

CITY OF MANHATTAN BEACH DEPARTMENT OF COMMUNITY DEVELOPMENT STAFF REPORT

DATE: December 8, 2021

TO: Planning Commission

FROM: Carrie Tai, AICP, Director of Community Development

THROUGH: Talyn Mirzakhanian, Planning Manager

SUBJECT: Update on the Draft 6th Cycle Housing Element

BACKGROUND

All jurisdictions in the Southern California Association of Governments (SCAG) region are required to update their General Plan Housing Element for the 2021-2029 planning period (the 6th cycle) by October 2021, albeit with a 120-day grace period. The Housing Element is one of the State-mandated parts (elements) of a General Plan. State law requires that jurisdictions update the Housing Element every eight years. The State HCD must approve each Housing Element update. The Housing Element describes the City's needs, goals, policies, objectives, and programs regarding the preservation, improvement, and development of housing within the City. The Housing Element analyzes community housing needs in terms of affordability, availability, adequacy and accessibility, and describes the City's strategy and programs to address those needs.

On September 15, 2021, staff hosted a Planning Commission study session on the 6th cycle Housing Element and fielded comments and questions from the Commission and the public. Subsequently, on October 15, 2021, staff submitted the Draft Housing Element to HCD for review; and on October 20, 2021, the Draft Housing Element was released for public review on the City's website to conform to the 30-day requisite public review period.

The purpose of this agenda item is to assist the Planning Commission and the public in navigating through the draft document and to provide an updated discussion on key components of the document.

DISCUSSION

The Draft 6th cycle Housing Element, as submitted to HCD and released for public review, was prepared in accordance with State requirements, and as such, is organized into the following sections:

- Introduction provides an overview of the Housing Element, its relationship to State law, the City's Regional Housing Needs Assessment (RHNA), and a discussion on how the document is organized.
- **Public Engagement** describes the outreach process that was undertaken through the Housing Element update process, and the input received that informed the development of this plan.
- General Plan Consistency details those policies identified throughout the elements of the General Plan that guided the policies set forth in the Housing Element to ensure that consistency is maintained throughout the General Plan.
- Goals and Policies specifies the City's plans for meeting the existing and projected comprehensive housing needs of Manhattan Beach.
- **Program Implementation** identifies the specific actions that will be implemented to ensure that Manhattan Beach's housing needs are met within the planning period.

Supporting documentation is included as appendices to the Housing Element. These include the following:

Appendix A - 5th Cycle Review evaluates the efficacy of the 5th Cycle housing element; the progress in plan implementation; and the appropriateness of the goals, policies, and programs.

Appendix B - Needs Assessment provides a community profile assessing the housing need through detailed information on Manhattan Beach's demographic characteristics and trends that influence supply and demand of various housing types.

Appendix C - Constraints and Zoning Analysis details governmental and non-governmental constraints to the maintenance, improvement, or development of housing for all income levels.

Appendix D - Affirmatively Further Fair Housing Analysis identifies disproportionate housing needs, including segregated living patterns, concentrated areas of poverty, disparities in access to opportunity, and displacement risk.

Appendix E - Sites Analysis and Inventory describes the methodology by which the City can accommodate its RHNA targets and provides an inventory of the sites identified to meet the housing need.

Appendix F - Community Engagement Summary and Results provides the detailed results of the outreach conducted for the update to the Housing Element.

The required components of the Housing Element were discussed in detail in the September 15, 2021, Planning Commission Staff Report (Attachment 2). This discussion will focus on the Program Implementation section of the Housing Element, as well as the Sites Analysis and Inventory included as Appendix E, as these two components have more significantly evolved since last presented to the Commission.

The Program Implementation section of the Housing Element, identifies 28 programs that will be implemented during the 6th cycle planning period to ensure that the City's housing needs are met and to set the goals and policies in motion. While some of the 28 programs have been carried forward from the 5th cycle Housing Element, others have stemmed from new State requirements applicable to 6th cycle Housing Elements. A selection of noteworthy, new programs are highlighted below:

Program 1: Accessory Dwelling Unit Program Under Assembly Bill (AB) 671, local agencies must include a plan in its housing element to incentivize and promote the creation of ADUs that can be offered at affordable rent for very low-, low-, or moderate-income households. The City will develop a method and process to incentivize the production of JADUs and ADUs affordable to a range lower-income households.

Program 2: Adequate Sites The City will establish an overlay district that encompasses a minimum of 20.1 acres of sites in the General Commercial (CG) and Planned Development (PD) Districts to accommodate the lower-income RHNA allocation. An overlay district allows for creation of housing on properties in addition to allowances of the existing zoning, increasing development opportunities.

Program 3: Affordable Housing Streamlining In addition to the City's existing streamlined processes, the City will revise internal permitting procedures to ensure that staff has clear procedures for responding to proposals for Senate Bill (SB) 35 streamlining and for prioritizing qualifying SB 35 housing developments consistent with State law.

Program 9: Developer Outreach and Transparency Pursuant to Assembly Bill (AB) 1483, the City will actively work with the development community to identify ways that lower income housing may be provided. The City will educate developers as to how density bonus regulations and lot consolidation incentives could be used to facilitate the development of affordable housing, including those for extremely low income, very low income, and low - income households.

Program 18: Parking Reductions in Exchange for Housing at Religious Institutions
Large parking lots associated with religious institutions provide opportunities for
partnerships that facilitate the development of housing for vulnerable populations.
Pursuant to Assembly Bill (AB) 1851, the City will revise the Municipal Code to identify a
process by which parking requirements can be reduced for religious institutions in
exchange for housing development.

Program 19: Preserving Housing Capacity Section 10.52.050.F of the Municipal Code currently allows property owners in residential zones to develop contiguous separate lots as one site without requiring a lot merger, with only detached accessory structure(s) on one or more of the lots, which includes guest houses, garages and parking areas, and pools and spas. This presents property owners with the opportunity to buy adjacent lots with existing unit(s) for the purpose of demolishing the unit(s) and developing only detached accessory structure(s), ultimately reducing the City's overall housing stock. To mitigate the loss of dwelling units through demolition and to conserve the existing housing stock, the City will amend the Municipal Code to eliminate provisions allowed in Section 10.52.050.F.

Program 22: Replacement Requirements Pursuant to SB 330, the City will mandate replacement requirements consistent with the Housing Crisis Act of 2019 for proposed housing developments on sites that currently have residential uses, or within the past five years have had residential uses that have been vacated or demolished, that were restricted for lower income households. The City will consider re-evaluation of this program upon sunset of this State requirement, currently scheduled for 2030.

Program 25: Specialized Housing Types to Assist Persons with Special Needs The City will amend the Municipal Code to comply with current State laws applicable to

specialized housing types, including but not limited to supportive housing (AB 2162), emergency shelters (AB 139), and low-barrier navigation centers (AB 101).

For each of the 28 identified programs, the Program Implementation section, as required by HCD, specifies a timeframe, the responsible agency, and the funding source. State law also requires the City to report to HCD the progress on each of these programs via the Annual Housing Element Progress Report.

The Sites Analysis and Inventory, or Appendix E, of the Draft 6th cycle Housing Element, describes the City's housing target for the 6th Cycle planning period, provides an overview of methodology for identifying underutilized sites, breaks down the methodology by which realistic development capacity was determined, identifies existing capacity for all RHNA income categories, evaluates development that is currently underway (which counts towards the City's housing need), details the expected number of ADUs to be developed within the planning period, and summarizes the approach utilized for the identification of sites selected for the Adequate Sites Program of the Housing Element.

As mentioned in previous reports to the Planning Commission, the City's RHNA allocation includes a total of 774 units, with a requirement to plan for 322 units for very-low-income households, 165 units for low-income households, 155 units for moderate-income households, and 132 units for above-moderate-income households. The Sites Analysis for the 2021-2029 planning period has identified capacity for 391 total units through underutilized sites, projected ADUs, and pipeline projects, which are expected to receive Certificates of Occupancy within the planning period. As demonstrated in Table 8 and Table 9 of Appendix E, the City has identified an adequate supply of land to accommodate the moderate-income and above moderate-income RHNA allocation, respectively. However, as demonstrated in Table 7 of Appendix E, the City can realistically accommodate only 28 of the 487 lower-income units through underutilized sites, projected ADUs, and pipeline projects.

To meet the remaining RHNA for lower-income units, the City is required to commit to *Program 2, Adequate Sites*, of the Housing Element, and has identified areas to increase capacity in the City to meet the lower-income housing need by establishing an overlay district that encompasses a minimum of 20.1 acres of sites in the CG and PD Districts, creating the opportunity for at least 402 units of housing appropriate to accommodate lower-income households. Separately from Program 2, the City will also rezone a selection of residential sites to allow for the development of higher density, lower-income residential units. All sites identified as opportunity sites for the overlay and rezoning efforts are listed in Table 15 of Appendix E. The combined overlay and rezoning efforts will accommodate the lower-income RHNA requirement and a buffer of at least 15% of the lower-income allocation (approximately 73 units) as recommended by HCD, to ensure sufficient capacity exists to accommodate the

RHNA throughout the planning period and to comply with the provisions of SB 166. The City will have three years and 120 days from the beginning of the planning period to complete rezoning.

PUBLIC OUTREACH

As required by Government Code Section 65583(c)(9), local governments have to demonstrate a diligent effort to achieve public participation of all economic segments of the community in their development of the Housing Element. Accordingly, below is a summary of the public outreach involved in this effort.

On August 24, 2021, staff presented the City Council with an introductory presentation to the Housing Element update effort, providing a general timeline of the steps involved. Staff fielded several questions from Councilmembers.

On August 31, 2021, the City hosted a virtual stakeholder's workshop. Attendees participated in polls, discussion, and a question-and-answer session. In their responses to poll questions, stakeholders identified the lack of available land and the cost of development as barriers to housing production. They indicated that increased opportunities for mixed-use projects and increased density along commercial corridors would be the best solutions for accommodating the City's housing needs. Furthermore, stakeholders identified diversity in housing stock and general housing affordability in the City as the top unmet housing needs; whereas, others stated they do not feel there are unmet housing needs in the City.

On September 15, 2021, the Planning Commission conducted a study session to discuss this effort. Following a presentation from staff, the open forum discussion focused mainly on the sites inventory and potential opportunities for additional capacity. During this session, commenters suggested that staff explore opportunities for additional capacity for the lower income units along Aviation Boulevard, Manhattan Beach Boulevard, and Rosecrans Avenue. There was general concern expressed regarding utilizing underutilized sites in the CG zone for a majority of the capacity necessary. Other comments included exploring allowing duplexes and triplexes in certain single-family neighborhoods, or allowing more accessory dwelling units (ADUs) than allowed by State law.

On September 21, 2021, staff presented their progress on the effort to City Council at a regularly scheduled City Council meeting, debriefed the Council on key discussion points from the September 15 Planning Commission study session, fielded questions from the City Council, and received input.

On Saturday, October 2, 2021, at the City's Hometown Fair, Planning staff disseminated flyers advertising the upcoming public review period for the Draft 6th cycle Housing Element and engaged with the public.

On October 20, 2021, the Draft 6th cycle Housing Element was made available for public review; staff is currently accepting public comments on the document. Furthermore, pursuant to the California Environmental Quality Act (CEQA), the Housing Element update is currently undergoing environmental review; the public will have an opportunity to review and provide comment on the environmental document, which was released for public review on November 24, 2021, with the comment period ending on December 27, 2021.

On November 2, 2021, staff presented the Draft 6th cycle Housing Element to City Council at a regularly scheduled City Council meeting, with the main goals being to assist the City Council and the public in navigating through the draft document, and to provide an updated discussion on key components of the document.

Finally, public hearings for the adoption of the final version of the Housing Element update will be scheduled with the Planning Commission and City Council in January-February 2022. The deadline for adoption of the Element is February 12, 2022.

The noticing related to these workshops, study sessions and public hearings consists of ads and postings in the Beach Reporter, on the City's website, and on the City's various social media platforms, including Twitter, Facebook and Instagram. For each event, the content was displayed on the various social media platforms on average over 21,000 instances, reaching on average over 11,200 individuals. Additionally, staff has compiled a list of stakeholders and interested parties and directly reaches out to these individuals with notices for each meeting.

ENVIRONMENTAL REVIEW

The Planning Commission's discussion of the Housing Element update at the December 8, 2021 meeting is not a "project" as defined under Section 15378 of the State California Environmental Quality Act (CEQA) Guidelines; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines, the activity (the discussion) is not subject to CEQA and no environmental review is necessary.

However, the update to the 6th cycle Housing Element is subject to the California Environmental Quality Act (CEQA). Accordingly, an Initial Study (IS) was prepared for the project, and based on the initial analysis in the IS, a determination was made that the proposed project (the adoption of the policy document) could not have a significant effect on the environment. Therefore, a Negative Declaration (ND) was prepared accordance with Section 15070-15075 of the CEQA Guidelines. The draft document is currently undergoing

public review, with the public review period ending on December 27, 2021. The document will be provided to the Planning Commission and City Council for consideration during the public hearings for this policy effort in January/February 2022 and prior to the Council rendering a decision on the matter.

RECOMMENDATION

Staff recommends that the Planning Commission receive and file this report.

ATTACHMENTS

- 1. Draft 6th Cycle Housing Element
- 2. Staff Report September 15, 2021

ATTACHMENT 1

City of Manhattan Beach 6th Cycle Housing Element PUBLIC REVIEW DRAFT (2021-2029)



October 2021

Table of Contents

1	Introduction	1
2	Housing Element Organization	5
	Public Engagement	
	General Plan Consistency	
	Goals and Policies	
	Program Implementation	
U	riogialii iiipieilielitatioii	C

Appendices

Appendix A: 5th Cycle Review
Appendix B: Community Profile

Appendix C: Constraints and Zoning Analysis

Appendix D: Affirmatively Furthering Fair Housing

Appendix E: Sites Analysis and Inventory

Appendix F: Community Engagement Summary

Housing Element

1 Introduction

The Housing Element of the General Plan addresses the comprehensive housing needs in Manhattan Beach for the 8-year planning period (2021–2029). It provides an analysis of the local housing needs for all income levels, details barriers to providing needed housing, and identifies a set of strategies for meeting the housing need within the planning period. Housing Elements are one of seven required components of a General Plan and are guided by State law, which requires local governments to update their Housing Elements every eight years. This is the 6th update to the City of Manhattan Beach (City) Housing Element (6th Cycle).

The Housing Element is a strategic vision and policy guide designed to help address the comprehensive housing needs of the City over an 8-year period (2021 – 2029 planning period). It defines the City's housing needs, identifies the barriers or constraints to providing needed housing, and provides policies to address these housing needs and constraints.

Recent amendments to housing and planning laws aim to address California's housing shortage, placing a substantial number of new requirements for the 6th Cycle Housing Element. Housing in California has become some of the most expensive in the nation, ranking 49th out of 50 states in homeownership rates as well as the supply of housing per capita. Only one-half of California's households are able to afford the cost of housing in their local regions¹. Every county and city across the State is required by law to adequately plan for their fair share of needed housing.

The City must adequately plan for its existing and projected housing needs, including its share of the Regional Housing Needs Allocation (RHNA), as identified by the State with input from Southern California Association of Governments and local cities and counties. While the City is not required to build housing, the State requires each local government to demonstrate where

housing can reasonably be expected to be added within this cycle and how the City will facilitate and incentivize its production. As identified by the 6th Cycle RHNA, the City must plan for 774 housing units, which are further broken down by income level.

The City's 6th Cycle RHNA targets are broken down by income level as follows:

- Extremely Low-Income = 161 units
- Very-Low Income = 161 units
- Low Income = 165 units
- Moderate Income = 155 units

¹ Government Code Section 65589.5(2)(E)

2 Housing Element Organization

The Housing Element identifies goals, policies, and programs to comprehensively address the housing needs of all current and anticipated residents at all income levels over the upcoming housing period between 2021 through 2029. The Housing Element is divided into chapters and supporting documentation is included as appendices of the Housing Element.

Housing Element Content

- **Introduction** provides an overview of the Housing Element, its relationship to State law, the City's RHNA, and this section on the plan organization.
- **Public Engagement** describes the outreach process that was undertaken through the Housing Element update process, and the input received that informed the development of this plan.
- General Plan Consistency details those policies identified throughout the elements of the General Plan that guided the policies set forth in the Housing Element to ensure that consistency is maintained throughout the General Plan.
- Goals and Policies specifies the City's plans for meeting the existing and projected comprehensive housing needs of Manhattan Beach.
- **Program Implementation** identifies the specific actions that will be implemented to ensure that Manhattan Beach's housing needs are met within the planning period.

Appendices

- Appendix A 5th Cycle Review evaluates the efficacy of the 5th Cycle housing element; the progress in plan implementation; and the appropriateness of the goals, policies, and programs.
- Appendix B Needs Assessment provides a community profile assessing the housing need through detailed information on Manhattan Beach's demographic characteristics and trends that influence supply and demand of various housing types.
- Appendix C Constraints and Zoning Analysis details governmental and nongovernmental constraints to the maintenance, improvement, or development of housing for all income levels.
- Appendix D Affirmatively Further Fair Housing Analysis identifies disproportionate
 housing needs, including segregated living patterns, concentrated areas of poverty,
 disparities in access to opportunity, and displacement risk.
- Appendix E Sites Analysis and Inventory describes the methodology by which the City can accommodate its RHNA targets and provides an inventory of the sites identified to meet the housing need.
- Appendix F Community Engagement Summary and Results provides the detailed results
 of the outreach conducted for the update to the Housing Element.

3 Public Engagement

The City conducted a robust public outreach program that engaged a broad spectrum of the community and stakeholders. Stay-at-home orders of 2021 provided the City with opportunities to explore new avenues for public engagement and increased access for those that are traditionally not involved in the planning process. Outreach and formal engagement activities were held across a variety of platforms, including a virtual stakeholder and community workshop, interactive poll, public review period, and study sessions and public hearings.

The outreach conducted for the update to the Housing Element, engaged a broad range of community members and stakeholders alike, including, but not limited to public policy advocates, South Bay Association of Realtors, and residents. The City cast a wide net to gain participation from all segments of Manhattan Beach's interested parties. The extensive outreach process conducted for this Housing Element update has contributed to a set of meaningful goals, policies, and programs that reflect Manhattan Beach's housing needs and the priorities and needs of all of those in Manhattan Beach, including those with special needs and lower income populations.

Appendix F, Community Engagement Results, provides a comprehensive summary detailing the outreach conducted as part of the update to the Housing Element and corresponding materials.

4 General Plan Consistency

The California Government Code requires that a General Plan prepared by a local government contain an integrated, internally consistent set of goals, policies, and programs. The structure of this element is built on the same foundation upon which all other elements of the plan were formed. In addition, the Housing Element goals complement those found in the other elements of the General Plan. Cohesive housing policies that are appropriate to Manhattan Beach were designed through this coordination.

The City of Manhattan Beach will maintain consistency as future General Plan amendments are processed by evaluating proposed amendments for consistency with all elements of the General Plan. Under State law, the General Plan requires an annual review and report to examine amendments and implementation status. In line with the other General Plan elements, the goals of the Housing Element aim to:

- Meet existing housing needs;
- Plan for future growth;
- Protect and enhance Manhattan Beach's neighborhoods; and
- Provide new housing opportunities and equal opportunities.

5 Goals and Policies

Goal 1: A preserved and enhanced housing stock within high quality neighborhoods that aligns with the needs of all current and future Manhattan Beach households.

- Policy 1.1: Preserve the scale of development in existing residential neighborhoods.
- Policy 1.2: Facilitate the development of housing through the removal of local regulatory constraints, especially for housing that serves lower-income households and those with special needs.
- Policy 1.3: Conserve existing dwelling units.
- Policy 1.4: Preserve the existing affordable housing stock.

Goal 2: An adequate supply of sites and resources appropriate for accommodating a diverse range of housing types for all income levels.

- Policy 2.1: Provide adequate sites for new housing consistent with the Regional Housing Needs Allocation and the capacity of roadways, sewer lines, and other infrastructure to handle increased growth.
- Policy 2.2: Encourage the development of additional low- and moderate-income housing.
- Policy 2.3: Support increased accessibility to existing affordable housing stock.
- Policy 2.4: Provide regulatory incentives and increased flexibility in the development approval process to encourage and facilitate the development of affordable single-family, multifamily, and mixed-use housing.

Goal 3: Provide a safe and healthy living environment for City residents.

- Policy 3.1: Eliminate potentially unsafe or unhealthy conditions in existing residential development.
- Policy 3.2: Encourage the use of alternate energy and resource efficiency.
- Policy 3.3: Reduce energy loss due to inferior construction/development techniques.
- Policy 3.4: Encourage reduction in energy consumption for commuting to work and other activities.

Goal 4: Equal opportunities for all residents to reside in the housing of their choice.

Policy 4.1: Promote housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, or color, and for special needs groups.

Policy 4.2: Encourage development of accessible housing for all levels of ability through regulatory relief.

Policy 4.3: Prohibit housing discrimination and other related discriminatory actions in all aspects affecting the sale or rental of housing based on race, religion, or other protected classifications.

6 Program Implementation

Program 1: Accessory Dwelling Unit Program

Accessory dwelling units (ADUs) help meet the City's housing needs for all income levels and provide a housing resource for seniors, students, and low- and moderate-income households. After passage of new State ADU laws effective January 1, 2017 and January 1, 2020, the City applied State standards in evaluating ministerial applications for ADUs and has adopted ordinances consistent with State law. The City will continue to apply regulations from Chapter 10 of the City's Municipal Code, known as the Planning and Zoning Ordinance (Zoning Code), that allow accessory units by right in all residential or mixed-use zoning districts (zones), in accordance with State law.

Between 2017 and 2019, three ADUs were permitted and constructed in the City. However, an Interim ADU ordinance was in place through 2020 to implement the updated State laws, and in January 2021, City Council adopted the City's current ADU and junior accessory dwelling unit (JADU) ordinance. Relaxed regulations for ADUs and JADUs dramatically increased their production beginning in 2020. Between January 1, 2020 and September 2021, the City's ADU ordinance resulted in 11 ADUs permitted, and an additional 22 ADU permit applications currently under City review.

The City's current ADU ordinance's associated Local Coastal Program (LCP) amendments are currently under review by the California Coastal Commission. The City will continue to work with and encourage the Coastal Commission to approve recommended edits for final certification. Once the LCP amendments are certified, the City shall submit its ADU ordinance to the California Department of Housing and Community Development (HCD) for review. The City's current ADU ordinance contains provisions that go beyond those set forth in State law, which include:

- Consistent with State law, the City permits one ADU and one JADU. Alternatively, to offer more flexibility, the City permits two ADUs on a lot with a proposed or existing singlefamily dwelling.²
- The City permits ADUs for <u>existing</u> multifamily dwelling units, consistent with State law. In addition, the City permits one ADU on a lot with a <u>newly constructed</u> multifamily development.³

Under Assembly Bill (AB) 671 (2019), local agencies must include a plan to incentive and promote the creation of ADU's that can be offered at affordable rent for very low-, low-, or moderate-income households in its housing element. As such, a primary objective of this Accessory Dwelling Unit Program is to promote the development of housing units for lower-income persons or households. As a method to incentivize and promote the creation of ADUs that can be offered

² ADUs on Lots with a Single-Family Residence. A maximum of two total ADUs shall be allowed on a lot with a proposed or existing single-family dwelling within all Area Districts; however, only one ADU shall be allowed on a property that also has a JADU. Only one detached ADU is allowed on a property (MBMC Section 10.74.040).

³ ADUs on Lots with New Multi-Family Developments. In all Area Districts, one ADU shall be allowed on a lot with a newly constructed multi-family development (MBMC Section 10.74.040).

at an affordable rent for very low-, low-, or moderate-income households, the City will develop a process to incentivize the production of JADUs and ADUs affordable to lower-income households. Once developed, City staff will take a proactive role in advancing this policy to existing property owners through information outreach during the development process. The City will further identify opportunities to facilitate the production of ADUs and JADUs (AB 671).

• Coordinate with California Coastal C	dments. Following final
TICD for review.	
Amend the ADU ordinance if needed amendments to State law and submit to Amendments as required.	
Survey and evaluate a variety of potential strategies to encourage ADU development lower- and moderate-income household.	nent affordable to
Adopt appropriate procedures, policiprovisions for the incentivization of afformation and appropriate procedures.	,
Issue building permits for an average	e of 10 ADUs annually.
• Submit ADU ordinance and future are review within 60 days of final certification amendments to the LCP by the Californ Commission.	on of associated ADU
Annual Monitoring of ADU programs	S.
Propose an ADU/JADU affordable in City Council and adopt program within Element adoption.	1 3
Ongoing tracking of ADU permits iss	sued.
Responsible Agency Community Development Department	
Funding Sources City General Fund	
Relevant Policies 1.2, 2.1, 2.2, 2.3, 4.1	

Program 2: Adequate Sites

As fully analyzed in **Appendix E, Sites Analysis**, the City has a remaining lower-income RHNA of 402 units for the 6th Cycle planning period. The City will establish an overlay district that encompasses a minimum of 20.1 acres of sites in the General Commercial (CG) and Planned Development (PD) Districts to accommodate the remaining lower-income RHNA of 402 units.

Pursuant to State law, the Adequate Sites program to address the RHNA shortfall must adhere to the following components:

- Sites must accommodate 100 percent of the shortfall for very low- and low-income units.
- Sites must allow a minimum of 16 units per site.
- Sites must permit a minimum of 20 dwelling units per acre.
- Sites must allow 100 percent residential use and require residential use to occupy at least 50 percent of the floor area in a mixed-use project.
- Sites must permit owner-occupied and rental multifamily uses by right pursuant to Government Code section 65583.2(i) for developments in which 20 percent or more of the units are affordable to lower-income households.

As reflected in **Appendix E**, each site identified as a potential site for the Adequate Sites Program's overlay has the capacity to accommodate at least 16 units and will be available for development in the planning period where water, sewer, and dry utilities can be provided.

Objective(s)	• Establish overlay district to create opportunity for at least 402 units of multifamily housing for lower-income households.
Timeframe	• Rezone within three years and 120 days from the beginning of the planning period.
Responsible Agency	Community Development Department
Funding Sources	City General Fund
Relevant Policies	1.2, 2.1, 2.2, 2.3, 4.1,

Program 3: Affordable Housing Streamlining

The City currently allows and encourages concurrent processing of all discretionary applications for a project, thereby streamlining the development process. The City will continue to offer and encourage concurrent processing of all discretionary applications for a project.

As detailed in Programs 8 and 15, the City has a streamlining process in place specifically for multifamily housing in residential zones. Multifamily housing developments in residential zones (Medium-Density Residential District [RM], High-Density Residential District [RH]), and Residential Planned Development District [RPD]) with less than six units are permitted by-right. Projects with

six units or more that qualify for a density bonus under State law are permitted subject only to a Precise Development Plan approved by the Director.

To minimize constraints to the development of affordable housing that may result from discretionary permitting procedures, the City will evaluate and amend Chapter 10.84 (Use Permits, Variances, Minor Exceptions, Precise Development Plans and Site Development Permits) of the Zoning Code as needed to ensure Precise Development Plan applications are subject only to an administrative non-discretionary approval process.

Through the removal of discretionary requirements, multifamily developments in the mixed-use zones will also be eligible for streamlined processing (see Program 15 for full program details).

To further assist in the development of housing for extremely low-, very low-, low-, and moderate-income households, the City provides an affordable housing streamlined approval process in accordance with State requirements for qualifying development proposals that provide affordable units under SB 35 streamlining. The City annually reports on affordable housing streamlining applications in the Housing Element Annual Progress Report. The City will revise internal permitting procedures to ensure that staff has clear procedures for responding to proposals for SB 35 streamlining and for prioritizing qualifying SB 35 housing developments consistent with State law.

Objective(s)	Continue to offer and encourage concurrent processing of all discretionary applications for a project.
	• Process proposals for SB 35 permit streamlining consistent with state law.
	Develop internal staff procedures to assist staff in responding to SB 35 proposals and permit streamlining.
Timeframe	Ongoing concurrent processing of all discretionary applications for a project throughout the Housing Element planning period.
	Ongoing SB 35 processing throughout the Housing Element planning period.
	Develop staff assistance materials within one year of Housing Element adoption.
Responsible Agency	Community Development Department
Funding Sources	City General Fund
Relevant Policies	1.2, 2.2, 2.3, 2.4, 4.2

⁴ Under Government Code Section 65913.4 (commonly referred to as "SB 35"), multifamily housing developments that satisfy objective planning standards_among other requirements_may be approved through a streamlined, ministerial approval process in certain jurisdictions, including the City of Manhattan Beach. Developments approved through the streamlined approval process are not subject to a conditional use permit or to the California Environmental Quality Act ("CEQA").

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Program 4: Affordable Senior Housing Preservation

The Manhattan Village Senior Villas, located at 1300 Park View Avenue, was first occupied in 1997. This project consists of 104 senior housing apartments. As a condition of the project's approval, and as part of a settlement agreement upon sale of the property, 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 in perpetuity. The remaining 20% of the units may be rented at 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 for persons with disabilities, 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.

While the project's affordability agreement with the City does not expire and the components of affordability are preserved via a deed restriction that runs with the land, the City should make contact with the owners of the Manhattan Village Senior Villas and continue to monitor and enforce affordability throughout the planning period. In addition, the City should identify qualified affordable housing developers and local non-profits as potential purchasers/managers of affordable housing units as a proactive measure.

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Objective(s)	Contact and meet with property owners of project.
	Monitor affordability throughout the planning period.
	Create and maintain list of non-profit organizations as potential purchasers/managers of affordable housing units.
Timeframe	Contact and meet with property owners of project by January 2023 and again mid-cycle in 2025.
	Biannually update list of non-profit and affordable housing developers.
Responsible Agency	Community Development Department
Funding Sources	City General Fund
Relevant Policies	1.3, 1.4, 2.3, 4.1

Program 5: Americans with Disability Act (ADA) Improvements Program

The Community Development Block Grant (CDBG) Program provides for the development of viable urban communities by providing decent housing, a suitable living environment, and expanded economic opportunities primarily for low- and moderate-income residents as well as older adults and people with disabilities. Eligible activities under the CDBG Program include activities related to housing, other real property activities (code enforcement, historic preservation), public facilities, activities related to public services, activities related to economic development, and assistance with community based development organizations. CDBG funds may be used for the acquisition, construction, reconstruction, rehabilitation, or installation of certain public improvements or public facilities.

Since 2016, the City of Manhattan Beach used its annual CDBG allocation for infrastructure improvements, specifically installation of Americans with Disability Act (ADA)-compliant curb ramps throughout City intersections. Most recently (as of FY 2018), CDBG funds were allocated to the implementation of the Manhattan Senior Villas ADA Pathway Project. These efforts supported the installation of an ADA-compliant concrete pathway, perimeter railing, directional signage, curb ramp and gutter to create unobstructed paths of travel and accessibility for older adults and residents with disabilities to Manhattan Senior Villas, located at 1300 Parkview Avenue. Construction is anticipated to begin this year (2021). The City will ensure the Manhattan Senior Villas ADA Pathway Project is completed by 2022 to increase accessibility for older adults and people with disabilities in the City. Following completion of the Senior Villas ADA Pathway Project, the City will utilize future CDBG funds for additional ADA-improvements focused on bringing existing, non-compliant ramps into ADA-compliance at various locations throughout the City, as identified by the Public Works Department. These improvements will increase accessibility for people with disabilities throughout the City.

Objective(s)	Complete ADA-compliant infrastructure improvements as part of the Manhattan Senior Villas ADA Pathway Project.
	Construct ADA-compliant concrete access ramps at various locations throughout the City, contingent upon future CDBG funding.
Timeframe	Complete Manhattan Senior Villas ADA Pathway Project infrastructure improvements by 2022.
	Annual allocation of CDBG funding to ADA-compliant improvements, as funding is available.
Responsible Agency	Public Works Department
	Community Development Department
Funding Sources	CDBG Funds
Relevant Policies	2.3, 3.1, 4.1, 4.3

Program 6: Annual Progress Reports

The City will continue to report annually on the City's progress toward its 8-year RHNA housing production targets and toward the implementation of the programs identified in the Housing Element. Further, the City will identify and prioritize State and local surplus lands available for housing development affordable to lower-income households and report on these lands annually through the Housing Element Annual Progress Reports (AB 1255, 2019; AB 1486, 2019; AB 879, 2017).

Objective(s)	Report to HCD annually on progress made toward the Housing Element.
	Report to the City Council annually on Housing Element progress.
Timeframe	Annually throughout the planning period.
Responsible Agency	Community Development Department
Funding Sources	City General Fund
Relevant Policies	2.1, 2.2, 2.3,

Program 7: Code Compliance

The City has an active code enforcement program that responds to complaints of substandard structures. 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. The City will continue the active code enforcement program for illegal and substandard units.

Code enforcement staff accepts reports of possible code enforcement violations and responds directly to violations related to compliance with the Manhattan Beach Municipal Code (MBMC) including zoning, property maintenance, illegal dwelling units, trash container regulations, and sign violations. Possible violations regarding substandard, nonstructural housing issues are referred to the Environmental Health Division of the Los Angeles County Department of Public Health. The County of Los Angeles Environmental Health Division is responsible for ensuring that residential housing is safe, sanitary, and fit for human habitation. This is accomplished through routine Inspections of rental property with 5 and or more units, and investigations of complaints. Between July 2016 and July 2021, the County performed 52 inspections in the City of Manhattan Beach.

The City's website clearly provides code enforcement resources and technical assistance to residents. Residents can report a violation, and access educational and technical resources on substandard housing, City's code enforcement efforts, violation process and timeline, and directly access the County of Los Angeles Public Health Online Form for substandard housing complaints.

The City will continue to ensure building safety of residential buildings through enforcement of building codes on a compliance and proactive building-permit issuance basis, and through referrals to the County of Los Angeles Environmental Health Division for rental housing enforcement conditions/inspections. In addition, the City will ensure its website remains up to date with code enforcement and substandard housing resources.

Objective(s)	Continue requiring a Report of Residential Building Records.
	Through the complaint driven inspections, Code Enforcement will make property owners aware of current resources on the City website to assist with the remediation of violations.
	Continue referrals to the County of Los Angeles Environmental Health Division to facilitate approximately 55 inspections throughout the planning period.
	Maintain code enforcement and substandard housing resources up to date and ensure they are easily accessible to all residents, including lower- and moderate-income households.
Timeframe	Ongoing; Annually throughout the planning period.
Responsible Agency	Community Development Department
Funding Sources	City General Fund
Relevant Policies	1.3, 1.4, 3.1, 3.2, 3.3, 4.1, 4.3

Program 8: Density Bonus

State Density Bonus Law requires a local jurisdiction to grant an increase in density, if requested by a developer, for providing affordable housing as part of a development project. Developers in the City utilize State Density Bonus Law, and the City has a standard application and review procedure for processing density bonus applications as part of housing development applications (MBMC Section 10.94.050 – Administration). As of September 2021, there are currently two projects in the City's residential project pipeline (see full discussion in **Appendix E**, **Sites Analysis**) which will utilize an increase in development density in exchange for setting aside a percentage of the units as affordable housing.

The City incentivizes development of affordable housing by abiding by the local and State density bonus regulations. In addition, to further incentivize affordable units, multifamily projects in residential districts that qualify for a density bonus are eligible for a streamlined approval process as described in Programs 3 and 15.

Government Code Section 65915 requires that a jurisdiction adopt a local Density Bonus Ordinance consistent with State law. To satisfy this requirement, the City will review and amend the local Density Bonus Program Ordinance to ensure consistency with State requirements, including the provision of a bonus for student affordable housing, senior housing, and permitting up to an 80% bonus for 100% affordable developments (see amendments needed in Appendix C, Constraints and Zoning Analysis).

Objective(s)	Update Density Bonus Ordinance, consistent with State law.
	Ensure the City's Density Bonus Ordinance is consistent with future amendments to State density bonus law and case law. Process related LCP Amendments as required.
Timeframe	Amend the density bonus ordinance within one year of Housing Element adoption.
	Ongoing monitoring of future amendments to State Density Bonus Law.
Responsible Agency	Community Development Department
Funding Sources	City General Fund
Relevant Policies	1.2, 2.1, 2.2, 2.4, 3.4, 4.2

Program 9: Developer Outreach and Transparency

The City will actively work with the development community to identify ways that lower-income housing may be provided. The City will educate developers as to how density bonus regulations and lot consolidation incentives could be used to facilitate the development of affordable housing, including those for extremely low-income, very low-income, and low-income households. Another outreach effort will inform the development community and property owners as to development opportunities for accessory dwelling units.

The City will maintain current information on the City's website that is applicable for housing development project proposal requirements, including a current schedule of fees, exactions, applicable affordability requirements, all zoning ordinances, development standards, and annual fee reports or other relevant financial reports, consistent with the requirements of AB 1483 (2019).

Objective(s)	Maintain relevant development checklist of materials and other information on the City's website as detailed above and in AB 1483 (2019).
Timeframe	 Update relevant information that is applicable for housing development project proposal requirements within 30 days of any changes consistent with AB 1483 (2019). Ongoing through planning period.
Responsible Agency	Community Development Department
Funding Sources	General Fund
Relevant Policies	1.2, 2.1, 2.2, 2.3, 4.1

Program 10: Energy Conservation and Energy Efficiency Opportunities

Manhattan Beach has a long history of environmental leadership, policy, and stewardship, both as a community and as a city government. Under the City's adopted Environmental Work Plan priorities, adopted Strategic Plan goals, and in compliance with State and General Plan mandates, the City is creating a Climate Resiliency Program, called Climate Ready Manhattan Beach (Climate Ready MB). The Climate Ready MB program includes completing a Sea Level Rise Vulnerability Assessment; creating a Climate Action and Adaptation Plan; and updating the City's Local Coastal Program-Land Use Plan, Local Hazard Mitigation Plan, and General Plan.

The City is currently working on the Sea Level Rise Risk, Hazards, and Vulnerability Assessment, which will inform the development of the Climate Action and Adaptation Plan; and related Local Coastal Program-Land Use Plan updates. In order to protect the City's coastline and infrastructure and comply with State mandates, the City is also identifying other local climate change impacts that could occur. As outlined in the Climate Ready MB Program, the City will develop strategies to increase the community's resilience to climate change impacts and cut carbon emissions.

In addition, the City has adopted the 2019 California Green Building Standards Code which includes energy efficiency, water efficiency and conservation, and material conservation and resource efficiency standards to encourage sustainable development and reduce residential and nonresidential building energy use. The City anticipates State Green Building Codes being updated in the next two years, at which point the City will also update City regulations as detailed in Program 27.

Objective(s)	Adopt Climate Action and Adaptation Plan; and related Local Coastal Program-Land Use Plan updates.
	Review Municipal Code to encourage energy efficient building techniques and consider opportunities above and beyond State requirements.
Timeframe	 Adopt Climate Action and Adaptation Plan; and submit Local Coastal Program-Land Use Plan updates to California Coastal Commission by 2023. Ongoing review of City codes to encourage energy efficient building techniques.
Responsible Agency	Environmental Sustainability Division
	Community Development Department
Funding Sources	City General Fund and California Coastal Commission LCP Grant & California Climate Investments
Relevant Policies	1.3, 3.1, 3.2, 3.3, 3.4

Program 11: Fair/Equal Housing Program

This City program is designed to promote equal housing opportunities in Manhattan Beach. The City recognizes the effect that discrimination has in limiting housing choice and equal opportunity in renting, selling, and financing housing. The City contracts with the Housing Rights Center (HRC), a nonprofit organization that helps educate the public about fair housing laws and to investigate reported cases of housing discrimination. HRC provides free services including landlord tenant counseling, outreach and education, and discrimination investigations. The City offers fair housing information and referrals upon request. The City will continue referral services and contracting fair housing services with HRC and will work to provide this information as well as providing links to additional fair housing resources on the City website.

Additionally, steps the City will take to affirmatively further fair housing during the planning period include:

- The City will continue to support and participate in the Regional Analysis of Impediments to Fair Housing Choice in coordination with the Community Development Commission of the County of Los Angeles and the Housing Authority of the County of Los Angeles.
- The City will promote compliance with housing discrimination laws by developing a
 handout for developers to be made aware of fair housing advertisement material
 requirements related to the sale or rental of housing pursuant to Government Code
 12955, which prohibits such materials from indicating a preference or limitation based on
 a protected classification.

• The City will administer all programs and activities related to housing and community development in a manner to affirmatively further fair housing by developing a process that prompts the consideration of fair housing in the decision process. This process could include a requirement to have a statement of fair housing consideration on all decision letters or staff reports, whichever is applicable.

Objective(s)	Support and engage in the Regional Analysis of Impediments to Fair Housing.
	Post fair housing information on the City's website.
	Develop a handout for developers to be made aware of Fair Housing advertisement material compliance and make publicly available.
	Implement a procedure that prompts fair housing administration for housing and community development decisions.
Timeframe	Ongoing engagement throughout the planning period with updated Regional Analysis of Impediments every 5 years.
	Website information and developer handout to be posted and made available within one year of Housing Element adoption.
	Develop fair housing administration procedure within one year of Housing Element adoption.
Responsible Agency	Community Development Department
Funding Sources	City General Fund
Relevant Policies	1.2, 2.3. 3.1, 4.1, 4.2, 4.3

Program 12: Housing Choice Voucher Program

An important element of the City's strategy in providing housing opportunities for extremely low-income and low-income households is the Section 8 Housing Choice Voucher Program, a program offering tenant-based assistance subsidized by the Federal government for very low-income families, seniors, and persons with disabilities. Decent, safe, and sanitary housing units are provided to households through rental vouchers. Participants find their own rental housing in the open market and pay a portion of their income towards rent. The Los Angeles County Development Authority subsidizes the balance of the monthly rent in direct payments to the owner through funding received by the U.S. Department of Housing and Urban Development.

The Redondo Beach Housing Authority locally administers the Housing Choice Voucher Program for Manhattan Beach. Currently, there are 5 Section 8 Vouchers administered in the City. The City will continue to participate in LACDA program, coordinate with the Redondo Beach Housing Authority and publicize availability of Section 8 rental assistance for households in the City by enhancing the City's website with information.

Objective(s)	Continue to support the provision of 5 vouchers annually to facilitate rent subsidies for very-low- and extremely-low-income residents.
	Enhance City website with information related to Housing Choice Voucher Program.
Timeframe	 Annually throughout the planning period. Update City website within one year of Housing Element adoption.
Responsible Agency	Los Angeles County Development Authority;Community Development Department
Funding Sources	Federal Section 8 funds
Relevant Policies	1.4, 2.3, 4.1, 4.3

Program 13: Lot Consolidation Incentive

The City provides an additional density bonus incentive under Section 10.12.030 of the MBMC above and beyond what is permitted under State law for multifamily residential developments meeting the minimum requirements for a density bonus. The incentive is granted in exchange for lot consolidation, in accordance with the following formula:

Combined Parcel Size	Base Density Increase*
Less than 0.50 acre	No increase
0.50 acre to 0.99 acre	5% increase
1.00 acre or more	10% increase
*Excluding density bonus	

The City will continue to facilitate consolidation and development of small parcels through the following actions:

- Publicize the program on the City's website, at the Planning counter, and by notice to affordable housing providers.
- Assist affordable housing developers in identifying opportunities for lot consolidation using the City's GIS system and property database.
- Expedite processing and waive fees for lot consolidations processed concurrently with other planning entitlements for affordable housing developments.

Objective(s)	Publicize the program on the City's website, at the Planning counter, and by notice to affordable housing providers.
	• The City will assist affordable housing developers in identifying opportunities for lot consolidation using the City's GIS system and property database.
	Expedite processing and waive fees for lot consolidations processed concurrently with other planning entitlements for affordable housing developments.
Timeframe	Develop promotional material to publicize program within two years of Housing Element adoption.
	• Dedication of staff time and technical assistance is ongoing throughout the planning period.
Responsible Agency	Community Development Department
Funding Sources	City General Fund
Relevant Policies	1.2, 2.1, 2.2, 2.3, 2.4, 4.2

Program 14: Manufactured Housing

As defined in the MBMC, mobile home is considered a manufactured home, which includes factory-built housing on a permanent foundation. State law requires that the City's Zoning Code permit manufactured housing in the same manner and in the same zone(s) as conventional single-family dwellings in zones that permit single-family dwellings (Government Code Section 65852.3). Although the current Zoning Ordinance includes manufactured homes as a multifamily residential classification, MBMC Section 10.52.100 dictates manufactured housing is only permitted in residential zoning districts, and is not allowed as an additional unit on an already developed lot or as an accessory unit on an already developed lot. To comply with State law, the City will amend the Zoning Ordinance to clarify that manufactured housing is treated as a single-family dwelling and is permitted in all of the same zones and same manner as other single-family structures, including in commercial or mixed-use zones.

State law requires that cities and counties allow mobile home parks (including condominium and cooperative parks) on all land planned and zoned for residential land use; provided, however, that a use permit may be required (Government Code Section 65852.7). The Municipal Code does not currently define mobile home parks; therefore, it also does not identify zoning districts in which this use is permitted. To comply with State law, the City will amend the Municipal Code to permit mobile home parks on all land zoned or planned for residential land uses. In addition, the City will enforce mobile home park replacement and relocation requirements in accordance with State law (Government Code Section 65863.7).

Objective(s)	Amend the Municipal Code to ensure consistency with State law regarding manufactured homes.
	Amend the Municipal Code to ensure consistency with State law regarding mobile home parks.
Timeframe	Amend the Municipal Code and submit related LCP Amendments applications within one year of Housing Element adoption.
Responsible Agency	Community Development Department
Funding Sources	City General Fund
Relevant Policies	1.2, 2.2, 2.4, 4.1

Program 15: Multifamily Residential Development Standards and Streamlining in the Mixed-Use (CL, CD, and CNE) Commercial Districts.

To minimize constraints to the development of affordable housing, including housing for extremely low- and very-low income households, multifamily housing developments in residential zones with less than six units are permitted. Projects with six units or more that qualify for a density bonus under State law are permitted subject only to a Precise Development Plan approved by the Director.

Multifamily housing developments in the CL, CD, and CNE Districts are currently permitted on approval of a conditional use permit. To further incentivize affordable housing in the City, and as programmed in the 5th Cycle Housing Element, the City will remove the discretionary requirements for multifamily housing in the CL, CD, and CNE zones meeting the minimum requirements for a density bonus as detailed in Program 8. The City will review and amend the Municipal Code to permit residential uses in the CL, CD, and CNE zones without requiring approval of a use permit and all projects that utilize the State density bonus will be eligible for streamlined approvals.

In addition, the City will adopt development standards for multifamily residential and mixed-use projects in the three commercial zones (CL, CD, and CNE). Through this process, the City will implement the objective design standards in Program 17.

Objective(s)	Amend the Zoning Code to remove discretionary requirements and provide streamlined processing for multifamily housing in the CL, CD, and CNE zones for projects that qualify for a density bonus.
	Adopt development standards for multifamily residential and mixed-use projects in the CL, CD, and CNE zones.
Timeframe	Amend the Municipal Code and related Local Coastal Program Amendments within one year of Housing Element adoption.
	Streamlining availability to be ongoing following Housing Element adoption.
Responsible Agency	Community Development Department
Funding Sources	City General Fund
Relevant Policies	1.2, 2.1, 2.2, 2.3, 2.4, 3.4, 4.2

Program 16: No Net Loss

The City will utilize their development permit database to monitor development activity, proposed rezones, and identified capacity to ensure adequate remaining capacity is available to meet any remaining unmet share of the RHNA for all income levels throughout the entirety of the planning cycle, consistent with no-net-loss requirements as required under SB 166 (2017). The City will develop and implement a monitoring procedure pursuant to Government Code Section 65863 and will make the findings required by that code section if a site is proposed for development with fewer units or at a different income level than shown in the Housing Element.

If at any time during the planning period, a development project results in fewer units by income category than identified in the sites inventory (**Appendix E**, Sites Analysis and Inventory) for that parcel and the City cannot find that the remaining sites in the housing element are adequate to accommodate the remaining RHNA by income level, the City will within 180 days identify and make available additional adequate sites to accommodate the remaining RHNA.

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Objective(s)	• Amend staff procedures to ensure all development proposals and rezone proposals are reviewed against the capacity identified for sites in the Sites Inventory (Appendix E).
	• Develop a methodology for tracking remaining capacity and monitor all development activity, proposed rezones, and identified capacity as it compares to the remaining RHNA target throughout the cycle. Any site identified to be upzoned to meet "no net loss" requirements will satisfy the adequate site requirements of Section 65583.2 and will be consistent with the City's obligation to affirmatively further fair housing.
	• Review each housing approval on sites listed in the Housing Element and make findings required by Government Code Section 65863 if a site is proposed with fewer units or a different income level than shown in the Housing Element.
Timeframe	Amend staff procedures and develop a methodology for tracking capacity upon Housing Element adoption.
	Ongoing tracking of sites throughout the planning period and make additional sites available within 180 days in the event that a capacity shortfall occurs.
Responsible Agency	Community Development Department
Funding Sources	City General Fund
Relevant Policies	1.2, 1.4, 2.1, 2.2

Program 17: Objective Design Standards

The City will increase transparency and certainty in the development process through objective design standards. Any new design standards developed and imposed by the City shall be objective without involvement of personal or subjective judgement by a public official and shall be uniformly verifiable by reference to the City's regulations in accordance with the requirements of the Housing Crisis Act of 2019 (SB 330, 2019) and related state housing law.

Objective(s)	Monitor Municipal Code amendments to ensure any new design standards are objective.
Timeframe	Ongoing throughout the planning period, as new design standards are being drafted.
Responsible Agency	Community Development Department
Funding Sources	Community Development Department
Relevant Policies	1.2, 2.2, 2.4, 3.1, 4.2

Program 18: Parking Reductions in Exchange for Housing at Religious Institutions

Large parking lots associated with religious institutions provide opportunities for partnerships that facilitate the development of housing for vulnerable populations. The City will make Municipal Code revisions to identify a process by which parking requirements can be reduced for religious institutions in exchange for housing development (AB 1851).

Objective(s)	Amend the Municipal Code to identify a process by which parking requirements can be reduced for religious institutions in exchange for housing development.
Timeframe	Amend Municipal Code to comply with religious institution affiliated housing development projects within one year of Housing Element adoption. Process LCP Amendments as required.
Responsible Agency	Community Development Department
Funding Sources	City General Fund
Relevant Policies	1.2, 2.1, 2.2, 2.4, 4.1, 4.2

Program 19: Preserving Housing Capacity

Section 10.12.030 of the MBMC establishes standards to avoid "mansionization." These provisions act to discourage construction of overly large dwellings that are out of scale with the surrounding neighborhood. These provisions include increased setback and open space requirements for new single-family residences. 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. In an effort to incentivize multifamily housing while continuing to disincentivize "mansionization," the City provides an exception for minimum and maximum lot sizes for multifamily housing with three (3) or more dwelling units in accordance with Section 10.12.030.k of the MBMC.

Many single-family homes in the City have been previously constructed on double lots. The maximum lot standards noted above help prevent consolidation of lots for the purpose of developing large, single dwelling units. However, under Section 10.52.050.F of the MBMC, property owners in residential zones may develop contiguous separate lots as one site without requiring a lot merger, with only detached accessory structure(s) on one or more of the lots, which includes guest houses, garages and parking areas, and pools. For development standards, with the exception of the parking calculation, the lots are treated as separate. This presents property owners with the opportunity to buy adjacent lots with existing unit(s) for the purpose of demolishing the unit(s) and developing only detached accessory structure(s), ultimately reducing the City's overall housing stock. To mitigate the loss of dwelling units through demolition and to conserve the existing housing stock, the City will amend the Municipal Code to eliminate provision 10.52.050.F from the Municipal Code such that all parcels operating as one site will need to be consolidated and therefore be subject to existing maximum lot size requirements.

Further, while the City incentivizes lot consolidation for multifamily residential developments as detailed in Program 13, the City will refrain from approving any merger that would result in a net loss in residential capacity and conflict with the no net loss provisions of SB 330 (see Program 22).

Objective(s)	Continue to implement sections 10.12.030 and 11.32.090 of the MBMC to prevent mansionization and lot mergers reducing future housing capacity.
	Amend Municipal Code to eliminate provision 10.52.050.F to mitigate the loss of dwelling units through demolition and to conserve the existing housing stock.
Timeframe	Ongoing implementation of sections 10.12.030 and 11.32.090 of the MBMC.
	Amend Municipal Code within two years of Housing Element adoption.
Responsible Agency	Community Development Department
Funding Sources	City General Fund
Relevant Policies	1.1, 1.2, 1.3, 1.4, 2.1

Program 20: Priority Services

Pursuant to Chapter 727, Statutes of 2005 (SB 1087), the City is required to deliver its adopted Housing Element and any amendments thereto to local water and sewer service providers. This legislation allows for coordination between the City and water and sewer providers when considering approval of new residential projects. The City is the direct provider of water, sewer, and storm drain maintenance. As such, the City will internally coordinate with the Public Works Department for review and consideration when reviewing new residential projects.

The City's current Urban Water Management Plan acknowledges the requirements and includes the projected water use for single-family and multifamily housing needed for lower-income households. The Community Development Department will coordinate with Public Works to ensure that proposed developments which include housing affordable to lower-income households, including extremely low- and very-low income, are prioritized for the provision of water and sewer services. Internal coordination will further support the prioritization of water and sewer services for future residential development, including units affordable to lower-income households.

Objective(s)	Internally distribute adopted Housing Element to Public Works Department.
	Increased coordination with the Public Works Department to ensure that adopted policies prioritize water and sewer allocation for affordable housing development.
Timeframe	• Internally distribute adopted Housing Element upon local adoption of the 6 th Cycle Housing Element.
	Ongoing coordination.
Responsible Agency	Community Development Department
Funding Sources	City General Fund
Relevant Policies	2.1, 2.2, 4.2

Program 21: Reasonably Accommodate Housing for Persons with Physical and Developmental Disabilities

The City adopted a Reasonable Accommodation Ordinance in 2013 to comply with reasonable accommodation procedures of the Fair Housing Act, and one request was received and approved during the 5th Cycle Planning Period. These procedures are codified in Chapter 10.85 of the MBMC, establishing the City's procedures related to requests for reasonable accommodations. The process provides a deviation procedure which is available to applicants for circumstances where the existing zoning regulations would preclude residential development for persons with disabilities. Requests for a reasonable accommodation shall be reviewed by the Community Development Director, and may, in their discretion, refer applications to the Planning Commission for consideration.

While requests are seldomly referred to Planning Commission for their consideration and there are no public hearing or noticing requirements tied to their review, the MBMC does not outline the bases on which a decision on the matter could or should be deferred to the Commission. In an effort to proactively remove ambiguities that may impose extra hurdles for people with disabilities, the City will amend their reasonable accommodation procedures to remove discretionary referrals to the Planning Commission and the requests shall be reviewed and may be granted solely by the Director. In addition, the City will develop materials and outreach methods to increase public awareness and ease of access to policies, programs and processes addressing reasonable accommodation.

Objective(s)	Amend Municipal Code to remove potential barriers for people with disabilities, including persons with developmental disabilities, related to requests for reasonable accommodations, and in accordance with current fair housing laws.
	Develop outreach and dissemination programs and materials for the public and City staff.
Timeframe	Amend Municipal Code within one year of Housing Element adoption.
	Develop outreach and dissemination materials within two years of Housing Element adoption.
Responsible Agency	Community Development Department
Funding Sources	City General Fund
Relevant Policies	1.2, 2.4, 3.1, 4.1, 4.2, 4.3

Program 22: Replacement Requirements

The City will mandate replacement requirements consistent with the Housing Crisis Act of 2019 and related state housing law for proposed housing developments on sites that currently have residential uses, or within the past five years have had residential uses that have been vacated or demolished, that are or were subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of low or very low income, subject to any other form of rent or price control, or occupied by low- or very low-income households.

Objective(s)	 Amend staff procedures related to the review and issuance of demolition and development permits. Enforce replacement requirements in accordance with Government Code Section 66300.
Timeframe	Amend staff procedures within one year of Housing Element adoption, continue ongoing replacement requirements.
Responsible Agency	Community Development Department
Funding Sources	City General Fund
Relevant Policies	1.3, 1.4, 2.3, 4.1, 4.3

Program 23: Older Adults Programs

The City provides various services for the special needs of older adults so that they may remain in the community. The older adults of the community regularly rely on these resources for services and programming. The Older Adults Program provides services to predominantly lower-income older adults, and some services for residents with disabilities (all ages).

This program is operated by a part-time Older Adults Program Manager who is contracted through the Beach Cities Health District and the City of Manhattan Beach Fire Department. At any given time, the Older Adults Program may assist up to 100 senior citizens, of whom 70% are lower income. As liaison and service coordinator, the Older Adults Program 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 multifamily 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 "Community Care Services" and other community resources available for older adults.

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. Additionally, the City's Parks and Recreation Department has a full-time Older Adults Program Supervisor, as well as support staff, that provides numerous services and programs to older adults, including arts and crafts, drama, acting, and poetry, and fitness classes, softball leagues, and bingo nights. In addition, the City provides the Manhattan Beach Dial-A-Ride services, which is a shared ride, curb-to-curb bus service for Manhattan Beach residents who are 55+ years old or with disabilities (all ages) to assist them with things such as picking up medication, doctor visits and groceries

The City is also providing temporary technical assistance to older adults by helping older adults with changes resulting from the Clean Power Alliance program, an electricity supply provider offering renewable energy at competitive rates to the community, and with managing changes to their energy bills. The City also provides links and information on its website to resources provided by Clean Power Alliance, which include financial assistance programs for lower income and people with special needs.

Additionally, the City recently approved an assisted living project for older adults in 2021, consisting of 95 rooms (115 total beds), a facility kitchen, and common areas (foyer, parlor, bistro, private dining room, general dining rooms, activity rooms, and staff rooms). The project would include 64 assisted living rooms and 31 memory care rooms for Alzheimer's patients and individuals with memory loss. The project is expected to be completed and increase assisted living opportunities for older adults in the City during the planning period.

Objective(s)	Continue providing services to 1,000 older adults per year through the Older Adults Program.	
	• Continue providing Dial-a-Ride services to 1,000 older adults and/or residents with disabilities (all ages) per year.	
Timeframe	Ongoing	
Responsible Agency	Senior Services Care Manager	
	Fire Department	
	Parks and Recreation Department	
Funding Sources	General Fund/ Beach Cities Health District	
Relevant Policies	1.3, 2.3, 3.1, 3.2, 4.1	

Program 24: Solar Panel Incentives

Solar panels may be used on roofs of residential and commercial structures to generate electricity that is either transmitted to the grid or stored in batteries on-site. The existing height limits in Manhattan Beach ensure rooftop solar units would not eventually be subject to shade and shadow, which would render them ineffective.

To encourage use of alternate energy, the City has subsidized permitting fees for solar panels since 2008. The current permit fee for solar panels is \$100.00. The City's fee incentives resulted in 800 solar permits issued during the 5th Cycle Planning Period. The City will continue to promote and incentivize alternate energy through permit subsidies for solar panels.

Objective(s)	Promote and incentivize alternate energy through permit subsidies for approximately 90 solar permits per year
	Continue to track number of solar permits.
Timeframe	Ongoing
	Annual monitoring to track permits
Responsible Agency	Community Development Department
Funding Sources	City General Fund
Relevant Policies	3.2, 3.3, 3.4

Program 25: Specialized Housing Types to Assist Persons with Special Needs

Employee Housing

Pursuant to the State Employee Housing Act (Section 17000 et seq. of the Health and Safety Code), employee housing for agricultural workers consisting of no more than 36 beds in group quarters or 12 units or spaces designed for use by a single family or household is permitted by right in a zoning district that permits agricultural uses by right. Therefore, for properties that permit agricultural uses by right, a local jurisdiction may not treat employee housing that meets the above criteria any differently than an agricultural use. The Employee Housing Act also requires that any employee housing providing accommodations for six or fewer employees be treated as a single-family structure, with no conditional or special use permit or variance required.

Employee housing is not currently defined in the Municipal Code as the City does not currently have any zones that permit agricultural uses and no agricultural land exists in the City; accordingly, no specific provisions are included regarding this use. If the Zoning Code is ever amended to add a zoning district that permits agricultural uses, the City will make corresponding municipal code amendments related to agricultural workers and current employee housing requirements consistent with State law.

Emergency Shelters:

Pursuant to State law, local governments must identify one or more zoning categories that allow emergency shelters (year-round shelters for the homeless) without discretionary review. In compliance with State law, the Municipal Code allows emergency shelters by-right in the PS (Public and Semi-Public) and IP (Industrial Park) zones subject to non-discretionary approval. However, the City will amend the Municipal Code to ensure that parking requirements for emergency shelters accommodate the staff working in the shelter and do not require more parking than other residential or commercial uses within the same zone (AB 139, 2019).

Supportive Housing:

State Law mandates that local jurisdictions consider supportive housing a residential use of property allowed subject only to those restrictions that apply to other residential dwellings of the same type in the same zone. The Municipal Code allows supportive housing as a residential use

subject to the same regulations and procedures that apply to other residential uses of the same type in the same zone in accordance with State law.

In addition, State law provisions have recently been modified to require approval of supportive housing that meets the specified requirements of State law as a use by right in zones where multifamily and mixed uses are permitted, including nonresidential zones permitting multifamily uses (AB 2162). Additionally, no minimum parking may be required for units occupied by supportive housing residents if the development is located within 0.5 miles of a public transit stop (Government Code Section 65915). The City will amend the Municipal Code to comply with current State law.

Low-Barrier Navigation Centers

Low-Barrier Navigation Centers are housing first, low-barrier, service-enriched shelters focused on moving people into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing. The Municipal Code does not currently define low barrier navigation centers; therefore, it also does not identify zoning districts in which this use is permitted.

The City will amend the Municipal Code to permit the development of Low Barrier Navigation Centers that meets the requirements of State law as a use by-right, without requiring a discretionary action, in mixed-use and non-residential zones that permit multifamily uses (AB 101).

Objective(s)	 Ensure the Municipal Code continues to be consistent with State law and case law relative to special needs housing through ongoing review and amendments, as needed. Amend the Municipal Code to permit supportive housing in accordance with State law. Amend the parking requirements for Emergency Shelters to ensure consistency with State law. Amend the Municipal Code to ensure that any application for supportive housing or a low barrier navigation center is processed 'by right' in accordance with State law.
Timeframe	 Annual monitoring of state laws regarding special needs housing. Adopt policies and procedures for processing supportive housing and low barrier navigation center within one year of Housing Element adoption. Amend the Municipal Code within one year of Housing
	Element adoption.
Responsible Agency	Community Development Department
Funding Sources	General Fund
Relevant Policies	1.2, 2.2, 2.4, 4.1, 4.2, 4.3

Program 26: Surplus Lands

The City will identify and prioritize local surplus lands available for housing development affordable to lower-income households and report on these lands annually through the Housing Element Annual Progress Reports in accordance with the requirements of **AB 1486 (2019)**.

Objective(s)	Identify and track surplus City-owned sites.
Timeframe	Annually
Responsible Agency	Community Development Department
Funding Sources	Community Development Department
Relevant Policies	1.2, 2.1, 2.2

Program 27: Water Conservation and Green Building Standards

California's water system is energy intensive, accounting for nearly 10 percent of the state's greenhouse gas (GHG). Actions that improve water-use efficiency can reduce energy use.⁵ This can be achieved through many ways such as using low-flow fixtures and use of drought-tolerant landscaping. Section 7.44.020 of the MBMC addresses water conservation and provides for permanent water conservation measures and drought restrictions. In addition, water conservation requirements apply to 100% of projects that the City approves. Water conservation requirements are built into Title 9, via the Green Building Code, and Title 10 via State MWELO requirements.

The City has adopted the 2019 California Green Building Standards Code, and additionally requires the following measures:

- 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 United States Green Building Council continues to review more intensive measures to be included in buildings for LEED certification. The City continues to review its codes to encourage greener building techniques. The City Council has expressed interest in pursuing green building techniques above and beyond State requirements, a task currently being undertaken through the City's Sustainability Division's Climate Ready MB Program. The City reviews standards through the Environmental Task Force and will continue to review and update its codes as updates become available. The City anticipates State Green Building Codes being updated in the next two years, at which point the City will also update City regulations.

⁵ Public Policy Institute of California, 2016. https://www.ppic.org/wp-content/uploads/R_1016AER.pdf.

Objective(s)	Review Municipal Code to encourage greener building techniques and consider opportunities above and beyond State requirements.
	Amend Municipal Code if needed to conform to future amendments or updates to State Green Building Standards Code.
Timeframe	Ongoing review of City codes to encourage greener building techniques.
	Update Municipal Code within one year after any future amendments or updates to the California Green Building Standards Code.
Responsible Agency	Environmental Task Force
	Community Development Department
Funding Sources	City General Fund
Relevant Policies	3.2, 3.3, 3.4

Program 28: By-Right Development

The City will allow developments by-right pursuant to Government Code section 65583.2(i) when 20 percent or more of the units are affordable to lower-income households on sites identified in the Sites Inventory to accommodate the lower-income RHNA that were previously identified in past housing elements in accordance with the specifications of Government Code Section 65583.2(c) and Housing Element law.

Objective(s)	Permit development by-right on qualifying sites identified to accommodate the lower-income RHNA that were identified in previous Housing Elements in accordance with State law.	
Timeframe	Ongoing throughout planning period.	
Responsible Agency	Community Development Department	
Funding Sources	Community Development Department Budget	
Relevant Policies	1.2, 2.1, 2.2, 2.4	

City of Manhattan Beach 6th Cycle Housing Element

PUBLIC REVIEW DRAFT

Appendices



Appendix A: 5th Cycle Review

Appendix B: Needs Assessment

Appendix C: Constraints and Zoning Analysis

Appendix D: Affirmatively Furthering Fair Housing Analysis

Appendix E: Sites Analysis and Inventory

Appendix F: Community Engagement Summary

Appendix A: 5th Cycle Review

Table of Contents

1
18
2
. 18

1 Introduction

For the 5th Cycle Housing Element (2014–2021), the City of Manhattan Beach (City) committed to specific programs to address the comprehensive housing needs of the City and to help achieve the goals identified in the 5th Cycle Housing Element (5th Cycle). This appendix to the City's 6th Cycle Housing Element (6th Cycle) evaluates progress made toward the goals and actions of the 5th Cycle Housing Element and is used as a foundation to inform the programs of the 6th Cycle (2021–2029), tailored to meet this cycle's housing needs.

California Government Code Section 65588(a) requires each jurisdiction to regularly review its Housing Element and evaluate the following:

- The progress in implementation of the Housing Element
- The effectiveness of the Housing Element programs in progress toward achieving the housing goals and objectives
- The appropriateness of the housing goals, objectives, and policies, and in contributing to the attainment of the State housing goal

2 Evaluation of Previous Housing Element Implementation

This evaluation provides information on the extent to which programs have achieved stated objectives, and whether these programs continue to be relevant to addressing current and future housing needs in the City. The success of a program toward achieving the 5th Cycle goals is the basis for the goals, policies, and programs, and the establishment of objectives provided in the 6th Cycle. **Table 1** lists each program from the 2014–2021 Housing Element, and identifies the program's progress in implementation, effectiveness, and appropriateness. The goals, policies, and programs of the 6th Cycle are reflective of the program effectiveness as determined by this evaluation. **Table 2** provides an overview of the progress in achieving the housing objectives from the 5th Cycle Regional Housing Needs Allocation (RHNA).

Table 1. Evaluation of Previous Housing Element Implementation

Goal 1. Preserve existing neighborhoods.

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

Program 1a. – Continue to enforce provisions of the Zoning Code which specify District Development Regulations for height, lot coverage, setbacks, open space, and parking. Section 10.12.030 of the MBMC establishes 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 thereby reducing the mass of homes. The mansionization ordinance also establishes maximum lot sizes in residential districts as follows:

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 that are developed with three or more units are exempt from the stricter requirements in order to encourage 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: Continue to preserve the character of existing neighborhoods

Progress: The City continued to enforce these site development standards, along with a Minor Exceptions process, which provides a certain amount of flexibility for remodeling and expanding nonconforming residences, and in turn preserves existing neighborhoods and deters "mansionization." During the planning period over 190 Minor Exceptions have been approved.

Effectiveness: Planning staff implements this program on a daily basis through plan checks and Planning Entitlement reviews for residential projects, ensuring that all projects meet the development standards provided in the Planning and Zoning Code. Since 2014, 198 Minor Exceptions have been processed, demonstrating that the effectiveness of the Minor Exception process. Additionally, the City has granted only five Variances, all of which complied with the required findings, including unique circumstance.

Appropriateness: This program is implementing existing development standards. While Staff will continue to implement this program through implementation of the existing development standards included in the City's Planning and Zoning Code, the program is not furthering Housing Element goals and will not be continued in the 6th Cycle. Instead a new program will be developed to incentivize multifamily housing while continuing to disincentivize "mansionization."

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

This section of the Code 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 sub-districts 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 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 that 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.

Progress: Planning staff continues to apply the Design Overlay regulations as a standard part of reviewing plan checks and Planning Entitlements. Furthermore, in 2019, the City adopted the Sepulveda Boulevard Corridor Overlay (D8), enacting more flexible development standards where needed, to continue to promote desirable development, uses and economic vitality within the General Commercial (CG) zone.

Effectiveness: The Program successfully enforces specific development standards for each overlay zone while taking into consideration the unique nature of each given neighborhood.

Appropriateness: This program implements existing Zoning Code without a quantifiable objective. Therefore, it will be replaced by an objective design standards program in compliance with SB 330 (2019).

Progress: Implementation continues through enforcement of the existing maximum lot size standards. The City approved a total of 22 lot line consolidations during the Planning Period.

Effectiveness: The maximum lot size standards are effective in preventing consolidation of multiple smaller lots into a single, larger lot for low-density housing development, and effectively retains existing housing capacity. However, as most parcels in the City are less than 0.5-acre, maximum lot sizes are a constraint for those trying to consolidate lots for multifamily housing.

Appropriateness: Similar to Program 1a, this program is implementing existing development standards without a quantifiable objective. Instead a new program will be developed to

Responsibility: Community Development Department

Funding: City General Fund

Schedule: On-going

Objective: Preserve neighborhood character citywide

incentivize multifamily housing while continuing to disincentivize "mansionization." Specifically, the program will analyze Zoning Code Section 10.52.050 currently permitting property owners in residential zones to develop contiguous separate lots as one site without requiring a lot merger, and any necessary code amendments to conserve the existing housing stock.

Policy 2. Preserve existing dwellings.

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

Under Zoning Code Section 10.68, 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 smaller, more affordable housing units

Program 2b. – Utilize 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. 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 15 percent limit on a locality's CDBG funds that may be passed on to such social service providers.

A large proportion of very-low- and low-income homeowners pay over half their income on housing, leaving little for home maintenance or improvement. Many homeowners in the City could not afford to purchase their homes at currently 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

Progress: Planning staff continuously processes Minor Exceptions, which serve to incentivize preservation of smaller, more affordable housing units by allowing minor additions and remodels.

Effectiveness: Since 2014, 198 Minor Exceptions have been processed, demonstrating that the effectiveness of the Minor Exception process, which provides a certain amount of flexibility for remodeling and expanding non-conforming residences. It is important to maintain the option of a Minor Exception to incentivize remodeling vs. demolishing and building a new structure.

Appropriateness: Delete. This program is a routine function without a quantifiable objective. While Staff will continue to implement this program through implementation of the existing Planning and Zoning Code, the program will not be carried over to the 6th Cycle Housing Element.

Progress: Since 2016, the City of Manhattan Beach used its annual CDBG allocation for infrastructure improvements, specifically installation of Americans with Disability Act (ADA)-compliant curb ramps throughout various City intersections. Most recently, CDBG funds were allocated to support the installation of an ADA-compliant concrete pathway, perimeter railing, directional signage, an ADA-compliant curb ramp and gutter to create unobstructed paths of travel and accessibility for older adults and residents with disabilities to Manhattan Senior Villas, located at 1300 Parkview Avenue.

Effectiveness: While the funds were not specifically utilized for rehabilitation of senior housing, they were utilized for ADA improvements in the right-of-way near the Manhattan Senior Villas. Cities may no longer exchange CDBG funds with another Los Angeles

completed their mortgage payments. Thus, as they approach their retirement years 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 program, a portion of CDBG funds could be utilized to provide small loans or grants for rehabilitation of existing housing or utility under-grounding. Years ago, residents showed little interest in such a program. However, the population has aged, leading to a greater number of residents on fixed incomes. Before initiating any such program, the City will 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.

Responsibility: Community Development Department

Funding: CDBG

Schedule: Throughout the planning period.

Objective: Preserve/improve 16 low and moderate income units

Urban County participating city. Thus, the City no longer supports any public service providers with CDBG funds; directly or indirectly. **Appropriateness:** The program will be carried over and revised to focus on ADA improvements in the City. Construction is anticipated to begin this year for the Manhattan Village Senior Villas ADA improvements. The revised program will subsequently focus on ADA-compliant curb ramp improvements in the City.

Goal 2. Provide a variety of housing opportunities for all segments of the community commensurate with the City's needs, including various economic segments and special needs groups.

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

Program 3a. – Continue to facilitate infill development in residential areas.

There are very few vacant residential parcels remaining in the City. Development of scattered vacant and underutilized residential infill sites can help to address the need for additional housing units to accommodate the City's share of regional growth needs.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: On-going

Objective: Increase the supply of housing through infill development

Progress: AIN 4137002016 (adjacent to 3804 Highland) is still an empty parking lot and remains available for infill development; 4137010022 (133 El Porto) is still vacant and remains available for infill development; 1120 6th street was developed with a single-family residence in 2015.

Effectiveness: With limited vacant lots available for infill development, there are very limited opportunities to increase the supply of housing through infill development. This program could be more effective if it were to focus on redevelopment of underutilized lots, or at focused efforts to increase communication with developers.

Appropriateness: Deleted. As mentioned above, the effectiveness of the program is extremely limited by the built-out nature of the City. Other strategies will be implemented for incentivizing development and increasing communication efforts in the City.

Program 3b. – Facilitate multi-family residential development in the CL, CD, and CNE commercial districts.

Provision of housing in commercial and mixed-use areas is a long-time (since 1993) City housing policy. Under Section 10.16.020 of the Municipal Code, exclusive multi-family residential uses are permitted upon the approval of a use permit in the Local Commercial (CL), Downtown Commercial (CD), and North End Commercial (CNE) Districts. Single-family residential development is 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 residential and mixed uses in commercial districts can facilitate the delivery of housing. Not only does mixed-use development make additional areas available for residential use, 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 emissions can be reduced as residents are able to walk to nearby commercial services. This can also enhance the viability of less thriving commercial areas.

To enhance opportunities for residential development commensurate with the City's share of lower-income regional need of 16 units, the following incentives have been established for affordable multi-family development within the Downtown Commercial, Local Commercial, and North End Commercial districts:

- 1. Owner-occupied and rental multi-family housing developments that qualify for a density bonus under *Government Code* Sec. 65915 are permitted within these districts subject only to a non-discretionary Precise Development Plan controlling project design. Projects with 5 units or less are reviewed by the Director and projects with 6 units or more are reviewed by the Planning Commission. Other non-affordable residential developments with 6 or more units within these zones will continue to require approval of a Site Development Permit (see also Program 5b).
- 2. The City will facilitate consolidation and development of small parcels through the following actions:
- Assist affordable housing developers in identifying opportunities for lot consolidation using the City's GIS system and property database;
- Provide a graduated density bonus for lower-income housing developments that consolidate small parcels into a larger building site according to the following formula:

Progress: The objective of this policy to streamline the application process for residential or mixed-use projects in the CL, CNE, and CD zoning districts was not accurately fulfilled as a part of the code amendments that followed adoption of the 5th cycle Housing Element. While PDPs and SDPs were introduced in the residential zoning districts to streamline the application process for residential projects on residentially-zoned lots, the permitted land uses table in Title 10.16 for commercial zones was not amended and still reflects the requirement for Use Permits for multi-family and mixed use projects. In addition, the current PDP process involves findings and conditions of approval.

Effectiveness: The intent of the lot consolidation portion of the program is effective (examples include 401 Rosecrans and 1701 Artesia) and shall be carried forward and correctly implemented via future code amendments. The City will evaluate whether a consistent approach to SDPs and PDPs in the residential and commercial zones is preferred.

Appropriateness: This program will be revised and separated into 3 programs related to streamlined development, lot consolidation incentives, and developer outreach and transparency consistent with Assembly Bill (AB) 1483. Program components will include:

- Removing discretionary actions related to Precise
 Development Plans to create a truly administrative non-discretionary approval process.
- Permitting multifamily housing in the CL, CD, and CNE zones as intended by the 5th Cycle Program, including a streamlined approval process for projects that qualify for a density bonus under State law.
- Adopting development standards for multifamily residential and mixed-use projects in the three commercial zones (CL, CD, and CNE).

Combined Parcel Size	Base Density Increase*
Less than 0.50 acre	No increase
0.50 acre to 0.99	5% increase
acre	
1.00 acre or more	10%
	increase

^{*}Excluding density bonus

- Expedite processing and waive fees for lot consolidations processed concurrently with other planning entitlements for affordable housing developments;
- Publicize the program on the City's website, at the Planning counter, and by notice to affordable housing providers.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: Throughout the planning period.

Objective: Provide adequate sites to accommodate the City's lower-income RHNA

allocation

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 25 additional residential units 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

Progress: Mixture of uses in Manhattan Village continues to be maintained. The parking lot has not been redeveloped to date. **Effectiveness:** While the opportunity for a mixture of uses in Manhattan Village remains, future development is market-driven, and there has been no interest expressed in developing the parking lot to date. The program shall continue to extend opportunities for residential and mixed-use development in this area.

Appropriateness: A large portion of the Manhattan Village area was recently redeveloped as part of a \$250 million expansion and renovation of the Manhattan Village Mall expected to be fully completed by the end of 2021. Any potential sites within the Manhattan Village which remain with potential for redevelopment in the 6th Cycle have been included in the new Adequate Sites program and in Appendix E, Sites Analysis and Inventory, of the 6th Cycle Housing Element.

Program 3d. – Ensure that development standards for residential uses in the CD and CNE Districts do not pose unreasonable constraints to housing.

The City will review current development standards and evaluate the feasibility of a Code amendment to eliminate the maximum number of units per lot, 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. The review of development standards will also examine parking requirements for residential and mixed-use developments in commercial districts. 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 1,000 feet. No parking for commercial uses is required at all if the floor area ratio does not exceed 1:1. The same is not permitted for residential uses. In order to facilitate development of residential uses, residential and commercial uses could be treated equally for parking purposes, if the residential units are a small size and the City concludes that it does not burden the District.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: Review development standards and process a Code amendment by December

2014

Objective: Facilitate development of affordable multi-family and mixed use developments

Program 3e. – No Net Loss

To ensure adequate sites are available throughout the planning period to meet the City's RHNA, the City will continue to annually update an inventory that details the amount, type, and size of vacant and underutilized parcels to assist developers in identifying land suitable for residential development and that also details the number of extremely low-, very low-, low-, and moderate-income units constructed annually. If the inventory indicates a shortage of available sites, the City shall rezone sufficient sites to accommodate the City's RHNA.

To ensure sufficient residential capacity is maintained to accommodate the RHNA need, the City will continue to implement project-by-project evaluation pursuant to Government Code Section 65863. Should a development proposal result in a reduction of yield below the residential capacity identified in the sites inventory, the City will identify and zone sufficient sites to ensure no net loss in residential capacity.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: Continue to implement Government Code Section 65863

Objective: Ensure no net loss of housing capacity throughout the planning period.

Progress: Staff is currently evaluating parking regulations in an attempt to "modernize" parking requirements and bring requirements into conformance with current industry standards utilizing ULI and ITE ratios. Staff anticipates parking requirements being updated within the next year. However, the parking requirements being evaluated are focused on non-residential uses. In addition, development standards for residential and mixed-use developments in commercial districts, including in the CD and CNE zones, defer to the RH zones development standards.

Effectiveness: Program shall be carried forward as staff has only seen partial progress on this effort.

Appropriateness: This program will be revised to include the CL zone and to adopt development standards for multifamily residential and mixed-use projects in the three commercial zones (CL, CD, and CNE) permitting mixed-uses.

Progress: As part of the annual reporting process the City continued to monitor site capacity and the net remaining RHNA. No net loss of housing capacity occurred during the planning period, therefore no rezoning of sites stemming from net loss occurred.

Effectiveness: This program is effective and necessary, and required by State law; therefore, it is appropriate to carry forward.

Appropriateness: Continue. Revise as needed to comply with current State law.

Policy 4. Preserve the existing affordable housing stock.

Program 4. – Regulate the conversion of rental housing 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

Progress: Implementation of these regulations continued through the 5th cycle.

Effectiveness: No affordable units were converted to condominiums During the 5th cycle. Program is effective and should continue.

Appropriateness: Revise to focus on replacement requirements for all housing types in accordance with SB 330 (2019).

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 30 years. The City will continue to implement the Density Bonus ordinance in conformance with state law.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: Ongoing implementation of the Density Bonus ordinance.

Objective: Additional affordable housing units commensurate with the City's RHNA

allocation

$\label{program 5b.-Streamline} Program \, 5b. - Streamline \, the \, development \, process \, to \, the \, extent \, feasible.$

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 Chapter 4 regarding governmental constraints, processing time for building permits in the City compares favorably with other nearby jurisdictions. To minimize constraints to multi-family development, projects with up to 5 units are approved by the Director through an Administrative Site Development Permit with no public hearing, and a Site Development Permit approved by the Planning Commission is required for projects with more than 5 units. Both the Administrative SDP

Progress: The City continues to incentivize development of affordable housing by abiding by the local and State density bonus regulations. The density bonus requires updating to attain compliance with current State regulations.

Effectiveness: Two density bonus projects are in the Planning process currently (401 Rosecrans and 1701 Artesia).

Appropriateness: Revise accordingly to comply with current Density Bonus requirements (AB 1763/SB 2263).

Progress: While certain streamlined processes are currently in place, with examples being the Site Development Permits (SDP) and Precise Development Plan (PDP) processes for residential projects in residential zones, other streamlining efforts originally identified in the 5th cycle Housing Element were not codified properly. To date, the SDP and PDP process has not been extended in the Planning and Zoning Code to the CL, CNE, and CD zoning districts as originally intended in Policy 3 of the 5th cycle Housing Element, and mixed-use projects are clearly depicted as a residential use, to which streamlined processes apply per State law.

and the Planning Commission SDP review processes are limited to confirming that the project complies with applicable development standards and does not examine the appropriateness of the use itself.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: Throughout the planning period.

Objective: Streamline the development review process for multi-family development.

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: Continue to facilitate development of manufactured housing as a means of reducing housing cost.

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

This is a continuation and expansion of the Developer Consultation Program included in the 2003 Housing Element. In the past, the City 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 48-unit project contains 540-square-foot units with rents at affordable levels.

A 104-unit senior 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 approved a zoning amendment to allow higher density and reoriented a City recreation facility in order to facilitate development of the project.

Effectiveness: The streamlined permitting option is effective, and the zoning code should be amended to accurately reflect the policies in the Housing Element.

Appropriateness: This program is not appropriate to continue. Revisions to Program 3b will address codifying the approval processes for residential uses in the CL, CNE, and CD zoning districts. Instead, a new program will be included in the 6th Cycle to include SB 35 (2017) streamlining in staff permitting process procedures.

Progress: The Municipal Code continues to accommodate manufactured housing.

Effectiveness: No permits have been requested or granted for this type of residential structure during this planning period. Currently, the City permits Manufactured homes in any Residential district where a single-family detached dwelling is permitted, subject to the same restrictions on density and to the same property development regulations, provided that such manufactured home receives a Certificate of Compatibility.

Appropriateness: Revise to allow manufactured homes in all of the same zone(s) as conventional or stick-built structures are permitted (Gov. Code, § 65852.3), including commercial or mixed-use zones subject to the same development standards that a conventional single-family residential dwelling on the same lot would be subject to with the exception of architectural requirements for roof overhang, roofing material, and siding material (Gov. Code § 65852.3, subd. (a)).

Progress: Planning staff has continued to educate private developers regarding the incentives, opportunities, and streamlined processes available in our Code for the development of projects that include affordable units. Examples include the project at 401 Rosecrans and the project at 1701 Artesia.

Effectiveness: The program is effective in that one density bonus project is currently in review and a second is pending submittal. Carry forward.

Appropriateness: Revise to comply with AB 1483 transparency requirements.

To increase the likelihood of additional affordable housing development during the planning period, the City will take the following actions:

- Assist developers in identifying suitable sites for affordable housing
- Provide fast-track processing
- Provide density bonus, modified development standards and other concessions
- Prioritize funding for projects that include extremely-low-income units
- Reduce development fees if feasible
- Provide administrative assistance with grant funding applications

Responsibility: Community Development Department

Funding: City General Fund

Schedule: Meet with interested affordable housing developers when opportunities arise. **Objective:** Facilitate the production of new affordable units commensurate with the City's

RHNA allocation

Program 5e. – Allow second units in residential areas.

Section 65852.2 of the California Government Code provides for the establishment of second units subject to certain limitations as a means of increasing housing stock. Absent a local ordinance specifying development standards, the provisions of State law apply. The City does not currently have a local ordinance regarding second units, therefore a Code amendment will be processed in conformance with state law.

Responsibility: Community Development Department

Funding: City General Fund

Schedule: Adopt a Second Unit ordinance by December 2014

Objective: Encourage production of second units

Progress: An Interim ADU ordinance was in place through 2020 in accordance with updated State laws. The City's current ADU ordinance and the associated Local Coastal Program (LCP) amendment are currently under review by the California Coastal Commission. The current ADU ordinance contains provisions that go beyond those set forth in State law.

Effectiveness: The program has proven to be effective. In 2017, 2018, and 2019, three ADU permits were issued and constructed. From January 2020 to date, the City has issued 11 permits, and 22 applications are currently under City review.

Appropriateness: Update program to include a quantifiable objective based on recent ADU trends, to continue compliance with current State ADU laws, and to develop a plan to incentive and promote the creation of ADU's that can be offered at affordable rent for very low-, low-, or moderate-income households in accordance with AB 671 (2019).

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

Program 6a. – Continue to participate in Los Angeles County Housing Authority programs, 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.

Progress: The Redondo Beach Housing Authority administers the Section 8 Rental Assistance Program for the City. Currently, there are 5 Section 8 vouchers administered in the City. There are various internet resources dedicated to advertising Section 8 housing units in many jurisdictions. Due to limitations in resources, the City periodically monitors the internet to ensure that dwelling units accepting the Section 8 program are visible.

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.

Objective: Facilitate rent subsidies for very-low- and extremely-low-income residents

through Section 8 vouchers.

Effectiveness: Staff continues to publicize availability of resources when requested. Can continue the program and enhance the City's website with information.

Appropriateness: Update program to include a quantifiable objective and enhance City's website.

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

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

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

Responsibility: Community Development Department

Funding: General fund/CDBG **Schedule:** Ongoing, annual review

Objective: Address 100 percent of fair housing complaints

Progress: The City contracts with the Housing Rights Center and continues to disseminate their contact information when fielding associated complaints. The HRC assisted the following number of residents each fiscal year during the 5th Cycle with discrimination inquiries, and tenant/landlord services related to general housing issues including eviction, L/T General information, lease terms, notices, repairs, security deposits, substandard conditions, and utilities:

- 2014-2015: 14 residents
- 2015-2016: 11 residents
- 2016-2017: 15 residents
- 2017-2018: 14 residents
- 2018-2019: 16 residents
- 2019-2020: 6 residents
- 2020-2021: 12 residents

Total: 88 residents*

Appropriateness: The program is effective and will be revised to support and engage in the Regional Analysis of Impediments to Fair Housing, develop outreach material related to fair housing practices for developers, and creating a procedure that prompts fair housing administration for development decisions.

^{*}See additional details in Appendix D: Affirmatively Furthering Fair Housing. **Effectiveness:** All housing-related complaints are directed to the Housing Rights Center.

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

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

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

Responsibility: California Housing Finance Agency

Funding: State of California

Schedule: On-going

community.

Objective: Preserve 81 affordable senior units

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

The Senior Care Management program provides services to predominantly low-income seniors. This program is operated by a part-time Senior Services Care Manager who is contracted through the Beach Cities Health District and the City of Manhattan Beach Fire Department. At any given time, the Senior Services Program may assist up to 110 senior citizens, of whom 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 "Community Care Services" and other community resources available for older adults; and,

Progress: All 81 affordable units have been preserved during this planning period.

Effectiveness: The program is effective, as we have experienced zero loss of affordable units, and shall continue.

Appropriateness: While the project's affordability agreement with the City does not expire, the program will be revised to include that the City should make contact with the owners of the Manhattan Village Senior Villas and continue to monitor and enforce affordability throughout the planning period.

Progress: The City continues to contract with Beach Cities Health District for Care Management needs. https://www.bchd.org/home-services-care-management

Additionally, the Parks and Recreation Department has a full-time Older Adults Program Supervisor, as well as support staff, that provides these services and numerous programs to seniors. https://www.manhattanbeach.gov/departments/parks-and-recreation/older-adults-program

In 2020 the City re-focused its efforts on ensuring that vulnerable seniors were connected with assistance in receiving essential items by establishing a senior hotline. From April 2020 through May 2021 there were 1,009 callers to the senior hotline. The callers received information and referral, and many were connected to the volunteers with our community partners like CERT, Rotary and BCHD for help with the delivery of essential items like groceries, household items and prescriptions. The City also offers Dial a Ride services. Although Dial a Ride services were limited during 2020-2021 there are 1,211 Dial a Ride riders.

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.

Responsibility: Fire Department/Senior Services Care Manager Funding: General Fund/Beach Cities Health District/CDBG Funds Schedule: On-going; add shared housing program in 2014 Objective: Maintain part-time Senior Services Care Manager

Program 7d. – Reasonable accommodation for persons with disabilities.

Pursuant to SB 520, the City will continue to implement the Municipal Code procedures for reviewing and approving requests for reasonable accommodation in housing from persons with disabilities and monitor the results of the program as part of the annual General Plan report.

Responsibility: Community Development Department

Funding: General Fund

Schedule: Throughout the planning period

Objective: Continue to implement procedures for ensuring reasonable accommodation

Program 7e. – Emergency shelters and transitional/supportive housing.

The Zoning Code allows emergency shelters "by-right" subject to appropriate development standards consistent with SB 2 in the Public & Semi-Public (PS) and Industrial Park (IP) zones. These zones include vacant and underutilized parcels that could support emergency shelters. Sites in this zone also have good access to transit and other services.

Transitional housing is defined in *Health and Safety Code* Section 50675.2 as rental housing for stays of at least six months but where the units are re-circulated to another program recipient after a set period. Transitional housing may be designated for a homeless individual or family transitioning to permanent housing. Transitional housing that is group housing for six or fewer persons is permitted by-right as a regular residential use where residential use is permitted. Transitional housing that is group housing for seven or more persons is conditionally permitted as residential care facilities in RM and RH zones. Transitional housing not configured as group housing as described above is permitted as a residential use subject to the same permitting processes and requirements as other similar housing types in the same zones.

Effectiveness: This program is effective and should be continued. The seniors of the community regularly rely on these resources for services and programming.

Appropriateness: The program remains appropriate and will be continued with revision to the funding sources.

Progress: The City continues to implement Reasonable Accommodation policies and has received and approved one request during this planning period.

Effectiveness: The program is effective and should be continued. **Appropriateness:** Program will be revised to remove any potential constraints related to the approvals process in the City's Reasonable Accommodation Ordinance.

Progress: The Zoning Code includes provisions for emergency shelters and transitional/supportive housing. No emergency shelter or transitional/supportive housing applications were submitted during this planning period.

Effectiveness: City should continue to facilitate the program and make these options available in the event that an application is submitted.

Appropriateness: Revise to comply with current State law, including adding Low Barrier Navigation Center requirements.

Supportive housing is permanent housing with an on- or off-site service component. Supportive housing that is group housing for six or fewer persons is permitted by-right as a regular residential use where residential use is permitted. Supportive housing that is group housing for seven or more persons is conditionally permitted as residential care facilities in RM and RH zones. Supportive housing not configured as group housing is permitted as a residential use subject to the same permitting processes and requirements as other similar housing types in the same zones.

Responsibility: Community Development Department

Funding: General Fund

Schedule: Throughout the planning period

Objective: Continue to facilitate the provision of emergency shelters, transitional and supportive housing in compliance with SB 2. Program results will be monitored as part of

the annual General Plan Progress report.

Goal 3. Provide a safe and healthy living environment for City residents.

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

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

The City has an active Code enforcement program that 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.

Responsibility: Community Development Department

Funding: General Fund Schedule: On-going

Objective: Respond to 100 percent of reports of substandard units

Progress: The City continued to investigate 100% of reports of code violations and substandard housing. Residential Building Records reports continue to be required with each property sale.

Effectiveness: Both components of this program are effective and shall be continued.

Appropriateness: Continue and incorporate Code Enforcement's efforts related to substandard housing conditions, and related resources for residents related to attenuation of those issues.

Goal 4. Encourage the conservation of energy in housing.

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 that 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.

Progress: Solar permits are subsidized by the City. The current permit fee for solar panels is \$100.00. During this planning period, the City has issued over 800 solar permits.

Effectiveness: The program is effective and should be continued. **Appropriateness:** Continue, program remains appropriate.

Since 2008, in order to encourage use of alternate energy the City has waived any building

fees for photovoltaic panels.

Responsibility: Community Development Department

Funding: General Fund Schedule: On-going

Objective: Process permits for new solar panels at no cost.

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 continues to review more intensive measures to be included in buildings for LEED certification. The City reviews standards through the Environmental Task Force and will continue to review and update its codes as updates become available.

Responsibility: Community Development Department

Funding: General Fund Schedule: On-going

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 address landscaping, tree preservation, tree planting, and drought-tolerant landscaping. City codes provide for waterless urinals. Similar to solar panels, inspection and permit fees for installation of such urinals should be waived, when they are used to replace older, water-wasting urinals.

Responsibility: Community Development Department

Funding: General Fund Schedule: On-going

Objective: Reduced water consumption

Progress: The City continues to implement this program. In 2019, the City adopted the 2019 California Green Building Standards Code and the 2019 California Energy Code, which continue to be in effect through today. Furthermore, the City Council has expressed interest in pursuing green building techniques above and beyond State requirements, a task currently being undertaken by the City's Sustainability Division.

Effectiveness: 100% of projects are required to comply with the adopted Codes. The City is preparing to update the codes in the next two years in accordance with anticipated State Code updates.

Appropriateness: Continue, program remains appropriate.

Progress: Water conservation requirements apply to 100% of projects that the City approves. Water conservation requirements are built into Title 9, via the Green Building Code, and Title 10 via State WELO requirements.

Effectiveness: The program is effective and should be continued. The City anticipates State Green Building Codes being updated in the next two years, at which point the City will also update updated regulations.

Appropriateness: Continue, program remains appropriate.

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.

Responsibility: Community Development Department

Funding: General Fund **Schedule:** On-going.

Objective: Continue to encourage mixed use projects

Progress: Mixed-use continues to be allowed in various zoning districts within the City. General Plan Land Use element policies regarding mixed-use continue to encourage this type of development.

Effectiveness: Three mixed-use projects have been approved during the planning period. However, this program does not have a quantifiable objective. Instead the City will commit to increasing opportunities for mixed-use development through the Adequate Sites program and by clarifying and creating multifamily and mixed-use streamlined permitting procedures and development standards.

Appropriateness: The program will be replaced with an Adequate Sites program to increase the opportunities in the City for mixed-use and multifamily development in the mixed-use zones (CL, CD, CNE).

The California Department of Housing and Community Development identifies the total number of homes for which each region in California must plan in order to meet the housing needs of people at all income levels for each planning period. Every local government is allocated a portion of the region's housing needs, or RHNA, by their associate of governments. The City's RHNA for the 5th Cycle planning period and the City's progress in achieving the housing need's objectives is provided in **Table 2**.

Table 2. Progress in Achieving Objectives for 5th Cycle RHNA (2014-2021)		
Program Category	5 th Cycle RHNA	Progress 2013-2020
New Construction*		
Extremely Low	5	-
Very Low	5	-
Low	6	-
Moderate	7	-
Above Moderate	15	419
Total	38	419

*Quantified objective and progress for new construction reflect the 2013-2021 period, consistent with the previous RHNA cycle, through December 2020

2.1 Review of Programs Addressing the Housing Needs for the Population with Special Needs

The City's 5th Cycle Housing Element included several programs to directly address housing for those with special needs and many programs which indirectly support housing for those with special needs.

Program 2b of the 5th Cycle directly supported older adults and those with disabilities in the community. Program 2b was specifically focused on securing and utilizing CDBG funds or exchange funds for home improvement loans for low-income residents. While it was not directly successful in achieving the objective tied to home improvement loans, the program was very successful in utilizing CBDG funds to fund improvements for older adults and people with disabilities. The City used its CBDG allocation to fund infrastructure improvements, specifically installation of Americans with Disability Act (ADA)-compliant curb ramps throughout various City intersections. Most recently, CDBG funds were allocated to support the installation of an ADA-compliant concrete pathway, perimeter railing, directional signage, an ADA-compliant curb ramp and gutter to create unobstructed paths of travel and accessibility for older adults and residents with disabilities to Manhattan Senior Village Villas.

The City recognizes that many existing non-governmental constraints, such as the small parcel sizes and built-out nature of the City, may act as a barrier to development for housing needed to serve the population with special needs. However, the City implemented several programs from the 5th Cycle Housing Element which were successful in mitigating barriers and helping to address the housing needs of the populations with special needs. Specifically, through implementation of Program 5a – Provide incentives for housing affordable to low-income households and senior housing, the City continued to incentivize development of affordable housing by abiding by the local and State density bonus

regulations. Additionally, through the lot consolidation incentive through Program 3b – Facilitate multifamily residential development in the CL, CD, and CNE commercial districts, the City provided an additional density bonus incentive under Section 10.12.030 of the MBMC above and beyond what is permitted under State law in exchange for lot consolidation. Currently one density bonus project is in review and a second is pending submittal, including several very low-income units; therefore, helping to increase housing opportunities for some of the households who may be most vulnerable to facing worst case needs¹.

In addition, several programs, including Program 5b — Streamline the development process to the extent feasible, aimed to provide a streamlined approval process as a means of facilitating a variety of housing types which may be suitable for people with special needs. The programs were effective in providing a streamlined approval process for residential projects that qualify for a density bonus under State density bonus law, further incentivizing housing for those with special needs, including older adults, extremely low-income households, and lower-income students. While not all components of the programs were fully implemented, the City is carrying forward several of those components and committing to implement them during the 6th Cycle.

The City's 5th Cycle Housing Element also included several programs to allow for a variety of housing types which can provide housing opportunities for those with special needs including Program 5c – Allow the establishment of manufactured housing on single-family residential lots, Program 5e – Allow second units in residential areas, and Program 7e – Emergency shelters and transitional/supportive housing. In particular, Program 5e included a Zoning Code amendment to adopt a local ADU ordinance. ADUs can provide opportunities for those with special needs, such as older adults or people with disabilities, including developmental disabilities, by creating housing that is in an independent setting while still allowing for support from caregivers who reside on the same lot. The program has proven to be very effective. While three ADU permits were issued and constructed between 2017 and 2019, from January 2020 to date (October 2021), the City issued 11 permits, and 22 applications are currently under City review.

Other programs from the 5th Cycle that were effective in providing direct and/or indirect support for those with special needs include:

- Program 6a Continue to participate in Los Angeles County Housing Authority programs, and
 publicize availability of Section 8 rental assistance for households in the City, which supports very
 low-income families, older adults, and those with disabilities by providing financial support to
 assist with rent payments.
- Program 7a Continue to participate in area-wide programs to ensure fair housing. Through this program the City continued to contract with the Housing Rights Center (HRC) providing residents, including people who have special needs, support with fair housing related issues. The HRC assisted residents with discrimination inquiries, and tenant/landlord services related to general housing issues including eviction, L/T General information, lease terms, notices, repairs, security deposits, substandard conditions, and utilities. The program was effective, but will be revised to

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¹ The United States Department of Housing and Urban Development defines households with worst case needs as very low-income renters who do not receive government housing assistance and who pay more than 50 percent of their income for rent, live in severely inadequate conditions, or both.

- play a more active role in affirmatively furthering fair housing through the support and engagement in the Regional Analysis of Impediments to Fair Housing, development of outreach material related to fair housing practices for developers, and the creation of a procedure that prompts fair housing administration for development decisions.
- Program 7b Provide for the housing needs of seniors. Program 7b was effective in preserving 81 affordable units for very low-, low-, moderate-, and older adults with disabilities.
 In addition, the City recently approved an assisted living project for older adults consisting of 95 rooms (115 total beds), a facility kitchen, and common areas. The project will include 64 assisted living rooms and 31 memory care rooms for Alzheimer's patients and individuals with memory loss.
- Program 7c Provide for the special needs of seniors so that they may remain in the community. Program 7c extremely effective in serving thousands of older adults through a variety of support services, programs, and classes.
- Program 7d Reasonable accommodation for persons with disabilities. This program was
 effective as the City continues to implement Reasonable Accommodation policies and will be
 further evaluated in 6th Cycle to remove any potential constraints that may still exist.
- Program 8a. Continue the active code enforcement program for illegal and substandard units.
 Program 8a addressed reports of possible code enforcement violations from residents, and
 through referrals to the County of Los Angeles Environmental Health Division, addressed rental
 housing enforcement conditions/inspections for reports of possible substandard housing
 conditions. This program was effective in providing services to renters which may often be
 residents with special needs.

In addition, while not included as a 5th Cycle Housing program, in 2017, the County passed Measure H, which created significant new resources to address homelessness, including providing to local jurisdictions the opportunity to apply for City Homelessness Plan Implementation Grants. In October 2017, a total of 47 cities were awarded grants, including the City of Manhattan Beach. The City intended to use its \$330,666 grant to coordinate with other jurisdictions, including the County, local stakeholders, and neighboring cities, to address homelessness in the community. The City recognized this would only be accomplished through an active constituency working together, including government, businesses, and the faith community, to tackle the causes of homelessness, and implement solutions.

In August 2018, the City Council adopted the City's Five-Year Plan to Address Homelessness in Our Community, and appointed a Homelessness Task Force. The plan, available on its website, contains goals aligned with the City's and County's objectives to address homelessness. The plan also contains an outline of collaborative opportunities, and demonstrates a correlation between the City's efforts and the County's Homeless Initiative Strategies. In November 2018, at the recommendation of the Homelessness Task Force, the City submitted a multi-jurisdictional proposal with the Cities of Redondo Beach and Hermosa Beach (all three collectively referred to as "South Bay Beach Cities") to the County for outreach and education, coordination of regional efforts to address homelessness, and housing navigation services. In April 2019, the Los Angeles County Homeless Initiative announced the award of Measure H grant funding to the South Bay Beach Cities totaling \$330,665 toward homeless coordination, training, and housing navigation services.

In September 2019, the City, along with regional partners the Cities of Redondo Beach and Hermosa Beach, solicited proposals from qualified homeless service providers. Subsequently, the City Council awarded a subcontract to Harbor Interfaith Services to provide three full-time-equivalent positions to assist individuals and families experiencing homelessness in the South Bay Beach Cities. Harbor Interfaith Services was established in 1987 and provides a variety of services to individuals and families, including a 90-day emergency shelter, 18-month transitional housing program, and a Family Resources Center. The City continues to provide information regarding services available for those experiencing homelessness on its website via its Homeless Resource Guide.

New programs identified in the 6th Cycle Housing Element will continue striving to specifically address housing needs and concerns of residents with special needs.

Appendix B: Needs Assessment

Table of Contents

Н	ousing	Needs Assessment	1		
1	Ove	rview	1		
2	Data	ata Sources			
3	Рор	ulation Characteristics	6		
	3.1	Population Growth Trends	6		
	3.2	Age	7		
	3.3	Race and Ethnicity	7		
	3.4	Employment	8		
	3.5	Projected Job Growth	<u>c</u>		
4	Hou	sehold Characteristics	11		
	4.1	Household Composition and Size	11		
	4.2	Housing Tenure	12		
	4.3	Overcrowding	13		
	4.4	Household Income and Extremely Low-Income Households	13		
	4.5	Overpayment	15		
5	Hou	sing Stock Characteristics	16		
	5.1	Housing Type and Growth Trends	16		
	5.2	Housing Age and Conditions	17		
	5.3	Housing Costs and Rents	18		
	5.4	Housing Price Trends	18		
6	Spe	cial Needs Populations	19		
	6.1	Persons with Physical and Developmental Disabilities	19		
	6.2	Households Headed by Older Adults	21		
	6.3	Large Families and Households	22		
	6.4	Single Female- and Male-Headed Households	23		
	6.5	Farm Workers/Employee Housing	23		
	6.6	People Experiencing Homelessness	24		
7	Assi	sted Housing at Risk of Conversion	26		
8	Low	r- and Moderate-Income Housing in the Coastal Zone	27		

Figures

Figure 1. Regional Map	3
Figure 2. Planning Areas	4
Tables	
Tables	
Table 1. Regional Population Trends (2000, 2010, 2020)	6
Table 2. Population Trends (2000–2021)	6
Table 3. Population Age Groups (2019)	7
Table 4. Race/Ethnicity (2019)	8
Table 5. Employment by Occupation (2019)	8
Table 6. Labor Force (2019)	9
Table 7. Projected Employment Growth (2018–2028)	9
Table 8. City Resident's Workplace Location (2019)	10
Table 9. Household Composition (2019)	11
Table 10. Household Tenure (2019)	12
Table 11. Overcrowding (2019)	13
Table 12. Median Household Income (2019)	14
Table 13. Annual Income Limits for Los Angeles–Long Beach–Glendale Metro Fair Market Rent Area	
(2020)	
Table 14. Overpayment by Tenure (2017)	15
Table 15. Percent Income Spent on Rent (2021)	
Table 16. Fair Market Rent Summary Los Angeles–Long Beach HUD Metro Fair Market Rent Area (202	•
Table 17. Housing by Type (2012 and 2021)	
Table 18. Age of Housing Stock (2019)	
Table 19. Affordable Rental Housing Costs (2021)	
Table 20. Value of Owner-Occupied Housing Units (2019)	
Table 21. Persons with Disabilities by Age (2019)	
Table 22. Older Adult Households by Tenure (2019)	
Table 23. Household Size by Tenure (2019)	
Table 24. Household Type By Tenure (2019)	
Table 25. Emergency and Supportive Housing Resources	25

Acronyms and Abbreviations

Acronym/Abbreviation	Definition
ACS	American Community Survey
AMI	area median income
City	City of Manhattan Beach
County	County of Los Angeles
HCD	California Department of Housing and Community Development
HUD	Department of Housing and Urban Development
LAHSA	Los Angeles Homeless Services Authority

Housing Needs Assessment

The Housing Needs Assessment examines general population and household characteristics and trends, such as age, race and ethnicity, employment, household composition and size, household income, and special needs. Characteristics of the existing housing stock (e.g., number of units and type, tenure, age and condition, cost) are also addressed. Finally, the projected housing growth needs for the City of Manhattan Beach (City) based on the 2021–2029 Regional Housing Needs Allocation are examined.

The Housing Needs Assessment uses the most recent available data from the U.S. Census, California Department of Finance, California Employment Development Department, Southern California Association of Governments, and other relevant sources. Supplemental data was obtained through field surveys.

1 Overview

Manhattan Beach is located within the southwestern coastal portion of Los Angeles County in what is commonly referred to locally as the "South Bay" (**Figure 1, Regional Map**). To the north is the City of El Segundo, to the east is Redondo Beach and the City of Hawthorne, to the south is Hermosa Beach, and to the west is the Pacific Ocean. The City has a total land area of 2,483 acres (3.88 square miles).

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

- Beach Area. This area contains most of the City's multi-family rental housing. Lots in this area are small, with generally less than 3,000 square feet, and parking for residents and visitors is in short supply. The General Plan calls for the maintenance and enhancement of the "Village" atmosphere within the downtown commercial district. The City's goal is to promote the preservation of the small specialty retail and service activities that serve both visitors to the beach and local residents while also encouraging mixed-used residential/commercial development.
- Hill Section. This area consists primarily of single-family residential development, with commercial and higher-density residential development limited to Sepulveda Boulevard and Manhattan Beach Boulevard. Higher-density, multi-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. 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 multi-family residential development. Manhattan Village includes a substantial amount of regional commercial and office development, as well as a significant number of condominium units.

- Tree Section. This portion of the City is located east of Grandview Avenue and northwest of Valley Drive. A small portion of the area adjacent to Sepulveda Boulevard is designated for commercial uses.
- **El Porto.** This area was formerly the unincorporated community of El Porto and is located north of 38th Street between the ocean and the City of El Segundo. The area is developed with a mix of residential and commercial uses. El Porto has the highest residential development intensities found in the City. The General Plan protects the mix of multi-family and commercial development presently existing in this area.



PC MTG 12-08-2021



2 Data Sources

Various sources of information were consulted in preparing this Housing Needs Assessment for the General Plan Housing Element. The 2010 Census provides the basis for population and household characteristics. The following sources of information were used to supplement and update information contained in the 2000 and 2010 Census data:

- California Department of Finance's 2010–2021 E-5 Population and Housing Estimates for Cities, Counties, and the State, 2021
- Department of Housing and Urban Development (HUD) Comprehensive Housing Affordability Strategy, 2013–2017
- California Department of Housing and Community Development (HCD) State Income Limits for 2021
- U.S. Census Bureau (Census) American Community Survey (ACS), 5-Year Estimates, 2019
- California Employment Development Department's Long-Term Occupational Employment Projections, 2021
- U.S. Bureau of Labor Statistics Standard Occupation Classification, 2020
- Los Angeles Homeless Services Authority (LAHSA) 2016–2020 Homeless Count Data by Community/City
- California Department of Developmental Services' Quarterly Consumer Report, 2020
- California Department of Industrial Relations Minimum Wage, 2020
- HUD Fiscal Year 2000–2020 Fair Market Rents, 2020
- HUD Fiscal Year 2020 Income Limits Summary, 2020
- Southern California Association of Governments' Pre-Certified Local Housing Data for the City of Manhattan Beach, 2020
 - Southern California Association of Governments' Adopted Growth Forecast, 2020

3 Population Characteristics

Housing needs are primarily influenced by population and employment trends. This section provides a summary of the changes to the population size and age and racial/ethnic composition of the City.

3.1 Population Growth Trends

Manhattan Beach is one of 88 cities in Los Angeles County, the most populous county in the Southern California Association of Governments' region. From 2000 to 2021, the population of Los Angeles County (County) increased by approximately 7%. **Table 1, Regional Population Trends (2000, 2010, 2020)**, provides a summary of population trends for counties in Southern California and their respective populations over the last two decades.

Table 1. Regional Population Trends (2000, 2010, 2020)					
County	2000	2010	2020		
Imperial County	142,361	174,528	188,777		
Los Angeles County	9,519,338	9,818,605	10,172,951		
Orange County	2,846,289	3,010,232	3,194,332		
Riverside County	1,545,387	2,189,641	2,442,304		
San Bernardino County	1,709,434	2,035,210	2,180,537		
San Diego County	2,813,833	3,095,313	3,343,355		
Ventura County	753,197	823,318	842,886		
Source: U.S. Census 1990 STF 1, 2000 SF	1, 2010 SF 1; CA DOF 2020				

Manhattan Beach had a population of 35,058 in 2021. Manhattan Beach grew very slowly during the 2000s, having grown less than 4% from 2000 to 2010. Most of the growth that has recently occurred has consisted of density increases on existing parcels through demolition and replacement of existing homes. From 2010 to 2021, the City's population remained stable, but with a slight decrease by about 0.22%. This is in contrast with the County, which grew by 3.14% between 2000 and 2010, and an additional 2.3% from 2010 to 2021 (see **Table 2, Population Trends (2000–2021)**). As an essentially built-out city, there continues to be few opportunities for growth, except through redevelopment/infill on existing parcels.

Table 2. Population Trends (2000–2021)							
2000 2010 2020 Growth Growth 2000–2010 2010–202							
Manhattan Beach	33,852	35,135	35,058	3.8%	(0.22%)		
Los Angeles County	9,519,338	9,818,605	10,172,951	3.14%	2.3%		
Source: CA DOF Table E-5, 2021							

3.2 Age

One of the more significant indicators of future potential population growth trends is a population's age characteristics. **Table 3, Population Age Groups (2019)**, summarize the age characteristics for key age groups of the City's population in 2019, based off ACS Census data. Manhattan Beach has a relatively older population compared the rest of the County. The largest portion of residents in Manhattan Beach are adults between 45 and 54 years of age (17%), but the number of older adults (65 years and older) is only slightly lower, at 16% of the population. The higher percentage of older adults is an important consideration for housing needs, as discussed in more detail in Section 6, Special Needs Populations.

Housing needs are influenced by the age characteristics of the population. Different age groups have different housing needs based on lifestyles, family types, income levels, and housing preference. Table 3 shows that the age distribution of the City's population is older than the County as a whole, with Manhattan Beach's population having a median age (44 years old) about 8 years older than Los Angeles County. An older population has implications regarding the type and size of future housing needs, as well as accessibility.

Table 3. Population Age Groups (2019)					
Ago Group	Manhattan B	each	Los Ange	les County	
Age Group	Persons	Percent	Persons	Percent	
Under 5 years	2,107	5.9%	611,485	6.1%	
5 to 9 years	2,605	7.3%	596,485	5.9%	
10 to 14 years	2,906	8.2%	627,199	6.2%	
15 to 19 years	2,353	6.6%	641,814	6.4%	
20 to 24 years	827	2.3%	717,692	7.1%	
25 to 34 years	2,761	7.8%	1,623,246	16.1%	
35 to 44 years	4,904	13.8%	1,379,814	13.7%	
45 to 54 years	6,124	17.3%	1,355,625	13.4%	
55 to 59 years	2,591	7.3%	629,508	6.2%	
60 to 64 years	2,312	6.5%	562,724	5.6%	
65 to 74 years	3,260	9.2%	758,833	7.5%	
75 to 84 years	2,053	5.8%	393,364	3.9%	
85 years and over	697	2.0%	183,781	1.8%	
Total	35,500	100%	10,081,570	100%	
Median age	44		36.5		
Source: ACS DP05 5YR Estimates,	2019				

3.3 Race and Ethnicity

According to ACS Census estimates, the majority of Manhattan Beach residents identified as White, Not Hispanic or Latino, at 73%. Residents who identify as Asian alone account for 13% of the population, and Hispanic or Latino (any race) account for 8% of the population. The racial and ethnic composition of the City differs from the County in that a lower proportion of City residents are Hispanic/Latino or other racial minorities; see **Table 4**, **Race/Ethnicity (2019)**.

Table 4. Race/Ethnicity (2019)						
Pagial/Ethnia Group	Manhatta	n Beach	Los Angeles	Los Angeles County		
Racial/Ethnic Group	Persons Percent		Persons	Percent		
Not Hispanic or Latino	32,662	92.00%	5,193,136	51.50%		
White alone	26,018	73.30%	2,641,770	26.20%		
Black or African American alone	155	0.40%	790,252	7.80%		
American Indian and Alaska Native alone	64	0.20%	20,831	0.20%		
Asian alone	4,763	13.40%	1,454,769	14.40%		
Native Hawaiian and Other Pacific Islander alone	34	0.10%	24,597	0.20%		
Some other race alone	47	0.10%	32,413	0.30%		
Two or more races	1,581	4.50%	228,504	2.30%		
Hispanic or Latino (any race)	2,838	8.00%	4,888,434	48.5%		
Total	35,500	100%	10,081,570	100%		
Source: ACS DP05 5YR Estimates, 2019						

3.4 Employment

Housing needs are also influenced by employment characteristics. Significant employment opportunities within a city can increase demand for housing in proximity to jobs. **Table 5, Employment by Occupation (2019)**, shows that Manhattan Beach has 17,006 workers living within its borders who work across five major industrial sectors. In 2019, the largest industry to employ residents of Manhattan Beach was the Management, Business, Science, and Arts occupations industries, accounting for 69.8% of the labor force (see **Table 6, Labor Force (2019)**).

Employment is an important factor affecting housing needs within a community. The jobs available in each employment sector and the wages for these jobs affect the type and size of housing residents can afford. Employment and projected job growth have a significant influence on housing needs during this planning period.

Table 5. Employment by Occupation (2019)			
Occupation	Manhatta	n Beach	
Оссирации	Persons	Percent	
Civilian employed population 16 years and over	16,138	100%	
Management, business, science, and arts occupations	11,266	69.80%	
Service occupations	747	4.60%	
Sales and office occupations	3,380	20.90%	
Natural resources, construction, and maintenance occupations	285	1.80%	
Production, transportation, and material moving occupations	460	2.90%	
Source: ACS DP03 5YR Estimates, 2019	•	•	

Table 6. Labor Force (2019)					
Labor Force Status	Manhattan	Beach	Los Angeles	County	
Labor Force Status	Persons	Percent	Persons	Percent	
Population 16 years and over	27,331	100.0%	8,123,894	100.0%	
In labor force	17,006	62.2%	5,253,694	64.7%	
Civilian labor force	16,999	62.2%	5,249,298	64.7%	
Employed	16,138	59.0%	4,929,863	60.7%	
Unemployed	861	3.2%	319,435	3.9%	
Armed Forces	7	0.0%	4,396	0.1%	
Not in labor force	10,325	37.8%	2,870,200	35.3%	
Source: ACS DP03 5YR Estimates, 2019				•	

3.5 Projected Job Growth

Table 7, Projected Employment Growth (2018–2028), shows projected employment growth by industry for Los Angeles County for the period 2018–2028. The greatest number of new jobs projected to be produced in the County over this 10-year period is expected to be in Personal Care and Service, Healthcare Practitioners and Support, Community and Social Service, Life/Physical/Social Sciences, Community and Social Services, and Food Preparation and Serving Related. According to recent Census data, about 93% of employed Manhattan Beach residents worked in the County, and 23% of all workers were employed within the City limits (see **Table 8, City Resident's Workplace Location (2019)**).

	Table 7. Projected Employment Growth (2018–2028)				
SOC Code*	Standard Occupation Classification	Annual Average Employment		Employment Change	
	Occupation Profiles – Major Groups	2018	2028	Numerical	Percent
00-0000	All Occupations	4,842,300	5,269,800	427,500	8.8%
11-0000	Management	903,800	994,880	91,080	10.1%
13-0000	Business and Financial Operations	865,100	937,690	72,590	8.4%
15-0000	Computer and Mathematical	363,790	408,300	44,510	12.2%
17-0000	Architecture and Engineering	217,960	228,810	10,850	5.0%
19-0000	Life, Physical, and Social Science (scientists)	112,640	128,900	16,260	14.4%
21-0000	Community and Social Service (e.g., counselors, therapists, social workers, clergy)	275,070	319,800	44,730	16.3%
23-0000	Legal	166,140	182,530	16,390	9.9%
25-0000	Educational Instruction and Library	825,950	905,060	690	0.08%
27-0000	Arts, Design, Entertainment, Sports, and Media	644,050	692,130	48,080	7.5%
29-0000	Healthcare Practitioners and Technical	681,610	783,130	101,520	14.9%
31-0000	Healthcare Support	314,750	369,620	54,870	17.4%

	Table 7. Projected Employ	yment Grov	vth (2018–20	28)		
SOC Code*	Standard Occupation Classification		Annual Average Employment		Employment Change	
	Occupation Profiles – Major Groups	2018	2028	Numerical	Percent	
33-0000	Protective Service (e.g., first responders, security guards, animal control)	339,620	372,060	31,440	9.3%	
35-0000	Food Preparation and Serving Related	1,266,930	1,457,820	190,890	15.1%	
37-0000	Building and Grounds Cleaning and Maintenance	401,140	431,450	30,310	7.6%	
39-0000	Personal Care and Service (e.g., entertainment, amusement, animal care, beauty/nail salons, barbers)	1,033,020	1,364,300	331,280	32.1%	
41-0000	Sales and Related	1,353,930	1,391,030	37,100	2.7%	
43-0000	Office and Administrative Support	2,119,180	2,101,620	-17,560	-0.83%	
45-0000	Farming, Fishing, and Forestry	16,720	15,130	-1,590	-9.5%	
47-0000	Construction and Extraction	423,990	472,980	48,990	11.5%	
49-0000	Installation, Maintenance, and Repair (e.g., electronics, telecommunications, vehicles, solar/wind)	393,540	407,560	14,020	3.6%	
51-0000	Production (e.g., manufacturing, food processing, assembly, machinists)	712,800	646,310	-66,490	-9.3%	
53-0000	Transportation and Material Moving	1,026,800	1,120,840	94,040	9.2%	

 $Source: California\ Employment\ Development\ Department,\ Long-Term\ Occupational\ Employment\ Projections,\ 2021$

^{*} Standard Occupation Classification – U.S. Bureau of Labor Statistics, 2020

Table 8. City Resident's Workplace Location (2019)				
Workplace Location	Percent			
Worked in state of residence	98.80%			
Worked in county of residence	93.90%			
Worked in place of residence	22.70%			
Worked outside county of residence	4.90%			
Worked outside state of residence	1.20%			
Source: ACS S0801 5YR Estimates, 2019				

4 Household Characteristics

Housing needs in Manhattan Beach are primarily influenced by population and employment trends. This section provides a summary of the changes to the population size and age, and racial/ethnic composition of the City.

4.1 Household Composition and Size

Household characteristics are important indicators of the type and size of housing needed in a city. The Census defines a "household" as all persons occupying a housing unit, which may include single persons living alone, families related through marriage or blood, or unrelated persons sharing a single unit. Persons in group quarters, such as dormitories, retirement or convalescent homes, or other group living situations, are included in population totals, but are not considered households.

Manhattan Beach had 13,427 households, as estimated by the ACS in 2019. **Table 9, Household Composition (2019)**, provides a comparison of households by type for the City and the County as a whole. Family households in 2019 comprised approximately 71% of all households in the City, 5% more than the County. The City's average household size is lower than the County as a whole (2.64 persons per household vs. 2.96 persons per household for Los Angeles County). These statistics suggest that there is less need for large units in Manhattan Beach than in other areas of the County.

Table 9. Household Composition (2019)					
	Manha	ttan Beach	Los Angeles County		
Household Type	Households	Percent of Total Households	Households	Percent of Total Households	
Family Households	9,581	71.3%	2,204,715	66.2%	
-Husband-wife family	7,931	59.1%	1,488,600	44.7%	
–With own children under 18 years	3,858	28.7%	610,365	18.3%	
-Male householder, no wife present	759	5.6%	234,179	7.0%	
–With own children under 18 years	348	2.6%	85,613	2.6%	
-Female householder, no husband present	891	6.6%	481,936	14.5%	
–With own children under 18 years	430	3.2%	196,097	5.9%	
Non-Family Households:	3,846	28.6%	1,123,683	33.8%	
–Householder living alone	3,034*	78.9%*	449,473*	40%*	
Households with Individuals Under 18 Years	4,766	35.5%	1,051,774	31.6%	
Households with Individuals 65 Years and Over	5,411	40.3%	1,328,031	39.9%	
Total Households	13,427	100.0%	3,328,398	100.0%	
Average Household Size	2.64		2.96		
Source: ACS S1101 5YR Estimates, 2019					

^{*} Of total non-family households.

4.2 Housing Tenure

Housing tenure (owner vs. renter) is an important indicator of the housing market. Communities strive to have an adequate supply of units available both for rent and for sale to accommodate a range of households with varying incomes, family sizes and composition, and lifestyles. **Table 10**, **Household Tenure (2019)**, provides a comparison of the number of owner-occupied and renter-occupied units in the City in 2019 as compared to the County as a whole. Table 10 reveals a higher level of home ownership in the City, which is approximately 24 percentage points higher than the County.

Vacancy rates are an indicator of housing supply and demand. Low vacancy rates indicate greater upward price pressures and a higher rate indicates downward price pressure. In general, an optimal vacancy rate is 2% for owner-occupied housing and 4% to 6% for rental units in a mature community, which indicates a stable housing market. This level of vacancy is assumed to ensure sufficient residential mobility and housing choice while providing adequate financial incentive for rental owners and owners living in their home to maintain and repair their homes. In 2010, the vacancy rate in the City was about 1.7%, which is considered unstable.

Table 10. Household Tenure (2019)					
Housing Type	Manhattan Beach		Los Angeles County		
Housing Type	Units	Percent	Units	Percent	
Occupied Housing Units	13,427	89.40%	3,316,795	93.60%	
Owner-occupied housing units	9,344	69.60%	1,519,516	45.80%	
Average household size of owner-occupied units	2.81	_	3.17	_	
Renter-occupied housing units	4,083	30.40%	1,797,279	54.20%	
Average household size of renter-occupied units	2.26	_	2.83	_	
Vacant Housing Units	1,593	10.60%	226,005	6.40%	
For rent	172	1.1%	63,242	1.8%	
Rented, not occupied	86	0.57%	17,027	0.5%	
For sale only	165	1.1%	16,209	0.46%	
Sold, not occupied	274	1.8%	10,203	0.3%	
For seasonal, recreational, or occasional use	640	4.3%	32,192	0.91%	
All other vacant units	256	1.7%	87,132	2.5%	
Homeowner vacancy rate	_	1.7%	_	1.0%	
Rental vacancy rate		4%	_	3.4%	
Total Housing Units	15,020	100%	3,542,800	100%	
Sources: ACS DP04 5YR Estimates, 2019/A	CS B25004 5YR Estimat	tes, 2019			

4.3 Overcrowding

Overcrowded housing units may be an indicator of potential housing problems. When a housing unit is occupied by a large number of persons, housing unit deterioration may be accelerated. According to the U.S. Census definition, a unit with more than one person per room is considered to be overcrowded, and housing units containing 1.5 persons or more per room are considered to be severely overcrowded. In this definition, "rooms" include living rooms, dining rooms, and bedrooms, but does not include the kitchen or bathrooms. Although some families with low incomes may willingly opt for overcrowded living arrangements to reduce spending, many lower-income residents often have no choice but to live in overcrowded housing. These overcrowded housing units place a strain on physical facilities and does not provide a satisfying living environment. Based on U.S. Census standards, Manhattan Beach residents live in relatively less-crowded housing conditions than the rest of Los Angeles County (see **Table 11**, **Overcrowding (2019)**). Recent Census data indicate that there were only 0.4% overcrowded owner-occupied units and 2.15% overcrowded renter-occupied units in Manhattan Beach. In the County, however, 2.53% of the owner-occupied units and approximately 16.21% of renter-occupied units are considered overcrowded.

Table 11. Overcrowding (2019)					
Occupants per Room	Manhatta	n Beach	Los Angel	es County	
Occupants per Room	Units	Percent	Units	Percent	
Owner-occupied units	13,427	100%	3,316,795	100%	
1.01 to 1.50	59	0.44%	61,697	1.86%	
1.51 to 2.00	0	0.00%	15,703	0.47%	
2.01 or more	0	0.00%	6,891	0.20%	
Renter-occupied units	4,083	100%	1,797,279	100%	
1.01 to 1.50	51	1.24%	157,166	8.74%	
1.51 to 2.00	37	0.91%	94,624	5.26%	
2.01 or more	0	0.00%	39,831	2.21%	

4.4 Household Income and Extremely Low-Income Households

HCD has identified the following income categories based on the area median income (AMI) of Los Angeles County. The AMI for the County in 2020 was \$77,300 for a hypothetical family of four.

- Extremely low-income: households earning up to 30% of the AMI
- Very low-income: households earning 31 to 50% of the AMI
- Low-income: households earning 51% to 80% of the AMI
- Moderate-income: households earning 81% to 120% of the AMI
- Above moderate-income: households earning over 120% of the AMI

Household income is a primary factor affecting housing needs in a community. The ability of residents to afford housing is directly related to household income. According to recent Census data, the 2019 median household income in Manhattan Beach was \$153,023, more than double that of the County at \$68,044. See **Table 12**, **Median Household Income (2019)**.

Table 12. Median Household Income (2019)						
Jurisdiction Median Income Percent of Los Angeles County Median Income						
Manhattan Beach	\$153,023	239%				
Los Angeles County \$68,044 100%						
Source: ACS DP03 5YR Estimates, 2019						

Per HCD requirements, local governments must identify those households that are considered to be extremely low-income. Extremely low-income households are those households whose incomes do not exceed 30% of the County's median family income, according to HUD's income limits. Households included in this category typically represent the lowest wage earners in a community, with wages corresponding to the current annual minimum wage of \$14.00 per hour for employers with 26 employees or more, and \$13.00 per hour for employers with 25 employees or fewer (as of January 1, 2021). The annual minimum wage is set to increase by \$1.00 per hour each year until reaching the annual minimum wage of \$15.00 per hour (all employers are set to reach this wage as of January 1, 2023). The annual wage figure cited previously assumes full-time employment. Table 13, Annual Income Limits for Los Angeles-Long Beach-Glendale Metro Fair Market Rent Area (2020), indicates the household income limits for the various lower-income categories (extremely low, very low, and low) in 2020, as calculated and provided by HUD's 2020 State Income Limits in relation to the County's median family income of \$77,300. These figures are arranged according to the number of persons who comprise a household. For example, as shown in Table 13, a household with one person is considered to be low income if the annual household income is \$63,100, and a household containing five persons is considered to be low income if its annual household income is \$97,350. The information included in Table 13 may be used to determine what percentage of a household's income will be expended monthly for housing without being considered cost burden. For example, a household consisting of three persons with an annual income of \$50,700 ideally should not spend more than \$1,267.50 per month on housing costs. This figure represents 30% of that household's annual income. According to HUD's 2013-2017 CHAS data, approximately 6 percent of households in the City are extremely low-income. Based on the City's 6th Cycle RHNA allocation, there is a need for approximately 161 extremely low-income units during the planning period.

Table 13. Annual Income Limits for Los Angeles-Long Beach-Glendale Metro Fair Market Rent Area (2020)						
Household Size	Extremely Low- Income Limit (30%)	Very Low- Income Limit (50%)	Low-Income Limit (80%)			
1 person	\$23,700	\$39,450	\$63,100			
2 persons	\$27,050	\$45,050	\$72,100			
3 persons	\$30,450	\$50,700	\$81,100			
4 persons	\$33,800	\$56,300	\$90,100			
5 persons	\$36,550	\$60,850	\$97,350			
6 persons	\$39,250	\$65,350	\$104,550			
7 persons	\$41,950	\$69,850	\$111,750			
8 persons	\$44,650	\$74,350	\$118,950			
Source: U.S. Department	Source: U.S. Department of Housing and Urban Development, State Income Limits 2020.					

4.5 Overpayment

As defined by HUD, households spending more than 30% of their income, including rent or mortgage payments and utilities, are generally considered to be overpaying, or "cost burdened." Severe overpaying occurs when households pay 50% or more of their gross income for housing. Therefore, according to HUD, housing is considered affordable if the cost is no more than 30% of a household's income. No more than 30% is considered a reasonable threshold for households to be able to afford other expenses, such as transportation, healthcare, and groceries.

According to HUD, approximately 84% of lower-income renter households and 55% of lower-income owner households were overpaying for housing; see **Table 14**, **Overpayment by Tenure (2017)**. The highest rates of overpayment were among very-low- and extremely low-income households. Although homeowners enjoy interest and property tax deductions and other benefits that help to compensate for high housing costs, lower-income homeowners may need to defer maintenance or repairs due to limited funds, which can lead to deterioration. For lower-income renters, severe cost burden can require families to double up, resulting in overcrowding and related problems.

Table 14. Overpayment by Tenure (2017)						
Comprehensive Housing Affordability	Owne	ers	Renters			
Strategy Income Category	Households	Percent	Households	Percent		
Extremely low-income households	460	_	300	_		
Households overpaying	300	65.2%	235	78%		
Very low-income households	500	_	120	_		
Households overpaying	240	48%	104	87%		
Low-income households	850		525	_		
Households overpaying	455	53.5%	450	86%		
Subtotal: All Lower-Income Households	1,810	-	945	_		
Subtotal: Households Overpaying	995	55%	789	83.5%		
Moderate-income households	520	_	285	_		
Households overpaying	265	51%	200	70.2%		
Above moderate-income households	6,990	_	2,985	_		
Households overpaying	1,240	17.7%	445	15%		
Source: U.S. Department of Housing and Urban Development, Comprehensive Housing Affordability Strategy, based on the 2013–2017 ACS						

Table 15, Percent Income Spent on Rent (2021), shows the 2020 distribution of renter households by the percent of income they spend on rent. About 37% (1,420) of renter households in the City spend more than 30% of gross income on housing costs, and 17% (644) spend more than half of their income on housing costs.

Table 15. Percent Income Spent on Rent (2021)					
Percent of Income Spent	Number of Renter Households	Percent of Total Renter Households			
<20%	1,284	33%			
20–29%	1,162	30%			
30–49%	776	20%			
>50%	644	17%			
Total	3,866	100%			
Source: Southern California Association of Governments Pre-Certified Local Housing Data for City of Manhattan Beach, 2021					

The HUD-formulated Fair Market Rent schedule serves as a guide for the maximum rents allowable for those units receiving Section 8 assistance. HUD uses the Consumer Price Index and the Census Bureau housing survey data to calculate the Fair Market Rent for each area. **Table 16, Fair Market Rent Summary Los Angeles—Long Beach HUD Metro Fair Market Rent Area (2021)**, indicates the Fair Market Rents for one-, two-, three-, and four-bedroom units in the Los Angeles—Long Beach—Glendale Fair Market Rent Area in 2021. Very-low- and extremely low-income households have a very difficult time finding housing without overpaying.

Table 16. Fair Market Rent Summary Los Angeles-Long Beach HUD Metro Fair Market Rent Area (2021)						
Efficiency One Bedroom Two Bedrooms Three Bedrooms Four Bedrooms						
\$1,369 \$1,605 \$2,058 \$2,735 \$2,982						
Source: U.S. Department of Housing and Urban Development (HUD), 2021						

5 Housing Stock Characteristics

This section presents an evaluation of the characteristics of the community's housing stock and helps in identifying and prioritizing needs. The factors evaluated include the number and type of housing units, recent growth trends, age and condition, tenure, vacancy, housing costs, affordability, and assisted affordable units at risk of loss due to conversion to market rates. A housing unit is defined by the Census Bureau as a house, apartment, mobile home, or group of rooms occupied as separate living quarters, or if vacant, intended for occupancy as separate living quarters.

5.1 Housing Type and Growth Trends

According to the California Department of Finance's Population and Housing estimates, there were 15,043 housing units in Manhattan Beach in 2021, an increase of approximately 5% from 2012. Of the total housing stock in 2020, the majority, or 77%, was single-family detached units, and 23% was multifamily units. Mobile homes comprised the remaining 0.1%. **Table 17**, **Housing by Type (2012 and 2021)**, provides a breakdown of the housing stock by type, along with growth trends for the City compared to the County as a whole for the period 2012–2021. From 2012 to 2021, the City had an increase of 111 single-family units and a decrease of 24 multi-family units due to the replacement of existing duplexes with single-family residential structures that include at least one accessory dwelling unit.

Table 17. Housing by Type (2012 and 2021)							
Chrustina Tuna	2012	2	202	2021		Growth	
Structure Type	Units	Percent	Units	Percent	Units	Percent	
Manhattan Beach							
Single-family	11,510	77%	11,621	77%	111	0.96%	
Multi-family	3,432	22.9%	3,408	22.7%	-24	-0.7%	
Mobile homes	14	0.09%	14	0.09%	0	0%	
Total units	14,956	100%	15,043	100%	87	5.8%	
Los Angeles County							
Single-family	1,947,879	57.2%	1,971,020	54.5%	23,141	1.2%	
Multi-family	1,447,968	41.9%	1,585,448	43.8%	137,480	9.5%	
Mobile homes	58,284	1.7%	58,341	1.6%	57	9.8%	
Total units	3,454,131	100%	3,614,809	100%	160,678	4.7%	
Source: California Department of Finance Table E-5, 2021							

5.2 Housing Age and Conditions

The age of a housing unit is often an indicator of housing conditions. In general, housing that is 30 years or older may exhibit need for repairs based on the useful life of materials. For example, housing that is 30 years old or older is typically in need of some major rehabilitation, such as a new roof, foundation, or plumbing. Many Federal and State programs also use the age of housing as one factor in determining housing rehabilitation needs. Housing older than 50 years is considered aged and is more likely to exhibit a need for major repairs. **Table 18, Age of Housing Stock (2019)**, shows the age distribution of the housing stock in Manhattan Beach compared to the County as a whole, as reported in recent Census data. The majority (28%) of housing stock in Manhattan Beach was built in 1950 through 1959.

Table 18. Age of Housing Stock (2019)					
	Manhatt	an Beach	Los Angeles County		
Year Built	Units	Percent	Units	Percent	
Built 2005 or later	432	3%	54,241	2%	
Built 2000 to 2004	984	7%	109,255	3%	
Built 1990 to 1999	1,567	10%	208,791	6%	
Built 1980 to 1989	1,552	10%	403,248	12%	
Built 1970 to 1979	1,637	11%	496,376	14%	
Built 1960 to 1969	1,871	12%	518,500	15%	
Built 1950 to 1959	4187	28%	722,473	21%	
Built 1940 to 1949	1681	11%	396,035	12%	
Built 1939 or earlier	1217	8%	516,817	15%	
Total units	15,128	100%	3,425,736	100%	
Source: ACS DP04 5YR Estimates, 2019					

5.3 Housing Costs and Rents

High housing costs compared to household income can create housing challenges for households whose incomes fall below the AMI. When the housing stock does not meet the varying income needs of households at all income levels, housing affordability can become a burden on many households, especially those with limited earnings. This section evaluates housing cost trends in Manhattan Beach.

State law establishes five income categories for purposes of housing programs based on the AMI:

- Extremely Low (30% or less of AMI)
- Very Low (31%–50% of AMI)
- Low (51%-80% of AMI)
- Moderate (81%–120% of AMI)
- Above Moderate (over 120% of AMI)

Housing affordability is based on the relationship between household income and housing expenses. According to HUD and HCD, housing is considered "affordable" if the monthly payment is no more than 30% of a household's gross income. In some areas, such as in Los Angeles County, these income limits may be increased to adjust for high housing costs.

Table 19, Affordable Rental Housing Costs (2021), shows 2021 affordable rent levels for housing in Los Angeles County by income category. Based on state-adopted standards, the maximum affordable monthly rent for extremely low-income households is \$866, and the maximum affordable rent for very-low-income households is \$1,477. The maximum affordable rent for low-income households is \$2,365, and the maximum for moderate-income households is \$2,400.

Table 19. Affordable Rental Housing Costs (2021)						
Income Category* HCD-Adjusted Income Limit Monthly Affordable Rent						
Extremely Low: <30% AMI	\$35,450	\$866				
Very Low: 31%–50% AMI	\$59,100	\$1,477				
Low: 51%–80% AMI	\$94,600	\$2,365				
Moderate: 81%–120% AMI	\$96,000	\$2,400				
Above moderate: >120%	\$96,000+	\$2,400+				

Source: California Department of Housing and Community Development (HCD) 2021 State Income Limits – April 2021

5.4 Housing Price Trends

Table 20, Value of Owner-Occupied Housing Units (2019), presents 2019 estimates of owner-occupied housing values in Manhattan Beach. In 2019, 88% were valued at \$1,000,000 or more. The median owner-occupied housing unit value is over \$2,000,000.

^{* 2021} Los Angeles County Area Median Income (AMI) = \$80,000

Table 20. Value of Owner-Occupied Housing Units (2019)				
Value (dollars)	Number of Units			
Under \$50,000	201			
\$50,000 to \$99,999	0			
\$100,000 to \$149,999	59			
\$150,000 to \$199,999	27			
\$200,000 to \$299,999	50			
\$300,000 to \$499,999	62			
\$500,000 to \$999,999	702			
\$1,000,000 or more	8,243			
Total	9,344			
Median Value: \$2,000,000+				
Source: 2019 ACS 5-Year Estimates DP04				

6 Special Needs Populations

Local Housing Elements must include an analysis of special housing needs because certain segments of the population have more difficulty in finding decent affordable housing due to special needs. This section identifies the special needs populations in the City, including persons with disabilities, older adults, large families and households, female-headed and single-parent households, farmworkers, and persons experiencing homelessness.

6.1 Persons with Physical and Developmental Disabilities

Physical and developmental disabilities can hinder access to traditionally designed housing units and potentially limit the ability to earn adequate income. Therefore, persons with disabilities often have special housing needs. Special exterior and interior design features are often needed to accommodate a tenant or homeowner with a disability. For example, door frames must be wider to accommodate wheelchairs, ramps are needed instead of stairs, handrails in bathrooms need to be installed, cabinet doors must be accessible, and light switches and other devices need to be within easy reach. The cost for retrofitting an existing structure may cost thousands of dollars and be well beyond the reach of those households with lower incomes. The lack of housing to accommodate a person's physical or developmental disabilities is even more pronounced when it comes to market-rate rental units. Unless such provisions are made for persons with a disability during original construction, such facilities will not likely be provided in a typical rental unit.

Persons with Disabilities

Disability types include individuals with hearing, vision, cognitive, ambulatory, self-care, or independent living difficulties. Census and the ACS provide clarifying questions to determine persons with disabilities and differentiate disabilities within the population. The ACS defines a disability as a report of one of the six disabilities identified by the following questions:

- Hearing Disability: Is this person deaf or does he/she have serious difficulty hearing?
- Visual Disability: Is this person blind or do they have serious difficulty seeing even when wearing glasses?

- Cognitive Difficulty: Because of a physical, mental, or emotional condition, does this person have serious difficulty concentrating, remembering, or making decisions?
- Ambulatory Difficulty: Does this person have serious difficulty walking or climbing stairs?
- Self-Care Disability: Does this person have difficulty dressing or bathing?
- Independent Living Difficulty: Because of a physical, mental, or emotional condition, does this person have difficulty doing errands alone, such as visiting a doctor's office or shopping?

Households with members who have a physical or developmental disability are also often occupied by older adults. In the City, approximately 13 percent of people 65 years of age and older have at least one type of disability. In some cases, older adults may have more than one disability, which may make aging in place even more difficult (see **Table 21**, **Persons with Disabilities by Age (2019)**).

Table 21. Persons with Disabilities by Age (2019)				
Disability by Age	Persons	Percent		
Age 5 to 17 – Total Persons	9,486	<u> </u>		
Hearing disability	23	0.2%		
Visual disability	35	0.4%		
Cognitive disability	89	1.2%		
Ambulatory disability	11	0.1%		
Self-care disability	0	0.0%		
Independent living disability	0	0.0%		
Age 18 to 64 – Total Persons	19,997	_		
Hearing disability	77	0.4%		
Visual disability	120	4.1%		
Cognitive disability	352	0.05%		
Ambulatory disability	185	0.9%		
Self-care disability	198	0.9%		
Independent living disability	292	1.5%		
Age 65 and Older – Total Persons	6,010	_		
Hearing disability	598	10.0%		
Visual disability	247	4.1%		
Cognitive disability	244	4.1%		
Ambulatory disability	594	9.9%		
Self-care disability	265	4.4%		
Independent living disability	771	12.8%		

Note: Totals may exceed 100% due to multiple disabilities per person.

Persons with developmental disabilities

According to the California Welfare and Institutions Code Section 4512, a development disability "means a disability that originates before an individual attains 18 years of age, is expected to continue indefinitely, and constitutes a substantial disability for that individual." The term developmental disability "includes intellectual disability, cerebral palsy, epilepsy, autism, and other disabiling conditions found closely related to intellectual disability."

The California Welfare and Institutions Code also defines a "substantial disability" as "the existence of significant functional limitations in three or more of the following areas of major life activity, as determined by a regional center, and as appropriate to the age of the person":

- Self-care
- Receptive and expressive language
- Learning
- Mobility
- Self-direction
- Capacity for independent living
- Economic self-sufficiency

In California, the State Department of Development Services provides community-based services to persons with developmental disabilities and their families through a statewide system of 21 community-based, non-profit agencies known as regional centers. The Harbor Regional Center, located in the City of Torrance, serves the City of Manhattan Beach and is one of the 21 regional centers that provides a point of entry to services for people with developmental disabilities. These centers serve people of all ages with developmental disabilities and their families. In 2020, the Harbor Regional Center served over 15,000 clients. As of September 2021, there were approximately 283 persons in the City who have been diagnosed with a developmental disability and are receiving case management services at the Harbor Regional Center, including 159 residents between 0 to 17 years old and 124 residents 18 years and older. According to the U.S. Administration on Developmental Disabilities, an accepted estimate of the percentage of the population that can be defined as developmentally disabled is 1.5%; therefore, based on the number of people who are diagnosed and receiving treatment, the City is below this threshold by 242 persons.

6.2 Households Headed by Older Adults

HUD federal housing programs define a household as an "elderly family" if the head of the household is at least 62 years of age or if two or more persons living together are all at least 62 years of age (24 CFR Section 5.403 Definitions). Typically, older adults are retired and have fixed incomes, and often have special needs related to housing location and construction. Even older adults homeowners, who are typically at an advantage because their housing payments may be fixed, are still subject to increasing utility rates and other living expenses. Moreover, many older adult residents may elect to remain in their own homes that are not designed to accommodate their special needs.

As shown in **Table 22**, **Older Adult Households by Tenure (2019)**, there were 3,702 households (37% of total owners and 7% of total renters) in Manhattan Beach where the householder was 65 years or older. Many older adults are dependent on fixed incomes and/or have a disability. Older adult homeowners may be physically unable to maintain their homes or cope with living alone. The housing needs of this

group can be addressed through smaller units, accessory dwelling units on lots with existing homes, shared living arrangements, congregate housing, and housing assistance programs.

The City is home to the Manhattan Village Senior Villas. The Manhattan Village Senior Villas, located at 1300 Park View Avenue, was first occupied in 1997. This project consists of 104 senior housing apartments. As a condition of the project's approval, and as part of a settlement agreement upon sale of the property, 20 percent of the units must be reserved for very-low income households, 20 percent must be reserved for low-income households, and 40 percent of the units must be reserved for moderate-income households in perpetuity. The remaining 20 percent of the units may be rented at 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 for persons with disabilities, according to criteria established by the Americans With Disabilities Act (ADA) of 1990 or the Federal Rehabilitation Act of 1973. Additionally, the City approved the Sunrise Senior Assisted Living project for older adults in 2021, consisting of 95 rooms (115 total beds), a facility kitchen, common areas (foyer, parlor, bistro, private dining room, general dining rooms, activity rooms, and staff rooms), two loading spaces for deliveries, and internal trash storage. The project would include 64 assisted living rooms and 31 memory care rooms for Alzheimer's patients and individuals with memory loss.

Table 22. Older Adult Households by Tenure (2019)					
Householder Age	Ow	Owner		nter	
Householder Age	Households	Percent	Households	Percent	
Under 65 Years	5,921	63.4%	3,804	93.2%	
65 to 74 Years	1,659	17.7%	141	3.5%	
75 to 84 Years	1,234	13.2%	120	2.9%	
85 years and Older	530	5.7%	18	0.4%	
Total Households	9,344	100.0%	4,083	100.0%	
Source: ACS B25007 5YR Estimates, 2019					

6.3 Large Families and Households

As defined by HCD, large households are defined as having five or more persons living within the same household. Large households are considered a special needs group because they require larger bedroom counts. According to recent Census data, approximately 37% of owner households and 21% of renter households in Manhattan Beach had only one or two members. Approximately 1% of renter households had five or more members, and about 5% of owners were large households (**Table 23, Household Size by Tenure (2019)**). This distribution suggests that the need for large units with four or more bedrooms is expected to be much less than for smaller units.

Table 23. Household Size by Tenure (2019)					
Us saladd C	Own	Owner		Renter	
Household Size	Households	Percent	Households	Percent	
1 person	1,603	11.94%	1,433	10.67%	
2 persons	3,322	24.74%	1,424	10.61%	
3 persons	1,638	12.20%	491	3.66%	
4 persons	2,064	15.37%	570	4.25%	
5 persons	506	3.77%	120	0.89%	
6 persons	160	1.19%	31	0.23%	
7 persons or more	51	0.38%	14	0.10%	
Total Households	9,344	100%	4,083	100%	
Source: ACS B25009 5YR Estimates, 2019					

6.4 Single Female- and Male-Headed Households

Recent Census data reported that approximately 6% of owner households and 8% of renter households in Manhattan Beach were headed by single females (**Table 24**, **Household Type By Tenure (2019)**). Approximately 4% of owner households were headed by single men, while 9% of renter households were headed by single men in the City. Single female- and male-headed households represent nearly a quarter of all households in the City (27%).

Table 24. Household Type By Tenure (2019)							
Household Type	Owner		Renter				
Household Type	Households	Percent	Households	Percent			
Married-couple family	6,488	69.4%	1,443	35.3%			
Male householder, no spouse present	406	4.3%	353	8.6%			
Female householder, no spouse present	568	6.1%	323	7.9%			
Non-family households	1,882	20.1%	1,964	48.1%			
Total Households	9,344	99.9%	4,083	99.9%			
Source: ACS S2501 5YR Estimates, 2019							

6.5 Farm Workers/Employee Housing

The City is an urbanized community without any active agricultural activities. Recent Census data (ACS S2403 5-Year Estimates, 2019) indicates there were 26 farmworker individuals employed in "farming, fishing, forestry, and hunting occupations" in 2019. There is no farmworker-specific housing in the City.

The California Legislature enacted the Employee Housing Act to provide protection for persons living in privately owned and operated employee housing. The Employee Housing Act is specifically designed to ensure the health, safety, and general welfare of these residents, and to provide them a decent living environment. The Employee Housing Act also provides protection for the general public, which may be impacted by conditions in and around employee housing. According to the City, no known employee housing units as defined by the Employee Housing Act are located in the City.

6.6 People Experiencing Homelessness

In December 1993, the Los Angeles County Board of Supervisors and the Los Angeles Mayor and City Council established the LAHSA as an independent, Joint Powers Authority. LAHSA's primary role is to coordinate the effective and efficient utilization of Federal and local funding in providing services to individuals experiencing homelessness in Los Angeles County. To support its mission, LAHSA oversees a comprehensive point-in-time count, with the most recent being completed in 2020 (HUD exempted LAHSA from conducting a 2021 point-in-time count due to the COVID-19 pandemic). The 2020 point-in-time data estimated that there more than 63,000 (sheltered and unsheltered) people experiencing homelessness in Los Angeles County.

As of the 2020 survey, there were an estimated 15 unsheltered people experiencing homelessness in the City. Various circumstances that may lead to homelessness include the following:

- Chronically homeless, single adults, including non-institutionalized, mentally disabled individuals, alcohol and drug abusers, older adult individuals with insufficient incomes, and others who voluntarily, or are forced, due to financial circumstances, to live on the streets
- Minors who have run away from home
- Low-income families that are temporarily homeless due to financial circumstances or are in the process of searching for a home (single-parent families, mostly female-headed, are especially prevalent in this group)
- Women (with or without children) who are escaping domestic violence

There are two categories of needs that should be considered in discussing the population experiencing homelessness: (1) transient housing providing shelter, usually on a nightly basis, and (2) short-term housing, usually including a more comprehensive array of social services to enable families to reintegrate themselves into a stable housing environment. **Table 25**, **Emergency and Supportive Housing Resources**, shows emergency and supportive housing providers in the area, including the name of the shelter, number of beds, description of services, and average number of beds available on any given night. There are no emergency and supportive housing providers in the City.

Table	e 25. Emergency and	Supportive	Housing Resource	s
Provider	Address	Number of beds Services		Average Number of Beds Available on Any Given Night (Estimate)
Beacon Light/Doors of Hope	525 Broad Avenue, Wilmington, CA 90744	15/15	Bed, showers, clothing, and meals	2–3
CES Crisis/Bridge Housing – US Vets Inglewood	733 Hindry Avenue, Inglewood, CA 90301	30	Bed, showers, clothing, and meals	5–7
CES Bridge Housing Program for Women – US Vets Long Beach	2001 River Avenue, Long Beach, CA 90810	30	Bed, showers, clothing, and meals	1–2
CES Bridge Housing Project Achieve – Catholic Charities	1368 Oregon Avenue, Long Beach, CA 90813	20	Bed, showers, clothing, and meals	2–5
Long Winter Shelter – Volunteers of America Los Angeles	5571 Orange Avenue, Long Beach, CA 90805	65	Bed, showers, clothing, and meals	15–25

In 2017, the County passed Measure H, which created significant new resources to address homelessness, including providing to local jurisdictions the opportunity to apply for City Homelessness Plan Implementation Grants. In October 2017, a total of 47 cities were awarded grants, including the City of Manhattan Beach. The City intended to use its \$330,666 grant to coordinate with other jurisdictions, including the County, local stakeholders, and neighboring cities, to address homelessness in the community. The City recognized this would only be accomplished through an active constituency working together, including government, businesses, and the faith community, to tackle the causes of homelessness, and implement solutions.

In August 2018, the City Council adopted the City's Five-Year Plan to Address Homelessness in Our Community, and appointed a Homelessness Task Force. The plan, available on its website, contains goals aligned with the City's and County's objectives to address homelessness. The plan also contains an outline of collaborative opportunities, and demonstrates a correlation between the City's efforts and the County's Homeless Initiative Strategies.

In November 2018, at the recommendation of the Homelessness Task Force, the City submitted a multijurisdictional proposal with the Cities of Redondo Beach and Hermosa Beach (all three collectively referred to as "South Bay Beach Cities") to the County for outreach and education, coordination of regional efforts to address homelessness, and housing navigation services. In April 2019, the Los Angeles County Homeless Initiative announced the award of Measure H grant funding to the South Bay Beach Cities totaling \$330,665 toward homeless coordination, training, and housing navigation services.

In September 2019, the City, along with regional partners the Cities of Redondo Beach and Hermosa Beach, solicited proposals from qualified homeless service providers. Subsequently, the City Council awarded a subcontract to Harbor Interfaith Services to provide three full-time-equivalent positions to assist individuals and families experiencing homelessness in the South Bay Beach Cities. Harbor Interfaith Services was established in 1987 and provides a variety of services to individuals and families, including a 90-day emergency shelter, 18-month transitional housing program, and a Family Resources Center.

The City continues to provide information regarding services available for those experiencing homelessness on its website via its Homeless Resource Guide.¹

7 Assisted Housing at Risk of Conversion

Section 65583 of the California Government Code was amended in 1991, requiring an analysis of subsidized units and a description of programs to preserve assisted housing developments. One of the foremost housing problems in the State involves the loss of affordability restrictions on a substantial portion of the government-assisted rental housing stock. Much of this housing is "at-risk" of conversion from affordable housing stock reserved predominantly for lower-income households to market-rate housing. Assisted housing developments (or at-risk units) are defined as multi-family, rental housing complexes that receive government assistance under Federal, State, and/or local programs, or any combination of rental assistance, mortgage insurance, interest reductions, and/or direct loan programs and are eligible to convert to market-rate units due to termination (opt-out) of a rent subsidy contract,

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¹ https://www.manhattanbeach.gov/home/showpublisheddocument/40272/636988627556170000

mortgage prepayment, or other expiring use restrictions within 10 years of the beginning of the Housing Element planning period.

HUD maintains a list of notices (6 and 12 month) received by HUD pursuant to California's notice requirements (Government Code Sections 65863.10 and 65863.11). Private owners of assisted multifamily rental housing units who are considering no longer providing rental restrictions and converting restricted units to market-rate units must provide notice to HUD. According to information provided by HUD, no conversion notices have been filed on behalf of any affordable housing providers in the City, and there are 0 low-income units in the City that are at risk of converting to market rate in the next 5 to 10 years.

8 Low- and Moderate-Income Housing in the Coastal Zone

Government Code Section 65590 contains requirements for the replacement of low- and moderateincome housing within the coastal zone when such housing is demolished or converted to other uses, subject to certain limitations. In accordance with Government Code Section 65590(b)(1), replacement housing is not normally required for the conversion or demolition of a residential structure that contains less than three dwelling units, or, in the event that a proposed conversion or demolition involves more than one residential structure, the conversion or demolition of 10 or fewer dwelling units. The majority of housing in the City's Coastal Zone consists of multi-family housing. Government Code Section 65590(b)(3) states that replacement housing must be provided only where feasible if the local jurisdiction has fewer than 50 acres, in aggregate, of privately owned vacant land that is available for residential use. The City is built out and has only a nominal amount of vacant land, well below the 50acre threshold. Thus, the City has not had occasion to administer the provisions of Section 65590, nor had occasion to maintain records regarding the income level of past housing occupants. No low- or moderate-income housing has been provided or required pursuant to Section 65590 in the City, whether as replacement units or inclusionary units. This is primarily due to existing land use patterns consisting of small lots that provide for only a few units on a site. Because 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.

Appendix C: Constraints and Zoning Analysis

Table of Contents

L	Introduction		1
2	Governn	nental Resources and Constraints	1
	2.1 Lan	d Use Controls (General Plan and Zoning)	1
	2.1.1	General Plan	1
	2.1.2	Zoning Code	3
	2.1.3	Development Standards	12
	2.1.4	Coastal Zone	15
	2.1.5	Condominium Conversions	16
	2.1.6	Short-Term Rentals	16
	2.2 Pro	visions for Special Housing Types	17
	2.2.1	Senior Housing	17
	2.2.2	Boarding Homes/Group Residential	17
	2.2.3	Community Care Facilities	18
	2.2.4	Definition of Family	19
	2.2.5	Emergency Shelters, Transitional Housing, and Supportive Housing	19
	1.1.1	Low-Barrier Navigation Centers	20
	2.2.6	Employee Housing	21
	2.2.7	Single Room Occupancy (SRO) Units	21
	2.3 Bui	lding Standards and Enforcement	21
	2.3.1	Building Code Requirements	21
	2.3.2	Code Enforcement	22
	2.3.3	Fair Housing and Americans with Disabilities Act	22
	2.4 Dev	velopment Processing Procedures	24
	2.4.1	Precise Development Plan	25
	2.4.2	Site Development Permit	26
	2.4.3	Conditional Use Permit (Use Permit)	27
	2.4.4	Variances	28
	2.4.5	Minor Exceptions	29
	2.4.6	Density Bonus Requirements	30

	2.4.	7	Typical Permit Procedures	31
	2.5	Dev	elopment Fees and Improvement Requirements	33
	2.5.	1	Permit Processing Fees	33
	2.5.	2	Impact Fees	33
	2.5.	3	On- and Off-Site Improvements	34
	2.6	Ana	lysis of Local Efforts to Remove Constraints and Facilitate Affordable Housing	35
3	Non	ı-Gov	ernmental Market Constraints	37
	3.1	Cost	t of Land and Construction	37
	3.2	Ava	ilability of Financing	39
	3.3	Req	uests for Housing Developments at Reduced Densities	40
	3.4	Len	gth of Time between Project Approval and Applications for Building Permits	40
4	Env	ironn	nental Constraints	40
	4.1	Envi	ironmental Review	40
	4.2	Geo	ologic and Seismic Hazards	40
	4.3	Floc	oding	41
	4.4	Oth	er Environmental Constraints	41
	4.4.	1	Hazardous Materials	41
	4.4.	2	Fire Risk	42
	4.4.	3	Liquefaction	42
	4.4.	4	Landslides	42
	4.4.	5	Coastal Zone	42
	4.5	Infra	astructure Capacity	43
	4.5.	1	Storm Drain Facilities	43
	4.5.	2	Water Supply/Service	44
	4.5.	3	Sewer	44
	4.5.	4	Electric Power and Natural Gas	45
5	Qua	ntifie	ed Objectives	46

Tables

Table 1. Residential Land Use Categories in the General Plan	2
Table 2. Residential Uses Permitted by Zoning District	
Table 3. Single-family Dwelling Units Permitted by Zoning District	8
Table 4. Multifamily Dwelling Units Permitted by Zoning District	9
Table 5. Manufactured Housing Requirements	10
Table 6a. Residential Development Standards by Zone for Area District I and II	13
Table 6b. Residential Development Standards by Zone for Area District III and IV	13
Table 6c. Residential Development Standards in Commercial Zones	14
Table 7. Parking Requirements for Residential Land Uses	15
Table 8. Permit Processing Times	32
Table 9. Typical Fees for Single-Family and Multifamily Development	34
Table 11. Summary of Quantified Objectives for 6th Cycle (2021-2029)	46
Exhibit A. City of Manhattan Beach Planning and Zoning Fee Schedule	47

1 Introduction

This appendix of the Housing Element is concerned with the identification of constraints that may affect the development of housing, especially affordable housing. The following constraints are considered in this analysis:

- Governmental Constraints refers to those regulations, ordinances, and/or controls that may impede the development of new housing or otherwise increase the cost of housing.
- *Market Constraints* refers to those economic and market factors that may affect the cost of new housing development.
- Environmental Constraints refers to those aspects of the environment (vacant land, utilities, natural hazards, etc.) that may affect the cost and/or feasibility of development.

Where a constraint to development is identified, a policy response is identified that indicates the actions the City of Manhattan Beach (City) is pursuing, or intends to pursue, as a means to eliminate or reduce the effects of the particular governmental constraint on housing development, if feasible.

2 Governmental Resources and Constraints

Governmental constraints are policies, standards, requirements, and actions imposed by various levels of government upon land and housing ownership and development. These constraints may include building codes, land use controls, growth management measures, development fees, processing and permit procedures and site improvement costs. Resources available to development exist in the form of development incentives, bonus programs, and infrastructure.

2.1 Land Use Controls (General Plan and Zoning)

Land use controls include General Plan policies, zoning designations, and the resulting use restrictions, development standards and permit processing requirements.

2.1.1 General Plan

Every city in California must have a General Plan, which establishes policy guidelines for all development within the city. The General Plan is the foundation of all land use controls in a jurisdiction. The Land Use Element of the General Plan identifies the location, distribution and density of the land uses within the city. General Plan residential densities are expressed in dwelling units per acre. Under state law, the General Plan elements must be internally consistent, and the City's zoning must be consistent with the General Plan. Thus, the land use plan must provide suitable locations and densities to implement the policies of the Housing Element.

The Manhattan Beach General Plan Land Use Element includes three residential land use designations, Low Density, Medium Density, and High Density Residential. As shown in **Table 1**, the Low Density designation's maximum density permitted ranges from 5.8 to 16.1 dwelling units per acre, the Medium Density designation's maximum density permitted ranges from 11.6 to 32 dwelling units per acre, and the High Density designation's maximum density permitted ranges from 43.6 to 51 dwelling units per acre.

Table 1. Residential Land Use Categories in the General Plan						
Area District	Low Density (Maximum Density)	Medium Density (Maximum Density)	High Density (Maximum 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 3 - Beach	16.1 du/acre	32.3 du/acre	51.3 du/acre			
District 4 - El Porto	N/A	N/A	51.0 du/acre			
Source: City of Manhattan Beach, General Plan Land Use Element, 2003.						

In addition to the residential land use designations, residential or mixed-use development is permitted in several commercial land use designations, as described below.

Downtown Commercial

Du/acre = dwelling units per acre

The Downtown Commercial land use category applies only to the Downtown area, an area of 40+ blocks that radiates from the intersection of Manhattan Beach Boulevard and Manhattan Avenue. Downtown provides locations for a mix of commercial businesses, residential uses, and public uses, with a focus on pedestrian-oriented low-intensity commercial businesses that serve Manhattan Beach residents and visitors. Multifamily residential projects can be developed in accordance with the development standards for the High Density Residential designation. The height limit in this district ranges from 26 feet to 30 feet depending on location.

Local Commercial

The Local Commercial land use category provides areas for neighborhood-oriented, small-scale professional offices, retail businesses, and service activities that serve the local community. Permitted uses are generally characterized by those which generate low traffic volumes, have limited parking needs, and generally do not operate late hours. Residential uses can be developed at densities consistent with the High Density Residential designation. The height limit is 30 feet.

Mixed-Use Commercial

The Mixed-Use Commercial land use category accommodates the parking needs of commercial businesses on small lots that front Sepulveda Boulevard and abut residential neighborhoods. In recognition of the need to ensure adequate parking for businesses and to protect residential uses from activities that intrude on their privacy and safety, this category limits commercial activity on commercial lots adjacent to residences and establishes a lower floor area factor (FAF) limit of 1.0:1 for commercial uses. Uses permitted are similar to those allowed in the General Commercial category. Residential uses are conditionally permitted consistent with the Low Density Residential category and the D-6 Oak Avenue Zoning Overlay.

North End Commercial

Properties designated North End Commercial lie at the north end of the City, along Highland Avenue and Rosecrans Avenue between 33rd and 42nd Streets. Commercial uses are limited to small-scale, low-intensity neighborhood-serving service businesses, retail stores, and offices. Restaurant and entertainment establishments are permitted only where zoning regulations can adequately ensure compatibility with residential uses. The maximum permitted FAF is 1.5:1. Residential uses can be developed at densities consistent with the High Density designation with a height limit of 30 feet.

2.1.2 Zoning Code

The Zoning Code is the primary tool for implementing the General Plan. It is designed to protect and promote public health, safety and welfare. The City regulates the permitted uses, location, density, and scale of residential development through the Municipal Code. Chapter 10 of the City's Municipal Code, known as the Planning and Zoning Ordinance (Zoning Code), includes residential and non-residential zoning districts, which control both the use and development standards of specific sites and influence the development of housing within the City. Note that the coastal zone within the City of Manhattan Beach has its own set of land use and development regulations, which primarily match those of Area Districts III and IV from the Zoning Code.

2.1.2.1 Zoning Districts

Each zone that permits residential uses regulates the residential use permitted, lot size, density, and parking requirements. While regulations such as setbacks, lot size, and lot coverage can contribute to the number of dwelling units that can be developed on a lot, residential densities are primarily limited by established maximum densities. The Zoning Code contains eight zoning districts (zones) that permit residential development: five residential (Single-Family Residential District [RS], Medium-Density Residential District [RM], High-Density Residential District [RH]), Residential Planned Development District [RPD], and Residential Senior Citizen District [RSC] and three commercial zones (Local Commercial District [CL], Downtown Commercial District [CD], and North End Commercial District [CNE]).

Table 2, Residential Uses Permitted by Zoning District, provides an overview of all residential uses permitted by zoning district.

2.1.2.2 Area Districts

The Zoning Code also helps to preserve the character and quality of residential neighborhoods consistent with the character of the four area districts in the City. The Zoning Code provides for land use and development regulations, including residential standards, broken down by zone and area district. The four area districts are as follows:

- Area District I South of Manhattan Beach Boulevard and east of Valley/Ardmore.
- Area District II North of Manhattan Beach Boulevard and east of Valley/Ardmore and Bell.
- Area District III Coastal area south of Rosecrans.
- Area District IV Coastal areas north of Rosecrans (El Porto).

2.1.2.3 Design Overlay Districts

In addition to zoning requirements for the base districts, the City has established eight Design Overlay Districts which establish development standards specific to the unique needs of each Overlay District. These Overlay Districts are as follows:

- D1 Rosecrans Avenue, where higher fences in the front-yard setback area are needed to reduce traffic noise; in this Overlay District, front yard fences up to six feet in height may be constructed as close as three feet from the front or street side property line.
- D2 Nine small lots totaling approximately 1.34 acres at 11th Street and Harkness, where limitations on building height and density are needed to minimize building bulk and buffer adjoining residences; high density residential uses in this area are limited to a maximum height of 26 feet and maximum density of one dwelling per 1,800 square feet of lot area.
- D3 Gaslamp neighborhood, a single-family 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; fences up to eight feet in height are permitted.
- 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 for commercial uses 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 of 17,000 square feet and restriction on subdivision is needed to preserve the character of the neighborhood, including views and privacy, and prevent unwanted impacts from increased traffic, bulk and crowding that would result from increased density.
- D8 Sepulveda Boulevard Corridor Overlay, where more flexible development standards are needed in order to continue to promote uses that contribute to economic vitality within the General Commercial (CG) zone. Only hotel uses are eligible for flexible development standards. All other land uses shall comply with all requirements contained within Chapter 10.16 of the Planning and Zoning Code.

Several of the Design Overlays, such as D1 and D4 are more permissive than the base district, allowing higher walls closer to the property lines in order to provide protection from excessive noise. Others such as Design Overlay D3 and D5 affect minor design issues, such as requiring planter boxes at the pedestrian level, that are not anticipated to constrain the delivery of additional housing. In fact, Design Overlay D3 would act to preserve existing structures in areas subject to "mansionization" pressures.

It should be noted, that Design Overlay D2 reduces the number of dwellings permitted on each of the nine affected lots (AP # 4164-001-013 to 15; 4164-001-017&018; 4164-001-21; 4164-001-032 to 036; 4164-001-039 to 044; 4164-001-049 to 053). Lots in this area are each approximately 6,500 square feet. Base District requirements of 1,000 square feet per unit would permit six dwellings on each lot for a

total of 54 dwelling units. Under Design Overlay D2, only three dwellings are permitted on an individual lot for a total of 27 units, a 27-unit reduction in maximum buildout. However, most of these parcels have existing multifamily uses. These regulations are consistent with the Covenants, Conditions and Restrictions recorded at the time this tract was originally subdivided.

Design Overlay 7 increases minimum lot area from 7,500 square feet under the base district to 17,000 square feet. Although this is a significant difference, at more than double the lot size, the terrain in this area is such that higher density would be unlikely, unless very costly landform modification were to be undertaken. In addition, the 33 lots within this overlay are located in the Low Density designation within area district 1 and have existing single-family uses. These regulations are consistent with the original private Covenants, Conditions and Restrictions that were recorded at the time the tract was originally subdivided.

Design Overlay 8 provides more flexible development standards for hotel uses needed in order to continue to promote desirable development, uses and economic vitality within the General Commercial (CG) zone, therefore the flexibilities afforded by this overlay do not impact residential unit production.

Senate Bill (SB) **330** (2019) prohibits any non-objective design standard adopted after January 1st, 2020. The City is currently in compliance with this requirement. Through implementation of Program 17, Objective Design Standards, of the Housing Element, the City will continue to ensure that any new design standards developed and imposed by the City shall be objective.

2.1.2.4 Allowable Uses by Definition:

- Accessory Dwelling Unit (ADU): has the meaning ascribed in Government Code Section 65852.2, as the same may be amended from time to time. Notwithstanding the foregoing, the term "ADU" does not include a guest house (or accessory living quarters), as defined in Municipal Code Section 10.04.030. "Attached ADU" means an ADU that is constructed as a physical expansion (i.e. addition) of a primary dwelling, or the remodeling of a primary dwelling, and shares a common wall with a primary dwelling. "Detached ADU" means an ADU that is constructed as a separate structure from any primary dwelling, and does not share any walls with a primary dwelling.
- Accessory Structure: No definition. See "Guest House" Guest House (or Accessory Living
 Quarters): Any living area located within a main or an accessory building which does not have
 direct interior access to the dwelling unit. Such quarters shall have no kitchen facilities and
 shall not be rented or otherwise used as a separate dwelling unit. Such guest quarters, or
 accessory living quarters, shall be permitted only on a lot with one (1) single family residence,
 except as provided for in Section 10.52.050(F) Residential Zones-Adjacent Separate Lots with
 Common Ownership. This Guest House, or accessory living quarters, shall be a maximum of
 five hundred (500) square feet in size, limited to one (1) habitable room, and contain a
 maximum of three (3) plumbing fixtures
- <u>Community Care Facility</u>: See "Residential Care, Limited."
- Day Care Facility:

Day Care, Small Family Home. Non-medical care and supervision of six (6) or fewer persons, including those who reside at the home, on a less than twenty-four (24) hour bases. This classification includes only those services and facilities licensed by the State of California. Day Care, Large Family Home. Non-medical care and supervision of seven (7) to twelve (12)

children, including those who reside at the home, on a less than twenty-four (24) hour bases. This classification includes only those services and facilities licensed by the State of California.

- Dwelling, Single-Family: A building containing one (1) dwelling unit.
- <u>Dwelling, Two-Family</u>: See "Dwelling, Multi-Family."
- <u>Dwelling, Multi-Family</u>: A building containing two (2) or more dwelling units
- <u>Family</u>: A single individual or two (2) or more persons living together as a single housekeeping unit in a dwelling unit.
- Home Occupation: No definition. Per section MBMC 10.52.070, a home occupation in an R district shall require a Home Occupation Permit, obtained by filing a completed application form with the Community Development Director. The Community Development Director shall issue the permit upon determining that the proposed home occupation complies with the requirements of this.
- Junior Accessory Dwelling Unit (JADU): has the meaning ascribed in Government Code Section 65852.22, as the same may be amended from time to time. Said code defines JADU as "a unit that is no more than 500 square feet in size and contained entirely within a single-family residence. A junior accessory dwelling unit may include separate sanitation facilities, or may share sanitation facilities with the existing structure "
- Mobile Home: See "Manufactured Home."
- <u>Manufactured Home</u>: A modular housing unit on a permanent foundation that conforms to the National Manufactured Housing Construction and Standards Act. For purposes of this definition, a mobile home is considered a manufactured home.
- <u>Residential Care, General</u>: Twenty-four (24) hour non-medical care for seven (7) or more persons, including wards of the juvenile court, in need of personal services, supervision, protection, or assistance essential for sustaining the activities of daily living. This classification includes only those services and facilities licensed by the State of California.
- <u>Residential Care, Limited</u>: Twenty-four (24) hour non-medical care for six (6) or fewer persons in need of personal services, supervision, protection, or assistance essential for sustaining the activities of daily living. This classification includes only those services and facilities licensed by the State of California.
- <u>Residential Condominium</u>: An estate in real property consisting of an undivided interest in common in a portion of a parcel of real property together with a separate interior space in a residential, industrial or commercial building on the real property, such as an apartment, office or store. A condominium may include, in addition, a separate interest in other portions of the real property.
- Second Unit: No definition. See "ADU."

Table 2, Residential Uses Permitted by Zoning District, provides an overview of all residential uses permitted by zoning district.

Table 2. Residential Uses Permitted by Zoning District						
Uses	RS	RM	RH	CL	CD	CNE
Accessory Dwelling Unit	Р	Р	Р	Р	Р	Р
Accessory Structure ¹	P/U	P/U	P/U	_	_	_
Day Care, Small Family Home	Р	Р	Р	Р	U	L ²
Day Care, Large Family Home	L ³	L ³	L ³	L ³	L ³	L ³
Emergency Shelters ⁴	_	_	_	_	_	_
Group Residential	_	_	U	_	_	_
Home Occupation	Home Occupation Permit ⁵	Home Occupation Permit ⁵	Home Occupation Permit ⁵	_	_	_
Manufactured Housing (on a permanent foundation)	Р	Р	Р	_	_	_
Mixed-use	_	_	_	U	U	U
Multi-family (5 or fewer units) ⁶	_	Р	Р	U	U	U
Multi-family (6 or more units) ⁶	_	PDP/SDP	PDP/SDP	U	U	U
Residential Care, General	_	_	U	_	_	_
Residential Care, Limited	Р	Р	Р	-	_	_
Single-family	Р	Р	Р	U	U	L ⁷
Supportive and Transitional Housing	Permitted as a residential use subject to the same regulations and procedures that apply to other residential uses of the same type in the same zone.					

Source: Chapter 10, Planning and Zoning of the MBMC, 2021.

P = Permitted; U = Use Permit; L = Limited, (See additional use regulations); — = Not Permitted PDP = Precise Development Plan; SDP = Site Development Permit

- 1. See MBMC Section 10.52.050, Accessory Structures.
- 2. Single-family residential permitted if located (1) on a site which 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.
- 3. Application for an administrative large family day care permit to the Director of Community Development is required and shall be made on forms provided by the City. No hearing on the application for a permit shall be held before the decision is made by the Director unless a hearing is requested by the applicant or other affected person. The Director's decision shall be based on whether or not the proposed use would be compatible with the surrounding neighborhood.
- 4. Emergency Shelters are permitted by-right in the Industrial Park (IP) District and the Public and Semipublic (PS) District.
- 5. Per section MBMC 10.52.070 a home occupation in an R district shall require a Home Occupation Permit, obtained by filing a completed application form with the Community Development Director.
- 6. A use permit is required for any condominium development or conversion of three (3) or more units.
- 7. Single-family residential permitted if located (1) on a site which 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.

2.1.2.5 Single-Family Dwelling Units

As shown in **Table 3, Single-family Dwelling Units Permitted by Zoning District**, the City permits single-family detached dwelling units in accordance with the Zoning Code in the RS, RM, RH, Residential Planned Development (RPD), and Residential Senior Citizen (RSC), and in the CL, CD, and CNE zones subject to a Use Permit.

	Table 3. Single-family Dwelling Units Permitted by Zoning District							
Use	RS	RM	RH	RPD	RSC	CL	CD	CNE
Single-								
family	Р	Р	Р	Р	Р	U	U	U^1
Residential								

Source: Chapter 10, Planning and Zoning of the MBMC, 2021.

P = Permitted; U = Use Permit

Planning and Zoning Code requirements applicable to single-family development are standard in nature and do not cause undue constraints to single-family development.

2.1.2.6 Multifamily Dwelling Units

As shown in **Table 4, Multifamily Dwelling Units Permitted by Zoning District**, the City permits multifamily dwelling units in accordance with the Zoning Code in the RM, RH, RPD, RSC, CL, CD, and CNE zones. Multifamily housing is permitted in most zones allowing residential uses, except for the RS zone. In the RSC, CL, CD, and CNE zones, a Use Permit is required at any density. In the RM, RH, and RPD zones, multifamily uses are permitted by-right with 5 or fewer dwelling units. If 6 or more dwelling units are proposed, a Precise Development Plan (PDP) or Site Development Permit (SDP) are required, depending on whether or not the development qualifies for a density bonus.

Residential developments with six or more units that do not receive a density bonus shall apply for an SDP requiring approval by the Planning Commission. Residential developments that qualify for a density bonus shall apply for an administrative PDP requiring a decision by the Community Development Director (Director). PDPs are intended to encourage the development of affordable housing through a streamlined permitting process.

To mitigate potential constraints to development and further incentivize affordable housing in the City, and as programmed in the 5th Cycle Housing Element, the City will remove the discretionary requirements for multifamily projects meeting the minimum requirements for a density bonus in the CL, CD, and CNE zones. The City will review and amend the Zoning Code to permit multifamily housing in the CL, CD, and CNE zones without requiring approval of a Use Permit, and all projects that utilize the State density bonus will be eligible for streamlined approvals through implementation of **Program 15**, of the Housing Element.

^{1.} Single-family residential permitted if located (1) on a site which 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.

	Table 4. Multifamily Dwelling Units Permitted by Zoning District							
Multifamily Residential ¹	RS	RM	RH	RPD	RSC	CL	CD	CNE
5 or fewer (reviewed by Director)	_	Р	Р	Р	U	U	U	U
6 or more (Planning Commission)	_	PDP/SDP	PDP/SDP	PDP/SDP	U	U	U	U

Source: Chapter 10, Planning and Zoning of the MBMC, 2021.

P = Permitted; U = Use Permit; — = Not Permitted

PDP = Precise Development Plan; SDP = Site Development Permit

1. A use permit is required for any condominium development or conversion of three (3) or more units.

2.1.2.7 Mobile/Manufactured Homes

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.

The MBMC Section 10.52.100 dictates manufactured housing is permitted in all R districts (RS, RM, RH) not occupied by another dwelling. The housing is subject to a set of general requirements shown in **Table 5**, **Manufactured Housing Requirements**, and base residential zone district regulations, as outlined in MBMC Chapter 10.12. These criteria are not unduly burdensome and would not prevent the establishment of manufactured housing on residential lots. However, while manufactured homes are included as a multifamily residential use classification in the Zoning Code, MBMC Section 10.52.100 dictates that manufactured housing must be located in an R district, and that it is not allowed as an additional unit on an already developed lot or as an accessory unit on an already developed lot.

The Zoning Code's current inconsistencies with State law may pose a constraint to development. As such, as part of implementation of **Program 14**, **Manufactured Housing**, of the Housing Element, the City will amend the Zoning Code to clarify that manufactured housing is treated as a single-family dwelling and is permitted in all of the same zones and same manner as other single-family structures, including in commercial or mixed-use zones.

Government Code Sections 65852.3 through 65852.5 require that manufactured homes be permitted in single-unit districts subject to the same land use regulations as conventional homes. Government Code Section 65852.7 requires that cities and counties allow mobile home parks (including condominium and cooperative parks) on all land planned and zoned for residential land use. The Municipal Code does not currently define mobile home parks; therefore, it also does not identify zoning districts in which this use is permitted. **Program 14** of the Housing Element will amend the Municipal Code to permit mobile home parks on all land zoned or planned for residential land uses as required by State law.

	Table 5. Manufactured Housing Requirements
General Requirements	Manufactured homes may be used for residential purposes if such manufactured home has been granted a Certificate of Compatibility and is located in an R district. Manufactured homes also may be used for temporary uses, subject to the requirements of a temporary use permit issued under Chapter 10.84.
Requirements for Certificates of Compatibility	Manufactured homes may be located in any R district where a single-family detached dwelling is permitted, subject to the same restrictions on density and to the same property development regulations, provided that such manufactured home receives a Certificate of Compatibility. The Community Development Director shall issue such certificate if the manufactured home meets the design and locational criteria of this subsection.
	The certificate shall be valid for two (2) years and may be renewed for subsequent periods of 2 years if the location and design criteria of this section are met. More specifically, the location and design of manufactured homes shall comply with the following criteria in order to protect neighborhood integrity, provide for harmonious relationship between manufactured homes and surrounding uses, and minimize problems that could occur as a result of locating manufactured homes on residential lots.
Location Criteria	Manufactured homes shall not be allowed: a. On substandard lots that do not meet the dimensional standards of Chapter 10.12; b. As an additional unit on an already developed lot;
	 c. As an accessory building or use on an already developed lot; or d. On lots with an average slope of more than ten percent (10%), or on any portion of a lot where the slope exceeds fifteen percent (15%).
Design Criteria	Manufactured homes shall be compatible in design and appearance with residential structures in the vicinity and shall meet the following standards: a. Each manufactured house must be at least sixteen feet (16') wide; b. It must be built on a permanent foundation approved by the Community Development Director; c. It must have been constructed after June 1, 1979, and must be certified under the National Manufactured Home Construction and Safety Act of 1974; d. The unit's skirting must extend to the finished grade; e. Exterior siding must be compatible with adjacent residential structures, and
	shiny or metallic finishes are prohibited; f. The roof must have a pitch of not fewer than three inches (3") vertical rise per twelve inches (12") horizontal distance; g. The roof must be of concrete or asphalt tile, shakes or shingles complying with the most recent editions of the Uniform Building Code fire rating approved in the City of Manhattan Beach; h. The roof must have eaves or overhangs of not less than one foot (1'); i. The floor must be no higher than twenty inches (20") above the exterior finished grade; and
Source: City of Manhattan Beach Mun	j. Required enclosed parking shall be compatible with the manufactured home design and with other buildings in the area. icipal Code (10.52.100 - Manufactured Homes).

2.1.2.8 Accessory Dwelling Units

Section 65852.2 of the California Government Code requires local governments to permit accessory dwelling units (ADUs) subject to certain limitations in single-family and multifamily residential zones. In January 2021, the City adopted the City's current ADU ordinance to comply with new State regulations. The corresponding amendments to the City's Local Coastal Program (LCP) are currently under review and under consideration by the California Coastal Commission.

Pursuant to MBMC Section 10.74.0.0, a maximum of two (2) total ADUs shall be allowed on a lot with a proposed or existing single-family dwelling within all Area Districts; however, only one (1) ADU shall be allowed on a property that also has a JADU. Only one (1) detached ADU is allowed on a property. Additionally, in all Area Districts, one (1) ADU shall be allowed on a lot with a newly constructed multifamily development. More than one (1) ADU, up to twenty-five percent (25%) of the number of pre-existing multi-family dwelling units on the property, shall be allowed where the applicant proposes to demolish an existing multi-family development to build a new multi-family development. For any property that is considered a nonconforming use (i.e. because it does not meet the current site area per dwelling unit requirement), the total resulting number of units on the property, including ADUs, shall not be greater than the number of pre-existing units on the property.

Applicable development standards are in compliance with current State regulations and include, but are not limited to, the following:

- Studio and one (1) bedroom ADUs shall not exceed eight hundred fifty (850) square feet of gross floor area. ADUs with two (2) or more bedrooms shall not exceed one thousand two hundred (1,200) square feet of gross floor area.
- A Detached ADU shall not exceed sixteen feet (16') in height; or if above a detached garage or below a detached garage that does not qualify as a basement shall not exceed a total height of twenty-six feet (26').
- No setback shall be required for an existing structure converted to an ADU. For all other ADUs, the required setback from side and rear lot lines shall be four feet (4').
- A Detached ADU shall have a minimum five-foot building separation from other buildings on the lot (note: the standard requirements of 10 feet of separation between structures was reduced to five feet for ADUs to incentives development).
- ADUs do not require parking if the ADU is located within one-half (½) mile walking distance of public transit.

The City incentivizes ADUs by permitting ADU development with new residential construction, including multifamily residential projects, which is above and beyond what the State requires of local jurisdictions as follows:

- Consistent with State law, the City permits one ADU and one JADU. Alternatively, to offer more flexibility, the City permits two ADUs on a lot with a proposed or existing single-family dwelling.¹
- The City permits ADUs for <u>existing</u> multifamily dwelling units, consistent with State law. In addition, the City permits one ADU on a lot with a <u>newly constructed</u> multifamily development.²

¹ ADUs on Lots with a Single-Family Residence. A maximum of two total ADUs shall be allowed on a lot with a proposed or existing single-family dwelling within all Area Districts; however, only one ADU shall be allowed on a property that also has a JADU. Only one detached ADU is allowed on a property (MBMC Section 10.74.040).

² ADUs on Lots with New Multi-Family Developments. In all Area Districts, one ADU shall be allowed on a lot with a newly constructed multi-family development (MBMC Section 10.74.040).

2.1.3 Development Standards

Each zone that permits residential uses regulates the residential use permitted, lot size, density, and parking requirements. While regulations such as setbacks, lot size, and lot coverage can contribute to the number of dwelling units that can be developed on a lot, residential densities are primarily limited by established maximum densities, or minimum lot area per dwelling unit.

Tables 6a and 6b provide a summary of each residential zone's development standards by area district, including minimum lot area per dwelling unit, and building height and setback regulations. **Table 6c** provides a description of commercial zones where residential uses are permitted in the City and their respective development standards.

City-wide election requirement

Under Section 10.12.030 (Property development regulations: RS, RM, and RH districts) of the MBMC, certain development standards cannot be amended for the RS, RM, and RH districts, unless the amendment is first submitted to a City-wide election and approved by a majority of the voters. This provision, originally instated as a result of initiative and vote of the people, applies to amendments to increase the standards for maximum height of structures or maximum buildable floor area, or to reduce the standards for minimum setbacks, minimum lot dimensions or minimum lot area per dwelling unit.

Table 6a. Residential Development Standards by Zone for Area District I and II						
Development Regulation	Area District I			Area District II		
	RS	RM	RH	RS	RM	RH
Minimum Lot Area	7,500 sq ft	7,500 sq ft	7,500 sq ft	4,600 sq ft	4,600 sq ft	4,600 sq ft
Maximum Lot Area	15,000 sq ft	15,000 sq ft	15,000 sq ft	10,800 sq ft	10,800 sq ft	10,800 sq ft
Minimum Width	50 ft	50 ft	50 ft	40 ft	40 ft	40 ft
Front Setback	20 ft	20 ft	20 ft	20 ft	20 ft	20 ft
Side Setback	10%—3 ft min	10%—3 ft min; 10 ft max	10%—3 ft min; 10 ft max	10%—3 ft min	10%—3 ft min; 10 ft max	10%—3 ft min; 10 ft max
Corner Side	10%3 ft min;	10%3 ft min;	10%3 ft min;	10%3 ft min;	10%3 ft min;	10%3 ft min;
Setback	5 ft max	5 ft max	5 ft max	5 ft max	5 ft max	5 ft max
Rear Setback	12 ft min.	12 ft min.	12 ft min.	12 ft min.	12 ft min.	1 2ft min.
Maximum Height of Structures	26 ft	26 ft	30 ft	26 ft	26 ft	30 ft
Minimum Lot Area per Dwelling Unit	7,500 sq ft	3,750 sq ft	1,000 sq ft	4,600 sq ft	2,300 sq ft	1,000 sq ft
Open Space per Dwelling Unit	For multifamily dwelling units in all districts, the minimum usable open space* (private and shared) requirement is 15% of the buildable floor area per unit, but not less 220 square feet.					

Source: Chapter 10, Planning and Zoning of the MBMC, 2021.

^{*} Outdoor or unenclosed area on the ground, or on a balcony, deck, porch or terrace designed and accessible for outdoor living, recreation, pedestrian access or landscaping, that is not more than seventy-five percent (75%) covered by buildable floor area, and has a minimum dimension of five feet (5') in any direction, and a minimum area of forty-eight (48) square feet

Table 6b. Residential Development Standards by Zone for Area District III and IV						
Development Regulation	Area District III			Area District IV		
	RS	RM	RH	RS	RM	RH
Min Lot Area	2,700 sq ft	2,700 sq ft	2,700 sq ft	N/A	N/A	2,700 sq ft
Max Lot Area	7,000 sq ft	7,000 sq ft	7,000 sq ft	_	_	7,000 sq ft
Min Width	30ft	30ft	30ft	_	_	30ft
Front Setback	5ft	5ft	5ft	_	_	5ft
Side Setback	10%—3ft min.	10%—3ft min; 10ft max	10%-3ft min; 10 ft max	_	_	10%—3ft min; 10ft max
Corner Side Setback	1ft	1ft	1ft	_	_	1ft
Rear Setback	5min, 10ft max	5ft	5ft	_	_	5ft
Maximum Height of Structures	30ft	30ft	30ft	_	_	30ft
Minimum Lot Area per Dwelling Unit	1,700 sq ft	1,350 sq ft	850 sq ft	_	_	850 sq ft
Open Space per Dwelling Unit	For single-family dwellings in Area District III and IV and multifamily dwelling units in all districts, the minimum usable open space* (private and shared) is 15% of the buildable floor area per unit, but not less than 220 sq. ft.					

Source: Chapter 10, Planning and Zoning of the MBMC, 2021.

^{*} See Table 6a, Residential Development Standards by Zone for Area District I and II.

Table 6c. Residential Development Standards in Commercial Zones					
Zoning District	Residential as Sole Use	Mixed Use			
CL	Dwelling units as the sole use on a site shall be subject to the standards for residential development in the RH district and the area district in which the site is located. For CL, an exception for height requirements dictates the commercial standard for building height shall apply when dwelling units replace commercial use.	In a mixed use development, the residential standards for the RH district and area district in which the site is located shall apply to a building or portion of a building intended for residential use, and commercial standards shall apply to a building or portion of building intended for commercial use. For CL, an exception dictates the commercial standard for maximum FAR shall apply to the entire project.			
CD	Dwelling units as the sole use on a site shall be subject to the standards for residential development in the RH district and the area district in which the site is located.	In a mixed use development, the residential standards for the RH district and area district in which the site is located shall apply to a building or portion of a building intended for residential use, and commercial standards shall apply to a building or portion of building intended for commercial use. For CD, an exception regarding building height requires the commercial standard shall apply to all portion(s) of the project except when an existing residential use that is legally established as of February 22, 1996 and occupies a solely residential building, is altered or replaced with a solely residential building, in which case the RH district standard shall apply. Additionally, an exception dictates the commercial standard for maximum FAR shall apply to the entire project.			
CNE	Dwelling units as the sole use on a site shall be subject to the standards for residential development in the RH district and the area district in which the site is located. For CNE, D-5 overlay, an exception dictates if an RH district standard conflicts with an overlay standard (Section 10.44.040), the overlay standard shall apply.	In a mixed use development, the residential standards for the RH district and area district in which the site is located shall apply to a building or portion of a building intended for residential use, and commercial standards shall apply to a building or portion of building intended for commercial use. For CNE, D-5 overlay, an exception dictates if an RH district standard conflicts with an overlay standard (Section 10.44.040), the overlay standard shall apply. Additionally, an exception dictates the commercial standard for maximum FAR shall apply to the entire project.			

2.1.3.1 Parking Requirements

The provision of parking is needed to satisfy the requirements of the Zoning Code. 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. A reduction in parking below two parking spaces per dwelling unit could potentially result in impacts on existing public parking. City parking requirements are shown in **Table 7**, **Parking Requirements for Residential Land Uses**. As can be seen from this table, parking requirements are most stringent for larger units and least stringent for smaller, more affordable units.

Required Parking I spaces per unit I spaces per unit I spaces per condominium unit. In buildings with less ts, only 1 enclosed space is required for units with less
I spaces per unit I spaces per condominium unit. In buildings with less
spaces per condominium unit. In buildings with less
• • •
quare feet of floor area. Guest parking: 1 guest space is required per unit; these tandem configuration provided that, except for lots on d, none other than resident spaces of the same unit are not that such a configuration would not result in undue ard. Guest parking may be "Compact."
re required per unit, including 1 enclosed per unit. In ct IV, both spaces must be enclosed. s with less than 4 units, only 1 enclosed space is or units with less than 550 square feet of floor area. Guest parking: 0.25 space per unit for buildings with 4 nits. Guest parking may be "Compact."
er 3 beds.
ال

2.1.4 Coastal Zone

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. Due to land costs, it would not be feasible to provide low- or moderate-income housing on single-family or small multifamily lots within the City's Coastal Zone without very large subsidies. There are no large vacant lots available for housing complexes which would accommodate large numbers of dwelling units within the Coastal Zone. However, significant development opportunities exist within the Coastal Zone on underutilized commercial properties in the CD, CNE and CL zones.

The City of Manhattan Beach has a certified 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 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.

At the same time, the City seeks to process permits in the Coastal Zone as efficiently as possible. As noted above, certification of the City's LCP allows the City to process coastal permits locally, saving the time and expense of a separate Coastal Commission approval.

2.1.5 Condominium Conversions

Section 10.88.070 of the Municipal Code and Section A.88.070 of the LCP govern conversion of residential structures from rental units to condominium (or any other form of multiple ownership interests) recognizing that conversions may significantly affect the balance between rental and ownership housing within the city, and thereby reduce the variety of individual choices of tenure, type, price, and location of housing; increase overall rents; decrease the supply of rental housing for all income groups; displace individuals and families; and disregard the needs of the prevailing consumer market. The purpose of these regulations is to provide guidelines to evaluate those problems, including the impact any conversion application may have on the community, and to establish requirements which shall be included in any conversion approval.

Requirements applicable to condominium conversions include, but are not limited to, tenant notification, notification of a right to purchase, tenant purchase discounts, relocation expenses, etc. Special provision is also made for lifetime leases for non-purchasing elderly or tenants with medical disabilities. 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. (See **Program 22, Replacement Requirements**, of the Housing Element for replacement requirements in accordance with **SB 330** (2019)).

2.1.6 Short-Term Rentals

Short-term rentals and other transient uses in residential zones can have a severe negative impact on the character and stability of the residential zones and its residents. Transient uses, including short-term rentals (less than 30 days), in residential zones are not allowed under Chapter 4.88 of the Manhattan Beach Municipal Code (MBMC) and are incompatible with the goals and objectives of the City's General

Plan. The General Plan aims to preserve and maintain residential neighborhoods and to protect residential neighborhoods from the intrusion of incompatible and character-changing uses.

2.2 Provisions for Special Housing Types

Per Government Code Section 65583(a), persons with special needs include those in residential care facilities, persons with disabilities, persons needing emergency shelter, transitional or supportive housing, and low-cost single-room-occupancy units. The City's regulations regarding these housing types are discussed below.

2.2.1 Senior Housing

A senior citizen housing development is defined by section 51.3 of the California Civil Code as a residential development, substantially rehabilitated, or substantially renovated for, senior citizens, commonly referred to as older adults. The units are restricted for use by qualifying residents. While the Municipal Code does not identify senior housing (independent living) as a stand-alone use classification, it qualifies as a multifamily residential use and can be constructed in all zones that allow for multifamily residential development via the same processes as described above in **Section 2.1.2.2**, **Multifamily Dwelling Units**. Accordingly, senior housing is allowed in the following zoning districts: RM, RH, RSC, RPD, CL, CD, and CNE.

The City provides various incentives and streamlined approval to developers in exchange for senior housing, consistent with those incentives defined by the State density bonus law. In addition, the Municipal Code provides a less stringent parking requirement for senior citizen housing as detailed in **Table 7**:

- .5 spaces per unit plus one accessible and designated guest space per every five units;
- One space per non-resident employee and 1 loading area (11' w × 30' l × 10' h).

2.2.2 Boarding Homes/Group Residential

Group Residential it is not considered a residential care facility and is defined in Section 10.08.030.C of the Municipal Code as: "Shared living quarters with not more than five guest rooms and without separate kitchen or bathroom facilities for each guest room, and where either of the following apply:

- 1. Lodging and meals for compensation are provided by pre-arrangement for definite periods for not more than nine persons, or
- Rooms, beds or spaces within the living quarters are rented to 10 or more individuals by prearrangement for definite periods. Shared living quarters with six or more guest rooms or where lodging and meals for compensation are provided for 10 or more persons shall be considered a Visitor Accommodation."

Group residential facilities require 1 parking space per every 2 beds; plus 1 parking space per 100 square feet used for assembly purposes in accordance with the MBMC.

Group residential facilities are a conditionally permitted use in the RH (High Density Residential) and RSC (Residential Senior Citizen) zones. Use permits are reviewed and approved by the Planning Commission at a public hearing, see **Section 2.4.3**, **Conditional Use Permit (Use Permit)**, for details.

2.2.3 Community Care Facilities

Community care facilities are defined by section 1502 of the Health and Safety Code as any facility, place, or building that is maintained and operated to provide nonmedical residential care, day treatment, adult daycare, or foster family agency services for children, adults, or children and adults, including, but not limited to, the physically handicapped, mentally impaired, incompetent persons, and abused or neglected children, and includes residential facilities, adult day programs, therapeutic day services facilities, foster family agencies, foster family homes, small family homes, social rehabilitation facilities, and community treatment facilities.

2.2.3.1 Residential Care Facilities

Health and Safety Code §§1267.8, 1566.3, 1568.08 require local governments to treat licensed group homes and residential care facilities with six or fewer residents no differently than other single-family residential uses. "Six or fewer persons" does not include the operator, the operator's family, or persons employed as staff. Local agencies must allow these licensed care facilities in any area zoned for residential use, and may not require licensed residential care facilities for six or fewer persons to obtain conditional use permits or variances that are not required of other family dwellings. Large residential care facilities (those with seven or more residents) are subject to local land use regulations and other restrictions such as conditional use permit requirements.

<u>Residential Care, Limited</u> is defined in Section 10.08.030.E of the Municipal Code as: "Twenty-four (24) hour non-medical care for six (6) or fewer persons in need of personal services, supervision, protection, or assistance essential for sustaining the activities of daily living. This classification includes only those services and facilities licensed by the State of California." These facilities are a permitted use in all residential zones (RS, RM, RH, RPD, and RSC) in conformance with State law.

Residential Care, General is defined in Section 10.08.040.N of the Municipal Code as: "Twenty-four (24) hour non-medical care for seven (7) or more persons, including wards of the juvenile court, in need of personal services, supervision, protection, or assistance essential for sustaining the activities of daily living. This classification includes only those services and facilities licensed by the State of California." These facilities are conditionally permitted uses in the RH, RPD, RSC, CG (General Commercial) and PS (Public and Semi-Public) zones subject to approval of a Use Permit by the Planning Commission see Section 2.4.3, Conditional Use Permit (Use Permit), for details. These regulations do not pose an unreasonable constraint as they are conditionally permitted in several zones, providing a variety of areas in the City where they could potentially be developed, and the Use Permits are allowed in accordance with State law.

There are no concentration or separation requirements for residential care facilities or group homes in the Municipal Code. Furthermore, there are no special site planning requirements (other than parking, height, and setbacks) for residential care facilities in the Planning and Zoning Code.

Code requirements for off-street parking are as follows:

- Residential Care, Limited: 1 space per 3 beds.
- Residential Care, General: 1 space per 3 beds, plus additional spaces, as specified by use permit.

2.2.4 Definition of Family

Fair housing law prohibits defining family (and by extension living quarters) in terms of the relationship of members (e.g. marital status), number of occupants (e.g. family size), or any other characteristics. Other definitions should also be consistent with fair housing law. The City defines family as "a single individual or two (2) or more persons living together as a single housekeeping unit in a dwelling unit, provided that this shall not exclude the renting of rooms in a dwelling unit as permitted by district regulations" in Section 10.04.030 of the Municipal Code. Furthermore, "dwelling unit" is defined as "one (1) or more rooms with a single kitchen, designed for occupancy by one (1) family for living and sleeping purposes."

The definition of "family" is in compliance with State requirements, as it does not require a certain relationship amongst the members, nor does it limit the size or specify other characteristics. Therefore, the definition of "family" does not constrain or limit development of residential care facilities or other specialized housing for unrelated individuals and those with disabilities or special needs.

2.2.5 Emergency Shelters, Transitional Housing, and Supportive Housing

State law (AB 2634 and SB 2) requires local jurisdictions to address the provisions for transitional and supportive housing and establishes transitional and supportive housing as a residential use. Therefore, local governments cannot treat it differently from other similar types of residential uses (e.g., requiring a use permit when other residential uses of similar function do not require a use permit).

Transitional Housing

Transitional housing is longer-term housing, typically up to two years. Transitional housing generally requires that residents participate in a structured program to work toward established goals so that they can move on to permanent housing. Residents are often provided with an array of supportive services to assist them in meeting goals. The Zoning Code defines transitional housing as "Rental housing operated under program requirements that terminate assistance to residents and recirculate the assisted unit to another eligible program recipient at some predetermined future point in time, which shall be no less than six (6) months from the initial occupancy date of the recipient."

Under SB 2 transitional and supportive housing is deemed to be a residential use subject only to the same requirements and standards that apply to other residential uses of the same type in the same zone. The Zoning Code does not pose as a constraint to development as it allow transitional housing as a residential use subject to the same regulations and procedures that apply to other residential uses of the same type in the same zone in accordance with State law.

Supportive Housing

Supportive Housing is defined in the Zoning Code as housing occupied by a specified target population defined in Section 50675.14 of the California Health and Safety Code that has no limit on length of stay, and that is linked to onsite or offsite services that assist the resident in retaining the housing, improving his or her health status, maximizing his or her ability to live, and - when possible - work in the community. The Zoning Code treats supportive housing as a residential use subject to the same regulations and procedures that apply to other residential uses of the same type in the same zone.

Under AB 2162, supportive housing meeting specific standards shall be a use by right in all zones where multifamily and mixed uses are permitted, including nonresidential zones permitting multifamily uses. Additionally, no minimum parking may be required for units occupied by supportive housing residents if the development is located within 0.5 miles of a public transit stop (Government Code Section 65915). **Program 25, Specialized Housing Types to Assist Persons with Special Needs**, of the Housing Element will amend the City's Zoning code to comply with State law.

Emergency Shelters

The Municipal Code allows emergency shelters by-right in the PS (Public and Semi-Public) and IP (Industrial Park) zones. These districts include vacant and underutilized parcels that could support emergency shelters, and also have good access to transit and other services. An application for a permit to establish and operate an emergency shelter shall be accompanied by a management plan, which should incorporate the following: hours of operation, staffing levels and training procedures, maximum length of stay, size and location of exterior and interior onsite waiting and intake areas, admittance and discharge procedures, provisions for on-site or off-site supportive services, house rules regarding use of alcohol and drugs, on-site and off-site security procedures, and protocols for communications with local law enforcement agencies and surrounding property owners.

The Municipal Code does not currently include a specific parking requirement for any of these uses, other than standard residential requirements. **Program 25** of the Housing Element will amend the City's Zoning code to ensure that parking requirements for emergency shelters accommodate the staff working in the shelter and do not require more parking than other residential or commercial uses within the same zone (AB 139, 2019).

1.1.1 Low-Barrier Navigation Centers

Low Barrier Navigation Centers are housing first, low-barrier, service-enriched shelters focused on moving people into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing. A low barrier navigation center is defined as housing or shelter in which a resident who is experiencing homelessness, homeless or at risk of homelessness may live temporarily while waiting to move into permanent housing. SB 101 requires a jurisdiction to allow a low barrier navigation center byright in areas zoned for mixed use and nonresidential zones permitting multifamily uses, if they meet the requirements of Article 12 (commencing with Section 65660) of Chapter 3, Division 1, Title 7 of the California Government Code.

The Municipal Code does not currently define low barrier navigation centers; therefore, it also does not identify zoning districts in which this use is permitted. To comply with State law, the City would have to classify the use in Section 10.08 of the Municipal Code (Use Classifications) and then include it as a permitted use in the CL, CD, and CNE zones. **Program 25** of the Housing Element will amend the Municipal Code to permit the development of Low Barrier Navigation Centers that meets the requirements of State law as a use by-right, without requiring a discretionary action, in mixed-use and non-residential zones that permit multifamily uses (AB 101).

2.2.6 Employee Housing

Pursuant to the State Employee Housing Act (Section 17000 et seq. of the Health and Safety Code), employee housing for agricultural workers consisting of no more than 36 beds in group quarters or 12 units or spaces designed for use by a single family or household is permitted by right in a zoning district that permits agricultural uses by right. Therefore, for properties that permit agricultural uses by right, a local jurisdiction may not treat employee housing that meets the above criteria any differently than an agricultural use.

The Employee Housing Act also requires that housing for six or fewer agricultural employees be treated as a regular residential use. This mandates that employee housing shall not be required to apply for any additional permit or process that would not be required of a residential structure in the same zone.

Employee housing is not currently defined in the Municipal Code; accordingly, no specific provisions are included regarding this use. However, the City does not currently have any zones that permit agricultural uses given that no agricultural land exists in the City. If the Zoning Code is ever amended to add a zoning district that permits agricultural uses, **Program 25** of the Housing Element commits the City to make all corresponding municipal code amendments related to agricultural workers and current employee housing requirements.

2.2.7 Single Room Occupancy (SRO) Units

State law mandates local jurisdictions address the provision of housing options for extremely low-income households, including Single Room Occupancy units (SRO). SRO units are one room units intended for occupancy by a single individual. It is distinct from a studio or efficiency unit, in that a studio is a one-room unit that must contain a kitchen and bathroom. Although SRO units are not required to have a kitchen or bathroom, many SROs have one or the other.

The Municipal Code does not currently define or include provisions for SROs. However, Section 10.08.050.DD.2 of the Municipal Code defines Residential Hotels as "Buildings with six (6) or more guest rooms without kitchen facilities in individual rooms, or kitchen facilities for the exclusive use of guests, and which are intended for occupancy on a weekly or monthly basis." Residential hotels are similar to SRO facilities and are conditionally permitted in the CG (General Commercial) zone. In accordance with the Municipal Code, residential hotels require 1.1 spaces per room. Requiring more than 1 space per room may pose a constraint to development; however, the City is currently evaluating parking regulations and anticipates requirements being updated within the next year, including a revision to required parking for residential hotels to 0.9 spaces per room.

2.3 Building Standards and Enforcement

2.3.1 Building Code Requirements

State law prohibits the imposition of building standards that are not necessitated by local geographic, climatic or topographic conditions and requires that local governments making changes or modifications in building standards report such charges to the Department of Housing and Community Development and file an expressed finding that the change is needed. The City has adopted the most recent Building Standards Code and local amendments to the following codes: 2019 California Building Code, 2019 California Residential Code, 2019 California Electrical Code, 2019 California Plumbing Code, 2019

California Mechanical Code, 2019 California Existing Building Code, 2019 California Green Building Standards Code, 2019 California Energy Code, 2019 California Administrative Code, 2019 California Historical Building Code, 2019 California Referenced Standards Code, and 1997 Uniform Code for the Abatement of Dangerous Buildings under Ordinance No. 19-0015. The City adopted findings stating that amendments to certain provisions were necessary because of the unique climatic, geological and topographical conditions prevailing within the City. The City's adopted local amendments and associated findings were accepted by the Building Standards Commission. The amended provisions do not pose an unnecessary constraint to housing development.

2.3.2 Code Enforcement

The City has an active Code enforcement program that 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 on the subject site.

Code enforcement staff accepts reports of possible code enforcement violations and responds directly to violations related to compliance with the MBMC including zoning, property maintenance, illegal dwelling units, trash container regulations, and sign violations. Possible violations regarding substandard, nonstructural housing issues are referred to the Environmental Health Division of the Los Angeles County Department of Public Health. The County of Los Angeles Environmental Health Division is responsible for ensuring that residential housing is safe, sanitary, and fit for human habitation. This is accomplished through routine Inspections of rental property with five or more units, and investigations of complaints. Between July 2016 and July 2021, the County performed 52 inspections in the City of Manhattan Beach.

Through implementation of **Program 7, Code Compliance,** of the Housing Element, the City will continue to ensure building safety of residential buildings through enforcement of building codes on a compliance and proactive building-permit issuance basis, and through referrals to the County of Los Angeles Environmental Health Division for rental housing enforcement conditions/inspections. In addition, the City will ensure its website remains up to date with code enforcement and substandard housing resources.

2.3.3 Fair Housing and Americans with Disabilities Act

The Federal Fair Housing Act of 1968 (FHA) and the Americans with Disabilities Act (ADA) are Federal laws intended to assist in providing safe and accessible housing. ADA provisions include requirements for a minimum percentage of units in new developments to be fully accessible for persons with physical disabilities. Compliance with these regulations may increase the cost of housing construction as well as the cost of rehabilitating older units, which may be required to comply with current codes. However, the enforcement of ADA requirements is the best way to ensure that there is housing available and accessible to meet the needs of all residents, especially those with special needs. The City requires full compliance with ADA regulations when applicable to a project. This, in turn, ensures that housing projects that are subject to ADA regulations account for persons with disabilities; thereby increasing the accessible housing stock within the City.

The Community Development Block Grant (CDBG) Program provides for the development of viable urban communities by providing decent housing, a suitable living environment, and expanded economic opportunities primarily for low- and moderate-income residents as well as older adults and people with disabilities. Eligible activities under the CDBG Program include activities related to housing, other real property activities (code enforcement, historic preservation), public facilities, activities related to public services, activities related to economic development, and assistance with community based development organizations. CDBG funds may be used for the acquisition, construction, reconstruction, rehabilitation, or installation of certain public improvements or public facilities. Since 2016, the City of Manhattan Beach used its annual CDBG allocation for infrastructure improvements, specifically installation of Americans with Disability Act (ADA)-compliant curb ramps throughout City intersections. Most recently (as of FY 2018), CDBG funds were allocated to the implementation of the Manhattan Senior Villas ADA Pathway Project. These efforts supported the installation of an ADA-compliant concrete pathway, perimeter railing, directional signage, curb ramp and gutter to create unobstructed paths of travel and accessibility for older adults and those with disabilities to Manhattan Senior Villas, located at 1300 Parkview Avenue. Construction is anticipated to begin this year (2021). Through implementation of Program 5, Americans with Disability Act (ADA) Improvements Program, the City will ensure the Manhattan Senior Villas ADA Pathway Project is completed by 2022 to increase accessibility for older adults and people with disabilities in the City. Following completion of the Senior Villas ADA Pathway Project, the City will utilize future CDBG funds for additional ADA-improvements focused on bringing existing, non-compliant ramps into ADA-compliance at various locations throughout the City, as identified by the Public Works Department. These improvements will increase accessibility for people with disabilities throughout the City.

In addition, the City has included a number of programmatic measures to comply with the FHA in the Housing Element, including:

- Providing fair housing referral services with the Housing Rights Center (HRC), including landlord tenant counseling, outreach and education, and discrimination investigations.
- Developing a handout for developers to be made aware of Fair Housing advertisement material compliance and make available at the City Hall counter.
- Supporting and participating in the Regional Analysis of Impediments to Fair Housing Choice in coordination with the Community Development Commission of the County of Los Angeles and the Housing Authority of the County of Los Angeles.

2.3.3.1 Reasonable Accommodation Procedures

The City is required by the Federal Fair Housing Act and the California Fair Employment Housing Act to provide a process for consideration of reasonable accommodation requests. The process shall include a deviation procedure which is available to applicants for circumstances where the existing zoning regulations would preclude residential development for persons with disabilities.

In conformance with state and federal fair housing laws, section 10.85 of the City's Municipal Code establishes the City's procedures related to requests for reasonable accommodations from the strict application of the City's land use and zoning regulations to allow people with disabilities an equal opportunity to use and enjoy a dwelling. "Reasonable accommodation" means any deviation requested and/or granted from the City's zoning and land use laws, rules, regulations, policies, procedures,

practices, or any combination thereof, that may be reasonable and necessary for a person with a disability to have an equal opportunity to use and enjoy a dwelling.

In order to make housing available to people with disabilities, any eligible person may request a reasonable accommodation from the strict application of land use, zoning and building regulations, policies, practices and procedures. Any information identified by an applicant as confidential shall be retained in a manner so as to respect the privacy rights of the applicant and shall not be made available for public inspection, unless required by state or federal law. A request for a reasonable accommodation may be filed at any time that the accommodation may be necessary to ensure equal access to housing. A reasonable accommodation does not affect a person's obligations to comply with other applicable regulations not at issue in the requested accommodation.

Requests for a reasonable accommodation shall be reviewed by the Community Development Director, and may, in their discretion, refer applications to the Planning Commission for consideration. The request for a reasonable accommodation shall be approved, or approved with conditions, if the reviewing authority finds that all of the following findings can be made:

- A. The dwelling, which is the subject of the request for reasonable accommodation, will be used by a disabled person;
- B. The requested accommodation is necessary to make housing available to a disabled person;
- C. The requested accommodation will not impose an undue financial or administrative burden on the City; and
- D. The requested accommodation will not require a fundamental alteration in the nature of the City's zoning ordinance.

The written decision on the request for reasonable accommodation shall explain in detail the basis of the decision, including all findings. The written decision shall be final, unless the applicant appeals the decision.

While requests are seldomly referred to Planning Commission for their consideration and there are no public hearing or noticing requirements tied to their review, the Zoning Code does not outline the bases on which a decision on the matter could or should be deferred to the Commission. In an effort to proactively remove ambiguities that may impose extra constraints for people with disabilities, **Program 21, Reasonably Accommodate Housing for Persons with Physical and Developmental Disabilities**, of the Housing Element will amend their reasonable accommodation procedures to remove discretionary referrals to the Planning Commission so that requests shall be reviewed and may be granted by the Director. In addition, the City will develop materials and outreach methods to increase public awareness and ease of access to policies, programs and processes addressing reasonable accommodation.

2.4 Development Processing Procedures

Local processing and permit procedures can constrain the development of housing through unnecessary discretionary permit requirements, lengthy permit processing timelines, and subjective requirements that leave uncertainties in the overall development design and density. Discretionary actions can be required for development design reviews, required use permits, zone or plan amendments, and subdivisions. Whereas ministerial, or by-right, permits involve application of objective standards and criteria.

Further, in accordance with section 65913.4 of the California Government Code, also known as **SB 35**, a permit applicant may submit an application for a development that is subject to the streamlined, ministerial approval process and is not subject to a conditional use permit, if they meet the objective planning standards as outlined in the government code and as summarized as follows:

- Multi-family housing developments on infill sites zoned for residential or residential mixed-use.
- A minimum of 10 percent of the units are dedicated as affordable to households earning 80 percent or less of the area median income.
- For developments with 10 or more units, a prevailing wage requirement is included in all contracts for the performance of work.

Jurisdictions do not need to adopt a local ordinance to implement the ministerial processing provided by SB 35. The City reports annually on any applications received pursuant to SB 35. To proactively remove any potential constraints to development, the City will revise internal permitting procedures to ensure that staff has clear procedures for responding to proposals for SB 35 streamlining and for prioritizing qualifying SB 35 housing developments consistent with State law through implementation of **Program 3**, **Affordable Housing Streamlining**, of the Housing Element.

2.4.1 Precise Development Plan

Precise Development Plans (PDP) are intended to encourage the development of affordable housing through a streamlined permitting process. Projects in the RM, RH, and RPD zones that qualify for a density bonus pursuant to State density bonus law shall be eligible for a PDP (Municipal Code Section 10.84.010). Applications for PDPs shall be initiated by submitting the following materials to the Community Development Department:

- A completed application form, signed by the property owner or authorized agent, accompanied by the required fee, copies of deeds, any required powers of attorney, plans and mapping documentation in the form prescribed by the Community Development Director; and
- 2. A vicinity map showing the location and street address of the development site.

The Community Development Director shall approve, conditionally approve, or disapprove applications for PDPs. An application for a PDP shall be approved if, on the basis of the application, plans, materials, and testimony submitted, the decision-making authority finds:

- 1. The proposed project is consistent with the General Plan and Local Coastal Program; and
- 2. The physical design and configuration of the proposed project are in compliance with all applicable zoning and building ordinances, including physical development standards.

Failure to make all the required findings shall require denial of the application. In approving a PDP, reasonable conditions may be imposed as necessary to make the required findings. Unless appealed, the PDP shall become effective after expiration of the time limits for appeal.

To minimize constraints to the development of affordable housing that may result from discretionary permitting procedures, the City will amend the Zoning Code to ensure Precise Development Plan

applications are subject only to an administrative non-discretionary approval process through implementation of **Program 3** of the Housing Element.

As previously mentioned, multifamily projects in residential zones that qualify for a density bonus pursuant to State density bonus law shall be eligible for a PDP. It is worth noting that while the intent of the 5th Cycle Housing Element policies was to extend the PDP process to density bonus projects in the CL, CNE and CD zones, the Code amendments that followed the adoption of the 5th Cycle Housing Element did not implement the policies as described in the Housing Element; therefore, the commercial land uses table in Section 10.16 of the Municipal Code, and as shown in **Tables 2** and **4** of this analysis, still references Use Permits (see **Section 2.4.3**) as the applicable applications process for residential or mixed use projects in the CL, CNE, and CD zones, with no mention of the PDP process. As such, through implementation of **Program 15**, of the Housing Element, the City will amend the zoning code to permit residential uses without requiring approval of a Use Permit in the CL, CD, and CNE zones and provide streamlined processing for projects that qualify for a density bonus.

2.4.2 Site Development Permit

Site Development Permits (SDP) are intended to streamline the permitting process for market-rate multifamily housing developments of six or more units (MBMC 10.84.010). Multifamily projects are permitted in the residential zones (RM, RH, and RPD) subject to an SDP. Pursuant to Section 10.84.030 of the Municipal Code, applications for Site Development Permits shall be initiated by submitting the following materials to the Community Development Department:

- 1. A completed application form, signed by the property owner or authorized agent, accompanied by the required fee, copies of deeds, any required powers of attorney, plans and mapping documentation in the form prescribed by the Community Development Director;
- 2. A vicinity map showing the location and street address of the development site;
- 3. A map showing the location and street address of the property that is the subject of the amendment and of all lots of record within five hundred feet (500') of the boundaries of the property; and
- 4. A list, drawn from the last equalized property tax assessment roll or the records of the County Assessor, Tax Collector, or the City's contractor for such records showing the names and addresses of the owner of record of each lot within five hundred feet (500') of the boundaries of the property. This list shall be keyed to the map required by subsection (C) of this section and shall be accompanied by mailing labels.

The Planning Commission shall hold a public hearing on an application for a Site Development Permit and shall approve said permit if, on the basis of the application, plans, materials, and testimony submitted, the decision making authority finds that:

- 1. The proposed project is consistent with the General Plan and Local Coastal Program.
- 2. The physical design and configuration of the proposed project are in compliance with all applicable zoning and building ordinances, including physical development standards.

Unless appealed, the SDP shall become effective after expiration of the time limits for appeal.

As in the case of the PDP, the 5th Cycle Housing Element policies intended to extend the SDP process to market rate residential and mixed use projects in the CL, CNE, and CD zoning districts, but the Code amendments that followed the adoption of the 5th Cycle Housing Element failed to implement this policy as intended in the commercial land uses table of Chapter 10.16 of the Municipal Code. In

accordance with Section 10.84.020 of the Municipal Code, the Planning Commission currently approves, conditionally approves, or disapproves applications for SDPs; however, the 5th Cycle Housing Element specifically identified that the Planning Commission's review of SDPs are limited to confirming that the project complies with applicable development standards and does not examine the appropriateness of the use itself. While Zoning Code revisions to the SDP application process are not included through implementation of the 6th Cycle Housing Element's Programs, the City will evaluate necessary revisions and amend the Zoning Code, if feasible, to clearly reflect the review process for SDPs intended by the 5th Cycle Housing Element and remove constraints to development.

2.4.3 Conditional Use Permit (Use Permit)

Use Permits are required for use classifications typically having unusual site development features or operating characteristics requiring special consideration so that they may be designed, located, and operated compatibly with uses on adjoining properties and in the surrounding area. Pursuant to Section 10.84.030 of the Municipal Code, the Planning Commission shall approve, conditionally approve, or disapprove applications for Use Permits.

Applications for Use Permits shall be initiated by submitting the following materials to the Community Development Department:

- 1. A completed application form, signed by the property owner or authorized agent, accompanied by the required fee, copies of deeds, any required powers of attorney, plans and mapping documentation in the form prescribed by the Community Development Director;
- 2. A vicinity map showing the location and street address of the development site;
- 3. A map showing the location and street address of the property that is the subject of the amendment and of all lots of record within five hundred feet (500') of the boundaries of the property; and
- 4. A list, drawn from the last equalized property tax assessment roll or the records of the County Assessor, Tax Collector, or the City's contractor for such records showing the names and addresses of the owner of record of each lot within five hundred feet (500') of the boundaries of the property. This list shall be keyed to the map required by subsection (C) of this section and shall be accompanied by mailing labels.

The Planning Commission shall hold a public hearing on an application for a Use Permit. An application for a use permit shall be approved if, on the basis of the application, plans, materials, and testimony submitted, the Planning Commission finds that:

- 1. The proposed location of the use is in accord with the objectives of this title and the purposes of the district in which the site is located;
- 2. The proposed location of the use and the proposed conditions under which it would be operated or maintained will be consistent with the General Plan; will not be detrimental to the public health, safety or welfare of persons residing or working on the proposed project site or in or adjacent to the neighborhood of such use; and will not be detrimental to properties or improvements in the vicinity or to the general welfare of the city;
- 3. The proposed use will comply with the provisions of this title, including any specific condition required for the proposed use in the district in which it would be located; and

4. The proposed use will not adversely impact nor be adversely impacted by nearby properties. Potential impacts are related but not necessarily limited to: traffic, parking, noise, vibration, odors, resident security and personal safety, and aesthetics, or create demands exceeding the capacity of public services and facilities which cannot be mitigated.

Failure to make all the required findings shall require denial of the application. In approving a use permit, reasonable conditions may be imposed as necessary to make the required findings. Unless appealed, the Use Permit shall become effective after expiration of the time limits for appeal.

2.4.4 Variances

Variances are intended to resolve practical difficulties or unnecessary physical hardships that may result from the size, shape, or dimensions of a site or the location of existing structures thereon; from geographic, topographic, or other physical conditions on the site or in the immediate vicinity; or from street locations or traffic conditions in the immediate vicinity of the site. Pursuant to Municipal Code Section 10.84.010, Variances may be granted with respect to fences, walls, landscaping, screening, site area, site dimensions, yards, height of structures, distances between structures, open space, off-street parking and off-street loading, and performance standards.

Authorization to grant Variances does not extend to use regulations because sufficient flexibility is provided by the Use Permit process for specified uses and by the authority of the Planning Commission to determine whether a specific use belongs within one (1) or more of the use classifications listed in Chapter 10.08 of the Municipal Code. Further, Chapter 10.96 provides procedures for amendments to the zoning map or zoning regulations.

The Planning Commission shall approve, conditionally approve, or disapprove applications for Variances. Applications for Variances shall be initiated by submitting the following materials to the Community Development Department:

- A completed application form, signed by the property owner or authorized agent, accompanied by the required fee, copies of deeds, any required powers of attorney, plans and mapping documentation in the form prescribed by the Community Development Director;
- 2. A vicinity map showing the location and street address of the development site;
- 3. A map showing the location and street address of the property that is the subject of the amendment and of all lots of record within five hundred feet (500') of the boundaries of the property; and
- 4. A list, drawn from the last equalized property tax assessment roll or the records of the County Assessor, Tax Collector, or the City's contractor for such records showing the names and addresses of the owner of record of each lot within five hundred feet (500') of the boundaries of the property. This list shall be keyed to the map required by subsection (C) of this section and shall be accompanied by mailing labels.

The Planning Commission shall hold a public hearing on an application for a Variance. An application for a Variance shall be approved if, on the basis of the application, plans, materials, and testimony submitted, the decision making authority finds that:

- Because of special circumstances or conditions applicable to the subject property—
 including narrowness and hollowness or shape, exceptional topography, or the
 extraordinary or exceptional situations or conditions—strict application of the
 requirements of this title would result in peculiar and exceptional difficulties to, or
 exceptional and/or undue hardships upon, the owner of the property;
- 2. The relief may be granted without substantial detriment to the public good; without substantial impairment of affected natural resources; and not be detrimental or injurious to property or improvements in the vicinity of the development site, or to the public health, safety or general welfare; and
- 3. Granting the application is consistent with the purposes of this title and will not constitute a grant of special privilege inconsistent with limitations on other properties in the vicinity and in the same zoning district and area district.
- 4. OS District Only. Granting the application is consistent with the requirements of Section 65911 of the Government Code and will not conflict with General Plan policy governing orderly growth and development and the preservation and conservation of open-space laws.

Failure to make all the required findings shall require denial of the application. In approving a Variance, reasonable conditions may be imposed as necessary to make the required findings. Unless appealed, the Variance shall become effective after expiration of the time limits for appeal set forth in Section 10.100.030 of the Municipal Code.

2.4.5 Minor Exceptions

Minor exceptions are generally intended to allow certain alterations and additions to certain nonconforming pre-existing structures and to allow the establishment of new Accessory Dwelling Units (ADUs) within legal pre-existing structures that do not comply with the ADU development standards. Minor Exceptions are also intended to encourage home remodeling and additions to existing smaller older legal non-conforming homes. The provisions strive to balance the community's desire to maintain smaller older homes while still allowing some flexibility to encourage these homes to be maintained and upgraded, as well as enlarged below the maximum allowed square footage instead of being replaced with larger new homes.

Applications for all minor exceptions shall be initiated by submitting the following materials to the Community Development Department:

- 1. A completed application form, signed by the property owner or authorized agent, accompanied by the required fees, plans and mapping documentation in the form prescribed by the Community Development Director.
- 2. Written statements to support the required findings and criteria of this Code section
- 3. A vicinity map showing the location and street address of the development site.

As specified in Section 10.84.120 of the Municipal Code, certain Minor Exception requests require public notice, while others do not. After the commenting deadline date, if any, and within thirty (30) days of receipt of a completed application, the Director shall approve, conditionally approve, or deny the required exception. The Director of Community Development shall send the applicant a letter stating the reasons for the decision under the authority for granting the exception, as provided by the

applicable sections of this chapter. The letter also shall state that the Director's decision is appealable. In making a determination, the Director shall be required to make the following findings:

- a. The proposed project will be compatible with properties in the surrounding area, including, but not limited to, scale, mass, orientation, size and location of setbacks, and height.
- b. There will be no significant detrimental impact to surrounding neighbors, including, but not limited to, impacts to privacy, pedestrian and vehicular accessibility, light, and air.
- c. There are practical difficulty which warrants deviation from Code standards, including, but not limited to, lot configuration, size, shape, or topography, and/or relationship of existing building(s) to the lot.
- d. That existing non-conformities will be brought closer to or in conformance with Zoning Code and Building Safety requirements where deemed to be reasonable and feasible.
- e. That the proposed project is consistent with the City's General Plan, the purposes of this title and the zoning district where the project is located, the Local Coastal Program, if applicable, and with any other current applicable policy guidelines.

In approving a minor exception permit, the Director may impose reasonable conditions necessary.

2.4.6 Density Bonus Requirements

Under state law (AB 2345, 2020), cities and counties must provide a density increase up to 50% over the otherwise maximum allowable residential density under the Municipal Code and the Land Use Element of the General Plan (or bonuses of equivalent financial value) when builders agree to construct housing developments with units affordable to low- or moderate-income households. The City has a standard application and review procedure for processing density bonus applications as part of housing development applications as included in Section 10.94.050 of the MBMC. Chapter 10.94, Affordable Housing Density Bonus and Incentive Program, of the Municipal Code was last updated in 2013 to include density bonus regulations in conformance with State law. Since then, State density bonus laws have been updated (pursuant to Government Code 65915-65918). Discrepancies in Chapter 10.94 of the Municipal Code that must be addressed to comply with 2021 density bonus regulations, include but are not limited to:

- The maximum allowed percentage density bonus must be increased from the Code's existing maximum of 35% to 50% to reflect the allowances found in Government Code Section 65915 (f).
- Remove the limit on one incentive or concession for senior housing developments found in Section 10.94.040 (A)(2) of the MBMC.
- In addition to the three affordable housing concessions or incentives currently offered in Section 10.94.040 (A)(4) of the MBMC, current State law (2021) allows for a fourth incentive for projects that are located within a half-mile of a transit stop. The application shall also receive a height increase of up to three additional stories or 33 feet.
- The first required finding the City may use to deny a requested incentive or concession in Section 10.94.040 (B)(1) of the MBMC must be updated to reflect the latest language for the first required finding found in Government Code Section 65915 (d)(1)(A).
- The required parking for units with two to three bedrooms in Section 10.94.040(C)(2) of the MBMC should be revised from two required on-site spaces per unit to one-and-a-half on-site parking spaces per unit.

The City incentivizes development of affordable housing by abiding by the local and State density bonus regulations. In addition, to further incentivize affordable units, multifamily projects in residential (RM, RH, and RPD) zones that qualify for a density bonus are eligible for a streamlined approval process, which will be further revised to ensure an administrative non-discretionary approval process through implementation of **Program 3** in the Housing Element. In addition, implementation of **Program 15** of the Housing Element will provide a streamlined approval process for multifamily projects that qualify for a density bonus in the mixed-use (CL, CD, and CNE) zones (refer to **Section 2.4.1**, Precise Development Plan for additional details).

2.4.7 Typical Permit Procedures

State Planning and Zoning Law provides permit processing requirements for residential development. Within the framework of State requirements, the City has structured its development review process in order to minimize the time required to obtain permits while ensuring that projects receive careful review. The permit review and approval process for single- and multifamily residential developments is described below.

Single-Family Development

Single-family development on a previously subdivided lot is a straightforward process. A building permit application is submitted, and plans are reviewed by the City to assure compliance with City laws and standards, including planning and zoning standards such as building height and setbacks. Building permits are issued administratively and do not require a public hearing. The City does not have any separate design review process. If a project is located in the Coastal Zone, a Coastal Development Permit (CDP) is also required. An administrative CDP approval by the Director is required for any new singlefamily residence and multifamily residence (excluding remodels and additions), in the non-appealable area of the Coastal Zone. In the appealable area of the Coastal Zone (within 300 feet of the inland extent of any beach) administrative CDP approval by the Director is required for any new single-family and multifamily residence as well as an increase of 10 percent or more of the internal floor area of the existing structure or the construction of an additional story or increase in building height of more than 10 percent. Any project located within the Coastal Zone compares similarly to a regular plan check located outside the Coastal Zone, with no extra requirements and findings. The City's Local Coastal Program has been certified by the California Coastal Commission. Therefore, the City processes its own Coastal Permits, saving time and money for applicants since they do not need to seek separate approval from the California Coastal Commission. Processing time for a CDP is typically 8 to 10 weeks. Note that development pursuant to an approved CDP shall not commence until the CDP is effective. The CDP is not effective until all appeals, including those to the Coastal Commission, have been exhausted. In the event that the Coastal Commission denies the permit or issues a permit on appeal, the Coastal Development Permit approved by the City is void. Action by the Director of Community Development may be appealed to the Planning Commission. Action by the Planning Commission may be appealed only to the City Council. However, if the project is located in the appealable area of the coastal zone, it may be directly appealed to the Coastal Commission within ten days of the decision.

Single-family subdivisions and condominiums require approval of a subdivision map. Condominium projects with 3 or more units require approval of a Use Permit. The typical time required is 3 to 5 months for review and approval for projects requiring a Use Permit.

Multifamily Development

Multifamily projects in the mixed-use zones (CL, CNE and CD) are currently permitted subject to a Use Permit. The typical time required is 3 to 5 months for review and approval for projects requiring a Use Permit; However, **Program 15** of the Housing Element will provide a streamlined approval process for qualifying projects in the mixed-use zones.

Multifamily projects in the residential zones (RM, RH, and RPD) with 5 units or less are permitted without a discretionary permit (approved by the Director with no public hearing). The typical time required for review and approval of an administrative permit is 8 to 10 weeks. Multifamily developments with 6 or more units require SDP approval by the Planning Commission. The processing time for an SDP is typically 5 months. Multifamily developments with 6 or more units that qualify for a density bonus pursuant to State density bonus law shall be eligible for PDP approval by the Director. The typical time required for review and approval of a PDP requiring Director approval is 2 to 5 months.

For development projects, potential delays in processing development applications and plans can increase time and costs considerably. Additionally, discretionary processes create uncertainty in the development process and increase project timelines. **Programs 3, 15, 21** of the Housing Element, aim to remove discretionary requirements in the development process.

Table 8, Permit Processing Timelines, provides approximate timelines for typical development approvals within the City.

Table 8. Permit Processing Times			
Action/ Request	Processing Time		
Environmental Impact Report	8-12 months		
Negative Declaration	6-9 months		
General Plan Amendment	8-12 months		
Zone Change	8-12 months		
Tentative Parcel Map	5 months		
Tract Map	5 months		
Variance	3-4 months		
Use Permits	5 months		
Administrative Permit	8-10 weeks		
Design Review	No Applicable Design Review in the City		
Plan Review	239-250 days		
Other Ministerial or Discretionary Permits – Precise Development Plan, Site Development Permit, Coastal Development Permit.	2-5 months		
Source: City of Manhattan Beach Planning Department, 2021.			

2.5 Development Fees and Improvement Requirements

Fees are charged by the City to cover processing costs and staff time and also to defray the cost of providing public services and facilities to new developments. By State law, fees cannot exceed costs to the City generated by the activity for which the fee is assessed. Permit processing and impact fees are described below.

2.5.1 Permit Processing Fees

For projects that do not require a hearing (i.e. Administrative Coastal Development Permit or Precise Development Plan), a permit fee of \$1,509 or \$4,077 respectively is assessed. In cases involving land subdivision, such as a condominium project, a tract map must be approved. Parcel Map fees range from \$1,397, if no public hearing is needed, and up to \$3,546. For a Tract Map, the fee would be \$1,493 if there is also another discretionary application such as a Use Permit or Variance; and \$4,074 if no discretionary application is requested in conjunction. Condominium projects requiring a use permit (2-unit condos are exempt) are assessed a \$8,393 fee.

Development and development impact fees are provided in **Exhibit A, City of Manhattan Beach Planning and Zoning Fee Schedule**.

2.5.2 Impact Fees

In addition to permit processing fees, developments are subject to impact fees to help fund the cost of providing public services and facilities. Water and sewer fees are necessary to ensure that these services will be available to serve new developments. For single-family or condo developments, \$1,817 per dwelling unit is assessed for park purposes in accordance with the Quimby Act. Multifamily rental projects are exempt from park fees.

In accordance with Chapter 10.90 of the Municipal Code, the City charges a fee for art in public places. The fee is equal to one percent of the building valuation and is not assessed on residential projects of fewer than four units. The City does not charge a traffic impact fee. While these fees are not insubstantial, they constitute only about 2% of the value of a typical owner-occupied residence and about 1.5% of the total value of a multifamily apartment.

Table 9, Typical Fees for Single-family and Multifamily Development, summarizes processing fees and impact fees for typical single-family and multifamily developments.

Table 9. Typical Fees for Single-Family and Multifamily Development					
Planning /Building Fees	Single-Family*	Multifamily**			
Processing Fees					
Parcel Map	N/A	\$1,397			
Coastal Development Permit	\$1,509	N/A			
Site Development Permit	N/A	\$6,388			
Plan Check	\$7,733.55	\$23,297.02			
Record Retention Fee	\$191	\$191			
Impact Fees					
Quimby/Parkland Fee***	N/A	N/A			
School District Fees	\$4.08 per square foot (assuming 3,300 square feet) = \$13,464	\$4.08 per square foot (assuming 13,000 net square feet) = \$53,040			
Public Art Fees	N/A	1% of project valuation \$35,334.21			
Traffic Impact	N/A	N/A			
Water and Sewage	\$4,082.85	\$13,479.25 (based on 11-units)			
Waste Management	Fee included in Building/Demo permit	Fee included in Building/Demo permit			
Est. Total Fees	\$26,980.40	\$97,792.27			

Source: City of Manhattan Beach, 2021.

2.5.3 On- and Off-Site Improvements

City requires developers to provide on-site and off-site improvements necessary to serve their projects. Such improvements may include water, sewer and other utility extensions, sidewalks, street construction and traffic control device installation that are reasonably related to the project. All streets, highways, alleys, ways, easements, rights-of-way and parcels of land offered for dedication shall be developed and improved to the standards of the City. Dedication of land or in-lieu fees may also be required of a project for rights-of-way, transit facilities, recreational facilities and school sites, consistent with the Subdivision Map Act.

Pursuant to the provisions of Section 66411.1 of the Subdivision Map Act, the City may require dedication of rights-of-way, easements and construction or reimbursement of reasonable off-site and on-site improvements for the parcels being created. Standards for design and improvement of subdivisions shall be in accordance with the applicable sections of Title 10 of the Zoning Code, the General Plan, and any specific plans adopted by the City. Prior to the approval by the City of the final map, the subdivider shall execute and file an agreement with the City specifying the period within which improvement work shall be completed to the satisfaction of the City Engineer, and providing that if the subdivider fails to complete the work within such period, the City may complete the same and recover the full cost and expense thereof from the subdivider. Chapter 11.20, Dedications and Improvements, of the MBMC, provides the standards and requirements for all final maps.

^{*}Single-Family Residence based on a 5-bedroom, 5-bathroom development

^{**}Multifamily Residence based upon an 11-unit development

^{***} Quimby fee was not applicable in this example because the units were rental, and no subdivision map was requested.

2.6 Analysis of Local Efforts to Remove Constraints and Facilitate Affordable Housing

Lower-income housing can be accommodated in all zones permitting residential use in Manhattan Beach. These may include ADUs in single-family zones and multifamily housing in the RH zone, and mixed-use or multifamily developments in the CD, CL and CNE Zones. Exclusive residential development is allowed subject to the RH development standards in the CD, CL and CNE commercial zones. The RH standards allow more building floor area on a given parcel than the commercial development standards, therefore a strong incentive is created for high density residential development in these commercial zones. However, the following potential constraints as identified in this analysis, and local efforts to mitigate the constraints, as feasible, may include the following:

Parking Requirements for Multifamily Housing (Section 10.64.030 of the MBMC)

- Two-spaces parking requirement for multifamily residential units, including one enclosed space, and 0.25 space per unit for buildings with 4 or more units. Only 1 enclosed space is required for units with less than 550 square feet of floor area in buildings with less than four units.
 - Two-car parking required for all units regardless of square footage in the Coastal Zone)
 - o Required dedicated guest parking space for each condominium unit.

While parking is typically perceived as a constraint to development, the provision of parking is needed to satisfy the requirements of the Zoning Code. 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, and a reduction in parking below two parking spaces per dwelling unit could potentially result in impacts on existing public parking. However, parking requirements are most stringent for larger units and least stringent for smaller, more affordable units.

Use Permit Requirements for Multifamily Housing

- Use Permit required for developments with three or more condominium units in accordance with Section 10.12.020 (B) of the MBMC.
- Use Permit required for multifamily housing in the CL, CD, and CNE zones in accordance with Chapter 10.16 of the MBMC.

The City will aim to mitigate this potential constraint, as feasible, through **Program 15**, of the Housing Element. Through implementation of **Program 15**, the City will amend the zoning code to permit residential uses without requiring approval of a Use Permit in the CL, CD, and CNE zones and provide streamlined processing for projects that qualify for a density bonus.

Open Space Requirements

• As required by Section 10.12.030 (M)(1) of the MBMC, open space (private and shared) in residential zones (RS, RM, and RH) shall equal 15 percent of unit size, with a minimum of 220 square feet of open space per unit.

While overly generous open space requirements may be perceived as a constraint to development, the City offers flexibility by including "outdoor or unenclosed area on the ground, or on a balcony, deck, porch or terrace designed and accessible for outdoor living, recreation, pedestrian access or landscaping" in the definition for usable open space.

Minimum Lot Standards and Setbacks

Minimum lot standards and setbacks are typical of many areas of southern California, and the three-foot minimum side yard setback is the minimum required to maintain public safety and emergency access. A five-foot front yard setback in Area Districts III and IV is relatively conservative, compared to the 20-foot minimum often required in inland areas and in other suburban areas. The minimum required area per dwelling unit allows for a range of densities, up to 51 dwelling units per acre, as shown in **Table 6**.

Furthermore, the City does not generally prescribe a minimum floor area per dwelling unit. Units as small as 500 square feet currently exist in the City, primarily in El Porto and the northwest area of the City. In accordance with Zoning Code Section 10.12.050 a minimum floor area of 525 square feet per dwelling is required for units developed as part of a senior housing complex.

City Wide Election

In accordance with MBMC Section 10.12.030, certain amendments to residential development standards in the RS, RM and RH zones must be submitted to voters for approval, including amendments to increase the standards for maximum height of structures, or to reduce the standards for minimum setbacks, minimum lot dimensions or minimum lot area per dwelling unit. Thus, densities higher than the maximum 51 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.

However, through implementation of **Program 2**, Adequate Sites, of the Housing Element, the City will establish an overlay district that encompasses a minimum of 20.1 acres of sites in the General Commercial (CG) and Planned Development (PD) Districts. In accordance with current State housing law requirements, the sites will allow 100 percent residential use and require residential use to occupy at least 50 percent of the floor area in a mixed-use project. This will create the opportunity for future residential development to occur outside of the residential zones. In addition, through implementation of **Program 15** of the Housing Element, the City will adopt development standards for multifamily residential and mixed-use projects in the three existing mixed-use commercial zones (CL, CD, and CNE), leaving more flexibility for appropriate development standards in those zones.

In addition to the previously mentioned efforts to mitigate potential constraints, the City offers streamlined approvals and multifamily permitting processes, and will aim to further remove discretionary approval processes through several programs in the Housing Element. Furthermore, the City supports the production of affordable housing through land use incentives, such as the State Density Bonus law and lot consolidation incentives, mixed-use designations that offer higher allowable densities, which can aid in reducing costs for affordable housing, and by aiming to maintain residential neighborhoods and protect residential neighborhoods from the intrusion of incompatible and character-changing uses by prohibiting short-term rentals in residential zones.

3 Non-Governmental Market Constraints

There is little land in the City available for new construction. Also, in most instances, parcels are divided into small lots or have irregular-shaped lots that make residential development difficult. This section identifies those non-governmental market factors and other financial factors that may affect the cost of new housing.

The City has been unable to identify any factors subject to local control related to land, fees, labor, materials, and/or financing that would significantly reduce the cost for housing. However, the City can support the production of affordable housing through land use incentives, such as the State Density Bonus law, streamlined approvals, and mixed-use designations that offer higher allowable densities, which can aid in reducing costs for affordable housing.

3.1 Cost of Land and Construction

According to a 2014 study commissioned by California's four State-level housing agencies—the California Tax Credit Allocation Committee (TCAC), the California Debt Limit Allocation Committee (CDLAC), the Department of Housing and Community Development (HCD) and the California Housing Finance Agency (CalHFA)—local and development-specific factors such as the type of housing (e.g., family units, special needs housing, single room occupancy), land availability and affordability, community opposition, materials costs and local building requirements (e.g., parking, design, density, quality and durability) all influence development costs for affordable housing. Land, construction, and financing costs represent the most significant non-governmental constraints in the production of housing for most income groups in the City.

Land costs within the City are increasing due to the built-out nature of the City, limited availability of land, and coastal proximity. Land is a major part of total development costs, especially in denser and more desirable areas³. Land costs for residential developments are often passed along to the consumer in the form of rent prices or home sale prices. While there is little to no availability of raw, vacant land in the City, based on the median listing price of 203 homes for sale in October 2021⁴, the average cost for land of developed properties is \$1,210 per square foot, with a median listing price of \$2,511,200.

Purchasing land accounts for roughly 10% to 20% of total development costs for a typical multi-family project. Land in high-resource areas with access to infrastructure, desirable land uses, and other community amenities costs more due to a higher demand. Although affordable housing developers typically work with local governments to develop affordable housing, there are limited resources available for the construction of affordable housing, making it hard to develop in areas with record high land costs. To supplement the shortage of funding and tax credits, it is necessary for the City to offer incentives to market-rate developers to provide affordable housing units. The median total development costs for affordable housing projects in Los Angeles County increased from \$275,305 to \$434,823 per bedroom from 2013 to 2019⁵. This is reflected in recent statistics that indicate that the Southern California area is now the most expensive housing market in the country. The City has been

³ UC Riverside School of Business, 2020. Demystifying the High Cost of Multifamily Housing Construction in Southern California. https://ucreconomicforecast.org/wp-content/uploads/2020/03/UCR_CEFD_Multifamily_Housing_White-Paper_3_2020.pdf.

⁴ https://www.homes.com/manhattan-beach-ca/90266/what-is-my-home-worth/.

⁵ Los Angeles County Development Authority, 2021. Affordable Housing Presentation to the Los Angeles County Board of Supervisors. http://file.lacounty.gov/SDSInter/bos/supdocs/153603.pdf.

unable to identify any factors subject to local control related to land, fees, labor, materials, and/or financing that would significantly reduce the cost for housing. However, the City will continue offering incentives and streamlined permitting procedures for developers in exchange for affordable housing units, such as through implementation of **Programs 3, 15, 21** of the Housing Element.

Construction costs include both "hard" and "soft" costs. Hard costs, such as labor and materials, typically account for 50% to 70% of construction costs, and soft costs, such as architectural and engineering services, development fees, construction financing, insurance, and permitting, typically average around 20% to 30% of total costs, although they can be higher for subsidized affordable housing or complex projects. A significant cost factor associated with residential building involves the cost for building materials. These costs can account for more than half of the total construction cost. According to the latest Building Valuation Data release in 2019, the national average for development costs per square foot for apartments and single-family homes in 2019 were as follows:

- Type I or II, Multi-Family: \$148.82 to \$168.94 per square foot
- Type V Wood Frame, Multi-Family: \$113.88 to \$118.57 per square foot
- Type V Wood Frame, One- and Two-Family Dwelling: \$123.68 to \$131.34 per square foot

The costs of design, regulation, and operations do not vary much by building size, so larger buildings allow developers to spread these fixed costs over more dense developments. In general, construction costs can be lowered by increasing the number of units in a development, reflecting economies of scale in multi-family construction, until the scale of the project requires a different construction type that commands a higher per-square-foot cost. This is because construction costs change substantially depending on the building type. For example, high-rise concrete apartments might cost \$75 or more per square foot than a six-story wood-frame structure on a concrete podium. Apartments four stories or fewer can typically achieve an economy of scale, provided that the building has typical amenities and no structured parking. However, for smaller-scale and affordable or middle-income housing, onerous regulations can impose a significant burden. Because of the jump in construction costs, developers may not build to the maximum height or floor-to-area ratio. Mobile homes are significantly less expensive, as are precision or factory-built housing products.

Labor costs also greatly contribute to construction costs. They are generally two to three times the cost of construction materials. A 2019 study for Smart Cities Prevail found that California lost about 200,000 construction workers since 2006. Many lost their job during the recession and found work in other industries. Before the COVID-19 pandemic, the industry already faced this historic shortage of skilled labor, and the labor gaps might get even larger, especially in states like California. California's shortage of needed construction workers, combined with rising prices in construction materials, also contributes to driving up construction costs.

The COVID-19 pandemic resulted in delays and shortages for some construction materials, and extended timelines and costs for many developments under construction. Construction delays only further constrain California's housing shortage, exacerbating the current supply-and-demand imbalance across much of the State as the housing market continues to see home prices accelerate with a record low supply of homes for sale.

3.2 Availability of Financing

Availability of financing for the construction of housing and for home ownership loans can greatly impact the housing market. While the City has been unable to identify any factors subject to local control related to land, fees, labor, materials, and/or financing that would significantly reduce the cost for housing, the City will continue offering incentives and streamlined processes, such as through implementation of **Programs 3, 15, 21** of the Housing Element.

Construction Financing

Construction loans are short-term, interim loans used for new home construction. Construction loans can be used to cover the cost of land, contractor labor, building materials, permits, and more. With a construction loan, the lender is unable to claim the residence as collateral and views these types of loans as riskier. Developers must usually supply at least 25% of the project value upfront, and perhaps more if the total cost is more than 75% of the estimated value of the project. Although there is no hard threshold for how much required upfront equity is too much before a residential project would be infeasible, the higher the proportion of equity required, the more unlikely that a developer would proceed with the project. Construction loans must also be paid off when the loan matures, typically 1 year or less. This can be done through the conversion of the loan to mortgage financing or by obtaining a mortgage to secure permanent financing to pay off the loan.

Although the City does not currently have any local ordinances that directly impact the cost of development, financing for residential projects, particularly affordable housing, is quite complex. The level of subsidies required for affordable housing projects necessitates the pooling of multiple funding sources. The County of Los Angeles offers several funding programs for affordable housing developers meeting eligibility requirements. The Los Angeles County Development Authority (LACDA) publicly releases its Notice of Funding Availability (NOFA), twice annually with a focus on funding the development or rehabilitation of low-income rental housing. Funding sources include Measure H, No Place Like Home, and Measure JJJ. Additionally, the City supports the production of affordable housing through incentives such as the State Density Bonus law and land-use designations that offer higher allowable densities, which can aid in reducing costs for affordable housing.

Mortgage Financing

Current (2021) interest rates for home loans are between 2% and 3%, depending on the terms of down payment. Mortgage rates have been at a record low in recent months due to the COVID-19 pandemic, and recent policy statements from the Federal Reserve indicate that these rates will stay low for the foreseeable future. Although recent economic conditions have seen interest rates remain low, housing prices have skyrocketed and buying a house or refinancing a mortgage is becoming less attainable for many households, as banks raise requirements such as minimum credit score. Loan applicants with short credit history, lower incomes, self-employment incomes, or other unusual circumstances have had trouble qualifying for loans or are charged higher rates.

Based on the median sale price of \$2,511,200 for homes in the City, and assuming a 10% down payment of \$251,120 and a 3.2%, 30-year fixed mortgage, monthly principle and interest would be approximately \$11,493. The down payment required to purchase a home combined with a high monthly payment represent major obstacles for most families.

3.3 Requests for Housing Developments at Reduced Densities

State law requires the Housing Element to include an analysis of requests to develop housing at densities below those anticipated in the sites inventory. Programs in the Housing Element include measures to streamline residential development projects, which limits opportunities for public opposition to result in reduced densities.

The City works closely with developers throughout the development process to ensure that there is clear understanding related to what they are allowed to build, and the corresponding maximum densities permitted. Furthermore, City staff works with the developers to make sure they understand what their options are for developing affordable housing, the incentives or flexibility they have to make those options work in the City, and to evaluate options for how to get there.

3.4 Length of Time between Project Approval and Applications for Building Permits

State law requires an analysis of the length of time between receiving approval for housing development and submittal of an application for building permit. On average, the time is between three to four months for the approval for a housing development, after submittal of a completed application and plans for building permits which comply with all applicable regulations.

4 Environmental Constraints

4.1 Environmental Review

Environmental review is required for all discretionary development projects under the California Environmental Quality Act (CEQA). Due to their construction in a built-out environment, most projects in the City are either Categorically Exempt or require only an Initial Study and Negative Declaration. Developments that have the potential of creating significant impacts that cannot be mitigated require the preparation of an Environmental Impact Report. Most residential projects require a Negative Declaration and take an additional three to four weeks to complete. Accessory dwelling units are a ministerial process (non-discretionary) and therefore, qualify for statutory exemption from CEQA. As a result, state-mandated environmental review does not pose a significant constraint to housing development.

4.2 Geologic and Seismic Hazards

Southern California lies on the edge of the Pacific Plate, one of the many puzzle-like pieces that fit together forming the Earth's crust. The continuous shifting and pushing of these crustal plates create ruptures and weaknesses termed "faults". Movement along a fault releases stored energy and tension, thereby producing earthquakes.

Although no surface faults are known to pass through the City, the City does lie above the Compton Thrust Fault. This type of fault does not rupture all the way up to the surface, so there is no evidence of it on the ground. It is "buried "under the uppermost layers of rock in the crust. In addition, several regional potentially active faults nearby can produce enough shaking to significantly damage structures and cause loss of life.

The level of damage in the City resulting from an earthquake will depend upon the magnitude of the event, the epicenter distance from the City, the response of geologic materials, and the strength and construction quality of structures. While ground shaking itself can cause damage, related effects such as liquefaction, landslides, and tsunami inundation are also of concern.

4.3 Flooding

No portions of the City lie within any federally designated flood zone. Localized flooding represents the only flood concern. Historically, localized flooding has resulted in damaged properties. Flooding can occur in low topographic areas or where storm drains are unable to accommodate peak flows during a storm event. Generally, localized flooding dissipates quickly after heavy rain ceases. The topographical features in the City, local drainage infrastructure, and proximity to the ocean reduce any serious threat of storm flooding within the City. City engineering records indicate that localized flooding of consequence occurs roughly every 20 years. This has been an issue that the Public Works Department has been addressing for a number of years, particularly in the Tree Section. There are areas of the City that regularly flood during heavy storm events.

4.4 Other Environmental Constraints

4.4.1 Hazardous Materials

Industrial uses in the adjacent City of El Segundo may have an impact on the City's residents. The Chevron Oil Refinery, El Segundo Generation Station (ESGS), and other industrial uses occupy properties just north of the City and are adjacent to many homes. Northrop Grumman (formerly TRW, Inc. - Space and Electronics), with locations in Redondo Beach and Manhattan Beach, handles hazardous materials. Fire and/or spills of chemicals and petroleum can release hazardous materials into the air that may warrant an evacuation of surrounding areas. The Hyperion Water Reclamation Plant is the Los Angeles City's oldest and largest wastewater treatment facility and is located 1.5 miles north of the City The plant has been operating since 1894. The plant has been expanded and improved numerous times over the last 100+ years.

A report by the California Energy Commission identified three major types of hazards associated with the El Segundo Power (Generation Station) Redevelopment Project. These include the accidental release of ammonia, hydrazine vapor mishandling, fire, and explosion from natural gas. Mitigation measures have been introduced to reduce the threat of public exposures to these hazards, as well as alternative use of chemicals that are less hazardous.

The Manhattan Beach Fire Department Fire Prevention Division participates in a local hazardous materials program through a joint agreement with the Los Angeles County Fire Department. Division responsibilities include cleanup of spills, leaks, and illegal dumping, and monitoring hazardous materials within businesses in the City.

4.4.2 Fire Risk

Urban fires represent the sole fire threat in the City. The City's narrow streets and alleys, steep topography, densely developed housing, and extensive on-street parking can limit the access of fire trucks and other emergency vehicles, particularly longer vehicles. Several roadways in Downtown and North End/El Porto cannot accommodate longer wheelbase fire engines. The Fire Department has identified all impassible roadways and uses designated alternative routes to quickly gain access to all properties within the City. The Department also regularly practices maneuvering on narrow streets with large vehicles to analyze access limitations and develop routing alternatives in the event of responding to an emergency within an identified issue area.

4.4.3 Liquefaction

Liquefaction is a phenomenon in which the stiffness of a soil is reduced when ground shaking causes water-saturated soil to become fluid and lose its strength. Earthquake-induced liquefaction and related phenomena can cause significant damage, creating problems with buildings, buried pipes, and tanks. Liquefaction hazard areas in the City have been identified along the coast, particularly the sandy areas of the beach. Only lifeguard towers and a partial portion of the Pier are located in liquefaction areas.

4.4.4 Landslides

The strong ground motions that occur during earthquakes are capable of inducing landslides, generally where unstable soil conditions already exist. Prior to the 1920s, when beach sand was hauled away to facilitate development, the City was known to have significantly large sand dunes, ranging from 50 to 70 feet in height. Past indication of these sand dunes are evidenced in the north end of the City, particularly at Sand Dune Park. The north end is the only area of the City where landslides hazards and unstable soil have been recognized.

4.4.5 Coastal Zone

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. Due to land costs, it would not be feasible to provide very low-, low- or moderate-income housing on single-family or small multi-family lots within the City's Coastal Zone without very large subsidies. There are no large vacant lots available for housing complexes which would accommodate large numbers of dwelling units within the Coastal Zone. However, significant development opportunities exist within the Coastal Zone on underutilized commercial properties in the CD, CNE and CL zones.

The City 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 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.

At the same time, the City seeks to process permits in the Coastal Zone as efficiently as possible. As noted above, certification of the City's Local Coastal program allows the City to process coastal permits locally, saving the time and expense of a separate Coastal Commission approval.

4.5 Infrastructure Capacity

Residential development during the 6th Cycle will primarily occur on properties that have previously been developed. As such, existing infrastructure, including water, sewer, and dry utilities, including electricity, natural gas, cable, and telephone, are available at all sites identified in the Sites Inventory (see **Appendix E**). The City's utilities receive necessary upgrades and improvements based upon future growth and development anticipated by the General Plan.

The City is the direct provider of water, sewer, and storm drain maintenance.

4.5.1 Storm Drain Facilities

In regards to storm drain facilities, the goals and policies of the Infrastructure Element of the General Plan aim to: 1) ensure adequate capacity to collect and carry storm water and thereby avoid flooding, and 2) reduce pollutant loads in storm water as part of regional efforts to improve water quality in surface waters. Storm water runoff flows directly into the City's storm drain system via street gutters and other inlets, and this flow in turn discharges into the County flood control network, which ultimately drains into the Pacific Ocean. The Los Angeles County Department of Public Works (LACDPW) maintains the regional storm drain system, including two major pump plants (Polliwog Pond and Johnson Street) in the City.

With regard to capacity, the established system is adequate to handle most runoff. However, during unusually heavy storm events, the system can become overwhelmed, with flooding occurring in the areas shown in Figure CS-3 of the Safety Element. The City has assessed the cost to correct isolated deficiencies, with the determination that significant investment will be required to address the issue. The main deficiency occurs in the County-owned trunk line that collects flow from more than 50 percent of the City and empties at the beach at 28th Street. Rough estimates indicate that at least \$20 million would be needed to add necessary capacity to eliminate flooding in certain areas.

4.5.2 Water Supply/Service

The City obtains water from three sources: (1) Metropolitan Water District (MWD) treated surface water from Northern California and the Colorado River, which is provided to the City by the West Basin Municipal Water District and represents over eighty percent of the local water supply; (2) groundwater extracted by City-owned and operated wells; and (3) reclaimed water supplied for landscape irrigation from the West Basin Municipal Water District. The City owns the right to pump 64,468 acre feet per year of groundwater from the West Coast Basin. Imported water flows to the City via 45-inch MWD line in Manhattan Beach Boulevard.

The City's water system consists of pump stations, storage reservoirs, an elevated storage tank, water supply wells, a settling basin, and approximately 112 miles of distribution pipelines. In addition to these facilities, the City provides access to reclaimed water supplies via a major pipeline in Marine Avenue. Reclaimed water can be used for landscape irrigation and some industrial uses, and can reduce demand on potable water supplies.

Given that Land Use Policy (Figure LU-3) accommodates a very modest level of growth in the City, these facilities were not expected to require any substantial expansion to meet long-term needs. The City planned to focus efforts on maintenance and replacement as needed.

The City's 2010 Master Plan identified 10 major projects related to water supply to improve the existing system and provide for any future growth. In order of priority, the projects include: replacement of Peck Reservoir; replacement of Block 35 Ground Level Reservoir; replacement of Larsson Pump Station; installation of a new solid state type control system at 2nd Street Booster Pump Station; installation of a seismic vibration isolators at 2nd Street Booster Pump Station; construction of a new well and associated discharge pipe; installation of a new well collection line from Well 11A to Block 35; installation of new fire hydrants; and an annual pipe replacement program.

A project to replace the Peck Reservoir is currently in process (2021), as this was identified as a top priority in the City's 2010 Water Master Plan.

4.5.3 Sewer

The City owns, operates, and maintains the local wastewater collection and pumping system. The City's owned and operated sewer collection system is made up of a network of gravity sewers, pump stations, and force mains. The gravity system consists of approximately 81.6 miles of pipe, and 2086 manholes and clean outs. The system also includes six pump stations and 5,114 feet of associated force mains. Collected effluent is treated at the Joint Water Pollution Control Plant in Carson, operated by the Sanitation Districts of Los Angeles County. The sewer main to Carson tunnels under Sand Dune Park and connects the east and west portion of the City. The collection system appears to serve the City adequately. The City has undertaken a complete inspection of the entire system via videotaping, and priorities for line replacement have been established to ensure long-term reliability.

In 2017, the City updated its Sewer System Management Plan (SSMP) and presented it to the State Water Resources Control Board (SWRCB). This SSMP element identifies goals the City has set for the management, operation and maintenance of the sewer system. Sewer upgrade projects, as outlined in the FY2022-2026 Capital Improvement Plan include: rehabilitation or replacement of gravity sewer mains annually throughout the City; reconstruction/modification of the Poinsettia Sewage Lift Station

and installation of a second force main; improvement of the Pacific Avenue Sewage Lift Station and installation of a second force main; improvement of the Voorhees Sewage Lift Station and installation of a second force main; improvement of the Pacific Avenue Sewage Lift Station and installation of a second force main; and improvement of the Palm Lift Station and construction of emergency storage.

4.5.4 Electric Power and Natural Gas

Southern California Edison provides electric service to residents and businesses in the City. The City's Capital Improvement Program outlines funding to remove the high voltage power poles on Rosecrans Avenue to improve the corridor visually. The City is pursuing implementation, with Southern California Edison, on a number of undergrounding projects in residential areas. The projects will be financed through assessment districts.

Southern California Gas Company provides natural gas service to residents and businesses in the City. There are no upgrades to natural gas services that the City is aware of at this time.

5 Quantified Objectives

Based on the City's needs, resources, constraints, and programs outlined in the Housing Element, **Table 11, Summary of Quantified Objectives for 6**th **Cycle (2021-2029)** summarizes the quantifiable objectives for the 6th Cycle. The quantified objectives estimate the number of units likely to be constructed, rehabilitated, or conserved/preserved by income level during the planning period. The quantified objectives do not represent a ceiling on development, but rather set a target goal for the City to achieve.

Table 11. Summary of Quantified Objectives for 6th Cycle (2021-2029)						
Income Category	6th Cycle RHNA	New Construction	Rehabilitation	Conservation/ Preservation		
Extremely Low	161	161	0	0		
Very Low	161	140	0	21		
Low	165	136	8	21		
Moderate	155	105	8	42		
Above Moderate	132	132	0	0		
TOTALS	774	674	16	84		

Exhibit A. City of Manhattan Beach Planning and Zoning Fee Schedule.

City of Manhattan Beach - Community Development Department

Planning and Zoning Fee Schedule

(Effective July 1, 2020 - Resolution No. 20-0025)

Last Updated: 9/02/2020

Last Updated: 9/				ated: 9/02/	2/2020		
Category	Description	Fee or	Envir.	FY 2017-	FY 2018-	FY 2020-	Public
		Deposit	Fees	2018	2019	2021	Notice
AMENDMENTS	General Plan or Specific Plan Amendment + consultant						
	costs	DEPOSIT	**	\$20,000	\$20,000	\$20,000	Υ
	Zaning Tayt or Man Amandmant , consultant costs	DEPOSIT	**	¢20.000	¢20.000	¢20.000	Y
	Zoning Text or Map Amendment + consultant costs Amendment to Development Permit		**	\$20,000	\$20,000	\$20,000	
	(Includes Amendments to Use Permit, Variance,	FEE		\$4,864	\$4,949	\$5,035	Υ
	Development Agreement, and Residential, Commercial						
	or Senior Citizen Residential Planned Development).						
	Additional fees: Parking/Traffic Review + consultant						
	costs	FEE		\$1,129	\$1,149	\$879	
	Master Use Permit Amendment	FEE	**	\$5,037	\$5,126	\$7,414	
	Additional fees: Parking/Traffic Review + consultant			ψ 0/0 0 /	\$0,120	47,111	
	costs	FEE		\$1,129	\$1,149	\$879	
	Alcohol and/or Live Music	FEE		\$110	\$110	\$108	
APPEALS	Appeal to City Council or Planning Commission of						
	Administrative Decision	FEE		\$500	\$500	\$500	Ν
	Appeal to City Council of Planning Commission or Parking						
	and Public Improvements Commission (PPIC) Decision	FEE		\$500	\$500	\$500	Ν
	Appeal to Parking and Public Improvements Commission						
	(PPIC)	FEE		\$500	\$500	\$500	Ν
COASTAL	Coastal Development Permit Administrative - No Public						
	Hearing	FEE		\$1,303	\$1,324	\$1,509	
	Coastal Development Permit - Public Hearing	FEE		\$4,787	\$4,871	\$3,948	Υ
	Coastal Development Permit - Public Hearing w/ another						
	discretionary application	FEE	*	\$2,108	\$2,142	\$1,940	
	Coastal Development Permit Transfer	FEE		\$162	\$165	\$155	N
0011001							
CONDOMUNIUM	Tentative Parcel Map - 4 or less lots/units - No Public						
FEES	Hearing	FEE		\$1,309	\$1,333	\$1,397	N
	Tentative Parcel Map - 4 or less lots/units - Public Hearing		*	\$3,557	\$3,622	\$3,546	Υ
	With another discretionary application	FEE		\$1,377	\$1,402	\$1,301	
	Tentative Tract Map - 5 or more lots/units	FEE	**	\$4,060	\$4,134	\$4,074	Υ
	With another discretionary application	FEE		\$1,313	\$1,338	\$1,493	
	Use Permit (2-unit condos exempt)	FEE		\$6,287	\$6,396	\$8,393	Υ
	NOTE: Above fees are for initial filing; see SUBDIVISION	I APPLICA	TION				
ENCROACHMENT	5 1 1 1 2 1 1 2 1 1 1 1 1 1 1 1			44 = 0		44 == =	
PERMITS	Encroachment Permit - Original/New	FEE		\$1,594	\$1,624	\$1,770	
	Encroachment Permit - Transfer/Revision/Minor	FEE		\$745	\$758	\$767	N
	Sidewalk Dining Permit	FEE		\$278	\$283	\$192	Ν

ENVIRONMENTAL REVIEW	The type of environmental review required for an applicat determination shown in this fee schedule is subject to char	•					wn
	without an asterisk are "ministerial" projects, per the City's adopted CEQA Guidelines. Questions concerning the					level	
	of environmental review necessary should be directed to 0	Community	y Devel	opment De	ot. at (310) 8	02-5503.	
	* Environmental Assessment (No Initial Study -						
	Categorically Exempt from CEQA) ** Environmental Assessment (Initial Study - Not	FEE		\$215	\$215	\$215	N
	Categorically Exempt from CEQA)	FEE		\$3,079	\$3,133	\$3,133	Υ
	Environmental Impact Report + consultant costs Fish and Game/CEQA Exemption County Clerk Posting	DEPOSIT		\$20,000	\$20,000	\$20,000	Υ
	Fee***	FEE		\$75	\$75	\$75	N
ENTERTAINMENT							
PERMITS	Class I Permit (ongoing) - Initial Fee	FEE		\$597	\$607	\$612	Ν
	Class I Permit (ongoing) - Renewal Fee	FEE		\$418	\$424	\$418	N
	Class II Permit (one occasion)	FEE		\$652	\$662	\$670	N
MINOR	Minor Exception - Without Notice - Small Project or						
EXCEPTION &	Revision	FEE		\$1,452	\$1,477	\$353	Ν
VARIANCE	Minor Exception - With Notice or 3,000+ Sq. Ft Larger			1,711	. , , ,		
VARIANCE	Project	FEE	*	\$1,952	\$1,985	\$1,575	Υ
	Variance	FEE	*	\$6,078	\$6,184	\$8,421	Υ
	Additional fees: Parking/Traffic review + consultant						
	costs	FEE		\$1,129	\$1,149	\$879	
MISCELLANICOLIS	Address Change or New Address (Minor)	FEE		\$335	\$339	\$348	N
MISCELLANEOUS	Address Change of New Address (Major) Address Change or New Address (Major)	FEE		\$886	\$899	\$954	N
PLANNING	Alcohol License - Determination of Public Convenience	1 55		Ψ000	Ψ077	Ψ704	14
APPLICATIONS	and Necessity (Note: No fee if associated with another						
	application.)	FEE		\$1,796	\$1,828	\$950	Ν
	Audio / Video / CD / DVD or PDF Copies	FEE		\$7	\$7	\$8	N
	Continuance of a Scheduled Public Meeting - Applicant						
	Request (includes Public Notice fee)						
	Standard - Received prior to agenda preparation	FEE		\$453	\$460	\$455	N
	Extra Meeting - Received after agenda preparation	FEE		\$2,842	\$2,892	\$1,482	N
	Development Agreement + deposit and consultant costs	DEPOSIT	**	\$20,000	\$20,000	\$20,000	Υ
	Document Recording - Los Angeles County pass-through	FEE		40	ф.О	40	Ν
	fee - Per Page Emergency Shelters - PS and IP zones only	FEE		\$9	\$9	\$9 \$2,583	N
	Family (small) Day Care (8 or less children as defined by	1				Ψ2,303	IN
	State)	FEE		\$323	\$329	\$334	Ν
	Family (large) Day Care (9-14 children as defined by						
	State)	FEE		\$1,204	\$1,225	\$1,224	Ν
	Fence Agreement - adjacent to City property	FEE		\$312	\$319	\$353	N

MISC (con't)	Historic Preservation Applications:						
	Historic Landmark Designation (Landmark)	FEE				\$1,000	Υ
	Historic Landmark Designation (Historic District)	FEE				\$1,000	Υ
	Historic Landmark Designation (Conservation District)	FEE				\$1,000	Υ
	Historic Landmark Designation (Amendment or					¢	V
	Recession) Certificate of Appropriateness (Administrative)	FEE				\$6,618 \$2,146	Υ
	Certificate of Appropriateness (Administrative) Certificate of Appropriateness (Commission)	FEE				\$8,633	
	Additional fees: Staff review (2-hr min)/CEQA/Public	1 1 1 1				\$0,033	
	Hearing Notice	FEE		\$583	\$589	\$589	Υ
	Millo Act Contract Application (for schoolule populing)					Ф7.4 Г Г	
	Mills Act Contract Application (fee schedule pending)	FEE		.	Φ./ Ε	\$7,455	N.1
	Home Occupation Permit Landscape and Irrigation Plan Check	FEE		\$64	\$65	\$68	Ν
	Landscape and imgation Plan Check						
	Single Family Residential, O - 7,500 sq ft parcel size Multi-Family Residential/Commercial/Single Family	FEE		\$585	\$595	\$503	N
	Residential,						
	> 7,500 sq ft parcel size	FEE		\$1,104	\$1,122	\$916	N
	Massage/Bodywork (Owner) - 2 year permit +			4000	4000	.	
	DOJ/FBI/fingerprinting costs through Police Dept.	FEE		\$393	\$399	\$411	Ν
	Massage/Bodywork (Technician) - License obtained by						
	State, no Planning Permit, only business license	NO FEE		\$0	\$0	\$0	Ν
	Massage/Bodywork Business Location Change	FEE		\$341	\$346	\$358	N
	Massage/Bodywork Exemption determination	FEE		\$0	\$0	\$199	
	Neighborhood Overlay District Application + consultant						
	costs	DEPOSIT	**	\$20,000	\$20,000	\$20,000	Υ
	Outdoor Display Permit Plan Check - Extra Plan Check Corrections Planning Fee -	FEE		\$158	\$160	\$159	N
	Per Hour	FEE		\$149	\$151	\$136	N
	Planned Development Permit - Residential or Sr. Citizen						
	Residential	FEE	**	\$6,136	\$6,244	\$8,393	`
	Additional fees: Parking/Traffic Review + consultant						
	costs	FEE		\$1,129	\$1,149	\$879	
	Planned Development Permit - Commercial	FEE	**	\$9,179	\$9,342	\$7,864	`
	Additional fees: Parking/Traffic Review + consultant						
	costs	FEE		\$1,129	\$1,149	\$879	
	Precise Development Plan - Affordable Housing	FEE				\$4,077	
	Preliminary Planning Review (3 hours) up to 3,000 sf	FEE		\$0	\$0	\$136	
	Preliminary Planning Review (5 hours) over 3,000 sf	FEE		\$0	\$0	\$136	1
	Reasonable Accommodation Process	FEE				\$343	1
	Refund Processing (Due to Actions of Applicant)	FEE		\$90	\$92	\$112	
	Site Development Plan	FEE				\$6,388	,
	Specific Plan + consultant costs	DEPOSIT	**	\$20,000	\$20,000	\$20,000	
	Street Name Processing + signage costs	DEPOSIT		\$5,000	\$5,000	\$5,000	١
	Time Extension for Administrative Application	FEE		\$321	\$327	\$334	1
	Time Extension for Discretionary Application	FEE		\$2,294	\$2,334	\$2,332	Υ

MISC (con't)	Tree Permit					
	Dead/Dying Tree	FEE	\$100	\$100	\$100	N
	Removal/Replacement + extra consultant costs	FEE	\$267	\$271	\$100	N
	Protection + extra consultant costs	FEE	\$349	\$352	\$100	N
	Dangerous or Nuisance Trees	N/A	\$0	\$O	\$O	N
	Tree Trimming Permit (Public Property)	FEE	\$64	\$65	\$83	N
	Tree Trimming Permit (Private Property)	FEE	\$64	\$65	\$138	N
	Zoning Business Review (new business application)	FEE	\$67	\$68	\$68	N
	Zoning Report - for development potential	FEE	\$527	\$535	\$553	N
	Zoning Code Interpretation	FEE	\$455	\$463	\$466	N
	Zoning Map Copy- (large 22" by 36")	FEE	\$59	\$59	\$59	N
	3 1 13 (3 3 ,					
PUBLIC NOTICE	Coastal Permit - 100 ft. Radius	FEE	\$70	\$72	\$182	Υ
PROCESSING	Large Family Day Care - 100 ft. Radius	FEE	\$70	\$72	\$56	Υ
T KO OLOOMYO	Minor Exception - 300 ft. Radius	FEE	\$70	\$72	\$129	Υ
	Other Permits - 300-500 ft. Radius	FEE	\$70	\$72	\$263	Υ
	Code, General Plan, or Zoning Amendments	FEE	\$70	\$72	\$588	Υ
TELECOM						
All telecom fees include	Macro					
a Technology Fee,	New/Modification to Existing- R-O-W	FEE	\$3,036	\$3,118	\$3,165.53	Y/N
Record Retention Base	New/Modification to Existing- Public Property	FEE	\$2,699	\$2,746	\$2,502.21	Y/N
Fee, and Record	New- Private Property	FEE	\$2,699	\$2,746	\$2,626.84	Y/N
Retention- Large Docs	Modification To Existing- Private Property	FEE	\$1,152	\$1,172	\$1,883.18	Y/N
Fee; but do NOT						
include consultant costs	New/Modification to Existing- R-O-W	FEE	-	-	\$2,502.21	Y/N
	New/Modification to Existing- Public Property	FEE	-	-	\$2,502.21	Y/N
	New/Modification to Existing- Private Property	FEE	-	-	\$2,502.21	Y/N
SIGNS	Permanent Sign - Single Tenant	FEE	\$320	\$325	\$361	N
0.0.40	Permanent Sign - Multiple Tenants	FEE	\$481	\$489	\$510	N
	Permanent Sign - Face Change	FEE	\$127	\$129	\$139	N
	Sign Exception	FEE	\$4,012	\$4,082	\$3,125	N
	Temporary Sign + bond	FEE	\$223	\$227	\$247	N
	- In - 2 - 3 - 2 - 2 - 2 - 2 - 2 - 2 - 2 - 2			· ·		
	Temporary Sign Bond	DEPOSIT	\$301	\$301	\$301	N
	Temperary eight bend	(refundable)		ΨΟΟΙ	φοσι	
	Sign Program	FEE	\$785	\$797	\$830	N
SUBDIVISION	Certificate of Compliance	FEE	\$1,625	\$1,653	\$1,652	N
	Final Parcel Map Review (+ Mapping Deposit)	FEE	\$528	\$539	\$601	N
APPLICATION	Final Tract Map Review (+ Mapping Deposit)	FEE	\$732	\$748	\$601	N
(Parcel/	The state of the s		Ψ/32	Ψ710	\$001	
Tract Maps)	Mapping Deposit (paid with Final Map Application)	DEPOSIT (refundable)	\$500	\$500	\$500	N
	Merger of Parcels or Lot Line Adjustments	FEE	\$1,133	\$1,153	\$1,184	N
	New Unit Fee - per net new unit	FEE	\$700	\$700	\$700	N
	Quimby (Parks and Recreation) Fee - per unit / lot	FEE	\$1,817	\$1,817	\$1,817	N
	Tentative Parcel Map (4 or less lots / units) No Public					
	Hearing	FEE	\$1,309	\$1,333	\$1,397	N
	Tentative Parcel Map (4 or less lots / units) Public Hearing	FEE	* \$3,557	\$3,622	\$3,546	Υ

_							
	With another discretionary application	FEE		\$1,377	\$1,402	\$1,301	
	Tentative Tract Map (5 or more lots / units)	FEE	**	\$4,060	\$4,134	\$4,074	Υ
	With another discretionary application	FEE		\$1,313	\$1,338	\$1,493	
USE PERMITS	Use Permit	FEE	**	\$6,287	\$6,396	\$8,393	Υ
	Additional fees: Parking/Traffic Review + consultant						
	costs	FEE		\$1,129	\$1,149	\$879	
	Alcohol and/or live music	FEE		\$110	\$110	\$108	
	Master Use Permit	FEE	**	\$9,703	\$9,875	\$10,908	Υ
	Additional fees: Parking/Traffic Review + consultant						
	costs	FEE		\$1,129	\$1,149	\$879	
	Alcohol and/or live music	FEE		\$110	\$110	\$103	
	Master Use Permit Conversion	FEE	**	\$4,623	\$4,704	\$5,035	Υ
	Temporary Use Permit - General	FEE		\$775	\$787	\$816	N
	Temporary Use Permit - Major	FEE		\$775	\$787	\$1,193	
	Tarana and the Dennett Many Value For For			ф10.0	ф1 О О	ф1 0 О	N
	Temporary Use Permit - New Year's Eve Extended Hours	FEE		\$100	\$100	\$100	Ν

Appendix D: Affirmatively Furthering Fair Housing

Table of Contents

	Introd	uction					
)		Regional Analysis of Impediments					
2	•	ng Element Outreach					
Ļ		ment of Fair Housing					
		air Housing Enforcement and Outreach					
	4.1.1	Findings, Lawsuits, Enforcement Actions, Settlements, or Judgments Related to Fair					
		ng or Civil Rights	3				
	4.1.2	Compliance with Fair Housing Laws					
	4.1.3	Other Resources					
	4.2 S	egregation and Integration	[
	4.2.1	City Boundary and Geography					
	4.2.2	Race and Ethnicity					
	4.2.3	Household Income					
	4.2.4	Familial Status	14				
	4.2.5	Persons with Disabilities	19				
	4.2.6	Neighborhood Segregation	2:				
	4.3 R	acially or Ethnically Concentrated Areas of Poverty					
	4.4 R	acial Concentrations in Areas of Affluence	25				
	4.5 P	atterns Over Time	28				
	4.5.1	Mortgage Loan Access	28				
	4.5.2	Demographic Trends	30				
	4.6 A	ccess to Opportunity	30				
	4.6.1	Education	33				
	4.6.2	Economic	3!				
	4.6.3	Transportation	38				
	4.6.4	Environment	39				
	4.6.5	Persons with Disabilities	42				
	4.7 D	isproportionate Housing Needs and Displacement Risk	43				
	4.7.1	Substandard Housing	43				
	4.7.2	Overcrowding	46				
	4.7.3	Housing Affordability	49				
	4.7.4	Displacement	52				
	4.8 S	ummary of Fair Housing Issues	55				
5	Sites I	nventory	55				
5	Identif	fication and Prioritization of Contributing Factors	56				
	6.1 La	and Use and Zoning	56				
	6.2 V	oter Initiatives	57				
	6.3 A	ffordable Housing	57				
	6.4 F	air Housing Enforcement and Outreach Capacity	58				

Figures

Figure 1. City Map	
Figure 2. City Racial Demographics	8
Figure 3. Regional Racial Demographics	9
Figure 4. Diversity Index	10
Figure 5. City Median Income	12
Figure 6. Regional Median Income	13
Figure 7. Population Living Alone	15
Figure 8. Population Living with a Spouse	16
Figure 9. Children in Married-Couple Households	17
Figure 10. Children in Single-Headed Households	18
Figure 11. Population with a Disability	20
Figure 12. Neighborhood Segregation	22
Figure 13. Regional R/ECAPs and High Segregation and Poverty	24
Figure 14. Racially Concentrated Areas of Affluence	26
Figure 15. Regional Racially Concentrated Areas of Affluence	27
Figure 16. 1930's Home Owners' Loan Corporation Map	29
Figure 17. Opportunity Map	32
Figure 18. Access to Education	34
Figure 19. Economic Opportunity	36
Figure 20. Jobs Proximity	37
Figure 21. Access to Transportation	38
Figure 22. Opportunity for Environment	40
Figure 23. CalEnviroScreen 3.0	41
Figure 24. Substandard Housing	45
Figure 25. Overcrowding	47
Figure 26. Severe Overcrowding	48
Figure 27. Homeowner Cost Burden	50
Figure 28. Renter Cost Burden	51
Figure 29. Displacement Map	53
Figure 30. Displacement Typology	5.4

Acronyms and Abbreviations

Acronym/Abbreviation	Definition
ADU	accessory dwelling unit
AFFH	Affirmatively Furthering Fair Housing
City	City of Manhattan Beach
County	County of Los Angeles
HACoLA	Housing Authority of the County of Los Angeles
HCD	California Department of Housing and Community Development
HRC	Housing Rights Center
HUD	U.S. Department of Housing and Urban Development
LAX	Los Angeles International Airport
R/ECAP	racially or ethnically concentrated area of poverty
RCAA	racially concentrated area of affluence
TCAC	Tax Credit Allocation Committee

1 Introduction

Fair housing occurs when individuals of similar income levels in the same housing market have the same range of housing choice available to them regardless of their characteristics as protected under local, State, and Federal laws. Fair housing choice occurs when citizens pursuing housing options are free from discrimination on the basis of race/ethnicity, religion, sex, marital status, ancestry, national origin, color, familial status, or disability—hereinafter referred to as "protected characteristics"—by the California Fair Employment and Housing Act, California Government Code Section 65008, and other State and Federal fair housing and planning laws. In 2018, Assembly Bill 686, Housing Discrimination: Affirmatively Further Fair Housing, amended Sections 65583 and 65582.2 of the California Government Code to require a public agency to administer its programs and activities relating to housing and community development in a manner to affirmatively further fair housing.

From freeway expansion to discriminatory housing loan practices, historically underserved communities across the nation have experienced decades of housing disinvestment and infrastructure underinvestment, leaving many communities with higher rates of air pollution, poverty, unemployment, educational attainment, and health risks. State and Federal laws, such as the Fair Housing Act, have established pathways for local jurisdictions to create more diverse and equitable communities, but reversing decades of discriminatory policies at all levels of the public and private sectors is complex, and many challenges to equitable development remain. The General Plan Housing Element must affirmatively further fair housing by first identifying segregated living patterns and barriers to fair housing, then identifying potential sites for affordable housing in areas of opportunity and implementing programs that aim to replace segregated living patterns and transform racially and ethnically concentrated areas of poverty. Ensuring that sites for housing, particularly units available for lower-income households, are located in high-resource areas, rather than concentrated in areas of high segregation and poverty, requires jurisdictions to plan for housing with regards to the accessibility of various opportunities, including jobs, transportation, good education, and health services.

This section serves as an assessment of fair housing practices pursuant to California Government Code Section 65583(c)(10) in the City of Manhattan Beach (City). Housing Elements are required to include the following:

- A summary of fair housing issues in the jurisdiction and an assessment of the jurisdiction's fair housing enforcement and outreach capacity.
- An analysis of available Federal, State, and local data and knowledge to identify integration and segregation patterns and trends; racially or ethnically concentrated areas of poverty; disparities in access to opportunity; and disproportionate housing needs within the jurisdiction, including displacement risk.
- An assessment of the factors that contribute to the fair housing issues identified in the analysis.

-

¹ Affirmatively Furthering Fair Housing, April 2021. California Department of Housing and Community Development.

- An identification of the jurisdiction's fair housing priorities and goals, giving highest priority to the greatest contributing factors that limit or deny fair housing choice or access to opportunity, or negatively impact fair housing or civil rights compliance.
- Measurable strategies and actions to implement the fair housing priorities and goals in the form of programs to affirmatively further fair housing.

2 Regional Analysis of Impediments

The City is committed to affirmatively furthering fair housing choice and promoting equal housing opportunity in accordance with the requirements of Federal and State Fair Housing law. To achieve this, the City participates in the regional Analysis of Impediments (AI) to Fair Housing Choice for the Community Development Commission and the Housing Authority of the County of Los Angeles (HACoLA), and works to remove these impediments. The Analysis of Impediments identifies impediments to fair housing choice, contributing factors, and goals for overcoming the barriers that have been identified as contributing to fair housing issues pertaining specifically to the "Urban County" and the areas served by the HACoLA ("service area").² These impediments are in relation to the following fair housing issues:

- Segregation and integration
- Racially or ethnically concentrated areas of poverty
- · Disparities in access to opportunity
- Disproportionate housing needs
- Discrimination or violations of civil rights laws or regulations related to housing

Relevant portions of the regional Analysis of Impediments have been incorporated into this assessment of fair housing for the City's General Plan Housing Element to complement the analysis, identifications of contributing factors, and strategies and actions, where applicable.

3 Housing Element Outreach

The City has been able to enhance the types and levels of community engagement due to significant strides in technology in recent years. Past engagement may have had fewer forms of media, meaning that public meetings were the primary media, with surveys and stakeholder interviews and other types of engagement taking a secondary role. Public meetings may have occurred during only one specific time offered in a language not understood by a significant portion of the community, resulting in people unable to attend and/or participate. Virtual meetings could also be inaccessible if individuals do not have reliable internet.

Engagement related to the Housing Element has attempted to be comprehensive while in the context of the COVID-19 pandemic. Community engagement and outreach has been solely done in English, because the majority of the population (98% per 2019 Census data) comes from an English-only-speaking household, or speak English "very well." Opportunities for public participation are typically advertised in two local newspapers that are popular and well-read, in addition to advertising the events on the City's social media platforms and City website. Please refer to **Appendix F, Community Engagement Summary,** for a full summary of outreach materials and outreach conducted as part of the Housing Element update.

² http://web.mit.edu/afs/athena.mit.edu/org/f/fairhousing/plans/CA_LACounty_Al_volume-i.pdf.

4 Assessment of Fair Housing

4.1 Fair Housing Enforcement and Outreach

This section provides information on the organizations that provide fair housing services to providers and consumers of housing, as well as the nature and extent of fair housing complaints received by the fair housing provider within the service area.

Fair housing services available in the service area include outreach and education, complaint intake, and testing and enforcement activities. Organizations that provide fair housing services include the following:

- U.S. Department of Housing and Urban Development (HUD)
- California Department of Fair Employment and Housing
- Housing Rights Center (HRC)
- Housing Authority of the County of Los Angeles (HACoLA)
- Fair Housing Council of Orange County

The City contracts with the HRC for fair housing and mediation services and provides fair housing information and referrals upon request. The HRC, which primarily operates in Los Angeles County (County), receives multi-year grants from HUD to conduct testing in areas where statistics point to discrimination, specifically, persistent housing discrimination based on race, national original, familial status, and disability. The organization also provides resolution for housing discrimination, including mediation and litigation services. HACoLA provides online resources on its website, such as links to various organizations including HUD, HRC, and advocacy groups, as well as relevant policy documents.

For the region Los Angeles—Long Beach—Anaheim, the Fair Housing Council of Orange County provides similar services to HACoLA's, and additionally provides low-cost advocacy, mediation, individual counseling, and comprehensive community education.

4.1.1 Findings, Lawsuits, Enforcement Actions, Settlements, or Judgments Related to Fair Housing or Civil Rights

Data collected from 2008 through 2016 shows that the most common basis for complaints in the service area were for disability, familial status, and race, according to the Regional Analysis of Impediments. Of the 2,610 complaints logged from 2008 to 2016, 57% were determined to have no cause and 21.6% were deemed successfully settled. In recent history, the City has not been involved in any lawsuits related to fair housing, and the City has no ongoing litigation in terms of housing rights or civil rights violations. According to HUD's Office of Fair Housing and Equal Opportunity, from 2013 through 2021, there were seven inquiries in the City. Of the seven inquiries, two were related to familial status and five were documented as "none." The inquiries filed were determined have "no valid basis" or "failure to respond."

The HRC provides the City with quarterly reports of direct services, discrimination inquiries and cases, tenant and rental-owner services, and demographics reporting for the fiscal year (July to June). An average of 12 persons were provided services related to general housing and discrimination from the July 2014 to

June 2015 fiscal year through the July 2020 to June 2021 fiscal year. Over the last seven fiscal years, the median number of discrimination cases reported was one. Tenant and rental-owner services provided in the City over the last seven years were related to late fees, lease terms, substandard housing conditions,³ security deposits, and other issues. Approximately 78% of callers or persons seeking services from the HRC were in-place tenants, and 15% were rental owners or management companies. Similar to cases reported in the Regional Analysis of Impediments, the most common complaint in the City was for issues related to accommodations for people with physical and mental disabilities. The City has been successful in addressing general housing and discrimination issues, as 56% of reported inquiries were resolved; 20% were addressed through mediation and legal aid provided by HRC; and other cases related to substandard housing conditions were addressed by the City's Building and Safety and Code Enforcement Departments, and the County's Department of Public Health.

4.1.2 Compliance with Fair Housing Laws

The City is compliant with State fair housing laws, and administers programs and activities relating to housing and community development in a manner to affirmatively further fair housing, including the State's Density Bonus Law (California Government Code Sections 65915-65918), Housing Element laws, the definition of family, the California Employee Housing Act, and Reasonable Accommodation Procedures. Local fair housing law implemented by the City includes procedures and standards set forth under Section 10.88.070 of the Manhattan Beach Municipal Code for the conversion of existing multifamily rental housing to condominiums. Such conversions may significantly affect the balance between rental and ownership housing within the City, such as reducing the variety of individual choices of tenure, type, price, and location of housing; increasing overall rents; decreasing the supply of rental housing for all income groups; and displacing individuals and families. As such, the City sets forth requirements, including tenant notification, notification of a right to purchase, tenant purchase discounts, and relocation expenses. Special provision is also made for lifetime leases for non-purchasing older adult tenants or tenants with a medical disability. In addition, low- and moderate-income tenants and those with children are provided with an extended relocation period. In evaluating requests for condominium conversions, the City's Planning Commission must consider the impact of tenant displacement, with emphasis on existing low- and moderate-income tenants.

4.1.3 Other Resources

The following resources are available to the City's residents:

Stay Housed LA County: The COVID-19 pandemic has cost people their jobs and livelihoods. This has left an estimated one-third of households in Los Angeles County unable to make rent and facing losing their homes. In response, Stay Housed LA County is a tenant assistance program that provides free legal services to tenants facing eviction during the COVID-19 public health crisis.

³ "Substandard housing" problems/conditions as defined by the U.S. Census include households without hot and cold piped water, a flush toilet, and/or a bathtub or shower, and/or households with kitchen facilities that lack a sink with piped water, a range or stove, or a refrigerator.

CA COVID-19 Rent Relief – Housing Is Key: This program helps income-eligible households pay rent and utilities for past-due and future payments. The Federal Consolidated Appropriations Act of 2021 provides funding to support the program and tenant (renter) protection laws signed by Governor Newsom.

Los Angeles County Mortgage Relief Program: This County program includes a relief fund that provides grants of up to \$20,000 for qualified property owners, plus expanded foreclosure prevention counseling services.

Housing Rights Center: Housing counselors are available to answer questions about tenant/rental-owner rights and obligations, including topics like security deposits, evictions, repairs, rent increases, harassment, and more. Conversations with housing counselors are confidential, and can help residents find the resources they need.

4.2 Segregation and Integration

Patterns of segregation have been commonly linked to poorer life outcomes related to income, housing equity, educational attainment, and life expectancy, according to research from the University of California, Berkeley (UC Berkeley).⁴ Affirmatively Furthering Fair Housing (AFFH) involves overcoming patterns of segregation that foster inclusive communities. This section will analyze segregation and integration patterns in the City relating to race and ethnicity, household income, familial status, persons with disabilities, and neighborhood segregation using the AFFH Data and Mapping Resources from the California Department of Housing and Community Development (HCD).

4.2.1 City Boundary and Geography

The City is located within the southwestern coastal portion of the County in what is commonly referred to locally as the "South Bay" area. The City is generally bound by Rosecrans Avenue to the north, Aviation Boulevard to the east, Artesia Boulevard to south, and the Pacific Ocean to the west. Abutting cities include the City of El Segundo to the north, City of Hawthorne and portions of the City of Redondo Beach to the east, and portions of City of Redondo Beach and City of Hermosa Beach to the south. **Figure 1, City Map**, provides an overview of the City's planning areas that reflect the City's unique and varied environment. For a description of the distinct planning areas, refer to **Appendix B, Needs Assessment**. Major thoroughfares running east and west in the City include Rosecrans Avenue, Marine Avenue, Manhattan Beach Boulevard—which also serves as a dividing street between the City's northern and southern areas—and Artesia Boulevard. Major thoroughfares running north and south in the City include Highland Avenue, Sepulveda Boulevard—which also serves as a dividing street between the City's eastern and western areas—and Aviation Boulevard.

Page | D-5

⁴ Menedian, S., and S. Gambhir. 2018. "Racial Segregation in the San Francisco Bay Area." Othering & Belonging Institute, UC Berkeley. https://belonging.berkeley.edu/study-finds-strong-correlations-between-segregation-and-life-outcomes-sf-bay-area.



4.2.2 Race and Ethnicity

The population within the City is primarily White. Approximately 73% of City residents are non-Hispanic White. The percentage of Hispanics residing in the City is 8%. The Asian population, at 13%, represents the largest non-Hispanic minority.

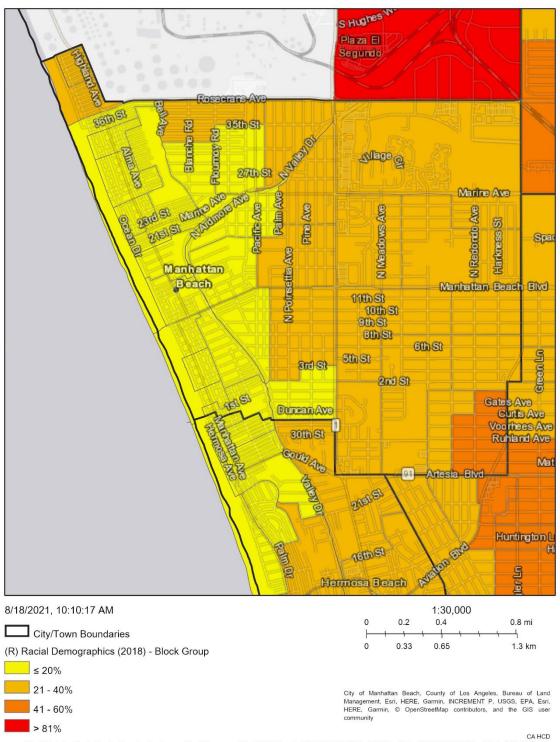
As shown in **Figure 2, City Racial Demographics**, Census block groups east of Pacific Avenue make up 21% to 40% of the total non-White population in the City. Block groups west of Pacific Avenue make up a non-White population of less than or equal to 20%. One block group in the southeast corner of the City, along Artesia Boulevard, makes up a higher percentage of non-White population (41% to 60%). At a regional scale, including the South Bay and some Gateway Cities⁵ areas, the City is among the areas with the lower population of non-White persons, as shown in **Figure 3, Regional Racial Demographics**.

Generally, the average racial composition and number of people of different races or ethnicities in neighborhoods differs depending on location. To further examine this, this assessment relies on a calculation of the diversity index, which summarizes racial and ethnic diversity. The diversity index shows the likelihood that two persons, chosen at random from the same area, belong to different race or ethnic groups. The diversity index data is available at the block group level and ranges from 0 (no diversity) to 100 (complete diversity). **Figure 4, Diversity Index**, indicates that the City has low diversity, and particularly lower diversity on the western side (west of Sepulveda Boulevard), and moderate (40–55, 55–70) diversity index scores east of Sepulveda Boulevard and in the southeast corner of the City. At a regional scale, other South Bay cities east of the City have higher diversity, with block groups scoring a diversity index of greater than 85.

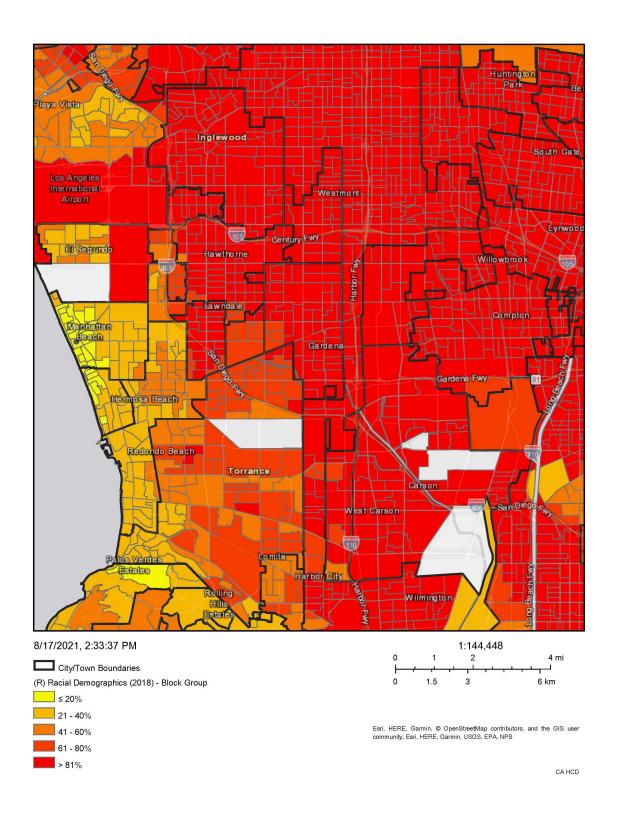
For regional assessments, areas with a shade of light gray indicate no data is available. The area shaded light gray north of the City, outside of City boundaries, in Figures 2 and 3, is the location of the Chevron refinery.

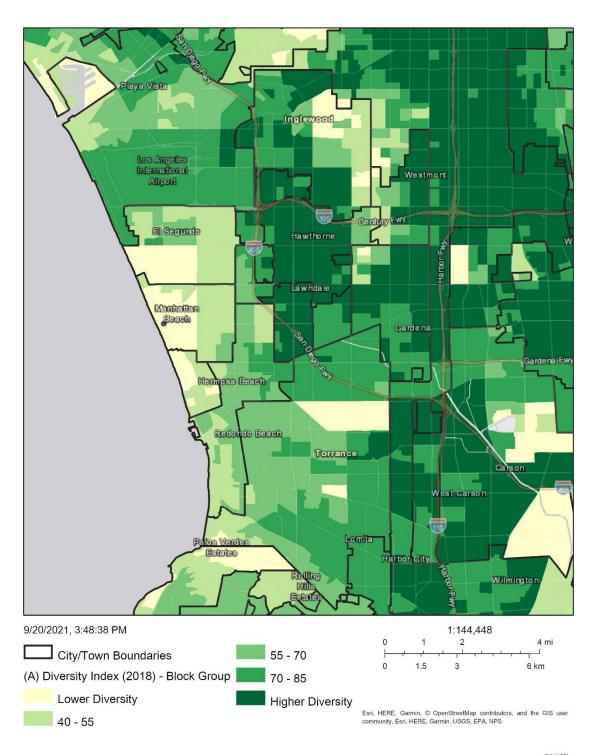
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⁵ "Gateway Cities" locally refers to a crescent of land along the southeast edge of LA County, bordering nearby Orange County, which encompasses 27 cities, including but not limited to Compton, Long Beach, South Gate, and Lynwood. For a full list of cities see Los Angeles County Economic Development Corporation: https://laedc.org/wtc/chooselacounty/regions-of-la-county/gateway-cities/.



City of Manhattan Beach, County of Los Angeles, Bureau of Land Management, Esri, HERE, Garmin, INCREMENT P, USGS, EPA | PlaceWorks 2021, HUD 2019 | PlaceWorks 2021, ESRI, U.S.





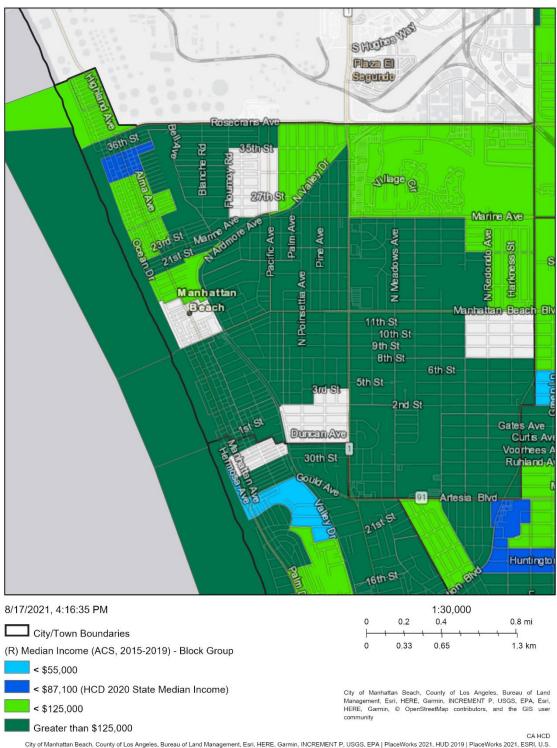
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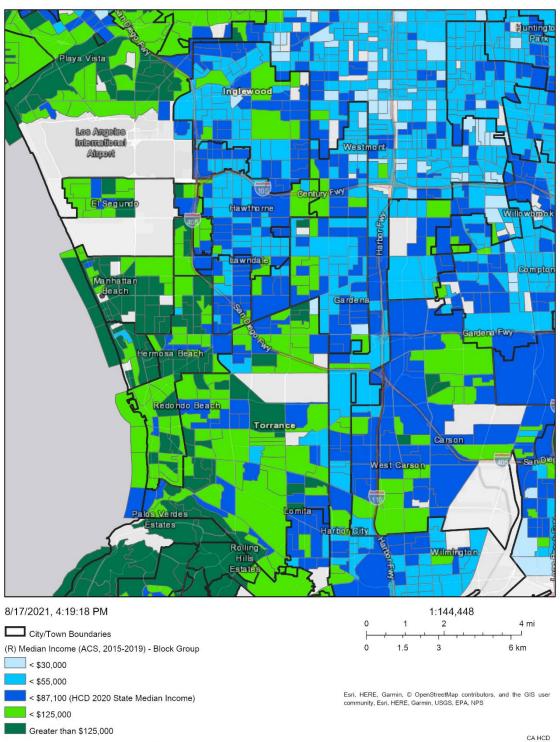
4.2.3 Household Income

Discriminatory housing practices of the past, such as redlining, restrictive zoning, urban renewal, and steering, while illegal today, have led to a disproportionate gap in household wealth based on race and ethnicity, especially between Black and White households. Fair housing choice can be impacted by relationships among household income, household type, race/ethnicity, and other factors that create misconceptions, biases, and differential treatments. Because household income is also one of the most important factors for determining a household's ability to balance housing costs with other basic life necessities, this section will analyze median household income and identify any patterns of income and racial segregation at the local and regional levels.

Figure 5, City Median Income, shows the varying median income levels in the City, and indicates that most households have a median income greater than the 2020 state median income of \$87,100. As a point of comparison, the City's median household income is \$153,023, and the County median household income is \$68,004. Households with median incomes greater than \$125,000 are located throughout the City, but make up the majority in the central and southern areas of the City. Households with a median income of less than \$125,000 but greater than \$87,100 are located in the northern areas of the City. One block group in the northwest corner of the City, near Highland Avenue and 36th Street, indicates a median income of less than \$87,100 but greater than \$55,000. Although there are no major local patterns of income segregation, the City has a high number of moderate- to above moderate-income households when compared to the South Bay and Gateway Cities areas, as shown in Figure 6, Regional Median Income. Figure 6 indicates a clear separation of income groups between the coastal and relative inland cities. East of the City, cities such as Lawndale and Torrance have a mix of incomes and a greater population of lower-income households. At a regional level, there is a spatial trend in some areas that have a high concentration of non-White populations and lower-income households (see Figure 3 and Figure 6).

⁶ https://www.americanprogress.org/issues/race/reports/2019/08/07/472617/systemic-inequality-displacement-exclusion-segregation/





City of Torrance, County of Los Angeles, Bureau of Land Management, Esri, HERE, Garmin, USGS, EPA, NPS | PlaceWorks 2021, HUD 2019 | PlaceWorks 2021, ESRI, U.S. Census | PlaceWorks

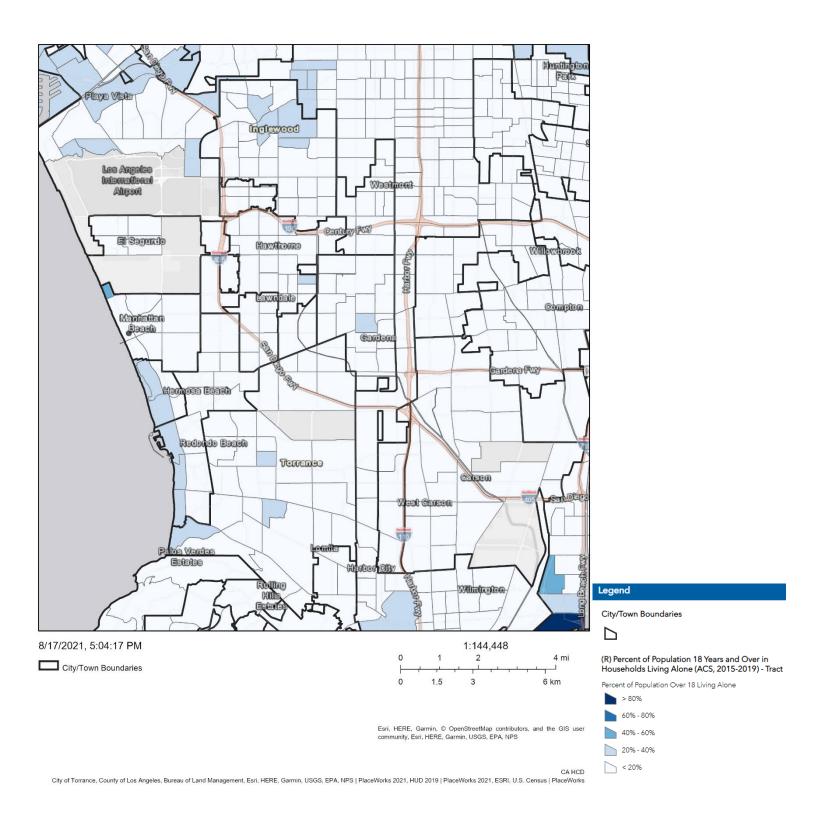
4.2.4 Familial Status

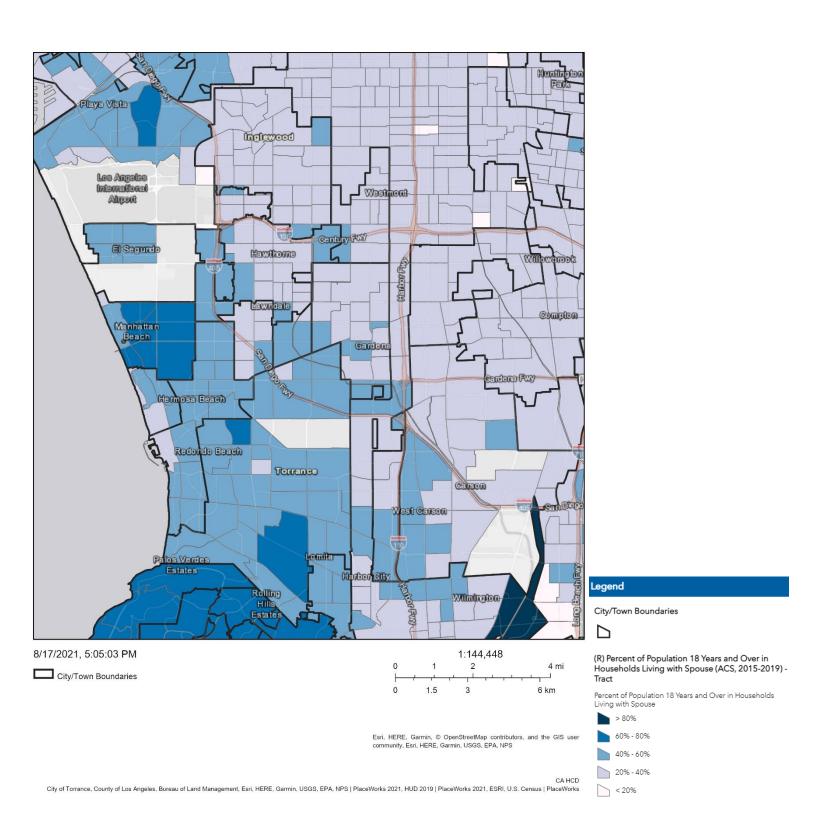
Familial structures can impact the care of children, type of housing needed, financial needs, and more. For example, single-parent households generally require more support for childcare than married or cohabitating couples, which can impact the jobs available to parents, income levels, and the amount of support afforded to children. Large families also have a special set of obstacles, such as fewer options or access to adequately sized and affordable housing. According to the HCD, past exclusionary zoning policies have led to discriminatory effects on protected characteristics such as race, disability, and familial status.⁷ Family structure has evolved over time in the United States, with fewer couples marrying and cohabitation occurring more often. Families with children, especially those who are renters, may face discrimination or differential treatment in the housing market. For example, some rental owners may charge larger households a higher rent or security deposit. And according to a 2016 study by HUD, compared to households without children, households with children were shown slightly fewer units and were commonly told about units that were slightly larger, and as a result, slightly more expensive to rent.⁸ Therefore, this section will analyze patterns or trends of segregation or integration related to familial status at a local and regional level.

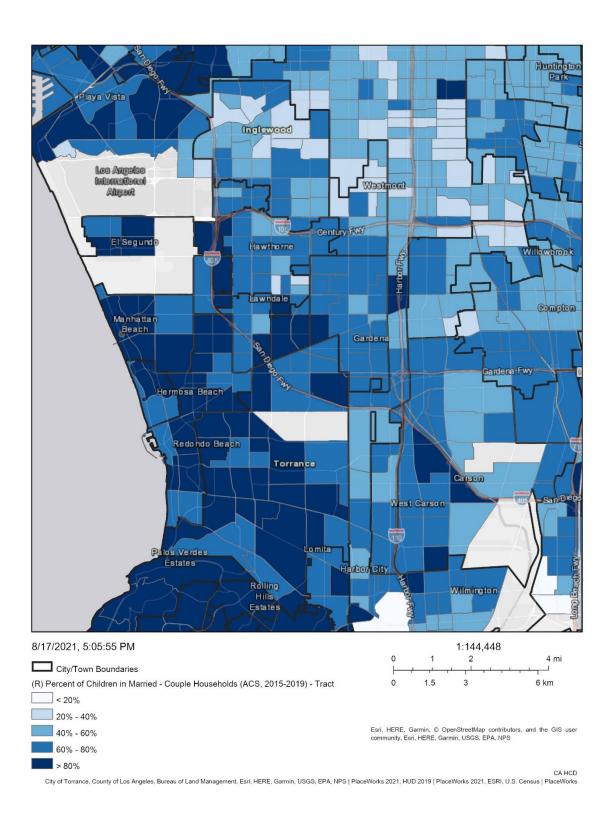
Figure 7, Population Living Alone, indicates that there is a low percentage of the population 18 years and older in households living alone at the tract level. The majority of the City, and region, shows less than 20% of the population 18 years and older living alone. There is one tract in the northwest corner of the City where approximately 40% to 60% of the population lives alone. In contrast, Figure 8, Population Living with a Spouse, shows the majority of tracts within the City have approximately 60% to 80% of its population 18 years and older who live with a spouse. Figure 9, Children in Married-Couple Households, and Figure 10, Children in Single-Headed Households, show the percentage of children in married-couple and single-headed households at the tract level. Figure 9 indicates that most of the tracts in the City and coastal cities have high percentages, 60% to 80% and greater than 80%, of children in married-couple households, and cities east of the coastal areas have lower (20% to 40%) and moderate (40% to 60%) percentages of children in married-couple households. Figure 10 indicates that the majority of the City has less than or equal to 20% of children who live in single-headed households; other coastal cities show a similar trend, and cities to the east indicate low (20% to 40%) to moderate (40% to 60%) percentages of children in single-headed households, with pockets of higher percentages (60% to 80%) in Inglewood, Playa del Rey-Westchester, located north of the Los Angeles International Airport (LAX).

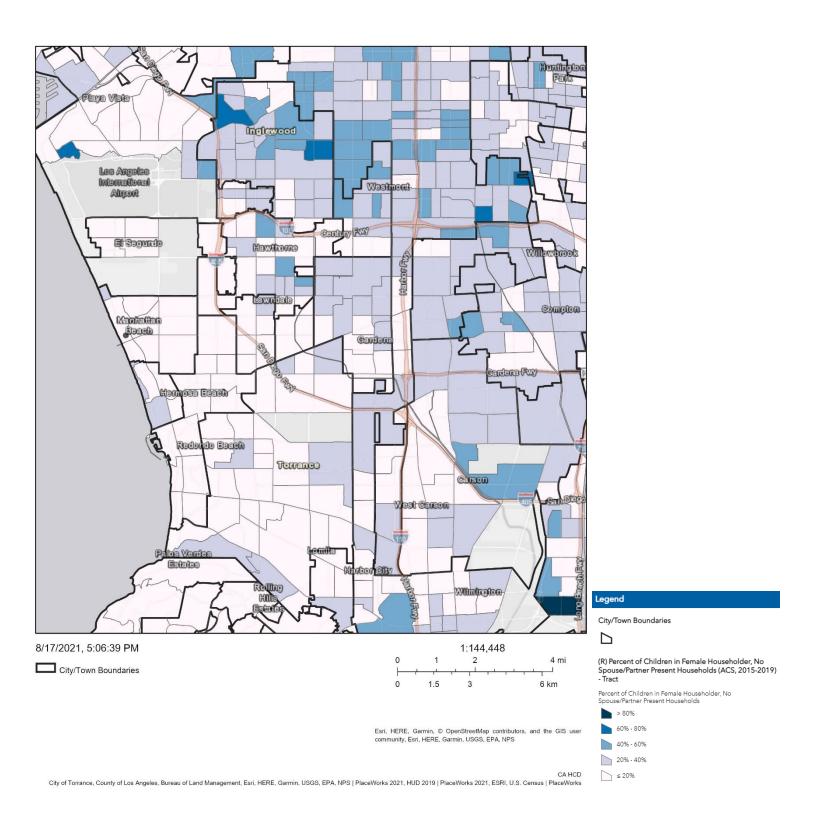
⁷ https://www.hcd.ca.gov/community-development/affh/docs/affh_document_final_4-27-2021.pdf

⁸ https://www.huduser.gov/portal/sites/default/files/pdf/HDSFamiliesFinalReport.pdf









4.2.5 Persons with Disabilities

Persons with disabilities can often experience discrimination in the housing process, or difficulties navigating certain dwelling units or areas. Fair housing choice for persons with disabilities can be compromised based on the nature of a person's disability. Disability types include individuals with hearing, vision, cognitive, ambulatory, self-care, or independent living difficulties. Persons with physical disabilities may face discrimination in the housing market because of the need for home modifications to improve accessibility or other forms of physical assistance. Persons with developmental disabilities or mental disabilities includes cerebral palsy, epilepsy, autism, and other conditions related to intellectual disability. Persons with a mental disability may also face discrimination in the housing market because of stigma around mental disabilities. For example, rental owners may refuse to rent to tenants with a history of mental illness. Another example of housing discrimination is neighborhood opposition to public or private facilities, which impacts developmentally disabled persons seeking a community residential facility. According to California Welfare and Institutions Code Section 4900(e), a "facility" means a public or private facility, program, or service provider providing services, support, care, or treatment to persons with disabilities, even if only on an as-needed basis or under contractual arrangement. This includes a hospital; a long-term health care facility; a community living arrangement for people with disabilities, including a group home; a board and care home; an individual residence or apartment of a person with a disability where services are provided; a day program; a juvenile detention facility; a homeless shelter; a facility used to house or detain persons for the purpose of civil immigration proceedings; and a jail or prison, including all general areas, as well as special, mental health, or forensic units.

According to population disability data available through U.S. Census Bureau's American Community Survey, 5-Year Estimates, 2015–2019, the percent of the population with a disability, including a developmental disability, is less than 10% throughout the City, with no specific area of concentration, as seen in **Figure 11**, **Population with a Disability**. According to Appendix B, the most common disability in the City for ages 5 to 17 is cognitive disability, accounting for 1.2% of that population. Among the population ages 18 to 64, cognitive disability was also the most common disability, followed by visual disability. In the 65 and older age category, the most common disability was independent living at 12.8%, followed by a hearing disability at 10%, and ambulatory disability at 9.9%. Please see Appendix B for disability classifications. At a regional scale, abutting cities also have 10% or less of their population with a disability. The City of Torrance and other cities to the east have a higher population, of 10% to 20%; tracts in Inglewood and Westmont have a relative high population, with a disability at 20% to 30%.

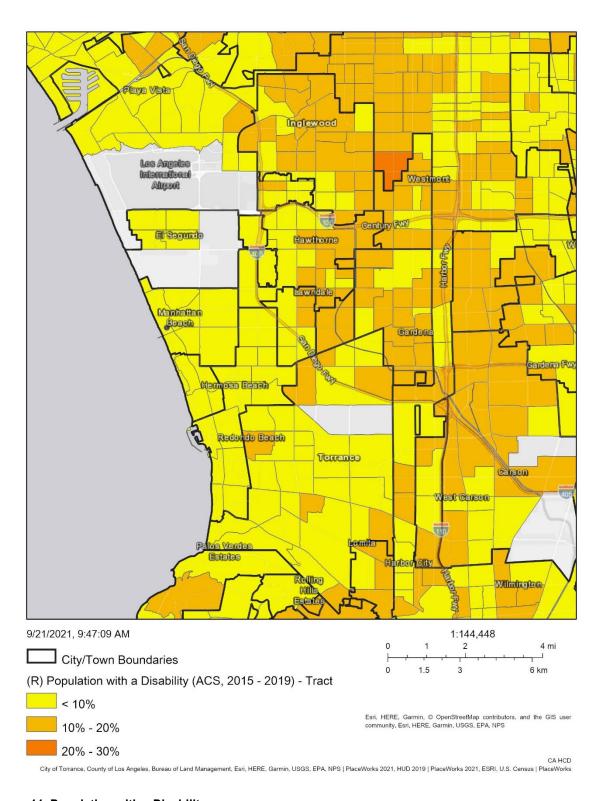


Figure 11. Population with a Disability

4.2.6 Neighborhood Segregation

Typologies in **Figure 12**, **Neighborhood Segregation**, identify which racial or ethnic groups have more than 10% representation within the given tract. Figure 12 shows that the majority of the City is occupied by an Asian-White population, and areas to the northwest and southwest of the City are occupied by a mostly White population. There are no diverse tracts identified in the region; however, to the east of the City, the map indicates there are various races/ethnicities, such as Black, White, Asian, or Latinx, making up 10% or more of the tract's population. A "3 Group Mix," displayed as a light shade of pink, indicates that there is a mix of three races/ethnicities, and a "4 Group Mix," displayed as a darker shade of pink, indicates there is a mix of four races/ethnicities. The mix of race and ethnicity in these groups may vary from the aforementioned racial/ethnic groups. Although there are pockets of mixed races, such as Latinx-White, to the south, east, and north of the City, the map also indicates there is a large Black–Latinx community to the east, specifically in the Inglewood and Westmont Areas.

⁹ "Mix" of races indicates there are three or four racial/ethnic groups that have more than 10% representation within the given tract.

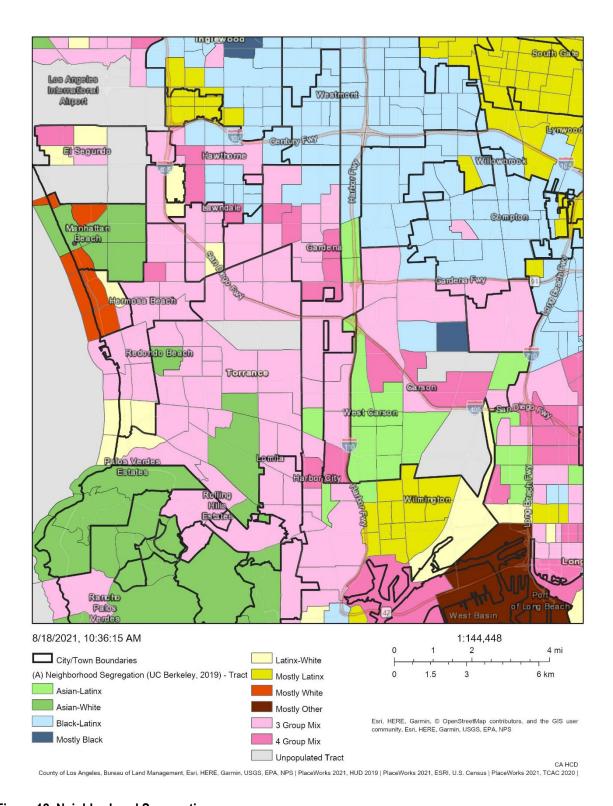
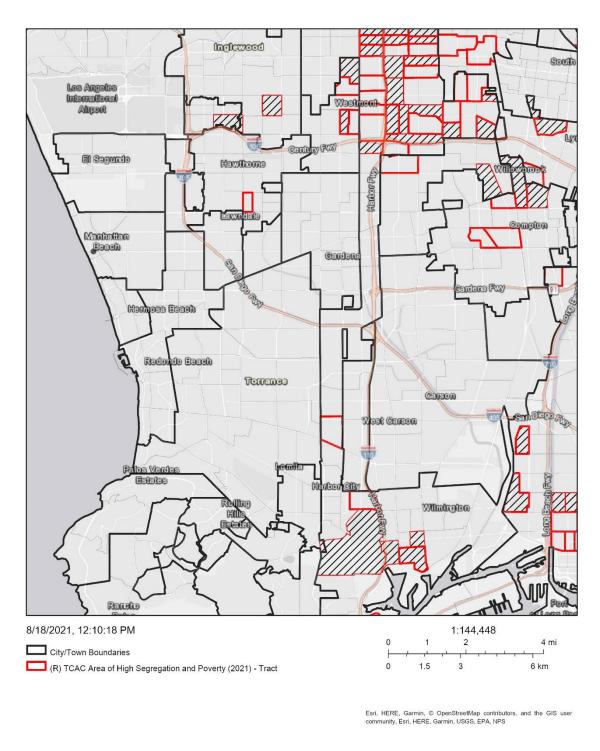


Figure 12. Neighborhood Segregation

4.3 Racially or Ethnically Concentrated Areas of Poverty

Racially or ethnically concentrated areas of poverty (R/ECAPs) are neighborhoods with concentrations of both poverty and singular races or ethnicities. These are generally Census tracts with a majority of non-White residents and a poverty rate of 40%-plus, or three times the average tract poverty rate for the County. In addition to highlighting historic discrimination, R/ECAPs also have lower economic opportunity in the present day. In the City, there are no R/ECAPs or areas of high segregation and poverty at the tract level, as determined by California Tax Credit Allocation Committee (TCAC) opportunity areas mapping analysis of 2021. Figure 13, Regional R/ECAPs and High Segregation and Poverty, shows that R/ECAPs and areas of high segregation and poverty are prevalent east of the City in the Gateway Cities region.



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Figure 13. Regional R/ECAPs and High Segregation and Poverty

4.4 Racial Concentrations in Areas of Affluence

In contrast to R/ECAPs, racially concentrated areas of affluence (RCAAs) are those areas with higher incomes and concentrations of White residents. These are areas where 80% or more of the population is White, and the median household income is \$125,000 or more. The RCAA mapping data is not available in the HCD AFFH Data Viewer mapping tool. Therefore, the analysis uses Census data and selected 2019 American Community Survey estimates to identify block groups that meet the RCAA criteria. As shown in Figure 14, Racially Concentrated Areas of Affluence, there are several block groups west of Sepulveda Boulevard that are considered an RCAA. The RCAA in the City is generally bound by Rosecrans Avenue to the north and Duncan Avenue to the south; the western and eastern boundaries vary throughout. South of Manhattan Beach Boulevard, the RCAA is generally bound by Pacific Avenue to the east and the Pacific Ocean to the west. North of Manhattan Beach Boulevard and south of Marine Avenue, the RCAA is generally bound by Palm Avenue to the east and N. Valley Drive to the west. North of Marine Avenue and south of Rosecrans Avenue, the RCAA is generally bound by Flournoy Road to the east and Ocean Drive to the west.

At a regional scale, some coastal cities, such as Hermosa Beach, Redondo Beach, and Palos Verdes Estates, also have block groups that meet the RCAA criteria (see **Figure 15**, **Regional Racially Concentrated Areas of Affluence**). Areas north of the City, near Beverly Hills and West Hollywood, also have RCAA block groups. The location of households with a median income of \$125,000 or more along the California coast can be attributed to high land and building costs, as they are among the highest in the country. ¹⁰ According to the California Legislature's Nonpartisan Fiscal and Policy Advisor, Legislative Analyst's Office, California's coastal areas are building housing at a rate lower than the demand for housing, which is also contributing to high housing costs. The high cost of living in the City, and along the coast, may indicate why there is a concentration of population with higher incomes.

10 https://lao.ca.gov/reports/2015/finance/housing-costs/housing-costs.aspx



Figure 14. Racially Concentrated Areas of Affluence

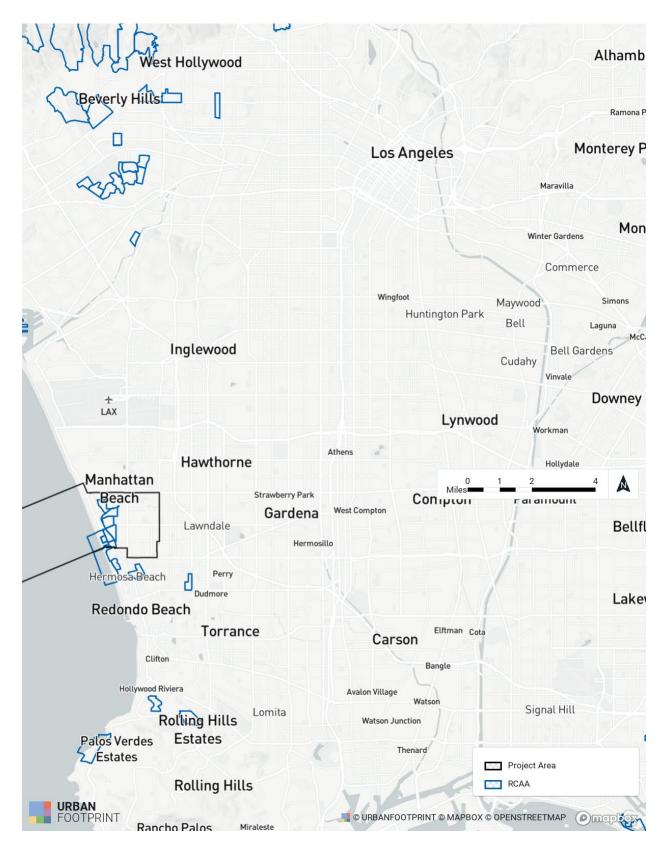


Figure 15. Regional Racially Concentrated Areas of Affluence

4.5 Patterns Over Time

4.5.1 Mortgage Loan Access

A key aspect of fair housing choice is equal access to credit for the purchase or improvement of a home. Lending policies and requirements related to credit history, current credit rating, employment history, and the general character of applicants permit lenders to use a great deal of discretion, and in the process, can deny loans even though the prospective borrower would have been an acceptable risk.

Like many regions throughout the United States, Los Angeles County has a history of excluding non-White people from the housing market through practices such as mortgage redlining. Mortgage redlining is a mapping exercise practiced in the 1930s by the Federal government's Home Owners' Loan Corporation that was used to guide mortgage-lending desirability in residential neighborhoods based on racial and ethnic demographics. Local real estate developers and appraisers assigned grades A through D to residential neighborhoods which indicated the following:¹¹

- A (Best): Always upper- or upper-middle-class White neighborhoods that HOLC defined as posing minimal risk for banks and other mortgage lenders, as they were "ethnically homogeneous" and had room to be further developed.
- B (Still Desirable): Generally nearly or completely White, U.S. -born neighborhoods that HOLC defined as "still desirable" and sound investments for mortgage lenders.
- C (Declining): Areas where the residents were often working-class and/or first or second generation immigrants from Europe. These areas often lacked utilities and were characterized by older building stock.
- D (Hazardous): Areas here often received this grade because they were "infiltrated" with "undesirable populations" such as Jewish, Asian, Mexican, and Black families. These areas were more likely to be close to industrial areas and to have older housing.

Mortgage redlining made it difficult for people of color to access loans for homeownership because banks refused to lend to areas with the lowest grade. According to Home Owners' Loan Corporation maps from the 1930's, the western portion of the City was considered to be "Declining" with a C grade, and the southern and eastern boundaries were identified as "Hazardous," or D grade (see **Figure 16, 1930's Home Owners' Loan Corporation Map**). Studies link parts of cities historically labeled as Declining or Hazardous to have lower rates of economic mobility than those labeled as Best or Still Desirable. However, this relationship is not applicable in the City because it has high access to opportunity (see Section 4.6, Access to Opportunity). Furthermore, present-day median home values in the City are relatively high at \$2,923,949, according to the Zillow Home Value Index from August 2021. The median home value has increased 12.3% since the previous year (2020). The City also has a large percentage of households with moderate- and above moderate-incomes, relatively higher than most areas in the region (see Figure 6), and parts of the City are considered to be an RCAA, as identified in Figures 14 and 15.

¹¹ https://dsl.richmond.edu/panorama/redlining/#loc=5/36.457/-88.242&adview=full&text=intro

¹² https://www.upforgrowth.org/news/legacy-redlining-lives-today-through-exclusionary-zoning

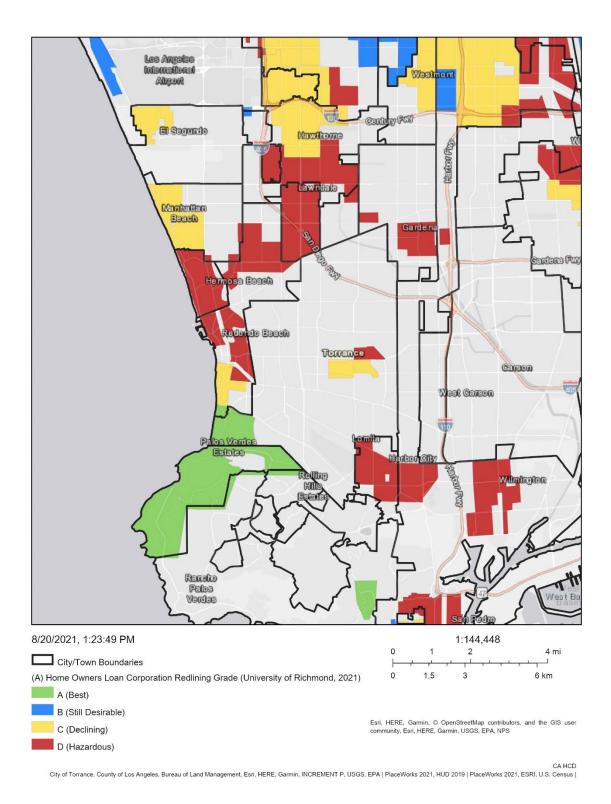


Figure 16. 1930's Home Owners' Loan Corporation Map

4.5.2 Demographic Trends

According to the U.S. Census Bureau's American Community Survey 2019 data, the total population in the City is 35,058, which has remained stable, but with a slight decrease by about 0.22% from 2010 to 2021. Los Angeles County, in comparison, has grown 2.3% from 2010 to 2021. The racial and ethnic composition of the City differs from the County in that a lower proportion of City residents are Hispanic/Latino or other racial minorities. Approximately 73% of City residents are non-Hispanic White, contrasted with 26% for the County as a whole. The percentage of Hispanics residing in the City, at 8%, is significantly lower than that of the County, with 48% Hispanic/Latinx. Asians, at 13%, represent the largest non-Hispanic minority in the City. Appendix B provides additional data and analysis of the demographic patterns within the City.

4.6 Access to Opportunity

Lower-income housing and racially segregated communities are disproportionately impacted by a combination of locational factors, such as proximity to landfills, freeways, industrial areas, and other toxins and pollutants. Recent studies have shown that the distribution of affordable housing has been disproportionately developed in minority neighborhoods with poor environmental conditions and high poverty rates, thereby reinforcing poverty concentration and racial segregation in low-opportunity and low-resource areas.¹³

Affordable housing in high-opportunity/high-resource areas provide low-income residents access to resources such as quality schools, employment, transportation, low poverty exposure, and environmentally healthy neighborhoods. Research indicates that among various economic and social factors, being in proximity to certain amenities can encourage positive critical life outcomes. ¹⁴ There has been an increased focus in deconcentrating poverty and promoting affordable housing in high opportunity areas. This trend is evident in the states' allocation of Low-Income Housing Credit dollars—the primary subsidy that is available for developing and preserving affordable housing. To allocate these credits, the California Housing Finance Agency developed a scoring system. In recent years, the scoring system has been adjusted to promote investment in affordable housing in areas with access to opportunity in the context of other affordable needs. Several agencies, including HUD and the HCD in coordination with the California TCAC, have developed methodologies to assess and measure geographic access to opportunity (including education, poverty, transportation, and employment) in areas throughout California. The Opportunity Map created by the California TCAC and HCD (using data from 2020) is used to identify areas in the region with characteristics that are shown by research to support positive economic, educational, and health outcomes for low-income families—particularly long-term outcomes for children.

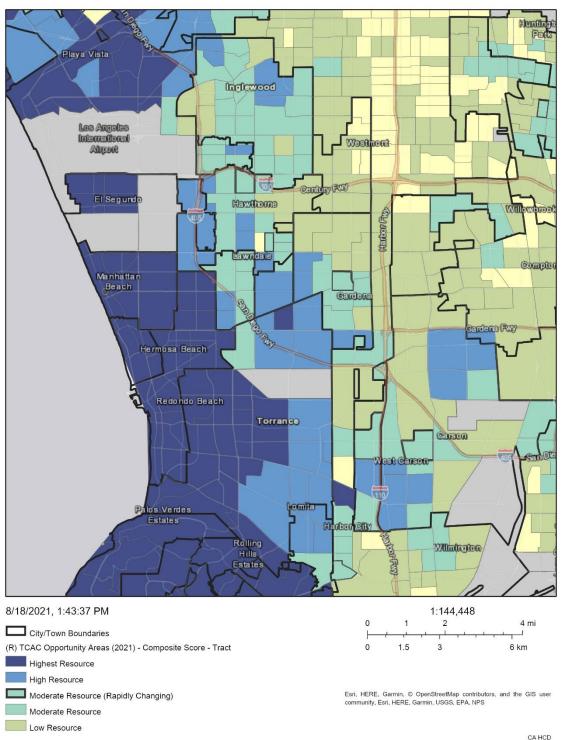
"High Resource" areas are those areas, according to research, that offer low-income children and adults the best chance at economic advancement, high educational attainment, and good physical and mental health. The primary function of the California TCAC is to oversee the Low-Income Housing Credit Program, which provides funding to developers of affordable rental housing. The Opportunity Map plays a critical role in shaping the future distribution of affordable housing in areas with the highest opportunity. **Figure**

¹³ https://www.povertylaw.org/wp-content/uploads/2020/06/environmental_justice_report_final-rev2.pdf

¹⁴ Freddie Mac and the National Housing Trust. 2020. Spotlight on Underserved Markets: Opportunity Incentives in LIHTC Qualified Allocation Plans. https://www.sahfnet.org/sites/default/files/uploads/resources/opportunity_incentives_in_lihtc_qualified_allocation_plans.pdf

17, Opportunity Map, identifies the entire City as "Highest Resource"—a composite score that is created from scoring access to opportunity in relation to education, economic development, and the environment. As such, affordable and publicly owned housing can be distributed in virtually any area within the City. Figure 17 indicates that coastal cities have a composite score of "Highest Resource." However, toward the east, including Gateway Cities and some South Bay areas, cities have "High" composite scores, and inland areas toward downtown Los Angeles have "Moderate" and "Low" resource scores.

The following sections will review access to opportunity in relation to education, economic development, environment, transportation, and access to opportunities for persons with disabilities at a local and regional scale.



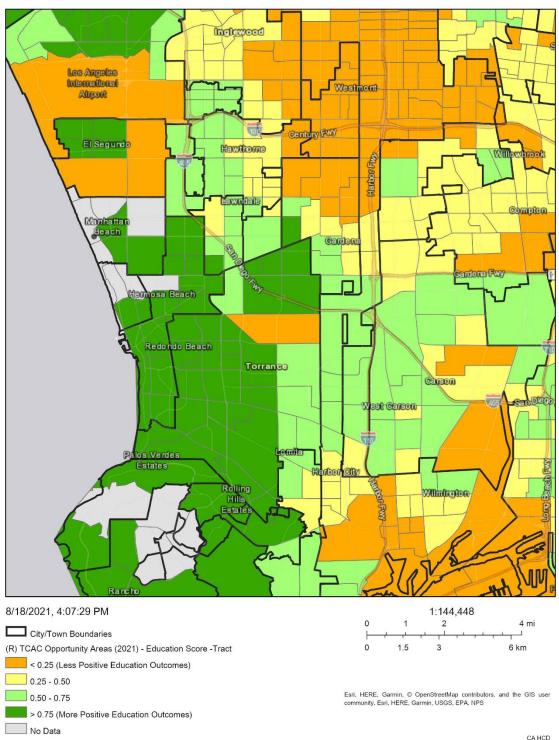
City of Torrance, County of Los Angeles, Bureau of Land Management, Esri, HERE, Garmin, USGS, EPA, NPS | PlaceWorks 2021, HUD 2019 | PlaceWorks 2021, ESRI, U.S. Census | PlaceWorks

4.6.1 Education

The TCAC Opportunity Area Access to Education analysis considers math and reading proficiency standards, high school graduation rates, and student poverty rates. **Figure 18, Access to Education**, shows the City has more positive education outcomes, or a score of greater than 0.75. According to the Los Angeles County Office of Education, the Manhattan Beach Unified School District is responsible for public education in the City. There is one preschool, five elementary schools, one middle school, and one high school in the district.

GreatSchools.org is an online resource that compiles ratings from students, families, and staff to provide performance feedback for schools and quality ratings for review by current and prospective students, producing an overall rating for schools based on aspects of education such as equity, college preparedness, and variety in educational opportunity. Mira Costa High School is rated above average (9/10) according to GreatSchools.org. The median elementary school rating is 9/10, with four schools rated 9/10 and one rated 7/10. The Manhattan Beach Unified School District has strong parental, community, and corporate support through Parent Teacher Associations, volunteering, and endowments from the Manhattan Beach Education Foundation. According to the Manhattan Beach Education Foundation website, the foundation is a community-driven fundraising organization that supplements state funding for programs that inspire learning, enrich teaching, and promote innovation and academic excellence in the public schools of Manhattan Beach.

At a regional level, coastal cities score in the more positive education outcomes range, and other South Bay and Gateway Cities areas to the east score in the less positive outcomes (less than 0.25) and moderate outcomes (0.25 to 0.50, 0.50 to 0.75) categories. The most concentrated area of less positive outcomes is in Westmont and the eastern areas of Inglewood, which are located northeast of the City. Areas north of the City that indicate less positive outcomes are the locations of LAX and the Chevron refinery.



NO Data

CA HCD

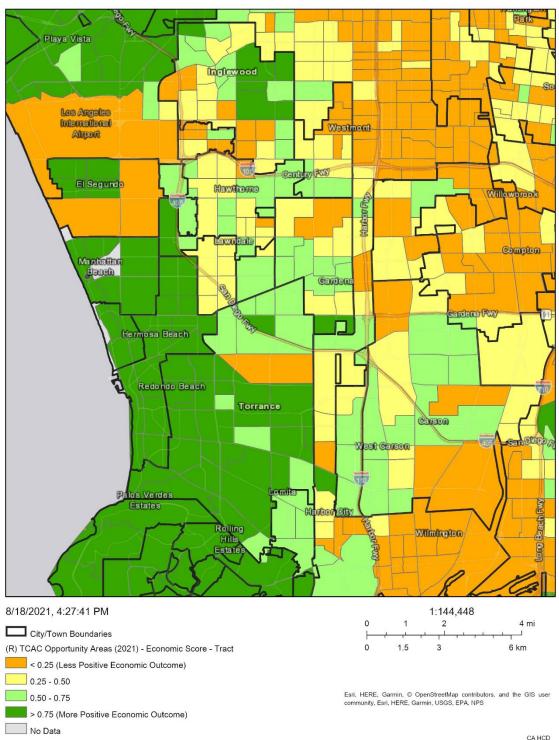
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4.6.2 Economic

According to recent Census data, approximately 70% of the City's working residents were employed in management and professional occupations. A low percentage of workers (under 5%) were employed in service-related occupations such as waiters, waitresses, and beauticians. Blue collar occupations, such as machine operators, assemblers, farming, transportation, handlers, and laborers, constituted less than 5% of the workforce. In the Southern California Association of Governments region, approximately 34.2% of the working residents were in employed in management and professional occupations, followed by sales at 22.8%. Figure 19, Economic Opportunity, shows the region's access to economic opportunity considering the following indicators: poverty, adult education, employment, job proximity, and median home value. The City, along with other coastal cities, have a "more positive" economic outcome score (greater than 0.75), and South Bay cities to the east have varying scores, including some tracts scoring less than 0.25, or "less positive" outcomes. Most Gateway Cities areas shown on the map have a greater number of tracts indicating less positive outcomes when compared to cities in the South Bay and Westside, 15 with the exception of the location of LAX and the Chevron refinery. According to recent Census data, about 93% of employed City residents worked in Los Angeles County, but only 23% of all workers were employed within City limits. Access to economic opportunity in terms of proximity to jobs is shown in Figure 20, Jobs Proximity. Figure 20 indicates that the City is in proximity to jobs and has an index score of greater than 80 (closest proximity) in the central and northern areas, and the southern boundary of the City has an above-moderate score of 60 to 80. The coastal cities, with the exception of Palos Verdes Estates, and other South Bay and Gateway Cities areas indicate closest proximity to jobs. Key industries in the South Bay are in aerospace, technology, global communications, medicine, military, and business application. In recent years, Westside and South Bay cities have seen an increase in startup and technology companies—such as Hulu, Postmates, Snapchat, and Google—establish their headquarters or an office in the cities of Santa Monica, Playa Vista, Venice, and El Segundo. In addition to the aforementioned industries, other key industries in Los Angeles County include fashion, apparel, and lifestyle; food manufacturing; advanced transportation; information technology; trade and logistics; and marketing, design, publishing. 16

¹⁵ "Westside" is a local term used to reference cities generally west of downtown Los Angeles. For a full list of cities, see https://laedc.org/wtc/chooselacounty/regions-of-la-county/westside/

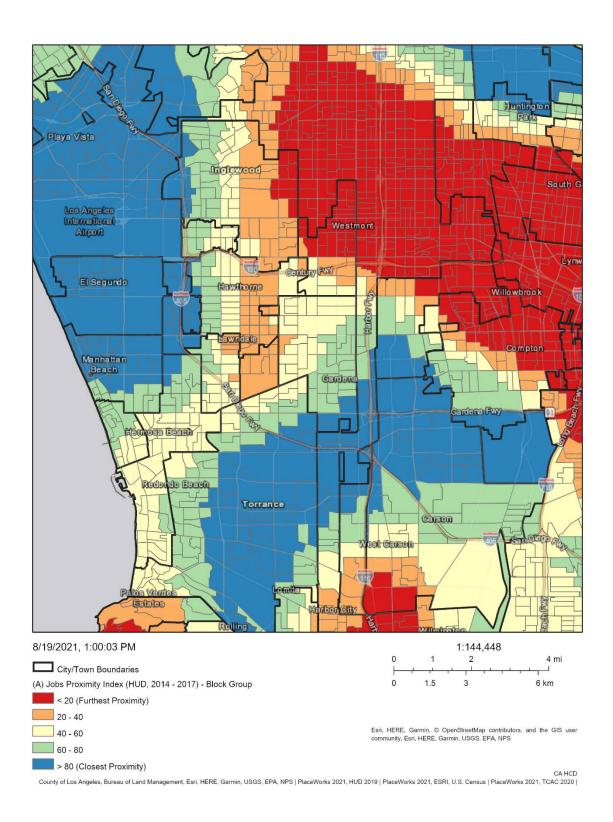
¹⁶ Los Angeles County Economic Development Corporation; https://laedc.org/industries/overview/



NO Data

CA HCD

City of Torrance, County of Los Angeles, Bureau of Land Management, Esri, HERE, Garmin, USGS, EPA, NPS | PlaceWorks 2021, HUD 2019 | PlaceWorks 2021, ESRI, U.S. Census | PlaceWorks



4.6.3 Transportation

Access to consistent, efficient, and varied modes of transportation is important, especially for persons without access to a personal vehicle. **Figure 21, Access to Transportation**, displays various modes of transportation, pedestrian and bicycle paths, and "High Quality Transit Areas" in the Southern California Association of Governments' jurisdiction. The majority of the pedestrian and bicycle paths are found in the western area of the City, near the beach areas. Bus services connect the area north and south, as well as east and west along the main commercial corridors. The nearest light rail line operates outside of City boundaries in El Segundo and Lawndale. The northeastern corner of the City, which is made up of commercial uses, falls within a High-Quality Transit Area due to its proximity to the Green Line.

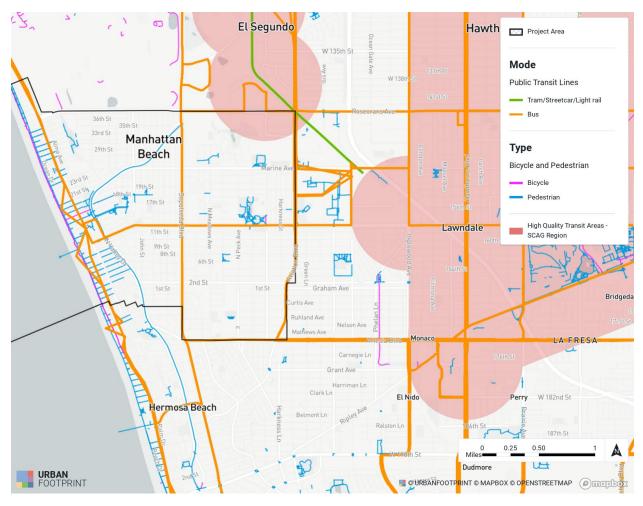


Figure 21. Access to Transportation

4.6.4 Environment

Access to a clean and healthy environment plays an important role in maintaining adequate quality of life. Air pollution, water quality, access to open spaces, and vegetation are among the environmental factors that are weighted in different health indices that attempt to show levels of environmental quality. **Figure 22, Opportunity for Environment,** shows the opportunity for access to environmentally healthy neighborhoods. As shown in Figure 22, the southern area of the City is considered to be in a more positive outcome range (0.75–1). The tract in the northwest area indicates moderate environmental outcomes (0.5–0.75), and the northeast area indicates less-positive environmental outcomes (less than 0.25). The coastal areas have higher environmental outcome scores, with the exception of LAX, the Chevron refinery, and their surrounding neighborhoods. At a regional scale, areas east of the City generally score in the moderate to above-moderate positive environmental outcomes. Tracts that abut a highway or are made up of industrial or manufacturing uses, such as portions of Torrance, score in the less-positive outcomes range.

Figure 23, CalEnviroScreen 3.0, indicates that the majority of the City ranks in the 1 to 10 percentile range, meaning that residents have low exposure to pollutants. The southeastern area of the City ranks in the 15 to 20 percentile, which is also considered a low score. Some specific factors that are particularly detrimental to residents of this areas as identified by CalEnviroScreen are the following:

- Fine Particulate Matter: Particulate matter, one of six U.S. Environmental Protection Agency criteria air pollutants, is a mixture that can include organic chemicals, dust, soot, and metals. These particles can come from cars and trucks, factories, wood burning, and other activities. Fine particle pollution has been shown to cause many serious health effects, including heart and lung disease.
- Toxic Releases: Facilities that make or use toxic chemicals can release these chemicals into the air. People living near facilities may breathe contaminated air regularly or if contaminants are released during an accident. The local area with the relatively higher exposure to pollutants has a Toxic Release Percentile of 79. The following are nearby toxic release facilities:
- Chevron Products Co Division of Chevron USA Inc.
- Northrop Grumman Aerospace Systems
- Hazardous Waste: Waste created by commercial or industrial activities contains
 chemicals that may be dangerous or harmful to health. Only certain regulated facilities
 are allowed to treat, store, or dispose of this type of waste. These facilities are not the
 same as cleanup sites. Hazardous waste includes a range of different types of waste, such
 as used automotive oil and highly toxic waste materials produced by factories and
 businesses. The local area with a relatively higher exposure to pollutants has a Hazardous
 Waste Percentile of 74. The following are nearby generators of hazardous waste:
- Air Products Manufacturing Corporation
- o Honeywell El Segundo Site
- Target Store T0199
- West Basin Municipal Water District DBA Edward C Little Water Treatment

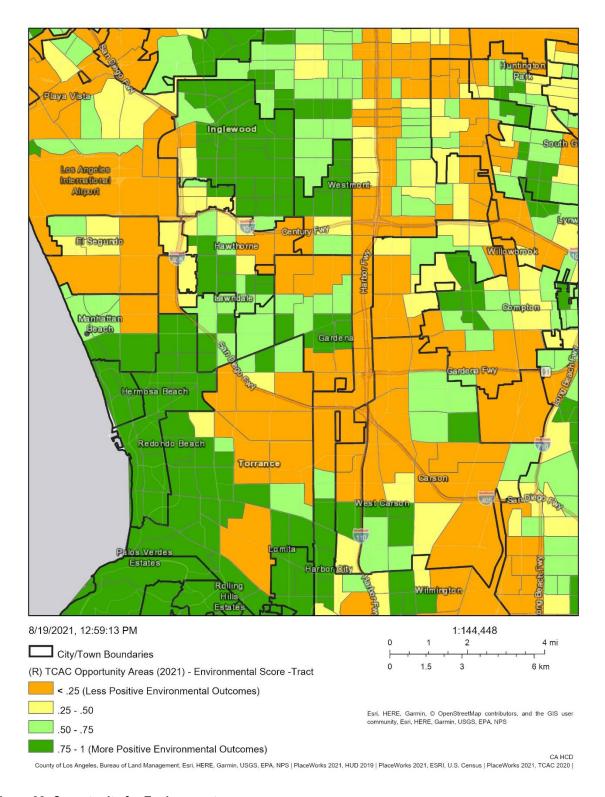


Figure 22. Opportunity for Environment

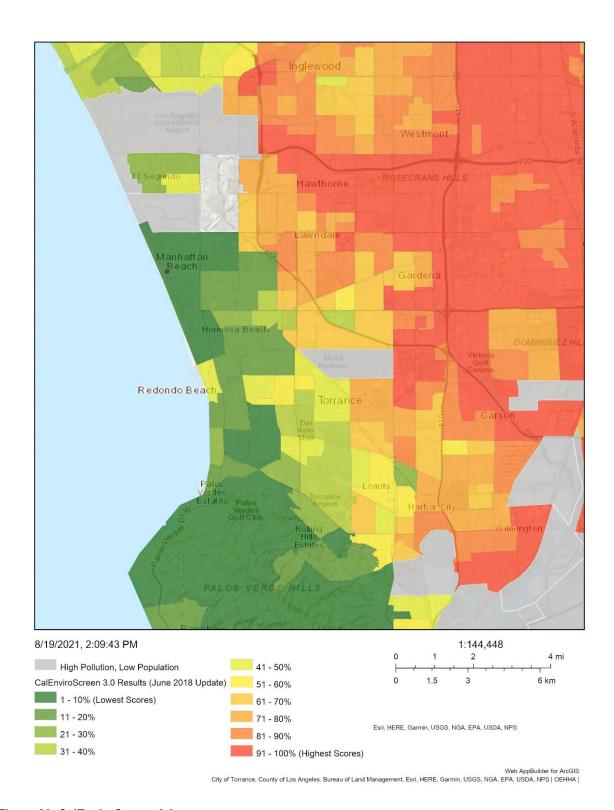


Figure 23. CalEnviroScreen 3.0

4.6.5 Persons with Disabilities

Trends related to persons with disabilities, including local and State analysis of prevalence of disabilities by type and age group, are included in Appendix B. The Needs Assessment also covers services that are offered for persons with disabilities. Some common zoning barriers for persons with disabilities include the following:

- Reasonable Accommodation Procedure
- Common issues with reasonable accommodation procedures include excessive findings of approval, burden on applicants to prove the need for exception, application costs, and discretionary approvals.
- Family Definition
- Family definitions in zoning or other land use—related documents can directly impact housing choices for persons with disabilities, particularly regarding group home situations, which are commonly used by persons with disabilities. Regulating the number of people or requiring occupants to be related can be common elements in family definitions that create barriers.
- Excluding Residential Care Facilities
- Excluding residential care facilities or subjecting these homes to a Conditional Use Permit
 in single-family zones acts as a barrier to housing choice for persons with disabilities.
- Spacing Requirements
- Excessive spacing requirements between group homes or community or residential care facilities can directly impact the supply of housing choices for persons with disabilities.
- Unit Types and Sizes
- The lack of multi-family housing or zoned capacity for multi-family housing and a variety of sizes, from efficiency to four or more bedrooms, can constrain the ability of persons with disabilities to live in a more integrated community setting.
- Lack of By Right Zoning for Supportive Housing¹⁷
- By right zoning for supportive housing can result in more objective processes that are less likely to discriminate or have the effect of discriminating against persons with disabilities.

The City provides a reasonable accommodations procedure according to State law. Furthermore, the Manhattan Beach Municipal Code's definition of "family" is in compliance with State requirements, as it does not require a certain relationship among the members, nor does it limit the size or specify other characteristics. Therefore, the definition of "family" does not constrain or limit development of residential care facilities or other specialized housing for unrelated individuals and those with disabilities or special needs. "Supportive Housing" under the Manhattan Beach Municipal Code is considered a residential use and is subject to the same regulations and procedures that apply to other residential uses of the same

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¹⁷ "Supportive housing" means housing with no limit on length of stay that is occupied by the target population and that is linked to an on-site or off-site service that assists the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community (Government Code 65582).

type in the same zone. A potential barrier for persons with disabilities is access to multi-family housing, as there is a lack of variety of housing types. According to California Department of Finance 2019 Population and Housing Unit Estimates, 77.2% of housing units in the City are single-family residential detached or attached, 16.3% are two to four-unit multi-family, and 6.4% are multi-family with five or more units. Approximately 400 acres of land are zoned to allow for multi-family development, and 1,497 acres are zoned to allow for single-family residential. Although multi-family is permitted in most zones that allow residential uses, most of these zones also allow for single-family residential. Refer to **Appendix C, Constraints and Zoning Analysis,** for a detailed summary of zones, allowable uses, and development standards. The Single-Family Residential Zoning District (RS), which does not allow for multi-family development, accounts for 73% of the 1,497 acres zoned to allow for single-family residential. Under HCD's guidance, Zoning Barriers for Persons with Disabilities, zoning capacity for multi-family residential is considered a barrier for multi-family development.

4.7 Disproportionate Housing Needs and Displacement Risk

Homeownership is one of the largest assets for most households in the United States, and, for many households, provides a significant opportunity to build wealth. Over generations, many households have used wealth gained through homeownership to send their children to college or invest in other opportunities, creating access to more wealth. One of the most prevalent consequences of residential segregation is the intergenerational inaccessibility of homeownership. According to the Census, 9,344 households (69.6%) in the City were owner-occupied in 2019, and 4,083 units (30.4%) were renter-occupied. The homeownership rate within the City is higher than the County's homeownership rate of 45.8%, and the renter-occupancy rate is lower than the County's rate of 54.2%.

Generally, persons with protected characteristics, including minority households, and renter households are more likely to experience higher rent burdens and poor housing conditions, such as lack of plumbing or kitchen facilities, or to experience overcrowding. These populations also have an increased risk of displacement and/or homelessness. Although the City has high ownership rates and a small population of minority households, this section assesses disproportionate housing needs, including displacement risk, with a focus on people with protected characteristics. ¹⁹ Disproportionate housing needs are based on factors such as cost burden and severe cost burden, overcrowding, homelessness, and substandard housing conditions.

4.7.1 Substandard Housing

White, non-Hispanic households across the region and in each jurisdiction are the least likely to experience housing problems, and Black and Hispanic households experience housing problems at the highest rates. Substandard housing problems include households without hot and cold piped water, a flush toilet, and/or a bathtub or shower, and households with kitchen facilities that lack a sink with piped water, a range or stove, and/or a refrigerator. **Figure 24, Substandard Housing**, shows the percent of all households with any of the four severe housing problems identified in HCD AFFH mapping tool:

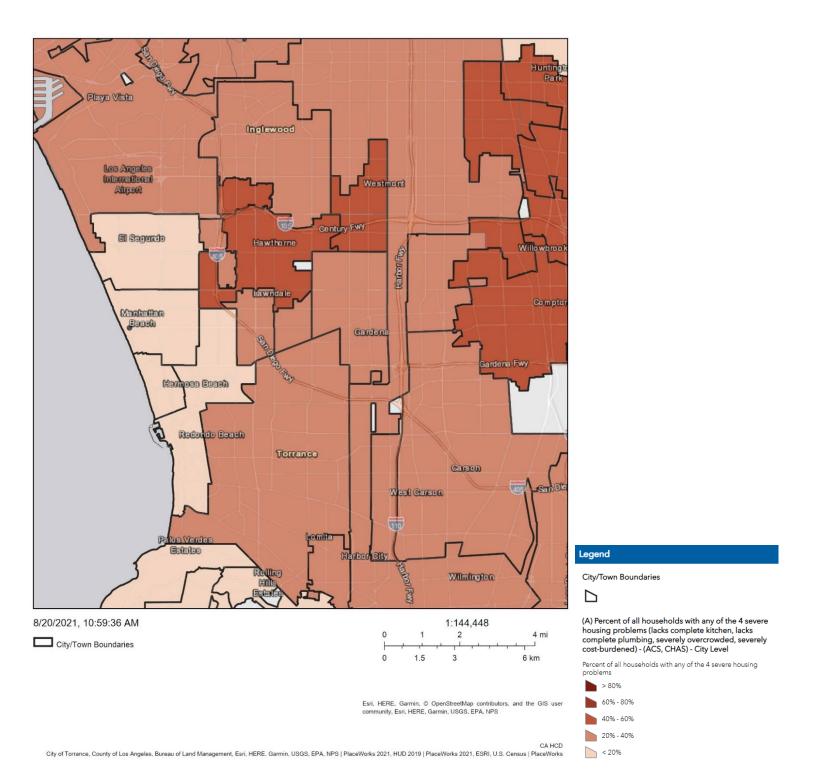
20200928.htm

¹⁸ Disparities in Wealth by Race and Ethnicity in the 2019 Survey of Consumer Finances, 2020. https://www.federalreserve.gov/econres/notes/feds-notes/disparities-in-wealth-by-race-and-ethnicity-in-the-2019-survey-of-consumer-finances-

^{19 &}quot;Protected Characteristics" under the Fair Housing Act includes race, color, national origin, religion, sex, familial status, and disability.

- Lack of a complete kitchen
- Lack of complete plumbing
- Severely overcrowded
- Severely cost burdened

Figure 24 indicates that less than 20% of total households in the City have any of the four severe housing problems. Abutting cities to the north and south also have less than 20% of all households with substandard housing. The map indicates that cities to the east have higher percentages of households who experience any of the four severe housing problems, specifically in the 20% to 40% category, and some have 40% to 60% of households experiencing substandard housing problems.

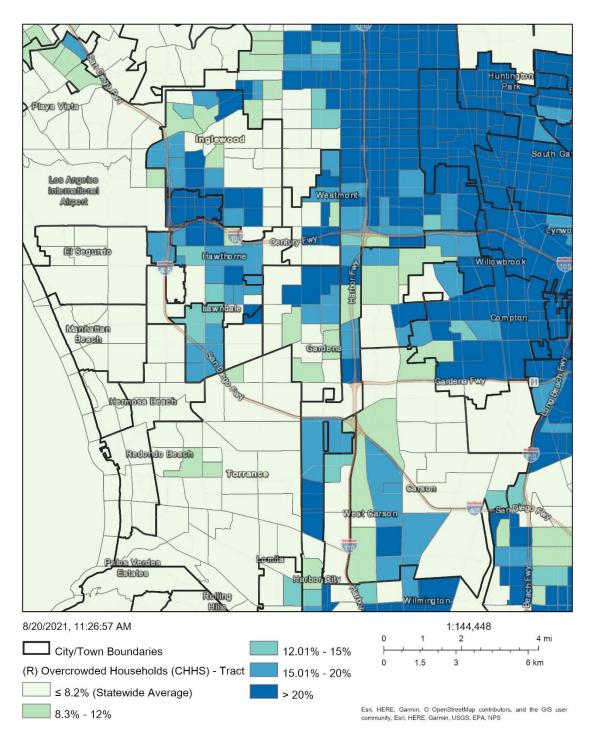


4.7.2 Overcrowding

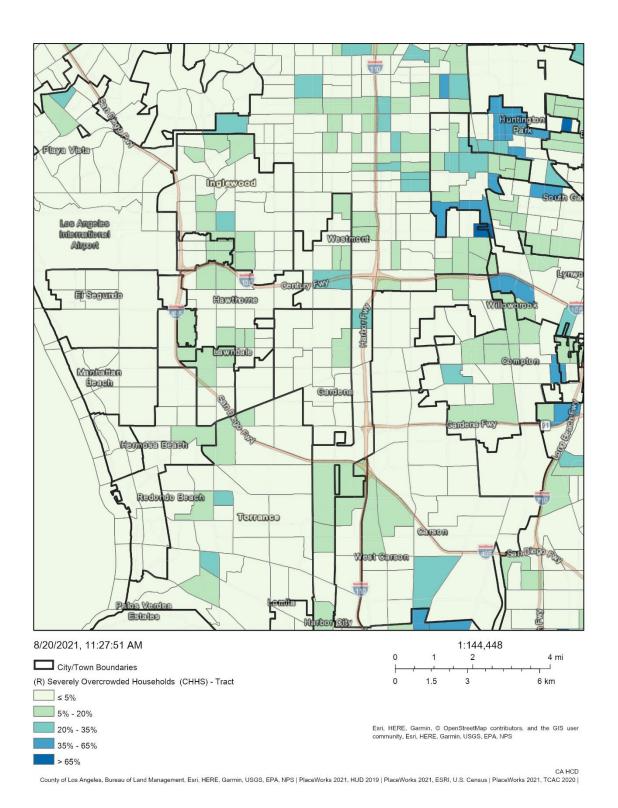
Residential crowding is used to reflect demographic and socioeconomic conditions. Immigrant communities, low-income families, and renter-occupied households are more likely to experience overcrowding. ²⁰ Overcrowding is defined by the U.S. Census Bureau as a housing unit occupied by more than one person per room. A severely overcrowded household is defined as having more than 1.5 persons per room. In this definition, "room" includes living rooms, dining rooms, and bedrooms, but does not include the kitchen or bathrooms. In the City, the percent of overcrowded and severely overcrowded households is less than or equal to 8.2% (see **Figure 25**, **Overcrowding**, and **Figure 26**, **Severe Overcrowding**). The region has a similar pattern of overcrowding and severe overcrowding, where the coastal cities experience low percentages and the cities to the east experience higher percentages. The areas of Westmont, Willowbrook, and Compton, as well as other cities in the Gateway Cities area, experience higher percentages of overcrowding (Figure 25).

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²⁰ https://data.chhs.ca.gov/dataset/housing-crowding



County of Los Angeles, Bureau of Land Management, Esri, HERE, Garmin, USGS, EPA, NPS | PlaceWorks 2021, HUD 2019 | PlaceWorks 2021, ESRI, U.S. Census | PlaceWorks 2021, TACA 2020 |



4.7.3 Housing Affordability

According to the Federal government, rental housing is considered "affordable" if the people living there pay no more than 30% of their income for housing (rent or mortgage). As identified in Appendix B, approximately 84% of lower-income renter households and 55% of lower-income owner households were overpaying for housing; 70% of moderate-income renter households and 51% of moderate-income owner households were overpaying for housing; and 15% of above moderate-income renter households and 18% of above moderate-income owner households were overpaying for housing.

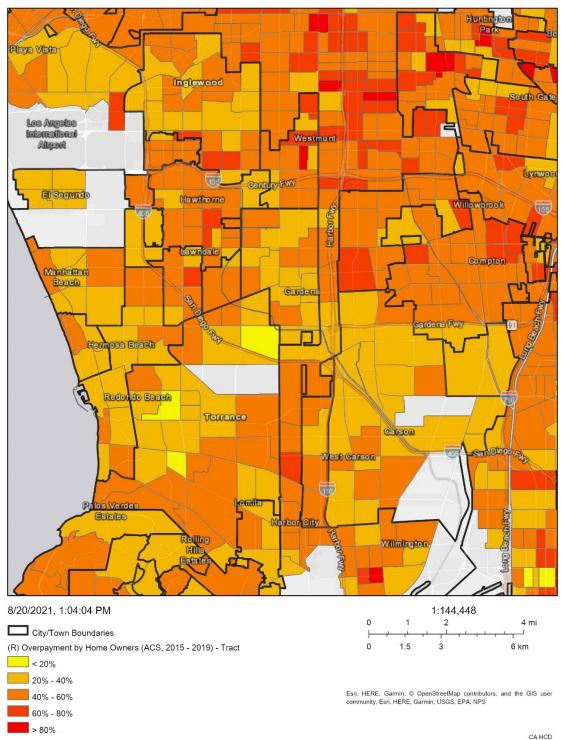
Although the median household income in the City is \$153,023, the average salary for jobs in the City is \$67,947. Persons who work in the City may not be able to live in the City since the cost of living is relatively high when compared to the region. According to the Zillow Home Value Index, August 2021 estimates, the median home value in the City is \$2,923,949. The median rent for a one-bedroom unit is \$2,410, for a two-bedroom unit is \$3,090, for a three-bedroom unit is \$4,110, and for a four-bedroom unit is \$4,480. The Fair Market Rent for the Los Angeles—Long Beach area is relatively lower than rent in the City; for the 2021 fiscal year, a one-bedroom unit was estimated at \$1,605, a two-bedroom unit was estimated at \$2,058, a three-bedroom unit was estimated at \$2,735, and a four-bedroom unit was estimated at \$2,982. Moderate- and above-moderate-income households are also cost burned.

The high cost of living in the City can be seen in **Figure 27**, **Homeowner Cost Burden**, with tracts indicating 20% to 40% and 40% to 60% of owner households whose mortgages are more than 30% of the median household income. The highest level of homeowner overpayment in the City is located in the western boundary, abutting the coast, and the northeast corner.

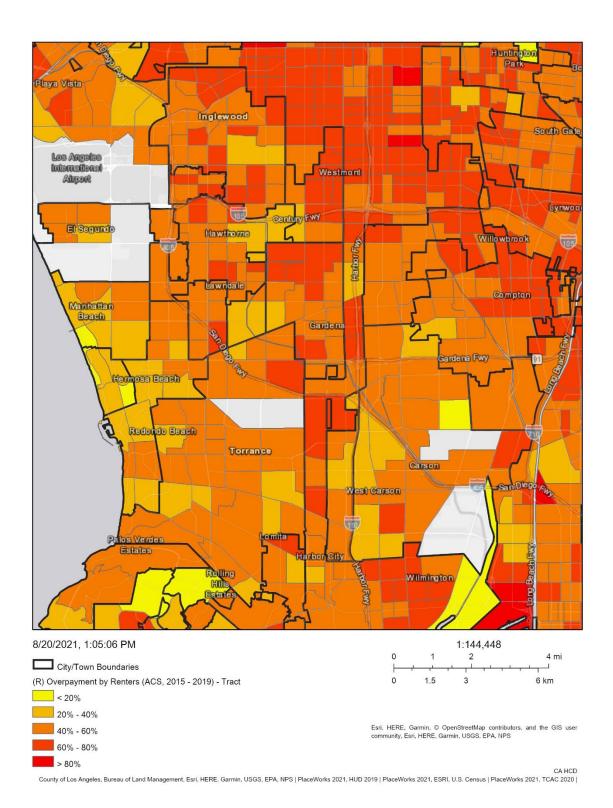
Renters in the City have varying percentages of the cost burdened population (**Figure 28**, **Renter Cost Burden**). The southeastern, central, and northwestern areas of the City experience 20% to 40% cost burden; in the northeastern area renters experience the highest level of cost burden in the City at 40% to 60%. The lowest percent of renter households who experience overpayment, less than 20% of households, is located in the southwestern area of the City abutting Hermosa Beach. Coastal cities' homeowner and renter households face similar trends, and cities to the east indicate a higher percentage of households experiencing homeowner and renter overpayment (see Figures 27 and 28).

²¹ https://patch.com/california/manhattanbeach/rent-estimates-manhattan-beach-area

²² The Department of Housing and Urban Development (HUD)-formulated Fair Market Rent (FMR) schedule serves as a guide for the maximum rents allowable for those units receiving Section 8 assistance. HUD uses the Consumer Price Index and the Census Bureau housing survey data to calculate the FMRs for each area.



County of Los Angeles, Bureau of Land Management, Esri, HERE, Garmin, USGS, EPA, NPS | PlaceWorks 2021, HUD 2019 | PlaceWorks 2021, ESRI, U.S. Census | PlaceWorks 2021, TCAC 2020 |



Page | D-51

4.7.4 Displacement

Displacement is generally caused by disinvestment, new investment, or natural disasters. Gentrification, or the influx of capital and higher-income residents into working-class neighborhoods, is often associated with displacement, which occurs when housing costs or neighborhood conditions force people out and drive rents so high that lower-income people are excluded from moving in.

According to the Urban Displacement Project, a research collaboration between UC Berkeley and the University of California, Los Angeles, the City is considered "Stable/Advanced Exclusive" (see **Figure 29**, **Displacement Map**). The criteria for "Stable/Advanced Exclusive" is as follows:

- High-income tract in 2000 and 2018
- Affordable to high or mixed high-income in 2018
- Marginal change, increase, or rapid increase in housing costs

Coastal cities fall into the following displacement typologies: Stable Moderate/Mixed Income, At Risk of Becoming Exclusive, Becoming Exclusive, and Stable/Advanced Exclusive. Other cities in the South Bay and Gateway Cities area experience a mix of Stable Moderate/Mixed Income and At Risk of Becoming Exclusive, with pockets of Stable/Advanced Exclusive; however, the predominant displacement typology, specifically in the Inglewood, Gardena, Compton, and South Gate areas, are Low-Income/Susceptible to Displacement, followed by Advanced Gentrification, Early/Ongoing Gentrification, and At Risk of Gentrification. A list of the displacement typology and corresponding criteria can be found in **Figure 30**, **Displacement Typology**.

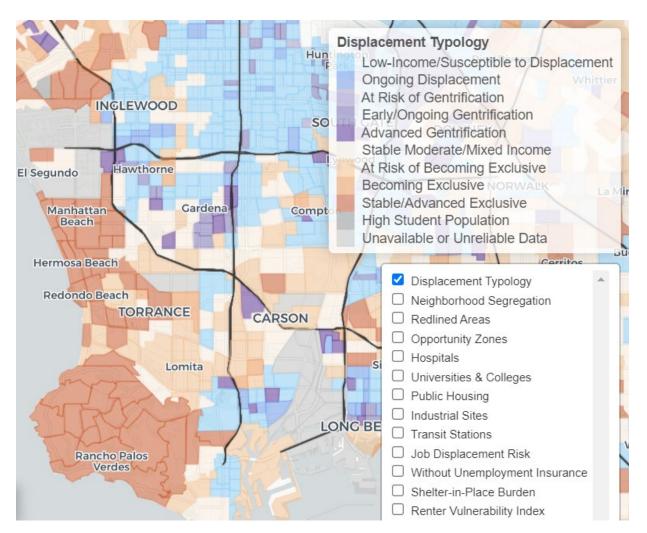


Figure 29. Displacement Map

MODIFIED TYPES	CRITERIA	
LOW-INCOME/SUSCEPTIBLE TO DISPLACEMENT	Low or mixed low-income tract in 2018	
ONGOING DISPLACEMENT OF LOW-INCOME HOUSEHOLDS	Low or mixed low-income tract in 2018 Absolute loss of low-income households, 2000-2018	
AT RISK OF GENTRIFICATION	 Low-income or mixed low-income tract in 2018 Housing affordable to low or mixed low-income households in 2018 Didn't gentrify 1990-2000 OR 2000-2018 Marginal change in housing costs OR Zillow home or rental value increases in the 90th percentile between 2012-2018 Local and nearby increases in rent were greater than the regional median between 2012-2018 OR the 2018 rent gap is greater than the regional median rent gap 	
EARLY/ONGOING GENTRIFICATION	Low-income or mixed low-income tract in 2018 Housing affordable to moderate or mixed moderate-income households in 2018 Increase or rapid increase in housing costs OR above regional median change in Zillow home or rental values between 2012-2018 Gentrified in 1990-2000 or 2000-2018	
ADVANCED GENTRIFICATION	 Moderate, mixed moderate, mixed high, or high-income tract in 2018 Housing affordable to middle, high, mixed moderate, and mixed h income households in 2018 Marginal change, increase, or rapid increase in housing costs Gentrified in 1990-2000 or 2000-2018 	
STABLE MODERATE/MIXED INCOME	Moderate, mixed moderate, mixed high, or high-income tract in 2018	
AT RISK OF BECOMING EXCLUSIVE	 Moderate, mixed moderate, mixed high, or high-income tract in 2018 Housing affordable to middle, high, mixed moderate, and mixed high-income households in 2018 Marginal change or increase in housing costs 	
BECOMING EXCLUSIVE	 Moderate, mixed moderate, mixed high, or high-income tract in 2018 Housing affordable to middle, high, mixed moderate, and mixed high-income households in 2018 Rapid increase in housing costs Absolute loss of low-income households, 2000-2018 Declining low-income in-migration rate, 2012-2018 Median income higher in 2018 than in 2000 	
STABLE/ADVANCED EXCLUSIVE	 High-income tract in 2000 and 2018 Affordable to high or mixed high-income households in 2018 Marginal change, increase, or rapid increase in housing costs 	

Figure 30. Displacement Typology

4.8 Summary of Fair Housing Issues

The following is a list of key conclusions and potential impediments that may exist in the City based on the fair housing issues identified in this Assessment of Fair Housing:

- Racial Demographics: The racial composition of the City is primarily non-Hispanic White and is not racially diverse when compared to the region. Approximately 73% of City residents are non-Hispanic White; 19% of the population is Asian; and 8% of residents identify as Hispanic. At a regional level, the City is not considered to be integrated.²³
- Median Household Income: The median household income is \$153,023, which is 239% of the County median income of \$68,004. Although there are no wealth segregation trends in the City, at a regional level, there is a relatively large wealth gap between the City and County.
- Housing Affordability: Of the renter-occupied lower-income households, about 83% spent more than 30% of their income on rent. Of the total 13,535 households in the City, approximately 29% were housing cost burdened.
- Variety of Housing Types: The City does not have a diverse housing supply, because the share of all single-family units in the City is approximately 77.2%; higher than the 61.7% share of single-family units in the Southern California Association of Governments region.

5 Sites Inventory

State law, Government Code Section 65583.2(a), requires that the sites identified in a sites inventory be analyzed with respect to the AFFH analysis to determine if the designation of sites serves the purpose of replacing segregated living patterns with balanced living patterns and transforming R/ECAP into areas of opportunity. Through the various goals, policies, and programs present within the Housing Element, adequate sites should accommodate the Regional Housing Needs Allocation in a manner that affirmatively furthers fair housing. The State requires sites identified as lower-income units to be in a zone that permits the City's default density²⁴ of 30 dwelling units per acre and be at least 0.5 acres in size. Some of the challenges in identifying sites in the City include lack of vacant land, lack of underutilized land, small parcel sizes, and limited overall land zoned to allow for 30 dwelling units per acre.

The majority of the City's land zoned for residential uses is zoned as Single-Family Residential (RS), which does not meet the default density of 30 dwelling units per acre as required by State law. In addition, provisions in Section 10.12.030 of the City's Planning and Zoning Ordinance do not allow the City to amend development standards related to increased density in residential zones without City-wide voter approval (refer to **Appendix C**). However, portions of the City's Medium-Density Residential (RM) Zoning District and all of the City's High-Density Residential (RH), and three Commercial Zoning Districts permitting mixed

²³ Integration generally means a condition in which there is not a high concentration of persons of one particular race, color, religion, sex, familial status, national origin, or having a disability or a particular type of disability when compared to a broader geographic area.

²⁴ "Default Density" per Government Code Section 65583.2(c)(3)(B) allows local governments to use "default" density standards deemed adequate to meet the appropriate zoning for lower-income units.

use and residential development (North End Commercial (CNE), Local Commercial (CL), and Downtown Commercial (CD)) meet the required default density.

As such, the City was able to identify select sites in the existing mixed-use commercial (CL and CNE) and RH zones meeting the default density requirements. To accommodate the remaining lower-income Regional Housing Needs Allocation, the City has identified additional sites which will be made available within three years and 120 days from the beginning of the planning period as part of Program 2, Adequate Sites, of the Housing Element. Refer to **Appendix E, Sites Analysis and Inventory,** for a detailed description of the methodology.

The sites selected in Appendix E affirmatively further fair housing. All Census tracts in the City are shown on the 2020 Tax Credit Allocation Commission Opportunity Map and proposed 2021 Map as areas of highest resource or high resource. As such, sites selected to accommodate lower-income housing are considered to have access to resources. No part of the City is designated as an area of high segregation. As previously described, the City is primarily non-Hispanic White, with approximately 73% of the total population; there is no concentration of other racial or ethnic groups in the City that would constitute a highly similar and segregated area, and, as a consequence, the designated sites will not increase segregation in the City. Because the City has identified adequate sites to accommodate the moderateand above moderate-income Regional Housing Needs Allocation, no rezone program in the Housing Element is needed for the City's moderate- or above moderate-income Regional Housing Needs Allocation for the planning period. The selected sites are located throughout the City, and lower-income sites are in areas with high median household income, which will improve conditions and create mixed-income neighborhoods with high access to resources and improve the quality of life for all residents. The selected sites for all income levels coupled with the programs in the Housing Element incentivizing development in the City will improve conditions related to substandard housing and displacement by creating opportunities for an increased supply of affordable and market-rate housing in the City.

6 Identification and Prioritization of Contributing Factors

This section will further analyze the contributing factors to outreach, segregation, racially or ethnically concentrated areas of poverty, disparities in access to opportunity, and disproportionate housing needs, and the strategies employed by the Housing Element for AFFH based on the identified and prioritized contributing factors.

6.1 Land Use and Zoning

The City is largely single-family residential, which is a low-density housing type. Per HCD's guidance on zoning barriers for persons with disabilities, the lack of a variety of housing types and zoning capacity for multi-family development in the City is considered a barrier because the majority of land permitting residential uses is currently zoned as RS which aims to provide opportunities for single-family residential land use in neighborhoods. The City has resources in place for persons with disabilities, such as a reasonable accommodation request process to accommodate special needs and allow for supportive housing in all residential zones. Programs in the Housing Element, such as Programs 15, 21 and 25, will increase the variety of housing types and facilitate the development of multi-family housing. The

Adequate Sites Program, Program 2, of the Housing Element will increase available land in the City that permits 100% multi-family residential uses, set a minimum density requirement of 20 units per acre, and allow by-right development for developments in which 20% or more of the units are affordable to lower-income households. Program 1 of the Housing Element will incentivize the development of accessory dwelling units (ADUs) and junior ADUs and specifically promote the creation of ADUs that can be offered at an affordable rent for very low-, low-, or moderate-income households. Through the Density Bonus Program, Program 8 of the Housing Element, the City will continue updating its Density Bonus Ordinance consistent with State law and offer streamlined approval process for projects that qualify for a density bonus (see Program 15 of the Housing Element for details). Through the removal of discretionary requirements for multi-family housing, the City will minimize constraints to the development of affordable housing. In addition, as part of Program 13 of the Housing Element, the City provides an additional density bonus incentive under Section 10.12.030 of the MBMC above and beyond what is permitted under State law for multi-family residential developments meeting the minimum requirements for a density bonus to further incentivize development of affordable housing.

6.2 Voter Initiatives

The City has not experienced formidable opposition to the development of affordable housing in its neighborhoods. However, development regulations in the RS, RM, and RH residential zoning districts cannot be amended to increase the standards for maximum height of structures or maximum buildable floor area, or to reduce the standards for minimum setbacks, minimum lot dimensions, or minimum lot area per dwelling unit, unless the amendment is first submitted to a City-wide election and approved by a majority of the voters. According to HCD's AFFH guidance, this is considered a measure that limits housing choices. As noted in the sites inventory (Appendix E), vacant land is extremely scarce in the City, and adequate sites for lower-income housing, based on HCD criteria, are currently limited. Therefore, Program 2, Adequate Sites, of the Housing Element would increase the availability of parcels zoned to allow sufficient density to accommodate the economies of scale needed to produce affordable housing as required by State law, and specifically incentivize lower-income housing development. The ADU Program will also aim to increase density in residential and mixed-use zones by incentivizing the development of ADUs and junior ADUs, which recent development trends have proven to effectively increase housing opportunities in the City. Residential development is currently allowed in the following commercial zones: CL, CD, and CNE. Through Program 15, the City will amend its Zoning Code to adopt a streamlined approval process and development standards for multi-family residential and mixed-use projects in those commercial zones. This program will further incentivize and provide additional opportunities for multi-family development.

6.3 Affordable Housing

High housing costs have contributed to the areas identified as RCAAs because a higher income is needed to afford living in the City. This is a State-wide issue along the coastal cities in California. The City is incentivizing housing development by identifying adequate and viable sites to make available and accommodate affordable housing in the next eight-year planning period. Program 1 of the Housing Element incentivizes the development of ADUs that can be offered at an affordable rent for very low-,

low-, or moderate-income households; Program 2 would allow for increased opportunities for affordable housing in the CG and PD zones, which have previously not allowed residential uses; Program 9 provides developer outreach, such as regulatory education, and updates on local and State incentives for development; Program 15 creates residential development standards and a streamlined approval process for multi-family and mixed-use projects in the CL, CD, and CNE commercial zones; and Program 13 provides an additional density bonus for multi-family projects that qualifies for the State density bonus in exchange for lot consolidation. The City will continue to participate in the Section 8 housing voucher program, which provides rental assistance, and through Program 12, the City is committing to better connect residents to County, State, Federal, and other housing assistance resources. As part of the Housing Element, these programs will further incentivize and provide additional opportunities for housing affordable to very low, low-, or moderate-income households and those with special needs.

6.4 Fair Housing Enforcement and Outreach Capacity

The City recognizes the importance of education their residents and developers to reduce housing discrimination in the City. While County and regional fair housing resources are available, the City only currently provides fair housing information and referrals upon request. Therefore, many residents and/or developers are not aware of these resources. Through Program 11, the City will continue to support and participate in the Regional Analysis of Impediments to Fair Housing Choice in coordination with the Community Development Commission of the County and HACoLA to continue identifying fair housing issues in the City; promote compliance with housing discrimination laws by developing a handout for developers to be made aware of fair housing advertisement material related to the sale or rental of housing pursuant to Government Code 12955 which prohibits such materials from indicating a preference or limitation based on a protected classification; and provide links to fair housing resources, including developer handout materials, on the City's website.

Appendix E: Sites Analysis

Table of Contents

1	Intro	Introduction			
2	Regi	ional Housing Needs Allocation	2		
3	Vaca	ant and Underutilized Sites Methodology and Assumptions	3		
	3.1	Process Overview	3		
	3.2	Sewer, Water and Environmental Constraints	4		
	3.3	Density and Affordability Assumptions	4		
4	Exis	ting Capacity	6		
	4.1	Lower-Income Sites	6		
	4.2	Moderate-Income Sites	9		
	4.3	Above Moderate-Income Sites	12		
5	Plan	nned, Approved, and Prospective Projects	13		
	5.1	Verandas – 401 Rosecrans Avenue	13		
	5.2	1701–1707 Artesia	13		
	5.3	Summary of Residential Projects in Pipeline	13		
	5.4	Accessory Dwelling Unit Projection	14		
6	Sum	nmary of Capacity to Accommodate the RHNA	16		
7	Site	s Identified for Adequate Sites Program	21		
	7.1	Sites to Accommodate Lower-Income Shortfall and Buffer	21		

Tables

Table 1. City of Manhattan Beach Regional Housing Needs Allocation 2021–2029	2
Table 2. Underutilized Site Capacity	4
Table 3. Lower-Income Units Density Assumptions by Zone	5
Table 4. Development Trends	5
Table 5. Moderate- and Above Moderate-Income Units Density Assumptions by Zone	6
Table 6. Example Site	7
Table 7. Lower-Income Sites Identified	8
Table 8. Moderate-Income Sites Identified	10
Table 9. Above Moderate-Income Sites Identified	
Table 10. Pipeline Residential Development Credited Toward 6th Cycle RHNA	14
Table 11. Accessory Dwelling Unit and Junior Accessory Dwelling Unit Development Trends	
Table 12. Estimated Affordability of Projected ADUs 2021–2029	15
Table 13. Summary of Residential Capacity Compared to 6th Cycle RHNA by Income, City of Mar	
Beach, June 30, 2021 through October 31, 2029	17
Table 14. Additional Site Capacity	
Table 15. Potential Underutilized Sites for Overlay and Rezone	
Figures	
Figure 1. Northwest Sites Identified	14
Figure 2. Western Sites Identified	19
Figure 3. Central and Southeast Sites Identified	20
Figure 4. Sites to Accommodate Lower-Income Shortfall and Buffer	27

1 Introduction

As provided under California State law (Government Code Sections 65583[a][3]), the Housing Element must include an inventory of land suitable for residential development, including vacant sites that can be developed for housing within the planning period, and non-vacant sites having realistic and demonstrated potential for redevelopment during the planning period to meet the local Regional Housing Needs Allocation (RHNA) need at all income levels. As further detailed in the following discussion, every local jurisdiction is assigned a number of housing units representing its share of the State's housing needs for an eight-year period. The City of Manhattan Beach's (City) housing need for the 6th Cycle (eight-year planning period [2021–2029]) consists of 774 total units, including housing at all income levels.

This appendix of the Housing Element contains an analysis and inventory of sites within City limits that are suitable for residential development during the planning period. State law requires a land inventory that relies largely on vacant sites, and if a City is relying on non-vacant sites, findings based on substantial evidence must be provided to demonstrate that the existing use does not constitute an impediment to additional residential development. However, the City is completely built-out, meaning that vacant sites are nearly nonexistent (further discussed in Section 3.1, Process Overview). Furthermore, the lack of supply in vacant land currently available in the City is not something that the City can directly control. The City can only incentivize and promote redevelopment within the City, which is the intent of several programs in the Housing Element, such as **Programs 1, 2, 3, 8, 9, 13, 15, 18** and **28**. Although State law (Government Code Section 65583.2) presumes existing uses to be an impediment to additional residential development, because of the built out nature of the City, most development projects are on infill sites. Furthermore, with the booming housing market in California, the median home price in the City rose to \$2,923,949 as of August 2021, giving developers a large financial incentive to pursue redevelopment opportunities on non-vacant sites in the City.

As presented in this analysis, through the Sites Analysis for the 2021–2029 planning period, the City has identified capacity for 384 total units through underutilized sites, projected Accessory Dwelling Units (ADUs), and pipeline projects, which are expected to receive Certificates of Occupancy within the planning period. The City has an adequate supply of land to accommodate the City's RHNA of 132 above moderate-income and 155 moderate-income units. The City has identified existing capacity to realistically accommodate 85 lower-income units through underutilized sites, projected ADUs, and pipeline projects. To meet the remaining RHNA for lower-income units, the City commits to **Program 2**, Adequate Sites, of the Housing Element, and has identified areas to increase capacity in the City to not only meet their housing need, but to ensure adequate capacity throughout the planning period through a generous buffer for additional lower-income sites that exceeds the City's allocation (see Section 7.1, Sites to Accommodate Lower-Income Shortfall and Buffer).

In conjunction with the sites identified for the Sites Analysis, the Housing Element programs will further support new development on sites identified, at and above the corresponding capacity established for the respective sites. The Sites Analysis describes the City's housing target for the 6th Cycle planning period (6th Cycle), provides an overview of methodology for identifying underutilized sites, breaks down the methodology by which realistic development capacity was determined, identifies existing capacity for all RHNA income categories, evaluates development that is currently underway, which counts towards the City's housing need, details the expected number of ADUs to be developed within the planning period, and summarizes the approach utilized for the identification of sites selected for the Adequate Sites Program of the Housing Element.

2 Regional Housing Needs Allocation

Pursuant to State law, each jurisdiction in the State has a responsibility to accommodate a share of the projected housing needs in its region. The process and methodology of allocating regional housing needs to individual cities and counties is conducted through an assessment of the region's housing need, and the unit count allocated to cities and counties results in the RHNA. The RHNA is mandated by State housing law as part of the periodic process of updating local Housing Elements of General Plans, and the total number of units for each region is provided by the Department of Housing and Community Development (HCD). The RHNA quantifies the need for housing within each jurisdiction during specified planning periods.

As part of the assessment and allocation process, each council of governments must develop a methodology that determines each jurisdiction's RHNA as a share of the regional determination of existing and projected housing need provided by HCD. Each jurisdiction's RHNA is broken down by income category, ensuring that all economic groups are accommodated. The methodology generally distributes more housing, particularly lower-income housing, near jobs, transit, and resources linked to long-term improvements of life outcomes, and must further state objectives, including affirmatively furthering fair housing.

The City's share of regional housing need was determined by a methodology prepared by the Southern California Association of Governments (SCAG) as part of its Final Regional Housing Needs Assessment Allocation Plan, adopted in March 2021 and updated June 2021. In accordance with the Final RHNA Allocation Plan, the City must plan to accommodate 774 total housing units for the projection period beginning June 30, 2021 and ending October 15, 2029. This is equal to a yearly average of approximately 93 housing units. The 774 total units are split into four RHNA income categories (very low, low, moderate, and above moderate). **Table 1, City of Manhattan Beach Regional Housing Needs Allocation 2021–2029**, provides the City's RHNA by income category. Of the 774 total units, the City must plan to accommodate 322 units for very-low-income households, 165 units for low-income households, 155 units for moderate-income households, and 132 units for above-moderate-income households.

Table 1. City of Manhattan Beach Regional Housing Needs Allocation 2021–2029						
Income Category	Units	Percent of Total				
Very Low-Income	322	41.6%				
Low-Income	165	21.3%				
Moderate-Income	155	20%				
Above Moderate-Income	132	17.1%				
Total	774	100%				

As shown in **Table 1**, the City must accommodate 774 total housing units between 2021 and 2029. To ensure that adequate capacity is maintained in the City throughout the 6th Cycle, additional capacity above and beyond the RHNA assigned to the City has been identified. In accordance with State requirements, the City will monitor the housing capacity identified in the Sites Inventory throughout the planning period to maintain sufficient capacity for the remaining RHNA at all income levels.

3 Vacant and Underutilized Sites Methodology and Assumptions

State law requires each jurisdiction to include a land inventory to identify specific sites that are suitable for residential development and demonstrate that sufficient land is zoned to provide housing capacity that is adequate to meet the RHNA for each income level. This section of the sites analysis describes the methodology used to calculate the housing capacity on all vacant and non-vacant developable land within the City limits that is zoned to allow for housing and available to develop within the Housing Element planning period.

3.1 Process Overview

The sites analysis was completed using Geographic Information Systems (GIS) mapping software with multiple data sets to identify potentially available housing sites, largely depending on SCAG's annual land use parcel-level dataset (ALU v.2019.2) available from SCAG's open GIS data portal, last updated in June 2021. SCAG's land use dataset provides extensive parcel-level data, including existing land uses, mainly based on 2019 tax assessor records. The City is nearly completely built-out, meaning that vacant sites are nearly nonexistent, which was verified using the Tax Assessor land use codes. Local governments with limited vacant land resources may rely on non-vacant and underutilized residential sites to accommodate their RHNA. Although HCD's Housing Element Site Inventory Guidebook (Government Code Section 65583.2) states that a "nonvacant site's existing use is presumed to impede additional residential development," the City's opportunities for residential development depends on underutilized sites due to the lack of vacant land. Although some parcels identified have vacated uses, or are largely undeveloped, per HCD's definition of vacant sites, all sites identified are considered nonvacant. Therefore, this sites analysis largely depends on those underutilized sites within City limits that are zoned to allow for residential development identified by their land to improvement ratio, age of buildings, existing use, proximity to resources and existing infrastructure, and other data indicating possible constraints to development feasibility. The specific factors for identifying and prioritizing underutilized sites are summarized in the following:

- Building Age Buildings more than 30 years old
- Under Valued An assessed improvement to land value (LTI) ratio less than 1
- **Underbuilt** Commercially zoned sites where the current floor area ratio (FAR) compared to the maximum allowable FAR is less than 100%
- Resource Access Within TCAC/HCD Opportunity Areas, defined by HCD and the California Tax Credit Allocation Committee (TCAC) as areas whose characteristics have been shown by research to support positive economic, educational, and health outcomes for lower-income households.

The sites identified as underutilized include a mix of underutilized uses such as dilapidated parking lots, automotive repair shops, office spaces and restaurants with large surface car lots, single-family residential units zoned for commercial and allowing multifamily and mixed-use developments. The underutilized sites are not known to have been occupied in the past 5 years with housing occupied by lower-income residents. In addition, online mapping tools—including Google Earth, Google Maps, and

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Source of 2019 existing land use: SCAG_REF – SCAG's regional geospatial datasets; ASSESSOR – Assessor's 2019 tax roll records; CPAD-California Protected Areas Database (version 2020a; accessed September 2020); CSCD – California School Campus Database (version 2018; accessed September 2020); FMMP – Farmland Mapping and Monitoring Program's Important Farmland GIS data (accessed September 2020); MIRTA – U.S. Department of Defense's Military Installations, Ranges, and Training Areas GIS data (accessed September 2020).

Los Angeles County Office of the Assessor Property Assessment Information System—as well as City knowledge of the current projects in the pipeline and development interest in certain areas of the City, were used to verify underutilized status and existing uses. **Table 2, Underutilized Site Capacity,** provides a summary of existing capacity units identified by income category.

Table 2. Underutilized Site Capacity					
Lower-Income Units	Moderate-Income Units	Above Moderate-Income Units	Total Units		
28	161	19	208 units		

3.2 Sewer, Water and Environmental Constraints

Environmental and infrastructure constraints cover a broad range of issues affecting the feasibility of residential development. All parcels included in the Sites Inventory were reviewed for any known environmental constraints, sewer and water capacity, and dry utilities. The sites included in the inventory have all been designated for residential development, have access to existing sewer and water capacity, and dry utilities, and are not constrained by known site-specific or environmental constraints that would limit development. Land suitable for residential development must be appropriate and available for residential use in the planning period. As such, the sites were also reviewed according to their development standards and regulations, as well as recently approved or built residential projects in the same zones where housing is an allowed use. Sites in the General Commercial (CG) and Planned Development (PD) Districts that require an overlay or rezoning to permit residential uses were also included in the site analysis based on the Adequate Sites Program included in the Housing Element required to address a RHNA shortfall. See Section 7, Sites Identified for Adequate Sites Program, for details.

3.3 Density and Affordability Assumptions

3.3.1 Lower-Income Units

Government Code Section 65583.2(c) requires, as part of the analysis of available sites, a local government to demonstrate that the projected residential development capacity of the sites identified in the Housing Element can realistically be achieved. This realistic capacity may use established minimum densities to calculate the housing unit capacity. As a conservative estimate of capacity calculations, the sites analysis estimated realistic capacity is 20 dwelling units (du) per acre for the City's Medium-Density Residential (RM) zone in area district 3, and the High Density Residential (RH), Local Commercial (CL), Downtown Commercial (CD), and North End Commercial (CNE) zones in all area districts (1 through 4) for sites identified to accommodate the City's lower-income RHNA, see Table 3, Lower-Income Units Density Assumptions by Zone. The realistic capacity for lower-income sites is low considering that the aforementioned zones allow up to a maximum density of 32.3 to 51.2 du per acre. Therefore, while these assumptions take into account realistic development potential for affordable units, they do not limit the ability of a project to be built at an overall higher density allowed under either the Zoning Code or the General Plan. With high land values and limited vacant land available in the City, it is expected that property owners will strive for densities closer to the maximums.

Table 3. Lower-Income Units Density Assumptions by Zone									
	Maximum Density (units per acre) Realistic Density (units per acre)								
Area	Medium Density	High Density	Medium Density	High Density Residential					
District	Residential Zone (RM)	Residential (RH)*	Residential (RH)* Residential Zone (RM)						
1	1	43.6 per acre	_	20 per acre					
2	-	43.6 per acre	-	20 per acre					
3	32.3 per acre	51.2 per acre	20 per acre	20 per acre					
4		51.2 per acre	_	20 per acre					

Source: City of Manhattan Beach

3.3.2 Moderate- and Above Moderate-Income Units

Sites identified to accommodate the City's moderate- and above moderate-income RHNA have been calculated assuming a conservative 80% of the maximum permitted density in the respective zone. Development trends from 2019, 2020, and prospective projects indicate 90% of maximum capacity was achieved, see **Table 4**, **Development Trends**. Therefore, it is assumed that a buffer is provided through this conservative estimate of capacity. Parcel size is also considered in this analysis as the average parcel size in zones that allow residential uses is approximately 0.09 acres and the median parcel acreage is 0.06. Since parcel sizes are very small, most developers will use the maximum density allowed in order to increase their return on investment. **Table 4**, **Development Trends**, provides a full list of development trends and corresponding densities in the City. **Table 5**, **Moderate- and Above Moderate-Income Units Density Assumptions by Zone**, provides an overview of the maximum and realistic capacity for each residential zone considered in the Sites Analysis for the moderate- and above moderate-income RHNA.

	Table 4. Development Trends								
APN	Address	Zone	Area District	Acres	Max Units Under Zone	Units Permitted	Percent Capacity Achieved	Date Permit Issued	
4176030008	2709 Manhattan Blvd	RH	2	0.058	2.97	2	100%	Jul-20	
4175023013	3405 Bayview Dr	RH	3	0.04	2.04	1	50%	30-Sep-19	
4179026014	117 13th St	RH	3	0.045	2.30	1	50%	2-Dec-19	
4177009028	428 24th St	RM	3	0.031	1.00	1	100%	19-Mar-19	
4166009004	1450 12th St	RH	2	0.161	7.013	4	57%	23-Oct-19	
4166009005	1446 12th St	RH	2	0.16	6.96	4	67%	23-Oct-19	
4180022015	120 4th St	RM	3	0.062	2.00	2	100%	1-May-19	
4164001021	1843 11th St	RH-D2	1	0.1492	3.58	3	100%	29-Jul-19	
4176027017	3009 Manhattan Ave	RH	3	0.031	1.58	1	100%	9-Oct-19	
4175023014	3400 Manhattan Ave	RH	3	0.08	4.09	2	50%	28-Aug-19	
4180026014	124 6th St	RM	3	0.06	1.93	1	100%	30-Sep-19	
4177013009	2604 Alma Ave	RM	3	0.08	2.58	2	100%	28-Aug-19	
4177015015	323 25th St	RM	3	0.06	1.93	1	100%	23-Jul-19	
4176014014	409 30th St	RM	3	0.0403	1.30	1	100%	7-Aug-19	
	401 Rosecrans Blvd.	CNE	3	1.02	52.27	79	152%	In process	
	1701-1707 Artesia Blvd.	CL	1	0.30	12	14	117%	In process	
Total	_	-		2.37	99	119	90%	-	

^{*}CL, CD, and CNE zones are subject to the development standards in the RH zone, and applicable area district.

Table	Table 5. Moderate- and Above Moderate-Income Units Density Assumptions by Zone										
	Maximum Density (units per acre) Realistic Density (units per acre)										
Area District	Single-Family Residential Zone (RS)	Medium Density Residential Zone (RM)	High Density Residential (RH)*	Single-Family Residential Zone (RS)	Medium Density Residential Zone (RM)	High Density Residential (RH)*					
1	5.8 per acre	11.6 per acre	43.6 per acre	4.6 per acre	9.3 per acre	34.8 per acre					
2	9.5 per acre	18.9 per acre	43.6 per acre	7.6 per acre	15.2 per acre	34.8 per acre					
3	25.6 per acre	32.3 per acre	51.2 per acre	20.5 per acre	25.8 per acre	41 per acre					
4	_	_	51.2 per acre	-	_	41 per acre					

Source: City of Manhattan Beach

4 Existing Capacity

4.1 Lower-Income Sites

In accordance with Housing Element law (Government Code Section 65583.2[c][3]), the City's default density for accommodating capacity for lower-income units (322 very-low-income units and 165 low-income units) requires zoning that permits a minimum of 30 du per acre as the City is considered a metropolitan jurisdiction. The City has five zones that permit densities of 30 du per acre or greater, the RM zone, in only Area District 3, RH zone in any area district, as well as the CL, CNE, and CD zones which are subject to the development standards for multi-family housing in the RH zone. Underutilized sites in the higher density zones were generally included in the Sites Inventory as lower-income sites.

Further, it is detailed under State guidance that sites that are too small or too large may not facilitate developments of this income level. Government Code section 65583.2(c)(2)(A)(B) requires sites identified for lower-income units be limited to 0.5 to 10 acres— to meet the minimum acreage, a site may include two or more smaller parcels that have a realistic potential to be consolidated and developed into one site. In selecting sites for lower-income units, given the criteria, the City experienced various limitations and challenges. Although the City has five zones which permit a minimum of 30 dwelling units, the average parcels size is approximately 0.06 acres. Therefore, opportunities for identifying contiguous and underutilized parcels that can reasonably be expected to be consolidated as one site are limited. Sites smaller than 0.5 acres are deemed inadequate to accommodate development for lower-income housing unless evidence or recent trends can prove otherwise. As shown on Table 4, 15 of the 16 development projects over the last three years have been located on sites smaller than 0.5 acres, which is reflective of the average parcel sizes in the City being far below 0.5 acres. Although not all of the projects built in the last three years have included an affordable housing component, it can be assumed based off these trends and existing opportunities for small site development, that developer interest in building housing affordable to all income levels on sites smaller than 0.5 acres will continue into the 6th Cycle. While one of the three sites identified meets HCD's minimum acreage criteria, the two sites that do not meet the acreage criteria are just under 0.5 acres (see Table 7) and are considered adequate in size based on the previously detailed trends.

All three sites identified as having the capacity to accommodate lower-income housing were identified on parcels considered underutilized. The existing structures are not considered an impediment to development due to their current uses, building age and current conditions indicating a likely need for substantial repairs,

^{*}CL, CD, and CNE zones are subject to the development standards in the RH zone, and applicable area district.

and low LTI ratios. Two of the sites include two or more parcels with the realistic potential for consolidation, sites number 1 and 2. Based on recent trends for projects in the pipeline, which include the redevelopment of underutilized parcels consolidated into one project site (see Section 5, Planned, Approved, and Prospective Projects), it is reasonable to assume that sites 1 and 2 can be consolidated as a site. Similar to the projects in the pipeline, the uses on these lots are underutilized and programs in the housing element provide incentives for lot consolidation. For example, Program 13, Lot Consolidation Incentive, provides an additional density bonus above and beyond what is permitted under State law. Residential developments meeting the minimum requirements for a density bonus are granted an additional bonus in exchange for lot consolidation. The existing Manhattan Village Senior Villas located at 1300 Parkview Avenue, and the future Verandas Project located at 401 Rosecrans Avenue and 1701-1707 Artesia Project, are examples of residential projects developed on multiple parcels that include units affordable to very low-, low-, and moderate-income households. The Verandas Project and 1701-1707 Artesia Project are further detailed in Section 5 and are credited toward the 6th Cycle planning period RHNA.

Identifying sites with net new units was another challenge in identifying lower-income sites. From a high-level overview there appear to be many contiguous parcels that could potentially accommodate lower-income units. However, when calculating the realistic capacity at 20 du per acre, many parcels yielded negative or 0 net new units. This is due to small parcel sizes and/or existing residential units built at higher densities. **Table 6, Example Site**, provides an example of one of the major and common challenges in identifying lower-income sites that meet both HCD's criteria and yield enough net new units to be considered feasible from a redevelopment perspective. This is particularly important when identifying lower-income sites as existing uses cannot be an impediment to development. While the parcels in the example site can be consolidated to meet the acreage criteria, only five net new units are yielded when accounting for the existing 19 units and their current tenants—likely rendering the site unfeasible from an affordable housing development perspective.

Table 6. Example Site										
APNs Acres Uses Existing Units Net New Units										
4167014017 4167014016 4167014015 4167014014	0.56	Four quadplexes	19	5						

To ensure net new units when identifying existing capacity for redevelopment across all income levels in the City and in compliance with Senate Bill 330 (2019), the approach used was to focus on parcels with commercial uses that permit residential development as those generally yielded a higher number of units. Many of the parcels were then filtered out because their existing uses were considered an impediment to development (e.g. well-known franchises) as it is not foreseen that the nature of the business would discontinue within the planning period. However, the underutilized sites ultimately selected for accommodating the lower-income RHNA have existing uses that are not considered an impediment to development and their current uses are reasonably assumed to be discontinued during the planning period.

Table 7, Lower-Income Sites Identified, details the underutilized sites identified as appropriate to accommodate the lower-income RHNA and expected net new units based on the realistic capacity assumptions. Site 1, labeled as "Table ID 1" in Table 7, is comprised of five lots consolidated into one and totals 0.54 acres. The uses include a parking lot facility that is publicly owned by the City, and a

small-scale office park comprised of three connecting two-story structures built in 1977 with a LTI ratio of 0.52. Current tenants include an eating establishment known as Summer's Sports Bar, a State Farm Insurance agent office, and a recently closed chiropractor office. Abutting this site is the location of a proposed 79-unit residential housing redevelopment project, detailed in **Section 5.1**, **Verandas – 401 Rosecrans Ave**, which indicates developer interest in this area. The City will identify and track surplus City-owned sites in accordance with the requirements of AB 1486, refer to see **Program 26** of the Housing Element.

Site 2, labeled as "Table ID 2," is comprised of two parcels along Manhattan Beach Boulevard. Manhattan Beach Boulevard has a mix of existing uses including commercial, retail, offices spaces and residential units such as duplexes, condos, and apartments. One of the parcels currently has a vacated two-story building with a surface parking lot which was previously a Pilates studio. The building was built in 1964 and has an LTI ratio of 0.38. The second parcel is an irregularly shaped stand-alone building occupied by Remax real estate agency. The building was built in 1963 and has an LTI ratio of 0.30.

Site 3, labeled as "Table ID 3" is a square-shaped parcel with a standalone building oriented toward the northside of the property. The parcel is currently the location of the Beach Cities Masonic Center and a surface parking lot on the southern area of the lot. The site is located along Arteria Boulevard and is surrounded by multi-family residential uses along Artesia Boulevard, and single-family residential housing to the rear of the property north of the property line. The building was built in 1963 and has a LTI ratio of 0.97. Additionally, it is located one block west from the future mixed-used commercial and residential project detailed in **Section 5.2, 1701-1707 Artesia Boulevard**, indicating developer interest in this area.

See **Section 7**, Sites Identified for Adequate Sites Program, for sites identified to accommodate the lower-income shortfall.

	Table 7. Lower-Income Sites Identified									
Table ID	APNs	Consolidated Site #	Address	Zone	Area District	Acres	Existing Uses	Net New Units		
1	4137-001-900* 4137-001-904 4137-001-905 4137-001-906	1	Rosecrans Ave./ Highland Ave.	CNE	3	0.54	Small-scale office park with a real estate agent office, closed chiropractor office and a Sports Bar (APN 4137-001-027, LTI 0.52, Built 1977) with a City owned parking structure (APNs 4137-001-900, 4137-001-904, 4137-001-905, 4137-001-906)	10		
2	4170-026-003* 4170-026-004*	2	1026 -1030 Manhattan Beach Blvd.	CL	1	0.49	Remax Offices, stand- alone building with a surface parking lot (APN 4170-026-003, LTI 0.30, Built 1953) and two-story stand-alone vacated Pilates Studio with surface parking lot (APN 4170-026-004, LTI 0.38, Built 1964)	9		
3	4163-024-028	N/A	1535 Artesia Blvd.	RH	1	0.46	Masonic Center with surface parking lot (LTI 0.97, Built 1963)	9		
Total	_	-	_	_		1.49	_	28		

Note: Parcels with an asterisk (*) are non-vacant parcels identified in the 5th Cycle Housing Element.

4.1.1 Sites Identified in Previous Housing Elements

Per Government Code Section 65583.2(c), a non-vacant parcel identified in a previous planning period cannot be used to accommodate the lower-income RHNA unless the parcel is subject to a program in the Housing Element to allow residential uses by-right for housing developments in which at least 20% of the units are affordable to lower-income households. The City has identified three non-vacant parcels to accommodate lower-income units that were previously identified in the 5th Cycle Housing Element. Therefore, the subject sites (Table ID 1 and 2) are subject to **Program 28** of the Housing Element for previously identified sites per State law.

4.2 Moderate-Income Sites

Sites inventoried at the moderate-income level were identified in the RM, RH, and commercially zoned districts permitting multi-family and mixed-uses (CL, CNE and CD). Although the minimum acreage criteria does not apply to these moderate-income sites, there were limited sites available when considering the underutilized methodology previously described. The general uses included commercial, retail, and some older residential uses. Most of the buildings were built before 1970 and the average LTI ratio is 0.38. Many of the buildings visually appear to be in need of repair and some had uses that were recently vacated. **Table 8, Moderate-Income Sites Identified**, lists the underutilized sites identified to meet the moderate-income RHNA and expected net new units based on the realistic capacity assumptions.

	Table 8. Moderate-Income Sites Identified									
Table ID	APNs	Consolidated Site #	Address	Zone	Area District	Acres	Existing Uses	Net New Units		
1	4164016002 4164016003 4164016001	3	Manhattan Beach/Harkness	CL	1	0.34	Stand-alone building with a vacated commercial space (APN 4164016002, LTI ratio 0.70, Built 1952), Stand-alone building with a vacated office space (APN 4164046003, LTI ratio 0.26, Built 1952), Mixed use lot with a commercial building built in 1952 and 1 residential unit building built in 1954 (APN 4164016001, LTI ratio 0.20)	11		
2	4164016010	N/A	1716 Manhattan Beach Blvd	CL	1	0.11	Stand-alone real estate office (LTI 0.15, Built 1955)	4		
3	4170010014	N/A	939 Manhattan Beach Blvd	CL	2	0.09	Two-story beauty salon (LTI ratio 0.19, Built 1958)	3		
4	4170011015 4170011014	4	Walnut/Manhattan Beach	CL	2	0.20	Law office with surface parking (APN 4170011015, LTI ratio 0.50, Built 1952), stand-alone dentistry office with surface parking (APN 4170011014, LTI ratio 0.69, Built 1964)	6		
5	4170011010 4170011011 4170011012	5	Poinsettia/Manhattan Beach	CL	2	0.29	Stand-alone tax attorney office with surface parking (APN 4170011010, LTI ratio 0.64, Built 1963), Two-story real estate agent office with surface parking (APN 4170011011, LTI ratio 0.42, Built 1948), Vacated stand-alone building and large surface parking (APN 4170011012, LTI ratio 0.002, Built 1958)	10		
6	4170023007	N/A	828 Manhattan Beach Blvd	CL	1	0.17	Stand-alone dermatology office with surface parking lot (LTI ratio 0.42, Built 1971)	7		
7	4163009020	N/A	1633 Artesia Blvd	RH	1	0.30	Single Family residence with one exiting residential unit (LTI 0.15, Built 1950)	9		
8	4170025010 4170025008 4170025009	6	916-920 Manhattan Beach Blvd.	CL	1	0.36	Single family residence (APN 4170025010, 1 existing unit, LTI ratio 0.12, Built 1941), Two-story insurance agent office with surface parking (APN 4170025008, LTI ratio 0.92, Built 1978) Triplex (APN 4170025009, 3 existing residential units, LTI ratio 0.24, Built 1949)	9		
9	4179004001	N/A	1212 Highland Ave	CD	3	0.15	Stand-alone two-story building with a chiropractor office, real estate agent office and surface parking lot (LTI ratio 0.35, Built 1946)	6		
10	4179020012 4179020001 4179020013	7	Manhattan Ave/Manhattan Beach Blvd.	CD	3	0.11	Stand-alone clothing retail store (APN 4179020012, LTI ratio 0.27, Built 1947) (Ice cream shop (APN 4179020001, LTI ratio 0.40, Built 1940) Stand-alone gift shop (APN 4179020013, LTI ratio 0.09, Built 1923)	4		
11	4179028001	N/A	1419 Highland Avenue	CD	3	0.08	Irregular-shaped stand-alone building with a real estate agency office and abutting angled surface parking (LTI ratio 0.31, Built 1956)	3		
12	4175024023	N/A	3515 Highland Avenue	CNE-D5/RH	3	0.093	Stand-alone hair salon with a small surface parking lot (LTI Ratio 0.98, Built 1965)	3		

	Table 8. Moderate-Income Sites Identified									
Table ID	APNs	Consolidated Site #	Address	Zone	Area District	Acres	Existing Uses	Net New Units		
13	4137009058	N/A	4005 Highland Avenue	CNE	4	0.13	Stand-alone vacated gym with small surface parking (LTI ratio 0.79, Built 1970)	5		
14	4170009800	N/A	953 Manhattan Beach Blvd.	CL	2	0.59	Telecommunications office building with large surface parking lot (Built 1960)	20		
15	4166009008	N/A	1426 12th Street	RH	2	0.24	Duplex (2 existing units, LTI ratio 0.31, Built 1942)	6		
16	4166010006	N/A	1324 12th St.	RH	2	0.16	SFR (1 existing unit, LTI ratio 0.27, Built 1953)	4		
17	4166010008	N/A	1314 12th St	RH	2	0.16	SFR (1 existing, LTI ratio 0.32, Built 1956)	4		
18	4170024008 4170024009	8	852 Manhattan Beach Blvd 848 Manhattan Beach Blvd	CL	1	0.19	Mixed-use lot with two stand-alone buildings, the building abutting Manhattan Beach Blvd. is a tax preparation office, the second building has one existing residential unit (APN 4170024008, LTI ratio 0.24, Built 1952) Stand-alone vacated office building (APN 4170024009, LTI ratio 0.41, Built 1940)	5		
19	4170014008 4170014009	9	1441-1445 Poinsettia Ave	CL	2	0.16	SFR, detached unit (APN 4170014008, LTI ratio 0.30, Built 1928), SFR, detached (APN 4170014009, LTI ratio 0.03, Built 1940)	3		
20	4166008016	N/A	1451 12th St	RH	2	0.17	Duplex (2 existing residential, LTI ratio 0.60, Built 1954)	4		
21	4169024004 4169024005	10	1038 Duncan Ave 1041 Boundary Pl	RM	1	0.55	SFR, detached (APN 4169024004, LTI ratio 0.25, Built 1934), SFR, detached (APN 4169024005, LTI ratio 0.01, Built 1937)	3		
22	4170008027 4170008028	11	1011-1019 Manhattan Beach Blvd.	CL	2	0.39	Design studio (APN 4170008027, LTI ratio 0.14, Built 1963), Stand- alone restaurant with large surface parking lot (APN 4170008028, LTI ratio 0.44, Built 1952),	13		
23	4175017007 4175017009	12	3514 Highland Ave 3520 Highland Ave	CNE-D5	3	0.08	Stand-alone two-story insurance agency office with surface parking (APN 4175017007, LTI ratio 0.81, Built 1965) Commercial building with a spa (APN 4175017009, LTI ratio 0.88, Built 1936)	3		
24	4175016027 4175016015 4175016022	13	Highland/ Rosecrans	CNE	3	0.24	El Porto Building, closed sushi restaurant, barbershop, yoga studio, escrow office, and pub, seven existing residential units, building for sale (APN 4175016027, LTI ratio 0.29, Built 1953), Real estate and escrow office (APN 4175016015, LTI ratio 0.48, Built 1948), Restaurant and pub (APN 4175016022, LTI ratio 0.31, Built 1949)	6		
25	4163008038	N/A	1711 Artesia Blvd.	CL	1	0.31	Graphic design office, hair fitness, surface parking lot (LTI 0.39, Built 1959)	10		
Total	-	-	-	-	-	5.66	-	161		

4.3 Above Moderate-Income Sites

Sites with luxury units or above moderate-income units as planned for the residential development in the pipeline were identified as having the capacity to accommodate the majority of the above moderate-income sites--see Section 5, Planned, Approved, and Prospective Projects, for full details. While most of the units are accounted for through pipeline development expected to be completed during the planning period, the sites identified to accommodate the remaining above moderate-income RHNA are listed in Table 9, Above Moderate-Income Sites Identified. The underutilized sites identified for the above moderate-income RHNA were identified in the RM, RH and commercially zoned districts permitting multifamily and mixed-uses (CD and CNE). The existing uses on the sites identified include office spaces, restaurants, and single family residences located in older buildings that appear in need of repairs, as well as dilapidated parking lots and empty parcels.

	Table 9. Above Moderate-Income Sites Identified									
Table ID	APNs	Address	Zone	Area District	Acres	Uses	Net New Units			
1	4179004005	315 12th St	CD	3	0.06	Surface parking lot (LTI ratio 0.01)	2			
2	4179022029	1213 Manhattan Avenue	CD	3	0.03	Stand-alone dentistry office (LTI ratio 0.51, Built 1924)	1			
3	4179028025	1409 Highland Avenue	CD	3	0.074	Stand-alone real estate office (LTI ratio 0.27, Built 1989)	3			
4	4137010006	3917 Highland Avenue	CNE	4	0.04	Surface parking lot (LTI ratio 0.02)	1			
5	4137008057	41st/Highland	CNE	4	0.06	Surface parking lot (LTI ratio 0.006)	2			
6	4175016005	316 Rosecrans Ave	CNE	3	0.06	Stand-alone restaurant (LTI ratio 0.08, Built 1939)	2			
7	4137002016	Rosecrans/Vista	CNE	4	0.04	Empty Parking lot (LTI ratio N/A)	1			
8	4137010022	Porto/Ocean	RH	4	0.03	Empty Parking lot (LTI ratio N/A)	1			
9	4179014013	815 Manhattan Ave	CD	3	0.06	Office building, clothing store and furniture store (LTI ratio 0.26, Built 1972)	2			
10	4166008007	1407 12th St	RH	2	0.12	SFR, 1 existing unit (LTI ratio 0.08, Built 1956)	3			
11	4166008002	1416 15th St	RM	2	0.17	SFR, 1 existing unit (LTI ratio 0.42, Built 1954)	1			
Total	-	-	-		0.74	-	19			

5 Planned, Approved, and Prospective Projects

Two development projects in the pipeline are seeking entitlements, or have prospective development expected to be built within the planning period. One of the pipeline projects is a multifamily residential project, and the other is a mixed-use project, both of which will be redevelopment projects on non-vacant parcels. There are a number of other projects in the City with residential units, such as single-unit developments, that have not been included in this sites analysis which are expected to be completed during the planning period.

In addition to the pipeline projects, ADUs projected to be constructed during the planning period may be credited toward capacity to accommodate the RHNA. The following sections provide a description of pipeline projects and ADU projections for the planning period.

5.1 Verandas – 401 Rosecrans Avenue

Verandas is located at 401 Rosecrans Avenue and 3770 Highland Avenue on two abutting parcels with a total acreage of 1.02 acres and a density of approximately 77.8 units per acre. The project is utilizing a density bonus permitted under State law, in addition to a 10 percent bonus through the City's lot consolidation incentive. As such, the project consists of 73 above moderate multi-family residential units and 6 very low-income units. The project is a redevelopment site replacing an event venue previously known as Verandas Beach House located in the northwest area of the City along Highland Avenue and Rosecrans Avenue in the CNE zone, Area District 3. The CNE zone, allows commercial uses, mixed-use, and multi-family residential uses. This area of the City includes a mix of retail, office, and residential uses along Highland Avenue, and primarily residential uses along Rosecrans Avenue.

5.2 1701–1707 Artesia

The 1701–1707 Artesia is mixed-use project in the CL zone, area district 1, consisting of 649 square feet of commercial space and 14 residential units, including 1 very low-income unit. This project will redevelop the site on two parcels, replacing a closed antique shop and a detached single-family residence located along the southern border of the City along Artesia Boulevard, at the northeast corner of south Redondo Avenue and Artesia Boulevard. The site is approximately 0.3 acres and developed at a density of approximately 46.6 units per acre. The project will also utilize a density bonus permitted under State law.

5.3 Summary of Residential Projects in Pipeline

In total, 93 units are part of planned, approved or prospective projects expected to be built within the planning period, that are counted toward meeting the 6th Cycle RHNA. Based on affordability restrictions, the projects are anticipated to provide a total of seven very low-income units, included under lower-income units in table 10, and 86 above moderate-income units. The projects summarized above are listed in **Table 10**, **Pipeline Residential Development Credited Toward 6th Cycle RHNA**.

Table 10. Pipeline Residential Development Credited Toward 6th Cycle RHNA										
	Lower-Income Moderate- Above Moderate- Total Units Credited									
Project	Units	Income Units	Income Units	Toward 6th Cycle RHNA						
Verandas – 401 Rosecrans Ave.	6	_	73	79						
1701–1707 Artesia Blvd.	1	_	13	14						
Totals 7 — 86 93										
Source: City of Manhattan Beach	Source: City of Manhattan Beach									

5.4 Accessory Dwelling Unit Projection

The Housing Element may satisfy its RHNA requirement through methods alternative to the identification of sites. One such methodology is through an analysis of the expected number of ADUs and JADUs to be developed within the RHNA project period. The number of ADUs and JADUs that can be credited toward potential development must be based on the following factors:

- ADU and JADU development trends since January 2018
- Community need and demand for ADUs and JADUs
- Resources and incentives available to encourage their development
- The availability of ADUs and JADUs for occupancy
- The anticipated affordability of ADUs and JADUs

Recent changes to legislation governing the development and provision of ADUs and JADUs have sparked growth in these units in cities across California, including Manhattan Beach. The City is entirely built out and urbanized, ADU and JADU production is an ideal strategy for producing needed housing while capitalizing on existing infrastructure, such as water and sewer. Additionally, this is often a strategy that is more easily accepted by stakeholders who may be resistant to change because these units provide a form of "unseen" density that is palatable to many.

Although between 2017 and 2019 only three ADUs were permitted and constructed in the City, from January 2020 to date (October 2021), the City has issued 8 permits. **Table 11, Accessory Dwelling Unit and Junior Accessory Dwelling Unit Development Trends**, details recent ADU and JADU development in the City.

Table 11. Accessory Dwelling Unit and					
Junior Accessory Dwelling Un	it Development Trends				
Year	Permitted Units				
2017-2019	3				
2020	3				
2021 to date (October 2021) 8					
Source: HCD Housing Element Implementation and APR Data Dashboard, 2	2021				

Because ADU and JADU legislation has been revised several times since 2017, providing increased opportunities for the development of housing, it is expected that development trends will continue in an upward trajectory. An Interim ADU ordinance was in place through 2020 in accordance with updated State laws, and in January 2021, City Council adopted the City's local ADU and JADU ordinance currently in place. The City's ADU ordinance, adopted in January 2021, contains provisions that go beyond those set forth in State law, which include:

Consistent with State law the City permits one ADU and one JADU. Alternatively, to offer more
flexibility, the City permits two ADUs on a lot with a proposed or existing single-family dwelling.

 The City permits ADUs for <u>existing</u> multifamily dwelling units, consistent with State law. In addition, the City permits one ADU on a lot with a <u>newly constructed</u> multifamily development.

As of October 2021, eight ADUs have been permitted in 2021 and 22 ADU permit applications are in review. To account for this increased potential, this sites analysis used the trends in ADU construction since January 2018 to estimate new production; however, this only accounts for the effect of new laws without local incentives, such as **Program 1**, **Accessory Dwelling Unit Program**, identified as part of the City's Housing Element and the recent ADU ordinance adopted in January 2021. Based on the local incentives, ADU and JADU trends since January 2018, recent upward trends in 2021, and permits currently under City review, a conservative estimate of the number of units to be produced under this approach is 10 units each year during the 6th Cycle RHNA projection period (June 30, 2021 – October 15, 2029), for a total of 83 units.

In addition to calculating the expected number of ADUs and JADUs to be developed within the projection period, the sites Inventory must calculate the anticipated affordability of ADUs and JADUs to determine which RHNA income categories they should be counted toward. To facilitate the ADU affordability assumptions for jurisdictions, SCAG conducted the Regional Accessory Dwelling Unit Affordability Analysis.² As part of the analysis, SCAG conducted a survey of rents of 150 existing ADUs from April through June 2020. Efforts were made to reflect the geographic distribution, size, and other characteristics of ADUs across counties and subregions. For example, Los Angeles County is separated into two categories, Los Angeles County I and Los Angeles County II, to better account for the disparities in housing costs between coastal and inland jurisdictions.

SCAG concluded that 23.5% of ADUs were affordable to very-low-income households. Based on these assumptions, of the total 83 ADUs that are projected to be built during the planning period, 14 are estimated to be affordable to very-low-income households, 36 to low-income households, 5 to moderate-income households, and 28 to above moderate-income households. **Table 12, Estimated Affordability of Projected ADUs 2021–2029**, shows the assumptions for ADU affordability based on the SCAG survey for Los Angeles County II.³

In coordination with the updated policies and programs in the Housing Element and the City's ongoing efforts to promote the development of ADUs and JADUs, it is likely that these units will be produced at a much higher rate. The programs of the Housing Element aggressively promote and incentivize the production of ADUs and JADUs.

Table 12. Estimated Affordability of Projected ADUs 2021–2029									
Income Level Percent of ADUs Projected Number of ADUs									
Very Low-Income	17%	14							
Low-Income	43%	36							
Moderate-Income	6%	5							
Above Moderate-Income	34%	28							
Total 100% 83									
Source: SCAG Regional Accessory Dwelling Unit Afford ADU = accessory dwelling unit									

https://scag.ca.gov/sites/main/files/file-attachments/adu_affordability_analysis_120120v2.pdf?1606868527

The survey separated Los Angeles County into two categories. Los Angeles County I includes the City of Los Angeles, Las Virgenes-Malibu, South Bay cities, and Westside cities, and Los Angeles County II includes all other Los Angeles County jurisdictions. The affordability assumptions for Los Angeles County II are reflected in this Sites Inventory.

6 Summary of Capacity to Accommodate the RHNA

The City of Manhattan Beach is an urbanized community in the South Bay area of Los Angeles County. Due to the built-out nature of the City, small parcel sizes, and high-density build out in parcels adequately zoned for lower-income units, the availability of adequate sites was limited. The City identified capacity for housing through underutilized sites that meet density requirements, have older structures, and have an assessed LTI ratio of less than 1. The underutilization of these sites paired with the programs of the Housing Element will ensure that the City can realistically meet the RHNA targets at all income levels for the 6th Cycle, and provide additional sites for a buffer, ensuring that capacity remains throughout the Housing Element planning period.

Table 13, Summary of Residential Capacity and Credit Toward RHNA, shows the breakdown of all existing capacity, projected ADUs, and credits to be counted toward the RHNA and compares these numbers to the City's assigned 6th Cycle RHNA. The "total capacity (net new units)" identified in this table does not reflect the additional capacity that would be captured through an overlay or rezone. The capacity deficit by income category as detailed below, will be accommodated through an Adequate Sites Program.

As shown in **Table 13**, the City has a total capacity for 85 lower-income units, 166 moderate-income units, and 133 above-moderate income units within the residential pipeline of projects, underutilized sites, and through the expected number of ADUs and JADUs. The lower-income RHNA is not met through this current capacity as there is a shortfall of 402 units that the City will accommodate through **Program 2**, **Adequate Sites**, of the Housing Element. Through the implementation of **Program 2**, the City will establish an overlay district that encompasses a minimum of 20.1 acres of sites in the General Commercial (CG) and Planned Development (PD) Districts to accommodate the remaining lower-income RHNA. The overlay district will create the opportunity for at least 402 units of housing appropriate to accommodate lower-income households. Separately from **Program 2**, the City will rezone and select sites from the overlay district to create an opportunity for an additional 3.65 acres of sites to accommodate a buffer of at least 15% (approximately 73 units) as recommended by HCD to ensure sufficient capacity exists to accommodate the RHNA throughout the planning period and comply with the provisions of **Senate Bill 166** (2017).

Table 14, Additional Site Capacity, identifies the number of units in terms of acreage for the shortfall of lower-income units that will be accommodated through **Program 2**, and the number of units in terms of acreage that the City will create an opportunity for a buffer of at least 15% for lower-income sites as recommended by HCD through rezoning and the overlay district. The acreage needed is assumed using a realistic capacity of 20 du per acre, based on the minimum density requirements of the Adequate Sites Program.

Table 13. Summary of Residential Capacity Compared to 6th Cycle RHNA by Income, City of Manhattan Beach, June 30, 2021 through October 31, 2029

Category	Total Units	Lower-Income Units	Moderate- Income Units	Above Moderate- Income Units
RHNA	774	487	155	132
Underutilized Site Capacity (Net New Units)	208	28	161	19
Vacant Site Capacity	0	0	0	0
Pipeline Residential Development Credited Toward RHNA	93	7	0	86
Projected Accessory Dwelling Units	83	50	5	28
Total Capacity (Net New Units)	384	85	166	133
Total Capacity Deficit (-) OR Surplus (+)	-	-402	+11	+1
Additional Capacity to Accommodate Shortfall Through Adequate Sites Program Overlay	402	402 units	-	-
Additional Capacity for Buffer Through Rezoning And Overlay	73	73	_	_
RHNA = Regional Housing Needs Allocation				

Table 14. Additional Site Capacity								
	Units	Acreage						
Adequate Sites Program Overlay to Address Lower-Income Shortfall	402	20.1						
Rezone and Overlay to Address Lower-Income Buffer	73	3.65						
Total	475	23.75						

Figure 1, Northwest Sites Identified, shows the Veranda pipeline project and sites identified for all income levels. This area is locally known as El Porto, near Rosecrans Avenue and Highland Avenue. **Figure 2, Western Sites Identified** shows sites selected near Manhattan Beach Boulevard and Highland Avenue, as well as areas west off Sepulveda Boulevard. **Figure 3, Central and Southeast Sites Identified**, shows the 1701–1707 Artesia Boulevard pipeline project and other identified sites along Artesia Boulevard and other southern sites, as well sites along Manhattan Beach Boulevard, generally east of Sepulveda Boulevard.



Figure 1. Northwest Sites Identified

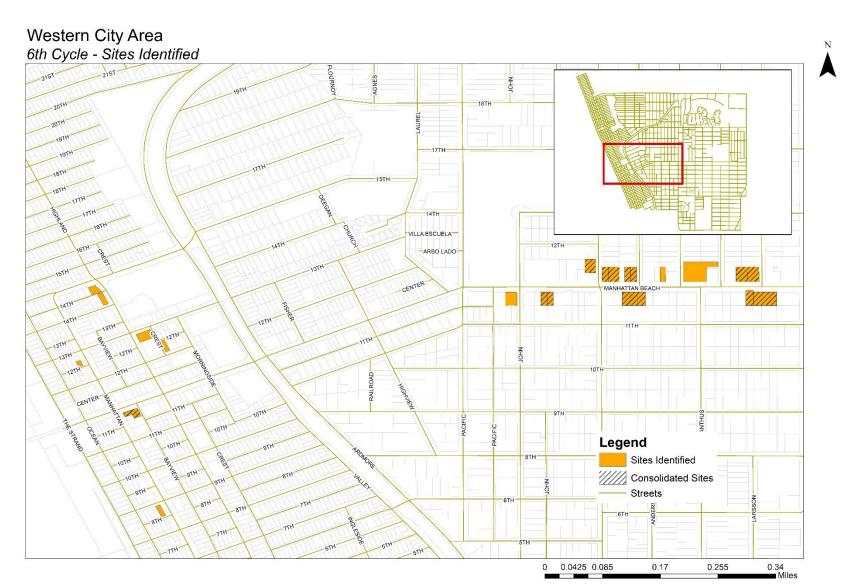


Figure 2. Western Sites Identified

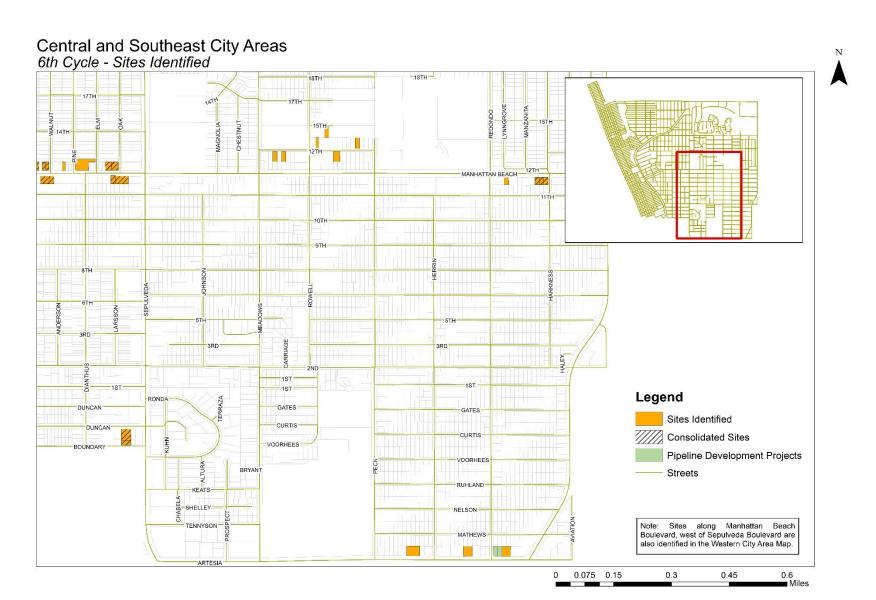


Figure 3. Central and Southeast Sites Identified

7 Sites Identified for Adequate Sites Program

After calculating the City's current capacity on underutilized sites, pipeline projects to be credited toward the RHNA, and projections for ADUs, the City has a deficit or shortfall of 402 units for the lower-income RHNA category. To accommodate the remaining lower-income RHNA, the City has identified potential sites in the General Commercial (CG) and Planned Development (PD) Zoning Districts to be made available to accommodate residential uses appropriate for lower-income households within three years and 120 days from the beginning of the planning period. Through implementation of **Program 2** of the Housing Element, the City will establish an overlay that encompasses a minimum of 20.1 acres of these sites (see **Program 2** for additional details) to accommodate the shortfall of lower-income units. In addition, the City will also rezone and identify sites within the overlay (approximately 3.65 acres total) to accommodate a buffer of at least 15% (approximately 73 lower-income units) as recommended by HCD to ensure sufficient capacity exists to accommodate the RHNA throughout the planning period (see **Program 16, No Net Loss**, of the Housing Element), which is discussed in section **7.1, Sites to Accommodate Lower-Income Shortfall and Buffer**.

7.1 Sites to Accommodate Lower-Income Shortfall and Buffer

To accommodate the remaining lower-income RHNA, the City will establish an overlay to permit residential uses at a minimum of 20 du per acre within the CG and PD zones (see **Program 2** in the Housing Element for program components and requirements). As such, the City has identified qualifying sites within the CG and PD zones that may potentially be included within the overlay. The majority of sites identified as having realistic redevelopment potential within the planning period are considered underutilized. Most of the qualifying underutilized sites were identified under the same criteria detailed in **Sections 3**, **Vacant and Underutilized Sites Methodology and Assumptions**, and **4**, **Existing Capacity**, for underutilized sites appropriate to accommodate development affordable to lower-income households; however, there are some sites which do not meet the underutilized criteria outlined under Section 3 but have been selected as there is interest to develop these sites or it is assumed that the overlay would create developer interest as these sites have not previously allowed for residential development.

The City has identified 1.78 acres to rezone which approximately accommodates 22 net new units and will selected the remaining sites from the additional capacity identified in **Table 15**, **Potential Underutilized Sites for Overlay and Rezone**, to ensure there is an adequate buffer for lower-income sites. As recommended by HCD and to comply with the provisions of **Senate Bill 166** (2017) (see **Program 16**), the buffer is approximately 15% (approximately 73 units) of the total 487 lower-income RHNA. The sites selected to for the buffer to ensure lower-income capacity are not subject to the regulations under Program 2. The buffer will ensure sufficient capacity exists to accommodate the RHNA throughout the planning period.

Table 15, Potential Underutilized Sites for Overlay and Rezone lists the underutilized sites in the CG zone, PD zone, and sites the City will rezone (marked with an Asterix symbol in the Lower Income Units column). Table 15 also indicates the total realistic capacity each site could accommodate for lower-income units at 20 du per acre. Although not all the sites may be selected as part of the overlay, the City has identified 54.36 acres that could potentially accommodate 1,031 lower-income units, more than half

the 20.1 acres required to accommodate the shortfall of 402 lower income units. **Figure 4, Sites to Accommodate Lower-Income Shortfall and Buffer**, shows sites selected as additional capacity for the City to accommodate the remaining RHNA need for lower-income units including a buffer to ensure sufficient capacity throughout the planning period.

	Table 15. Potential Underutilized Sites for Overlay and Rezone							
Table ID	APNs	Consolidated Site #	Zone	Area District	Acres	Lower Income Units (Realistic Capacity at 20 du/acre)	Existing Uses	
1	4169006006 4169006005 4169006007	1	CG	1	0.55	10	Two -Story office building for MB Real estate agency with a surface background to the rear (APN 4169006006, LTI ratio 0.37; Built 1977) Small commercial strip with three stand-alone buildings including a Pilates studio, hair salon, photography studio; State Farm real estate agent office, Law office, tanning studio (APN 4169006005, LTI ratio 0.14, Built 1954; APN 4169006007, LTI ratio 0.66, Built 1987)	
2	4173027026 4173027022 4173027021 4173027020 4173027019 4173027024 4173027027 4173027021	2	GC	2	1.18	23	Five one-story standalone buildings. A smog check shop (APN 4173027026, LTI ratio 1.05, Built 1989). Picture frame shop (APN 4173027022, LTI ratio 0.0003, Built 1947). Medical offices including a dermatology, hearing, facial plastic and ENT surgery (LTI ratio 3.08, Built 1969). Standalone building and surface parking lot with an animal hospital, vacated massage spa, and a postal center (LTI 0.21, Built 1974). Standalone building and surface parking lot with a secondhand store (LTI 0.41, Built 1948).	
3	4171013041 4171013036 4171013030 4171013034 4171013029 4171013039 4171013041	3	CG	2	1.48	29	One-story building, same day COVID-19 testing clinic and vacated spa (0.99, Built 1954). Coreolgy Pilates studio Sports bar and laser studio (LTI 0.5, Built 1961). Real estate group office, printing office, acting studio (LTI 0.54, Built 1957; LTI 0.22, Built 1947). Vacated Enterprise Rent-A-Car with Parking lot (LTI 0.34, Built 1957; LTI 0.004).	
4	4171014034 4171014035 4171014020 4171014021	4	CG	2	0.69	13	Auto repair and tires hop with surface parking (APN 4171014034, LTI ratio 0.66, Built 1968), Auto service and repair shop with surface parking (APN 4171014035, LTI ratio 0.30, Built 1972), Two-story building with an attorney office (APN 4171014020, LTI ratio 0.33, Built 1923) and surface parking associated with attorney office (APN 4171014021, LTI ratio 0.003, Built 1950)	
5	417006023 417006019 417006018 4170006017 4170006022 4170006015 4170006028 4170006027 4170006013	5	CG	2	1.15	21	Stand-alone shipping and mailing store with surface parking (APN 4170006019, LTI ratio 0.26, Built 1965) Stand-alone marketing agency (APN 4170006018, LTI ratio 0.06, Built 1950), Duplex with 2 exiting residential units (APN 4170006017, LTI ratio 0.22, Built 1949) Two-story commercial building with a sports bar and office spaces with a large surface parking lot (APN 4170006022, LTI ratio 0.39, Built 1964), Stand-alone commercial building with a tailor and insurance agency office with surface parking (APN 4170006015, LTI ratio 0.26, Built 1955) Ingress and egress to surrounding uses (APN 4170006028, LTI ratio N/A), Auto service shop (APN	

	Table 15. Potential Underutilized Sites for Overlay and Rezone								
Table ID	APNs	Consolidated Site #	Zone	Area District	Acres	Lower Income Units (Realistic Capacity at 20 du/acre)	Existing Uses		
							4170006027, LTI ratio and Built N/A), Veterinarian office (APN 4170006013, LTI ratio 0.34, Built 1948)		
6	4170007021 4170007022 4170007017 4170007016	6	CG	2	0.50	9	Stand-alone mattress store with surface parking (APN 4170007021, LTI ratio 0.43, Built 1947), Self-service car wash with surface parking (APN 4170007022, LTI ratio 0.42, Built 1965), Auto repair shop with surface parking (APN 4170007017, LTI ratio 0.19, Built 1949), Hair salon and Pet salon with surface parking (APN 4170007016, LTI ratio 0.38, Built 1949)		
7	4167015034		CG	1	0.65	13	Church building with large surface parking lot (LTI ratio 0.80, Built 1966)		
8	4170037001 4170037002	7	CG	1	0.50	9	Stand-alone commercial with an ice cream shop, spa, and restaurant (APN 4170037001, LTI ratio 0.40, Built 1956) Surface parking (APN 4170037002, LTI ratio 0.014)		
9	4167026012 4167026011 4167026014 4167026015 4167026016	8	CG	1	1.02	20	Corner lot with a one-story paint store and large surface parking (APN 4167026012, LTI ratio 0.87, Built 1955), Two-story office building with a hair salon, plant services office, advertising office and limousine services office (APN 4167026011, LTI ratio 0.43, Built 1968), Surface parking lot (APN 4167026014, LTI ratio 0.002), One-story stand-alone commercial building with a dentistry and foot specialist office (APN 4167026015, LTI ratio 0.61, Built 1944), Auto repair shop with surface parking (APN 4167026016, LTI ratio 0.13, Built 1970)		
10	4169014048 4169014016	9	CG	1	0.62	12	Stand-alone garden center (APN 4169014048, LTI ratio 0.33, Built 1974), Garden center store (APN 4169014016, LTI ratio 0.27, Built 1954)		
11	4167023013 4167023032	10	CG	1	0.66	13	Stand-alone cleaners with surface parking (APN 4167023013, LTI ratio 0.05, Built 1941), Auto repair shop (APN 4167023032, LTI ratio 0.13, Built 1946)		
12	4168025011 4168025010 4168025009 4168025008	11	CG	1	0.68	13	Pet supply store (APN 4168025011, LTI ratio 0.46, Built 1980) Auto repair shop (APN 4168025010, LTI ratio 0.20, Built 1953), Large surface parking associated with auto repair shop (APN 4168025009, LTI ratio 0.04) Two-story commercial building with a fraternity office and closed yarn shop (APN 4168025008, LTI ratio 0.75, Built 1952)		
13	4164003027 4164003022 4164003030	12	CG	1	0.66	12	Small commercial strip with pizza shop, liquor store, and laundromat (APN 4164003027, LTI ratio 0.52, Built 1984), Small commercial strip with a camera repair shop, tailor, and nail salon (APN 4164003022, LTI ratio 0.39, Built 1972), Single Family residence (APN 4164003030, LTI ratio 0.49, Built 1957)		

	Table 15. Potential Underutilized Sites for Overlay and Rezone								
Table ID	APNs	Consolidated Site #	Zone	Area District	Acres	Lower Income Units (Realistic Capacity at 20 du/acre)	Existing Uses		
14	4164002032 4164002001	13	CG	1	0.68	13	Cleaners, Smoke shop, and a sports bar (APN 4164002032, LTI ratio 0.19, Built 1957), One-story commercial building with a banner store, edible arrangements shop, auto parts store, tutoring service office (APN 4164002001, LTI ratio 0.24, Built 1953)		
15	4170027001 4170027003 4170027023	14	CG	1	0.50	9	Two-story stand-alone building with an insurance agency office and nail salon (APN 4170027001, LTI ratio 1.49, Built 1948) Surface parking lot (APN 4170027003, LTI ratio 0.06), Stand-alone restaurant (APN 4170027023, LTI ratio 0.15, Built 1992)		
16	4166007018 4166007014 4166007013 4166007012	15	RM	2	0.61	5*	Duplex (APN 4166007018, LTI ratio 0.25, Built 1957), SFR, detached (APN 4166007014, LTI ratio 0.03, Built 1965), Duplex (APN 4166007013, LTI ratio 1.56, Built 1973), Duplex (APN 4166007012, LTI ratio 0.71, Built 1971) total 7 existing residential units		
17	4166007008 4166007009 4166007010	16	RM	2	0.51	4*	Duplex (APN 4166007008, LTI ratio 0.21, Built 1955), Duplex (APN 4166007009, LTI ratio 1.3, Built 1946), Duplex (APN 4166007010, LTI ratio 1.7, Built 1959) total 6 existing residential		
18	4171031021	N/A	RS	2	0.66	13*	Church with surface parking lot (LTI ratio 0.53, Built 1956)		
19	4163008046	N/A	CG	1	0.86	17	Stand-alone office building for an insurance agency with large surface parking lot (LTI ratio 3.37, Built 1969)		
20	4165024033	N/A	CG	2	0.51	10	Corner lot gas station (LTI ratio 0.12, Built 1990)		
21	4166020030	N/A	CG-D8	2	0.68	13	Office and commercial building with large surface parking lot including a sporting goods store, hair salon and other office spaces (LTI ratio 0.19, Built 1961)		
22	4138018022	N/A	PD	2	5.14	102	Five story stand-alone office building with a large surface parking lot (LTI ratio 3.31, Built 1982)		
23	4166019026	N/A	CG-D8	2	0.67	13	Car wash service (LTI 0.51, Built 1972).		
24	4173032034	N/A	CG	2	0.68	13	Commercial lot with two stand-alone building. One building has multiple tenants including a pizza franchise, massage spa, sushi restaurant, bakery, and jewelry store. The second building is a vacated office space. There is a large surface parking lot. (LTI ratio 0.57, Built 1983)		
25	4166020030	N/A	CG-D8	2	0.68	13	Two-story office building with a computer services office, therapy, chiropractor and management office (LTI 0.19, Built 1961).		

	Table 15. Potential Underutilized Sites for Overlay and Rezone							
Table ID	APNs	Consolidated Site #	Zone	Area District	Acres	Lower Income Units (Realistic Capacity at 20 du/acre)	Existing Uses	
Table ID	Ailto	Oite #	Zone	District	Auto	20 du/dc/c)	Commercial center with a bicycle store, bagel stop, restaurant, sports apparel	
26	4166020034	N/A	CG-D8	2	2.93	58	store, market, bank, and theatre company and large surface parking lot (LTI ratio 0.62, Built 1955)	
27	4171013043	N/A	CG	2	0.71	14	Small commercial strip and surface parking lot with a bank, lighting store, fitness store, nail shop (LTI 1.57, Built 1980).	
28	4170037023	N/A	CG-D8	1	0.5	10	Commercial retail building with a dry cleaners, Pilates studio, salon, hair studio, florist, restaurant, and personal fitness training gym (LTI ratio 0.54, Built 1969)	
29	4167028036	N/A	CG-D8	1	0.86	17	Small commercial building with a café and two restaurants with a large surface parking lot (LTI ratio 0.42, Built 1960)	
30	4168013014	N/A	CG-D8	1	1.5	29	Commercial building with a dental office, pizza restaurant, insurance office, driving school, and a large surface parking lot (LTI ratio 0.57, Built 1976)	
31	4168012034	N/A	CG	1	0.83	16	Stand-alone commercial building with a large surface parking lot, with an eating establishment, donation center, and sandwich shop. There is redevelopment interest on this site (LTI ratio 1.63, Built 1961)	
32	4168012029	N/A	CG	1	0.89	17	Stand-alone bank with surface parking. There is redevelopment interest on this site. (LTI ratio 0.71, Built 1964)	
33	4168012036	N/A	CG	1	2.67	53	Shopping center with redevelopment interest. Comprised of three standalone buildings with multiple tenants and large surface parking lot. Tenants include a fitness center, cleaners, tanning salon, spa, print and ship center, nutrition store, fast food restaurant, and vacant tenant spaces (LTI ratio 0.76, Built 1960)	
34	4138018045	N/A	PD	2	4.79	95	Stand-alone five-story commercial building with a gym, coworking offices and a parking garage (LTI ratio 1.93, Built 1982)	
35	4138018908	N/A	PD	2	7.47	149	Country club with surface parking and multiple tennis courts (LTI ratio N/A, City owned)	
36	4138026900	N/A	PD	2	5.4	108	Large surface parking lot and recreation field (LTI ratio N/A, City owned)	
37	4138020056	N/A	CG-D8	2	3.29	65	Large vacated stand-alone building with developer interest (LTI ratio 1.49, Built 1978)	
Total	_	_	-	_	54.36	1,031		

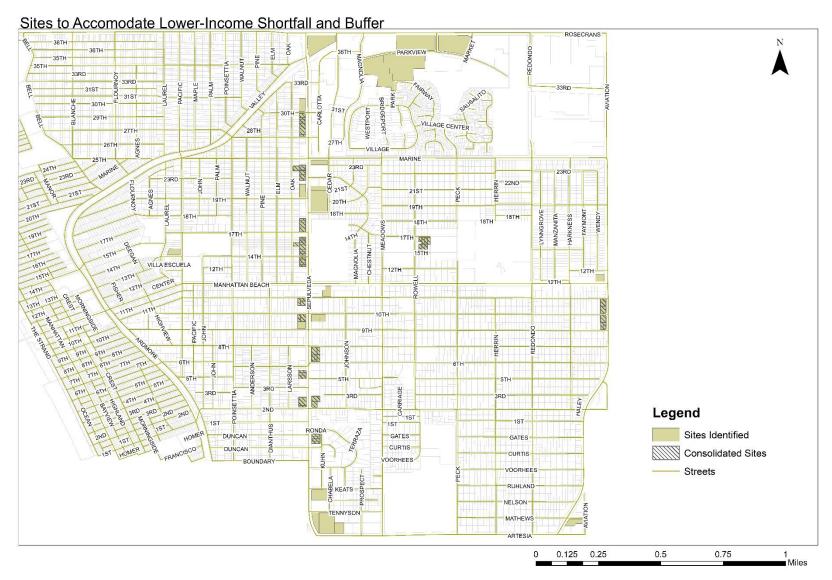


Figure 4. Sites to Accommodate Lower-Income Shortfall and Buffer

Appendix F: Community Engagement Summary

Table of Contents

1.	١	Introduction	1
		City Council Meetings	
		1 City Council Meeting 1	
		2 City Council Meeting 2	
		Stakeholder Workshop	
	3.1	1 Interactive Poll	2
4.	F	Planning Commission Meeting	2
5.	F	Hometown Fair	3
6.	F	Presentation Materials	7

1. Introduction

The City of Manhattan Beach (City) conducted a robust public outreach program that engaged a broad spectrum of the community and stakeholders. Engagement related to the Housing Element update has attempted to be comprehensive while in the context of the COVID-19 pandemic. Stay-at-home orders of 2020 and 2021 provided the City with opportunities to explore new avenues for public engagement and increased access for those that are traditionally not involved in the planning process. Outreach and formal engagement activities were held virtually across a variety of platforms. Community engagement and outreach was solely done in English. While this is assumed to not be a linguistic barrier to participation due to most of the City's population (98% of the population per 2019 Census data) coming from an English-only-speaking household or speaking English "very well," the City is aware of local and regional demographic changes and will continue to monitor the need for any linguistic services in future outreach endeavors. Feedback collected throughout the public outreach program was used to inform the goals, policies, and programs component of the housing element and ensure the City maintains the quality of life residents and visitors enjoy while planning for future housing needs.

All public meetings were promoted via the City's three social media platforms (Facebook, Twitter, and Instagram), the City's website, printed and emailed mailers, and newspaper ads. Meetings were noticed at least nine days prior to the event. Social media content for each meeting was on average displayed over 21,000 instances, reaching over 11,200 individuals. By promoting the outreach events via digital and print methods, the City was able to reach a large portion of the population including low-income residents, renters, and other groups often left out of the formal planning process. The following outreach activities were conducted to engage stakeholders and inform the development of the Housing Element.

2. City Council Meetings

2.1 City Council Meeting 1

The first presentation to City Council occurred on August 24, 2021. Council members were presented an introduction to the Housing Element update process, background data including income category levels, and a brief discussion on the City's Regional Housing Needs Allocation of 774 units. The Mayor and Council Members responded to the presentation and offered their perspectives.

Staff received feedback from City Council noting the lack of vacant land in the City, which presents a challenge to opportunities for new housing development. Other feedback included the need for density bonus programs to incentivize the production of affordable housing by private developers. City staff provided additional detail on the City's existing, streamlined development process in certain zones which will be carried over to the updated Housing Element. A recording of the City Council meeting is available on the City's website.

2.2 City Council Meeting 2

The second presentation to City Council occurred on September 21, 2021, at 6:00pm. Staff presented an overview of the Housing Elements process, progress completed to date including the Review of 5th Cycle Housing Element, Needs Assessment, and Affirmatively Furthering Fair Housing Analysis, and overview of existing conditions in Manhattan Beach as it pertains to the Housing Element update process. Staff also

presented on State regulatory mandates including SB35, AB101, and AB671, and policy development. Staff also provided an overview of the Sites Analysis process.

City Council asked for clarification on the how building year is used to identify redevelopment opportunities, ADU regulations, and commented on the potential for duplexes in areas zones for single-family homes. A recording of the City Council meeting is available on the City's website.

3. Stakeholder Workshop

A stakeholder workshop occurred on August 31, 2021, and allowed interested parties to be engaged in a more formal setting where they learned about the Housing Element background and purpose, selected existing conditions and data, the project process and scope, and the next steps. The workshop was held during a weekday evening, outside of traditional working hours, and streamed live via Zoom to facilitate participation from local non-profits, community leaders, and the public. This workshop was promoted on multiple channels including the City's website and social media platforms. Participants present included residents, property owners and employees working within the City. A recording of the Stakeholder meeting is available on the City's website. Community members asked questions related to housing development opportunities and mixed-uses in commercial zones (CG district), north end commercial, and downtown areas.

3.1 Interactive Poll

During the stakeholder meeting attendees were asked to participate in a poll, which led to feedback from the community to gauge their priorities and identify areas where they would like to see future growth accommodated. A total of seven individuals submitted responses to one or more questions. The poll indicated that participants highlighted housing affordability and availability of rental units as the most urgent housing needs in the City. When asked what barriers are slowing the building of more diverse and affordable housing, participants noted lack of available land and development costs. The attendees suggested increasing density, mixed-use, and more housing along commercial corridors as the best strategies to satisfy the City's 6th Cycle Regional Housing Needs Allocation.

4. Planning Commission Meeting

A Planning Commission meeting occurred on September 15, 2021. Planning Commission members were provided with an overview of the Housing Element, including its purpose and required components, and outreach efforts to date as well as upcoming events. An introduction to site inventories, goals, polices, and programs was also presented by City Staff.

Following the presentation, public attendees and Commissioners were invited to engage in an open discussion. Commissioners asked for clarification on the approval process. Concern over incentivizing residential development along major commercial corridors was voiced. A recommendation of allowing mixed-use along these commercial zones was mentioned in response. Furthermore, Commissioners noted concern over increased height, which would adversely impact view corridors. Greater density along Aviation Blvd., Rosecrans Ave., and Manhattan Beach Blvd. was recommended along with encouraging smaller units such as Accessory Dwelling Units (ADUs). More clarification related to the sites inventory was provided through discussion. A member of the public mentioned that while the City is built-out, the

housing stock is still overall low-density. This member of the public suggested Staff look at the potential of allowing duplex and triplex units in residential zones outside of the major corridors. More members of the public supported this notion. Another member of the public voiced concern over parking regulations and traffic impacts resulting from multifamily housing and increased densities.

5. Hometown Fair

City staff was present at an information booth at the Hometown Fair on October 2, 2021. Fliers promoting the forthcoming public review period were distributed to the public. City staff were also available to answer any questions regarding the Housing Element update process and fielded high level inquiries about the process in general.

6. Presentation Materials

The following sections provides an overview and copy of the presentation materials used during the City Council Meetings, Planning Commission Meeting, Stakeholder Workshop, the Hometown fair, and results from the interactive poll.

6.1 City Council Meeting 1

The City Council presentation occurred on August 24, 2021. A copy of the PowerPoint used for the presentation is provided as **Exhibit A**. The PowerPoint provided a detailed description regarding what a Housing Element entails and a brief overview of how the City is assigned its Regional Housing Needs Allocation.



What is a Housing Element?

A set of goals, policies, and actions that address the housing needs of all current and anticipated residents at all income levels over eight-years (2021-2029)









2

What is the purpose of the Housing Element?

- · Identify barriers to housing production
- Identify housing needs
- · Identify programs and actions to meet the needs
- · Identify sites available for housing
- Facilitate housing production on sites identified



Housing Action Plan

What does the data show?



Changing Population

- Changing Needs
- Older adults



Affordability

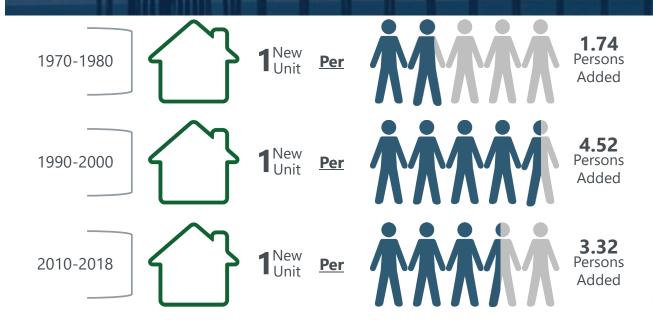
- Housing Overpayment
- Median Sale Price



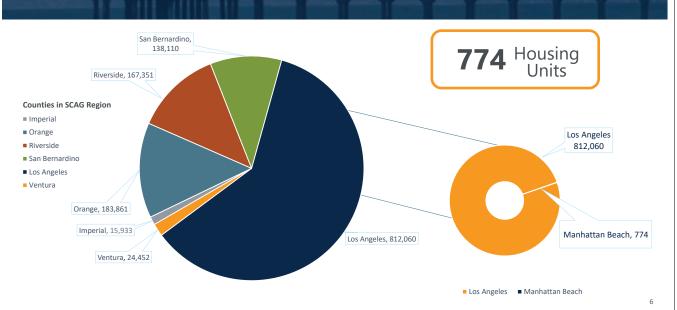
Housing Options

Housing Supply

What does the data show?



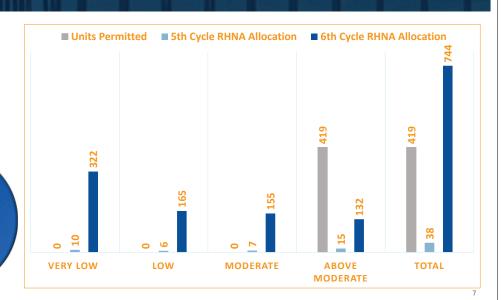
How many housing units does Manhattan Beach have to <u>plan</u> for?



5th Cycle RHNA Progress Data Reported 2014-2020

5th Cycle Average Units Permitted Per Year = 60

> 6th Cycle Average Units Permitted Per Year Needed = 90



Housing Element Components



Barriers to Development

Governmental



- . Land Use Controls
- Development Standards
- Permitting Procedures
- Site Improvements

Market



- Land Costs
- Availability of Vacant Land
- Labor & Construction Costs
- Availability of Financing

ket Environmental & Infrastructure



- Geological Hazards
- Flood & Fire Hazards
- Water Supply and Service
- Sewer Service

9

Pathways to Development

Tools in the Toolbox



Regulations

Incentives

Design Standards

Parking

Bonuses

Streamlining

Regulatory Relief

10

Policy Framework

Housing Policy Considerations

Produce a
Diverse Range
of Housing
Types to Align
with the Local
Need

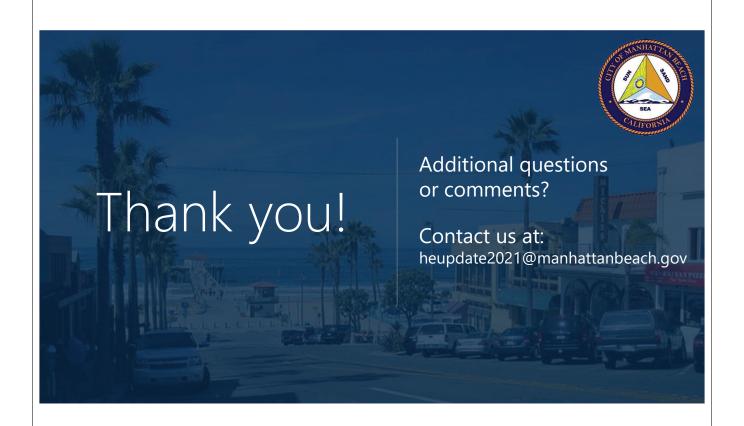
Improve and Preserve Housing for All Income Levels Increase Access to Quality Housing Prevent
Displacement
and Enhance
Quality of Life

1.

Timeline

Task	Date
Project Kick-Off	July 29, 2021
Prepare Housing Element Draft	August 2 – September 10, 2021
Stakeholder Engagement	August 31, 2021
City Council Study Session	September 21, 2021
Planning Commission Study Session #1	September 22, 2021
Optional Study Session #2	October 2021
Submit Draft to HCD	October 1, 2021
Public Review Period	October 11 – November 25, 2021
Public Hearings (PC and CC)	January – February
Adoption Deadline	February 12, 2022

12



6.2 City Council Meeting 2

The City Council presentation occurred on September 21, 2021. A copy of the PowerPoint used for the presentation is provided as **Exhibit B**. The PowerPoint provided an update on work completed to date as well as an overview of the Sites Inventory process.



Overview

Project Overview

- Sites Analysis
- Barriers to Development
- Next Steps

Policy Framework

Discussion and Q & A



What is a Housing Element?

A set of goals, policies, and actions that address the housing needs of all current and anticipated residents at all income levels over eight-years (2021-2029) required by the State.













2021 Income Limits

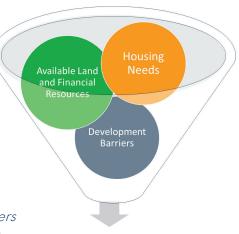
Los Angeles County Area Median Income (AMI): \$80,000* *This is the AMI for a four-person household.

Income Level	% AMI Range	Income Limit	HCD-Adjusted Income Limit
Very Low	<50% AMI	<\$40,000	<\$59,100
Low	50% -80% AMI	<\$64,000	<\$94,600
Moderate	80% - 120% AMI	<\$96,000	<\$96,000
Above Moderate	>120% AMI	>\$96,000	>\$96,000

What is the purpose of the Housing Element?

- Identify housing needs
- Identify barriers to housing production
- Identify programs and actions to meet the needs
- Identify sites available for housing
- Facilitate housing production on sites identified

Remember - Neither the City, County, nor private landowners are required to build the number of units planned for in the Housing Element.



Housing Action Plan

CITY OF MANHATTAN BEACH



What does the data show?



Changing Population

- Changing Needs
- Older adults



Affordability

- Housing Overpayment
- Median Sale Price



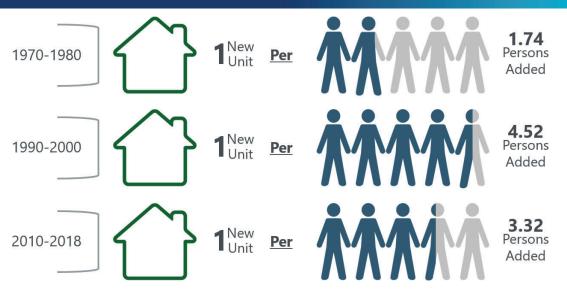
Housing Options

Housing Supply

- CITY OF MANHATTAN BEACH



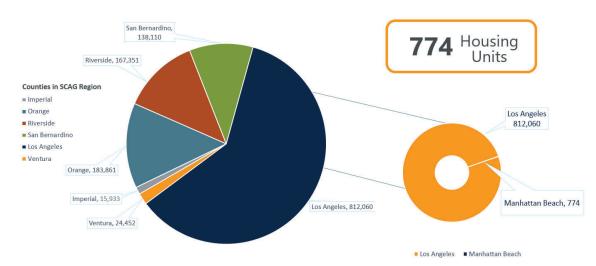
What does the data show?



- CITY OF MANHATTAN BEACH



How many housing units does Manhattan Beach have to <u>plan</u> for?



- CITY OF MANHATTAN BEACH

5th Cycle RHNA Progress Data Reported 2014-2020

5th Cycle Average Units Permitted Per Year = 52

6th Cycle Average Units Permitted Per Year Needed = 96

Income Level	4 th Cycle (2005-2013) RHNA	5th Cycle (2013-2021) RHNA	6 th Cycle (2021-2029) RHNA	Permitted Since 2014
Very-Low	236	10	322	0
Low	149	6	165	0
Moderate	160	7	155	0
Above Moderate	350	15	132	419
Total	895	38	774	419

- CITY OF MANHATTAN BEACH



Housing Element Components



- CITY OF MANHATTAN BEACH



What are the barriers to development?

Governmental



- Land Use Controls
- Development Standards
- Permitting Procedures
- . Site Improvements

Market



- Land Costs
- Availability of Vacant Land
- Labor & Construction Costs
- Availability of Financing

Environmental & Infrastructure



- Geological Hazards
- · Flood & Fire Hazards
- Water Supply and Service
- Sewer Service

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Framing Our Policies

Step 1: Review of 5th cycle goals (what to carry forward, what needs modification)

- ➤ Goal 1 Preserve existing neighborhoods- carry policies forward with minor modifications
- ➤ Goal 2 Provide a variety of housing opportunities- requires modification and updating
- ➤ Goal 3 Provide a safe and healthy living environment for City residents carry forward
- ➤ Goal 4 Encourage the conservation of energy in housing carry forward

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Framing Our Policies

Step 2: Development of new policies for 6th cycle

- > SB 35 Amend internal procedures and zoning code to include SB 35 streamlining in permitting processes and procedures.
- ➤ AB 1763/SB 2263 Review and amend its local Density Bonus Program Ordinance to ensure consistency with State requirements.
- ► AB 671 Adopt an ordinance that incentivizes affordable ADUs
- > AB 101 Amend zoning code to allow low barrier navigation centers
- ➤ AB 1851 Amend the zoning code to identify a process by which parking requirements can be reduced for religious institutions that would eliminate religious-use parking spaces in exchanged for housing developments

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Sites Analysis - State Requirements

- Adequate Lower-Income Unit Zone
- Has an Improvement-to-Land Ratio (IL Ratio) less than or equal to 1
- Building was built before 1970-1990
- Site is greater than or equal to 0.5 acres
- Realistic Capacity at 20 du/acre (Net Units are greater than or equal to 1)
- Given that more than 50% of our capacity will be from non-vacant land, sites for the lower income capacity will need to be supported with evidence that the existing use is not an impediment (no sites with large chains/essential uses)

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Existing Lower-Income Capacity Identified

Capacity Identified							
Site Key	APNs	Address	Zone	Acres	Uses	Net Units	
1a*	4163-008-023 4163-008-024 4163-008-038	Artesia Blvd./ Redondo Ave.	CL	0.62	Closed antique shop, single family residential, offices	12	
1b*	4137-001-900 4137-001-904 4137-001-905 4137-001-027	Rosecrans Ave./Highland Ave.	CNE	0.52	Parking, Restaurant	10	
1c*	4179-005-003 4179-005-004 4179-005-005 4179-005-006 4179-005-007 4179-005-903	Morningside Dr./ Manhattan Beach Blvd.	CD	0.68	Parking Structure, Retail	13	
2a	4170-026-003 4170-026-004	1026 -1030 Manhattan Beach Blvd.	CL	0.49	Remax Offices	9	
2b	4163-024-028	1535 Artesia Blvd.	RH	0.46	Masonic Center	9	
Total	-			2.77	l=	53	

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Preliminary Lower-Income Capacity Analysis

Category	Lower- Income Units
RHNA	487
Pipeline Residential Development Credited Toward RHNA	9
Underutilized Site Capacity	53
Potential Accessory Dwelling Units	50
Total Net-New-Units	112
Total Capacity Deficit (-)	-375
Capacity Deficit – acreage	18.75

Very-low: 322 Low: 165

Underutilized sites CG Zone: 59 acres PD Zone: 21 acres

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Zoning Map









Program Requirements

Adequate Sites Program Components

- i. Permit multifamily uses by right for projects in which 20% or more units are affordable for lower-income households.
- ii. Permit the development of at least 16 units per site.
- iii. Permit a minimum of 20 dwelling units per acre.
- iv. If more than 50% of the lower-income sites are zoned to allow mixed-uses, all lower-income sites designated for MU must:
 - a) Allow 100% residential and
 - b) Require at least 50% of floor area to be residential
 - c) Rezone shall occur within 3 years and 120 days from beginning of planning period (10/15/21)

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Planning Commission Study Session

Comments received included:

- ➤ Explore opportunities along:
 - Aviation Blvd.
 - Manhattan Beach Blvd.
 - Rosecrans Ave.
- Explore allowing duplexes and triplexes in certain single-family neighborhoods
- Explore allowing more ADUs than the State allows
- ➤ Concerns with commercial corridors

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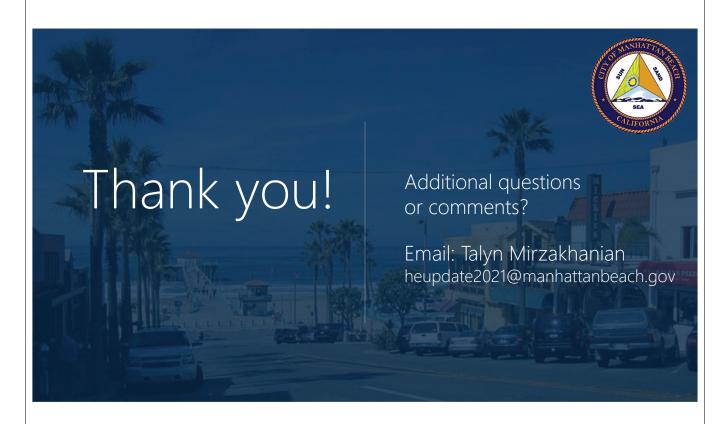
Next Steps

Task	Date
Stakeholder Meeting	August 31, 2021
Prepare Draft Housing Element	In Progress
CEQA Analysis – IS/MND	September – December 2021
Planning Commission (PC) Study Session #1	September 15, 2021
City Council (CC) Study Session	TODAY
Optional PC Study Session #2	October 2021
Public Draft Review Period	October 11 – November 25, 2021
Public Hearings	PC: January - February 2022 CC: January - February 2022

OPEN DISCUSSION AND Q & A

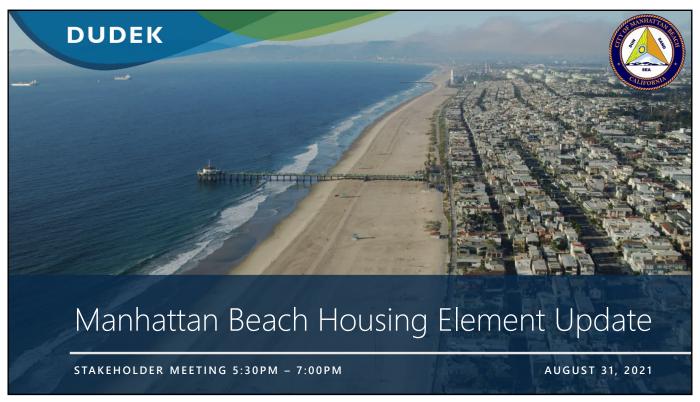
- CITY OF **MANHATTAN BEACH**





6.3 Stakeholder Meeting

A stakeholder meeting was held on August 31, 2021, that allowed interested parties to be engaged in a more formal setting where they learned about the planning process, the components of the Housing Element, and the importance of their role in development of the Housing Element. A copy of the PowerPoint used for the presentation is provided as **Exhibit C**.



01	Zoom Overview	04	Policy Framowork
UI	ZOOIII Overview	04	Policy Framework
02	Project Overview	05	Next Steps
03	Barriers to Development	06	Interactive Poll & Discussion

01 Zoom Overview

3

Before we get started

Full screen view is recommended for optimal viewing.

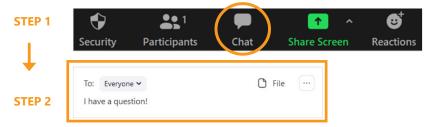
To make the meeting full screen, double-click the meeting window or click the **CI** Enter Full Screen button in the upper-right corner of the Zoom window.

This meeting is being recorded and will be available on the City's website.

If you have issues using Zoom software please use the **Chat** tool for technical help.

Before we get started

- Everyone joining the meeting will be "video off" and muted by default.
- Panelists will be "video on" for the duration of the presentation.
- There will be a discussion period at the end of the presentation.
- You may use the **Raise Hand** feature to talk.
- You may use the **Chat** feature throughout the presentation.



5

Before we get started

What is your favorite aspect of living in Manhattan Beach?

_

02 Project Overview

7

What is a Housing Element?

A set of goals, policies, and actions that address the housing needs of all current and anticipated residents at all income levels over eight-years (2021-2029) required by the State.







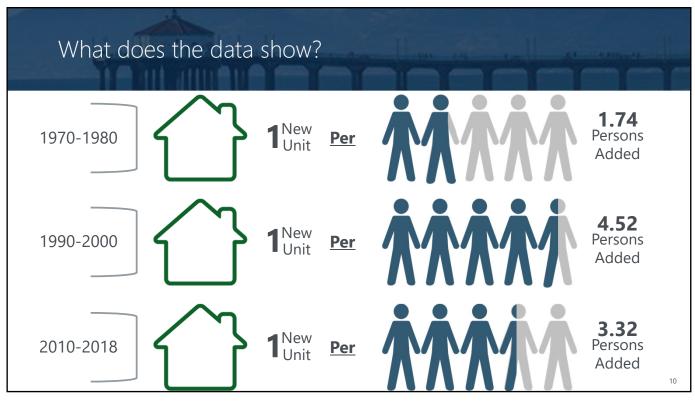


What is the purpose of the Housing Element?

- Identify housing needs
- · Identify barriers to housing production
- · Identify programs and actions to meet the needs
- · Identify sites available for housing
- Facilitate housing production on sites identified

Remember - Neither the City, County, nor private landowners are required to build the number of units planned for in the Housing Element.





Changing Population Changing Needs Older adults Affordability Housing Options Housing Supply Housing Supply

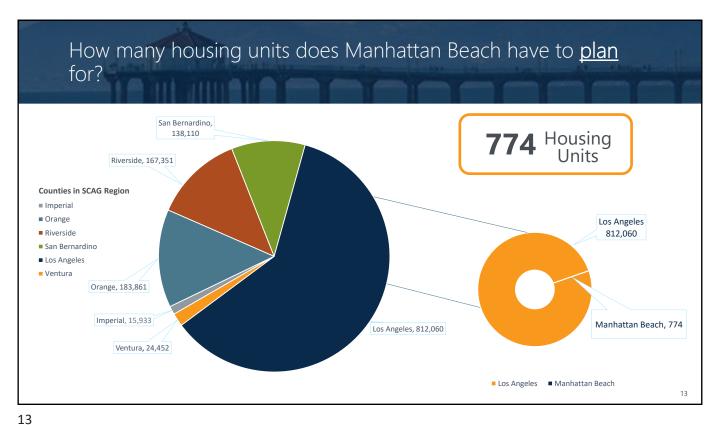
11

2021 Income Limits

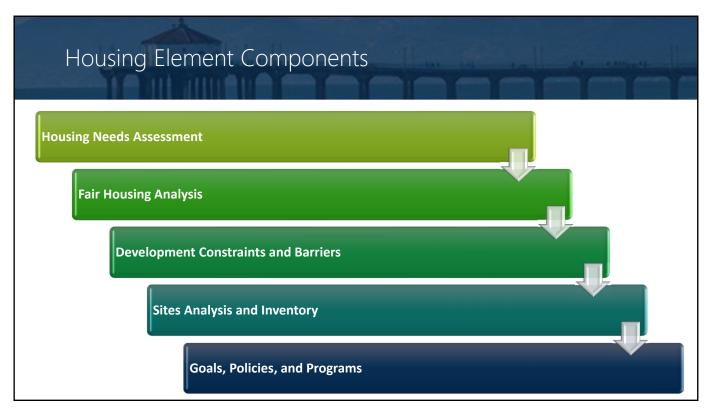
Los Angeles County Area Median Income (AMI): \$80,000*

*This is the AMI for a four-person household.

Income Category	% AMI Range	Income Limit	2021 State Income Limits (Adjusted)
Very Low	<50% AMI	<\$40,000	<\$59,100
Low	50% - 80% AMI	<\$64,000	<\$94,600
Moderate	80% - 120% AMI	<\$96,000	<\$96,000
Above Moderate	>120% AMI	>\$96,000	>\$96,000









What are the barriers to development?

Governmental



- Land Use Controls
- Development Standards
- Permitting Procedures
- Site Improvements

Market



- Land Costs
- Availability of Vacant Land
- Labor & Construction Costs
- Availability of Financing

Environmental & Infrastructure

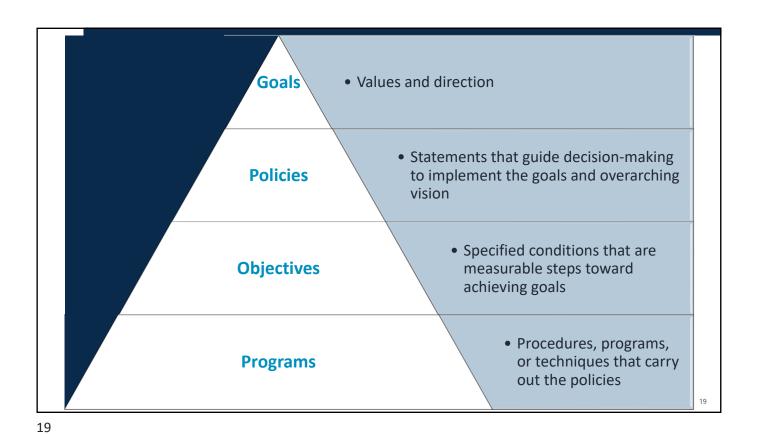


- Geological Hazards
- Flood & Fire Hazards
- Water Supply and Service
- Sewer Service

17

17

04 Policy Framework



Framing Our Policies Housing Policy Considerations Produce a Diverse Range Improve and Increase Prevent Displacement of Housing Preserve Access to Housing for All and Enhance Types to Align Quality with the Local **Income Levels** Housing Quality of Life Need 20

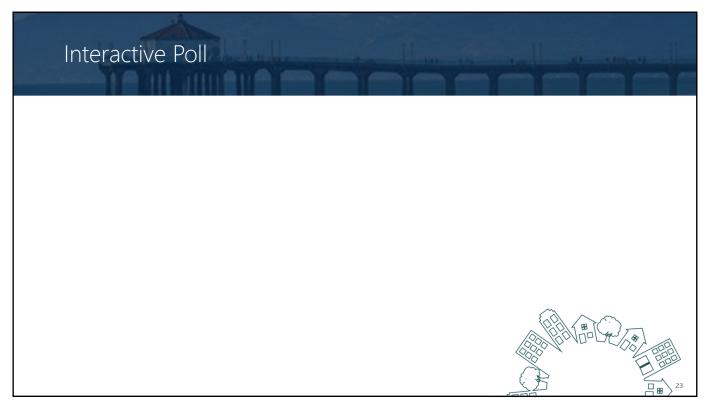
Policy Examples

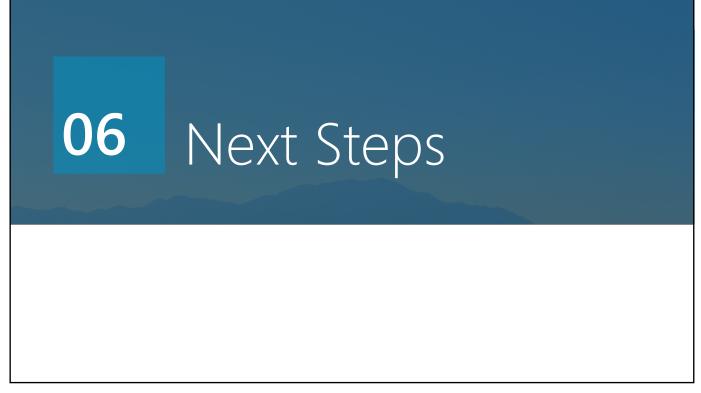
- Policy: Provide adequate sites to facilitate the development of a diverse range of housing that fulfills its regional housing needs, including low-, moderate- and higher-density single-family attached/detached units and multiple-family units.
- Policy: Facilitate the development of housing through the removal of local regulatory constraints, especially for housing that serves lower-income households and those with special needs.

• Policy: Implementation practices that prevent displacement and discrimination through enforcement of existing requirements.

21

05 Interactive Poll





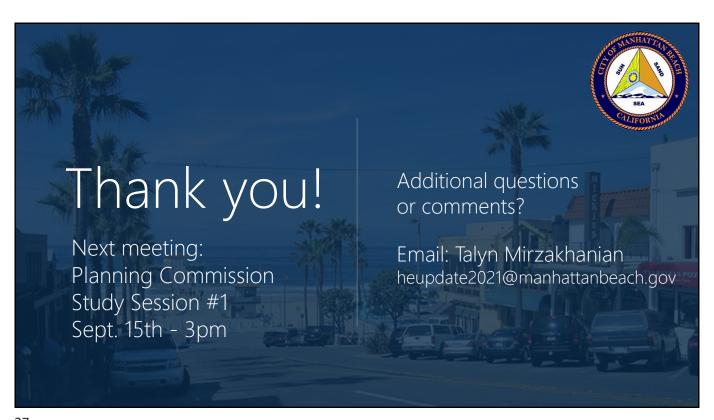
Next Steps

Task	Date
Stakeholder Meeting	Today
Prepare Draft Housing Element	In Progress
Planning Commission (PC) Study Session #1	September 15, 2021
City Council (CC) Study Session	September 21, 2021
Optional PC Study Session #2	October 2021
Public Draft Review Period	October 11 – November 25, 2021
Public Hearings	PC: January - February 2022 CC: January - February 2022

2

25

Open Discussion



6.4 Interactive Poll Results
The results from the interactive poll conducted during the Stakeholder Meeting on August 31, 2021 are shown in Exhibit D.
City of Manhattan Beach Draft 6 th Cycle Appendix F Community Engagement Summary

Poll Report

 Report Generated:
 9/1/2021 8:59

 Webinar ID
 Actual Start Time

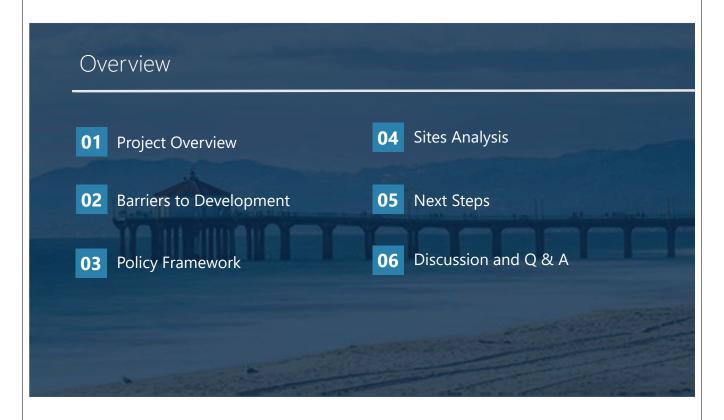
 920 6696 8694
 8/31/2021 17:10
 TopicManhattan Beach Housing Element Stakeholder Meeting Actual Duration (minutes)

	920 6696 8694	8/31/2021 17:10	93	Manhattan Beach Housing Element Stakeholder Meeting Poll Details	
				POII Details	
#	User Name	User Email	Submitted Date/Time	Question	Answer
1	l p	chicrested@hotmail.com	8/31/2021 18:02	What do you feel are the barriers to building more diverse, affordable housing in Manhattan Beach?	Lack of available land
2	Barbara Siegemund-	bsiegemundbroka@gmail.com	8/31/2021 18:02	What do you feel are the barriers to building more diverse, affordable housing in Manhattan Beach?	Cost of development (including cost of land);Community support
3	Margaret Bailey	mbailey@chmgov.com	8/31/2021 18:02	What do you feel are the barriers to building more diverse, affordable housing in Manhattan Beach?	Cost of development (including cost of land)
4	JULIE TOMANPOS	Julie@southbayaor.com	8/31/2021 18:02	What do you feel are the barriers to building more diverse, affordable housing in Manhattan Beach?	Cost of development (including cost of land);Community support
5	brandon Straus	brandon@esrour.com	8/31/2021 18:02	What do you feel are the barriers to building more diverse, affordable housing in Manhattan Beach?	Lack of available land;Cost of development (including cost of
6	l p	chicrested@hotmail.com	8/31/2021 18:03	Manhattan Beach is required to plan for 774 additional housing units. What do you think is the best strategy for accommodating these homes?	Other (Please provide additional information in the Chat)
7	Barbara Siegemund-	bsiegemundbroka@gmail.com	8/31/2021 18:04	Manhattan Beach is required to plan for 774 additional housing units. What do you think is the best strategy for accommodating these homes?	Increase mixed-use opportunities;Increase density (e.g.
8	Margaret Bailey	mbailey@chmgov.com	8/31/2021 18:04	Manhattan Beach is required to plan for 774 additional housing units. What do you think is the best strategy for accommodating these homes?	Increase housing opportunities along commercial corridors
9	Michael Donahue	mdonahue2021@gmail.com	8/31/2021 18:03	Manhattan Beach is required to plan for 774 additional housing units. What do you think is the best strategy for accommodating these homes?	Increase density (e.g. allow taller buildings with more housing units)
10	Zac Dean	zakdances@gmail.com	8/31/2021 18:03	Manhattan Beach is required to plan for 774 additional housing units. What do you think is the best strategy for accommodating these homes?	Increase mixed-use opportunities
11	JULIE TOMANPOS	Julie@southbayaor.com	8/31/2021 18:04	Manhattan Beach is required to plan for 774 additional housing units. What do you think is the best strategy for accommodating these homes?	Increase housing opportunities along commercial corridors
12	brandon Straus	brandon@esrour.com	8/31/2021 18:04	Manhattan Beach is required to plan for 774 additional housing units. What do you think is the best strategy for accommodating these homes?	Increase housing opportunities along commercial corridors
13	Ιp	chicrested@hotmail.com	8/31/2021 18:00	What do you feel are unmet housing needs in Manhattan Beach?	I do not feel there are unmet housing needs
14	Barbara Siegemund-	bsiegemundbroka@gmail.com	8/31/2021 18:00	What do you feel are unmet housing needs in Manhattan Beach?	Diversity in housing stock e.g., duplexes, apartments, granny
15	Margaret Bailey	mbailey@chmgov.com	8/31/2021 18:00	What do you feel are unmet housing needs in Manhattan Beach?	General housing affordability
16	Michael Donahue	mdonahue2021@gmail.com	8/31/2021 18:01	What do you feel are unmet housing needs in Manhattan Beach?	Availability of rental units
17	JULIE TOMANPOS	Julie@southbayaor.com	8/31/2021 18:01	What do you feel are unmet housing needs in Manhattan Beach?	Diversity in housing stock e.g., duplexes, apartments, granny
18	l p	chicrested@hotmail.com	8/31/2021 17:58	What is your top priority for new housing?	Other (Please provide additional information in the Chat)
19	Barbara Siegemund-	bsiegemundbroka@gmail.com	8/31/2021 17:58	What is your top priority for new housing?	Affordability
20	Margaret Bailey	mbailey@chmgov.com	8/31/2021 17:58	What is your top priority for new housing?	Other (Please provide additional information in the Chat)
21	Michael Donahue	mdonahue2021@gmail.com	8/31/2021 17:58	What is your top priority for new housing?	Affordability
22	JULIE TOMANPOS	Julie@southbayaor.com	8/31/2021 17:58	What is your top priority for new housing?	Ownership options

6.5 Planning Commission Meeting

The Planning Commission presentation occurred on September 15, 2021. A copy of the PowerPoint used for the presentation is provided as **Exhibit E**. The PowerPoint provided a detailed description regarding what a Housing Element entails and a brief overview of how the City is assigned its Regional Housing Needs Allocation.





What is a Housing Element?

A set of goals, policies, and actions that address the housing needs of all current and anticipated residents at all income levels over eight-years (2021-2029) required by the State.









3

2021 Income Limits

Los Angeles County Area Median Income (AMI): \$80,000*

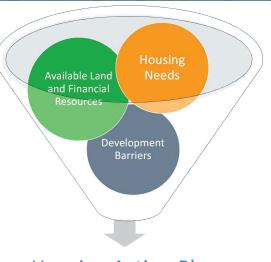
^{*}This is the AMI for a four-person household.

Income Level	% AMI Range	Income Limit	HCD-Adjusted Income Limit
Very Low	<50% AMI	<\$40,000	<\$59,100
Low	50% -80% AMI	<\$64,000	<\$94,600
Moderate	80% - 120% AMI	<\$96,000	<\$96,000
Above Moderate	>120% AMI	>\$96,000	>\$96,000

What is the purpose of the Housing Element?

- Identify housing needs
- Identify barriers to housing production
- Identify programs and actions to meet the needs
- Identify sites available for housing
- Facilitate housing production on sites identified

Remember - Neither the City, County, nor private landowners are required to build the number of units planned for in the Housing Element.



Housing Action Plan

What does the data show?



Changing Population

- Changing Needs
- Older adults



Affordability

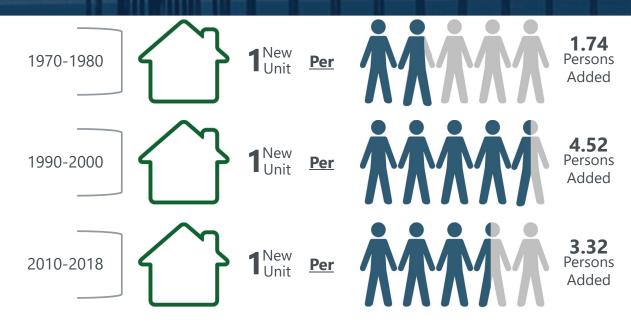
- Housing Overpayment
- Median Sale Price



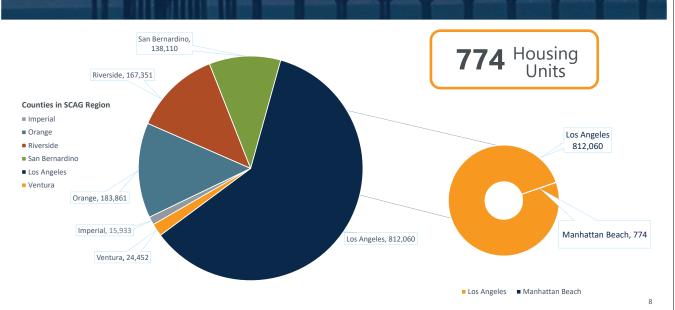
Housing Options

Housing Supply

What does the data show?



How many housing units does Manhattan Beach have to <u>plan</u> for?



5th Cycle RHNA Progress Data Reported 2014-2020

5th Cycle Average Units Permitted Per Year = 52

6th Cycle Average Units Permitted Per Year Needed = 96

Income Level	4 th Cycle (2005- 2013) RHNA	5th Cycle (2013- 2021) RHNA	6 th Cycle (2021- 2029) RHNA	Permitted Since 2014
Very-Low	236	10	322	0
Low	149	6	165	0
Moderate	160	7	155	0
Above Moderate	350	15	132	419
Total	895	38	774	419

Housing Element Components



What are the barriers to development?

Governmental



- Land Use Controls
- Development Standards
- Permitting Procedures
- Site Improvements

Market



- Land Costs
- Availability of Vacant Land
- Labor & Construction Costs
- Availability of Financing

Environmental & Infrastructure



- Geological Hazards
- Flood & Fire Hazards
- Water Supply and Service
- Sewer Service

11

Framing Our Policies

Step 1: Review of 5th cycle goals (what to carry forward, what needs modification)

- Goal 1 Preserve existing neighborhoods- carry policies forward with minor modifications
- > **Goal 2** Provide a variety of housing opportunities- requires modification and updating
- Goal 3 Provide a safe and healthy living environment for City residents carry forward
- > **Goal 4** Encourage the conservation of energy in housing carry forward

Framing Our Policies

Step 2: Development of new policies for 6th cycle

- > **SB 35** Amend internal procedures and zoning code to include SB 35 streamlining in permitting processes and procedures.
- > **AB 1763/SB 2263** Review and amend its local Density Bonus Program Ordinance to ensure consistency with State requirements.
- > **AB 671 -** Adopt an ordinance that incentivizes affordable ADUs
- > **AB 101 -** Amend zoning code to allow low barrier navigation centers
- AB 1851 Amend the zoning code to identify a process by which parking requirements can be reduced for religious institutions that would eliminate religious-use parking spaces in exchanged for housing developments

13

Sites Analysis Requirements

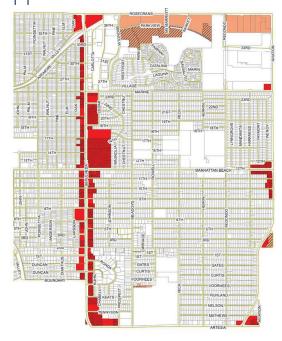
- Adequate Lower-Income Unit Zone
- Has an Improvement-to-Land Ratio (IL Ratio) less than or equal to 1
- Building was built before 1970-1990
- Site is greater than or equal to 0.5 acres
- Realistic Capacity at 20 du/acre (Net Units are greater than or equal to 1)
- Given that more than 50% of our capacity will be from non-vacant land, sites for the lower income capacity will need to be supported with evidence that the existing use is not an impediment (no sites with large chains/essential uses)

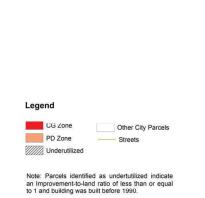
Capacity Identified

Capacity Identified								
Site Key	APNs	Address	Zone	Acres	Uses	Net Units		
1a*	4163-008-023 4163-008-024 4163-008-038	Artesia Blvd./ Redondo Ave.	CL	0.62	Closed antique shop, single family residential, offices	12		
1b*	4137-001-900 4137-001-904 4137-001-905 4137-001-027	Rosecrans Ave./Highland Ave.	CNE	0.52	Parking, Restaurant	10		
1c*	4179-005-003 4179-005-004 4179-005-005 4179-005-006 4179-005-007 4179-005-903	Morningside Dr./ Manhattan Beach Blvd.	CD	0.68	Parking Structure, Retail	13		
2a	4170-026-003 4170-026-004	1026 -1030 Manhattan Beach Blvd.	CL	0.49	Remax Offices	9		
2b	4163-024-028	1535 Artesia Blvd.	RH	0.46	Masonic Center	9		
Total	-	-	-	2.77	-	53		

15

Opportunities for Additional Capacity





0 0125 025 05 075 1

Capacity Analysis

Category	Lower-Income Units
RHNA	487
Pipeline Residential Development Credited Toward RHNA	9
Underutilized Site Capacity	53
Potential Accessory Dwelling Units	50
Total Net-New-Units	112
Total Capacity Deficit (−)	-375
Capacity Deficit – acreage	18.75

1

Program Requirements

Adequate Sites Program Components

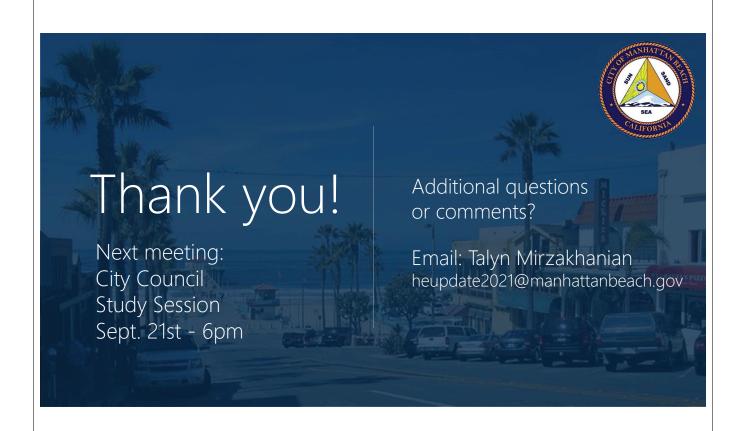
- i. Permit multifamily uses by right for projects in which 20% or more units are affordable for lower-income households.
- ii. Permit the development of at least 16 units per site.
- iii. Permit a minimum of 20 dwelling units per acre.
- iv. If more than 50% of the lower-income sites are zoned to allow mixed-uses, all lower-income sites designated for MU must:
 - a) Allow 100% residential and
 - b) Require at least 50% of floor area to be residential
 - c) Rezone shall occur within 3 years and 120 days from beginning of planning period (10/15/21)

Next Steps

Task	Date	
Stakeholder Meeting	August 31, 2021	
Prepare Draft Housing Element	In Progress	
CEQA Analysis – IS/MND	September – December 2021	
Planning Commission (PC) Study Session #1	Today	
City Council (CC) Study Session	September 21, 2021	
Optional PC Study Session #2	October 2021	
Public Draft Review Period	October 11 – November 25, 2021	
Public Hearings	PC: January - February 2022 CC: January - February 2022	

10

OPEN DISCUSSION AND Q & A



6.6 Hometown Fair City staff attended the Hometown Fair on October 2, 2021. A copy of the flyer that was distributed at the information booth is provided as Exhibit F.								

WE WANT YOUR INPUT! 6TH CYCLE HOUSING ELEMENT UPDATE



The City is updating its Housing Element!*

COMM DE

Stay tuned for the release of the Draft Housing Element, which will be available for public review mid-October through the end of November.

STAY INFORMED!

Sign up on our Housing Element Update Interested Parties list by sending an email to

heupdate 2021@manhattanbeach.gov

or view our webpage for updates and information:

www.manhattanbeach.gov/6thcycle

*The Housing Element is one of the State-mandated Elements of a General Plan, and it is required to be updated every eight years and certified by the State Department of Housing and Community Development. The Housing Element analyzes community housing needs in terms of affordability, availability, adequacy, and accessibility, and describes the City's strategy and programs to address those needs.





ATTACHMENT 2



CITY OF MANHATTAN BEACH DEPARTMENT OF COMMUNITY DEVELOPMENT STAFF REPORT

DATE: September 15, 2021

TO: Planning Commission

FROM: Carrie Tai, AICP, Director of Community Development

THROUGH: Talyn Mirzakhanian, Planning Manager

SUBJECT: 6th Cycle Housing Element Update Study Session

BACKGROUND

All jurisdictions in the Southern California Association of Governments (SCAG) region are required to update their General Plan Housing Element for the 2021-2029 planning period (the 6th cycle) by October 2021, albeit with a 120-day grace period. The Housing Element is one of the State-mandated parts (elements) of a General Plan. State law requires that jurisdictions update the Housing Element every eight years. The State Department of Housing and Community Development (HCD) must review and certify each Housing Element update. The Housing Element describes the City's needs, goals, policies, objectives, and programs regarding the preservation, improvement, and development of housing within the City. The Housing Element analyzes community housing needs in terms of affordability, availability, adequacy, and accessibility, and describes the City's strategy and programs to address those needs.

Prior to each eight-year planning period, SCAG prescribes to each municipality in their jurisdictional region the number of additional housing units necessary at different income levels in order for each municipality to accommodate their fair share of anticipated population growth during that planning period. This allocation is known as the Regional Housing Needs Assessment (RHNA) allocation. The income levels for all jurisdictions within Los Angeles County, as specified in the RHNA allocation, are based upon the Area Median Income (AMI) of a 4-person household and determined annually by the U.S. Department of Housing and Urban

Development (HUD) and the California Department of Housing and Community Development (HCD). The RHNA allocation is derived from the Statewide allocation; given the current status of the housing crisis in the State, the Statewide allocation is fairly high this cycle. SCAG released the final allocations on March 4, 2021. The RHNA allocation for Manhattan Beach is 774 units and is broken down by household income level as follows:

Very-Low Income (50% of Area Median Income)	322 units
Low Income (80% of Area Median Income)	165 units
Moderate Income (100% of Area Median Income)	155 units
Above-Moderate Income (120% of Area Median Income)	132 units

Through the Housing Element update process, the City must demonstrate that Citywide zoning and General Plan designations could accommodate the number of housing units allocated to each income level category, including identifying sites where development is allowed. Neither the City, County, nor private landowners are required to build the number of units planned for in the Housing Element.

Cities that fail to update their Housing Element every eight years run the risk of litigation and losing the authority to issue residential and non-residential permits. Repercussions also include ineligibility for grant funding. In addition, non-compliant cities are placed on a four-year update cycle until they become compliant. Manhattan Beach intends to remain compliant to avoid these costly and undesired consequences.

DISCUSSION

The Housing Element consists of five main components:

- 1. The housing needs assessment, which provides a profile of demographic and housingrelated data:
- 2. Analysis of fair housing, which looks at fair housing through outreach, enforcement, land use patterns, and disproportionate needs;
- 3. Analysis of the City's regulations and governmental and nongovernmental constraints to development;
- 4. Sites analysis and inventory, which demonstrates the City's sites that are available to accommodate the RHNA to ensure that capacity exists for development to meet the City's needs; and
- 5. Goals, policies, and programs.

In the first component of the Housing Element, the housing needs assessment, a thorough analysis of current demographic and housing-related data is conducted; and this, in turn, helps frame the other components of the Element. As an example, the data shows that the

population of older adults (65 years old and above) in the City has increased since 2010 and currently accounts for 16.9% of the population. Comparatively, the same age cohort makes up 13% of the entire SCAG region population. The growing older adult population presents a greater need for housing with increased accessibility. In 2018, the median home sale price in the City was \$2.35 million, and the median price has increased since then. Consequently, 29.7% of all households are spending more than 30% of their income on housing, also referred to as being "housing cost burdened". This results in households having less money for things like education, health care, child care, and other needs. Housing data also shows that 77% of the City's housing is single-family homes, compared to 60% in the region, indicating that there is a lack of variety of housing types.

In the second component of the Housing Element, a fair housing analysis is prepared in accordance with the requirements of Assembly Bill 686 (Affirmatively Furthering Fair Housing). The State requires local jurisdictions to analyze and identify patterns and trends of fair housing components (e.g., fair housing enforcement and outreach, integration and segregation, racially or ethnically concentrated areas of poverty, disparities in access to opportunity, disproportionate housing needs including displacement risk) in order to identify concrete actions in the form of programs to affirmatively further fair housing.

In the third component of the Housing Element, also known as the "constraints analysis", the goal is to identify programmatic, physical, and financial housing resources available in the City, as well as governmental and nongovernmental constraints to housing production. Governmental constraints could include complex and lengthy discretionary processes for residential projects, or cumbersome development regulations. Non-governmental constraints include, for example, the cost of land and the free market. The findings of this component are based on a review of existing City regulations, codes, and standards related to housing and in comparison to current State law.

In the fourth component of the Housing Element, an "adequate sites analysis" is conducted to evidence the relationship between the City's RHNA allocation and the City's dwelling unit capacity; and availability of potential housing sites based on zoning; infrastructure; and General Plan policies, requirements, and limitations. Based on the findings of the adequate sites analysis an inventory of land suitable for housing production is prepared. The inventory includes vacant sites and underutilized sites with the potential for redevelopment. Preparation of the inventory is currently in process. An analysis of the relationship of zoning, resources, environmental constraints, and public facilities with these sites is also included in this component.

In the fifth component of the Housing Element, the housing needs assessment is then considered along with an analysis of fair housing, an analysis of sites that currently offer

capacity to accommodate our housing allocation, and an analysis of governmental and non-governmental constraints, in order to develop a strategy of actions, the goal of which is to facilitate the production of the housing in the City. In addition to identifying which of the 5th cycle policies and programs are to be retained or modified, this component seeks to identify new objectives, policies, and programs to preserve and improve upon existing housing and promote new housing development consistent with the housing need. These programs could include the removal of housing constraints by streamlining processes or adopting less stringent development standards, improvement and conservation of the existing housing stock, preservation of units at risk of conversion to market rates, and promotion of equal housing opportunities. The September 15, 2021 study session will include a high-level discussion of potential new policies for the City to consider.

The collective product of this effort, inclusive of all five components, is the Housing Element.

PUBLIC OUTREACH

On August 24, 2021, staff presented the City Council with an introductory presentation to the Housing Element update effort, fielding questions from Councilmembers and providing a general timeline of the steps involved.

On August 31, 2021, the City hosted a virtual stakeholder's workshop for this effort. The event was advertised in the August 26, 2021 issue of the Beach Reporter and via mail and email to a list of stakeholders and interested parties on August 19, 2021. It was also posted on the City's social media platforms (i.e. Facebook, Twittter, Instagram) over the course of nine days leading up to the event; with the content displayed over 21,000 instances, reaching over 11,200 individuals, 406 of whom engaged with the content (i.e. commented on, "liked", shared, or saved the content). Seven members of the public attended and participated in polls, discussion and a question-and-answer session. In their responses to poll questions, stakeholders identified the lack of available land and the cost of development as barriers to housing production. They indicated that increased opportunities for mixed-use projects and increased density along commercial corridors would be the best solutions for accommodating the City's housing needs. Furthermore, stakeholders identified diversity in housing stock and general housing affordability in the City as the top unmet housing needs; whereas, others stated they do not feel there are unmet housing needs in the City. The workshop ended with a question-and-answer session, and participants were encouraged to attend the September 15, 2021 Planning Commission study session.

The project schedule also includes a study session with the City Council on September 21, 2021; and if deemed necessary, potential additional study sessions in October. The public draft review period for the Housing Element update is expected to commence October 11, 2021 and

continue through November 25, 2021; during this time, the public will have an opportunity to review the draft Housing Element update submitted to HCD and offer comments.

Pursuant to the California Environmental Quality Act (CEQA), the Housing Element update will undergo environmental review. Preparation of the environmental document (anticipated to be a Mitigated Negative Declaration) will commence in September 2021. The public will have an opportunity to review the environmental document when released for public review in November-December 2021 and to provide comments.

Finally, public hearings associated with the adoption of the final version of the Housing Element update will be scheduled with the Planning Commission and City Council in January-February 2022. The deadline for adoption of the Element is February 12, 2022.

The noticing related to these workshops, study sessions and public hearings consists of ads and postings in the Beach Reporter, on the City's website at https://www.manhattanbeach.gov/departments/community-development/planning-and-zoning/current-projects-programs/6th-cycle-housing-element-update, and on the City's various social media platforms, including Twitter, Facebook and Instagram. Additionally, staff has compiled a list of stakeholders and interested parties and directly reaches out to these individuals with notices for each meeting.

RECOMMENDATION

Staff recommends that the Planning Commission facilitate an open forum, question-and-answer session to give the Commissioners and the public an opportunity to ask questions and provide input on the policy effort.