



City of Malibu

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August 28, 2013

Glen Campora, Assistant Deputy Director
California Department of Housing and Community Development
2020 W. El Camino Avenue
Sacramento, CA 95833

Subject: City of Malibu 2008-2014 Adopted Housing Element (4th cycle)

Dear Mr. Campora:

The City of Malibu is pleased to submit its adopted 4th cycle Housing Element update for your review. The element was adopted by the City Council at its hearing on August 26, 2013. With the exception of entering the final public hearing dates, the adopted element is the same as the draft that was found in compliance in your letter of July 27, 2012.

Please note that the City Council also approved implementation actions including the Affordable Housing Overlay Zone and Code amendments for special needs housing at the August 26, 2013 hearing.

If you have any questions, please contact me at 310-456-2489 ext. 265 or our consultant John Douglas at 714-628-0464. We look forward to receiving your final review letter.

Sincerely,


Joyce Parker-Bozylinski, AICP
Planning Director

enclosure: Adopted 2008-2014 Malibu Housing Element (4th cycle)



**CITY OF
MALIBU**

**2008 - 2014
Housing Element**

August 26, 2013

City Council Resolution No. 13-34

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I. INTRODUCTION

State law requires the preparation of a Housing Element ("Element") as part of a jurisdiction's General Plan (California *Government Code* § 65302(c)). The Element is to consist of an identification and analysis of existing and projected housing needs, and a statement of goals, policies, quantified objectives and scheduled programs for the preservation, improvement and development of housing in the City of Malibu ("City"). The Element shall also identify adequate sites for housing and to make adequate provision for the existing and projected needs of all economic segments of the community (§ 65583).

Guidelines adopted by the California Department of Housing and Community Development ("HCD") are also to be considered in the preparation of the Element (§ 65585). Periodic review of the Element is required to evaluate: (1) the appropriateness of its goals, objectives and policies in contributing to the attainment of the state housing goal; (2) the effectiveness in attaining the community's housing goals and objectives; and (3) the progress of the City in implementation of the Element (§ 65588).

A. Purpose of the Housing Element

State law recognizes the vital role that local governments play in the supply and affordability of housing. Each local government in California is required to adopt a comprehensive, long-term General Plan for the physical development of the city or county. The Housing Element is one of the seven mandated elements of the General Plan. Housing Element law, first enacted in 1969, mandates that local governments plan to meet the existing and projected housing needs of all economic segments of the community. The law recognizes that, in order for the private market to adequately address housing needs, local governments must adopt land use plans and regulatory systems that provide opportunities for, and do not unduly constrain, housing development. As a result, housing policy in California rests largely upon the effective implementation of local General Plans and, in particular, local Housing Elements. Housing Element law also requires that HCD review local housing elements for compliance with state law and to report its written findings to the local government.

As mandated by state law, the planning period for this Housing Element extends from 2008 to 2014.¹ This Element identifies strategies and programs that focus on: 1) providing diversity in housing opportunities; and 2) maintenance and preservation of the City's housing stock.

The Housing Element consists of the following major components:

- An analysis of the City's demographic and housing characteristics and trends (Chapter II);
- An evaluation of land, financial, and administrative resources available to address the City's housing goals (Chapter III);

¹ The planning time frame for the Regional Housing Needs Assessment process is 8½ years from January 2006 through June 2014.

- A review of potential constraints, both governmental and non-governmental, to meeting the City's housing needs (Chapter IV);
- A Housing Plan for the 2008-2014 planning period, including housing goals, policies, and programs (Chapter V);
- A review of the City's accomplishments and progress in implementing the previous Housing Element (Appendix A);
- A detailed inventory of sites suitable for the development of housing (Appendix B); and
- A summary of the City's public participation during the preparation and adoption of this Housing Element (Appendix C).

B. Public Participation

Section 65583(c)(5) of the California *Government Code* states that "[t]he local government shall make a diligent effort to achieve public participation of all economic segments of the community in the development of the housing element, and the program shall describe this effort." Public participation played an important role in the formulation and refinement of the City's housing goals and policies, and in the development of a Land Use Plan that determines the extent and density of future residential development in the community.

Residents and other stakeholders had many opportunities to review and provide comments on the Housing Element and related implementation actions. A total of 15 public meetings were conducted during this process. Please refer to Appendix C for additional information regarding the City's efforts to encourage public involvement and how comments and concerns have been addressed.

C. Consistency with Other Elements of the General Plan

The City's General Plan sets forth broad policy guidance in the areas of land use, housing, transportation, conservation, open space and recreation, noise, and public safety. The various General Plan elements provide a consistent set of policies and programs intended to preserve and enhance the quality of life, while accommodating growth and change in a proactive manner. For example, residential development capacities established in the Land Use Element, and constraints to development identified in the Conservation, Public Safety, and Noise Elements, are reflected in the Housing Element. This Housing Element builds upon the other General Plan elements and is consistent with the policies and proposals set forth by the General Plan. As the General Plan is occasionally amended, the City will review the Housing Element for internal consistency, and make any necessary revisions.

Senate Bill (SB) 1087 of 2005² requires cities to provide a copy of their Housing Element to local water and sewer providers, and also requires that these agencies provide priority to affordable housing developers. SB 1087 further prohibits local water and sewer providers from denying services to affordable housing developers, unless they find that the capacity is unavailable to all applicants. The Housing Element will be provided to these agencies immediately upon adoption.

Recent changes to *Government Code* Sec. 65302 require amendments to the Safety and Conservation Elements of the General Plan to include analysis and policies regarding flood hazard and management information upon the next revision of the Housing Element after January 1, 2009. If necessary, amendments to this Housing Element will be processed concurrently in order to maintain consistency among elements.

² SB 1087 (Florez) [Stats. 2005, ch. 727].

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II. HOUSING NEEDS ASSESSMENT

The City of Malibu ("City") lies within an approximately 21-mile strip of coastline at the western edge of Los Angeles County ("County"). Malibu is primarily a residential community consisting of beachfront residential lots and large estate lots in the hillsides and canyons overlooking the ocean. Some multi-family development and neighborhood/visitor-serving commercial development is located in the flatter portions of the City along Highway 1 (Pacific Coast Highway). The City has a highly scenic rural character that it seeks to preserve. Development within the City is constrained by numerous land features including steep slopes, environmentally sensitive habitat areas (ESHA), geologic instability, flood hazards, and extreme wildfire hazards. The entire City lies within the Coastal Zone as defined by the California Coastal Act of 1976³. Because of these constraints, a large portion of the City remains undeveloped and rural in character. Growth is also limited by the lack of a centralized sewer system.

Since its incorporation in 1991, the City has grown from a population of approximately 11,700 to 12,645 residents in 2010⁴. The City is approximately 19.9 square miles in area and is bounded by unincorporated County to the west and north, the City of Los Angeles (Pacific Palisades) to the east and the Pacific Ocean to the south. Further to the east is the City of Santa Monica. The Santa Monica Mountains National Recreation Area lies just to the north. The City's population is affluent with a median household income in 2000 of \$102,031. The 2000 Census⁵ indicated Malibu's median household income was significantly higher than that of Los Angeles County (\$42,189) and California as a whole (\$47,493).

This chapter 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, costs) are also addressed. Finally, the City's projected housing growth needs based on the 2007 Regional Housing Needs Assessment (RHNA) are discussed.

The Housing Needs Assessment utilizes the most recent data from the 2000 U.S. Census⁶, the California Department of Finance (DOF), the California Employment Development Department (EDD), the Southern California Association of Governments (SCAG), and other relevant sources. Supplemental data were obtained through field surveys and from private vendors, where appropriate.

³ California *Public Resources Code*, Division 20.

⁴ 2010 Census

⁵ 2000 Census, SF3 Table P53

⁶ Although some more recent Census estimates exist, the 2000 Decennial Census is the most widely-accepted benchmark for demographic analysis.

A. Population Characteristics

1. Population Growth Trends

In 1990, the unincorporated community of Malibu had a population of 11,643. The City of Malibu was incorporated on March 28, 1991. From 1990 to 2000, the population of the newly incorporated City grew by about 8% to 12,575. During the decade 2000 to 2010 the City's population grew by only 70 persons, or less than one percent compared to more than three percent for Los Angeles County as a whole (see Table II-1).

**Table II-1
Population Trends 1990-2010
Malibu vs. Los Angeles County**

Jurisdiction	1990	2000	2010	Percentage Growth 1990-2000	Percentage Growth 2000-2010
Malibu	11,643	12,575	12,645	8.0%	0.6%
Los Angeles County	8,863,164	9,519,338	9,818,605	7.4%	3.1%

Sources: U.S. Census

2. Age

Housing needs are influenced by the age characteristics of the population. Different age groups require different accommodations based on lifestyle, family type, income level, and housing preference. Table II-2 provides a comparison of the City's and County's population by age group in 2000. This table shows that the age distribution of the City's population differs from Los Angeles County as a whole, in that a lower proportion of the City's population is under 18 years of age (20% in the City versus 28% in the County) and a higher proportion of the City's population is 45 years of age and above (46% in the City versus 29% in the County). The median age of the City's population is approximately 11 years older than the median age in the County (42.9 years in the City versus 32.0 years in the County).

**Table II-2
Age Distribution
Malibu vs. Los Angeles County**

Age Group	Malibu		Los Angeles County	
	Persons	Percent	Persons	Percent
Under 18 years	2,467	19.6%	2,667,976	28.0%
18 to 24 years	998	7.9%	980,657	10.3%
25 to 44 years	3,321	26.4%	3,099,200	32.6%
45 to 64 years	4,027	32.0%	1,844,832	19.4%
65 to 74 years	989	7.95%	492,833	5.2%
75 to 84	642	5.1%	324,693	3.4%
85 and over	131	1.0%	109,147	1.1%
Total	12,575	100.0%	9,519,338	100.0%
Median Age	42.9		32.0	

Source: 2000 Census, Table QT-P1

3. Race and Ethnicity

The racial and ethnic composition of the City differs from that in the County, in that a lower proportion of City residents are Hispanic/Latino or other racial minorities. Approximately 95% of City's residents are non-Hispanic white, contrasted with 55% for the County as a whole. The percentage of Hispanics residing in the City, at 5.5%, is less than one-eighth that of the percentage of Hispanics residing in the County. Asians, at 2.5%, represent the largest non-Hispanic minority group in the City (Table II-3).

**Table II-3
Race/Ethnicity**

Race/Ethnicity	Malibu		Los Angeles County	
	Persons	Percent	Persons	Percent
Not Hispanic or Latino	11,886	94.5%	5,277,125	55.4%
White	11,134	88.5%	2,959,614	31.1%
Black or African American	109	0.9%	901,472	9.5%
American Indian/Alaska Native	20	0.2%	25,609	0.3%
Asian	310	2.5%	1,124,569	11.8%
Native Hawaiian/Pacific Islander	11	0.1%	23,265	0.2%
Other races or 2+ races	302	2.4%	242,596	2.5%
Hispanic or Latino (any race)	689	5.5%	4,242,213	44.6%
Total	12,575	100.0%	9,519,338	100.0%

Sources: 2000 Census, SF1 Table P8

B. Household Characteristics

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.

Table II-4 provides a comparison of households by type for the City and County as a whole, as reported in the 2000 Census. Family households comprised approximately 62% of all households in the City, somewhat lower than the County with 68%. Household composition in the City differs from that of the County with the most significant difference being family households with children under 18 (25% City versus 37% County). Other less significant differences include non-family households (38% City versus 32% County) and single living alone (27% City versus 25% County). The City’s average household size of 2.39 is somewhat lower than the County as a whole (2.98).

**Table II-4
Household Composition**

Household Type	Malibu		Los Angeles County	
	Households	Percent	Households	Percent
Total households	5,137	100.0%	3,133,774	100.0%
Families	3,165	61.6%	2,136,977	68.2%
- w/children under 18	1,300	25.3%	1,152,202	36.8%
Non-family households	1,972	38.4%	996,707	31.8%
- Single living alone	1,404	27.3%	771,854	24.6%
Average household size	2.39		2.98	

Sources: US Census 2000, SF1 Tables P18 and H12

2. Housing Tenure

Housing tenure (owner versus renter) is an important indicator of the housing market. Communities need an adequate supply of units available both for rent and for sale in order to accommodate a range of households with varying income, family size and composition, and lifestyle. Table II-5 provides a comparison of the number of owner-occupied and renter-occupied units in the City in 2000 as compared to the County as a whole. It reveals that the level of homeownership for the City (72%) is substantially higher than for the County (48%).

**Table II-5
Household Tenure**

Tenure	Malibu		Los Angeles County	
	Units	Percent	Units	Percent
Owner occupied	3,761	72%	1,499,694	48%
Renter occupied	1,465	28%	1,634,080	52%
Total occupied units	5,226	100%	3,133,774	100%

Source: 2000 Census, QT H7

3. Overcrowding

Overcrowding is often closely related to household income and the cost of housing. The U.S. Census Bureau considers a household to be overcrowded when there is more than one person per room, excluding bathrooms and kitchens, with severe overcrowding when there are more than 1.5 occupants per room. Table II-6 summarizes overcrowding for the City of Malibu in 2000.

**Table II-6
Overcrowding**

Household Type	Malibu		Los Angeles County	
	Households	Percent	Households	Percent
Owner-occupied	3,761	100.0%	1,499,694	100.0%
Overcrowded ¹	38	1.0%	204,345	13.6%
Severely overcrowded ²	21	0.6%	111,667	7.4%
Renter-occupied	1,465	100.0%	1,634,080	100.0%
Overcrowded	38	2.6%	516,024	31.6%
Severely overcrowded	44	3.0%	359,608	22.0%

¹ more than 1.0 persons per room

² more than 1.5 persons per room

Source: 2000 Census, Table H20

In 2000, overall overcrowding in the City was substantially lower than in the County as a whole (2.7% occupied units in the City versus 23% occupied units in the County). In the City, overcrowding was more prevalent among renter-occupied units than for owner-occupied units. Approximately 5.6% of the City's renter-occupied households were overcrowded, compared to only 1.6% of owner-occupied households. The relatively high cost of housing in Malibu is the primary cause of overcrowding. Several programs in the Housing Plan (Chapter V) that are designed to address housing affordability will also help to alleviate overcrowding. These programs include: Program 1.1 – Code Enforcement; Program 1.3 – Housing Rehabilitation Assistance; Program 1.4 – Preserve Existing Mobile Home Parks; Program 1.5 – Conserve Affordable Housing in the Coastal Zone; Program 2.2 – Ensure Adequate Capacity to Accommodate Housing Needs; Program 2.3 – Encourage Mixed-Use and Adaptive Reuse Development in Appropriate Locations; Program 2.2A – Second Units; Program 2.3 – Streamline Development Review and Assist Affordable Housing Developments; Program 3.2 – Remove Regulatory Barriers to

Affordable Housing and Housing for Persons with Special Needs; and Program 3.3 – Provide Financial Support and Referral Information to Persons in Need of Assistance.

4. Household Income

Household income is a primary factor affecting housing needs in a community. According to the 2000 Census, the median household income in the City was \$102,031, approximately 142% higher than the County median income of \$42,189 (Table II-7).

**Table II-7
Median Household Income
Los Angeles County and Cities**

Jurisdiction	Median Household Income	Pct. of County Median Income
Malibu	\$102,031	242%
Hidden Hills	\$200,000*	474%
Westlake Village	\$94,571	224%
Calabasas	\$93,860	222%
Agoura Hills	\$87,008	206%
Culver City	\$51,792	123%
Santa Monica	\$50,714	120%
City of Los Angeles	\$36,687	87%
Los Angeles County	\$42,189	100%
California	\$47,493	113%

*Median household income reported as \$200,000+
Source: 2000 Census, SF3 Table P53

5. Overpayment

According to state housing policy, overpaying occurs when housing costs exceed 30% of gross household income. Table II-8 displays estimates for overpayment in 1999 by Malibu households. According to SCAG⁷, 73% of all lower-income renter households and 74% of all lower-income owner households in the City were overpaying for housing. For all households overpayment rates are lower, with about 42% of renters and 36% of owners overpaying.

⁷ SCAG, Draft Regional Housing Need Allocation Plan Planning Period (January 1, 2006 June 30, 2014) for Jurisdictions within the SixCounty SCAG Region, 1/18/2007

**Table II-8
Overpayment by Income Category**

Income Category	Renters		Owners	
	Households	Percent	Households	Percent
Extremely low households	195	--	119	--
Households overpaying	105	53.8%	70	58.8%
Very low households	90	--	125	--
Households overpaying	80	88.9%	120	96.0%
Low households	84	--	115	--
Households overpaying	84	100.0%	75	65.2%
All lower-income households	369	--	359	--
Households overpaying	269	72.9%	265	73.8%
All households	1,462	--	3,764	--
Households overpaying	615	42.1%	1,350	35.9%

Source: SCAG 2006 based on 2000 Census

Although homeowners enjoy income 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.

The relatively high cost of housing in Malibu is the primary cause of overpayment for lower-income households. Several programs in the Housing Plan designed to address housing affordability will also help to alleviate overpayment. These programs include Program 1.1 – Code Enforcement; Program 1.3 – Rehabilitation Assistance; Program 1.4 – Preserve Existing Mobile Home Parks; Program 1.5 – Conserve Affordable Housing in the Coastal Zone; Program 2.2 – Ensure Adequate Capacity to Accommodate Housing Needs; Program 2.2A – Second Units; Program 2.3 – Streamline Development Review and Assist Affordable Housing Development; Program 3.2 – Remove Regulatory Barriers to Affordable Housing and Housing for Persons with Special Needs; and Program 3.3 – Provide Financial Support and Referral Information to Persons in Need of Assistance.

b. Extremely Low Income Households

State law requires quantification and analysis of existing and projected housing needs of extremely-low-income (ELI) households. ELI is defined as households with income less than 30% of area median income. The 2008 area median income for the County was \$59,800 (see Table II-17). For ELI households, this results in an income of \$22,750 or less for a four-person household. Households with extremely low incomes have a variety of housing problems and needs.

Existing Needs

In 2000, approximately 314 ELI households resided in the City, representing 6.1% of the total households. 57.9% of ELI households faced housing problems (defined as cost burden greater than 30% of income and/or overcrowding and/or without complete

kitchen or plumbing facilities).⁸ Additionally, 54.7% of ELI households paid more than 50% of their income toward housing costs, compared to 21.8% of all households in the City.

Projected Needs

The projected housing need for ELI households is assumed to be 50% of the very-low-income regional housing need of 115 units. As a result, the City has a projected need for 58 ELI units. The resources and programs to address this need are the same as for low-income housing in general and are discussed throughout the Housing Element, including the Housing Plan. Because the needs of ELI households overlap extensively with other special needs groups, further analysis and resources for ELI households can be found in Chapter II. Needs Assessment, Section E., Special Needs and Chapter IV. Constraints, Section A.d., Special Needs Housing.

C. Employment

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.

1. Current Employment

Current employment and projected job growth have a significant influence on housing needs during this planning period. Table II-9 shows that the City had a workforce of 6,597 persons, or 64% of the working-age population, as reported in the 2000 Census. The table shows that the characteristics of the City's working population are similar to those countywide with a slightly higher proportion of the working-age population in the labor force (64.0% City versus 60.5% County) and a slightly larger proportion of the total population aged 16 and over with Social Security income (12.0% City versus 8.7% County). The City did have a substantially higher proportion of residents who worked at home (13.4% City versus 3.1% County). Approximately 36% of City residents were not in the labor force.

Table II-9
Labor Force 2000
Malibu vs. Los Angeles County

Employment Status	Malibu		Los Angeles County	
	Persons	Percent	Persons	Percent
In labor force	6,597	64.0%	4,312,264	60.5%
-Work at home	882	13.4%	134,643	3.1%
Not in labor force	3,704	36.0%	2,810,261	39.5%
With Social Security income	1,235	12.0%	618,121	8.7%
Total population age 16+	10,301	--	7,122,525	--

Source: 2000 Census SF3 DP-3

⁸ HUD Comprehensive Housing Affordability Strategy (CHAS) 2000.

In 2000, approximately 58% of the City's working residents were employed in management and professional occupations (Table II-10). A significant percentage of workers (22.3%) were employed in sales and office-related occupations. A relatively low percentage of workers (12.6%) 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 7.5% of the workforce.

**Table II-10
Employment by Occupation**

Occupation	Jobs	Percent
Management, professional and related	3,694	57.6%
Service	806	12.6%
Sales and office	1,431	22.3%
Farming, fishing and forestry	0	0%
Construction, extraction, and maintenance	245	3.8%
Production, transportation, and material moving	235	3.7%

Source: 2000 Census, SF3 Table DP-3

As of 2004, the five largest employment sectors within the County were Trade, Transport and Utilities (781,600 employees), Government (587,100 employees), Professional and Business Services (562,400 employees), Manufacturing (483,600 employees) and Education and Health Services (467,000 employees)⁹.

In a high-cost area like Malibu second units provide an important option for low-wage workers, including household employees. Program 2.2 in the Housing Plan describes the City's strategy for expanding the availability of second units.

2. Projected Job Growth

Future housing needs are affected by the number and type of new jobs created during this planning period. Table II-11 shows projected job growth by occupation for the Los Angeles-Long Beach-Glendale Metropolitan Statistical Area (Los Angeles County) along with median hourly wages for the period 2004-2014. Total employment in Los Angeles County is expected to grow by 18% between 2004 and 2014. The overall growth is expected to add 287,400 new jobs and bring the employment of Los Angeles County to almost 1,887,000 by 2014.

Generally, residents who are employed in well-paying occupations have less difficulty obtaining adequate housing than residents in low-paying occupations. Table II-11 illustrates the growth trend in low-wage service jobs such as health care support, food preparation and serving, cleaning and maintenance, sales, and office/administrative support.

⁹ California Economic Development Department, March 2005 Benchmark

Table II-11
Projected Job Growth by Occupation 2004-2014
Los Angeles-Long Beach-Glendale Metropolitan Statistical Area

Occupational Title	Annual Average Employment		Employment Change		Median Hourly Wage*
	2004	2014	Jobs	Percent	
Total, All Occupations	4,361,000	4,811,500	450,500	10.3	\$15.45
Management Occupations	244,980	274,560	29,580	12.1	\$43.06
Business and Financial Operations Occupations	194,650	223,170	28,520	14.7	\$27.02
Computer and Mathematical Occupations	83,360	98,520	15,160	18.2	\$33.17
Architecture and Engineering Occupations	75,510	81,000	5,490	7.3	\$35.38
Life, Physical, and Social Science Occupations	33,530	38,700	5,170	15.4	\$28.07
Community and Social Services Occupations	47,990	55,790	7,800	16.3	\$18.81
Legal Occupations	45,540	50,770	5,230	11.5	\$41.69
Education, Training, and Library Occupations	284,960	343,250	58,290	20.5	\$21.79
Arts, Design, Entertain., Sports, and Media Occupations	224,070	248,600	24,530	10.9	\$18.32
Healthcare Practitioners and Technical Occupations	177,920	217,340	39,420	22.2	\$30.25
Healthcare Support Occupations	89,460	113,730	24,270	27.1	\$11.29
Protective Service Occupations	105,410	117,740	12,330	11.7	\$14.42
Food Preparation and Serving Related Occupations	298,050	359,200	61,150	20.5	\$8.33
Building and Grounds Cleaning and Maint Occupations	117,930	133,020	15,090	12.8	\$9.94
Personal Care and Service Occupations	107,160	122,360	15,200	14.2	\$9.72
Sales and Related Occupations	438,170	487,690	49,520	11.3	\$12.27
Office and Administrative Support Occupations	815,450	842,290	26,840	3.3	\$14.29
Farming, Fishing, and Forestry Occupations	10,520	11,260	740	7.0	\$8.72
Construction and Extraction Occupations	160,350	173,240	12,890	8.0	\$19.21
Installation, Maintenance, and Repair Occupations	136,080	146,450	10,370	7.6	\$18.72
Production Occupations	353,880	323,430	-30,450	-8.6	\$10.45
Transportation and Material Moving Occupations	316,070	349,400	33,330	10.5	\$11.01

*2006 wages

Source: California Employment Development Department, March 2005 Benchmark

3. Jobs-Housing Balance

A regional balance of jobs to housing helps to ensure that the demand for housing is reasonably related to supply. When the number of jobs significantly exceeds the housing supply, the rental and for-sale housing markets may become overheated, requiring households to pay a larger percentage of their income for housing. In addition, a tight housing market can result in overcrowding and longer commute times as workers seek more affordable housing in outlying areas. The current jobs-housing objective within the SCAG region is one new housing unit for every 1.5 jobs.¹⁰

According to the 2000 Census, 93.6% of employed City residents worked in Los Angeles County, and approximately 35.6% of all workers were employed within the City limits (Table II-12).

¹⁰ SCAG Draft 2007 Regional Comprehensive Plan, Land Use & Housing Chapter

**Table II-12
Job Location for Malibu Residents**

Job Location	Persons	Percent
Work in Los Angeles County	5,906	93.6%
-Work in city of residence	2,249	35.6%
-Work elsewhere in Los Angeles County	3,657	57.9%
Work in another California county	286	4.5%
Work outside California	119	1.9%
Total workers age 16+	6,311	--

Source: 2000 Census, SF3 Tables P26 and P27

D. 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-rate. A housing unit is defined 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.

1. Housing Type and Growth Trends

As of 2000, the housing stock in the City was comprised mostly of single-family detached homes, which made up about 63% of all units, while multi-family units comprised about 20% of the total. About 8% of units were single-family attached (condo) units, while mobile home units comprised about 10% of the total. Table II-13 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 from 2000 to 2008.

Second units provide an important source of housing for lower-income persons in Malibu. A discussion of second unit production and affordability is presented in Appendix B. Program 2.2 in the Housing Plan describes the City's strategy for expanding the availability of second units.

**Table II-13
Housing by Type, 2000-2008 –
Malibu vs. Los Angeles County**

Structure Type	2000		2008		Growth	
	Units	Percent	Units	Percent	Units	Percent
Malibu						
Single-family detached	3,819	62%	4,039	63%	220	86%
Single-family attached	475	8%	491	8%	16	6%
Multi-family 2-4 units	400	7%	402	6%	2	1%
Multi-family 5+ units	822	13%	840	13%	18	7%
Mobile homes	610	10%	610	10%	0	0%
Total units	6,126	100%	6,382	100%	256	100%
Los Angeles County						
Single-family detached	1,593,449	49%	1,642,973	48%	49,524	37%
Single-family attached	241,575	7%	244,606	7%	3,031	2%
Multi-family 2-4 units	287,511	9%	292,421	9%	4,910	4%
Multi-family 5+ units	1,091,766	33%	1,166,794	34%	75,028	57%
Mobile homes	56,605	2%	56,686	2%	81	0%
Total units	3,270,906	100%	3,403,480	100%	132,574	100%

Source: Cal. Dept. of Finance, Table E-5, 2008

Between 2000 and 2008, single-family detached homes represented approximately 86% of all units added to the City's housing stock, which was substantially more than the 37% proportion in the County. Approximately 8% of new residential units in the City were multi-family units versus 61% for the County as a whole.

2. Housing Age and Conditions

Housing age is often an important indicator of housing condition. Housing units built prior to 1978, before stringent limits on the amount of lead in paint were imposed may have interior or exterior building components coated with lead-based paint. Housing units built before 1970 are the most likely to need rehabilitation and to have deteriorated lead-based paint. Table II-14 shows the age distribution of the housing stock in the City compared to the County as a whole.

This table shows that about 42% of the owner-occupied housing units and about 53% of rented units in the City were constructed prior to 1970. The fact that a significant percentage of the City's housing stock is more than 30 years old suggests that there may be some need for rehabilitation, which is typical of most jurisdictions in Southern California.

**Table II-14
Age of Housing Stock by Tenure –
Malibu vs. Los Angeles County**

Year Built	Malibu		Los Angeles County	
	Units	Percent	Units	Percent
Owner occupied	3,761	100%	1,499,694	100%
1990 or later	467	12%	101,563	7%
1980-89	552	15%	173,413	12%
1970-79	1,180	31%	185,447	12%
1960-69	817	22%	222,641	15%
1950-59	509	14%	403,784	27%
1940-49	145	4%	209,298	14%
1939 or earlier	91	2%	203,548	14%
Renter occupied	1,465	100%	1,634,080	100%
1990 or later	107	7%	109,917	7%
1980-89	194	13%	214,549	13%
1970-79	382	26%	302,096	18%
1960-69	421	29%	333,517	20%
1950-59	225	15%	298,342	18%
1940-49	65	4%	175,275	11%
1939 or earlier	71	5%	200,384	12%

Source: 2000 Census H36

Table II-15 identifies the number of owner-occupied and renter-occupied housing units lacking complete kitchen or plumbing facilities in the City and the County as a whole. For the City, this table shows that less than 1.5% of both renter-occupied and owner-occupied units lacked complete plumbing. Additionally, less than 1% of both owner-occupied units and renter-occupied units lacked complete kitchens. The lack of complete kitchen or plumbing facilities may be an indicator of more serious problems, and housing units may need rehabilitation even though they have complete kitchens and plumbing facilities. Given that less than 1.5% of the City's housing stock lacks complete kitchens and plumbing facilities, this is not a significant issue.

In general, the quality of housing is exceptional in the City. At a minimum, most dwelling units are well-maintained, especially with respect to the harsh environmental conditions that they are subject to. There are areas where older housing units exist, such as along Pacific Coast Highway in the eastern portion of the City. However, even these units are maintained given their economic value. It is estimated that about 2% of the housing units within the City are in need of minor repair, and two are in need of major structural repair or replacement due to landslides.

**Table II-15
Kitchen and Plumbing Facilities by Tenure –
Malibu vs. Los Angeles County**

Kitchen and Plumbing Facilities	Malibu		Los Angeles County	
	Units	Percent	Units	Percent
Owner occupied	3,761	100.0%	1,499,694	100.0%
Complete kitchen facilities	3,740	99.4%	1,493,930	99.6%
Lacking complete kitchen facilities	21	0.6%	5,764	0.4%
Renter occupied	1,465	100.0%	1,634,080	100.0%
Complete kitchen facilities	1,447	98.8%	1,593,522	97.5%
Lacking complete kitchen facilities	18	1.2%	40,558	2.5%
Owner occupied	3,761	100.0%	1,499,694	100.0%
Complete plumbing facilities	3,717	98.8%	1,492,247	99.5%
Lacking complete plumbing facilities	44	1.2%	7,447	0.5%
Renter occupied	1,465	100.0%	1,634,080	100.0%
Complete plumbing facilities	1,446	98.7%	1,610,239	98.5%
Lacking complete plumbing facilities	19	1.3%	23,841	1.5%

Source: 2000 Census H48, H51

A goal of the City's Building & Safety Division as well as Code Enforcement staff is to address housing concerns before they become serious problems. Staff has helped to reduce structural deterioration by identifying problems and informing residents of programs to assist with improvements. In addition, the City addresses issues related to lead-based paint and asbestos removal through adding standard conditions of approval to include Best Management Practices for all projects that include the demolition or remodeling of older structures.

3. Vacancy

Housing vacancy rates, as reported in the 2000 Census, are shown in Table II-16. This table shows that vacancy rates in the City were mixed, with 8.9% of rental units and 4% of for-sale units available for rent or sale, respectively. The rental vacancy rate for the County as a whole was significantly lower, at 3.3%, while the rate of for-sale housing in the County was less than half of the City's rate of for-sale housing, at 1.6%. Rental vacancy rates in the 2% range indicate nearly full occupancy, and contribute to upward pressures on rents.

**Table II-16
Housing Vacancy –
Malibu vs. Los Angeles County**

Housing Type	Malibu		Los Angeles County	
	Units	Percent	Units	Percent
Total housing units	6,125	100.0%	3,270,909	100.0%
Occupied units	5,137	83.9%	3,133,774	95.8%
-Owner occupied	3,741	61.1%	1,499,744	45.9%
-Renter occupied	1,396	22.8%	1,634,030	50.0%
Vacant units	989	16.1%	137,135	4.2%
-For rent ¹	137	8.9%	56,089	3.3%
-For sale ²	156	4.0%	23,874	1.6%
-Rented or sold, not occupied	76	1.2%	11,716	0.4%
-For seasonal or occasional use	533	8.7%	13,565	0.4%
-For migrant workers	1	0.0%	68	0.0%
-Other vacant	86	1.4%	31,823	1.0%

Source: 2000 Census, Table QT-H1

Notes: ¹ Est. % of all rental units

² Est. % of all for-sale units

4. Housing Cost

a. Housing Affordability Criteria

State law establishes five income categories for purposes of housing programs based on the County's area median income ("AMI"): extremely-low (30% or less of AMI), very-low (31-50% of AMI), low (51-80% of AMI), moderate (81-120% of AMI) and above-moderate (over 120% of AMI). Housing affordability is based on the relationship between household income and housing expenses. According to the U.S. Department of Housing and Urban Development ("HUD") and the California Department of Housing and Community Development ("HCD")¹¹, housing is considered "affordable" if the monthly payment is no more than 30% of a household's gross income. In some areas (such as Los Angeles County), these income limits may be increased to adjust for high housing costs.

Table II-17 shows affordable rent levels and estimated affordable purchase prices for housing in the City (and County)¹² by income category. Based on state-adopted standards, the maximum affordable monthly rent for extremely-low-income households is \$569, while the maximum affordable rent for very-low-income households is \$947. The maximum affordable rent for low-income households is \$1,516, while the maximum for moderate-income households is \$1,795.

Maximum purchase prices are more difficult to determine due to variations in mortgage interest rates and qualifying procedures, down payments, special tax assessments, homeowner association fees, property insurance rates, etc. With this caveat, the

¹¹ HCD memo dated 4/18/07. Also available at <http://www.hcd.ca.gov/hpd/hrc/rep/state/inc2k9.pdf>.

¹² Affordable rent and purchase prices are based on the county median income.

maximum home purchase prices by income category shown in Table II-17 have been estimated based on typical conditions.

**Table II-17
Income Categories and Affordable Housing Costs –
Los Angeles County**

2008 County Median Income = \$59,800	Income Limits	Affordable Rent	Affordable Price (est.)
Extremely Low (<30%)	\$22,750	\$569	--
Very Low (31-50%)	\$37,900	\$947	--
Low (51-80%)	\$60,650	\$1,516	\$200,000
Moderate (81-120%)	\$71,800	\$1,795	\$250,000
Above moderate (120%+)	\$71,800+	\$1,795+	\$250,000+

Assumptions:
 -Based on a family of 4
 -30% of gross income for rent for Principle, Interest, Taxes & Insurance (PITI)
 -10% down payment, 5.5% interest, 1.25% taxes & insurance, \$200 HOA dues
 Source: Cal. HCD; J.H.Douglas & Associates

b. For-Sale Housing

As expected, housing sales price statistics for calendar year 2009 reveal that real estate continues to be very expensive in the City. According to DataQuick’s *DQNews*¹³, the median single-family home price in the City during 2009 was more than \$2 million, while the median condo price was \$610,000. Based on the estimated affordable purchase prices shown in Table II-17, only upper-income residents can afford to purchase a home in the City.

c. Rental Housing

A recent survey of rental housing units in the City (Table II-18) found that rents ranged from \$3,200 to over \$10,000 per month. When market rents are compared to the amounts that low-income households can afford to pay (Table II-17), it is clear that it is not possible for low-income households to find market-rate rental housing without overpaying.

**Table II-18
Rental Market Survey - Malibu**

Bedrooms	Rent
1	\$3,200
2	\$4,450 – 9,425
3	\$7,950 - 10,650

Sources:
 Rent.com, 7/2009
 Apartments.com, 7/2009

¹³ <http://www.dqnews.com/Charts/Annual-Charts/LA-Times-Charts/ZIPLAT09.aspx>

E. Special Needs

Certain groups have greater difficulty in finding decent, affordable housing due to special circumstances. Such circumstances may be related to one's employment and income, family characteristics, disability, or other conditions. As a result, some of the City's residents may experience a higher prevalence of overpayment, overcrowding, or other housing problems.

State Housing Element law defines "special needs" groups to include persons with disabilities, the elderly, large households, female-headed households, homeless people, and farmworkers. This section contains a discussion of the housing needs facing each of these groups.

1. Persons with Disabilities

In 2000, the City had approximately 605 people between 16 and 64 years of age, or about 7% of the working age population, who reported a work-related disability (Table II-19). Of those aged 65 and above, 299 (about 17.5%) reported some form of physical disability. Reported disabilities included persons whose disability hinders their ability to go outside the home (1.7% of the working age population and 10.2% of the senior population). Housing opportunities for the handicapped can be maximized through housing assistance programs and providing universal design features such as widened doorways, ramps, lowered countertops, single-level units and ground floor units. Housing Plan Program 3.2 (Remove Regulatory Barriers to Affordable Housing and Housing for Persons with Special Needs) will help to address these needs through the adoption of an ordinance establishing procedures to ensure reasonable accommodations for persons with disabilities pursuant to SB 520.¹⁴

Developmentally Disabled

As defined by federal law, "developmental disability" means a severe, chronic disability of an individual that:

- Is attributable to a mental or physical impairment or combination of mental and physical impairments;
- Is manifested before the individual attains age 22;
- Is likely to continue indefinitely;
- Results in substantial functional limitations in three or more of the following areas of major life activity: a) self-care; b) receptive and expressive language; c) learning; d) mobility; e) self-direction; f) capacity for independent living; or g) economic self-sufficiency;
- Reflects the individual's need for a combination and sequence of special, interdisciplinary, or generic services, individualized supports, or other forms of

¹⁴ Senate Bill 520 (Chesbro) [Stats. 2001, ch. 671]

assistance that are of lifelong or extended duration and are individually planned and coordinated.

The Census does not record developmental disabilities as a separate category of disability. 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 percent. Many developmentally disabled persons can live and work independently within a conventional housing environment. More severely disabled individuals require a group living environment where supervision is provided. The most severely affected individuals may require an institutional environment where medical attention and physical therapy are provided. Because developmental disabilities exist before adulthood, the first issue in supportive housing for the developmentally disabled is the transition from the person's living situation as a child to an appropriate level of independence as an adult.

The California Department of Developmental Services (DDS) currently provides community-based services to approximately 243,000 persons with developmental disabilities and their families through a statewide system of 21 regional centers, four developmental centers, and two community-based facilities. The **Westside Regional Center (WRC)** located in Culver City (<http://www.westsiderc.org/>) provides services for people with developmental disabilities in Malibu. The WRC is a private, non-profit community agency that contracts with local businesses to offer a wide range of services to individuals with developmental disabilities and their families.

There is no charge for diagnosis and assessment for eligibility. Once eligibility is determined, most services are free regardless of age or income. There is a requirement for parents to share the cost of 24-hour out-of-home placements for children under age 18. This share depends on the parents' ability to pay. There may also be a co-payment requirement for other selected services.

Regional centers are required by law to provide services in the most cost-effective way possible. They must use all other resources, including generic resources, before using any regional center funds. A generic resource is a service provided by an agency that has a legal responsibility to provide services to the general public and receives public funds for providing those services. Some generic agencies may include the local school district, county social services department, Medi-Cal, Social Security Administration, Department of Rehabilitation and others. Other resources may include natural supports. This is help that disabled persons may get from family, friends or others at little or no cost. According to the latest WRC Performance Report¹⁵, the Center served approximately 7,100 individuals during 2010.

In addition to the services provided by the WRC, City housing programs that respond to the needs of this population include 1d (Emergency Shelters and Transitional/Supportive Housing) and 3a (Section 8 Rental Assistance).

¹⁵ <http://www.westsiderc.org/s/WRC%20Performance%20Contract%20Year%20End%20Report%20For%202010.pdf>

**Table II-19
Persons with Disabilities by Age - Malibu**

Disability by Age	Disabilities	Percent
Age 5 to 15 - total persons*	1,710 persons	--
Sensory disability	0	0.0%
Physical disability	10	0.6%
Mental disability	21	1.2%
Self-care disability	0	0.0%
Age 16 to 64 - total persons*	8,550 persons	--
Sensory disability	54	0.6%
Physical disability	220	2.6%
Mental disability	154	1.8%
Self-care disability	28	0.3%
Go-outside-the-home disability	144	1.7%
Employment disability	605	7.0%
Age 65 and over* - total persons*	1,711 persons	--
Sensory disability	166	9.7%
Physical disability	299	17.5%
Mental disability	111	6.5%
Self-care disability	83	4.9%
Go-outside-the-home disability	174	10.2%

*Numbers in shaded rows represent persons, not disabilities. Persons may report more than one disability.

Source: 2000 Census, SF3 Tables P8 and P41

2. Elderly

In 2000, there were 1,130 households in the City where the property owner was 65 or older (Table II-20). Of these, 19 persons were below the poverty level in 1999¹⁶. Many elderly persons are dependent on fixed incomes or have disabilities. Elderly 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, second units on lots with existing homes, shared living arrangements, congregate housing, and housing assistance programs.

Second units provide an important source of housing for elderly family members as an alternative to institutional facilities (see Housing Plan, Program 2.2).

¹⁶ 2000 Census, SF3 Table DP-3

**Table II-20
Elderly Households by Tenure - Malibu**

Householder Age	Owners		Renters	
	Households	Percent	Households	Percent
Under 65 years	2,754	73%	1,342	92%
65 to 74 years	561	15%	62	4%
75 to 84 years	337	9%	53	4%
85 years and over	109	3%	8	1%
Total households	3,761	100%	1,465	100%

Source: 2000 Census, SF3 Table H14

3. Large Households

Large households are defined as those with five or more members. Approximately 62% of owner households and 77% of renter households in the City have only one or two members. About 4% of renter households have five or more members, while about 10% of owners were large households (Table II-21). This distribution indicates that the need for large units with four or more bedrooms is expected to be significantly less than for smaller units. The City responds to the needs of large households through participation in the County’s Section 8 program and other housing assistance programs (see Housing Plan Program 3.3).

**Table II-21
Household Size by Tenure**

Household Size	Owners		Renters	
	Households	Percent	Households	Percent
1 person	866	23%	613	42%
2 persons	1,479	39%	510	35%
3 persons	539	14%	191	13%
4 persons	498	13%	85	6%
5 persons	257	7%	59	4%
6 persons	85	2%	0	0%
7+ persons	37	1%	7	0%
Total households	3,761	100%	1,465	100%

Source: 2000 Census, SF3 Table H17

4. Female-Headed Households

Of the 5,226 households in the City, 7.3% or 379 households were headed by a female (Table II-22). While female-headed households represent a small portion of households,

8.1% of these households were below the poverty level¹⁷. The City responds to the needs of female-headed households through the following: Housing Plan Program 1.1 – Code Enforcement; Program 1.3 – Housing Rehabilitation Assistance; Program 1.4 – Preserve Existing Mobile Home Parks; Program 1.5 – Conserve Affordable Housing in the Coastal Zone; Program 2.2 – Ensure Adequate Capacity to Accommodate Housing Needs; Program 2.3 – Encourage Mixed-Use and Adaptive Reuse Development; Program 2.2A – Second Units; Program 2.7 – Streamline Development Review and Assist Affordable Housing Development; Program 3.2 – Remove Regulatory Barriers to Affordable Housing and Housing for Persons with Special Needs; and Program 3.3 – Provide Financial Support and Referral Information to Persons in Need of Assistance.

Table II-22
Household Type by Tenure - Malibu

Household Type	Owners		Renters	
	Households	Percent	Households	Percent
Married couple family	2,354	63%	380	26%
Male householder, no wife present	67	2%	39	3%
Female householder, no husband present	248	7%	131	9%
Non-family households	1,092	29%	915	62%
Total households	3,761	100%	1,465	100%

Source: 2000 Census, SF3 Table H19

5. Farmworkers

Farmworkers are traditionally defined as persons whose primary income is from seasonal agricultural work. Farming activities in the City are limited horticultural activities on approximately 25 acres of land scattered throughout the City. For example, there are two nurseries located west of Trancas Canyon, two orchards located north of Point Dume, one nursery located just west of Pepperdine University, and two nurseries and two orchards located in the Civic Center area. These horticultural activities are not a significant source of employment and do not generate a demand for permanent onsite farm worker housing.

The 2000 Census reported about 6,650 persons employed in agricultural occupations in the County, with none reporting the City as their residence (Table II-23).

¹⁷ 2000 Census, SF3 Table DP-3

Table II-23
Agricultural Employment –
Malibu vs. Los Angeles County

	Malibu	Pct. of County Total	Los Angeles County
Workers	0	0.0%	6,650

Source: 2000 Census,

6. Homeless Persons

Throughout the country, homelessness has become an increasing problem. Factors contributing to the rise in homelessness include the general lack of housing affordable to lower-income persons, increases in the number of persons whose incomes fall below the poverty level, reductions in public assistance for the poor, and the de-institutionalization of the mentally ill.

a. Definitions of Homelessness

The McKinney-Vento Homeless Assistance Act of 1986¹⁸ defines a "homeless" person as an individual who lacks a fixed, regular, and adequate nighttime residence, or an individual whose primary nighttime residence is:

1. A supervised publicly or privately operated shelter designed to provide temporary living accommodations;
2. An institution that provides a temporary residence for individuals intended to be institutionalized; or
3. A public or private place not designed for, or ordinarily used as, regular sleeping accommodations for human beings.

Federal agencies, such as the U.S. Department of Housing and Urban Development (HUD), interprets the McKinney-Vento definition to include only those persons who are on the streets or in shelters and persons who face imminent eviction (within a week) from a private dwelling or institution and who have no subsequent residence or resources to obtain housing.¹⁹

People are also at risk of homelessness when they experience a sudden drop in income or a rise in housing costs, and/or they do not have the skills necessary to manage their limited resources. According to the National Coalition for the Homeless (NCH), most individuals at risk of homelessness are on a fixed income or are marginally employed and have few ties to family and friends.

¹⁸ 42 U.S.C. Sections 11301, *et seq.*

¹⁹ "Who is Homeless?" 2009. Published by the National Coalition for the Homeless, July 2009. p. 1.

b. Profiles of the Homeless Population in Los Angeles County and Malibu

A homeless count conducted by the Los Angeles Homeless Services Authority (LAHSA) in January 2007 indicated that on any given day there are an estimated 73,702 homeless persons in the County. These include families that might be displaced through evictions, women and children displaced through abusive family life, persons with substance abuse problems, veterans, or persons with serious mental illness. The 2007 LAHSA survey did not specifically provide an estimate of the homeless population in the City; however, the City is located within the West Los Angeles Service Planning Area ("SPA 5"), which has a homeless estimate of 6,703. SPA 5, along with Antelope Valley, San Fernando Valley, South Los Angeles, East Los Angeles, and South Bay/Harbor areas saw decreases in their homeless estimate from the previous estimate in 2005, while the San Gabriel Valley and Metro Los Angeles SPAs saw increases in their homeless estimate during the same time period (Table II-24).

Table II-24
Homeless Estimates by Service Planning Area

Service Planning Area*	Homeless Estimate	
	2007	2005
SPA 1 – Antelope Valley	1,815	3,544
SPA 2 – San Fernando Valley	6,411	11,275
SPA 3 – San Gabriel Valley	9,942	9,254
SPA 4 – Metro Los Angeles	22,030	20,023
SPA 5 – West Los Angeles	6,703	6,860
SPA 6 – South Los Angeles	11,670	16,787
SPA 7 – East Los Angeles	5,580	7,178
SPA 8 – South Bay/Harbor	4,457	7,369
Los Angeles County Total	68,608	82,291

Source: Los Angeles Homeless Services Authority, 2007

*Note: the LAHSA area excludes Glendale, Long Beach and Pasadena, which administer their own homeless Continuum of Care programs.

The 2008-2013 Los Angeles County Consolidated Plan²⁰ estimated that there may be 71 homeless persons in the City. In 2009, information regarding the estimated number of homeless in the city was obtained from the Malibu Police Services Division of the Los Angeles County Sheriff's Department (LACSD). LACSD estimates there are perhaps 25 homeless individuals living in the undeveloped hillside areas and other vacant or isolated areas of the City. While there are no homeless facilities within the City, the homeless can be found in public parks and near public restroom facilities. This LACSD figure is considered to be a more accurate assessment.

The needs of the homeless vary by subpopulation. Mentally ill persons require housing supported by mental health care and counseling. Alcohol and drug abusers require treatment facilities and medical and social support services. Victims of domestic violence need shelter and social services to assist in the transition to independent living.

²⁰ Los Angeles Urban County Five-Year Consolidated Plan, Table VI.2, May 28, 2008

Runaway and recently emancipated youths require shelter, combined with counseling and social services, in order to reintegrate them with their families or enable them to live independently.

c. Inventory of Homeless Facilities

Emergency Shelters

Emergency shelters are generally geared toward providing immediate housing to persons without shelter. Emergency shelters are housing facilities with minimal supportive services for homeless persons, and are limited to occupancy of six months or less by a homeless person. Stays in emergency shelters are typically limited to a short period of time (one to 90 days). No individual or household may be denied emergency shelter because of an inability to pay. A few service agencies located near the City provide emergency shelter and services for the homeless; however, most of these facilities have restricted service areas and are not available to the City's homeless at this time (see Table II-25). Based on this data, there are no emergency shelter beds available to serve the City's homeless population.

**Table II-25
Emergency Shelters Serving SPA 5 - West Los Angeles**

Shelter Name	Location*	No. of Beds	Services	Pct. of Beds/Services for Chronic Homeless
SAMOSHEL/OPCC	Santa Monica	110	Emergency housing, and support services. Malibu is not in service area.	0%
Safe Haven/OPCC	Santa Monica	25	Emergency housing and support services for chronically homeless. Malibu is not in service area.	100%
St. Robert's Center	Venice	0	Provides emergency food, information, referral, and motel vouchers for homeless individuals	0%
St. Joseph's Homeless Service Center	Venice	0	Provides emergency food and support services for homeless individuals and families.	0%
Access Center/OPCC	Santa Monica	0	First point of entry for homeless individuals and families seeking assistance	0%
SHWASHLOCK/OPCC	Santa Monica	0	Provides homeless people access to restrooms, showers, and personal storage.	0%
Sojourn/OPCC	Santa Monica	*	Provides safe haven for battered women and their children	0%

Source: J.H.Douglas & Associates

* Sojourn operates two facilities in undisclosed locations. Bed information is not available.

SB 2 of 2007²¹ strengthened the planning requirements for emergency shelters and transitional housing. Unless adequate capacity is available to serve the existing emergency shelter need, SB 2 requires that shelters be allowed "by-right" (i.e., without a conditional use permit or other discretionary approval) in at least one zoning district. As

²¹ Senate Bill 2 (Cedillo) [Stats. 2007, ch. 633 Sections1-3]

an alternative, the requirements may be satisfied through a multi-jurisdictional agreement. In accordance with SB 2, the Housing Plan includes Program 3.2.c to amend the LCP and M.M.C. with respect to emergency shelters in conformance with SB 2.

Transitional and Supportive Housing

Transitional and supportive housing are types of supportive housing used to facilitate the movement of homeless individuals and families, or those at risk of homelessness, to permanent housing. Specifically, transitional housing means rental housing operated under program requirements that call for the termination of assistance and recirculation of the assisted unit to another eligible program recipient at some predetermined future point in time, which shall be no less than six months. Supportive housing has no limit on the length of stay and is linked to onsite or offsite services that assist 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. As with emergency shelter facilities, all transitional and supportive housing programs that serve the City's homeless are located in neighboring communities.

SB 2 requires that transitional and supportive housing be treated as a residential use subject to only those requirements that apply to other residential uses of the same type in the same zone. The LCP and M.M.C. currently contain no specific provisions for transitional and supportive housing. Housing Plan Program 3.2.e includes a provision to amend the LCP and M.M.C. with respect to transitional and supportive housing in conformance with SB 2.

F. Assisted Housing at Risk of Conversion

State law requires that the Housing Element identify any residential projects in the City that are under an affordability restriction, along with those housing projects that are at risk of losing their low-income affordability restrictions within the ten-year period from 2008–2018. According to the SCAG, the California Housing Partnership Corporation and City records, there are no assisted units in the City, and therefore, no housing units at risk of losing their low-income affordability.

G. Housing Constructed, Demolished or Converted within the Coastal Zone

California *Government Code* Sec. 65588(d) requires that the Housing Element update take into account any low- or moderate-income housing provided or required in the Coastal Zone pursuant to Sec. 65590 (the Mello Act²²). State law requires that jurisdictions monitor the following:

- The number of new housing units approved for construction within the Coastal Zone (after January 1, 1982);

²² The Mello Act requires, in part, the replacement of affordable units demolished or converted within the coastal zone.

- The number of low- or moderate-income units required to be provided in new developments either within the Coastal Zone or within three miles of the Coastal Zone;
- The number of existing housing units in properties with three or more units occupied by low- or moderate-income households that have been authorized for demolition or conversion since January 1, 1982; and
- The number of low- or moderate-income replacement units required within the Coastal Zone or within three miles of the Coastal Zone.

Table II-26 provides City statistics for housing units in the Coastal Zone through 2008.

**Table II-26
Malibu Coastal Zone Housing Units – 1982-2008**

	Units
Number of new units approved for construction in the Coastal Zone after January 1, 1982	326
Number of new units for low- and moderate-income households required to be provided either within the coastal zone or within three miles of it	0
Number of units occupied by low- and moderate-income households and authorized to be demolished or converted	0
Number of units for low- and moderate-income households required either within the coastal zone or within three miles of it in order to replace those demolished or converted	0

H. Future Growth Needs

1. Overview of the Regional Housing Needs Assessment (RHNA)

The RHNA is a key tool for local governments to plan for anticipated growth. The RHNA quantifies the anticipated need for housing within each jurisdiction for the 8½ year period from January 2006 to July 2014. Local governments then determine how they will address this need through the process of updating the Housing Elements of their General Plans.

The current RHNA was adopted by the SCAG in July 2007. Future housing needs are determined primarily by the forecasted growth of households in a community. Each new household, created by a child moving out of a parent's home, by a family moving to a community for employment, and so forth, creates the need for a housing unit. The housing need for new households is then adjusted to maintain a desirable level of vacancy to promote housing choice and mobility. An adjustment is also made to account for units expected to be lost due to demolition, natural disaster, or conversion to non-housing uses. The sum of these factors – household growth, vacancy need, and replacement need – determines the construction need for a community. Total housing need is then distributed among four income categories on the basis of the County's income distribution, with adjustments to avoid an over-concentration of low-income households in any one community.

2. 2006-2014 Malibu Growth Needs

In July 2007 SCAG, adopted the final RHNA growth needs for each of the cities in Los Angeles County, as well as the unincorporated areas. The total housing growth need for the City during the 2006-2014 planning period is 441 units. This total is distributed by income category as shown in Table II-27.

Table II-27
Regional Housing Growth Needs

Very Low ¹	Low	Moderate	Above Moderate	Total
115 ²	73	79	174	441
26.1%	16.5%	17.8%	39.6%	100%

Source: SCAG 2007

Notes:

1. Includes the Extremely-Low-Income (ELI) category.
2. 58 of these are assumed to be ELI units pursuant to *Government Code Sec. 65583.a.1*

A discussion of the City's inventory of suitable sites to accommodate the City's housing need is provided in Chapter III, Resources and Opportunities.

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III. RESOURCES AND OPPORTUNITIES

A. Land Resources

1. Regional Growth Needs 2006-2014

In accordance with *Government Code Sec. 65584*, the projected housing needs for each city and county in the Southern California region are prepared by the Southern California Association of Governments ("SCAG") under a process known as the Regional Housing Needs Assessment ("RHNA"). SCAG's Regional Council adopted the final RHNA in July 2007. The RHNA covers the 8½-year planning period of January 1, 2006 to June 30, 2014.

The RHNA process began with an update of the population, employment, and household forecasts for the region as a whole, and for each county. These forecasts were largely derived from the California Department of Finance ("DOF") population and employment forecasts and modified by regional demographic and modeling efforts by SCAG. SCAG then disaggregated the regional and county forecasts to each jurisdiction and estimated the number of dwelling units needed to achieve the regional target vacancy rates (2.3% owner-occupied and 5% rental), and to account for projected housing demolitions. The total housing needed in each jurisdiction was then distributed by income category (e.g., very-low, low-, moderate- and upper-income).

New units built after January 1, 2006 are credited in the current RHNA period. Table III-1 shows that a total of 119 new units were built during 2006 - 2011, including 19 second units (see also Table A-3 in Appendix A). A breakdown of new units by income category along with the net remaining RHNA is shown below.

**Table III-1
Net Remaining RHNA 2012-2014**

	Income Category				
	EL	VL	Low	Mod	Above
RHNA (2006-2014)	58	57	73	79	175
Units Completed (2006-2011)*	15	0	0	0	104
RHNA (net 2012-2014)	43	57	73	79	71

*See Appendix A, Table A-3

2. Inventory of Sites for Housing Development

Government Code Section 65583(a)(3) requires Housing Elements to contain an "inventory of land suitable for residential development, including vacant sites and sites having potential for redevelopment, and an analysis of the relationship of zoning and public facilities and services to these sites." A detailed analysis of potential development sites has been prepared (see Appendix B) and the results of this analysis are summarized in Table III-2 below. This analysis also addresses the unaccommodated need from the previous planning period, as required by *Government Code Sec. 65584.09 (AB 1233)*.

**Table III-2
Sites Inventory Summary**

Housing Sites	Income Category		
	Lower*	Mod	Above
Units completed 2006-2011 (Table A-3)	15	-	104
Units approved/not completed (Table B-3)	8	-	128
Potential new single-family units (parcel listing on file with City Planning Dept.)	-	-	870
Potential new multi-family units 2012-2014 (Table B-4)	19	60	-
Potential new second units 2012-2014 (see discussion in Appendix B)	30	-	8
Total Inventory	72	60	1,110
RHNA 2006-2014	188	79	175
Adequate Capacity? (shortfall)	(116)	(19)	Yes

Source: City of Malibu, 2011

*Includes extremely-low, very-low and low

As summarized in Table III-2, this analysis determined that there are not currently sufficient vacant or underutilized sites with appropriate zoning to accommodate the City's remaining housing need for this planning period. Housing Plan Program 2.2 sets forth a list of actions that will provide sufficient capacity for new housing commensurate with the RHNA.

3. Infrastructure Capacity

Wastewater - There is no municipal sewer service in the City of Malibu. All properties in the City are currently served by individual onsite wastewater treatment systems (OWTS); with the exception of those served by five small package treatment plants within the City: Latigo Bay Shores, Point Dume, Trancas Canyon, Malibu Mesa, and Maison de Ville. Any new development that is not served by the five treatment plans will be required to install its own OWTS in order to serve its wastewater disposal needs.

Water - Domestic water for City residents is supplied by County Waterworks District No. 29 ("District 29") from the Metropolitan Water District of Southern California (MWD). The MWD obtains its water from the State Water Project and the Colorado River. Wholesalers of water in the Malibu/Santa Monica Mountains areas are the Las Virgenes Municipal Water District and the West Basin Municipal Water District. These wholesalers distribute to three retailers, which include District 29, Silvas Park Mutual Water Company, and Las Virgenes Metro Water District. Many of the City's water mains and tanks have been identified by the City and by District 29 as severely undersized. However, for projects located in areas with limited to no service by District 29, property owners may install water tanks to serve the property's needs. With the inclusion of private water tanks, domestic water supply is not expected to limit development.

B. Financial and Administrative Resources

1. State and Federal Resources

Community Development Block Grant Program (CDBG) – The City does not have any housing that qualifies for CDBG funding. The City receives approximately \$80,000 a year in CDBG funding. Of this total, 15% is spent on administration and program services (e.g., Malibu Community Labor Exchange). In recent years, the City has exchanged the remaining funds with other cities as Malibu does not have eligible projects.

Low-Income Housing Tax Credit Program - The Low-Income Housing Tax Credit Program was created by the Tax Reform Act of 1986 in order to provide an alternate method of funding low-and moderate-income housing. Each state receives a tax credit, based upon population, toward funding housing that meets program guidelines. The tax credits are then used to leverage private capital into new construction or acquisition and rehabilitation of affordable housing. Limitations on projects funded under the Tax Credit programs include minimum requirements that a certain percentage of units remain rent-restricted, based upon median income.

Mortgage Credit Certificates (MCC) – This program provides a federal tax credit for income-qualified homebuyers that is equivalent to 15% of the annual mortgage interest. Generally, the tax savings are calculated as income in order to help buyers qualify to purchase a home. Using an MCC, first-time homebuyers can save between \$700 and \$2,500 a year on their annual federal tax bill. The program is initiated by the homebuyer applying through a participating lender, who then submits an application to the Los Angeles County Community Development Commission²³. The City is not involved in administering this process or approving loans.

2. Local Resources

The City does not currently have a redevelopment agency or a housing department. The only local revenue source for affordable housing is through the City's approval of the Patriot Homes Overlay condominium project. The City Council resolution approving the project requires an in-lieu payment of \$30,000 per unit, required at the time of the close of escrow, to be used for programs consistent with the City's Housing Element. Housing Plan Program 3.3 contains a proposal to create an Affordable Housing Trust Fund, which would contain in-lieu funds generated through development agreements.

C. Energy Conservation Opportunities

State law (*Government Code Sec. 65583(a)(8)*) requires all new construction to comply with "energy budget" standards that establish maximum allowable energy use from depletable sources. These requirements apply to such design components as structural insulation, air infiltration and leakage control, setback features on thermostats, water heating system insulation (tanks and pipes) and swimming pool covers if a pool is equipped with a fossil fuel or electric heater. State law also requires that a tentative tract

²³ <http://www.lacdc.org/CDCWebsite/HDP/linkit.aspx?id=81>

map provide for future passive or natural heating or cooling opportunities in the subdivision, including designing the lot sizes and configurations to permit orienting structures to take advantage of a southern exposure, shade or prevailing breezes.

Southern California Edison (SCE) and the Southern California Gas Company offer energy conservation programs, including audits of home energy use to reduce electricity consumption, refrigerator rebates, appliance repair and weatherization assistance to qualified low-income households, buyer's guides for appliances and incentives by the Gas Company to switch from electric to gas appliances. Direct assistance to low-income households is provided by the Gas Company through the California Alternate Rates for Energy Program and by SCE through its Energy Management Assistance Program.

Both companies have programs to encourage energy conservation in new construction. SCE's energy rebate program applies to residential developers as well as to individual customers. SCE also offers an Energy STAR new home program and a Sustainable Communities Program, offering design assistance and financial incentives for sustainable housing development projects. The Gas Company's Energy Advanced Home Program is offered to residential developers who install energy-efficient gas appliances that exceed California energy standards by at least 15%.

In addition, simple water conservation techniques can save a family thousands of gallons of water per year, plus many dollars in water and associated energy consumption costs. It is now possible to obtain plumbing products that reduce water waste by restricting the volume of water flow from faucets, showerheads, and toilets. The use of plant materials that are adapted to the climate of Southern California's coastal areas can also measurably contribute to water conservation by reducing the need for irrigation.

A household can save water by fixing dripping faucets and using water more conservatively. In addition, such conservation practices save on the amount of gas and electricity needed to heat water. By encouraging residents to conserve water and install water saving devices, the City can greatly reduce its water consumption needs and expenses.

Actions the City of Malibu has taken to encourage energy conservation include the following:

- o City policy regarding processing permits for water tanks, rainwater collection structures, etc. was created for the ease of the applicant
- o Solar panels are processed with a ministerial Over-the-Counter (OC) Permit which takes only a few days to approve and costs under \$100
- o A draft Exemplary Green Building Projects Fast-Tracking Pilot Program has been prepared

Finally, the City has recently adopted the Local Energy Efficiency Standards Ordinance and the Landscape Water Conservation Ordinance. The energy ordinance preserves and enhances the environment, by setting forth minimum energy efficiency standards within the City for all new single-family dwellings, multi-family residential construction, nonresidential construction and substantial remodels. The City's ordinance includes measures which are more restrictive than the California Building Energy Efficiency

Standards (Title 24). The water conservation ordinance applies to: 1) projects for a commercial, institutional, or multi-family use or a subdivision, any of which propose a new or altered landscape area, including public agency projects; and 2) projects for a single-family residential use proposing a new or altered landscape area of 2,500 square feet or more; in the case of a project associated with an existing single-family residence, the new or altered landscape area is subject to this Chapter when the landscape area is 5,000 square feet or more. The water conservation standards are intended to promote water conservation while allowing the maximum possible flexibility in designing healthy, attractive, and cost-effective water efficient landscapes. Implementation of the two ordinances has begun.

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IV. CONSTRAINTS

A. Governmental Constraints

1. Land Use Plans and Regulations

a. General Plan

Each city and county in California must prepare a comprehensive, long-term General Plan to guide its future development. The Land Use Element of a City's General Plan establishes the basic land uses and density of development within the various areas of the city. Under state law, the General Plan elements must be internally consistent and the city's zoning ordinance, and Local Coastal Program, as applicable, must be consistent with the General Plan. Thus, the land use plan must provide suitable locations and densities in order to implement the policies of the Housing Element.

The City of Malibu's ("City") General Plan Land Use Element provides for five residential land use designations, as shown in Table IV-1.

**Table IV-1
Residential Land Use Categories –
Malibu General Plan**

Designation	Maximum Density ¹	Description
Rural Residential (RR) – Includes RR-40, RR-20, RR-10, RR-5, RR-2 & RR-1	1.0	Single-family homes on large parcels ranging from one to 20 acres or more.
Single Family Residential (SF) – Includes SF-L & SF-M	4.0	Single-family homes on lots ranging from approximately 10,000 SF to one acre.
Multi-Family (MF)	6.0	Duplexes, triplexes, two or three unit townhomes and low-rise apartments (primarily existing) on minimum 20,000 SF parcels.
Multi-Family Beach Front (MFBF)	23.1 ²	Single-family and multi-family residences on small beach front lots.
Mobile Home Residential	-	Existing mobile home park.

Source: City of Malibu General Plan.

1. Density expressed in dwelling units per net acre of lot area (lot area excludes street rights of way, but may include 1 to 1 slopes).

2. Not to exceed 4 units per lot

3. As determined by the PD process

While the City has a considerable amount of vacant land, only a small portion is suitable for development because of steep hillsides, unstable soils and subsurface conditions, extreme fire hazards, and environmentally sensitive habitat areas (ESHA). Since its incorporation in 1991, the City has focused its efforts on preserving its rural character, protecting environmental resources, and improving fire safety.

With highly constrained land, limited infrastructure, and high land costs, the City's approach to accommodating affordable housing is to identify unconstrained sites at appropriate densities and to successfully leverage state and federal subsidies for affordable housing. The encouragement of second units is also important, as most of

Malibu's development consists of single-family homes and associated accessory structures.

In order to facilitate the provision of adequate sites to accommodate the City's fair share of regional housing needs, the City will process amendments to the General Plan Land Use Element and M.M.C. to create opportunities for affordable housing (Housing Plan Program 2.2).

b. Zoning Designations and Development Standards

The City regulates the type, location, density, and scale of residential development through Title 17 of the M.M.C. (Zoning Ordinance/Zoning Map). Additionally, because the City of Malibu lies entirely within the Coastal Zone, all of the zoning designations and development standards have been incorporated into the LCP. The LIP includes additional development standards and coastal resource protection policies that are intended to augment the M.M.C. Zoning regulations serve to implement the General Plan and are designed to protect and promote the health, safety, and general welfare of residents. The M.M.C. and LCP also help to preserve the character and integrity of existing neighborhoods. The M.M.C. and LCP set forth residential development standards for each zoning district.

Zoning districts that allow residential units as a permitted use are as follows:

RR	Rural Residential
SF	Single-Family Residential
MF	Multi-Family Residential
MFBF	Multi-Family Beachfront
MH	Mobile Home Park
PD	Planned Development

A summary of the LCP/M.M.C. development standards for the zoning districts permitting residential development is provided in Table IV-2. These development standards are reasonably necessary to protect the public health, safety and welfare and maintain the quality of life, and are not considered to be constraints to the development of housing.

**Table IV-2
Residential Development Standards**

Development Standard	Zoning District Designations				
	RR ¹	SF ⁷	MF	MFBF	MH
Maximum density	1 du/acre	4 du/acre	6 du/acre ⁸	23.1 du/acre ⁹	NA
Minimum lot area	1 acre	SFL = 0.5 ac SFM = 0.25 ac	20,000 sf	5,000 sf	NA
Minimum front yard	20% of lot depth ²	NA			
Minimum side yard	10% of lot width ³	10% of lot width ³	10% of lot width ³	3 feet ³	NA
Minimum rear yard	15% of lot depth ⁴	15% of lot depth ⁴	15% of lot depth ⁴	Stringline ⁴	NA
Maximum impermeable coverage	30%-45% ⁵	30%-45% ⁵	30%-45% ⁵	30%-45% ⁵	35%
Maximum building height	18 feet ⁶	18 feet ⁶	18 feet ⁶	28 feet ⁶	18 feet

Source: City of Malibu Zoning Ordinance

Notes:

- Includes RR-20, RR-10, RR-5, RR-2, and RR-1 zones. Minimum lot area varies from 1 to 20 acres depending on designator.
- Front yard setback is 20% of lot depth or 65 feet, whichever is less. Front yard setback for beachfront lots is 20 feet or the average of the two adjacent lots, whichever is less.
- Aggregate side yard setbacks must be at least 25% of lot width, with no single side yard less than 10% of lot width or 5 feet, whichever is greater. Side yard setback for beachfront lots is 10 percent of lot width on each side with a 3 feet minimum and a 5 feet maximum.
- Rear yard setback must be at least 15% of lot depth or 15 feet, whichever is greater. Rear yard setbacks for beachfront lots are determined by the stringline rule.
- Not to exceed 25,000 sf.
- Maximum height for new construction on beachfront lots is 24 feet for flat roof structures and 28 feet for pitched roof structures. For non-beachfront lots, heights of 24 feet for flat roof structures and 28 feet for pitched roof structures may be permitted by site plan review.
- Includes SFL and SFM. Maximum of 2 units per acre for SFL and 4 units per acre for SF-M.
- Maximum density is 6 units per acre.
- Maximum density is 1 unit per 1,885 sf of lot area, not to exceed 4 units per lot. One additional unit may be permitted if affordable to a very-low, low, or moderate income household.

In most residential areas of the City, densities range from about one unit per 20 acres (RR-20 zone) to six units per acre (MF zone). Higher densities (up to 23.1 units per acre, not to exceed four units per lot) occur along four small stretches of beachfront property.

A summary of the residential development permitted by the LCP/ M.M.C. is provided in Table IV-3. (Note: The PD district is not included in the table because allowable uses and development standards are established through the PD permit process.) In order to streamline the development review process in multi-family zones (MF and MFBF), the LCP and M.M.C. will be amended to replace the CUP review process with a Coastal Development Permit (CDP).

**Table IV-3
Permitted Residential Development by Zoning District**

Housing Type Permitted	Zoning District								
	RR	SF	MF	MFBF	MH	CC	CV	CG	I
Residential uses									
Single-family detached	P	P	P	P					
Multi-family			CUP ⁴	CUP ⁴					
Manufactured housing	P	P	P	P					
Mobile home	P ³	P ³	P ³	P ³	P				
Second units	P ¹	P ¹	P ¹	P ¹					
Special needs housing									
Emergency shelters ²									
Transitional housing ²									
Farmworker housing ⁵									
Residential care facility (6 or fewer persons)	P ¹	P ¹	P ¹						
Residential care facility (7 or more persons)	CUP	CUP	CUP						
Residential care facilities for the elderly						CUP	CUP	CUP	CUP
Single room occupancy ³									

Source: Malibu LCP P = Permitted CUP = Conditional Use Permit
Notes.

1. Permitted only as an accessory use to an otherwise permitted use.
2. Not currently addressed in the LCP or M.M.C. (see Housing Plan Program 3.2).
3. Permitted only during construction of permanent housing.
4. See Program 2.2(B) to change the CUP requirement to CDP.
5. See Program 3.2(H)

Zoning for Lower-Income Housing

As shown in Table IV-3, the LCP and M.M.C. provide for a variety of housing types including single-family homes, multi-family (both rental and condominiums), manufactured housing and second units. Low-income housing can be accommodated in all residential districts. Second units, which are a tool in facilitating affordable housing, are permitted by right in all districts that permit detached single-family housing, specifically the RR, SF, MF, and MFBF Districts.

Density, Units per Parcel, Floor Area and Lot Coverage Limitations. Pursuant to Assembly Bill 2348,²⁴ the “default density” for small Los Angeles County jurisdictions, including the City, is 20 dwelling units per acre²⁵. The default density refers to the density at which low-income housing development is presumed to be feasible, although state law allows jurisdictions to propose alternative densities that are sufficient to facilitate affordable housing based on local experience and circumstances. Currently, only the MFBF zone

²⁴ AB 2348 (Mullin) [Stats. 2004, ch. 724]

²⁵ Memo of June 9, 2005 from California Department of Housing and Community Development on AB 2348 of 2004. Also available at <http://www.hcd.ca.gov/hpd/hrc/plan/he/ab2348stat04ch724.pdf>

allows development of more than 20 units/acre. While the MFBF zone limits development to four units per parcel, this is not a constraint to development since there are no vacant parcels large enough to accommodate more than four units at the maximum allowable density. As noted in Program 2.2(B) in the Housing Plan, the City will process General Plan, LCP and zoning amendments to designate additional sites for multi-family housing at a minimum density of 20 units/acre commensurate with the City's RHNA allocation. This program also includes a commitment to adopt development standards that facilitate such development. Development standards such as maximum building square footage and lot coverage will also be modified as necessary.

c. LCP Local Implementation Plan

The entire City is located in the Coastal Zone and is subject to the City's LCP Local Implementation Plan (LIP). The LIP includes development standards to protect environmentally sensitive habitat areas (ESHA) (LIP Chapter 4), native trees (LIP Chapter 5), scenic, visual, and hillside resources (LIP Chapter 6), shoreline and bluff areas (LIP Chapter 10), archaeological/cultural resources (LIP Chapter 11), public access (LIP Chapter 12), and water quality (LIP Chapter 17). Projects that contain or are located near identified coastal resources may require modifications or reductions in density to protect the identified resource. While the LIP is a City document, it must be consistent with the California Coastal Act, and any modification is subject to certification by the CCC. For a discussion of potential constraints raised by the LIP, see Chapter IV: Residential Permit Processing/Coastal Development Permit and Non-Governmental Constraints/Environmental Constraints.

d. Special Needs Housing

Persons with special needs may include those in residential care facilities, persons with disabilities, the elderly, farm workers, or persons needing emergency shelter, transitional living arrangements, or single room occupancy units. Many of these groups also fall under the category of extremely-low-income households. The City's provisions for these housing types are discussed below.

Extremely Low-Income Households

Many of the persons and households discussed in this section under the topic of special needs fall within the *extremely-low-income* category, which is defined as 30% or less of area median income, or up to \$22,750 per year for a four-person household in Los Angeles County (2008). As discussed in Chapter II, the 2000 Census reported that 54% of renters and 59% of owners in this income range were overpaying for housing.

A variety of City policies and programs described in the Housing Plan address the needs of extremely-low-income households, including those in need of residential care facilities, and persons with disabilities. However, it must be recognized that the development of new housing for the lowest income groups typically requires large public subsidies, and the level of need is greater than can be met due to funding limitations, especially during these times of declining public revenues.

Residential Care Facilities and Housing for Persons with Disabilities

Residential facilities refer to any family home, group care facility, or similar facility that provides non-medical care to persons in need of personal services, supervision, or assistance essential for sustaining the activities of daily living or for the protection of the individual.²⁶ *Health and Safety Code* Sections 1267.8 and 1566.3 require local governments to treat licensed group homes and residential facilities with six or fewer residents no differently than other by-right single-family housing uses. "Six or fewer persons" does not include the licensee, the licensee's family, or persons employed as facility staff. The City shall not require a conditional use permit, zoning variance, or other zoning clearance of a residential facility which serves six or fewer persons which is not required of a family dwelling of the same type in the same zone.²⁷

Residential care facilities serving six or fewer persons are permitted by right in the RR, SF, and MF zones. Since state law requires that licensed small family care homes that serve six or fewer persons be permitted by-right in all residential districts, Housing Plan Program 3.2 includes a provision to amend the LCP and M.M.C. in conformance with state law. The M.M.C. and LCP currently allow large family day care facilities in any zone where a single-family residence is allowed subject to a conditional use permit (M.M.C. Sec. 17.66.110 and LIP Appendix 1 Table B – Permitted Uses). The City has no requirements for minimum distance between residential care facilities.

The City's building codes require that new residential construction comply with the federal American with Disabilities Act (ADA). ADA provisions include requirements for a minimum percentage of units in new developments to be fully accessible to the physically disabled. Provisions of fully accessible units may also increase the overall project development costs. However, unlike the Uniform Building Codes (UBC), enforcement of ADA requirements is not at the discretion of the City, but is mandated under federal law.

Compliance with building codes and the ADA may increase the cost of housing production and can also impact the viability of rehabilitation of older properties required to be brought up to current code standards. However, these regulations provide minimum standards that must be complied with in order to ensure the development of safe and accessible housing. In order to facilitate the processing of requests to reduce architectural obstacles for persons with disabilities, Housing Plan Program 3.2 describes a Reasonable Accommodation Ordinance and associated amendments to the LCP and M.M.C. that will be required.

Farmworker Housing

As discussed in Chapter II. Housing Needs Assessment, the City of Malibu does not have major agricultural areas nor has it identified a need for permanent on-site farm worker housing. However, the Employee Housing Act²⁸ requires that farmworker housing for up to 12 units or 36 beds to be permitted by-right in zones that allow agricultural uses.

²⁶ California *Health & Safety Code* Section 1502.

²⁷ California *Health & Safety Code* Section 1566.3(c).

²⁸ California *Health & Safety Code* Sections 17021.5 and 17021.6.

Program 3.2(H) to process amendments to the M.M.C. and LCP in conformance with the Employee Housing Act is included in the Housing Plan (Chapter V).

Emergency Shelters and Transitional/Supportive Housing

Emergency shelters are facilities that provide a safe alternative to the streets, either through a shelter facility or through the use of motel vouchers. Emergency shelter is short-term, usually for 30 days or less. Transitional/supportive housing is longer-term housing, typically up to two years or more. Transitional housing requires that residents participate in a structured program to work toward the 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.

Senate Bill (SB) 2 of 2007²⁹ strengthened the planning requirements for emergency shelters and transitional housing. Unless adequate capacity is available to serve the existing emergency shelter need, SB 2 requires that shelters be allowed “by-right” (i.e., without a conditional use permit or other discretionary approval) in at least one zoning district. In accordance with SB 2, the Housing Plan includes Program 3.2 to amend the LCP and M.M.C. to allow permanent emergency shelters by-right in the Commercial General (CG) and Institutional (I) zoning districts subject to appropriate development standards. The CG zoning district encompasses approximately 26 acres and the Institutional district encompasses approximately 208 acres (see Figure IV-1). The parcels in these districts range in size from 0.1 acre to 14 acres. The majority of CG parcels are located within the Civic Center area, in the middle of the city. Several of the parcels along Malibu Creek are vacant and tucked away from surrounding commercial and residential development. The Institutionally-zoned parcels are scattered throughout the city and although the majority of them contain existing development (fire stations, schools and churches), the parcel in the Civic Center which contains the court house is currently underdeveloped and could accommodate a shelter.

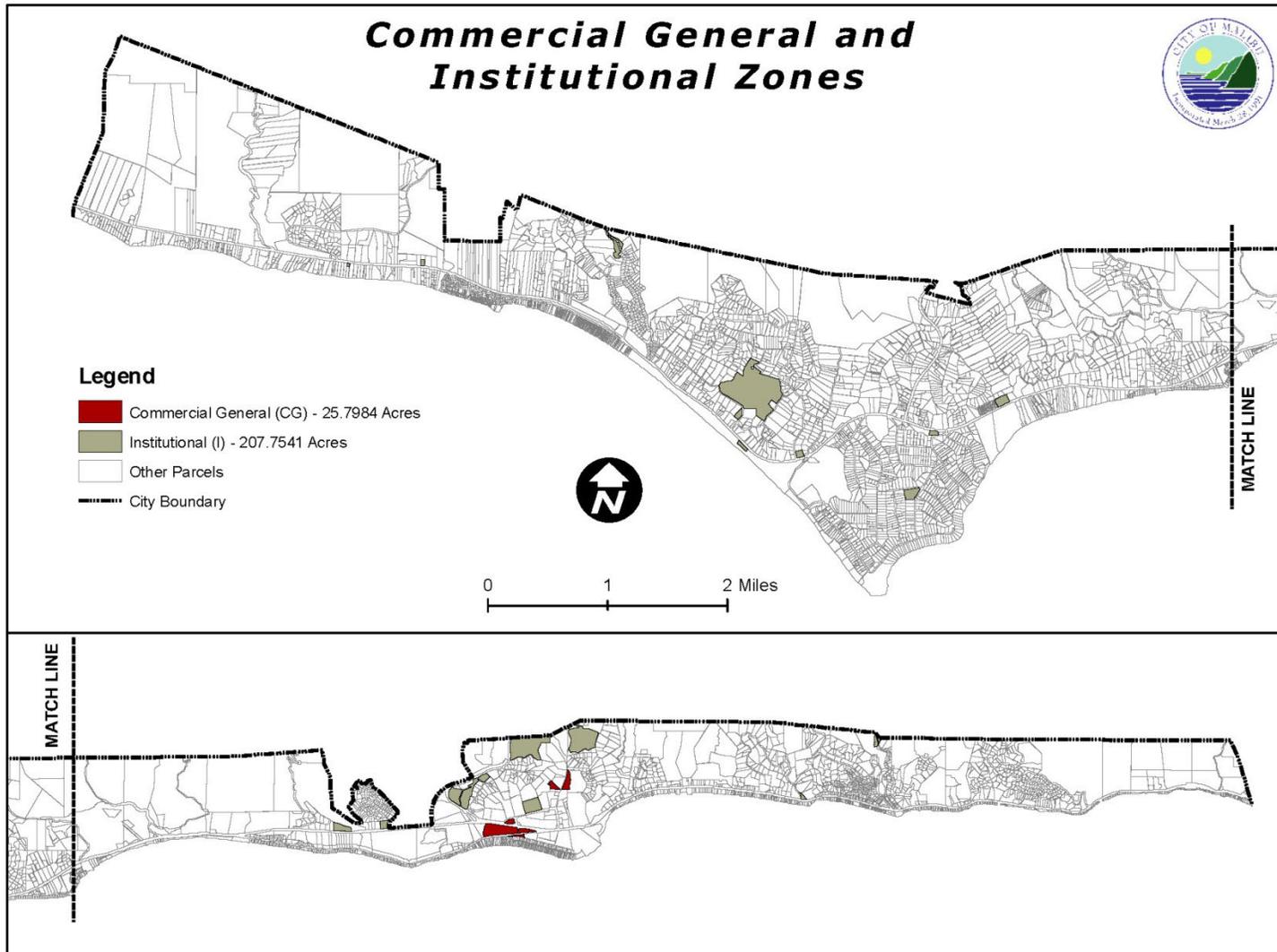
SB 2 also requires that transitional and supportive housing be treated as a residential use subject to only those requirements that apply to other residential uses of the same type in the same zone. Housing Plan Program 3.2 also includes a provision to amend the LCP and M.M.C. with respect to transitional and supportive housing in conformance with SB 2.

Single Room Occupancy

Single room occupancy (SRO) facilities are small studio-type units designed for extremely-low- and very-low-income persons. No specific provisions for SRO facilities are currently provided in the LCP or M.M.C. Housing Plan Program 3.2 includes a provision to amend the LCP and M.M.C. to establish development standards and procedures for SRO facilities in an appropriate zoning district.

²⁹ Senate Bill 2 (Cedillo) [Stats. 2007, ch. 633 Section1-3]

Figure IV-1
Commercial General and Institutional Zones



Note: This map was prepared by the City of Malibu Planning Department on November 14, 2011.

e. Off-Street Parking Requirements

The City's parking requirements for residential uses vary by residence type. Single-family dwellings require two enclosed and two unenclosed spaces per unit. Multi-family dwellings require two parking spaces per efficiency (studio) unit and three spaces per one- and two-bedroom units. One additional parking space is required for each additional bedroom above two. The parking requirements are summarized in Table IV-4.

Through the provisions of state density bonus law³⁰, senior housing and other affordable housing projects are eligible to request reduced parking standards. It is widely accepted that senior and lower-income households have fewer cars on average than higher-income households. In order to reduce potential constraints to affordable housing development, Housing Plan Program 3.2 includes a provision to allow reduced parking standards for multi-family projects that provide affordable housing consistent with state density bonus law.

**Table IV-4
Residential Parking Requirements**

Unit Type	Minimum Parking Space Required
Single-family units	2 enclosed and 2 unenclosed spaces
Multi-family units	
Efficiency dwelling unit	2 spaces either enclosed or covered
1-bedroom or 2-bedroom units	3 spaces, 2 of which shall be enclosed
3 or more bedroom units	4 spaces, 2 of which shall be enclosed plus one additional space for each additional bedroom above three (enclosed or covered)
Guest parking	1 space for each 4 units

Source: Malibu LCP / M.M.C.

f. Second Dwelling Units

In response to state-mandated requirements and local needs, the City allows the development of second dwelling units as a permitted accessory use (i.e., no discretionary approval required) in the RR, SF, MF, and MFBF zones. Second units must meet the following requirements:

- Second units shall be limited in size to a maximum of 900 square feet, which includes the total floor area of all enclosed space, including lofts, mezzanines, and storage areas, but excludes a garage up to 400 square feet.
- One onsite parking space shall be required for the exclusive use of any second residential unit.
- New development of a second unit that includes plumbing facilities shall demonstrate that adequate sewage disposal can be provided on the project site.

³⁰ California Government Code Sections 65915-65918

- Comply with the same development standards (e.g., height, setbacks) as the primary unit.

Second units serve to augment resources for senior housing or other low- and moderate-income segments of the population. The development standards are reasonable to ensure neighborhood compatibility, and do not present an unreasonable constraint to development. During 2000 – 2010, 34 second units and 50 guest houses were permitted in the City. Guest houses do not have kitchen facilities and are not intended for full-time occupancy.

In order to expand opportunities for second units, Housing Plan Program 2.2A describes actions the City will take to encourage and facilitate the increased development of this type of housing.

g. Density Bonus

As part of the LCP, the City has adopted a residential Density Bonus Ordinance (LIP Section 3.7). Under the City's ordinance, a density increase of up to 25% over the otherwise maximum allowable residential density is available to developers who agree to construct housing developments with units affordable to low- or moderate-income households. The density bonus is applicable only to projects where the land use designations in the LCP allow development of at least five residential units on the property where the project is located. Additionally, the Density Bonus Ordinance requires that the project be consistent, to the maximum extent feasible and in a manner most protective of coastal resources.

Under recent amendments to the state density bonus law³¹, cities and counties must provide a density increase up to 35% over the otherwise maximum allowable residential density under the LCP, M.M.C. and the General Plan Land Use Element (or bonuses of equivalent financial value), when builders agree to construct housing developments with units affordable to low- or moderate-income households. In order to ensure that the City's Density Bonus Ordinance is consistent with current state law, Program 2.4 is included in the Housing Plan.

h. Mobile Homes/Manufactured Housing

There is often an economy of scale in manufacturing homes in a plant, rather than on site, thereby reducing cost. State law precludes local governments from prohibiting the installation of mobile homes on permanent foundations on single-family lots. It also declares a mobile home park to be a permitted land use on any land planned and zoned for residential use, and prohibits requiring the average density in a new mobile home park to be less than that permitted by the LCP and M.M.C.

In the City, manufactured housing is allowed in all residential zones as a permitted use, provided the installation complies with the site development standards for the applicable zoning district. Mobile home parks, in existence as of City incorporation on March 28, 1991, are allowed as permitted use within the MH District. Modification to the

³¹ California Government Code Sections 65915-65918 (SB 1818 of 2004)

number, layout, or density of mobile home spaces, or internal roads or parking areas requires a conditional use permit. The City currently has two mobile home parks, both located south of Pacific Coast Highway. The first is Paradise Cove Mobile Home Park (257 units), located just east of Point Dume and the second is the Point Dume Club Mobile Home Park (297 units), located just west of Point Dume.

The City's mobile home parks are its most significant source of affordable housing. Many mobile home park residents have limited or fixed incomes. The City has adopted mobile home park rent control regulations (M.M.C. Chapter 5.16) to ensure that mobile homes continue to provide affordable housing opportunities.

i. Building Codes

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 must report such changes to the California Department of Housing and Community Development (HCD) and file an expressed finding that the change is needed.

The City has adopted the latest 2011 Los Angeles County Building Codes, with all amendments which are based on the 2010 California Code. The City currently enforces the following codes: California Building, Residential, Plumbing, Mechanical, Electrical, Fire, Energy, and Green Building Standards.

As noted in Chapter III, the City has recently adopted the Local Energy Efficiency Standards Ordinance and the Landscape Water Conservation Ordinance. The energy ordinance preserves and enhances the environment, by setting forth minimum energy efficiency standards within the City for all new single-family dwellings, multi-family residential construction, nonresidential construction and substantial remodels. The City's ordinance includes measures which are more restrictive than the California Building Energy Efficiency Standards (Title 24). The water conservation ordinance applies to: 1) projects for a commercial, institutional, or multi-family use or a subdivision, any of which propose a new or altered landscape area, including public agency projects; and 2) projects for a single-family residential use proposing a new or altered landscape area of 2,500 square feet or more; in the case of a project associated with an existing single-family residence, the new or altered landscape area is subject to this Chapter when the landscape area is 5,000 square feet or more. The water conservation standards are intended to promote water conservation while allowing the maximum possible flexibility in designing healthy, attractive, and cost-effective water efficient landscapes. Implementation of the two ordinances has begun. These standards may result in an incremental increase in development cost, but are offset by water and energy savings throughout the life of the home.

j. Transfer of Development Credit Program

For each new single-family residential parcel which is proposed to be created, an applicant must acquire one transfer of development credit (TDC). That is, the applicant must demonstrate that the development potential on the equivalent of one

developable parcel has been extinguished. This is normally done by recording an offer to dedicate an open space easement over the subject property. The open space easement prohibits construction of a residence and most other types of development.

As implemented by the California Coastal Commission (CCC), the TDC Program in Malibu (LIP Chapter 7) is mandatory for applicants who propose to intensify land use through subdivisions or construction of condominiums or rental housing projects (except for qualifying affordable housing developments, which are exempt from TDC requirements). Any property owner may choose not to participate in the program by simply applying for a coastal development permit for no more than one residential unit on each existing residential parcel.

The CCC has recognized several ways to "generate" a TDC (that is, to assemble the equivalent of one developable parcel which can then be restricted to open space). For instance, in a small-lot subdivision, a credit will be considered "generated" according to a formula which measures the "buildability" of the site. To qualify property as a TDC generator, site-specific soil studies, percolation tests, and the like are not typically performed, due to the often considerable expense which such tests involve. Instead, the formula is based on the criteria of slope, road access, and water service, which can be measured without undue expense to the property owner.

The number of small lots required to equal one TDC depends on the application of the formula to the lots in question: the more gentle the slope, the greater the credit value of the lots, since a more generous dwelling could be constructed. For example, one or more lots capable of supporting a small-to-medium sized dwelling (one with 1,500 square feet of floor space) are determined to generate one TDC.

Where small lots are less suited to development, TDCs may be generated based on their size rather than slope. Thus, the second way of generating a TDC would be based on 500 square feet of "credit" for each lot which has at least 4,000 square feet of area; three such lots, generating 1,500 square feet of credit, are considered to generate one TDC.

A third way to generate TDCs, for lots smaller than 4,000 square feet, is to assign a value of one TDC for any combination of lots adding up to a total of one acre. The assumption here is that an acre of land, even if steep, can probably accommodate at least a small dwelling. Of course, if the property were determined to be completely unbuildable, no TDCs would be generated, since the whole point of the program is to avoid development which could otherwise occur.

However TDCs are generated, the mechanism by which development potential is extinguished is recordation of an offer to dedicate an open space easement. In general, the open space easement allows no development as defined by the Coastal Act, except for removal of vegetation that constitutes a fire hazard, installation of underground utility lines or septic systems, passive public recreational use, directional or no-trespassing signs, and fences which are necessary to protect natural resources and/or private property. Residential use, as a primary use, is not allowed, although some easements allow uses associated with a residence, such as corrals or decks. Such ancillary uses are appropriate where the underlying fee interest in the land is under the ownership of an adjacent home owner who can assume the necessary responsibility for property taxes and weed abatement. In other instances, where other public land

holdings are adjacent or nearby, fee ownership of the land is turned over to a public agency, such as the California Department of Parks and Recreation.

Existing regulations generally limit development in the MF and MFBF zones to one unit per existing parcel unless development credits are obtained. The developer of the recipient site must purchase development credits on a unit-for-unit basis to attain the maximum density allowed in the MF and MFBF zones. LCP regulations specifically exempt low-income units from the requirement to purchase TDCs; therefore, this policy does not represent a constraint to the development of affordable housing.

2. Development Processing Procedures

a. Residential Permit Processing/Coastal Development Permits

State planning and zoning laws provide 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, and ensure that projects receive careful review.

All residential development is reviewed by City staff for LCP/M.M.C. and Building Code compliance prior to the issuance of building permits. These reviews are conducted concurrently with the planning review process, which therefore shortens the overall processing time for projects:

City Biologist/Environmental Review Board: Biological review is required if a project is near an environmentally sensitive habitat area (ESHA) or includes landscaping. The City Biologist reviews all new residential projects to determine whether or not they should be reviewed by the Environmental Review Board (ERB). The City Biologist's review process typically takes three weeks. If the City Biologist determines that ERB review is required, then the process typically extends another two months. Additionally, the review process may be extended if the application includes the installation of 2,500 square feet of landscaping, as the project must be reviewed for conformance with the M.M.C. Landscape Water Conservation Ordinance.

City Coastal Engineer: The City Coastal Engineer reviews projects that are located along the coast and can be potentially affected by tidal forces. Although the requirement that the application include a wave uprush report can extend the permit process, and thereby raise the cost of residential development, these reports are necessary to ensure public safety in Malibu. On average, the City Coastal Engineer will respond within one month of receiving submitted materials. The entire review process varies greatly depending upon the complexity of the project and the promptness of the applicant's consultant.

City Environmental Health Administrator: The City Environmental Health Administrator reviews the adequacy of onsite wastewater treatment systems (OWTS) for all those properties in the City that are not served by a package wastewater treatment plant. Review by the City Environmental Health Administrator is necessary because the City has no public sewer system and

approximately 84% of the dwelling units in the City have no access to a local/neighborhood sewer system. The entire review process varies greatly depending upon the complexity of the project and the promptness of the applicant's consultant.

City Geologist and City Geotechnical Engineer: Due to complex geologic and geotechnical conditions in the City, development is subject to review by the City Geologist and/or City Geotechnical Engineer. Although the requirement that the applicant submit geological and geotechnical reports can extend the permit process, and thereby raise the cost of residential development, these reports are necessary to ensure public safety in Malibu. On average, the City Geologist and / or City Geotechnical Engineer will respond within one month of receiving submitted materials. The entire review process varies greatly depending upon the complexity of the project and the promptness of the applicant's geotechnical consultant.

City Public Works Department: The City's Public Works Department is responsible for reviewing projects that include grading, drainage, demolition and right-of-way improvements. On average, comments will be provided by the Public Works Department within one month of submittal. The entire review process varies greatly depending upon the complexity of the project and the promptness of the applicant's geotechnical consultant.

Additional reviews: Although additional reviews may not be required for all applications, reviews by the City Engineer, Los Angeles County Fire Department, Los Angeles County Waterworks District No. 29 ("District 29"), California Department of Fish and Game, California State Lands Commission, and California Department of Transportation may be required so that appropriate conditions can be placed on projects. The amount of time required for review varies depending on the complexity of the project.

All residential projects require either an Over-the-Counter (OC) permit, Administrative Plan Review (APR) or a Coastal Development Permit (CDP). OC permits are issued for such projects as free-standing garden walls, on-grade patio slabs, interior remodels and other smaller residential improvements. APR permits include projects that are exempt from requiring a CDP. A list of exemptions from a CDP are provided in LIP Section 13.4 and include improvements to single-family residences, such as the addition of garages, swimming pools, fences, storage sheds, certain types of landscaping, and a minimal amount of grading. Typically, projects located on beachfront properties do not qualify for an APR permit. A CDP is required for projects that are not exempt and ensures that development within the Coastal Zone (the entire City of Malibu) is consistent with the LCP, the California Coastal Act, and California Code of Regulations Title 14 Division 5.5. Other discretionary requests, such as a site plan review, minor modification, conditional use permit, string-line modification, or variance, are processed concurrently with an APR or a CDP.

Permit Processing Times

Processing times vary and depend on the size, complexity, and location of the project. APR projects are reviewed and approved by the Planning Director. CDPs are separated into two types – Administrative CDP (ACDP) and full CDP. Administrative CDPs are

reviewed and approved by the Planning Director and reported to Planning Commission. A regular CDP requires a public hearing and is approved by the Planning Commission. Some discretionary requests, such as conditional use permits and variances, require a public hearing before the Planning Commission. Projects that involve ESHA must also be reviewed by the City's ERB prior to a decision by the Planning Director or Planning Commission. This process typically adds from one to two months to the permit process. The City does not require architectural review; however, a visual impact analysis requiring the installation of story poles onsite is required for all projects that are visible from a scenic area or include a discretionary request unless waived by the Planning Manager.

Tentative parcel maps and tentative tract maps require approximately six to eight months to process and both are processed concurrently with a CDP. However, review time depends greatly on the promptness of the applicant. Projects reviewed by the Planning Commission and the City Council, such as amendments to the General Plan, LCP and M.M.C., typically add, at a minimum, six months to the process.

Certain steps of the development process are required by state laws rather than local laws. The state has defined processing deadlines to limit the amount of time needed for review of required reports and projects. In an effort to provide an efficient permit processing system, the City has implemented the following time and cost saving developmental processes:

- Prepared permit processing guidelines to assist residential builders in applying for development permits for single-family residences, multi-family residential developments, and subdivisions.
- Located all City divisions involved in the permitting process in one central location.
- Developed an "early consultation" pre-application process to identify issues as soon as possible and reduce processing time.
- Encouraged processing of one comprehensive project to avoid multiple applications on one property.
- Provided a GIS (Geographic Information System) application on the City's website with land use information and hyperlinks to important information, such as General Plan and Zoning Code documents.
- Allowed for planning-related inquiries to be addressed Mondays through Fridays at the public counter and through a Planning Department telephone hotline.

While the City has adopted procedures to minimize the review time for development applications, such as concurrent processing of all related applications, the additional complexity of state Coastal Commission involvement and sensitive environmental conditions on nearly every site results in more lengthy processing times than is often the case in non-coastal areas. While lengthy review procedures can present a constraint to housing development and affordability, the City has few options for expediting permits that have not already been implemented. Table IV-5 summarizes the review process for single-family and multi-family projects.

**Table IV-5
Permit Processing Steps**

Single-Family Projects	Multi-Family Projects
Example: 5-lot subdivision with development	Example: 5-unit apartment building
1. Pre-application consultation-optional (staff) – 2 weeks	1. Pre-application consultation-optional (staff) – 2 weeks
2. Review application for completeness by all City and appropriate County agencies – 12 weeks	2. Review application for completeness by all City agencies – 12 weeks
3. Board hearing for the application (Subdivision Review Committee) – 4 weeks	3. CDP review (Planning Commission or Planning Director) – 4 weeks
4. Tentative tract map/CDP approval (Planning Commission) – 4 weeks	4. Building plan check (ministerial) – 8 weeks
5. Final map approval (City Council) – 6 weeks	5. Building permits (ministerial) – 1 week
6. Building plan check (ministerial) – 8 weeks	
7. Building permits (ministerial) – 1 week	
Total Time Estimated = 37 weeks (9.25 months)	Total Time Estimated = 27 weeks (6.75 months)

Source: City of Malibu Planning Department, 2012

Notes: Process assumes that the project is consistent with the General Plan and LCP.

b. Environmental Review

Environmental review is required for all development projects under the California Environmental Quality Act³² (CEQA). An Environmental Impact Report (EIR) is required for all developments that have the potential of creating significant impacts that cannot be mitigated. Typically, residential projects in the City are either Categorically Exempt or require an Initial Study and Negative Declaration or Mitigated Negative Declaration under CEQA. The Negative Declaration process typically takes six to eight weeks to prepare, plus the mandated public review period. Categorically Exempt developments, such as second residential units, require a minimal amount of time. As a result, state-mandated environmental review does not pose a significant constraint to housing development.

3. Development Fees and Improvement Requirements

State law limits the amount of fees charged for development permit processing to the reasonable cost of providing the service for which the fee is charged. Various fees and assessments are charged by the City and other public agencies in order to cover the costs of processing permit applications and providing services and facilities such as schools, parks and infrastructure. Almost all of these fees are assessed through a pro rata share system, based on the magnitude of the project's impact or on the extent of the benefit that will be derived.

Table IV-6 provides a list of fees the City charges for new, standard residential development. Table IV-7 and Table IV-8 provide a summary of fees charged for a typical single-family and multi-family project. The rates charged by the City are inclusive and based on standardized unit sizes. Because of environmental and infrastructure

³² California *Public Resources Code* Section 21000, *et seq.*

constraints, residential development consists primarily of infill projects that do not involve LCP, M.M.C. or General Plan amendments. Development fees will vary from project to project but are currently estimated to be approximately \$29,000 per unit for single-family units and \$14,000 per unit for multi-family units.

**Table IV-6
Planning and Development Fees**

Fee Category	Fee
Planning and Application Fees	
Coastal Development Permit without ESHA – New Single-Family Residence	\$5,571
Coastal Development Permit with ESHA – New Single-Family Residence	\$6,226
Coastal Development Permit without ESHA – Subdivision and Parcel/Tract Map	\$14,055
Coastal Development Permit with ESHA – Subdivision and Parcel/Tract Map	\$15,364
Coastal Development Permit - Multi-Family Attached Residential Development (2-4 Units)	\$7,872
Minor Modification	\$688
Site Plan Review	\$2,072
Variance	\$2,957
Conditional Use Permit (Major)	\$3,614
Conditional Use Permit (Minor)	\$1,080
General Plan Amendment	\$4,973
Zoning Text Amendment	\$4,973
Local Coastal Program Amendment	\$9,682
Referral Fees	
Geology (Major)	\$2,500 deposit
Coastal Engineering	\$1,250 deposit
City Biologist	\$1,304
Environmental Health (Specialist Review)	\$1,283
Public Works (CDP)	\$1,808
Environmental Review	
Categorical Exemption	\$210
Negative Declaration	\$175
Negative Declaration - Mitigated	\$981
Environmental Impact Report	Cost = 30%
Environmental Review Board Analysis	\$1,606

Source: City of Malibu Planning Dept., 2012

**Table IV-7
Planning and Development Fee Example
Single-Family Development**

Fee Category	Fee (per unit)*
Planning and Development Fees	
Coastal Development Permit with ESHA	\$6,226
Site Plan Review	
Geology	\$2,500
City Biologist	\$1,304
Environmental Health	\$1,283
Public Works	\$1,808
Environmental Review Board Analysis	\$1,606
Categorical Exemption	\$210
Impact Fees	
Fire protection fee - \$0.9276 per square foot	\$2,319
Park fee - \$3,425 per single-family residence	\$3,425
School impact fee (\$2.63/sq.ft.)	\$6,575
Total per unit fees	\$29,328
Estimated portion of total development cost**	5%

Source: City of Malibu Planning Dept., 2011

*Based on a 2,500-sq.ft. single-family house on a 1-acre lot

** Based on development cost of \$250/sq.ft (excluding land cost)

**Table IV-8
Planning and Development Fee Example
Multi-Family Development**

Fee Category	Fee (per unit)*
Per-unit Planning and Development Fees	
Multi-Family Attached Residential Development (2-4 Units)	\$2,624
Conditional Use Permit (Major)	\$1,205
Site Plan Review	\$691
Geology	\$833
City Biologist	\$435
Environmental Health	\$428
Public Works	\$603
Categorical Exemption	\$70
Impact Fees	
Fire protection fee - \$0.9276 per square foot	\$1,113
Park fee	\$2,714
School impact fee (\$2.63/sq.ft.)	\$3,156
Total per unit fees	\$13,872
Estimated portion of total development cost**	6%

Source: City of Malibu Planning Dept., 2011

*Based on a 3-unit project of 1,200-sq.ft. units on a 20,000-sq.ft. lot

**Based on development cost of \$200/sq.ft (excluding land cost)

The City annually evaluates the actual cost of processing the development permits when revising its fee schedule.

After the passage of Proposition 13 and its limitation on local governments' property tax revenues, cities and counties have faced increasing difficulty in providing public services and facilities to serve their residents. One of the main consequences of Proposition 13 has been the shift in funding of new infrastructure from general tax revenues to development impact fees and improvement requirements on land developers. The City requires developers to provide onsite and off-site improvements necessary to serve their projects. Such improvements may include water and other utility extensions, street construction and traffic control device installation that are reasonably related to the project. Dedication of land or in-lieu fees may also be required of a project for improvements to the right-of-way, transit facilities, recreational facilities and school sites, consistent with the Subdivision Map Act³³.

The City requires the payment of three impact fees prior to the issuance of building permits: the Los Angeles County Fire Department Developer Fee, the Santa Monica – Malibu Unified School District (SMMUSD) Developer Fee, and the Quimby Act/Parkland Development Fee. The Fire Department Developer Fee was initiated by the Los Angeles County Fire Department and is the same fee charged by most of the cities and in the unincorporated areas of the County surrounding the City of Malibu. The fee is necessary to assure adequate fire equipment and services are available as Malibu is designated as a Very High Fire Hazard Severity Zone. The fee is \$0.9276 per square foot of new construction. The School District Developer Fee was initiated by the SMMUSD and is used to fund school improvements in the district. The fee is \$2.63 per habitable square foot of new residential (both single-family and multi-family) construction. The Quimby Act/Parkland Development Fees are designed to ensure that new development meets local park space obligations. The Quimby Act fee is applied to new subdivisions while the Parkland Development Fee applies to new construction other than subdivisions. The Parkland Development Fees are \$3,425 per single-family unit, \$2,714 per unit in a multi-family project containing less than five dwelling units per building, and \$2,178 per unit in a multi-family project containing five or more units per building. These fees are typical of other cities in environmentally constrained areas and are not considered to be a constraint to development.

Development and growth in the City are limited by geologic and environmental constraints, steep slopes, and dependence on private OWTS for wastewater management. Public works facilities that exist in the City include roads and highways, public water and telephone utilities, and all publicly financed recreational facilities. Major capital improvement projects completed by the Department of Public Works in Malibu consist of road repairs, maintenance, and improvements.

The majority of new housing development that has occurred in the City during the previous housing cycle has been single-family homes on infill sites, including large rural estate parcels. These projects typically do not require off-site improvements but are dependent on public roads that must be maintained by the City. The City's roads are vulnerable to damage by winter storms, and considerable expense is required to keep

³³ California Government Code Sections 66410-66499

the roads open. Local streets are defined in the General Plan Circulation Element as two-lane, undivided roadways with frequent driveway access and 48- to 58-foot right-of-ways, although many of the City's canyon access roads have narrower right-of-ways. To maintain the rural character of its residential areas, the General Plan discourages the use of curbs and sidewalks. Malibu's standards for local streets are modest when compared to more urbanized cities in Los Angeles County and do not act as a constraint to development.

The City's Capital Improvement Program (CIP) contains a schedule of public improvements including streets, stormwater and wastewater treatment facilities, parks, and other public works projects to facilitate the continued build-out forecast in the City's General Plan. The CIP helps to ensure that construction of public improvements is coordinated with private development.

Although development fees and improvement requirements increase the cost of housing, cities have little choice in establishing such requirements due to the limitations on property taxes and other revenue sources needed to fund public services and improvements.

B. Non-Governmental Constraints

1. Environmental Constraints

Malibu is located on a narrow coastal strand on the southern slope of the Santa Monica Mountains, which are characterized by steep and rugged hillsides and canyons draining into the Pacific Ocean. More than 80% of Malibu is hillside area; the remaining relatively flat land is subject to ocean and/or canyon (creek) flooding, or other significant environmental constraints. Geologic and seismic hazards include landslides, soil erosion, mudflows, and liquefaction potential. Additionally, the City is located in the Very High Fire Hazard Severity Zone, and the majority of the City has experienced major brush fires in recent decades. The City's environmental constraints are well documented in the General Plan. Since its incorporation in 1991, the City of Malibu has had six federally declared disasters and one federally declared emergency.

Although the City is characterized by a large amount of vacant land, only a small portion of that land is suitable for development due to these natural constraints. Development in steeply sloping properties would require substantial modification to the natural terrain, which would significantly add to the cost of development. Development on the steep hillsides would also add to erosion and landslide potential. Additionally, all new single-family residences and multi-family residential development in the City require a Coastal Development Permit pursuant to the development requirements of the LCP, which limit grading on steep slopes and encroachment into environmentally sensitive habitat areas (ESHA). Development is also constrained by federal and state laws (e.g., Federal Emergency Management Agency floodplain regulations, Clean Water Act, Endangered Species Act; and California Fish and Game Code and Alquist-Priolo Earthquake Fault Zoning Act).

While environmental conditions constrain development throughout the city, these factors have been considered in the analysis of potential development sites described in

Appendix B, and are not expected to preclude projects from achieving the estimated level of development. Following environmental review of the potential multi-family sites, sufficient acreage will be rezoned to accommodate the lower-income RHNA need for the planning period with full consideration for any environmental constraints that may limit development on rezoned parcels.

2. Infrastructure Constraints

Infrastructure in the City is designed to serve resident needs in a manner that respects environmental constraints and retains the City's rural residential character. As discussed previously under *Development Fees and Improvement Requirements*, the City requires developers to provide on-site and off-site improvements necessary to serve their projects. 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.

Additionally, the City's Capital Improvement Program (CIP) contains a schedule of public improvements including streets, public structures, stormwater conveyance and wastewater treatment facilities, parks and other public works projects to facilitate the continued build-out of the City's General Plan. The CIP helps to ensure that construction of public improvements is coordinated with private development. As a result of these policies, any infrastructure constraints that currently exist must be fully mitigated and financed as growth occurs. While infrastructure requirements can add to the cost of housing, these improvements are necessary to ensure public health and safety, and would not preclude the level of development that is necessary to accommodate the city's housing needs.

a. Wastewater

There is no municipal sewer service in the City. All properties in the City are currently served by individual onsite wastewater treatment systems (OWTS); with the exception of those properties served by five small, community-serving package wastewater treatment plants: Point Dume (serving the Point Dume Mobile Home Park), Trancas Canyon (serving Malibu West and a number of homes on Broad Beach Road and Victoria Point), Malibu Mesa (at Pepperdine University, serving the Malibu Country Estates), and Maison de Ville (serving three condominium complexes). The lack of a municipal sewer system constrains the amount of development that the City can accommodate; however, the underlying constraint is the steep terrain that is better suited to onsite systems than a community sewer system. Additional high-density residential development to accommodate the City's assigned regional housing need would require either the construction of a municipal wastewater treatment system or small package treatment plants to serve individual developments.

b. Water

Domestic water for City residents is supplied by District 29 from the Metropolitan Water District of Southern California (MWD). The MWD obtains its water from the State Water Project and the Colorado River. Wholesalers of water in the Malibu/Santa Monica

Mountains areas are the Las Virgenes Municipal Water District and the West Basin Municipal Water District. These wholesalers distribute to three retailers, which include District 29, Silvas Park Mutual Water Company, and Las Virgenes Metro Water District. Many of the City's water mains and tanks have been identified by the City and by District 29 as severely undersized. However, for projects located in areas with limited to no service by District 29, property owners may install water tanks to serve the property's needs.

The Los Angeles County Fire Department (LACFD) has recently adopted new water supply requirements for the issuance of final approval. New construction projects will not receive final approval unless they can show adequate fire flow capacity. Furthermore, the Fire Department will no longer accept onsite water tanks to be used as a primary source of water for fire-fighting purposes. The problem with these new requirements is that the majority of remaining vacant properties in the City are located within the mountain canyons. These properties do not have ready access to water lines; therefore, they cannot prove adequate fire flow.

The problem has been compounded by the aging water infrastructure regulated District 29. In many of the more remote areas of the City, there is no infrastructure currently. In the past, properties in these areas have relied upon wells and/or large water storage tanks to provide water in times of fire.

Currently, the LACFD will not issue final approval without District 29 sign-off and LACFD approval. The City is in negotiations with both departments, but has not rectified the problems to date.

c. Storm Water Drainage

The City has numerous streams and creeks that drain the hillsides and canyons. The majority of stormwater runoff follows natural drainage courses to the ocean. The City has recently completed construction of two stormwater treatment projects to remove pollutants: Paradise Cove Stormwater Treatment Facility and the Civic Center Stormwater Treatment Facility, which is tied into Legacy Park. The LIP provides provisions to ensure development projects will not result in the increase of stormwater runoff. The City Public Works Department reviews hydrology reports for all new development to ensure compliance with stormwater runoff provisions; therefore, with these existing facilities and review procedures in place, the City's flood control system is not expected to limit development during the planning period.

3. Land and Construction Costs

Land represents one of the most significant components of the cost of new housing. Land values fluctuate with market conditions, and steadily increased from 2000 until the current real estate recession began in 2007. Changes in land prices reflect the cyclical nature of the residential real estate market. It appears as if the market may be in a downturn similar to the early 1980s and early 1990s, which was characterized by relatively sharp declines in property values and extended periods of minimal appreciation before

prices recovered. In previous downturns, land values in high-income areas such as Malibu have declined less and recovered sooner than moderate-income areas.

The natural resources, commitment to a rural character, and location of the City has made Malibu a very desirable place to live. Additionally, much of the buildable land in the City has already been developed. The high demand for housing in the City combined with a limited supply has made land prices considerably higher than in most other areas of Los Angeles County, and this trend is expected to continue in the foreseeable future.

The cost of construction is affected by the price of materials and labor, development standards, and general market conditions. The City has no influence over the cost of materials and labor, and the building codes and development standards are not substantially different than most other cities in the County. Construction costs for materials and labor in the City have increased at a slightly higher pace than the general rate of inflation, according to the Construction Industry Research Board.

4. Cost and Availability of Financing

The recent (2007) crisis in the mortgage industry will likely affect the availability and cost of real estate loans, although the long-term effects are unpredictable. The downturn resulted when “sub-prime” lenders in the past five years made home loans to low-income families or others who could not qualify for standard mortgages. The problem typically occurred with adjustable rate mortgages (ARMs) after the initial fixed interest rate period expired (often two to three years) and the interest rate converted to market. Because ARMs often offered “teaser” initial interest rates well below market for the first few years, monthly payments often increased by several hundred dollars when the loan converted to market rate. When property values were increasing, as was the case from 2000 to 2006, homeowners had the option of refinancing to a new loan when the initial rate expired. However, in the current market with lower property values, homeowners may owe more than the resale value of their home, making refinancing impossible. As a result of these conditions, there has been a significant rise in foreclosure rates, and the changes to mortgage underwriting standards is likely to have greater impacts on low-income families than other segments of the community. Programs such as 2.7 and 3.3 in the Housing Plan help to reduce financing costs for low- and moderate-income homebuyers.

Under state law, it is illegal for real estate lending institutions to discriminate against entire neighborhoods in lending practices because of the physical or economic conditions in the area (“redlining”). In monitoring new construction sales, resales of existing homes, and permits for remodeling, it would not appear that redlining is practiced in any area of the City.

C. Fair Housing

State law prohibits discrimination in the development process or in real property transactions, and it is the City’s policy to uphold the law in this regard. Program 3.1 in the

Housing Plan includes a commitment to identify and contract with an appropriate organization to provide fair housing services to Malibu residents.

V. HOUSING PLAN

A. Goals, Objectives, Policies, and Implementation Programs

This chapter outlines the City of Malibu's plan to encourage the provision of adequate housing to meet the needs of residents from all economic segments throughout the 2008-2014 planning period. The overriding housing goal of the City is:

GOAL: ***Adequate Housing for the Existing and Projected Needs of All Economic Segments of the Community***

The City's policies and implementation programs designed to support this goal are organized into four general areas as described below.

1. *Preserve and Improve the Existing Housing Stock*

- Policy 1.1** **Ensure compliance with existing codes to protect health, safety and community sustainability**
- Policy 1.2** **Assist property owners in repairing or rebuilding damaged or deteriorated housing units, especially affordable housing**
- Policy 1.3** **Preserve existing mobile home parks as an important source of affordable housing**
- Policy 1.4** **Conserve affordable housing in the Coastal Zone**

Program 1.1 – Code Enforcement

Ensure compliance with the City's codes and regulations. Particularly in the case of code violations in units that are occupied by lower-income persons or persons with special needs, direct property owners and renters to programs that are available to provide assistance. Offer amnesty and legalization for existing housing units where:

- 1) The unit is "livable" and meets basic health and safety requirements
- 2) The unit existed at the time of the City's incorporation; and
- 3) The unit is restricted for owner-occupancy or rental by low- or moderate-income persons at an affordable rate.

Responsible department: Planning Department

Funding source: General Fund; permit fees

Time frame: Throughout the planning period

Objective: Reduce code violations and health & safety

issues in existing housing

Program 1.2 – Rebuilding Assistance

Expedite permit processing and provide special assistance to homeowners seeking to repair or rebuild homes that have been lost or damaged in a fire, flood or other disaster, especially units that accommodate low- and moderate-income households, elderly, disabled, large families, single heads of households, farm workers, individuals in need of emergency shelter, and other individuals or household types with special needs, unless those units are located in areas that are physically unsuitable for development.

Responsible department:	Planning Department; Building & Safety Division
Funding source:	General Fund; Federal Emergency Management Agency (FEMA); Office of Emergency Services (OES)
Time frame:	Throughout the planning period
Objective:	Facilitate rebuilding of lost or damaged homes

Program 1.3 – Housing Rehabilitation Assistance

Provide incentives to rehabilitate existing housing units, such as permit fee waivers for units that are deed-restricted for low- and moderate-income families.

Responsible department:	Planning Department
Funding source:	General Fund
Time frame:	Throughout the planning period
Objective:	4 units

Program 1.4 – Preserve Existing Mobile Home Parks

Maintain the Mobile Home Park Rent Control Regulations Ordinance that regulates maximum allowable rents and limits rent increases. Pursuant to the provisions of *Government Code Sec. 65863.7*, require the submittal of a report detailing the impacts of any proposed mobile home park conversion to a nonresidential use concurrent with the filing of any discretionary permit on such property and impose reasonable mitigation measures upon the park owners.

Responsible department:	City Manager's Department; State of California
Funding source:	General Fund; registration fees
Time frame:	Throughout the planning period
Objective:	No net loss of mobile home units

Program 1.5 – Conserve Affordable Housing in the Coastal Zone

In accordance with *Government Code* Sec. 65590, amend the LCP and M.M.C. to require the replacement of low- or moderate-income units that have been removed from the coastal zone (either by demolition or conversion), whenever feasible.

Responsible department:	Planning Department
Funding source:	General Fund
Time frame:	July 2013
Objective:	LCP and M.M.C. amendment

2. New Housing Development

Policy 2.1 Support a regional fair-share approach to meeting housing needs

Policy 2.2 Support a range of new housing development commensurate with the City's needs and consistent with environmental and public service limitations through all appropriate regulatory and administrative mechanisms

Program 2.1 – Regional Housing Needs Identification

Work with the Southern California Association of Governments (SCAG) and the Las Virgenes-Malibu Subregional Council of Governments (COG) to encourage an appropriate fair share allocation of future regional housing needs based on population need, existing supply/demand, ability to accommodate growth given the physical/environmental constraints and the jobs-to-housing ratio.

Responsible Department:	City Manager; City Council liaison to COG; Planning Department
Funding source:	General Fund
Time frame:	Throughout the planning period
Objective:	Encourage fair and realistic RHNA allocations

Program 2.2 – Ensure Adequate Capacity to Accommodate Regional Housing Needs

The City's residential land inventory does not currently have adequate capacity to accommodate the lower-income portion of housing needs identified in the 2006-2014 RHNA (see Appendix B). In order to provide additional capacity for new housing commensurate with the RHNA the City will pursue a two-part strategy that includes: 1) expanded opportunities and incentives for second units; and 2) amending zoning regulations to facilitate affordable multi-family or mixed-use development in suitable locations.

A. Expand the Supply of Second Units

Second units represent an important source of affordable housing in Malibu (see Appendix B for further discussion of second unit production). Due to extraordinarily high land cost and environmental constraints, development of new affordable housing is very difficult. Since second units can be accommodated on developed sites at no additional land cost, they represent an excellent option for addressing the needs of seniors, university students, household employees, local service workers, and extended family members. In order to maximize the availability of additional second units, the City will implement the following actions:

1. Promote the Development of Second Units

Develop a brochure to provide information on the City's second unit standards and incentives to promote their development. The brochure will be distributed at City Hall, posted on the website, and provided to all applicants for new residential development.

2. Amnesty Program for Second Units

Adopt a Second Unit Amnesty Program for legalized second units that meet all health and safety requirements. The amnesty program may include the waiver of City fees and penalties and will allow the legal registration of both second units and converted guest houses. These newly-created affordable units can be counted towards meeting the City's RHNA requirements as allowed for in *Government Code* Section 65583.1(c).

3. Financial Assistance for Second Units

Contact local service providers, including the Water District and School District, to pursue reduced development impact fees on second units dedicated for occupancy by lower-income households. Evaluate mechanisms to subsidize impact fees using local, state, and nonprofit sources, including the City's Affordable Housing Trust Fund.

4. Pre-Approved Second Unit Prototypes

Make available pre-approved second unit prototype plans to assist applicants and streamline the approval process.

Responsible department:	Planning Department
Funding sources:	General Fund; Affordable Housing Trust Fund; other governmental agencies; grant funds
Time frame:	July 2012
Objective:	30 second units during 2012-2014

B. Facilitate New Affordable Housing Development

Existing development standards in the Multi-Family district limit density to 6

units/acre. In order to accommodate the City's lower-income housing need, the M.M.C. and LCP regulations will be amended on parcels selected from the candidate sites listed in Table B-5 to allow multi-family or mixed-use development by-right at a minimum density of 20 units/acre for projects that include affordable housing. In order to qualify for the increased density incentive, all "bonus" units (i.e., additional units allowed above the base density of 6 units per acre) must be deed-restricted for low- and moderate-income households for a minimum of 30 years. In conformance with *Government Code* Sec. 65583.2(h) and (i), qualifying projects must accommodate at least 16 units per site, will be approved by-right (i.e. without a discretionary permit), and at least 50% of the remaining lower-income need will be accommodated on sites where only residential development (i.e., not mixed use) is allowed. Development standards will be established to encourage and facilitate such development. Any developer utilizing these incentives shall be required to screen tenants or buyers for compliance with income limits and establish a monitoring system to ensure the unit's continued affordability. This program will create a strong incentive for affordable housing development because of the additional units allowed at 20 units/acre compared to the base density of 6 units/acre. The allowable density of 20 units/acre does not include the state-mandated density bonus, and it is anticipated that all projects utilizing this option will also qualify for a density bonus of up to 35%. The feasibility of affordable housing development would be enhanced on the site owned by the City since it is not constrained by land acquisition cost.

This program does not represent an "inclusionary" requirement because property owners who do not wish to take advantage of the density incentive would be allowed to develop market-rate housing at the allowable base density of 6 units/acre.

Potential affordable housing sites are identified in Appendix B, Table B-5. Following the completion of an environmental review of potential sites, zoning and LCP amendments will be processed to facilitate development of affordable housing on the most appropriate sites.

As part of the environmental review and entitlement process, the City will contact potential affordable housing developers to solicit suggestions regarding development standards and other entitlement issues that could facilitate the provision of affordable housing, including family units (2-3 bedrooms) and extremely-low-income (ELI) units where feasible.

Amendments to the M.M.C. and LCP Local Implementation Plan (LIP) development standards will be processed as necessary to facilitate affordable multi-family development. These amendments could include revisions to current standards for total development square footage, grading quantities, impermeable coverage, building envelope, minimum unit size, or subterranean parking.

Incentives and concessions for ELI units will include a variety of housing types such as SROs and supportive housing. Incentives may include priority processing, density bonus, modified development standards, administrative support with funding applications, and/or fee waivers or deferrals.

The zoning regulations will include a “no net loss” provision that requires the City to make the findings required by *Government Code Sec. 65863* if a project were approved at lower density than assumed in the Housing Element land inventory. This provision will require that adequate sites for high-density multi-family development be maintained throughout the planning period.

In order to facilitate affordable housing development, the City will contact non-profit developers annually to implement a strategy for developing housing, including site identification, priority processing, density bonus and modified development standards, administrative support with funding applications, and fee waivers or deferrals if feasible. The City has already had conversations with nonprofit developers regarding affordable housing opportunities on the La Paz site.

Responsible department:	Planning Department
Funding source:	General Fund
Time frame:	General Plan, M.M.C. and LCP amendments by July 2013
Objective:	Additional capacity for 116 lower- income units

C. Reevaluate CUP Requirement on Multi-Family Development

The current requirement to obtain a Conditional Use Permit (CUP) for multi-family development in the Multi-Family (MF) and Multi-Family Beachfront (MFBF) zoning districts will be reevaluated since the LCP requires more stringent findings for all coastal development permits for new residential development.

Responsible department:	Planning Department
Funding source:	General Fund
Time frame:	General Plan, M.M.C. and LCP amendments by July 2013
Objective:	Consider replacing the CUP requirement with a Coastal Development Permit for multi-family projects.

Program 2.3 – Streamline Development Review and Assist Affordable Housing Developments

Streamline the development review and permit process for all residential development by providing a series of informational handouts describing how to apply for housing development and summarizing the basic development criteria for different zones. When developers propose to include affordable units in a project, provide assistance through expedited processing, density bonus and other modified development standards, and administrative assistance with grant applications.

Responsible department:	Planning Department
Funding source:	General Fund; permit fees
Time frame:	Throughout the planning period
Objective:	Minimize residential permit processing time and assist affordable housing developments

Program 2.4 – Density Bonus Ordinance

In order to ensure consistency with state density bonus law, the LCP and M.M.C. will be amended in conformance with *Government Code* Section 65915.

Responsible department:	Planning Department
Funding source:	General Fund
Time frame:	Within one year of Housing Element adoption
Objective:	Ensure compliance with state density bonus law.

3. Fair Housing and Assistance to Lower-Income Households and Persons with Special Needs

Policy 3.1 Facilitate the provision of fair housing services.

Policy 3.2 Remove regulatory barriers to housing for all residents, including those with special needs.

Policy 3.3 Provide financial support, where feasible, and referral information to persons in need of housing assistance.

Program 3.1 – Fair Housing

Support fair housing efforts by contracting with the Los Angeles County Housing Authority, Westside Fair Housing Council, or other appropriate organization, to create a program that provides fair housing services, including investigation of discrimination complaints, research on housing discrimination-related issues, public information about the rights and responsibilities of landowners and tenants, and landlord/tenant dispute resolution. Promote the program each year through the use of pamphlets, public bulletin boards on community television; educational flyers distributed to property owners, apartment managers and tenants; public service announcements on local radio stations and in local print media; and presentations at community groups.

Responsible department:	Planning Department
Funding source:	General Fund; CDBG
Time frame:	Annual appropriation each year beginning in 2012 and semi-annual publications and announcements
Objective:	Provide and publicize fair housing services through contracting with a public or non-profit service provider

Program 3.2 – Remove Regulatory Barriers to Affordable Housing and Housing for Persons with Special Needs

- A. Residential Care Facilities. Amend the LCP and M.M.C. to permit small licensed residential care facilities (maximum six residents) by-right in all residential zones, and larger care facilities (more than six residents) and similar innovative alternative living projects in the Civic Center area subject to a CUP where such projects would be compatible with the surrounding uses.
- B. Reasonable Accommodation Ordinance. Amend the LCP and M.M.C. to establish administrative procedures for reviewing and approving requests for modifications to zoning and land use regulations that are necessary to accommodate the needs of persons with disabilities, such as universal design features and reasonable accommodation procedures.
- C. Permanent Emergency Shelters. Amend the LCP and M.M.C. to establish a definition and allow permanent emergency shelters as a permitted use by-right in the Commercial General (CG) and Institutional zoning districts subject to appropriate development standards consistent with Senate Bill (SB) 2.
- D. Temporary Emergency Shelters. According to the City Emergency Service Coordinator, the City currently has the possibility of using Bluffs Park as a temporary emergency shelter. The American Red Cross has developed agreements with the school district to use any of its schools as disaster shelters if necessary.
- The City currently has emergency supplies and agreements to utilize Malibu High School as an emergency shelter. The City also has a memorandum of understanding with Beaches & Harbors to use Zuma Beach Parking Lot #12 as a temporary emergency evacuation area, with no provisions for feeding or sleeping, only congregating.
- E. Transitional and Supportive Housing. Amend the LCP and M.M.C. to clarify that transitional and supportive housing are residential uses that are subject only to the same regulations and procedures as other residential uses of the same type in the same zone.

- F. Single Room Occupancy (SRO) Housing. Amend the LCP and M.M.C. to identify appropriate locations and development standards to encourage and facilitate the production of SRO units, which can help to address the needs of seniors, college students, service workers and domestic employees with extremely-low incomes.
- G. Reduced Parking Requirements for Affordable Housing. In order to enhance the feasibility of affordable housing development, amend the LCP and M.M.C. to allow reduced parking standards for qualifying affordable units pursuant to *Government Code Sec. 65915 et seq.*
- H. Farmworker Housing. Amend the LCP and M.M.C. in conformance with the Employee Housing Act (*Health and Safety Code Sec. 17021.5 and 17021.6*).

Responsible department:	Planning Department
Funding source:	General Fund
Time frame:	Within one year of Housing Element adoption (A/B/C/E/F/G/H)
Objective:	Process M.M.C. and LCP amendments

Program 3.3 – Provide Financial Support and Referral Information to Persons in Need of Assistance

Malibu is a small jurisdiction without a redevelopment agency or housing department, and is not an entitlement jurisdiction for federal grants, such as Community Development Block Grants (CDBG) and the HOME Investment Partnerships Program (HOME). Therefore, the City does not have any resources for direct financial housing assistance, other than a small proposed housing trust fund. The City will provide referral information to extremely-low-, very-low-, low-, and moderate-income persons and families, the elderly, and persons with disabilities regarding affordable and special needs housing, such as Section 8 Rental Assistance and the Mortgage Credit Certificate program. If feasible, the City will seek CDBG and HOME funds.

- a. Affordable Housing Trust Fund. Create an Affordable Housing Trust Fund and use the proceeds to leverage other sources of funding for affordable housing.
- b. State and Federal Grants. Where feasible, seek state and federal grant funds, such as CDBG and HOME, in order to provide support for affordable housing activities.
- c. Section 8 Rental Assistance. Provide referral information to low-income persons seeking rental assistance by publicizing the program in flyers posted at City Hall, the City's website and other public locations.
- d. Mortgage Credit Certificates. Provide referral information regarding the mortgage credit certificate program to homebuyers by publicizing the

program in flyers posted at City Hall, the City website and other public locations.

Responsible department:	Planning Department; Housing Authority of Los Angeles County (HACoLA)
Funding source:	General Fund; Section 8; mortgage credit certificates; CDBG/HOME (if feasible)
Time frame:	In 2012 a staff member will be designated as the City’s Housing Coordinator with responsibility for monitoring all activities related to Housing Element implementation, including preparation of annual progress reports, annual monitoring of sources of financial assistance such as Section 8, state/federal grants, and mortgage credit certificates. The Housing Coordinator shall also be responsible for disseminating information to the community regarding this activities and resources. Depending on program availability and City eligibility, apply for state/federal funds on a bi-annual basis to assist affordable housing development.
Objective:	Disseminate housing assistance information; provide direct funding in support of affordable housing when feasible

4. Housing Performance Monitoring

Policy 4.1 Monitor housing program results and revise strategies as necessary

Program 4.1 – Monitor and Report Annually on Housing Program Accomplishments

The City will monitor accomplishments toward Housing Element objectives and report annually to the City Council and California Department of Housing and Community Development. If implementation measures are ineffective in achieving desired results, adjustments will be made to improve the efficacy of programs.

Responsible department:	Planning Department
Funding source:	General Fund
Time frame:	Annual progress reports
Objective:	Monitor progress and make mid-course

corrections if necessary to achieve desired results

B. Quantified Objectives

The City's quantified objectives for new construction, rehabilitation and conservation are presented in Table V-1. It must be recognized, however, that many factors and constraints outside the City's control may influence its ability to achieve these objectives. These estimates represent the City's best effort to quantify potential results.

Table V-1
Quantified Objectives 2008-2014

Category	Income Level					Totals
	Ex. Low	V. Low	Low	Mod	Above Mod.	
New Construction*	58	57	73	79	175	441
Rehabilitation	1	1	1	1		4
Conservation	0	0	0	0	0	0

*Quantified objective for new construction is for the period 1/11/2006-6/30/2014 per the RHNA

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Appendix A – Evaluation of the Previous Housing Element

Section 65588(a) of the *Government Code* requires that jurisdictions evaluate the effectiveness of the existing Housing Element, the appropriateness of goals, objectives and policies, and the progress in implementing programs for the previous planning period. This appendix contains a review of the housing goals, policies, and programs of the previous housing element, and evaluates the degree to which these programs have been implemented during the previous planning period, 2001 through 2007. This analysis also includes an assessment of the appropriateness of goals, objectives and policies of the previous housing element. The findings from this evaluation have been informative in determining the City's 2008 Housing Implementation Program.

Table A-1 summarizes the programs contained in the previous Housing Element, along with the source of funding, program objectives, accomplishments, and implications for future policies and actions.

Table A-2 summarizes the goals and policies contained in the previous Housing Element, along with an assessment of their appropriateness for the new planning period.

Table A-3 summarizes the new units built during the previous Housing Element period.

**Table A-1
2001 Housing Element Program Evaluation**

Objective/ Implementation Measure	Responsible Agency	Funding Source	Program Objectives & Timeframe	Accomplishments	Future Policies and Actions
OBJECTIVE 1.1 ALL RESIDENTS, INCLUDING THOSE WITH SPECIAL NEEDS, HAVE ACCESS TO DECENT, SAFE AND SANITARY HOUSING THAT IS AVAILABLE AND AFFORDABLE					
Implementation Measure 1: Provide appropriate incentives to encourage the development of housing to meet low- and moderate-income needs. Such incentives may include density bonuses (see H Implementation Measure 4), permit fee waivers or deferrals, development agreements that serve as part of the public benefit justifying the agreement, and assistance in accessing state or federal funding. The City may also approve alternative standards for parking on a case-by-case basis if necessary to achieve a density necessary for the financial feasibility of low- or moderate-income housing.	Planning Department/City Manager's Department	General Fund	6 units 2005	The City entered in a settlement agreement to work with the Trancas Town developer to provide at least 4 units for low to moderate income out of a 32-unit condominium development. Status of application is still pending; in litigation.	This measure will be continued but reformatted as Programs 2.2, 2.3 and 2.4
Implementation Measure 2: Evaluate all General Plan amendment requests for their potential impact on the availability of land at higher zoning density that could potentially accommodate affordable housing. The purpose of this evaluation is to maintain an adequate supply of higher density zoned land to meet low- and moderate-income housing needs.	Planning Department	Permit fees	No net loss of land zoned for multi-family use; Ongoing	Land use designations for 2 properties were changed from commercial to multi-family residential: City Council Resolution No. 96-047: Amending the general plan land use map changing the land use designation from commercial visitor serving- 1 (CV-1) to multi-family beach front (MFBF) for two properties located at 21202 Pacific Coast Highway. City Council resolution No. 99-22: Amending the general plan land use map changing the land use designation of 22706 Pacific Coast Highway from Community Commercial to Multi-family Residential (MF).	This measure will be continued but reformatted as Program 2.2 and 2.3
Implementation Measure 3: Develop and maintain, and periodically update, a handbook for public distribution setting forth how to apply for housing development in the City and summarizing the basic development criteria for different zones.	Planning Department	General Fund; permit fees	Not applicable	Not completed due to staffing limitations.	This measure will be continued but streamlined as Program 2.3 in order to enable its implementation.

Objective/ Implementation Measure	Responsible Agency	Funding Source	Program Objectives & Timeframe	Accomplishments	Future Policies and Actions
<p>Implementation Measure 4: Continue to implement a density bonus system, consistent with State law, in which density on a project site designated for multifamily uses may be increased. A density increase of 25 percent over the base density shall be allowed when the project provides at least one of the following: (a) 20 percent for low-income families, (b) 10 percent for very low-income families or (c) 50 percent for seniors. A minimum of 30-year affordability will be required to receive any incentive.</p> <p>Any developer who receives approval to use this incentive will be required to screen initial tenants or buyers for compliance with income group limits and establish a monitoring system to ensure the unit's continued affordability. The City will encourage its use in areas where hazards such as flooding, fires, earthquakes and liquefaction do not pose unreasonable risks.</p> <p>Incentives may include, but will not be limited to:</p> <ul style="list-style-type: none"> (1) 20 percent reduction in setback requirements in addition to minor modification setback reduction, if applicable; (2) 20 percent reduction in ratio of vehicle parking spaces required for housing units; (2) Priority processing of planning approvals and building permits; (3) Direct financial aid, including CDBG funding, subsidization of infrastructure, or contribution from City's affordable housing trust fund; and (4) Expedited permit processing consisting of simultaneous review and processing of multiple permit approvals. 	<p>Planning Department</p>	<p>General Fund; fees</p>	<p>5 units Current and ongoing</p>	<p>Local Coastal Program (LCP) Local Implementation Plan (LIP) Section 3.7 allows for a density bonus consistent with State Law at the time of the previous Housing Element Update. The City will need to update this section to comply with current State Law – SB 1818 (January 1, 2005).</p>	<p>This measure will be continued but reformatted as Program 2.4</p>
<p>Implementation Measure 5: Permit residential care facilities for seniors and similar innovative alternative living projects in commercial areas where such projects would be compatible with the surrounding uses.</p>	<p>City Council</p>	<p>General Fund</p>	<p>5 units Ongoing</p>	<p>Not completed due to staffing limitations.</p>	<p>This measure will be continued but reformatted as Program 3.2</p>

Objective/ Implementation Measure	Responsible Agency	Funding Source	Program Objectives & Timeframe	Accomplishments	Future Policies and Actions
<p>Implementation Measure 6: Continue to permit mixed-use structures and developments consisting of commercial uses and affordable residential units in commercial general (CG) zones. Floor area dedicated to very low-, low-, or moderate-income housing will be permitted a density bonus up to .05 over the maximum intensity permitted within commercial general zones. Projects that provided deed-restricted very low income, low income or senior housing will also be permitted a density bonus up to .05 over the maximum intensity permitted within Commercial General zones for that portion of the project dedicated to commercial uses. This incentive is in addition to the 25% density bonus for the residential portion of a project allowed under H Implementation Measure 4. The amount of bonus density for the commercial uses shall be directly related to the amount and type of affordable units provided. Any developer who received approval to use these incentives shall be required to screen initial tenants or buyers for compliance with income group limits and establish a monitoring system to ensure the unit's continued affordability.</p>	<p>City Council</p>	<p>General Fund</p>	<p>20 units Current and ongoing</p>	<p>Not completed due to staffing limitations.</p>	<p>This measure will be replaced with Programs 2.2 and 2.3 in order to be more effective.</p>
<p>Implementation Measure 7: Expedite permit processing and waive fees where appropriate for homeowners seeking to rebuild their dwelling units damaged or destroyed by natural or other disasters.</p>	<p>City Council/ Building & Safety Division</p>	<p>General Fund/ FEMA/OES</p>	<p>Rebuilding of all damaged homes; Current and ongoing</p>	<p>A Coastal Development Permit (CDP) is not required to rebuild a fire damaged / destroyed home in the same size and configuration - the project will be reviewed as an Administrative Plan Review (APR) by City Planning staff. The APR process can be completed in less time than the CDP process.</p> <p>The City of Malibu Environmental & Community Development Department staff makes every effort to expedite projects for the rebuilding of fire damaged / destroyed homes.</p>	<p>This measure will be continued but reformatted as Program 1.2</p>
<p>Implementation Measure 8: Use Bluffs Park and Point Dume Community Centers as a Red Cross Emergency shelters and open other municipal</p>	<p>City Council</p>	<p>General Fund; CDBG</p>	<p>Code amendment by 2002</p>	<p>According to the City Emergency Service Coordinator, the City currently has the possibility of using Bluffs Park</p>	<p>This measure will be continued but reformatted as Program 3.2</p>

Objective/ Implementation Measure	Responsible Agency	Funding Source	Program Objectives & Timeframe	Accomplishments	Future Policies and Actions
<p>City buildings as needed and appropriate to provide displaced residents with temporary shelter after a disaster. Continue to allow emergency shelters and transitional housing, other than the smaller facilities already permitted in residential areas, as permitted or conditionally permitted use where such projects would be compatible with the surrounding uses. In addition, the City will amend the IZO to designate specific commercial zones in which emergency shelters or transitional housing will be permitted and specify incentives that may be offered to allow to mitigate the impacts of zoning standards on the feasibility of such uses. Incentives that will be considered by the City include, but are not limited to, direct financial assistance through the use of CDBG funds, a reduction in the open space requirements or parking standards (if these can be accomplished within the overall intent of the IZO), and waiver or reduction in permit fees.</p>				<p>as a temporary emergency shelter. The American Red Cross has developed agreements with the School District to use any of its schools as disaster shelters if necessary.</p> <p>The City currently has emergency supplies and agreements to utilize Malibu High School as an emergency shelter. The City also has a memorandum of understanding with Beaches & Harbors to use Zuma Beach Parking Lot #12) as a temporary emergency evacuation area, with no provisions for feeding or sleeping, only congregating.</p>	
<p>Implementation Measure 9: Designate additional sites on which mobile home parks will be permitted subject to development standards in the IZO.</p>	<p>City Council</p>	<p>General Fund</p>	<p>Code amendment by 2002; Identify at least one additional site suitable for a mobile home park.</p>	<p>Not completed</p>	<p>This program will be deleted – affordable housing will be provided through other avenues.</p>
<p>OBJECTIVE 2.1 EQUAL OPPORTUNITY FOR ALL RESIDENTS TO LIVE IN HOUSING OF THEIR CHOICE</p>					
<p>Implementation Measure 10: Continue to enforce the State's barrier-free policies and provide complaint referral services to the Los Angeles County Department of Community Development/Housing Authority or the California Department of Fair Employment and Housing, as appropriate. The City has designated an individual at City Hall to handle fair housing complaints, provide appropriate information regarding fair housing laws, and refer complaints to the County or DFEH, depending on the nature of the complaint.</p>	<p>Building & Safety Division/ Code Enforcement</p>	<p>Permit fees/ Seek additional revenue sources</p>	<p>Current and on-going</p>	<p>By enforcing Title 24 of the California Building Code in regards to accessibility wherever it applies, the City enforces State's barrier-free policies. Complainants are encouraged to contact the Department of Fair Employment and Housing if they have any concerns.</p>	<p>This measure will be continued but reformatted as Program 3.1 and 3.2</p>
<p>Implementation Measure 11: Continue to implement a streamlined permit process and building inspections to reduce the cost of building</p>	<p>Building & Safety Division</p>	<p>Permit fees/ Seek additional revenue sources</p>	<p>Current and ongoing</p>	<p>Not completed due to staffing limitations.</p>	<p>This measure will be continued but reformatted and streamlined as</p>

Objective/ Implementation Measure	Responsible Agency	Funding Source	Program Objectives & Timeframe	Accomplishments	Future Policies and Actions
housing that accommodates those with special needs by providing one-stop service for ministerial permit approvals.					Program 2.3
OBJECTIVE 3.1 AVAILABLE AFFORDABLE HOUSING					
Implementation Measure 12: Monitor the supply of new housing provided as affordable to very low, low and moderate income persons, including, but not limited to, mobilehomes and second units on existing residential lots.	Planning Department	General Fund	On-going	All new single-family residences and second units require review by City staff and a Coastal Development Permit.	This measure will be continued but reformatted as Program 4.1
Implementation Measure 13: Require new commercial and industrial developments, particularly those employing low- and moderate-income workers, to mitigate the impact of employment on housing demand in Malibu by either providing an adequate number of affordable housing units to meet the new demand for such housing created by the project or pay an in-lieu fee to be deposited into a Housing Trust Fund. The fee shall be used for programs that purchase or subsidize housing units or mobile home park spaces to make them available at an affordable price to very low-, low- and moderate-income families.	City Council	General Fund	5 units Current and ongoing	Not completed due to staffing limitations.	This measure will be deleted.
Implementation Measure 14: Provide information and referral services that assist very low-, low-, and moderate-income households, seniors, and disabled individuals in finding suitable housing at an affordable cost.	Planning Department	General Fund	On-going	Affected members of the public are encouraged to contact Los Angeles County Housing Authority.	This measure will be continued but reformatted as Program 3.3
Implementation Measure 15: Continue to encourage the adaptive reuse of commercial buildings for residential use by allowing increased floor area density in proportion to the number of new units that are deed restricted for very low-, low-, or moderate-income families. If necessary, decrease the minimum number of parking spaces required for each unit restricted for seniors and for studio and one-bedroom units that are unlikely to generate as much parking demand.	City Council	General Fund	3 units Zoning Code amendment by 2001	Not completed due to staffing limitations.	This measure will be deleted.
Implementation Measure 16: Establish a program to promote the expeditious processing of residential projects which qualify for a density	City Council	General Fund	Dependent on developer response Current and ongoing	Not completed due to staffing limitations.	This measure will be continued but reformatted as Program 2.4

Objective/ Implementation Measure	Responsible Agency	Funding Source	Program Objectives & Timeframe	Accomplishments	Future Policies and Actions
bonus under the implementation of the Housing Element, Government Code Section 65915 as may be amended from time to time, or applicable to state law. The City will provide priority permit processing for residential projects containing housing affordable to low- or moderate-income residents and assist the applicant in expediting review by the Coastal Commission.					
Implementation Measure 17: Allow "granny flats," which are age-restricted second units, and second units for non-senior households consistent with Government Code Sections 65852.1 and 6585.2. and adjust the parking requirement for units restricted to serve senior citizens according to the requirements of state law. Allow reductions in the parking standards for other second units which are restricted for rent by very low, low and moderate-income families where the modification would not have a significant adverse impact on traffic and parking in the particular neighborhood where the modification is desired.	City Council	General Fund	5 senior units, 5 non-senior units On-going	LIP Section 3.6(N) allows for second units and guesthouses. Each residential property is permitted one second unit or guesthouse up to 900 square feet, and a garage up to 400 square feet. Second units and guesthouses are only required to provide one additional parking space.	This measure will be continued and expanded as Program 2.2
Implementation Measure 18: Develop an inclusionary housing program for multifamily development that requires new subdivisions projects of five or more units/lots to deed restrict 20% of new units for low- or moderate-income residents, depending on the financial characteristics of the project. The program shall include provisions such that, where it is unfeasible to provide the inclusionary units on-site, the developer may elect to provide the units off-site or pay a fee in lieu of constructing units. In-lieu fees shall be deposited into an affordable housing trust fund to be used to purchase existing units or mobile home spaces for use as affordable housing.	City Council	General Fund	5 units Adopt program by 2001	Not completed due to staffing limitations.	This measure will be deleted except for sites rezoned to accommodate lower-income needs identified in the RHNA.
Implementation Measure 19: Participate in Los Angeles County Community Development Commission (CDC) housing programs such as the Mortgage Credit Certificate Program for first time homebuyers. The City will undertake the following	City Council	Community Development Commission; General Fund	Current and ongoing	Homebuyers are responsible for contacting the Los Angeles County Community Development Commission (LACDC) to apply for programs. For example, in order to participate in the	This measure will be continued but reformatted as Program 3.3

Objective/ Implementation Measure	Responsible Agency	Funding Source	Program Objectives & Timeframe	Accomplishments	Future Policies and Actions
actions to implement this program: (1) Periodically meet with CDC representatives to confirm program availability in, and applicability to, Malibu. (2) Consult with CDC representative during the program development phase of new programs to assure that such programs are available in Malibu and/or address Malibu's unique circumstances. (3) Monitor the availability of new state and federal programs administered by the CDC and, as they become available, meet with CDC representatives to assure their applicability to, and availability in, Malibu.				Mortgage Credit Certificate Program (MCC), homebuyers go through the normal process of choosing a realtor and arrange financing with a participating lender. The lender determines if the homebuyer is eligible for the program and completes forms to send to LACDC to review. If the homebuyer is qualified for the program, the County can then issue an MCC.	
OBJECTIVE 4.1 NO NET LOSS OF AFFORDABLE HOUSING					
Implementation Measure 20: Maintain a mobilehome park rent stabilization ordinance that regulates maximum allowable rents and limits rent increases.	City Manager's Department; City Council	General Fund; registration fees	No net loss of units On-going	M.M.C. Chapter 5.16 stipulates that no increase in space rents in excess of the amounts permitted pursuant to Section 5.16.090(A) and (B) shall be effective unless approved by the Mobile home Park Rent Stabilization Commission. This Commission meets on an as needed basis only.	This measure will be continued but reformatted as Program 1.4
Implementation Measure 21: Pursuant to the provisions of Government Code Section 65863.7, require the submittal of a report detailing the impacts of any proposed mobilehome park conversion to a nonresidential use concurrent with the filing of any discretionary permit on such property and impose reasonable mitigation measures upon the park owners.	City Council	General Fund	On-going	No mobile home parks were proposed to be closed or converted.	This measure will be continued but reformatted as Program 1.4
Implementation Measure 22: Establish a housing rehabilitation program and provide financial assistance and/or incentives to encourage rehabilitation of both owner-occupied and rental housing and the preservation of such housing as affordable to low- and moderate-income households. Examples of the financial assistance/incentive the City will explore are: (1) Direct financial assistance for rehabilitation (loans or grants)	City Council	General Fund	Adopt program by 2002 15 units rehabilitated	Not completed due to low level of need and staffing limitations.	This measure will be deleted due to low level of rehabilitation need.

Objective/ Implementation Measure	Responsible Agency	Funding Source	Program Objectives & Timeframe	Accomplishments	Future Policies and Actions
(2) Fee waivers or reductions (3) Relaxation of development standards to facilitate the rehabilitation					
Implementation Measure 23: In accordance with Government Code Section 65590, require the replacement of affordable units removed (either by demolition or conversion) from the coastal zone whenever feasible.	City Council	General Fund	No net loss of units	No affordable units were demolished or converted.	This measure will be continued but reformatted as Program 1.5
Implementation Measure 24: Establish a voluntary amnesty and legalization program for existing housing units in the City provided where: 1) the unit is "livable" and meets basic health and safety requirements; 2) the unit existed at the time of the City's incorporation; and 3) the unit is restricted for owner-occupancy or rental by very low, low or moderate-income persons at an affordable rate.	City Council	General Fund	5 – 10 units Current and ongoing	Applications for after-the-fact structures are submitted and reviewed by Planning and Building & Safety Divisions. After-the-fact structures may be approved if they meet current code or if the applicant can provide evidence that the after-the-fact structure is legal existing nonconforming prior to 1993.	This measure will be continued but reformatted as Programs 1.1 and 2.2
OBJECTIVE 5.1 HOUSING NEEDS ADDRESSED REGIONALLY					
Implementation Measure 25: Explore the possibility of cooperative agreements with agencies and other levels of government to provide emergency shelter. The objectives of the cooperative agreements will be to identify appropriate locations for emergency shelters that serve more than one community and establish a cost-sharing mechanism so that each participating community contributes a fair share to the operation of the shelter.	City Manager's Department; City Council liaison to the Las Virgenes Subregional Council of Governments (COG)	General Fund	Current and ongoing	The City currently has emergency supplies and an agreement to use the Malibu High School as an emergency shelter. The City also has an MOU with Beaches & Harbors to use a portion of Zuma Beach Parking Lot as a temporary emergency evacuation area, with no provisions for feeding or sleeping, only congregating. Typically, the LACFD determines what areas will need to be evacuated and which areas would be candidates for the establishment of shelters. LACFD then works with the Red Cross to locate and set up shelters.	This measure will be continued but reformatted as Program 3.2
Implementation Measure 26: Enter into an agreement with Los Angeles County or other appropriate agencies such as the Westside Fair Housing Council to operate a Fair Housing Program encompassing investigation of discrimination complaints, research on housing discrimination related issues, and public information about the rights and responsibilities of land owners and tenants. Promote availability of	City Manager's Department	General Fund CDBG	Current and ongoing	Not completed due to staffing limitations.	This measure will be continued but reformatted as Program 3.1

Objective/ Implementation Measure	Responsible Agency	Funding Source	Program Objectives & Timeframe	Accomplishments	Future Policies and Actions
the program through the use of pamphlets and public bulletin board on community television.					
Implementation Measure 27: Work with Southern California Association of Governments to encourage an appropriate fair share allocation of regional housing demands based on population need, existing supply/demand, ability to accommodate growth given the physical/environmental constraints and the jobs-to-housing ratio.	City Manager's Department; Council liaison to COG	General Fund	Current and ongoing	Coordination with SCAG was constrained in the previous RHNA cycle due to staffing limitations. Staff has worked extensively with SCAG in the 2012 RHNA cycle in order to advocate for a fair allocation of housing growth.	This measure will be continued but reformatted as Program 2.1

**Table A-2
Appropriateness of Housing Element Goals, Objectives and Policies**

Goal/Objective/Policy		Appropriateness
Goal – Adequate Housing for Existing and Projected Needs of All Economic Segments of the Community.		
Objective 1.1	All residents, including those with special needs, have access to decent, safe and sanitary housing that is available and affordable	Appropriate - retain
	Policy 1.1.1: The City shall foster a mix of housing types	Appropriate – retain but reformat as 2.2
	Policy 1.1.2: The City shall encourage new housing to meet housing needs based on the ability to provide public services and within the limits of Malibu's environmental constraints	Appropriate – retain but reformat as 2.2
	Policy 1.1.3: The City shall identify adequate sites for 226 new housing units by the year 2000, 25 of which would be affordable to very-low-income families, 27 of which would be affordable to low-income families, 29 of which would be affordable to moderate-income families, and 145 of which would accommodate those families above the moderate income level	Appropriate – retain but reformat as 2.2 and update to reflect new RHNA
	Policy 1.1.4: The City shall work with neighboring communities to find an accessible site for a regional homeless shelter.	Appropriate – retain but reformat as 3.2
	Policy 1.1.5: The City shall provide temporary emergency shelter in response to disasters.	Appropriate – retain but reformat as 3.2
Objective 2.1	Equal opportunity for all residents to live in housing of their choice	Appropriate – retain
	Policy 2.1.1: The City shall encourage a variety of types of housing, including most particularly housing for those with special needs such as the disabled, elderly, large families, and families with single heads of households.	Appropriate – retain but reformat as 3.2
	Policy 2.1.2: The City shall support the enforcement of existing prohibition of discrimination in housing based on race, ethnicity, national origin, age, religion, sex, and family status.	Appropriate – retain but reformat as 3.1
Objective 3.1	Available affordable housing	Appropriate - retain
	Policy 3.1.1: The City shall promote the adaptation of existing structures to meet the City's affordable housing needs.	Appropriate – retain but reformat as 2.3
	Policy 3.1.2: The City shall permit affordable housing units in commercial general zones mixed-use projects as a means of meeting the City's affordable housing goal	Appropriate – retain but reformat as 2.3
	Policy 3.1.3: The City shall regulate space rents in the City's mobilehome parks to conserve affordable housing	Appropriate – retain but reformat as 1.4
	Policy 3.1.4: The City shall assist very low, low, and moderate income families to be aware of affordable housing opportunities	Appropriate – retain but reformat as 3.3
Objective 4.1	No net loss of affordable housing	Appropriate - retain
	Policy 4.1.1: The City shall strive to maintain existing affordable housing stock.	Appropriate – retain but reformat as 1.2

Goal/Objective/Policy		Appropriateness
Goal – Adequate Housing for Existing and Projected Needs of All Economic Segments of the Community.		
	Policy 4.1.2: The City shall require property owners replace affordable housing lost by redevelopment.	Appropriate – retain but reformat as 1.1,1.2,1.3, and 1.4
Objective 5.1	Housing needs addressed regionally	Appropriate - retain
	Policy 5.1.1: The City shall initiate cooperation among neighboring jurisdictions and other public agencies to pool resources to meet regional housing needs.	Appropriate – retain but reformat as 2.1
	Policy 5.1.2: The City shall work to assure that responses to the regional housing problems are fairly allocated among the affected jurisdictions in the region.	Appropriate – retain but reformat as 2.1

**Table A-3
Residential Development by Type and Income Category
1998 – 2011**

Project/Site	General Plan/ Zoning	Density (units/ac)	1998 - 2005					Total	2006 - 2011					Total
			EL	VL	Low	Mod	Above		EL	VL	Low	Mod	Above	
Single-family detached		na					216	216					94	94
Single-family attached														
6462, 6446, 6402, 6476 Lunita Road	RR-5/ RR-5	20					38	38						
23945 De Ville Way	MF/ MF	7					23	23						
21351 Rambla Vista	MF/ MF	10											6	6
Second units*		na	6				1	7	15				4	19
Totals			6				278	284	15				104	119

*See discussion of second unit affordability in Appendix B

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Appendix B Residential Land Inventory 2006-2014

The detailed assumptions and methodology for the Residential Land Inventory are provided below. Housing units built after January 1, 2006 are credited toward the Regional Housing Needs Assessment (RHNA) allocation for the current planning period. Table A-3 in Appendix A summarizes housing units completed during 2006 - 2011.

METHODOLOGY FOR INCOME CATEGORIES AND REALISTIC CAPACITY OF VACANT SITES

Vacant sites in the Multi-Family Beach Front (MFBF) zone allow one unit per 1,885 square feet of lot area (23.1 units/acre). These sites were assigned to the lower-income category based on the "default density" of 20 units/acre established under Assembly Bill (AB) 2348³⁴. Sites in the Multi-Family (MF) zone allow a density of six units/acre and were assigned to the moderate-income category. Potential new single-family detached units were assigned to the above-moderate category based on prevailing market conditions.

Table B-3 summarizes approved projects while Table B-4 lists vacant multi-family parcels suitable for residential development. Vacant multi-family parcels, shown on Figure B-1, can accommodate a total of 19 lower-income units and 60 moderate-income units. Vacant parcels zoned for single-family development can accommodate an estimated 870 units. A listing of vacant single-family parcels is on file with the Planning Department.

UNACCOMMODATED NEED FROM THE PREVIOUS PLANNING PERIOD (1998-2005)

State law³⁵ requires that any portion of the housing need from the previous planning period that was not accommodated must be carried over to the next planning period. On February 12, 2001 the City Council adopted the Housing Element update for the 2000-2005 planning period, which was submitted to HCD for review on March 22, 2001. On June 20, 2001 HCD issued its review letter stating that the adopted element was not found to be in compliance with state law because, among other things, "The element still does not identify adequate sites with appropriate zoning and development standards to accommodate the City's lower- and moderate-income housing needs."

Since the City's 2000-2005 Housing Element was not found in compliance by HCD, an analysis must be prepared of the City's regional housing needs for the previous period and the extent to which adequate sites were available to accommodate those needs. The RHNA allocation for Malibu in the previous planning period was 14 units, of which 6 units were assigned to the very-low-, low-, and moderate-income categories.

As noted in Appendix A, Table A-3, there were 7 second units built during the previous planning period and 6 of those qualified as lower-income units based on rent charged (see further analysis of second units below). Therefore the City's RHNA allocation of 6

³⁴ Assembly Bill 2348 of 2004

³⁵ Government Code Sec. 65584.09 (AB 1233 of 2005)

lower-income units was satisfied and there is no AB 1233 carryover to the current planning period.

SECOND UNITS

Trends in Second Unit Construction. In a high-cost housing market such as Malibu, second units represent an excellent opportunity to provide housing that is affordable to lower-income persons such as college students, the elderly, household employees and service workers. City records indicate that during the six-year period 2006-2011, 19 second units were completed and 10 second units were issued building permits but have not yet been completed. By definition, second units contain both kitchen and bathroom facilities that are separate from the main house. Additional "guest houses" that did not contain both kitchen and bathroom facilities were not counted in second unit totals.

Income Levels for Second Units. In order to determine the income category of second units, City staff conducted a direct mail survey of all second unit permit applicants since 2000 (approximately 60 persons). As shown in Table B-1, a total of 38 completed surveys were returned. Of the 11 occupied second units, eight (73%) were available with no rent charged and three (27%) were rented at market rate. Seven of the second units were vacant at the time of the survey. The remainder of the units surveyed either were not complete second units or it was not possible to determine the status of the unit from the returned questionnaire.

Based on the survey of second units, it is estimated that about three-quarters of second units will be made available with no rent charged, while one-quarter of second units will be rented at market rates. This estimate is consistent with other sources such as the 2008 survey of second units conducted in San Mateo County³⁶ which found that at least 75% of second units are affordable to lower-income households.

Table B-1
Second Unit Survey Results

Type of Unit	No. of Responses	Income Level
Second units (with kitchen & bathroom facilities)	18	8 – no rent charged 3 – above-moderate rent 7 – vacant
Guest houses	16	na
Undetermined status	4	na
Totals	38	

Additional Second Units Expected During the Remainder of the Planning Period. During the past six years an average of more than three second units per year have been permitted. It is expected that the rate of new second units will be at least three per year during the remaining two years of the planning period resulting in six additional units, five of which will be affordable to lower-income households.

³⁶ "Affordability of Second Units in San Mateo County", October 24, 2008 (available for download at: <http://www.21elements.com/Second-Units-Resources/View-category.html>)

In addition to the new second units described above, City records indicate that there are 53 existing guest houses in Malibu. These structures do not currently have both kitchen and bathroom facilities. It is expected that the incentives proposed in Program 2.2 will encourage owners of at least half of these guest houses to convert them to complete second units, which in most cases should be a relatively simple process. Conversion of these existing guest houses would result in 26 additional second units, 75% of which (20 units) would be expected to be affordable.

There are currently active building permits for 12 additional guest houses. The incentives proposed in Program 2.2 could result in half of these units being reconfigured as second units, yielding five additional lower-income second units.

As a result of the actions and incentives described in Program 2.2, at least 30 additional lower-income second units – both new construction and conversion of existing guest houses – should be created prior to the end of the current planning period.

POTENTIAL TO ACCOMMODATE THE RHNA

Table B-2 below summarizes the City's residential site capacity compared to the RHNA allocation for this planning period. The table shows that there is adequate capacity to accommodate housing need in the above-moderate category but a shortfall of sites for 120 lower-income units and 21 moderate-income units. Housing Plan Program 2.2 describes the actions the City will take to make additional sites available to accommodate the remaining housing need commensurate with the RHNA.

Candidate Affordable Housing Sites. Potential sites where changes to land use regulations could provide additional capacity for affordable housing are listed in Table B-5. These potential sites were the result of an extensive review process that began with staff's identification of all vacant sites in the city having some multi-family development potential. A map of these sites was vetted at a public workshop held at City Hall in July 2010. At this workshop, participants were asked to prioritize sites for affordable housing based on their local understanding of community needs and conditions. Of the 25 potential development sites shown, the 8 highest-ranked sites were identified.

At subsequent public meetings (May 25, 2011 community workshop, June 29, 2011 Planning Commission hearing, and City Council hearings on August 22 and November 28, 2011) the list of candidate sites was refined and the City Council directed staff to move forward with CEQA analysis of the seven sites shown in Table B-5.

As noted in Table B-5, the City has already had conversations with the owners of several of the potential housing sites, and interest has been expressed in affordable housing development by some of these owners. One of the parcels will be controlled by the City upon completion of its dedication pursuant to a development agreement.

All of the candidate sites would require extension of water and sewer infrastructure, which is being evaluated as part of the EIR for the rezoning process. Since there is no public sewer system in Malibu, any development would require an individual wastewater treatment "package plant", which could be built concurrently with the housing development during the current planning period.

**Table B-2
Residential Sites Summary**

Housing Sites	Income Category		
	Lower	Moderate	Above
Units completed 2006-2011 (Table A-3)	15	-	104
Units approved/not completed (Table B-3)	8	-	128
Potential new single-family units (parcel listing on file with City Planning Dept.)	-	-	870
Potential new multi-family units 2012-2014 (Table B-4)	19	60	-
Potential new second units 2012-2014	30	-	8
Total Inventory	72	60	1,110
RHNA 2006-2014	188	79	175
Adequate Capacity? (shortfall)	(116)	(19)	Yes

Source: City of Malibu, 2012

**Table B-3
Approved Projects/Not Completed**

Project/Site	General Plan/ Zoning	Density (units/acre)	Income Category					Total
			EL	VL	Low	Mod	Above	
25360 Malibu Road (duplex)	MFBF	11					2	2
Single-family units	varies	-					124	124
Second units	-	-	8				2	10
Totals			8				128	136

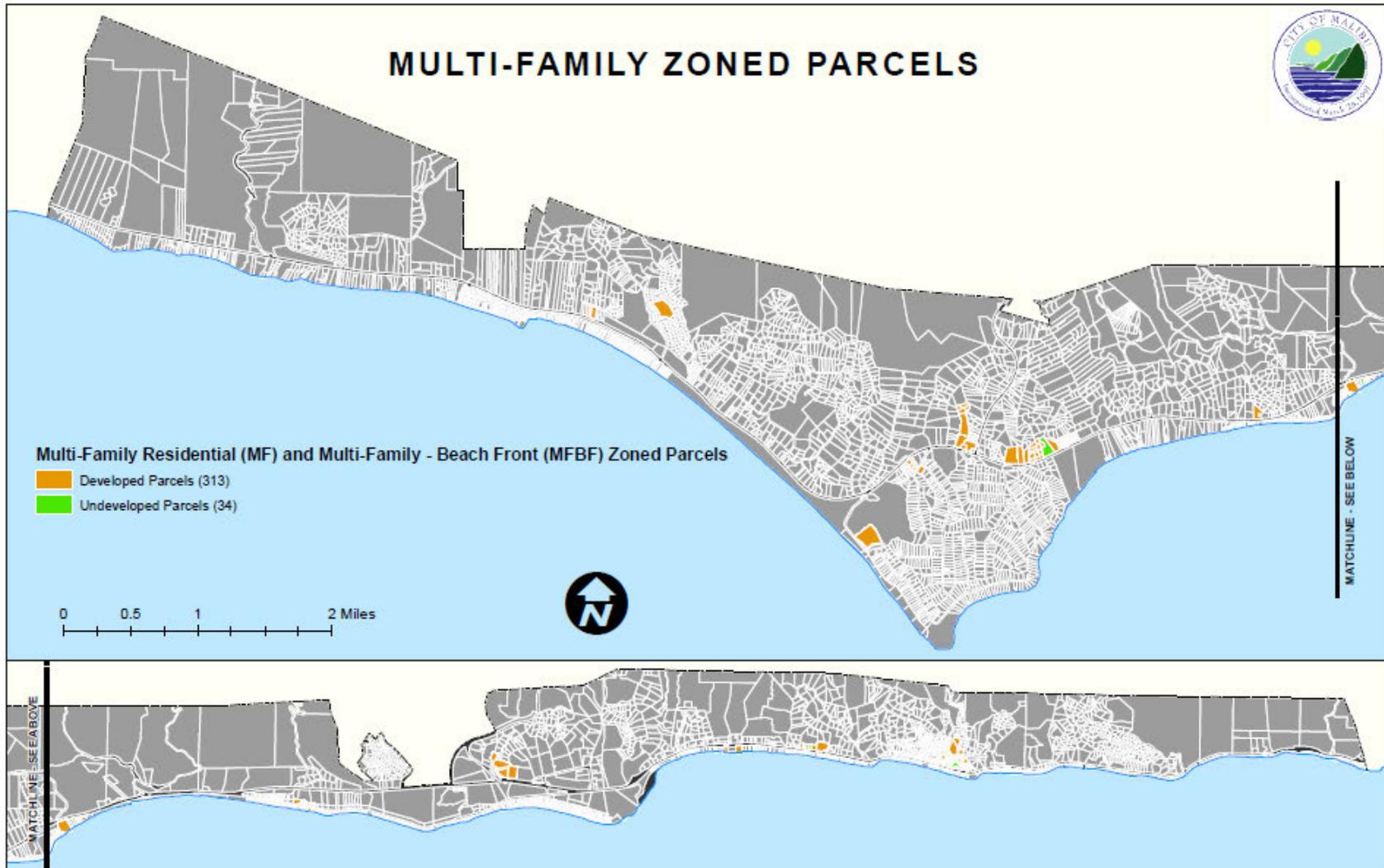
Source: City of Malibu Planning Dept., 2011

**Table B-4
Multi-Family Sites Inventory**

APN	Address	Street	Parcel Size (acres)	Parcel Size (sq.ft.)	Zone	Realistic Density (units/acre)	Potential Units	
							Lower	Moderate
4450025041		LAS FLORES CANYON RD	0.1533	6,678	MF	6		1
4460019024	26544	LATIGO SHORE DR	0.8900	38,768	MF	6		5
4459016001	25222	MALIBU RD	0.1476	6,429	MFBF	23	3	
4459017005	25360	MALIBU RD	0.1810	7,884	MFBF	23	4	
4450005041		PACIFIC COAST HWY	0.1134	4,940	MFBF	23	2	
4451023022		PACIFIC COAST HWY	0.1724	7,510	MF	6		1
4451023023		PACIFIC COAST HWY	0.0872	3,798	MF	6		1
4467013022		PACIFIC COAST HWY	5.1196	223,008	MF	6		30
4450003012	20222	PACIFIC COAST HWY	0.0660	2,879	MFBF	23	1	
4450007033	20742	PACIFIC COAST HWY	0.1336	5,820	MFBF	23	3	
4450007030	20758	PACIFIC COAST HWY	0.1795	7,819	MFBF	23	4	
4450008041	20838	PACIFIC COAST HWY	0.0876	3,816	MFBF	23	2	
4451020002		RAMBLA PACIFICO	0.0325	1,416	MF	6		1
4451022002		RAMBLA PACIFICO	0.1859	8,098	MF	6		1
4451022021		RAMBLA PACIFICO	0.2369	10,319	MF	6		1
4451022022		RAMBLA PACIFICO	0.2011	8,760	MF	6		1
4451022024		RAMBLA PACIFICO	0.0812	3,537	MF	6		1
4451022028		RAMBLA PACIFICO	0.1005	4,378	MF	6		1
4451022063		RAMBLA PACIFICO	0.1157	5,040	MF	6		1
4451022023	3833	RAMBLA PACIFICO	0.1864	8,120	MF	6		1
4451022062	3859	RAMBLA PACIFICO	0.2313	10,075	MF	6		1
4451022061	3861	RAMBLA PACIFICO	0.4123	17,960	MF	6		2
4451022004	3863	RAMBLA PACIFICO	0.1574	6,856	MF	6		1
4451022003	3865	RAMBLA PACIFICO	0.1772	7,719	MF	6		1
4451021010		RAMBLA VISTA	1.0900	47,480	MF	6		6
4451022019		RAMBLA VISTA	0.2952	12,859	MF	6		1
4451022017	21331	RAMBLA VISTA	0.2685	11,696	MF	6		1
4460009001		SYCAMORE MEADOWS DR	0.0032	139	MF	6		1
TOTALS			11.1065	483,801			19	60

Source: City of Malibu, 10/2011

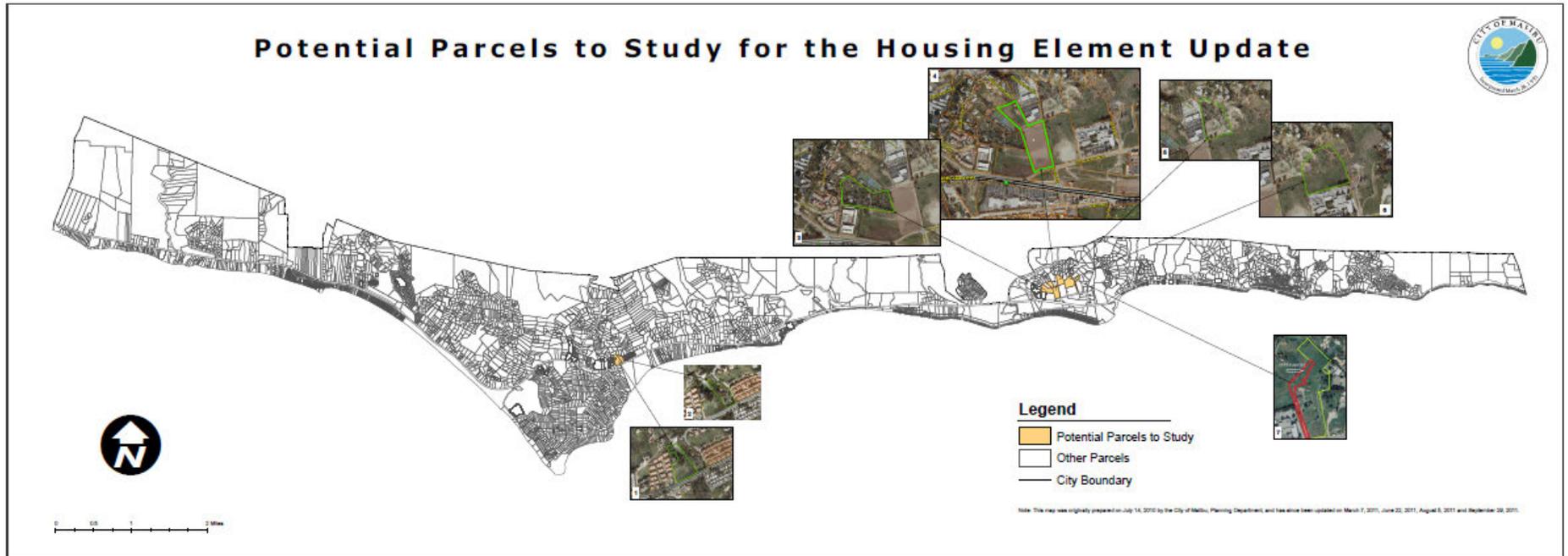
Figure B-1
Residential Land Inventory Map



**Table B-5
Candidate Affordable Housing Sites**

APN	Address	Site Size	General Plan Zoning	LCP Zoning	Existing Use	Owner Interest in Use for Housing	Potential Units (20 units/acre)
4467-013-022 & -023	28517 Pacific Coast Hwy / Not assigned	5.12 & 0.74 (5.86 total)	MF	MF	The larger of the two parcels is vacant and the smaller is developed with a 3,000 sq. ft. single-family residence which was constructed in 1958.	The property owner has indicated an interest in using this property for housing.	116
4467-012-005	28401 Pacific Coast Hwy	3.25	MF	MF	The parcel is developed with a 2,550 sq. ft. single-family residence which was constructed in 1957.		65
4458-021-003	3542 Coast View Dr / (Allied Nursery)	6.99	CC	CC	The parcel is developed with a 2,140 sq. ft. single-family residence which was constructed in 1960 and a commercial nursery.	The property owner has approached the City of Malibu to discuss the use of this parcel to construct workforce housing for Pepperdine University.	139
4458-021-005	23833 Stuart Ranch Rd / (Yamaguchi)	10.22	CC	CC	Vacant	The property owner has indicated an interest in using this property for housing and/or commercial development.	204
4458-022-012	23801 Stuart Ranch Rd	6.45	CC	CC	Vacant		129
4458-022-019	Not assigned (Wave property)	8.48	CC	CC	Vacant	The property owner has indicated an interest in housing development on this property.	169
4458-022-023/024	3700 La Paz Lane	2.3	CC	CC	Vacant	The property is being donated to the City of Malibu as a result of a development agreement. The City Council has expressed interest in using this site for affordable housing.	46

Figure B-2
Candidate Affordable Housing Sites Map



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Appendix C – Public Participation Summary

Public participation is an important component of the planning process in the City of Malibu. This update to the Housing Element has provided residents and other interested parties with numerous opportunities for review and comment on this document. For example, public notices of all Housing Element meetings and public hearings were published in the local newspaper in advance of each meeting, as well as posted on the City's website. Meeting notices were also posted on bulletin boards at City Hall.

The draft Housing Element was made available for review at City Hall and posted on the City's website. After receiving comments on the draft Housing Element from the California Housing and Community Development Department (HCD), a proposed final Housing Element was prepared and made available for public review prior to consideration by the Planning Commission and City Council.

The City encouraged participation of low-income groups through direct mail or e-mail notices of all Housing Element meetings. Table C-1 contains a list of parties that were sent notices. This list includes a number of non-profit housing providers, housing advocates, and fair housing organizations including the following:

AMCAL Multi-Housing, Inc.	League of Women Voters
Alternative Living for the Aging	Legal Aid Foundation of LA
Area Housing Authority of Ventura County	LINC Housing
Building Industry Association	Many Mansions
Cabrillo Economic Development Corporation	Meta Housing
California Rural Legal Assistance	Olson Company
Community Action of Ventura County	Public Counsel Law Center
Community Housing Foundation Land Trust	Senior Concerns
Habitat for Humanity	So Cal Association of Non-Profit Housing
House Farm Workers	Upward Bound House
Housing Rights Center	Ventura County Civil Alliance
Jamboree Housing Corp.	Ventura County Housing & Homeless Coalition

The following is a list of opportunities for public involvement in the preparation of this Housing Element update.

Zoning Ordinance Revisions and Code Enforcement Subcommittee (ZORACES)	January 12, 2010
City Council Workshop	February 8, 2010
Public Workshop No. 1	July 19, 2010
Public Workshop No. 2 / EIR Scoping Meeting No. 1	May 25, 2011
Planning Commission Study Session	June 29, 2011
City Council Study Session	August 22, 2011
City Council Hearing	November 28, 2011
EIR Scoping Meeting No. 2	March 22, 2012
ZORACES meeting	March 27, 2012
City Council Hearing	May 14, 2012
City Council Hearing	June 11, 2012
ZORACES meeting	September 11, 2012
ZORACES meeting	October 1, 2012
Planning Commission hearing	August 5, 2013
City Council hearing (final adoption)	August 26, 2013

A summary of *Frequently Asked Questions* during the public review process, along with the City's responses, is provided in Exhibit C-1. This FAQ document, which was posted on the City website and made available at public workshops and hearings, answers the most important questions that were raised during the public review process and reflects how these comments and questions were incorporated into this Housing Element.

**Table C-1
Public Notice Distribution List
City of Malibu 2008-2014 Housing Element Update**

Information redacted. Please contact the
Planning Department to view records at (310)
456-2489, ext. 245.

Information redacted. Please contact the
Planning Department to view records at (310)
456-2489, ext. 245.

Information redacted. Please contact the
Planning Department to view records at (310)
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Planning Department to view records at (310)
456-2489, ext. 245.

Exhibit C-1

2008-2014 Housing Element Update

Frequently Asked Questions

Q 1: What is a Housing Element?

The Housing Element is part of the City's General Plan, which sets forth guiding policies for the future development. In addition to the Housing Element, the General Plan is comprised of six other elements: Land Use, Circulation and Infrastructure, Conservation, Open Space and Recreation, Safety and Health, and Noise. The requirement for each city to adopt a General Plan is contained in state law,^a which also lays out specific requirements for each element. The Housing Element provides an overarching statement of City policies and programs to maintain and improve existing housing, and also accommodate the City's fair share of population growth needs. Among the requirements in state law^b for Housing Elements are the following:

- *Ensure adequate sites for new housing for persons of all income levels;*
- *Encourage and facilitate the development of affordable housing;*
- *Conserve and improve the existing affordable housing stock;*
- *Analyze and remove governmental constraints on new housing development;*
- *Promote equal housing opportunities; and*
- *Preserve assisted housing.*

Q 2: What is “certification” of the Housing Element, and what are the consequences for failing to obtain certification?

State law^c gives the California Department of Housing and Community Development (HCD) the authority to review local Housing Elements and issue findings regarding the elements' compliance with the law. When HCD issues a letter stating that the Housing Element is “in compliance” it is referred to as “certification” of the Housing Element. Certification is important for several reasons:

- **Local control.** The General Plan and its various elements provide the foundation for the City's planning programs and land use regulations. If the City were challenged in court regarding the validity of the General Plan or zoning regulations, and the General Plan were found to be invalid, a court could assume control over local land use decisions. HCD certification establishes a “rebuttable presumption of validity”^d that the Housing Element is adequate under state law, which would support the City's legal defense.
- **RHNA carryover.** State law^e provides that if a city does not demonstrate the availability of adequate sites to accommodate its Regional Housing Needs Assessment (RHNA) allocation, the shortfall is carried over and added to the RHNA for the next planning period. The RHNA allocation

^a California Government Code Sec. 65300 *et seq.*

^b California Government Code Sec. 65580 *et seq.*

^c California Government Code Sec. 65585.

^d California Government Code Sec. 65589.3.

^e California Government Code Sec. 65584.09.

for Malibu (see discussion below) is 441 housing units for the 2006-2014 planning period, of which 188 units are designated lower-income households. If the City does not achieve certification of the Housing Element, 188 additional lower-income units will be added to the RHNA for the next cycle, and rezoning to accommodate those units must occur within the first year of the new planning period.

- **More frequent Housing Element updates.** When a city does not achieve certification of its Housing Element within the established timeframe, subsequent updates must be completed on a 4-year schedule rather than an 8-year schedule.^f A 4-year update requirement would create an administrative and cost burden.
- **Grant funds.** Some state grant funds are contingent upon Housing Element certification, or give priority to those jurisdictions with a certified Housing Element.

Q 3: When was Malibu's previous Housing Element prepared?

The City's previous Housing Element was adopted by the Malibu City Council in 1995 and was last updated in 2001. The current Housing Element may be found on the City's website at: <http://qcode.us/codes/malibu-general-plan/> or by clicking the link below.

[Chapter 7 – Housing Element](#)

- 7.1 Introduction
- 7.2 Housing Needs Assessment
- 7.3 General Plan Consistency
- 7.4 Evaluation of the Previous Housing Element
- 7.5 Efforts to Achieve Public Participation
- 7.6 Goals, Objectives, Policies, and Implementation Measures

Q 4: Why is Malibu updating the Housing Element now?

Periodic updates of the Housing Element are mandated by state law.^g Every city in Southern California is required to prepare an update to its Housing Element for the 2008-2014 planning period. Cities that do not prepare a timely update may be at risk of legal challenge, are subject to additional "carryover" requirements to designate land for high-density housing,^h and must prepare future Housing Element updates more frequently.ⁱ

Q 5: In the Draft Housing Element, how were the rental market rates derived?

Typical rental rates were obtained through a small survey of advertised rental units. It was not intended to be a comprehensive scientific survey of rental rates. Also, it is important to note that current rental rates have no effect on the city's allocation of affordable housing units in the RHNA. The RHNA allocations are based on the regional growth forecast and the income characteristics of the city and county populations.

Q 6: What are Malibu's major housing issues?

The Housing Element is required to consider needs related to preservation of the existing housing stock, new housing needs resulting from population growth, and housing affordability. Malibu lies within the Southern California region, which has experienced strong population growth for many decades. While the current recession has resulted in slower growth, forecasts predict that growth will pick up again when the economy recovers.

^f California Government Code Sec. 65588(e)(4).

^g California Government Code Sec. 65588.

^h California Government Code Sec. 65584.09.

ⁱ California Government Code Sec. 65588(e)(4)(a).

Under state law,^j all cities are required to plan for the housing needs of our growing population. State law recognizes that cities do not build housing, since that is the role of private and non-profit developers. However, cities must adopt policies, zoning regulations and development standards that allow construction of a full range of new dwellings, including affordable multi-family rental housing. The RHNA is the method by which each jurisdiction's fair share of new housing needs is determined.

Under state law, cities must also accommodate housing for persons with "special needs", including those with disabilities or in need of temporary shelter. The Housing Element contains a more thorough discussion of these special needs (Chapter II), along with programs and strategies to address them (Chapter V).

Q 7: What is "affordable" housing?

By definition, housing is considered "affordable" when total housing cost, including utilities, is no more than 30 percent of a family's gross income. State law describes five income categories, which are based on a percentage of median county income, as shown in the following table.

Table 1.
Income Categories and Affordable Housing Costs – Los Angeles County

2007 County Median Income = \$62,100	Maximum Income	Affordable Rent	Affordable Price (est.)
Extremely Low	\$24,000	\$600	-
Very Low	\$40,000	\$1,000	-
Low	\$64,000	\$1,600	-
Moderate	\$75,000	\$1,900	\$300,000
Above moderate	\$75,000+	Over \$1,900	Over \$300,000

Assumptions:

-Based on a family of 4

-30% of gross income for rent or PITI; -10% down payment, 5.5% interest, 1.25% taxes & insurance, \$200 HOA dues

Q 8: Why are beach cities like Malibu required to have affordable housing? Low cost housing doesn't seem possible here due to high land cost.

Cities are required to plan for their fair share of new housing needs. State housing policy is based on federal fair housing law and the premise that all local jurisdictions must share the responsibility for providing decent housing for residents at all economic levels.^k Housing Element law^l establishes the process by which a portion of the state's "fair share" housing needs is assigned to each city in California.

All cities, even those without a significant amount of commercial, office or industrial development, create the need for affordable housing for workers who serve residents of the community such as teachers, police and fire, retail clerks, medical office support staff, home and landscape construction and maintenance workers, public utilities maintenance personnel, etc. If a city does not provide opportunities for lower-cost housing, the housing needs of these workers are shifted to other jurisdictions.

State law recognizes that land and construction costs vary depending on location, and that subsidies are necessary in order to provide housing that is affordable to families in the lower economic tiers. Cities are held responsible only for the things they have control over, such as land use plans, zoning, development standards (allowable density, minimum lot sizes, maximum building height, parking requirements, yard setbacks, requirements for second units, permit review procedures, etc.). While state law recognizes the limitations and constraints on development of affordable housing and does not require cities to achieve

^j California Government Code Sec. 65580(d).

^k California Government Code Sec. 65580(c-d).

^l California Government Code Sec. 65584.

their affordable housing needs,^m the law does not allow an exception to Housing Element requirements for high-cost areas.

Q 9: How many affordable housing units have been built to date in Malibu?

No affordable housing units have been built in the City to date. The City did; however, enter into a Development Agreement associated with the Patriot Homes condominium project at 22065 Pacific Coast Highway which requires the developer to pay \$30,000 into an Affordable Housing Fund prior to the close of escrow on each unit. The Patriot Homes project is currently under construction and therefore no funds have been deposited with the City to date.

Q 10: If land is rezoned for affordable housing, can it be deed-restricted to limit prices?

Yes, cities have the authority to impose affordability requirements on land rezoned to higher density. This process is sometimes referred to as inclusionary housing.

Q 11: Aren't subsidies necessary to build affordable housing?

Yes, particularly in urban areas, significant subsidies are needed to make affordable housing feasible. The largest sources of funding for affordable housing are local redevelopment agencies and the federal Low Income Housing Tax Credit program. It is important to note that state law does not require cities to build affordable housing – rather the law focuses on the things cities have control over, such as land use plans, zoning, and permit procedures.

Q 12: What part does Malibu's natural and infrastructure constraints play in limiting our ability to build affordable housing?

Natural and infrastructure constraints are considered in the development of the regional growth forecast and affordable housing allocations. While constraints affect the total growth forecast, the proportion of new housing that is assigned to the lower income categories is based primarily on the income characteristics of the city and the county. Typically, about 40 percent of the total housing need is allocated to the lower-income categories, which generally require a density of at least 20 units/acre under state law.

Q 13: Wouldn't higher-density apartments hurt property values and cause more traffic and other problems?

Most cities encourage higher-density housing in selected locations where it will be compatible with surrounding uses and make efficient use of available infrastructure such as roads. There are also a few common misconceptions about affordable housing developments, such as the amount of traffic they generate and the benefits they bring to a community. For example:

- Residents of higher-density housing own fewer cars and make fewer trips than residents of single-family homes.
- Higher-density housing makes more efficient use of existing public facilities.
- New local residents support local businesses and help to generate local tax revenue.

Q 14: What are Malibu's new housing needs, and how were they determined?

Cities are required to plan for their fair share of new housing needs. The RHNA is the process established in state lawⁿ by which new housing needs are determined.

^m California Government Code Sec. 65583(b)(2).

ⁿ California Government Code Sec. 65584 et seq.

Prior to each planning “cycle”, the total new housing need for each region is determined by HCD. Total housing need is based on the latest forecast of economic and demographic trends. Los Angeles County is within the Southern California Association of Governments (SCAG) region. SCAG^o is a federally-designated regional planning agency with responsibility for preparing regional transportation and housing plans that span a 6-county area (Los Angeles, Ventura, Orange, Riverside, San Bernardino and Imperial counties). SCAG is governed by a Regional Council comprised of city and county elected officials.

Forecasts of future population, housing and employment are based on the best professional judgment of demographers and economists, and begin with the aggregate forecast for the nation as a whole. The national growth forecast is based on two major components – natural increase and migration. Natural increase is the net difference between births and deaths of U.S. residents, and migration is the net difference between national in-migration and out-migration. The forecast for California is based on historical trends and future projections of the share of national growth that the state will experience. California’s share of national growth may change over time due to changes in demographic characteristics (e.g., birth rates, mortality rates, average household size) and economic factors related to competition between states and regions. The total forecast for California is distributed to major regions (e.g. Southern California, the Central Valley, the San Francisco Bay area) in a similar fashion.

During 2006-2007, SCAG prepared the RHNA for the current planning period, which covers an 8½ year period, from January 2006 through June 2014. The following table shows the adopted RHNA allocations for Malibu, Los Angeles County, and the entire 6-county SCAG region. In allocating fair shares of the regional growth forecast to counties and individual jurisdictions, SCAG was required by state law to maintain the regional total of just under 700,000 housing units.

Table 2.
New Housing Need - Malibu and Los Angeles County

	City of Malibu	Los Angeles County	6-County SCAG Region
New housing need 2006-2014	441	283,927	699,368

Source: SCAG, 2007

New housing need for each jurisdiction was determined based on growth trends, replacement need for housing lost to demolition or conversion to non-residential uses, and adjustments needed to maintain a desirable vacancy rate. The fair share allocation of need to cities amounts to a reconciliation of the “top-down” forecasting process used to prepare national, state and regional forecasts, and a “bottom-up” process whereby the growth capacity of each jurisdiction is estimated based on a variety of factors including physical constraints (e.g., water/wastewater capacity, floodplains, steep slopes, legally protected environmentally-sensitive areas, federal and state parkland, prime agricultural areas) and historical trends. SCAG is prohibited by law^p from considering local land use policies such as growth quotas and current zoning designations in allocating growth needs to individual cities. (For more information regarding SCAG’s RHNA process, please refer to SCAG’s website at: www.scag.ca.gov/Housing/rhna/index.htm).

The RHNA also distributes total housing need to the income categories described in Table 1, above. For Malibu, the income distribution of new housing need was allocated as follows:

^o More information about SCAG can be found at www.scag.ca.gov.

^p California Government Code Sec. 65584.04(d)(2)(B) and 65584.04(f).

**Table 3.
Housing Need by Income Category - Malibu**

Very Low	Low	Mod	Above Mod	Total
115	73	79	175	441

Source: SCAG, 2007

Note: The sum of categories does not add to the total due to rounding error

Q 15: How many low-income units were assigned to Malibu in previous RHNA cycles?

There have been only two RHNA cycles since 1991 when Malibu was incorporated (1998 and 2006). The allocations in those RHNA cycles were as follows:

1998-2005:

Very Low - 2

Low - 2

Moderate - 2

Above Moderate - 8

Total = 14

2006-2014

Very Low - 115

Low - 73

Moderate - 79

Above Moderate - 174

Total = 441

Q 16: What is the formula used to determine Malibu's affordable housing allotment?

The affordable housing allocations are based primarily on the regional growth forecast. The total number of new housing units needed to accommodate projected growth is the city's total RHNA number. This total is then distributed into the four income categories based on the income distribution of city residents compared to Los Angeles County as a whole. SCAG's methodology for allocating housing units to income categories was based on the principle that cities with higher concentrations of lower-income households should be allocated a smaller proportion of low-income RHNA units in order to reduce overconcentration. For more information regarding SCAG's growth forecasting process, please visit <http://www.scag.ca.gov/forecast/index.htm>.

Q 17: Do affordable housing allocations from past cycles that were not built count toward this cycle? (What is "RHNA carryover"?)

State law does not hold cities responsible for achieving affordable housing production targets. The legislature recognizes that cities only have control over some portions of the development process, primarily land use planning, zoning, and review of development applications. Actual construction occurs through the efforts of private and non-profit developers. However, cities are held responsible for establishing plans and regulations that allow affordable, high-density housing to be built commensurate with the RHNA allocation. If a city fails to adopt zoning regulations and permit procedures that allow all types of development, then the unmet need is carried over to the next cycle.

Q 18: Did Malibu participate in the RHNA process?

The last RHNA period (which set affordable housing allocations for the 2008-2014) was fast-tracked under Senate Bill (SB) 12 Urgency Legislation. SB 12 approved SCAG's request to coordinate the next RHNA with its 2007 Regional Transportation Plan forecasting and created a fast-track for housing allocation shares to be determined. On July 6, 2005, SCAG posted a letter on its website with key milestones and dates including:

- Duration of housing elements in the SCAG region will be 6 years;
- Consultation of the region's share of statewide housing need starts November 1, 2005;
- Determination of region's housing share occurs by May 1, 2006;
- Final determination of local housing allocation shares occurs by July 1, 2007; and
- Adopted housing elements due by July 1, 2008.

There was limited public outreach and very limited opportunity for cities to provide feedback to SCAG. It is important to note that only six months transpired between the time when SCAG started its consultation with City governments and the determination of what SCAG's regional share of housing should be. Since Malibu's RHNA allocation in the prior Housing Element cycle (1998-2005) was only 14 units, this issue was not prominent on the "radar screen" until the 2007 RHNA was adopted by SCAG.

Every city has a limited amount of staff and budget resources that may be allocated to the wide variety of planning issues that are active at any given time. The top priority for most planning departments is processing planning and building permit applications submitted by property owners, which cities are required by law to complete in a timely fashion. The processing of planning permits, specifically coastal development permits has been a priority over long range planning for the last seven years.

In November 2004, the long-standing litigation over the California Coastal Commission's (CCC) adopted Local Coastal Program (LCP) was resolved and the City Planning Department began processing coastal development permits in lieu of these permits being processed by the CCC. During the two years of litigation, the CCC did not process any coastal development permits for the City of Malibu. As a result, there was a tremendous backlog of planning cases (approximately 200) that needed to be processed (by the City) as soon as the litigation concluded. In addition, those applicants who had been waiting for the litigation to be resolved also submitted their applications for processing at the end of 2004. As a result of this influx of coastal development permit applications, the Planning Department processed 467 coastal development permits during the last RHNA period.

The Planning Department's long-range planning projects, which included the Housing Element and Zoning Code Update, were placed on hold to process the enormous caseload of coastal development permit applications. In addition, the City Planning Department experienced a high rate of staff turnover during the last RHNA period; including four planners and four Planning Managers. The unfortunate reality is that at any given time, there are many important issues competing for attention and limited resources and the long-range regional planning issues are not always assigned as a top priority for the Planning Department.

Q 19: Can the RHNA allocation for Malibu be reduced for this Housing Element cycle?

No. The RHNA allocation was adopted in final form by SCAG in 2007. Some jurisdictions believed that their RHNA allocations were unfairly high, and one city filed a lawsuit against SCAG challenging its RHNA. In that case, California's Fourth District Court of Appeal ruled against the city on the grounds that the state legislature delegated final authority over the RHNA process to SCAG, with no opportunity for judicial review.⁹ Based on that case, City staff believes it is not likely that the RHNA for the current planning period can be changed.

⁹ *City of Irvine v. S. California Ass'n of Governments* (2009) 175 Cal. App. 4th 506.

Q 20: How do new state laws regarding global warming and greenhouse gasses affect RHNA allocations for Malibu?

In recent years the California legislature adopted new laws intended to address the issue of global warming. Assembly Bill 32 and SB 375 require regional and local governments to coordinate their land use, transportation and housing plans in a way that helps to reduce vehicle travel and greenhouse gas emissions. While these laws are expected to encourage new residential development in areas near major employment centers and transportation routes, there is no precise formula to determine how they will affect the housing needs allocation for Malibu.

Q 21: Since SCAG overestimated growth in the past, why aren't the numbers being corrected?

The RHNA for the next planning cycle is currently under preparation by SCAG, with an expected adoption date in October 2012. City staff is working closely with SCAG to ensure that the new growth forecast is realistic given the city's land use and development constraints such as steep slopes, environmentally sensitive habitat areas, coastal regulations, and wastewater treatment issues. It should be noted that growth forecasts are "snapshots in time" based on best available information. Since they are updated every four years, efforts are focused on making the next forecast as realistic as possible rather than changing the old forecast. Each new forecast is, in essence, a revision of the prior forecast based on current information.

Q 22: What must cities do to comply with the RHNA?

As part of the Housing Element update, state law^r requires cities to prepare an inventory of land suitable for residential development, and then compare that inventory to the RHNA allocation. "Land suitable for residential development" can be vacant sites, or sites that are "underutilized" and have potential for additional residential development or redevelopment. "Adequate sites" means sufficient vacant or underutilized land, with appropriate zoning, to accommodate the City's share of regional need. "Appropriate zoning" means development standards and regulations that facilitate housing development for all income categories. If a city cannot demonstrate that it has adequate sites with appropriate zoning for new housing commensurate with its RHNA allocation, then a rezoning program is required to make adequate sites available during the planning period.^s

Q 23: How are "adequate sites" determined?

The focus of the adequate sites analysis is on the lower-income portions of the RHNA (i.e., the very-low and low income categories). Density is one of the most important factors that affect the feasibility of affordable housing. Higher density reduces the land cost for each housing unit, thereby reducing total development cost. In 2004, state law^t was amended to establish "default" densities that are presumed to be suitable for lower-income housing. For small cities such as Malibu, the default density is 20 housing units per acre. Under state law, a vacant parcel in Malibu zoned to allow multi-family housing at 20 units/acre is considered a suitable "low-income housing site" regardless of whether low-income housing development is financially feasible on that site. Therefore, in order to determine whether a city has adequate sites, a parcel-level inventory of residential land must be prepared and the development capacity is estimated for each parcel, by income level. Sites meeting the 20 units/acre density standard are deemed to be suitable lower-income sites, which are compared against the RHNA total for very-low and low-income units.^u For underutilized sites, HCD requires additional analysis to demonstrate the suitability of sites for lower-income housing, including those that allow a density of 20 units/acre.

^r California Government Code Sec. 65583.2

^s California Government Code Sec. 65583(c)(1)(a)

^t California Government Code Sec. 65583.2(c)

^u The very-low-income category and the low-income category together are referred to as "lower-income" and the 20 units/acre default density applies to both categories.

Q 24: Does Malibu have adequate sites to accommodate its RHNA?

A preliminary assessment of the City's land inventory has been prepared and it appears that there are not adequate sites to accommodate the RHNA for this planning period. The preliminary assessment indicates that the lower-income shortfall could be approximately 188 units depending on how much credit HCD will allow for second units. The final determination of site capacity will be made by HCD in its review of the Housing Element. At a density of 20 units/acre, approximately 9 acres of land would need to be rezoned to accommodate a 188 unit shortfall. As part of the Housing Element update process, the City will continue to investigate all possible options for reducing the amount of land that must be rezoned. However, since the City does not have a redevelopment agency or other significant source of affordable housing funds, some options that could offset the rezoning requirement (e.g., preservation or conversion of existing units) are probably not feasible.

Q 25: Are there any ways for Malibu to demonstrate adequate sites other than land zoned for 20 units/acre?

State law allows a variety of ways to demonstrate adequate sites to accommodate the RHNA. These options include the following:

- **Second units.** Under state law^v HCD may allow cities to take credit for second units ("granny flats") based on the number of units developed during the prior planning period. In order to qualify, second units must be available for permanent occupancy, and have kitchen and bathroom facilities, as opposed to temporary guest quarters without these features. HCD will typically examine the City's assumptions regarding the income level of second units for purposes of satisfying a portion of the RHNA. City staff is analyzing historical data for second units and intends to take lower-income RHNA credit to the greatest extent allowed by law. For the 2008-2014 RHNA cycle, a total of 34 second units were constructed in Malibu.
- **Units Built or Approved.** All housing units built or approved after January 1, 2006 are credited toward the RHNA for this planning period based on the actual income category of the units.
- **Units Rehabilitated, Converted or Preserved.** State law^w allows cities to take credit for up to 25 percent of the RHNA for existing housing units that are substantially rehabilitated, converted from non-affordable to affordable status, or affordable units with deed restrictions that are at risk of expiring. There are detailed requirements associated with each of these three options, and very few jurisdictions have been able to meet the requirements. City staff does not believe this option is feasible to satisfy any portion of the lower-income RHNA for the current planning period.
- **Residential/Commercial Mixed Use.** Sites that are zoned for mixed use can provide RHNA credit depending on the applicable regulations and development standards. The 20 units/acre default density also applies to mixed use, however. In order to accommodate a density of 20 units/acre, a typical mixed-use project would be at least three stories with two residential floors above ground floor commercial use. Although both the General Plan and the LCP include references to mixed-use development, as being a conditionally permitted use on parcels in the Commercial General zoning district (parcels located primarily in the Civic Center area), there are currently no development standards for mixed-use zoning set forth in the Malibu Municipal Code (M.M.C.). State law also provides that if rezoning is required to make up a shortfall of sites vis-à-vis the RHNA, at least half of the land rezoned must allow only residential use.^x
- **Conversion of existing commercial buildings to residential use.** New housing units created by converting non-residential space can provide lower-income RHNA credit if the density standard is met (i.e., 20 units/acre), although HCD often does not allow credit for small projects (less than one acre).

^v California Government Code Sec. 65583.1(a).

^w California Government Code Sec. 65583.1(c).

^x California Government Code Sec. 65583.2(h).

Q 26: Can Malibu accommodate its low-income RHNA with facilities like assisted living or convalescent care for senior citizens?

RHNA credit is only possible for “housing units” – some types of senior facilities are considered “group quarters” rather than housing units. In order to qualify as a housing unit, it must be designed as a separate living space with direct access to the outside, or through a common hallway. Convalescent homes and assisted living facilities generally do not qualify as housing units since the residents share some support functions.

Q 27: Can Malibu accommodate its low-income RHNA through amnesty for existing illegal units, or refurbishing rundown properties?

The City will attempt to obtain RHNA credit for these options to the greatest extent possible. However, rehabilitation or upgrading of existing properties is subject to strict requirements in order to qualify for RHNA credit, and it is unlikely that Malibu will be able to use this option for the current Housing Element cycle.

Q 28: Can Malibu accommodate its low-income RHNA by purchasing small properties with a non-profit developer?

Land purchased by the City to be used for affordable housing could satisfy a portion of the RHNA requirement, although the same zoning and density criteria would apply as for other privately-owned properties (i.e. 20 units/acre) unless the City could demonstrate the financial feasibility of lower-income housing at a lower density.

Q 29: Can Malibu accommodate its low-income RHNA by allowing single-family houses to be converted to duplexes or triplexes?

In order to receive low-income RHNA credit, the density must be at least 20 units/acre. It is unlikely that a single-family home converted to a duplex or triplex would satisfy this requirement.

Q 30: What are the requirements regarding other types of housing, such as group homes and emergency shelters?

State law^y contains specific requirements for cities to provide housing opportunities for persons with “special needs”. Special needs include the elderly, persons with disabilities, large families, farmworkers, families with female heads of household, and persons in need of emergency shelter. Chapter II of the Draft Housing Element contains an analysis of these needs in Malibu.

Amendments to state law adopted in 2007 provide specific requirements regarding zoning for emergency shelters.^z An emergency shelter is defined as a permanent facility that provides temporary shelter for persons with no other place to stay. Temporary facilities, such as those established after a fire or other natural disaster, are not included within this definition. Cities must designate at least one zoning district where emergency shelters may be established through a simple permit procedure, subject to standards and requirements such as on-site management, parking, landscaping, and maximum number of beds.

Transitional and supportive housing is intended for longer-term occupancy, typically six months or more, and must be treated the same as other residential uses of the same type in the same zone.

^y California Government Code Sec. 65583(a)(7).

^z California Government Code Sec. 65583(a)(4) – Senate Bill 2 of 2007.

State law also establishes limitations on cities' regulation of group homes.^{aa} A state-licensed care facility for up to 6 persons is considered to be a single-family residence under local zoning laws. The LCP and M.M.C. also conditionally permit large family day care facilities for up to 12 persons.

Q 31: Why has Malibu begun preparing an EIR for rezoning before we know how much RHNA credit we can get from second units and other options?

Experience has shown that cities with circumstances similar to Malibu are not able to fully satisfy their lower-income RHNA allocations without rezoning. Under state law, cities must make adequate sites available during the planning period, which ends in 2014. In order to provide timely information to City policy-makers and help protect the City from legal challenge, staff has begun the process of identifying potential sites for affordable housing. The EIR process typically takes at least a year to complete, and the zone change/LCP amendment process also requires a significant amount of time. Because of these time constraints, staff felt it was prudent to move forward with the site evaluation process. The Planning Commission and City Council have the ultimate authority to make decisions on the appropriate course of action, and it is staff's intent to provide the best available information to decision-makers regarding the City's options.

Q 32: How were the potential rezoning sites selected?

In February 2010, a Housing Element study session was held by the City Council and in July 2010, the City held a community workshop. At that workshop, a presentation was given regarding Housing Element requirements and attendees were asked to identify areas in the city where multi-family housing might be suitable (see Candidate Parcel Map Depicting Workshop Input - July 2010 which may be found on the Special Projects – Housing Element page on the City website www.malibucity.org). Based on this community input at the workshop and subsequent staff analysis, a tentative list of sites with characteristics most conducive to multi-family housing was prepared. The staff analysis considered factors such as infrastructure, access, environmental constraints, parcel size, and surrounding uses. The intent of the EIR scoping process is to provide an opportunity for interested stakeholders to review the proposed EIR scope and the list of sites to be evaluated. Based on input provided during scoping, the list of sites to be studied could be modified.

Q 33: Does Malibu's Civic Center Septic Prohibition make the selection of parcels in that area for rezoning infeasible?

The Los Angeles Regional Water Quality Control Board adopted a resolution in November 2009 that prohibits discharges from existing and new onsite wastewater treatment systems (OWTS) (also referred to as septic systems) in a large area around Malibu's Civic Center. The State Board confirmed the prohibition at a September 2010 hearing.

In response to the prohibition, the City is moving forward to implement an inclusive alternative wastewater treatment solution which offers:

- Phase 1: Installation of a centralized wastewater treatment plant for the commercial properties in the Civic Center area, inclusive of properties on the west side of the Malibu Creek and Lagoon contribution area. This system will treat up to 190,000 gallons per day and be completed by 2015.
- Phase 2: Expansion of the centralized wastewater treatment plant for Serra Retreat, inclusive of the residential properties closes to Malibu Creek and on the east side of the Creek and Lagoon contribution area. This system will treat up to 50,000 additional gallons per day and be completed by 2019.
- Phase 3: The City will adopt a "disinfection ordinance" requiring all Malibu Colony homes and beachfront restaurants to upgrade to individual disinfection systems by 2019.

^{aa} California Health and Safety Code Secs. 1267.8 and 1566.3.

If the total capacity of the treatment plant to be constructed as part of Phase 1 is not utilized by commercial development, there is the potential to reallocate capacity for another site in the Civic Center, such as one of the selected potential candidate parcels for rezoning to allow multi-family development. The Housing Element EIR must discuss options and constraints for affordable housing. Wastewater is a constraint for the Civic Center sites, but that is true for all sites in Malibu. The City cannot reject any site out of hand just because it would be required to be served by a package treatment plant.

Q 34: What would happen if Malibu does not allow higher density housing?

Every city is required by law to accommodate a share of new growth, including housing at affordable prices or rents. If Malibu does not adopt a Housing Element that demonstrates adequate sites to accommodate its RHNA, the City could be subject to lawsuits and loss of its land use authority. The potential consequences that could result from a successful court challenge include mandatory rezoning, court approval of high-density residential projects, or a moratorium on land use approvals or building permits until the Housing Element is found in compliance with state law. Cities may also be ordered to pay substantial attorneys fees to a successful party challenging the Housing Element.

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Appendix D – List of Acronyms

AB	Assembly Bill
AMI	Areawide Median Income
CCC	California Coastal Commission
CCRL	California Community Redevelopment Law
CDBG	Community Development Block Grant
CDP	Coastal Development Permit
CEQA	California Environmental Quality Act
CUP	Conditional Use Permit
DOF	California Department of Finance
DU	Dwelling unit
ELI	Extremely low income
ESHA	Environmentally Sensitive Habitat Area
FAR	Floor area ratio
FMR	Fair market rent
HCD	California Department of Housing and Community Development
HMDA	Home Mortgage Disclosure Act
HUD	U.S. Department of Housing and Urban Development
LCP	Local Coastal Program
LIP	Local Implementation Plan
MF	Multi-family
RHNA	Regional Housing Needs Assessment
SB	Senate Bill
SCAG	Southern California Association of Governments
SF	Single-family

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