



CITY OF MANHATTAN BEACH CITY HALL

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TO: Honorable Mayor and Members of the City Council

FROM: Carrie Tai, Community Development Director

MEETING: City Council Regular Meeting, September 21, 2021

SUBJECT: Agenda Item No. 16 – Discussion of the 6th Cycle Housing Element Update.

DATE: September 17, 2021

SUPPLEMENTAL ATTACHMENT

- PowerPoint Presentation

Manhattan Beach Housing Element Update

City Council

September 21, 2021



Overview

01 Project Overview

02 Barriers to Development

03 Policy Framework

04 Sites Analysis

05 Next Steps

06 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.

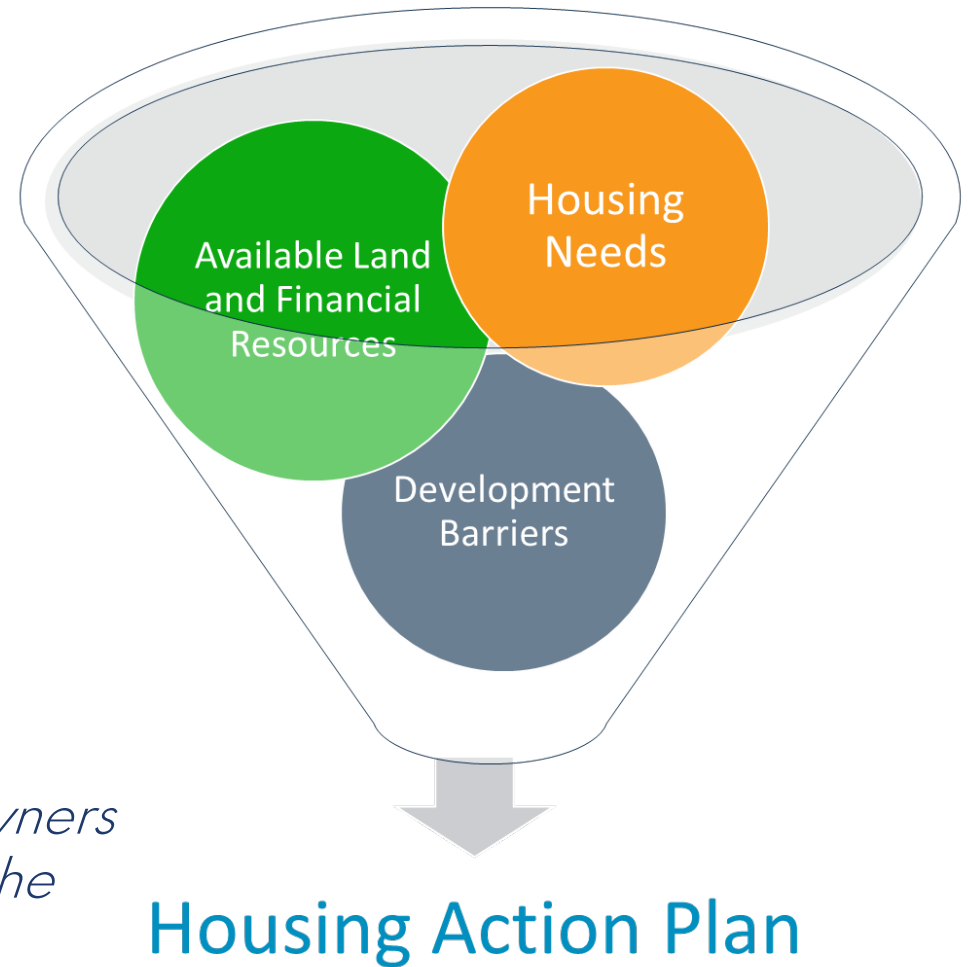
Income Level	% AMI Range	Income Limit	HCD-Adjusted Income Limit
Very Low	<50% AMI	<\$40,000	<\$59,100
Low	50% -80% AMI	<\$64,000	<\$94,600
Moderate	80% - 120% AMI	<\$96,000	<\$96,000
Above Moderate	>120% AMI	>\$96,000	>\$96,000



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.



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?

1970-1980



1 New Unit Per



1.74
Persons
Added

1990-2000



1 New Unit Per



4.52
Persons
Added

2010-2018



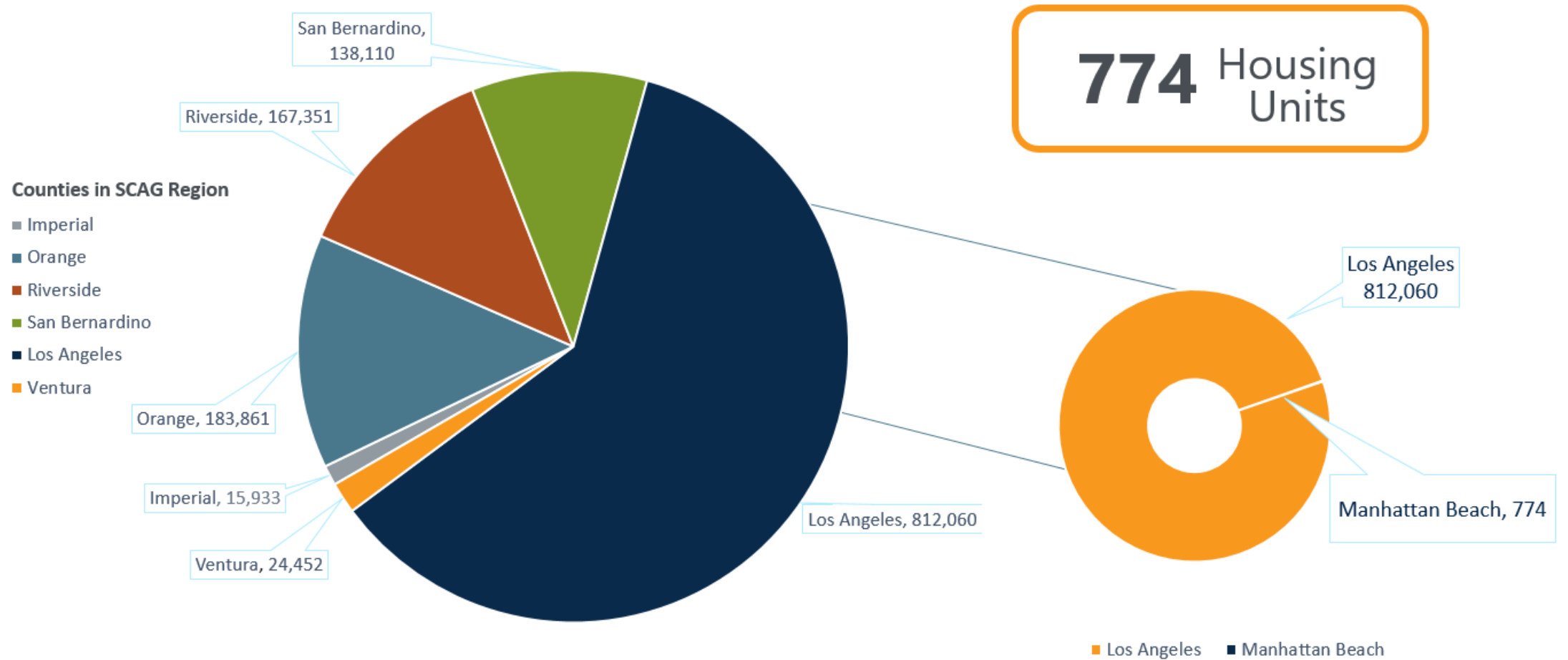
1 New Unit Per



3.32
Persons
Added



How many housing units does Manhattan Beach have to plan 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	5 th 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

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*



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)



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	-	53



Preliminary Lower-Income Capacity Analysis

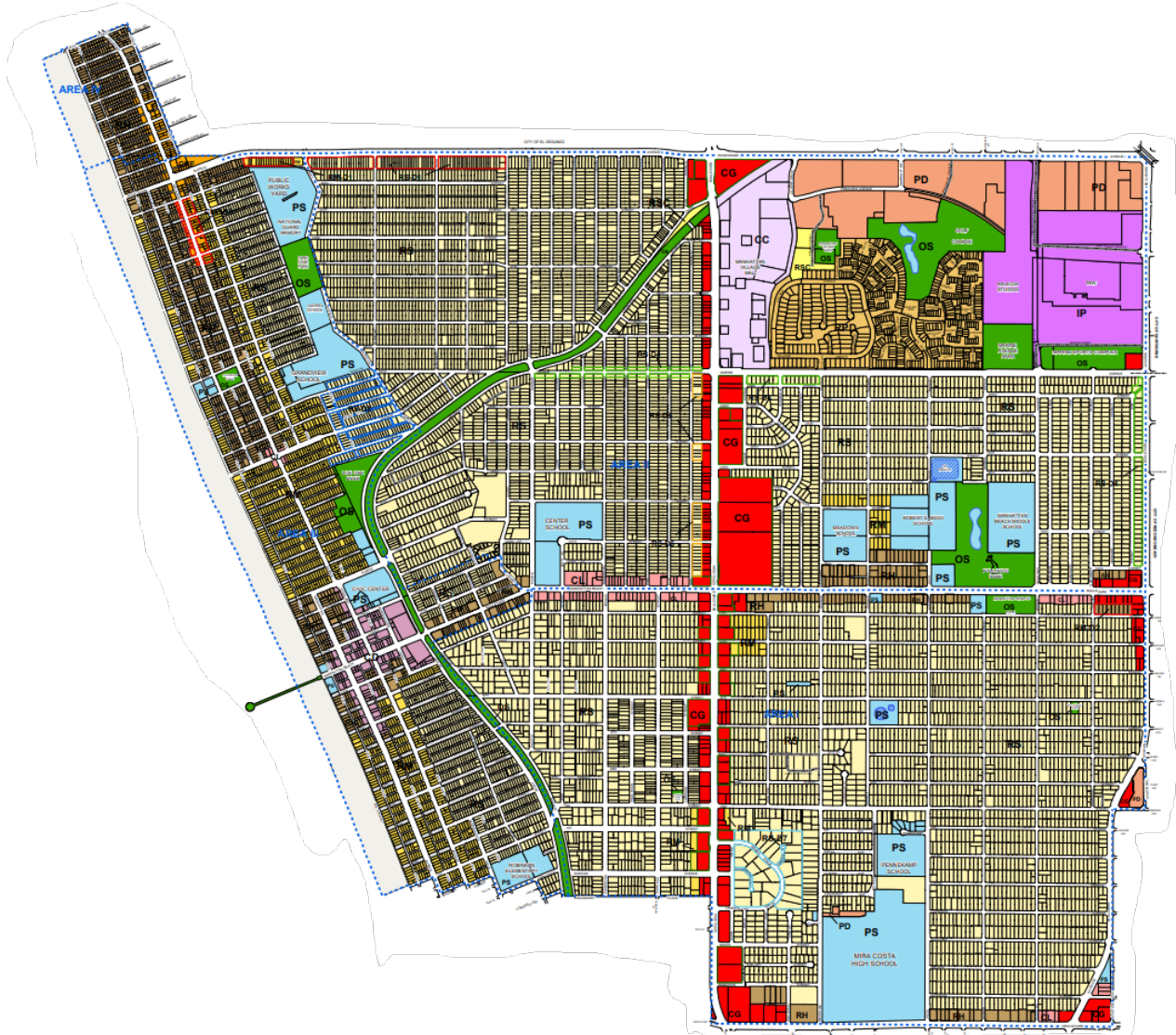
Category	Lower-Income Units
RHNA	487
Pipeline Residential Development Credited Toward RHNA	9
Underutilized Site Capacity	53
Potential Accessory Dwelling Units	50
Total Net-New-Units	112
Total Capacity Deficit (-)	-375
Capacity Deficit – acreage	18.75

Very-low: 322
Low: 165

Underutilized sites
CG Zone: 59 acres
PD Zone: 21 acres



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)



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



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





Thank you!

Additional questions
or comments?

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