

**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 Demolished or Converted	Number of Structures	Replacement Use	Replacement Requirement
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 vary 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

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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 6-43 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

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
Manhattan Village	5 du	10du	10du		25 du
NEW UNIT TOTAL	107 du 22.2%	113 du 23.4%	106 du 21.9%	157du 32.5%	483 du

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 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 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

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

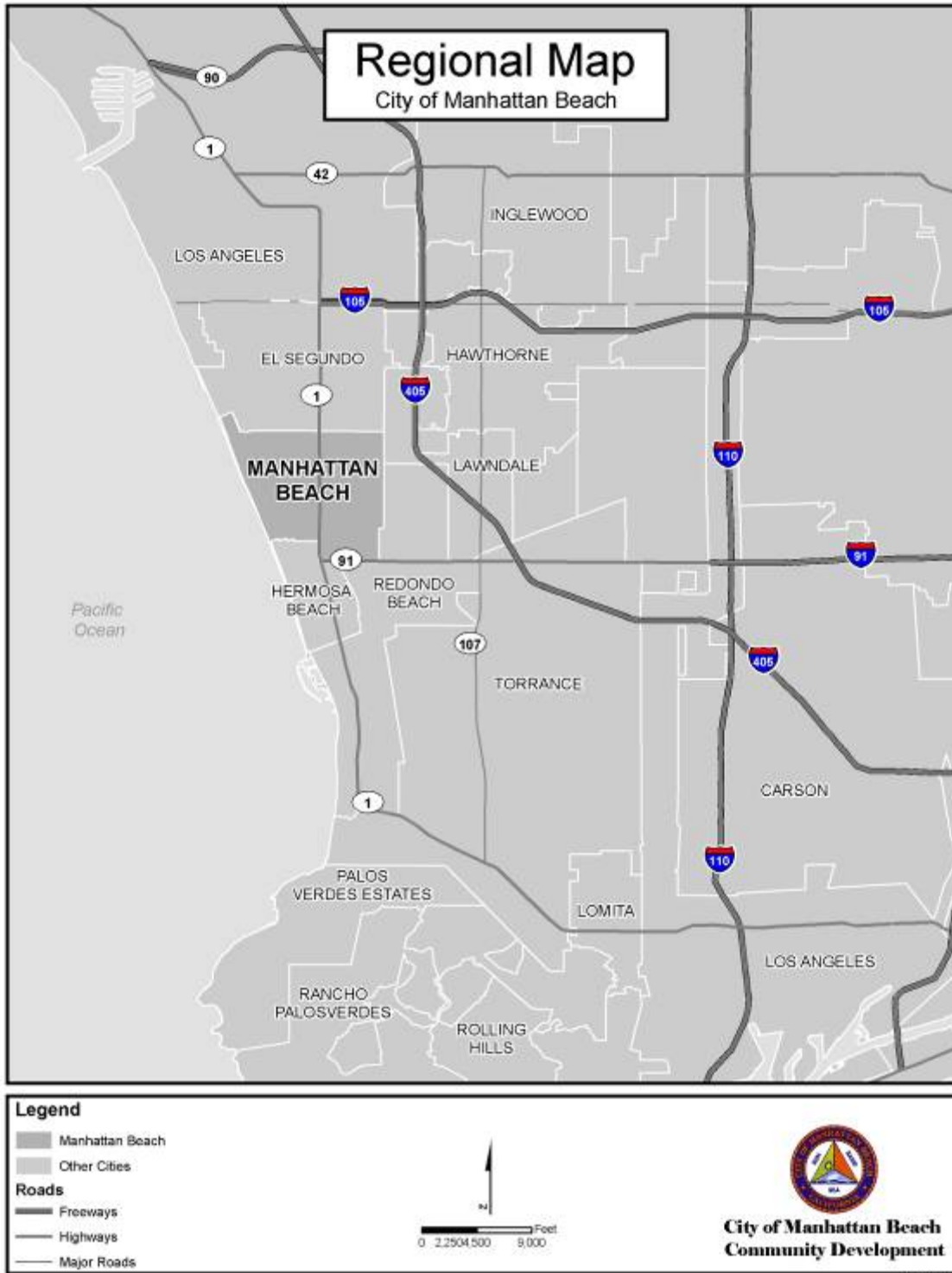
According to the most recent Department of Finance (DOF) estimates, the City's population was 36,505 persons as of January 1, 2008, while the number of housing units in the City totaled 15,485 units, and total households were estimated at 14,911.

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 1
REGIONAL MAP**



**FIGURE 2
PLANNING AREAS**



**FIGURE 3
CENSUS TRACTS**

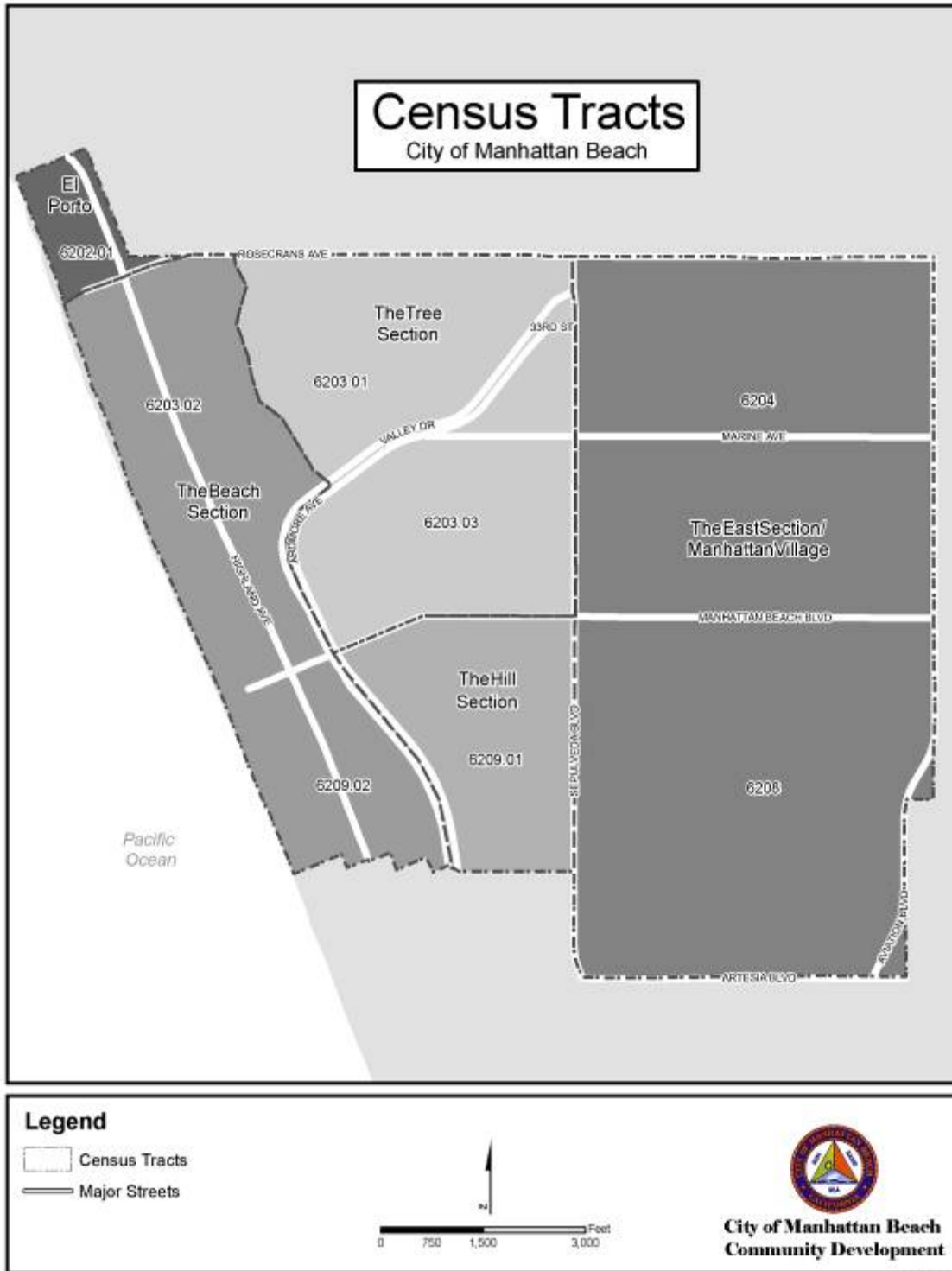




FIGURE 4-BEACH AREA



FIGURE 5-HILL SECTION



FIGURE 6-EAST-SIDE/MANHATTAN VILLAGE

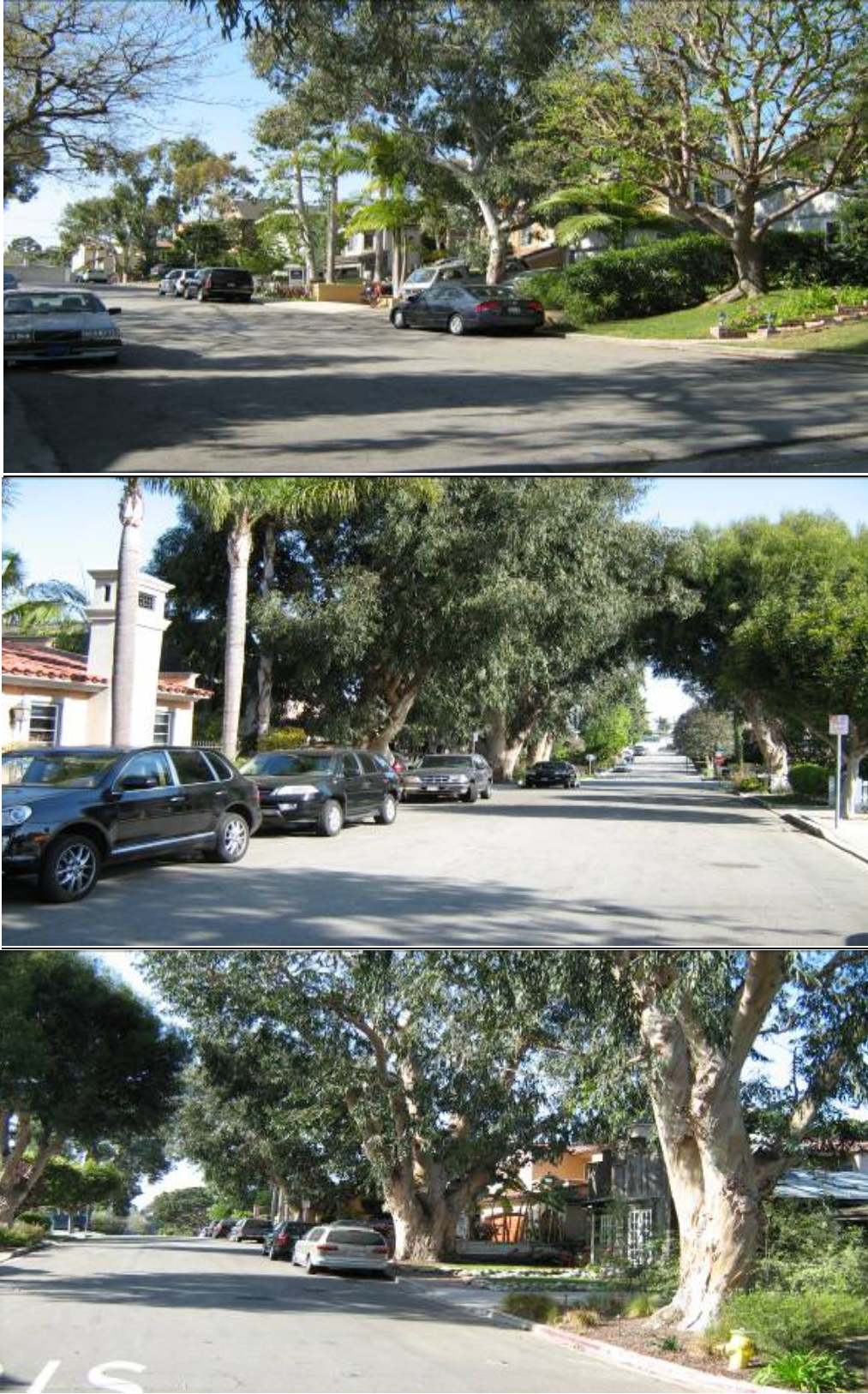


FIGURE 7-TREE SECTION



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 or 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 home¹	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	Total¹	
	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, Dataquik 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: Dataquik 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

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	EI 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

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. -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. -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) -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 -Conflicts with the City’s recreation needs (school parks). -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. -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. -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

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 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 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 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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