchase and occupy the unit does not exceed 35% of the monthly income of a family (of the appropriate family size for the unit per the occupancy standards of the U.S. Department of Housing and Urban Development) with a monthly income equal to 80% of the County median income.
2. A new rental unit is considered affordable to a lower-income family if the total housing cost (including rent and utilities) does not exceed 30% of monthly income for households making 60% or less of County median income, based on a household appropriately sized for the unit per HUD occupancy standards which normally allow two persons per bedroom plus one additional person.
3. An existing rental unit is considered affordable to a lower-income household if the total housing cost including rent and utilities does not exceed the prevailing fair-market rent published by the U.S. Department of Housing and Urban Development.

Additional requirements needed to qualify for the incentives provided under this Affordable Housing Incentive Program include the following:

1. At least 20% of the total units must be affordable to lower-income persons or families as defined by the California Health and Safety Code, Section 50079.5, including elderly persons and families defined by Section 50067 of the Health and Safety Code; or,

2. At least 10% of the total units of a housing development must be made available to very-low-income households, as defined in Section 50105 of the Health and Safety Code; or,
3. At least 50% of the total dwelling units of a housing development must be made available to qualifying residents, as defined in Section 51.2 of the Civil Code.

Applicants for development meeting the above requirements may request that the City grant an incentive of financial value equivalent to a 25% density bonus and a regulatory concession or incentive. Following a public hearing, the City Council may grant such incentives as long as the density bonus is appropriate and consistent with the General Plan and the Zoning Code. The Zoning Code also provides for the following regulatory concessions or incentives to enable qualifying affordable housing development will be produced at a reduced cost:

1. A reduction in site development standards or a modification of zoning code requirements or architectural design requirements;
2. A reduction in setback and square-footage requirements;
3. A reduction in required vehicular parking spaces;
4. The approval of mixed use zoning in conjunction with the housing project if commercial, office, industrial, or other land uses will reduce the costs of the housing development. In these instances, the commercial, office, industrial, or other land uses must be compatible with the residential development and the surrounding residential development.
5. Other regulatory incentives or concessions proposed by the developer or the City, which result in identifiable cost reductions.

The developer must enter into an agreement which shall include the following provisions at a minimum:

1. The proportion of the total units that will be affordable by persons and families of lower income,
2. A commitment that the affordable units will remain available and affordable for 30 years unless the City approves a shorter time period.
3. A requirement that the affordable units be identified on building plans and described in the application for a lower-income housing incentive.
4. A requirement that resale controls be included as a deed restriction to ensure continued affordability, secured by a promissory note, in the amount of fifty thousand dollars (\$50,000.00) per affordable unit, secured by a deed of trust against the property.

5. A description of the specific incentives that the City will make available to the developer and any conditions pertaining to them.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: Annual review of development agreements, ongoing approval of projects as proposed.

Objective: 30 incentive units

Program 5b. Streamline the development process to the extent feasible.

The City currently allows and encourages concurrent processing of all discretionary applications for a project, thereby streamlining the development process. Many routine applications may be processed as minor exceptions instead of the longer and more difficult variance process. As discussed in the previous section regarding governmental constraints, processing time for building permits in the City compares favorably with that for other nearby jurisdictions.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: Ongoing.

Objective: Process 100 percent of applications in an efficient manner

Program 5c. Allow the establishment of manufactured housing on single family residential lots.

Manufactured housing can be constructed for much less than the cost of traditional building. Building various standardized modules in one location results in savings due to economies of scale and greatly reduced waste of building materials. Factory-built housing designed for placement on fixed foundations can be highly attractive and virtually indistinguishable from standard construction. In addition, current factory-built housing is typically built to higher standards for energy conservation.

In accordance with Section 10.52.100 of the Municipal Code, manufactured housing is permitted on single family lots not occupied by another dwelling. The housing must be secured, must meet certain design criteria, and must be on a relatively flat slope. These criteria are not unduly burdensome and would not prevent the establishment of manufactured housing on residential lots.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: Ongoing.

Objective: Increase affordability of 5 units

Program 5d. Work with the private sector to facilitate the provision of low and moderate priced housing.

This is a continuation of the Developer Consultation Program included in the 2003 Housing Element. In the recent past, the City has worked with the private sector to produce two residential projects available to low and moderate income households. The Manhattan Terrace development received a certificate of occupancy in July 1991. The City approved a use permit to allow this senior citizen project at 3400 Valley Road. This forty eight unit project contains 540 square foot units with rents at affordable levels.

A 104-unit seniors project was completed at Manhattan Village on Parkview Avenue in 1997. This project provides housing affordable to very low and moderate income households along with market rate housing. The City processed a zoning amendment to allow a higher density for this project, and reoriented a City recreation facility in order to facilitate development of the project.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: Annual review of continuing affordability;

Ongoing approval of projects as proposed.

Objective: Preserve 81 affordable senior units

Program 5c. Allow second units in single family areas.

This was included in the 2003 Housing Element as the Second Unit Program. Section 65852.2 of the California Government Code provides for the establishment of second units in areas zoned for single family, as a means of increasing housing stock. Provision for second units has superseded the original State provision for granny flats, though many of the second units are designed for elderly family members. Units meeting the following criteria must be permitted:

1. The unit is not intended to be sold separately from the primary residence, but the second unit may be rented.
2. The lot is zoned for single-family or multifamily use.
3. The lot contains an existing single-family dwelling.
4. The second unit is either attached to the existing dwelling and located within the living area of the existing dwelling or detached from the existing dwelling and located on the same lot as the existing dwelling.
5. The increased floor area of an attached second unit shall not exceed 30 percent of the existing living area.
6. The total area of floor space for a detached second unit shall not exceed 1,200 square feet.

No more than one parking space per bedroom may be required. In accordance with Section 65852.2(b)(3), local ordinances may specify that the property owner reside on the property.

Absent a local ordinance specifying development standards, the provisions of State law apply. The City does not currently have a local ordinance regarding second family units. Efforts were made to develop an ordinance in the past, but abandoned before the process was completed. The City may wish to reconsider developing its own second family unit program, both to facilitate provision of second family units and to establish standards suited to the City's unique neighborhoods.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: Develop ordinance 2011

Objective: 36 second family units

Policy 6. Encourage means of increasing ability to afford existing housing stock.

Program 6a. Continue to participate in Los Angeles County Housing Authority, and publicize availability of Section 8 rental assistance for households in the City.

Section 8 rental assistance is provided by the United States Department of Housing and Urban Development (HUD) and is administered locally by the Los Angeles Community Development Commission (CDC) operating as the Housing Authority of the County of Los Angeles. Under this program, low income households are provided the differential between the rental rate of a unit and what they can afford. The rental rate cannot exceed fair market rent for the area as established by HUD. Based on Census data and advertised rents, there are units within the City which fall within the permissible rental range. The County has ceased accepting applications for new Section 8 assistance due to the length of the countywide waiting list, but is soliciting enrollment of additional landlords.

Responsibility: Los Angeles Community Development Commission;

Publicized by City Community Development Department

Funding: Federal Section 8 funds

Schedule: Ongoing. Publicize to landlords and tenants via City newsletter, link on City website or other means, 2010 and ongoing.

Objective: 6 existing units made available through Section 8 program.

Program 6b. Participate in the Home Ownership Program (HOP) and American Dream Down Payment Initiative (ADDI) programs.

These first-time homebuyers programs are administered by the Los Angeles Community Development Commission and are available to prospective residents of Manhattan Beach. Although the programs place a ceiling on housing price, a few units in Manhattan Beach could qualify, based on existing home listings.

The Home Ownership Program (HOP) is financed with HOME funds provided through the U.S. Department of Housing and Urban Development (HUD) and is subject to the applicable federal regulations. HOP has been designed to meet the needs of low-income families with the necessary down payment assistance. This program will provide a 2nd Trust Deed loan at 0% interest with all payments deferred until sale, transfer, refinancing, or full repayment of the first mortgage.

The American Dream Down Payment Initiative (ADDI) is a component under the HOME Investment Partnerships Program, authorized under the Title II of the Cranston-Gonzalez National Affordable Housing Act. ADDI monies are used for closing costs and down payment assistance with a loan amount of up to \$10,000 or 6% of the purchase price whichever is greater.

Responsibility: Los Angeles Community Development Commission;
Publicized by City Community Development Department

Funding: HUD HOME funds

Schedule: Ongoing. Publicize to via city newsletter, link on city website or other means commencing 2010.

Objective: 4 units purchased through HOP or ADDI

Program 6c. Encourage shared housing programs for seniors and existing one person households.

- Sharing of one housing unit by two or more roommates can render housing affordable to persons who could not otherwise afford housing individually due to the ability to share housing costs among roommates. This is also of help to seniors who may need minor assistance or even just occasional monitoring. The programs could be coordinated by the City's Senior Services Care Manager.

Responsibility: Fire Department/Senior Services Care Manager

Funding: City General Fund/Beach Cities Health District/CDBG Funds

Schedule: Begin program 2010

Objective: 48 housing matches

Policy 7. Promote housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, or color and for special needs groups.

Program 7a. Continue to participate in area wide programs to ensure fair housing.

The City will continue to contract with Fair Housing organizations to process complaints regarding housing discrimination within the City, and to provide counseling in landlord/tenant disputes. This is a continuation of the Fair Housing Program included in previous housing elements.

Responsibility: Community Development Department

Funding: General fund/CDBG

Schedule: Ongoing, annual review

Objective: Address 100 percent of fair housing complaints

Program 7b. Provide for the housing needs of seniors.

The Manhattan Village Senior Villas, located at 1300 Park View Avenue, was first occupied in 1997, and included in the 1993 and 2003 Housing Elements. This project consists of 104 senior housing apartments. As a condition of the project's approval, 20% of the units must be reserved for very low income households, 20% must be reserved for low-income households, and 40% of the units must be reserved for moderate-income households. The remainder (20%) of the units may be rented at a market-rate. The occupants of the senior housing project must consist of a householder 62 years of age or older, or 55 years of age or older if handicapped, according to criteria established by the Americans With Disabilities Act (ADA) of 1990 or the Federal Rehabilitation Act of 1973. This program is concerned with ensuring that the current affordability of the project is being maintained.

Implementation: No additional funding and/or staffing will be required or are anticipated with this program's continued implementation. The City will work to inform the public of the program.

Responsible Agency: California Housing Finance Agency

Funding: State of California

Schedule: On-going

Objective: Preserve 81 affordable senior units

Program 7c. Provide for the special needs of seniors so that they may remain in the community.

The Senior Care Management program, which is an ongoing program also included in the 2003 Housing Element, provides services to predominantly low-income seniors. This program is operated by a part-time Senior Services Care Manager which is contracted through the Beach Cities Health District and the City of Manhattan Beach Fire Department administers the contract. At any given time, the Senior Services Program may assist up to 110 senior citizens, of which 70% are low-income. As liaison and service coordinator, the Senior Services Care Manager performs the following functions:

1. Locates suitable (often more affordable) housing. This may include referrals to "board and care" residential facilities in Manhattan Beach, or multi-family apartments;
2. Identifies financial assistance resources, including HUD Section 8 rental vouchers through Los Angeles County, and other federal assistance programs, as well as disbursing information and referring to lenders for special mortgage programs;
3. Coordinates "Rotary Cares," a volunteer program, which rehabilitates two senior homes per year, consisting of minor repairs, plumbing, carpentry, painting, etc.,
4. Arranges and makes referrals for health and personal services for the Senior Health Program, which is funded by the Beach Cities Health District; and,
5. Informs eligible low-income seniors of state and utility company programs (Southern California Edison and Southern California Gas Company) regarding discounts, weatherization services, and payment assistance.

As discussed above, it is suggested that a shared housing program also be established, expanding responsibilities under No. 1 above. The City also provides funds for social service groups serving seniors, including the Salvation Army brown bag food program, Care Management for Manhattan Beach Seniors, and South Bay Adult Care Center.

Responsible Agency: Fire Department/Senior Services Care Manager

Funding: General Fund/Beach Cities Health District/CDBG Funds

Schedule: On-going; add shared housing program 2010

Objective: Maintain part-time Senior Services Care Manager

GOAL III. Provide a safe and healthy living environment for City residents.

The City's housing stock is generally in good condition, and the City has few heavy industrial type uses. In the past, industrial uses to the north, in El Segundo adversely affected local residents, but the two cities have worked together to address this problem. It is the goal of the City to continue to provide a healthy environment for all residents, consistent with the stated goal of the California Legislature to provide decent safe and sanitary housing.

Policy 8. Eliminate potentially unsafe or unhealthy conditions in existing development.

Program 8a. Continue the active code enforcement program for illegal and substandard units.

The City has an active Code enforcement program which responds to complaints of substandard structures. In addition a Report of Residential Building Records is required each time a property is sold, which serves to alert all parties to unpermitted and potentially substandard construction that may exist. This ongoing program was included in the 2003 Housing Element.

Responsible Agency: Community Development Department

Funding: General Fund

Schedule: On-going

Objective: Respond to 100 percent of reports of substandard units

Program 8b. Utilize Community Development Block Grant funds for home improvement loans for low income housing, consistent with income limits provided for such funding, and pursue additional sources of funding for City programs. This is identical to Program 2, above.

Policy 9. Prevent the establishment of potentially unhealthful conditions in new development.

Program 9. Require that residential uses adjacent to industrial or commercial uses be adequately buffered from such uses.

Sections 10.16.030 and 10.20.030 of the Municipal Code requires that walls and setbacks be provided between industrial and residential uses and between commercial and residential uses. As industrial uses have left the area, this is less of a problem than in the past, although such uses continue to exist in the area.

Responsible Agency: Community Development Department

Funding: General Fund

Schedule: On-going

Objective: Maintain block walls and adequate landscaping at all industrial/residential interfaces.

GOAL IV. Encourage the conservation of energy in housing.

The conservation of energy and sustainable development have become of increasing importance. Worldwide energy supplies are subject to greater demand from emerging economies throughout the world. Scientists and society at large have gained a greater understanding of the impacts of energy consumption and global warming, specifically greenhouse gases. California has become the first state to address greenhouse gases. It is important that new housing be developed in light of a changing energy environment. The policies and programs below are an expansion of the energy conservation program included in the 2003 Housing Element.

Policy 10. Encourage the use of alternate energy.**Program 10. Waive fees for installation of solar panels.**

Solar panels may be used on roofs of residential and commercial structures to generate electricity which is either transmitted to the grid or stored in batteries on-site. The existing height limits in Manhattan Beach ensure rooftop units would not eventually be subject to shade and shadow which would render them ineffective. In March 2008, in order to encourage use of alternate energy, the City Council voted to waive any building fees for photovoltaic panels.

Responsible Agency: Community Development Department

Funding: General Fund

Schedule: On-going

Objective: 84 solar panels

Policy 11. Reduce energy loss due to inferior construction/development techniques.**Program 11a. Enforce green building techniques.**

The City has adopted the California Energy Code. In addition the City requires the following:

- Insulating hot water pipes to minimize energy loss
- Using caulk and insulation that are formaldehyde-free or contain low VOC (volatile organic compounds)
- Pre-plumb water piping and sensor wiring to the roof for future solar water heating
- Use duct mastic on all duct joints and seams to minimize energy loss
- Install "Energy Star" bath fans vented to the outside
- Energy efficient water fixtures

The City continues to review its codes to encourage greener building techniques. The United States Green Building Council is currently reviewing more intensive measures to be included in buildings for LEED certification. The City is in the process of

reviewing standards through the Environmental Task Force and should also review its codes upon completion of the USGBC review.

Responsible Agency: Community Development Department

Funding: General Fund

Schedule: On-going. Revise codes by 2011.

Objective: 100 percent compliance for new units

Program 11b. Encourage water conservation.

Massive amounts of energy are utilized in pumping water to southern California. Any measures to conserve water will therefore help conserve energy. This can be achieved through use of low flow fixtures and use of drought tolerant landscaping. Sections 7.32 and 10.52.120 of the Municipal Code currently address landscaping, tree preservation, and tree planting, but do not address drought tolerant landscaping. These sections should be reviewed and revised to address water use as well as aesthetic factors. The City is in the process of reviewing standards through the Environmental Task Force.

City codes provide for waterless urinals. Similar to the situation with solar panels, inspection and permit fees for installation of such urinals should be waived, when they are used to replace older, water-wasting urinals.

Responsible Agency: Community Development Department

Funding: General Fund

Schedule: On-going. Revise codes by 2012.

Objective: Reduced water consumption

Policy 12. Encourage reduction in energy consumption for commuting to work and other activities.

Program 12. Provide a balance of residential and employment generating uses in the City, including mixed use projects.

Where individuals have an opportunity to live in close proximity to their work, vehicle miles traveled to and from work can be reduced, thus reducing energy consumption. The City has permitted the development of mixed uses in Manhattan Village and permits the development of residential uses in commercial districts downtown and along Manhattan Beach Boulevard. In addition, the commercial areas of the City are in close proximity to residential districts, thus providing the potential that residents may walk to work or to shopping, dining out or other activities, or only drive a short distance.

Responsible Agency: Community Development Department
Funding: General Fund
Schedule: On-going. Revise codes as noted above
Objective: 200 mixed use units

Preservation of Assisted Housing

Section 65583(a)(8) of the California Government Code requires an analysis of previously assisted housing projects which may change to non-low-income housing during the next 10 years as well as strategies to preserve or replace the units. There are currently no such projects in the City of Manhattan Beach and, therefore, no preservation program for such units is necessary.

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RESOLUTION NO. PC 09-03

RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF
MANHATTAN BEACH, CALIFORNIA, RECOMMENDING TO THE CITY
COUNCIL APPROVAL OF AN UPDATED HOUSING ELEMENT OF
THE CITY'S GENERAL PLAN

Section 1. The Planning Commission of the City of Manhattan Beach hereby makes the following findings:

- A. Pursuant to applicable law, the Planning Commission of the City of Manhattan Beach conducted public hearings on November 12, 2008 and April 22, 2009, as well as a public meeting on April 8, 2009 and a public workshop on January 29, 2009 to consider an Update to the City's Housing Element of the General Plan (Resolution No.5813) initiated by the City to adopt goals, policies, and programs pertaining to the provision of housing with the City.
- B. The public hearings were advertised pursuant to applicable law, and testimony was invited and received. The Planning Commission adopted Resolution No. PC 09-03 on April 22, 2009 recommending approval of the updated Housing Element.
- C. An Initial Study and Negative Declaration were prepared for the proposed updated Housing Element in accordance with the California Environmental Quality Act (CEQA) and City of Manhattan Beach CEQA Guidelines, finding no significant environmental impacts associated with the project.
- D. The Planning Commission finds that the project will not individually or cumulatively have an adverse effect on wildlife resources, as defined in Section 711.2 of the State of California Fish and Game Code.
- E. The proposed Housing Element update will comply with the provisions and be consistent with the Manhattan Beach General Plan, Municipal Code, and all other applicable programs.
- F. The proposed updated Housing Element contains three programs that require the City to consider amending the Municipal Code and/or Local Coastal Program, including: 1) Revise development standards for residential uses in the CD and CNE District (amendment of the Zoning ordinance to allow no limit to the maximum number of units per lot be specified and that parking would be treated equally for both residential and commercial uses); 2) Second Unit Program (Single-Family zones) that involves amendment of the Zoning ordinance to permit Second units on over-sized lots outside of the Coastal Zone; and 3) Encourage the conservation of energy in housing which includes solar panel installation, green building techniques, water conservation, and balance of residential and employment within mixed use projects (amendment of the Zoning Ordinance and applicable Building Codes to allow for the various energy conservation programs above).

Section 2. The Planning Commission of the City of Manhattan Beach hereby recommends to the City Council **APPROVAL** of the proposed updated Housing Element of the City's General Plan and the accompanying environmental assessment, including an Initial Study and Negative Declaration, for the proposed updated Housing Element.

Section 3. Pursuant to Government Code Section 65009 and Code of Civil Procedure Section 1094.6, any action or proceeding to attack, review, set aside, void or annul this decision, or concerning any of the proceedings, acts, or determinations taken, done or made prior to such decision or to determine the reasonableness, legality or validity of any condition attached to this decision shall not be maintained by any person unless the action or proceeding is commenced within 90 days of the date of this resolution and the City Council is served within 120 days of the date of this resolution.

EXHIBIT D
CC Mtg. 5/19/09

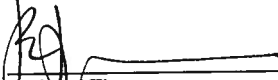
I hereby certify that the foregoing is a full, true, and correct copy of the Resolution as adopted by the Planning Commission at its regular meeting of April 22, 2009 and that said Resolution was adopted by the following vote:

AYES: Seville-Jones, Fasola, Paralusz, Lesser.


NOES: None.

ABSTAIN: None.

ABSENT: None.



Richard Thompson
Secretary to the Planning Commission



Sarah Beeschen
Recording Secretary *Sarah Beeschen*

ENVIRONMENTAL CHECKLIST

I. Background

1. Project title: Housing Element Revision
2. Lead agency name and address
City of Manhattan Beach
1400 Highland Ave.
Manhattan Beach, Ca. 90266
(310) 802-5504
3. Project location: Citywide
4. Project sponsor:
City of Manhattan Beach
1400 Highland Ave.
Manhattan Beach, Ca. 90266
(310) 802-5504
5. General plan designation: Various (Citywide amendment)
6. Zoning: Various (Citywide amendment)
7. Description: Revision of City wide housing element
8. Surrounding Land Use: Residential, commercial, recreational, and open space
9. Other reviews needed: State Department of Housing and Community Development (HCD)

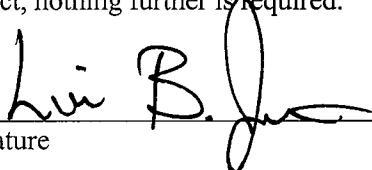
ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED:

The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" as indicated by the checklist on the following pages.

- | | |
|--|---|
| <input type="checkbox"/> Aesthetics | <input type="checkbox"/> Mineral Resources |
| <input type="checkbox"/> Agriculture Resources | <input type="checkbox"/> Noise |
| <input type="checkbox"/> Air Quality | <input type="checkbox"/> Population/Housing |
| <input type="checkbox"/> Biological Resources | <input type="checkbox"/> Public Services |
| <input type="checkbox"/> Cultural Resources | <input type="checkbox"/> Recreation |
| <input type="checkbox"/> Geology/Soils | <input type="checkbox"/> Transportation/Traffic |
| <input type="checkbox"/> Hazards & Hazardous Materials | <input type="checkbox"/> Utilities/Service Systems |
| <input type="checkbox"/> Hydrology/Water Quality | <input type="checkbox"/> Mandatory Findings of Significance |
| <input type="checkbox"/> Land Use/Planning | |

DETERMINATION: (To be completed by the Lead Agency)
On the basis of this initial evaluation:

- I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.
- I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.
- I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.
- I find that the proposed project MAY have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.
- I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

 _____
Signature Date 11/7/08

LAURIE JESTER For RICHARD THOMPSON
PLANNING MANAGER DIRECTOR OF COMMUNITY DEVELOPMENT

II. Environmental Impacts

Potentially Significant Impact	Less Than Significant As Mitigated	Less Than Significant Impact	No Impact
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I. AESTHETICS -- Would the project:

a.	Have a substantial adverse effect on a scenic vista?	___	___	<u> X </u>	___
b.	Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?	___	___	___	<u> X </u>
c.	Substantially degrade the existing visual character or quality of the site and its surroundings?	___	___	<u> X </u>	___
d.	Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?	___	___	<u> X </u>	___

Discussion:

Development of additional residential units could potentially affect views and result in creation of additional light and glare as new homes are constructed. However, the area is already urbanized and minor changes would be anticipated to occur whether or not the element is adopted. Thus, potential adverse impacts are not considered significant. Additionally, existing City ordinances have development standards for new housing construction as well as require shielding of lights.

II. AGRICULTURE RESOURCES: Would the project:

a.	Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?	___	___	___	<u> X </u>
b.	Conflict with existing zoning for agricultural use, or a Williamson Act contract?	___	___	___	<u> X </u>
c.	Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use?	___	___	___	<u> X </u>

Discussion:

There are no agricultural uses in the City.

III. Air. Will the proposal result in:

- | | | | | | |
|----|--|-----|-----|----------|----------|
| a. | Conflict with or obstruct implementation of the applicable air quality plan? | --- | --- | --- | <u>X</u> |
| b. | Violate any air quality standard or contribute substantially to an existing or projected air quality violation? | --- | --- | --- | <u>X</u> |
| c. | Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)? | --- | --- | --- | <u>X</u> |
| d. | Expose sensitive receptors to substantial pollutant concentrations? | --- | --- | <u>X</u> | --- |
| e. | Create objectionable odors affecting a substantial number of people? | --- | --- | --- | <u>X</u> |

Discussion:

III.d. Construction of new housing will result in a temporary increase in dust and emissions from construction equipment; however, this would be anticipated to occur whether or not the element is adopted, and potential adverse impacts are not considered significant.

IV. BIOLOGICAL RESOURCES -- Would the project:

- | | | | | | |
|----|---|-----|-----|-----|----------|
| a. | Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service? | --- | --- | --- | <u>X</u> |
| b. | Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or US Fish and Wildlife Service? | --- | --- | --- | <u>X</u> |
| c. | Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means? | --- | --- | --- | <u>X</u> |
| d. | Interfere substantially with the movement of any native resident or migratory fish or wildlife species | --- | --- | --- | --- |

	or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?	___	___	___	<u>X</u>
e.	Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	___	___	___	<u>X</u>
f.	Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?	___	___	___	<u>X</u>

Discussion:

There are no sensitive biological resources in the City.

V. CULTURAL RESOURCES -- Would the project:

a.	Cause a substantial adverse change in the significance of a historical resource as defined in § 15064.5?	___	___	___	<u>X</u>
b.	Cause a substantial adverse change in the significance of an archaeological resource pursuant to § 15064.5?	___	___	___	<u>X</u>
c.	Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?	___	___	___	<u>X</u>
d.	Disturb any human remains, including those interred outside of formal cemeteries?	___	___	___	<u>X</u>

Discussion:

The City has a local Culturally Significant Landmarks regulation that is voluntary and any new housing will be reviewed to ensure conformance with those requirements.

VI. GEOLOGY AND SOILS. Will the proposal result in:

a.	Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:				
	i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault?	___	___	___	<u>X</u>
	ii) Strong seismic ground shaking?	___	___	<u>X</u>	___
	iii) Seismic-related ground failure, including				

	liquefaction?	___	___	___	<u>X</u>
	iv) Landslides?	___	___	___	<u>X</u>
b.	Result in substantial soil erosion or the loss of topsoil?	___	___	<u>X</u>	___
c.	Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?	___	___	___	<u>X</u>
d.	Be located on expansive soil, creating substantial risks to life or property?	___	___	___	<u>X</u>
e.	Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?	___	___	___	<u>X</u>

Discussion:

VIa. Development of additional housing will result in an introduction of additional people and structures into the area, which like all of Southern California is subject to earthquake induced ground movement. However, the impact will not be unusually significant or adverse in the City of Manhattan Beach. Similarly, new residents could potentially be exposed to hazards due to landslides. However, all future development will be subject to review by City building officials which will reduce and mitigate any impacts to a level of insignificance. Further, this would be anticipated to occur whether or not the element is adopted, and potential adverse impacts are not considered significant.

VIb. Minor erosion of soils could occur as sites are cleared and soils exposed in the construction process for additional homes consistent with the proposed element; however, this would be anticipated to occur whether or not the element is adopted, and potential adverse impacts would be reduced to a level of insignificance through the review and application of standard City grading requirements.

VII. HAZARDS AND HAZARDOUS MATERIALS -- Would the project:

a.	Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?	___	___	___	<u>X</u>
b.	Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?	___	___	___	<u>X</u>
c.	Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?	___	___	___	<u>X</u>

- | | | | | | |
|----|---|---|---|---|----------|
| d. | Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment? | — | — | — | <u>X</u> |
| e. | For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area? | — | — | — | <u>X</u> |
| f. | For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area? | — | — | — | <u>X</u> |
| g. | Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan? | — | — | — | <u>X</u> |
| h. | Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands? | — | — | — | <u>X</u> |

Discussion:

Exposure to new hazards is not anticipated, and existing City and State regulations will ensure that any hazards are mitigated.

VIII. HYDROLOGY AND WATER QUALITY -- Would the project:

- | | | | | | |
|----|--|---|---|----------|----------|
| a. | Violate any water quality standards or waste discharge requirements? | — | — | — | <u>X</u> |
| b. | Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)? | — | — | — | <u>X</u> |
| c. | Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or substantial erosion or siltation on- or off-site? | — | — | <u>X</u> | — |

d.	Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?	___	___	___	<u>X</u>
e.	Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?	___	___	___	<u>X</u>
f.	Otherwise substantially degrade water quality?	___	___	___	<u>X</u>
g.	Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?	___	___	<u>X</u>	___
h.	Place within a 100-year flood hazard area structures which would impede or redirect flood flows?	___	___	___	<u>X</u>
i.	Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?	___	___	___	<u>X</u>
j.	Inundation by seiche, tsunami, or mudflow?	___	___	___	<u>X</u>

Discussion:

VIII.c. Minor erosion of soils could occur as sites are cleared and soils exposed in the construction process for additional homes consistent with the proposed element, resulting in a small, temporary increase in sedimentation in area drainages; however, this would be anticipated to occur whether or not the element is adopted, and any potential adverse impacts would be reduced to a level of insignificance through the review and application of standard City grading requirements.

VIII.g. As detailed in the Manhattan Beach Community Safety Element, no part of the City is located in a Federal Flood Hazard Boundary. As mapped in the Community Safety Element Figure CS-3, portions of the City are subject to localized flooding. Flooding in these areas constitutes more of a nuisance than a threat to personal safety. Housing already exists in these areas subject to localized flooding and will continue to exist and be developed in these areas whether or not the Housing Element Revision is adopted. Thus, potential adverse impacts are not considered significant. Any new development in these areas would be subject to review and application of standard City safety requirements will be imposed which will mitigate any potential impacts.

IX. LAND USE AND PLANNING - Would the project:

a.	Physically divide an established community?	___	___	___	<u>X</u>
b.	Conflict with any applicable land use plan, policy,				

	or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?	___	___	___	<u>X</u>
c.	Conflict with any applicable habitat conservation plan or natural community conservation plan?	___	___	___	<u>X</u>

Discussion:

The Housing Element is consistent with the other Elements of the General Plan, including land use and therefore there are no conflicts

X. MINERAL RESOURCES -- Would the project:

a.	Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?	___	___	___	<u>X</u>
b.	Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?	___	___	___	<u>X</u>

Discussion:

There are no mineral resources within the City therefore there are no impacts.

XI. NOISE -- Would the project result in:

a.	Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?	___	___	___	<u>X</u>
b.	Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?	___	___	___	<u>X</u>
c.	A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?	___	___	___	<u>X</u>
d.	A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?	___	___	<u>X</u>	___
e.	For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?	___	___	___	<u>X</u>
f.	For a project within the vicinity of a private airstrip,				

Discussion:

XIIIa-e. Development of additional residential units will result in a minor increase in demand for public services; however, such would be anticipated to occur whether or not the element is adopted, and the level of potential impact is not considered significant. Any new development would be subject to local fees to offset any impacts on schools.

XIV. RECREATION

- | | | | | | |
|----|---|-----|-----|--------------|--------------|
| a. | Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated? | ___ | ___ | <u> X </u> | ___ |
| b. | Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment? | ___ | ___ | ___ | <u> X </u> |

Discussion:

XIVa. Development of additional residential units will result in a minor increase in use of and demand for recreation facilities; however, such would be anticipated to occur whether or not the element is adopted, and the level of potential impact is not considered significant.

XV. TRANSPORTATION/TRAFFIC -- Would the project:

- | | | | | | |
|----|---|-----|-----|--------------|--------------|
| a. | Cause an increase in traffic which is substantial in relation to the existing traffic load and capacity of the street system (i.e., result in a substantial increase in either the number of vehicle trips, the volume to capacity ratio on roads, or congestion at intersections)? | ___ | ___ | <u> X </u> | ___ |
| b. | Exceed, either individually or cumulatively, a level of service standard established by the county congestion management agency for designated roads or highways? | ___ | ___ | ___ | <u> X </u> |
| c. | Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks? | ___ | ___ | ___ | <u> X </u> |
| d. | Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)? | ___ | ___ | ___ | <u> X </u> |
| e. | Result in inadequate emergency access? | ___ | ___ | ___ | <u> X </u> |

- | | | | | | |
|----|---|---|---|----------|----------|
| f. | Result in inadequate parking capacity? | — | — | — | <u>X</u> |
| g. | Conflict with adopted policies, plans, or programs supporting alternative transportation (e.g., bus turnouts, bicycle racks)? | — | — | <u>X</u> | — |

Discussion:

XVa. Development of additional residential units will generate a minor increase in traffic. However, additional housing would be permitted under existing planning and zoning and this would occur whether or not the element is adopted. In addition, residential uses in mixed use areas could actually reduce traffic, due to the ability of patrons to walk to commercial establishments from their homes and the lower traffic generated by residential uses compared to commercial uses for a given square footage of development. Any new units that are added would be subject to appropriate conditions regarding engineering and traffic, which will mitigate any impacts if any at all.

XVg. Development of additional housing will generate a demand for parking. However, in most cases all parking would be provided on-site as required by existing City regulations. In addition, in mixed use areas, residential uses typically generate less demand for parking than commercial uses for a given square footage of development.

XVI. UTILITIES AND SERVICE SYSTEMS -- Would the project:

- | | | | | | |
|----|--|---|---|---|----------|
| a. | Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board? | — | — | — | <u>X</u> |
| b. | Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects? | — | — | — | <u>X</u> |
| c. | Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects? | — | — | — | <u>X</u> |
| d. | Have insufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed? | — | — | — | <u>X</u> |
| e. | Result in a determination by the wastewater treatment provider which serves or may serve the project that it has inadequate capacity to serve the project's projected demand in addition to the provider's existing commitments? | — | — | — | <u>X</u> |
| f. | Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs? | — | — | — | <u>X</u> |

- g. Fail to comply with federal, state, and local statutes and regulations related to solid waste? _____ X

Discussion:

Development of additional residential units will generate a minor increase in utilities and other service systems. However, additional housing would be permitted under existing planning and zoning and this would occur whether or not the element is adopted.

XVII. MANDATORY FINDINGS OF SIGNIFICANCE

- a. Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory? _____ X
- b. Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)? _____ X
- c. Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly? _____ X