Resolution No. 19 – 001

A resolution of the Rent Control Board of the City of Santa Monica urging the City Council to (1) impose a moratorium on the development of new projects on sites in the Pico Neighborhood that previously had been occupied by rent controlled units until (a) the City Council completes its evaluation of possible zoning restrictions on properties from which units were withdrawn from the market under the Ellis Act; and (b) the City Council completes its adoption of a Pico Neighborhood Plan; and (2) consider increasing affordable-housing in-lieu fees for projects that replace rent-controlled housing.

The Rent Control Board of the City of Santa Monica resolves as follows:

WHEREAS, in 2018, the City Council prioritized the Pico Neighborhood Plan, to improve all aspects of community wellbeing in the Pico neighborhood, including health, learning, economic opportunity, housing and connectivity; and

WHEREAS, the Pico neighborhood is the City's most culturally diverse neighborhood, hosting people from a variety of ethnic backgrounds, and is also home to a significant number of the City's economically vulnerable persons; and

WHEREAS, many of those who live in the Pico neighborhood live in rental units, primarily in multifamily buildings; and

WHEREAS, due to the unprecedentedly-high initial rents for new tenancies, persons displaced from rental units in the Pico neighborhood are unlikely to find new housing in or near the City of Santa Monica, much less in or near the Pico neighborhood, which is the locus of their economic, social, cultural life and support systems; and

WHEREAS, the loss of current residents from the Pico neighborhood due to redevelopment would likely irrevocably destroy that neighborhood as an ethnically and culturally rich and diverse part of our city; and

WHEREAS, as a predicate to the redevelopment of existing multifamily buildings, apartment owners must first remove their buildings and displace their tenants from those buildings under the Ellis Act; and

WHEREAS, the City Council has commissioned a study to better understand the forces that lead to the use of the Ellis Act, and could use the results of that study to inform the Pico Neighborhood Plan, as well as the City's zoning priorities in general; and

WHEREAS, while recognizing that some redevelopment is inevitable and, in some cases desirable, it is essential that persons displaced as the result of such development be able to find local affordable housing; and

WHEREAS, the cost of constructing such housing continues to increase, such that current affordable-housing in-lieu fees are increasingly insufficient to create enough units to provide housing for the most vulnerable displaced persons; and

THEREFORE BE IT RESOLVED that the Rent Control Board of the City of Santa Monica hereby recommends that the City Council of the City of Santa Monica impose a moratorium on the development of new projects in the Pico neighborhood on sites that previously had been occupied by rent-controlled units, until the City Council finalizes and adopts the Pico Neighborhood Plan.

BE IT FURTHER RESOLVED that the Rent Control Board of the City of Santa Monica hereby recommends that the City Council of the City of Santa Monica impose a moratorium on the development of new projects in the Pico neighborhood on sites that previously had been occupied by rent-controlled units, until the City Council has completed its review of its commissioned Ellis study and made any changes to the City's zoning laws that appear to the Council to be warranted by that study.

BE IT FURTHER RESOLVED that the Rent Control Board of the City of Santa Monica hereby recommends that the City Council consider increasing affordable housing in-lieu fees for projects that replace rent-controlled housing.

PASSED, APPROVED, AND ADOPTED this 14th day of March, 2019.

Caroline Torosis, Chair

ATTEST:

Lonnie Guinn, Board Secretary