Santa Monica, California

City Council Meeting: February 13, 2024

ORDINANCE NUMBER 2777 (CCS)

(City Council Series)

INTRODUCTION AND ADOPTION OF AN EMERGENCY INTERIM ZONING ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA MONICA EXTENDING EMERGENCY INTERIM ZONING ORDINANCE NUMBER 2772 (CCS) AUTHORIZING THE ESTABLISHMENT, BY RESOLUTION, OF OBJECTIVE DESIGN STANDARDS FOR QUALIFYING HOUSING PROJECTS THAT ELECT TO USE THE STREAMLINED, MINISTERIAL APPROVAL PROCESS ESTABLISHED BY SENATE BILL 35

WHEREAS, in an effort to address the California housing shortage by increasing housing supply, Senate Bill ("SB") 35, passed in 2017 by the California State Legislature and most recently amended by SB 423 in 2023, provides qualifying housing projects the opportunity to opt-in to a streamlined, ministerial approval process through which a housing project is only reviewed against objective zoning and design review standards;

WHEREAS, SB 35 applies to jurisdictions that do not have a compliant Housing Element or have not met their Regional Housing Needs Assessment ("RHNA") goal for construction of above-moderate income housing and/or housing for households below 80% area median income (AMI); and

WHEREAS, each year, the State Department of Housing and Community Development ("HCD") issues a SB 35 determination that indicates which cities are subject to the streamlining requirements of SB 35; and

WHEREAS, this determination is based upon Annual Progress Report ("APR") data submitted by jurisdictions each year compared to the RHNA or prorated Lower (Very-Low and Low) and Above-Moderate RHNA for each jurisdiction; and

WHEREAS, on June 30, 2023, HCD determined that Santa Monica fell behind on addressing Lower-Income housing needs for the City's 5th Cycle (2013-2021) Housing Element, and, therefore, Santa Monica is subject to SB35 for housing projects that include more than 50% of their units as affordable units and elect to comply with all other requirements of SB 35; and

WHEREAS, as a result, eligible housing projects must only be reviewed against objective design standards (in addition to compliance with other development standards) and cannot be subject to the City's standard architectural review process, which is designed to, among other things: (1) prevent the development of structures or uses that are not of acceptable exterior design or appearance, are of inferior quality, or are likely to have a depreciating effect on the local environment or surrounding area by reason of appearance or value; and (2) to eliminate conditions, structures, or uses, which by reason of their effect tend to degrade the health, safety, or general welfare of the community; and

WHEREAS, because the City was not subject to SB 35 prior to June 2023, the City, prior to the adoption of Emergency Interim Zoning Ordinance 2772, had no objective design standards in place for projects that qualify for and opt into the SB 35 process; and

WHEREAS, without objective design standards, projects could be approved without any design review intended to promote the health, safety, and general welfare of the community; and

WHEREAS, on December 19, 2023, City Council adopted Emergency Interim Zoning Ordinance (IZO) No. 2772, which ensured that objective design standards were immediately in effect upon adoption of the IZO while allowing flexibility for the objective

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design standards to be revisited for improvements upon further evaluation as necessary; and

WHEREAS, IZO No 2772 is set to expire on February 19, 2024, and the City Council desires to extend it for 24 months in accordance with SMMC 9.46.090(C), with a new expiration date of February 19, 2026, to allow adequate time for staff to continue to evaluate objective design standards for eligible housing projects as part of the next phase of Housing Element Program implementation efforts that will continue through 2024; and

WHEREAS, staff anticipates returning to City Council by Fall 2024 with additional zoning amendments as required by the Housing Element, including permanent adoption of the SB 35 objective design standards; and

WHEREAS, the proposed extension would not preclude Council from revisiting the IZO prior to its expiration for any amendments to the IZO or to repeal it at any time; and

WHEREAS, the City Council finds and declares that there continues to exist a current and immediate threat to the public health, safety, and general welfare due to the current lack of permanent comprehensive objective design standards for common design issues in housing projects eligible for SB 35 streamlining, which are otherwise exempt from discretionary design review, such that failure to approve the extension of this IZO, and allow for the continued adoption of objective design standards for eligible projects by resolution, would result in a threat to public health, safety, and welfare because no applicable design standards would be in place should an eligible project elect SB 35 streamlined review.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SANTA MONICA DOES HEREBY ORDAIN AS FOLLOWS:

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SECTION 1. The Santa Monica Municipal Code Section 9.31.195 is hereby amended to read as follows:

§ 9.31.195 Multiple-Unit Dwelling Projects.

The purpose of this Section is to establish requirements for multiple-unit dwelling projects; however, 100% affordable housing projects are exempt from subsections (A) and (B) of this Section.

A. Unit Mix. Multiple-unit dwelling projects with more than 50 units shall incorporate the requirements set forth below, except Tier 2 projects shall comply with Section 9.23.030(A)(2).

1. For market rate units:

a. At least 10% of the units shall be three-bedroom units;

b. At least 10% of the units shall be two-bedroom units;

c. No more than 15% of the units shall be studio units.

2. Affordable housing unit mix shall be governed by Chapter 9.64, Affordable Housing Production Program.

3. The Director may grant a waiver from this unit mix requirement pursuant to the requirements and procedures for Waivers in Chapter 9.43.

B. Transportation Demand Management. Multiple-unit dwelling projects that meet the applicability established in Section 9.53.030 shall include the following Transportation Demand Management measures in addition to those required by Chapter 9.53, Transportation Demand Management:

1. For nonresidential components of projects, provide the following:

a. A transportation allowance equivalent to at least 75% of the cost of a monthly regional transit pass, in accordance with Section 9.53.130(B)(2)(b)(viii).

b. Bike valet, free of charge, during all automobile valet operating hours.

2. For residential components of projects, provide a transportation allowance equivalent to at least 75% of the cost of a monthly regional transit pass, in accordance with Section 9.53.130(B)(2)(c)(iv).

C. Air Quality Assessment Zone. Multiple-unit dwelling projects within the Air Quality Assessment Zone shall be required to prepare a technical memorandum that describes the effectiveness of design features to reduce exposure to diesel particulate matter (DPM) as a part of the early project design process. Such memorandum shall be submitted at the time of project application and shall be subject to review and approval by the Director prior to project approval.

D. Unit Replacement Requirements. Multiple-unit dwelling projects shall comply with all applicable residential unit replacement requirements, including, but not limited to, Government Code Section 66300(d) and State Density Bonus law.

E. Objective Design Standards for Streamlined, Ministerial Approval Process Established by Senate Bill 35. Qualifying multiple-unit dwelling projects that elect to use the streamlined, ministerial approval process established by Senate Bill 35 (SB 35), and set forth in Government Code Section 65913.4, shall be required to comply with objective design review standards, which may be established by resolution of the City Council.

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SECTION 2. Any provision of the Santa Monica Municipal Code or appendices thereto inconsistent with the provisions of this Emergency Interim Zoning Ordinance, to the extent of such inconsistencies and no further, is hereby repealed or modified to that extent necessary to effect the provisions of this Emergency Interim Zoning Ordinance.

SECTION 3. If any section, subsection, sentence, clause, or phrase of this Emergency Interim Zoning Ordinance is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Emergency Interim Zoning Ordinance. The City Council hereby declares that it would have passed this Emergency Interim Zoning Ordinance and each and every section, subsection, sentence, clause, or phrase not declared invalid or unconstitutional without regard to whether any portion of the ordinance would be subsequently declared invalid or unconstitutional.

SECTION 4. The Mayor shall sign and the City Clerk shall attest to the passage of this Emergency Interim Zoning Ordinance. The City Clerk shall cause the same to be published once in the official newspaper within 15 days after its adoption. This Emergency Interim Zoning Ordinance shall be effective immediately and shall be of no further force and effect as of February 19, 2026.

APPROVED AS TO FORM:

DocuSigned by: DOUGLAS SLOAN -61C02D0CAE84432

Douglas Sloan, City Attorney

Approved and adopted this 13th day of February, 2024.

DocuSigned by: rille FF645AF0515A449.

Phil Brock, Mayor

State of California) County of Los Angeles) ss. City of Santa Monica)

I, Nikima S. Newsome, Interim City Clerk of the City of Santa Monica, do hereby certify that the foregoing Ordinance No. 2777 (CCS) had its introduction and adoption at the Santa Monica City Council meeting held on February 13, 2024, by the following vote:

- AYES: Councilmembers Zwick, Parra, Davis, Torosis, de la Torre Mayor Pro Tem Negrete, Mayor Brock
- NOES: None
- ABSENT: None

ATTEST:

DocuSigned by:

-7032651F371E430.

Nikima S. Newsome, Interim City Clerk

2/14/2024

Date

A summary of Ordinance No. 2777 (CCS) was duly published pursuant to California Government Code Section 40806.