

community benefits

Traditional planning has long required development to meet minimum community standards. Developers of private property are key participants in shaping the City’s form, characteristics and amenities, and through this development they can contribute to a shared community vision. The LUCE articulates and clarifies the community’s future vision and expectations. What is innovative about the LUCE is the requirement that when a developer seeks to develop property at a height greater than the City’s ministerial standard, the developer must include in the project certain preferred uses or beneficial project design features, or meet other development standards that serve the community’s core needs—those standards that contribute directly to the community’s fundamental social, cultural, physical, transportation and environmental goals.

This approach provides the City and the community with the ability to shape how projects contribute to the City as a whole, ensuring that new buildings will be rich additions



to the urban fabric, creating special places in the City that enhance its unique character and quality of life. This regulatory approach also strives to ensure that local services are located within walking distance of both existing and new uses so as to create complete neighborhoods that increase livability, reduce greenhouse gas (GHG) emissions and relieve congestion.

THE COMMUNITY IDENTIFIES CORE VALUES FOR COMMUNITY BENEFITS

The community's vision of desired community benefits has evolved through an extensive participation process. Throughout the LUCE's three-year community outreach process, a continuing and interactive dialogue identified the core values of the community. Participants responded to the question of "what makes a livable city?" For Santa Monicans, it is preservation of the vibrant, beach town atmosphere, the enhancement of the sense of community, the conservation of unique and diverse neighborhoods, and the ability to enjoy walkable streets, easy access to transit, green streets and open space, and a range of housing choices for all income levels. The community identified the overarching principle of maintaining the City's unique attributes while enhancing and enriching neighborhood livability, including housing that is affordable to people of all income levels, ages and cultural backgrounds.

COMMUNITY BENEFITS

The LUCE addresses the following questions about development projects:

- Does this project contribute to the community?
- Does the project protect and enhance the neighborhoods?
- Is the project in the right location to reduce automobile dependence?
- Does the project contribute to the City's overall traffic reduction and management strategy?
- Does the project adversely impact or enhance the current or future open space and community gathering spaces?
- Does the project contribute to the City's long-term sustainability?



Five Priority Categories of Community Benefits:

The community identified the following five priority categories of community benefits:

1. New Affordable and Workforce Housing

For all projects in which a developer seeks to develop a project that is greater in height than the base height of 32 feet, affordable housing or a contribution to the affordable housing fund shall be required. The objective is to incentivize housing along the City's commercial corridors where there is transit, local-serving retail and an enhanced

pedestrian environment, facilitating a complete neighborhood for a range of socioeconomic levels. While affordable housing is identified as a primary community benefit, the provision of a significantly higher percentage of workforce housing units is also a community benefit.

A project developer who chooses to provide affordable housing as part of the base project in accordance with the percentage requirements specified in the City's Affordable Housing Production Program will be entitled to receive a height bonus of 3 feet for a total height of 35 feet.



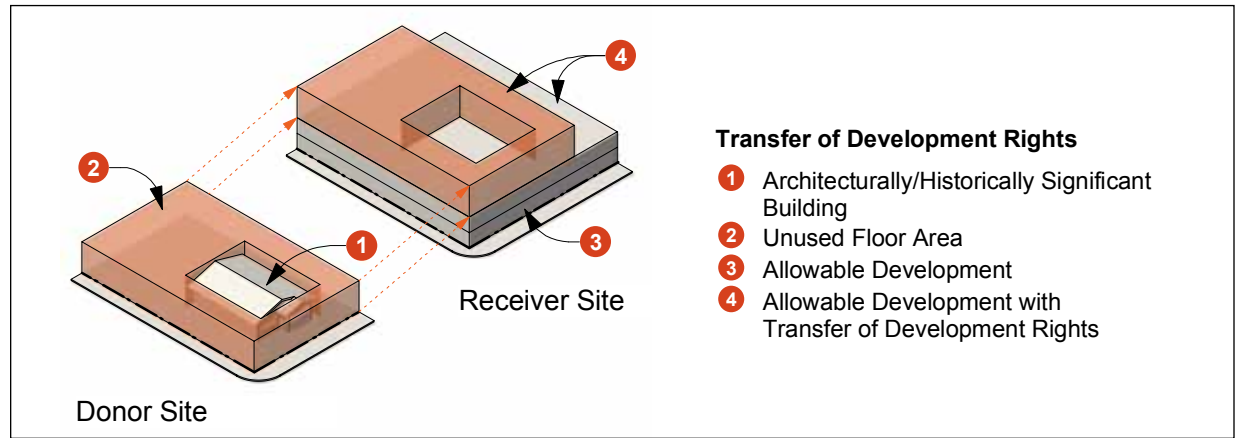
Benefits like the public plaza pictured above can be enjoyed by the wider community as a place to gather and socialize.

2. GHG Emissions and Future Congestion Reduction Requirement

A developer who seeks to develop projects above the base height shall also be required to provide additional Transportation Demand Management (TDM) trip reduction measures to address congestion and GHG emission reduction. TDM incentive programs could include: bicycle facilities, shower facilities, dedicated shuttles, flex cars, transit passes, parking cash-out programs, car-sharing programs, on-site transportation information, and shared parking programs.

3. Community Physical Improvements

In certain parts of the City, the community benefits could address necessary or desired physical improvements such as: reconnecting the street grid; quality pedestrian, biking and



Preserve historic buildings through Transfer of Development Rights. Through TDR programs donor sites with historic resources sell development potential to receiver sites.

green connections; and additional ground level open space, trees and wider sidewalks. It could also include improvements such as gathering places, recreational open space and the provision of neighborhood-serving retail and services.

4. Social, Cultural and Educational Facilities

This category of benefits could include space for preferred uses such as child care, senior care, youth and teen services and educational uses. The community also endorsed incentives for the provision of artist workspace and additional cultural venues celebrating Santa Monica’s arts and cultural heritage.

5. Historic Preservation

This category of benefits could include adaptive reuse, sensitive restoration and treatment, compatible new construction, and participation in a Transfer of Development Rights (TDR) program.

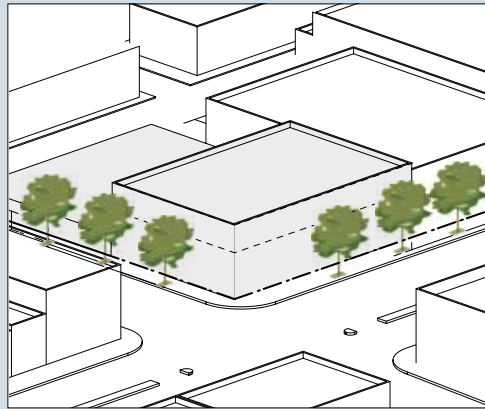
There are numerous factors in assessing the type and extent of community benefit that must be provided. Benefits that merely meet or go slightly beyond standard requirements for all projects, such as TDM or Green Building requirements, would not qualify as community benefits. Benefits that are for the immediate neighborhood should also be considered in addition to those that apply citywide.

HOW THE LUCE ACHIEVES COMMUNITY BENEFITS

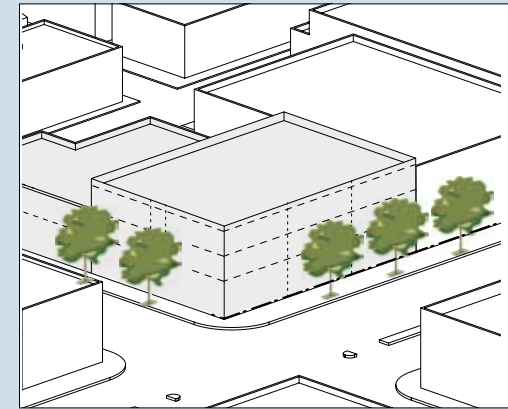
In addition to articulating the community's long-term vision, the LUCE establishes the broad goals and policies that set the framework for community benefits. In each land use designation, the Plan sets a base height and allowable development intensity which permits quality lower-scale, generally ministerial, development. Using the citywide vision for urban form, the Plan then sets a maximum height and intensity, even with provision of community benefits, along with sensitive transitions to homes and neighborhoods.

The specific standards and procedures for providing community benefits will be incorporated into the revised Zoning Ordinance using the LUCE concepts.

The LUCE land use policy establishes a baseline building height for nonresidential land use designations. Any proposed development that seeks to build above the base height in these non-residential areas of the City, except for 100 percent affordable housing projects, will be subject to a public review process and additional requirements consistent with the community's broader social and environmental goals. These additional requirements shall consist of the provision of preferred uses, the incorporation of beneficial project design features, and/or compliance with additional development standards. These design features and development standards may be



Tier 1 - Maximum ministerial base height of 32 feet.



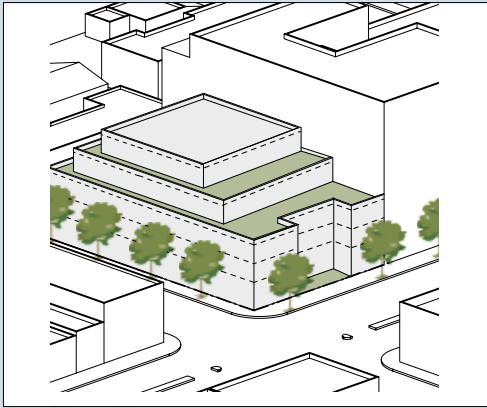
Tier 1 - Bonus height given if a percentage of affordable housing is provided on-site.

traditional aesthetic zoning requirements or, in many instances, be reasonably related to the amelioration of increased burdens placed on the City due to the increased height. In most commercial areas of the City, including the major boulevards such as Wilshire Boulevard and portions of Lincoln and Santa Monica Boulevards, the maximum height for a project without providing community benefits is 32 feet or two stories (the base height can go to three stories if a percentage of affordable housing is included). Above the baseline height, new development must provide community benefits for the City and the neighborhood. Depending on the project type and height, an applicant may pursue either a Conditional Use Permit (CUP) or a Development Agreement (DA).

COMPONENTS OF THE PROCESS

Transparency and Early Community Involvement

The LUCE provides for early community input on new projects. Changes to the existing development review process will create a framework to ensure that projects will be consistent with the City's vision, focus on quality outcomes and contribute to the community's quality of life. An early concept phase prior to submission of a formal development application will allow the City and community to review and comment on the appropriateness of the proposed land use and design and address the City policies and priorities identified in the LUCE.



Tiers 2 and 3 - If additional height and FAR are requested, a greater amount of community benefits must be provided.



The Community Shapes the Future: A Three-Tiered Approach

The Plan defines a comprehensive program that incentivizes new development above a 32-foot established base. A three-tiered approach, based on increments of height and floor area, defines additional requirements consistent with the community's broader social and environmental goals. While the specifics for each boulevard and district are provided within each zoning designation, a general explanation of how the process will work for any project is provided here.

Tier 1 – Base Height

The LUCE establishes a base of 32 feet (2 stories). A project will receive a height bonus above the base height, allowing for an additional floor of housing, by providing the required affordable housing units on-site, or within close proximity along the boulevard, in accordance with the percentage requirements specified in the City's Affordable Housing Production Program. While the 32-foot base accommodates 2 stories, the height available with this incentive allows 3 stories.

Tier 2 – Height Above Base Height

In order to seek additional 1 height above the base, a project will be required to provide additional community benefits. By maintaining discretionary control for a project over the ministerial base height, the City is better positioned to ensure compliance with LUCE principles. The process will differ slightly depending on the type of land use and the specific project as described below.

Commercial Projects and Mixed-Use Projects with Commercial Uses above the First Floor through a discretionary process:

Unless a developer seeks a Development Agreement, a discretionary process will apply to all commercial projects and mixed-use projects that provide at least a limited amount of neighborhood-serving or other nonresidential uses above the first floor. Under the LUCE, applicants will be required to undergo a community participation process. Approval of the project will require affirmative findings, including, but not limited to: (1) the project will promote the general welfare of the community, (2) the project will not have unacceptable adverse effects on public health or safety, and (3) in exchange for the privilege of being given additional height, the proposal must provide the City with enumerated community benefits as previously identified in the "Five Priority Categories of Community Benefits" section of this chapter.

Residential Projects and Mixed-Use Projects with Residential Only above the First Floor by DA:

Except for deed-restricted 100 percent affordable housing projects, housing projects and mixed-use housing projects that do not provide nonresidential uses above the first floor shall be processed through a Development Agreement.

Housing and mixed-use housing projects will be required to provide a percentage of affordable units either on- or off-site. The proposal must also provide the City with enumerated community benefits as previously identified in the “Five Priority Categories of Community Benefits” section of this chapter.

An alternative to this approach would be the establishment of an objective point-based incentive system. However, this approach has not been recommended in the LUCE.

Tier 3 – Additional Height

In the few areas where additional project height above Tier 2 may be requested, the required process is a Development Agreement to allow the City Council to ensure that these significant projects provide community benefits as previously identified in the “Five Priority Categories of Community Benefits” section of this chapter. Compared

to the CUP process, the Development Agreement process has greater public review and participation, allows more flexibility to create high-quality projects and achieve greater community benefit, providing the greatest discretionary control to the City. Housing and mixed-use housing projects will be required to provide a percentage affordable units either on- or off-site. Other projects above the base height will contribute applicable project mitigation fees, including affordable housing fees.

One Hundred Percent Affordable Housing Projects

One hundred percent affordable housing projects (up to a maximum of 80% of median income only) of 50 or fewer units will be processed ministerially.

FINANCIAL FEASIBILITY OF THIS APPROACH

Financial feasibility testing has documented that there is sufficient site value created by additional height over the base to fund the required community benefits. Economic analysis of various development scenarios determined that the requirement for an increased level of benefits corresponding to increased heights are realistic, even with a reasonable return on investment for the



project, due to the land values along the City’s respective corridors. Each height tier increases the site value above the base. A portion of the value enhancement is available for community benefits. This analysis shows that the community benefits concept is economically feasible.